Drivers of customer store choice behavior

Acquisition and retention of loyal customers

Borsje, M.V.

Erasmus School of Economics and Business Economics

Supervised by: Dr. A.C.D. Donkers

Name: Micha Borsje

Student number: 313617

Mail: micha1988borsje@gmail.com

Specialisation: Marketing (Economics and Business)

Thesis: Master

Date: June 4, 2013

Telephone number: 06-13726716

Abstract

This research examines customer store choice behavior that is based on different kinds of drivers and various customer characteristics. The analyses review grocery customers who decide to do their shopping at various supermarkets. Basically, this thesis explores why and how different kinds of customers determine to which specific supermarkets they decide to go. These decision processes are influenced by several store drivers, for instance prices of products, service quality of stores, product variation of assortments, location of supermarkets and store atmospheres. Besides these factors, those decision processes are affected by several customer characteristics, for example emotional attachment and orientation levels of customers. Based on all these elements, customers decide to attend particular supermarkets.

As a result of the above defined research dimensions, supermarkets should obtain knowledge and information about customer decision processes with respect to individual supermarket choices. As a consequence, supermarkets should adjust and improve their marketing strategies and policies in favor of those specific store drivers and customer characteristics in order to better and more easily attract and retain loyal customers.

Thus, the purpose of this thesis is to answer the following research question:
How do supermarkets acquire and retain loyal customers? This basic question is tested with the help of multiple constructed hypotheses which measure the influences of store drivers and customer characteristics on the actual supermarket choice behavior of customers. The results indicate that supermarkets should only focus on the examined drivers of customer store choice behavior in order to better and more easily attract and retain loyal customers.

Keywords: Customer loyalty, supermarket choice behavior, drivers of store choice

Acknowledgements

I would like to thank a few people who have helped me during the process of writing this thesis.

First and most important, I would like to thank my supervisor Dr. A.C.D. Donkers for his superior insights and support. He was a great source of inspiration and he helped me with difficult problems.

For instance, he always responded very quickly on my questions and he often gave informative and helpful feedback. Second, I would like to thank my family for supporting and motivating me during the writing process of this thesis. They encouraged me to finalize my Master Marketing and to set up an interesting thesis. They even helped me with providing good ideas and interesting notions for my thesis.

Third, I would like to thank my friends for listening during the process of writing this thesis.

They stimulated me to continue working on my thesis and graduation process. They inspired me to hold on and to persist in difficult times.

- Micha Borsje, June 4, 2013

Contents

List of Figures

List of Tables

Chapter 1 Introduction

'It makes little difference how many university courses or degrees a person may own. If he cannot use words to move an idea from one point to another, his education is incomplete.'

- Norman Cousins

This chapter provides an introduction to this thesis. The introduction starts with the description of the general subject of this thesis in section 1.1. In this section, the scientific and social relevance and the purpose of this thesis will be discussed.

Further, in section 1.2 the research approach will be defined and a research question and some hypotheses will be formulated. These hypotheses will be supported with academic theories from several scientific articles and papers.

After that, the strategies for data collection and analyses will be reviewed. Especially, the research approach will be explained and this will all be done in section 1.3.

1.1

Consumers shop at different stores based on various reasons. The aim of this research is to explain this customer store choice behaviour. First, the subject of this thesis will be correctly formulated. Second, the scientific and social relevance of this thesis will be reviewed based on theoretical and academic articles and papers.

1.1.1 Subject of thesis

In times of economical depressions it is hard for companies to acquire and retain customers and to maintain profits. As a result of the economic crisis, consumers are cutting down their expenses and are looking forward to the most efficient and convenient way of spending and saving their budgets. As a consequence, various industries with corresponding businesses have had and still have problems to continue their activities. An example of such an industry is the grocery market. Within this branch, different supermarkets have faced and still face problems concerning their acquisition and retention process of customers and their maintenance of profits (van Heerde et al., 2008).

Due to the economic crisis, grocery customers pay attention with respect to the manner in which their budgets are spent. Customers compare various supermarkets based on their different attributes, for instance the availability of products, the prices of products and the quality of products (Tang et al., 2001). Based on these drivers of customer store choice behaviour, supermarkets should try to most effectively adapt their marketing strategies and policies in favour of those store attributes. For example, stores themselves are capable to decide which products should be offered against certain prices. To ensure that customers will recognize a particular supermarket as the best and most preferred supermarket, grocery stores use several marketing strategies to most easily acquire and retain loyal customers. Thanks to these various marketing policies, supermarkets are able to influence and affect customer store choice behaviour in order to attract and retain loyal customers for profit objectives.

The grocery stores should apply several marketing mix decisions, for instance supermarkets could implement different advertising tools, promotional tools, pricing strategies and product strategies (Carpenter and Moore, 2006). Based on the specific implementation of particular tools, multiple goals and objectives could be obtained. However, the overall aim of marketing mix strategies and policies is to acquire and retain customers in order to ensure profitability. As a result, supermarkets should integrate different tools in various ways to influence and affect customer store choice behaviour.

1.1.2 Scientific and social relevance

As a result of the persistent economic recession, grocery customers are forced to efficiently handle their budgets. Therefore, supermarkets have to fight to most perfectly attract and retain different kinds of customers in order to maintain solid profits (Omar and Sawmong, 2007). The most effective tool to conquer this difficult fight is the correct implementation of accurate marketing strategies and policies that fit the drivers of customer store choice behaviour. These drivers determine specific customer shopping behaviour and function as the major opportunity for supermarkets to acquire and retain loyal customers and eventually obtain stable profits.

According to Carmen Berne, Jose M. Mugica and Pilar Rivera (2005) retailers attempt to acquire and retain customers and their corresponding budget behaviour for profitability purposes. Through the implementation of various store formats, retailers try to attract several customer segments. Due to these different formats, management teams have to set up common and specific policies and strategies. Based on a large amount of literature, it has been proven that customers attend different stores based on various general and specific reasons. Most of these customers prefer specific stores as their main stores and within these stores those customers spend approximately 94% of their weekly expenditures. Consequently, only 6% of the weekly budgets are spend at other stores and therefore it is very important for retailers to attract and retain loyal customers who are willing to accept and acknowledge specific stores as their main stores.

Drivers of customer store choice behaviour determine the extent in which customers are willing to remain loyal to specific stores or indicate the level in which customers are prepared to switch to other stores. Based on the implementation of different store formats, the researchers examine varied behaviour of customers with respect to different store locations and product prices. The authors reveal the following conditions: First, customer satisfaction, based on drivers of customer choice behaviour, is negatively correlated with varied behaviour. In other words, customers will stay loyal to their main stores if they are satisfied with their current main stores. These customers will not switch to other stores. Second, the availability of alternative stores has a positive effect on varied behaviour and the presence of barriers has a negative effect on varied behaviour. Thus, customers will more easily switch to other stores if there are more substitute stores in the neighbourhood and they will more often remain loyal to their main stores if changing to other stores is quite comprehensive. Third, store format differences have a significant impact on varied behaviour. As a result, customers react different towards

individual drivers of customer behaviour based on their specific main stores with corresponding characteristics and various formats.

To conclude, management teams of different kinds of retailers could indeed influence and affect customer store choice behaviour. Based on the precise implementation of specific marketing strategies and policies, managers could more easily acquire and retain loyal customers in order to satisfy positive profitability objectives.

According to Hans S. Solgaard and Torben Hansen (2003) the grocery retail market consists of supermarkets which operate based on different pricing policies, product assortments and service levels. These various supermarkets function different and they primarily focus on price policies and strategies. Customers decide to do their shopping at specific stores based on several determinants, for instance product assortment, service quality, store location and prices, and their corresponding utility ratings. Ultimately, customers compare the benefits and costs and pick the stores with the highest utilities.

First, customers evaluate the available stores in terms of the above described criteria. Second, customers choose the stores with the highest utilities in order to maximize their satisfaction levels. Basically, the authors discover the following relationships: Product prices, product assortment and store locations are seen as the most important drivers of store choices. On the contrary, service quality is not seen as a driver of store choices.

Concluding, customers decide to attend the stores which produce the highest personal utilities. These utilities are composed of benefits which consist for example of product assortments and costs which exist for instance of product prices. As a consequence, customers choose specific stores based on optimal differences between the benefits and costs. This results in opportunities for management teams because they could implement effective marketing strategies and policies in order to enhance customer utilities. For instance, stores could try to adapt their specific store attributes to improve their attractiveness and eventually to acquire and retain loyal customers.

The research is scientific and social relevant because there is a lot of research done in terms of drivers of customer store choice behaviour within the grocery or retail market. This research will contribute to the academic world because there is little research done about specific drivers of customer store choice behaviour with regard to individual customer characteristics. Consequently, the research will be differentiated from other academic and scientific articles and papers.

1.2

In order to examine customer choice behaviour, the research has to have clear objectives in terms of measurable variables. First, the research approach will be developed. Second, the problem of this thesis will be formulated and several hypotheses will be composed.

1.2.1 Research approach

This research will examine how supermarkets could most effectively acquire and retain loyal customers within a competitive environment with economical pressure. The analysis will especially explore which reasons customers use in their decision processes about which supermarkets belong to their primary choices (Theodoridis and Chatzipanagiotou, 2009). In other words, the analysis focuses on the drivers of customer store choice behaviour and on how supermarkets could adapt and improve their marketing strategies and policies in order to most easily acquire and retain loyal customers. The research will review several typical Dutch supermarkets which are well known by the general Dutch population. These different traditional Dutch supermarkets are the following ones: Albert Heijn, Jumbo, Plus, Aldi and Lidl. These supermarkets have implemented various marketing strategies and those strategies could be better connected to particular drivers of specific customer groups (Hortman et al., 1990).

Thus, this thesis will discuss multiple supermarkets and the analysis will examine several drivers of customer store choice behaviour in order to better match marketing strategies and policies with actual customer behaviour. As a consequence, supermarkets will be able to more easily acquire and retain loyal customers.

Based on the above described approach, the following research question could be formulated:

How do *supermarkets acquire and retain loyal customers?*

The stated research question will be analysed based on the following factors: First, I will provide a review of the different theoretical and scientific models with regard to the various drivers of customer store choice behaviour. Second, I will construct a survey and based on the analysis of this survey the above defined research question will be answered. At last, the research will be concluded.

1.2.2 Problem definition and hypotheses

To answer the research question as presented above, the research contains the following hypotheses:

H1a: Supermarkets with high prices are less attractive than supermarkets with low prices

H1b: Low prices are more important for low income customers than high income customers

H2a: Supermarkets with low service quality are less attractive than supermarkets with high service quality

H2b: High service quality is more important for frequent emotionally attached customers than infrequent emotionally attached customers

H3a: Supermarkets with low product variation are less attractive than supermarkets with high product variation

H3b: High product variation is more important for well developed preference customers than poor developed preference customers

H4a: Supermarkets with a long distance location are less attractive than supermarkets with a short distance location

H4b: A short distance location is more important for low mobility customers than high mobility customers

H5a: Supermarkets with an unpleasant store atmosphere are less attractive than supermarkets with a pleasant store atmosphere

H5b: A pleasant store atmosphere is more important for state oriented customers than action oriented customers

As already indicated by most of the scientific literature, the research will focus on the following drivers of customer store choice behaviour: product prices, service quality, product variation, store location and physical store (Beneke et al., 2011). The above formulated hypotheses are based on several key drivers of customer store choice behaviour. These drivers determine the store choices of customers within the competitive retail environment. As a consequence, supermarkets should adjust and improve their marketing strategies and policies in favour of those drivers in order to better acquire and retain loyal customers. Based on the conclusions for the different hypotheses and research question, supermarkets will be able to perfectly design effective and efficient marketing mix plans which positively influence and affect customer behaviour. As a result, supermarkets will be better prepared to compete for loyal customers and to resist economical pressure.

1.3

In order to measure variables, the research has to have a concrete design in terms of analyses. In this section, the methods for the data collection and analyses will be explored.

1.3.1 Data collection and analyses

The analysis will be based on scientific and academic theories and models collected from several articles, papers and marketing books. Besides the theoretical drivers of customer store choice behaviour, this thesis will contain collected data through a taken survey. The research will be structured as follows: First, this thesis will include an exploratory analysis. Second, this thesis will contain a descriptive analysis. At last, this thesis will have a causal analysis.

First, the research starts with an exploratory analysis which contains a qualitative research based on an extensive literature search with respect to related work about various theories and models of theoretical drivers of customer store choice behaviour. Second, the research includes a descriptive analysis which contains a quantitative research based on a cross section survey among customers from the grocery branch. Third, the research produces a causal analysis which contains results with regard to the formulated hypotheses and defined research question based on the analyses of the taken survey.

The survey will be conducted among consumers from the retail market. Basically, it means Dutch citizens who buy their groceries in supermarkets. These customers of different supermarkets perfectly represent the correct sample for survey objectives. After the survey is recorded, the results will be analysed with the help of SPSS. These SPSS analyses will account for several control variables, for example gender and age distributions. The executed survey will focus on customers with specific drivers of store choice behaviour. As a consequence, customers decide to do their shopping at different supermarkets based on various reasons and this research will outline those individual drivers of customer store choice behaviour. As a result, it will be possible to compare the outcomes of the analyses about the important drivers of individual supermarkets and to discover similarities and differences between them. These results will allow supermarkets to better design and implement particular marketing strategies and policies in order to more easily acquire and retain loyal customers.

Based on the theoretical background, various analyses and following results, the stated research question and hypotheses will be answered. Besides a conclusion, this thesis will refer to future research.

Chapter 2 Theoretical background

2.1

This chapter provides an overview of the research that already has been done in the fields of choice behaviour and drivers of store choice. In section 2.1, literature about choice behaviour will be discussed. First, choice behaviour will be introduced. Second, various general models will be handled. Third, several specific models will be reviewed. At last, the theoretical models will be concluded.

2.1.1 Introduction choice behaviour

In every industry companies want to forecast how customers respond to certain marketing efforts, loyalty programs and price discounts. Basically, businesses want to discover how customers are affected by these variables in terms of expenditures at particular stores. It is important for enterprises to measure how customers disperse their budgets and purchases across competing stores and how stores themselves could increase the share of wallet expenditures of their customers (Berne et al., 2005). Industries with this kind of knowledge will be better prepared to implement the correct marketing strategies and policies in order to acquire and retain loyal customers. Given that the aim of this research project is to spot the way in which stores could effectively acquire and retain loyal customers, the academic and scientific choice behaviour models will help to obtain this purpose.

2.1.2 General models

According to Peter M. Guadagni and John D.C. Little (1983) understanding of how marketing variables affect the sales and shares of products, is the basis for marketing mix decisions. Several marketing variables have a tremendous effect on customer choices, for example price cuts and promotion tools. Thanks to scanned supermarket purchase data, the authors have examined different customer choice models through offering the competitive environment of the customer decision. Based on scanner-collected coffee purchases, a multinomial logit choice model is constructed to demonstrate the basis for marketing mix decisions.
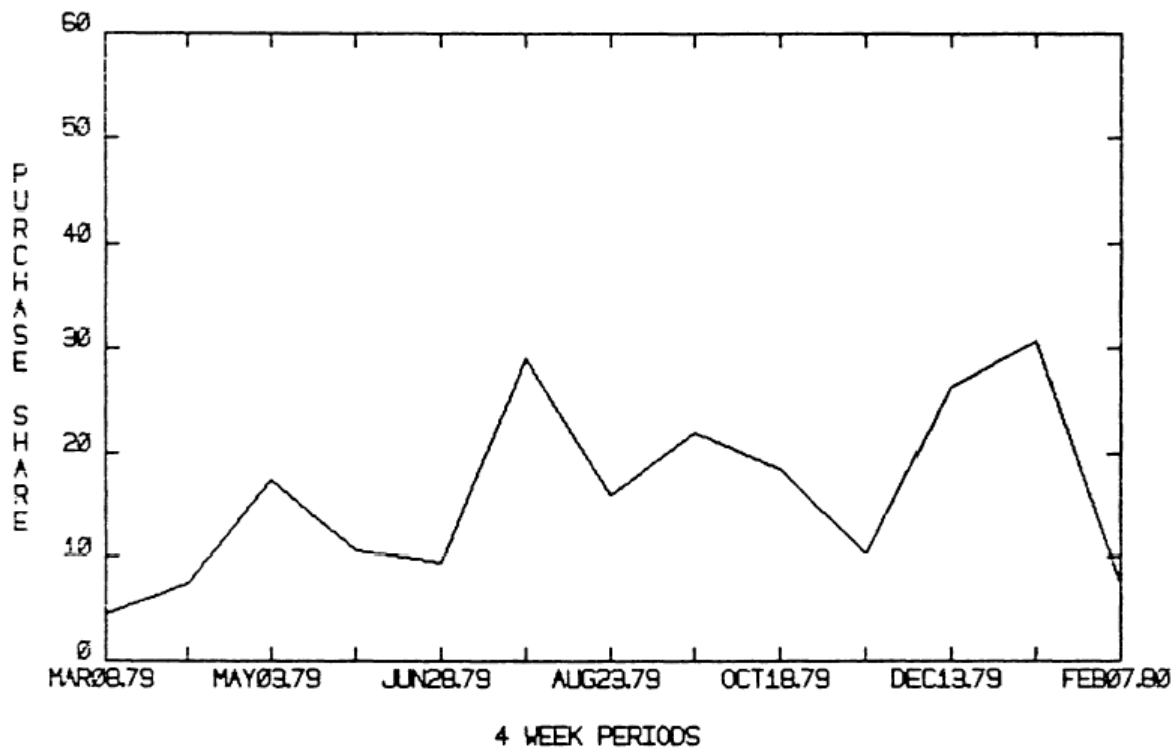
FIGURE 1. The Share of Purchases of a Major Coffee Brand-Size as Recorded in a Panel of 100 Kansas City Households Shows Great Variability. (Dates Shown are the Starting Days of Four-Week Periods.)

Figure 2.1: The trend and peaks show great variability over a year and the purpose of the different choice models is to predict and forecast this behaviour with regard to marketing mix decisions (Guadagni and Little, 1983).

With the developed choice model, as illustrated in figure 2.1, it is possible to understand and predict customer choice behaviour. The model assesses the probability of choosing alternatives as a function of the attributes of all the alternatives available. The alternatives with the highest customer utility will be chosen and customer utility exists of values for various attributes of those particular alternatives. As a result of the correct prediction of those chosen alternatives, customer choice behaviour could be forecasted. The constructed choice model exists of coffee brand and size choices dependent on various marketing actions, for example pricing strategies, availability of promotions and presence of loyalty. These variables affect the utility functions of customers and eventually determine which alternatives will be chosen. The developed model, as listed in figure 2.2, illustrates the theoretical and practical impact of choice models on choice behavior since the predicted purchase shares fit the actual purchase shares quite well.
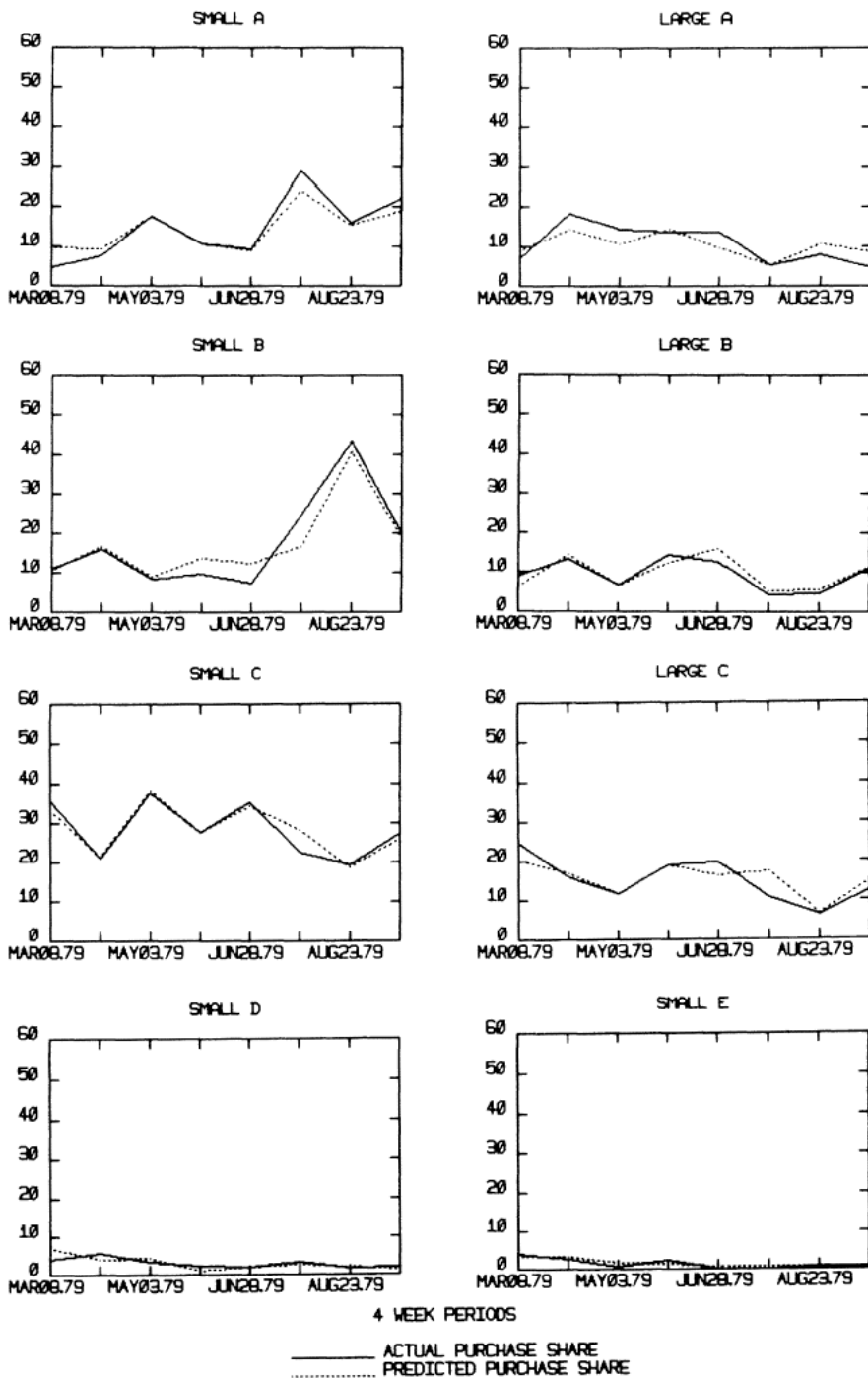
FIGURE 4. Predicted Share of Purchases Tracks Actual Share Closely for the Calibration Sample over the Calibration Period.

Figure 2.2: The predictions of the model are quite accurate and with this model it is possible to forecast

choice behavior and to adjust marketing mix decisions in favor of specific choices

(Guadagni and Little, 1983).

18

The model indicates that brand and size loyalty matter the most, followed by promotional actions and pricing strategies. As a result, attributes and variables explain customer behavior based on the derived utility functions. Due to this knowledge, customer behavior across stores could be predicted. As a consequence, specific market responses should be covered based on various marketing efforts. Therefore, this research has implications with respect to marketing strategies and policies of several stores. For instance, customers with high utilities for particular products, in other words loyal customers, have high repurchase probabilities which lead to major insensitiveness with regard to marketing actions. Besides these customers, there exists a group of customers that represents the switchers and these customers are less loyal and are quite sensitive with respect to marketing efforts.

To conclude, it is very important for stores to understand how marketing variables affect the sales and shares of products. Through choice models customer behavior could be predicted and from that effective and efficient marketing mix decisions, marketing strategies and policies should be constructed.

According to Roland T. Rust, Katherine N. Lemon and Valarie A. Zeithaml (2004) strategic marketing decisions should be based on their financial impact instead of the experience and intuition of different marketing officers. The authors introduce a practical and high-level model with the purpose to trade off several marketing strategies. Basically, the model depicts the effects of marketing expenditures on customer equity with the goal to achieve a high level of customer lifetime value. Since marketing has been shifted from a brand-centered viewpoint towards a customer-centered viewpoint, customer equity has received more attention. Customer equity is defined as follows: 'as the total of the discounted lifetime values summed over all of the firm's current and potential customers.' This definition suggests that opportunities for companies are situated in improvements of drivers of customer equity.

A general return on marketing model is displayed in figure 2.3. The authors create a new model which includes brand switching behavior because competition between brands is seen as a central element of choice behavior and eventually of customer equity. Brand switching behavior is explained by the switching-matrix that consists of the acquisition and retention process of customers. The businesses want to acquire and retain customers through implementation of the most effective marketing expenditures with the highest returns. The purpose of the model is to connect drivers of specific customer choices with individual effects of marketing efforts. Practically, customers have to rate the performances of brands or stores based on each possible driver. As a result, customer lifetime value could be calculated which enables officers to implement the best marketing strategies.

19

FIGURE 1
Return on Marketing

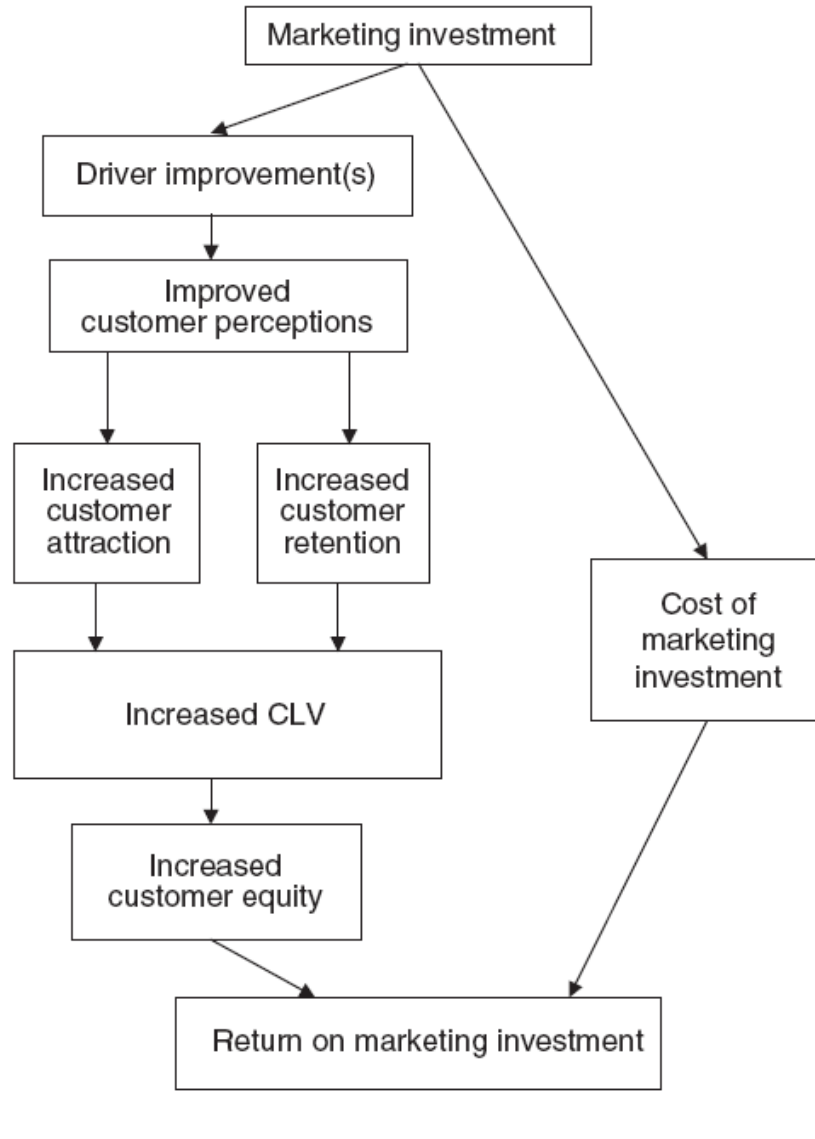*Figure 2.3: Return on marketing is viewed as the basis for strategic marketing decisions*
(Rust et al., 2004).

The return on marketing model operates upon the above described utility functions of Peter M. Guadagni and John D.C. Little and the model is extended with several drivers of choice behaviour. The constructed model illustrates a shift in choice behaviour through a shift in derived utilities based on

a shift in drivers. As a consequence, customer lifetime value will progress and eventually customer equity will improve under the condition that marketing expenditures will create profits. The developed model exists of collected customer data from the airline industry and concerns three strategic investment categories. These three categories regard perceived value, brand equity and relationship management. The model explains which drivers determine customer choice behaviour through principal components multinomial logit regression. Based on the analysis, the authors discover the following relationships: First, within the perceived value category convenience and quality are seen as the most important drivers. Second, within the brand equity category direct mail information, ad awareness and ethical standards are seen as the most important drivers. Third, within the relationship management category loyalty programs and preferential treatments are seen as the most important drivers.

As a result, various drivers have their own individual influences and specific effects on choice behaviour which is the basis for calculation of customer lifetime value and customer equity.

TABLE 5
Projected ROI from Marketing Expenditures

Company (Industry)	Area of Expenditure	Geographic Region	Investment	Amount Improved	Percentage Improvement in Customer Equity	Dollar Improvement in Customer Equity	Projected ROI
American (airlines)	Passenger compartment	United States	$70 million	.2 rating point	1.39%	$101.3 million	44.7%
Puffs (facial tissues)	Advertising	United States	$45 million	.3 rating point	7.04%	$58.1 million	29.1%
Delta (airlines)	Corporate ethics	United States	$50 million	.1 rating point	1.68%	$85.5 million	71.0%
Bread & Circus (groceries)	Loyalty programs	Local market	$100,000	.5 rating point in two measures	7.04%	$87,540	−12.5%

Table 2.4: The financial impact of marketing expenditures based on drivers of customer choice behavior and eventually of customer equity (Rust et al., 2004).

The model defines financial impact of marketing expenditures in terms of improved customer drivers and eventually customer equity. The improved customer equity, in terms of money, has to be greater than the investment, in terms of monetary marketing expenditures, in order to create a positive financial outcome. This designed framework, as projected in table 2.4, enables marketing managers to compare different marketing expenditures and financial consequences based on customer equity ratings. Through these comparisons, managers should be able to implement the best strategic marketing decisions to enlarge customer equity and eventually to acquire and retain loyal customers.

The scientific and academic literature with respect to general models in choice behaviour is enormous and extensive. A lot of researchers have discussed various choice behaviour models and as expected there exist multiple completely different models. Every industry has to deal with its own specific customer segments and customer equity drivers. Therefore, every branch has its own individual response to customer behaviour, its own methodology to increase future customer equity and eventually to acquire and retain loyal customers.

2.1.3 Specific models

According to Jillian C. Sweeney and Geoffrey N. Soutar (2001) customers buy products and services based on their perceived values. The authors define perceived value as 'the consumer's overall assessment of the utility of a product (or service) based on perceptions of what is received and what is given.' In other words, customers define perceived value as the trade-off between price and quality. The perceived values of products and services with the highest utilities will be the first choices of customers. This concept does not capture extra dimensions of perceived value, for example services and special features.

The researchers have proposed a new model with regard to perceived value. As explained in table 2.5, perceived value exists of four different dimensions which have their own individual impact on the utility functions of customers. These four layers include quality, price, social value and emotional value.

Emotional value	the utility derived from the feelings or affective states that a product generates
Social value (enhancement of social self-concept)	the utility derived from the product's ability to enhance social self-concept
Functional value (price/value for money)	the utility derived from the product due to the reduction of its perceived short term and longer term costs
Functional value (performance/ quality)	the utility derived from the perceived quality and expected performance of the product

Table 2.5: The definitions of the four dimensions of perceived value (Sweeney and Soutar, 2001).

As discussed in table 2.6, the analysis reveals the following relationships: A high level of perceived value has a positive effect on the willingness to buy the product or service at a particular store, has a positive effect on the recommendation of the product or service to the environment and has a positive effect on the expectations about the product or service itself. Thus, it is very important for stores to offer products or services that have a high level of perceived value for customers because this perceived value forms and determines the attitude and behaviour of customers. In other words, marketing strategies and policies should be adjusted in favour of the four dimensions of perceived value in order to better attract and retain loyal customers.

TABLE 5
Relative Importance of the Four-Value Dimensions in Predicting Behavior: Results of Stepwise Regression

Outcome	Dimension	Standardized Slope coefficient	T values	Adjusted R^2	Variance explained by single item— 'This prodcut offers value for money'
I would be willing to buy this item at this store	Quality	0.35	9.20	0.68	0.29
	Emotional	0.62	16.21		
	Price	0.38	9.93		
	Social	0.19	4.88		
I would recommend this item to friends or relatives	Quality	0.46	11.30	0.62	0.23
	Emotional	0.48	11.75		
	Price	0.31	7.53		
	Social	0.29	7.09		
I would not expect any problems with this item	Quality	0.55	11.38	0.48	0.24
	Emotional	0.31	6.49		
	Price	0.21	4.27		
	Social	0.21	4.30		

Table 2.6: The relationships between the four dimensions of perceived value and the prediction of customer behavior (Sweeney and Soutar, 2001).

To conclude, it is clear that the developed model shows the impact of four dimensions of perceived value on customer choices. Based on the utilities derived from products and services, customers decide which products or services belong to their first choices. Managers should try to improve the perceived value drivers in order to better acquire and retain loyal customers. Therefore, marketing strategies and policies have to be focused on the attitude and behavior of customers.

According to Hongjai Rhee and David R. Bell (2002) retailers or supermarkets have to balance their proportions of attracting new customers and retaining existing customers. Generally, supermarkets are most successful when existing customers are simply retained and new customers actively pursued. The authors discuss the determinants of shopper mobility and they define mobility as 'the willingness of shoppers to undertake these transitions and move the majority of their purchases from one store to another.' In other words, mobility states that customers are prepared to switch the majority of their budgets from one store or supermarket to another. Customers have several reasons for this switching behavior and the aim of this article is to discover which determinants assess the mobility concept.

Managers should improve marketing strategies and policies in order to decline switching behavior among their customers and eventually to better attract and retain loyal customers. Based on the determinants of shopping mobility, supermarkets should be able to adjust their marketing mix elements and actions in order to reinforce their images. As a consequence, supermarkets should be capable to more easily attract new customers and more simply reject mobility behavior of existing customers. The research focuses on the determinants of shopping mobility of supermarket customers and the following model is constructed: All customers have their own main stores in which the majority of their budgets are spend. Within each shopping trip, customers are able to switch from their main stores to other stores based on several reasons. To discover which reasons cause switching behavior is quite important for supermarkets because based on that information they are capable to adjust their marketing strategies and policies in favor of those determinants.

The analysis describes the following relationships: There exists a wide variation between households as drafted in figure 2.7. The individual households differ in quantity with regard to their switching behavior and they vary as well with respect to the underlying reasons for their shopping mobility. The research indicates the following determinants of switching behavior or shopping mobility: The most important variables concern the average expenditures per trip and the average shopping frequency. For example, switching behavior decreases with average expenditures and increases with average shopping frequency. Besides these factors, duration variables have a significant effect on shopping mobility. For instance, switching behavior decreases with the longer a customer is devoted to a particular main store. At last, other variables such as demographic features have an impact on customer behavior but these factors do not seem to be crucial with respect to the transition process.
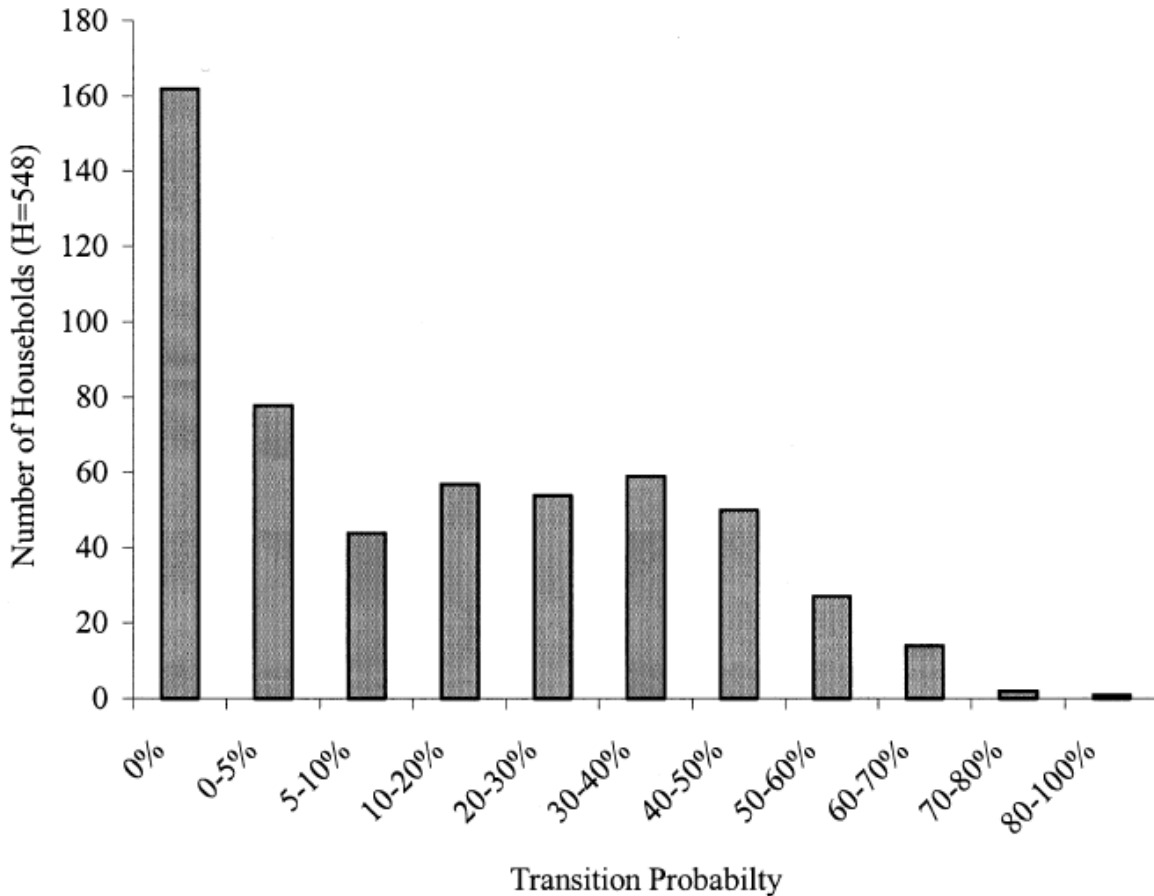
Fig. 1. Distribution of transition rates across households.

Figure 2.7: The transition rates of households: The percentage of households that switch their main stores for other stores measured in terms of a percentage in weeks (Rhee and Bell, 2002).

To conclude, it is quite important for retailers or supermarkets to reveal the determinants of customer switching behavior. Through this knowledge, managers should be able to improve marketing strategies and policies in favor of those specific drivers of shopping mobility. As a result, companies could better attract and retain loyal customers and prevent them from the transition process.

The theoretical literature with respect to specific models in choice behaviour is comprehensive and prominent. A lot of papers and articles have discussed several choice behaviour models in the context of retailers or supermarkets. There exist multiple individual models which stimulate and activate retailers or supermarkets in their own special way. Therefore, every store has to deal with its own difficulties in a different way with regard to customer choice behaviour. For instance, a lot of supermarkets have to deal with different drivers of customer choice behaviour. As a result,

25

these supermarkets should adapt their marketing strategies and policies in different ways in order to attract and retain loyal customers.

2.1.4 Conclusion choice behaviour

After a deep evaluation of various general and specific choice behaviour models it is obvious that individual stores, from different branches and countries, deal with various drivers of customer choice behaviour. The attitude and behaviour of customers differ widely per segment and therefore the academic literature does not seem to have an unambiguous model for the multiple customer and store situations.

Thus, choice behaviour models have a lot of differences but they have as well quite some similarities. For instance, most of the models describe utility functions based on values for the attributes of the alternatives available. Customers will choose the alternatives with the highest personal utilities. These alternatives cover products and services but concern as well the decision processes for particular stores. In other words, customers will act based upon the ascribed utilities for different alternatives and eventually they will select the alternatives which are most preferred in terms of utilities.

This universal model has consequences with regard to marketing strategies and policies of supermarkets within the retail environment. Basically, supermarkets have to measure which determinants seem to be crucial with respect to store choice decision processes. Supermarkets that have the knowledge about specific customer choice behaviour develop benefits in order to more easily define efficient and effective marketing strategies and policies. These supermarkets could better implement decent marketing mix decisions which result in a positive impact on the acquisition and retention process of loyal customers.

2.2

Literature about drivers of store choice will be discussed. First, drivers of store choice will be introduced. Second, several general models will be reviewed. Third, various specific models will be handled. At last, the theoretical models will be concluded.

2.2.1 Introduction drivers of store choice

Besides understanding customer choice behaviour, it is important for industries to discover the underlying reasons of customers in their store choice decision processes. These drivers of store choices are quite important for companies to reveal because the exposure to drivers offers the businesses the opportunity to adjust their marketing strategies in favour of those particular drivers. Stores with this kind of knowledge have information about their own strengths, weaknesses, opportunities and threats. Therefore, these supermarkets are better prepared to implement the correct marketing policies and strategies in order to acquire and retain loyal customers (Theodoridis and Chatzipanagiotou, 2009). Since the aim of this research project is to detect the way in which stores could achieve effective and efficient marketing strategies for the acquisition and retention processes of loyal customers, the scientific and academic drivers of store choice models will help to obtain this purpose.

2.2.2 General models

According to Verena Vogel, Heiner Evanschitzky and B. Ramaseshan (2008) management teams of companies invest in marketing programs without the knowledge of these investments lead to any returns. Customer equity, a measure of the value of a customer in the future, should be the basis for marketing mix decisions and marketing inputs should be linked to customer behaviour. The authors propose a model which contains loyalty, drivers of future sales and changing customer behaviour. Based on customer equity and future sales, companies and managers should adjust and improve their marketing strategies and policies in order to better attract and retain loyal customers.

The authors define loyalty as 'intentions that reflect favourable attitudes toward the brand or firm. The drivers of loyalty are complex and dynamic, and they change and evolve over time.' Thus, loyalty exists of several layers that determine the attitudes of customers toward a product or service. These layers concern value equity, relationship equity and brand equity. These equity drivers

are expected to have a positive impact on loyalty intentions. As a consequence, loyalty intentions have a

positive effect on attitudes of customers and eventually on future sales. Besides loyalty intentions,

past sales has a positive influence on future sales. The relationships between these variables are

summarized in figure 2.8.

FIGURE 1
Conceptual Model and Hypotheses
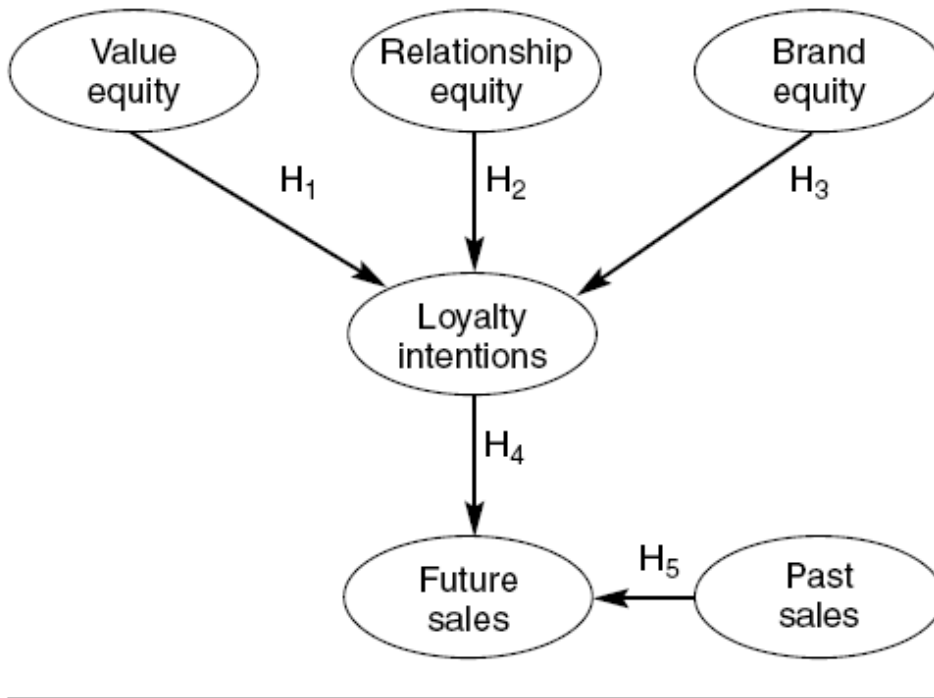
Figure 2.8: The relationships between drivers of loyalty and customer equity (Vogel et al., 2008).

Based on the analysis, the above stated relationships are confirmed. The three loyalty drivers

have a positive impact on the loyalty intentions which have a positive impact on future sales.

Therefore, it is quite important for companies and managers to build strong relationships with

customers, to build strong, unique and desirable brands and to build strong products and services which

meet the expectations of customers. As a result, customers will appreciate these loyalty drivers and will

create higher loyalty intentions. Eventually, customers will increase their spending behaviour and

consequently companies could obtain higher future sales.

To conclude, it is very important for companies and managers to adapt their marketing strategies and policies in favour of the three loyalty drivers in order to better attract and retain loyal customers.

According to Josée Bloemer, Ko de Ruyter and Pascal Peeters (1998) companies should implement several marketing strategies in order to retain customers and increase loyalty. The authors have examined the financial service industry which quite well characterizes the grocery industry. Banks frequently introduce innovative products and services to gain customer loyalty. Unfortunately, innovativeness does not lead to more loyalty and therefore banks should focus on other determinants of customer loyalty. The authors have examined the relationships between service quality, satisfaction, image and loyalty.

Service loyalty differs from product or brand loyalty, for example personal relationships and intangible attributes seem to be more important. Besides this, the definition of service loyalty deviates from other loyalty concepts and therefore other determinants of customer loyalty have to be measured. The model exists of a multivariate regression analysis which measures the impact of drivers on loyalty just as the research by Verena Vogel, Heiner Evanschitzky and B. Ramaseshan. As a result of the analysis, service quality, satisfaction and image positively influence and affect loyalty.

Based on an exploratory factor analysis, various dimensions of image and service quality are revealed for instance: customer contacts, position in the market, society driven, prices, reliability, empathy, efficiency, procedures and expertise. As a result of a multivariate regression analysis, the importance of the different dimensions with regard to loyalty is covered. The outcome of the model, as seen in figure 2.9, indicates that the most important determinants of loyalty are the following ones: reliability, satisfaction, position in the market, efficiency, customer contacts, empathy and society driven.

Practically, the model reports that service quality, satisfaction and image have a direct and indirect influence on customer bank loyalty and based on this knowledge banks could better implement effective marketing policies and strategies in order to retain loyal customers. For example, banks should invest in employees to improve the offered service quality, and they have to focus especially on the factors reliability and efficiency, which in turn will improve customer loyalty.

Figure 2
Model based on factor analyses in combination with ordinary multivariate least squares analyses
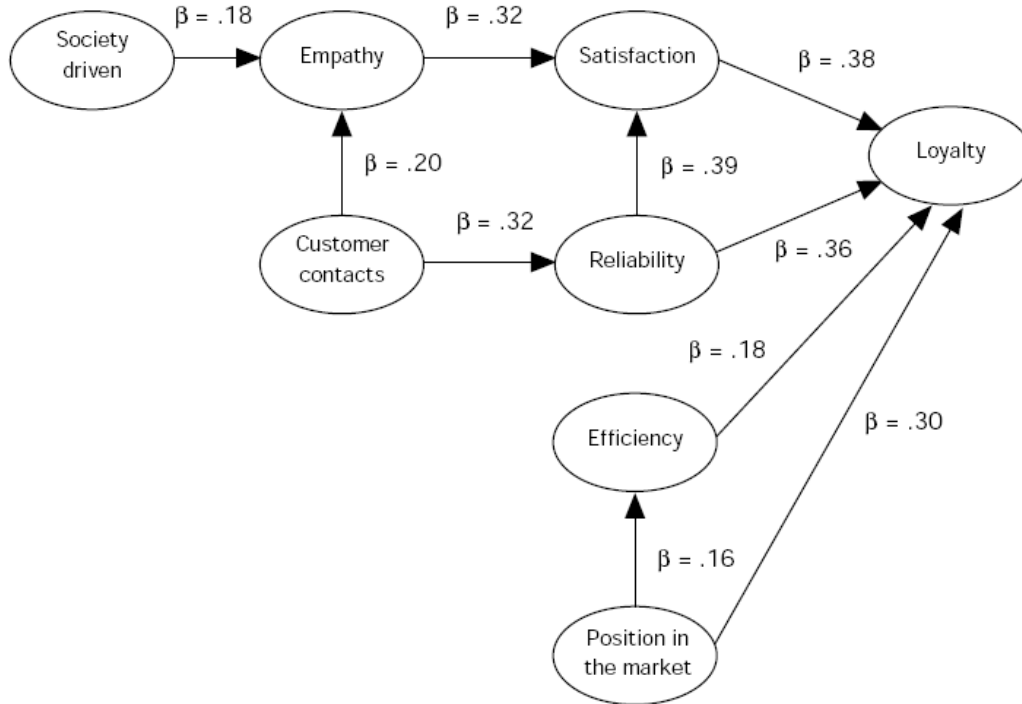
Figure 2.9: The most important determinants of loyalty based on direct and indirect effects (Bloemer et al., 1998).

The scientific and academic literature with respect to general models in drivers of store choice is broad and tremendous. A lot of papers and articles have reviewed different drivers of customer behaviour. Unfortunately, there does not seem to be a transparent conclusion in terms of which drivers cause certain customer behaviour. For example, every company deals with different kinds of customers and various drivers. As a consequence, some companies implement other marketing strategies and policies in order to acquire and retain loyal customers than other companies.

2.2.3 Specific models

According to Silvia Bellini, Maria Grazia Cardinali and Christina Ziliani (2011) it is important for supermarkets to understand how customers spend their budgets across several alternatives. Supermarkets have to aim to become and stay the first choice of customers in which they spend their entire budgets. Therefore, acquisition and retention processes of customers are quite important and supermarkets have to pursue loyal customers. The authors define loyalty as 'the customers whose share of purchases at one store exceeds 50 per cent of their total shopping.' Basically, it means that customers have to spend more than 50 per cent of their budgets at one particular supermarket. Because loyal customers are of high value for supermarkets, the implemented marketing strategies and policies aim to attract and retain loyal customers and to increase the loyalty among existing customers.

Grocery store attributes are considered as drivers of customer choice behaviour. In other words, customers decide to do their shopping at a specific store based on the importance and value of the grocery store attributes as seen in table 2.10. Besides the customers' point of view, retailers or grocery stores themselves assess several important store attributes or drivers as mentioned in table 2.11. As a result of the different tables, grocery stores have developed the following loyalty strategies and policies: The most important store attributes or drivers are the offered services, the implemented pricing strategies and the available product ranges. The authors are convinced that these attributes are the key factors in the process of attracting and retaining loyal customers.

Grocery stores pursue their own individual marketing strategies and policies to most effectively acquire and retain loyal customers. For example, one store immensely focuses on pricing while another store aims a lot on product range. So, all stores set up their specific objectives and usually customers perceive and notice these differentiations. As pointed out in figure 2.12, customers and retailers value the same attributes as the most important drivers. As a consequence, stores compete on these important attributes and they try to differentiate themselves from others. Stores use various important attributes, for instance service quality, pricing methods and product range, to attract and retain loyal customers.

Table 4. Consumer perception of differentiation of loyalty levers.

Approach	Sub-attribute	Perception 1 (same) to 3 (completely different)
Traditional levers (mass)		
Range	• Breadth of assortment (you can find a bit of everything) • Depth of assortment (you can find particular products) • Quality of fresh produce • Quality of private label	
Promotions	• Promotional prices • Prize catalogue • Minicollection point schemes • Special promotions (rewards for spending every X euro)	
Price	• Normal shelf prices	
Communication	• Communication of prices (general, department, shelf, etc.) • Communication of promotions • Communication of basic services (opening hours, checkouts, loyalty card, etc.) • Communication of loyalty programme (counter, prize display, panels and information materials, etc.)	
In-store marketing	• Store layout • Display of goods • Tasting opportunities and demonstrations • Competitions and games	
Environment	• Quality of service delivered by sales people • Quality of store environment (fittings, aisles width, shelf height, signage, etc.) • Cleanness and tidiness	
Technology	• Service technology (electronic kiosks) • Time-saving technology (self-scanning)	
Services	• Refreshments and restaurants • Games and recreation • Finance and insurance • Telecommunications services • Fuel	
Loyalty levers (targeted)	• Targeted promotions (checkout coupons, direct mail, SMS text messages, etc.) • Loyalty programme	

Table 2.10: The most important grocery store attributes, or drivers, perceived by customers (Bellini et al., 2011).

Table 6.   Loyalty levers from the point of view of retailers.

Loyalty levers	Average importance (scale 1–7)
Quality/price ratio of private label	6.3
Promotional prices	6.3
Quality of service in sales environment	6.1
Quality of service delivered by sales people	6.1
Normal shelf prices	6.1
Quality in range and availability of goods	5.9
Targeted promotion (coupons at checkout, direct mail, SMS text messages, etc.)	5.2
Long term loyalty building activities addressed to entire customer base (prize catalogue)	5.1
Card holder activities (magazine, e-newsletter, website)	5.1
Out of store advertising	5.0
Continual short term loyalty building activities aimed at entire customer base (minicollections or special promotions, i.e. rewards for every X euro spent)	5.0
In-store marketing levers	4.6
Customer care (call centres, customer satisfaction surveys, etc.)	4.3
Additional services	2.5

Table 2.11: The most important grocery store attributes, or drivers, based on the view of retailers (Bellini et al., 2011).
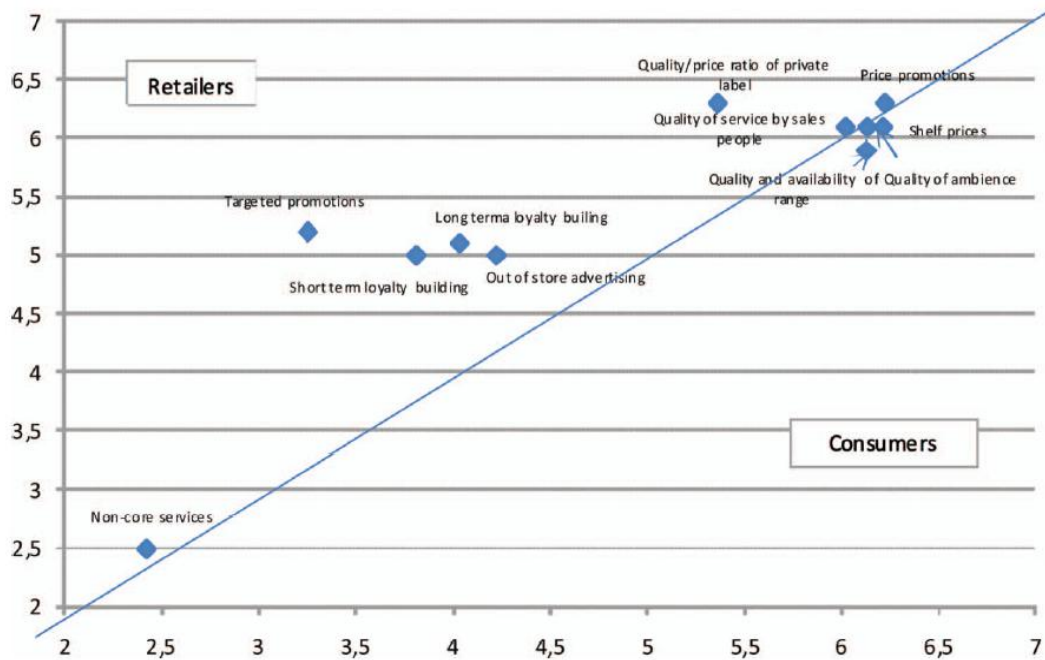
Figure 2.   Consumer and retailer views of the importance of loyalty levers.

Figure 2.12: The view of customers and retailers on the importance of the different grocery store attributes or drivers (Bellini et al., 2011).

To conclude, grocery stores or supermarkets have to understand how customers decide in which stores they want to do their shopping. Based on several important grocery store attributes or drivers, such as the offered services, the integrated pricing strategies and the available product ranges, customers take decisions with respect to which specific stores belong to their primary choices. Thanks to this knowledge, stores should adapt their marketing strategies and policies in order to acquire and retain loyal customers. Because loyal customers have high values for the stores, it is quite important that stores set up differentiated marketing mix elements and actions which create a distinct position in the minds of customers.

According to Charalabos Saridakis (2009) the grocery market is divided into several supermarkets which almost control the entire market. These supermarkets appear to be the same but in reality they have some substantial differences, for example the supermarkets differ with respect to their pricing and product assortment strategies. Since there is a wide range of alternatives available, customers have some difficulties with their choice behaviour. Therefore, it is important for supermarkets to detect particular drivers of store choice behaviour in order to create the opportunity to easily acquire and retain loyal customers.

The author analyses the major determinants of supermarket choice behaviour based on a hybrid conjoint model. Customers value various supermarket attributes or drivers which create certain utilities and specific choices as discussed by Silvia Bellini, Maria Grazia Cardinali and Christina Ziliani. Based on the literature, the key supermarket attributes, in other words store choice drivers, are the following ones: the physical stores, the offered services, the availability of fresh food products, the availability of own-label products, the integrated communication strategies, the implemented price positioning of the stores and the access attributes. These attributes determine the images of the supermarkets which have an impact on customer choice behaviour. Customers decide to do their shopping at specific supermarkets based on key attributes or drivers which provide the highest utilities for the customers themselves.

Based on the analysis, it is obvious that supermarkets have to adjust and thus improve key drivers of customer store choice behaviour in order to better acquire and retain loyal customers. The most important drivers are the following ones: location, prices, quality, shopping convenience, presentation of products, supermarket size and parking facilities. Stores have to rate positive and favourable on these attributes in order to differentiate themselves from others and to gain a strong position in the minds of customers.

The theoretical literature with respect to specific models in drivers of store choice is elaborate and profound. A lot of authors have discussed the different drivers of store choice and as expected there does not exists an unambiguous conclusion. For example, for every industry and every country, there exist various important drivers and differentiated marketing strategies and policies. In other words, a specific industry, such as the grocery industry, has its own most important key drivers which are the centre of the marketing mix elements and actions.

2.2.4 Conclusion drivers of store choice

After a deep evaluation of several general and specific drivers of store choice models it is clear that individual stores, from different countries and industries, face various drivers of customer store choice behaviour. Customers within and from different segments use several drivers or store attributes as basic elements for store decisions. Therefore, the scientific literature does not seem to have an explicit model for the multiple customer and store situations.

Basically, drivers of store choice models could concern virtually all factors that have an impact on customer store choice decisions. Generally, the following determinants play a significant role within the decision processes: service quality, product quality and variation, product prices, promotion tools, location of stores and store characteristics. These store attributes are seen as drivers of customer store choice behaviour. In other words, customers decide to do their shopping at particular supermarkets based on those features of physical stores.

In the context of supermarkets, it is very important that they adjust their marketing strategies and policies in favour of those store attributes. As a consequence, supermarkets should rate better on the essential drivers of customer store choice behaviour and therefore they could build a strong position in the minds of customers. Thanks to this knowledge, supermarkets should implement the correct marketing mix decisions which have a positive influence on the acquisition and retention process of loyal customers.

Chapter 3 Definitions of research

3.1

This chapter describes the formulated research question and hypotheses. Besides this, a review of the general Dutch grocery market will be included. First, in section 3.1 the stated research question and hypotheses will be defined. In order to answer the phrased research question and hypotheses, it is important to define each variable with respect to the research question and hypotheses.

3.1.1 Research question

The following research question has been constructed:

> ***How do*** *supermarkets acquire and retain loyal customers?*

In order to answer the above formulated research question, it is important to define the different variables within the research question. Therefore, the concept loyalty has to be explained. As defined earlier in this research, I use the following definition of loyalty from Verena Vogel, Heiner Evanschitzky and B. Ramaseshan (2008): 'Intentions that reflect favourable attitudes toward the brand or firm. The drivers of loyalty are complex and dynamic, and they change and evolve over time.' In other words, loyal customers show favourable attitudes towards a brand or firm based on several potential loyalty drivers. As a result, loyal customers are willing to buy more, are willing to pay more and are willing to promote the brand or firm to others.

According to Peter M. Guadagni and John D. C. Little (1983) customers choose alternatives with the highest utilities based on their attribute scores. Therefore, supermarkets have to rate positive on their multiple store characteristics in order to assure that customers notice their high utility levels. As a consequence, customers attend supermarkets with the highest personal values. Based on the utility performances, customers seem to have one particular main store in which they spend the majority of their budgets. According to Silvia Bellini, Maria Grazia Cardinali and Christina Ziliani (2011) loyal customers buy more than 50 per cent of their total purchases at one particular main store and therefore it is quite important for supermarkets to conquer this optimal position in the minds of customers.

These customers are seen as loyal customers because they usually develop favourable attitudes towards the store and they frequently prefer their main stores, in other words high utility supermarkets, over other stores. As mentioned above, loyal customers are the most important customers of supermarkets because they are willing to revisit the stores, are willing to repurchase the products, are willing to buy more products, are willing to pay more for the products and are willing to promote the products and stores to others. So, loyal customers are seen as the customers with the highest values and therefore it is quite important for supermarkets to attract and retain these kinds of customers.

Basically, supermarkets should implement customer-centered marketing strategies and policies to positively influence customers in order to attract new and retain existing customers. According to Roland T. Rust, Katherine N. Lemon and Valarie A. Zeithaml (2004) marketing strategies and policies should be formed based on important drivers of customer store choice behaviour. These drivers create customer utility and eventually determine which supermarkets are preferred by customers. So, supermarkets have to pay attention towards the different drivers of customer store choice behaviour in order to construct and implement the most effective marketing strategies and policies with respect to the acquisition and retention process of loyal customers.

According to Charalabos Saridakis (2009) supermarkets have to focus on various drivers of customer store choice behaviour in order to create positive loyalty intentions which should lead to future loyal customer behaviour. For instance, supermarkets should aim to rate positive on the potential loyalty drivers explained by the hypotheses. These store characteristics, for example prices, service quality, product variation, location and store atmosphere, describe the drivers of customer store choice behaviour and could function as the potential loyalty drivers for customers. Thus, supermarkets should integrate marketing strategies and policies which connect with the drivers of customer loyalty and in fact with the customers themselves. In other words, supermarkets have to position themselves strategically in the minds of customers, in terms of potential loyalty drivers, in order to ensure that these customers acknowledge the particular supermarkets as the best and most optimal choice. As a result, supermarkets should be able to better and more easily attract and retain loyal customers.

Generally, supermarkets try to attract a lot of new customers and at the same time they attempt to retain as much existing customers as possible. According to Hongjai Rhee and David R. Bell (2002) supermarkets have to balance these proportions in order to create substantial profits. Supermarkets have to discover which drivers of customer store choice behaviour are seen as the most

important loyalty drivers. Based on this knowledge, supermarkets could decide which potential drivers they want to improve and expand and which potential drivers they somewhat want to ignore. As a consequence, supermarkets should be able to attract certain customer segments and to retain other particular customer groups through the correct implementation of various marketing mix elements and actions with regard to the most influential potential loyalty drivers.

Thus, it is very important for supermarkets that they adjust their marketing strategies and policies in favour of those particular store attributes. As a consequence, supermarkets should score better on the essential drivers of customer store choice behaviour and in fact the potential loyalty drivers. Based on improvements of the most important drivers, supermarkets should be able to build a strong and distinct position in the minds of customers. Basically, it is crucial for supermarkets to differentiate themselves from others because multiple supermarkets compete on the same potential loyalty drivers. As a result, these supermarkets fight for similar kinds of customers and therefore it is difficult for stores to attract and retain loyal customers.

To conclude, supermarkets have to design and implement marketing strategies and policies which are in favour of the most important potential loyalty drivers. Stores have to expand and improve marketing mix decisions with respect to the most critical drivers of customer store choice behaviour in order to create higher customer utilities. As a consequence, customers should acknowledge these high utility supermarkets and they should decide to attend these kinds of stores. Based on positive evaluations of the potential loyalty drivers, customers should become loyal to particular supermarkets based on their favourable attitudes towards the stores and eventually purchase the majority of their total products in their specific main stores.

3.1.2 Hypotheses

First, prices seem to have an immense amount of influence on daily customer decisions. A price is an amount of money given by one party to another for the exchange of goods or services. In every industry, the level of prices affects specific customer decisions with respect to which products or brands could be afforded and which amount of products or brands could be purchased. For example, customers compare their in advance expected prices with actual prices. As a consequence, customers determine which price levels should be acceptable and which not. Based on the satisfied or dissatisfied price levels, customers decide to obtain a specific amount of products or brands or they choose to leave the store without any products or brands. Thus, prices influence customer purchase behaviour (Kalwani et al., 1990).

Besides individual product or brand choice decisions, prices affect customer store choice behaviour. There exist multiple supermarkets with several pricing strategies and these different strategies modify how customers shop. For instance, some supermarkets implement low average prices and other supermarkets include high average prices. As a result, customers have to decide which types of supermarkets fit themselves the best with regard to the level of prices. Customers often prefer supermarkets with low average prices, in terms of money, which enable them to buy more products or brands or to save more income. Based on the average price levels of supermarkets, customers determine to which supermarkets they want to go and to do their shopping. Thus, prices influence customer store choice behaviour (Tang et al., 2001).

To conclude, it seems to be vital for supermarkets to discover and understand how customers apply price information in their store choice decision processes. Therefore, the following hypothesis has been formulated:

H1a: Supermarkets with high prices are less attractive than supermarkets with low prices

Further, customers seem to react different on price information with regard to their store choice behaviour. The income of customers, sum of all the monetary amounts received by an entity, determines the quantity and quality of the products or brands that customers could buy. For example, low income customers have major problems in affording healthy products in comparison with high income customers. Those low income customers experience high prices as a barrier for healthy food consumption and that is why these customers prefer low prices. Therefore, low income

customers face multiple difficulties with respect to their levels of income and price levels of products or brands (Cassady et al., 2007).

Customers have different income levels with which they could purchase groceries in supermarkets. Generally, customers often buy identical product and brand types and the product and brand types offered by various supermarkets are frequently considered as close substitutes. As a consequence, customers have to decide how to spend their income across the products and brands offered by multiple supermarkets based on their price levels. It seems that customers with low income levels experience low prices as more important than customers with high income levels because low income customers could spend less based on their income. As a result, the income level defines which supermarkets belong to the first choices of customers. Basically, low income customers are more influenced by the level of prices than high income customers due to their budget constraints. As a consequence, low income customers should choose low price supermarkets more often than high income customers (Gabszewicz and Thisse, 1979).

To conclude, it seems to be meaningful for supermarkets to detect and understand how customers choose their primary supermarkets with regard to their income levels and product or brand prices. Therefore, the following hypothesis has been drafted:

H1b: *Low prices are more important for low income customers than high income customers*

Second, service quality seems to have an enormous influence on customer store choice behaviour. Service quality is used to describe the achievements in service level and consists of the difference between the expectations of customers about the service performance and the actual service performance. Services have three features: First, services are intangible and therefore supermarkets find it difficult to understand how customers receive and evaluate the offered services. Second, services are heterogeneous and therefore supermarkets think it is hard to deliver the same service quality performance all the time. Third, production and consumption of services are inseparable and therefore supermarkets experience the interactions between employees and customers as complex relationships. Based on these three characteristics, supermarkets should aim to deliver the highest level of service quality in order to ensure that customers encounter the actual service performance as better than the expected service performance. Based on the service quality performance, customers decide which supermarkets belong to their first choices (Parasuraman et al., 1985).

Service quality offered by supermarkets consists of the following dimensions: Physical aspects, reliability, personal interactions and policies. First, physical aspects concern the ease and convenience of the shopping experience for customers with respect to the specific designed store outlet. Second, reliability relates to the fact that supermarkets have to keep their promises and that they have to function well. Third, personal interactions represent the relationships between employees and customers of supermarkets. Fourth, policies describe the implemented strategies of supermarkets in terms of pricing, product quality and assortment. Personal interactions and reliability are seen as the most important factors with respect to service quality. Based on these two dimensions, supermarkets should strive for positive ratings on those two particular factors in order to assure that customers receive and acknowledge their service quality as outstanding. Besides this, supermarkets should try to convince customers that the actual service quality performance exceeds the expected service quality performance. Customers often prefer supermarkets with high service quality, in terms of personal interactions between employees and customers and the reliability of supermarkets, in which they could benefit from their pleasant and trustworthy relationships. Based on the service quality level, customers decide to do their shopping at the specific service quality supermarket or not. Thus, service quality influences customer store choice behaviour (Vazquez et al., 2001).

To conclude, it seems to be of importance for supermarkets to find out and understand how customers use their service quality evaluations in their store choice decision processes. Therefore, the following hypothesis has been stated:

H2a: *Supermarkets with low service quality are less attractive than supermarkets with high service quality*

Moreover, customers seem to respond different to their service quality evaluations with respect to their store choice behaviour. The emotion level, different types of responses on external and internal events, affects the demand for service quality. As a consequence, emotion levels or emotional profiles of customers outline which supermarkets belong to the first choices of customers. Customers have different emotion levels which cause them to perceive and evaluate service quality in multiple ways. Service quality concerns the solid interactions and reliable relationships between the supermarkets and corresponding employees and customers themselves. Customers feel distinct emotions from their relationships with stores and employees. For instance, positive emotions arise based on reliable and strong interactions between employees and customers. These emotions lead to high emotionally attached customers who feel special bonds towards specific supermarkets and belonging employees.

On the opposite, negative emotions show up based on unreliable and weak interactions between employees and customers. These emotions lead to low emotionally attached customers who feel nothing towards individual supermarkets and belonging employees (Liljander and Strandvik, 1997).

High emotional commitment customers concern customers who have a high level of social bonding with the employees of a particular supermarket and they have a high degree of repeat purchases within that specific store. In fact, these customers have special feelings towards certain supermarkets and they have created emotional bonds with those stores. It seems that frequent emotionally attached customers encounter high service quality as more important than infrequent emotionally attached customers. These frequent emotionally attached customers are more easily able to create emotional bonds with specific stores and accompanying employees compared to infrequent emotionally attached customers who have difficulties to construct emotional bonds. In other words, customers with frequent emotional commitments towards particular supermarkets often value service quality more than customers with infrequent emotional commitments towards individual supermarkets.

For example, frequent emotionally attached customers do not show any type of tolerance with regard to mistakes or failures made by supermarkets and individual employees. As a consequence, these customers would abandon those particular supermarkets because they would feel offended and would think that their relationships with those stores would be destroyed and no longer reliable. On the other hand, infrequent emotionally attached customers would be able to forgive and forget the mistakes or failures made by supermarkets and employees because they do not feel such strong connections between the stores and themselves. So, frequent emotionally attached customers prefer high service quality, in terms of reliable interactions and relationships with supermarkets and matching employees, in order to simply build up solid connections based on mutual trust. On the contrary, infrequent emotionally attached customers do not experience service quality as that important since they do not simply create real connections with supermarkets and belonging employees. Basically, frequent emotionally attached customers are more influenced by the level of service quality than infrequent emotionally attached customers. As a result, frequent emotionally attached customers should prefer the high service quality supermarkets more often than infrequent emotionally attached customers (Mattila, 2004).

To conclude, it seems to be crucial for supermarkets to examine and understand how customers implement their service quality evaluations in their store choice decision processes. Therefore, the following hypothesis has been edited:

H2b: *High service quality is more important for frequent emotionally attached customers than infrequent emotionally attached customers*

Third, product quality seems to have a huge amount of influence on customer store choice behaviour. Product quality concerns the product's ability to satisfy the expectations and needs of customers. The product has to function and perform well. Supermarkets have to decide which products they want to offer and display in their stores. These products should attract customers and create profits. That is why some products are said to have large potential and others small potential based on specific product attributes. This decision process is seen as quite complex because supermarkets have to deliver the most optimal product assortments with corresponding variations (Heeler et al., 1973).

Product quality, with respect to supermarkets, consists of the following dimensions: Product assortments and variations, product availability, speed of checkouts, quality of personnel and cleanness of stores. As a result, supermarkets have to rate positive on these product quality dimensions in order to make sure that customers appreciate the level of product quality. Based on those features, supermarkets should strive to deliver the highest level of product quality to assure that customers acknowledge their product quality performance as expected or even better. Product quality offered by supermarkets is most importantly measured in terms of product assortments and matching product varieties. Supermarkets have to guarantee that the offered products meet the expectations and needs of customers with regard to the varieties of the product assortments. In other words, customers expect a wide available variation of products. Based on this most important factor of product quality, supermarkets should focus on the presented products in order to realize formidable product assortment variation. As a consequence, customers have to decide which supermarkets belong to their primary choices with respect to the offered product variation. Customers often prefer supermarkets with high product variation from which they could choose from a large available product assortment in order to pick the best and most optimal option. Based on the product assortment variation performance, customers decide to do their shopping at the individual product variation supermarket or not. Thus, product variation influences customer store choice behaviour (Matsa, 2011).

To conclude, it seems to be meaningful for supermarkets to reveal and understand how customers apply their product variation evaluations in their store choice decision processes. Therefore, the following hypothesis has been expressed:

H3a: *Supermarkets with low product variation are less attractive than supermarkets with high product variation*

Furthermore, customers seem to react different to their product variation evaluations with regard to their store choice behaviour. The preference level, degree in which customers state their needs and preferences, influences the demand for product variation. As a result, the preference level determines which supermarkets belong to the first choices of customers. Customers have different preference levels which elicit them to process and evaluate product variation in several ways. Product variation concerns the available product assortment and accompanying product variety. Large assortments attract customers because more product variation often offers customers the best and most optimal outcomes but at the same time it hinders the actual choices.
Generally, customers have difficulties with the selection of particular products from a large assortment with high variety. Customers could better and more easily choose specific products from a large assortment if they have developed well defined preferences (Broniarczyk, 2006).

It seems that customers with well developed preferences, based on a specific attribute combination, are better capable to evaluate multiple products and to make decisions between several alternatives. These customers use their ideal attribute combination as a reference point and they compare the available alternatives with their reference points. Based on these comparisons, customers should determine which products or alternatives are the optimal choices and best match their ideal attribute combinations. By contrast, customers with poor developed preferences face a complex process with respect to consider different products in order to eventually choose certain alternatives. These customers do not have ideal attribute combinations and therefore they do not have clear reference points with which they could compare the different available alternatives.
As a consequence, customers rate the available alternatives on their attributes, compare the alternatives and determine which alternatives are the best choices. In other words, well developed preference customers prefer a large product assortment from which they could select and purchase from a high variety of products. These customers are perfectly able to evaluate all the available alternatives and to pick the most optimal options. So, these customers prefer high product variation in order to choose the best products to satisfy their needs. On the contrary, poor developed preference

44

customers prefer a small product assortment from which they could select and buy from a low variety of products. These customers have difficulties with the evaluation of all the available alternatives and therefore they have problems to pick the most optimal options. Hence, these customers prefer low product variation in order to choose the best products to satisfy their needs.

As a result, well developed preference customers often value product assortment variety more than poor developed preference customers. Basically, well developed preference customers are more influenced by the level of product variation than poor developed preference customers. As a consequence, well developed preference customers should pick the high product variation supermarkets more often than poor developed preference customers (Chernev, 2003).

To conclude, it seems to be of purpose for supermarkets to inspect and understand how customers integrate their product variation evaluations in their store choice decision processes. Therefore, the following hypothesis has been constructed:

H3b: High product variation is more important for well developed preference customers than poor developed preference customers

Fourth, location seems to have an immense amount of influence on customer store choice behaviour. Location is referred to as a geographic place on earth and is used by supermarkets to create an advantage with respect to other supermarkets. Location has the following dimensions: First, customers choose a particular region for their shopping behaviour. Second, customers select certain supermarkets within that region. These decisions depend on the purpose of the visits to supermarkets, for example customers have their weekly shopping trips, have their fill-in trips, have their close to work trips, have their close to home trips, and therefore these different drivers have an effect on the primary choices of customers. As a result, supermarkets should attempt to position themselves strategically in order to attract different kinds of customers (Leszczyc et al., 2000).

The location of supermarkets is of great importance due to transport limitations of different kinds of customers. The most important transport option for shopping trips is the car and customers with cars could easily travel over long distances for their primary choice supermarkets. Unfortunately, customers without cars could only simply travel over short distances for their first choice supermarkets. So, cars seem to be crucial for the perfect shopping trips and therefore the presence and absence of cars affect the desired shopping trips and specific supermarkets. Customers without cars use other transport options, such as walks, bikes, busses and subways, for their shopping trips at individual

supermarkets in order to cover the distances in miles. Generally, customers prefer to do their shopping at their favourite supermarkets by cars to cover the distances in miles. As a consequence, customers should be able to travel to their first choice supermarkets without the constraint of long distances. In other words, these customers do not have to depend on other transport modes in order to cover long distances. On the other hand, customers without cars have to deal with the constraint of long distances and that is why they should not be able to travel to their primary choice supermarkets all the time because they are dependent of other transport possibilities. Based on the likely usage or no usage of cars for shopping trips, customers are affected by distances to particular supermarkets and they often prefer the closest located supermarkets.

Besides distance constraints, customers often choose the nearest positioned supermarkets for their shopping trips because of time constraints. Customers usually want to do their shopping quite fast in order to have extra time to spend on other activities. So, supermarkets should endeavour to position themselves strategically, for instance in the neighbourhood of a residential or business area, in order to remain attractive for different kinds of customers. Customers often prefer supermarkets which have an excellent location near their homes or work whereby they have to travel over a short distance and time compared to a poor location in which supermarkets are located far away from a business or residential area through which customers have to travel over a long distance and time. As a result, customers decide to do their shopping at the specific located supermarket or not. Thus, location influences customer store choice behaviour (Coveney and O'Dwyer, 2009).

To conclude, it seems to be effective for supermarkets to explore and understand how customers experience location in their store choice decision processes. Therefore, the following hypothesis has been modelled:

H4a: Supermarkets with a long distance location are less attractive than supermarkets with a short distance location

Above all, customers seem to react different on location with regard to their store choice behaviour. The level of mobility, the amount of movements varying in distance, travel time, transport mode and motives within a certain time period, identifies the demand for location of supermarkets. As a consequence, the mobility level indicates which supermarkets belong to the first choices of customers. Customers have various mobility levels which shape them to receive and evaluate location in different ways. Location concerns the strategic position of supermarkets. Supermarkets that

46

are positioned near residential and business areas are said to be excellent located. These supermarkets settle themselves over a short distance from the living space centre of customers. Customers plan to do their shopping at particular supermarkets based on their location covered in miles. As a result, customers decide to use their specific transport modes in order to choose the best destination for their shopping trips. Customers usually do their shopping at the nearest supermarkets within their centres of living space, for instance close to their homes or workplaces. Customers with different transport mode possibilities have the opportunity to travel to other supermarkets outside their living space centres. The most important transport mode for shopping trips is the car and customers use their cars to travel to supermarkets that are not located in the centres of their living space (Charterina, 2012).

It seems that high mobility customers, owners of cars, are easily able to attend both long and short distance located supermarkets. On the contrary, low mobility customers, who do not possess cars, are not quite capable to go to both long and short distance positioned supermarkets. Therefore, low mobility customers face less choice, in terms of the amount of available supermarkets, due to transport constraints. In other words, customers without cars encounter transport limitations and that is why they are more dependent of short distance located supermarkets near their homes or workplaces. These customers should be able to travel over short distances to attend supermarkets inside their living space centres. On the opposite, high mobility customers face more choice, in terms of the amount of available supermarkets, due to transport opportunities. In other words, customers with cars experience transport chances and that is why they are less dependent of short distance located supermarkets near their homes or workplaces. These customers should be able to travel over long distances to attend their favourite supermarkets outside their living space centres. As a consequence, low mobility customers often value location of supermarkets more than high mobility customers. Basically, low mobility customers are more influenced by the location of supermarkets than high mobility customers. As a result, low mobility customers should attend the short distance located supermarkets more often than high mobility customers (Schiller, 1994).

To conclude, it seems to be helpful for supermarkets to spot and understand how customers decide which supermarkets become their primary choices with respect to location. Therefore, the following hypothesis has been composed:

H4b: *A short distance location is more important for low mobility customers than high mobility customers*

47

Fifth, store atmosphere seems to have a substantial amount of influence on customer store choice behaviour. Store atmosphere reflects the physical elements of stores which should create a positive image in order to attract customers. In other words, supermarkets have to function well, in terms of shopping convenience and ease for customers and a healthy environment for employees, in order to create a positive image. Basically, supermarkets should implement store characteristics which cause customers to feel good and positive in order to stimulate them to spend money. Store atmosphere has the following characteristics: First, the layout of the shelves and checkouts determines the degree in which customers could find the products they want and could effectively pass the different aisles. A clear layout creates a positive mood at customers which elicit them to encounter the stores as beneficial. Second, the information rate of the stores indicates the amount of information displayed in the stores in order to educate and help the customers. A balanced information rate creates a positive mood at customers which shape them to experience the stores as added value. So, supermarkets have to pay attention towards their composed store atmosphere in order to ensure that customers experience their shopping trips as a pleasant experience based on the store layout and information rate. As a consequence, customers feel positive emotions through which they appreciate the store environment and eventually are willing to do their shopping at the particular supermarkets (Spies et al., 1997).

In other words, store atmosphere builds the image of an individual supermarket which influences the customers. The store atmosphere affects the moods of customers and corresponding emotions. Based on these emotions, customers decide to do their shopping at the specific supermarkets or not. The emotions pleasure and displeasure measure all aspects of the store atmosphere. The emotion pleasure, in terms of feelings within a store, leads to extra purchases and time spent in stores. On the contrary, the emotion displeasure leads to no extra purchases and time spent in stores. As a result, customers often prefer supermarkets with a pleasant store atmosphere, in terms of store layout and information rate, which enable them to experience convenient and positive shopping trips. Due to these positive experiences, customers encounter positive moods accompanied with positive emotions and feelings. As a consequence, customers decide to do their shopping at the individual store atmosphere supermarket or not. Thus, store atmosphere influences customer store choice behaviour (Donovan et al., 1994).

To conclude, it seems to be paramount for supermarkets to notice and understand how customers perceive store atmosphere in their store choice decision processes. Therefore, the following hypothesis has been created:

H5a: Supermarkets with an unpleasant store atmosphere are less attractive than supermarkets with a pleasant store atmosphere

Next to it, customers seem to respond different to their store atmosphere evaluations with respect to their store choice behaviour. The self-regulation level of customers, the degree in which customers regulate and alter their behaviour, influences the demand for store atmosphere. As a consequence, the self-regulation level prescribes which supermarkets belong to the primary choices of customers. Customers have several self-regulation levels which cause them to receive and evaluate store atmosphere in multiple ways. Store atmosphere relates to the store layout and information rate of supermarkets in order to create a positive image and a favourable behaviour based on positive feelings and emotions. Customers decide to do their shopping at individual supermarkets based on their store atmosphere. The store atmosphere affects different kinds of customers. For instance, customers with high self-regulation levels are difficult to influence because of their prior planned behaviour and customers with low self-regulation levels are easy to influence due to their susceptibility for external events and their environment (Baumeister and Vohs, 2007).

It seems that action oriented customers or high self-regulation customers, controllers of emotions based on prior intentions before the actual activities, are not easily influenced by their environment. In other words, these customers are not simply affected by the store atmosphere of supermarkets. As a consequence, these customers frequently keep their own planned intentions and behaviour without the interference of positive or negative feelings and emotions based on the store atmosphere of certain supermarkets. On the opposite, state oriented customers or low self-regulation customers, non controllers of emotions based on social and emotional influences of external events, are simply affected by their environment. In other words, these customers are easily influenced by the store atmosphere of supermarkets. As a result, these customers often change their planned intentions and behaviour based on the interference of positive or negative feelings and emotions obtained by the store atmosphere of specific supermarkets. So, state oriented customers are more easily distracted and influenced by the store atmosphere of supermarkets and that is why they are more dependent of pleasant store atmosphere supermarkets in order to acquire positive feelings and emotions. As a consequence, these customers show favourable purchasing behaviour. These customers feel

pleasant store atmosphere supermarkets as very important due to the transfer of positive emotions and thus a positive transformation of behaviour.

On the contrary, action oriented customers are less easily distracted and affected by the store atmosphere of supermarkets and consequently they are less dependent of pleasant store atmosphere supermarkets in order to gain their planned purchases. These customers find pleasant store atmosphere supermarkets less important because the environment has less effect on their planned behaviour. As a consequence, state oriented customers often value store atmosphere of supermarkets more than action oriented customers. Basically, state oriented customers are more influenced by the pleasantness of the store atmosphere than action oriented customers. As a result, state oriented customers should appreciate the pleasant store atmosphere supermarkets more often than action oriented customers (Babin and Darden, 1995).

To conclude, it seems to be of interest for supermarkets to observe and understand how customers implement their store atmosphere evaluations in their store choice decision processes. Therefore, the following hypothesis has been prepared:

> **H5b:** *A pleasant store atmosphere is more important for state oriented customers than action oriented customers*

3.2

Customers do their shopping at different supermarkets based on several reasons. The potential drivers of customer store choice behaviour are discussed above and in this section multiple traditional Dutch supermarkets will be reviewed in order to form a picture of the general Dutch retail environment.

3.2.1 Review of typical Dutch supermarkets

The Dutch grocery market consists of a lot of different supermarkets which all try to attract and retain customers for profitability purposes (van Heerde et al., 2008). Every supermarket has its own set of customers and these supermarkets attempt to implement the most effective and efficient marketing strategies and policies in order to improve the acquisition and retention processes of customers (Carpenter and Moore, 2006). Basically, various supermarkets compete for customers in order to convince them that they are the most proper and best supermarkets available. In other words, supermarkets have to defend their existing customers and they have to fight for new customers in order to remain profitable (Omar and Sawmong, 2007). Unfortunately, that process to acquire and keep customers is quite difficult and complex because customers have multiple reasons for their particular store choice behaviour (Tang et al., 2001). Different kinds of customers use various reasons to justify their store choice behaviour and therefore it is difficult for supermarkets to set up decent marketing strategies and policies in order to position themselves as most attractive and appealing as possible. Thus, drivers of customer store choice behaviour differ a lot among customers and that is why supermarkets should examine which drivers cause certain store choice behaviour.

There exist a lot of different Dutch supermarkets and only the most important and known traditional Dutch supermarkets will be explored. The most trusted supermarkets with the highest number of affiliates and with the biggest amount of market shares will be investigated and these characteristics concern the following five supermarkets: Albert Heijn, Jumbo, Aldi, Plus and Lidl. These five typical Dutch supermarkets will form the basis of the analyses and therefore the features of those five supermarkets will be briefly discussed. First, Albert Heijn is known for their high service quality, high product quality and variation and high quality promotion campaigns. Second, Jumbo is known for their high service quality, high product quality and variation and guaranteed low prices. Third, Aldi is known for their extremely low prices, simple shopping atmosphere and low product variation. Fourth, Plus is known for their high service quality, high quality promotion campaigns and low

prices. At last, Lidl is known for their exceptional low prices, simple shopping atmosphere and low service quality.

To conclude, it seems that the general Dutch grocery market consists of a lot of different supermarkets which all implement their own individual marketing strategies and policies in order to attract and retain loyal customers. Every supermarket has its own special plan to create advantages and benefits with respect to other supermarkets. As seen above, the different supermarkets have integrated their own specific approaches, for instance they differ in their levels of prices, service quality, product quality and variation, promotion campaigns and store atmosphere. These multiple factors are considered as potential drivers of customer store choice behaviour. As a consequence, customers should compare the different supermarkets in order to determine which supermarkets fit themselves the best and eventually belong to their primary choices. These decision processes should be taken based on the presumed drivers of customer store choice behaviour.

Chapter 4 Survey

4.1

This chapter introduces the sample method and sample size for the planned survey.

Further, the questionnaire for the survey will be discussed. Based on this survey, it is possible to answer the stated research question and corresponding hypotheses. The sample method and sample size of the survey will be reviewed in section 4.1.

4.1.1 Sample method

I have constructed a questionnaire with different kinds of questions in order to gain information about the preferences of customers with regard to their store choice behaviour. In other words, I want to gather knowledge about the potential drivers of customer store choice behaviour which cause customers to decide which supermarkets belong to their primary choices. I have used the following method with respect to the formulation of the questionnaire in order to assure that I could collect the correct information and knowledge about the preferences of customers: I have designed a quantitative research based on a cross section survey. This means that I collect information from a population based on a sample at a single point in time. The constructed method consists of a non-probability sample because the respondents, who represent customers, will be selected based on a non-random sample. The convenience sample describes the implemented method the best because I by myself have selected to which convenient and available respondents the questionnaire will be sent (Moore et al., 2003). As a result, it is difficult to generalise the results of the various analyses for the entire customer grocery population due to representative limits of the conducted sample. Therefore, these generalisations should be seen as possible limitations of this research.

4.1.2 Sample size

The questionnaire is designed in order to ensure that it is possible to measure certain potential drivers of customer store choice behaviour. Based on the formulated questionnaire and corresponding survey, it is possible to analyse the constructed hypotheses and eventually to answer the defined research

question. The questionnaire will be distributed among Dutch citizens who represent customers of the general Dutch grocery market. These citizens themselves shop for groceries and therefore those respondents are considered as perfect descriptions of traditional customers from the retail industry. In other words, the examined population consists of all the individual Dutch grocery customers and the taken sample represents a subset of that population. Based on collected data from this sample, conclusions will be drawn for the entire population (Field, 2005). The characteristics of those respondents will be discussed in the analysis of the sample characteristics in section 5.1. The questionnaire will be handed over to more than 500 Dutch citizens and this possible amount of respondents is seen as a suitable sample for the entire customer grocery population. I expect that the general response rate will probably be around 50 per cent. In other words, I assume that approximately 250 respondents will fill in the formulated questionnaire.

As a result, I will analyse the different potential drivers of customer store choice behaviour and eventually I will review the drafted hypotheses and accompanying research question. Based on the actual level of response rate, I will generalise the outcomes of the multiple analyses for the entire customer grocery population. I will conclude the survey and the total research for the entire Dutch grocery population based on the obtained results from the tested sample. As a consequence, those generalisations should be seen as possible limitations of this research.

4.2

The survey investigates which potential drivers customers use in their store choice decision processes. Based on the stated questionnaire, it is possible to discover which drivers cause certain store choice behaviour. In this section, the questionnaire will be formulated and explained.

4.2.1 Questionnaire

The following questionnaire (for the Dutch version see appendix A) is sent to more than 500 possible respondents in order to collect information and knowledge about potential drivers of customer store choice behaviour:

Questions	Explanations
Open question: **Question 1:** Which two supermarkets are your favourite supermarkets which you visit the most? A. .... (visit the most) B. .... (visit second most)	*Measures the favourite supermarket choices of the respondents in order to gather information about specific store characteristics*
Closed question: **Question 2:** I think that the prices of supermarket A are Very bad Very good 1 2 3 4 5 6 7	*Measures the evaluations of the prices for supermarket A in order to gather information about drivers of customer store choice behaviour and eventually to state whether supermarkets have high or low prices*
Closed question: **Question 3:** I think that the service quality, in terms of personal interaction with employees, of supermarket A is Very bad Very good 1 2 3 4 5 6 7	*Measures the evaluations of the service quality for supermarket A in order to gather information about drivers of customer store choice behaviour and eventually to state whether supermarkets have low or high service quality*
Closed question: **Question 4:** I think that the product variation of supermarket A is Very bad Very good 1 2 3 4 5 6 7	*Measures the evaluations of the product variation for supermarket A in order to gather information about drivers of customer store choice behaviour and eventually to state whether supermarkets have low or high product variation*
Closed question: **Question 5:** I think that the location, in terms of travel distance, of supermarket A is Very bad Very good 1 2 3 4 5 6 7	*Measures the evaluations of the location for supermarket A in order to gather information about drivers of customer store choice behaviour and eventually to state whether supermarkets have a long or short distance location*

Closed question: **Question 6:** I think that the store atmosphere, in terms of store layout, of supermarket A is Very bad Very good 1 2 3 4 5 6 7	*Measures the evaluations of the store atmosphere for supermarket A in order to gather information about drivers of customer store choice behaviour and eventually to state whether supermarkets have an unpleasant or pleasant store atmosphere*
Closed question: **Question 7:** I think that the prices of supermarket B are Very bad Very good 1 2 3 4 5 6 7	*Measures the evaluations of the prices for supermarket B in order to gather information about drivers of customer store choice behaviour and eventually to state whether supermarkets have high or low prices*
Closed question: **Question 8:** I think that the service quality, in terms of personal interaction with employees, of supermarket B is Very bad Very good 1 2 3 4 5 6 7	*Measures the evaluations of the service quality for supermarket B in order to gather information about drivers of customer store choice behaviour and eventually to state whether supermarkets have low or high service quality*
Closed question: **Question 9:** I think that the product variation of supermarket B is Very bad Very good 1 2 3 4 5 6 7	*Measures the evaluations of the product variation for supermarket B in order to gather information about drivers of customer store choice behaviour and eventually to state whether supermarkets have low or high product variation*
Closed question: **Question 10:** I think that the location, in terms of travel distance, of supermarket B is Very bad Very good 1 2 3 4 5 6 7	*Measures the evaluations of the location for supermarket B in order to gather information about drivers of customer store choice behaviour and eventually to state whether supermarkets have a long or short distance location*

Closed question: **Question 11:** I think that the store atmosphere, in terms of store layout, of supermarket B is Very bad Very good 1 2 3 4 5 6 7	*Measures the evaluations of the store atmosphere for supermarket B in order to gather information about drivers of customer store choice behaviour and eventually to state whether supermarkets have an unpleasant or pleasant store atmosphere*
Multiple choice question: **Question 12:** What is your gender? Male Female	*Measures the gender of the respondents in order to gather information about customer demographics*
Multiple choice question: **Question 13:** What is your age? < 25 25-35 36-45 46-55 > 55	*Measures the age of the respondents in order to gather information about customer demographics*
Multiple choice question: **Question 14:** What is your highest completed level of education? VMBO HAVO VWO MBO HBO WO Other, actually....	*Measures the education level of the respondents in order to gather information about customer demographics*
Multiple choice question: **Question 15:** What is the level of your net monthly household income? < 1.000 1.000-1.500 1.501-2.000 2.001-2.500 2.501-3.000 > 3.000 Don't want to provide information about this	*Measures the income level of the respondents in order to gather information about customer demographics and eventually to state whether customers have low or high incomes*
Multiple choice question: **Question 16:** Do you own a car? Yes No	*Measures the ownership of a car of the respondents in order to gather information about customer demographics and eventually to state whether customers are low or high mobility*

Closed question: **Question 17:** My level of emotional attachment to shops is Higher than average Lower than average 1 2 3 4 5 6	*Measures the level of emotional attachment of customers in order to gather information about customer characteristics and eventually to state whether customers are frequent or infrequent emotionally attached (Mattila, 2004)*
Closed question: **Question 18:** The level of friendship between employees from shops and myself is Very high Very low 1 2 3 4 5 6 7	*Measures the level of emotional attachment of customers in order to gather information about customer characteristics and eventually to state whether customers are frequent or infrequent emotionally attached (Mattila, 2004)*
Closed question: **Question 19:** My relationships with shops have a great deal personal meaning Strongly agree Strongly disagree 1 2 3 4 5 6 7	*Measures the level of emotional attachment of customers in order to gather information about customer characteristics and eventually to state whether customers are frequent or infrequent emotionally attached (Mattila, 2004)*
Closed question: **Question 20:** When you select a product from a large assortment, how confident are you that your selected product is the best product in comparison with all the other similar products Not at all convinced Very convinced 1 2 3 4 5 6 7	*Measures the level of developed preferences of customers in order to gather information about customer characteristics and eventually to state whether customers have well or poor developed preferences (Chernev, 2003)*

Closed question: **Question 21:** When you select a product from a large assortment, to which extent do you search for, process and evaluate information about all the other similar products Lower than average Higher than average 1 2 3 4 5 6 7	*Measures the level of developed preferences of customers in order to gather information about customer characteristics and eventually to state whether customers have well or poor developed preferences (Chernev, 2003)*
Closed question: **Question 22:** When you select a product from a large assortment, how good are you in remembering and recalling all the other similar products Very bad Very good 1 2 3 4 5 6 7	*Measures the level of developed preferences of customers in order to gather information about customer characteristics and eventually to state whether customers have well or poor developed preferences (Chernev, 2003)*
Multiple choice question: **Question 23:** When I have a lot of important things to take care of 1. I often don't know where to start 2. It is easy for me to make a plan and then stick to it	*Measures the level of orientation of customers in order to gather information about customer characteristics and eventually to state whether customers are state or action oriented (Babin and Darden, 1995)*
Multiple choice question: **Question 24:** When I want to see someone again 1. I try to set a date for the visit right away 2. I plan to do it some day	*Measures the level of orientation of customers in order to gather information about customer characteristics and eventually to state whether customers are state or action oriented (Babin and Darden, 1995)*

Multiple choice question: **Question 25:** If I had to work at home 1. I would often have problems getting started 2. I would usually start immediately	*Measures the level of orientation of customers in order to gather information about customer characteristics and eventually to state whether customers are state or action oriented* *(Babin and Darden, 1995)*
Multiple choice question: **Question 26:** When I have to complete a difficult assignment 1. I can concentrate on the individual parts of the assignment 2. I easily lose my concentration on the assignment	*Measures the level of orientation of customers in order to gather information about customer characteristics and eventually to state whether customers are state or action oriented* *(Babin and Darden, 1995)*
Multiple choice question: **Question 27:** When I've planned to do something unfamiliar in the following week 1. It can happen that I change my plans at the last moment 2. I stick with what I've planned	*Measures the level of orientation of customers in order to gather information about customer characteristics and eventually to state whether customers are state or action oriented* *(Babin and Darden, 1995)*
Multiple choice question: **Question 28:** When I have to study for a test 1. I think a lot about where I should start 2. I don't think about it too much: I just start with what I think is most important	*Measures the level of orientation of customers in order to gather information about customer characteristics and eventually to state whether customers are state or action oriented* *(Babin and Darden, 1995)*

Multiple choice question:	Measures the level of orientation of customers in order to gather information about customer characteristics and eventually to state whether customers are state or action oriented
Question 29: When I've planned to buy just one piece of clothing but then see several things I like 1. I think a lot about which piece I should buy 2. I usually don't think about it very long and decide relatively soon	*(Babin and Darden, 1995)*

4.2.2 Explanation questionnaire

I have constructed the questionnaire based on multiple sources. I have thought and developed the first sixteen questions myself. The last thirteen questions are based on articles from different authors. I have formulated the closed questions very accurate and clear in order to prevent misunderstandings about the different statements which could influence the final results. I have defined the multiple choice questions very precise and understandable in order to avert difficulties about the various demographical features and customer characteristics which could affect the end results.

Besides the different kinds of questions, the questionnaire has applied multiple types of values and variables. Basically, the questionnaire has implemented the following values and variables types: The open question concerns string variables and this question describes individual supermarket choices. All the other questions regard numeric variables and these questions represent numeric choices, for example the Likert scale ranging from 1 to 7. Moreover, most of the questions concern continuous interval variables based on a Likert scale. This means that the Likert scale indicates to which extent the respondents evaluate the different questions, for instance the questions about the potential drivers of customer store choice behaviour.

To conclude, the questionnaire is designed in order to gain information and knowledge about the potential drivers of customer store choice behaviour. These particular drivers are measured in terms of individual store characteristics. Based on the evaluations of these store characteristics, several hypotheses could be answered. Further, personal information and characteristics of the respondents are measured in order to evaluate other hypotheses. Basically, all the questions collect specific data which is used to discuss the constructed hypotheses and eventually to answer the stated research question.

Chapter 5 Evaluation

5.1

This chapter describes the analyses of the results based on the taken survey. First, general analyses will

be conducted in order to obtain general information and results from the sample.

Second, specific analyses will be executed in order to acquire specific information and results from the

sample. At last, the results based on the analyses of the sample will be discussed and evaluated.

The different analyses will be reviewed in section 5.1.

5.1.1 General analyses

The questionnaire is distributed among approximately 500 Dutch grocery customers. The total response

rate level for the survey regards around 42.8 %. In other words, 214 out of the 500 Dutch grocery

customers have opened the questionnaire. Remarkable is the fact that from these 214 respondents,

I have received only 174 completely answered questionnaires. This fact is noticeable through the various

response rate levels of the different individual questions (for these figures see appendix B).

For example, the fourteenth question is seen by 206 respondents and all these respondents have

answered this question. The fifteenth question is observed by 208 respondents and all these

respondents have filled in this question. So, not all the opened questionnaires have been worked out

totally and therefore those 40 in completed questionnaires have been removed from the sample.

As a consequence, the exact total response rate level for the survey regards about 34.8 %.

In other words, 174 out of the 500 Dutch grocery customers have correctly filled in the questionnaire.

As a result, only 174 respondents will be analysed in my research.

In order to collect general information from the sample, I have conducted some common

models to obtain specific sample characteristics. These models contain the mean, standard deviation,

minimum and maximum. The mean describes a hypothetical value that summarizes the examined data.

In other words, the average of the data set. The standard deviation expresses how well the mean

represents the examined data. In other words, how much variation exists in the data set.

The minimum reports the lowest data value and the maximum covers the highest data value (Field, 2005). I have created the following tables based on descriptive statistic methods.

Table 5.13: The sample characteristics

	What is your gender?	What is your age?	What is your highest completed level of education?
N Valid	174	174	174
Mean	**1.615**	**2.075**	**4.213**
Std. Deviation	**.4880**	**1.2992**	**1.4920**
Minimum	1.0	1.0	1.0
Maximum	2.0	5.0	7.0

As indicated by table 5.13, the sample characteristics and descriptive statistics are described by the mean, standard deviation, minimum and maximum. First, the table states that the sample consists of 174 valid respondents who have filled in the questionnaire completely. The other statistics are based on that number of individuals. Second, the table represents three different components of the sample characteristics, for instance the gender, age and highest completed level of education statistics of the respondents.

The gender statistics concern the following values: The mean of 1.615 summarizes that on average more women than men have joined the research. In other words, the 1.615 indicates that 61.5% of the sample consists of females and that the other 38.5% regards males. The standard deviation of .4880 reports that a reasonable variation is measured for the gender distribution. The age statistics regard the following values: The mean of 2.075 postulates that the average age of the respondents is spread just between 25 and 35 years old. The standard deviation of 1.2992 defines that a reasonable variation is measured for the age distribution. The education statistics have the following values: The mean of 4.213 states that the average education level of the respondents is just a little bit above MBO. The standard deviation of 1.4920 describes that a reasonable variation is measured for the education distribution.

To conclude, the sample characteristics based on the different components look good. Further, there do not seem to be any extraordinary measurements because the gauged standard

deviations show that the measured means represent the data significantly. These measurements seem to be plausible and therefore the outcomes of the descriptive statistics represent the sample characteristics quite well.

Table 5.14: General measurements of descriptive statistics

	I think that the prices of supermarket A are (Very bad – Very good)	I think that the service quality, in terms of personal interaction with employees, of supermarket A is (Very bad – Very good)	I think that the product variation of supermarket A is (Very bad – Very good)	I think that the location, in terms of travel distance, of supermarket A is (Very bad – Very good)	I think that the store atmosphere, in terms of store layout, of supermarket A is (Very bad – Very good)
N Valid	174	174	174	174	174
Mean	**5.299**	**5.270**	**5.672**	**6.092**	**5.328**
Std. Deviation	**1.1237**	**1.2266**	**1.0434**	**1.0979**	**1.2638**
Minimum	3.0	1.0	3.0	2.0	2.0
Maximum	7.0	7.0	7.0	7.0	7.0

As shown by table 5.14, the five questions represent and measure five individual hypotheses concerning the evaluations of certain store characteristics of particular supermarkets. The prices of supermarket A, the first choice supermarkets of the respondents, seem to be good. The mean of 5.299 summarizes that on average the prices are received as quite good. The standard deviation of 1.1237 reports a reasonable variation for the price distribution. The service quality of supermarket A seems to be good. The mean of 5.270 postulates that on average the service quality is perceived as quite good. The standard deviation of 1.2266 indicates a reasonable variation for the service quality distribution. The product variation of supermarket A seems to be pretty good. The mean of 5.672 describes that on average the product variation is received as fairly good. The standard deviation of 1.0434 defines a reasonable variation for the product variation distribution. The location of supermarket A seems to be great. The mean of 6.092 points out that on average the location is perceived as very good. The standard deviation of 1.0979 presents a reasonable variation for the location distribution. The store atmosphere

of supermarket A seems to be good. The mean of 5.328 depicts that on average the store atmosphere is received as quite good. The standard deviation of 1.2638 covers a reasonable variation for the store atmosphere distribution.

To conclude, the five components, or store characteristics, present the general evaluations of supermarket A. This supermarket represents the first choice supermarkets of the respondents and therefore I expected that the common evaluations would be positive. Based on table 5.14, it is obvious that on average the respondents have evaluated their first choice supermarkets as superior.
The statistics of the five different dimensions are in favour of the primary supermarkets. Besides this, there do not seem to be any exceptional measurements because the measured standard deviations indicate that the gauged means represent the data well. All the measurements seem to be credible and therefore the statistics describe the sample and eventually the population quite well.

Table 5.15: General measurements of descriptive statistics

	I think that the prices of supermarket B are (Very bad – Very good)	I think that the service quality, in terms of personal interaction with employees, of supermarket B is (Very bad – Very good)	I think that the product variation of supermarket B is (Very bad – Very good)	I think that the location, in terms of travel distance, of supermarket B is (Very bad – Very good)	I think that the store atmosphere, in terms of store layout, of supermarket B is (Very bad – Very good)
N Valid	174	174	174	174	174
Mean	**4.925**	**4.598**	**4.966**	**5.316**	**4.534**
Std. Deviation	**1.3037**	**1.3033**	**1.4015**	**1.4813**	**1.3585**
Minimum	1.0	1.0	1.0	1.0	1.0
Maximum	7.0	7.0	7.0	7.0	7.0

As stated by table 5.15, the prices of supermarket B, the second choice supermarkets of the respondents, seem to be reasonable. The mean of 4.925 summarizes that on average the prices are perceived as sufficient. The standard deviation of 1.3037 reports a reasonable variation for the price distribution. The service quality of supermarket B seems to be satisfactory. The mean of 4.598

postulates that on average the service quality is received as moderate. The standard deviation of 1.3033 indicates a reasonable variation for the service quality distribution. The product variation of supermarket B seems to be reasonable. The mean of 4.966 describes that on average the product variation is perceived as sufficient. The standard deviation of 1.4015 defines a reasonable variation for the product variation distribution. The location of supermarket B seems to be good. The mean of 5.316 points out that on average the location is received as quite good. The standard deviation of 1.4813 presents a reasonable variation for the location distribution. The store atmosphere of supermarket B seems to be satisfactory. The mean of 4.534 depicts that on average the store atmosphere is perceived as moderate. The standard deviation of 1.3585 covers a reasonable variation for the store atmosphere distribution.

To conclude, the five dimensions, or store characteristics, present the general evaluations of supermarket B. This supermarket represents the second choice supermarkets of the respondents and therefore I expected that the common evaluations would be less positive compared to the evaluations of the first choice supermarkets. Based on table 5.15, it is clear that on average the respondents have evaluated their second choice supermarkets as less favourable. The statistics of the five different components are still positive for the secondary supermarkets but in comparison with the primary supermarkets the average levels are much lower and in the following section these levels of average differences will be analysed in order to examine the degree in which these average evaluations differ. Based on those specific analyses, it is possible to discuss the hypotheses and to answer the research question. Besides this, there do not seem to be any uncommon measurements because the gauged standard deviations point out that the measured means represent the data well.
All the measurements seem to be acceptable and therefore the statistics outline the sample and eventually the population quite well.

5.1.2 Specific analyses

The general analyses are conducted and described in the previous section and therefore the specific analyses will be reviewed in this section. In the above defined conclusion, I have revealed an interesting phenomenon with regard to the general evaluation of certain store characteristics of particular supermarkets. That is that on average the respondents have evaluated all the store characteristics of their first choice supermarkets better than the same store characteristics of their second choice supermarkets. This insight implies that on average the respondents always prefer their first choice

supermarkets over their second choice supermarkets with respect to the examined store characteristics. As a consequence, it seems to be possible to answer the defined A-hypotheses

Unfortunately, those measured general statistics, for instance the means and standard deviations of the examined store characteristics, could not discuss the formulated A-hypotheses completely because I have to test whether these levels of average differences are significant or not. In other words, I have to examine whether the differences in means of the five store characteristics for the first and second choice supermarkets are statistically meaningful. So, I have to introduce other statistical methods in order to completely answer the A-hypotheses and eventually to discuss the stated research question. Therefore, I will implement paired-samples t-test in order to analyse whether the differences in means of the evaluations of the five store characteristics for the primary and secondary supermarket choices are significant enough to support the A-hypotheses (Field, 2005).

Based on a paired-samples t-test analysis, it is possible to answer the A-hypotheses. This kind of analysis provides the following results: First, the test presents a table with summary statistics for the evaluations of the five store characteristics of the first and second choice supermarkets. This table is positioned in appendix C and all the accompanying measurements, for example the means, standard deviations and standard error of the means, seem to be accurate and plausible and therefore I will continue with the other statistics from the paired-samples t-test. Second, the analysis produces a table with Pearson correlations for the evaluations of the examined characteristics of the supermarkets. The Pearson correlations indicate to which extent the same store characteristics of the different supermarkets correlate. This table is included in appendix C and only two correlations seem to be significant with respect to the significance level of .05. These two correlations show negative relationships and are said to have a small effect. In other words, these Pearson correlations do not measure highly correlated store characteristics because some correlations have a small effect and others are insignificant. Third, the research develops a table with actual test results for the comparisons of the two means of the inspected characteristics of the supermarkets. Based on these test results, I will criticize whether the two means of the same store characteristics for the different supermarkets are different enough to confirm the established A-hypotheses. In other words, I will determine whether the mean differences are significant enough not to be chance results. Based on the paired-samples t-test results against a significance level of 5%, I will discuss and answer the A-hypotheses (Field, 2005).

Table 5.16: The specific measurements of paired-samples t-test

Paired Samples Test

		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	I think that the prices of supermarket A are (Very bad – Very good) - I think that the prices of supermarket B are (Very bad – Very good)	.3736	1.7712	.1343	.1085	.6386	**2.782**	173	**.006**

Paired Samples Test

		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	I think that the service quality, in terms of personal interaction with employees, of supermarket A is (Very bad – Very good) - I think that the service quality, in terms of personal interaction with employees, of supermarket B is (Very bad – Very good)	.6724	1.7409	.1320	.4119	.9329	**5.095**	173	**.000**

Paired Samples Test

		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	I think that the product variation of supermarket A is (Very bad – Very good) - I think that the product variation of supermarket B is (Very bad – Very good)	.7069	1.8748	.1421	.4264	.9874	**4.974**	173	**.000**

Paired Samples Test

		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	I think that the location, in terms of travel distance, of supermarket A is (Very bad – Very good) - I think that the location, in terms of travel distance, of supermarket B is (Very bad – Very good)	.7759	1.8219	.1381	.5032	1.0485	**5.617**	173	**.000**

Paired Samples Test

	Paired Differences					t	df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
Pair 1	I think that the store atmosphere, in terms of store layout, of supermarket A is (Very bad – Very good) - I think that the store atmosphere, in terms of store layout, of supermarket B is (Very bad – Very good)							
	.7931	2.0238	.1534	.4903	1.0959	**5.169**	173	**.000**

As outlined by table 5.16, the paired-samples t-test contains multiple columns with different kinds of information. The first column presents the means and these means show the differences between the means of the two supermarkets. The second and third columns reflect the standard deviations and the standard error of the mean differences for the two supermarkets. The fourth and fifth columns represent the 95% confidence intervals of the mean differences. The sixth column depicts the actual t statistics and these t statistics are compared against known values from the t-distribution. These comparisons are based on the degrees of freedom from the seventh column. The last column describes the probability values which indicate whether the measured t statistics could occur by chance. These values concern two-tailed probabilities and I need one-tailed probabilities in order to examine the A-hypotheses which cover specific directions in their predictions. As a consequence, I divide the two-tailed probabilities by two in order to create the one-tailed probabilities. These one-tailed values are compared against the significance level of .05. Based on this 5% level, the one-tailed values become significant or not. In other words, the probability or one-tailed values point out to which extent the probability of the t statistics to occur is determined by chance. So, values less than .05 indicate that the constructed A-hypotheses should be accepted. This means that significant differences exist between the means of the two supermarkets based on the paired-samples t-test (Field, 2005).

As shown by table 5.16, all the measured two-tailed or one-tailed probability values fall below .05. As a result, all the examined mean differences between the two supermarkets are statistically meaningful. In other words, all the probability values represent significant differences between the means of the five store characteristics of the two supermarkets. These outcomes do not belong to chance results and in fact these measurements support the defined A-hypotheses. As a consequence, this analysis confirms the A-hypotheses and therefore I accept those hypotheses.

Besides the formulated A-hypotheses, I have to examine the constructed B-hypotheses. That paired-samples t-test analysis could not discuss the drafted B-hypotheses because I have to examine whether different groups of respondents respond differently towards the five store characteristics of the first and second choice supermarkets. In other words, I have to test whether the differences in means of the five store characteristics for different groups of respondents are statistically meaningful. Thus, I have to introduce other statistical methods in order to completely answer the B-hypotheses and eventually to discuss the formulated research question. Therefore, I will implement independent samples t-test in order to analyze whether different groups of respondents, based on customer characteristics and personal information, evaluate the same store characteristics of the first choice supermarkets in comparison with the second choice supermarkets significantly different. As a consequence, the different group evaluations of the store characteristics for the primary minus the secondary supermarket choices are significant enough or not to confirm the above listed B-hypotheses (Field, 2005).

Based on an independent samples t-test analysis, it is possible to answer the B-hypotheses. This kind of analysis provides the following results: First, the test presents tables with group statistics for the evaluations of the five store characteristics of the first minus the second choice supermarkets with regard to the different groups of respondents based on customer characteristics and personal information. In other words, these tables indicate how the different groups of respondents evaluate the differences between the same store characteristics based on the primary minus the secondary supermarket choices. These tables are added in appendix E and all the corresponding measurements, for instance the means, standard deviations and standard error of the means, seem to be correct and adequate and that is why I will continue with the other statistics from the independent samples t-test. Second, the research evolves tables with real test results for the different group evaluations of the store characteristics of the first minus the second choice supermarkets. In other words, these tables indicate whether the evaluations, or measured means, of the same store characteristics based on the primary

71

minus the secondary supermarket choices significantly diverge with respect to different groups of respondents.

Based on these test results, I will criticize whether the evaluations of the store characteristics significantly differ with respect to different groups of respondents. As a result, the differences between the means of the different groups of respondents are significant enough or not to support the formed B-hypotheses. In other words, I will determine whether the differences of group evaluations are significant enough not to be chance results. Based on the independent samples t-test results against a significance level of 5%, I will discuss and answer the B-hypotheses (Field, 2005).

Table 5.17: The specific measurements of independent samples t-test

Independent Samples Test

| | | Levene's Test for Equality of Variances | | t-test for Equality of Means | | | | | 95% Confidence Interval of the Difference | |
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Pri-ces	Equal variances assumed	**.990**	**.321**	**.684**	172	**.495**	**.18417**	.26925	-.34729	.71562
	Equal variances not assumed			.680	163.095	.498	.18417	.27102	-.35100	.71933

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Service	Equal variances assumed	.111	.739	-1.089	172	.278	-.28736	.26382	-.80809	.23338
	Equal variances not assumed			-1.089	171.243	.278	-.28736	.26382	-.80810	.23339

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Product variation	Equal variances assumed	2.103	.149	.994	172	.322	.28315	.28494	-.27928	.84558
	Equal variances not assumed			1.006	171.791	.316	.28315	.28156	-.27260	.83891

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Lo-cation	Equal variances assumed	.508	.477	1.031	172	.304	.31452	.30516	-.28783	.91686
	Equal variances not assumed			1.036	91.543	.303	.31452	.30370	-.28871	.91774

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Store atmos-phere	Equal variances assumed	5.290	.023	-.041	172	.967	-.01277	.30873	-.62216	.59663
	Equal variances not assumed			-.041	149.842	.968	-.01277	.31446	-.63411	.60858

As displayed by table 5.17, the independent samples t-test includes several columns with different kinds of statistics. The first and second columns describe Levene's test for equality of variances. This test examines whether the variances of different groups are equal or not. The third column presents the real t statistics and these t statistics are compared against known values from the t-distribution. These comparisons are based on the degrees of freedom from the fourth column. The fifth column reflects the probability values which indicate whether the gauged t statistics could

occur by chance. Just like the paired-samples t-test, these values should be divided by two in order to create one-tailed probabilities with regard to the B-hypotheses. Just as the analysis above, those one-tailed probability values should be compared against the significance level of .05 in order to examine the constructed B-hypotheses. The sixth column represents the mean differences which show the differences for the different groups of respondents as regards the evaluations of the store characteristics for the first minus the second choice supermarkets. The seventh column reports the standard error differences which are used to point out whether the differences between means are statistically meaningful or just chance results. The last two columns define the 95% confidence intervals of the mean differences. Based on this table, it is possible to answer the B-hypotheses and eventually to accept or reject the B-hypotheses (Field, 2005).

Besides the multiple columns, the table includes two rows with test statistics. According to the assumptions of parametric tests, the variances of different groups should be equal. Based on Levene's test it is possible to discover whether the variances are actually equal or not. As shown by table 5.17, all the statistics of the Levene's tests are not significant expect for the individual store atmosphere dimension. This means that all the variances of the different groups for the various store characteristics are significantly equal and that the variances are significantly unequal for the different groups of the specific store atmosphere factor. As a result, I should use the actual test statistics from the equal variances assumed row for the first four store characteristics and I should use the equal variances not assumed row for the last store characteristic (Field, 2005).

As covered by table 5.17, all the measured two-tailed or one-tailed probability values fall above .05. As a consequence, all the examined mean differences of the evaluations of the five store characteristics based on the first minus the second choice supermarkets for the different groups of respondents are insignificant. In other words, all the probability values present statistically no meaningful outcomes with regard to the specific relationships between different groups of respondents and individual store characteristics. These results do not support the formulated B-hypotheses and in fact I should reject those hypotheses.

5.2

Based on the taken survey and performed analyses, it is possible to answer the research question and corresponding hypotheses. In this section, the results of the analyses will be handled and these results will be discussed and evaluated with respect to the defined research question and hypotheses.

5.2.1 Results of the analyses

The conducted analyses have tested the constructed hypotheses and the research has produced outcomes with respect to the A-hypotheses: The paired-samples t-test analysis is presented by table 5.16 and these statistics contain the following results: The t statistics and corresponding probability values are significant for all the five evaluated store characteristics of the two supermarkets. In other words, the mean differences between the two supermarkets are statistically meaningful. First, this means that supermarkets with high prices are indeed less attractive than supermarkets with low prices because customers evaluate high price supermarkets, for instance their second choice supermarkets, less favourable than low price supermarkets for example their first choice supermarkets. Based on their significant mean difference, high price supermarkets are assessed more badly than low price supermarkets. In other words, on average customers evaluate their first choice supermarkets better than their second choice supermarkets with regard to the price driver of customer store choice behaviour. Thus, customers experience high price supermarkets as less attractive than low price supermarkets. As a consequence, this result supports the H1a hypothesis.

Second, supermarkets with low service quality are actually less attractive than supermarkets with high service quality because customers evaluate low service quality supermarkets, for example their second choice supermarkets, less favourable than high service quality supermarkets for instance their first choice supermarkets. Based on their significant mean difference, low service quality supermarkets are assessed more sober than high service quality supermarkets. In other words, on average customers evaluate their first choice supermarkets better than their second choice supermarkets with respect to the service quality driver of customer store choice behaviour. Thus, customers experience low service quality supermarkets as less attractive than high service quality supermarkets. As a result, this outcome confirms the H2a hypothesis.

Third, supermarkets with low product variation are in fact less attractive than supermarkets with high product variation because customers evaluate low product variation supermarkets,

for instance their second choice supermarkets, less favourable than high product variation supermarkets for example their first choice supermarkets. Based on their significant mean difference, low product variation supermarkets are assessed more poorly than high product variation supermarkets. In other words, on average customers evaluate their first choice supermarkets better than their second choice supermarkets with regard to the product variation driver of customer store choice behaviour. Thus, customers experience low product variation supermarkets as less attractive than high product variation supermarkets. As a consequence, this result supports the H3a hypothesis.

Fourth, supermarkets with a long distance location are obviously less attractive than supermarkets with a short distance location because customers evaluate long distance location supermarkets, for example their second choice supermarkets, less favourable than short distance location supermarkets for instance their first choice supermarkets. Based on their significant mean difference, long distance location supermarkets are assessed more weakly than short distance location supermarkets. In other words, on average customers evaluate their first choice supermarkets better than their second choice supermarkets with respect to the location driver of customer store choice behaviour. Thus, customers experience long distance location supermarkets as less attractive than short distance location supermarkets. As a result, this outcome confirms the H4a hypothesis.

Fifth, supermarkets with an unpleasant store atmosphere are absolutely less attractive than supermarkets with a pleasant store atmosphere because customers evaluate unpleasant store atmosphere supermarkets, for instance their second choice supermarkets, less favourable than pleasant store atmosphere supermarkets for example their first choice supermarkets. Based on their significant mean difference, unpleasant store atmosphere supermarkets are assessed more detrimental than pleasant store atmosphere supermarkets. In other words, on average customers evaluate their first choice supermarkets better than their second choice supermarkets with regard to the store atmosphere driver of customer store choice behaviour. Thus, customers experience unpleasant store atmosphere supermarkets as less attractive than pleasant store atmosphere supermarkets. As a consequence, this result supports the H5a hypothesis.

To conclude, the formulated A-hypotheses are accepted based on a paired-samples t-test analysis. These hypotheses describe multiple relationships between individual customers and specific store characteristics of supermarkets and these drivers of customer store choice behaviour are seen as major factors within customer decision processes. In other words, it is important for supermarkets to rate favourable on those specific store characteristics in order to remain attractive for customers.

Therefore, supermarkets should consider the drivers of customer store choice behaviour, or store characteristics, in order to more easily attract and retain customers.

Besides the A-hypotheses, the research has created outcomes with regard to the B-hypotheses: The independent samples t-test analysis is presented by table 5.17 and these statistics include the following results: The t statistics and accompanying probability values are insignificant for all the examined store characteristics with respect to the different groups of respondents. In other words, the mean differences of the evaluations of the store characteristics with regard to different groups of respondents are statistically not meaningful. First, this means that low prices are actually not more important for low income customers than high income customers because low income customers do not evaluate the difference of prices between their first and second choice supermarkets significantly different from high income customers. Based on their insignificant mean difference, low prices are not reflected as more important for low income customers than high income customers. In other words, on average low income customers do not evaluate the prices significantly different compared to high income customers. Thus, low income customers do not experience low prices as more important than high income customers. As a consequence, this result does not support the H1b hypothesis.

Besides that outcome, I have to discuss the direction of the obtained insignificant result in order to examine whether the specific expected relationship has included the correct direction. Basically, the two different groups of respondents, low and high income customers, are based on frequencies statistics in order to create two equal groups with approximately the same amount of respondents. Thanks to this method, low and high income groups are established and these groups have the following characteristics: The low income group exists of 91 respondents who have a maximum net monthly household income of 2.500. On the other hand, the high income group consists of 83 respondents who have a minimum net monthly household income of 2.501. Based on these two groups of customers, it is possible to discuss the specific direction of the insignificant result. The expected direction indicates that the low income group should evaluate the mean difference of prices between their first and second choice supermarkets as larger, with regard to the high income group who should evaluate that difference as significantly smaller, because they should experience low prices as more important. Therefore, the difference of prices between their primary and secondary supermarket choices should be bigger for low income customers compared to high income customers. As a result, this expected direction is not revealed based on the independent samples t-test because the difference

of prices is larger for high income customers, with respect to low income customers, and consequently the mean difference is positive based on that information.

Second, high service quality is in fact not more important for frequent emotionally attached customers than infrequent emotionally attached customers because frequent emotionally attached customers do not evaluate the difference of service quality between their first and second choice supermarkets significantly different from infrequent emotionally attached customers. Based on their insignificant mean difference, high service quality is not reflected as more important for frequent emotionally attached customers than infrequent emotionally attached customers. In other words, on average frequent emotionally attached customers do not evaluate the service quality significantly different compared to infrequent emotionally attached customers. Thus, frequent emotionally attached customers do not experience high service quality as more important than infrequent emotionally attached customers. As a consequence, this outcome does not confirm the H2b hypothesis.

Besides that result, I have to review the direction of the gained insignificant result. Generally, the two different groups of respondents, frequent and infrequent emotionally attached customers, are based on frequencies statistics and these created groups have the following characteristics: The frequent emotionally attached group consists of 87 respondents who have strong relationships with stores and corresponding employees. On the opposite, the infrequent emotionally attached group exists of 87 respondents who have weak relationships with stores and accompanying employees. Based on these two groups of customers, it is possible to review the specific direction of the insignificant result. The expected direction states that the frequent emotionally attached group should evaluate the mean difference of service quality between their first and second choice supermarkets as larger, with respect to the infrequent emotionally attached group who should evaluate that difference as significantly smaller, because they should experience high service quality as more important. That is why, the difference of service quality between their primary and secondary supermarket choices should be bigger for frequent emotionally attached customers compared to infrequent emotionally attached customers. As a result, this expected direction is detected based on the independent samples t-test because the difference of service quality is larger for frequent emotionally attached customers, with regard to infrequent emotionally attached customers, and consequently the mean difference is negative based on that information.

Third, high product variation is definitely not more important for well developed preference customers than poor developed preference customers because well developed preference customers do

not evaluate the difference of product variation between their first and second choice supermarkets significantly different from poor developed preference customers. Based on their insignificant mean difference, high product variation is not reflected as more important for well developed preference customers than poor developed preference customers. In other words, on average well developed preference customers do not evaluate the product variation significantly different compared to poor developed preference customers. Thus, well developed preference customers do not experience high product variation as more important than poor developed preference customers. As a consequence, this result does not support the H3b hypothesis.

Besides that outcome, I have to discuss the direction of the obtained insignificant result. Basically, the two different groups of respondents, well and poor developed preference customers, are based on frequencies statistics and these established groups have the following characteristics: The well developed preference group exists of 91 respondents who have strong preferences in order to deal with large product assortments. On the other hand, the poor developed preference group consists of 83 respondents who have weak preferences in order to deal with large product assortments. Based on these two groups of customers, it is possible to discuss the specific direction of the insignificant result. The expected direction indicates that the well developed preference group should evaluate the mean difference of product variation between their first and second choice supermarkets as larger, with regard to the poor developed preference group who should evaluate that difference as significantly smaller, because they should experience high product variation as more important. Therefore, the difference of product variation between their primary and secondary supermarket choices should be bigger for well developed preference customers compared to poor developed preference customers. As a result, this expected direction is revealed based on the independent samples t-test because the difference of product variation is larger for well developed preference customers, with respect to poor developed preference customers, and consequently the mean difference is positive based on that information.

Fourth, a short distance location is absolutely not more important for low mobility customers than high mobility customers because low mobility customers do not evaluate the difference of location between their first and second choice supermarkets significantly different from high mobility customers. Based on their insignificant mean difference, a short distance location is not reflected as more important for low mobility customers than high mobility customers. In other words, on average low mobility customers do not evaluate the location significantly different compared to high mobility customers.

Thus, low mobility customers do not experience a short distance location as more important than high mobility customers. As a consequence, this outcome does not confirm the H4b hypothesis.

Besides that result, I have to review the direction of the gained insignificant result. Generally, the two different groups of respondents, low and high mobility customers, are based on frequencies statistics and these created groups have the following characteristics: The low mobility group consists of 50 respondents who do not own a car. On the opposite, the high mobility group exists of 124 respondents who do own a car. Based on these two groups of customers, it is possible to review the specific direction of the insignificant result. The expected direction states that the low mobility group should evaluate the mean difference of location between their first and second choice supermarkets as larger, with respect to the high mobility group who should evaluate that difference as significantly smaller, because they should experience a short distance location as more important. That is why, the difference of location between their primary and secondary supermarket choices should be bigger for low mobility customers compared to high mobility customers. As a result, this expected direction is detected based on the independent samples t-test because the difference of location is larger for low mobility customers, with regard to high mobility customers, and consequently the mean difference is positive based on that information.

Fifth, a pleasant store atmosphere is certainly not more important for state oriented customers than action oriented customers because state oriented customers do not evaluate the difference of store atmosphere between their first and second choice supermarkets significantly different from action oriented customers. Based on their insignificant mean difference, a pleasant store atmosphere is not reflected as more important for state oriented customers than action oriented customers.
In other words, on average state oriented customers do not evaluate the store atmosphere significantly different compared to action oriented customers. Thus, state oriented customers do not experience a pleasant store atmosphere as more important than action oriented customers. As a consequence, this result does not support the H5b hypothesis.

Besides that outcome, I have to discuss the direction of the obtained insignificant result. Basically, the two different groups of respondents, state and action oriented customers, are based on frequencies statistics and these established groups have the following characteristics: The state oriented group exists of 80 respondents who have weak prior planned behaviour and intentions and are easily influenced by external events and their environment. On the other hand, the action oriented group consists of 94 respondents who have strong prior planned behaviour and intentions and are not easily

influenced by external events and their environment. Based on these two groups of customers, it is possible to discuss the specific direction of the insignificant result. The expected direction indicates that the state oriented group should evaluate the mean difference of store atmosphere between their first and second choice supermarkets as larger, with regard to the action oriented group who should evaluate that difference as significantly smaller, because they should experience a pleasant store atmosphere as more important. Therefore, the difference of store atmosphere between their primary and secondary supermarket choices should be bigger for state oriented customers compared to action oriented customers. As a result, this expected direction is revealed based on the independent samples t-test because the difference of store atmosphere is larger for state oriented customers, with respect to action oriented customers, and consequently the mean difference is negative based on that information.

To conclude, the drafted B-hypotheses are not accepted based on an independent samples t-test analysis. These hypotheses describe several relationships between different groups of customers and individual store characteristics of supermarkets. These drivers of customer store choice behaviour are seen as important dimensions within customer decision processes and therefore it is important for supermarkets to acknowledge whether specific store characteristics are more important or not for different groups of respondents. In other words, it is important for supermarkets to spot whether store characteristics are experienced differently by various groups of customers and based on this research it is proven that all the examined five store characteristics are not reflected as more important for special groups of customers. Thus, supermarkets should try to rate favourable on all the tested store characteristics in order to remain attractive for all kinds of customers and not only for specific groups of customers. Therefore, supermarkets should regard the drivers of customer store choice behaviour, or store characteristics, in order to more easily attract and retain customers.

5.2.2 Evaluation of the results

The above described and conducted SPSS analyses have prepared striking results. Based on paired-samples t-test and independent samples t-test, it was possible to discuss and answer the constructed hypotheses. These obtained results should be compared against my own formulated expectations about the examined hypotheses. These expectations include confirmations for all the tested hypotheses. In other words, I expected that all the defined hypotheses would be true and based on the analyses these expectations would be verified. As a result of the performed analyses, it is clear

that the stated expectations for the A-hypotheses are correct and these are fulfilled by the realized outcomes of the research. Basically, all the predicted relationships between individual customers and specific store characteristics, or drivers of customer store choice behaviour, are confirmed and therefore supermarkets should pay attention towards these influential factors with regard to their marketing strategies and policies.

On the other hand, it is obvious that the formulated expectations for the B-hypotheses are incorrect and these are not fulfilled by the realized outcomes of the research. Therefore, all the predicted relationships between individual store characteristics and different groups of respondents, or customers, are not supported by the analyses and consequently supermarkets should not focus only on specific customer groups with respect to their marketing strategies and policies.

To conclude, my own expectations about the specific directions of the hypotheses are only supported by the results of the A-hypotheses. On the opposite, those expectations are not confirmed by the results for the B-hypotheses. That is why supermarkets should consider specific store characteristics with respect to all different kinds of customer groups in order to remain attractive in the eyes of various kinds of customers. Thus, supermarkets should improve their multiple general store characteristics in order to better and more easily attract and retain customers.

Chapter 6 Conclusions and future research

'Put your heart, mind, and soul into even your smallest acts. This is the secret of success.'

- Swami Sivananda

6.1

This chapter provides the final conclusions of this research. Based on the different analyses and results, the stated hypotheses and research question will be discussed. First, the research will be concluded. Second, generalisations will be carried out. Third, possible limitations will be indicated. At last, recommendations for future research will be presented. The conclusions and generalisations will be reported in section 6.1.

6.1.1 Conclusions

In section 1.2.1 I defined the following research question:

> **How do** *supermarkets acquire and retain loyal customers?*

In order to answer this formulated research question I have examined the following hypotheses:

> **H1a:** *Supermarkets with high prices are less attractive than supermarkets with low prices*

> **H1b:** *Low prices are more important for low income customers than high income customers*

> **H2a:** *Supermarkets with low service quality are less attractive than supermarkets with high service quality*

> **H2b:** *High service quality is more important for frequent emotionally attached customers than infrequent emotionally attached customers*

H3a: *Supermarkets with low product variation are less attractive than supermarkets with high product variation*

H3b: *High product variation is more important for well developed preference customers than poor developed preference customers*

H4a: *Supermarkets with a long distance location are less attractive than supermarkets with a short distance location*

H4b: *A short distance location is more important for low mobility customers than high mobility customers*

H5a: *Supermarkets with an unpleasant store atmosphere are less attractive than supermarkets with a pleasant store atmosphere*

H5b: *A pleasant store atmosphere is more important for state oriented customers than action oriented customers*

Based on the final results for the hypotheses, it is possible to discuss the research question**.** As indicated by section 5.2.1, all the constructed A-hypotheses seem to be correct and all the drafted B-hypotheses seem to be incorrect. Thus, all the stated relationships of specific drivers of customer store choice behaviour for the general customer grocery population are confirmed by the results of the analyses. As a consequence, it is possible to answer the research question based on the directions of the outcomes of the performed analyses. In order to discuss the research question completely, it is important to consider each individual variable from the research question. Therefore, I will review all the different factors of the research question with respect to the results of the hypotheses.

First, the formulated research question contains a notion of loyalty and I have used the following definition of loyalty from Verena Vogel, Heiner Evanschitzky and B. Ramaseshan (2008): 'Intentions that reflect favourable attitudes toward the brand or firm. The drivers of loyalty are complex and dynamic, and they change and evolve over time.' In other words, loyal customers show favourable attitudes towards a brand or firm based on several potential loyalty drivers. This definition implies that customers become loyal towards supermarkets based on specific loyalty drivers and I have not included a real loyalty concept within this research. Unfortunately, loyalty is difficult to measure because often customers themselves are not able to indicate whether they are loyal to particular supermarkets or not.

As a result, I have not measured loyalty levels of customers but I have used the above defined definition of loyalty in order to construct conclusions about the research question and corresponding hypotheses.

Second, the research question wonders how the acquisition and retention processes of customers work out for individual supermarkets. Basically, grocery customers decide to do their shopping at supermarkets with the highest utilities. These utility scores are based on specific store characteristics of supermarkets and that is why supermarkets should rate positive on their multiple store characteristics in order to create high customer utility levels (Guadagni and Little, 1983). As a result, customers develop favourable attitudes towards supermarkets and eventually they perceive these supermarkets as their first option. In other words, customers become loyal customers of these specific stores and consequently they spend the majority of their budgets in those particular supermarkets (Bellini et al., 2011).

Generally, loyal customers are seen as the most important customers and therefore it is important for supermarkets to attract and retain these kinds of customers. As a consequence, supermarkets should implement customer-centered marketing strategies and policies in order to positively influence customers and eventually to attract and retain loyal customers. These marketing strategies and policies should be formed based on the most important drivers of customer store choice behaviour in order to better and more easily attract and retain loyal customers (Rust et al., 2004). These most important drivers consist of the following store characteristics: prices of products, service quality of stores, product variation of assortments, location of supermarkets and store atmospheres. Supermarkets should focus their marketing strategies and policies on these five specific store characteristics in order to create loyalty intentions. As a result, supermarkets will rate positive on these store dimensions and customers will evaluate those supermarkets as their first choice supermarkets based on high customer utility levels (Saridakis, 2009).

Basically, the above defined five most important store characteristics represent the examined A-hypotheses. These hypotheses have tested whether individual store characteristics are evaluated as more or less attractive with respect to the store choice decision processes. The results of the performed analyses indicate that all the constructed A-hypotheses should be accepted. Based on these outcomes the following relationships are confirmed: Second choice supermarkets, for example supermarkets with high prices, are less attractive than first choice supermarkets, for instance supermarkets with low prices. This means that customers have evaluated and prefer their first choice supermarkets, the low price supermarkets, over their second choice supermarkets, the high price supermarkets, and consequently

customers experience their first choice supermarkets as more attractive because these supermarkets create higher customer utilities.

The above stated relationships are also valid for the other store characteristics. As a consequence, it is very important for supermarkets to rate favourable on those multiple store characteristics, for instance prices of products, service quality of stores, product variation of assortments, location of supermarkets and store atmospheres, in order to remain attractive for all different kinds of customers. Based on these beneficial store factors, customers will create positive loyalty intentions and eventually will form favourable attitudes towards those supermarkets with high utility scores. In other words, supermarkets should implement marketing strategies and policies which result in the following store characteristics: Low prices, high service quality, high product variation, short distance location and pleasant store atmosphere. These positive store dimensions will contribute to high customer utility levels and eventually will lead to the acquisition and retention of loyal customers. That is why supermarkets should consider the drivers of customer store choice behaviour in order to ensure that customers experience those supermarkets as their first choice supermarkets and on top of that to better and more easily attract and retain loyal customers.

Besides the drafted A-hypotheses, the research has analysed five B-hypotheses. These hypotheses have examined whether various groups of customers experience individual store characteristics in different ways with regard to the store choice decision processes. The results of the conducted analyses point out that all the formulated B-hypotheses should not be accepted. Based on these outcomes the following relationships are not verified: Low prices are more important for low income customers than high income customers. This means that low income customers have not evaluated the difference of prices different from high income customers and therefore both customer groups prefer the same price dimension. Thus, the price factor is not perceived different trough various groups of customers and consequently low prices do not create higher customer utilities with respect to specific customer groups.

The above mentioned relationships are also not valid for the other store characteristics and corresponding different customer groups. As a result, it is quite important for supermarkets to acknowledge that their multiple beneficial store characteristics will be equally evaluated among different groups of customers. That is why supermarkets should consider specific store characteristics related to all different kinds of customer groups in order to remain attractive in the eyes of various kinds of customers. As indicated above, customers will create positive loyalty intentions based on those

important appreciated drivers of customer store choice behaviour. As a consequence, customers will show favourable attitudes towards those supermarkets with high utility levels. Therefore, supermarkets should integrate marketing strategies and policies which pay attention towards these specific store characteristics in order to assure that customers experience those supermarkets as their primary supermarkets. Thus, supermarkets should rate favourable on all the five individual store characteristics in order to better and more easily attract and retain all different kinds of loyal customers.

At last, supermarkets should balance their acquisition and retention processes of customers in order to remain profitable. Therefore, supermarkets should keep the drivers of customer store choice behaviour of existing customers sufficient and at the same time they should improve the drivers of new customers in order to maintain existing customers and to attract new customers (Rhee and Bell, 2002).

To conclude, the following research question is discussed and answered through this entire research: ***How do*** *supermarkets acquire and retain loyal customers?* Supermarkets should integrate marketing strategies and policies which connect with the drivers of customer store choice behaviour and eventually which stimulate customer loyalty. In other words, supermarkets should implement marketing strategies and policies which reach customers themselves and consequently they should position themselves strategically in the minds of customers. These marketing strategies and policies should be based on the five specific store characteristics in order to ensure that customers experience the stores as their best and most optimal choices based on high customer utility levels. Basically, supermarkets should rate favourable on those multiple store characteristics in order to remain attractive for all different kinds of customers and consequently customers will develop favourable attitudes towards those stores. Therefore, supermarkets should focus on the prices of products, service quality of stores, product variation of assortments, location of supermarkets and store atmospheres in order to attract and retain all different kinds of loyal customers. Based on a good implementation of these drivers of customer store choice behaviour within marketing strategies and policies of supermarkets, supermarkets should be able to better and more easily attract and retain loyal customers.

Figure 6.18: Summary of hypotheses
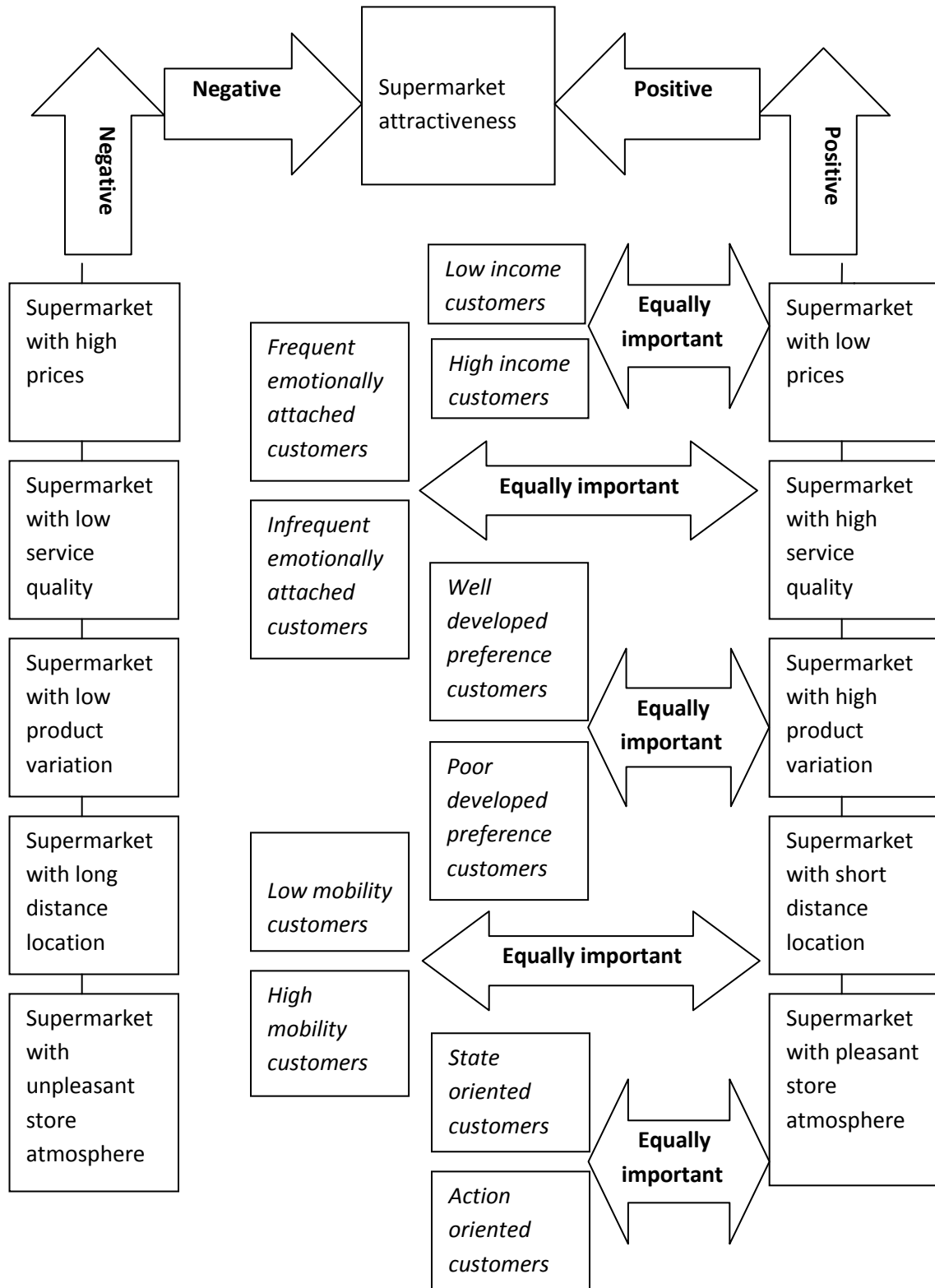
6.1.2 Generalisations

The final results of the performed analyses are generalised for the entire customer grocery population. This population exists of all the Dutch citizens who shop for groceries themselves. So, the drawn conclusions for the sample are turned into conclusions for the entire population. In other words, the conclusions of this research are valid for the examined respondents of the questionnaire.

This means that the grocery customers from the conducted sample have determined the end results with respect to the stated hypotheses and research question. Besides this small amount of customers, the results and conclusions are applied to the entire customer grocery population in order to formulate conclusions of the general customer store choice behaviour with regard to the marketing strategies and policies of supermarkets. Thus, supermarkets should now be able to adjust and improve their marketing strategies and policies based on the results of this research. Therefore, supermarkets should be capable to better and more easily attract and retain loyal customers based on their gained knowledge and information about the specific drivers of customer store choice behaviour and corresponding customer characteristics.

6.2

In this section, possible limitations of the research will be explored and discussed. Besides these limitations, several recommendations with regard to future research will be presented in order to hand over important possibilities for the future.

6.2.1 Limitations

This research has revealed some appealing outcomes and imposing results.

Unfortunately, the performed analyses could have measured all evaluations of the store characteristics of supermarkets and the customer characteristics in better ways. Therefore, this section will indicate some of the current limitations of this research in order to show that the research could have been executed based on better methods for instance:

First, I have implemented a questionnaire which is sent to more than 500 possible respondents. The respondents who have filled in the questionnaire are seen as the sample for the research from the entire grocery population. So, I have distributed that questionnaire to those respondents based on a non-probability sample which means that the respondents are selected based on a non-random sample. In fact, I have used the convenience sample to pick the respondents. In other words, I by myself have selected to which convenient and available respondents the questionnaire is sent and therefore the sample contains specific kinds of people with specific characteristics. Thus, the taken sample could be biased because there did not participate many respondents with very different kinds of characteristics. As a consequence, it is difficult to generalise the final results of this research for the entire customer grocery population because the conducted sample holds representative limits based on a too consistent group of respondents.

Second, I have supplied the questionnaire to more than 500 possible respondents and only 174 respondents have filled in the questionnaire completely. In other words, the real total response rate level is spread around 34.8 % and this actual number of respondents, or response rate per cent, is quite small. As a result, this small sample determines the results for the entire population and that is why it is possible that the generalisations could be biased. So, it is hard to generalise the established results of the performed analyses for the entire customer grocery population because the taken sample is pretty small. Therefore, the conducted sample includes representative limits based on a too small number of respondents.

At last, the questionnaire consists of very different kinds of questions based on various answer possibilities. The questions are formulated in specific ways in order to assure that it is possible to measure all aspects with respect to the analyses of the hypotheses and research question. As a consequence, the variety and structure of the questions are perceived as somewhat complicated because a couple of questions seem to be quite difficult to understand. Therefore, a number of respondents have had some difficulties to understand the questions completely. As a result, the outcomes of the analyses could be biased because the survey is encountered as unclear and tough. In other words, it is hard for the respondents to answer all the questions of the questionnaire correctly and that is why the results of the performed analyses could be biased.

To conclude, the above described limitations should be taken into account with respect to the conclusions of this research. For instance, the implemented generalisations are seen as the most important critical factor within this research. Besides this, the results of the analyses and the final discussion of the hypotheses and research question should consider those limitations in order to be aware of the possible improvements that could be pursued. Basically, the research could be improved based on the mentioned limitations.

6.2.2 Future research

This research has discovered some interesting facts and profound results. Unfortunately, the conducted analyses did not contain all the store and customer characteristics that could have been tested. Therefore, this section will describe some of the work that still can be done in the fields of customer store choice behaviour in order to improve the future marketing strategies and policies of supermarkets. In other words, I will indicate some additional elements that could be analysed in order to improve the knowledge of supermarkets with respect to customer decision processes. The research could have measured other extra dimensions for example:

First, the analyses could have tested promotional tools as a component of the examined store characteristics with regard to customer evaluations of supermarkets. The existing different promotion methods play an important role because promotional efforts influence the acquisition and retention processes of customers and therefore supermarkets should adapt their marketing strategies and policies in favour of those particular promotion activities (Guadagni and Little, 1983). Second, the research could have covered other customer characteristics in order to analyse which kinds of customers prefer specific drivers of customer store choice behaviour. The differences in customer characteristics affect the attitudes of customers towards the supermarkets with respect to the examined store characteristics. Therefore, supermarkets should transform their marketing strategies and policies in favour of those particular customer characteristics. At last, the survey could have included a loyalty concept in order to measure the loyalty of customers towards their main stores. Loyal customers are the most important customers and therefore it is very important for supermarkets to examine which drivers cause customers to create loyalty intentions and eventually behaviour. As a consequence, supermarkets should adjust their marketing strategies and policies in favour of those particular loyalty drivers in order to better attract and retain loyal customers (Bellini et al., 2011).

To conclude, the above described factors should be examined in future research in order to create a more complete overview of the important drivers of specific customer store choice behaviour. As a result, supermarkets should be able to better improve their marketing strategies and policies with regard to those particular store and customer characteristics in order to more easily attract and retain loyal customers.

Bibliography

I have used the following articles and books for my research:

Arthur W. Allaway, Patricia Huddleston, Judith Whipple and Alexander E. Ellinger, (2011), Customer-based brand equity, equity drivers, and customer loyalty in the supermarket industry, *Journal of Product & Brand Management,* 20: 3, 190-204

Barry J. Babin and William R. Darden, (1995), Consumer Self-Regulation in a Retail Environment, *Journal of Retailing,* 71: 1, 47-70

Roy F. Baumeister and Kathleen D. Vohs, (2007), Self-Regulation, Ego Depletion, and Motivation, *Social and Personality Psychology Compass,* 1, 1-14

Silvia Bellini, Maria Grazia Cardinali and Christina Ziliani, (2011), Building customer loyalty in retailing: not all levers are created equal, *The International Review of Retail, Distribution and Consumer Research,* 21: 5, 461-481

Justin Beneke, Nicholas Lykiardopulos, Louise de Villiers and Nurudien Rawoot, (2011), A Pathway to Commitment in the South African Supermarket: An Exploratory Study, *Journal of Business Management,* 3: 1, 30-47

Carmen Berne, Jose M. Mugica and Pilar Rivera, (2005), The managerial ability to control the varied behaviour of regular customers in retailing: interformat differences, *Journal of Retailing and Consumer Services,* 12, 151-164

Robert C. Blattberg, Richard Briesch and Edward J. Fox, (1995), How Promotions Work, *Marketing Science,* 14: 3, 122-132

Josée Bloemer, Ko de Ruyter and Pascal Peeters, (1998), Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction, *International Journal of Bank Marketing,* 16: 7, 276-286

Susan M. Broniarczyk, (2006), Product Assortment, *Handbook of Consumer Psychology*

Jason M. Carpenter and Marguerite Moore, (2006), Consumer demographics, store attributes, and retail format choice in the US grocery market, *International Journal of Retail & Distribution Management,* 34: 6, 434-452

Diana Cassady, Karen M. Jetter and Jennifer Culp, (2007), Is Price a Barrier to Eating More Fruits and Vegetables for Low-Income Families, *Journal of the American Dietetic Association,* 107, 1909-1915

Jon Charterina, (2012), The Moderating Effects of City Districts' Retail Attractiveness on the in-Town *versus* out-of-Town Shopping Decision, *International Journal of Marketing Studies,* 4: 2, 9-21

Alexander Chernev, (2003), Product Assortment and Individual Decision Processes, *Journal of Personality and Social Psychology,* 85: 1, 151-162

John Coveney and Lisel A. O'Dwyer, (2009), Effects of mobility and location on food access, *Health & Place,* 15, 45-55

Robert J. Donovan, John R. Rossiter, Gilian Marcoolyn and Andrew Nesdale, (1994), Store Atmosphere and Purchasing Behaviour, *Journal of Retailing,* 70: 3, 283-294

Andy Field, (2005), Discovering Statistics Using SPSS, *SAGE Publications*

J. Jaskold Gabszewicz and J.F. Thisse, (1979), Price competition, Quality and Income Disparities, *Journal of Economic Theory,* 20, 340-359

Peter M. Guadagni and John D.C. Little, (1983), A Logit Model of Brand Choice Calibrated on Scanner Data, *Marketing Science,* 2: 3, 203-238

Roger M. Heeler, Michael J. Kearney and Bruce J. Mehaffey, (1973), Modeling Supermarket Product Selection, *Journal of Marketing Research,* 10: 1, 34-37

Harald J. van Heerde, Els Gijsbrechts, Koen Pauwels, (2008), Winners and Losers in a Major Price War, *Journal of Marketing Research,* XLV, 499-518

Sandra McCurley Hortman, Arthur W. Allaway, J. Barry Mason and John Rasp, (1990), Multisegment Analysis of Supermarket Patronage, *Journal of Business Research,* 21, 209-223

Manohar U. Kalwani, Chi Kin Yim, Heikki J. Rinne and Yoshi Sugita, (1990), A Price Expectations Model of Customer Brand Choice, *Journal of Marketing Research,* 27: 3, 251-262

V. Kumar and Robert P. Leone, (1988), Measuring the Effect of Retail Store Promotions on Brand and Store substitution, *Journal of Marketing Research,* 25: 2, 178-185

Peter T. L. Popkowski Leszczyc, Ashish Sinha and Harry J. P. Timmermans, (2000), Consumer Store Choice Dynamics: An Analysis of the Competitive Market Structure for Grocery Stores, *Journal of Retailing,* 76: 3, 323-345

Veronica Liljander and Tore Strandvik, (1997), Emotions in service satisfaction, *International Journal of Service Industry Management,* 8: 2, 148-169

W. Glynn Mangold and David J. Faulds, (2009), Social media: The new hybrid element of the promotion mix, *Business Horizons,* 52, 357-365

David A. Matsa, (2011), Competition and product quality in the supermarket industry, *The Quarterly Journal of Economics,* 126, 1539-1591

Anna S. Mattila, (2004), The impact of service failures on customer loyalty: The moderating role of affective commitment, *International Journal of Service Industry Management,* 15: 2, 134-149

David S. Moore, George P. McCabe, William M. Duckworth and Stanley L. Sclove, (2003), The Practice of Business Statistics, *W. H. Freeman and Company*

Ogenyi Omar and Sudaporn Sawmong, (2007), Customer Satisfaction and Loyalty to British Supermarkets, *Journal of Food Products Marketing,* 13: 2, 19-32

A. Parasuraman, Valarie A. Zeithaml and Leonard L. Berry, (1985), A Conceptual Model of Service Quality and Its Implications for Future Research, *Journal of Marketing,* 49: 4, 41-50

Hongjai Rhee and David R. Bell, (2002), The inter-store mobility of supermarket shoppers, *Journal of Retailing,* 78, 225-237

Roland T. Rust, Katherine N. Lemon and Valarie A. Zeithaml, (2004), Return on Marketing: Using Customer Equity to Focus Marketing Strategy, *Journal of Marketing,* 68, 109-127

Charalabos Saridakis, (2009), A hybrid conjoint model for the identification of the UK supermarket choice determinants: an exploratory study, *The International Review of Retail, Distribution and Consumer Research,* 19: 2, 103-133

Hans S. Solgaard and Torben Hansen, (2003), A hierarchical Bayes model of choice between supermarket formats, *Journal of Retailing and Consumer Services,* 10, 169-180

Kordelia Spies, Friedrich Hesse and Kerstin Loesch, (1997), Store atmosphere, mood and purchasing behaviour, *International Journal of Research in Marketing,* 14, 1-17

Jillian C. Sweeney and Geoffrey N. Soutar, (2001), Consumer perceived value: The development of a multiple item scale, *Journal of Retailing,* 77, 203-220

Christopher S. Tang, David R. Bell and Teck-Hua Ho, (2001), Store Choice and Shopping Behaviour: How Price Format Works, *California Management Review,* 43: 2, 56-74

Prokopis. K. Theodoridis and Kalliopi C. Chatzipanagiotou, (2009), Store image attributes and customer satisfaction across different customer profiles within the supermarket sector in Greece, *European Journal of Marketing,* 43: 5/6, 708-734

Rodolfo Vazquez, Ignacio A. Rodriguez-Del Bosque, Ana Ma Diaz and Agustin V. Ruiz, (2001), Service quality in supermarket retailing: identifying critical service experiences, *Journal of Retailing and Consumer Services,* 8, 1-14

Verena Vogel, Heiner Evanschitzky and B. Ramaseshan, (2008), Customer Equity Drivers and Future Sales, *Journal of Marketing,* 72, 98-108

I have used the following websites for my research:

www.ah.nl

www.jumbosupermarkten.nl

www.aldi.nl

www.plus.nl

www.lidl.nl

http://www.brainyquote.com/quotes/quotes/s/swamisivan390760.html

http://www.brainyquote.com/quotes/quotes/n/normancous402258.html

Appendix A

I have conducted the survey among Dutch respondents and therefore the following Dutch version of the questionnaire is enclosed:

Vraag 1: Wat zijn uw 2 favoriete supermarkten waar u het vaakst boodschappen doet?

     A. .... *(vaakst boodschappen doen)*

     B. .... *(op één na vaakste boodschappen doen)*

Er zullen nu een aantal vragen volgen; eerst over supermarkt A (uw 1e keuze) en daarna over supermarkt B (uw 2e keuze)

De volgende 5 vragen hebben betrekking op supermarkt A:

Vraag 2: De prijzen van supermarkt A vind ik

  Zeer slecht   Zeer goed

     1   2   3   4   5   6   7

Vraag 3: De service kwaliteit, op basis van persoonlijke interactie met medewerkers, van supermarkt A vind ik

  Zeer slecht   Zeer goed

     1   2   3   4   5   6   7

Vraag 4: De productvariatie van supermarkt A vind ik

Zeer slecht   Zeer goed

1   2   3   4   5   6   7

Vraag 5: De locatie, op basis van reisafstand, van supermarkt A vind ik

Zeer slecht   Zeer goed

1   2   3   4   5   6   7

Vraag 6: De winkelsfeer, op basis van de lay-out van de winkel, van supermarkt A vind ik

Zeer slecht   Zeer goed

1   2   3   4   5   6   7

De volgende 5 vragen hebben betrekking op supermarkt B:

Vraag 7: De prijzen van supermarkt B vind ik

Zeer slecht   Zeer goed

1   2   3   4   5   6   7

Vraag 8: De service kwaliteit, op basis van persoonlijke interactie met medewerkers, van supermarkt B vind ik

Zeer slecht   Zeer goed

1   2   3   4   5   6   7

Vraag 9: De productvariatie van supermarkt B vind ik

Zeer slecht   Zeer goed

1   2   3   4   5   6   7

Vraag 10: De locatie, op basis van reisafstand, van supermarkt B vind ik

Zeer slecht   Zeer goed

1   2   3   4   5   6   7

Vraag 11: De winkelsfeer, op basis van de lay-out van de winkel, van supermarkt B vind ik

Zeer slecht   Zeer goed

1   2   3   4   5   6   7

De volgende vragen betreffen persoonlijke informatie

Vraag 12: Van welk geslacht bent u?

Mannelijk   Vrouwelijk

Vraag 13: Wat is uw leeftijd?

< 25   25-35   36-45   46-55   > 55

Vraag 14: Wat is uw hoogst afgeronde opleidingsniveau?

VMBO   HAVO   VWO   MBO   HBO   WO   Anders, namelijk....

Vraag 15: Wat is de hoogte van uw netto maandelijkse gezinsinkomen?

< 1.000   1.000-1.500   1.501-2.000   2.001-2.500   2.501-3.000   >3.000   Wil hier geen informatie over verstrekken

Vraag 16: Bent u in het bezit van een auto?

Ja   Nee

De laatste vragen betreffen persoonlijke eigenschappen en karakteristieken

Vraag 17: De mate van mijn emotionele gebondenheid met winkels is

Veel hoger dan het gemiddelde   Veel lager dan het gemiddelde

1   2   3   4   5   6   7

Vraag 18: De mate van vriendschap tussen medewerkers van winkels en mijzelf is

Zeer hoog   Zeer laag

1   2   3   4   5   6   7

Vraag 19: Mijn relaties met winkels hebben een grote persoonlijke waarde

Zeer mee eens   Zeer mee oneens

1   2   3   4   5   6   7

Vraag 20: Wanneer u een product selecteert uit een groot assortiment, hoe overtuigd bent u dan dat uw gekozen product het beste product is in vergelijking met alle andere vergelijkbare producten

Helemaal niet overtuigd   Zeer overtuigd

1   2   3   4   5   6   7

Vraag 21: Wanneer u een product selecteert uit een groot assortiment, in welke mate zoekt, verwerkt en evalueert u informatie over alle andere vergelijkbare producten

Veel lager dan het gemiddelde   Veel hoger dan het gemiddelde

1   2   3   4   5   6   7

Vraag 22: Wanneer u een product selecteert uit een groot assortiment, hoe goed bent u dan in het herinneren en opnoemen van alle andere vergelijkbare producten

Zeer slecht   Zeer goed

1   2   3   4   5   6   7

Vraag 23: Wanneer ik veel belangrijke dingen moet regelen

1. Dan weet ik vaak niet waar ik moet beginnen

2. Dan kan ik makkelijk een plan opstellen en mezelf daaraan houden

Vraag 24: Wanneer ik iemand nog een keer wil zien

1. Dan probeer ik om gelijk een nieuwe afspraak/datum te plannen

2. Dan plan ik om het ooit een keer te doen

Vraag 25: Wanneer ik thuis aan het werk moet

1. Dan heb ik vaak problemen om op te starten

2. Dan start ik meteen

Vraag 26: Wanneer ik een moeilijke opdracht moet afronden

1. Dan kan ik me concentreren op individuele delen van de opdracht

2. Dan verlies ik makkelijk mijn concentratie van de opdracht

Vraag 27: Wanneer ik iets onbekends/ongewoons heb gepland voor de komende week

1. Dan kan het gebeuren dat ik mijn plannen op het laatste moment verander

2. Dan blijf ik bij mijn plannen

Vraag 28: Wanneer ik voor een examen/tentamen moet studeren

1. Dan denk ik veel na over waar ik moet beginnen

2. Dan denk ik er niet teveel over na en begin ik gewoon aan wat ik denk dat het belangrijkste is

Vraag 29: Wanneer ik gepland heb om maar 1 kledingstuk te kopen en ik geconfronteerd word met meerdere dingen die ik leuk vind

1. Dan denk ik veel na over welk kledingstuk ik moet kopen

2. Dan denk ik gewoonlijk niet veel na en besluit ik snel welk kledingstuk ik moet kopen

Appendix B

I have included an example question with corresponding response rate level. The table represents all the different answer possibilities and the accompanying numbers and percentages indicate how many respondents have answered those particular choice options. For example, the fifteenth question is seen by 208 respondents and all these respondents have answered this question. Apparently, 34 respondents (16.35 % of all the respondents) have stated option 1 and 48 respondents (23.08 % of all the respondents) have reported option 7 concerning question 15.

What is the level of your net monthly household income?

< 1.000		**34 (16.35 %)**
1.000-1.500		18 (8.65 %)
1.501-2.000		25 (12.02 %)
2.001-2.500		30 (14.42 %)
2.501-3.000		16 (7.69 %)
> 3.000		37 (17.79 %)
Don't want to provide information about this		**48 (23.08 %)**

n = 208
\# 208

Legenda:

n = number of respondents who have seen the question

\# = number of received answers

106

Appendix C

The paired-samples t-test provides multiple tables with different kinds of statistics. The following tables represent the summary statistics and the Pearson correlations for the evaluations of the five store characteristics of the first and second choice supermarkets.

The specific measurements of paired-samples statistics

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	I think that the prices of supermarket A are (Very bad – Very good)	5.299	174	1.1237	.0852
	I think that the prices of supermarket B are (Very bad – Very good)	4.925	174	1.3037	.0988
Pair 2	I think that the service quality, in terms of personal interaction with employees, of supermarket A is (Very bad – Very good)	5.270	174	1.2266	.0930
	I think that the service quality, in terms of personal interaction with employees, of supermarket B is (Very bad – Very good)	4.598	174	1.3033	.0988
Pair 3	I think that the product variation of supermarket A is (Very bad – Very good)	5.672	174	1.0434	.0791
	I think that the product variation of supermarket B is (Very bad – Very good)	4.966	174	1.4015	.1062
Pair 4	I think that the location, in terms of travel distance, of supermarket A is (Very bad – Very good)	6.092	174	1.0979	.0832
	I think that the location, in terms of travel distance, of supermarket B is (Very bad – Very good)	5.316	174	1.4813	.1123
Pair 5	I think that the store atmosphere, in terms of store layout, of supermarket A is (Very bad – Very good)	5.328	174	1.2638	.0958
	I think that the store atmosphere, in terms of store layout, of supermarket B is (Very bad – Very good)	4.534	174	1.3585	.1030

The specific measurements of paired-samples correlations

Paired Samples Correlations

		N	Correlation	Sig.
Pair 1	I think that the prices of supermarket A are (Very bad – Very good) & I think that the prices of supermarket B are (Very bad – Very good)	174	-.060	.434
Pair 2	I think that the service quality, in terms of personal interaction with employees, of supermarket A is (Very bad – Very good) & I think that the service quality, in terms of personal interaction with employees, of supermarket B is (Very bad – Very good)	174	.054	.480
Pair 3	I think that the product variation of supermarket A is (Very bad – Very good) & I think that the product variation of supermarket B is (Very bad – Very good)	174	**-.158**	**.037**
Pair 4	I think that the location, in terms of travel distance, of supermarket A is (Very bad – Very good) & I think that the location, in terms of travel distance, of supermarket B is (Very bad – Very good)	174	.025	.747
Pair 5	I think that the store atmosphere, in terms of store layout, of supermarket A is (Very bad – Very good) & I think that the store atmosphere, in terms of store layout, of supermarket B is (Very bad – Very good)	174	**-.190**	**.012**

Appendix D

In order to answer the B-hypotheses, I have created the following tables. These tables represent the frequency statistics of the gained personal information and characteristics of the respondents. These frequencies are used to define different groups of respondents with regard to the formulated B-hypotheses.

The specific measurements of frequencies

Statistics

What is the level of your net monthly household income?

N	Valid	174
	Missing	0
Percentiles	**50**	**4.000**

What is the level of your net monthly household income?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.0	27	15.5	15.5	15.5
	2.0	15	8.6	8.6	24.1
	3.0	22	12.6	12.6	36.8
	4.0	27	15.5	15.5	**52.3**
	5.0	12	6.9	6.9	59.2
	6.0	31	17.8	17.8	77.0
	7.0	40	23.0	23.0	100.0
	Total	174	100.0	100.0	

Statistics

Emotional attachment

N	Valid	174
	Missing	0
Percentiles	**50**	**13.5000**

Emotional attachment

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	3.00	1	.6	.6	.6
	5.00	2	1.1	1.1	1.7
	6.00	6	3.4	3.4	5.2
	7.00	1	.6	.6	5.7
	8.00	6	3.4	3.4	9.2
	9.00	14	8.0	8.0	17.2
	10.00	11	6.3	6.3	23.6
	11.00	16	9.2	9.2	32.8
	12.00	12	6.9	6.9	39.7
	13.00	18	10.3	10.3	**50.0**
	14.00	10	5.7	5.7	55.7
	15.00	14	8.0	8.0	63.8
	16.00	18	10.3	10.3	74.1
	17.00	12	6.9	6.9	81.0
	18.00	13	7.5	7.5	88.5
	19.00	9	5.2	5.2	93.7
	20.00	5	2.9	2.9	96.6
	21.00	6	3.4	3.4	100.0
	Total	174	100.0	100.0	

Statistics

Developed preferences

N	Valid	174
	Missing	0
Percentiles	**50**	**13.0000**

Developed preferences

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	6.00	4	2.3	2.3	2.3
	7.00	7	4.0	4.0	6.3
	8.00	12	6.9	6.9	13.2
	9.00	16	9.2	9.2	22.4
	10.00	10	5.7	5.7	28.2
	11.00	11	6.3	6.3	34.5
	12.00	21	12.1	12.1	46.6
	13.00	24	13.8	13.8	**60.3**
	14.00	18	10.3	10.3	70.7
	15.00	21	12.1	12.1	82.8
	16.00	17	9.8	9.8	92.5
	17.00	4	2.3	2.3	94.8
	18.00	8	4.6	4.6	99.4
	19.00	1	.6	.6	100.0
	Total	174	100.0	100.0	

Statistics

Do you own a car?

N	Valid	174
	Missing	0
Percentiles	**50**	**1.000**

Do you own a car?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	**1.0**	124	71.3	71.3	**71.3**
	2.0	50	28.7	28.7	100.0
	Total	174	100.0	100.0	

Statistics

Orientation

N	Valid	174
	Missing	0
Percentiles	**50**	**11.0000**

Orientation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	7.00	3	1.7	1.7	1.7
	8.00	8	4.6	4.6	6.3
	9.00	24	13.8	13.8	20.1
	10.00	45	25.9	25.9	46.0
	11.00	48	27.6	27.6	**73.6**
	12.00	32	18.4	18.4	92.0
	13.00	14	8.0	8.0	100.0
	Total	174	100.0	100.0	

Appendix E

The independent samples t-test provides several tables with various kinds of statistics. The following tables show the group statistics for the evaluations of the five store characteristics of the first and second choice supermarkets with respect to customer characteristics and personal information.
In other words, these tables present the perceptions of different groups of respondents with regard to the differences between the evaluations of the store characteristics for the primary and secondary supermarket choices.

The specific measurements of group statistics

Group Statistics

	What is the level of your net monthly household income?	N	Mean	Std. Deviation	Std. Error Mean
Prices	>= 5.0	83	.4699	1.90210	.20878
	< 5.0	91	.2857	1.64847	.17281

Group Statistics

	Emotional attachment	N	Mean	Std. Deviation	Std. Error Mean
Service	>= 14.00	87	.5287	1.79689	.19265
	< 14.00	87	.8161	1.68115	.18024

Group Statistics

	Developed preferences	N	Mean	Std. Deviation	Std. Error Mean
Product variation	>= 13.00	93	.8387	2.01780	.20924
	< 13.00	81	.5556	1.69558	.18840

Group Statistics

	Do you own a car?	N	Mean	Std. Deviation	Std. Error Mean
Location	>= 2.0	50	1.0000	1.80702	.25555
	< 2.0	124	.6855	1.82738	.16410

Group Statistics

	Orientation	N	Mean	Std. Deviation	Std. Error Mean
Store atmosphere	>= 11.00	94	.7872	1.80127	.18579
	< 11.00	80	.8000	2.26922	.25371