Preface

Research on consumer behavior has traditionally focused on the analysis of decisions related to the choice of products or brand manufacturers. In more recent years, an increasing number of contributions considered this choice together with the choice of the point of sale and the retailer. Indeed, what consumers buy is a complex system of products and services, and a context in which they are delivered.

The relationship between consumers and retailers is based on economic factors, but a wide variety of non-economic elements exert an influence, both at the individual and the collective level. Interactions follow economic and social behavior norms, and social norms and codes of conduct change continuously, as a consequence of technology changes and cultural changes. Technology changes—particularly communication technologies—mainly refer to the Internet and social media development. Cultural changes refer to the convergence at the international level of income, lifestyles, and habits, on one side, and the increased mobility of people, on the other side, that favor the encounter and interaction between different cultures.

The shopping behavior is changing as well. Since shopping has become something more than a necessary activity—with leisure and entertainment components—new horizons to the development of enriched shopping experiences have been opened.

Retailers analyze and interpret such changes in a continuous effort aimed at identifying new markets and market segments. However, the responsive nature of retailers has not been emphasized. Whilst retailers operate with cultural norms and thus reflect these, they can also shape the cultural norms in many ways. Retailers’ initiatives and environments are not neutral entities, and they can condition and structure consumers moods and behaviors and in some case can also influence cultural norms.

Modern techniques of retailing and new retail formats allow retailers to assume a more central role in consumers’ concerns. The elements of the retail offer pay more attention to store design, ambience, and all those issues that have to do with the balance between price, service, and quality of purchased products, and also entertainment occasions for customers.

All the changes described above require an examination and updating of knowledge about the relationship between consumers and retailers. At the same time, the role of retailers must be analyzed following a multiple perspective according to issues related to consumers’ behavioral dynamics, technology, communication codes and tools, social interaction, market knowledge, and social responsibility.

This book provides theoretical frameworks and the latest empirical research findings on the topics related to the changes that are occurring. Firstly, it is addressed to scholars who need an overview of the research field related to the retailer-consumer relationship in order to better contextualize their studies and receive suggestions for cross-disciplinary analyses. In addition, the book can be a tool for managers and entrepreneurs, both in the retail trade and the manufacturing sector, for upgrading their knowledge in the field and completing their perspective for a better approach to their reference markets.
Finally, the book can also be a valuable reference for local government agencies and public bodies who are in charge of the management of planning policies for the retail offer development and city center organization. This field is connected to the Town Center Management (TCM) area of interest, for which a complete knowledge of all the dynamics related to the retailer-consumer relationship is essential.

The book is divided into four sections.

The first section provides an overview of the key issues of consumers’ behavior, analyzing the decision-making criteria for buying products in a context of relationships with the retailer. Together with the analysis of the main characters of consumer behavior, store loyalty, shopping experience, and the role of private label products are explored in light of consumer perceptions and changes.

The second section refers to the retail context, offering an overview of the way in which formats, retail environment, and locations are changing facing new consumers’ expectations and values. The shopping activity as an experience to be enriched becomes the subject of new paradigms for the retailer to offer in the combination of products, services, entertainment, and environmental values whose importance is increasing.

In the third section, the store atmosphere and consumers’ involvement in co-creation of the retail service are considered. Store atmosphere is analyzed for the way in which it exerts influence on consumers, considering sensorial factors, the relationship with salespeople, and even taking into account security issues inside stores. The consumer involvement is also analyzed regarding social responsibility and the emerging ethical issues.

The last section is about innovation, which for retailing is primarily in the field of Information and Communication Technologies (ICT) and the related social media development. The characteristics of ICT innovation are analyzed with reference to the effects of new social media on the interaction between retailers and consumers. Multichannelling emerges as one of the most relevant consequences of this evolution. Multichanneling and its implications for marketing, organization, and distribution strategies seem to be the next decade challenge for all the players involved in the consumer-retailer-producer interaction.

Chapter 1 introduces the section on consumers’ behavior. The chapter titled “Customer Perceived Values and Consumer Decisions: An Explanatory Model,” by Philip Y. K. Cheng, proposes an integrated value model to explain consumer decisions. The model comprises utilitarian, hedonic, and social values. It has three distinguishing features. First, the model segregates utilitarian, hedonic, and social values at the levels of products and marketing environment, respectively. Accordingly, the model can explain not only the homogeneous impact of shopping environment and marketing strategies on all the products under the same roof but also the willingness of consumers to pay higher price for the same products under a different marketing environment. Second, the model integrates all the contributing factors to the consumer decisions, which are individually identified, and their nature can be competing, complementary, or compensating. Third, the structure of the model is heteroarchical, while, since some of its dimensions are generated and interact serially, other dimensions could be generated and interact in parallel. The model provides a framework for empirical research to enhance greater understanding of the effectiveness, relative successes, and failures of various consumer marketing channels and strategies.

In Chapter 2, titled “Identity-Based Consumer Behaviour, Self-Congruity, and Retailer-Consumer Relationships: A Literature Review,” Isabella Maggioni examines consumer-brand identification as an antecedent of the retailer-consumer relationship. Consumers show positive attitudes towards brands that reflect their self-concept and are more likely to express and enhance their identity. Similarly, consumer-retailer identification represents a tool for retailers to develop effective relationships by strengthening emotional connections with their customers. The chapter proposes a conceptual framework of consumer-
retailer identification. The process of identification between a retailer and a customer assumes a particular connotation, and the interplay of multiple facets at different levels makes the process complex, with the store playing a key role.

The third chapter on “Shopping Well-Being and Ill-Being: Toward an Integrated Model” (by Dong-Jin Lee, Grace B. Yu, M. Joseph Sirgy, Ahmet Ekici, Eda Gurel-Atay, and Kenneth D. Bahn) makes an attempt to review and integrate the literature on shopping well-being and ill-being experiences. The study identifies the antecedents of these two constructs in terms of situational, individual, and cultural factors. The link between shopping well-being experiences and life satisfaction is explained using the bottom-up spillover theory. Satisfaction can be explained and predicted from satisfaction experienced within different life domains such as health, job, family, friends, community, material possessions, and shopping. Positive affective experiences related to shopping may be at the bottom of the satisfaction hierarchy. Shopping ill-being may adversely impact life satisfaction through the effects of compulsive shopping. Compulsive shopping causes a great deal of dissatisfaction in various life domains by usurping time, energy, and money from social life, family life, work life, spiritual life, community life. The managerial and policy implications of this integrated model are relevant. In order to increase consumer’s experiences leading to shopping well-being, retailers could use the results of this analysis to develop specifically designed marketing programs. Public policy officials could also develop specific policies to encourage retailers to develop programs to increase shopping well-being and decrease shopping ill-being.

In chapter 4, Amalia Dutu analyzes consumers’ behavior in a condition of economic crisis. Her chapter titled “Understanding Consumers’ Behavior Change in Uncertainty Conditions: A Psychological Perspective” is intended to explain from an economic and psychological point of view the consumers’ behavior alteration and spending patterns in recession conditions. Even if there are no two similar crises, and each crisis is a unique event considering generating factors, severity, evolution, outcomes, and duration, some general trends in the consumers’ behavior alteration during recessions can be synthesized as follows: consumption reduction, increasing savings, migration on the demand curve, elimination/postponing of major purchases, brand loyalty shift, price priority/sensitivity, rationalization of expenses, changes in shopping places, aggressive search for options, and changing spending allocation. These alterations vary in intensity from one country to another and from one category of consumers to another in the frame of one national market.

Chapter 5 by Arturo Z. Vásquez-Parraga, Miguel Ángel Sahagún, and Pablo José Escobedo is on “Customer Store Loyalty: Process, Explanation Chain, and Moderating Factors.” The chapter examines the process of how consumers become loyal to their stores. Following a theoretical and empirical research approach, findings reveal that customer commitment is the major contributor of explanation to customer loyalty, significantly more than the contributed explanation of customer satisfaction. The cognitive moderating factors (store familiarity, store choice, customer perceived risk, and communication) and the affective moderating factors (customer opportunistic tendencies, consumer involvement, shared personal values, and shared management values) are significantly related to the core variables and thus contribute some explanation. Yet, their influence is very small compared to the influence of the core variables. The key contribution of the research lies in the use of relational components (trust and commitment) in addition to transactional ones (satisfaction) and the moderating effects produced by cognitive and affective attitudes shaping or modifying the core process.

Chapter 6 by Elisa Martinelli and Donata Tania Vergura is the last chapter of the first section. The chapter, titled “Evolving the Private Label Role in the Retailer-Customer Relationship: Antecedents and Impact of Premium Private Labels on Customer Loyalty to the Retailer,” focuses on the role played by
private labels in the retailer-consumer relationship. The results of a survey conducted on a sample of grocery retail customers in Italy shows that premium private labels positively impact customer loyalty to the retailer through a causal relationship driven by product quality and value. Private labels emerge as a tool for strengthening the relationship with the customer, potentially acting as a vehicle for information about the value of the retailer over its competitors. This confirms the process of trading up of the private label in recent years and the role it has gained as a signal of reputation, credibility, and trust.

The second section of the book is on the retail context, store formats, and retail services. The section starts with chapter 7, authored by Barbara Borusiak and focused on “The Mechanisms for the Emergence and Evolution of Retail Formats.” The chapter explains the mechanisms for rising and development of innovative formats on the basis of the existing format change theories. After exploring the nature of a retail format and presenting a classification of retail formats, the chapter analyses four groups of key theories (cyclical, conflict, environmental, and integrated) on the emergence and evolution of retail formats, focusing on two innovative formats: pop-up store and e-commerce.

Chapter 8 is titled “Critical Reflections on the Decline of the UK High Street: Exploratory Conceptual Research into the Role of the Service Encounter,” by Jason J. Turner and Toni Gardner. The chapter addresses an important theme in Western countries’ retailing, consolidating existing literature on the use of in-store technology to enhance the customer experience, and takes research forward in the area of the decline of the High Street and the role of customer service. The results from an exploratory research show that rather than being perceived as a threat to the High Street, the growth of online buying and customers’ increased use of technology for purchasing products and services should be seen as a positive, enhancing the appeal and adding value to customers’ High Street retail experience.

In chapter 9, Kathleen L. Wolf contributes knowledge about the “macro” level of consumer perception, the positive influence of the outdoor environment on buying behavior. The chapter, titled “City Trees and Consumer Response in Retail Business Districts,” suggests that a quality urban forest helps to define retail place. Many marketing studies have focused on the “micro” level of product packaging and placement and indoor retail configuration. However, they failed to recognize the value of the external context in the streetscape. Yet, non-economic factors (such as atmospherics) appear to influence consumer behavior and choice on a subconscious level. Study results suggest that higher price valuations are mediated by psychological inferences of district character and product quality. Thus, creating and stewarding an urban forest canopy may enhance revenues for businesses in retail districts that offer diverse products and services. Consumer purchases can provide both compensatory returns for district-wide costs of tree planting and maintenance, as well as revenue enhancement for individual businesses. Trees and landscapes can be significant elements in place marketing.

Patrizia de Luca and Giovanna Pegan, authors of chapter 10 (“The Coffee Shop and Customer Experience: A Study of the U.S. Market”), contribute to improve understanding of the in-store customer experience in the retail environment by analyzing the business of coffee shops in the United States market with a specific focus on American and Italian chains. The chapter outlines the features of the U.S. coffee shop landscape and explores American consumers’ perception of the coffee shop experience using nethnography. Results show a complex framework according both to the offer and the demand perspective that could also contribute to supporting coffee companies in managing customer experience strategies in the American market.

Chapter 11, titled “A New Systems Perspective in Retail Service Marketing,” focuses on a service view to interpret the main issues related to retail marketing. Sergio Barile and Marialuisa Saviano highlight the need of a change in perspective and a new approach to retail marketing by rethinking the market
exchange logic using a service view. A gap in the theoretical approach emerges that can be covered by adopting a Viable Systems Approach and a structure-system interpretation scheme.

In chapter 12, Ana Isabel Jiménez-Zarco, María Pilar Martínez-Ruiz, and Alicia Izquierdo-Yusta (“Personally Engaged with Retail Clients: Marketing 3.0 in Response to New Consumer Profiles”) examine how social and economic changes of recent years have led to a new consumer profile. The chapter explores how current responsible concerns regarding consumption, as well as a greater concern for welfare sustainability and the environment, are affecting purchasing behavior. On these bases, the chapter focuses on how organizations have to evolve towards a new marketing paradigm in order to link to their customers emotionally. In this regard, the evolution of the marketing concept is reviewed in order to understand how the so-called Marketing 3.0 paradigm emerged. According to this new paradigm, companies are no longer freelance fighters but are an organization that acts as part of a loyal network of partners, where people are not just consumers. Indeed, new technologies and the development of the Internet and social networks have enabled consumers to freely express their experiences as active part of the communication system between manufacturers, retailers, and their respective markets.

Section 3 offers an overview on store atmosphere and the interaction with consumers. In the first part (chapters 13 to 16), issues related to the store atmosphere are analyzed. The last 3 chapters of the section focus on the interaction with consumers with reference to elements related to social responsibility and ethical/social values.

Chapter 13, by Sanda Renko, discusses “Atmosphere as a Store Communication Tool.” The chapter provides a conceptual framework for studying the influence of store atmosphere on store patronage. The key dimensions that constitute conventional retail store atmosphere are presented, and the chapter clarifies the manipulation of elements such as color, lighting, signage, etc. within the store to communicate and exert influence on customers. The topic is investigated from both retailers’ and customers’ perspectives. The contribution of the study to current literature is that there is no ideal model of store atmosphere to be followed by retail managers. The possible methods that can help retailers in making store atmosphere decisions are related to prototyping, which is testing customers’ acceptance of specific store environment before it is adopted throughout the whole retail chain; computer-assisted design, based on the contribution of ideas and proposals by store planners, customers, executives etc.; lab experiments, based on the subjects’ response to verbal descriptions of a store in a lab setting; and videotape and slides methods to manipulate retail environments.

In the same field of store atmosphere is chapter 14 (“The Use of Sensorial Marketing in Stores: Attracting Clients through their Senses), by which Mónica Gómez Suárez and Cristina García Gumiel present a state-of-the-art of the literature referring to the use of sensorial marketing within the store. For this purpose, an interdisciplinary review of the theoretical and empirical works related to this discipline has been carried out. Results show that consumers need to feel involved and to be part of the purchasing process. When customers feel involved, they state to have an additional value. This bring one to the conclusion that the more power a company provides to its customers and the more it takes care of them, the better it is perceived.

In chapter 15, Miriam Palmeira analyses whether frontline employees in retail services perceive themselves as having feelings of sexism, ageism, and appearance discrimination against customers. In her chapter titled “Frontline Employees’ Self-Perception of Ageism, Sexism, and Lookism: Comparative Analyses of Prejudice and Discrimination in Fashion and Food Retailing,” the author presents a quantitative study of frontline employees working in fashion and food retailing. More than 95% of female and more than 64% of male attendants believe that well-dressed, young female customers are given priority
when being served. Almost 80% of female and only 58% of male frontline workers believe that badly dressed, middle-aged men (not younger men) are the last to be served when there is no clear queuing process in the retail spatial area. This context strongly suggests the growing importance of an interpersonal skills training process for an organisations’ staff as a way of avoiding behaviours that make the customers think that there is prejudice and discrimination in the service process.

Chapter 16, titled “A Dilemma for Retailers: How to Make Store Surveillance Secure and Appealing to Shoppers,” by Angelo Bonfanti, proposes a conceptual framework that highlights how retailers can make store surveillance simultaneously secure and appealing to shoppers. Retailers use a number of ambient, design, and social elements with the aim of creating a unique, pleasant, and engaging customer-shopping experience. However, a store may be made less attractive in presence of feelings of insecurity or, on the opposite side, excessive control. As a result, retailers have to balance their efforts to enhance a store’s attractiveness by ensuring a high level of sales environment surveillance without interfering with the shopping experience. The analysis is based on theoretical evidence in the marketing, environmental psychology, service and retail management literature, and indicates that retailers’ investments in store design, staff training, and technological systems can ensure adequate security levels without compromising customers’ shopping experiences.

The chapter by Janice Rudkowski (chapter 17, “Retailer-Non-Profit Organization (NPO) Partnerships: Building Trust with Socially Conscious Consumers”) explores how and why strategic retailer-non-profit organization partnerships have an impact on the relationship between retailer and consumer, how they shape and influence socially conscious shoppers, and how they affect consumer trust as well as retail business practices and strategies. The chapter highlights the way in which partnerships have influenced socially conscious shoppers and the shopping environments. In some cases, they have completely transformed the retailer-led business model into a consumer-led business model. Thus, consumers’ sphere of influence can involve product assortment and price, and can extend itself to sourcing, product development, and community involvement. Retailer-NPO partnerships are no longer just a strategy to generate more revenue, being part of the firm’s broader Corporate Social Responsibility plan to build consumer loyalty, operate an ethical business, offer ethical and sustainable product choices, and support local and national communities.

The relationship with external ethical movements is also analyzed in chapter 18 (“Engaging Social Movements in Developing Innovative Retail Business Models”) by Roberta Sebastani and Francesca Montagnini. This chapter explores the outcomes in terms of new retail formulas derived from the interaction between retailers and engaged consumers. Results of a study based on a case study show that there is room for a coordinated effort between corporate power and collective stances, mediated by social movements. The case analyzed offers fruitful suggestions for existing retailers to rethink their business models, aligning them to the critical stances expressed by socially conscious consumers.

Chapter 19, titled “Meanings and Implications of Corporate Social Responsibility and Branding in Grocer Retailers: A Comparative Study over Italy and the UK,” by Elena Candelo, Cecilia Casalegno, and Chiara Civera, considers the extent to which companies operating in the grocery retail industry use Corporate Social Responsibility as a driver to enhance their brand and redefine business priorities according to the emerging consumers’ needs and expectations. The resulting business model evolves towards the concept of Corporate Shared Value (CSV).

The last section of the book is about innovation, whose characteristics are analyzed with reference to the effects of new social communication technologies on the interaction between retailers and consumers. Multichannelling emerges as one of the most relevant consequences of this evolution.
In chapter 20, Eleonora Pantano and Harry Timmermans present “An Exploratory Study of Client-Vendor Relationships for Predicting the Effects of Advanced Technology-Based Retail Scenarios.” The aim of the chapter is to assess the typology of current relationships between vendor (retail staff) and clients facing the introduction of in-store technologies such as self-service systems, interactive displays, etc. Findings provide a benchmark to evaluate current client-vendor and client-social network relationships and enhance understanding of the possible substitution of physical vendors by recommendations systems based on advanced technologies.

Irene Gil Saura, María Eugenia Ruiz Molina, and Gloria Berenguer Contrí explore in chapter 21 (“Retail Innovativeness: Importance of ICT and Impact on Consumer Behaviour”) the relationship between information and communication technologies innovation within retail businesses and consumer behavior. Results provide evidence about the influence of retail innovativeness on consumer behavior, enabling the identification of the most influencing technologies on customer perceptions.

Chapter 22 by Sandro Castaldo and Monica Grosso, titled “Retailer-Customers Relationships in the Online Setting: An Empirical Investigation to Overcome Privacy Concerns and Improve Information Sharing,” investigates the effect of trust and compensation on information sharing, which is a prerequisite for the adoption of many new technologies. By means of two experimental studies, the authors analyze the interaction between two strategies that firms can use to alter potential customers’ cost/benefit evaluation and increase information disclosure: the development of initial trust and compensation. The results show the key role of trust in increasing information sharing with e-vendors and behavioral differences between the target groups. Thanks to this study, marketers may gain a clear picture on how to manage their customer relationships in contexts where technologies actually reduce the direct contact between the firm and the client, at least in the traditional form based on interpersonal interaction.

The subject of chapter 23 is “Retail and Social Media Marketing: Innovation in the Relationship between Retailers and Consumers,” by Francesca Negri. The chapter introduces the concept of Social Networking Sites as an integration of the retailing marketing mix, defining their role in a marketing strategy, and providing some managerial implications for practitioners. Mobile devices and tablets are replacing computers as the main access point to the Internet. Customer expectations are rising, supported by the development social media: blogs, media sharing sites, forums, review sites, virtual worlds, social networking sites, etc. Retailers need to convert browsers to buyers and one-time customers to loyal sharing fans so that they become advocates in the real and virtual worlds. The shift is deep: from one-way communication to conversation, and from advertising as an interruption to the interactivity in all locations.

A focus on blogshops is shown in chapter 24 by Ronan de Kervenoael, Alan Hallsworth, and David Tng. In their chapter titled “Singapore’s Online Retail Deviants: Analyzing the Rise of Blogshops’ Power,” the authors analyze the role of unorganized, nonstrategic actors, such as blogshops, in catalyzing retail change. They explore how blogshops are perceived by consumers and how they challenge the power of other shopping formats. The results from a survey on a sample of consumers show that blogshops stay true to traditional online shopping attributes. Furthermore, consumer power is counter-intuitively found to be strongly present in the areas related to cultural ties, excitement, and search for individualist novelty (as opposed to mass-production), thereby encouraging researchers to think critically about emerging power behavior in media practices.

Chapter 25 introduces the concept of multichannelling. Daniela Andreini and Giuseppe Pedeliento in their chapter titled “Is Multichannel Integration in Retailing a Source of Competitive Advantage? A Consumer Perspective” analyze the conditions in which retailers combine physical infrastructures (stores) and virtual channels (catalogues, Internet, and mobile shopping) in order to sell and distribute
products and related services. The chapter investigates how shoppers perceive 3 different multichannel integration models in retailing: independent, database, and full-integrated models. The results reveal that when consumers choose among different multichannel retailers, the retailer’s brand reputation, the experience with other shopping channels of the same retailer, and the Website design are the most influential factors for purchasing decision.

On the same issue of multichanneling is chapter 26 ("About the Challenges to Start E-Commerce Activity in SMEs: Push-Pull Effects," by Rauno Rusko and Joni Pekkala). The authors analyze the challenges faced by small and medium enterprises while starting e-commerce activity, pointing out the need to combine existing traditional brick-and-mortar shops with digital solutions and e-commerce for selling products.

There are a lot of books related to relationship marketing, customer relationship management, consumer behavior, retailing, and retail management. All these fields are usually covered with reference to business-to-business relationships, to information management tools, or with perspectives limited to specific issues (e.g. consumer behavior, retailing, marketing information system, etc.). A broader view of the relationship between retailers and final consumers is missing, although it is treated as a complementary aspect. Since this book is putting together several perspectives that can be used for analyzing the retailer-consumer relationship, it covers a gap in this area, which is of interest both to retailers and manufacturers. This may stimulate the search for greater integration of these perspectives in future research, stimulating inter/multi-disciplinary approaches.

Fabio Musso  
*University of Urbino, Department of Economics, Society and Politics (DESP), Italy*

Elena Druica  
*University of Bucharest, Department of Economic and Administrative Sciences, Romania*