Chapter 6

Customers’ Generational Differences Regarding In–Store Shopping Experiences

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ABSTRACT

This chapter aims to identify customers’ needs in regard to in-store shopping experiences and to examine these results with specific reference to generational differences between the senior and younger customers. This exploratory study followed a qualitative approach based on semi-structured interviews conducted through focus groups. Specifically, four sessions were organized with 24 Italian customers, of whom 12 were baby boomers and 12 were millennials, who were frequent visitors to retail stores to undertake shopping activities. The pleasure, arousal, and dominance (PAD) model was used to explain customers’ needs in regard to in-store shopping experiences. The research contributes to the current literature on both a theoretical and managerial level. From a theoretical perspective, it identifies customers’ needs in regard to in-store shopping experiences with particular attention devoted to the generational perspective. In managerial terms, this study provides retailers with suggestions on possible strategic paths to be taken to create a personalized in-store shopping experience.

INTRODUCTION

The increasing pervasiveness of technology and social media is revolutionising the retail industry (e.g., Grewal et al., 2017) and forcing retailers to consider effective strategies to gain competitive advantage (e.g., Kumar et al., 2017). This need is largely driven by the fact that increasing numbers of customers around the world are choosing to purchase products online through smartphones and tablets, by also spending important amounts for purchase of these products (e.g., Misra et al., 2017; Priporas et al., 2017). Consequently, both practitioners and retail management scholars are devoting more attention to online shopping experiences, rather than analysing how retailers can create positive experiences for their customers.
customers in traditional channels. Thus, the following question arises: can retailers neglect traditional channels in favour of the web channel? The answer to this question is negative because stores are and will continue to be very important for customers because to go shopping in the store is something that customers cannot experience through other channels. Therefore, it is crucial that retailers invest in in-store shopping experience management.

The in-store shopping experience is not a new topic in retail management literature. Many scholars have examined this topic by focusing on specific factors related to shopping experiences in traditional channels (e.g., Bonfanti, 2017; Lemon & Verhoef, 2016; Pennington, 2016; Solis, 2015; Stein and Ramaseshan, 2016; Terblanche, 2018; Teufel and Zimmermann, 2015; Zentes et al., 2016), such as service quality (Terblanche & Boshoff, 2006; Xu-Priour & Cliquet, 2013), merchandise quality (Grewal et al., 2009; Terblanche & Boshoff, 2006), variety of assortment (Terblanche & Boshoff, 2006), product prices (Grewal et al., 2009; Terblanche & Boshoff, 2006), convenience (Sathish & Venkatesakumar, 2011), store environment design (Bagdare, 2013; Bonnin & Goudey, 2012; Castaldo & Mauri, 2017; Sachdeva & Goel, 2015), store atmosphere (Sathish & Venkatesakumar, 2011; Vukadin et al., 2016; Zaghi, 2014), emotions (Bagdare & Jain, 2013; Cachero-Martínez & Wzquez-Casielles, 2017; Sachdeva & Goel, 2015), personal interaction (Bagdare, 2013; Sathish & Venkatesakumar, 2011; Terblanche & Boshoff, 2004; Xu-Priour & Cliquet, 2013) and cutting-edge in-store technology (Adil & Khalid, 2015; Choi et al., 2015; Zagel, 2016). Therefore, the in-store shopping experience can result from many factors that can be traced from many different academic articles. These factors together create a personalised in-store shopping experience. To better understand how to generate this personalised experience, retailers can consider changes in shoppers’ behaviours. More precisely, retailers can examine the development of customers’ needs in relation to how they undertake their shopping. In addition, it may also be interesting to investigate the differences existing among different generations.

Specific research that investigates customers’ needs in regard to shopping experiences is very limited. Thus, this chapter is motivated by the desire to explore whether there is evidence of generational differences in customers’ perceptions towards in-store shopping experiences, given that customer expectations are fuelled by the progressive effect of their perceptions (Rust et al., 1999). The shopping experience concept is examined in specific reference to different generations – baby boomers and millennials – to consider the daily challenges and opportunities faced by store managers to create a personalised shopping experience. Consequently, this chapter aims to suggest which management strategies store managers can adopt to satisfy their senior and younger customers, retain these customers and increase sales. In this regard, after offering a background of the core achievements of research on the concept of customers’ needs and providing details about the research method, this chapter presents the results from focus group interviews. Four focus group sessions were organised with 24 Italian (senior and younger) customers of retail stores. In addition, this chapter identifies which strategies can be undertaken to improve in-store shopping experience management in the digital era by providing a practical toolbox, as well as hints for future research, that will be beneficial for both researchers and practitioners.

From a methodological perspective, this chapter is the result of both conceptual study and different qualitative research methods. Specifically, in addition to theoretical evidence published in retail and service management and marketing literature on the shopping experience, this study employed focus group interviews as a specific method of explorative data collection, and performed content analysis to elaborate customers’ needs in regard to the shopping experience.

The remainder of the chapter is organised as follows. First, a brief background is provided on customers’ needs in regard to the in-store shopping experience. Following this, a research design and method