Shopping orientation-defined segments based on store-choice criteria and satisfaction: an empirical investigation

Irini D. Rigopoulou, Athens University of Economics and Business, Greece*
Rodoula H. Tsiotsou, Higher Technological Education Institution of Crete, Greece
John D. Kehagias, Hellenic Open University, Greece

Abstract The purpose of this article is to contribute to the topics of segmentation, store-choice and satisfaction by providing additional knowledge to retail managers when standing in front of critical marketing decisions. In order to support our goal, we employ the shopping orientation segmentation approach which allows to segment customers in a “live” and therefore exploitable manner. According to the findings of an exit survey among retail customers, this study reveals that “situational” as well as “individual” store-choice criteria do merit our attention as the basis for segmenting retail customers. These criteria, together with satisfaction, can be seen as a conceptual platform based on which retail customers can be effectively segmented. As our findings suggest, the customers interviewed clearly fall into two distinct segments, namely the “fastidious” and the “easy-going” customers, each calling for special attention from retailing managers in order to obtain higher levels of satisfaction.

Keywords Retailing, Store-choice criteria, Satisfaction, Shopping orientation-defined segments.

*Correspondence details and biographies for the authors are located at the end of the article.
INTRODUCTION

In an attempt to identify the factors that comprise the frame within which individuals undertake choice decisions (Downs 1970; Burnett 1973; Moore 1989) consumer behaviour has been seen, either on an aggregate level aiming at arriving at generalised model-building processes, or on a more disaggregate one.

In this context, the given heterogeneity of consumers drives marketers to develop approaches aiming at portraying their customers in a more precise way. These approaches are effective to the extent that they are applying certain segmentation axioms and guides (Trivedi 1999). However, segmentation is still not fully developed either due to the normative nature of many segmentation models (Danneels 1996) that are proposed by academics or due to the misuse of several segmentation-related directives by the practitioners (Dibb and Simkin 2001). Most often, segmentation is being treated by marketers in a rather simple and thus limiting manner. This is because they usually proceed with the segmentation process according to specific, commonly used criteria, which are not necessarily the most appropriate ones for a particular buying decision / situation.

Along these lines Doyle (1995) and Gordon (1998) have stressed the difficulties of segmenting customers in an efficient and effective way. For example, a priori chosen segmentation variables may portray clearly differing customer profiles, but in a way, not always suitable for managerial purposes. As an answer to the question of how to segment consumer markets in a more effective way, the shopping orientation approach has been found to be very useful in understanding and describing customers (Moye and Kincade 2003; Shim and Kotsiopoulos 1993) and as such it has been considered valuable for managerial decision making purposes (Jarratt 2000).

By utilising the shopping orientation, the particular research will contribute to the field of consumer behaviour and particularly to the segmentation as well as to the choice literature. Literature already offers a thorough analysis of store-choice and retail patronage (Moutinho and Hutcheson 2007) and provides predictive as well as analytical confirmatory instruments (Gonzalez-Benito 2004), which are of value to both, academics and practitioners. Along these lines, the particular paper is drawing from an empirical research and attempts to provide further insights into the customers’ actual choice behaviour. Such an examination can be considered important both, managerially as well as theoretically, since the topic seems still quite under-explored.

As this study was undertaken to generate additional knowledge on shopping orientation, each segment identified is proposed to differ in terms of the relative importance placed on specific store-choice criteria in the retail environment, eliciting new promising insights to the field of choice and consumer behaviour in general.

The paper is organised as follows: The relevant theoretical background and previous research conducted so far is presented in the first section. In the following sections, the methodology of our empirical study is described together with the results and the related discussion. Finally, the managerial implications as well as the limitations of the study accompanied by recommendations for further research are included in the closing section.
LITERATURE REVIEW

Segmentation

Before proceeding with presenting the literature review referring to segmentation, some conceptual clarifications should be made, since the two central terms, market segmentation and customer segmentation are often used interchangeably in the sense that customer segmentation is usually related to the classification of potential or current customers (Hulten 2007), market segmentation is also used as a synonymous term (Quinn et al. 2007).

Despite these conceptual difficulties, even since 1956, when Smith in his pioneering article was referring to market segmentation, it became clear that the mutually beneficial relationships between companies and consumers are affected by consumer heterogeneity. This is the reason why marketers are constantly trying to develop and implement activities which are most suitable to the company’s target customer group (McGoldrick 2002), having realised that otherwise the buyer-seller relationship will not work effectively. It is therefore beyond any doubt that the selection of efficient and effective segmentation approaches and the utilisation of sophisticated segmentation methodologies often play a critical role in succeeding to build mutually beneficial relationships between the company and its customers.

In general, segmentation recognises that current and potential customers are characterised by a heterogeneity in their profiles, which eventually drives to a differentiation in their buying preferences, attitudes and behaviour. This differentiation may be embedded in their own characteristics as person variables, such as demographic and / or psychographic characteristics, product usage, level of patronage or other situational variables, like purchasing motives and usage occasions. Therefore, marketers may try different segmentation variables before deciding for the ones to adopt (Kotler et al. 2008). Literature covers the subject of segmentation from several angles and addresses specific issues and questions like segmentation bases and models, research methodologies in terms of data requirements and data collection, methodologies for segmenting, connection of segmentation related decisions to strategy formulation and other managerial issues (Goller, Hogg and Kalafatis 2002).

Despite the work done so far, it is widely accepted that some theoretical as well as managerial problems related to segmentation research remain unsolved (Sausen et al. 2005) and new ways of conceptualising the construct of segmentation are discussed.

The normative segmentation methodology proposed by Tollefson and Lessig, (1978) was among the first attempts to aggregate customers into meaningful segments. However, due to its normative nature and the lack of linking theory and practice, it has received serious criticism and has practically been utilised only rarely in business.

At the same time Wind (1978) contributed substantially to the topic, particularly by recognising two approaches in order to segment a market, the “a priori segmentation”, which is based on a pre-selection of criteria according to which the customers can be split into segments, and the “post hoc” or “cluster-based segmentation” which is based on a person-by-variable interrelation. Again, both proposals have been debated by academics providing counter-arguments that are mostly related to their “mechanistic character” as well as to the difficulties involved in their implementation.

With the reasoning that market segmentation is closely related to product positioning, Green and Krieger (1991) argue for a conjoint-based market
segmentation, where segmentation and product positioning are proposed to be handled in an intertwined manner. The advantage of the particular analysis over others is related to the fact that it incorporates realistic trade-offs when measuring consumer preferences, thus making the particular technique quite popular among researchers as well as practitioners.

Wedel and Kamakura (2000) are offering a broad review of the proposed approaches most of which are recognising the a priori and the post hoc segmentations, confirming that this is the most widely accepted categorisation logic.

When referring to the retailing context, other attempts have been made in order to portray different shoppers types like this of shopping orientation, initially proposed by Stone (1954). Since then, this approach gains a growing appreciation, as it becomes more and more clear that the simultaneous examination of brand and store-choice criteria and other personal variables and characteristics will enhance the understanding of shopping behaviour (Baltas and Papastathopoulou 2003). The shopper typologies proposed so far are basically based on the expressed attitudes towards the shopping experience or/and the motives and gratification derived. Sinha and Uniyal, in a review they conducted in 2004, are presenting several typologies proposed by other authors in the period 1954 to 1996 (Stone 1954; Jaratt 1996) which are reflecting the impact of several store attributes on shoppers.

However, if we argue for the dynamic character of modern markets (Sheth et al. 2000) where decision making is becoming more complex and consumers more sophisticated and therefore more diverse and unpredictable, the call for updated contributions, capable to provide effective managerial consultation, seems to be imperative.

**Shopping orientation-defined segments**

Having in mind that segmentation should offer managers in general, and retail managers in particular, a deeper and therefore more valuable view of their customers, researchers give emphasis on enhancing the knowledge of the related constructs. Among them, the construct of shopping orientation represents, according to our view, one of the most valuable segmentation approaches, since it reflects categorisation of shoppers based on various actual shopping styles.

In the literature, the construct is defined as shopping or shopper’s style, encompassing interests, opinions, attitudes, shopping preferences, activities and behaviours prior, during and after the shopping process (Stone 1954; Lumpkin 1985; Hawkins et al. 1989; Darden and Dorsch 1990; Shim and Kotsiopoulos 1992a). In this context, researchers have found a link between shopping orientation and consumer patronage (Moye and Kincade 2003), providing additional insights into retail customer behavioural patterns. It must be noted that the shopping orientation studies reviewed are based on past shopping experiences and personal values (Darden and Dosch 1990), merchandising and store types (Stone 1954) economic variables (Lumpkin 1985) or product usage (Darden and Reynolds 1971), and other behavioural cues (Sinha and Uniyal 2004). The literature review conducted provided no evidence of empirical research so far regarding shopping orientation and store-choice criteria, although these affect strongly shoppers’ preferences and attitudes and eventually, their behaviour. Moreover, although McKinney (2004b) made an attempt to link the construct of satisfaction to shopping orientation, the construct was not further related to particular shopping orientation criteria. Consequently, since shopping orientation and consumer patronage are closely linked, the central construct of “choice” is worth special attention. In this particular study, the treatment
of the choice context revolves around the store-choice criteria and their importance among different consumers profiles.

**Choice theory**

When referring to choice and particularly to the individual’s choice, reference is mostly made not to the decision itself, but to the process which leads to the decision (Corstens and Gautschi 1983). A review of earlier retail store-choice studies reveals that the various models that originated from the Economic Choice Theory, i.e. the multinomial logit model, the nested MNL model, the Dirichlet model or even the hazard model, have been widely applied (McFadden 1986). Besides, apart from the other stream of work which uses panel data to investigate choice decisions (Bell et al. 1998), it must be noted that marketing researchers often tend to select aggregate approaches regarding the choice paradigm, either via componential segmentation (Green and DeSarbo 1979), or via clustering segmentation (Green and Srinivasan 1978; Moore 1980) and conjoint analysis (Elrod et al. 1992). From a marketing perspective, this multiplicity of approaches is clearly useful since by offering a wide range of choices of segmentation bases can lead to more effective managerial decisions.

**Choice criteria in the retailing setting**

When referring to choice, the decisions which are related to retailing are among the most important ones. First, for business related reasons, since retailing is expanding in most industries in B2B and B2C fields, accounting for huge business revenues. Second, because the contemporary consumer is dealing with a plethora of retail-related choice decisions on a daily basis. The main reason though, why retail is worth special attention, is associated with the complexity that choice-decisions carry, in the sense that, every single retail-related decision is based on several other choice-decisions, like the product-category choice, product-choice, brand choice, retail-format choice, retail-chain choice, retail-store choice, and even retail-salesperson choice. All these choice-decisions are of course finally blended to a single buying decision, but their complexity makes the thorough understanding of customers as a decision-maker, both difficult and imperative. Hence, from the retailers’ side, it is argued that the most successful companies are the ones that are capable of efficiently establishing the appropriate retail mix for their clearly defined target group (McGoldrick 2002).

Coming to store choice as our focal research topic, it must be noted that a substantial body of research in retailing addresses the subject of retail store selection, investigating the constructs of retail store-choice, store patronage and store preference. These constructs, have one thing in common, the existence of various stimuli that play an important role in the final decision and among them, we recognise store-choice criteria as being central to the discussion. In general, choice criteria can be broadly classified as external or internal customer parameters, like personal characteristics and buying - consumption patterns (Kim and Park 1997). In their meta-analysis Pan and Zinkhan (2006) propose a split of store attributes into three groups, the product relevant, the market relevant, and the personal attributes which are seen as choice criteria. Under a synthetic view, the first and the second group of attributes are often put together as being reflected in the overall store-choice criteria (Rosenbloom 1983). Other views (Volle 2001) however recognise attributes that are related to product, advertising and price as “situational variables” while buyer related attributes such as psychographics and past behaviour are seen as “individual variables”. In an effort to
contribute to the discussion, by proposing explicit classifications, other researchers tried to identify the exact attributes playing an influential role in the customer’s choice decision (Sparks 1995; Burt 2000), among which Lindquist (1974/75) and Erdem et al. (1999) offered the most distinctive views.

What this discussion brings out clearly is that choice seems to be the outcome of a compound task and a multidimensional process containing both, less controllable and manageable attributes and more controllable ones. Since the particular study is aiming at providing support for managerial decision-making, we are focusing on various store-choice criteria that are controllable by management, such as those related to product and price or service related attributes. The fact that these attributes have been recently proposed by Pan and Zinkhan, (2006) as being the ones exhibiting the highest correlation with store-choice, is quite supportive of our approach.

**Retail store-choice criteria and satisfaction**

Satisfaction, namely the “consumer’s fulfilment response, which is a judgment that a product or service feature, or the product or service itself, provided a pleasurable level of consumption related fulfilment, including levels of under or over fulfilment” (Oliver 1997, p.13) has become the ultimate goal for marketers in recent decades. Particularly lately, increasing effort is being focused on attempts to model and utilise this construct as a result of which many theoretical models and suggestions have been proposed for application in both, B2B and B2C markets (Kotler et al. 2008).

Since Satisfaction is influenced by conscious or less conscious expectations for a coming experience the customer is going to live [see Oliver’s expectancy disconfirmation theory], it is important to turn our attention to those parameters that are shaping customers’ expectations which in turn influence their preferences and choices through the adoption and utilisation of store-choice criteria.

Moreover, when referring to the antecedents of customer satisfaction, Groenroos’ (1993;1995) proposition reflecting the “technical” and the “functional quality” of the overall offering, is in line with the split into product, behaviour and environmental antecedents which is widely recognised among researchers (Renland et al. 1985).

In the context of retailing, satisfaction may refer to either a certain product attribute, the salesperson and / or the overall experience. All these are related to the “transaction-specific satisfaction” which is a post-experience evaluative judgement of the particular purchase (Oliver 1993). This post–experience evaluation reflects a prior selected basis of evaluation where choice criteria are also involved. Thus, the two constructs “store-choice criteria” and “satisfaction” are perceived by customers in an inter-relational manner.

Although extant literature covers quite extensively the two constructs, the inter-relational ground remains still under-explored, thus giving very good reasons for the exploration undertaken in this particular study.

**METHODOLOGY**

Before proceeding with the methodology, the study objectives are restated as being an attempt to segment retail customers according to their shopping orientation and the determination of differences among the shopping orientation-defined segments relative to the satisfaction generated with the store visit. In order to provide empirical data related to these objectives, a field research was conducted among customers...
while they were leaving the stores of an Electrical Appliances Chain. Having in mind that to come to reliable conclusions the sample size is crucial, overall 3,550 customers were sampled outside the company stores. Given the required applicability of the findings and the quantitative nature of the research, all 27 stores of the particular chain located in Athens, where included in the survey. Electrical appliances were chosen as the context for the present study due to their nature as shopping goods (Kehagias et al. 2004). Also, by being durable goods belonging to a ‘multi-attribute’ product category and having a mass market appeal, they lend themselves to usage in a store choice study. Besides, electrical appliances, being high involvement products, are particularly suitable for the purpose of investigating the relevant store – choice criteria.

Coming to the questionnaire used as research instrument, store-related attributes which include product, price and service-delivery related attributes, were considered to be the most appropriate ones in order to probe into both, store-choice and satisfaction. This was decided because as the literature proposes (Hirschman and Krishnan 1981), when referring to the store-choice criteria, these attributes serve as objective and subjective evaluation criteria. After the screening process, we decided to focus on those which are termed primarily objective or at least are described as both objective and subjective. These criteria can be grouped into the product and price related and the personnel/service-delivery related criteria. Information-related variables such as prior information by advertisements and recommendation by friends, were also incorporated in the questionnaire to cater for the product category buying behaviour characteristics.

More specifically, the survey instrument consisted of three parts related to electrical appliances shopping orientation.

In the first section, we gathered data about the importance of specific store-choice criteria on the basis of 20 items which were used in previous studies (Pan and Zinkhan 2006; Erdem et al. 1999; Volle 2001). A 10-point scale anchored at “completely unimportant” and “extremely important” was employed for measurement purposes.

In the second section we measured customer satisfaction along 17 attribute based satisfaction items (Oliver 1993), again borrowed from previous established research in the literature (Paulins and Geistfeld 2003) and one item measuring overall satisfaction. Again a 10-point scale anchored at “completely unsatisfied” and “extremely satisfied” was utilised. Given that any proposed methodology should provide for reliable explorations of the subject under investigation, satisfaction was used as a validation variable. This was because customer satisfaction provides information not only about the performance level of a particular product offering, but also about the impact of specific product or store attributes on customer choice (Groenroos 1984; Czepiel et al, 1985; Davis and Stone, 1985). Furthermore, we linked the two constructs because the relationship between store-choice criteria and satisfaction elements, although relevant, is still relatively under-explored.

Finally, in the third section, we gathered the necessary demographic data as well as other information useful to the store management like “time of purchase” and store visited.
ANALYSIS AND RESULTS

Based on the statistical analysis of the data, two shopping orientation segments were identified using a three-step process, involving Factor analysis, Cluster analysis and MANOVA. All statistical processes were applied to the data using the SPSS program.

Factor analysis

An exploratory factor analysis was used to identify the underlying structure of the initial 20 items reflecting various aspects of retail store-choice criteria. The Kaiser-Meyer-Olkin test measuring the adequacy of sampling produced a value of 0.932, which is larger than the cut-off point of 0.60, thus providing evidence that the sample used (N=3,550) for the study was adequate. Variables with factor loadings less than 0.50 were excluded from further analysis. Moreover, the results of the Bartlett test of sphericity (p=0.000) indicated that the factor model is appropriate for the data set. Based on Kaiser’s rule of selection (eigenvalues larger to 1), three factors were extracted (explained variance 58.7%; p-value for fit test = 0.000; Chi-square statistic = 3312.76) and shown in Table 1.

An oblique rotation (delta=0) was chosen because of the theoretical expectation that the resulting factors would in reality be correlated. The factors were labelled as “Product/Price criteria”, “Source of Information”, and “ServiceScape/Personnel criteria”. Factor I, “Product/Price criteria”, consisted of 7 variables including product assortment and returns, lower prices and payment options, out of which, the “To have many and new models by brand” and “To have variety of known brands” loaded significantly higher than the rest.

Factor II, entitled “Source of Information criteria” was constituted by three variables with the one referring to the “recommendations by friends” having the highest score. Finally, Factor III, the “ServiceScape/Personnel criteria” consisted of 10 variables, with “speed and politeness of the personnel” appearing to be of the highest importance. This third factor contributed 7.52% of the variance.

Construct reliability of the retail store-choice factors was tested using the Cronbach alpha coefficient. The alpha values, ranged from .76 to .92, indicating that the measures of each factor are reliable. The correlations between the factors ranged from .24 to .72.

Cluster analysis (K-Means)

To segment customers of the retail stores, cluster analysis (K-Means) was used on the three store-choice criteria factors. Two segments were extracted from the analysis. Based on their mean values in the three choice criteria factors, the two segments were named as “low” and “high” in terms of store-choice criteria. The segment that scored low in the three choice criteria represented 39.72% of the sample whereas the high scoring segment represented 60.28% of the sample. To validate the 2-cluster solution, cluster membership was related (using one-way ANOVA and Duncan multiple-range test) to the original three choice criteria factors. Between groups and within groups differences were tested using one-way Analysis of Variances (Table 2). Cluster means were found significantly different on all 3 factors at the 0.001 level.
TABLE 1  Factor loadings for choice criteria items

<table>
<thead>
<tr>
<th>Factor 1: Product/Price</th>
<th>Factor 2</th>
<th>Factor 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>To have many and new models by brand</td>
<td>.812</td>
<td></td>
</tr>
<tr>
<td>To have variety of known brands</td>
<td>.811</td>
<td></td>
</tr>
<tr>
<td>To have products ready to deliver</td>
<td>.618</td>
<td></td>
</tr>
<tr>
<td>To accept product returns and changes</td>
<td>.575</td>
<td></td>
</tr>
<tr>
<td>To have a variety of payment methods</td>
<td>.570</td>
<td></td>
</tr>
<tr>
<td>To have the lowest in cash prices</td>
<td>.530</td>
<td></td>
</tr>
<tr>
<td>To give many payment options in terms of number and time of installments</td>
<td>.529</td>
<td></td>
</tr>
</tbody>
</table>

Factor 2: Source of Information
To have been recommended by friends | .764 |
To have a person I know in the store | .734 |
To have ads to motivate to buy | .670 |

Factor 3: Servicescape/Personnel
To have personnel that serve me fast | .832 |
To have salespeople polite and friendly | .820 |
To have cashiers polite and friendly | .809 |
To have salespeople that will understand my needs | .737 |
To have cashiers that serve me fast | .721 |
To have short delay time until I am served by a salesperson | .699 |
To have short delay time in the cashiers | .663 |
To be informed and receive technical information about the product by the salespeople | .650 |
To deliver and install products on time | .568 |
To have a pleasant atmosphere and environment |        |

<table>
<thead>
<tr>
<th>Eigenvalue</th>
<th>Variance (%)</th>
<th>Cumulative Variance (%)</th>
<th>Cronbach’s Alpha</th>
<th>Number of Items (total=20)</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.31</td>
<td>41.53</td>
<td>41.53</td>
<td>.84</td>
<td>7</td>
</tr>
<tr>
<td>1.93</td>
<td>9.67</td>
<td>51.20</td>
<td>.76</td>
<td>3</td>
</tr>
<tr>
<td>1.51</td>
<td>7.52</td>
<td>58.72</td>
<td>.92</td>
<td>10</td>
</tr>
</tbody>
</table>

TABLE 2  Cluster analysis results (N=3,550)

<table>
<thead>
<tr>
<th>Factor</th>
<th>Low in Choice Criteria Segment (39.72%)</th>
<th>High in Choice Criteria Segment (60.28%)</th>
<th>F</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product/Price</td>
<td>9.26</td>
<td>9.58</td>
<td>169.90</td>
<td>.000</td>
</tr>
<tr>
<td>Source of Information</td>
<td>5.80</td>
<td>8.90</td>
<td>6953.25</td>
<td>.000</td>
</tr>
<tr>
<td>Servicescape/Personnel</td>
<td>9.24</td>
<td>9.61</td>
<td>244.35</td>
<td>.000</td>
</tr>
</tbody>
</table>
Multivariate analysis of variance (MANOVA)

As it has been recommended, the best way to test the clustering solution is to validate it on a set of external variables different from those used to produce the clusters (Andendelfer and Blashfield 1994). By doing so, the external validity is demonstrated whilst the segments can be better profiled. Thus, to assess the validity of the two choice criteria based segments identified, Multivariate Analysis of Variance (MANOVA) was employed on various satisfaction factors (Appendix A) such as Servicescape/Personnel Satisfaction, Encounter Satisfaction, and Product/Price Satisfaction as well as on Overall Satisfaction. These were used as the dependent variables of the MANOVA analysis (Table 3). A MANOVA was conducted with follow-up Analyses of Variance. The overall multivariate null hypothesis (Ho: population mean vectors are equal) was tested to determine if any differences in the dependent variables existed within the groups, and was finally rejected (Wilks Λ = 0.95, p = 0.000; Hotellings test = 0.06, p = 0.000).

Thus, it was concluded that the two segments differed in relation to the dependent variables, namely Overall Satisfaction and Product/Price, Service Encounter and Servicescape/Personnel satisfaction. Univariate F-tests were run for all sets of groups on the dependent variables to determine where differences existed and significant differences between groups on all the dependent variables were detected (Table 3). Servicescape/Personnel Satisfaction, Encounter Satisfaction, Product/Price Satisfaction, Overall Satisfaction were found significantly different in the two orientation segments. The low scoring segment on the choice criteria differed from the high scoring segment scoring lower in values such as Servicescape/Personnel Satisfaction (F = 2.85, p = .09), Encounter Satisfaction (F = 34.71, p = .00), Product/Price Satisfaction (F = 128.57, p = .00) and Overall Satisfaction (F = 39.88, p = .00).

<table>
<thead>
<tr>
<th>TABLE 3 Descriptive statistics and ANOVA results on the dependent variables</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Low in Choice Criteria Segment</strong></td>
</tr>
<tr>
<td>Mean</td>
</tr>
<tr>
<td>Product/Price Satisfaction</td>
</tr>
<tr>
<td>Servicescape/Personnel Satisfaction</td>
</tr>
<tr>
<td>Service Encounter Satisfaction</td>
</tr>
<tr>
<td>Overall Satisfaction</td>
</tr>
</tbody>
</table>

* Significant at the .001 level
** Significant at the .10 level
CONCLUSIONS AND MANAGERIAL IMPLICATIONS

Although shopping is an activity almost pervasively practiced by today’s consumers, there are still important questions that remain insufficiently examined, leaving managerial decision-making only partly supported. Particularly, when aiming at knowing customers better in order to estimate in a more accurate way their future choices, common practices like traditional segmentation techniques seem to be weak in terms of understanding their values and attitudes and predicting their actual behaviour, (Yankelovich and Meer 2006). The shopping orientation approach certainly contributes in this direction and its adoption in the particular study offered a supplementary insight into understanding and predicting retail customer behaviour.

Besides, although not clearly stated, it seems that shopping orientation is used mainly in product categories like apparel and /or accessories, where “lifestyle” plays a critical role in the consumer decision making process. However, in the era of Marketing experience (Marconi 2005) where customers’ as well as marketers’ sophistication creates new opportunities in retailing, managers need more “live” and compact information about their current of prospective customers’ values and attitudes and their reflection on store choice criteria that drive them to a desired loyalty and patronage behaviour.

As a contribution to covering this gap, this piece of research utilises, and hereafter proposes, shopping orientation-based segmentation as a reliable and thus useful approach for retailers trying to understand and influence their consumers’ choice-decisions.

Our findings stress that both Product/Price and Servicescape/Personnel related criteria, are critical to store-choice. Additionally, important elements of the store-choice decision are attributes related to “Source of information”, probably due to the high involvement-character of the particular product category. The above findings are in line with other studies revealing that consumers with different shopper orientations are rating particular store-choice criteria related to the service provided, personnel, and / or prices, differently. The sources of information, which according to Volle (2001) are characterised as “individual variables”, appear also to play a role, although this role differs significantly among the different shopper styles (Shim and Kotsiopoulos 1992a).

Furthermore, the particular study adds more empirical findings to the so far relatively limited shopping orientation literature by focusing on specific determinants of consumer store-choice behaviour. In this context, it was shown that customers can be clearly categorised into distinct segments based on their store-choice decision criteria. As pertinent to buying behaviour all the above could carry particular implications and affect managerial decisions particularly since they are related to satisfaction. Two segments identified to differ in terms not only of the store-choice criteria but also in terms of their overall satisfaction and their satisfaction with specific store attributes such as Product/Price elements, Servicescape/Personnel Performance and Service Encounter. Therefore, according to their ratings of store-choice criteria, we selected to name the two customer segments as “fastidious” customers and “easy-going” ones. Describing the two profiles, “fastidious” are the customers who are rating the importance of certain store-choice criteria at lower level and in parallel, they are declaring a lower level of satisfaction. With the “easy-going” customers, the opposite is the case, that is they rate the particular store-choice criteria higher in importance and they seem to be more satisfied in terms of all satisfaction-related factors.
Retail marketing managers should keep in mind that the more they are aiming at securing strong attractiveness of their stores and strong future relationships with their customers, the more they should address the identified segments separately and differently when they are developing their product, merchandising, service and promotion strategies.

So far, marketers are usually confined to having and using socio-demographic and product-sales information. In the times to come, they can start to segment their customers more effectively in order to increase their satisfaction and plan more targeted positioning strategies. Due to the dynamic character of the today’s customer shopping processes, any approach which goes off the normative, a priori, segmentation approaches, like the one proposed here, can be of interest to marketers in several ways. This is because it provides the base not only for target marketing but also assists in developing more effective marketing mixes in order to attract and then satisfy specific customer segments in a more efficient way. Furthermore, it facilitates store differentiation, helps to target marketing strategies toward specific customer groups more accurately, shapes marketing tactics to optimise results, and provides easier identification of marketing opportunities and threats coming from shifting consumer behaviour patterns.

Moreover, relating the findings to sales personnel presents the “ultimate challenge” for retailers to train and motivate their personnel in being able to handle shoppers of varying orientations. So far, most training programs offer a stage by stage “mechanistic” approach to sell with very few “tools” for going deeper into the values and attitudes that shape the store and product / brand choice criteria of the customers. In getting involved with the difficult task of “educating” their salespeople in simplified and applicable Consumer Behaviour principles, what retailers have to calculate is the cost of developing their sales staff versus the opportunity cost of every lost sales but also of every lost customer whose “lifetime value” cannot be accurately calculated and is thus usually underemphasised. An easy way for retailers to start with some training initiatives is to familiarise their staff with questionnaires that probe into choice issues. By doing so, at the least they will help them become aware of the complexity of the situation they are handling and at the best, they will get them involved into developing values, attitudes and choice related “question batteries” that they will use for “navigating” towards closing the sale with each customer. In this navigation exercise, assessing their customers’ shopping orientation will be not only an interesting but also a commercially fruitful exercise.

**RESEARCH LIMITATIONS AND DIRECTIONS FOR FUTURE RESEARCH**

Although both theoretical value and practical relevance could be derived from the findings of this study, some limitations need to be mentioned. To start with, the sample frame employed in the study, i.e. customers of an electrical appliances chain, certainly raises the question of the generalisation of the findings, particularly because according to some researchers’ findings (Girard et al. 2003; Vijayasarathy 2003a) consumers’ shopping behaviours differ across product categories. Moreover, it must be noted that our approach did not incorporate the existence of any patronage of the particular chain. Considering the above mentioned limitations, it can still be
claimed that the clarity of the conclusions provided by the results of our study can be seen as an additional proof of the power of shopping orientation as a segmentation approach, thus reinforcing the stream of conducting such empirical studies.

Finally, as future research directions, we propose that the developed store-choice criteria scale be empirically tested and used to segment customers of other retail sectors and then compare the findings in order to gradually understand the entire spectrum of orientations in relation to product categories.

REFERENCES


### TABLE 4  Factor analysis results on satisfaction

<table>
<thead>
<tr>
<th>Factor 1: Product/Price Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variety of payment methods</td>
</tr>
<tr>
<td>Clear presentation of prices</td>
</tr>
<tr>
<td>Payment options to choose the number and time of instalments</td>
</tr>
<tr>
<td>Cash prices</td>
</tr>
<tr>
<td>Various special offers</td>
</tr>
<tr>
<td>Quantity and variety of new models by brands</td>
</tr>
<tr>
<td>Variety of famous brands</td>
</tr>
<tr>
<td>Ready to purchase products/models</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Factor 2: Encounter Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service speed by the cashiers</td>
</tr>
<tr>
<td>Politeness and friendliness of the cashiers</td>
</tr>
<tr>
<td>Wait time at the cash registers</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Factor 3: Servicescape/Personnel Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service speed by the personnel</td>
</tr>
<tr>
<td>Waiting time for being served by a salesperson</td>
</tr>
<tr>
<td>Politeness and friendliness of the salespeople</td>
</tr>
<tr>
<td>Inquiry and understanding of customer needs by the salespeople</td>
</tr>
<tr>
<td>General and technical information about a product provided the salespeople</td>
</tr>
<tr>
<td>The atmosphere/environment of the retail store</td>
</tr>
</tbody>
</table>

| Eigenvalue                                      | 7.19 | 2.43 | 1.65 |
| Variance (%)                                    | 42.27 | 14.27 | 9.72 |
| Cumulative Variance (%)                         | 42.27 | 56.54 | 66.53 |
| Cronbach Alpha                                  | .86 | .96 | .91 |
| Number of Items (total=17)                      | 8 | 3 | 6 |
ABOUT THE AUTHORS AND CORRESPONDENCE

Irini D. Rigopoulou is Lecturer in Marketing at the Athens University of Economics and Business. She holds a PhD in Marketing from the University of the Aegean, and worked in Marketing positions in Multinational and Greek Companies. Current teaching interests include Brand Management and Strategic e-Marketing, and research interests spread to Retailing, Marketing in Education and Ethics in Marketing.

Corresponding author: Dr Irini Rigopoulou, Lecturer in Marketing, R. Ferraiou & Afroditis Str., GR-19005 N. Voutzas, Greece

T +30 22940 79538
F +30 22940 79538
E erigop@aueb.gr

Rodoula H. Tsiotsou obtained her Ph.D from Florida State University with a specialisation in Marketing Sport Services. She is currently an Assistant Professor of Marketing at the Higher Technological Education Institution of Crete, Greece. Her research interests include strategic services marketing, non profit marketing, and leisure services marketing (sports and tourism). She has published in a variety of international scientific journals such as The Service Industries Journal, International Journal of Retail and Distribution Management, Applied Financial Economics Letters, Journal of Targeting, Measurement, and Analysis for Marketing, International Journal of Non profit and Voluntary Sector Marketing, Journal of Travel and Tourism Marketing, International Journal of Sport Marketing and Sponsorship.

Dr Rodoula Tsiotsou, Assistant Professor of Marketing, N. Plastira 57, GR-14123 Lykovrisi, Athens, Greece

T +30 210284 9584
E rtsiotsou@yahoo.gr

John D. Kehagias is currently Associate Professor of Marketing at the Hellenic Open University. He obtained his PhD degree from the University of Bradford, UK. He was Assistant Professor of Marketing at the University of the Aegean and has long experience with international and large Greek companies as a Manager and Consultant. His research interests include Pricing, Logistics and Sales Management.

Dr John D. Kehagias, Associate Professor of Marketing, R. Feraio & Afroditis Str., GR-19005 N. Voutzas, Greece

T +30 22940 79538
F +30 22940 79538
E jkehagias@eap.gr