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# The relationship between shopping mall image and congruity on customer behaviour: Evidence from Indonesia



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#### ABSTRACT

Competition is intensifying amongst shopping malls. In response scholars have advanced various perspectives regarding how to differentiate shopping malls to gain competitive advantage, such as adding or expanding the level of entertainment available (Sit et al., 2003). Others suggest malls satisfy nonfunctional wants, which stem from associations one has with the mall (Rintamaki et al., 2006). Herein, a reflective measurement model is tested that explores the relationships between the latent constructs shopping mall image and congruity on customer behaviour. A high-end shopping mall in Indonesia is the context. As hypothesized, shopping mall image had a strong effect on customer behaviour, namely, the likelihood of purchasing, returning to the mall, and spreading positive WOM. However, congruity – captured by the indicator variables 'self-image congruity' and 'congruity with other shoppers' – had no effect on customer behaviour. We attribute this unanticipated finding to Indonesians scoring low on Hofstede's dimensions of Individualism and Indulgence. Survey participants indicated that there was high self-image congruity as well as congruity with other shoppers, but were unwilling to admit it affects their shopping behaviour – arguably, that would be self-indulgent and indicate a lack of restraint with respect to controlling their desires.

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CHINESE ABSTRACT

商场之间的竞争日趋激烈。为了应对这一情况,学者们就如何通过商场的差异化来获得竞争优势提出了各种见 解,例如加盖或扩大现有的娱乐场所楼层(Sit等人,2003年)。其他人认为商场应该从其对外的关联性出发,满 足相关的非功能性需求(Rintamaki等,2006)。我们在此测试了一种反射性测量模型,用来探究商场形象和消费 者行为一致性的潜在因素之间的关系。我们以印度尼西亚的一座高端购物中心为对象。按照上面的假设,商场形 象能在很大程度上影响消费者的行为,即购买商品、再次光顾和传播好口碑的可能性。然而,通过"自我形象一 致性"和"与其他购物者的一致性"这两个指示变量获取到的一致性对消费者行为并没有影响。我们把这个意外 发现的原因归结于印度尼西亚人在霍夫斯泰德理论的个人主义和放纵程度维度上得分较低。对调查参与者的研究 表示,他们既有较高的自我形象一致性也有与其他购物者的一致性,但不愿承认这会影响他们的购物行为一 可以说,这就是自我放纵以及缺乏对控制自身欲望的约束的表现。

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#### 1. Introduction

Intense competition amongst shopping malls has forced mall managers to create differentiation between their mall and that of nearby competitors. They start to do this by carefully understanding what their target consumers' market values are, hence, what drives their shopping behaviour. Over 40 years ago it was recognized that customers at retail establishments seek more than just

\* Corresponding author. Tel.: +62 81 331 999 997; fax: 6231 745 1698. *E-mail address:* thomas.kaihatu@ciputra.ac.id (T.S. Kaihatu). utilitarian benefits, such as price and convenience (Tauber, 1972). Solomon (2002, p. 299) comments: "Shopping malls have tried to gain loyalty of shoppers by appealing to their social motives as well as providing access to desired goods... Malls are becoming giant entertainment centers..." Numerous conceptualizations of what drives customer value have been advanced that vary in their hierarchy (abstract versus concrete drivers) as well as complexity (Rintamaki et al., 2006, and Sit et al., 2003, offer reviews). A failure by management to identify factors that ultimately affect shopping behaviours could very well lead to creating a mall image that is not congruent with the customers' self-concept. One strategy to create a favourable shopping mall image is by managing attributes inherent to the mall. Sit

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et al. (2003) suggest these attributes include merchandising, accessibility, service, atmospherics, entertainment, food, and security. These attributes are controllable and can serve to satisfy functional needs; but Rintamaki et al. (2006) suggest customers seek to satisfy non-functional wants too, which stem from associations one has with the mall.

Each customer has his/her own perception of a shopping mall's image and thus can derive different levels of value from their shopping experience. Given a choice between two or more easily accessible malls, a customer will visit and shop at the mall that has an image congruent with their self-concept. Self-image congruency is defined by Kressmann et al. (2006) as the match between a consumer's self-concept and their image of a given product, store, or in our case, a shopping mall. Their study involved surveying car owners, and they found that the greater the self-image congruency, the greater was the loyalty towards the brand. The same reasoning can be applied to why a customer decides to visit and shop at a particular mall. Herein, we explore the relationship between the latent constructs shopping mall image and congruity on customer behaviour. The context is a high-end mall in Indonesia.

Surabaya is the second largest city in Indonesia and has, according to the Association of Shopping Mall Management in Indonesia, more than 33 shopping malls, ranging from low price-quality tier shopping malls to premium, luxurious shopping malls. Naturally, this creates intense competition, and managers are responding by pursuing differentiation strategies. One of the new shopping malls in Surabaya, Indonesia, is Ciputra World Surabaya which was established in 2011. A management goal was to develop a luxurious mall image by carefully considering the mall's design, the selection of retailers as well as offering excellent hospitality all under one roof where customers can express their modern lifestyle. But there are unanswered questions about the effectiveness of the chosen strategy on shoppers' behaviours. Thus, the focus herein is to provide insight into how perceptions of the mall (its image and how congruent it is with one's self-concept) affects consumer's shopping behaviours, specifically the likelihood of purchasing, returning to the mall, and spreading positive WOM.

#### 2. Literature review and hypotheses

The starting position taken herein is that there is a link between the latent constructs shopping mall image and customer behaviours. But what are the observable and positively correlated indicator variables that would serve to reflect the latent construct shopping mall image? Levy and Weitz (2007) suggest that there are attributes of a shopping mall that play a significant role in shaping the image of the mall; however, there is no one set of attributes scholars have agreed upon (Rintamaki et al., 2006; Sit et al., 2003). We take the perspective advanced by Sit et al. (2003) that there are seven shopping mall attributes. Consistent with reflective measurement models, these items intuitively meet the criteria of being inter-correlated; they share a common theme, and thus adding or dropping one of the indicator variables would not change the meaning or conceptual domain of the latent construct shopping mall image (Coltman et al., 2008). An advantage of embracing Sit et al. (2003) is that it provides granularity without being overwhelming from an empirical sense, and all the attributes are intrinsic to the mall and controllable by management. We acknowledge that factors affecting the customer experience, such as crowds or the perceptions of crowds which affect shopper satisfaction (Jones et al., 2010), are excluded.

The seven indicator variables considered herein are taken from Sit et al. (2003). These are:

 Merchandising, which refers to the products that are sold at the mall. Finn and Louviere (1996) state that merchandising includes product assortment, quality, pricing, and fashion or style. Solomon (2002, p. 299) commented that some malls are so focused on becoming places of entertainment "almost to the point that their traditional retail occupants seem like an afterthought."

- Accessibility refers to the ease of getting to, entering and moving about within the shopping mall. According to Levy and Weitz (2007), there are two main accessibility components, macro accessibility and micro accessibility. Macro accessibility includes road conditions, road patterns, natural and artificial barriers, and distance from home or office. Micro accessibility includes parking capacity, congestion, visibility and the ease of browsing and locating stores within a mall.
- *Services*, of which there are three types (Sit et al., 2003): personal service, communal service and amenities service.
- *Atmospherics* includes design, scent, music, lighting, etc., factors that create affective quality. Collectively, these create the ambience inside the mall.
- *Entertainment* facilities inside the mall. There are two types of entertainment facilities: permanent entertainment, for example movie cinemas, karaoke stations, and beauty and spa rooms; but there is also occasional entertainment, for example exhibitions, fashion shows, and seasonal displays.
- Food or food courts inside malls encourage customers to stay longer and appear to stimulate impulse buying (Haynes and Talpade, 1996).
- *Security*, which refers to how safe the customers feel within the mall as well as when entering and leaving.

Sirgy and Samli (1985) argued that when customers have favourable perceptions of a store's attributes, it increases customers' repurchase intentions as well as their shopping frequency at the store. Moreover, Bloemer and de Ruyter (1998) stated that positive evaluations of store attributes increases customer satisfaction and customer loyalty. Customer loyalty refers to customers voluntarily choosing to keep connecting with or purchasing certain products over the long term. There is a difference between short term and long term customer loyalty. In short term loyalty customers may exhibit loyalty but switch easily when they find other interesting or better offerings; in the case of long term loyalty the customer will stay loyal even though there may be potentially better offerings available (Liu et al., 2011). Loyal customers exhibit regular buying behaviour over a given period of time (Griffin and Lowenstein, 2001). Herein loyalty refers to the customers' intentions to regularly visit and shop at Ciputra World Surabaya even though there are other high-end shopping malls in Surabaya. Given these insights, the following hypotheses are advanced:

**H1.** Shopping mall attributes reflect the latent construct 'shopping mall image', which significantly influences customer behaviour (the likelihood of purchasing, returning to the mall and spreading positive WOM).

Customers tend to visit and shop at malls that have an image congruent with their self-concept, which stems from the belief one holds about themselves as well as from the responses (opinions, judgements) by others when interacting with them. Reed (2002) proposes that self-concept is the individual's perspective about his/ her life that develops automatically through interactions with others. Kressmann et al. (2006, p. 955) define self-image congruency as "the match between consumers' self-concept (actual self, ideal self, etc.) and the user image (or 'personality') of the given product, brand, store, etc." Thus, when a customer purchases a product or patronizes a store, particularly one of a hedonic nature which is likely to be well represented at an upscale mall, it is likely that one of the motivations satisfied "can be understood through a symbolic interactionism perspective which emphasizes the importance of Download English Version:

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