Proximity and time in convenience store patronage: *Kaïros* more than *chronos*

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ABSTRACT

This research questions the notions of proximity and time in retailing and attempt to predict customers' intention to patronize the new convenience store concepts developed recently in France. The analysis of 22 qualitative interviews with retailers and customers has led to propose a conceptual model that has been tested empirically on two samples of 250 customers each, based on PLS structural equation modeling. Results show that customers patronize convenience stores primarily because of relational and functional proximity, but also because these stores allow them to save time (*chronos*), and to better manage their time through more opportune frequentation (*kaïros*).

1. Introduction

In developed countries, even if large stores are still prominent, since few years smaller formats have been growing more rapidly and particularly convenience formats (Nielsen, 2015). Largest retail groups have recently developed new convenience store concepts like in the US, Walmart with "Walmart Neighborhood Market" and "Walmart To Go", in the UK, Tesco with "One Stop" and "Tesco Express", or in France, Carrefour with "Carrefour City", "Carrefour Express" and "Carrefour Contact". Convenience formats regularly gained new market shares. These formats reached 8.9% in 2016 in France against 7.3% in 2015 (Leclerc, 2015). In the US, this market share is 8.2% in 2016 with a prediction of 8.6% in 2021 (Nielsen, 2017). In the UK, IGD estimates that convenience stores account for 20.9% of food sales in 2016 and this part will increase by 11.7% over the next five years (Wood, 2017).

In France, these small shops have ample opening hours and an assortment based on private labels. They are generally located in dense urban areas. This is not really a new distribution format but a modernization of an existing format.

The success of these stores can be explained by socio-demographic factors like increased ageing of the population and small households, resulting in a decrease in purchase volume and a greater need for services. But this format is also gaining new customers. Besides their traditional clientele of the elderly and young working persons, they now attract intermediate age clientele who are seeking to save time. Consumers who are increasingly mobile and in a hurry strive to increase their convenience by reducing their time-consuming activities like grocery shopping (Gallouj, 2007).

The reasons for this success can be analysed through the new relationships to time and proximity of postmodern individuals. Postmodernity is characterized by an increase of immediacy and presentism (Hartog, 2003). The use of information and communication technologies promotes the entanglement of temporality, placing individuals in real time and ubiquity (Cox, 2004) which alters their time horizon. Postmodernity is also characterized by the search for social relationships in opposition to the individualism of the hypermodern individuals of the previous period (Firat, 1991). Indeed, in a more and more virtual and dehumanized consumer context (Laut, 1998), the need for socialization increases. Convenience stores can provide an answer to both a purely functional need and a desire to build social relationships (Tauber, 1972).

Proximity determines the frequency of visits to a store (Fox et al., 2004) and plays a decisive role in loyalty (East et al., 1995). Reynolds et al. (1974) and Jensen and Drozdenko (2008) demonstrated store loyal customers are time conscious, and like to shop locally. Hence, we need to understand the reasons for customer loyalty to these convenience stores through their relationship to proximity and time in a hypermodern context. Based on a mixed approach combining qualitative and quantitative methods, this study seeks to answer the following research questions:

RQ1. What is proximity? What are the dimensions of proximity that impact loyalty to a convenience store?

RQ2. What is time convenience? What is the impact of the evolution of customer' temporal expectations?

RQ3. Does proximity have spatiotemporal dimensions that impact loyalty to a convenience store?

2. Literature review and hypotheses development

The conceptual framework is based, first, on proximity and, secondly, on time, through a transdisciplinary literature review. The two concepts have in common their polysemy and subjectivity. They have also a strong link with each other. So, some dimensions of proximity are spatiotemporal and can be expressed both in terms of distance and time, like access proximity.

2.1. Proximity

Proximity search is natural and is based on the principle of least effort (Zipf, 1949). It is at the heart of the creation of cities by search of interactions (Christaller, 1933). But its quest is being exacerbated by globalization of trade and the development of new communication technologies that blur the near and the distant (Viard, 1994). In a virtual and dehumanized world, proximity is perceived as reassuring and comforting because it allows individuals to connect to the environment that escapes their attention (Laut, 1998).

In a common sense, proximity refers both to geographic (nearby objects), temporal (recent or imminent events) and affective (close people) concepts. The multiple meanings of the term make its understanding difficult (Huynen, 1997). Many disciplines have focused on proximity, including sociology, economy, mathematics, law, geography and, of course, management, marketing and retailing. In their concept of proximity, these disciplines include: lack of conceptualization of proximity; the fact that proximity is often built a posteriori; and often idealized, subjective and difficult to measure (Bellet et al., 1998). However, regardless of the terminology used, proximity usually has two dimensions: material and immaterial (Laut, 1998).

In retailing, the material dimension can include store access and store ease (convenience in terms of size, relevant assortment, opening hours). This material dimension is, in fact, spatiotemporal and thus can be expressed in terms of temporal advantages for customers: time access to a store, including the context of mobility (Douard et al., 2015), visiting time and checkout waiting time. The immaterial dimension, social or relational, can be translated into research of social relationships (Ingene, 1984).

In the retailing field, Bergadaà and Del Bucchia (2009) have identified five dimensions applied to the proximity of a store in the Swiss context; two material dimensions which can be measured especially by time: access proximity (permanent when the store is close to home or temporary when it is on a customer's way) and functional proximity (convenience and shopping efficiency); and three immaterial dimensions: relational proximity (social relationships), identity proximity (shared values) and process proximity (which refers to product manufacturing and distribution process). It turns out that process proximity does not really exist in such concepts developed by large grocery retail groups. In France, consumers have little information on the manufacture and distribution process from large grocery retail groups.

Hence, in our research, process proximity is not retained and four dimensions are used to test the concept of convenience stores (see Fig. 1).

Bergadaà and Del Bucchia (2009) have used proximity dimensions to test their impact on trust in direct marketing channels (Hérault-Fournier et al., 2012; Hérault-Fournier, 2013). As loyalty have a more direct impact on retail revenue (Knox and Denison, 2000), testing these dimensions in relation to loyalty could be of great interest from a managerial perspective. Even though trust can breed loyalty, loyalty is not only based on trust (Sideshmukh et al., 2002).

Access proximity determines the frequency of visits (Fox et al., 2004) and has a key role in loyalty, even if proximity is temporary (East et al., 1995). Functional proximity forms part of the tangible elements

of store image, while the immaterial dimensions of proximity forms part of the intangible elements (Thang and Tan, 2003) and store image is a predictor of loyalty to the store (Osman, 1993). Hence, the following hypotheses:

H1.1. The more the convenience store brings access proximity to the customer, the more loyal is the customer.

H1.2. The more the convenience store brings functional proximity to the customer, the more loyal is the customer.

H1.3. The more the convenience store brings relational proximity to the customer, the more loyal is the customer.

H1.4. The more the convenience store brings identity proximity to the customer, the more loyal is the customer.

2.2. Time

The second field of theoretical investigation is time, specifically in retailing. The aim is not to do an interdisciplinary review of the notion of time; that has already been done (Jacoby et al., 1976; Bergadaà, 1990) but rather to focus on the characteristics of time, including the notion of duration and value and its evolution.

Time is subjective because it is linked to the perception of changes (Fraisse, 1967). It is relative in its perceived duration depending primarily on the pleasant or unpleasant aspect of the activity, leading, for example, to an overestimation of waiting times at checkouts (Hornik, 1984) or the access time in a hypermarket (Croizean and Vyt, 2015). It is also relative in terms of value (Schary, 1971). Leisure society has increased time value and has led individuals to seek to reduce their time-consuming activities like grocery shopping (Gallouj, 2007).

In retailing, time is often considered as commodity time (Bergadaà, 1990), particularly in models of choice of point of sale (Lusch, 1981; Messinger and Narasimhan, 1997; Tang et al., 2001). Time is then estimated by its opportunity cost (Becker, 1965). Thus, it is assigned a monetary value that consumers will strive to minimize. But time is not fungible (Okada and Hoch, 2004). There is a limited and finite quantity of time, it is not storable and its value increases with its rarity (Chetthamrongchai and Davies, 2000). Time is not like money. In retailing, time is also taken into account through the notion of time convenience (Yale and Venkatesh, 1986), which will reflect, for example, the ability of a store to save time or to be effective. However, it is still a quantitative dimension.

Society, now considered "postmodern," has evolved in its relation to time in particular through new information and communication technologies, which have changed the relationship of individuals to time, placing them into immediacy and urgency (Jaureguiberry, 2000). The time horizon is reduced and "presentism" dominates (Hartog, 2003), as well as fragmented rather than linear time (Francis-Smythe and Robertson, 1999). There is a time acceleration requiring slower tempi (Levine, 2008). Hence, for instance, hypermarket time appears out of step because it corresponds to a linear conception of time (Gallouj, 2007) requiring organization and anticipation. Conversely, convenience stores, frequently advertising themselves as "on the go," appear more in phase with new time consumer expectations (Bondue, 2004) offering both immediacy and slower tempo.

To better understand the relationship between proximity and temporality on convenience store patronage in a "postmodern" context, the literature review was complemented using an exploratory qualitative approach (Churchill, 1979). In this exploratory approach, 9 practitioners (main retailers in the proximity sector and retail experts) and 13 customers were interviewed with a semi-structured questionnaire based on their perception of proximity, their definition of a convenience store and the reasons for frequentation. Samples were determined according to the "case-oriented" strategy (Miles et al., 2014), with a particular focus on middle-aged consumers who constitute the new clientele in