

Theory of reasoned action and retail agglomerations buying behavior for urban consumers

Numair Ahmed Sulehri

Foundation University Rawalpindi Campus

Mansoor Ahmed

COMSATS institute of Information Technology, Islamabad

Key Words

Theory of Reasoned Action, Competitive advantage, Retailing, shopping factors, retail buying behavior.

Abstract

Modern customers shift towards organized retailing has strengthened the retail stores marketing processes. This study aims at analyzing the buying behavior of consumers in organized retail super-store setup. Theory of Reasoned Action is been used in the explanation of the consumer behavior in retail sector of developing countries. The Subjective norms, attitudes, and intentions towards buying behavior were mapped during the shopping. The literature was reviewed for identification of the variables. This was deduced to the conceptual model using the retail marketing mix and explaining the shopping in retail setup.

This study will help in analyzing the under-researched retail sector and consumer behavior. Moreover, it will extend the literature of marketing according to the buying behavior and will help managers to improve/ adjust their retail stores according to better customer perception.

Introduction

The human history was based upon the expansion of needs and these needs are answered with the efficient use of resources. The mass production had also given raise to efficient delivery system of products to the consumers (Dawson, 2011; Shah, Ajay, 2009). This evolution of human needs had raised the standards and size of the selling spaces making them bigger and accessible to the consumers.

The shopping experience is the regular feature of all the cultures across the world; people visit retail stores to purchase their groceries (Hassan & Rahman, 2005). Past studies had evaluated the retail space according to the socially acceptable space (Quartier, Vanrie, & Cleem, 2014). In explanation of environment, the psychology has the considerable influence in explaining the retail consumer behavior via explanation of shopping environment (Donovan & Rossiter, 1982).

The consumer perceptions are becoming more relevant in predicting the consumer behavior in retail industry, where competition is becoming intense due to globalization (Kan, Cliquet, & Gallo, 2014). Trade liberalization and technological induction over last two decades had evolved the markets. This had made retail industry expansion around the world (Hwang, 2005). This constant expansion had logically motivated retailers for more emphasis on their marketing activities, which can make them more visible in the competition. Likewise, these retailers are competing for the sale of same products (Acar & Cizmeci, 2015).

Buying behavior had been explored for the effects of human personality for social and economic environment (Prasad & Aryasri, 2011). This thinking had also been extended to the retail setup according to the competition setting (Yu & Ramanathan, 2012) and how these react to the impacts of location.

Literature Review

Shopping behavior prediction had always remained the topic of interest and attention in Marketing literature (De Nisco & Warnaby, 2014; Kim, Fiore, Niehm, & Jeong, 2010; Lin, 2007; Tripathi, 2008). The early behavioral theories were simple in terms of numbers of factors influencing the purchase situations (Bakker, van der Voordt, Vink, & de Boon, 2014; De Nisco & Warnaby, 2014). Later theories had added new dimensions of purchase (Herrmann, Zidansek, Sprrott, & Spangenberg, 2013; Pookulangara, Hawley, & Xiao, 2011a). The theories between the early and later thoughts serve as a bridge in explanation of shopping behavior.

Theory of reasoned action

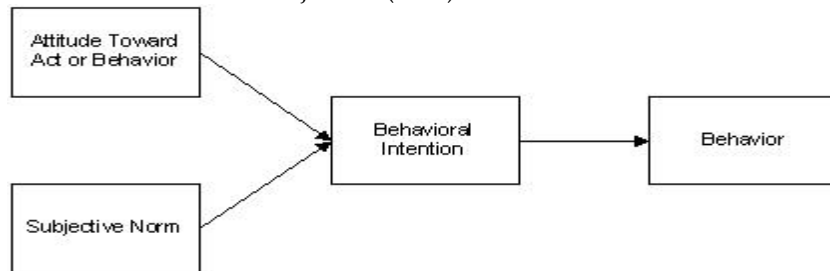
The proposed conceptual framework in this study is based upon Theory of reasoned action (TRA) pioneered by Fishbein and Ajzen (1975). According to TRA (Pookulangara et al., 2011) "behavioral intention is the function of two components: an attitudinal component (Ab) and a subjective norm component (SN). These influence behavioral intention (BI), which is a precursor to behavior (B). Attitude and subjective norms are measured based on the expectancy-value model. Attitude toward the behavior is a function of beliefs and the evaluation of those beliefs. The SN is a function of an individual's beliefs that specific individuals or groups think he or she should or should not perform the behavior, i.e. normative beliefs and the individual's motivation to comply with those referents".

TRA predicts the human behaviors without complicating it with too many parameters (Pookulangara et al., 2011a). Although the theory was reinforced into Theory of Planned behavior by Azjan (1991) with inclusion of Perceived behavioral control TRA is still used in Marketing Literature to explain the human behavior (Ezilka Mohd Ghazali, 2011; Lin, 2007; Vlontzos & Duquenne, 2014). TRA gives better insights into the buying behavior at the point of sales (Wilbanks, 2005). Beatty and Kahle (1998) had extended the TRA model with the inclusion of Habit dimension of the behavior. This dimension is strongly influenced by the past situation with same settings. (Ezilka Mohd Ghazali, 2011). Although the new dimension had given the extended insight in buying behavior but the purchases of scatted products cannot be mapped beyond the previous depended variable.

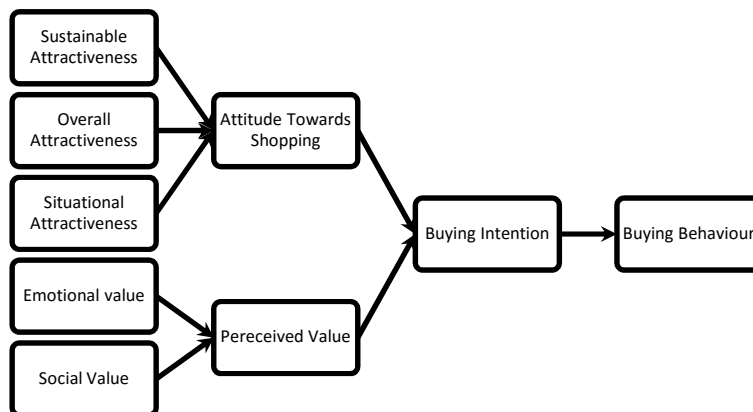
The dimensions of the current studies are perception based and are describes as the customer cognitive process during and after shopping. The brand loyalty of the customers improves with the positive movements of the TRA components (Wilbanks, 2005) and movement of these components generally follow same direction.

Theory of Reasoned Action Original Model

Source: Fishbein, M., & Ajzen, I. (1975).



The shopping behavior was conceptualized in the literature with the use Theory of reasoned action. This theory explains that a consumer attitude and subjective norms determines the behavior (Vlontzos & Duquenne, M. N. , 2014). In retail setting the store is generating many signals to affect the attitude of the consumers and the subjective involvement can be influenced through surrounding environment (Puccinelli, Goodsteinb, Grewal, Price, & Raghubire, 2009).



Source: Researchers own processing

The above figure explains the retail shopping behavior according the customer cognitive thought process with the retail marketing mix elements (Puccinelli et al., 2009; Teller & Elms, 2010). The customer

shopping trip is not only based upon the physical accusation of the product (Claes, Bijttebier, Mitchell, de Zwaan, & Mueller, 2011), which in case of retail is more complex (Gindi, Abdullah, Ismail, & Nawi, 2016), but also the surrounding elements influencing the choice of retail space in comparison to the other choices available to the customer (Rubio, Villaseor, & Yague, 2017).

The retail marketing mix includes the four elements of marketing mix (Azeem & Sharma, 2015) that effects the customer emotional response during a shopping trip (Shin & Parker, 2017). This mix include the internal shopping environment (De Nisco & Warnaby, 2014; Terblanche, 2017) and external environment including non-retail tenants for ease of shopping (Chang, Eckman, & Yan, 2011; Teller & Elms, 2010). This relationship can be linked in the following conceptual model explaining the elements of the thought process according to the theory of reasoned action (Pookulangara, Hawley, & Xiao, 2011b). The elements of the retail mix (Teller & Elms, 2010) along with the perceived value (Le, Nguyen, & Nguyen, 2013) influences the shopping attitude of the customers over longer period of time (Swoboda, Haelsig, Schramm Klein, & Morschett, 2009).

Discussion and Conclusion

The consumers in urban setup develop their perceptions for shopping according to their location, consistent offerings and environment of the shopping space. This is very different in the rural areas because of limited choices available to the customers. The urban customers set of retail basket also has the consistent products, which represents the habit of the customers (Ezilka Mohd Ghazali, 2011).

In comparison to the customer in the industrially developed cities, who display a consistent patronage behavior to their retail stores (Sheth, 1981; Teller, Gittenberger, & Schnedlitz, 2013), the developing countries customers display behavior of shopping from different retail stores (Kumar & Sudhir, 2015; Sternquist & Chen, 2006). This behavior is linked to the additional information they are receiving for different retail stores in their attention spans. Additionally, the retail sector is in the phase of growth which offers new experience to the shoppers.

The dimensions of attractiveness for this study are the measure of retail marketing mix which needs to be adjusted according to the changing trends, internal and external situations. The major market segment influences this mix more for strategy planning. Since most of the developing countries have a major low to medium purchasing power community. This trend compels the organized retailers to plan their marketing strategy for more income class categories.

Limitations of the study

The current study could be extended to the Theory of Planned Behavior in the retail Context. Additionally, the inter country comparison of the retail consumer is the less explored area in the field of retailing. Future studies can explore the additional variables of retail consumer behavior with the hospitality in the service sector.

References

- Azeem, S., & Sharma, R. R. K. (2015). Elements of the retail marketing mix : a study of different retail formats in India. *The Business & Management Review*, 5(4), 29–30.
- Bakker, I., van der Voordt, T., Vink, P., & de Boon, J. (2014). Pleasure, Arousal, Dominance: Mehrabian and Russell revisited. *Current Psychology*, 33(3), 405–421.
- Chang, H.-J., Eckman, M., & Yan, R.-N. (2011). Application of the Stimulus-Organism-Response model to the retail environment: the role of hedonic motivation in impulse buying behavior. *The International Review of Retail, Distribution and Consumer Research*.
- Claes, L., Bijttebier, P., Mitchell, J. E., de Zwaan, M., & Mueller, A. (2011). The relationship between compulsive buying, eating disorder symptoms, and temperament in a sample of female students. *Comprehensive Psychiatry*, 52(1), 50–5.
- De Nisco, A., & Warnaby, G. (2014). Urban design and tenant variety influences on consumers' emotions and approach behavior. *Journal of Business Research*, 67(2), 211–217.
- Ezilka Mohd Ghazali. (2011). *Customer Perceived Switching Barriers And Their Impact On Loyalty And Habitual Repurchase: A Study Of Pure-Play Online Retailers In The Uk*. The University of Warwick, Coventry, UK.

- Gindi, A. A., Abdullah, A. M., Ismail, M. M., & Nawawi, N. M. (2016). Factors Influencing Consumer 's Retail Formats Choice for Fresh Fruits Purchase in Klang Valley Malaysia. *Academia Scholarly Journals*, 3(3), 52-61.
- Herrmann, A., Zidansek, M., Sprott, D. E., & Spangenberg, E. R. (2013). The Power of Simplicity: Processing Fluency and the Effects of Olfactory Cues on Retail Sales. *Journal of Retailing*, 89(1), 30-43.
- Kim, H., Fiore, A. M., Niehm, L. S., & Jeong, M. (2010). Psychographic characteristics affecting behavioral intentions towards pop-up retail. *International Journal of Retail & Distribution Management*, 38(2), 133-154.
- Kumar, A., & Sudhir, R. (2015). Analysis of Online Grocery Shopper ' s Buying Behaviour in Indian Context. *International Journal of Multifaceted and Multilingual Studies*, 2(2), 1-17.
- Le, N.-H., Nguyen, H.-M. T., & Nguyen, T. Van. (2013). National identity and the perceived values of foreign products with local brands: The case of local wine in Vietnam. *Asia Pacific Journal of Marketing and Logistics*, 25(5), 765-783. <https://doi.org/10.1108/APJML-01-2013-0017>
- Lin, H.-F. (2007). Predicting consumer intentions to shop online: An empirical test of competing theories. *Electronic Commerce Research and Applications*, 6(4), 433-442. <https://doi.org/10.1016/j.elerap.2007.02.002>
- Pookulangara, S., Hawley, J., & Xiao, G. (2011a). Explaining multi-channel consumer's channel-migration intention using theory of reasoned action. *International Journal of Retail & Distribution Management*, 39(3), 183-202.
- Pookulangara, S., Hawley, J., & Xiao, G. (2011b). Explaining multi-channel consumer's channel-migration intention using theory of reasoned action. *International Journal of Retail & Distribution Management*, 39(3), 183-202.
- Puccinelli, N. M., Goodstein, R. C., Grewal, D., Price, R., Raghubir, P., & Stewart, D. (2009). Customer Experience Management in Retailing: Understanding the Buying Process. *Journal of Retailing*, 85(1), 15-30.
- Rubio, N., Villaseor, N., & Yague, M. J. (2017). Creation of consumer loyalty and trust in the retailer through store brands: The moderating effect of choice of store brand name. *Journal of Retailing and Consumer Services*, 34(November), 358-368.
- Sheth, J. N. (1981). *An Integrative Theory of Patronage Preference and Behavior*. Illinois.
- Shin, H., & Parker, J. (2017). Exploring the elements of consumer nostalgia in retailing: Evidence from a content analysis of retailer collages. *Journal of Retailing and Consumer Services*, 35(September 2016), 1-11.
- Sternquist, B., & Chen, Z. (2006). Food retail buyer behaviour in the People's Republic of China: a grounded theory model. *Qualitative Market Research: An International Journal*, 9(3), 243-265.
- Swoboda, B., Haelsig, F., Schramm Klein, H., & Morschett, D. (2009). Moderating role of involvement in building a retail brand. *International Journal of Retail & Distribution Management*, 37(11), 952-974.
- Teller, C., & Elms, J. R. (2010). Urban place marketing and retail agglomeration customers. *Journal of Marketing Management*, 28(5-6), 546-567.
- Teller, C., Gittenberger, E., & Schnedlitz, P. (2013). Cognitive Age and Grocery Store Patronage by Elderly Shoppers. *Journal of Marketing Management*, 29(3-4), 317-337.
- Terblanche, N. S. (2017). Customer involvement, retail mix elements and customer loyalty in two diverse retail environments. In *The Customer is NOT Always Right. Marketing Orientations in a Dynamic Business World* (Vol. 86720, pp. 795-804). Springer.
- Tripathi, A. P. (2008). Emerging Trends in Modern Retail Formats & Customer Shopping Behavior in Indian Scenario : A Meta Analysis & Review.
- Vlontzos, G., & Duquenne, M. N. (2014). Assess the impact of subjective norms of consumers' behaviour in the Greek olive oil market. *Journal of Retailing and Consumer Services*, 21(2), 148-157.
- Wilbanks, J. K. B. L. (2005). *Exploring Lifestyle Orientation, Attitudes Toward Lifestyle Merchandising, and Attitudes Toward Lifestyle Advertising as Predictors of Behavioral Intention to Purchase Lifestyle Home Furnishing Products*. University of North Texas.