

MASTER'S THESIS

Store environment as a critical determinant of consumers' behavior: the case of supermarkets in Shanghai

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Store Environment as a Critical Determinant of
Consumers' Behavior :
The Case of Supermarkets in Shanghai

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ABSTRACT

The supermarket industry in China, with particular reference to Shanghai, is facing intense competition after the adoption of "Open Door" policy. In order to maintain competencies, store environmental design has become the prominent area of concern. Although there have been lots of works contributed to store atmospherics, store image, most of them are limited to conceptual and theoretical development. Empirical evidences about the application of the model are largely lacking.

In bridging the knowledge gap, this study utilized a theoretical model (the Mehrabian-Russell Affect Model) to facilitate the analysis of relationships between store environmental design and consumers' behavior. Besides, given the presence of associations among variables in the conceptual model it provides a sound and reliable theoretical foundation to analyze store environment and consumer behavior.

The research was conducted in the form of cross-sectional survey design and the data collection method was administered by personal interviews with the aid of a well-structured questionnaire. In order to ensure the reliability of the questionnaire being used, a validation survey was conducted prior to the application survey. Multiple regression analysis was used as the statistical analytic device throughout the study.

A total of 6 main hypotheses, 3 sub-hypotheses and 14 item-specific hypotheses were developed based on the theories underlying the conceptual M-R model. It is reported that all the 6 main hypotheses are supported by the findings. Only five item-specific hypotheses are supported by the empirical findings.

To conclude, the contribution of this study lies in the fact that (1) it confirmed the presence of linear relationship between store environmental stimuli and the various forms of consumers' approaching behavior as stated in the conceptual M-R model; (2) the results also highlighted the mediating role of the affective cognition in the model; (3) five cues, namely, the lighting scheme of the store, the cleanliness of merchandise, the methods of merchandises' presentation, in-store signage arrangement and the presence of crowded feeling in store environmental stimuli, are found critical in motivating consumers' approaching behavior.

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