A COMPARATIVE ANALYSIS OF STORE ATTRIBUTES OF LARGE AND SMALL RETAIL STORES WHICH INFLUENCE THE CONSUMER DECISION MAKING PROCESS IN STORE SELECTION

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GRADUATION ASSIGNMENT SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF BACHELOR OF COMMUNICATIONSYSTEMS OF THE INSTITUTE OF COMMUNICATION AT THE UTRECHT UNIVERSITY OF APPLIED SCIENCES

Utrecht, October 15 2012

A research project for:

Utrecht University of
Applied Sciences

Utrecht, October 15 2012

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Management Summary

This chapter will give the reader a clear overview of the whole graduation assignment. The problem situation, applied theory, research, conclusion and advice are summarized into a cohesive and coherent piece of text in the following part.

Retailers of small fashion stores are facing huge competition of large big box stores. This could lead to the disappearance of the small retailer. However, the question is raised in this graduation assignment whether the consumers do prefer to go to a large fashion chain instead of a small fashion retail store. The emphasis is put on the consumer decision making process in selecting store size. Also, the research in this graduation assignment will present the factors influencing the decision making process in selecting a store.

The consumer has been changed over the years and has become more enlightened and empowered. By means of this the consumer created higher expectations of stores and products. Still, a consumer is presented with numerous options of stores to choose from in the retail market. It has been concluded by research that the most important factors which influence the consumer decision making process in store selection are:

- Location and Environment
- Price
- Quality
- Assortment and Brands
- Shopping Experience
- Professionalism
- Opening hours and Accessibility

Furthermore a distinction is made between small and large retail stores. Four store types were chosen to represent the large retail stores: Fast Fashion Chain, department store, women's and men's wear store, and brand store. Also the small retailers were given four different types: an unfamiliar store, a boutique (specialized small fashion store), a unique store with multiple brands, and an independent entrepreneur. These eight types of retail stores were created in order to give the respondents of the research a better understanding what a small and large retail store is.

Determining these 7 factors, also known as store attributes, the research was conducted. A quantitative research by means of an online survey was filled out by a total of 161 respondents. The online survey consisted of 18 questions which were related to the consumer decision making with the emphasis on store attributes and large and small retail stores. My research indicated that the majority of the respondents finds price, quality and assortment and brands the three most important factors when selecting a store. Also, it could be concluded that in my research it has been proven that the majority claims to buy clothing at a large retail store (Fast Fashion Chain). However, this is not the answer to the question whether consumers rather purchase at large or small fashion stores. Furthermore, the conclusion is drawn that the research question cannot be answered by means of this research due to a lack of data from the respondents and limitations to my research.

It could be concluded that that the majority of the respondents believe to find more professional and motivated staff in a smaller store. The greater part of the respondents think that they will have more choice in a large fashion chain. Also, the majority of the respondents consider to be able to find more unique items in a small (independent)

fashion store. These outcomes were derived from 3 statements in the online survey. The respondents had to answer by means of the Likert scale which indicates the level of agreement of disagreement.

The advice given to the fashion retail environment is to understand the consumers' thinking and to anticipate on this the perceptions and needs of the consumers. By means of marketing strategies based on the consumer the fashion retail market will be able to retain and broaden the range of customers in a store. In order to do this, small and large stores will need to invest in consumer research. Retailers need to develop an understanding of the consumer behavior due to the ongoing changes in the retail environment.

Moreover, I clearly advice the retail stores that, because my research proved that price, quality and assortment and brands are the most important store attributes in the selection process, they need to be focused on these three store attributes. The store attributes could differentiate the large and small fashion stores from their competition. Although, I also highlight that the store attributes could also be interpreted as negatively by some consumers. Another store attribute which is introduced and explained in this graduation assignment is anonymity. My research turned out that anonymity is the most important difference between large fashion retail stores and small fashion retail stores.

Finally, I dedicate my last recommendation to the small fashion retail stores as these store types are facing heavy competition from the large retail stores. My recommendation to the small retail store environment is to unite. When the small retailers unite to bundle their experience I believe bigger problems could be tackled.

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Preface

In the fourth year of this study, International Communication and Media, a final test is conducted by which could be concluded whether a student is able to graduate. The students of Hogeschool Utrecht write a thesis which confirms one's level of expertise.

This document is written in completion of the study International Communication and Media (ICM), with a specialization in Communication. Since I specialized in Communication in my fourth year I sought for a related topic to write my thesis about. The general subject of my thesis will be 'Consumer Decision Making', a term which I will explain and criticize later on in this document. Not solely will the thesis discuss consumer decision making, moreover it is strongly linked to a consumer research conducted by myself.

The completion of this thesis also means the end of my time at the Hogeschool Utrecht, therefore I would like to make use of this opportunity to gratitude a few people. First of all, Masoud Banbersta, my thesis tutor, without whose help and support I could not have finished this thesis. Furthermore, a special thanks to all my ICM tutors who have lectured me over the past four year. And a big thank you to my parents and roommates who have helped me during the most stressful weeks of writing this thesis.

I wish you an enjoyable read.

Claudia Rutten

Utrecht, June 2012

1. Introduction

1.1 Problem Situation

The retail industry has been facing change over the years. Since the 60s, after World War II, the welfare increased and created the opportunity for international trade. Due to greater welfare and a larger variety of products the demand of the consumer changed along with the retail environment (van Stratum, R.,2012). The consumers created a different and more sophisticated expectation of the products, service and value. The large international retail stores are now able to fulfill the consumer's needs and wants. The small retail stores are, however, subjected to an increasing challenge and therefore the competition between the small and large retailers will be intensified. Attractive shops, a larger product range, lower prices, uniformity, and the ease of 'one stop shopping' are beneficial for the large retailers, and are making it tougher for the small retailers to compete with these large chains. The demand for large, identical stores in central locations is growing, which could end into a disappearance of the small retail stores.

The reason why people do or do not choose a store is the response to the consumer decision making process. Retailers need to develop an understanding of the consumer behavior due to the ongoing changes in the retail environment. Not only the consumer behavior, but more specifically, the consumer decision making process needs to be investigated. Basically what needs to be examined by marketers and retailers is why and how do consumers make (store) decisions? Consumer decision making has become an increasingly important research topic that spans many different domains. As the selection of shops is being enhanced, the consumer is now confronted with a choice. As David A. Aaker and J. Morgan Jones (1971) marvelously articulate the store choice decision:

> ''A consumers' selection of a store for the purchase of a product is not completely random; she exhibits bias in her choice of a store. The more recent her purchase experience in a particular store and the more visit to the store, the more likely she is to repurchase the product in that store.''

The retailers need to anticipate on the consumer's demand in order to be the consumer's number one choice. A new balance must be sought between the retailer and consumer to provide the consumer with the most favorable shopping experience. Nevertheless, not only the choice of shops has increased also new ways of shopping became available to consumers during the past fifteen years. As a result of digital technologies the consumers are now able to order products or services online. Nevertheless this new way of shopping will not be discussed in this graduation assignment.

Schiffman and Lazar Kanuk (2007) argue that 'consumer behavior focuses on how individuals make decisions to spend their available resources (time, money, effort) on consumption-related items. That includes what they buy, why they buy it, when they buy it, where they buy it, how often they buy it, how often they use it, how they evaluate it after the purchase, the impact of such evaluations on the future purchase, and how they dispose of it'. All these consumption-related decisions are almost all associated with the product decision making. Though, in this thesis the only decision making processes discussed will be WHERE the consumers will buy 'it' and WHY the consumer will buy 'it' THERE.

1.2 Motivation

The trend of consumers shopping more frequent at larger retailers was noticed by my parents, small retailers themselves, and they raised the question why the today's consumer rather shops at large retail stores instead of small retail stores. The fact that

the consumer seems to prefer the large retailer over the small retailer is already discussed in recent literature and is a true riddle for my parents. Consequently, the motive for writing this thesis about the consumer decision making process regarding small and large retailers is to find the answer and a possible solution to this riddle. Therefore, I raise the question if the today's' consumers actually prefers to purchase at large retail stores instead of small retail stores, and furthermore, I question which factors play a role in the consumer decision making process. Is it purely a personal choice or does the social environment plays a part in what the consumer decides? Is it an economical choice or an emotional one? By means of literacy research the most important factors will be used for the research. To conclude an advice is given to the retail environment on which factors the retailers should emphasize in order to stay in healthy business.

1.3 Problem Definition

As a result of increased welfare in the retail store environment the consumer behavior has changed dramatically, this was stated by van Stratum (2012). Consumers developed a more sophisticated and comprehensive demand which the small retail stores could not meet. This could result in the disappearance of the small retailer.

1.4 Research Outline

This thesis discusses the consumer decision making process in choosing for a small or large retail store in the fashion branch. It will investigate the stages in the consumer decision making by means of consumer behavior literature, and why one should study the consumer behavior. Furthermore, the factors which behind the decision making process are determent by research methods, e.g. surveys amongst the shopping consumers. To conclude, the thesis will end with an advice for the fashion retail environment.

This graduation assignment is compiled of 9 chapters. The first chapter is the introduction. This chapter consists of the problem analysis, problem definition, motivation and two main questions of this graduation assignment. Thereafter, in the second chapter the theoretical framework is addressed with the perspective on the consumer. The name of the chapter already explains the content of the chapter, as this chapter will include the theory about consumer decision making in store selection. Chapter 3 is still part of the theoretical framework, however this shines a light on the retail market perspective.

Chapter 4 and 5 are both part of the research. In chapter 4 I will elaborate on how I did my research and how I collected the data of my online survey. Also, the research design will be discussed. Chapter 5 discusses the outcomes of the research. By means of graphs and charts these outcomes will be presented.

The research chapter (6) will conclude the findings and outcomes of my research. Furthermore, the limitations of my research will be presented in this chapter. Chapter 7 presents the advice for the retail stores. The advice is based on my theoretical framework, research and conclusions.

1.5 Policy Advisory

In this thesis I question where consumers prefer to consume and why consumers choose the stores where they purchase. The policy advisory question focuses on how the social environment problem can be solved by communication. The question below will assist to give advice at the end of the thesis.

‘Would the today’s consumer rather shop at large or small retail stores?’

One should imagine that the policy advisory question is to be asked by a CEO of a company. Since I am not writing my thesis for an organization, however I am writing about a social problem in the retail market, this question could be asked by all retail stores in het Netherlands. It is an overarching question for the whole research as this is important information for the retail market.

1.6 Research Question

As the policy advisory question will be the driving force in the thesis, the research question will lead to specific information. This specific information is the foundation to build the advice upon. From the analysis of the research a conclusion is made which will form the outcome of the research. The research question to be answered in this report is the following:

‘Which factors influence the today’s consumer in its selection process regarding small and large retail stores?’

By means of this question specific information will be found on the factors influencing consumers in the decision making phase of store selection. Why would a consumer choose to purchase at a large or small store? The answer to the question is relevant for all retail stores. The retail store could use this information in order to improve the factors that they still lack on, or eliminate factors which are not considered to be important for consumers.

2. Theoretical Framework

The theoretical framework will clarify which (communication) theories and models are used to analyze the problem situation of this report. In order to steer to a solution, the chapter emphasizes on the factors that cause the communication problem. In this chapter the theoretical part of the thesis will be discussed. Moreover, a more detailed description is given of the theories and models used to understand the problem.

Though, before the theoretical framework section will start, one thing will need to be clarified. The concept 'consumer decision' making is a fairly discussed topic in the consumer behavior literature, nevertheless the decision making process is mostly focused on the purchase, whereas the choice between stores is being ignored. The models, levels, factors and theory are based on the actual consumption process instead of the step before that, namely choosing where to purchase. As this thesis is researching the choice between large and small retailers, the models and theory used in this section will all be applied on the consumer decision making process without reflecting on the actual purchase phase.

2.1 The Consumer

2.1.1 Indentifying consumer behavior

In this paragraph the term consumer behavior will be clarified and indentified. 'Consumer behavior is defined as activities people undertake when obtaining, consuming, and disposing of products and services' (Blackwell, R.D., Miniard, P. W., Engel, J. F., 2001). Blackwell et al (2001) state that 'consumer behavior has traditionally been thought of as the study of ''why people buy', whereas Schiffman and Lazar Kanuk (2007) argue that consumer behavior also includes the study of where the consumer buys it product or service. The research of this report does not want to focus on consumer behavior as a whole, however it focuses on a small section of the behavior of the consumer. Nevertheless, it is important to understand the definition of the whole part in order to understand a smaller part. To explain consumer behavior Britt (1970) argues in his book 'Consumer Behavior in Theory and Practice' that consumer behavior is a study of human behavior. Clearly, we are all consumers as we all consume on a regular basis. Also, as individuals we are all unique and despite our differences we all share a common goal: to consume. ''Consumers are humans and their behavior is obviously a reflection of their human qualities (Sommers and Kernan, 1968). By means of these definitions a conclusion could be made by stating that consumer behavior could be explained as the study focusing on the activities of the consuming human.

Traditionally, consumer behavior researchers would solely focus on 'why people buy', more recently the researchers emphasize more on the consumption analysis of why and how people consume. Consumer behavior should be studied to follow the consumer trends. By studying, analyzing and researching the consumer marketers are able to forecast the consumer trends, to which stores and marketing programs could anticipate. To get a better insight in the consumer's mind the stores will gain a better understanding of the consumer's behavior, and will be able to use this to their advantage.

2.1.1.1 The changing consumer behavior

As mentioned before consumers face an almost infinite number of possibilities, but who determines the final selection of what is available for consumers? (Blackwell et al, 2001). The entity responsible for making these determinations has changed, which mirrors the changes that have occurred in business and in the study of consumer behavior. A consumer research by IBM's Institute for Business Value (IBV) proves that the consumer of today is more enlightened and empowered than ever (Jill Puleri, n.d.). The new consumer knows what they want, how they want it and who they want it from. An

explanation for this trend could be the new technologies that allow them to access huge amounts of information from the product to the retailer and everything in between. Especially the younger generation of shoppers is using the new technologies, e.g. social media sites, to discover more about their possible purchase. The demand that is placed on the retailers is enormous and to keep the pace of the today's consumer is essential for every retailer.
Moreover, the consumer of today seeks and accepts the advice of their social environment. They bring attitudes and expectations, shaped by experiences across a broad spectrum of industries, to every interaction with retailers (Schaeffer, 2011). The IBM report states that trust is a widely recognized concept in the consumer-to-consumer or consumer-to-business relationships. The shopping world is transforming into a community of ''we'' instead of a market of ''me''. The shopper is no longer individual however the new shopper becomes collective. They like to share ideas, preferences and advices with each other, and therefore the retailers should not only understand the needs and wants of the individual consumer but must also understand how consumers interact with each other.
Retailers should no longer cater to the growing use of technologies and capitalize on the more enlightened and empowered customer. As an alternative, the retailers should learn the today's consumer behavior and anticipate on the consumer's preferences.

2.2 Defining consumer decision making

Decisions are made every day concerning every aspect of the daily life, generally without thinking about how these are made and what the decision making process involves. ''A decision is the selection of an option from two or more alternative choices'' (Schiffman et al, 2011, p. 526). A decision cannot be made when there are no options to choose from, therefore if one is confronted with a selection of choices, either two or more, the decision making process will automatically start in the consumer's mind.

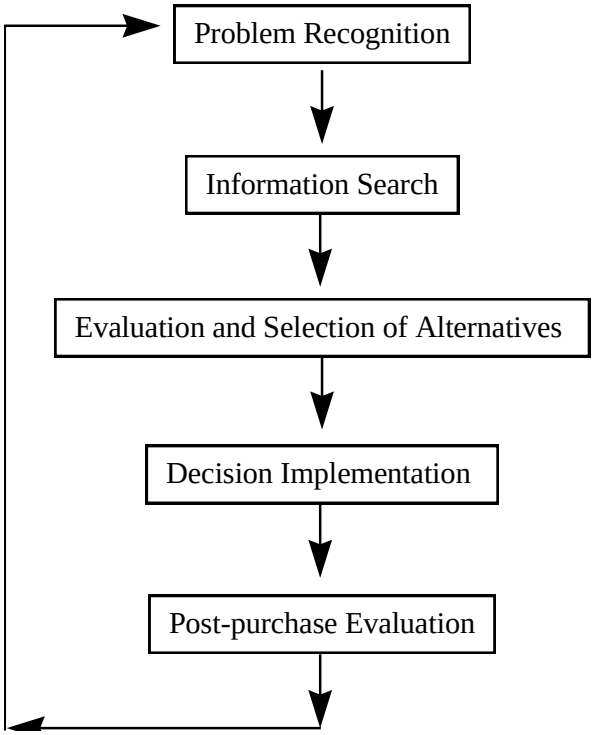


Figure 1: the Consumer Information Processing (CIP) model

“The consumer decision-making process is the process by which individuals select from several choices, products, brands or ideas” (Charbonneau, 2009, p. 118). Anna Maree (2011) argues in her blog that this can give a competitive edge which is especially important with product life-cycles shortening and with the current competitive marketplace in which businesses operate today. In short, the decision making process of the consumer is crucial for the business market as it will determine whether the consumers will decide to buy at one shop or another. A frequently used model to determine the stages of consumer decision making is the Consumer Information Processing (CIP) model by Kotler (1997), Schiffman and Kanuk (1997) and Solomon (1996), which is also referred to as the Consumer Decision Process model (Blackwell et al, 2001).

Historically, consumer researchers have approached the decision making process from a rational perspective. This perspective views the consumer as being problem-solving and this view is depicted in the CIP model (figure 1). The five stages of the CIP model comprises of problem recognition, information search, evaluation and selection of alternatives, decision implementation and post-purchase evaluation. Below these five stages will be further elaborated on with the emphasis on the decision where to purchase.

Problem Recognition

In the first stage the consumer is facing a problem; the consumer recognizes a need to consume. Two different problem recognition styles are detected, namely the actual state type and the desired state type. In the actual state type a problem is recognized when a product fails to perform (a broken zipper), in the desired state type a problem is recognized the desire for something new could trigger the decision making process (new fashion trend).

Information Search

In order to solve the problem of the need recognition the second stage involves the information search. Consumers will have to engage in an extensive search for information to make a choice out of the competing products and markets. Schiffman and Kanuk (2011, p. 526) argue that three specific levels of consumer decision making can be distinguished. (1) Extensive problem solving, when the consumer has no established criteria or has not narrowed down the number of choices to a small subset the consumer needs an extensive amount of information concerning each alternative. If the consumer already established the basic criteria for every alternative, however a preference has not fully been established this could be classified as (2) limited problem solving. Whenever consumers have experience with their choice and a well established set of criteria with which they could evaluate the choices the consumer is considering, one could speak of (3) routinized response behavior. The extensiveness of the consumer’s problem-solving task depends on the amount of criteria and information of the considered selection. The search for information could be completed in several ways. Retrieving past experiences (internal source) from previous decision making might provide the consumer with enough information to make a choice or marketing and socio-cultural influences (external sources) could convince the consumer to choose. These factors of searching for information will be discussed later on in this paper. The information search is intended to narrow down the selection of choices. At the end of the information search a selection is made consisting of the most favorable options.

Evaluation and Selection of Alternatives

As a selection is made of the most favorable options to choose from, these options need to be evaluated and eventually one needs to be selected. Ken Matsuno (n.d) states in his article that no single, simple evaluation process is applied by all consumers or by one consumer in all decision making situations. The consumer will, in this case, try to solve their personal problem by seeking for benefits in the store or brand of choice. Certain attributes of a specific store or product could convince the buyer to purchase at that specific store or to buy that specific product. Based on the personal judgment of the consumers, they will develop a preference for a certain store (or product).

Decision Implementation
In this stage the consumer will have to decide two things: (1) which product to buy and (2) where to buy the product. This decision could be made in three ways: simultaneously, product first, store second, or store first, product second. This thesis goes out from the fact that the consumer chooses the store first and the product secondly. Therefore, this stage could be illuminated form the model, because after this stage the consumer will go on to the purchase of the product.

Post-Purchase Evaluation
In the final stage the performance of the product is being evaluated. The outcome of the evaluation of the product could influence the prospect purchase of the same product. The evaluation of the product itself is not relevant to this paper, however the evaluation of their shopping experience is. If the consumer had a pleasant shopping experience at a store, they are likely to go return for another purchase. Since a store, usually, sells a variety of products it is important for the retailer to make the shopping experience of the customer as pleasant as possible. The factors which influence the shopping experience of a consumer will be discussed further on in this paper.

After having explained the CIP-model I will give an example how this model will work in reality. In the first phase, problem recognition, the consumer Sarah will face the problem that he or she needs a new pair of jeans, because her other pair is ripped. After this the information search will start: phase 2. In this phase Sarah will search for all stores where she could buy a new pair of jeans. Let's say Sarah operates under the level of limited problem solving. When the consumer already established the basic criteria for every alternative, however a preference has not fully been established. This means that Sarah is familiar with the alternatives, however she does not know which store she prefers. By means of external influences, such as advertisements and opinions from her friends, Sarah has made a selection of her favorites. In the Evaluation and Selection of Alternative phase Sarah develops a preference for one store. The preferred store has been chosen by means of the store attributes which appealed most to Sarah. In the Post-Purchase Evaluation phase it will be determined if Sarah will return to this store or will chose another store next time.

2.3 The Consumer Decision Making Process Model

The Consumer Decision Making Process (CDMP) model is a simple model of consumer decision making from Schiffman et al. (2011, p.531), see figure 3. This model reflects on the cognitive (problem-solving) and emotional part of the consumer. Consumer decision making processes are well discussed in the literature on consumer behavior in many aspects, concepts and models, however one model is displayed here to create a clear vision of the consumer decision making regarding the selection of a store. For the research conducted in this report to investigate whether consumers rather shop at large shopping chains or small retailers and which factors influence the consumer, the following model will be discussed. However, the selection of factors which could influence the consumer used for the research is not the same as in this model. The CDMP model will be explained in this paragraph to give the reader an overview of the models and theories behind consumer decision making. Though, the model will be described briefly as it will not be used for the research design of this research paper, only the essence of the model will reflect in the research design.

The CDMP model is designed to synthesize and coordinate relevant concepts into a significant whole. However it does not provide a compelling picture of the complexities of consumer decision making. This model overlays input, process and output phases as well as external influences, decision making and post-decision making behavior. The process stage of this model is comparable to the CIP model (figure 2) explained in the previous paragraph. Blackwell et al. (2001) argues that manufacturers such as P&G and General

Motors, large and small retailers, and nonprofit organizations use the CDMP model to:

1. Identify relationships between variables that affect consumer decision making
2. Identify topics for additional research
3. Develop and implement marketing mix strategies

2.3.1 Input

The input stage influences the consumer's recognition of a product need and consists of two major sources of information: the firm's marketing efforts (the product itself, the price, its promotion and where it is sold) and the external sociological influences on the consumer (family, friends, neighbors, other informal and non-commercial social class, and sub-cultural and cultural membership). The external influences in this model serve as sources of information to the consumer in order for them to analyze the potential choices. The cumulative impact of each firm's marketing efforts, the influence of family, friends and neighbors, and society's existing code of behavior are all inputs that are likely to affect what consumers purchase and how they use what they buy (Solomon et al., 2007). And most definitely, where the consumer chooses to buy a product.

Marketing Inputs
The marketing inputs of the retail business are all marketing activities to reach, inform and persuade the consumer to buy the product at their store. These marking mix strategies consist of the product, the promotion, the price and all channels of distribution. Marketers need consumer research in order to anticipate on the consumer's needs.

Socio-cultural environment
The socio-cultural environment of the consumer consist of a wide range of non-commercial influences, such as family, informal sources, other non-commercial sources, social class and sub-culture and culture. These socio-cultural inputs are mostly intangible and therefore tougher for a marketer of retail owner to grasp and understand.

2.3.2 Process

The process stage is the stage where the actual decision making is happing. One could compare this to the decision implementation stage of the CIP model in figure 1. The CDMP model depicts a three stage process (need recognition, pre-purchase search, evaluation of alternatives), same as the CIP model. From the perspective of where to purchase, consumers may evaluate purchasing form one store over another based on consumer traffic within the store, cleanliness of the store, how often the store is out of stock of the needed item, and how many checkouts lanes are available (Blackwell et al, 2001, p. 78). Many factors play a role in the process stage, a consumer might prefer one retailer, but will choose another because of a sale or a promotional event at a competitor's store, hours of operation, location, or professionalism (marketing inputs). The best retailers manage the overall attributes and image of the store to achieve preferred patronage among the market target and to manage, in micro detail, all aspects of the in-store shopping experience (Blackwell, Miniard and Engel, 2001). Customers tend to buy the same brand or product at the same store, therefore competitors have a hard time accessing the minds and decision making process of satisfied customers. Consequently, the consumers who are dissatisfied about their purchase or store selection will be ripe for the marketing strategies of competitors who promise something better.

2.3.3 Output

The output phase of this consumer decision making process model elaborates on two post-decision activities: purchase behavior and post purchase evaluation. Both of these post-decision activities are related to the purchase of a product and not the selection of a store. The output phase regarding the selection of a store concerns the return of the consumer to the same store and the satisfaction factor of the consumer about the store. As explained in the process phase, one consumer will choose one shop over another, the output stage concludes whether the consumer will stay loyal to the store.

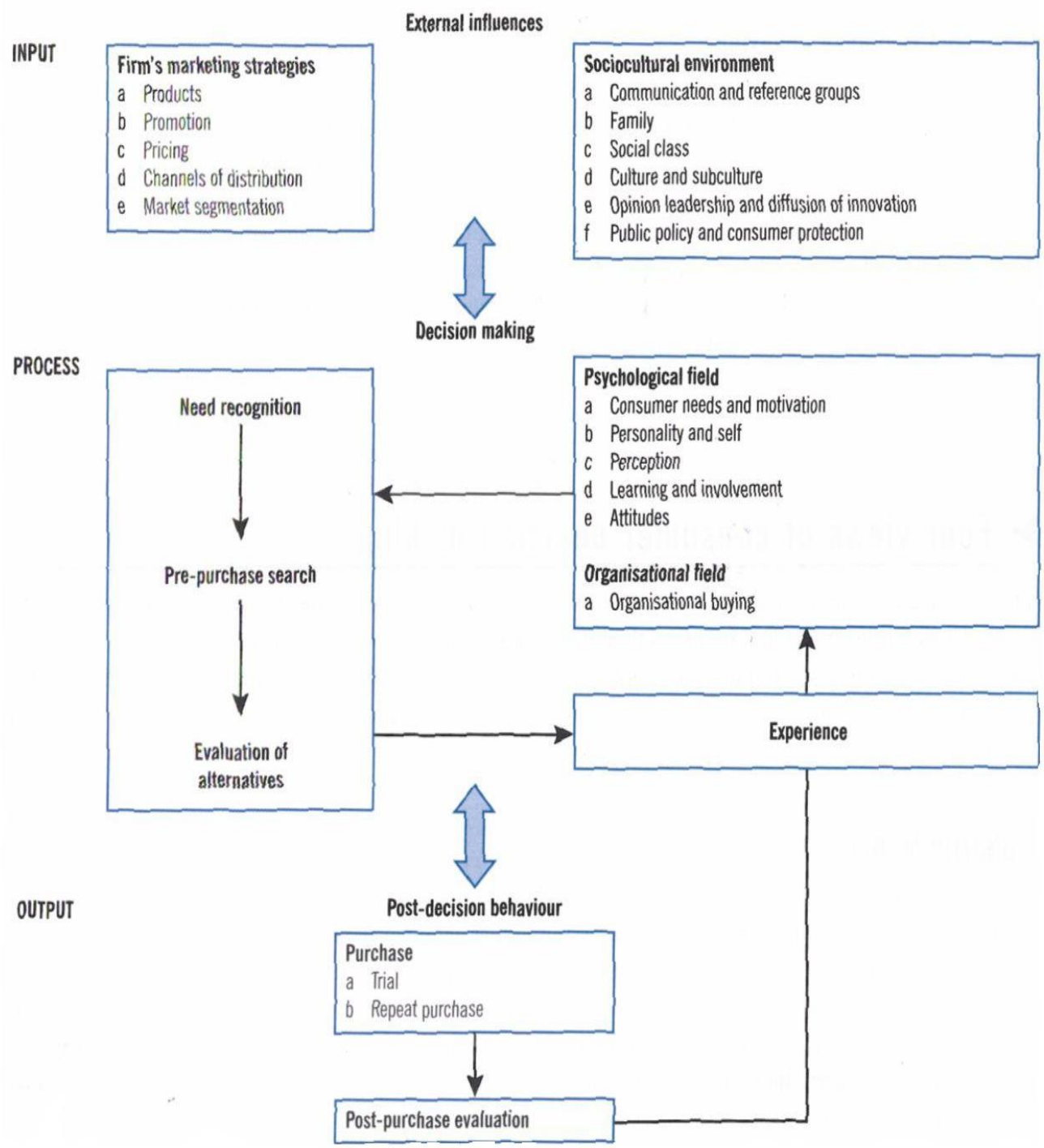


Figure 2: The Consumer Decision Making Process (CDMP)

2.3.3.1 Store loyalty

Jacoby and Kyner (1973) defined it as a “behavioral response….as a function of psychological process”. Historically, store loyalty derived from the term ‘’brand loyalty’’ which implicates that a consumer will constantly purchase the same brand. Although there is still no clear conceptualization of store loyalty, Cunningham (1961), Enis and Gordon (n.d.), Reynolds et al. (1674-75) found that it is beneficial for a store to identify and retain its loyal customers. Studies have proven that loyal customers spent a larger portion of their total expenditure at the store. Loyalty would be the most perfect outcome for the output stage, as marketer and/or retailer aspires.

2.4 Factors Influencing Consumer Decision Making

Stores are not only meant to purchase products at. Stores, for example, also have influence on the orientation to buy or to get familiar with new products and brands. Stores are in addition useful for the, so called, ‘after-sales service’ which basically implicates the output stage of the CDMP model. Furthermore, stores could be for instance more involved in the recycling of products and product parts in the future. Moreover, besides just shopping at a store, stores are seen as multi-functional by Antonides G., and Raaij van, Fred W. (1994). The shop image is based on factors that influence the consumers to make a decision in the selection of a store. Stores attempt to position and distinguish themselves from each other by means of these factors. Past research in retailing has found that specific characteristics of stores, most notably product assortment, price/quality, location, service quality, and store atmosphere, affect consumers’ store evaluations and store choices retail environment (Bearden, 1977; James, Durand, and Dreves, 1976; Louviere Johnson, 1990; Steenkamp and Wedel, 1991).
Figure (?) shows a table from IBM Institute for Business Value analysis which demonstrates that the promotion and the price are of high importance for consumers and,

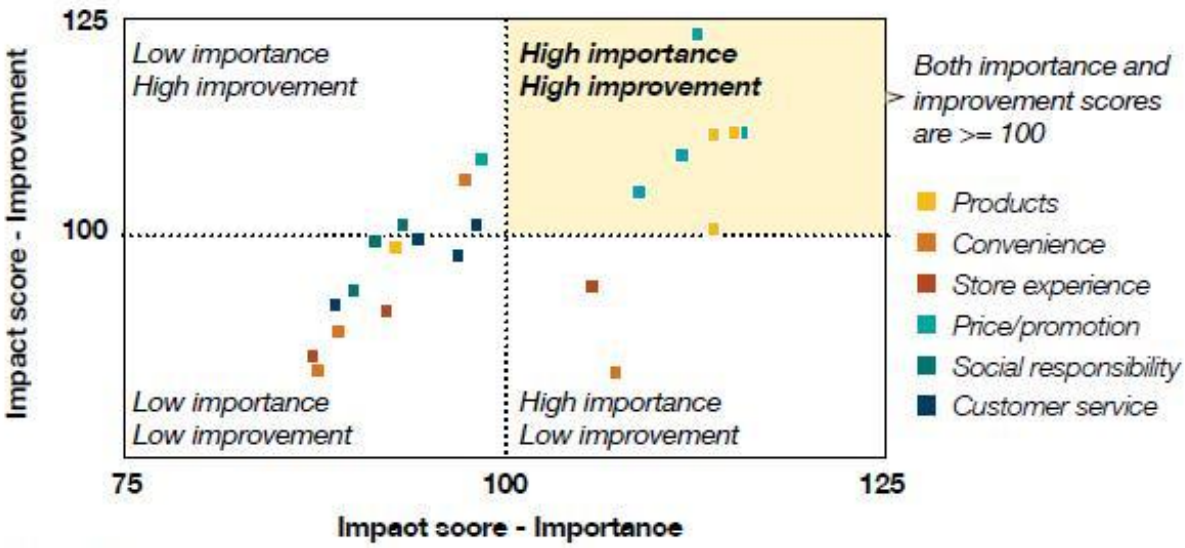


Figure 3: Consumers think that retailers should focus first and foremost on offering better promotions and prices, and making product improvements[1]

[1] Source: IBM Institute for Business Value Analysis

also, products should be improved and consistently available. Figure shows what matters most to consumers when they decide where to shop and where they think retailers most need to improve. One could see in the table that price/promotion and products are of high importance and high improvement. This also influences the selection
in store size. As the factors are determinants for a consumer to purchase at a large or small retailer. Price, for example, is considered to be a positive factor in the large retail market. The point of this table is to show that factors really do influence the consumers to make a choice. In a later paragraph the factors will be related to the store size.

These factors or store characteristics are referred to as 'determinant store attributes' in the consumer behavior literacy. One simple and direct approach to isolating determinant attributes is ''aided recall''. Recent purchasers of a product are provided a lengthy list of attributes and asked to check which were reasons why they chose the brand (or shop) rather than some other brand (or shop). A frequency count of the most important is made and the attributes are ranked according to the total number of mention. The highest-located attributes in the summary ranking are considered ''determinant''. In table 1 an example is given of a list of determinant store attributes among occasional shoppers by channel.

Table 1: List of determinant store attributes among occasional shoppers by channel

Store attribute	Specialty grocers $N = 64$	Supermarkets $N = 71$	Supercenters $N = 111$	Warehouse clubs $N = 129$
Price competitiveness	3.73 (7)	3.96 (2)	3.74 (8)	3.87 (5)
Courtesy of personnel	3.80 (5)	3.96 (2)	3.80 (4)	3.95 (3)
Cleanliness	4.27 (1)	4.39 (1)	4.38 (1)	4.32 (1)
Product selection	3.98 (2)	3.87 (3)	3.89 (2)	3.98 (2)
Hours of operation	3.36 (10)	3.30 (9)	3.49 (10)	3.22 (4)
Atmosphere	3.47 (9)	3.44 (8)	3.50 (9)	3.33 (8)
Ease of access	3.94 (3)	3.86 (5)	3.83 (3)	3.91 (4)
Security	3.55 (8)	3.75 (6)	3.77 (5)	3.65 (7)
Parking facilities	3.84 (4)	3.92 (4)	3.75 (7)	3.83 (6)
Crowding	3.81 (6)	3.73 (7)	3.76 (6)	3.91 (4)
Presence of eating places	2.50 (13)	2.54 (12)	2.70 (13)	2.37 (12)
Special events	2.30 (14)	2.45 (13)	2.54 (14)	2.34 (15)
Seats/rest area	2.84 (11)	2.94 (11)	2.79 (12)	2.63 (11)
Ease of children	2.67 (12)	3.04 (10)	2.95 (11)	2.80 (10)

Note: Respondents were allowed to indicate that they were frequent shoppers of as many formats as they desired. They were not forced to choose one format over another. Therefore, the numbers do not correspond directly with the sample size

A review by Lindquist (1974-75) of 26 empirical and theoretical studies of retail store selection led him to observe that the following attributes were mentioned in at least 25% of the studies (Stephen J. Arnold, Sylvia Ma, and Douglas J. Tigert, 1978):

- Merchandise selection or assortment (42%)
- Merchandise quality (38%)
- Merchandise pricing (38%)
- Locational convenience (35%)
- Merchandise styling, fashion (27%)
- Service, General (27%)
- Salesclerk service (27%)

Consumers differ with respect to their preference for retail store attributes and store patronage. A factor or attribute of importance to one consumer might be less influential for another consumer in determining store choice (Moye, N. Letecia, 1998). Moreover,

Polegato and Zaichkowsky (1994), Helgesen and Nesset (2010) argue that men and women place greater importance on different store characteristics. Whether this is true will be concluded from the research conducted later on in this report. The following selection of store attributes is made as most important factors for the consumer to be influenced by: location and environment, price, quality, assortment and brands, shopping experience, professionalism, opening hours and accessibility and anonymity. These attributes will be discussed in the following paragraphs.

2.4.1 Location and Environment

The old saying regarding the three most important things in retailing—"location, location, location" (Jones and Simmons, 1987), still holds as store location remains a crucial driver of store performance in modern retail environments (Levy and Weitz 2004; McGoldrick 1990; Pan and Zinkhan 2006). The factors location and environment include the surrounding of the stores and where the store is located, for instance parking and public transport are of high importance here. The location of the store itself is of high value as well. The fact that a store is located in a small village and is therefore tougher to access for people who come by car or public transport will not be beneficial for the store nor for the consumer. Stores which are located in central locations are preferred by the today's consumer, which also means that the stores outside of the city centre are already disadvantaged. Store size and location are important decisions for retail firms. They also impose large external effects on consumers, suggesting a potential consumer-interest role for government regulations (Smith, H., 2012). The difference between selecting the wrong location and the right site could be the difference between business failure and success. The perfect location of a store could provide the retailer with the maximum amount of profit, therefore this factor is seen as very important by both consumer and retailer. In case of the fashion branch, customer will want to compare prices before making a purchase. Therefore, retailers will do well to locate their store near comparable stores (Waters, S., n.d). However, Bijmolt and Elhorst (2011) state that ''competition may have a notable effect on sales, and simultaneously, potential sales can attract competitors''.
Concluding, location and environment are crucial to a store as this store characteristic determines the attractiveness of a store and therefore the consumer's shopping decision and spending patterns.

2.4.2 Price

The price factor of a store has two parts, first: consumers who perceive the price level of the store and second: consumers who are already familiar with the store and are familiar with the price level. The consumer type that does not need to indicate the price level of a store because they recognize the store, will either choose to purchase at that particular store or not. However, the consumer who is introduced to a new store, will have to indicate the price level of the store. Brown and Oxenfeldt (1972) reported that consumers perceived co-variation between various store attributes and store price levels, and used the information regarding the former to predict the latter. The perceived price level does not have to match the actual price level of the store. Many shops use advertisements which display bargains to attract the consumer to let them think the price level of the shop is low. Consumer could perceive the price level of a store as too high when the store offers extra service, late hours of operation, in-store expensive looking interiors, gifts and loyalty rewards. These are cues for customers to identify the store as being expensive or high price leveled. Low price indicators are: located in a shopping mall, overload of advertisements, having a broad range of products and being a ''new'' store in the community (B. Kemal Buyukkurt and Meral D. Buyukkurt, 1986).

2.4.3 Quality

The same story goes for the quality factor as with the price factor. Perceived quality is simply the overall customer's assessment of the standard process of receiving customer services (Hellier, et al, 2003). The perceived quality of a store does not have to match the actual quality; therefore marketing tricks are pulled to win over the consumer, such as promotions, bargains, advertisements. Quality is a different determinant attribute than the determinant service, location, and price attributes found in the Toronto study (Stephen J. Arnold, Sylvia Ma, and Douglas J. Tigert, 1978).

2.4.4 Assortment and Brands

The breadth and the depth of the assortment of the store is another influential factor that plays a part in the decision making process. The breadth is the amount of 'product-groups' in the store and the depth is the amount of brands and other variants within a product-group. Antonides G. and Raaij van, Fred W. (1994) argue that retail stores specialized in certain products have a narrow and deep assortment, whereas discounters have a wide and shallow assortment, see table 2 as an example.
Consumer will obviously seek for certain assortments or brands to fulfill their needs and wants. It is therefore essential for a retail store to meet the consumer's demand.

Target group	General assortment	Specific assortment
General	Intensive general store Wide, shallow assortment Supermarket, Shopping mall	Classic special retail store Narrow, deep assortment Sports store, butcher
Specific	Selective general store Selected focal points Bijenkorf, Fresh Company	Super special retail store Narrow, unique assortment Golf shop, tie store

Table 2: The breadth and depth of the assortment of a store

2.4.5 Shopping experience

The shopping experience is the result of physical characteristics and subjective perceptions. This factor could be easily manipulated to create a preferred consumer behavior. Colors, background music and designs are all able to influence a customer's experience in a store. Effects of these factors could lengthen the duration of the customer's stay and could give the customer joy, which will influence the expenditure. The appearance of a store should arouse interest for the assortment of the store. The appearance consists of architecture, flags, display window, posters and all other attributes such as flowers, clothing racks and so on; these could be used to create a pleasant ambiance for the consumer.
The shopping experience does not only consist of designs and attributes, nevertheless the atmosphere in the store should be appealing to the customer. The customer should create a joyful feeling inside the store which will make the customer return. This includes the friendliness of the personnel, the ambiance and the type of other customers that shops at the store. Consumers prefer to shop at places where they find peers or people from the same socio-cultural group (Antonides G. and Raaij van, Fred W., 1994, p. 414). The experience to shop has become an icon of the today's society. Historically, marketers

are already creating shopping into a real experience for many years, in order to get the attention from the consumers. With the seduction of architecture, music, visual effects, promotional marketing strategies and smells the enormous shopping malls and fashions chains are trying to increase their target audience. Nowadays, the experience became as, or even more, important as the purchase itself. This means that consumers consider this to be a very important attribute of a store.

2.4.6 Professionalism

In stores, such as fashion stores, where consumers need advice or service professionalism is considered to be an important aspect. The Aberdeen Group (2005), a technology driven research destination of choice for the global business executive, states in a research paper that ''mediocre and inconsistent store conformance to corporate goals and directions and non-existent customer service has become a serious deterrent to improving, or even maintaining revenue and profitability''. Often, professionalism is accompanied by in-store customer service and store performance. The store personnel are expected to be able to give information and/or advice about the product sold in the store. Whenever asked for professional advice or information by customers a retailer will need to be able to answer the questions of the customer. Personal service is appreciated by consumer, and is therefore most likely to be one of the most important store attributes. Personal service is usually better in specialized retail stores, as these offer gift wrapping, personal adjustments, and personal delivery and so on. Professionalism also means that the salespersons know their customers, and will therefore give them the right advice or information. The personnel of a store should also know whether the consumer wants to be assisted or maybe they just want to have a look without being bothered. All these factors, knowing your customer, having knowledge of the sold items in the store, customer service and store performance, are included in the professionalism store attribute.

2.4.7 Opening Hours and Accessibility

The today's consumer knows what they want and when they want it. Basically, the consumer of today is always in a hurry and looking for the next new thing. Opening hours and the accessibility of a store could therefore be a rule breaking factor in the decision making process of a consumer. The working consumers will benefit from stores which are open before 8 o'clock in the morning and after 6 o'clock in the evening in order for them to purchase their supplies. Also, waiting times in the store become a growing factor in the today's consumer decision making process. Consumer do not want to wait to make a purchase, the buying process should be quick and easy; no lines, no waiting times, no inconvenient business or visiting hours. Accessibility is therefore also to be considered an important store attribute for consumers. Especially since the consumer needs to be at two places at once, the convenience and the easiness of ''one-stop-shopping'' is beloved amongst the consumers. A store should be accessible and convenient on all fronts in order to enlarge their customer database and increase the store loyalty.

2.5 Anonymity

In this paragraph the store attribute 'anonymity' will be explained and introduced. Anonymous is explained as ''one does not want anyone to know your identity at any level, withholding recognition''[2], however it is not a discussed term amongst the store attributes. This is in my opinion a deplorable shortcoming in the consumer decision making literacy, therefore I would like to devote a paragraph to this store attribute.
Anonymity is not recognized in the store choice decision process; nevertheless most consumers have experience with this type of store attribute. Anonymity in a store could

[2] anonymity. (n.d.). In: reference.com. Retrieved from: http://ask.reference.com/web?q=What%20Does%20Anonymous%20Mean?&o=100100'

occasionally be important to consumers, for example whenever one wants to shop without being recognized by acquaintances or approached by store personnel. Customer service could be seen as an extra service for the customer, however this is often thought of as annoying by the customer. The aggression and sharpness of the staff whenever customers enter the shop could be considered overwhelming and deterrent. On several blogs on the web[3] it shows that fashion consumers are extremely annoyed by importunate and pushy sales people who approach a customer the minute they walk into the store. Consequently, anonymity should be included in the store attributes as this could determine the return of the customer to a store. It is made obvious that the level of anonymity is higher at larger stores as in smaller stores. Shopping is considered by the consumers of the blogs to be more anonymous in larger retail shops as H&M and Zara, than in smaller (and perhaps more expensive) stores.

[3] http://forum.fok.nl/topic/1033632/9/25

3. The Retail Market Environment

The term ''retail market'' has a quite wide meaning, as ''retail serves consumers through a small grocery store to a huge departmental store[4]''.As there has been a shift in the behavior of the consumer, there has also been a shift in the retail market environment. One could argue that the shifted behavior of the today's consumer is due to the fact of the changes in the retail market. The structure of the retail market has changed considerably in recent years. Numerous large retailers, also known as ''big box stores'' with a new approach to doing business have established their presence in the retail market. These large retailers are able to offer everyday low pricing, make use of ''big box'' retail format and have electronic data interchange with suppliers. Many of the locally based independent retailers have great difficulties competing with these large mega firms. Obviously, the consumer only benefits from the lower prices, the better offers and added convenience, however the retail environment itself has become unified and unvaried. By the large retailers the retail market loses its distinctiveness and diversity. One could speak of a battle between the large and the small retailers, in which the consumers are the referee and the final judges. Both retailers have advantages and disadvantages, however what needs to be done to create a healthy and harmonic balance between the two parties in the retail environment?
In the following paragraphs the advantages, disadvantages and the role of small and large retail stores in the retail market are discussed. Furthermore, later in this section the strategy of the market regarding the consumer will be explained.

3.1 The Small Retail Store vs. The Large Retail Store

It is observed that small independently owned stores are gradually losing their grip in the market place. Experts say that to weather the storm, owners need to bring added value to the overall shopping experience (Cowan, C, 2010). The retail market literature states that the small retail stores are considered to have an advantage in personal customer service, creative events, fun promotions and a friendly atmosphere. These assets are ways for the small retailers to survive in this though and challenging economy, as the big box retail stores are offering similar products for a cheaper price. As already stated frequently, small business owners cannot compete against the large retailers, especially on their low pricing. Therefore, the small business owners will have to offer other attractive features of their store to welcome the customers. Personalized service might be one of the many advantageous one will receive in a smaller store. The personal attention for a customer will also be less time consuming as the customer will not have to seek through clothing racks looking for that one special item. ''This extra shopping experience of the small retailer is also something the customer is willing to pay extra for'' says Cowan, C (2010) in her article ''Road to Recovery: Small Stores vs. Big Retailers''. Berry (1999, 2001) created the ''Five Pillars of Retailing'' and contends that small retailers will be able to compete with the big box companies if these retailers abide by the five pillars. The ''Five Pillars of Retailing'' consist of the following rules:

1. Solve Customers Problems
2. Treat Customers With Respect
3. Connect With Customers' Emotion
4. Set The Fairest (not lowest) Price
5. Save Customers' Time

Also, a key to survival in the market place is to offer products that the competition (large retailer stores) does not. The small retailers should invest in consumer driven marketing strategies which will set them apart from the large retail stores. Kokemuller (2004) argues in an article that there are four main advantages for smaller stores; customer service, specialization, control, adaptability. The control advantage includes that a small business

[4] http://retaildirectory.blogspot.nl/2009/06/characteristics-of-retail-industry.html

owner has a much greater control over business decisions than some manger in a large retail chain. This could lead to quick changes and, consecutively, quick adaptability. In large companies mostly all decisions must go through many levels of the hierarchical pyramid of the company, whereas in small companies the owner or a store manager is participating in making an important decision. A disadvantage of a small retailer is that these clothing stores are considered to be more expensive than the large chains. In all probability this is not true, however this is perceived by the consumer. This prejudice is repeatedly assigned on many blogs, articles and other literature on the disadvantages of a small retail store.

The large retail stores on the other hand have a huge advantage with their position in the current market. These stores are able to offer products cheaper than the smaller stores, and this is extremely beneficial for the big box stores. Studies show that people purchase a higher percentage of their merchandise from the mass merchandisers and consequently a lower percentage from local merchants (Waters, S. n.d.). The big box retailers also benefit from a wider selection of items that they can offer to satisfy the consumer. Due to this wider range of items or products a consumer has the convenience of ''one-stop-shopping'', as the consumer could buy more at one shop due to more departments in one store (e.g. shoes, clothing, sportswear, underwear in one store). The convenience is considered better in a large scale store. The store is furnished to the 'hasty' customer, therefore prices are clearly visible on each item, self-service is often introduced, and facilities are offered so the customer can shop in comfort. Contrary, the bigger retail stores might be considered homogenous and therefore boring and standard. The personal taste of the customer will not always be catered to in the large retail stores. Moreover, the personal contact in big box stores is considerately low due to the fact that staff is only hired to stand behind the cash counters and to fill the selves or empty clothing racks. The personal attention for one customer is barely forthcoming in the large companies.

3.2 How Consumer Analysis Affect Business Strategy

Increasingly sophisticated consumers have learned a forward-looking and strategic behavior towards the business market. Some firms have learnt adapting to the new strategic behavior of the consumer and these firms try to anticipate on this by implementing a flexible business strategy (e.g. fast response to the consumers' wants and needs). A firm famous for this strategy is the Spanish fashion retailer Zara.

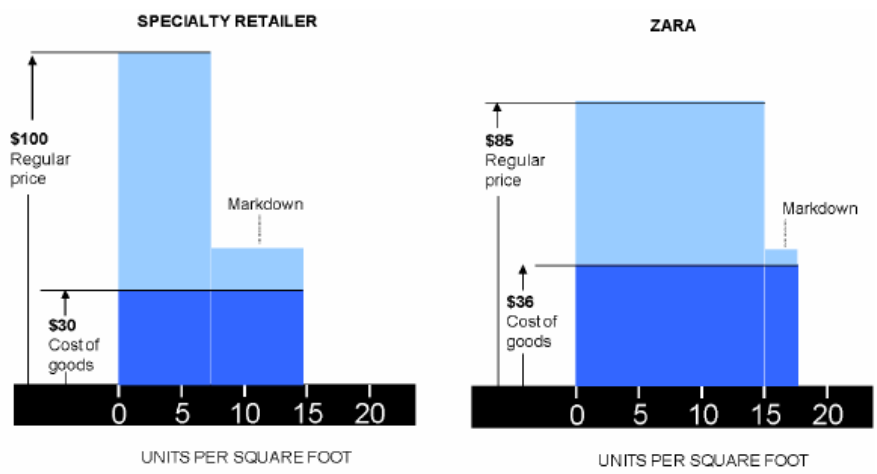


Figure 4: Pricing patterns at Zara versus competing specialty retailers (Grichnik et al., 2008).

Consumers expect deep end-of-season clearance sales, and retailers, anxious to clear space for newer products, often oblige them. There is, however, one company that has achieved success at managing and preventing strategic customer purchasing behavior: the Spanish fashion retailer Zara. In figure 4 one could see Zara typically sells a much higher percentage of its inventory at its full price than other retailers, which can result in superior overall financial performance (Cachon P. G., and Swinney, R., 2008). This figure concludes that the costs of the goods are higher and the regular prices are lower, however Zara does sell more units than a specialty retailer. Cachon and Swinney 2008 state that the large retailer Zara carries two key components in her strategy: (1) production in small batches with fast replenishment and (2) low initial prices for items. As a result, compared to its chief competitors, consumers are much more likely to purchase an item at the full price at Zara (Ghemawat and Nueno 2003), rather than wait for the discount.

Basically, over the years the consumer has taken charge in the market environment instead of the businesses themselves. The customer comes first and one cannot underestimate the importance of consumer analysis. The consumer is responsible for some profit of the organization, therefore it is very important to analyze the consumer in order to increase the profit. Bashin (2011) describes in his article about customer analysis that there are seven uses of customer analysis. The uses of the customer analysis are as follows:

1. Identifying who your best customer is
2. Planning out retention plans for your new customers
3. Inducing further buying from your existing customers
4. Improving customer service
5. Effective campaing planning
6. Increasing market share
7. Increasing overall profitability[5]

All seven uses by Bashin (2011) for analyzing the consumer will affect the business strategy. Consumer analysis is a process which is to be carried out by large, medium and small retail stores. The analysis will also lead to a better relationship with you customers as the firm will conduct research amongst their target audience. When a firm has a close relationship with the customer the firm will easier be able to fulfill the customer's needs, which will make a customer return. Developing a close personalized relationship with customer is called ''relationship marketing'' (also called loyalty marketing). Examples of relationship marketing are advising consumers of a forthcoming sale or selected merchandise will be set aside for a customer for its next visit. Relationship marketing is built with trust between the company and the consumer and keeping promises. Essentially, consumer analysis is the basis of setting the market strategy for a firm. The needs and the desires of the consumer are the foundation of a firm's strategy.

3.2.1 Consumer Driven Market Strategy

''In a highly competitive business environment, focusing on the needs of your customers can give you an edge over your competition'' (Joseph C., n.d.). A consumer driven market strategy is a strategy which includes elements like identifying the target consumer and reacting to their needs. Furthermore the strategy should include details to retain customers and an approach to gain new customers. Customer-driven marketing involves seeing products from the customer's perspective and communicating a messages in the target customer's language. This approach goes beyond traditional textbook branding and positioning, which are driven by the marketer, to getting an outside-in perspective and designing a marketing strategy that is driven by the customer's needs (Schade, J.,

[5] Bashin, 2011. ''Customer Analysis''. Retrieved from: www.marketing91.com

2007). Two examples of the outside-in approach are displayed in figure 5. ''An outside-in perspective means that companies aim to creatively deliver something of value to customers, rather than focus simply on products and sales'' claims Gilbert (2010) in her article The Outside-In Approach to Customer Service.

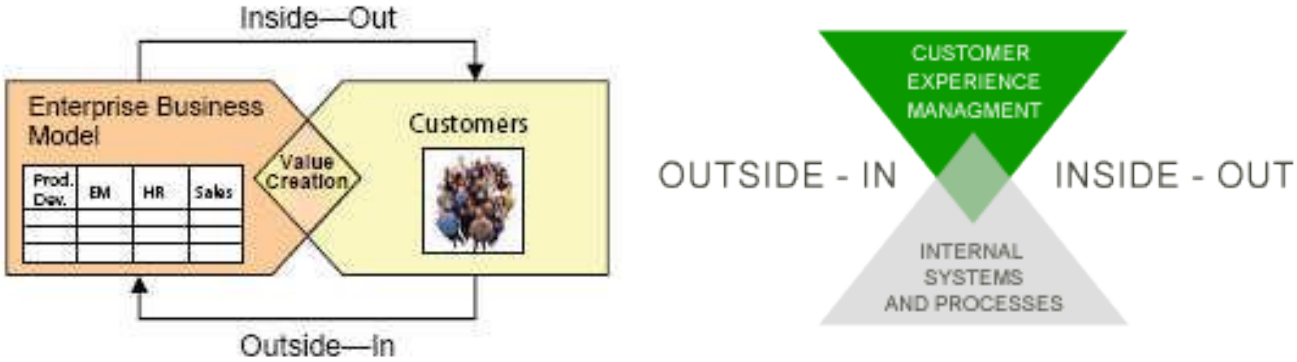


Figure 5: Two types of the outside-in and inside-out approach

Achieving a disciplined approach to Customer Value Creation (CVC)[6] requires adopting a number of ideas and philosophies that are new to many industrial companies (Alderman et al, 2009). Alderman et al. considers the outside-in approach as ''a short hand way of saying that far too often companies do not spend enough time thinking about business decisions from a perspective other than their own''.

To conclude, the consumer driven market approach focuses on the consumers. It retrieves information from a conducted consumer research and applies this to the market strategy in order to fulfill the desires and wishes of the prospective or returning consumer. Consumer based marketing is to be considered very important, mostly considering that these times are tough for many businesses. Large scale and small scale firm will have to apply this consumer driven market strategy to their own business strategy in order to survive in this thriving market economy. By analyzing the consumer, conducting consumer research and combine consumer based strategies a firm will build a strong relationship with their customer which is considered a very important aspect of the today's business market.

[6] See appendix D

4. Research Chapter

In the following chapter I will elaborate on my main research. I will discuss how I did my research through explaining the design and structure of the research. Preliminary research was conducted in order to seek for research that already has been done about this topic. Furthermore, the actual outcomes of my research will be presented in bar charts, pie charts and line charts[7].

4.1 Preliminary Research

The preliminary research is done by reading other theses, articles and reports with the topics related to my research topic. These topics are: consumer behavior, consumers, small retailers, large retailers, small retail stores vs. large retail stores, shopping chains, entrepreneurs and so on. Through the preliminary research my knowledge about this situational problem has grown and it has triggered the desire to investigate this problem. Before being able to solve this problem situation in the social market, as discussed in the situational analysis, I will first need to analyze the current situation of the market. What has already been researched and investigated about this problem in the retail market?

The preliminary research consists of:

- Literature Research – by means of books and articles containing theories and models about consumer behavior and the retail market. The theoretical framework is based on the literature research.

- Desk Research – I have read many online articles, press releases and newspaper articles in order to find out the current situation of the retail market. Numerous articles have been written about this phenomenon as this is an extremely topical subject.

- Interviews with the problem-owner – The problem owners of this situation are my parents. I have questioned them about their own situation, about the situation as a small retailer and about the future. I did not conduct a quantitative research question answer interview, however I did use their insight information and their remarks to start my research.

- Field Research – I have visited some small retail stores and some large retail stores and observed the way things were going in that store.

By means of the methods above I tried to gain better understanding of the current situation in the retail environment. I noticed that this is a recognized problem in the market environment as it is greatly discussed by many media. Below you can read the most important parts of my preliminary research findings.

<u>Changing consumer behavior</u>

In the theoretical framework was already determined that the consumers are changing and will keep changing in the future. The predication of the future is that the identity of the consumer will be completely open. Every individual will keep control over the extend of the openness of their identity, however sharing your personal life online is setting the trend. The openness of the consumers might be a danger for the consumers, as the retailers and marketers are able to know every little detail about their consumers. This is

[7] Also see Appendix C

of course a big advantage for the business environment as they could make use of the personal data to attract the consumer in special promotions and advertisements[8].
Also, the consumer became more sophisticated over the years. The new consumers are seeking for an experience during shopping. The retailers in the retail environment will need to find an answer in order to keep the consumer happy. Also, due to the ongoing recession the consumer will lose its loyalty towards brands, products and store. This means that consumers who have less to spend will turn to the large fashion chains to seek for bargains. HBD (Hoofd Bedrijfschap Detailhandel) completed a scenario in which the small retailers are starting a revolution. In this scenario the government plays a big role as the government does not want the small retailer to fully vanish. The entrepreneurs are able to maintain a stable position in the fashion market in this scenario as the independent entrepreneurs are aware how to amuse and keep the consumers[9].

Changing Retail Environment

The demand for larger and unified shopping chains is increasing, whereas the demand for small scale entrepreneurs is properly decreasing. This change in the retail environment is also due to the growing consumer who chooses to go to the large fashion chains instead of the smaller stores[10]. In the majority of the articles the need for the maintenance of the small retailer is emphasized, however the small retailer is vanishing. ''Between 1992 and 1997, Census Bureau data showed the proportion of retail workers at stores with fewer than 50 employees plummeted from over 61 percent to 36.6 percent. Economies of scale have proven themselves'', argues Bonné (2004) in his article. Diversity could be created through small retailers who are unique and specialized. However, as the demand for large retailers is growing the diversity in the streets is decreasing[11]. The Dutch shopping streets will consist of only fashion chains in the future and the entrepreneurs will have vanished from A-locations in about 12 years[12]. This has been proven from a research conducted by Corio, one of the biggest shop owners in the Netherlands. The last years the amount of entrepreneurs has decreased from 74 to 65 percent. Incremental changes to the store format will no longer be sufficient to survive, a radical rethink of the purpose of the store in the consumer shopping journey and the number of stores required to reach the customer is necessary[13]. Further research by Economics Professor Kenneth E. Stone and Extension Program Specialist Georgeanne M. Artz (2001) has proven that retail sales generated by big box stores are offset by sales losses at existing, often locally owned, retail stores. This concludes that the large retail stores are stealing away the customers of the small retail stores and therefore many small owned retail stores have to close.

[8] http://consument.blog2blog.nl/
[9] http://www.bian.nl/concentratie.pdf
[10] http://www.vandaagismorgen.nl/blog/
[11] http://www.vandaagismorgen.nl/blog/
[12] http://www.z24.nl/ondernemen/artikel_129869.z24/Kleine_winkelier_weggedrukt_door_keten.html
[13] http://www.deloitte.com/assets/Dcom-UnitedKingdom/Local%20Assets/Documents/Industries/Consumer%20Business/uk-cb-store-of-the-future-report.pdf

By research conducted by the HBD and ITS in 2010 the results showed that the average surviving chances of new fashion entrepreneurs over the years changed negatively (Table 3). From the fashion entrepreneurs who started in 2005 only 43% still existed after 5 years.

Table 3: Percentage of existence of the small fashion retailer after x year after the start (source: HBD and ITS)

start-year	amount	Exists after 1 yr	2 yr	3 yr	4 yr	5 yr	6 yr	7 yr	8 yr	9 yr	10 yr
1999	745	88%	77%	67%	59%	53%	47%	44%	42%	39%	36%
2000	873	87%	77%	69%	61%	55%	48%	43%	40%	38%	35%
2001	891	85%	72%	61%	52%	45%	42%	37%	35%	33%	
2002	1.016	81%	69%	57%	50%	44%	39%	36%	34%		
2003	1.142	83%	68%	56%	49%	43%	38%	35%			
2004	1.344	82%	66%	55%	48%	43%	38%				
2005	1.547	81%	65%	55%	48%	43%					
2006	1.464	83%	69%	57%	50%						
2007	1.339	84%	67%	57%							
2008	1.327	80%	66%								

To conclude, by many researches it has been proven that the number of small retailers is decreasing. Also, the surviving chance of the beginning fashion retailers is not positive. These decreases are due to the fact that the ‘changed’ consumer rather goes to large fashion retailers as these retailers are able to offer the products cheaper than small retailers. The scenario that the HBD created is not the reality for the today’s small fashion retailer unfortunately. I will compare my research to the preliminary research and see if the two researches will match or contradict each other. However, it must be taken into account that my research only exists of 161 respondents and can therefore not to be seen as a representative research.

4.2 Research Design

In this following section I will elaborate on my search for the information needed to give an answer to the research question of this thesis. For this graduation assignment I mainly used quantitative research strategies and a minimum of qualitative research strategies. The research for this thesis consisted of consumer research. This kind of research is best done by means of a quantitative research strategy; a survey. Furthermore, I have spoken to many owners of small retail stores including my own parents. These conversations provided me with qualitative information about the insights of an entrepreneur. It has enlightened me with different perspectives to precede my research.

4.2.1 Survey Design and Structure

A survey based on the theoretical framework of this graduation assignment was designed for my consumer research. The questions are thoughtfully well-phrased in order for the participants to understand easily. The survey was created in Dutch as the mother tongue

of the consumers in the Netherlands is Dutch and is therefore more understandable, which will appeal a greater public. The survey consists of 18 questions[14] related to the policy advisory and research question of this thesis.

There is a clearly visible structure in the survey, as the first three questions are demographical questions. These questions focus on retrieving demographic information from the respondents, such as: age, gender and living situation. The next part of the 18 question survey consists of 8 statements to which the respondents could indicate their level of agreement with the statement. The levels of agreement are as follows: totally disagree, disagree, neither agree nor disagree, agree, totally agree.[15] The answers that the respondents could choose from to indicate the degree of agreement of disagreement are based on the Likert scale[16]. An example of one of these statements is as follows: ''I buy my clothes at a Fast Fashion Chain''. All statements are linked to a sort of clothing store such as: brand store, women's or men's clothing store, department store or an independent entrepreneur. Three different meanings were given to a small retail store to reconcile the large retail stores with the small retail stores, in order to provide the respondents with an equal balance in the answers. The three different meanings for a small retail store are: (1) a unique store with multiple brands, (2) a smaller unknown store and (3) a boutique (a specialized small fashion store).

After the statements, the respondents were faced with another question by which they were given options to choose from. The respondents were asked to answer the question: Which factors do you find the most important when choosing a store? The answers were related to the theoretical part of this graduation assignment, namely: location and environment, price, quality, assortments and brands, shopping experience, professionalism, and opening hours and accessibility. Multiple answers could be fill out as I do not want to limit the respondents with one answer. Moreover, the respondents could find two or three options relevant to answer the questions. I wanted to limit respondent's bias as much as possible. The questions are therefore deliberately exceedingly open (even though I barely used any open questions) and easy answerable.

Furthermore, a few yes and no questions are asked, followed by some more statement questions based on the Likert scale. The three end statements are statements to trigger people to think about their own experience during shopping. I have included these statements to generate an upmost honest answer and to avoid bias. One example of these statement questions is: ''In a larger fashion chain I have more choice''

After which the respondents could choose from the answers from the Likert scale (totally disagree, disagree, neither agree nor disagree, agree, totally agree). The answers are to be found in the next section: Research Outcomes. To make sure the survey would deliver the desired outcome I tested the survey on friends and family and processed their outcomes for testing. Also, with the help of my thesis tutor, Masoud Banbersta, I have developed a better survey which would provide the best outcomes for my research.

4.3 Respondents

The respondents of this survey differ from each other in every aspect (e.g. age, gender, descent). My survey was created by means of a website which creates online surveys[17]. I promoted my survey online and shared it with my family who shared it with their friends and family and so on. My survey was therefore randomly spread online amongst different

[14] See Appendix A

[15] Translation: volledig mee oneens, oneens, noch mee eens, noch mee oneens, eens, volledig mee eens

[16] See Appendix E

[17] www.thesistools.com

groups of people. Since I did not have personal contact with my respondents I could not pick and choose the respondents I (unconsciously) preferred for my survey. In this case I attempted to avoid bias. The demographic information about the respondents is listed below.

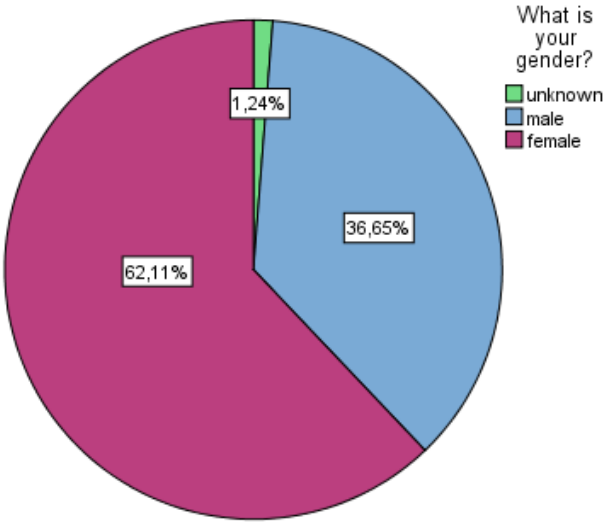


Figure 6: Gender of Respondents

4.3.1 Demographic Information

The demographic information about the respondents needs to be determined in order to identify who participated in the online survey. Also, a retailer might prefer the data information from one specific target group. Personal information about a respondent could contribute to the choice of an answer. Furthermore, all demographic information will be used later on for the research outcomes.

A total number of 161 respondents filled in my online survey. In figure 6 the gender of the totality of the respondents is exhibited. 100 respondents (62,11%) were female and 59 (36,65%) respondents were male. This means that 2 (1,24%) respondents did not fill in their gender and are therefore referred to as ''unknown''. This section of the gender will be left out in the rest of the tables and diagrams as the unknown gender is not a relevant group.

To determine the age of the respondents an open question was to be answered by the respondents in my survey. Table 4 show the average age of the respondents which is 33,19. The average age is considerably low due to the fact that the age group of 21- 25 has the most respondents. The ages of the respondents are grouped into the following age categories: 20 or less, 21 – 25, 26 – 39, 40 – 55, 56 – 65, and 66 or more (figure 7). In the graph one could see that the age category of 21 – 25 scores the highest percentages of 47%[18]. The lowest percentage of age category is the group of 66+ (2,48%). The respondents are random fashion consumers, and I therefore did not have any influence on choosing my respondents.

[18] See appendix 3: SPSS Outcomes 1

Statistics

What is your age?

N	Valid	161
	Missing	483
Mean		33,19

Table 4: average age respondents

The age category of 21 – 25 has the overhand in the survey. However, this does not have to be seen as a disadvantage of the survey. This age group is a very important group for the retail environment, as this group mostly consist of students who are almost entering the business environment themselves. This means that this group will soon have more money to spend and the retail environment likes to anticipate on this. Therefore, the results of this age group will be very important and relevant for giving advice to the retailers. I will therefore focus a lot on the results of this age group.

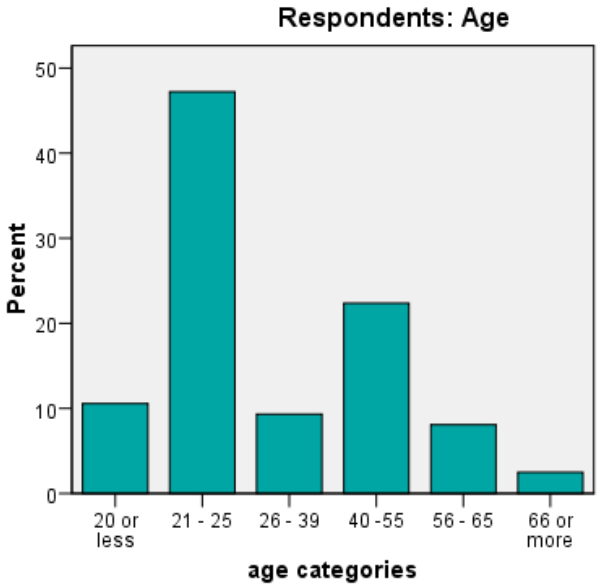


Figure 7: Age categories of respondents

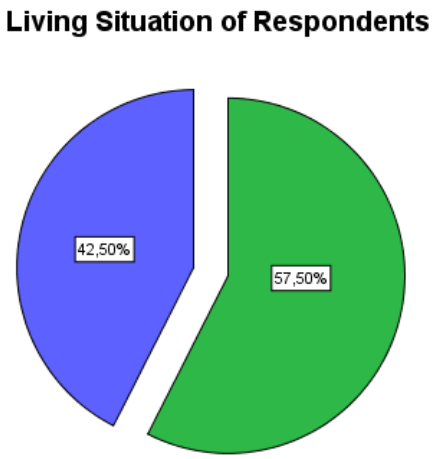


Figure 8: Living situation of respondents

When the two variables age and gender are combined in a graph it shows that the female respondents dominate every age category, except for the age group of 56 – 65. Also, the age group of 66+ comprises solely of female respondents[19].

Figure 8 shows where the respondents live, either in a village or in a city. The graph exhibits that the percentages are very close to each other, nevertheless the majority of the respondents live in a city[20]. The information about the living situation of the respondents is relevant for the research as the street image regarding the fashion stores could be considered to be different in a city than in a smaller village. By means of this information the research might conclude that the opinions of the respondents living in a city might differ from the respondents living in a village.

[19] See appendix 3: SPSS Outcomes 3

[20] The color green represent the city and blue represents a village

From the data collected from the online survey the conclusion is drawn that the majority of the age group of 21 – 25 is living in the city (figure 9). The older respondents, those of 40 through 55, appear to be living in a village.

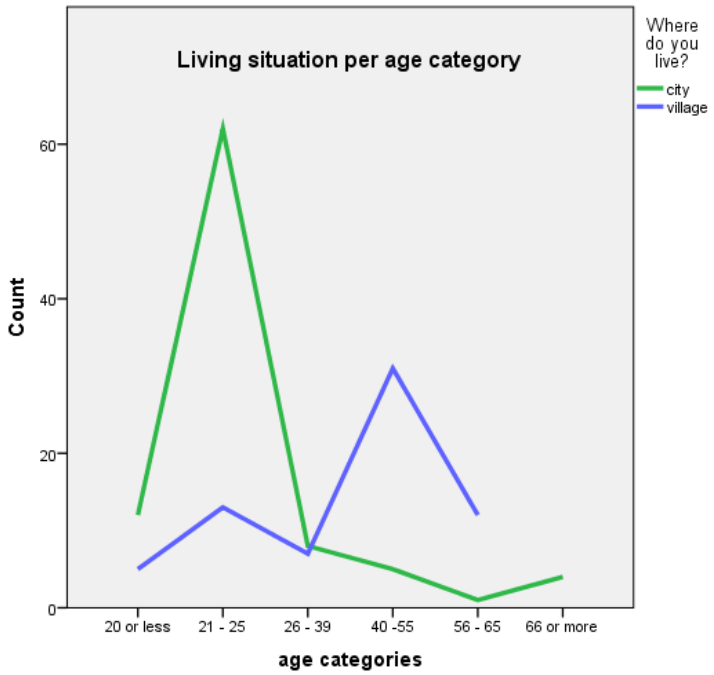


Figure 9: Age category and living situation combined

4.4 Research Question

In the beginning of this graduation assignment, in the introduction section[21], the research question has already been introduced. The research question will provide specific information, which will be concluded from the research. The research question for this research is as follows: ''which factors influence the today's consumer in its store selection process regarding small and large retail stores?'' In the research question the term factors is used to describe the reasons why consumers would choose one shop over another shop. However, in the theoretical framework I refer to the store attributes to describe the factors or reasons. I did this purposely as the reader will immediately understand the research question without having to read the theoretical framework. The purpose of this research question is to give a concluding advice to large and small retail stores about the store attributes which are considered most important by the consumer. The result and advice are to be found later on in this graduation assignment.

4.5 Research Sub-Questions

In order to create a better understanding of the current situation of the retail market environment and to provide a better advice for the small and large retailers; research sub-quesions are designed. The questions are derived from the research and advisory policy question.

[21] See page 7 paragraph 1.5.1

The first two questions of the sub-questions are related to the problem situation and how the problem actually initiated. The next five questions are related to the fashion consumer in the fashion retail store environment. My curiousness goes out to the decision making process of the consumer and why and how these consumers choose a fashion store. I also question the fact if the consumers notice the current changes in the fashion retail environment. The next questions are going deeper into the consumer's decision making process part. Are the consumer conscious of the choices they make when they choose one store over another store? Or are these choices unconscious? Answering these questions will create more clarity about the store selection process of the fashion consumer and therefore will enlighten the consumer decision making process regarding the selection of a store. Questions 14 through 17 discuss the advantages and disadvantages of the small and large retail (fashion) stores. To identify both advantages and disadvantages of large and small retail stores the factors (or store attributes) which trigger the selection process could be discovered. The last three questions are created with an eye on the future. What if the current situation would proceed, would this mean anything for the future of the fashion retail environment? The final question refers to the advice which will be given at the end of this paper.

The sub-questions are related to the main research questions. In order to answer the research questions, initially the sub-questions will need an answer. The sub-questions are either answered in the theoretical framework or in the research chapter. Below the research sub-questions are to be viewed:

1. What is the current situation in the fashion retail store environment?

2. What were the factors which created the changes in the fashion retail store environment?

3. Who are the consumers of the fashion stores?

4. Which communication tools are currently used to approach the consumers of the fashion stores?

5. Do the consumers notice the changes of the current situation in the fashion retail environment?

6. Do consumers rather shop at large or small stores?

7. How do fashion consumers select a store? How do consumers decide?

8. How does the consumer decision making process work?

9. Why is consumer research necessary for the retail environment?

10. Are the choices of a consumer conscious or unconscious?

11. Which factors trigger an action of a consumer to choose?

12. How are these factors created by the consumer?

13. Why would one factor be considered more important than another factor?

14. What are the advantages of a small retail store?

15. What are the disadvantages of a small retail store?

16. What are the advantages of a large retail store?

17. What are the disadvantages of a large retail store?

18. What would it mean for the retail environment if the current situation of the vanishing small retail store would proceed?

19. What will happen to the street image (regarding the fashion stores)?

20. What could be a solution to the problem of the current situation?

5. Research Outcomes

Before the research results will be presented I clearly want to state that the outcomes of my research will only count as an indication. It cannot be used as a fully representative research as these findings will not count for all fashion consumers in the market, therefore the results of my research could deviate from the reality. The resources for this research were limited as this is a graduation assignment for about 3 months, therefore processing a larger number of respondents would have taken too much time. This research is meant as a contribution to the consumer research with the emphasis on the store size selection. I will now present the most important results of the answers from the participants. This is done through tables, graphs and diagrams which are created by using SPSS (Statistical Package for Social Sciences) and Excel. The research outcomes of the online survey website are to be found in Appendix B. The research outcomes will be combined with the demographical information of the respondents and summarized into cohesive text and images. The data collected will be divided into certain paragraphs in order to keep a clear structure. The structure of this research will be equal to the structure of my survey. The outcome of questions 1 through 18 will be revealed in this chapter. Nevertheless, question 1 through 3 contained demographical information of the respondents, these results could therefore be found in the demographic information paragraph.

A remark that needs to be taken into account before reading the research outcomes, is that the Likert scale will just give an indication of the level of agree or disagreement. In my questionnaire the majority of the question or statements were to be answered by means of the Likert scale. In order to indicate the level of agreement of the respondents the ‘’agree’’ and ‘’totally agree’’ factors are added up. This also counts for the disagreement level where the ‘’totally disagree’’ and ‘’disagree’’ factors are added up. The percentage of the levels of agreement and disagreement are therefore a combination of the two factors of the Likert scale.

5.1 Question 4 through11: Statements

The questions 4 through 11 are all statements. These statements could be answered by means of the Likert scale. An example of a statement to be found in question 4 – 11 is: ‘’I buy my clothes at a department store (Bijenkorf, V&D). Whenever the respondent chose totally agree or agree I conclude that this respondent purchases clothing at a department store. Whenever the respondent chose totally disagree or disagree I determine that this respondent does not purchase clothes at a department store. If the respondent chose neither agree, nor disagree I indicate that the respondent does not have an opinion about this statement.

5.1.1 Overall Results on the Large Retail Stores

These statements were presented to determine where the participants buy their clothes. Four statements represented the large retailer and the other four statements represented the small retailer. The large retail stores in my research are divided into four types of stores. I have chosen the following store types as these four types seemed most relevant for the Dutch fashion consumer. These four types are:

- FFC (Fast Fashion Chain, such as Zara, H&M)
- Women’s and Men’s Wear Store (Miss Etam, Jack & Jones)
- Department Store (Bijenkorf, V&D)
- Brand Store (Diesel, G-star)

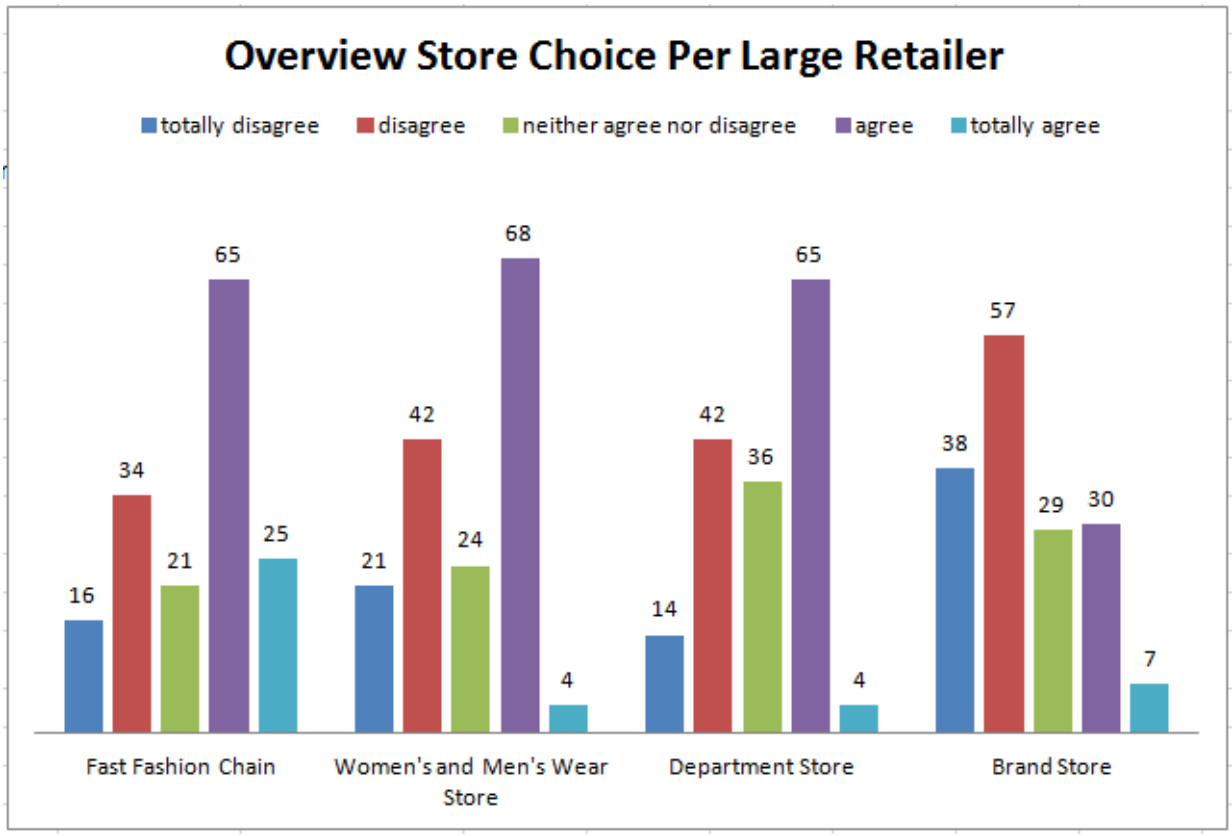


Figure 10: Overview of Store Choice of the Respondents

Figure 10 exhibits an overview of the store choice per large retailer of the totality of the respondents (appendix 3: SPSS Outcomes 4 shows all individual graphs). Figure 10 does, however, not display any percentages. The percentages will be explained in the following text.

For the Fast Fashion Chain of the total respondents 56 % agrees (totally agree and agree) on purchasing clothes here. This means more than half of all respondents buy clothes at a FFC. At the women's / men's wear store 46% of the respondents agree on the statement of purchasing clothes at this large store. The department store almost reaches this percentage. 43% of all respondents agree on clothes purchase at this store. Only 23% of the total respondents respond with ''agree'' on buying clothes at a brand store. I can now indicate that in my research my respondents are not likely to buy their clothes at a brand store. For the other three types of large retail store the percentages of agreement are all near to half of the totality of the respondents. I can point out that my respondents are likely to go to a Fast Fashion Chain to purchase clothing.

The fact that the women's/men's wear store, the FFC and the department store have almost similar percentages is not a coincidence. These types of shops are all large big box stores where clothing collections are delivered by bulks. As discussed in the theoretical framework these stores are able to offer products cheaper than the smaller stores, and this is extremely beneficial for the big box stores. Studies show that people purchase a higher percentage of their merchandise from the mass merchandisers and consequently a lower percentage from local merchants (Waters, S. n.d.). These three store types have a lot in common with each other, such as a wide range of assortments and brands, non-time consuming and lower prices. The bar graph in figure 10 only shows how many respondents of the total respondents chose by means of the Likert scale if they

purchase clothes at a particular store. This graph cannot conclude whether the respondents prefer to go to this store, why the respondents choose this store and how often they visit the stores.

The store type which does not reach as high as the other three types is the brand store. Only 23% of all respondents agree upon the statement of purchasing at a brand store. A brand store is very limited in their assortment choice as this store is restricted to the purchase of one brand. Only the participants who are loyal to one brand will have chosen this store type. Not many fashion consumers stick to one brand as the variety of brands is endless in the fashion market.

5.1.2 Overall Results of the Small retail stores

The small retailers are also divided into four groups in order to balance the large retailer against the small retailer. The equal balance is necessary so that the small retailer would not be out balanced by the large retailer from the start. The four types of small retailers are created through combining characteristics which are appropriate for a small retailer. I came up with the following characteristics: small, unknown, unfamiliar, unique, sells multiple brands, entrepreneur, independent, boutique, and specialized. Thus, the four types all refer to a small retailer. The four store types of a small retailer I created are as follows:

- A small unfamiliar store
- A boutique (specialized small fashion store)
- A unique store with multiple brands
- An independent entrepreneur

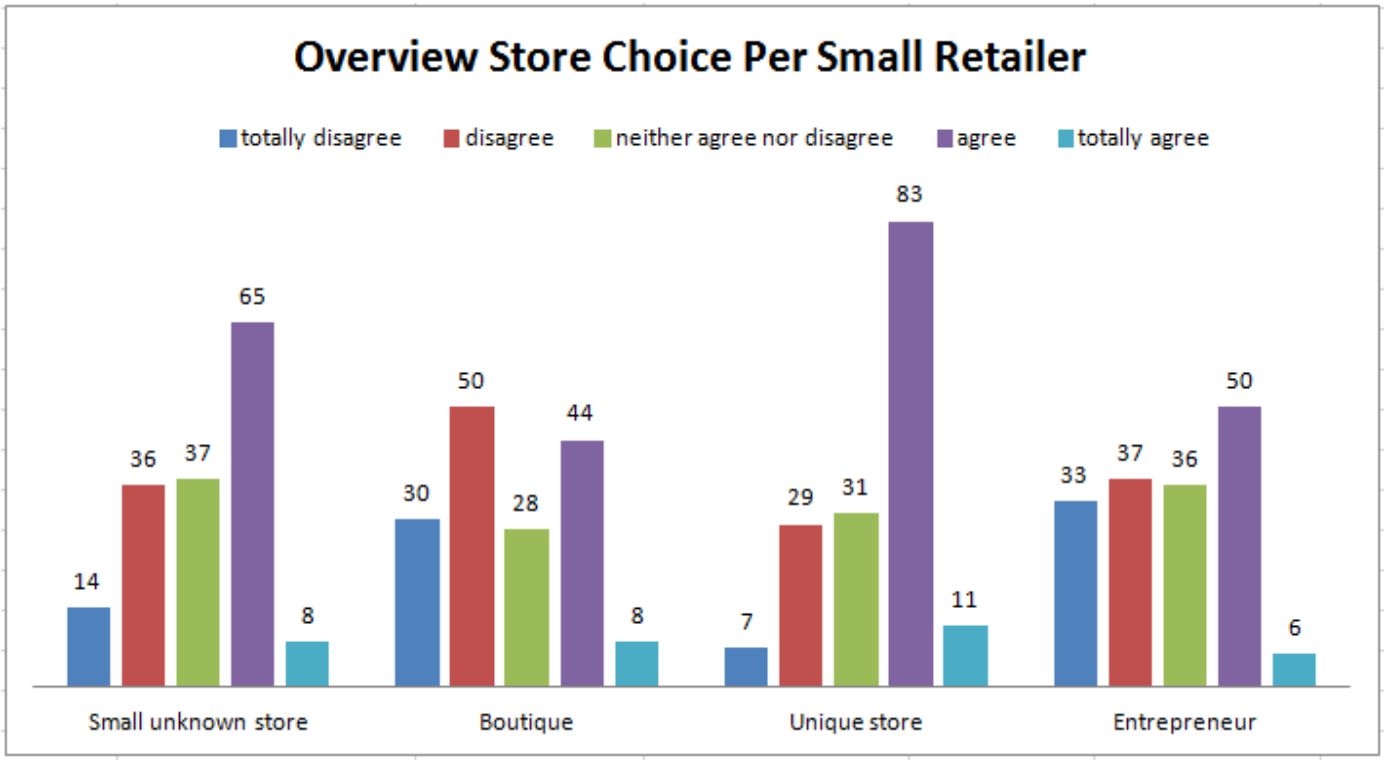


Figure 11: Overview of store choice per small retailer

The four small retail store types refer to all small retails stores in the Netherlands. In my survey the statements were put in the same way as the statements for the large retailers. No difference was made in the making of the survey between the small and the large retail stores to avoid bias. A statement was for example: ''I buy my clothes at an independent entrepreneur''. In figure 11 an overview is presented of the store selection of all respondents regarding the small retail stores (appendix 3: SPPS Outcomes 5 displays all graphs individually). The bar chart does not display percentages; therefore the percentages are stated in this text. The percentages of the outcomes are to be found in the appendix.

My research indicates that 46% of the total respondents agree on the fact that they buy clothes at a small unknown (or unfamiliar) store. The small store type with the highest percentage of agreements is the unique store with 59%. This could also be seen in the figure 11 when looking at the purple bars. The purple bar which represents that the respondent agrees and the light blue bar which represents that the respondent totally agrees create the highest score for the unique store. The store type entrepreneur has a level of agreement of 35% of all respondents. The lowest percentage for the small retail store type is boutique (33%). The statements of the respondents are definitely divergent in this case. The figure shows that most of the respondents (50%) do not buy their clothes at a boutique. In two cases, the boutique and the entrepreneur store types, the disagreement level is higher than the agreement level. The two small retailer stores with the highest percentage on the agreement level are small unfamiliar store and the unique store with multiple brands.

5.2 Question 12: Factors influencing store selection

The survey question states: ''Which factors do you find the most important when you choose a store?''. Therefore this question will determine the factors (store attributes) which influence the consumer decision making on store selection. This question could not determine whether the factor is chosen for a large store or a small retail store. The outcome of this question indicates what the total amount of the respondents finds the most important factors when selecting a store to purchase clothes from.

From quantitative research which is written in the theoretical framework it appears that the following factors are most influential on the consumer decision making process, therefore also on the store selection process. These factors are presented below:

- Location and Environment
- Price
- Quality
- Assortments and Brands
- Shopping Experience
- Professionalism
- Opening hours and Accessibility
- (Anonymity)

In order to resolve which factors influence the consumer the most in their decision making, the following question was asked in my survey: 'which factors do you find most important when you choose a store''. The factors stated above were given as answers and multiple answers could be given as I did not want to limit my respondents in their choice. The factor ''anonymity'' is in between brackets as this factor was not included in this survey question. This factor will be addressed later on in this chapter.

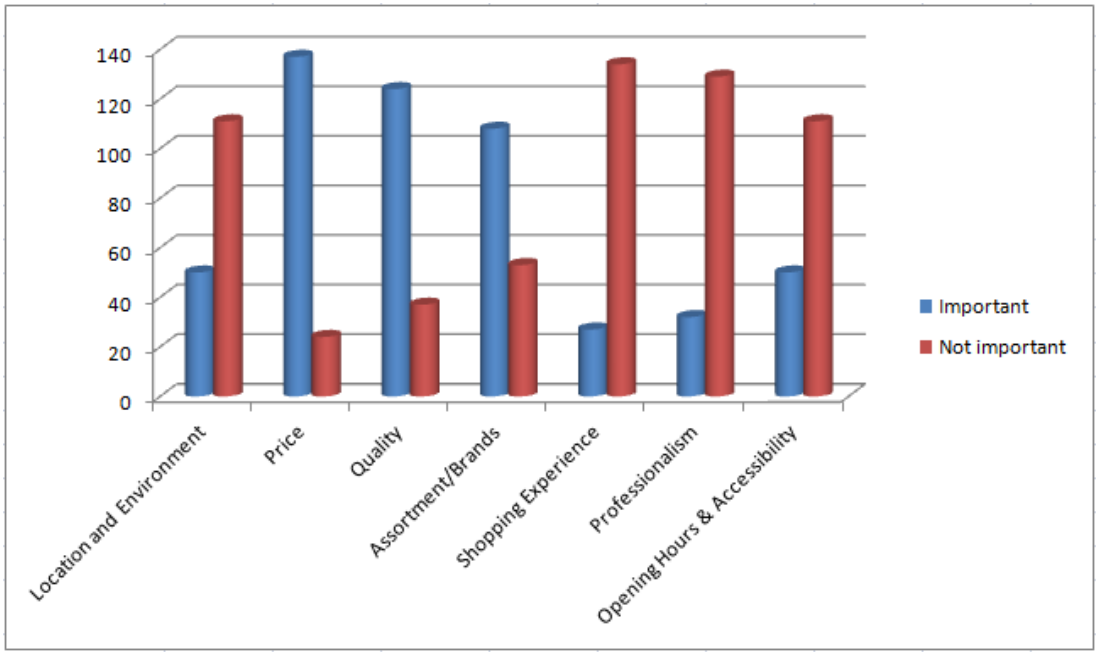


Figure 12: Results Largest Factors in Consumer Decision Making

In the table presented above there has been made use of percentages, nevertheless from the chart could be indicated that price is seen as one of the most important factors in the decision process of the consumer in my research. Of all respondents 85% chose ''price'' as one of the most important factor which influences the store choice. This is a very high percentage of all respondents. Another important factor chosen by the respondents is quality. This could mean the quality of the clothing or the quality of the store. 77% of all respondents considered quality as one of the most important factors when selecting a store to purchase clothing. Another factor, also referred to as store attribute, with a high important percentage is assortment and brands. This store attribute has an importance percentage of 67%. The assortments and brand attribute could indicate that the respondent goes to a store especially for an assortment or specific brand. Although, this could not be pointed out from my research as the respondents were not informed about these facts. The answers submitted to my survey are all based on the knowledge of the respondent.
Two store attributes, location & environment and opening hours & accessibility have exactly the same percentage of 31%. This percentage shows that these two store attributes are found less important by the total respondents than for example price and quality. By means of these results I can conclude that price is considered to be the most important store attribute with 86% of the total votes. However, the respondents were allowed to pick as many factors as they preferred. From the choices in my survey chosen by all respondents the three most important factors for selecting a store are: price, quality and assortments and brands.

The respondents do not attach value to the factor ''shopping experience'', this resulted in the lowest percentage (17%). The factor ''professionalism'' also belongs to the lowest score of the factors with 20 %.

5.3 Most important factors combined with demographics of respondents

In the previous paragraph it is indicated that from the total amount of respondents most respondents have chosen price, quality and assortment and brands as most important factors influencing the store selection. This outcome cannot point out whether these choices were made based on large stores or small stores. Therefore a difference in the factors influencing the store size cannot be made. The figure only shows which store attributes are considered most important by the total respondents of my research

In the following paragraph the factors: price, quality and assortment and brands are combined with demographic information about the respondents. By combining these two variables I can indicate which factor is seen as more important by one demographic group and which factor is considered less important by that same demographic group. By means of this research a retailer could link this to their target group and could determine which factor is most applicable for his or her store. The retailer could then decide which store attribute needs improvement or needs to be reconsidered in order to attract a wider range of consumers. The factors will be divided over three paragraphs in which each paragraph represents how a specific demographic group (e.g. gender) feels about that specific factor (e.g. price).

5.3.1 Price

From the 161 respondents 63% is female and 37% is male, as you can see in the following pie chart. From all the females who took part in my research 11% did not click on price as an important factor in store selection, whereas 89% of all women respondents considered price as one of the most important factors in choosing a store (Figure ?). For all men in men in my research 20% did not think of price as one of the most important

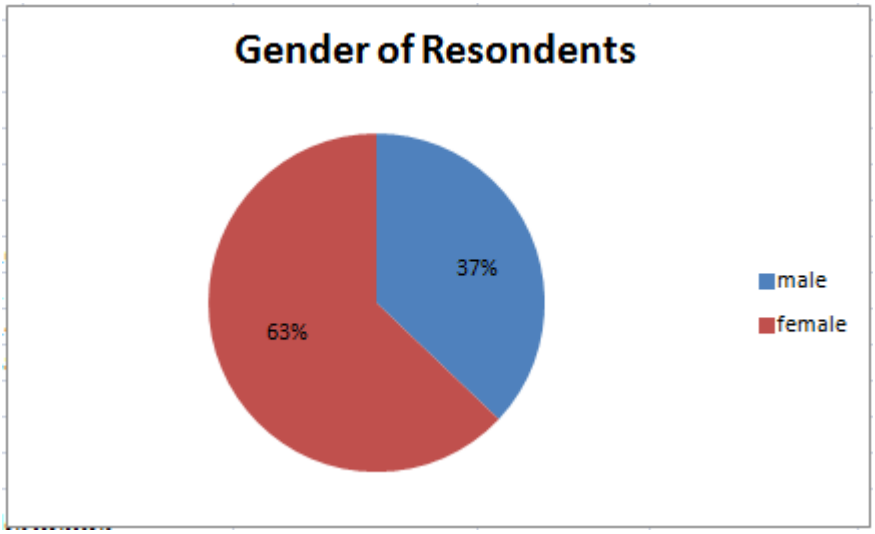


Figure 13: Gender of the respondents

factors in store selection, whereas 80% of the men respondents did click this option in my online survey (see figure ?). There is not a significant difference between genders in the factor price. Both genders think of price as very important due to the outcome of the high percentages.

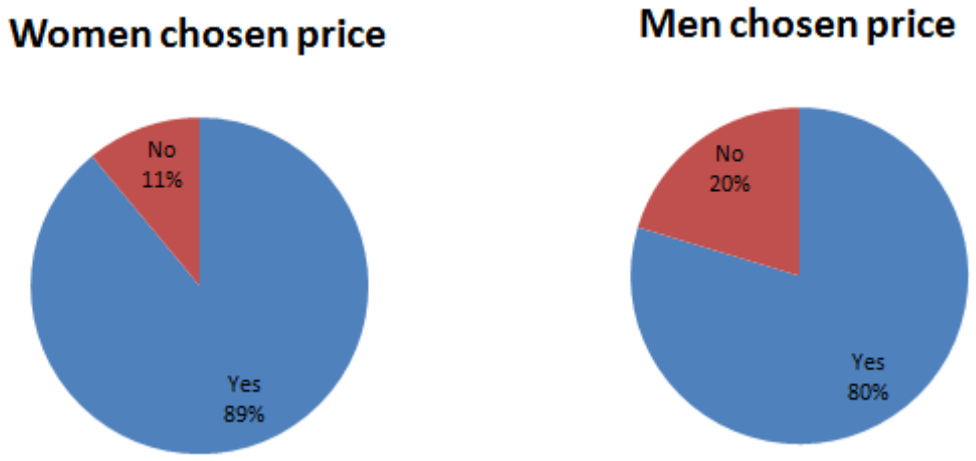
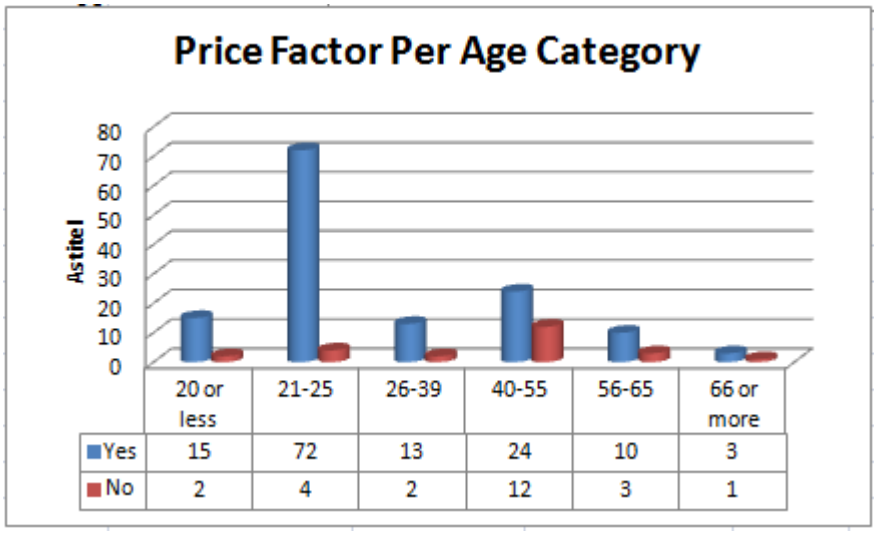


Figure 14: Gender of respondents combined with price

Maybe a difference is detected in the different age categories. In the table below is displayed how many respondents per age group have clicked on price as an important factor in the survey. From the table I can conclude that the highest percentage of choosing price as an important factor for store selection is the age group of 21 – 25 with 95% of the respondents. Only 5% of the respondent who are between the ages of 21 – 25 did not select this factor as important. For the age group of 20 or less 88% said yes and 12% said no. The age group of 26 – 39 is almost similar to the age group of 20 or less. In this age group 87% of the respondents choose price and 13% did not. The most interesting age group in for the factor price is: 40 – 55. This age group contains a total of 36 respondents. 24 respondents (67%) did consider price as an important factor and 12 respondents (33%) did not consider price as an important factor. This age group scores the highest percentages of respondents who did not click on price in question 12.



	20 or less	21-25	26-39	40-55	56-65	66 or more
Yes	15	72	13	24	10	3
No	2	4	2	12	3	1

Figure 15: Price factor per age category

The total respondents of age category 56 – 65 contains 13 respondents in which 10 (77%) clicked on price and 3 did not click on price (23%). The numbers of the last age category (66+) do not differ a lot from the age group of 56 – 65. As of the respondents of 66 or more 75% considered price as important and 25% did not.

The only demographic information left about the respondents is whether they live in a city or a village. In the next piece of next we will see if there will be a gap between the respondents who live in a city and the respondents who live in a village in the consideration of the importance about the price. In the two pie charts below one could see that of the total respondents who live in a city 95% values the price factor whenever they have to select a store. Contrary, of the total amount of respondents living (68 respondents) it shows that 28% did not chose price as one of the most important factors when selecting a store. 72% of the respondents living in a village consider price as one of the most important facts in store selection. The two charts show a significant difference in village and city. The respondents who live in the city regard price as very important, whereas less respondents who live in a village consider price to be important.

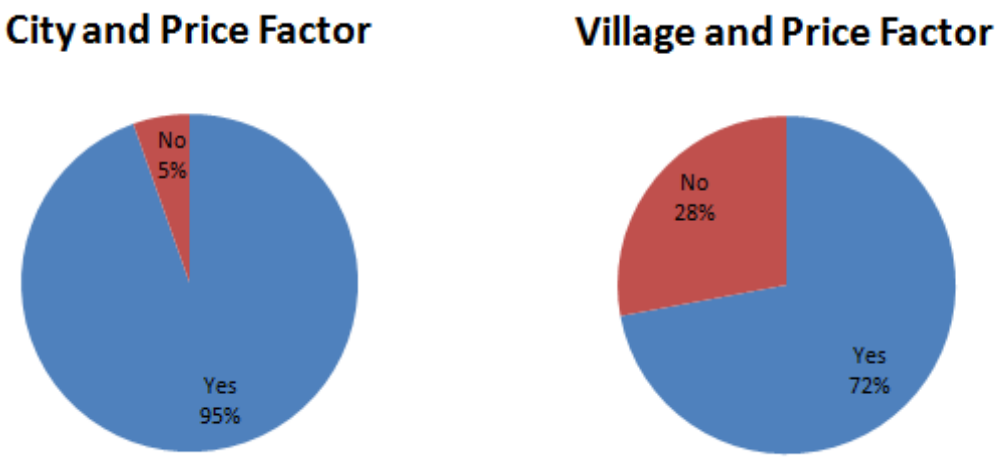
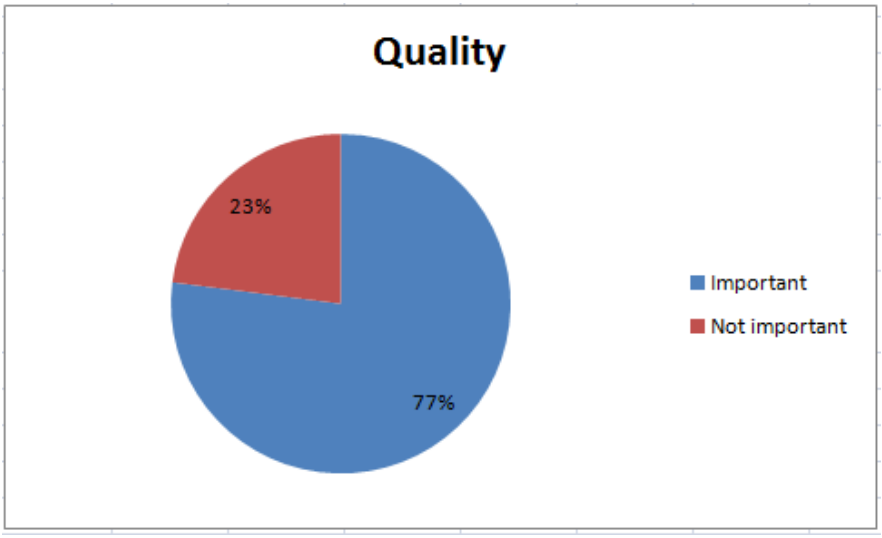


Figure 16: Living situation combined with price

5.3.2 Quality

The store attribute quality was chosen by 77% of all respondents as very important as one of the factors in choosing a store. This means that 23% of the respondents did not consider this factor as very important. In this paragraph we will combine this store attribute with the demographic information of the respondents again. This is done to investigate which demographic groups have chosen this store attribute the most.

Figure 17: Importance of quality by total of respondents



The different genders do not differentiate a lot from each other when looking at the percentages. Of all male respondents 74% and of all female respondents 79% finds quality to be a very important factor. It could be indicated that the female respondent of my research finds quality slightly more important than the male respondents.

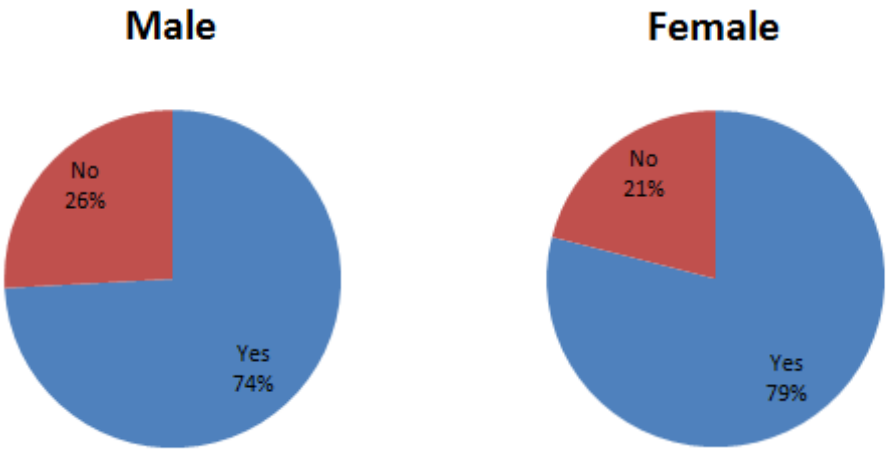


Figure 18: Gender of respondents combined with quality

From the age categories we could also conclude which age category voted most for quality as an important factor. In order to give a clear overview I have put the data in a table which is later shown as a graph. Both table and graph shows that in the age category of 21 – 25 the most respondents do consider quality as an important factor. From this age category 83% of all respondents voted yes for quality as an important store attribute in the store selection. The group that comes really close to these percentages is the group of 20 or less. With 82% of all respondents this age category finds quality very important. I can therefore state that the respondents in my survey from 25 or younger are the highest category which considers quality as a very important factor in choosing a store. The lowest percentage (60%) of choosing quality as important is the age category of 26 – 39. I therefore assume that my respondents between the ages of 26 and 39 do not consider quality as really important. This age group scores way higher on the price factor for example. The age group of 40 – 55 has a 69% rate of all respondents clicking on quality in the survey. The respondents of 56 – 65 finish with a percentage of 77% and the respondents of 66 or more end with a percentage of 75% by means of the respondents in the age group who did find quality important. These percentages are quite high, therefore the respondents in my survey of 56 and older believe that quality is an essential factor in the decision making process regarding store selection.

The table indicates the data from the survey and the graph shows in more clearly in a chart.

Age Categories	Total Respondents	Yes for Quality	No for Quality
20 or less	17	14	3
21 – 25	76	63	13
26 – 39	15	9	6
40 – 55	36	25	11
56 – 65	13	10	3
66 or more	4	3	1
Total	161	124	37

Table 5: Age categories and Quality

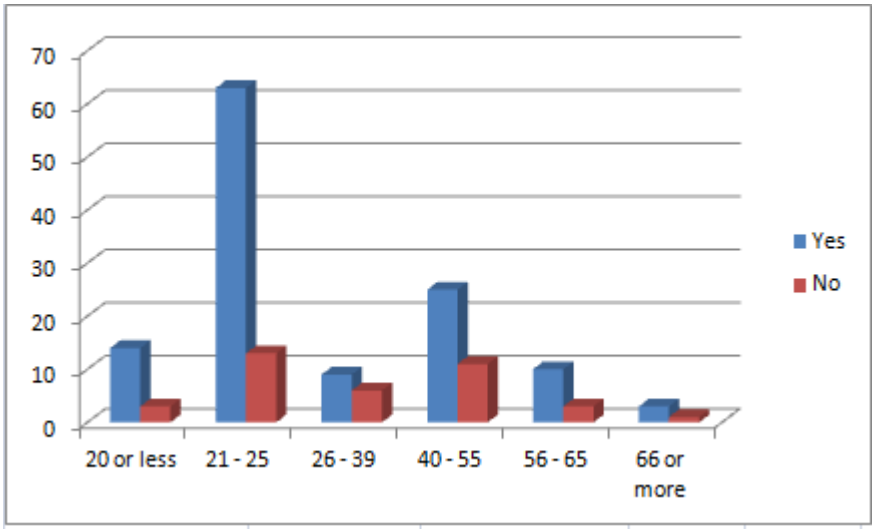
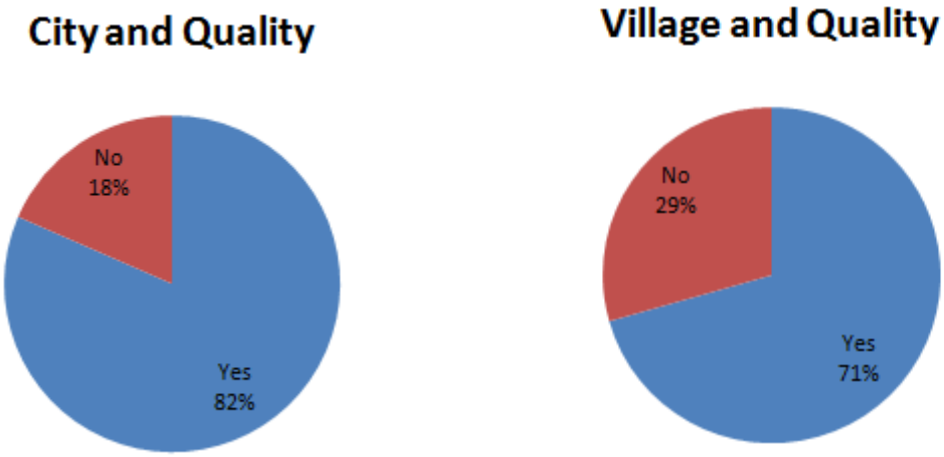


Figure 19: Age categories combined with Quality

The last demographic information about the respondents is the living situation. I will combine the factor quality with the living situation of the respondents. This could conclude that for example more respondents who live in a city find quality more important, or the other way around. We will find out if we look at the charts below.

In the two pie charts the city and village combined with the store attribute quality we could see the difference in importance of quality for respondents in a city and respondents in a village. Of the total respondents who live in a city 82% agrees that quality is an essential factor when a respondent has to choose between stores. 18 % of these respondents did not think of quality as an important factor. The majority of respondents who filled in my survey and lived in a village have pointed out quality as an important factor. 29% of these respondents did not consider quality to be very important and did therefore not choose this option in the survey.

Figure 20: Living situation combined with Quality



Therefore, what I can derive from these two pie charts is that the respondents who live in a city (82%) value the factor quality more than the respondents who live in a village (71%).

5.3.3 Assortment and Brands

For the final most important factor considered by my respondents: assortment and brands, the demographic information will be combined with this factor. This could indicate whether more male or female respondents find assortments and brands important in the selection process of a store. Or which age category has the highest percentage of 'yes' on this factor.

First I will start with gender. The two pie charts represent the total amount of male respondents with the question which factors they find most important when choosing a store and the female respondents with the same question. From the graph we could see

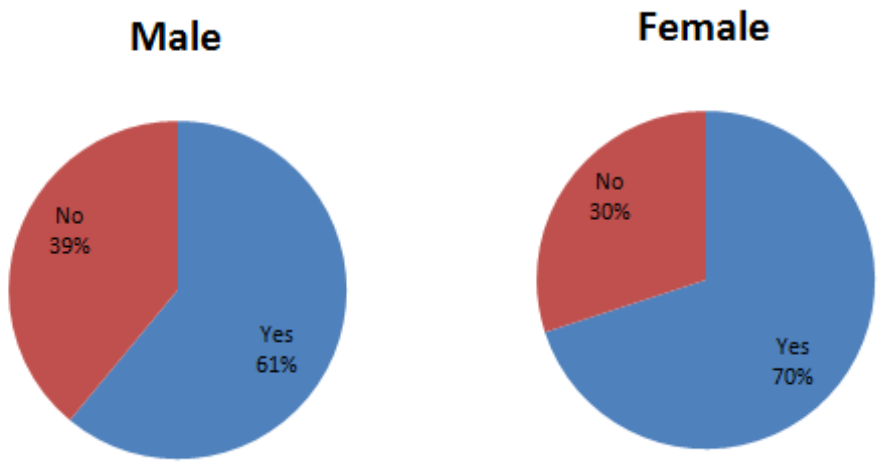


Figure 21: Gender of respondents combined with Assortments and Brands

that more female respondents (70%) have chosen assortments and brands as one of the most important factors in the selection process of a store. The majority of the male respondents (61%) have chosen this factor as important. Therefore, I can conclude that 70% of the total female respondents has chosen assortments and brands as one of the biggest factors which play a part in choosing a fashion store, which is the highest percentage in the gender section.

The age categories are showing something interesting in the table and graph for the factor assortments and brands. In the age category of 56 – 65 seems to have more respondents who did not choose this factor as respondents who did. Of the total respondents of this age group (13 respondents), 6 have said 'yes' for assortment and brands, whereas 7 have said 'no' to assortment and brands. I could be therefore claimed

Age Categories	Total Respondents	Yes for Assortments and Brands	No for Assortments and Brands
20 or less	17	16	1
21 – 25	76	46	30
26 – 39	15	11	4
40 – 55	36	26	10
56 – 65	13	6	7
66 or more	4	3	1
Total	161	108	53

Table 6: Age categories and Assortments and Brands

that the majority of the respondents (54%) between the ages of 56 and 65 do not consider assortments and brands to be an important factor in store selection.

It is also highly remarkable that the age group of 20 and less scores really high on this factor. The majority of 94% of the respondents of 20 or younger chooses assortment and brands as a very essential factor. In all other age categories the majority finds assortments and brands of a store one of the most important factors in the selection process of a fashion store. This could be seen in the table and the graph.

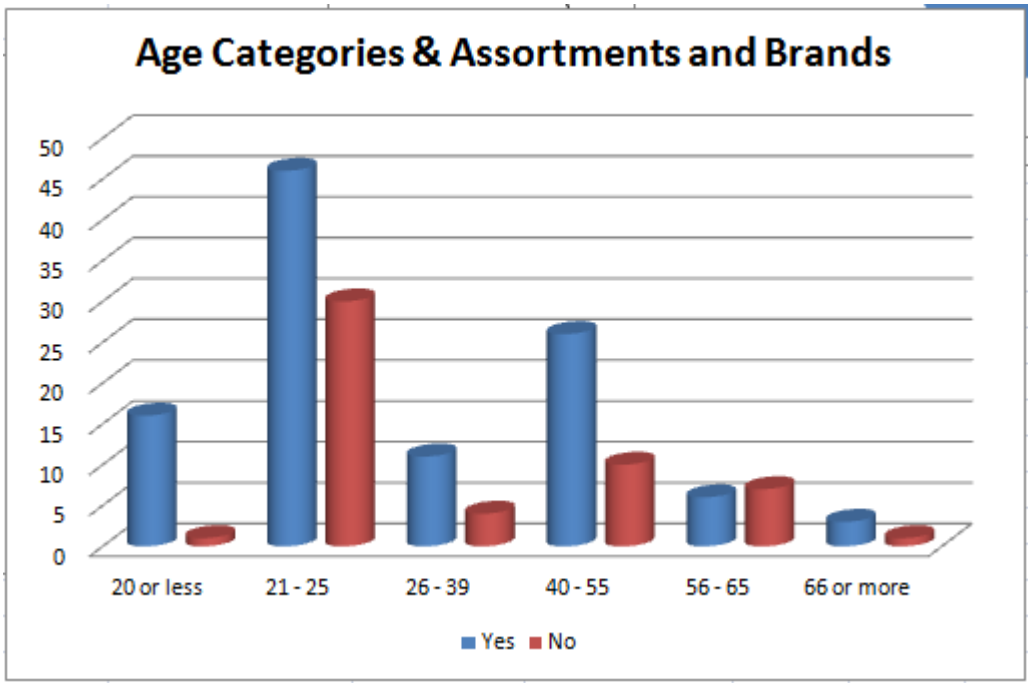


Figure 22: Age categories combined with Assortments and Brands

Of all respondents living in a village who filled in this question 71% finds assortment and brands a crucial and important factor. In the same category 29% of the respondents did not agree on this. However, the majority of the respondents living in a village do agree that assortment and brands should be considered as important for the selection process of a store. From the total amount of respondents living in the city 64% finds this factor important, whereas 36% does not. The higher average percentage is from the respondents who live in a village.Therefore I state that the respondents living in a city find assortments and brands less important in a store. These respondents consider the assortments and brands of a fashion store a very important store attribute.

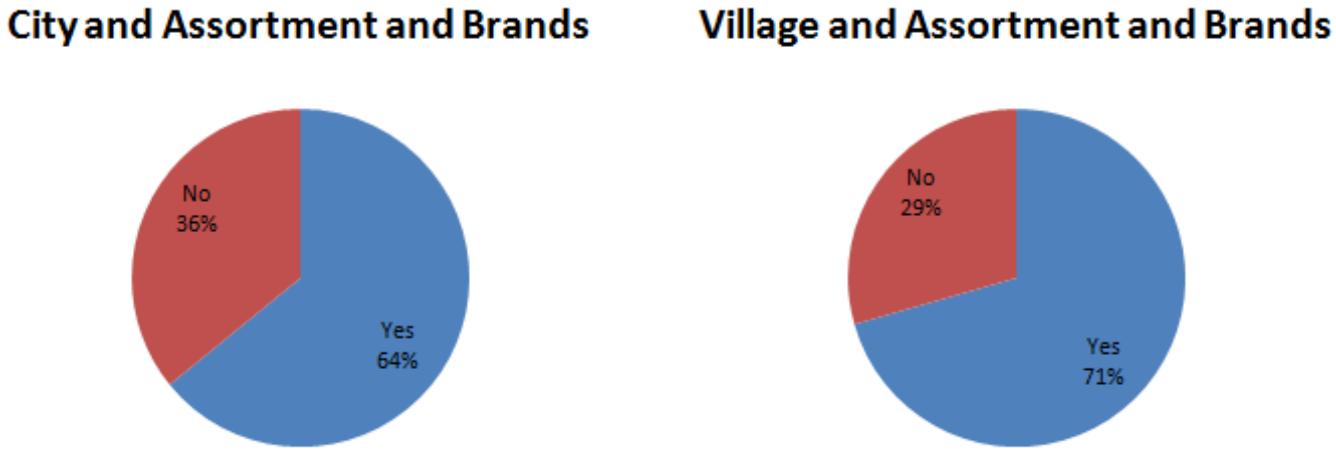


Figure 23: Living situation combined with Assortment and Brands

5.4 Question 13: Factors indicate difference between small and large retail store

This research survey question will determine what the most important difference is between a small retail store and a large retail store according to my respondents. The factors that they could choose from were almost similar to the store attributes to determine the store selection. Some store attributes are left out, such as price, quality, shopping experience and location and environment. However, one store attribute is added. This store attribute is anonymity, which is explained in the theoretical framework.

The following chart will show which factors are considered most important according to the totality of my respondents. From this outcome I can determine which factor scores the highest on the largest difference between a small store and a large store. The respondents were only allowed to choose from these factors. However, the last option to choose from was that the respondents could fill in an open text field what they find an important difference between large and small stores. These qualitative research outcomes will be stated in this paragraph as well.

Firstly the outcomes of this table will be presented. From the totality of the respondents 85% finds anonymity one of the most important differences in store size. The factor that reaches almost as high as anonymity is opening hours and accessibility. This means that the majority of the total respondents find both anonymity and opening hours and accessibility two largest differences in store size. This could mean that respondents think that smaller shops are not easy accessible or that larger shop create more anonymity for the shopper. The third highest percentage of importance rated by the respondents is: different opinion. If the respondent chose this answer they were able to give different opinions and alternatives on the differences in small and large stores.

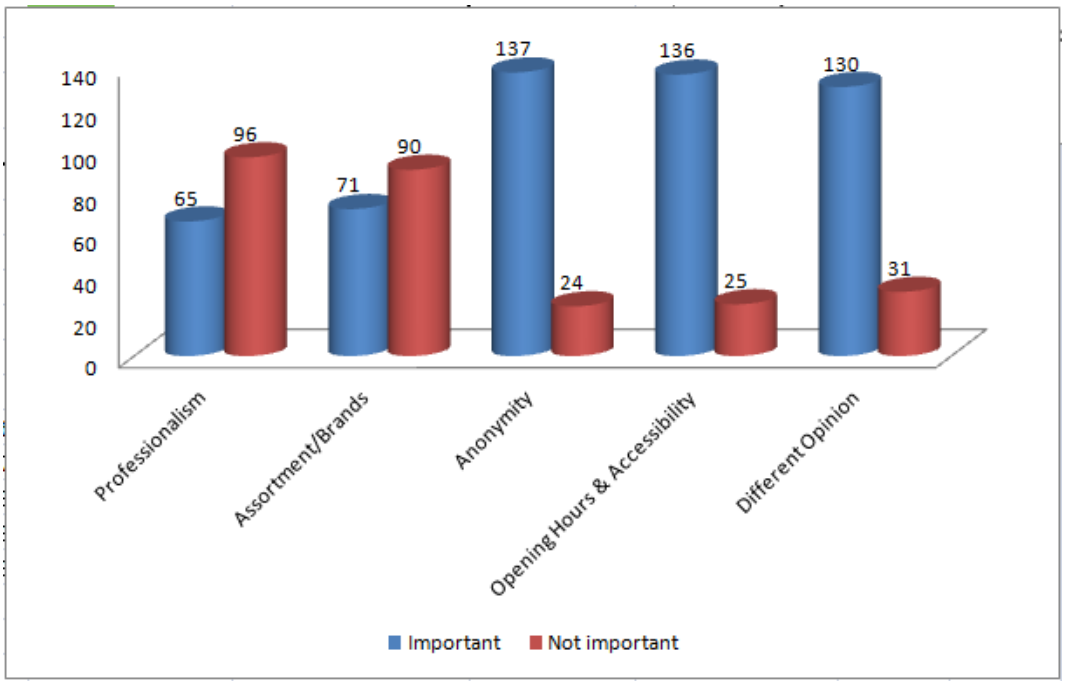


Figure 24: Difference between small and large store

From the remarks which were written by the respondents in question 13 the following the following opinions are summarized. Most respondents who chose to enter alternatives in the online survey stated that they find the largest difference: price and personal attention. One of the respondents argued that the price is the largest difference as smaller shops are more expensive than larger shops. Furthermore, many of the respondents find that in smaller stores the staff is more personal towards the customer and is willing to give assistance in the purchase of clothing. Also, one of the respondents says that boutiques are usually more organized and cleaner than larger stores such as H&M, Zara and Primark. This links to the appearance of a store. It is also discussed by the respondents that trust is a difference in the size of fashion store. More often one trusts a smaller independent fashion store instead of the large fashion chains. Moreover, the originality and uniqueness of the store is named as a difference. The respondents did not indicate whether small stores are more unique and original or whether this counts for the larger fashion stores. However, this will need to be taken into account for further research on the difference between large and small stores.
From the comments of the respondents it is easier to get an image of what the respondents mean when they filled out the online survey. The comments are definitely qualitative information of the respondents and should be used in further research.

Only 40% of the total respondents find professionalism an important factor, which indicates that the majority of the respondents do not consider professionalism as an important factor. Also, assortment and brands is not to be considered important by the majority of the respondents (56%).

Questions 14 and 15 were left out of the research as these were considered not to be relevant.

5.5 Question 16 through 18: Statements

The end section of the survey was concluded with three statements. These statements were based in assumptions. When the agreement level of the statement reaches a higher percentage than the disagreement level, this indicates that my assumptions for my own research were accurate.

Statement 1: In a smaller fashion store I find more professional and motivated staff.

This statement is based on my assumption that smaller fashion stores pay more attention on who to hire. I assumed that a smaller store would offer more personal attention to a customer. Furthermore, professional staff could also be very important in the decision making process of store selection. I feel consumers in smaller stores are in need of attention and assistance from the staff. Also, I reckon motivated personal could be found more in small fashion store as these staff member feel more affectionate with the store since it will not have as many employees. This will probably create a more familiar atmosphere in the store, as it seems that the staff knows each other well. I assume that smaller stores incorporate well-educated, professional and motivated staff as this could be one of their strengths.

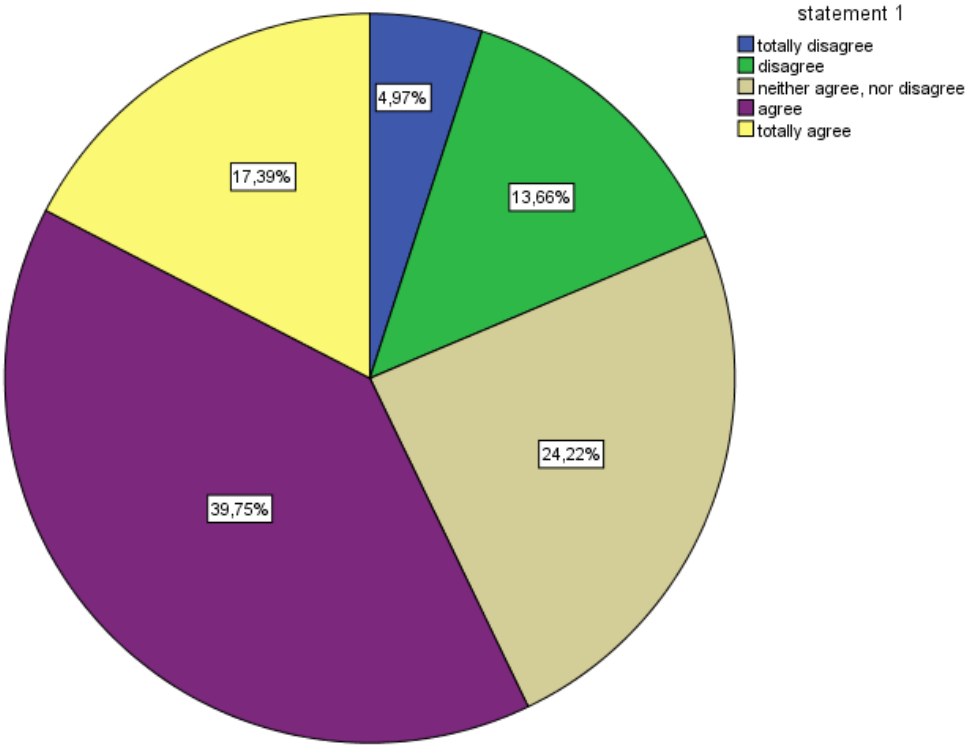


Figure 25: Percentages of the Likert scale on statement 1

The graph clearly shows that the majority of the respondents agree with the statement. The agreement level of statement 1 is, rounded off, 57%. Interesting is that almost 25% of the total respondents to not have an opinion about this, as they have chosen ‘’neither agree, nor disagree’’. Only 19% of the respondents disagreed on this statement, as they do not think that smaller fashion stores do not have more professional and motivated staff. All together, the outcome of this statement is that more than the average respondents agree with me on this statement. I could be therefore said that my assumption of this research is accurate.

Statement 2: In a large fashion chain I have more choice.

I assume that the respondents believe that they would have more choice in a larger store. This could be assumed as a larger store could be considered larger in surface and area, so there will be more space for assortments, clothing, and other products. This is, obviously, not proved by research. However, I assume this as I think the respondents will agree with me. All respondents are fashion consumers, if these fashion consumers think that they will have more clothing alternatives in a larger store it could be a factor by which respondents choose their store. By means of these statements I could indicate how consumers think about small and large fashion stores.

In the following pie chart one could see the outcome of the statement. The purple color represents 'agree' (58%) and the yellow color represents 'totally agree' (11%). If we add these two up we could see the agreement level on this statement. 58% + 11% = 69% of the total respondents agrees with this statement. A small 14% disagrees with this statement, which leaves 17% for the respondents who did not have an opinion about this statement.

By means of this statement I can conclude that the majority of the respondents agrees with the statement: ''in a larger fashion chain I have more choice.'' From this result, I could argue that the respondents, who prefer to have a large range of products and a broad diversity of clothing, would sooner go to a large fashion chain than going to a small store.

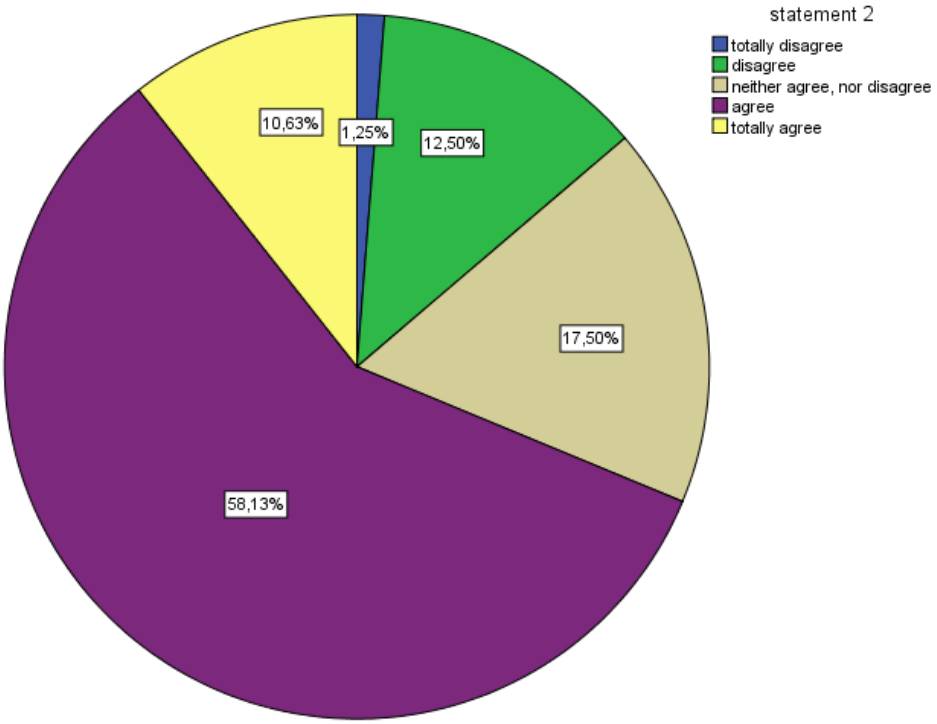


Figure 26: Percentages of Likert scale on statement 2

Statement 3: In a small (independent) fashion store I find unique items more often.

The third and final statement focuses on the small fashion store. For making this statement, I assume that smaller fashion stores have a more unique and original assortment than larger fashion chains. As stated in my theoretical framework, large fashion stores by the clothing by bulks, whereas I feel like small fashion stores create their own assortment by buying clothes that the owner or manager prefers. This will create more uniqueness in a store, as the clothing in a smaller store cannot be bought in fashion chains. The uniqueness of the assortment could be a factor for consumers to select a small fashion store over a large fashion store. This is therefore an important statement for the research on which factors influence the consumer to buy at a large fashion store or at a small fashion store.

The outcome of the statement is as follows. 71% of the total respondents agree with this statement. The percentage of the agreement level is exceedingly high in my opinion. This could indicate that the respondents of this research are more likely to visit a smaller fashion store, if the respondents prefer a unique assortment of clothing. Only a small percentage of 8% disagrees with the statement, therefore this group will probably not immediately visit smaller stores if they prefer a unique assortment. 21% of the total respondents does not have an opinion on this statement.

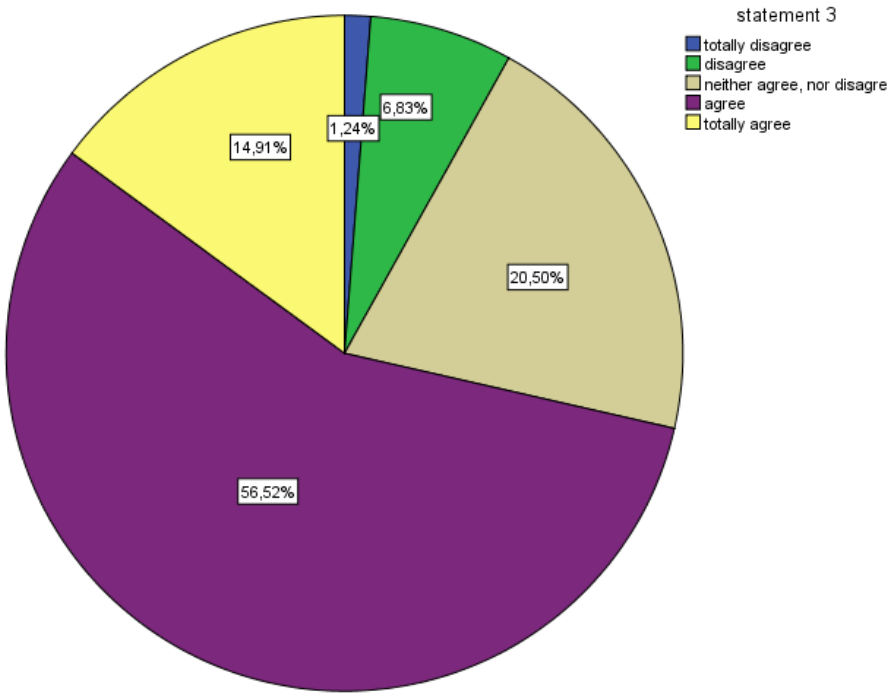


Figure 27: Percentage of Likert scale on statement 3

6. Conclusion

In this chapter I will further analyze my findings and draw conclusions. The conclusion will be based on the theoretical framework and the research conducted for this graduation assignment. In the conclusion I will indicate if an answer could be given to the policy advisory question and the research question. To refresh the memory or the reader these two questions will be stated in the beginning of the chapter. Furthermore, I will elaborate on limitations which limited my research. I will give a critical overview of my research and determine what could be learned from this for further research on this topic.

The policy advisory question of this thesis is: 'Would the today's consumer rather shop at large or small retail stores?' The research question of this thesis is: **'**Which factors influence the today's consumer in its selection process regarding small and large retail stores?' By means of these questions I have conducted the research. From my quantitative and qualitative findings I can now see whether the answers to these questions are found. However, first I will draw conclusions of my findings.

Through the statements of question 4 through 11 of my survey the choice of store type could be determined. Of the totality of the respondents the majority purchases fashion at a Fast Fashion Chain (FFC), which is indicated as a large fashion retailer in my thesis. For the small fashion retail stores the majority of the respondents claim to purchase the most at an unique store with multiple brands. The lowest percentage of the total respondents purchases clothing at a brand store (large retailer) and a boutique (small retailer). From these outcomes I can conclude that in my research it has been proven that the majority claims to buy clothing at a large retail store (FFC). This is, however, not the exact answer to the policy advisory question. The policy advisory question requires an answer to the level of preference of the consumer regarding the choice in a large or small store. I am not able to give a conclusion of the consumer's preference for large or small retail stores, as this was not investigated in my research. Nevertheless, I am able to highlight that the greater part of the fashion consumers of my research purchases at a large retail store. Hence, it could be determined that by means of my research the policy advisory question cannot be answered.

Question 12 is addressed to determine the factors which influences fashion consumers on making a selection of a store. From results shown in the previous chapter the conclusion could be drawn that the most important factors in the consumer decision making process in store selection are:

- price,
- quality,
- assortment and brands.

The factors (or store attributes) which were not chosen as most important by the respondents are: location and environment, shopping experience, professionalism, and opening hours and accessibility. These factors scored lower percentages than the other three store attributes and are therefore considered less important in my research. Obviously, this is just an observation from the results of my research. The less important store attributes could be considered very important by other individual fashion consumers. However, for this research I base my facts on the data collection of my research and point out what the majority of the respondents answered.

As the three store attributes price, quality, and assortment and brands had the highest percentages based on the answers of the respondents I took these three factors as guideline for my research question. As question 12 of the survey cannot point out whether these factors are based on the store size, either a large store or a small store, I continued my research on crossing two variables. The one variable was one of the store

attributes and the other variable was one of the three demographic data of the respondents. By means of this the research would point out ''who chose which store attribute''. With this information it could be concluded whether a gender, age group or living situation has influence on the choice of store attributes.

It could be concluded that for the factor price that more women find this a more important store attribute than men. Also, with 95% of the total respondents in the age group of 21 – 25 it could be concluded that this age group finds price the most important factor. From the demographic group of living situation the respondents living in a city find the price one of the most important store attributes. To summarize, my research concludes that a female fashion consumer who is between 21 and 25 years old, who is living in a city would consider price as one of the most important factors. The store attribute quality was mostly considered as important by female respondents with 79% of the total female respondents. The percentage of the male respondents lies very close with 74%. The age category of 21 – 25 points out that this age group considers price as one of the most essential factors. The highest percentage of all respondents of the living situation turned out to be the respondents who live in a city. To conclude, by means of my research a female fashion consumer between the age of 21 and 25 living in a city would consider quality as one of the most important store attributes to base a store selection on. For the last store factor it turns out that female respondents find the assortment and brands of a store one of the most essential factor with 70% of the total female respondents. The age group of 20 or less has the highest percentage of all age groups, therefore the age category of 20 or less considers assortment and brands to be very important. Of the respondents living in a village 71% finds the store attribute assortment and brands to be an important factor in the decision making of store selection.

These outcomes of my survey conclude which factors are considered important by the majority of my respondents in store selection. Nevertheless, my research question requires an answer to the selection of store size. Due to a shortcoming of data collected from my research I am not able to answer the research question. At the end of this chapter I will further analyze my limitations.

In question 13 of the survey the concept will be determined what the most important difference is between a small retail store and a large retail store according to my respondents. The factors which are concluded as most important for the difference between a small and large retail store by the total respondents are: anonymity and opening hours and accessibility.

The final 3 questions of my survey existed of 3 statements. The first statement: ''In a smaller fashion store I find more professional and motivated staff'' was agreed upon by 57% of all respondents. The second statement: ''In a large fashion chain I have more choice'' resulted in an agreement level of 69% of all respondents. The last statement: ''In a small (independent) fashion store I find unique items more often'' was agreed upon by 71% of the total respondents. The majority of all respondents agreed with all statements. By means of this outcome, I can conclude that the majority of the respondents believe to find more professional and motivated staff in a smaller store. The greater part of the respondents think that they will have more choice in a large fashion chain. Also, the majority of the respondents consider to be able to find more unique items in a small (independent) fashion store.

These are the conclusions drawn from a combination of the theoretical framework and the research. I will further elaborate on these conclusions in the advice chapter. I will now present the limitations of this research.

My research goal was to investigate which factors influence the fashion consumer behind the decision making of the selection of store size. As the theoretical framework already mentions the consumer decision making process is mostly focused on the purchase of products. Nevertheless, I want to research the decision making of a consumer of why a consumer would choose a large retailer over another retailer. Not much research has been done on this phenomenon and it was therefore most difficult to structure and design my research. However, I realize that my research is a contribution to the consumer decision making research. Hence, my misperceptions could be used by other researchers for further research on this topic. It could be seen as a limitation to my research and a suggestion for further research.

In this chapter I have concluded that the policy advisory question and research question cannot be answered to its full extend by means of my research. A reason for this could be that the survey questions resulted in different answers than expected. The way I constructed the questions did not provide me with enough data to be able to answer both questions. Hence, a suggestion for further research would be to use different constructions for survey questions in order to trigger the answers needed to give an answer to the main research question.

The total amount of respondents who participated in my survey is 161. I believe that in order to get a better vision and view on the opinions and perceptions of the fashion consumer a larger research with more respondents will have to be conducted. Furthermore, the respondents for my survey were randomly chosen as the survey was promoted online. I did not have any influence on the people who participated in my survey. From the data derived from my survey I concluded that the age group of 21 – 25 creates an overrepresentation of the ideas of other age groups. The same could be concluded for the majority of females that participated in my survey. To conduct proper research I feel like, as far as possible, the age and gender should be in balance.

All above mentioned limitation have restricted my research in order to provide a clear answer to the policy advisory question and research question. However, this graduation assignment is a research worthy paper as the research conducted did produce noteworthy outcomes. The research could be used by large and small retailers to get an insight on the fashion consumer’s perception and opinions.

7. Advice

In this chapter I will give an advice to the fashion retail market. The advice will propose potential solutions to the problem situation in the retail market (to be found in the introduction chapter). By means of my conclusions I will write the advice. As I cannot answer the policy advisory question and therefore not able to indicate whether the today's consumer rather goes to a large or a small retail store, I will give my advice to all fashion retail stores. These recommendations could be used by starting up fashion retail stores and already existing fashion retail stores. Tips and advice will be given in order for fashion retail stores to understand the consumer decision making and to anticipate on this.

Before writing my advice I would like the reader to know that the today's fashion shoppers consist of several demographic groups who all carry a different preferences and needs. It is almost impossible to apply one concept which will satisfy all groups. It is therefore very essential that the retailer will apply this advice on their own target group.

The Consumer Decision Making Process (CDMP)

The process of this CDMP has been explained through models (figure 2) and theories in the theoretical framework. The reason why this process is so important for retail (fashion) retail stores is because (1) the retailer needs to understand the consumers' thinking and (2) in order to anticipate on this process. Especially the input phase of this model is essential as this phase could influence the consumers' decision. This phase is linked to the information search of the CIP-model (figure 1). In this phase the consumer will have to engage in an extensive search for information to make a choice out of the competing stores. I advice the retailers to anticipate on this phase in the consumer decision making process to create a preference in the consumers' mind. Anticipating could be done by means of marketing inputs.

Marketing Inputs

The marketing inputs of the retail market are all marketing activities to reach, inform and persuade a consumer. These marketing strategies could be used by both small and large retail stores in order to increase the number of visitors in the store. I advice the retail markets to create a strategically marketing plan by which the goal is to gain more interested consumers. The marketing strategy will differentiate one store from another. It is very important for retail markets to differentiate themselves from each other. If stores would be perceived as all the same, the consumer would not have to choose. By means of differentiating the store you will create preferences for consumers. Furthermore, I feel that is very important for all fashion retail stores to have a consumer driven market strategy.

Consumer Driven Market Strategy and Building a Relationship with the Customer

The fashion retail store's goal is to retain and broaden the range of customers of a store. In order to reach this goal the store manager of entrepreneur will have to create a superior value for the customer. ''In a highly competitive business environment, focusing on the needs of your customers can give you an edge over your competition'' (Joseph C., n.d.). In a consumer driven market strategy the retailer reacts on the personal needs of the consumer. For the fashion retail market this would be very wise to use, as the consumers could chose the competition over your store when your store cannot offer the consumer what they want. The ''Five Pillars of Retailing'', as presented in the theoretical framework, consist of the following rules:

1. Solve Customers Problems
2. Treat Customers With Respect
3. Connect With Customers' Emotion
4. Set The Fairest (not lowest) Price
5. Save Customers' Time

Berry (1999, 2001) created the ''Five Pillars of Retailing'' which is fully focused on the consumer. The outside-in approach could also be used very well for the consumer driven market strategy as this approach aims to creatively deliver something of value to customers (Gilbert, 2010).

A well structured strategy based on the needs of consumers will lead to building a relationship with the consumer. I feel that it is very essential of fashion stores to build a strong relationship with the customer. This relationship should be based on trust and loyalty. Happy customers are loyal customers who tell enthusiastic stories to their social environment. As displayed in figure 2 of the CDMP model the socio-cultural environment is an external influence which could manipulate the consumer's choice of store.

Invest in Consumer Research

In order to create a consumer driven market strategy for a retail fashion store, one should learn about the consumer (in the specific target audience). I advice the fashion retail stores to invest in consumer research, as one could not take consumers for granted. Retailers need to develop an understanding of the consumer behavior due to the ongoing changes in the retail environment. By means of Consumer Research Management (CRM) one will find out what the customer really wants.

Important Factors Influencing the Consumer Decision Making Process of Store Selection

By means of all the previous steps, the retailer could now focus on the factors which make the store appealing to a consumer. The shop image is based on factors that influence the consumers to make a decision in the selection of a store. Stores attempt to position and distinguish themselves from each other by means of these factors. From my conducted research amongst 161 respondents it has been concluded that the majority of the total respondents chose price, quality and assortment and brands as most important factors in the selection process of a store. By means of my research I will now give advice on the three most important factors on how these factors could be improved for all fashion retail companies.

The price level of a store could either be perceived by a customer of recognized. Either way, the price factor turned out to be extremely important in my research. Female respondents from the age of 21 – 25 and living in a city find the price one of the most important store attributes when selecting a store for a fashion purchase. In order to not scare away customer by a high perceived price level, a store could use price promotions to promote bargains and sales. By means of this marketing strategy of promotion a consumer will not think that the price level of the store is out of the budget. Furthermore, the store should adjust the price level of the products to the target audience. For example, when a store sells fashionable clothes for young consumers and the price is too high for this target audience, the young consumers will go to a store with a lower price level. Therefore, it is advisable to sell the right product at the right price.

As the majority of my respondents indicates the store attribute quality as one of the most important factors in store selection, I advice the fashion retail market to have a close look at their own quality. Quality can be again perceived or recognized by a customer as explained in the theoretical framework. Perceived quality is simply the overall customer's

assessment of the standard process of receiving customer services (Hellier, et al, 2003). Marketing tricks for winning over consumers by promoting the quality could be done through: promotions, bargains and advertisements. The quality of a store refers to several sub attributes of this factor, such as the quality of the personnel, the products, the store itself and the service of the store. I recommend that the quality of the store is represented throughout the whole appearance of a store. Therefore, the consumers could identify whether the quality is what they would expect of a store.

Assortment and brands are the products which will be purchased by a consumer of the fashion retail store. Consumer will obviously seek for certain assortments or brands to fulfill their needs and wants. The breadth and the depth of the assortment of the store is another influential factor that plays a part in the decision making process. It has been concluded by the research that the majority of the respondents believe that in a larger retail store, they will have more choice. For large retail stores I would recommend to have a clear overview of which assortments and brands could be bought in the store. A large breadth in the assortment could leave the consumer with questions and uncertainty. When it is clearly stated by a large retailer which assortment and brands are sold, the consumer could selectively choose a large retailer to purchase clothing. I recommend this strongly as this would be an excellent point of differentiating your company from the rest. Hence, competition is left behind.

For the smaller retailer I recommend that the breadth of the assortment should be kept modest, whereas the depth of the assortment could be enlarged. I recommend the small retailers to differentiate themselves by selling selective assortments and brands. It could be the strength of the small retailer to have a specific and unique assortment, which cannot be found in the larger retail stores. Whereas large fashion retail stores, such as H&M and Zara sell their assortment and brands by bulks, the small retailer could satisfy the consumer with unique products.

Both retail stores, large and small, should keep in mind that by means of the store attributes the stores can differentiate themselves from the competition. However, I would also like to remind both retail stores that every store attribute could also be negatively interpreted by consumers.

Anonymity as Most Important Difference

The most important difference of large and small retail stores is anonymity. This could be concluded from my research. From the totality of the respondents 85% finds anonymity one of the most important differences in store size. Anonymity in a store could occasionally be important to consumers, for example whenever a consumer wants to shop without being recognized by acquaintances or approached by store personnel. Larger stores are perceived by the respondents as more anonymous than smaller stores. This was appointed by the respondents in an open text field in the survey. Many of the respondents expressed their irritations on the aggression and sharpness of the staff by means of their service. It is considered very annoying by customers if a staff member is constantly present in the purchasing process of a consumer. I would like to point out that fashion consumers could be extremely annoyed by importunate and pushy sales people who approach a customer the minute they walk into the store. This could count as a determinant for consumers to not return to that store.

I would recommend, especially small retail stores, to research the consumer perception on this. Would the majority of the visitors prefer to be offered help and personal attention? Or would the consumer rather be left alone and will ask for help when he or she needs it? I feel like it would be advisable to conduct consumer research on this topic and inform the staff with the preferences of the customers.

United We Are Stronger

The problem situation (paragraph 1.1) states that there is a possibility that the small retailer will vanish, which will leave the consumer with large retail stores. The problem definition states: as a result of increased welfare in the retail store environment the consumer behavior has changed dramatically, this was stated by van Stratum (2012). Consumers developed a more sophisticated and comprehensive demand which the small retail stores could not meet. This could result in the disappearance of the small retailer.'' Since the large retailer is not confronted with this problem I would like to dedicate the following advice to the small fashion retail market.

The small retailers in the fashion branch are facing serious issues. From preliminary research I can conclude that the small retailers are already decreasing. Organizations such as MKB (Midden Kleinbedrijf Nederland), HBD (Hoofd Bedrijfschap Nederland), and FNV Bondgenoten are service providers with all an independent mission to offer service and help. Nevertheless, these service providers are all focused on more than just one branch sector.

I would like to advice the small retailers in the same branch, in this case fashion, to come together per province. When the small retailers unite I believe bigger problems could be tackled. Many small retailers are in the same situation at the moment. Hence, the problem situation could be discussed amongst each other and a search for the solution should be started. I believe that the problems of retailers with a small store are best to be solved by the retailers themselves as they know the store, the store environment and the store's mission, vision and values. The entrepreneurs or store managers of small fashion retail stores could specify their problems and together a solution could be sought. Moreover, strategic planning, consumer behavior and marketing strategies could be discussed in occasional meetings. During these meetings the retailers could update one another about the assortments and brands that they sell, in order to keep diversity amongst the small retail stores.

The reason to unite is to inform each other about situational changes or problems that are faced by the retailers. Furthermore, the retailers could make a pact about the level of competition with each other. I believe that if the small fashion retail stores would unite in a bond they will be stronger and will be able to handle bigger problems together.

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9. Appendices

Appendix A: Survey Consumer Behavior

1. Wat is uw geslacht?

M / V

2. Wat is uw leeftijd?

3. Waar bent u woonachtig?

- Stad
- Dorp

4. Ik koop mijn kleren bij een Fast Fashion Chain (H&M, Zara)

Volledig mee oneens
Oneens
Noch mee eens, noch mee oneens
Eens
Volledig mee eens

5. Ik koop mijn kleren bij een kleinere onbekende winkel

Volledig mee oneens
Oneens
Noch mee eens, noch mee oneens
Eens
Volledig mee eens

6. Ik koop mijn kleren bij een warenhuis (V&D, Bijenkorf)

Volledig mee oneens
Oneens
Noch mee eens, noch mee oneens
Eens
Volledig mee eens

7. Ik koop mijn kleren bij een boetiek (gespecialiseerde kleine modezaak)

Volledig mee oneens
Oneens
Noch mee eens, noch mee oneens
Eens
Volledig mee eens

8. Ik koop mijn kleren bij een Dames/Herenmodewinkel (Jack&Jones, Miss Etam)

Volledig mee oneens
Oneens
Noch mee eens, noch mee oneens
Eens
Volledig mee eens

9. Ik koop mijn kleren bij een unieke winkel met meerdere merken.

Volledig mee oneens
Oneens
Noch mee eens, noch mee oneens
Eens
Volledig mee eens

10. Ik koop mijn kleren bij een brandstore (Diesel, G-star)

Volledig mee oneens
Oneens
Noch mee eens, noch mee oneens
Eens
Volledig mee eens

11. Ik koop mijn kleren bij een zelfstandige ondernemer

Volledig mee oneens
Oneens
Noch mee eens, noch mee oneens
Eens
Volledig mee eens

12. Welke factoren vindt u het belangrijkst als u voor een winkel kiest? Meerdere antwoorden mogelijk.

Locatie & Omgeving
Prijs
Kwaliteit
Assortiment/Merken
'Shopping experience'
Professionaliteit
Openingstijden & Bereikbaarheid

13.Wat vindt u het belangrijkst e verschil tussen een grote modeketen en een kleine zelfstandige
onderneming? Meerdere antwoorden mogelijk.

Professionaliteit
Assortiment/Merken
Anonimiteit
Openingstijden/Bereikbaarheid
Anders, namelijk

14. Heeft u gemerkt dat het straat beeld m.b.t. de modewinkels door de jaren heen is veranderd?

Ja
Nee

15. Wordt u graag geholpen/geadviseerd door het personeel in een winkel?

Ja
Nee
Soms, alleen als...

16. In een kleine winkel tref ik vaak kundiger en gemotiveerder personeel.

Volledig mee oneens
Oneens
Noch mee eens, noch mee oneens
Eens
Volledig mee eens

17. In een grote winkelketen heb ik meer keuze.

Volledig mee oneens
Oneens
Noch mee eens, noch mee oneens
Eens
Volledig mee eens

18. In de kleinere (zelfstandige) winkels vind ik vaker unieke kleding/merken.

Volledig mee oneens
Oneens
Noch mee eens, noch mee oneens
Eens
Volledig mee eens

Hebt u nog op- of aanmerkingen bij een bepaalde vraag? Dan kunt u dit hieronder kwijt.

Bedankt voor het invullen van mijn enquête en mij hiermee een stukje verder t e helpen met het afstuderen!
Groetjes,
Claudia

Appendix B: Survey Results

Wat is uw geslacht?

Man	59 (37.11 %)
Vrouw	100 (62.89 %)

n = 159
# 159

Waar bent u woonachtig?

Stad	92 (57.5 %)
Dorp	68 (42.5 %)

n = 160
# 160

Ik koop mijn kleren bij een Fast Fashion Chain (H&M, Zara)

Volledig mee oneens	16 (9.94 %)
Oneens	34 (21.12 %)
Noch mee eens, noch mee oneens	21 (13.04 %)
Eens	65 (40.37 %)
Volledig mee eens	25 (15.53 %)

n = 161
# 161

Ik koop mijn kleren bij een kleinere onbekende winkel

Volledig mee oneens	14 (8.75 %)
Oneens	36 (22.5 %)
Noch mee eens, noch mee oneens	37 (23.13 %)
Eens	65 (40.63 %)
Volledig mee eens	8 (5 %)

n = 160
# 160

Ik koop mijn kleren bij een warenhuis (V&D, Bijenkorf)

Volledig mee oneens	14 (8.7 %)
Oneens	42 (26.09 %)
Noch mee eens, noch mee oneens	36 (22.36 %)
Eens	65 (40.37 %)
Volledig mee eens	4 (2.48 %)

n = 161
# 161

Ik koop mijn kleren bij een boetiek (gespecialiseerde kleine modezaak)

Volledig mee oneens	30 (18.75 %)
Oneens	50 (31.25 %)
Noch mee eens, noch mee oneens	28 (17.5 %)
Eens	44 (27.5 %)
Volledig mee eens	8 (5 %)

n = 160
# 160

Ik koop mijn kleren bij een Dames/Herenmodewinkel (Jack&Jones, Miss Etam)

Volledig mee oneens	21 (13.21 %)
Oneens	42 (26.42 %)
Noch mee eens, noch mee oneens	24 (15.09 %)
Eens	68 (42.77 %)
Volledig mee eens	4 (2.52 %)

n = 159
# 159

Ik koop mijn kleren bij een unieke winkel met meerdere merken.

Volledig mee oneens	7 (4.35 %)
Oneens	29 (18.01 %)
Noch mee eens, noch mee oneens	31 (19.25 %)
Eens	83 (51.55 %)
Volledig mee eens	11 (6.83 %)

n = 161
# 161

Ik koop mijn kleren bij een brandstore (Diesel, G-star)

Volledig mee oneens	38 (23.6 %)
Oneens	57 (35.4 %)
Noch mee eens, noch mee oneens	29 (18.01 %)
Eens	30 (18.63 %)
Volledig mee eens	7 (4.35 %)

n = 161
# 161

Ik koop mijn kleren bij een zelfstandige ondernemer

Volledig mee oneens	33 (20.5 %)

Oneens	37 (22.98 %)
Noch mee eens, noch mee oneens	35 (21.74 %)
Eens	50 (31.06 %)
Volledig mee eens	6 (3.73 %)

n = 161
# 161

Welke factoren vindt u het belangrijkst als u voor een winkel kiest? Meerde...

Locatie & Omgeving	50 (31.45 %)
Prijs	137 (86.16 %)
Kwaliteit	124 (77.99 %)
Assortiment/Merken	108 (67.92 %)
Shopping experience	27 (16.98 %)
Professionaliteit	32 (20.13 %)
Openingstijden & Bereikbaarheid	50 (31.45 %)

n = 159
# 528

Wat vindt u het belangrijkste verschil tussen een grote modeketen en een kl...

Professionaliteit	65 (41.94 %)
Assortiment/Merken	90 (58.06 %)
Anonimiteit	24 (15.48 %)
Openingstijden/Bereikbaarheid	25 (16.13 %)
Anders, namelijk	31 (20 %)

n = 155
# 235

Heeft u gemerkt dat het straatbeeld m.b.t. de modewinkels door de jaren hee...

Ja	119 (75.32 %)
Nee	39 (24.68 %)

n = 158
# 158

Wordt u graag geholpen/geadviseerd door het personeel in een winkel?

Ja	46 (28.75 %)
Nee	52 (32.5 %)
Soms, alleen als...	62 (38.75 %)

n = 160
# 160

In een kleine winkel tref ik vaak kundiger en gemotiveerder personeel.

Volledig mee oneens	8 (4.97 %)
Oneens	22 (13.66 %)
Noch mee eens, noch mee oneens	39 (24.22 %)
Eens	64 (39.75 %)
Volledig mee eens	28 (17.39 %)

n = 161
# 161

In een grote winkelketen heb ik meer keuze.

Volledig mee oneens	2 (1.25 %)
Oneens	20 (12.5 %)
Noch mee eens, noch mee oneens	28 (17.5 %)
Eens	93 (58.13 %)
Volledig mee eens	17 (10.63 %)

n = 160
# 160

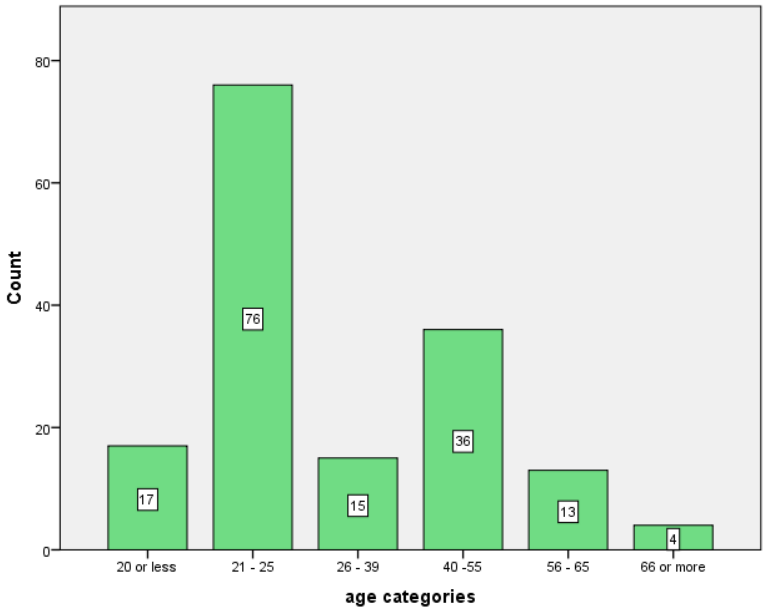
In de kleinere (zelfstandige) winkels vind ik vaker unieke kleding/merken.

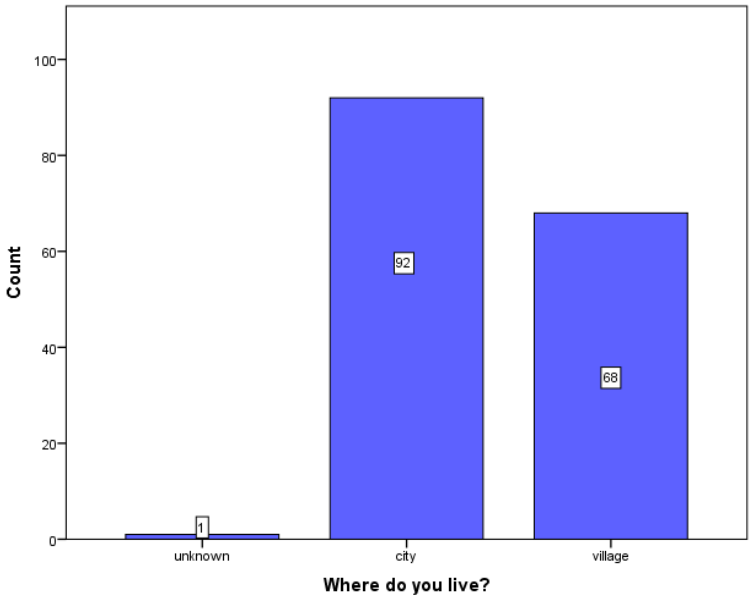
Volledig mee oneens	2 (1.24 %)
Oneens	11 (6.83 %)
Noch mee eens, noch mee oneens	33 (20.5 %)
Eens	91 (56.52 %)
Volledig mee eens	24 (14.91 %)

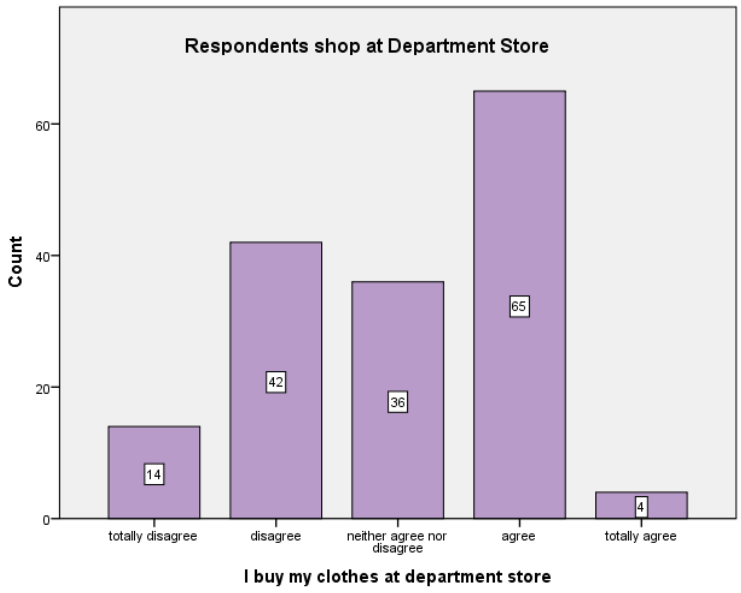
n = 161
# 161

Legenda:
n = aantal respondenten dat de vraag heeft gezien
# = aantal ontvangen antwoorden

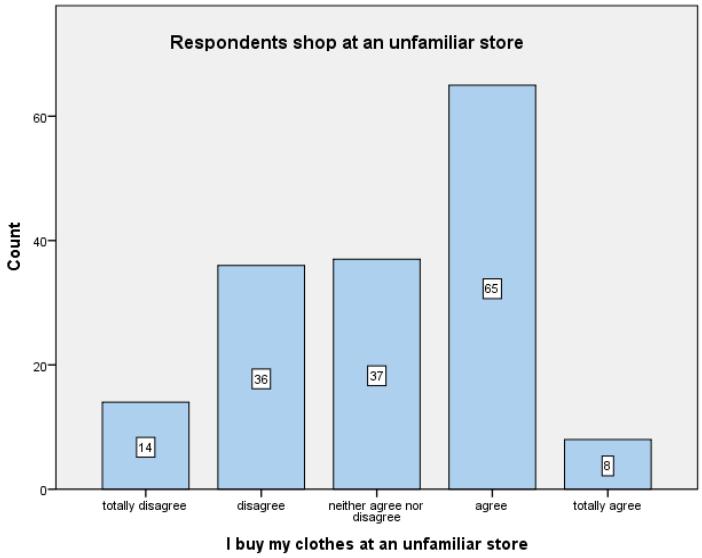
Appendix C: Several SPSS Outcomes



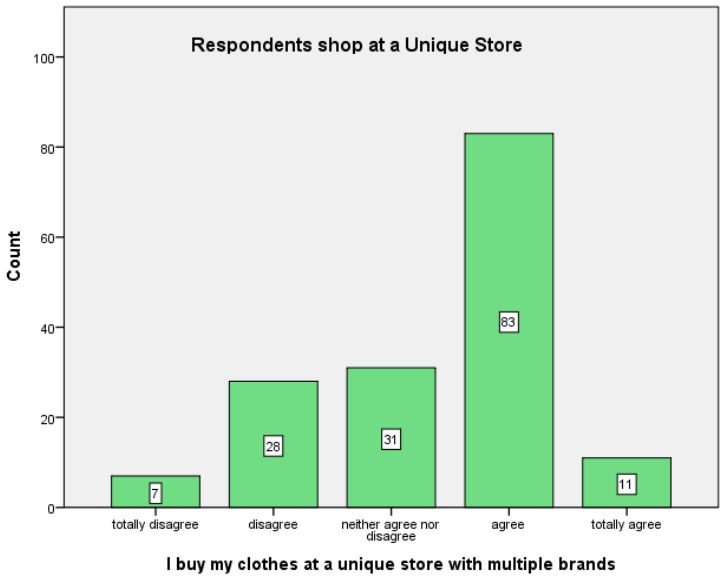


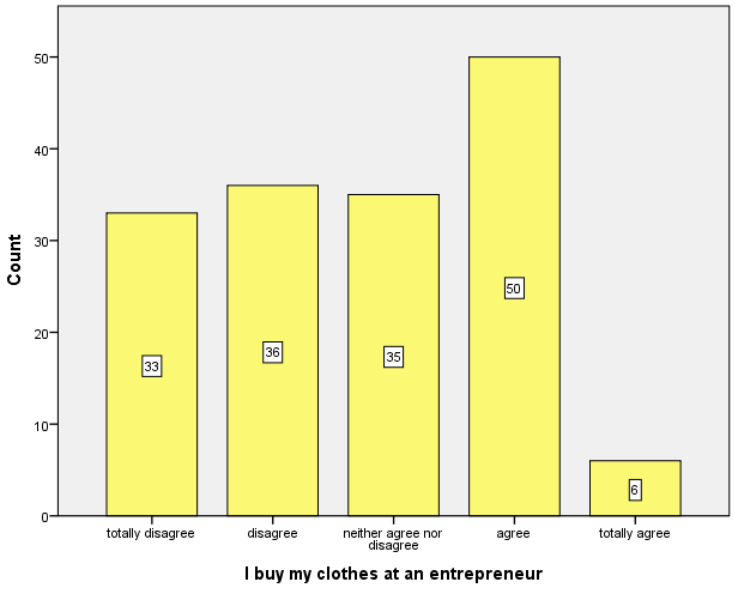


Respondents shop at Brand store
Count
60
50
40
30
20
10
0
37
56
29
30
7
totally disagree
disagree
neither agree nor disagree
agree
totally agree
I buy my clothes at a brandstore

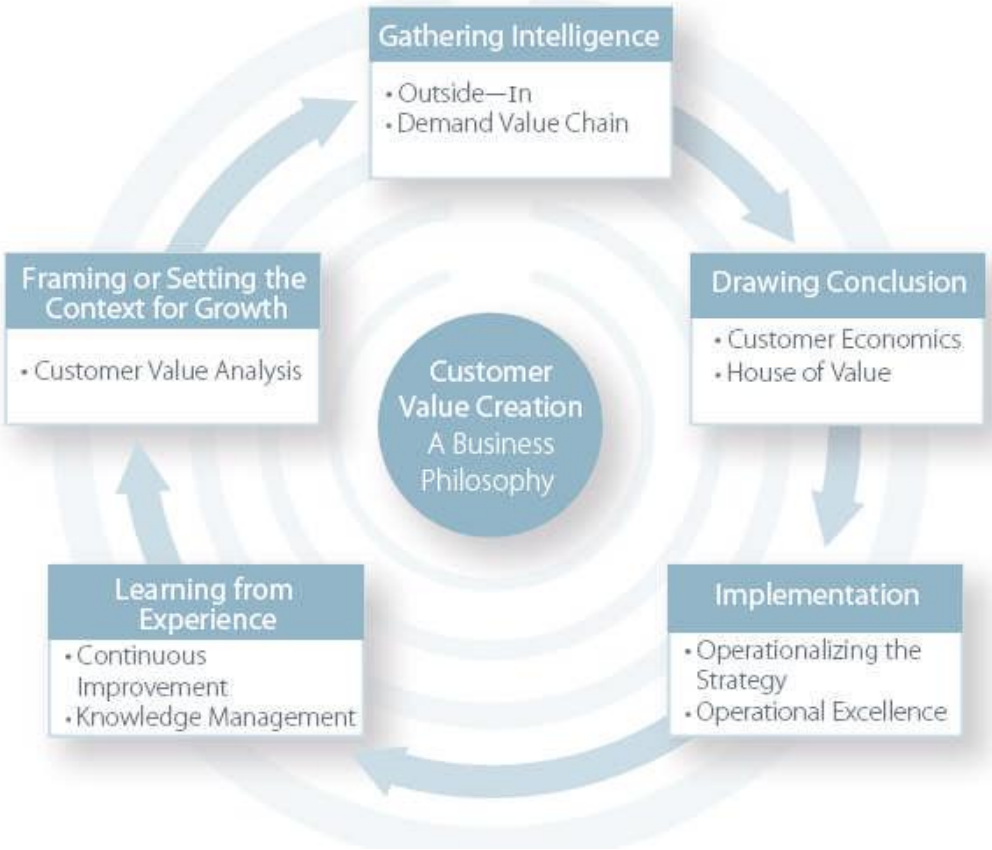

Respondents shop at an unfamiliar store
Count
60
40
20
0
14
36
37
65
8
totally disagree
disagree
neither agree nor disagree
agree
totally agree
I buy my clothes at an unfamiliar store

Respondents shop at a Boutique
Count
50
40
30
20
10
0
30
50
28
44
8
totally disagree
disagree
neither agree nor disagree
agree
totally agree
I buy my clothes at a boutique (specialized small fashion store)


Respondents shop at a Unique Store
Count
100
80
60
40
20
0
7
28
31
83
11
totally disagree
disagree
neither agree nor disagree
agree
totally agree
I buy my clothes at a unique store with multiple brands


Count
50
40
30
20
10
0
33
36
35
50
6
totally disagree
disagree
neither agree nor disagree
agree
totally agree
I buy my clothes at an entrepreneur

Appendix D: Customer Value Creation (CVC)



Appendix E: Information about the Likert scale

The likert scale is a rating scale which is commonly involved in research that employs questionnaires and surverys. It is a well known and widely used phenomenon to rate responses in questionnaire research. The term is referred to as the Likert-type scale. The scale is named after its inventor, psychologist Rensis Likert. The scale distinguishes the collective responses to a set of items. Basically, a Likert scale refers solely to the former. The distinction is made between the underlying phenomenon being investigated and the means of caputring variation that points to the underlying phenomenon. When faced with a Likert scale in a questionnaire the respondents will specify their level of agreement or disagreement on a symmetric agree-disagree scale for a series of statements. Hence, the symmetric agree or disagree scale captures the intensity of the disagreement or agreement of the respondent. The scale intensifies the feeling for a given item or hypothesis, while the result of analysis of multiple items reveals a pattern that has scaled properties of the kind Likert identified.

Appendix F: Research Proposal

Research Proposal

Proposed Research Topic: A comparative analysis in retail stores regarding consumer decision making (in a specific branch).

I will research the behavior of the consumer towards their decision making in the selection process of a store. Why would a consumer rather shop at a large retail store instead of a small retail store? Which factors play a role in their decision making? Is it pure personal or does the society and the environment play a part? The specific branch is yet to be agreed upon.

Introduction/Purposes: The retail industry has been facing change over the years. Since the 60s, after World War II, the welfare increased and created the opportunity for international trade. Due to greater welfare and a larger variety of products, the demand of the consumer changed along with the retail environment. The consumers created a different and more sophisticated expectation of the products, service and value. The large international retail stores are able to fulfill the consumer's needs and wants. The small retail stores are, however, subjected to an increasing challenge and the competition between the small and large retailers will be intensified. Attractive shops, a larger product range, lower prices, uniformity, and the ease of 'one stop shopping' are beneficial for the large retailers, and are making it tougher for the small retailers to compete with these international chains. The demand for large, identical stores in central locations is growing, which could mean the ending of the small retail stores.

Retailers need to develop an understanding of the consumer behavior due to these changes in the retail environment. As the selection of products is getting enhanced, the consumer is now confronted with a choice. Retailers need to anticipate on the consumer's demand in order to be the consumer's number one choice. A new balance must be sought between the retailer and consumer to provide the consumer with the most favorable shopping experience.

Advisory Policy Question: Would the today's consumer rather shop at large or small retail stores? *(What is the response of the consumer decision making of the changing retail store environment?)*

Research Question: Which factors influence/persuade the today's consumer in its selection process regarding small and large retail stores?
(What influences / motivates the consumer decision making (behavior) due to the changing retail store environment? What are the consequences for the small retail stores regarding the changing retail store environment?)

Problem Definition: As a result of a change in the retail store environment, the consumer created different needs to which the the small retail stores could not meet. This could result in the disappearance of the small retailer.

Sub-questions:
- What are retail stores?
- Who are consumers?

- What kinds of changes were made in the retail environment?
- Which factors are part of a decision making process?
- How do consumers think?
- How do consumers decide?
- Why is consumer research necessary?
- What is the consumers motivation?
- Could consumers be divided in different sub-groups?
- What is consumer behavior?
- Why does consumer behavior need to be investigated?
- Who benefits from consumer behavior research?
- What is the difference between small and large retail stores?
- What is the preference of the consumer nowadays?

N.B: These are example sub-questions, these are not yet the sub-questions which I will be using for the theoretical framework.

Used strategies for social research

The social researcher is faced with a variety of options and alternatives and has to make strategic decisions about which strategy to choose.

- Surveys: survey means 'to view comprehensively and in detail'. Surveys have emerged in recent times as one of the most popular and commonplace approaches to social research. The characteristics of a survey are that these have a wide and inclusive coverage, are at a specific point in time and are a form of empirical research. There are several types of surveys and for this research face-to-face interviews will be used, for the reasons that the data will me more detailed and rich, it offers some immediate means of validating the data, the response will be better as face-to-face contact allows the researcher to ''sell'' the researchable topic. Also, this type of survey will allow the research to be selective in their choice of respondents.

- Phenomenology: the credentials for phenomenological research generally deal with people's perceptions or meanings, attitudes and beliefs, feelings and emotions. This strategy for social research is an approach that focuses on how life is experienced. Phenomenology is also characterized by a particular interest in the basics of social existence. This type of research has its emphasis on describing authentic experiences, rather than directing their attention to explanations and analyses of experiences in an attempt to discover why they occurred.

- Grounded Theory: this is an approach dedicated to generating theories. IN this sense it contrasts with approaches concerned with testing theories, and is different form research whose main purpose is to provide descriptive accounts of the subject matter. It is an approach that emphasizes the importance of empirical fieldwork and the need to link any explanations very closely to what happens in practical situation in 'the real world'. It is different, here, from approaches based on 'armchair theorizing' or explanations that are thought up in the abstract as a neat system of ideas, and then afterwards checked to see if they work in reality.

Methods of social research

- Questionnaires
- Documents / Literature
- Desk research

For the quantitative research I will create a survey and use this survey amongst the consumers who are shopping in a specific branch. The questions will relate to

the topic and hereby I will investigate the consumers demand and behavior. The survey will consist of questions which will be derived from literacy about surveys and consumers. By means of the results of this survey I can further conclude my research. The qualitative research will consist of theory, literature and desk research.