STORE ATMOSPHERE AND CONSUMERS ATTITUDE TOWARDS SINGLE-BRAND APPAREL RETAILERS IN MANDALAY

Ye Wint Aung[1], Daw Sie Sar Oo[2]

Abstract

In this study, consumers' attitude towards single-brand apparel retailers was emphasized by using the Stimulus-Organism-Response (SOR) model and the study was conducted as the stimuli (the traditional store atmospheric cues such as social cues, design cues, and ambience cues) within the single-brand apparel retailers in Mandalay. This study explores the effect of stimulus on consumers' response (approach-avoidance behaviors) through the internal evaluation states (cognitive and affective evaluation). Systematic simple random sampling method was employed to collect data from the 36 single-brand apparel retail stores of 13 brand types and responses of 720 consumers were used for the data analyses. The data were analyzed by using multiple regression analysis. This study found that store atmospheric cues (social cues, design cues, and ambience cues) have an influence on the internal evaluations and ultimately reach to the approach behavior towards single-brand apparel retailers in Mandalay

Key words: store atmosphere, affective evaluation, cognitive evaluation, and consumer response (approach or avoidance behavior)

Introduction

With the abundance of retailers selling similar products, consumers expect a unique shopping experience and a unique product from each retailer. If a consumer wants to purchase a jean, he/she has the option to purchase it from apparel retail stores, such as Tri, Unique, and Victor, just to name a few stores. Every individual is consumer. Consumer behavior is the study of the processes when individual or groups select, purchase, use, or dispose of the product, service, ideas or experiences to satisfy needs and desires (Solomon, 2009). When the consumers want to get the shopping experience and/or products specifications, each of the above retailers have differentiated branded products to offer (Kumar & Kim, 2014). It helps them to yield information about how the consumers think, feel and choose their branded products.

Branded products were typically developed by manufacturers who were responsible for producing and marketing the products while retailers merely distributed manufacturer's brands. With the increasing autonomy, retailers have developed their own private brands (single brand)to compete with manufacturer's brands (Kumar & Steenkamp, 2007).

In such a competitive situation, the retail store must define what is distinctive and special about its offering products to be better competed with other stores (Floor, 2007). In the case of single-brand apparel retailers, one of the core branding components is carrying the single-brand of merchandise that cannot be purchased anywhere else (Koo & Kim, 2013). Retailers selling multiple brands have a limited control on the branding activities of the merchandise that they sell, whereas single brand apparel retailers have complete control on their merchandise brand. The retailers take efforts not only to brand their products but to brand their physical stores to meet branding the store concept. This study will be confined to single-brand apparel retailers who

---

[1] Department of Commerce, Monywa University of Economics

[2] Department of Commerce ,Monywa University of Economics

strive to create a unique image through their private brands and marketing efforts. In order to understand consumer attitude towards single-brand apparel retailers, this study will employ the Stimulus-Organism-Response (SOR) model (Mehrabian & Russell, 1974).

Rationale of the Study

These days, there are a lot of single-brand apparel retailers in Myanmar and the number of these stores increasing over time. This study aims to identify the consumers' attitude towards single-brand apparel retailers in Mandalay. Single-brand apparel market is booming at present because the numbers of such retailers are increasing year by year. Although there were few single-brand apparel retailers in the mid-1990, nowadays its numbers have increased to 36 shops.

Even though retail branding is one of the most main current developments in the retail industry, few studies have been focused on retail branding in the apparel sector. This study seeks to be one of the first in exploring consumer behavior towards single-brand apparel stores. To achieve this, this study aims to understand consumer perceptions of the store atmosphere (social cues, design cues and ambiances cues) delivered by the single-brand apparel retailer.

Objectives of the Study

To analyze the relationship among the stimulus organism and response, the specific objectives of this study are developed. Accordingly, the objectives of the study are:

1. To investigate whether store atmosphere cues (i.e., social, design and ambiance) have an effect on consumers' affective evaluations towards the single-brand apparel retailers in Mandalay.
2. To determine the effect of affective evaluations towards the store on cognitive evaluations towards the store.
3. To analyze the effect of cognitive evaluations towards the store on consumers' response (approach or avoidance behavior) towards the single-brand apparel retailers in Mandalay.

Method of the Study

In this study, both primary and secondary data are used. The required data for this study had been collected from the consumers who shopped at single-brand apparel retailers in Mandalay by using 1 in 10 systematic simple random sampling methods. Structured questionnaires are used to collect both qualitative and quantitative primary data. The study aims to obtain 720 respondents from the 36 single brand apparel retailers in Mandalay. The questionnaires are composed of six sections: 1. social cues; 2. Design cues, 3. Ambiance cues, 4. cognitive evaluations towards store, 5. affective evaluations towards store, 6. approach-avoidance behavior; All the statements were measured by a 5-point Likert scale ranging from strongly disagree (1) to strongly agree (5). The research model was analyzed by applying multiple regression analysis.

Scope and Limitations of the Study

This study utilized the stimulus organism and response (SOR) framework. First limitation would be that the study analyzed only in the context of single-brand apparel retailers in Mandalay. Second, the proposed model was tested only in the context of single-brand apparel retailers. Attention must be exercised when generalizing these findings to single-brand apparel retailers. The stimuli within the single-brand apparel retailers catering to a particular customer segment might be perceived differently from stimuli within other apparel retailer catering to a

different customer segment. Fourth, this study did not measure any specific cognitive evaluation (e.g., perceived quality, perceived price) and affective evaluation (e.g., pleasure, arousal). Moreover, it develops only store atmosphere cues rather than merchandise cues.

Literature Review

Many retailers have transformed from selling just manufacturer brands to selling their own brands conjunction with manufacturer brands, to becoming brands by themselves. This transformation is concerned with the rise of the retailer as a brand as one of the major trends in the retail sector (Grewal et al., 2009). Retail brands such as Arrow, Bossini, Tri and Victor are considered strong brands themselves. The difference between Arrow, Bossini, Tri and Victor is that Arrow brand is manufacturer's brand and it sells usually in the multi-brand retailer whereas Bossini, Tri and Victor are only its own brand and sell usually in the single-brand retailers. Irrespective of whether the retailer is a multi-brand retailer or a single-brand retailer, it can be considered as retailer as a brand, if the product, store and the corporate brand work together to keep the brand image consistent (Dawson, 2000). Multi-brand retailers carry, in addition to their own brands, other established national brands, which may aid in consumer pull to the store. On the other hand, single-brand retailers carry only their own brands and generate customer pull based on the image of their store name and brand name. This section provides the growth and development of private brands in the apparel sector, followed by a discussion of the theoretical foundation in relation with consumer attitude based on Mehrabian-Russell environmental psychological model on which this study is based.

Stimulus-Organism-Response Model (SOR) Model

Mehrabian and Russell's environmental psychology model is based on the Stimulus-Organism-Response (SOR) model. The model makes two assumptions. First, people's emotions eventually determine what they do and how they do it. Second, people respond with different sets of emotions to different environments (Tai & Fung, 1997). The SOR model relates stimulating features of an environment (S) to approach-avoidance behaviors (R) through emotions generated within the consumer (O). In this model, emotional state acts as a mediating variable in determining the approach-avoidance behavior. As such, Mehrabian and Russell's (1974) Stimulus-Organism-Response model demonstrated the link between physical environment and its effect on an individual's behavior (Figure 1). That is, a physical environment influences an individual's internal states, which lead the individual to either approach or avoid the environment (Mehrabian & Russell, 1974).

Figure 1 Stimulus-Organism-Response (SOR) Model
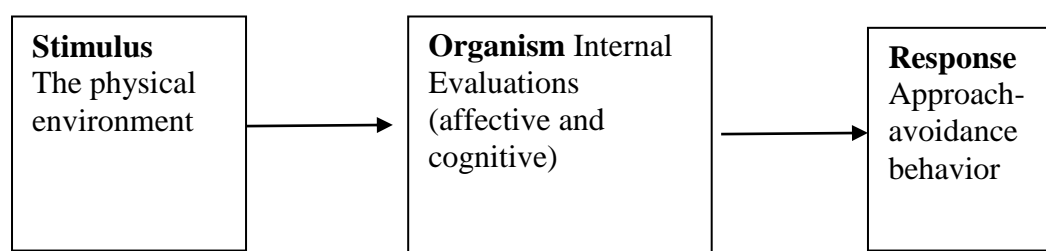
Source; Mehrabian & Russell (1974)

The SOR framework has been adopted in the context of retail environment, with several studies supporting the relationship between store environment and consumer purchase behavior (Baker et al., 1992; Donovan & Rossiter, 1982). Retail store designs that shape a retail space create or alter consumers' mood and impact consumers' behavioral response.

The Stimulus

Stimulus has been conceptualized as something that rouses or incites action (Bagozzi, 1986). When the SOR model is applied in the retail context, stimuli are the store atmospheric cues that affect the internal states of the consumer. Baker (1987) classified environmental components into social factors, design factors, and ambient factors. This study emphasizes about the store atmosphere (social factors, design factors, and ambient factors) in relation with store stimuli and these cues are as follows.

(a)   Social Cues

Store employees and other customers in the store are recognized as social factors in the retail store setting (Baker, 1987). The social variables include employee appearance, number of employees, gender of employees, and dress or physical appearance of other customers. Floor (2009) stated that the personality of retail brand and its employee appearance and behavior go hand in hand. The presence of very few customers and crowding customers could have a negative impact and positive impact on shoppers' store evaluation and satisfaction (Machleit, Eroglu, & Mantel, 2000).

(b)   Design Cues

Design elements such as layout, merchandise organization, and comfort are part of functional store elements, while design elements such as architecture, décor, and color are part of aesthetic store elements. It has been found that these design elements influence an individual's evaluations within the environment (Baker et al., 1994). More specifically, store design cues positively impact consumer judgment about merchandise quality sold in the store. Similarly, consumers would be willing to pay a higher price for merchandise sold in an upscale store even before they know the actual price (Baker et al., 2002). The design cues, such as color, layout, and in-store display, offered by the single-brand apparel retailer could help consumers form an opinion or develop a belief about the store.

(c)   Ambience Cues

Ambient factors refer to the non-visual elements of a space (e.g., temperature, music, and lighting). Several studies on store atmosphere have identified different types of ambient cues: visual cues such as color and lighting (Bellizzi, Crowley, & Hasty, 1983), acoustic cues such as music and noise (Mattila & Wirtz, 2001), and smell and scent. Smell can influence respondents in regard to elaborative image, affective and evaluative responses, purchase intention, and behaviors (Bone and Ellen, 1999). Shoppers perceived higher prices for wine when classical music was played than when hip-hop music was played in the background. Similarly, store lighting was found to influence store image, examination and handling of merchandise (Areni & Kim, 1994).

Organism

Organism refers to the ―internal processes and structures intervening between stimuli external to the person and the final actions, reactions, or responses emitted (Bagozzi, 1986). Bagozzi (1986) stated that the intervening processes and structures consist of perceptual, physiological, feeling, and thinking activities. Researchers have identified two types of individuals' internal evaluation states that are induced by the physical environment: cognitive and affective (Mehrabian & Russell, 1974; Zeithaml, 1988).

(a) Cognitive Evaluation

Cognitive evaluation is associated with consumer perception process, which originates from information-processing and inference theories (Bettman, 1979). Atmospheric cues provide some important informational cues, based on which consumers can conclude about price, product, or service quality in that store (Baker, et al, 2002).

(b) Affective Evaluation

Emotional state or affective evaluation is a judgment whether an object is pleasant, attractive, valuable, likable, or preferable (Russell & Snodgrass, 1987). Mehrabian & Russell (1974) hypothesized that any environment is capable of inducing and producing different emotional states in an individual. Mehrabian & Russell (1974) suggested three dimensions for the emotional states that are developed in an individual's mind - pleasure, arousal and dominance, also called the PAD framework.

The Response to the Store Stimuli

Response is associated with the psychological reactions such as attitudes and behavioral reactions of consumers (Bagozzi, 1986). The retail atmosphere has been found to influence customers' behavioral intention, which is composed of different dimensions such as number of items purchased, amount of money spent in the store, and whether the shopper liked the store environment or not (Sherman & Smith, 1986). In the retailing context, response to store stimuli is often termed as approach or avoidance behavior. Approach is the desire to remain in the store, continue shopping and willingness to stay for relatively long periods. In contrast, avoidance behaviors are associated with negative reactions including a desire to leave the store and not return (Mehrabian & Russell, 1974).

Conceptual Framework of the Study

In this section, proposed research model was developed in connection with the store atmosphere, consumers' internal evaluation and consumers' response. Figure 2 shows the proposed research model of the study.
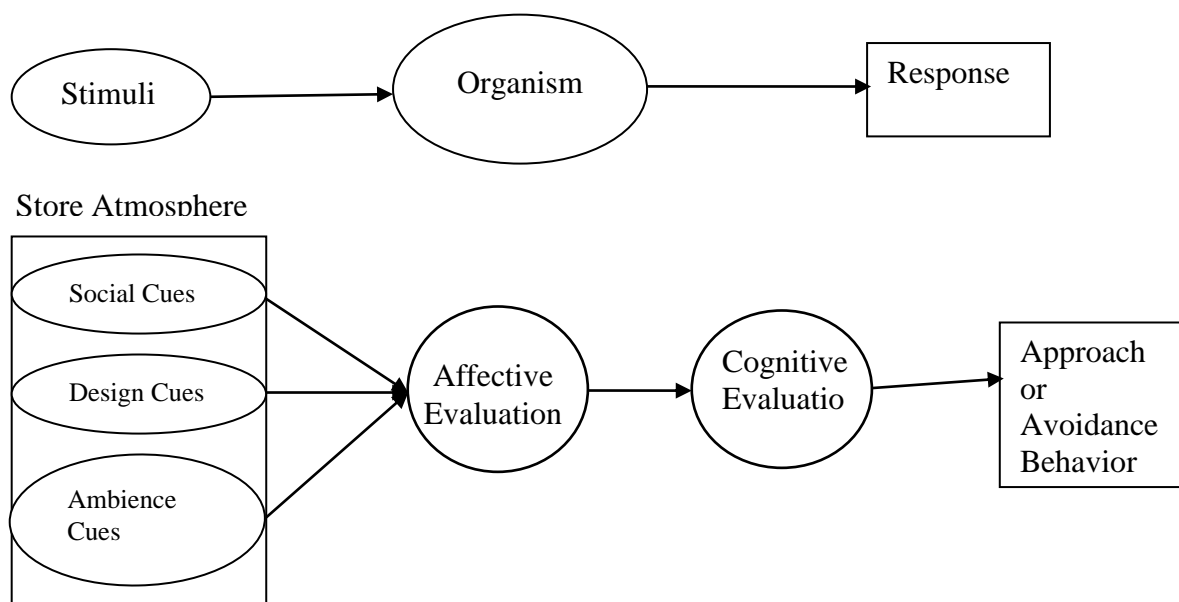
Store Atmosphere

Source: Own Compilation   **Figure 2** Conceptual Framework

In the conceptual model of the study, the independent variables are store atmospheric cues (social cues, design cues and ambience cues) dependent variable are approach or avoidance behavior in which it have to test whether stimuli (store atmospheric and merchandise) have the impacts on intervening mental evaluation states (affective and cognitive evaluation towards store), which in turn, it need to analyze the effects of the mental evaluation states on consumers response (approach or avoidance behavior).

Empirical Analysis of Store Atmosphere and Consumers Attitude towards Single-Brand Apparel Retailers

In this section, stimuli can be categorized into three categories: store atmosphere (social cue, design cue, ambiance cue). These stimuli are considered as independent variables and affective evaluation towards store are considered as dependent variables. When estimating regression coefficients concerned with the effect of store atmosphere on affective evaluation of the store and merchandise. Regression coefficients, standard error and significant 'p' values had presented in Table 1.

Table 1   Effect of Stimuli (Social Cue, Design Cue and Ambiance Cue) on Affective Evaluation

Stimuli (Store Atmosphere)	Unstandardized Coefficient		T value	Sig
	B	Std Error		
(Constant)	-2.136	.295	-7.236	.000
Social Cue	.469	.035	13.594	.000
Design Cue	.615	.038	16.278	.000
Ambiance Cue	.418	.037	11.194	.000
R	.636			
Adjusted R^2	.405			
F Value	169.127			

Source: survey data (2020)

Dependent Variable: Affective Evaluation towards store

Notes: ** indicates that 't' is significant at 5% level and
        ***indicate that 't' is significant at 1% level.

According to Table 1, store atmosphere cues (social cue, design cue, ambiance cue) have the direct positive impact on affective evaluation towards store. The three store atmosphere cues (social cue, design cue, ambiance cue) have the values of .469, .615 and .418 respectively. These variables are significant at 1% significant level.

Table 2 Effect of Affective Evaluation on Cognitive Evaluation

Organism (Cognitve Evaluation)	Unstandardized Coefficient		t value	Sig
	B	Std Error		
(Constant)	2.148	.084	25.513	.000
Affective Evaluation	.533	.020	26.978	.000
R	.702			
R2	.493			
F Value	727.832			

Source: survey data, 2020

Dependent Variable: Cognitive Evaluation towards Merchandise

Notes: ** indicates that 't' is significant at 5% level and

      ***indicate that 't' is significant at 1% level.

According to Table 2, the effect of affective evaluation on cognitive evaluation is the direct positive impact on cognitive evaluation at 1% significant level since regression result in concern with the effect of affective evaluation on cognitive evaluation is the value of .533. Because the positive linear relationship between these two variables, the retailers have to create a pleasant feeling about the store atmosphere.

Table 3 Effect of Cognitive Evaluation towards on Consumers' Response

(Affective Evaluation)	Unstandardized Coefficient		t value	Sig
	B	Std Error		
(Constant)	1.251	.104	12.017	.000
Cognitive Evaluation	.699	.024	29.675	.000
R	.735			
R^2	.541			
F Value	880.605			

Source: survey data, 2020

Dependent Variable: Consumer Response

Notes: ** indicates that 't' is significant at 5% level and

***indicate that 't' is significant at 1% level

According to Table 3, the effect of cognitive evaluation on consumers response is the direct positive impact at 1% significant level since regression result in concern with the effect of cognitive on consumers response is the value of 0.699. As this result, the retailers need to consider consumers characteristics to appeal customers with the exiting, interesting and arousing shopping experience and valuable information to provide consumers for inference and make decision that whether the product is suitable or not.

Conclusion

The research model developed for this study aims to understand consumers attitude towards single-brand apparel retailers in concerned with store atmosphere cues as the stimuli and consumers' approach or avoidance behavior through the organism (affective and cognitive evaluation). This section presents the findings and discussions, suggestions and recommendation and needs for future study.

Findings and Discussion

This study offers several contributions that can help single-brand apparel retailers which want to appeal to more customers and increase store patronage. The following sections are presented the findings that command discussion for contributions to retailers.

As expected, social cues, design cues and ambience cues had significant positive effects on the affective evaluations toward the store. As described above section, affective evaluations toward store had significant influence on cognitive evaluations towards store. In the current study on approach-avoidance behavior towards single-brand apparel retailers, it can conclude that store atmospheric cues have the positive effect approach-avoidance behavior through the cognition-affect sequence. This means that approach behavior is due to affective and cognitive evaluations because of reasonable information-inference from the preference or positive emotional feeling and then the consumers have the approach behavior which would appear repurchase intention towards these stores.

Suggestions and Recommendation

In term of single-brand apparel retailers in Mandalay, consumers will receive preference emotional feeling and good opinion towards the store atmosphere cues if the retailers can provide these cues to be arousal and exciting. In order for consumers to determine a favorable feeling and opinion towards the store, single-brand retailers need to focus on social cues in term of training employees to be friendly, knowledgeable, and helpful. Single-brand apparel retailers need to ensure that there are enough employees to assist the consumers' needs and wants.

In concerned with the design cues, the retailers need to create attractive store design to be influence of consumers' emotional feeling because the design cues have an influence on consumers' perceptions towards quality and price of the merchandise and the evaluation of the service offered by the retailers. Hence, single-brand apparel retailers need to support the design cues employed in their store such that they will have a preference evaluation towards the store. Single-brand apparel retailers need to ensure that design factors, such as color scheme of the store, physical facilities, and in-store displays, appeal to their customer segment and compare with their store image.

Similarly, if a consumer perceives that the music played in the store does not fit the store image, then the consumer could form negative feeling about the store. Further, lighting plays an important role in creating appealing emotional feeling towards the single-brand apparel store. Single-brand apparel retailers need to ensure that the lighting is not only enjoyable, but also articulates the products displayed in the store. Lighting should also harmony with the image that the single-brand retailer is trying to achieve. Therefore, singe-brand apparel retailers need to

understand that consumer emotional feeling towards the store can be manipulated by upgrading the social cues, design cues and ambient cues.

Since such retailers have to depend on only one brand of merchandise as a customer pull, marketers need to pay close attention to the way that they market their overall brand image. Branding the store concept has an important implication for single-brand apparel retailers. Thus, a single-brand apparel retailer can maximize brand equity by coordinating and offering consistent store image through social cues, design cues and ambiance cues. It is also essential for single-brand apparel retailers to build a strong personality and provide a shopping experience, in terms of both store atmosphere cues, which match their personality. Similarly, even if the merchandise meets the customer's expectations, but if the customer perceives the store to be unsatisfactory, then there will be a dissonance which may lead to an avoidance behavior. Once there is a continuous integration between the single-brand apparel retailer's philosophy and implementation of store atmosphere cues (store environment), consumers will not be able to differentiate between the various aspects of the retailer's branding the store strategy.

The conceptual framework or research model developed for this study aims to understand consumer attitude towards single-brand apparel retailers. The model explained the relationships among the three store atmospheric cues (social, design, and ambient), cognitive evaluations toward store, affective evaluations toward store and approach-avoidance behavior. The research model also enhanced the SOR model by evaluating the concept of branding the store. This study was to evaluate the concept of branding the store in the form of statistical holistic relationship in the context of single-brand apparel retailers.

Needs for Further Study

This section attempts to explain the requirement for further study. Firstly, this study only focuses on consumers' attitude towards the single brand apparel retailers in Mandalay. As the further study, consumers' attitude towards not only the multi-brand apparel retailers and national brand apparel retailers but other product types in Myanmar should be analyzed.

Adding on to the first, the one limitation of the study would be that this study did not consider individual elements of the store environment (e.g., lighting or employees); but attempted to capture the overall effect of the three widely used store atmospheric cues (social cues, design cues and ambient cues). Future studies could consider only one aspect of store atmospheric cues and its effect on behavior. For example, the effect of music on consumer behavior towards single-brand apparel retailers or the effect of employees on consumer behavior towards single-brand apparel retailers.

This study did not measure any specific cognitive evaluation (e.g., perceived quality, perceived price) and affective evaluation (e.g., pleasure, arousal). Instead, this study considered a broad definition of cognition and affect. Such specific evaluation measures could be employed in the future to understand different elements of cognition and affect.

Furthermore, this study only covers the consumers' attitude towards the single brand apparel retailers in Mandalay. Therefore, further study will need to study the whole country of Myanmar. This study examined the impact of the stimuli on organism towards response. Consequently, the study describes the consumers' attitude towards the single brand apparel

retailers. The study only focuses on the effect of the stimuli (store atmospheric cues) on response (consumer response; approach or avoidance behavior) through the organism (cognitive evaluation and affective evaluation). Thus, conducting this kind of empirical study in other regions of Myanmar can be useful to compare and distinction the SOR model of the retailers. Further studies should include the other measurement of performance such as profitability, sales growth, customer satisfaction and market share.

Reference

Areni, C. S., & Kim, D. (1993). The influence of background music on shopping behavior: Classical versus top-forty music in a wine store. *Advances in Consumer Research*, 20(1), 336-340.

Baker, J. (1987). *The role of environment in marketing services: The consumer perspective.* In the services challenge: Integration for competitive advantage (79-84). Chicago, IL: American Marketing Association.

Baker, J., Grewal, D., & Parasuraman, A. (1994). The influence of store environment on quality inferences and store image. *Journal of the Academy of Marketing Science*, 22(4), 328-339.

Baker, J., Levey, M., & Grewal, D. (1992). An experimental approach to making retail store environmental decisions. *Journal of Retailing,* 68(4), 445-461.

Baker, J., Parasuraman, A., Grewal, D., & Voss, G. B. (2002). The influence of multiple store environment cues on perceived merchandise value and patronage intentions. *The Journal of Marketing,* 66(2), 120-141.

Bagozzi, R. P. (1986). *Principles of marketing management.* Chicago, IL: Science Research Associates.

Bellizzi, J. A., Crowley, A. E., & Hasty, R. W. (1983). The effects of color in store design. *Journal of Retailing,* 59(1), 21-45.

Bettman, J. R. (1979). *An information processing theory of consumer choice.* Boston, MA: Addison-Wesley.

Bone, P. F., & Ellen, P. S. (1999). Scents in the marketplace: Explaining a fraction of olfaction. *Journal of Retailing,* 75(2), 243-262.

Donovan, R. J., Rossiter, J. R., Marcoolyn, G., & Nesdale, A. (1994). Store atmosphere and purchasing behavior. *Journal of Retailing,* 70(3), 283-94.

Dawson, J. A. (2000). Retailing at century end: Some challenges for management and research. *International Review of Retail, Distribution and Consumer Research* 10: 119-48.

Floor, K. (2007). *Branding a Store: How to Build Successful Retail Brands in a Changing Marketplace*: Landon, UK: Kogan Page, Limited.

Grewal, D., Levy, M., & Kumar, V. (2009). Customer experience management in retailing: an organizing framework. *Journal of Retailing*, 85 (1), 1–14.

Kim, Y. K., & Koo, W. (2013). Impact of Store Environmental Cues on Store Love and Loyalty: Single Brand Apparel Retailers. *Journal of international Marketing,* 25 (2), 94-106.

Kumar, A., & Kim, Y. K. (2014). The Store as a Brand Strategy: The Effect of Store Environment on Consumer Responses. *Journal of Retailing and Consumer Services,* 21(5), 685-695.

Kumar, N., & Steenkamp, J. B. E. M. (2007). *Private Label Strategy: How to Meet the Store Brand Challenge.* Cambridge, MA: Harvard Business School Press.

Machleit, K. A., Eroglu, S. A., & Mantel, S. P. (2000). Perceived retail crowding and shopping satisfaction: What modifies this relationship? *Journal of Consumer Psychology.* 9(1), 29-42.

Mattila, A. S., & Wirtz, J. (2001). Congruency of scent and music as a driver of in-store evaluations and behavior. *Journal of Retailing* 77(2), 273-289.

Mehrabian, A., & Russell, J. A. (1974). *An Approach to Environmental Psychology.* Cambridge, MA: MIT Press.

Russell, J. A., & Snodgrass, J. (1987). *Emotion and the environment.* In Stokols D. and Altman I. (Eds.). *Handbook of environmental psychology.* New York, NY: John Wiley and Sons.

Sherman, E., Mathur, A., & Smith, R. B. (1997). Store environment and consumer purchase behavior: Mediating role of consumer emotions. *Psychology and Marketing,* 14(4), 361-78.

Solomon, M. R. (2009). *Consumer Behavior*: *Buying, Having and Being* (8th ed.), Upper saddle River, New Jersey, NJ: Pearson Education.

Tai, S. H. C., & Fung, A. M. C. (1997). Application of an environmental psychology model to in-store buying behavior. *International Review of Retail, Distribution and Consumer Research, 7*(4), 311-37.