Specialty Store and Multi-Brand Store loyalty: An Indian consumer perspective

Sarabjot Singh*, Piyush Kumar Sinha**, and Hari Govind Mishra***

In the competitive era of retailing, retailers need to understand the importance of store format preferences. The study aimed to understand consumer store loyalty; in-depth interview was conducted to examine consumer store loyalty antecedents for two retail formats: specialty stores and multi brand stores. The study conceptualizes store loyalty factors like program loyalty, trust and brand commitment. Trust and brand commitment act as mediating factors between store image and store loyalty formats, and also between brand image and store loyalty formats. The findings highlight how consumer store loyalty preference differ for these two formats.

Keywords: brand image, brand commitment, program loyalty, retail store loyalty, store image, trust

Introduction

The Indian retail market is estimated to be US$ 450 billion and stands in top five lucrative world economic markets, and with the support of 1.2 billion people, it is becoming fastest growing markets in the world (Majumder and Sanjoy 2011). Long term business success depends on customer loyalty. Loyal customers are more resistant to competitor communications (Srinivasan, Anderson, and Ponnalovo 2002). Such benefits encourage firms to build customer loyalty. Loyal consumer spread positive word of mouth, resistant to competitor marketing stunts and ready to pay premium prices (Srinivasan, Anderson, and Ponnalovo 2002; Zeithaml, Berry, and Parasuraman 1996). Customer loyalty enhances consumer’s repurchasing behavior which may appear as a sign of customer loyalty, but is actually a result of outside circumstances, such as ease of purchase or relative price differentials among competitive brands (Lee, Lee, and Feick 2001). The perception of buyers toward single vs multi brand store were different (Basu, Sengupta, and Guin, 2012). Single brand stores are more suited for such target-driven shoppers looking for the latest designs or the season’s choicest collection, on the other hand, the shoppers choosing multi-brand stores more concerned of satisfying shopping experience.

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The main question which the author is focusing on is how the consumer loyalty aspects differ when the store format differs. In the current study the objectives are; (1) to develop a model of retail store loyalty using two types of self-concept congruity constructs - self-concept/brand image congruity and self-concept/store image congruity – used as antecedents through mediating variables (brand commitment and trust)to retail store loyalty, along with program loyalty, in order to investigate the relative relevance of each construct in the model; (2) to investigate the key dimensions of program loyalty and retail store loyalty (in terms of preference, intentions and behavior outcomes). The model has taken the data for two different types of retail stores- a brand specific retail store and a multi-brand retail store- to analyze the varying contributions of each construct for these two different retail store types. This will be followed by evidence from ethnographic in-depth interviews conducted to elicit their thoughts and opinions on the subject of retail store loyalty. Finally, the authors offer some thoughts on how marketers might engage consumers in their different retail store loyalty concepts, while encouraging them to translate in to positive purchasing behavior from particular retail format.

Retail store loyalty

In competitive markets customer store loyalty emerged as an opportunity for market researchers. Fournier (1998) focused on the importance of relationship between consumers and brands in order to build customer brand loyalty. Such relationships can affect consumer attitude, resulting in a stronger relative preference to shop at one retail store over another. Customer brand loyalty entrenches in consumer’s attitude which moulds consumer current and future loyalty behaviors towards preferred brands (Oliver 1999). Increased store loyalty has numerous positive effects including positive word-of-mouth and increased customer retention that result in reduced marketing costs (Rabbanee, Ramaseshan, Wu, and Vinden, 2012)

Research Methodology

This study examines retail store loyalty from program loyalty (Yi and Jeon 2003), trust (Macintosh and Lockshin 1997) and brand commitment perspectives (Reynolds and Arnold 2000). The program loyalty has three antecedents like program special treatment, social benefits (Henning-Thurai, Gwinner and Gremler 2002), and trust. The retail store dimensions are willingness to pay price premium (Netemeyer, et.al., 2004), share of wallet and share of visit (Blut, et.al. 2012).

The store image was taken from, Bloemer and De Ruyter(1998).The brand image was taken from Hsieh, Pan, and Setiono (2004), and Keller (1993), Plummer (1985), The in-

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depth interviews were conducted in four specialty stores and four multi brand stores apparel stores and two persons were selected from each store. Those respondents who shop at these stores from the last three years were considered as loyal consumers. Bolton, Kannan and Bramlett. (2000) used twelve month time period and Hammond, East and Ehrenberg(1996) considered eight quarter data to consider loyalty samples. The in-depth personal interview was used as the primary method of data collection because it focuses on the participants’ expression of their own experiences (see Denzin and Lincoln 1994). Open-ended interviews were conducted with sixteen participants (six males and twelve females) aged 23-30 which represent a diverse consumer base to explore retail store loyalty behavioral outcomes (see Table 1 for participants demographic information). Participants were taken from Jammu city (India). Interview questions were designed to gather information from participants about their loyalty experiences. The questions were focused on trust, commitment, loyalty program drivers, and brand image and retail store loyalty about specialty stores and multi brand store. All interviews were audio-taped with the permission of participants and later transcribed for analysis and interpretation. The idea is generate conceptual themes from raw data (Hill, Thompson and Williams 1997). First using an intra-text strategy, secondly inter-text strategy, thirdly back and forth between inter-text and intra-text cycles and then fourthly a holistic interpretation was generated.

Store image

Store image includes store atmosphere (Zimmer and Golden 1988) and the topology which categorize store environmental elements into three groups are: ambient factors, design factors, and social factors (Baker 1986). Using those elements, retailers create store identity and encourage consumers’ shopping activities which help to build commitment and trust. Similarly, Turley and Milliman (2000) used store atmosphere as “human variable,”. Lee (1951) used it as window display, and (Darden and Schwinghammer 1985) as merchandise quality.

Participants revealed that image of the store affects their preference of selection from various stores, whether on the spot decision or pre-decided decision. This conclusion is derived from the following interviewee statements:

CD: “I shop from store which look neat and clean, if store is new to my experience, I look at the front of the store and compare it with my previous experiences of good shops and decide to enter in the shop or not”.

AB: “I like to shop from stores, which have good merchandise quality, store lightning, temperature in store, display, merchandise variety and comfort”.

EF: “Image is something, which gives you reflection of the store i.e. good window display, which gives clear picture of the store without entering into it, image pricing, which means by seeing product from mannequin one can use previous experience to guess the price, and salespeople gestures, which gives you proper attention when you enter into the shop”.

Consumers are influenced by store atmosphere and its ambience plays a major role on consumer liking and preferences.

Brand image

According to Hsieh, Pan, and Setiono (2004) good brand image build trust and satisfaction among consumers and protect it from other competitor brands. Keller (1993) described that image benefits can be classified into functional, experiential and symbolic benefits (this classification was originally derived from the work of Park et al. [1986]). Researchers generally agree that products whose brand images are congruent with a consumer’s self-concept result in attachment to that brand (Ball and Tasaki 1992). Some statements that highlight this point are as presented below:

GH: ” I am always like to purchase a brand which has unique features… no matter what the price is. It must have a good appearance and good look”.

XY: “Brand image gives me a thought of situation, where I have to wear it and what’s my
role over there. I usually prefer to buy that brand which gives me gentle look”.
AB: “I like the brand which has energetic look, good color… in my budget also”.

Consumers like to wear the brand which helps them to present best of them in front of others and for that if they have to spend little more money they don’t hesitate to do so.

**Trust and its antecedents**

Some participants revealed that they shop from shops they think reliable and can work to fulfill customer requirements; for instance:

WX: “Usually I visit the shops I trust most, I go to these stores to purchase goods, I go these stores, grab what I want, and then leave.”
AB: “I like shopping from those shops, which are known to me, and with whom I have good relation.”

Consumers like to shop from stores at which they trust to avoid uncertainty and risk which may cause because of various factors.

**Store image and trust**

Researchers like Yamagishi and Yamagishi (1994) describes trust as “belief that human nature develops for benevolent interest” to build close relation. Morganosky and Cude (1999) examined that a minor mistake in a retailer’s mind can become major mistake for a consumer and it results into lack of trust. Kollock (1998) examined that willingness to trust is often based on the possibility of loss versus the potential of gain. When both parties hope to gain something, they would likely to honor trust. Macintosh and Lockshin (1997) describes the consumer trust in salesperson, store, and repeat purchase intentions and they predicts that interpersonal relationship of trust and commitment with sales person are directly linked to purchase intentions.

OP: “For me store image, is like, you know, which builds a feeling of credibility toward the store”.

QR: “when I shop with my parents, I trust on the store selection of my parents because they are shopping from longer period then me, and they have more store knowledge than me, but the final decision whether to purchase or not is on me, and my decision also influenced by the surrounding environment of the store.”

Gaining trust on the retailer is a challenging job and it is shifting with the degree of requirement of services or product attributes. So, the combination of these two variables influences on store selection criteria of consumer.

IJ: “I consider those stores fashionable and modern, which have strong, rough (masculine) and cache window display, good mannequin presentations, with trendy fashionable clothes, and have reliable word of mouth in my friends circle.”
ST: “I usually go shopping with my friends, and I rely on the store choice of my close friends, whose products choice I like most, and want to wear dress like them… and I like to purchase from those fashionable stores where they buy for themselves, so I can show my resemblance to them.”

Stores which have strong perception in consumer mind are more likeable by consumer than those which are not likeable in their social network. As a collectivist society people rely more on positive word of mouth.

**Brand image and trust**

Trust is a consumer calculative defensive process (Doney and Cannon 1997), which determines cost-benefit evaluation. Chaudhuri and Holbrook (2001) present the concept of brand trust which reveals that brand keeps its promise, and fulfill the expectation of the consumers (Fuller, Matzler and Hoppe 2008). Such bonding builds affective attachment and committed behavior (Fournier 1998).

JL: “I like to buy international brands, because most of friends wear only international brands which have long life than ordinary brands, and it gives me an image of superi-
ority, and brand provides me special treat-
ment and attention from my friends.”
FH: “I am very much concerned about brand
image, and I purchase them from particu-
lar stores only, no matter if I have to cover
more distance to reach that store, because I
need assurance of originality and genuine
product.”
QR: “I like to wear those brands which looks
good on me, and liked by my friends also,
and most of them admire me to wear or
purchase brands like that, and I usually
buy them from those retailers, which as-
sures me of good quality, and its wear and
tear (durability), because they are costly
and less frequently to purchase.

Statements above illustrate that most of the
females were not as worried about the brand
image as they were worried about store image
before planning store selection. Participants
state that price, product availability and prod-
uct quality are the most important criteria of
shopping, and they mostly have some favorite
shops for a particular product, especially those
which have low level of involvement; and as
the level of product involvement increases, the
preference for the favorite shops decreases, and
the level of brand image also increases. So, we
concluded that:

P1: Trust influenced by brand image con-
gruity and store image congruity.

Brand commitment and its antecedents

Some participants revealed that they are very
particular about the brand, and they like to stick
to the brand until it fulfills their requirement.

ST: “I stick to the brand I purchase, because I
invest lot of time in comparison between
brands, so I like to repurchase it again, un-
less someone very much influences me for
some other brands, for that particular need,
and overcome my resistive power to use
other brand”.

CD: “I am not much brand committed, I usu-
ally purchase product of those brands, for
which I believe have the capacity to fulfill
my requirement. “

Consumers like to stick to one brand if it
fulfills their expectation because it saves lot of
search time and effort which is required to get
the right product.

Relationship with brand image

Consumer’s commitment to repurchase pre-
ferred product/service consistently in the future
causing repetitive same-brand buying (Oliver
1999 and Gomez, et al. 2006). It holds consumer
in long term relationship and builds positive
preferences and impressions (Wilson 1995) and
retain consumer to their brands with the help
of self-concept which includes product symbol-
ism (Wallendorf et al., 988). If brand symbol-
izes a consumer’s self with its image, then the
brand build a loyal relationship with the con-
sumer (Wallendorf and Arnould 1988).

AB: “I have a particular brand for a particular
need, I go to the shop, ask for the particu-
lar brand, if they have that brand, I pur-
chase it or I leave the store, and look for
other store around, if not available, I post-
pone the requirement, until it is a urgent or
basic need, in this way it saves my time in
shopping.”

KL: “I like to purchase and stick with those
brands, which have great reputation
among their competitors, and which are
consistently consider as best in their cat-
egory, no matter, if I have to spend some
more money.”

Consumers are loyal to those brands which
have strong reputation in the market and in so-
ciety. So they can resemble their status with the
brand they wear.

Relationship with store image

Dick and Basu (1994) describe commitment
“as the relationship between the relative atti-
tude toward an entity (brand/product/service/
store/vendor) and patronage behavior”. The re-
buying behavior by consumer from a particular
store is because of factors like “time/energy-
costs, perceived risk, and perceived absence of
choice” (Jarvis and Wilcox1976), for instance:
WX: “I have particular shops for particular needs, which I believe provide the best in their product category, I usually purchase from these stores for that particular category, and most of the time, I get what I wanted, or sometimes I purchase what they have to fulfill my need”.

BD: “I usually look around two or more best stores in their respective particular product category, no matter if I have to come second time at the shop, and asking the same thing, mostly my preference is to get the best available product, within my vicinity, suitable with time and distance travelled, if the need is urgent, then I go to my pet (mostly purchase from) shops only”.

Branded products have an issue of originality and consumers take it seriously because of high money involvement as compared to private brand or fake products. So they prefer to shop from single store which has good reliability and credibility.

Relationship with Trust

Researchers like Morgan and Hunt (1994) and Henning-Thurau et al. (2002) found that trust has positive relation with purchase intentions, purchase behavior and consumer attitude. The work of Macintosh and Lockshin (1997) predicts positive relation of trust and commitment between salesperson and consumer and Wong and Sohal (2002) take it to store level and both depicts positive purchase intentions of consumer for salesperson and store which in turn a success for relationship marketing.

FH: “I stick to the brands, I purchase, because they are good enough to satisfy expectations, and I would like to repurchase them again, whether or not something new is available in the market, until my expectation are satisfied, and until I feel good in myself”.

EF: “I usually look around and try to gather as much reliable information as I can get, without much effort, to gather information about new products in a particular category, which can take my satisfaction level to higher level.”

Consumers are loyal to those brands for which they have positive attitude and feel that brand can satisfy their psychological needs.

Relationship with program loyalty

Bowen and Shoemaker (2003) studied luxury hotels to understand whether relationship marketing increase customer loyalty. Their model used commitment to measure program loyalty for food and beverages and found positive relation between commitment and loyalty. Zeithaml et al. (1996) predicts that loyalty programs build positive attitude, repeat usage of that program and positive word of mouth. Hu, Huang and Chen (2010) examined the causal relationship between program loyalty and commitment and reveals that both affect each other.

IJ: “I usually purchase from single store again and again, because the loyalty offers they provide are unique and much better competitive then other providers of that product, I believe to get better loyalty offer, one has to stick to a store and repurchase from it over and again.”

When consumer are more brand loyal, they prefer to in cash more offers provided by the store, to get the products at unbeatable rates. So, we concluded that:

P2: Brand commitment influenced by trust, brand image congruity, store image congruity and program loyalty.

Program loyalty and its antecedents

Program loyal consumer don’t have to build favorable attitude toward the retailer, but they have to purchase from it to get loyalty points (Blut, et. al. 2012)

CD: “I am loyal to the schemes, which are offered by stores from where I purchased most… it suits my way of shopping. “
BD: “I usually prefer to shop from few stores or if possible from a single store, because I believe that more we associate ourselves with one thing, the more we get from there by paying less effort and money. “

Consumer like the offers and schemes which are provided by stores for loyal consumers, to make shopping cheaper for them only and build positive and caring image in society.

Social benefits

Among the three relational benefits identified by Gwinner et al. (1998), Social relationship concepts are considered influential in the development of loyalty (Goodwin and Gremler 1996). Henning-Thurau et al. (2002) finds a direct connection between social benefits and loyalty.

GH: “Most of the sales persons at the store know my name, and also know my preferences, and handle my requirements carefully, and if I don’t have the full amount of money to pay the product, they’d give me credit or sometimes the store owner offer me EMI schemes.”

IJ: “I have developed friendship with the store personnel, because of that friendship they give me more discounts, than other non-regular customers, and I also get call from them about new collections or about the time period of sales.”

When consumer become regular customers of a store they can easily get those benefits which are not possible for non-regular consumers, and it is quite exciting for new consumers who like the brand and want to continue with it for longer time.

Special treatment

To maintain special treatment, companies give non-price related special treatment benefits, such as gifts, wedding or birthday cards, and privileges. These special treatments are welcomed by consumers and it helps to maintain relationship between customer and organization (Gwinner et al. 1998). Sometimes such special treatments serve as indirect way of promotion like word of mouth communication via commitment (Henning-Thurau et al. 2002).

OP: “As I shop from few stores from a long time, so I get good loyalty bonus from them and one of their best salesperson attend me personally and offer me tea and cold drinks, and stayed with me until I left the shop, and I also believe that no other retailer can do so, if I shift to some other store.”

QR: “I get better price deals, than other customer on the store, I usually get special deals, on most of the products I purchased from my regular store and sometimes they drop products at my home or any place as I wanted.”

The way consumers being treated in their regular store make them happy, relaxed and confident in their shopping skills.

Trust

A number of studies (e.g. Kendrick 1998) have found differences in the extent of the impact of various types of loyalty program attributes on loyalty and its antecedents (e.g. trust). Taylor et al. (2005) stressed that trust acts as a basis of loyalty creation. Moreover, Morgan and Hunt (1994) also proposed that trust is a precursor to commitment which eventually will lead to loyalty. So, trust plays an important role in creating loyal customer.

CD: “After purchasing products from a particular store… I build a relationship, which helps me to get better deals on any product, and know I get the product which is suggested by them in a single demonstration by them.”

AB: “I believe that the offers provided to me by the retailer, are genuine and mostly on those products which I want to purchase.”

In India, there are many family run outlets (Bajaj 2012), which have the capacity to give margin to customers from their own pockets, besides the program loyalty schemes run by manufacturers of a particular product. This is
possible because in franchising contract store owner have higher discount taking capability on their own account, which sometimes they use for customers, to get more competitive than other retailers. So we concluded that:

P3: Program loyalty influenced by trust, social benefit and special treatment.

Role of Program loyalty

Premium price

The premium prices which consumers willing to pay, represent the average percentage premium which a store enjoys in comparison to other competitors in the same product category (Blut et al. 2012). Palmatier and Gopalakrishna (2005) predicted that loyalty programs generate profitability for the organization and that long term positive economic results can be achieved if personal treatment is provided to the consumers. Zeithaml, Berry, and Parasuraman (1996) predicted that loyal consumers are willing to pay price premiums, and are usually cheaper to serve.

BD: “I usually ready to pay higher, to get the product of my choice, and I usually recommend my friends to purchase from that outlet, if they asked me for my help in that concern.”

JL: “Paying higher price is not of much concern, if you get better value than what you give.”

In specialty stores, consumer are ready a pay a bit higher amount, because the product assortment and product variety is high in these stores.

UV: “For me quality of the product is everything, and to get that I am ready to pay higher prices”.

In multi brand outlets, both male and females spend more time than specialty stores, because for a moment of time, they get confused in product category comparisons, and usually try to get cheaper and best deals.

Share of wallet

It defines the consumer complex decision making process of division of budget set for different requirements. It also defines the amount of money consumer spend at one store out of the total budget from which it has to purchase products from other stores (Blut et al. 2012). Various marketing researchers describe the importance of program loyalty in terms of attitudinal and behavioral loyalty. Meyer-Waarden (2007) support behavioral loyalty in terms of share of wallet, Taylor and Neslin (2005) in terms of profit and all found that loyalty program has positive influence on these variables.

FH: “When I enter in the store, I usually purchase what I like, and this process continues, until my budget gets in trouble.”

In multi brand retail outlets, there are varieties of brand, which indulge customers in seeing, feel and shop process for a long time.

JL: “I don’t think much about price, because I have pre-imagined the price range of products available in the store, my only concern is to get what I want. “

In specialty store customers know what they want, that’s why they prefer to shop out of many for a particular product category, because that provider is specialist in that category, and don’t care much about price on the verge of desires.

Share of visits

It outlines the frequency of visit the consumers make at a particular store. It is described as a ratio of percentage of visit consumer make at a particular store out of the total visit consumer make for shopping trips. The share of wallet is concerned about the money spend whereas, the share of visit concerned about the frequency of visits regardless of amount spend (Blut et al. 2012).

KL: “I usually visit more to those outlets, which have multiple brands, so I easily come to know about new collection or varieties available in various brands.”
In multi brand outlets, they are large variety of brands, which can provide lots of information to the consumer, about fads and classic designs of various brands.

OP: “I visit outlets, only when I have to shop, because if I enter the shop, I will definitely purchase something when I am out of the store.”

In specialty retail stores, assortment is good, but not the variety, so in few visits customer come to know the type of products available in the store. So we concluded that:

P4: Program loyalty impact on (a) price premium (b) share of wallet (c) share of visit.

Antecedents of retail store loyalty

Program loyalty

Since we are interested in the effects of loyalty programs on actual purchase behavior, our key dependent variable captures behavioral loyalty. In grocery retailing, purchase behavior is characterized by high buying frequency and variation in basket sizes (Kahn and Schmittlein 1992). Intended behaviors are measured through price premiums, share of wallet (Mägi, 2003), and share of visits (Blut et al. 2012). In Demoulin and Zidda’s study (2008), the authors examined the extent of customers’ satisfaction with loyalty program and how this affects the effectiveness of a loyalty program in the retail food industry, furthermore, posit that a cardholder’s satisfaction with the program leads to program loyalty and store loyalty.

QR: “To get special offers in a particular brand, I usually loyal to that brand, it helps me to get much better deals than if I switch from one store to another”.

In specialty store, consumers like the offers, because it sometimes makes it easier for them to purchase the most desired and unaffordable products.

WX: “I like the loyalty schemes of the stores, and mostly in multi brand stores, because we get offers on all brands by simply shopping from a single store.”

In multi brand outlets, the program loyalty points work on each and every brand, which help consumer to think about more brands, and also to retailer by increasing the brand basket of consumers.

Trust

Researchers like Zaheer et al. (1998) investigated the mediating role of trust in buyer-seller relationships between firms, and suggesting that it is a primary variable that must exist in order to create committed relationships between two parties. Bowen et al (2003) recognized that trust is a major factor which influences consumer loyalty toward store. Sirdeshmukh, Singh and Sabol (2002) develop framework which support evaluations of trustworthiness as having three dimensions, which are operational competence, operational benevolence, and problem-solving orientation. Lubis and Halim (2010) derived the relationship between trust, value and loyalty. Their model indicates that value work as a mediator between trust and loyalty. Taryadi and Hananto (2011) analyzed that companies which are enjoying high brand image earns high preference among consumer and gain their positive attitude the brand. Brilliant and Achyar (2013) predicts that trust along with satisfaction affects consumer loyalty. The author also predicts that as trust among consumers increases loyalty will automatically increases.

UV: “I believe that the products available on the single brand outlets are more genuine.”

GH: “I think that the multiple brands available in multi brand outlet are genuine.”

For specialty stores, trust factor have much better reliability than multi brand outlets. Usually multi brand outlets focus on variety not much on assortment in a single brand, and sometimes the products are of last season.

Brand commitment

Marketing researchers suggest that brand commitment is related to brand loyalty (Srini-
vasan et al., 2002) and store loyalty (Robinson 1995). The complex combination of these two factors makes it difficult to understand the impact of brand name on status of brand as well as any impact on store name (Ailawadi and Keller 2004). As Oliver et al. (1997) focuses on attitudinal customer loyalty and states that loyal consumers are easy to serve, because they are committed to particular brands. Loyal customers even indulge in advocating positive word of mouth for the brand and consider as an important factor of brand loyalty (Bansal, Irving, and Taylor 2004).

CD: “I am not much committed to a particular brand for a product category, I make up my mind for two or three brand for a particular product category, and then go for shopping, and I usually shop from multi brand outlets, because it provide various brands under one roof, which makes easier for me to compare among the preferred brands.”

XY: “I am very much concerned about the brand, and I can get latest collection available in that brand, I would like to purchase it from exclusive authorized store only, and if asked, recommend other who prefers that brand and suggest then to purchase from exclusive outlets for product genuinely.”

In specialty store customers come for particular brand, but in multi brand outlets first make preference and then select the brand of their choice. So, we concluded that:

**P5: Retail store loyalty impacted by (a) trust, (b) brand commitment, (c) program loyalty.**

The conceptual framework is shown in Figure 1. The framework describes the relation of various antecedents of store loyalty for specialty store and multi brand retail stores.

**Discussion and implication**

This research conceptualizes store loyalty framework which states that brand image congruity and store image congruity have positive effect on trust, because consumers have strong relationship with brands that they buy and repeat purchase behavior of the consumer depend on the value which consumer get from the relationship in terms on functional attributes and attitudinal attributes which fluctuates with the self-concept of the person.

Consumers tend to be committed towards brand and its value. The reliability and credibility factor provided by the brand build beliefs in the consumer, that it provides special and in-
comparable offers to the consumers. The feeling which consumers get from store personnel and store atmosphere build behavioral and attitudinal loyalty, and if the store provides special repeat purchase offers, then consumers repurchase frequency increases.

When the consumer have strong feeling about the offers, and get special benefits which affects its self-concept, then consumer would be ready to pay higher prices for the product and spend more money out of the total budget, and increase its frequency to that store. Branded products offered by branded stores attract consumers to shop at those stores. So, if a consumer has high level of congruity for retail store and its brand and if the brand matches the consumer’s self-concept, then the consumer would have strong relation with the store and its brand, in addition, the consumer would also have strong feeling of self-congruity with store and its offers, and consequently affect the consumer’s shopping trips to the store.

When the consumer build trust on the store by rememorizing its various past stimulating memories which includes its own past experiences, shopping on the particular store or getting references from social groups helps the consumer to become loyal to that store and show commitment toward the brand available by the store.

Those consumers who trust the brand and feel attachment with it are also loyal to the programs provided by that store and ready to pay more for that brand, because brand attachment are generated from functional and attitudinal benefits, and when consumer get both benefits in a single brand, and have positive past experiences, the consumers share of wallet and share of visit increases, and it builds a long term relation between the brand and consumer.

Consumers like program loyalty building features more when they feel it provides better opportunity for them through tangible and intangible means, consequently, consumers like to stick with the brand for longer time period and do not consider much about brand switching, since brand switching includes lots of time investment in information search and in trust building generated through reference groups and their past experiences. This process is hard to accomplish in shorter time, particularly for a new brand.

In the today’s competitive market customer retention is the main factor for retailer survival strategy for both specialty store and multi brand store. Whereas, multi brand stores should focus more on share of visits (more visits more chances to purchase), share of wallet, trust, program loyalty, store image, price premiums than other factors. The future study should focus on investigating store loyalty dimensions described in this model in quantitative manner, so the impact of this relationships can be understood in a more generalized way, which will helpretail managers and other academicians interested to be involved (or already involved) in both retail formats in one point of time in real world in different environments.

References


