

CONTRASTING CUSTOMER PERCEIVED
STORE IMAGE WITH MANAGEMENT'S
SELF PERCEPTION: A
DIAGNOSTIC APPROACH

A. Coskun Samli, Virginia Polytechnic Institute & State University

Douglas J. Lincoln, Boise State University

Abstract

Recent work indicates the desirability of studying managers' store image as well as their customers' store image. There has also been interest in using multi-attribute models instead of the semantic differential approach to measuring store image. This paper reports on the usefulness of the multiattribute approach in assessing possible differences between the customer perceived store image and management's self perceived store image.

Introduction

A review of retail image literature would lead one to a series of important conclusions. First, store image is an extremely complex phenomenon (Martineau, 1969; Boulding, 1956 and Arons, 1961); second, it consists of tangible and non-tangible factors (Kunkel and Berry, 1968 and Wyckham, 1969); and third, the image of a store is a function of attitudes held toward various image dimensions or store attributes (Alpert, 1971).

Image researchers should therefore strive to identify those store attributes which compose the image. Most importantly, an attempt must be made to isolate attributes which are more critical in the formulation of the total image. These are the store image attributes which most heavily influence store choice (Alpert, 1971).

The most extensively used technique for measuring store image is the semantic differential. This technique is easy to apply, is reliable, is simple in that it eliminates problems such as ambiguity which is inherent in question phrasing (Mindak, 1961). Despite its popularity, the semantic differential has one key shortcoming. It does not isolate those dimensions which store customers may hold salient (James, Durand and Dreves, 1976 and Marks, 1976). Therefore, the approach does not allow a weighting of responses according to their relevance for the customer (Doyle and Fenwick, 1974-1975).

In addition to heavily reliance on the semantic differential, the state of art in store image measurement is now going beyond customer-only store image. One of the most significant recent contributions of image studies lies in attempts to contrast the management and consumer store image (Crissy, Pathak, and Sweitzer, 1974-1975; McClure and Ryans, 1978; Doyle and Sharma, 1977 and May, 1972). Significant discrepancies or conflicts between the image perceived by the management versus customers suggest vulnerable aspects of a retail business. If these weak areas can be ranked according to their severity, then management may have a clear-cut picture of its business' effectiveness in catering to its market segment(s).

This paper is based on a study which tried to accomplish two key objectives: First, to identify congruence or conflict between management and customer store images and second, to determine the relative importance of

store image components from both a management and a customer point of view and therefore determine the relative seriousness of management-consumer discrepancies.

Methodology

A multiattribute model was utilized in this study. The major advantage of this technique is that it accounts for store image attributes to be differently weighted. A revised Fishbein model is one of the most popular multiattribute models as indicated by its appearance in the consumer behavior literature. This revision is also termed the "adequacy-importance" model (Cohen, Fishbein and Ahtola, 1972). It is algebraically expressed as follows:

$$A_o = \sum_{i=1}^n P_i D_i \quad (1)$$

where A_o = an individual's attitude toward object;

P_i = importance of attribute i for the individual;

D_i = the individual's evaluation of object with respect to the attribute i ;

n = number of attributes.

It has been concluded that the adequacy importance model may predict consumer attitudes accurately and therefore be most useful for developing attitude change strategies (Mazis and Ahtola, 1975).

The retail store selected for the study was a gift shop located in the central business district of a small university town in Southwest Virginia. Data were gathered by systematically handing out questionnaires to shoppers after they had made a purchase in the gift shop and were preparing to leave the store. Respondents returned questionnaires by mail. Out of one hundred questionnaires distributed, seventy were returned. Three employees and one owner/manager also completed the questionnaire¹. Since respondents had just completed a purchasing act in the store, it was felt that they could easily evaluate the store's attributes with valid perceptions.

The questionnaire was composed of four parts. It included: (a) demographic information, (b) a measure of store attribute importance (salience), (c) a measure of store performance of those attributes (valence), and (d) a measure of the shopper's attitude toward shopping. General classes of store attributes which were investigated included: general characteristics, product selection, price ranges, personnel,

¹These four people are considered "management" in this paper.

services, advertising, and physical characteristics. The questionnaire was designed so that specific image dimensions were intermixed with respect to general class.

Saliency (or attribute importance) was measured through a one-dimensional preference scale. Respondents were asked to rate the importance of forty-three store attributes when considering a gift shop (where 1 = most important and 5 = not important). Valence was measured by use of a semantic differential scale with seven intervals across all forty-three attributes. Polarity of the semantic differential phrases was randomized to avoid bias.

Scores for saliency and valence were first multiplied and then summed for each individual (to arrive at an overall attitude towards the store along its attributes and thus its store image). In order to make sure the expected contribution to attitude is equal to the actual contribution saliency and valence were compatibly scaled. Saliency components (given to respondents as 1 through 5) were scaled as +2, +1, -1, -2. Valence components ranging from "extremely" to "extremely" were scaled as +3, +2, +1, 0, -1, -2, -3. Thus, the bi-polarity pattern was assumed for both valence and saliency measures (Bonfield and Ryan, 1975).

Findings and Discussion

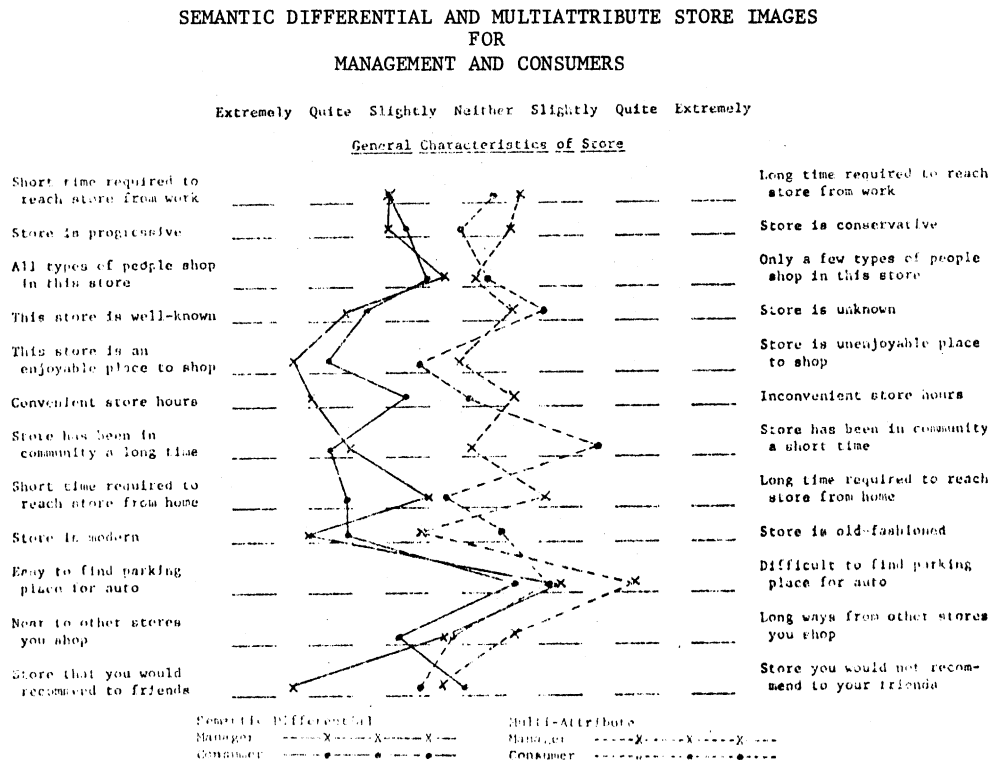
Figure 1 depicts the study's findings. Four sets of data presented in the figure: semantic differential measurement of image attributes for both management and store customers and multiattribute measurement of image for both groups. Some special strengths and weaknesses of the store were displayed by the semantic differential data for both customers and management.

Among the strengths are: enjoyable place to shop, has been in the community a long time, is modern, commands a reasonable degree of customer loyalty (depicted by the statement of "would recommend to friends"), interesting merchandise, good for gifts, freedom to "browse," fast checkout service, window displays, merchandise displays, location of merchandise in store, easy to move about, decor, and cleanliness. However, it is extremely important to note that in most of these cases, the management's perception of store attribute performance is considerably more favorable than customers' perception. This phenomenon has been previously documented (Downs and Flood, 1979). It is important to note that these discrepancies may lead to undesirable managerial action.

Again on the basis of semantic differential, weaknesses of the store seem to be: parking, value for money spent, markup level, special ordering of merchandise, telephone ordering, advertising frequency and advertising information. The latter two imply not advertising enough and not providing enough information in the ads.

Figure 1 also illustrates what happens to store image when saliency (attribute importance) is included (the multiattribute approach). First, the following attributes are considered relatively unimportant to the consumer: how long the store has been in the community, how modern the store is, window displays and merchandise displays. Thus, an advertisement stressing "we have been serving this community for forty years" is likely to be ineffective in increasing store shopping. Again, of the weaknesses pinpointed by the semantic differential alone, only two appeared to remain serious weaknesses when saliency is added: value for money spent and size of markup. On the other hand, new weakness, prices in relation to compe-

FIGURE 1



tition, emerged as a result of multiattribute analysis.

FIGURE 1 (CONTINUED)
 SEMANTIC DIFFERENTIAL AND MULTIATTRIBUTE STORE IMAGES
 FOR
 MANAGEMENT AND CONSUMERS

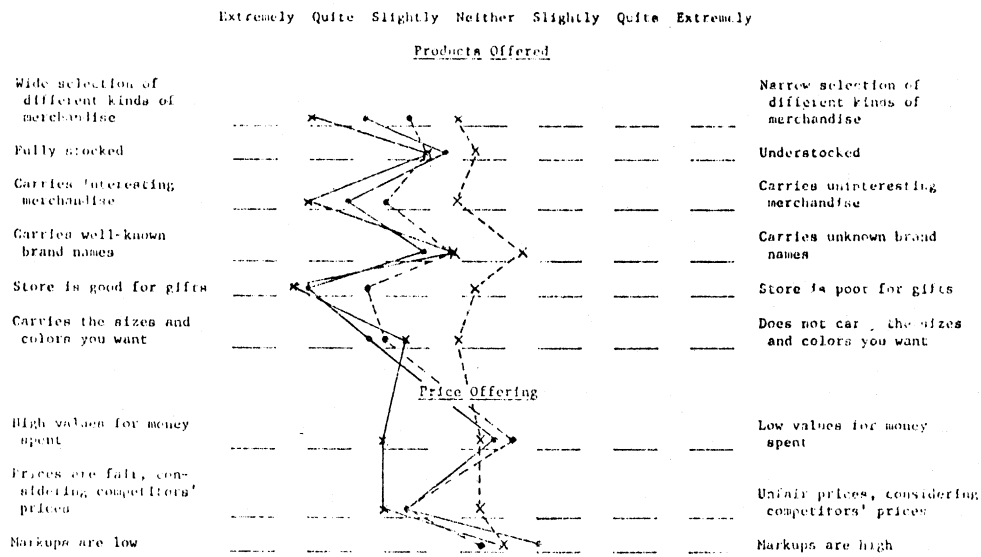


FIGURE 1 (CONTINUED)

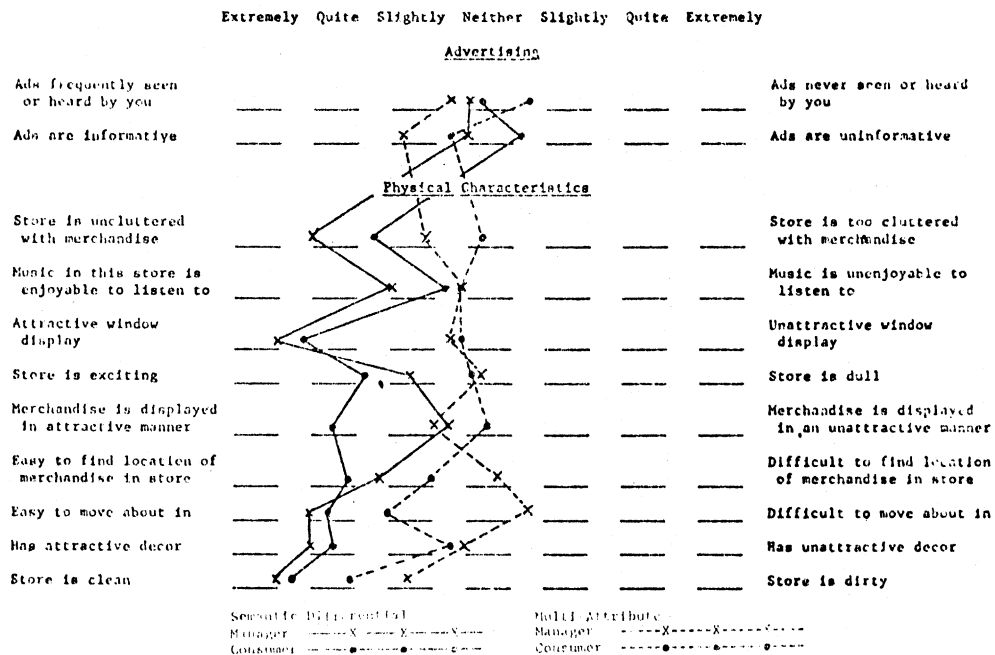
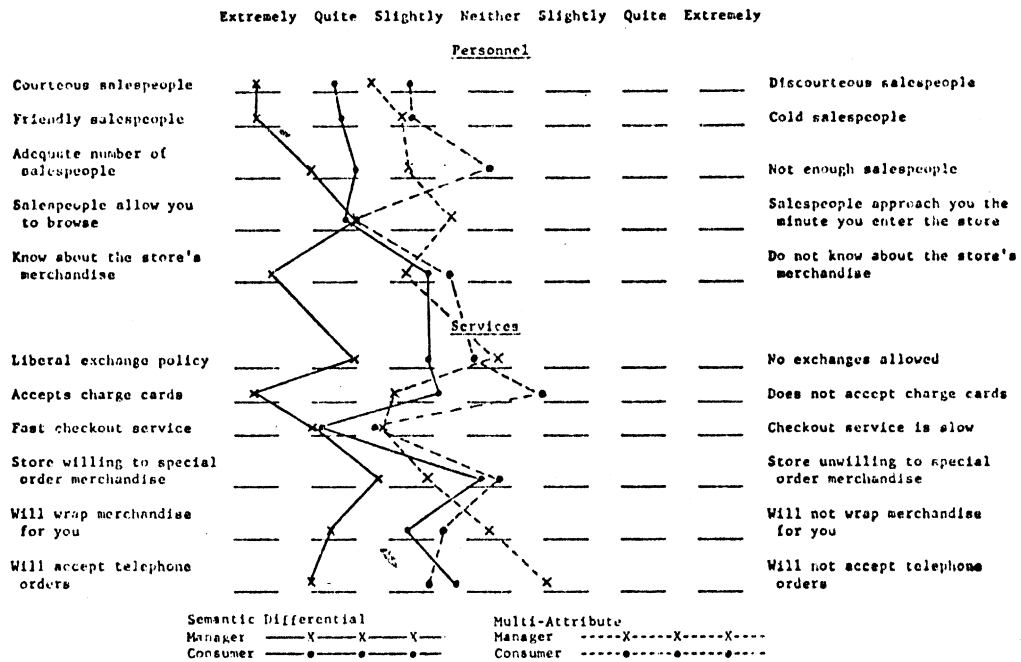


FIGURE 1 (CONTINUED)



One of the most significant contributions of salience scores is to reduce the degree of favorability in management's store image. According to valence ratings, twenty-nine of the forty-three attributes were overrated (compared to customers). The number of over-rated attributes goes down to sixteen when salience is included.

If used for diagnostic purposes, the multiattribute data indicate that there are some twelve problem areas as reported in Table 1. Problems stem from the discrepancy between management's perception and the customer's perception of certain attributes expressed as the product of salience and valence. Of the key problem areas, four are especially important from the consumer's point of view. First, unlike management, consumers do not think that parking is very bad. Third, and again unlike management, consumers think that their ability to charge purchases is rather poor. Fourth, in consumers' opinion, the number of sales people available is much worse than what management thinks.

These gaps between management and customer perception could cause a number of serious problems. For instance, management's perception of the availability of gifts and size and color selection is much more pessimistic than that of the consumers. Similarly, management has a more pessimistic view of parking facilities and store layout. It can be speculated that given the option, management might try to change store layout first instead of adding more sales people or improving the existing credit system. It can be seen from Table 1 that this is likely to be an unfortunate move in terms of utilizing the store resources and enhancing its marketing effectiveness through increased favorability of customer store image.

A Diagnostic Sequence

The key to the diagnosis in this paper is the discrepancy between the management's and customers' store image. If management can accurately measure store image, it can easily diagnose some of the most important problem areas. It must be reiterated that the basic objective here is twofold: first, the two images should be as close to each other as possible; and secondly, both of the images must be on the positive side as depicted in Figure 1. Once the critical gaps between the two images have been pinpointed, management's major marketing tasks are to be in the direction of narrowing and eventually eliminating these gaps.

If there are multiple gaps, then management has to decide which one(s) would be most important to take care of first. Management should prioritize the gaps according to their store attribute importance and according to their relative relationship to the store's profits. Corrective measure should be established on the basis of those priorities. For example, management might realize that store decor creates another gap. Management will have to realize that if it does not have the proper merchandise mix (no matter how adequate the decor might be), the store is unlikely to be very profitable.

After management takes corrective action on as many gaps that it could possibly take care of given the firm's financial resources, time and know-how, an attempt should be made to reassess consumer and management store images. This assessment process is then used as feedback for management to reorient its marketing activities towards further refinement of both images. This store image action process is depicted in Figure 2.

TABLE 1

SPECIAL PROBLEM AREAS DEPICTED BY
THE MULTIATTRIBUTE MODEL*

	<u>Management</u>	<u>Consumers</u>
How long the store has been in the community	.1	-1.5
How modern the store is	.8	-.2
Availability of parking space	-2.0	-.9
Availability of gifts in the store	.1	1.5
Has sizes and colors you want	.3	1.3
Fair prices in relation to competition	.0	1.0
Number of salespeople available	1.0	.0
Freedom to "browse" in store	.5	1.7
Ability to charge purchases	1.2	-.7
How easy it is to move about in the store	-.5	1.3
Accepts credit cards	1.4	-.8
Accepts telephone orders	-.5	.6

*Combined average of multiattribute scores depicting the product of salience and valence characteristics of each attribute. Minus scores indicate negativness of the attribute, whereas zero means neutral. Scores range from +3 to -3.

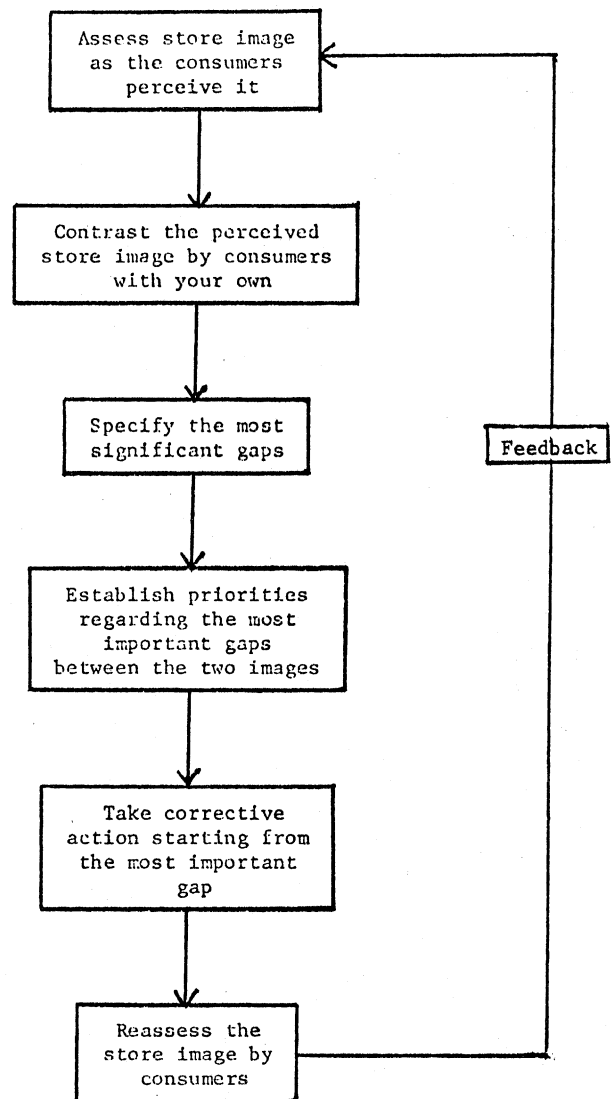
Conclusions

From the above research findings, it can be concluded that management's and the consumer's store image are not likely to be perfectly congruent. The greater this discrepancy, the more serious are the management's problems. A diagnostic tool must be utilized to measure the discrepancy. Multiattribute models are effective in depicting the problem areas, because they utilize both salience and valence of image attributes.

Since management's resources are limited, they should not be put to use on store attributes not considered important by consumers. This would result in sub-optimization of the store image decision area. The store would not be able to take advantage of market opportunities nor would it be able to establish its competitive advantage by segmenting the market efficiently. Instead, it might emphasize factors which are deemed important by management, but unimportant by the consumers, or vice versa.

Figure 2

THE UTILIZATION OF DIAGNOSIS



References

- Leon Arons, "Does TV Viewing Influence Store Image and Shopping Frequency?", *Journal of Retailing*, 37 (Fall 1961).
- Mark I. Alpert, "Identification of Determinant Attributes: A Comparison of Methods," *Journal of Marketing Research*, 8 (May 1971), 184-191.
- E.H. Bonfield and Michael T. Ryan, "The Fishbein Extended Model and Consumer Behavior," *Journal of Consumer Research*, 2 (September 1975), 119-136.
- Kenneth E. Boulding, *The Image*, (Ann Arbor: The University of Michigan Press, 1956).
- Joel B. Cohen, Martin Fishbein, and Olli T. Ahtola, "The Nature and Uses of Expectancy-Value Models in Consumer Attitude Research," *Journal of Marketing Research*, 9 (November 1972), 456-460.

- William J.E. Crissy, Devendron S. Pathak, and Robert W. Sweitzer, "Customer Image Versus the Retailer's Anticipated Image," Journal of Retailing, 50 (Winter 1974-75).
- Peter Doyle and Ian Fenwich. "How Store Image Affects Shopping Habits in Grocery Chains," Journal of Retailing, 50 (Winter 1974-75).
- Peter Doyle and Sharma Alok, "A Model for Strategic Positioning in Retailing " in Barnett A. Greenberg and Danny N. Bellenger (eds.), Proceedings, American Marketing Association, (1977), 10-14.
- Philip E. Downs and Richard G. Flood, "Dynamic Comparative Retail Image: An Empirical Investigation," Proceedings, Southern Marketing Association, (1979), 434-437.
- Don L. James, Richard M. Durand, and Robert A. Dreves, "The Use of a MultiAttribute Attitude Model in a Store Image Study," Journal of Retailing, 52 (Summer 1976), 25-32.
- John H. Kunkel and Leonard L. Berry, "A Behavioral Concept of Retail Image," Journal of Marketing, 32 (October 1968), 21-27
- Ronald B. Marks, "Operationalizing the Concept of Store Image," Journal of Retailing, 52 (Fall 1976), 37-46.
- Pierre Martineau, "The Personality of the Retail Store," Harvard Business Review, 36 (January-February 1969).
- Michael B. Mazis and Olli T. Ahtola, "A Comparison of Four Multi-Attribute Models in the Prediction of Consumer Attitudes," Journal of Consumer Research, 2 (June 1975), 38-52.
- Eleanor G. May, Department Store Image: Basic Findings, (Cambridge, Mass.: Marketing Science Institute, March, 1972).
- Peter J. McClure and John K. Ryans, "Differences Between Retailers' and Consumers' Perceptions," Journal of Marketing Research, 5 (February 1968), 35-40.
- William A. Mindak, "Fitting the Semantic Differential to the Marketing Problem," Journal of Retailing, 25 (April 1961), 28-33.
- Robert G. Wyckman, "Aggregate Department Stores Images: Special Experimental Factors," unpublished doctoral thesis, Michigan State University, 1969.