

Integrating shopping experiences across customer touch points

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Introduction

In a contemporary retailing landscape that is becoming more and more digital, there are plenty of opportunities for retailers to track shopping behaviors at various stages of the decision-making process (Rigby 2010; Brynjolfsson et al 2013). Retailers using multichannel touch points are now able to retain information about shoppers and their shopping goals, hence also have the opportunity to integrate their marketing activities across both digital and physical retail channels. Previous research on multichannel retailing has established a body of knowledge related to channel choice (Sullivan & Thomas 2004), the prevalence of research shopping across channels (Verhoef et al 2007), the monetary value of multichannel retailing (Avery et al 2010; Kushwaha and Shankar 2013), and the outlining of multichannel customers (Dohlakia et al 2010; Kushwaha and Shankar 2013). However, studies on shopping experiences related to multichannel retailing are scarce. Specifically, little is still known about the effects of retaining information of a consumer's shopping activities across multiple touch points. Understanding how consumers will react to retailer promotions across touch points that aim to build on the information that retailers have on shoppers and their shopping goal is of importance. Especially since integrating information across multiple channels can be very demanding (Zhang et al, 2010). Interestingly, previous retailing literature has called out for more research on how congruity between the shopping goal and the retail environment affects shopper perceptions and evaluations (Puccinelli et al 2009). Consequently, we argue that there is a need for more research on shoppers' experiences in multichannel retailing.

In this paper we set out to examine how retailers may use knowledge about shoppers at digital pre-purchase touch points to create relevant and integrated marketing activities in physical stores. In an experiment with more than 1 000 shoppers, we investigate the effects of integrating the retail experience across touch points on customer satisfaction and visiting intentions. We also examine these effects for different types of products (utilitarian/hedonic) and for different types of promotions (transactional/branding).

Theoretical framework

Our theoretical framework is based on a number of related marketing theories. Firstly, shopping is a purposeful activity (Puccinelli et al 2009). Shoppers embark on shopping trips to pursue shopping goals (Barsalou 1991; Lee and Ariely 2006) and these shopping goals establish the progression of the experience, the shopper's perception of the retail

environment (digital and physical), and the satisfaction with the retail experience (Puccinelli et al 2009). We argue that the understanding of shopping goal formation is highly relevant for multichannel retailers. Shoppers may reveal relevant information during various stages of their shopping activities (pre-purchase and ongoing activities) when they for instance search online for product information. Previous retail literature has also declared the growing importance of the smartphone as a significant touch point during a consumer's shopping journey (Kiseol & Hye-Young 2012; Rigby 2010), as well as an important source of information of a consumer's shopping activities in physical touch points (Rigby 2010; Brynjolfsson et al 2013). Retailers may use all this information when they promote items in the assortment to a particular consumer (Grewal et al 2011). We therefore argue that smartphones could be an important tool for generating and offer promotions more congruent with a consumer's shopping goal.

Secondly, we contend that when retailers create in-store promotions that are congruent with consumers' shopping goals that are revealed by, for instance, previous online search, it will be well perceived by shoppers. It is likely that shoppers will evaluate this particular shopping trip in a more positive light, hence perceive this retailer more strongly as a possible destination for future purchases. Thus, we argue that integrating shopping experiences across touch points based on high shopping goal congruity will lead to higher satisfaction with the retailer and stronger visiting intentions in the future.

Thirdly, we believe that shoppers will perceive higher shopping value (e.g. efficiency and exploration) when shopping goal congruity is high. This will also be an important mechanism in understanding our effects on our dependent variables. When retailers offer integrated shopping experiences that are more linked to individual shopping goals shoppers are likely to feel more uniquely targeted and the promotional offer is likely to be perceived as more personalized. Enhanced shopping value will thus explain the effects on satisfaction and intentions.

Fourthly, we believe that integrating experiences based on shopping goal congruity will have a stronger effect in some product categories than others. To this end, we contrast hedonic and utilitarian product categories that have been studied extensively in previous research (see Voss et al 2003). We argue that high (versus low) shopping goal congruity will be discriminate more strongly in utilitarian product categories than in hedonic product categories due to the fact that hedonic product categories are associated with more browsing behavior and more openness for impulse purchases (Arnold and Reynolds 2003, Kushwaha and Shankar 2013). Promotions that are not highly congruent will have relatively less value in utilitarian categories whereas they are seen as relatively more relevant and interesting in hedonic product categories.

The sales promotion literature argues that there are different kinds of promotions (Ailawadi et al 2009; Chandon et al 2000). For instance, some promotions are mainly transactional (e.g. coupons, discounts) whereas others offer some kind of branding value

for the retailer (e.g. events, customer club activities). Even though we believe that shopping goal congruity will lead to stronger evaluation of the integrated experiences, we include the sales promotion construct to cover a broader spectrum of retail activities in our study.

Method

We conducted a scenario-based experiment with three between-subject factors (congruent integration/non-congruent integration; hedonic/utilitarian product categories; transactional/branding promotions). The experimental shopping scenarios were based on a consumer's interaction with a retailer's digital and physical touch points. Grounded on previous retailing literature (e.g. Kiseol & Hye-Young 2012; Rigby 2010; Brynjolfsson et al 2013) the consumer's smartphone were used as a tool to integrate the information between these touch-points, in our experimental scenarios. Congruity was manipulated in the following way: Shoppers got a promotion on an item in the assortment that they had made online pre-purchase search for (congruent condition) or on an item that was unrelated to online pre-purchase search (non-congruent condition) through their smartphone. We used fashion as the hedonic product category and consumer electronics as the utilitarian product category (based on Kushwaha and Shankar 2013). Promotions were either transactional (10 percent discount on the item) or branding-oriented (invitation to an in-store event). The participants used in the study were 1,036 shoppers recruited from an online panel.

Results

Our results show a main effect of integration and in two-way interaction effect between integration and product category on customer satisfaction. Moreover our effects are, as expected, mediated by shopping value. The results and discussion/implications of our findings will be presented in more detail at the conference.

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