Abstract to be submitted to NRWC2014

Similarities in choice orientation when buying groceries and specialty goods

Meri Malmari
Economic geography
Turku School of economics
University of Turku
meri.malmari@utu.fi
+358 2 333 9306

Shopping orientation is an underlying interactive component controlling the tendency of behaviour. It is not a deterministic predictor of shopping behaviour, but it does tell how the consumer is likely to behave. Shopping orientation has different dimensions that are reflections of the interaction between the retail environment and a consumer, developed on the basis of long-established relations. (Laaksonen 1987.)

Choice orientation is a part of shopping orientation that refers to consumer's general tendency to choose a certain kind of place to shop. Choice orientation can be defined as consumers' tendency to select a place to shop, which is expressed by the evaluation of the importance of various retail outlet characteristic (Marjanen 1997, Boedeker 1993). Choice orientation is not directed at certain location of shopping, and as the characteristics evaluated are not tied to specific store or location, choice orientation can be seen as somewhat abstract concept as opposed to store choice criteria.

From the retailer point of view the store choice is one of the most important decisions made by the consumer. Thus understanding the choice behaviour and its underlying mechanisms is crucial for the retailer. Studies on shopping orientation have mainly concentrated on specialty retailing, although there are some studies in the context of grocery retailing as well (Kohijoki 2013). The knowledge and understanding of choice orientation can have practical value e.g. in predicting shopping centre patronage. However, if the study concentrates in choice orientation only in terms of specialty goods, while most of the shopping trips are made to buy groceries, an inconsistency can be seen. In order to properly understand the store choice orientation both groceries and specialty goods need to be taken into consideration. This study aims to investigate to what extent choice orientations are similar regardless of what is being bought.

A consumer survey data was collected in Turku area (Southwest Finland) in 2006 (n=1387) and 2011 (n=2010). The respondents were asked to evaluate the importance of a number of retail location characteristics when choosing a location to shop for groceries (23 characteristics in 2006 and 33 in 2011) and for specialty goods (24 characteristics in 2006 and 28 in 2011). Asking respondents how important certain characteristics are, does not reveal the actual store choice behaviour, instead responses represent the preference for choosing certain kind of store on attitudinal level i.e. store choice orientation.

To study if the similarities in choice orientation regardless of what is being bought; all store characteristics in the questionnaire were included in one principal component analysis for each year to form choice orientation dimensions. After dropping the criteria with weak loadings, the analysis provided components that included characteristics from only one of the two sets and components with characteristics from both. The resulting components represent the dimensions of choice orientation. Thus the results entail that some dimensions apply regardless of what is bought. Yet it would seem that there are separate dimensions that only apply when shopping for groceries and separate dimensions for shopping for specialty goods.

Shopping and choice orientations are often used to create typologies or to segment the consumers. Another approach to compare choice orientation in grocery and specialty retailing contexts is via choice orientation types. The choice types are groups of consumers that appreciate similar characteristics in stores. The types are formed on the basis of the choice orientation dimensions. First, choice orientation dimensions are created separately for grocery store choice and specialty store choice; next choice orientation types are formed based on the dimensions using cluster analysis; and finally the resulting choice types are set in cross tabulation to discover if respondents belong to similar choice orientation types regardless of what they are buying or do they belong to different types. Data from two different points of time and previous studies in the same area allows comparing also temporal changes in choice orientation.