

THE EFFECT OF SHOPPING MOTIVES AND STORE ATTRIBUTES TOWARD SHOPPING EXCITEMENT AND SATISFACTION AT MULTINATIONAL HYPERMARKETS IN INDONESIA*

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This study investigated the effects of shopping motives and store attributes toward shopping excitement and satisfaction at multinational hypermarket in Indonesian markets. Among three types of shopping motives (socialization, utilitarian and diversion), utilitarian significantly affected shopping excitement. Store attribute of facility convenience affected shopping excitement. Excitement positively affected satisfaction. The results of this study have important implications for local as well as multinational retailers and also for further research in global retailing.

The retail environment is changing more rapidly than ever before. It is characterized by intensifying competition from both local and foreign companies. Consequently, retailers today must differentiate themselves by meeting the needs of their customers better than the competition. Globalization of multinational retailers has accompanied changes in retail markets that were previously protected from global competition (Jin and Ok-Kim, 2001). The expansion of global retailers into new market as in the case of Indonesia has brought tremendous benefit to consumers in the market i.e. better prices and increased variety of products. The entering of foreign retailers to Indonesia could influence local retailers' market share.

Consumers' motives and satisfaction with shopping at hypermarkets in Indonesia may be different from those of consumers in western country markets as well as another Asian markets. Understanding consumers' shopping motives, their perceptions of hypermarkets and their buying behavior is critical to both local and global retailers for their success in retailing business. Previous study in US markets (Gentry and Burns, 1978; Finn & Louvered, 1996) found that consumers' decisions concerning where to shop are based on

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their attitude toward a store mix or shopping environment. Wakefield and Baker (1998) stated the concept of excitement as a positive emotional state during shopping. Providing this excitement to shoppers in the mall shopping experience is considered as the major solution to the decline of mall business in US (Lotz, Eastlick and Shim, 1999; Wakefield and Baker, 1998). Most of previous studies on excitement had been performed in mall settings, little research has been devoted to understanding the role of excitement at different retail settings such as hypermarket. Therefore the purpose of this study is to investigate how consumers' shopping motives and store attributes affect the shoppers' excitement. It is also attempted to study how shopping excitement affect shoppers' satisfaction.

This study hopes will contribute to the extant literature in several ways. It studied Indonesian consumers' behavior and preferences toward global hypermarket. It is also attempted to explore factors elicit shopping excitement at hypermarket, provided most previous studies on excitement have mostly dealt with shopping malls settings (e.g. Wakefield and Baker, 1998). Finally this study will benefit both local as well as global retailers to understand Indonesian markets. Theoretical and managerial implications based on the finding will be discussed.

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

Hypermarket Retailing in Indonesia

Indonesia with total population of more than 200 million is a big market for retailing business. In major cities such as Jakarta and Bandung, traffic jams and lack of parking area are a major concern for consumers as well as retailers.

Today, hypermarkets are growing fast in Indonesia. They have become Asia's new concept, self-service retail outlets so big that with as much as 50.000 square feet under a single roof. They look like warehouses on the outside. Indonesia's Investment Agency mentions 11 foreign retailers have set up operations in Indonesia since 1998, with total retail outlets increasing from 780 outlet in 1998 to around 1400 outlets in 2002. In fewer than five years, Carrefour, the French retailer, has opened 11 stores, especially in Jakarta. Giant has so far established two outlets in, while local incumbents like Alfa, Goro and Makro plan to double their present in Indonesia before 2007 (Sitathan, 2003). There is also a trend for hypermarkets with larger discounts and promises of a one-stop shopping experience, to mushroom in major cities. It is estimated that hypermarkets will control close to 38.5 percent of the retail market space by 2005. (Sitathan, 2003).

Shopping Excitement

Excitement is defined as a positive emotional state that consists of high levels of pleasure and arousal (Russel, 1980). Most previous studies on ex-

citement had been performed in mall settings and hypothesized that excitement affected by mall environment and shopping involvement (Wakefield and Baker, 1998).

Shopping Motives

There are several reasons to go shopping in a market-based economy (Tauber, 1978). Researchers have discovered that people typically shop for both hedonic, or recreational outcomes and that mood can result from consumers pursuing either type of shopping value (Babin, Darden, Griffin, 1994; Pessemer, 1980). Westbrook and Black (1980) stated three categories of shopping motives: (1) product-oriented; (2) experiential and (3) a combination of product and experiential motives. Product oriented shopping motive is related to visit of retail outlets for the purpose of product acquisition i.e. for utilitarian purpose. On the other hand experiential motives are similar to hedonic or recreational purpose (Jin & Ok-Kim, 2001). Lotz, Eastlick and Shim (1999) stated that shopping motives consists of a combination of extrinsic and intrinsic motivations. Dholakia empirically determined three motives for going shopping: (1) interaction with family; (2) utilitarian and (3) shopping as a pleasure.

Jin & Ok-Kim (2001) found that Korean consumers shopping motives affect the level of shopping excitement during shopping at discount stores. Lotz, Eastlick and Shim (1999), also found that shopping motives had a significant effect on mood (i.e. excitement). From these discussions, we formulated the hypothesis as follow:

H₁ : Indonesian consumers shopping motives will have a significant effect on the level of shopping excitement during shopping at hypermarkets.

Store Image Attributes

Store image is the most important determinant of retail patronage behavior (Erdem, Oumlil and Tuncalp, 1999). Store image is defined as the way in which the store is defined in the shoppers' mind, partly by its functional qualities and partly by an aura of psychological attributes (Martineau, 1958). The store image researchers have conceptualized image to include store attributes. (Erdem, Oumlil, and Tuncalp, 1999). Bloch, Ridgeway and Dawson, 1994; Wakefield and Baker, 1998) found that tenant variety had the strongest effect on excitement, followed by shopping involvement and physical mall environment. Based on these discussions we formulated hypothesis as follow:

H₂ : Hypermarket attributes will have a significant effect on consumers shopping excitement

Shopping Satisfaction

Previous studies reported that excitement increased consumers' satisfaction with the store (Westbrook, 1987; Babin, and Darden, 1996). Therefore, we offer the third hypothesis:

H₃ : Consumers' shopping excitement will have a significant effect on shopping satisfaction.

RESEARCH METHOD

Sample

For the purpose of this study, questionnaires distributed to a sample of 220 hypermarket shoppers. About 182 usable questionnaires were received back.

Measures

Most of measures used in this study were drawn from previous studies (Jin and Ok-Kim, 2001; Wakefield and Baker, 1998; Dawson, Bloch and Ridgeway, 1990; Lotz, Eastlick and Shim, 1999; Dickerson and Albaum, 1977; Samli, 1998). Shopping excitement (6 items, alpha coefficient=.89). Shopping motives (14 items, coefficient alpha=.83). After running factor analysis identified 3 shopping motives (Table 1). Store attributes (18 items, coefficient alpha=.80), revealed 5 labels (Table 2). Shopping satisfaction (2 items, coefficient alpha=.87). All items were measured using Likert Scale (1= Strongly Disagree to 7= strongly Agree).

RESULTS AND DISCUSSIONS

The Effect of Shopping Motives Toward Shopping Excitement

A multiple regression analysis was performed to test the hypothesis. As shown in Table 3, shopping motives had a significant effect on shopping excitement ($F=11.66, p < .001$), supporting H₁ that Indonesian consumers' shopping motives will have a significant effect on shopping excitement. Among the three types of shopping motives, utilitarian significantly and positively predicted shopping excitement ($\beta = .45, p < .001$).

TABLE 1
Factor Analysis for Shopping Motives

Factor Labels	Factor Loading
Socialization	
To visit a place that conveys the level of achievement I see for my self	0,88
To receive promotional gift	0,61
To enjoy crowd	0,52
To watch other people	0,76
To participate in a promotional event	0,55
Diversion	
To be energized	0,78
To meet and spend time together with friends	0,68
To forget about day-to-day anxiety	0,54
To escape from routine life	0,76
To have a good time	0,71
Utilitarian	
To find value for money	0,79
To take a look at the product	0,57
To find product assortments that I need	0,67

TABLE 2
Factor Analysis for Store Attributes

Factor Labels	Factor Loading
Facility convenience	
It has good parking facilities	0,77
It offers comfortable temperature	0,78
In is convenient to move from one floor to another or to a parking lot	0,71
It is a good place for shopping with children	0,74
Congestion Inconvenience	
It is too crowded with people	0,70
It takes too much time to be checked out	0,77
Package units are too bulky to purchase	0,75
It is inconvenient to move around with a cart due to narrow aisles	0,62
Neat Spacious Atmosphere	
Merchandise is spaciouly and well managed	0,63
It is pleasant to shop in	0,66
The store is neat	0,58
Price competitiveness	
The price is rather high (R)	0,70
The price is reasonable for the value	0,77
Fashion goods	
It carries a variety of fashion goods	0,54
It carries branded product	0,55

TABLE 3
Predictors of Shopping Excitement

Predictors of shopping excitement	Standardized Regression Coefficient	F Value	R ²
Shopping Motives (H₁)			0,31
Socialization	0,13	11,66***	
Diversion	0,12		
Utilitarian	0,45***		
Store attributes			
Facility convenience	0,55***	10,41***	0,39
Congestion inconvenience	-0,33		

*p<.05 **p<.01 *** p<.001

It means that Indonesian consumers who have a higher level of shopping motive of utilitarian perceive higher level of shopping excitement. This finding don't support previous research (Jin and Ok-Kim,2001) who found that diversion significantly and positively predicted Korean consumers shopping excitement. Current research found that Indonesian consumers' motives to shop at hypermarket were to find good value for money, to take a look at products being considered to purchase and to find product assortments that they need.

The Effect of Shopping Excitement on Shopping Satisfaction

Hypothesis 3, shopping excitement will have a significant effect on shopping satisfaction was supported ($r^2=..70, p<.001$). This finding confirms previous research (Jin and Ok-Kim,2001). Highly significant coefficient of shopping satisfaction indicate that shopping excitement highly affected satisfaction.

TABLE 4
The Effect of Shopping Excitement on Shopping Satisfaction

Predictor of Shopping Satisfaction	Standardized Regression Coefficient	F Value	R ²
Shopping Excitement	0,70***	14,22***	0,42

8p<.05 **p<.01 ***p<.001

CONCLUSION AND IMPLICATIONS

The results show that shopping motive of utilitarian significantly affected the level of Indonesian consumers' shopping excitement at hypermarkets. Facility convenience is the only attribute of store attributes that affected shopping excitement. Excitement was also found affected shopping satisfaction.

This study has theoretical and managerial implications. Since previous research on excitement have mainly applied to mall settings in US shopping mall, this study have applied the concept of excitement in a different cultural environment. Our study found that excitement is an important mediating variable that retailers need to understand to build competitive advantage. We hope that this study will set a benchmark for future studies on global retailing..

Based on our finding, we present the following managerial implications, shopping excitement results in shopping satisfaction. Local and global retailers should pay attention on the factors that create excitement .Facility convenience is an important attribute perceived by shoppers that is related to shopping excitement. Research results showed that value for money, product assortments, parking facilities, comfortable temperature and wide space are essential for Indonesian shoppers who shop at hypermarkets.

LIMITATIONS AND FUTURE RESEARCH

This study does not incorporate all the variables that might affect shopping excitement. It is suggested to include other variables that will have any influence on shopping excitement and to examine that influence in another retail settings across culture. Future study should reexamine the interactive relationships using a more heterogeneous study population e.g. by considering demographics, geographic and psychographics characteristics of shoppers.

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