

STORE PERSONALITY AND BEHAVIORAL INTENTIONS OF CUSTOMERS: A COMPARATIVE STUDY OF RETAIL INDUSTRY IN THE CZECH REPUBLIC AND SRI LANKA

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Abstract

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Brand personality is recognized as a key platform for developing a loyal customer base for service organizations. When it comes to the modern retail sector, self-service supermarkets are highly concerned about branding strategies for attracting customers to their stores. However, the impacts of brand personality of supermarkets can vary in different cross-cultural contexts. Hence, in this study, researchers examined this issue by selecting two samples: from Sri Lanka and from the Czech Republic, with the purpose of comparing the impact of brand personality on customer behavioral intentions in two different cultural contexts. For the first sample, 150 regular shoppers were randomly selected in Colombo (Sri Lanka), and data was collected from a researcher administrated questionnaire. The second sample was drawn from Zlin, (the Czech Republic) where data was collected from 120 customers via using a self-administrated questionnaire. Principle component analysis and multiple regressions were used for data analysis and for testing hypotheses. This paper concludes by explaining the implications for modern retailers in designing their branding strategies, and by comparing which aspects of brand personalities of supermarkets are important in two different contexts.

brand personality, behavioural intentions, supermarkets, retailing, Sri Lanka, Czech Republic

1. INTRODUCTION

There have been substantial changes in the retail sector in the past few decades, and modern retailing strategies are developed based on customer lifestyle trends. The new trends of modern retailing favour more profit and prominence for supermarkets, departmental stores and hypermarkets. Smaller grocery shops are becoming less important and less prominent in the industry. Traditional concepts of buying consumer goods simply to fulfill day-to-day customer needs have been replaced by modern concepts that shopping trips may give leisure and entertainment value to the whole family. Therefore modern retailers attempt to provide unique shopping experiences for customers and to fulfill their expectations. In such a competitive environment, modern retailers may find it difficult

to distinguish their stores on the basis of products, place, people, price or promotion. Hence, visual merchandising has become an increasingly important element for attracting customer patronage of retail stores. Visual merchandizing consists of some popular tactics such as product displays, flat screen videos or graphics, lighting systems, and attractive in-store layouts (Wanninayake and Randiwela, 2007). To create a unique environment and impressive shopping experience to the customers, in addition to visual stimulation and multi-media communication, retailers use orienting factors (Davies and ward, 2002); signage (Bitner, 1992); spatial factors, and ambient conditions (Davies and Ward, 2002); background music (Marsh, 1999), in-store fragrance (Wanninayake and Randiwela, 2007) and excellent customer services. In summary, retailers use the

above-mentioned point of sales strategies and other outside brand promotions to distinguish their stores from among competitive brands, by creating unique brand personalities.

Brand personality refers to “the set of human characteristics that consumers associate with a brand” (Aaker, 1997) and it develops how consumers feel being associated with a brand. Therefore building a brand personality is an important objective of brand management (Zentes *et al.*, 2008). Consumers are more likely to buy brands that have personalities that closely match their own self image (Schiffman and Kanuk, 2007). Further, Govers and Schoormans (2005) noted that consumers prefer brands that have a personality which fits their own personality. Similarly, consumers express themselves by selecting brands whose personalities are recognized to be consistent with their own personalities (Aaker, 1997). Therefore, brands, like people, can use the potential of personality to distinguish themselves from other brands. Researches on consumer psychology show that brand personality influence consumers’ self-expression, consumer behavior and brand loyalty. The proceeding discussion implies that a well-designed brand personality can be used for appealing to consumer choice, and subsequently can be used as a decisive factor in the marketplace.

Brand personality in the retail industry is becoming an increasingly important concept as supermarket chains develop in the global market. Leading retail companies such as Wal-Mart, Tesco and Carrefour have developed unique image and brand personalities to differentiate their retail chain from their counter parts. According to d’Astous and Levesque, (2003) the personality of retail brands can be considered as “store personality”. Store personality was discussed in marketing literature more than 40 years ago. According to Martineau (1958), store personality is “the way in which the store is defined in the shopper’s mind, partly by its functional qualities and partly by an aura of psychological attributes”. He identified that store layout and architecture, symbols and colors, advertising, and sales personnel are the main personality factors for retail stores.

The most important argument though, is whether store personality can really influence behavioral intentions of customers in real buying situations. Most current-day researchers in marketing rarely focus on store personality of supermarkets or the impacts on the behavioral intentions of customers in cross-cultural perspectives. With this in mind, this present study is aimed at exploring the impact of retail store personality on consumer behavioral intention in two countries. With the purpose of effective comparison, researchers selected Czech Republic (CZ) as the eastern European country, and Sri Lanka (SL) from southern Asia for empirical study. They were chosen due to their major differences: (1) CZ adopted an open-market economy in the 1990’s after a long Communist era,

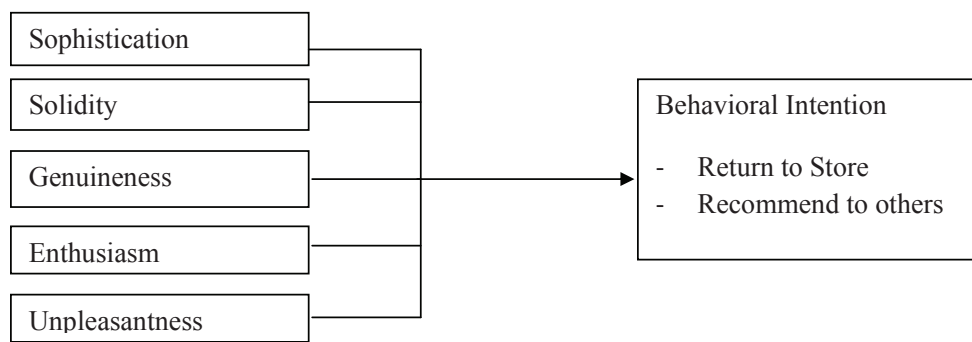
and SL adopted an open-market economic policy in the 1970’s. Modern retail concepts were therefore established in these countries in different decades; (2) the current retail industry in CZ is dominated by multinational retail companies like Tesco, Kaufland, and Billa, but this respective industry in Sri Lanka is dominated by local retail chains like Cargils, Keells and Arpico etc; (3) Western culture is prevalent in CZ while Eastern culture is prevalent in SL. Those disparities may be useful in comparing customer behavioral patterns because of their different cultural scenarios, and different time eras in which they developed their modern retail concepts.

In this article, the researchers will first discuss the background of related concepts and the main purpose of the study. Then will continue by presenting the research framework and hypotheses. The research findings and discussion will be presented in section three, followed by the conclusion in the final section.

2. The research model and hypotheses

In previous literature, several models were introduced to measure brand personalities in various product categories. Most of the models have also been employed for assessing brand personalities of retail outlets. The widely used brand personality scale was developed by Aaker (1997). She introduced five human characteristics associated with a brand and accepted these as brand personality dimensions: sincerity, excitement, competence, sophistication and ruggedness. These are broadly based on the “big five” human personality structure and Aaker mainly used 15 items to measure those dimensions. Some researchers have argued though, that the scale may be inappropriate for measuring brand personality in various cultural contexts and may add more confusion when measuring personality in real market places (Azoulay & Kapferer, 2003). Further discriminatory power of Aaker’s scale is relatively low (Bosnjak *et al.*, 2007). As an alternative model, a five-factor, twelve-item brand personality scale was developed by Geuens *et al.* (2009) which has a great affinity to the ‘Big Five’ personality model. The main dimensions of Geuens’s model are responsibility, activity, aggressiveness, simplicity and emotionality. Furthermore, an alternative model for measuring brand personality at the corporate level was developed by Davies *et al.* (2004), with seven dimensions and including 41 items. Those dimensions are agreeableness, enterprise, competence, chic ruthlessness, informality and machismo.

According to Aaker (1997), brand personality is inferred from sources such as advertising style, brand users, product category associations, brand name, symbol and logo, price policies, and distribution channels. In the case of store personality, even though some sources like advertising, symbols, and logos overlap, there are some unique factors that create the personality of a store. For instance, store personality can be determined by such unique



1: *Conceptual Framework*
Source: Author

factors as sales personnel, the internal atmosphere, parking facilities and location. Furthermore, the existing models relating to brand personality are evaluated only as positive aspects of the brands. However, in the practical scenario, customers may be concerned by negative and irritating aspects in shopping environments (d'Astous, 2000). Therefore, general brand personality models are not more appropriate for measuring store personality of supermarkets. With the aforesaid background, researchers selected a scale developed by d'Astous and Levesque (2003) to measure store personality of retail outlets. The model is composed of five dimensions, termed *sophistication*, *solidity*, *genuineness*, *enthusiasm*, and *unpleasantness*. These five dimensions are considered as independent variables of the research model (Figure 01). Behavioral intentions of shoppers are considered as dependant variables in the conceptual framework. Behavioral intentions of shoppers can be divided into two distinct aspects; shoppers' preference to repeatedly and loyally select a particular retail store (returning to the store); and recommending to others their loyal supermarket outlet (Tsai and Huang, 2002).

According to previous studies, dimensions of brand personality may directly or indirectly influence behavioral intentions of customers. According to Jamal and Goode (2001), brand personality positively influences consumer preferences towards particular brands. Further, according to how congruent brand personality is to human personality, this positively influences customer satisfaction of the targeted brand (Park and Lee, 2005). Furthermore, Ouwersloot and Tudorica (2001) noted that companies should use brand personality as a strategic tool so customers are satisfied, and also to develop loyalty toward company brands. In retail industry context, most previous researchers noted that store personality is one aspect of store image. According to Bloemer and Ruyter (1998), store image has significant positive effects on customer satisfaction and loyalty. Furthermore, they noted that store image will influence the number of items bought and the amount of money spent for the shopping trip. Moreover Baltas (1997) noted that affinity between consumer personality and

brand personality is one of the main determinants for buying private brands of the retailers. Based on proceeding discussions, it can be argued that brand personality has positive influence on the behavioral intentions of shoppers in the retail context. Therefore, researchers developed 03 hypotheses to compare SL and CZ retail conditions relating to the constructs of conceptual framework:

- H1: Retail brand personality dimensions directly influence behavioral intentions of Sri Lankan customers.
- H2: Retail brand personality dimensions directly influence behavioral intentions of Czech customers.
- H3: The impact of brand personality on behavioral intentions of Czech customers is higher than on SL customers.

3 Research method

Two samples – one each from the Czech Republic and Sri Lanka – were used for this study. A total of 150 regular shoppers were randomly selected in Sri Lanka as the first sample, and well-trained enumerators personally administered a questionnaire outside 03 supermarkets belonging to well-known Sri Lankan retail brands such as Cargils, Keels and Arpico. For the second sample, 120 shoppers were selected in the Czech Republic and data was collected by using a self administered questionnaire through e-mails. Respondents lived in Zlin, the Czech Republic, and were regular shoppers of Kaufland, Billa or Tesco. Surveys with excessive missing values were discarded, leaving 134 usable cases in Sri Lanka and 116 usable cases in the Czech Republic for final analysis. This study's survey instruments were developed based on previous studies. Five dimensions of store personality were measured by using a 20 item scale developed by d'Astous and Levesque in 2003. It consisted of four items for each of the five dimensions. As also with the conceptual model, the behavioral intentions of shoppers were measured by 02 items based on the empirical work done by Tsai and Huang (2002). All the scales were scored on a five point likert scale ranging from 1 (strongly

disagree) to 5 (strongly agree). In both samples, (SL = 52.77% and CZ = 55.35%) there were more female respondents than males. Concerning the age distribution, the majority of respondents in both samples (SL = 51.23% and CZ = 58.2%) were aged between 31 and 50 years. Furthermore, respondents in both samples were well educated. Therefore, it seems the samples reasonably represent the general population in both countries.

4. RESULTS

The IBM SPSS 19 package was employed for data analysis. The outcome of the analysis is reported in the first part of this section. Further findings and their possible consequences are discussed in detail. Initially, researchers assessed shopper's perceptions toward store personality factors in both countries by using principal components analysis (PCA) and a varimax rotation method. Personality traits of retailers in both countries were grouped into four factors based on Eigen values and dip in the scree plot. One or more Eigen values are selected as a criterion in determining the number of factors

to be extracted. The total variance of the four factor solutions for SL and CZ retail brands were 87.58 and 63.25 respectively. The minimum loading value for each dimension is 0.5. The Cronbach's Alphas were high in each case (see Table I), which indicates a high level of internal reliability.

According to the PCA analysis, items in each personality dimension of the selected model were loaded to four different factors in both countries. In the SL context, factor 1 has high coefficients for SOP3 (Elegant), SOP4 (Stylish), ENT3 (Lively), ENT4 (Dynamic), and SOL2 (Solid). This factor can therefore be labelled as creativity and excitement. Factor 2 is highly relates to variables: ENT1 (Welcoming), ENT2 (Enthusiastic), SOP2 (High class), SOP1 (Chic), and SOL3 (Reputable). This factor may be labelled as friendliness and competence. Factor 3 highly relates to all variables (Sincere, True, Honest, and Reliable) of "genuineness" in the base model, so accordingly, this factor may be labelled as genuineness.

The fourth and last factor has high coefficients for SOL1 (Hardy), UNP3 (Loud), and UNP4 (Superficial). Consequently, this factor may be

I: Factors affecting to retail brand personality

Retail Brands (% - Variance explained)	Factors	Variables included in the factor loading	Eigen value	Cronbach's Alpha
Sri Lanka 87.58%	F1 creativity and excitement	SOP3- Elegant .895 SOP4- Stylish .882 ENT3- Lively .829 ENT4- Dynamic .774 SOL2- Solid .651	9.768	0.813
	F2 friendliness and competence	ENT1- Welcoming .863 ENT2- Enthusiastic .823 SOP2- High class .741 SOP1- Chic .692 SOL3- Reputable .501	4.447	0.732
	F3 genuineness	GEN2- Sincere .908 GEN4- True .903 GEN1- Honest .851 GEN3- Reliable .849	2.007	0.703
	F4 emotional unpleasantness	SOL1- Hardy .852 UNP3- Loud .782 UNP4- Superficial .692	1.296	0.612
Czech Republic 95.06%	F1 creative and smartness	SOP3- Elegant .961 SOP1- Chic .940 ENT1- Welcoming .855 ENT3- Lively .781 ENT2- Enthusiastic .699 ENT4- Dynamic .685	10.624	0.862
	F2 Solidity and Stylishness	SOL1- Hardy .944 SOL2- Solid .798 SOL3- Reputable .677 SOP4- Stylish .549	3.782	0.788
	F3 genuineness	GEN3- Reliable .957 GEN4- True .855 GEN2- Sincere .565 GEN1- Honest .537	2.775	0.651
	F4 unpleasantness	UNP3- Loud .972 UNP1- Annoying .660	1.832	0.655

Source: Survey data 2012

labelled as emotional unpleasantness. Based on researchers' labelling of the factors, store personality of Sri Lankan supermarkets will be determined in four aspects named 1) creativity and excitement, 2) friendliness and competence, 3) genuineness and 4) emotional unpleasantness.

In the CZ context, factor 1 has high coefficients for SOP3 (Elegant), SOP1 (Chic), ENT1 (Welcoming), ENT3 (Lively), ENT2 (Enthusiastic), and ENT4 (Dynamic) so this factor can be labelled as creativity and smartness. Factor 2 highly relates to variables SOL1 (Hardy), SOL2 (Solid), SOL3 (Reputable) and SOP4 (Stylish). Thus, factor 2 can be labelled as solidity and stylishness. Factor 3 is identical to the same factor for SL's brand personality traits, which also highly relates to the variables of genuineness in the base model. The last factor consists of UNP3 (Loud) and UNP (Annoying), representing perceived uncomfortableness. Therefore, researchers deduced that the most important factors of brand personality for CZ customers' to be loyal to supermarkets are 1) creativity and smartness, 2) solidity and stylishness, 3) genuineness and 4) perceived uncomfortableness.

A series of multiple regression analysis was conducted to predict the degree to which brand personality dimensions influence behavioral intentions of customers. Four factors found from PCA analysis were entered simultaneously into the analysis. In the SL context, the overall variances explained by the four predictors of RTS (return to stores) and RTO (recommend to others) were 92.1% and 76.9% respectively (based on values R Square). Furthermore, F1, F2 and F3 positively related to both aspects of behavioral intention (Tab. II). However, F4 was negatively related to the dependent variables. Therefore H1 is supported by empirical evidence and it is concluded that brand personalities of Sri Lankan supermarkets directly influence behavioral intentions of customers. Similar to the SL context, multiple regression analyses were conducted in the CZ context while considering the four factors suggested in PCA analysis as independent variables.

The results revealed that the overall variances explained by the four predictors on RTS (return to stores) and RTO (recommend to others) were 87.1% and 76.3% respectively (based on values R Square).

II: Regression models on brand personality dimensions and buying intentions in SL

Explanatory variable	β value - RTS	β value - RTO
Constant	1.928 ^a (15.409)	2.222 ^a (11.912)
F1	.650 ^a (6.536)	1.364 ^a (8.018)
F2	1.117 ^a (19.581)	1.217 ^a (12.475)
F3	.147 ^a (5.437)	.214 ^a (4.629)
F4	-.587 ^a (-8.563)	-1.119 ^a (-9.544)
R Square	.924	.776
Adjusted R Square	.921	.769
F-statistics	390.028	111.96
Sig.	.000 ^a	.000 ^a
Number of observations	134	134

Note: Figures within parentheses are t-test results. a, denote significance at 0.01 level. Statistics indicated that all models do not have a collinearity problem and free from heteroscedasticity.

Source: Survey data 2012

III: Regression models on brand personality dimensions and buying intentions in CZ

Explanatory variable	β value - RTS	β value - RTO
Constant	4.046 ^a (9.873)	2.596 ^a (13.697)
F1	.349 ^a (5.203)	.078 ^a (2.185)
F2	.543 ^a (8.101)	.965 ^a (26.989)
F3	.553 ^a (10.376)	.605 ^a (21.272)
F4	-.678 ^a (-13.724)	-.525 ^a (-19.921)
R Square	.871	.763
Adjusted R Square	.867	.762
F-statistics	188.079	729.585
Sig.	.000 ^a	.000 ^a
Number of observations	116	116

Note: Figures within parentheses are t-test results. a, denote significance at 0.01 level. Statistics indicated that all models do not have a collinearity problem and free from heteroscedasticity.

Source: Survey data 2012

Similar to the SL situation, F1, F2 and F3 positively related to both aspects of behavioral intention (Tab. III) and F4 negatively related to it. Therefore H2 is supported by empirical results to say that brand personalities of CZ supermarkets directly influence behavioral intentions of customers. However, adjusted R Square values in the SL context relating to both aspects of behavioral intentions are higher in SL than in CZ conditions. Therefore, H3 is not statistically supported. This information implies that SL customers are highly influenced by brand personality of supermarkets than Czech customers.

5. CONCLUSION

The present study has mainly focused on investigating the impact of brand personality in supermarkets on customer behavioral intentions in SL and CZ. The empirical evidence support the two hypotheses stated and it revealed that brand personality dimensions have significant impact on customer behavioral intentions in both countries. Findings further emphasized that SL customers consider brand personality of supermarkets more than CZ customers. The results of the study offer suggestions to retailers to rethink their current strategies. In practice, modern retailers uses

attractive marketing strategies to develop their brand image, however, few understand which aspects of certain brands should be emphasized to stimulate more customer response. Retailers should therefore think of innovative ways to position their brands in both countries. Further, this study shows that the factors representing the retail brand personality of SL and CZ are significantly different, and retailers need to address those differences when developing brand strategies.

This study was characterized by several limitations that restricted the reliability to generalize findings. First, the study was restricted to the two chosen countries, and interviewed only a limited number of customers in one city of each country. Interviews were done by selected enumerators in SL and by e-mail in the CZ. It would have been increased the degree of subjectivity of findings. It would therefore be interesting to verify the models using more objective measures. Further research can therefore be designed to investigate the impact of brand personality dimensions on customer behavioral intentions in cross-cultural contexts. Furthermore, future research could also investigate impacts of brand personality by using other accepted brand personality models.

SUMMARY

The objective of this study is to examine influences of brand personality of retail supermarkets on customers' behavioral intentions in two chosen cultural aspects. The research model, hypotheses and research instruments were developed based on extensive perusal of literature. Primary data was collected from 150 regular shoppers in Colombo (Sri Lanka) and 120 regular shoppers in Zlin (the Czech Republic). Principle component analysis was employed to determine the important factors of brand personality dimensions in two countries and hypotheses were tested by using multiple regression models. Cronbach's Alpha values of each construct confirmed that good inter-rater reliability exists with the data. The results reveal that brand personality has direct impacts on customer behavioral intentions in both countries, and that the impact of brand personality dimensions in Sri Lanka is higher than in the Czech Republic. Finally, researchers provide some evidence for modern retailers in both countries for the need to develop effective branding strategies within their cultural context.

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