Deakin Research Online

This is the published version:

Debenham, Tim, Bridson, Kerrie and Vocino, Andrea 2007, The explanatory potential of congruence in the relationship between retail image, brand image and retail customer satisfaction, in ANZMAC 2007: 3Rs, reputation responsibility relevance, University of Otago, School of Business, Dept. of Marketing, Dunedin, N.Z., pp. 380-387.

Available from Deakin Research Online:

http://hdl.handle.net/10536/DRO/DU:30008116

Reproduced with the kind permission of the copyright owner.

Copyright : 2007, ANZMAC
The Explanatory Potential of Congruence in the Relationship Between Retail Image, Brand Image and Retail Customer Satisfaction

Tim Debenham, Kerrie Bridson, Andrea Vocino, Deakin University

Abstract

This paper aims to contribute to current customer satisfaction and retailing literature by conceptualising the relationship between retail image, brand image and whether a congruent relationship between the two influences customer satisfaction. Whilst most literature pertaining to customer satisfaction tends to consider the concept in terms of an independent variable, this paper seeks to explore retail image and brand image as antecedents to achieving this state and further proposing the mediating explanatory potential that a congruent relationship between the two plays. A conceptual model is developed, central constructs and subsequent research propositions are discussed.

Introduction

The retail services industry plays a significant role within the Australian economy, accounting for 40% of final household consumption expenditure (Australian Bureau of Statistics, 2007). Further, the clothing and soft goods sector within this industry has experienced significant growth over the past five years; a six percent increase per annum, from $10.6 billion to $14 billion in 2006 (Australian Bureau of Statistics, 2007). Apparel retailing is a growing, multi-dimensional sector where retailers strive to gain competitive advantage over their competitors. One way retailer’s can gain this competitive advantage is through achieving higher levels of customer satisfaction. Apparel retailers have dedicated capital and resources to managing the image they present to customers as well as the brands they stock with limited understanding of the influence the two have on one another and subsequent customer satisfaction. There has been little academic investigation examining whether a congruent relationship between the image possessed by both the retailer and its brands affects customer satisfaction; most research in the present area focuses on the sole relationship between retail image and brand image. This paper aims to explore customer satisfaction as such and two key antecedents to achieving it; retail image and brand image and the associated nature of the relationship.

Central Theoretical Constructs

Customer Satisfaction

The first central construct in our conceptual framework is Customer Satisfaction, generally defined as the “post-choice evaluative judgment of a specific purchase occasion” (Anderson et al., 1994 p.54). Greenwell et al (2002 p.131) describe customer satisfaction as the “post-choice, cognitive judgment connected with a particular purchase decision.” Another provides customer satisfaction as “the summary psychological state resulting when the emotion surrounding disconfirmed expectations is coupled with the consumer’s prior feelings about the consumption experience” (Oliver, 1981 p.27). In extending the definition of customer satisfaction to the entire process, Oliver (1981) identifies expectations, disconfirmation,
satisfaction and attitudes as the psychological process that consumers experience in judging their consumption exposure. Oliver (1981) further describes the attributes within the customer satisfaction construct, identifying need fulfilment, pleasure/displeasure, expectation versus performance interactions, consumption benefit evaluations and the comparison of actual and ideal outcomes. In a similar vein, yet more generalised, expectations, disconfirmation of expectations, performance, affect and equity were outlined by Szymanski and Henard (2001) as antecedents to satisfaction.

Wallace et al. (2004) posit that customer satisfaction results when a comparison occurs between the initial standard and perceived variance from that standard. When the comparison is favourable and expectations are met or exceeded, positive disconfirmation occurs (Wallace et al., 2004; Oliver, 1981; Anderson and Sullivan, 1993). Oliver (1980) describes the process by which customer satisfaction occurs; formulation of expectations, realization of actual performance and the corresponding actual versus perceived performance judgments, the confirm or disconfirming of expectations and finally the occurrence of satisfaction as influenced by expectations and the perceived level of disconfirmation. It becomes apparent that customer satisfaction is an emotional construct, guiding to the realisation that the definitions provided by Oliver (1980), Oliver (1981) and Wallace et al (2004) best represent the theme. It is proposed that customer satisfaction is affected by both retailer image and brand image. Further, a congruent relationship between the two will have a mediating effect over customer satisfaction, in addition to enhancing it.

Retail Image

Retailers continue to operate in an increasingly competitive environment, striving to achieve greater profits. In endeavouring to do this, retail managers are aware that retail image perceptions play a critical role (Zimmer and Golden, 1988). Retail image is the second central construct considered and is defined as “the total conceptualised or expected reinforcement that a person associates with shopping at a particular store” (Berry, 1969 p.4). Lindquist (1974 p.31), defines retail image as “complex by nature and consisting of a combination of tangible or functional factors and intangible or psychological factors that a consumer perceives to be present.” Store image is perceived differently by each individual shopper, depending on the aura of psychological attributes and the functional qualities attributed to the store (Mazursky and Jacoby, 1986).

Retail image consists of several key variables; most literature in the area devising similar conceptual and operational dimensions that derive from a wide range of sources. Porter and Claycomb (1997) postulate these constructs to be fashion selection, quality of merchandise, customer service, sales personnel and store atmosphere. Lindquist (1974) presents nine attributes that encompass the views of the majority of studies and are the most relevant to the present study; merchandise, service, clientele, physical facilities, convenience, promotion, store atmosphere, institutional features and post-transactional satisfaction; of which five will be later operationalised in the study. It is presented that a store’s perceived image is influenced by the quality and image of the brand’s it carries (Grewel et al, 1998).

Brand Image

The final construct of interest is that of brand image, widely recognised as a crucial component for firms competing in highly competitive markets (Simms and Trott, 2006). Studies have proven that brand image, not unlike retail image, provides extensive amounts of
information to consumers’ regarding quality, value, personality (Esch et a., 2006) and consumer related benefits (Keller, 1993; Simms and Trott 2006; Aaker, 1991). Definitions pertaining to brand image range from very broad to more specific in nature (Padgett and Allen, 1997). Kotler (1988 p.197) defines brand image as “the set of beliefs held about a particular brand.” Alternatively, Peter and Olsen (1994) take the definition one step further, providing that “brand image consists of consumer knowledge and beliefs stored in memory as associations, about brand attributes and the consequences of brand use.” These associations are then organised into some orderly and meaningful manner by the consumer (Aaker, 1991).

Many studies have attempted to identify the aforementioned brand attributes that have been referred to. Aaker (1991) proposes a comprehensive categorisation of brand associations, consisting of eleven categories; product attributes, intangibles, customer benefits, relative price, use/application, user/customer, celebrity/person, life-style/personality, product class, competitors and country/geography. Keller (1993) further postulates that these brand associations include product related or non-product related attributes; functional, experimental or symbolic benefits; and overall brand attitudes. Further, these associations vary in strength according to level of use and uniqueness and must be adapted to suit the specific nature of the study (Low and Lamb, 2000). Brands can provide a powerful brand identity to manufacturer’s, which has been found to lead to a major competitive advantage in encouraging repeat purchases (Porter and Claycomb, 1997), leading to customer satisfaction. The theory provided by Keller (1993) relating to the assertion that there are both product and non-product related aspects of brand image will provide the primary basis of the construct for this study.

Relationship among Constructs

Previous studies have shown brand image and retail image to have a direct affect on each other. This relationship has proven to have both positive and negative affects, depending on the designated set of circumstances. Most circumstances pertain to image attribute factors such as general brand combinations within a retail store (Jacoby and Mazursky, 1984; Pettijohn et al, 1992; Grewal et a., 1998; Porter and Claycomb, 1997; Lee, 2004) or the addition of private label brands to the store brand mix (Collins-Dodd and Lindley, 2003; Vahie and Paswan, 2006). These studies have aimed to investigate the nature of the relationship between these two constructs and to ascertain the level of congruity. Keller (1993) proposes that the extent to which one variable shares content and meaning with another variable is known as congruence.

Congruence is a construct that represents a joint association between two measures. Additionally, it can also act in a mediating role over a dependant variable (Bellenger et al, 1976; Burke, 2004; Wotrub and Breeden, 1973). It is proposed that there is a two-way relationship between retail image and brand image, which often displays congruency. This association has implications for retailers and manufacturer’s alike, each party must be careful choosing who to associate with, as a incongruent relationship has been shown to have detrimental effects on their own image (Pettijohn et al, 1992; Porter and Claycomb, 1997; Jacoby and Mazursky, 1984; Vahie and Paswan, 2006).

However, the research identified fails to take the findings a step further; the question relating to whether this relationship has an influence on any other outcomes, whether firm or consumer orientated, has not been conceptualised nor answered. This question guides the current research to conceptualise the extent to which the aforementioned relationship plays as...
an antecedent to customer satisfaction in the context of apparel retailing. This fact, along with
the assertion that customer satisfaction has failed to be investigated in terms of an outcome or
dependent variable leads to a conceptual model (Figure 1) and subsequent research
propositions:

**Figure 1: Conceptual Framework**

- **Proposition 1:** The image possessed by the retailer has a positive influence on
customer satisfaction.
- **Proposition 2:** The image possessed by the brands has a positive influence on
customer satisfaction.
- **Proposition 3:** The image possessed by the retailer has a congruent relationship
with brand image.
- **Proposition 4:** The image possessed by the brands has a congruent relationship
with the retailer.
- **Proposition 5:** A positive congruency in the relationship between retail image
and brand image has a positive influence on customer satisfaction.

**Future Research Method**

The next stage of the research entails a quantitative research technique. This is viewed as the
preferred method for investigating these propositions. Due to its directness and cost
effectiveness, a researcher-administered questionnaire will be used as a means of gathering
data (Goyder, 1985). Furthermore participants will be recruited via an in-store intercept, a
method proven to provide lower refusal rates, accurate responses and access to a more
relevant sample (Bush and Hair, 1985).

The unit of analysis for this study will be the customers’ of a specific apparel retailer. A
sample of 200 consumers, aged between 18 and 35 will be selected to participate in the study,
the age bracket enforced to enhance chances of brand recognition within the questionnaire.
The sample will consist of both male and female customers from the apparel retailer.
The data will be collected over a two-week period in July 2007, at two of Melbourne’s
foremost apparel shopping locations. The structured questionnaire will be issued, consisting
of questions pertaining to the four aforementioned constructs; customer satisfaction, retail
image, brand image and the relationship between retail image and brand image. These
constructs are measured on seven-point likert scales, which have been proven to provide high
validity as a measurement tool (Barnard and Ehrenberg, 1990; Pettijohn et al., 1992; Driesener and Romaniuk, 2006).

**Construct Operationalisation**

As identified by Oliver (1980), Oliver (1981) and successfully operationalised by Wallace et al. (2004), customer satisfaction measurements are all emotional in content, relating to the themes of outright satisfaction, feelings, regret and happiness. Secondly, retail image questions cover five core measurement dimensions; merchandise, price, service store atmosphere and convenience (Berry, 1969; Lindquist, 1974; Zimmer and Golden, 1988; McGoldrick and Ho, 1992; Porter and Claycomb, 1997). Third, brand image measures will encompass four brands (high and low image, as ascertained from pre-testing) over one product type (jeans).

Each participant however, will be asked to rate only one brand. Both product and non-product attributes will be measured (Cretu and Brodie, 2005; Driesener and Romaniuk, 2006; Keller, 1993; Low and Lamb, 2000; Romaniuk and Sharp, 2003; Romaniuk and Sharp, 2000). Finally, the relationship between retail image and brand image measures will be adapted from Lee (2004) and Sirgy et al (1997). These relate to the overall perceived retailer and brand fit with each other. All the above scales have been tested and show high alpha coefficients suggesting reliability and validity tests have been met.

A quota control will be implemented in order to ensure an equal amount of males and females completed questionnaires pertaining to the same brands. After all data had been collected, it will be entered into the SPSS computer program for analysis. To further ensure reliability and validity of the measures that have been operationalised, exploratory and confirmatory factor analysis will be carried out. Structural equation modelling will be employed as a means in testing the statistical significance of the collected data.

**Conclusion and Contributions**

This paper has asserted that a positive congruency in the relationship between retail image and brand image will further have a positive influence on customer satisfaction. This paper differs from most in the area by considering customer satisfaction as an outcome, rather than an antecedent to achieving one. In an increasingly competitive retailing environment, customer satisfaction is crucial in achieving and maintaining a competitive advantage over competitors. It is proposed that retail image and brand image share a unique relationship, however the extent of which relies on specific circumstances. The research results will assist retailers in tailoring their positioning strategies to maximise potential customer satisfaction, leading to subsequent enhanced loyalty and sales performance. Additionally, the study will provide a framework enabling retail organisations to select the most relevant and ‘like’ suppliers that will best appeal to their core target demographic.
References


