

# [The concept of atmosphere in retail store marketing essay](https://assignbuster.com/the-concept-of-atmosphere-in-retail-store-marketing-essay/)

The importance of atmosphere in retail context has for long been recognized both among practitioners and researchers. This paper provides a systematic overview of the concept of atmosphere, dimensions of atmospheric and relavant studies on atmospheric in retail context. The aim of this paper is to review the pertinent literature stream on the effects of atmosphere on buyer behavior. We review the empirical studies in this area that focuses on the various studies about atmospheric stimuli and consumer responses. This article concludes by identifying gaps in the literature and suggesting future topics for atmospheric related research.

Key words: atmospherics, dimensions of atmospherics, shopping behavior, S-O-R model

## Introduction

The concept of atmosphere is ambiguous and in the same time is a commonly used term both in everyday life and in the business context. In spite of several efforts to define this concept, the meaning of the term still remains vague, nonetheless, atmosphere remains important and it really counts.

In the context of retail store, “ atmospherics” refers to aesthetics and ambiance of the store. The atmospheric cues such as color, music, lighting, smell, crowding, windows display and storefont reflect the store atmosphere and play an important role in shoppers’ perception and evaluation of the store at large. Ideally, retail stores should be perceived to be pleasant and moderately arousing. Stores with pleasant and moderately arousing atmospheres are likely to contribute to the overall favorableness of the store and effect buyer behavior in a positive way. (Chebat and Sirgy, 2010)

In the marketing literature stream many articles examine atmospheric effect on shopping behavior (Kotler, 1973; Areni & Kim, 1994; Herrington & Capella 1996; Turley & Milliman, 2000). Today many retail marketers view the store environments as increasingly important to satisfying their customers by providing a positive total shopping experience and use as a communication tool to position the store in the consumers’ mind (Levy & Weitz, 2001). On a competitive market, marketing researchers realise that if consumers are influenced by physical stimuli experienced at the point of purchase, then the practice of creating influental atmospheres should be an important marketing strategy for most exchange environments (Turley & Milliman, 2000). Atmospheric planning can make the difference between a business success or failure (Bitner 1990). Physical shopping environments designed by retail stores influence all aspects of the retailing business, includes aspects such as the customer’s decisions on where to go for shopping, consumer’s perceptions of store image, quality of merchandise and service, buyers behaviors of the amount of time and money spent at the store, nontheless, consumer’s satisfaction with the retail store (Kotler, 1973; Bellizzi, Crowley, & Hasty, 1983; Eroglu & Machleit, 1990).

The terms atmospherics, shelf space studies, retail environments, servicescapes and environmental psychology all have been use in the literautre stream, over the last 40 years of exploration and conceptual development in the literature marketing. (Turley and Milliman, 2000)

## The concept of atmosphere in retail store

In order to apprecitate the importance of atmosphere in the context of retail store, an adequate definition of the term is required. Over the years, numerous articles have been written on atmosphere, Kotler (1973-1974) is often credited as identifying it as an important area for marketers to study. Various research streams have explored and evaluated the aspects of atmosphere including terminology. Kotler (1973-1974) coined the term atmospherics, but before settling on ‘ atmospherics’ for example, uses terms such as ‘ spatial aesthetics’; Bitner (1992) uses ‘ the built environment’ and ‘ servicescapes’; whilst Hutton & Richardson (1995) combine atmospherics and servicescapes to form healthscapes. Similarly, Booms and Bitner (1981) developed the concept of servicescape for the services sector, correspondingly, Dailey (1999) introduced a conceptual model of web atmospherics. Vrechopoulos et al. (2000) and Vrechopoulos and Siomkos (2002) introduced the concept of virtual store atmosphere as a factor influencing consumer behaviour, identifying also its major determinants. Along these lines, Eroglu et al. (2001) emphasize that, as in conventional retailing, virtual store atmosphere within the electronic store should be carefully designed to affect and support consumers’ buying process, all of which come under a branch of psychology known as ‘ environmental psychology’ (Countryman & Jang 2006).

Since Kotler (1973-1974) was the first to use and define the term “ atmospherics” as “ the conscious designing of space to create certain effects in buyers. More specifically, atmospherics is the effort to design buying environments to produce specific emotional effects in the buyer that enhance his purchase probability” (p. 50). Other scholars developed and deepened the concept of atmosphere even if the first author to describe the relevance of atmosphere inside a department store was a novelist (Zola, 1883). Kotler (1973-1974) also highlighted the importance of combinations of retail environmental characteristics (store atmospherics) in stimulating a consumer’s desire to purchase.

A number of researchers have addressed the issue of atmospheric effects upon attitudes and behaviour. For example Markin et al. (1976) were through the earliest researchers to focus upon the social psychology of store environment. They observed that: “ the proximate environment that surrounds the retail shopper is never neutral. The retail store is a bundle of cues, messages and suggestions which communicate to shoppers. Retail store designers, planners and merchandisers shape space but that space in turn affects and shapes customer behaviour. The retail store is not an exact parallel to a Skinner box but it does crete mood, activate intentions and generally affect customer reactions” (p. 460, cited in McGoldrick 2002). Greenland and McGoldrick (1994) defined store atmosphere as: ” the tailoring of the designed environment to enhance the likelihood of desired effects or outcomes”. Foxall (1997), defined store atmospherics as: “. . . the means by which a consumption environment engenders emotional reactions in customers, encouraging them to stay in the setting, browse evaluate and purchase; or, discouraging any of these activities. Atmospherics are facets of environmental design which influence consumer behavior by creating attention, by communicating a store image and level of service to potential buyers, and by stimulating affective responses (p. 506).

Berman and Evens (2004) noted that: “ a retailer’s image depends heavily on its „ atmosphere” the psychological feeling a customer gets when visiting that retailer. It is personality of a store, catalog, vending machine, or Web site” (p. 508). Also, the authors made a differention between what means atmospherics for a store – based retailer, refers to the store’s physical characteristics that plan an image and attrect customers and for a nonstore based retailer atmosphere refers to the physical characteristics of catalogue, vending machine, Web sites and so forth. Acording to Cox and Brittain (2000) store atmosphere is the major component of store image and can be defined as: “ the dominant sensory effect created by the store’s design, physical characteristics, and merchandise activities” (p. 203).

Bitner (1992) suggested the servicescape’s concept is the “ built environment” or, more specifically, the “ man-made, physical surroundings as opposed to the natural or social environment” (p. 65). So even if our purpose is not a comparios between the concept of servicescape and atmosphere it si verty interesting how can be view atmospheric through the concept of servicescapes. While servicescape is the physical environment in which services are delivered, atmosphere can be viewed as the result of interaction between people (i. e. service providers and customers) and the physical environment (i. e. the servicescape). (Heide & GrØnhaug, (2006).

We believe even if in the literature stream are numerous studies on “ atmospheric”, about the concept of atmospheric the papars are in some way limited. We believe the atmospheric is the main component of store image, is the personality of a store, is what a retailer choose to made for attract and maintain costumers when they visiting that retailer. Definitely, nowadays, retail store atmospherics is a competitive advantaje in the market share and deserved more attention for research and practitione

## Dimensions of store atmospheric or atmospheric variables

The store atmosphere, becoming a largely adopted retailing strategy and is also a subject matter that gained a growing interest among researchers and practitioners. Several researchers focused on identifying the environment’s components and particularly their influence on customer behaviour (Kotler, 1973-1974; Baker, 1986; Berman and Evans, 1995; Bitner, 1992; Turpley and Milliman, 2000).

Studies addressing the impact of store atmospherics give support to their significant effect on the customers’ emotional, cognitive and behavioural responses. Turley & Milliman (2000), noted that even if Kotler (1973-1974) coined the term â€šatmospheric ” other researchers used and manipulated elements of atmosphere 10 years earlier, although there are even earlier references (Cox, 1964, 1970; Smith and Curnow, 1966; Kotzan and Evanson, 1969; Frank and Massey, 1970, Curhan 1972). Campbell-Smith (1967), for example, in their seminal work, identified several factors, which could be influential in “ the room” refered to the elements of the surrounding environment in which the consumption of food and beverages takes place.

Atmospheric variables influence consumer behaviour by creating attention, by communicating an image and level of service to actual or potential visitors, and by stimulating affective responses (Kotler, 1973; Kotler and Scheff, 1997). Sarel (1986) suggested that consumers interact with atmospheric cues during all phases of their visit and that these cues can determine substantially the impression consumers form about an environment (Mazursky and Jacoby, 1986).

A store’s environment is comprised of a vast array of separate elements (e. g. music, color, illumination, aroma windows display,) which are highly interrelated and work together synergistically to affect consumers (Babin et al., 2003; Mattila and Wirtz, 2001; Mehrabian and Russell 1974). In other words, the elements of a store’s environment are viewed holistically by consumers, not as individual elements (Babin et al., 2004; Bitner, 1992; Warren and Burns, 2002).

Thus, atmospherics can be considered as an emotionally oriented design of space which can affect the customers as well as the employees. Therefore, the critical dimensions of the store atmospherics range from tactile, sensory, gustatory, olfactory, and visual to social factors. Kotler (1973-1974), in identifying what is understood by atmosphere of a particular environment, could be describe in terms of the sensory channels through which the atmosphere is apprehended. The sensory reaction that atmosphere produce and this is perceived by an individual in the retail context can be considered in terms of sight, touch, smell and sound. Kotler (1973-1974) argues that management should bring the resources of three art forms – architecture, interior design, and window dressing – to bear on the design of built environments. Further, he argues that it is buyers’ perceptions of the space that is critical, and since buyers understand environments through their senses, sensory information about the atmosphere must be considered, such as color, brightness, size, and shape of the visual stimuli, and the volume and pitch of the auditory stimuli.

Table 1 summarizes the different classifications of store’s atmospherics dimensions suggested in the literature.

Acording to Kotler (1973-1974) the four dimensions of atmosphere are therefore:

Visual (sight) dimensions – colour, brightness, size and shape;

Aural (sound) dimensions – volume, pitch, tempo;

Olfactory (smell) dimensions – scent and freshness;

Tactile (touch) dimensions – softness, smoothness and temperature.

Baker (1994) introduce an extensive framework about atmospheric dimensions refering to the influence of store environment on quality inferences and store image. Atmospheric dimensions puropose by Baker (1994) are:

Ambient factors – music, lighting, smell;

Design factors – floor covering, wall covering, dissplay/fixtures, color, clealiness, dressing room, aisles, layout, signs;

Social factors – salespeople.

Bitner (1992) in his seminal work proposed a framework for understanding environment-user relationships in service organizations this framework is a complex one and environmental dimensions are:

Ambient conditions – tempetature, air quality, noise, music, odor;

Space/Function – layout, equipament, furnishings

Signs, Symbols & Artifracts – signage, personal artifacts, style of decor

## Tabel 1. Classifications of store’s atmospherics dimensions

## Authors

## Year

## Atmospheric dimensions

## Specifications

Kotler

1973-1974

Four dimensions:

visual;

aural;

tactile;

olfactory

This is the most early typology about dimensions of atmosphere and does not include the crowd and the employee dimensions

Baker

(1986; 1994)

Three dimensions:

ambient;

design;

social

This typology takes into account the social dimension, but does not include the facility exterior-exterior design of the retail store

Bitner

(1992)

Three dimensions:

ambient conditions;

spatial layout and functionality;

signs, symbols, and artefact

This conceptual framework is the most complete one. Nevertheless, research on the employee side is rare

Berman and Evans

1995

Four dimensions:

exterior;

genral interior;

store layout;

interior displays

This framework does not include human component and the ambient factors dimension is considered among

D’Astous

2000

Three dimensions:

irritant ambient factors;

irritant design factors;

irritant social factors

This framework is inspired by Baker’s (1986) typology

Turley and

Milliman

2000

Five dimensions:

general exterior;

general interior;

layout and design;

point of purchase and decoration;

human variables

This framework is built on Berman and Evans’s (1995) typology. It includes the human variables. And we believe is the most complete one.

(Source: tabel produced by authors based on information from: Kotler (1973-1974), Baker (1986), Bitner (1992), Berman and Evans (1995), D’Astous (2000), Turley and Milliman (2000))

Berman and Evans (1995) identified four key elements which defined store atmosphere (atmospherics):

Exterior – storefont which includemarquee, entrances, windows, lighting, and construction materials;

Genral interior – flooring, bright, color, scents, sounds, store fixtures, wall textures, dressing facilities;

Store layout – allocation of floor space (selling space, merchandise space, personnel space, customer space), classification of store origins, determination of a traffic-flow pattern, mapping out in-store locations, arrangement of individual products;

Interior (Point-Of-Purchase) Displays – the princpial type of displays are: assortment display, theme-setting display, ensemble display, rack siplay, a cute case.

D’Astous (2000) study the impact of the environment on shopper behavior generally, focuses on the design of retail environments, the framework proposed was inspired from Baker’s (1986) tipology. The three components of physical environment are:

Ambient factors which means background conditions that exist below the level of our immediate awareness – air quality, temperature, humidity, circulation/ventilation, noise (level, pitch), scent, cleanliness

Design factors, stimuli that exist at the forefront of our awareness: aesthetic, architecture, color, scale, materials, texture, pattern, accessories

Social factors people in the environment – other customers, number, appearance, behavior, service personnel, number, appearance, behavior

Turley & Milliman (2000), in a review of the experimental evidence on shopping behaviour, developed and added to work by Berman & Evans (1995), established five broad categories of atmosphere variables, including: External variables, General interior variables, Layout and design variables, Point of purchase and decoration variables, Human variables.

Tabel 2 provides a listing of the variables that comprise each of these five categories. Within this broad categories, 57 specific atmospheric cues were identified. There has also been a trend in the literature to attempt to precisely categorise individual cues in order to manipulate them and understand their effects (Chebat and Dube, 2000), and this end much of this extand literature has been conducted using experimental design.

The above classification of atmospheric cues presented by Berman and Evans (1995) and revides by Turley and Milliman (2000), try to offer and create some logical and organised structure to the study of atmospherics variables through to influence consumer behavior.

Turley and Milliman (2000) note that in their seminal work it is also an attempt to impose some mangerial organisation on atmospheric stimuli. This atmospheric elements allows managers to communicate a desired image or physical environment to a particular shopper segment or target market and induce a desired result from shoppers. This atmospheric variables can be conceptualized as stimuli leading to some cognitive affect within the individual which, in turn, leads to some behavioral respone.

We beileve the most representative framework in retail context proposed in the literature review is Turley and Milliman (2000) framework, becuase is the most complex classification of atmospheric variables and in the same time is the only framework which include human variables, refering to the exployees, crowding, customer characteristics and pryvacy compared with the social dimensions proposed by Bitner (1986) and D’Astous (2000) refering especially only at the salespeople.

## Tabel 2. Atmospheric variables

## External

## variables

## General interior variables

## Layout and design variables

## Point-of-purchase and decoration variablrs

## Human variables

Exterior signs

Flooring and carpeting

Space design and allocation

Point-of-purchase displays

Employee characteristics

Entrances

Color schemes

Placement of merchandise

Signs and cards

Employee uniforms

Exterior display windows

Lighting

Grouping of merchandise

Wall decorations

Crowding

Height of building

Music

Work station placement

Degrees and certificates

Customer characteristics

Size of building

P. A. usage

Placement of equipment

Pictures

Privacy

Color of building

Scents

Placement of cash registers

Artwork

Surrounding stores

Tobacco smoke

Waiting areas

Product displays

Lawns and gardens

Width of aisles

Waiting rooms

Usage instructions

Addressal and location

Wall composition

Department locations

Price displays

Architectural style

Paint and wall paper

Traffic flow

Teletext

Surrounding area

Ceiling composition

Racks and cases

Parking availability

Merchandise

Waiting ques

Congestion and traffic

Temperature

Furniture

Exterior walls

Cleanliness

Dead areas

(Source: tabel produced by authors based on information from Turley and Milliman (2000))

## ATMOSPHERIC STIMULI ORGANISM RESPONSE

Independent Variables Intermediating Variables Dependent Variables

Exterior

Store front

Marquee

Entrances

Display Windows

Building Architecture

Parking

Surrounding Area

## Employees

## Mood

## Effort

## Commitment

## Attitude

## Knowledge

## Skill

## Employees

## Career Objectives

## Training

## Personal Situation

## Social Class

## Stage of HLC

## General interior

## Flooring/Carpeting

## Lighting

## Scent

## Sounds temperature

## Cleanness

## Fixtures

## Wall Coverings

## Cash Register Placement

## Store Layout

## Flore Space Allocation

## Product Groupings

## Traffic Flow

## Department Locations

## Allocations within Departments

## Interior Displays

## Product Displays

## Racks and Cases

## Posters

## Signs

## Cards

## Wall Decorations

## Customers

## Enjoyment

## Time in store

## Items Examined

## Information Acquired

## Purchases

## Satisfaction

## Customers

## Lifestyle

## Shopping Orientation

## Stage of HLC

## Situation

## Human Variables

## Crowding

## Customer Characteristics

## Employee Characteristics

## Employee Uniforms

## Figure 1. The influence of retail atmospherics: S-O-R Model

(Source: adopted from Turley and Milliman (2000))

We have placed these stimuli into five basic categories as shown in Figure 1. This image is adopted to Turley and Milliman (2000) work which was a little modified version of the original ilustration used by Bitner (1992) and is use here to show the way store atmosphere affect consumer behavior.

Several factors from this figure are condiserably, as we can see, the physical environment interect with the caracteristics of individuals to determinate their response. Therefore, an atmosphere that produces a certain response in one individuals or group of people at a given point of time may produce an absolutely different response in another individual or group. An example in this way can be considered this, for young shoppers an atmosphere that produces a positive response, may produce a negativ respone for older shoppers. In the same time, the store’s atmosphere influences both the customers and the store’s employees, who, in turn, through their interactions, influence each other. As we can see in follow figure there are several possible responses exhibited by the customers that can work collectively or severally.

## Theoretical framework (S-O-R paradigm)

The effect of atmospherics, or physical design and decoration elements, on consumers and employees is recognized by managers and mentioned in retailing, and organizational behavior texts. A wide-renge literature on effects of store atmospherics on buyer behavior exists, dating back to the late 1960s (Smith and Curnow, 1966; Kotler, 1973-1974, Mehrabian and Russell 1974, Donovan and Rossiter, 1982). The dominant framework in numerous studies on the effects of store atmospherics on shopping behavior have employed the stimulus- organism-response (S-O-R) model developed in the field of environmental psychology (Mehrabian and Russell, 1974) and introduced to marketing by Donovan and Rossiter (1982) for store atmospheric studies, to explain and predict the effects of atmospheric variables on consumer’s emotional states and their behavior. Spangenberg Crowley, and Henderson (1996) noted that draws from the stimulus-organism- response (S-O-R) paradigm, which, or in our context the atmosphere (environment) is a stimulus (S) containing cues that causes a consumer’s evaluations (O), which in tum create some behaviour (approach/avoidance) responses (R) (Mehrabian and Russell 1974; Russell and Pratt 1980; Donovan and Rossiter, 1982). Atmospheric stimuli cause specific cognitive and affective reactions, and these reactions modify shopping behavior (Bitner, 1992; Wakefield and Baker, 1998). Many studies (e. g. Sherman and Smith, 1986; Dawson et al., 1990; Baker et al., 1992; Tai and Fung, 1997; Sherman et al., 1997) use the Mehrabian and Russell (1974) famework, they demonstrated that the information rate of stimuli influences emotional responses of organism (PAD – pleasantness, arousal, dominance), which determines the response as approach-avoidance behaviors to avert the stimuli. Further research has found that pleasure and arousal sufficiently explain most of the affect and behavior responses and research attention has been attractes on these variables (Russell, 1978; Russell and Pratt, 1980). Considerable evidence has been accumulated with increasing interests in the effects of store atmospherics on shopping behaviors, in support of a pleasure and arousal hypothesis as the major mediating mechanism (Kalcheva and Weitz, 2006; Eroglu and Machliet 1990, 2008; Turley and Milliman, 2000).

The envrironemntal psychology literature suggest that consumers respond to an atmosphere with two general, contrasting forms of behavior: approach and avoidance (Mehrabian and Russell 1974). If approach behaviors include positive responese behaviors such as, a desire to remain in a store and explore it, then avoidance behaviors reflect contrasting responses or leave a store or not to spend time in a store and browsing it. A major criticism against Mehrabian and Russell’s (1974) framework is that it mainly focuses on the emotional states that are created by the environment and may thus underestimate important cognitive reactions. Kotler (1973-1974) discusses the relationship between atmospherics and purchase probability. Bitner (1992) has formulated a general model for understanding the impact of the physical environment on individual behavior. Nevertheless, the scope of Bitner’s model goes beyond the consumer in the sense that it also focuses on the impact on employees.

Marketing research grounded in environmental psychology has successfully linked environmental stimuli (S) with evaluative responses (O) and approach/avoidance behaviors (R). (Spangenberg, Crowley, Henderson, 1996) For example, since the work of Donovan and Rossiter (1982), researchers have largely explored how separate and distinct atmospheric variables effects shopping behavior, other studies have used the framework to study the effects of specific atmospheric stimuli such as music (Milliman, 1982; Morin et al., 2007; Yalch & Spangenberg, 2000), colors ( Bellizzi, Crowley, and Hasty 1983; Crowley 1993; Bellizzi and Hite, 1992; Babin et al., 2003; Brengman & Geuens, 2003), lighting (Areni and Kim, 1994; Babin et al., 2003) and odors/scent (Hirsch, 1995; Michon et al., 2005; Spangenberg et al., 1996; Chebat & Michon, 2003) and crowding (Eroglu and Machleit 1990; Harrell, Hutt, and Anderson 1980; Machleit et al., 2000) and noted their influence on satisfaction and store image, and an ample consumer behavioral respones such as time spent in a retail store environments, sales, impulsive buying and so on. A small number of studies have also started to examine the interaction between these variables, such as Baker et al. (2002) who explored the interaction between store design, employees and music on perceptions of a retail store.

## A review of the studies of atmospheric effects on shopping bahavior

Over forty years of academic research clearly demonstrate the nature of the influence the retail environment can have on consumer behavior and their perception. The purpose of this article is to made a briefly review on the studies of atmospheric effects on buyer bahavior, which have been published in the marketing literature stream. Retail executives and retail organizations foud the ability to change in-store behavior through the creation of an atmosphere (Turley and Chebat, 2002).

In their semilal work Turley and Milliman (2000) found a consistent literature, in a review of some 60 experiments that manipulated portions of a store’s complex atmosphere, the authors found that each of these studies uncovered some statistically significant relationship between atmospherics and shopping behavior. In the same time this review highlights a range of shopping behaviors that retailers can influence, and the diversity of retail formats in which these studies have taken place.

In the next section we continued with significat study on retail store environment to observe the gap of some relevant study in this domanin for future research. We will review the use of research designs, independent variables, dependent variables that have been used to study the impact of marketing environent, and in the same time our purpose is to observe the gaps literature, those variables which didn’t received enought attention form researcher as suggestions for future research. In the same time another important observation refering at our first purpose is to examine studies on the impact of atmospheric variables on consumer behavior, so, some interesting research area such as atmospheric as a compoent of retail store and situational variables were not included in this papers.

## Studies on atmospheric stimuli (independent variables)

In our review of studies, we used the framework proposed by Thrley and Milliman (2000) for examining the atmospheric stimuli used by authors in their experimental studies. We review studies on external varibles, general interior variables, layout and design variables point-of-purchase and decoration variablrs and human variables and some studies which examinate interaction between this atmospheric variables and their effects on shopping behavior.

## External Variables

Accumulated literature has demonstrated that store atmospherics substantially change consumers’shopping behaviors through conscious and subconscious perceptions. As indicated by Turley and Milliman (2000) and Eroglu and Machliet(2008), prior research focuses more on interior store variables, such as music, scent, decor, layout, design, and signage that affect the five senses, rather than exterior variables that form quick perceptual impressions. Even though the external variables are the first set of cues in consumers view, according to existing reviews of store atmospherics, studies on the exterior of the store are the worst represented atmospheric elements in marketing literature The dimensions of store’s atmospherci proposed by Turley and Milliman (2000) were identified 14 external stimuli, (such as storefont, marquee, dusplay windows, building architecture, the surrounding area and parking) if those external stimuli are poorly managed, generally speaking the rest of the atmosphere may not matter. The visual appeal of the storefront, window displays, and overall building facade enable consumers to form quick impressions about