



International Marketing and Brand Management
Department of Business Administration
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Master thesis, spring 2008

A study of in-store atmospherics impact on young consumers in fashion houses

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Abstract

Title:	A study of in-store atmospherics impact on young consumers in fashion houses
Date of the Seminar:	June 4 th 2008
Course:	BUS 808. Master thesis in International Marketing & Brand Management
Authors:	Md. Abu Baker Siddique Masum Milan Filipovic
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Keywords:	In-store atmosphere, young generation, fashion houses.
Thesis purpose:	This thesis will find out the influences of the in-store environment in the fashion houses and it will be applicable for this sector. This research will provide information to develop a better in-store environment in fashion houses to attract more young people.
Methodology:	This thesis employs a qualitative strategy with a inductive approach and data has been collected from observations and interviews.
Theoretical perspective:	Two theoretical areas have been combined in this research paper. One is impact of environmental stimulus from MR model and another one is atmospherics concepts, which have constructed the theoretical framework.
Empirical data:	The empirical data have collected through observing and interviewing the young generation at different fashion houses in Lund and Helsingborg.
Conclusion:	The result indicates that atmospherics have a great impact on the buying behaviour of the young generation in fashion sector. Theoretically, this study has contributed to the existing theory by showing the atmospherics impact on the buying behaviour. More specifically, the retailers of this sector have to take consideration about some factors for example: store design, arranging the product to develop an attractive in-store environment.

Acknowledgements

We would like to thank Ulf Elg for his supervision during the whole project. Without his guidance and advice it was not possible for us to make it complete.

We would also like to give thank to our respondents who have given their valuable time for the interviews.

Last but undeniably not last, we would like to thank our families, for their unconditional and great support during the writing of this thesis. Without you this would not have been possible.

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CHAPTER ONE

1. INTRODUCTION:

Today we are living in a modern society of consumerism, surrounded with different kinds of products. We are too young to remember, but we have heard and read about the situation from twenty, thirty years ago when demand of products was much higher than its supply. Now we are facing with modern times of very competitive market, where manufacturing goods is no longer the problem. Problem starts after production, how to sell the product? Someone has to design a special strategy for launching the product on market, which can provide the best results – selling the product and profitability.

Among many different marketing strategies, usually all companies perform a few Ps strategies where 4Ps is the most preferred: price, promotion, product and place (Kotler, 2003). Science of marketing explains that before starting with marketing strategy, market has to be analyzed to see what strategy is better to use. Usually decision cannot be made before some kind of market analysis is made. Here companies use SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) – that “involves monitoring the marketing environment internal and external to the company” ((www.en.wikipedia.org)). But now producers are facing another problem. Fast growing competition also use this kind of marketing strategies and analysis tools which made it lose a little bit of its great value it used to have. These marketing tools are necessary to perform but they do not provide competitive advantage like it used to be. That is why marketers advance their focus from launching the product to bringing the consumers to the products, by studying consumer behavior, “the study of how people buy, what they buy, when they buy and why they buy” (ibid.). It is more sensitive and difficult to deal with these things in fashion industry. The thing or factor which influences the consumer behavior or buying behavior that is environment of the store itself. Because the life cycle of fashion wears are shorter and people think differently when they buy fashion wears. The marketers have to think very fast to launch these products. So, it is more challenging than general goods.

1.1 BACKGROUND:

In retailing, as in any other business, it is crucial to identify consumer needs and motives when shaping the retail strategy (McGoldrick, 2002). Marketing mix, promotion, advertising, price and store atmosphere are utterly important in retailing. It is a great challenge for the retailers to satisfy their customers. Only identifying the customer's needs are not enough to reach the success. One of very useful factors for attracting customer's attention is in-store atmosphere also. Retailing atmospherics have been used to create differences across stores in order to exploit consumer characteristics and the competitive environment (Kotler, 1973; Hoch, Byung-Do, Montgomery, and Rossi, 1995). Store atmosphere has a psychological impact on customers mind. Atmospherics are often designed to create a buying environment that produces specific emotional effects that will enhance a consumer's likelihood of purchase. People want to express themselves in a new way and the fashion industry scramble to keep up with the desires. Fashion industry is very sensitive, because they are selling products with a short life cycle which have to be creative and different from the previous one. For that reason to attract more customers it is crucial important to present the product in some different way where store atmosphere plays an important role. With the advent of technology, marketers now have possibility to use many different ways in order to influence customer behavior and to encourage them to spend more time and money within the store. One of these ways is atmospherics effects on which we will focus in this study. Today developing store atmosphere is more used by retailers who are looking for different ways to be competitive. This is why store atmosphere has to be studied in more details.

There are a lot of previous researches done on grocery retailing but the shortage of research still exists in fashion sector. From this shortcoming we have thought that more research should be done on this particular sector. Fashion is a multibillion dollar industry and the major consumers of this sector are young generation – the powerful consumer group in this industry.

1.2 FASHION AND YOUNG GENERATION:

According to Saviolo & Testa (2002), the fashion industry is a highly discussed issue today. The authors claim that the fashion market becomes “too small” because of the highly competitive market which is expanding rapidly, and the fact that there exists many fashion products with different styles. In the turbulent world of fashion where retailers grasp every device to increase sales, fashion companies are faced with one complex problem of choosing different ways to promote their store image, gain and sustain customer loyalty. Fashion industry is no more just providing consumer’s clothes they can buy and wear, this part of industry also produces a wide range of outputs such as music, film, video games, books and arts, all in relation with fashion.

Solomon & Rabolt (2004) describes fashion as *“being a complex process that operates on many levels. At one extreme, it’s a macro, societal phenomenon affecting many people simultaneously. At the other, it exerts very personal effects on individual behavior. A consumer’s purchase decisions are often motivated by his or her desire to be in fashion”*.

The term “*fashion*” has been defined as; [. . .] *a broad term that typically encompasses any product or market where there is an element of style that is likely to be short-lived (Christopher et al., 2004).*

The definitions of fashion above imply the broader explanation of fashion that it is one segment of industry which is unpredictable, volatile, rapidly changing and short life-cycles. Fashion marketers should be aware of these following characteristics so they can attract the interest of consumers. By *short life-cycle* it means that the product is often temporary, design to satisfy the needs of the consumers in a certain period of time, capturing the mood of the moment, which can be very short and seasonal, measured sometimes in months, weeks or even day (wearing red clothes for St. Valentine’s Day). *High volatility* of fashion means that demands for these products are not so often stable or linear. It may be influenced by some persons, such as movie, pop stars or footballers. Because of the volatility of demand it is very difficult to predict with any accuracy even total demand for a period, why fashion have a *low predictability*. *High impulse purchasing* is also one of the fashion characteristics –

buying decision can also be made at the point of purchase (unplanned purchase). These characteristics can provide better understanding of satisfying customer's needs to retailers.

During our studies of international marketing and brand management program, we were researching the store atmosphere in grocery sector, and that research increases our interest about the importance of store atmosphere in retailing. When we were studying store atmosphere in grocery sector, we note that more studies have done on that sector but not so much studies have done on the fashion and young generation related sector and from that thought we have decided to study on this sector.

Many authors have agreed on the subject of fashion that leaders in fashion are more likely to be young consumers (Goldsmith et al., 1991; Gutman and Mills, 1982; Horridge and Richards, 1984; Mason and Bellenger, 1974; Scrugge, 1977). In general, young consumers are considered as fashion leaders because of great importance which fashion has to their lifestyle. Fashion is influenced by young consumers, and their well defined conviction about taste. Young consumers are considered as a motor force of new fashion styles and they generally influence other consumers to adopt and buy the latest fashions (see Beaudoin et al., 1998; Kaiser, 1990; Polegato and Wall, 1980; Schrank and Guilmore, 1973). This fact will be presented later in our research paper, where we have note that many women's are wearing latest fashion clothes which you can buy in young girl section, this way trying to look modern and feel younger. That means, the demand for the young consumer's cloths are higher than any others consumers groups. In- store environment plays a vital role of choosing the fashion wear of young people.

Arranging store atmosphere is more important factor in successful retailing, than other retailers. Importance of store atmosphere is already explained. By studying store atmosphere from different articles, we find out that important difference with fashion and other retailers is that life cycle of fashion wears are shorter than with other products, for example groceries . In fashion, trends are always changing, and there are four different parts of the year about fashion retailers have to think. Every other season has to be different than previous one, which is very difficult task, to satisfy

customers need during the all year. For this reason store atmosphere in fashion sector is more important than other retailers.

1.3 PROBLEM DISCUSSION:

Young generation has a great influence on fashion or we can say fashion has a great impact on young generation. It is very important for both retailers and the overall fashion industry to know and understand the buying behavior of the young generation in the store. For the overall fashion industry, young generation's in-store behavior is important in order to know the factors, which influence their buying decision and it would also be helpful to develop the design of the store.

Most of part of this research area has covered specific influence of the environmental stimuli on in-store behavior. In this area the first article was published in 1973 by Kotler where he has mentioned, how store atmosphere can be used by the retailers to influence buying behavior of the consumer. He described the term 'atmospherics' to explain the nature of the environmental stimuli in the store. Most of the previous researches have explained the psychological approach and how the in-store environment can influence on buying behavior of the consumers (e.g Donovan and Rossister, 1982 et al. 1994, Richardson et al. 1996, Tai and Fung (1997), Foxall 1997, Bell and Simon 1999). However, all the studies have concentrated on the atmospheric effect on the overall buying behavior of the customers in the store rather than a specific target group in a particular industry. One exception we have found in Olga Beliavskaia's dissertation (2007). That dissertation has dealt with a particular target group that is buying behavior of the older people in the grocery sector. But this study is in different sector and with different age group. So, that study would not be beneficial or helpful for the fashion sector. From this shortage of knowledge we thought that we need to investigate the practical situation in this area. Especially in competitive market such as fashion industry, this is important since the variety of products is different, and retailers are faced to find a way to be attractive, and one way is appropriate store design. Fashion and young generation these two words are related in this sector because young generation is the major consumers in this industry. The young generation has an influential power on this industry. A study of actual behavior

of the young generation in the fashion store would be helpful for the retailers to develop and design their stores.

1.4 RESEARCH PURPOSE:

Based on the problem discussion, our research question is as follows.

The research question is to explain the influences or impacts of the in-store environment for a particular group that is young generation in fashion houses. In-store atmosphere has impact on the customer's mind and the buying behavior of the customers. How much role it is playing on the buying behavior of the young generation? From these thoughts we have developed the following research question.

How in-store environment can influence the young generation's buying behavior in fashion houses?

From this research we will try to find out which factors are playing vital role to influence the buying behavior of the young generation. The higher level marketing decision maker will realize the importance of practical factors to develop the in-store environment of the fashion houses to gain more attention from the young generation.

CHAPTER TWO

2. THEORETICAL FRAMEWORK :

In this chapter we want to present the theoretical framework of this paper. This chapter starts with the theory of the atmospherics and after that we have discussed about the development of the store atmosphere. This part also discussed about the MR model because it dealing with the impact of store atmosphere on the consumer behavior, which will be explained later in this part. Moreover, the applications of this model has discussed as well. This chapter provides the readers a clear idea about the theory we have used and why we have used. In this part we have also mentioned the most important factors for store atmosphere according to the theory we have used and we will discussed more detailed about these in our analysis part. Finally, this theoretical part will provide both theoretical overview of this thesis and a clear framework for data collection.

2.1 ATMOSPHERICS:

Nowadays there is high cost involved in making store design. Many retailers in fashion sector are investing lots of money to develop their store atmosphere, but still some are not commercially successful. From this lack of commercial success there is a need for deep research to design the store. However, major design companies have now developed research functions and the science of ‘atmospherics’ is developing rapidly. Kotler (1973) defines atmospherics as:

The conscious designing of space to create certain effects in buyers. More specifically, atmospherics effort to design buying environments to produce specific emotional effects in the buyer that enhance his purchase probability.

Markin et al. (1976) among the earliest researchers to focus upon the social psychology of store environments, conclude:

Retail space, i.e. the proximate environments 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 create mood, activate intentions and generally affect customer reactions.

Kotler maintained that the atmosphere of a particular environment could be described in terms of the sensory channels through which the atmosphere is apprehended (McGoldrick 2000). According to Kotler (1973) there are four dimensions of retail atmosphere and they are Visual, Aural, Olfactory and Tactile. In this thesis we have focused on in-store atmosphere elements: colors, brightness, size and shapes, music, light etc.

In order to survive in this industry often there is a struggle of price, design and product range that play an important role. The numbers of giant fashion retailers have increased in this time and they all are trying to develop their design of products and they are giving more focus on store atmosphere. Designing a store and developing store atmosphere is using effective marketing tools nowadays.

2.2 STORE DESIGN:

Many elements of store design can be cleverly controlled to attract customers and produce desired effects on customers (Solomon, Michael 2006). Store design can be used by retail marketers in order to build appropriate store effects to get more attention of young customers. But what kind of store design is liked more by the young generations have to study in more details.

Displays also form an important part of the 'information environment' which should assist shoppers in their decision making process (Fletcher, 1987). Arranging a proper display influence the buying decision process of the customers. In-some non-food stores, the front third of the store, nearest the entrance, has more than three times the selling power of the back third of the store (McGoldrick 2000). The entrance area of the store is also an important part of every store to create an impression. The shopping

journey of the consumer starts from the entrance area of the store. So, it is extremely important to select products for its perfect place. In some fashion houses the highly demand clothes are some times keep in regular interval in the store to pull the customers move the whole area of the store.

The design of every area of display within the store exerts an influence upon product sales, the overall image of the store and the efficiency with which available space can be utilized (McGoldrick 2000). There are many different approaches to display the products. Most of the fashion houses use open display to arrange the products. The shoppers are more likely to stop and touch the merchandise, the propensity to purchase then tends to increase (Rosenbloom, 1981). The main advantage of this display is that consumer can touch and feel the products.

2.3 HOW CAN YOU DEVELOP THE RIGHT ATMOSPHERICS?

In the retail environment creating the right atmosphere can be of crucial importance for retailers. This is because of significant relationship between atmospherics and shopping behavior (Michon, Richard, Chebat, Jean-Charles, Turley, 2005), which results with sales and profits. The fact that consumers are sometimes “lost” in huge choices of products when it comes to retail trade makes “atmospherics as a highly relevant tool for retailers” (Kotler, 1973). “A store’s atmosphere in turn affects purchasing behavior – one recent study reported that the extent of pleasure reported by shoppers five minutes after entering a store was predictive of the amount of time spent in the store as well as the level of spending there” (Solomon, 2006).

Kotler (1973) argues that one can more easily recognize the importance of a certain atmosphere with properly designed sensors for the consumers. For example: university library is a place, where everyone can expect a certain atmosphere except books. It is important for this place to be calm and relaxing provided with certain equipment for peaceful reading and working. Atmospherics in this room can also motivate the reader to work more, with all those books around and the other people who are reading. And especially with different symbols on wall such as picture of Albert Einstein maybe, which can signalize reader to “follow his way of success”. Different example of store sensors would be: imagines entering a music store with no

posters of rock or pop stars on walls or without music playing inside the store. This type of atmosphere will not encourage shoppers to purchase there. This is also connected with fashion as well. Proper sensors can create attractive atmosphere to make shopping more pleasant and joinable.

For every target group, atmospherics has a different meaning. Retailers' task is to find the right atmosphere for the right consumers. Creating or developing the right store atmosphere requires deeper research on target customers group, since all consumers have different tastes and needs. Interests of the buyers are important because it is important to know how they perceive the store atmosphere? What they expect from this shopping experience, what do they seek? Purchase decision of the buyers can be influenced by retail marketers through a certain elements which can encourage the buyers' reactions, emotions and beliefs. When it comes to different target audiences, Kotler (1973) suggests two major choices in atmospherics design: different store design in different parts of the store, and neutral atmosphere which 'everyone' can like (Kotler, 1973). Underhill, (2000) also claims that each part, sector and or room of the store has to be developed and designed in a proper way for making the most appropriate environment for the consumers. He agrees with Kotler that among other marketing tools which have become necessity for every retailer in the competitive battle, atmospherics is playing an important role in never-ending search for differential advantage (Ibid.).

Retail marketers and store managers have to focus on the deeper research on store atmospherics, not only to think about atmospherics like changing the store element and giving the store a new look. A broader research has to be done so the atmospherics match the effect strived for. Through consumer research and observation, retailers can find out more about consumers in order to create the best store environment for their target group. The different target groups have different interest on the in-store atmosphere. It is really a hard job for the retailers to find out a common attractive environment for all target groups. So, it would be a better for the retailers if they develop the in-store atmosphere on every part or section wise. In this research paper the target consumer group is young generation because this target group has a great influence on the fashion industry as we have already mentioned.

2.4 ATMOSPHERIC EFFECTS ON SHOPPING BEHAVIOUR:

Turley and Millimian (2000) give an overall thought of the atmospheric effect on shopping behavior. It is evident that shopper's behavior can be influenced in a certain way, by store atmosphere. Turley and Millimian (2000) has done a study of atmospheric impact on sales, purchase behavior and impulse buying, and among 28 different studies Turley and Millimian (2000) have investigated an impact of atmospheric effects on sales, purchase behavior, or impulse buying, 25 found that environment has a significant relationship with customer purchasing behavior. They further pointed out that atmospherics variables influence consumer evaluations and behaviors from a few perspectives. In their study of "Atmospherics effects on Shopping Behavior" they conclude: *"Although there may be some debate about whether the atmosphere can influence time spent in an environment, there is enough evidence to be able to clearly state that the atmosphere has an effect on consumer spending and that variations of atmospheric variables affect the amount of money people spend and the number of items they purchase"*. They also have pointed out the importance of atmospheric effects and that it is crucial for retailers to develop a better understanding of the "bridge" between the atmospherics resource they operate and the experience they want to create for the consumer.

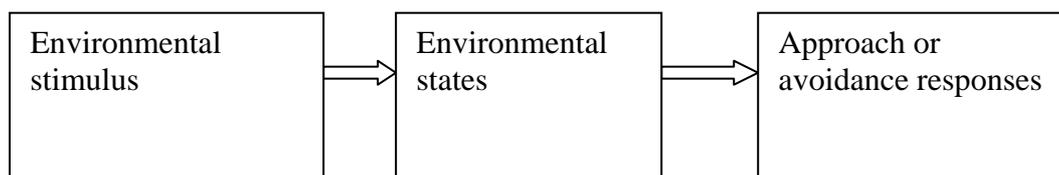
Different kinds of atmospherics create impact in different ways on the buying behavior of the customers. From previous researches we can give some example: Grossbart, Mittelstaedt, Curtis and Rogers (1975), test the relationship between environmental dispositions and atmospherics. The results indicate that pastoralism and need for privacy are positively related to responsiveness to store atmospherics while urbanism, environmental adoption, stimulus seeking, environmental trust and age are negatively related. Bellizzi and Hite (1992) conducted two stimulation experiments to test the effects of store color (blue versus red) to induce feelings or moods and purchase intentions. Consumers react more favorably to a blue environment. Also the blue store resulted in higher stimulated purchases rates. Color effects were more strongly linked to pleasure than in arousal and dominance.

2.5 THE MEHRABIAN-RUSSELL ENVIRONMENTAL PSYCHOLOGY

MODEL:

The M-R framework is based on the stimulus-organism-response (S-O-R) paradigm (Tai and Fung, 1997). *‘Spangenberg, Crowley, and Handerson (1996) noted that environmental psychology draws from the stimulus-organism response (S-O-R) paradigm. In this context, the atmosphere is the stimulus (S) that causes a consumer’s evaluation (O) and causes some behavioral response (R) (Merhabian and Russell. 1974; Donovan and Rossister, 1982).’* It helps to explaining the effects of the retail environment on consumer behavior (Hoffman and Turley, 2002). This model has described that the environmental stimulus create effect on organism and the organism constantly cause response.

According to this theory, an environment evokes emotional reactions in a person, which cause this person to approach or avoid this environment (Mehrabian, 1978,).



Source: Mehrabian & Russell, 1974.

Figure 1: The M-R environmental psychology model

Various environmental stimuli (color, light, smell, sound, texture, temperature etc.) engender primary emotional responses, which as intervening variables determine reactions to the environment (Malika Brengman, 2002). Different colors have different impact on consumer behavior, but now we are not moving on that side because lots of previous researches have done on that field. In our study we will try to find out the overall in-store atmosphere on consumer’s buying behavior or how store atmosphere create the effects on consumer’s mind.

The response to any environment can, according to Mehrabian and Russell (1974), be subsumed in two basic categories of ‘approach’ and ‘avoidance’ behaviors (Wundt, 1905). Approach or convergence means that an individual reacts positively to the environment (i.e. desire to stay, explore, work and affiliate), whereas avoidance is

characterized by an aversion to the environment (a desire not to affiliate in the environment and to leave the environment) (Malika Brengman, 2002). This means that environment can influence one person's behavior with approaching the environment (if he likes it) or avoiding it (if he does not like it). These two kinds of behavior are opposite to each other.

Emotional response of approach and avoidance of the environment, Mehrabian and Russell (1974) first describe as a psychological impact of environment to one person's behavior, and it had nothing to do with retailing. In 1982, Donovan and Rossister try to apply this model in retail settings. Here Donovan and Rossister (1982) proved that M-R model is applicable in retailing settings and that there is a connection between store atmosphere and shopping behavior. Positive feelings of the retail settings will affect consumer to spend more time in the store, with possibility to spend more money as well. However, this model works well in predicting shopping behavior. (Donovan et al. 1994; Van Kenhove & Desrumaux, 1997; Tai & Fung, 1997; Turley & Milliman, 2000; McGoldrick, 2002).

According to this model, environmental stimuli are presumed to engender primary emotional reactions in an individual, which mediate approach-avoidance behaviors, such as the desire to affiliate with other settings, the desire to stay in, or escape from, the settings and the willingness to spend money and consumed there (Mehrabian, 1976, 1978, Mehrabian and Riccioni, 1986; Mehrabian and Russel 1975 and Mehrabian 1979).

This model will be used in this paper to explore the young generation's buying behavior inside the store. How the environmental stimulus creates an impact on buying behavior of the young generation? How the target customer groups react by the atmospherics inside the store? Is there any psychological effect on the buying behavior of the young generation? The above mentioned things have to be studied.

2.5.1 APPLICATION OF THE MODEL ON STORE ATMOSPHERICS:

Introducing the concept of store atmospherics, Kotler (1973) gives a tentative explanation as to how the atmosphere of a place may affect purchase behavior, based on a causal chain (Brenngman, 2002).

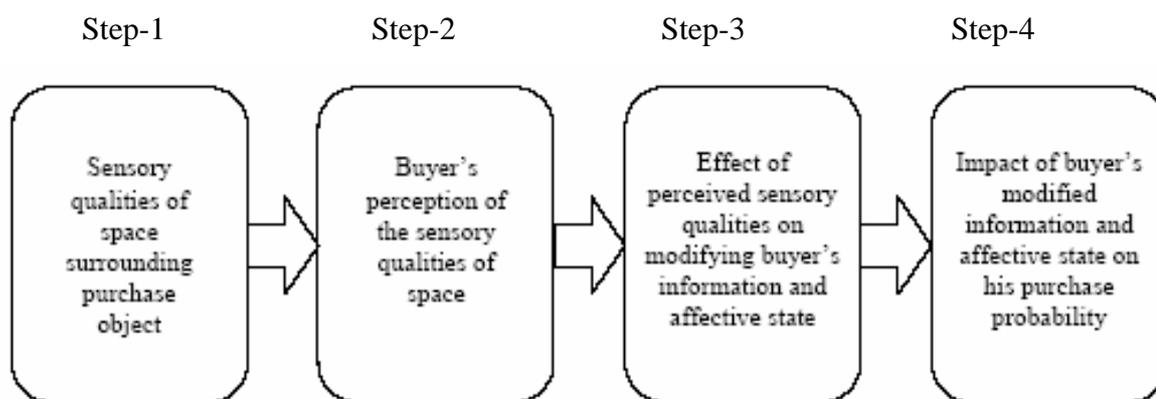


Figure: The causal chain connecting atmosphere and purchase probability

Source: Kotler, 1973, (Brenngman, 2002).

Step-1: Usually product in the store surrounds by space, which is characterized by sensory qualities.

Step-2: The consumer perceives certain qualities of space and perception is subject to selective attention, distortion and retention (Brenngman, 2002).

Step-3: The effect of perceived sensory qualities on modifying buyer's information and affective state.

Step-4: At this stage consumers modify the information and affective state which may increase his or her purchase probability of the products.

Kotler (1973) argues that the atmosphere can have an effect on purchase behavior in at least three ways: it may serve as 1. an attention-creating medium, as 2. a message creating medium and as 3. an affect creating medium (Brenngman, 2002). According to this concept there are some factors, which are creating medium on the buying behavior of the consumers.

* The first one is ‘An attention-creating medium’ **Store design and arranging the products** are important factors to create attention of the consumers. Today’s consumer expects a retail experience that attracts their attention and entertains them (Christy, 2006). Attractive store design creates better attention of the consumers and this attention creates a medium on the purchase behavior of the customers. Well arranging of products take the customer’s attention and the products attract most and encourage the customer to purchase the products. We get a lot of information by using our vision ‘Marketers rely heavily on visual elements in advertising, store design and packaging. They communicate meanings on the visual channel through a products color, size, style and the arranging of the products (Ibid.).

* The second one is ‘a message creating medium’ **atmosphere and senses** give the customers a positive or negative message about the store atmosphere, which create impact on the buying behavior of the customers in a negative and positive ways. If the atmosphere creates a good impression on the consumer’s mind then it plays a good impact on the consumers buying behavior and if the atmosphere plays bad impression on the consumer’s mind then it plays a bad impact on the consumer’s buying behavior. Before buying a product shopper always want to experience the merchandise. Meaning that a shopper wants to touch and feel the products for example in case of cloths and linen.

* The third one is ‘an affect creating medium’ **Atmospherics have impact on purchasing behavior**. When customers feel better or like the store then they want to spent more time inside the store and then retailers get more chance to show their products and also there is more possibility to spend more money.

CHAPTER THREE

3. METHODOLOGY:

This part of the thesis will discuss the methodological choice regarding the data collection. This chapter starts with discussing the choice of research design and why we have chose a particular research approach for our research. Then we have discussed qualitative method for our empirical study and why we have selected observation and interview methods for our research. At the end of this part we have also discussed about the structure of the sample that means how many men and women we have used as respondents and how we have select our respondents.

3.1 METHODOLOGICAL CHOICES:

In order to find out the most appropriate research design for any study, a researcher first need to review what the research question entailed and how he/she is going to answer that. Research design expresses both the structure of research problem – the framework, organization and configuration of the relationships among variables of a study – and the plan of investigation used to obtain empirical evidence on those relationships (Cooper, Schindler, 2006). Every business research is divided on qualitative and quantitative research because of different methods which are classified in these two directions. Before actually choosing the data collection method and collecting the data, scholars have to develop a distinct design for their research (Bryman & Bell, 2007). Qualitative and quantitative research represents different research strategies with differences in the role of theory, epistemological issues, and ontological concerns. The difference between these two methods is different ways of generating empirical data, through different attributes. Bryman and Bell (2003) explain, quantitative approach is more appropriate when researcher is dealing with large selection and statistical results like a base for the analysis, and the qualitative approach is preferred when researcher investigate deeper understanding and answers to questions.

3.1.1 QUALITATIVE RESEARCH:

The purpose of the qualitative research is based on 'researcher immersion in the phenomenon to be studied, gathering data which provide a detailed description of events, situation and interaction between people and things, (thus) providing depth and detail.' (Carson, 2001). By focusing on more depth and details understanding of the situation we would be able to find out the factors which are creating impact on the buying behavior of the young consumers. This research design will give the researchers to find out the important elements or factors of in-store atmosphere which are creating impact on the buying behavior of the young consumers. Qualitative research includes an 'array of interpretive techniques which seek to describe, decode, translate and otherwise come to terms with the meaning, not the frequency of certain more or less naturally occurring phenomena in the social world' (Cooper, Schindler, 2006). Qualitative research is an interpretative technique and we would be able to understand the situation and also be possible to find out the important factors.

Qualitative research draws data from a variety of sources for example: people (individuals and groups), texts (published, including virtual ones). For our research problem it is very important to take the opinion and observe the practical situation of the target group that is young generation in our case. This is also another important reason for choosing qualitative research.

One must acknowledge that the Swedish young consumers in fashion are different from other countries. All cultures and societies differ in their characteristics, with different habits and all sorts of differences. For this reason before we decide which method of gathering data will be used in this research, we discuss with a few Swedish students about this matter, and assumption has been made that shopping in Sweden is very popular, and sometimes people shopping for fun.

We talked with some of students and they told us that they shop more than once for a week and that they know every fashion houses very well, related with the look of the store and the products they are offering as well. This is why they are more aware about store atmosphere only when store made big changes of its environment, and

usually they are interested in products and nothing but the products. Therefore we believe that quantitative approach could have been used but since our interest is of a more qualitative nature, we have decided to use a qualitative research method. Through this research method we will be able to communicate with respondents and to find out about their insight into store atmosphere and their buying behavior. Qualitative research focuses on in-depth understanding and interprets (Cooper, Schindler, 2006). With qualitative approach we will be able to gain deeper understanding of our research problem through practical situations.

As we have early mentioned for this research problem qualitative research will provide in-depth understanding of the young consumer's buying behavior and how they attract by in-store atmosphere in the fashion houses. Qualitative research gives more scope to the respondents to express themselves and we believe which is very much necessary for our research problem.

3.1.2 QUANTITATIVE RESEARCH:

Quantitative research is the research that uses mathematical analysis to statistically estimate the viewpoints of the population by providing percentages and averages. Quantitative research is typically conducted through telephone interviews, mail surveys, web surveys and intercepts (www.bnresearch.com/about_glossary.html). Quantitative research usually used for mathematical analysis and in some business research also where mathematical analysis is necessary. In quantitative research, there is a limited scope of taking opinion from the respondents but we believe that taking more opinion from the respondents is necessary in our research problem. This is one of the main reasons for choosing qualitative method.

3.2 COLLECTION OF EMPIRICAL DATA:

At the data collection stage, the array of techniques includes focus group, individual depth interviews, case studies, ethnography, grounded theory, action research and observation (Cooper, Schindler, 2006). Researchers can chose one or combination of few techniques presented above for gathering data. For this research problem using observation will provide the better understanding of the situation and from interviews

respondents will get more scope to give their opinion, which is crucially important in our research problem.

3.2.1 OBSERVATION:

Observation can be a basis for our knowledge, providing a reliable and valid account of reality, what is actually happening. Observation can be used as a primary source method and a supplement for other methods (Cooper, Schindler, 2006). Sometimes it can be the only method available of gathering data, because participants are not always aware of some reaction they have within the some store, at least those reactions can be important for the researcher. Especially in retailing and store atmosphere there may be situation important to the researcher that the shopper does not notice or consider important.

This method we have used particularly to observe how young consumers react when they are in one fashion store and how big attention they give to store atmosphere. Are they interested only for buying the products or they give some significance to other things in the store, such as: are they observing how products are displayed, are they interested in products with “high attention” (clothes dressed on fashion dolls or special light to one particular product), have they note the music inside the store, what type of uniforms staff is wearing, what kind of service is available, how they react in different parts of the store (high roof, high placed clothes), are they enjoy the shopping? How much time they are spending within one store, and are there any connection with store environment? We are going to observe these things to find out the impact of store atmosphere to young consumer’s buying behaviour in fashion houses. From this observation we can identify the important factors which are creating impact on the buying behaviour of the young consumers.

Our observations were in different fashion houses to get different idea about the in-store atmospherics impact on the buying behaviour of the young consumers. We have observed our respondents without informing them before because we have tried to find out the buying behaviour of the young consumer group. If we had informed early before observation then there was possibility of losing to identify the real impact.

3.2.2 INTERVIEW:

“The *interview* is the primary data collection technique for gathering data in qualitative methodologies” (Cooper, Schindler, 2006). Interview gives the researchers more scope to involve with the respondents for finding out the opinions from the respondents and the practical situations as well. In this kind of method the respondents have more scope to express themselves and provide more information.

According to Cooper and Schindler (2006) the researchers can choose one among three interview method: **unstructured interview** (with no specific question or order of topics), **semi-structured interview** (generally starts with a following line of specific questions and then follows the individual’s answer on which basis next questions are coming up) and **structured interview** (this method is similar to questionnaire method because of specific question and questions order). The goal of interviewer is to examine what attitudes, norms, valuations and opinions; a respondent has (Bryman, Bell 2006). The main disadvantage of structure interview (instead of semi-structure) is that the respondents are bound to move in a particular direction, where as in semi-structure there is more freedom. For this research paper we want to give our respondent more freedom and we also want to obtain the practical situation, that’s why we have used the semi-structure interview for this research paper.

As we have mentioned that semi-structured interview would be used because we want to make a scope for our participants to express their opinion about atmospherics effects, and also to make them feel comfortable answering from their point of view without making a pressure on them to give us some answers we maybe expect. As we already mentioned a face to face interview is used with the obvious benefit of being able to observe and record the answers of the participants.

The goal with a qualitative interview is not only to describe but also to find explanations for certain behavior and answers (www.jstor.org). In this thesis we have tried to explain how the buying behavior of the young consumers influence by the in-store atmosphere and for that reason we have develop the questions, which will find the related answers of our research questions. From this semi structure interview we have used the questions in indirect way so that the respondents will express more

about their buying behavior and the in-store atmospherics impact on their buying behavior. In order to increase the validity some summarizing questions were used in order to make sure that the researcher understands and interpret the same thing that the respondent intended to say (www.jstor.org). In this research paper we also have used same kind of questions for example: What is your opinion about this in-store environment? From this question the researcher will get the respondent's opinion and side by side the researcher would be clearly understood what the respondent trying to say.

3.3 RESPONDENT SELECTION:

In our introduction part of this paper we have already explained why we will do our research on young consumers in fashion. The target population consisted of 18-28 years old. We have chosen this group because this group is the main or influential part in our research area. From our study and experience we have got the idea that this group buy fashionable product more and they are more involve with this area.

To avoid any kind of biasness and to get the proper information we have maintained a proper selection procedure or a schedule. We have selected our respondents randomly. After every 30 minutes the consumers who have come within our target group we have selected him or her as our respondent for the observation and interview. The observation and interview have done in different fashion houses to get the different kinds of respondents. We have taken our interview in different times in different days. We plan to take 20 observations and interviews in four different fashion houses with similar number of women and men.

3.4 RELIABILITY:

According to Bryman and Bell (2003), reliability refers to how stable findings are and whether the results from the research can be repeated or not. In order to make this possible we believe that a qualitative study is more reliable when it is conducted by two different researchers. Since we are group of two persons, reliability will be higher if we do interview like this: one researcher is doing interview with one particular participant, while the other one is observing that interview, and next interview will be

done by the researcher who was observing in previous one. This way both researchers can analyze answers from the participants from different perspective but in same direction, allowing them to capture more impressions of reality and from two different angles. It is important to mention that during the interviews we have used the same questions, but there was also scope for the researcher to ask some extra questions among basic questions because it is a semi structure interview. We have conducted our interview just after completed their shopping because to get more information and the opinion from our respondents.

3.5 VALIDITY:

Validity has been presented in many forms in the research literature, and the number still grows as we expand the concern for more scientific measurement. The validity of a thesis relates to whether the research is measuring what is planned to be measured (Bryman & Bell, 2003). *Validity* present a level to which a research instrument can measure what is purported to measure. In this case the measurement instrument is primary sources (observation and interview). In order to see if the interview questions were easy to understand and answer, first we have done a preliminary interviewing with a few respondents before the questions were prepared for interview. After taken few interviews, we have made decision which questions are the most appropriate. The interview is closely tied to the information we have used from previous research papers in relation with consumer behavior and store atmospherics.

In order to increase validity of our research, first we have used observation of the store atmosphere and young consumers, as a method for evaluation of participants we will interview. The young consumer's in-store behavior was observed and then the evaluation was perceived.

3.6 RESEARCH LIMITATION:

There are few limitations of this research. We consider that availability of time and money are major limitations, since we also believe that this kind of research will be more valuable if it has been done in capital or some bigger cities, because the researcher will get more different kinds of respondents. To examine young consumer's behavior in different period of time in the year will take more time and in this research period time is another limitation, because if this kind of research done with more time in that case more appealing result will come out. We all know that people are usually traveling more during the summer, and also spending more time on shopping in autumn and winter, so these facts can be the reason for this research to be done in different period of year.

CHAPTER FOUR

4. EMPIRICAL STUDY:

In this section we will discuss the interview and observation part separately. First we will discuss the observation part and then we will discuss about the interview part. In our research paper we have given more emphasis on interview part than observation. For every respondent first we have observed and then we have taken interview. All observations and interviews have done within period of 8 days. We have done twenty observations and interviews, among them we have select 4 observations and interviews for discussion purpose, which are representing the different opinions and theme.

The main reasons for presenting four observations and interviews are: all respondent's answers are mostly similar in interview part; we have done the observations and interviews in four different fashion houses (H&M, Stadium, Jack & Jones and MQ) and in every fashion houses we have done 5 observations and interviews and among these 5 we have selected one, which we believe that covered others 4 observations. We have chosen four fashion houses, which are more popular in Sweden. Some of the stores which we believe that may not be familiar to the reader will be briefly presented. This process has done by the following ways:

Table-1: Name and age of the respondents in different fashion houses.

H & M		STADIUM		JACK & JONES		M Q	
Men- Age	Women- Age	Men- Age	Women- Age	Men-Age	Women- Age	Men-Age	Women- Age
<i>Sebastian-22</i>		Theo-26			<i>Maria-24</i>		Andrea-20
	Emma-25	Peter-23		Andreas-22		Hilmar-28	
	Janie-19		Anna-24	Fredrick-19		<i>Erik-19</i> <i>Martin-18</i> <i>Elizabeth-18</i>	
	Maria-27	<i>Alex-25</i>		Matthew-27			Nils-20
Chistopher-23			Emilia-26		Becka-18		Olivia-23

Legend:

Men:

Women:

Selected respondent for presentation:

But for our analysis and come to a conclusion we have considered all the interviews and observations. For every observation and interview the duration was around 8-10 minutes. For observing we were taking notes, and all interviews are recorded, because it was better for our analyzing of the answers. A researcher cannot observe or investigate being out his or her research when studying the reality (Odman, 1988). From this empirical study we have tried to study the reality.

4.1 Sebastian (H&M) – OBSERVATION 1

Tuesday, 29th April, 11.27 am.

The first observation was conducted at H&M store, “NOVALUND” shopping center in Lund city. Sebastian 22 year’s old Swedish student, when he was entering the shop in that time it was mostly empty, only few shoppers were walking around. The music played in the background was appropriate for summer movement, POP type played at a low volume. It was seem that Sebastian was in a good mood, because he was whistling something while he was entering the store.

He did not look like someone who is hurry, and he was someone from our target group so we decide to observe him.

In our observing period, we were interested basically in his shopping behavior. After he enters the store we observe his reaction on store atmosphere which was positive to the store, he was looking around the store for a few times. We observe how he reacts in the store, how he moves through the store, did he follow the moving track which almost every store has, or he approach to the some specific shelf or department. He did not approach immediately to the store shelves like some other shoppers. He was interested in man’s clothes only. We observe that he was compare some cloths and he look the color. He had problem to find appropriate size for him, and store staff was very helpful to him. After about 10 minutes finally he selects one trouser and he moves to the trail room for his selected cloth. In the middle of this observation we observe that he was looking sometimes around the store. He was looking to the light, the display of the clothes and some pictures on the wall. First we wait for our respondent to finish the shopping tour, and then we approach to him and ask about interviewing.

4.2 Sebastian (H&M) – INTERVIEW 1

Right after the observation on Sebastian, we start our interview with him. The interview was done inside the store, near the entrance, so we can have better preview of store atmosphere during the interview and he can remember the store atmosphere properly in the interview period. First he starts with short answer and from the middle of the interview he starts answer with explanation. Within this interview we encourage him to talk more. The duration of the interview was approximately 10 minutes.

Sebastian was overall satisfied with H&M store '*Yes, I like this store*'. When we start our interview, first he tells us that he just concentrate on product and in the middle of the interview he told that '*I like the background of the store it smooth for eyes*'. H&M is one of his favorite stores, mainly because of nice products and prices, but also every time he enjoy to shop here. '*The store is very nice, lot of different products and space which shopping makes very pleasant. Music is calm, not too loud; lights are strong but not too much, just enough to make this store shiny.*' For these reasons and also to find out new products and discounts which store is offering often, he visits the store almost every week. He mentioned that there are lots of attractive things which attract him to enter the store. He also mentioned about the colorful products of the store.

In one question he told that the arrangement of the products should be more clearly. Sometimes it takes more time to find some particular product. The section of this store should be illustrated clearly with more visible signs for example: young section, kids section etc. when asked him what thing attracts you most when you enter the store? Then he told us he attract most by *the cloths which are hanged in the store*. Basically he was interested only about the products, and sometimes he does not give any attention to the store environment, but still, store atmosphere can have a big influence on his buying behavior and also to spend more time in the store. For example: he mentioned that he does not like small stores because of so crowd and noisy, especially during the weekends and he tried to avoid that stores.

At the end of this interview we can say that he was overall satisfy with the store atmosphere though there were few things which were not satisfied to him, like arranging products, but overall he was satisfied.

4.3 Maria (Jack&Jones) – OBSERVATION 2

The second observation was conducted on 30th of April, Wednesday at 12.20 pm at Jack&Jones men wear fashion store in “Nova Lund” shopping center. Usually that day young people were preparing for 1st of May that was holiday. We had expected much more people in that day, but it was quite empty, because of cloudy weather. Anyway we have continued with our job. We were walking through the shopping center and music from one shop was so loud. It was Jack&Jones. We approach the store and first thing we have noted is that one guy was dancing while he was watching the “jeans” section.

Jack&Jones is mans fashion store, mostly oriented to the modern look of sport elegance for young people, selling their own branded clothes such as: Jeans, knit, shirts, sweat, outerwear, shorts, underwear, shoes, t-shirts, pants, belts, sunglasses, and other accessories, all with “Jack&Jones” logo (www.jackjones.com). The entrance of the store is large, so the shoppers who are passing by can see what products the store is offering. The store atmosphere is very attractive, modern clothes are very nice combined with the lights, wall designs and arrangement of the products. The store staffs put different dresses so that the shoppers can see and recognize them easily.

The dancing guy was looking at the jeans section, but he buys one shirt and while he was approaching the cash counter he was looking for some t-shirts and he tried a few sunglasses. He was not rushing, so we thought that he would be our respondent. We had decided to interview him, but he said “Sorry guys, I’m really in hurry, while he was holding his girlfriend’s hand. Anyway, after a few seconds one girl came to the store, nice looking with smile on her face, apparently she likes the music, like we did. She was at the store about 10min, looking around for something special. In the observation period, we have seen several times that she was looking to the lighting of the store and her movement was looking comfort and relaxed. She was looking the

clothes more carefully; she was looking every part of the clothes more carefully. After finished her shopping, we asked her for interviewing and she accepted that with a smile.

4.4 Maria (Jack&Jones) – INTERVIEW 2

The second important interview was conducted right after observation, with Maria 25 year's old Swedish student. Even the music was loud, we could talk clearly and we decide to do the interviewing inside the store, so the answers about the store environment could be more detailed. After we introduce our self with Maria, we kindly asked that can we record your interview. After taking permission we start the interview session. Among five respondents we interview at Jack&Jones, we choose to present Maria's interview because she gives the most interested answers. As we already mentioned we used semi structure interview for all respondents. Approximate time was 10 minutes for this interview, and Maria was enjoying to giving us answers. She actually did the biggest part of the job, giving well structured, long and detail answers. Nevertheless, our first question was "what are you doing here?" since that J&J is men store.

Maria explain that she was looking something for her boyfriend, and Jack&Jones and "Carlings" are her favorite stores and stores which she mostly visits, when it comes to mans wear. When we ask how she likes the store and is she only interested in products, she answers that among the products she likes the store environment. She prefers to be able to walk in an enjoyable atmosphere while she is shopping which means that J&J has, particularly because of nice and colorful arrangement of the products. Different sections of different clothes are separated clearly, supported with different lights to make them more visible, what Maria likes the most. She said *'I like this jeans section because of weak blue light they pointed out in them, probably to signalize quality of a real image of "blue jeans", anyhow I like it'*. Marias answers were very broad and interesting. *'Visually it is more space to move around here in Jack&Jones, which I like very much'* she said. She said that even if Jack&Jones is not so big store, there is enough space for shoppers to easily go through the store, and to be able to look at the products. *'Staff is dressed very nice. So they can have the same purpose like dolls at display entrance.'* She also commented about how important is

for one store to be clean in side, and especially *'the trial room where you can leave some of your things while you are trying the clothes.'*

In general her opinion about J&J was quite positive, and especially how they have arranged clothes and how they combine them with colors and other effects, such as belts in jeans and symbols from t-shirts putted on the walls, with focus for the different period of time (spring, summer, autumn, winter). *"Store arrangement is modern and it is very easy to find what you are looking for, and even if you don't need some particular thing, this attractive arrangement can easily help you in your choice of selection of clothes"*.

On the end of the interview she said that even if sometimes she is not aware about store atmosphere, it can have a big impact on buying behavior and decision.

4.5 Alex (STADIUM) – OBSERVATION 3

This observation was performed on 3rd of May; Saturday at 1.15 pm. Latter we find out that our respondent is Alex, 25 years old economist from Hungary. The place was STADIUM, which is one of the most popular sports and young people's fashion's wear in Sweden. The store was more crowded this time compared with the previous observations. One can say that the majority of the consumers in that time were young people. The colorful environment of the store influences him to stop a several times and to look around. The products assortment is very large, so when shopper do know what he is looking for he can spend less time than for usual shopping tour in this store, which is approximately 30 min, according to a few shoppers.

After entering the store we start to observe him. First he looks around the store and he moved to the shoe section which is the last section of the store. He spent more time in this section and after that he moved to the shirt section and he select one shirt and he goes to the cash counter to pay for that. This time the respondent did not go to the trial room to try the shirt. Before his approach to the cash counter he stops a few times to touch and try a few sport requisite like: he tries one ski sunglasses, and he has also check prices of few snow boards, than in golf section he was looking at different golf

sticks. In this store there is a big blue walking track on the floor which can navigate consumers through the store, and we notice that our respondent was looking at the track several times. While he was walking on the blue Stadium track he has also looked the background of the store, like he is in the museum, interested in every part of the store. It is because of the largeness of the store and variety of the products, as well as interesting product arrangement. At least we felt like that first time when we enter the STADIUM. After 20 min of observing we approach to the respondent and start with interview.

4.6 Alex (STADIUM) – INTERVIEW 3

This interview was held in front of the STADIUM, after finished the observation on him we have started our interview with him. Unfortunately in that time the place was noisy because of two twins' babies crying near the entrance. Anyways it did not affect our interview process, and interview was recorded. The overall answer from this respondent was short. He was dressed very elegant, like he is going to some important ceremony, or it is a dress code for his company. But he has cooperated with us properly. And in the last part of the interview he has also given his overall opinion about the store and store environment he is delighted the most.

This time we have talked with respondent with different ways but the theme of our question was same and we asked question in more organized ways, because our experience with interviews increase from previous respondent's interview. He also says *'Sometimes I lose myself in the store to find out the cloths'*. Even if he thinks that this store should be more organized in product arrangement, it is *'real exciting to explore this type of store, with all possible product colors and all that sport accessories'*. *'I do not visit this store so often, but every time I visited it, I fill like I am here for the first time'*. He mentioned that staff is not of big use sometimes when is crowd, *'it takes time to get help from someone, and often that is necessary because of variety of products they are selling. But maybe this is only my experience'*. Overall feeling to this store is good to him *'I feel like I am in stadium'*. *'I would like to mention that I also like unplanned buying of some clothes, and usually this kind of*

decisions I can bring when products are displayed nice, when attention is given to some particular clothes, like one special light just for one product. For me, this means that product is unique in some way'.

Our respondent mentioned that in general store atmosphere means for him how concept of the store is presented. *'I like the concept of the store, and for me concept is important. STADIUM I like because everything is connected. Wall posters with basketball players and below you can find almost everything related with basketball. Then I like stadium track and a few running accessories placed near to the track. This is why connection between products is important as well as all store concepts. For example when I shop some expensive shoes and elegant shirts in some store, I expect that the store also have serious image and atmosphere, with not so loud music and not so strong lights, because they are selling "serious" and expensive products. Here I would not like to see wall posters on summer beach, more appropriate are wall posters with elegant dark and grey suits and guy wearing them. If I hear some punk music there and if staff wears shorts, I wouldn't like to see that.'* Alex mentioned that he does not like shopping so much. For this reason he likes to spend a few minutes more in stores, to look around, explore the environment and he likes pleasant shopping. He likes big stores where he can move *'without pushing anyone'*, and to check new designs and model because *'sometimes I am so busy so I can't follow the latest fashion clothes'*. And *'Yes, store environment is very important when I shop, it can influence my buying decision'*.

Obviously our respond find Stadium store atmosphere very attractive since he spend enough time in the store to buy a few things and also to comment positively about the store.

4.7 Erik, Martin, Elizabeth (MQ) – OBSERVATION 4

Day 4, 10.30a.m., on 4th May, Sunday, “Familia” shopping center in Helsingborg. We wanted to change our location this time. Nice weather and we expect a lot people today. While we was drinking our coffee inside the sopping moll next to the beautiful fountain with nice decoration of stones and grass, with some lights added and water coming up on some “strange” but interesting way, we was discussing about how visual effects can be important, observing how everyone who pass next to the fountain has to “throw” a look. Kids were playing in the “playground” which was pictured on the floor of shopping center hallway. We were also observing people and their behavior in general. According to full paper bags (with logos of fashion stores such as: Brothers, H&M, J&J, KappAhl and so on) they was caring around, we have notes that they are particularly interested in fashion clothes that day, probably influenced by the beginning of summer. After a while we was walking around and we have notes that many fashion stores are using similar concept for choice of the clothes, especially in colors such as red, blue, yellow, pink. Most of the stores have clothes with these colors, which are mainly placed on window displays or hanged on the store wall, probably to signalize a new fashion season. Some stores displays were equipped with more elegant clothes than usual.

MQ fashion store has nice arranged of window display, and we note that young people are particularly interested in this window display when they walk next to this store. The reason for this was very nice and stylish gold letters signs on window display “Studenten 2008” and very elegant fashion dolls dressed. MQ was offering elegant summer season for young people for the secondary school ending ceremony, which is traditionally very big and popular ceremony in Sweden. That is the reason why some fashion stores within this period of time, among summer season were oriented on young generation with more elegant clothes. MQ is Swedish fashion retailer, oriented for man and woman’s wear, for everyday wear, evening wear, for leisure and work, both in everyday life as celebration. With offer of wide strong selected brands (both own and external), which stands for high quality and affordable clothing MQ is one of the favorite fashion stores in Sweden, when it comes to mans, and woman’s wear. (www.mq.se)

The group of three potential participants was standing in front of the one store, and they were curiosity watching the store display. Group was consisted of two guys and one girl, all Swedish and future maturations. One of the guy and the girl had paper bags from some fashion stores. First we have observed them, and we noticed that they were really interested in exploring MQ, and we thought either they are not visiting that store that often, or they are not Swedish. Our respondents shopping behavior was similar as for a few previous respondents. They had enough available time for shopping, and they enjoyed the shopping in MQ, because they did not hurry, they observe every part of the store very carefully. After they finished 25 minutes shopping in that store we approach to them and introduce ourselves will all other “procedure”. Interviewing starts in front of the store, because the entrance of the store was very big, so we can easily see store environment about which we can discuss. We turn on recorder and interview starts.

4.8 Erik, Martin, Elizabeth (MQ) – INTERVIEW 4

This time interview will be handled with group of three people at the same time, which we believe that it would have same effect or even better when only one person is interviewing. Group is consisted of next respondents: Erik(19), Martin(18), Elizabeth(18), all future high school graduates. After they finish shopping in MQ, they were in good mood to have interview with us, because they find appropriate clothes for Studenten. They answer the questions randomly, and sometimes all of them give us answer for one question.

Group has visited a few fashion stores early that day, so we start asking about their favorite stores and for what reason. They said that shopping is their hobby and that they shop more than once for two weeks. *‘We are all the time together, hanging around. Sometimes we are walking through the big mole centers only for fun. To check if there is any new clothes in our favorite stores, Gina Tricot, H&M, Jack & Jones, Levi’s and some other’* Elizabeth said. They mentioned that when they are buying clothes, they know most of the store they can visit and buy them favorite clothes. They do not want to spend more time in exploring the store, except to buy the

products, which was not the case this time with MQ. They admitted that the entrance of the shop where were standing in front has a very interesting arrangement and that is the reason they made unplanned purchases in that store. (Same old story, consumers are not aware of the atmospherics presented by the store, but they are still somehow influenced). *'But we always check out if there is any new staff on dolls at the store entrance, because there you can find new clothes'*. An overall discussion about store atmosphere has begun. Since they was preparing them self for "Studenten 2008", store display with elegant letters behind and mans dark suits on one, and white and rose dresses on the other side, all combined with "this summer fashion season" colors (remember observation 4 and "colors part which signalize coming summer season") such as dark suit with pink tie or yellow shirt, with some cool looking shoes and nice hat, and some red and blue scarf in girls sector, was the main reason they have visited this store. They mentioned that usually they do not visit this store because *"it is a place for older people we thought"*. Store was young people oriented with elegant and "sport" elegant clothes. In one of the store section, interior of the store was connected with arrangement they had in window display. Our participants have mentioned that they like how store is arranged and especially part for "Studenten 2008", with elegant display and one particular sector in the store all covered with glamorous gold balloons and some other elements which are mostly used on some elegant manifestations. *"It looks elegant, but not too much since we really like it. Elegancy for young people."* they said. They was glad since the store *"didn't had a too much of same clothes colors that everybody are using now"*, Erik discuss about this. The lighting in the store was adequate since some sectors like shirts are lighted with yellow light, then suit section where light was purple and much more stronger. Our participants like this combination with colors. All of the answers they have give us after a few seconds thinking, because they *"never think about the store look and importance of store atmosphere before"*. It was easy for them to find the products they were particularly looking for, and the staff was of great help to them. Even if there were a lot of people, store space is good arranged and they did not have a problem with that. They liked how walls are decorated in the store, with pictures of same famous models, *'dressed very nice and attractive which can also attract us to buy it'* Martin said. Elizabeth continue discussion about wall poster of famous models: *'I remember when Madonna was on advertising for H&M, and I think that Roberto Cavalla was the designer of the clothes Madonna was wearing. At that period H&M was too small for people who*

were coming all the time. They sell that collection in very short period'. An overall impression of the store is very positive and they enjoy time spend there.

CHAPTER FIVE

5. ANALYSIS AND INTERPRETATION:

We have discussed two methods of data collection in the empirical study and now we will explain the analysis and interpretation part of this research paper. As earlier mentioned we have done interview and observation in order to get personal opinion and to get the practical information about the situation. We have done twenty interviews and observations in different international fashion houses to get the information from different angles. For our every respondent, first we have observed about how the respondent acting inside the store and after that we take interview with him or her.

In this part we will try to analyze our empirical study in connection with the theory which we have described in this thesis. From the empirical study we have found that MR model is applicable in most of the times in the fashion houses though some respondents do not agree with the impact of the atmospherics. But still they somehow were motivated by the in-store environment. To present our analysis we have identified four factors: store design and staff, atmosphere and senses, arranging of products and atmospherics impact on purchase behavior which are crucially important in retail fashion sector. These four factors are also connecting with Kotler's concept. Kotler (1973) explain that the atmosphere can have an effect on purchase behavior in at least three ways: it may serve as 1. an attention-creating medium, as 2. a message creating medium and as 3. an affect creating medium (Bregman, 2002), which we have already explained in our theoretical part. From our empirical study we have found that these factors are very much important to develop a gorgeous in-store environment for the young generation. Our empirical study presents that most of the respondents some how influenced by these factors. The discussion of this analysis part will continue from these four factor's point of view and also we will try to connect with the theory and the comparison between previous theory and the practical situation.

5.1 STORE DESIGN:

Designing the store is very much important for the retailers. We all know that first impression is the best impression for all matters in life and in retail design it is more important because the retailers will not get the second opportunity to make a first impression. So, when they develop their store design they should be careful from their starting point. Many elements of store design can be cleverly controlled to attract customers and produce desired effects on consumers (Solomon, Michael, 2006). The consumers of the fashion sector always find some things which are new and interesting. One of our respondents he told that *'I like this store because the design is very attractive to me'*. He spent more time compare to other stores, because he feels pleasant when he is inside the store.

Some stores are creating positive store effect on young consumers to getting their attention. Stadium is such example. With environment they have with all that different merchandise, stadium track and big wall posters of famous sports, they create a real experience of the shoppers like they are in sport hall. Among products there also a sport requisites and accessories which shopper can try, like gym machinery for example, and basketball KOS. So importance of the concept of the store is important. It should be connected between products, different departments and environment created in the store.

When the retailers develop the store design it is also necessary to give attention on the space inside the store for moving the customers, because among 20 respondents 12 respondents have told about this issue in interviews. For example: one respondent told that *"moving inside this store is some times difficult because all the products they have put are very congested."* 'Theme base design' is effective in fashion sector. In this case we can provide the example of Stadium. They are popular in sports related fashion wear. Inside this store they have designed a running track, which is almost like the real running track of the stadium. They have developed it to move the customers inside the store. We have got good response about this moving track. One respondent told *'when I moved on this track I feel that I am in stadium and I like this design'*.

There is another important factor that is lighting of the store. Lighting plays vital role to focus the products properly and to attract the customers. In this case the color of the light some times makes the customer confused to choose the products, because different colors make the products in different look. So, the retailers should be aware about that. For example, one guy mentioned us when he bought one shirt in that time it was purple and after go home, it looks blue this is because of strong white light was pointed out on that shirt.

Displays also form an important part of the 'information environment' which should assist shoppers in their decision making process (Fletcher, 1987). So, it is very important for the retailers to make an 'informatics display' that means the customers will get the proper information about the products. From the empirical study we have also found some thing which is related to the staff of the store. Some of our respondents have told that *'some times I did not find the appropriate size of the clothe, in that case I had to wait long time to meet with any staff for asking about the size of the clothe, because they were not available around me'*. So, from our research we think that the retailers should be aware about these matters. Here we also want to add one thing that staff should be educated on fashion so they can provide the update information, which are related with clothes design and the quality or categories of the products. A recent US research indicated that over 70% of the in-store purchase decisions are made in the store at the time of purchases (www.helium.com). So, it is an important for the retailers to develop an attractive store design, which will be helpful to take positive purchase decision.

5.2 ATMOSPHERE AND SENSES:

Atmospherics is a highly relevant marketing tool for retailers (Kotler, 1973). It has more applications in retail fashion section. From our research we have found that most of the young customers are influence by this factor. One respondent told *'when I enter the store I feel some kind of soft feeling, because their overall atmospherics effect is very nice'*. Turley and Milliman (2000) indicate that atmospherics variables influence a wide variety of consumer evaluations and behaviors. They conclude: *'Although there may be some debate about whether the atmosphere can influence time spent in an environment, there is enough evidence to be able to clearly state that the*

atmosphere has an effect on consumer spending and that variations of atmospheric variables affect the amount of money people spend and the number of items they purchase'. Though there are many debates on this issue but at the end of every debate everybody agree that there are some effects of the atmospherics on the buying behavior of the consumers. Kotler (1973) state that one can more easily recognize the importance of a certain atmosphere with properly designed sensors for the consumers, which we have found in the empirical study.

From the empirical study we have found the relation with causal chain theory of in-store atmosphere. The atmosphere of the store should encourage the customer to more purchase. There is also a close relationship between atmospherics and shopping behavior. For example: when we asked to one respondent about the atmosphere inside the store and she reply us '*I feel disturbed for loud music, because I don't like that kind of music*'. Before taking interview with this respondent we have observed that she had spent less time in this store. Though it is not possible for the retailers to play music which will be liked by all customers but the retailer should be aware about this factor. From the empirical study we have seen that generally soft kind of music, which do not make the customer disturbed. Many of our respondents told us they like soft music. From our observations we have found the relationship of MR model in the fashion stores. The customers usually motivated negatively and positively by the environmental stimulus.

Touch has even been shown to be a factor in sales interaction (Solomon, Michael, 2006). For fashion store it is important to touch the product easily. So, the consumer can feel the product more deeply.

5.3 ARRANGING THE PRODUCTS

It is obviously evident how much important arranging the products in fashion stores are, when you go to a shopping and note that most of the stores have their own design of product arrangements. Among our 20 interviews with different participants 15 have told that arranging the products is one of the effects in the store, which give the biggest attention. Some of our participants have a low level of awareness of atmospherics elements within one store, but all of them said that it is important how products are placed. Only a few young correspondents think that *“it is one kind of shopping experience when you are in trouble to find particular product”*. STADIUM sports store for example, gets a few good comments on product arrangements and especially on shoes sector, where they have placed and divided shoes according to the purpose of the shoes: running shoes, street shoes, and so on. *“In this store you can find shoes section easily and they have put them on nice shelves with name on the top of the shelf (running shoes, street etc.) and in background of that section is a soft light to increase the focus on it”* one participant said. This part was the most interesting for all respondents in this store, as well as floor track which start from the entrance of the store and which is leading shoppers through the store. *“It is useful when you can follow some track and same time sees all the products, and this track is nice since the store is not too big so the journey through the store doesn’t become boring”*. We also get a few comments that in big fashion stores with a high roof, such as “MQ” it is functional when they have “hanging signs” with name of the departments (kids department, mans or women’s department), *so when you enter the store the signs will lead you to the desired place*. Fashion dolls are also commented as an advantage for some fashion stores. Only problem here is that most of the stores which are using dolls costume them with some clothes which is difficult for shoppers to find inside the store. We thought that this is maybe a marketing tool for store managers, since fashion dolls are always very fine dressed and the purpose is to attract the consumer and to make it to spend more time in the store, looking for those products. Even this is only our assumption, respondents who give us comments about “fashion dolls” did not like this fact, and they also recommended that clothes dressed on dolls should be near to the shelves so they can easily find it. We also realize that the look of the dolls is also very important. For example one participant said that *“most beautiful dolls are from Gina Tricot because they look so cool and so real and I can easily see how some*

particular cloth can look on me when I see it on the doll, because I have same body structure". Retailers should consider this fact and try to use different look of the dolls and not only the nice looking and the fit one, for different kinds of body shape (tall, short, slim, fat).

In many fashion houses they keep the combination of two or more products in same place to get more attraction from the customers. For example: In golf sticks part you can also find one pair of nice sun glasses and shoes which can look nice on you when you are playing golf. One of the respondent told that *"I like how some stores combine for example red t-shirt with cool red sunglasses below*. This kind of assortment Jack&Jones is using, almost every participant likes jeans section where jeans are presented with belts on it.

Moreover, we also want to recommend retailers to arrange products in that way so they can be more available to the shoppers. For example in few stores clothes were placed on high shelves where it was difficult for shoppers to touch or try the product, and in that case they had to ask for staff assistance which can be a procedure sometimes. . Products should be arranged in open decoration way, so the consumers can interact with the product, to touch and feel the product which can effect on their buying decision, and Rosenbloom (1981) has also mentioned that the shopper more likely to stop and touch the merchandise, the propensity to purchase then tends to increase.

5.4 ATMOSPHERICS IMPACT ON PURCHASING BEHAVIOR:

The "message" which the store creates for its consumers may have an impact on consumer's mind, which affecting them by approach-avoidance behavior, what we have explained in our methodology part.

(Kotler, 1973) defines the atmospherics as *the conscious designing of space to create certain effects in buyers. More specifically, atmospherics effort to design buying environments to produce specific emotional effects in the buyer that enhance his purchase probability*. From our empirical study we find out that some shoppers are influenced by store environment and situations when store is presenting the latest

fashion models through the wall posters or window displays. A few respondents mentioned that these are the first they observe when they enter the store. Purchasing behavior is quite much influenced by store atmosphere. Pleasure which store environment creates can be a cause of consumers spending extra time in the store which can result with spending more money than intended (Donovan and Rossister, 1994).

Three respondents mentioned the fact that they were not interested to enter the stores where they saw from entrance that store is full with strong yellow, blue and orange clothes, because a few stores already have same kinds of colors more preferred than other colors of clothes and they are looking something different, *“we did not want to be a part of the situation, where for example we are waiting for bus on bus station, and a few other persons are wearing the same colors of t-shirt”* a one guy said from the “studenten group” (Interview nr.4). This is why this fact can be important to the less competitive stores which in this period of time are copying other fashion stores in clothes design to get a bigger attention when they are developing the design of the store for one particular season.

There is significant relationship between atmospherics and shopping behavior (Michon, Richard, Chebat, Charles, Turley, 2005), which results with sales and profits. In the empirical study we have seen that if the customers like the store then they want to stay more and ultimately they spend more money. The young consumers prefer more some particular things for example: nice arranging of the products, more space inside the store so they can move easily, cleanness of the store and properly put the price tagged on the merchandise.

“I was here yesterday and I didn’t have enough money but today I come back to buy this nice jacket which this cool guy is wearing on big wall poster” one guy said when we were interviewing him in one man’s fashion store. He thought that jacket is nice, but his buying decision is made when he saw how this jacket fit to the guy from wall poster. This is similar case with fashion dolls, on which we have a few answers that *“first I throw a look on dolls in the store, because they are always well dressed and you can see how that clothes fit to them”*.

These answers explain the importance of products with special display. They are very popular among young people, and they have a high impact on consumers buying decision.

CHAPTER SIX

6. CONCLUSION:

In this part we have presented our main conclusions. This chapter will discuss about the result from the analysis and also the answer of the research question will be presented here in a summarized way. Theoretical and practical contributions are discussed in this part. This part will also present some specific managerial implications.

6.1 THEORITICAL CONTRIBUTIONS:

The main theme of the MR model and the store atmospherics has a vital role in the fashion retailing section to develop an attractive in-store environment. The MR model says that an environmental stimulus have a psychological impact on consumer's buying or shopping behavior. From our empirical study we have seen that consumers are influencing by the in-store environmental stimulus in some how and which are creating impact on their buying behavior. Fashion stores have similarities with online book shops because in online book shops you will not be able to read the inside of the book without paying and customers feel interest to look the brief description of the book and in case of fashion houses when customers see one nice cloth hanging inside the store then they feel interest to put that clothe and how they will look like after put that cloth. So it is very important for the retailers to develop a store which will create an attraction in the mind of the consumers.

In the theoretical framework presented in this paper, we can see that researcher such as Kotler (1973) says that the atmosphere can have an effect on purchase behavior. From our empirical study we have seen that when the respondent like the shop then he or she spend more time inside the store and some times which encourage the shopper to spend more money. This theory does not apply for all kinds of consumers because; in our empirical study we have got several answers, which are contradictory with Kotler's concept and MR model. For example: some of our respondents do not look and care about the store atmosphere, they just concentrate on product's quality and

price. And also from the observation we have seen that there are many respondents who do not look at the store atmosphere, they just concentrate on the products, which they want to buy. But this situation is in very few cases. From the discussion of the analysis part we can see that the four factors are crucially important to develop a commercially successful environment. From this research we think that to attract more young consumers it is very much important for the retailers to think that point of view which we have mentioned in our analysis part.

From the empirical study we have also found that many Swedish young people come to the shopping center just for fun and to pass the time that means they had no plan for shopping but if the retailers can decorate their shops in more organized ways in that case the retailers would be able to encourage the customers to buy the cloths. This is some thing like to encourage the customers for unplanned purchase.

Science the atmospherics has an important impact on the buying behavior of our target group. But these atmospherics are not the whole things to increase the sales. We agree that for example pricing, brand image, quality of the product this kinds of matters first have to establish and then the retailers have to think about our discussed issues. The atmospherics and the store environment only encourage and leads to the customers spend more time and money.

In the analysis part we have mentioned four different factors which create impact on the buying behavior of the customers. For example: store design and arranging product are important because it creates impact on the buying behavior of the consumers. If the products arrange in more visible, organized and decorated way then consumers can attract most to the products and they want to buy that products. As we have early mentioned that designing the store have to cleverly control to attract more customers.

6.2 MANAGERIAL IMPLICATION:

This part will present the managerial implications based on the analysis of this research paper. The knowledge created in this study can be beneficial for the decision makers in retail fashion sector to develop attractive in-store environment. Attractive in-store environment encourage the customers to spend more time and money. So, we believe that this research paper will give the practical information, and the opinion of the target group to develop attractive particular section of in-store environment. To build up a commercially successful in-store environment for the young customers, which factors are crucially important? The reader will get a understandable idea from this paper. This paper has tried to display the practical situation of our discussed issue, which will be helpful for the decision maker to realize the practical situation.

From this research we can develop a general suggestions of which elements retailers have to consider when creates an attractive store environment.

A shopping experience begins from the outside of the store where windows display is the first thing customers notice before enter the store. The first impression starts here, so retailers should make it attractive, interesting and adequate with decor of the store which is presented in side. Display of the products should be laid out in such a way that everything is visible and clearly marked in decorated way so shoppers can walk without confusing themselves. Shoppers will be able to find their desired products with minimum exploring when clothes are clearly signed. To create easy access it is recommended when different items are placed in particular areas so it could be easier for shoppers to approach to the product and interact with it. Store layout is important element for attracting the customers. Retailers should try to communicate with consumers displaying the product in that way so they can increase willing to linger and eventually purchase. For this purpose retailers should identify their target group and find the way to display the products in intersecting and attractive way. Young consumers prefer when fashion stores are using different accessories to display the products in new way than other competitors.

The retailers should be careful to put the products on the shelves. They should put the products within the range of the customers so they can easily catch and touch the

products. The display of the products should be update regularly because then these will look fresh image of the products. The products should be easy to find for the customers. Merchandising tactics and batter customer service are powerful ways to increase the sales and profits. Lights and music are two atmospheric elements of the store design, which plays a good role to develop the store's appeal to the consumers.

The store owner has to understand the importance of the design and the atmosphere of the store. For example in the teen cloth store, the customers expect wall color, background of the music and the store design itself should be teen friendly. At the end we can say that atmosphere and store design are important elements in fashion retail store, which largely affect the customer experience, as well as the success of the whole business.

6.3 FUTHER RESEARCH:

As we have touched in the limitation part, time was our one of the main constraints for this research. So, we believe that if this kind of research can be done with more time and in a large research field area in future. For example if it is done in several cities then may be more interesting findings will come out. More importantly, the research would be more interesting by considering the culturally different point of view. Then the international fashion retailers would be able to know the opinions of their target group from culturally different point of view.

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APENDIX

QUESTIONS FOR INTERVIEWS

1. Which previous fashion stores you have visited?
2. Among this, which store is your favorite? And can you explain WHY?
3. Are you only interested in the clothes, or you take a look of the store environment as well?
4. How much the overall look of the store environment is important for you?
5. What is your opinion about this in-store environment?
6. Which elements attract you the most?
7. What is the thing you will change first among atmospherics dimension in this store?
8. When you are passing by some store, which things can attract you the most to go in-side the store?
9. How often you have visited your favorite store?
10. Describe, how much store environment is important on your buying decision?