Loyalty Created in a High Involvement Product Category

The Woman and IKEA FAMILY

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Abstract

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Thesis aim: The research aims at revealing consumers' loyalty to a high involvement product category, connected to a loyalty membership club. Hence, the study aims at explaining similarities and differences between two markets, differently developed in terms of loyalty clubs.

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Methodology: The study used IKEA, its loyalty club IKEA FAMILY and women as the company's main target group, in a case format to study loyalty membership clubs. Further, the research has an investigating and explanatory qualitative approach, gathering the empirical data through observations and in-depth telephone interviews.

Theoretical perspective: Existing theories within shopping behaviour, decision making, involvement and loyalty were used as a foundation for validating empirical data as well as development of future theory.

Empirical data: In order to collect the empirical data needed, observations and in-depth interviews were conducted with six women in two different consumer markets where loyalty membership clubs are connected to a high involvement product category,

Conclusion: The research indicates that existing theories may to some extent explain the loyalty created towards a high involvement product category, connected to a loyalty program on a market where loyalty memberships are rare. Thus, in order to describe the same phenomenon on markets with different characteristics the theories have been modified and may function as a springboard for future research.

Acknowledgements

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1 Introduction

The following introduction aims at presenting the area of research and simultaneously give the reader insight into the topic of investigation as well as an understanding of why this study will contribute to the presently available research. The introduction will be rounded off with a discussion reaching into the problem formulation and aim.

1.1 Background

Consumers today use products, not only for their functions and benefits, but also as symbols to show their belonging or distancing to certain groups of people (Corrigan, 1997). The Harley Davidson riders have since long displayed their belonging through their motorcycles, leather clothing, bandanas and grand tattoos (Muniz and O'Guinn, 2001). In the United States it is still often the vehicle, not only the motorcycle, which shows a person's social class, status and belonging. The Europeans, in general, have on the other hand expanded from only using the cars and other vehicles, to also include their entire wardrobe in order to indicate belongingness. In the Scandinavian countries the car, the wardrobe as well as the home with all its furniture and decorations portray their social status and group belonging. (P Nimér, 2007 pers. comm., 9 March) It is therefore not surprising that the Scandinavian households have been proven to be the leading investors in home decorating and remodelling among the Europeans (Ekström, 2004; Leijonhufvud, 2006).

The Harley Davidson motorbike, the branded jeans as well as the designed living room couch have different importance to various customers throughout the world. The designed couch is not as important to the motorcycle rider as the bike is, and the grand tattoos are not as important to the fashion conscious consumers as the branded jeans are. How essential the relation to the item depends on the relevance of the product to the consumer (Charles, 1998). Bowen and Chaffee (1974), through Charles (1998), early defined the connection between a consumer and a product as involvement. Later Zaichkowsky (1985), a prominent researcher within the field of involvement, defined the term as an expression for the importance of the customers' commitment to the product concerning beliefs, feelings and behavioural patterns. Involvement is today defined by Charles (1998) as the degree of psychological identification and affectionate, emotional ties the consumer has with a product or brand. The issue of involvement is most often divided into two segments, high and low involvement, where Bloch and Richins (1983) describe high involvement products as entailing high levels of risk. Products of this kind are, among others, cars, homes, jewelleries, fashion as well as certain categories of food. Hence, consumers research, consider and examine these purchases thoroughly before engaging in a purchase. Seldom are these decisions made by a single individual, but rather an entire decision making unit is entailed in order for the single consumer to share the risks with others (Solomon *et al.* 2002). Low involvement products are the opposites of high involvement products and therefore contain low levels of risk and hence consumers tend to buy these products in a more habitual and impulsive manner, without asking for the opinions of others. Previous research concerning loyalty have mostly emphasised upon low involvement product categories such as groceries in the studies by Dick and Basu (1994) as well as East *et al.* (2005). Most studies considering high involvement products in the field of loyalty have a defining research approach to the phenomenon and have hence not empirically studied the relationship between high involvement and loyalty (Quester & Lim, 2003).

Previous studies conducted by researchers such as Park (1996), Oliver (1999), Quester and Lim (2003) as well as East *et al.* (2005) have argued that there is a connection between involvement and loyalty. Loyalty in itself, has been researched by Farley (1964) as well as Brody and Cunningham (1968), cited through Yi and Jeon (2003), among few other researchers and has been defined as repeat purchases of a product or brand during a certain time period. This definition has later been called behavioural loyalty and also been challenged by researchers such as Clayton-Smith (1996) as well as Bandyopadhyay and Martell (2006). They define loyalty both as a repeat purchase response as well as a psychological attitude formation towards a product or brand. The latter part of the definition has been called attitudinal loyalty and is built up by the attitude formation components; cognition, affection as well as behaviour. According to Jacoby (1971), through Quester and Lim (2003), as well as Dick and Basu (1994), these are the factors building overall loyalty. Further, these elements correspond with the components describing involvement.

1.2 Problem Discussion
The main goal for consumer goods companies has, in many cases, turned into a hunt for and retention of profitable customers. Lately, in some consumer markets, companies have frequently introduced loyalty programs available for all customer, whether they are frequent and loving customers or simply one time shoppers signing up to receive a sweet deal. This has led to the fact that loyalty today is in some markets being associated with a club membership and furthermore identified by a plastic card in the wallet.

In markets where loyalty cards are widely spread by companies, consumers have such a variety of membership cards that they are not able to fit them all into the pockets of their wallet and bring them on every shopping trip. Global companies such as SAS and American Express have almost taken loyalty memberships to the extreme and launched different programs within the same club in order to affect all signed up customers' purchase intentions as well as to create stronger connections to the most loyal consumers. Today clothes stores, credit card companies, restaurants, gas stations, grocery stores and other companies in various product and service categories in different consumer markets introduce loyalty programs, all similar to each other (Lewis, 1997). Seemingly, loyalty memberships are introduced in both high and low involvement product categories. Meaning that consumers would be interested in being loyal to all products bought no matter the frequency of purchases or level of commitment.

It might possible be that, due to the many loyalty cards' similarity and wide spread, customers have started to realise that it is possible to exploit the programs to their full extent and thereby gain personal advantages. This might further lead to difficulties differentiating between the true loyal customer and the ones in it for the desired benefits. It could be that the classifications of high and low involvement products have changed since the introduction of loyalty clubs. This due to the fact that customers might choose products or brands on member offers in order to obtain the rewards. On the other hand, the loyalty memberships might attach the consumers to the products or brands and make them proud of belonging.

Since the customer is not able to bring all the loyalty cards to all shopping trips some of them are excluded from the wallet and left at home. As most customers are not interested in reorganising the wallet over and over again, some cards are left in the drawers forever. It could be that, some time after the introduction of the membership, the excitement among the consumers slowly diminishes. Further it might be that the customers do no longer feel the same attraction to the membership when everyone in group of friends as well as the

neighbours carries the same customer loyalty card in their pockets, and hence the feeling of exclusiveness and uniqueness fade away. It could also be that the few loyalty cards brought are the ones that are connected to the most desired products or brands.

Quester and Lim (2003) remark, in their study upon product involvement and brand loyalty, that there is modest research carried out within the specific area. This is unexpected for the mentioned researchers, but more surprisingly is that few studies have been conducted in the field since the mentioned authors, prior to today. The lack of investigation within this specific field is not a result of research upon low involvement product categories being applicable to high involvement items. It is rather due to the diverse decision making processes and levels of risks connected to the different kinds of products and brands, which further implicates that there is a gap within present knowledge upon loyalty among high involvement product categories. The study by East *et al.* (2005) is partly conducted in the car industry, but cars are not categorised as either a high or low involvement product category by the researchers. According to Zaichkowsky (1985), cars are considered to be high involvement products together with items such as fashion pieces and furniture. Even if cars were to be defined as high involvement products in the study by East *et al.* (2005) it is not possible to apply the findings on any other category of high involvement nature.

It has, in the discussion above, been accounted for the angle of existing research as well as the lack of investigation into the field of loyalty among high involvement products. To further narrow the research, focus will be placed upon the possible differences of perceptions and bonds to loyalty programs of high involvement products in two different consumer markets. One market where loyalty membership clubs have since long been introduced by many actors, hence consumers are used to utilising the plastic cards and the rewards available. The other market, where membership clubs also have been introduced, but consumers are unfamiliar with the concept and hence still adjust to the new way of interacting with companies. Through this, the research will be positioned to fill a part of an unexplored, white field.

1.2.1 Problem Formulation
What kind or kinds of loyalty, behavioural or attitudinal, are created among consumers in two different markets when loyalty membership clubs are connected to a high involvement product category, such as furnishing?

1.2.2 Aim
The research aims at revealing consumers' loyalty to a high involvement product category, connected to a loyalty membership club. Hence, the study aims at explaining similarities and differences between two markets, differently developed in terms of loyalty clubs.

1.3 Target Group
This study is directed towards present and future researchers within the field of involvement and loyalty theory. The study is aimed to fill a present research gap and will hence contribute with theory reinforcements and modifications, possible to use as inputs in further research. Further the research is directed towards companies in high involvement product categories as a guideline when introducing loyalty membership clubs.

1.4 Disposition

Chapter 2

> In the following chapter the methods and approaches chosen for the study will be thoroughly accounted for in order to describe how data will be gathered and processed to achieve the aspects pointed out in the research aim. Advantages and disadvantages as well as possibilities and hazards of the different research methods will be put forward to reinforce the reliability of the study.

Chapter 3

> The theory section of this research will review relevant theories and models which will serve as a base for the analysis as well as the conclusion. The theories considered will treat the store, female shoppers, decision making, involvement as well as loyalty and loyalty programs, required in order to answer the research problem as well as fulfil the aim of the study.

Chapter 4

> This section will present the primary data of the study and it will follow a format focusing on each of the six respondents separately, beginning with the Swedish interviewees. The empirical data will further be outlined in a design following the interview guide which may be found in Appendix 2.

Chapter 5

> This section follows closely upon the empirical data which will be analysed as a comparison between the two markets. The analysis will be based upon the respondent-topic matrix and connected to the theoretical background reviewed in the theory chapter, in order to fulfil the aim of this study.

Chapter 6

> This chapter will consist of a reasoning concerning the analysed empirical data where the aim is to clearly answer the research problem. This section will also highlight this study's contribution to the field of research.

Chapter 7

> The following chapter is intended to firstly, point out the main managerial implications of the study and secondly, discuss the possible directions for further research in the area of loyalty memberships among high involvement product categories.

2 Methodology

In the following chapter the methods and approaches chosen for the study will be thoroughly accounted for in order to describe how data will be gathered and processed to achieve the aspects pointed out in the research aim. Advantages and disadvantages as well as possibilities and hazards of the different research methods will be put forward to reinforce the reliability of the study.

2.1 Overall Approach

The study is an investigating research, focusing upon attaining a more profound understanding of the customer's interaction with a high involvement product category through a loyalty membership club. To expand on the investigation an explanatory comparison of the customers' attitudinal stance towards, and behavioural routines within a loyalty membership club was conducted, which provides an indication of what kind of loyalty that is created to high involvement products.

2.1.1 Ontological and Epistemological Approach

It was necessary to identify the philosophical issues which consciously or unconsciously have influenced the way the research was designed and conducted. The philosophical issues consist of both ontological and epistemological questions where ontology concerns assumptions about the characteristics of reality, epistemology on the other hand is a general combination of assumptions regarding the most favourable ways of exploring the nature of the environment. (Easterby-Smith *et al.*, 2002)

The ontological position described by Bryman and Bell (2003) as constructionism implies that social properties are outcomes of interactions. This is similar to the view of Easterby-Smith *et al.* (2002) called nominalism where truth is created by the individuals in the society. Social constructionism, as put forward by Easterby-Smith *et al.* (2002) as an epistemological position, is reality as determined by people, and hence focus lay on peoples' thoughts, feelings, and understanding of the world. The same epistemological standpoint is by Bryman and Bell (2003) called interpretivism and stresses the understanding of the social world through individuals' interpretations of the environment. The area of interest in this research was studied in an investigating and interpretive manner to embrace both explanations and understandings, hence, a constructionist/nominalist and social constructionist/interpretivist view was undertaken.

2.2 Methods

The social constructionism position is most often associated with the qualitative approach to research (Easterby-Smith *et al.*, 2002). Qualitative research methods are, in turn, most suitable when conducting an inductive research study, according to Bryman and Bell (2003). A deductive study on the other hand is most often connected to a quantitative research approach where theories are tested through hypothesis. The quantitative method is related to the positivist epistemological orientation and objectivist ontological standpoint which sees the world as natural science, remaining unaffected by its environment. (Bryman & Bell, 2003) Further this leads to a phenomenon being studied from an objective standpoint while the social constructionism offers a subjective view which allows a comprehension of the individual. This research had its main focus upon understanding people's interactions as well as perceptions, and the findings were compared and contrasted to previously established

theories in order to contribute to the development of new theories. The study intended to illuminate the relation between an individual and its context and a qualitative method was therefore chosen due to its ability to contribute to the study in a resourceful way. Hence the research had a combination of a deductive and an inductive approach.

Qualitative methods contributed to the study because it allowed openness from the respondents through an unstructured study format where the researcher could attain a better and deeper understanding of the subject. The flexibility of the study allowed the subjects to extract and expand on the topics with their own words to emphasise issues and areas specifically important to them. This simultaneously created closeness between the respondents and the researchers which further generated more honesty and sincerity. Bryman and Bell (2003) claim, that this research method permits more descriptive details and variations to be highlighted by the subjects.

There are of course drawbacks using qualitative research methods. Jacobsen (2002) highlights that the study could have been costly, in terms of time, because such research acquires extensive work compiling the information due to its complexity. This study was therefore designed to only include a few, well selected respondents who had the possibility of generating the profound information needed. Jacobsen (2002) further points out that generalizability could be difficult due to the few subjects. This had a minor impact on this study because it aims at explaining correlations and dissimilarities between two parties and account for a potential tendency of involvement and loyalty among the chosen segment, rather than saying something about a group of the population. A third obstacle when using qualitative methods is that the closeness between the respondent and researcher might hinder both parties from seeing the other ones weaknesses. Furthermore this could affect the information both given and retrieved during the interaction. (Jacobsen, 2002) Due to the relatively limited time for this specific study the risk of gaining such closeness between the parties was fairly low.

2.3 Research Design

In order for the research to provide the wanted understanding of the consumers and the loyalty created in high involvement product categories connected to a membership club, a case study was used as a tool for research. The case study examined the issue through an in-depth approach and to demonstrate this relation, IKEA and its loyalty club IKEA FAMILY has been used as a case company. There are few actors within the product categories, which most consumers classify as high involvement, who offers a loyalty membership. For the study to be practicable and replicable, the case company had to be located on two markets, differently developed when it comes to offering club memberships. Since IKEA is located in more than 40 countries, it was considered to be a suitable case company as it fulfilled the wanted criteria. To narrow down the research in order to be able to provide the field of study with valuable and resourceful information, in a restricted time period, a specific segment was chosen. The target group for the study, consisting of women, is hence motivated by the fact that most decisions made concerning the home are, as pointed out by Dubois (2000), made by women (H Axelsson 2007, pers. comm., 29 March; D Zimmer 2007, pers. comm., 29 March). Further, the segment for the study was limited to the main target group of IKEA, women in their forties, preferably with two children (H Axelsson 2007, pers. comm., 29 March; D Zimmer 2007, pers. comm., 29 March). In an article from 1994 IKEA claims to be targeting 25-49 year olds, the baby boomers. Looking at the same age span today, more than ten years later, IKEA is targeting baby boomers, Generation X as well as Generation Y. (Roach, 1994)

To preserve the study from being affected by various cultural and geographical factors, which otherwise could have biased the study, Sweden and Denmark were chosen as case countries. This choice of counties further kept the time and costs of the research at a reasonable level, simultaneously as Sweden and Denmark fulfilled criteria concerning the characteristics of consumer markets. According to Hofstede and Hofstede (2005) both Sweden and Denmark are feminine, individualistic countries. Out of 74 countries examined upon masculinity, Sweden and Denmark are ranked among the bottom four, indicating high levels of femininity. Further the authors state that when a country comprises both strong femininity as well as individualism, wellbeing is preferred to survival, a statement that holds true for both countries. Moreover, Hofstede and Hofstede (2005) state that in more feminine cultures people tend to spend more time and money on their homes, thus on construction material and other "do-it-yourself" items.

2.3.1 IKEA and IKEA FAMILY

The first IKEA store in Sweden opened in 1958 in Älmhult (Björk, 1998). The concept that IKEA proffer is based on offering a wide range of well designed, functional home furnishing products to such low prices that as many people as possible will be able to afford them. (*Inter IKEA Systems B.V.* 2007b) IKEA is today an international company present in more than 40 countries (IKEA Koncernen, 2006). The company has used a traditional internationalisation strategy as suggested by McGoldrick (2002) and Usunier (2000), entering into culturally and geographically close countries first. Further IKEA has a global strategy which means that there is a high level of standardisation in the marketing strategy and the target customers are viewed as homogenous. (McGoldrick, 2002)

Even though the most intimate relationship between the customer and IKEA is established when visiting the store, Gummesson (2002) suggests that the relationship must be maintained from a distance. The catalogue is considered to be the most important marketing tool for IKEA (IKEA Koncernen, 2006). Another very important communication media of today is the IKEA website, launched in 1997. (*Inter IKEA Systems B.V.* 2007a) A third way of keep in contact with the customers is through IKEA FAMILY, the company's loyalty club. It was first introduced in the 1980's in Sweden and was thereafter stretched to several other countries. (J Wannberg 2007, pers. comm., 29 March) The new version of IKEA FAMILY was launched in 2002. Today Sweden have 1.7 million members, were about half of them are active members, and Denmark have about a quarter of a million members were most of them are active (M Holst 2007, pers. comm., 4 May).

The aim of IKEA FAMILY is to increase the members' interest in home furniture as well as design at the same time as they become more closely connected to the company as such. The goal is hence to offer members more of IKEA; inspirational ideas and discounts together with other offers. For example, in the larger IKEA FAMILY shops members may arrange appointments with the IKEA FAMILY Home Furnishings Advisors, helping them to redecorate their homes. The loyalty club is free of charge and open for everyone, but the program is more directed towards those who are truly interested in furnishing and design. The members receive a club card to swipe in store in order to receive discounts and information. (*IKEA FAMILY* 2007a; b; c) In some countries the IKEA catalogue is received through the membership once a year. (IKEA Koncernen, 2006) Four times a year a loyalty club magazine named IKEA FAMILY Live is published and distributed to all members. (*IKEA FAMILY* 2007d) Even though IKEA is a large company it has tried to remain local in its global approach, hence all membership offerings are adapted to the local market. Throughout the world members receive different discounts from national companies teaming up with IKEA.

(Holst 2007, Lecture) In the IKEA store there is an IKEA FAMILY in-store shop, a place inside the store where one may find everything to do with the loyalty club. These in-store shops hold the IKEA FAMILY product range, including inspirational books as well as products within the travelling, safety and relaxation categories. (*IKEA FAMILY* 2007c)

2.4 Primary Data

Information gathered from singles or groups of subjects with a purpose and method specifically designed and connected to a certain research problem is called primary data. This type of data is gathered for the first time and is therefore more reliable in terms of answering the specific question at issue in the study. (Jacobsen, 2002) Arbnor and Bjärke (1994) argues that interviews is the most common method for attaining primary information, but Bryman and Bell (2003) also put forward ethnographic information gathering, observing, focus group interviewing and documenting as possible means.

2.4.1 Observations

The first data collecting method used for this study was observations at the point of purchase, in the IKEA FAMILY in-store. This approach generated information about the consumers' behaviour and interaction with one part of the loyalty program, the product range, further connected to possible behavioural loyalty. The observations were conducted by both researchers, dressed and labelled to clearly manifest their research commission in the store. Both researchers were present at all times because different people register diverse aspects in the environment, hence providing the study with thorough observations and field notes, which later was compared in order to achieve a fair view. To facilitate all data, the researchers had worked out clear definitions to be able to make records of movements and actions in an observation protocol, as recommended by Svenning (1999). (Appendix 3)

The setting for the observations was in the IKEA FAMILY in-store, where the researchers took on the roles, described by Bryman and Bell (2003) as complete observers. The complete observer, by Svenning (1999) described as the systematic observer, was considered to be the most suitable observational method for this research, as the conductors then observed and listened without being taken into account. Svenning (1999) argues that this kind of observation could be done through cameras or other technical devices, but that it could raise several serious moral and ethical issues. Therefore such devises was not used for this specific study, nor was it necessary. Further, Bryman and Bell (2003) as well as Easterby-Smith *et al.* (2002) highlights other ethical dilemmas raised through the observations being covert in nature, and the customers not being told in advance that they were being observed, hence involving deception. Patton (1990) points out that people tend to behave differently when knowing that they are under observation, hence such studies are more likely to grasp reality and thus reach higher levels of validity and reliability, than is overt observations. Any possible ethical dilemmas were solved by asking the subjects to participate in an in-depth interview later on. In this way the participants were given an opportunity to reject the researchers, and hence their observational records were not used at all in the study.

2.4.1.1 Data Collection

The behaviour and movement of the consumers was observed and noted, in a pre-drawn map of the IKEA FAMILY in-store. With a set of symbols the observers were able to easily chart passage, eye-movement, touching and smelling of the products displayed. (Appendix 3)

As customers were about to leave the IKEA FAMILY corner, one of the observers approached the subject of study and asked a few introductory questions about their visit at IKEA FAMILY as well as the question if they were members of the loyalty club. If so, further questions about their interest in participating in the research project were asked. Depending on their reply they were either asked about their name and contact information or kindly excused and asked to continue their shopping. Bryman and Bell (2005) points out that a certain person is most often supposed to be interviewed for a specific research, and hence cannot be replaced by just anyone. Therefore those who were willing to participate had the opportunity of choosing date and time for a longer interview for the researchers to assure contact. In order for the customer to continue their shopping, but still receive further information about the study, an informed consent was handed to them including the researchers contact information. (Appendix 1)

2.4.2 Interviews

The second data collection method chosen was in-depth, semi-structured interviews. The interviews aimed at achieving an understanding of consumers' interactions, perceptions and emotions in order to engender data for determining their loyalty characteristics to a high involvement category. The themes touched upon were shopping, decision making revealing involvement, followed by loyalty clubs, IKEA as well as IKEA FAMILY. The interview lasted closely to an hour and loosely followed an interview guide related to the above topics. As pointed out by Bryman and Bell (2003) as well as Östberg (Lecture, 2007) semi-structured interviews allow flexibility as the researchers have the opportunity to encourage the interviewees to expand on matters of specific interest to the respondents.

Since an in-depth interview is a tool within the qualitative method, which derives from a social constructionist perspective, there was no objective view to be discovered which may have caused bias. The concern rather lied in the fact that interviewers may impose their own frame of references on the interviewee. Open questions is a way of avoiding bias even though, as pointed out by Easterby-Smith *et al.* (2002), they might not be as straight forward as the researcher would want them to be. Of course there was a possibility of the researchers having an impact on the respondent or the respondent's reply. Even with this in mind, few other methods would have reached the same depth of information, needed to contribute to existing research.

2.4.2.1 Telephone interviews

The search for respondents who were truly willing to participate in a research study would have been more extensive if the interviewers would have insisted upon visiting the homes or in any other ways meet face to face with the interviewees. The research of Rogers (1976) emphasise this by showing that the convenience of being interviewed by telephone, as well as the reluctance to open the door to ones home for strangers are the most frequently given reasons for preferring a telephone interview.

Researchers such as Brock (1986), Rogers (1976) as well as Bryman and Bell (2005) emphasise that interviews over the phone are more cost efficient and less time consuming since the interviewers do not have to travel to get in touch with the respondents. With respect to time, the telephone interviews could start soon after the sample was gathered. This because the pilot interviews was conducted in only a few hours, which would not have been the case if face to face interviews or written questionnaires would have been conducted or sent out and collected back in, in order to test and prove reliability as well as validity of the questions. It may be criticised that it is hard to sustain a respondent's interest for one hour on the

telephone, but according to Rogers (1976) telephone interviews have been conducted in surveys of physicians and with other professionals who seldom use the telephone in their work. The telephone interviews conducted by the author, averaged 49 minutes and the same conducted face to face, 51 minutes, implying that the interviewing strategy was no barrier for this research.

During personal, face to face, interviews the respondents are sometimes influenced by the characteristics of the interviewer; age, ethnical background, social class belonging and the mere presence of the interviewer. Such factors may create an interviewer bias due to the interviewees' adjustments of their answers to impress the researchers; trying to comply with what the respondent believes the researcher wants to know. A telephone interview may narrow down the interviewer bias due to the increased distance between the respondent and researcher. The problems with interview bias that may arise in such interviews are caused by a misunderstood tone of voice or wording which might affect the researchers' understanding of the answer given by the respondents. (Bryman & Bell, 2005; Jacobsen, 2002) The bias caused by wording has though been specifically important in this research since there could have been language barriers. Telephone interviews are usually not recommended for open, personal interviews because the interviewer is very limited in doing observations of the subject's facial expressions, body language, home or living environment during the interview (Jacobsen, 2002; Bryman & Bell, 2005).

When conducting interviews on a personal and interactive level, researchers have the possibility to repeat as well as explain the questions if the respondent has difficulties understanding the original formulation (Brock, 1986). This is possible both in a face to face as well as a telephone interview. In a research by Rogers (1976) results hence showed that the quality of the data obtained by telephone is comparable to that gained through personal interviews. The findings also suggested that those interviewed in person were more likely to give socially desirable answers than those interviewed by telephone. Sensitive information may be easier to access through a telephone interview than in person because the telephone increases the feeling of anonymity, which was important in this study as it required information about income, spending and the family situation.

Further, Brock (1986) states that, from a research perspective, the depth and complexity of qualitative telephone interviews is equal to or better than in-person interviews in almost all situations. All aspects of quality control and completeness of interviews are quite unproblematic with telephone interviewing and often reach a response rate somewhere between 90 and 100 percent (Jacobsen, 2002) Also face to face interviews may lack in quality and completeness if the respondent loose interest or does not consider themselves reinforced enough by the interviewers. (Brock, 1986)

2.4.2.2 Interview Guide
An interview guide with open-ended questions written according to the guidelines given by Patton (1990) was prepared prior to the interviews were conducted. The guide (Appendix 2) included the themes of the study, shopping, decision making, IKEA and IKEA FAMILY, as well as the topics, involvement and loyalty, to be covered during the semi-structured interview. The order in which the themes were presented was not of importance, as the interview more or less undertook a conversational format and followed the interviewees' reasoning. This flexibility is by Bryman and Bell (2005) suggested in order for the respondents to clearly describe their views thoroughly.

As suggested by Jacobsen (2002), the interview started out with general questions about the respondents' purchasing habits and feelings about shopping. These questions worked as slow starters to eliminate some of the anxiety as well as to gain some enthusiasm about the rest of the interview. To round off the interview, questions about the respondents' family situations, income and expenses was asked, this to prevent any awkwardness in the beginning of the interview if the interviewee would feel offended or uncomfortable with those kinds of questions. (Bryman & Bell, 2003)

Since the research aims at generating information in the field of involvement and loyalty, which are based on vastly abstract and theoretical elements, the questions had to be formulated in words understandable to the ordinary customer. Hence a larger amount of understandable questions were used to rather surround the topic, than few complicated questions pinpointing it (Appendix 2). All questions were formulated in such a manner that follow-up questions could be included as suggested by Kvale (1996). For example, how, in what way, why and how come, were commonly used follow-up questions to deepen the interview without guiding the respondent towards one or another answer. This further aided in achieving useful empirical data on the topic.

2.4.2.3 Pilot Interview
Before conducting the in-depth interviews, which provided the base of the empirical data, one pilot interview was carried out in each of the studied countries. This was done in order to confirm that the interview guide generated resourceful information for the research, face validity, concerning loyalty in high involvement product categories, as well as enticed to discussion. If any of the questions failed to engender the needed data or if they were too complex to be understood they could have been modified and retested until they delivered the studied content. For the interview guide to be understood in both countries, the questions were tested in both to receive valuable feedback to an improved interview guide. The pilot interviews were conducted with respondents in the same target group as the interviewees of the study in order to obtain a high level of trustworthiness. At the same time it was possible for the researchers to get some practice in leading an in-depth interview and taking notes from a discussion over the phone as well as to transcribe both written and tape-recorded notes into an understandable and mirroring text, which is recommended by Bryman & Bell (2003).

2.4.2.4 Tape-Recording and Transcription
The interviews for this study were tape-recorded to limit the note scribbling and leave more time to lead and follow the conversation as well as the reasoning to the answers given. This simultaneously prevented biased notes from being used in the empirical data since the interview could be listened to several times. This further allowed thorough examination of what was said, which in unison with Easterby-Smith *et al.* (2002) was considered especially vital to this study since some of the conversations were held in two languages simultaneously. Tape-recording is sometimes seen as a problem due to the unwillingness and dread among interviewees to be saved on tape, a tape-recorder could therefore make them less honest or open in the interview. There is also the problem of the interviewers becoming too relaxed to get complete relevant and important notes, which are needed for the understanding of the audio records. Jacobsen (2002) points out that there always are risks, both during and after the interview, when using technical devices, but because the interviews in this study were performed over the telephone there was less risk of the respondents being affected by the tape-recorder, and thus bias the information. Still the risk of actual recording problems remained, but since there were two interviewers taking notes the risk of loosing too much information was limited.

The recorded interview had to be transcribed and analysed with consideration to both what was said and how it was said during the conversation. The advantage of transcriptions is further that the interview will be available on paper and therefore the risk of loosing part of the empirical data, due to technical problems, is reduced. (Bryman & Bell, 2003; Easterby-Smith *et al.*, 2002) Transcribing an interview is time consuming, but the time was well spent in this research, when put in relation to the great amount of information available for analysis. To avoid transcription to pile up and create great workloads the interviews were transcribed immediately after the interview sessions this further led to increased reliability in terms of all information and impressions was remembered and hence could be written down. To reduce the risk of errors in the transcription, both interviewers wrote out the interview session individually and then discussed it to clear off, or clarify any dissimilarities or contradictions.

2.4.3 Sample

Bryman and Bell (2005) points out that the qualitative method strives to achieve a full understanding of the subject of research, which further allows a study to research a smaller sample than used in a quantitative study. In reference to Kvale (1997) who states that 15±10 respondents is a suitable number when conducting qualitative studies, six individuals were chosen for this specific research. The sample size was divided between the two countries, thus three subjects of study per country.

Due to the design of the research with its limited target group, the respondents were chosen through convenience and opportunistic sampling. The respondents participating in the study had to be part of the IKEA FAMILY customer club in order to qualify and be able to contribute to the study in terms of loyalty membership interaction. Hence a larger sample than the actual needed was gathered in order to assure that a satisfactory sample was reached.

2.4.4 Interpretation of Data

The concepts which were researched through both observations and in-depth interviews are highly theoretical and complex to the everyday consumer. Hence movements was registered which could be a sign of the different notions. Similarly, questions were asked to surround the concepts and the answers were interpreted by matching the answers with the criteria for the various notions. The method of interpretation hence reinforced the ontological and epistemological views where the subjects' interactions, thoughts, understandings and interpretations of the social world were elucidated.

2.5 Secondary Data

Secondary data is information gathered by someone else, for a purpose and research question different from the present research problem and has been collected at some past point in time. The risk of using any secondary data is therefore that today's researchers cannot be sure that it is the entire truth that is presented in the secondary material. Neither can there be certainty about what methods and worldview were applied when the information was gathered. These factors might impact on the meaning of the information, hence the present researchers have to be aware of this. (Jacobsen, 2002; Bryman & Bell, 2005) Further it implies that the data has previously been processed and analysed by other researchers, meaning that the secondary information would be processed and analysed for, at least, the second time. Hence Bryman and Bell (2005) point out that the original meaning might have changed.

The secondary information used for this specific research was primarily scholarly journal articles and academic literature. The articles were found through the Electronic Library Information Navigator (ELIN) and checked in the ProQuest navigation system to make sure they were scholar articles. The literature chosen was dominantly course literature from the business administration education at the School of Economics and Management, Lund University. Other literature, written by researchers in the field and found due to the relevant content was also used for the study. If more than one source of literature has covered the same topic, the program literature has most often been used, due to its perceived reliability.

The website of IKEA was used as one of the electronic sources. It provided the study with facts and figures concerning IKEA and IKEA FAMILY. Other sources online were found through archives of well known newspapers. There was a risk of the latter sources not mirroring the entire truth, but since the researchers were aware of this risk the information was used carefully.

The secondary material gathered through personal conversations, lectures and educational visits were not confirmed by the deliver of the statement, but was gathered by both researchers separately and as long as the information correlated, the data was considered reliable. Booklets by Knutsson (1998) and Pettersson (1997) as well as the Harvard Referencing (2006) fact sheet was only used as guidelines for the outline of the research report and the information was therefore applied throughout the study.

2.6 Quality Measurements of the Research

When qualitative investigations, such as observations or in-depth interviews, are conducted with a small sample in a certain location, it is uncertain how the findings may be generalised to other settings. (Bryman & Bell, 2003) The people participating in this study were not meant to be representatives of a population, instead the findings of the qualitative research aim to seek an understanding of their interactions and attitudes towards a specified phenomenon. A study that originally was designed to research a western cultural setting, might suffer cultural blindness if conducted in a western society (Östberg 2007, Lecture). Because IKEA is a global company and therefore is located in other regions with similar differences in market characteristics, the study may be applicable in other countries with cultural similarities. It is though important to be aware of the impact different cultures have on the study and further the generalizability.

Due to the problem of generalisation of an in-depth study the findings may only work as a springboard for further research, which further is why the representativeness of the sample becomes less important in qualitative studies. (Bryman & Bell, 2003)

The internal validity of the study is considered fairly high due to the fact that perceptions and interactions were to be studied and therefore observations and in-depth interviews were conducted which closely examine the consumers interactions through behaviour, as well as reach the inner self of the consumer, where perceptions are formed. The observations moreover reflected ecological validity as it was conducted in a natural in-store setting. The study also has high internal reliability due to the fact that the researchers independently observed as well as listened to the interviewees and transcribed the empirical data separately. The transcriptions were then compared and discussed in order to assure internal reliability.

According to Bryman and Bell (2003), researchers should reflect upon the trustworthiness and dependability when performing qualitative research. It is thus of importance that complete

records are kept through all phases of the research process. Transcripts and field notes taken during both observations and interviews have therefore been preserved. The researchers had a similar role and setting through the observations and interviews which further allowed the research to be replicable.

2.7 Gender

The qualitative approach has been associated with feminism values of non-hierarchical relationships, since the researchers view the participants being studied as individuals, not only respondents in a research study. Hence, women more often choose this approach. (Bryman & Bell, 2003)

As pointed out by Bryman and Bell (2003) there are some hazards concerning gender issues in research. If a female researcher is interviewing a woman, it is more likely that she will take her own values and interpretations into account when performing an interview. This aspect is highlighted by Östberg (Lecture, 2007) in pointing out the risks of potential blindness in different contexts.

Firat and Dholakia (1998) defined gender as "our culture", that is the values, meanings, roles and status that exists within society (Cassinger 2007, Lecture). The gender aspect is of most importance when it comes to how men and women interpret things in their surroundings. Firat and Dholakia (1998) argue through Cassinger (Lecture, 2007) that men and women have different historical views and experiences of consumption, which implies that they also might have different consumption behaviours and habits.

Tannen (1995) declare that women and men tend to have different language styles due to different linguistic norms, similar to people who grew up in different cultures, consequently men and women also interpret and understand questions differently. Hence the fact that both the researchers and respondents in this study were women caused the gender gap to decrease and simplify the formulation and understanding of the questions.

Hofstede's attempt to develop a universal set of principles that could measure any culture, in order to predict behaviour of individuals, has been strongly criticised for having an inferior view of non-western cultures. Similarly, feminism theory supports the argument by adding that many theories on social behaviour are blind to the effects of gender. (Easterby-Smith *et al*., 2002) To expand upon these arguments, it is of importance to understand the differences between feminine and masculine interpretations of the environment as well as the messages displayed. Feminine characteristics are private, beauty and passive, hence women approach information with emotions, intuitions and irrationality (Cassinger 2007, Lecture; Bristor & Fischer, 1993).

The in-depth semi-structured interview is comprehended to be more natural to women, not putting them in an unnatural leading or boss like position, but instead letting them be a part of the conversation which is a characteristic belonging to the feminine nature. (Bryman & Bell, 2003; Cassinger 2007, Lecture)

2.8 Research Limitations

One research limitation is that the observations had characteristics of a covert study, but the subjects could have noticed the researchers' presence in-store and hence their behaviour might have been affected to some extent. This might have affected the empirical data gathered

through observations upon the segment's shopping behaviour. This limitation may though have been most obvious in the Helsingborg store, since the IKEA FAMILY corner is small and hence the researchers had little opportunity to blend in.

A second limitation is the inability for the researchers to observe the interviewee's home and thereby obtain further information about the respondents' previous furniture purchases, since the in-depth interviews were conducted over the telephone. This made it possible for the respondent to manipulate the data by either lying or withholding information, without the researchers knowing that the data was biased. Further, there was neither an opportunity to study the interviewee in terms of body language and facial expressions.

The study has looked past the fact that IKEA's country of origin is Sweden and hence Swedes might have a different mindset and loyalty towards IKEA and IKEA FAMILY. Further, in order not to hurt a nationally born brand, the Swedes' level of honesty might have been affected and thus could have been questioned.

In Taastrup, Denmark, the customers at IKEA were offered a variety of store pathways except from the "yellow-brick-road". Hence the customers were able to take shortcuts and omit parts of the assortment. In Helsingborg, Sweden, customers were strictly directed by the "yellow-brick-road", hence passed all exhibitions. This diversity may have caused bias in the research, since valuable possible respondents might have been missed out.

There was a table on discount clearly displayed and pointed out with bright lighting as well as vivid colours on the opposite side of the in-store, which clearly caught shoppers' attention. In comparison, the Taastrup store had a large outdoor display across the guided shopper flow which attracted customers with its lighting and sound in terms of bird chirping.

The IKEA FAMILY in-store is one of the benefits that the members get in touch with, hence the layout and size might affect the members' perceptions of the entire membership. Similarly the study does not take into account the sizes and importance of the stores in the case. The Helsingborg store has the smallest floor space in Sweden and is located in a small city compared to the Taastrup store which is the largest store in Denmark, located in Copenhagen.

A last limitation is that the small sample of only six respondents may cause boundaries of the research because the in-depth interviews only reach extensive information about a very restricted number of people in relation to the entire population within the segment of the respondents.

3 Theory

The theory section of this research will review relevant theories and models which will serve as a base for the analysis as well as the conclusion. The theories considered will treat the store, female shoppers, decision making, involvement as well as loyalty and loyalty programs, required in order to answer the research problem as well as fulfil the aim of the study.

3.1 Theoretical Framework

The theory upon layout will be briefly presented due to its ability to explain consumers purchasing patterns observed in-store. To this, information about female shoppers, together with theory upon decision making, family constellations and target group characteristics, will be thoroughly reviewed in order to create an understanding of both the interactions and perceptions among the target group. This because consumers' individual characteristics influence upon purchases of high involvement products which involve different decision making processes, depending on the products' importance and levels of risks. Further, theories concerning the matters of involvement, behavioural and attitudinal loyalty as well as loyalty programs will be accounted for in order to show what has previously been researched in the field as well as to make use of consumers' interactions and perceptions in a loyalty program connected to the specific product category.

3.2 The Store

The store might be thought of as a large building holding a great amount of various products for sale. This is partly true, but the store is also a highly sense and mind stimulating entity where the product layout and store atmospherics impact on customers decision making and purchase habits. (McGoldrick, 2002)

3.2.1 Layout

The layout of the actual stores have changed dramatically, going from a single outlet or department store to shopping clusters with diverse outlets or product categories in the same location. (Liebman, 2001) A good store is laid out so that there are no blind spots and so that the entire store is trafficked by consumers. Highly wanted products should therefore be placed at the low trafficked end of an aisle, in the middle section of a shelf or in the back of the store. This will make the customers pass a variety of products on their way to the desired item, and hopefully, they notice and recognise more products that they need or want. (Underhill, 2006; McGoldrick, 2002) The second most attractive place for a product is on the right hand side of either the category leader or frequently purchased items because they are in the visual zone of the consumer as well as the next item focused upon in the western world, since customers are scanning the shelves in the same pattern as they read. The top levels of the shelves are most suitable for larger, but light products while the floor space is best used for heavy products. (McGoldrick, 2002) Retailers should know that, particularly women, dislike the bottom shelves because in order to grasp the products they are forced to bend over in an unflattering and embarrassing position in a public place. (Underhill, 2006) The famous "yellow-brick-road" guides the shopper through the IKEA store and most of the assortment is therefore passed. The cash market, on the other hand, where customers most often pick up products without hesitating, is located at the end of the store and other purchases may be made on the way there. (Lundgren 2007, Lecture; McGoldrick, 2002) IKEA fills their shelves from highest reachable level to the floor, but products are usually not lower than knee level due to stock

piling. IKEA FAMILY and the cash market have a so called boutique layout; a free flow shopping format where customers are allowed to move around freely among the products.

For products to be noticed in the store they could be highlighted with promotional activities and signs alternatively singled out with lighting, open displays, smell, taste, touch or sound attracting the customers attention through its brightness, availability and activation of memory cues and senses (McGoldrick, 2002). The lighting in the furniture settings at IKEA is homey and not pointing out any particular products as in the product category section. In the IKEA FAMILY in-store and in the cash-market products are more often put on display by being pointed out with bright lighting. Smell is proven to be crucial in a retail outlet due to its ability to stimulate emotional and memory cues within the customer. To really affect the product experience, the smell should correspond with the item. This could be hard in a store like IKEA since the outlet holds so many different products in diverse materials. (Michon *et al.*, 2005) Touch as an atmospheric element is here referred to as crowding. Customer density should be kept low to make the customer stay in the store, buy products from the assortment and want to return in the future. Shoppers tend to rush out of crowded stores because they get stressed. (Michon *et al.*, 2005) The guided shopper flow might reduce the feeling of crowdedness because everyone is moving in the same direction, but crowding may still be a problem in the in IKEA FAMILY and the cash market. Different kinds of sounds may be used to affect the customers' shopping behaviour. There are two different types of sounds; music and announcements. The music has the ability of controlling the pace of the consumer movement within the store. Announcements on the other hand, are used to inform the customers and influence their purchasing behaviour. (Milliman (1982) through McGoldrick, 2002)

3.2.2 Female Shoppers

Shopping in a gender perspective has not been the prime field of research since it for long has been seen as a feminine activity (Bakewell & Mitchell, 2006). When the department stores was born back in the mid 19th century, it became a free spot for women which allowed them to get out of the home and socialise just as men had been doing in cafés and bars for an extensive period of time (Corrigan, 1997). Shopping is though still feministic and when men shop, they are conducting an activity closely connected to their feminine side. As women instead left the home and started to work, the typical feminine and masculine tasks and chores became diffuse and what was before a woman's assignment might today be a joint decision or a man's task. (Underhill, 2006) The majority of studies upon shopping behaviour have focused upon female shoppers and the reason for this is the changed societal and economic standing of this gender (Bakewell & Mitchell, 2003; Underhill, 2006).

Women spend the longest time in the store when they are shopping with another woman and the least time when they shop together with a man. When two women are shopping they search products for themselves as well as for each other, and together they evaluate if the items could be considered good and valuable purchases. (Underhill, 2006)When women are in the store with a man they only get reminded of how boring the man thinks shopping is and therefore the average time in the store is reduced by about four minutes claims Underhill (2006). The same researcher has also found that the less time spent by a woman in a store, the less money she spends.

Women want more from their shopping trip than men, they even put pressure on the store environment, and they want stores and outlets allowing browsing, product search, interaction and comparison between different offers. (Underhill, 2006) Women do, though, not settle for

a wide variety of stores in the marketplace, they also want adventure and excitement through theme parks, fitness centres and movie theatres in the shopping malls or on the high streets. (Bakewell & Mitchell, 2003) Crowding is the most threatening to female shoppers, they do not like to have to look around to make sure that they do not stand in the way for someone else. They want to be able to pick a product from the shelf and in their own pace read on the package, examine it and evaluate the product offer. Further, this makes it important to think about where products are put inside the store. High involvement and complex items should be put in wide aisles with lots of room for other customers to pass by an examining customer. (Underhill, 2006)

Shopping could work as an escape for women, they may use it as a way to get away from the family and get some free time. (Underhill, 2006) Researchers argue that it is sometimes even used as a stress relieving action. Shopping inspires to impulse purchases of four various types, pure, reminder, suggestion and planned impulse buys. These purchases are usually irrational and later regretful, but in spite of that a majority of the consumers feel relieved of stress. (Yasuhisa, 2001) The products about to be purchased affect women's and men's motivation, participation and satisfaction differently. Groceries are habitual, mundane and everyday goods which are considered feminine with low satisfaction levels while clothes are recreational and self-expressional items attracting both men and women because of the focus upon identity construction in the post-modern society. (Dholakia, 1999; Otnes & McGrath, 2001) It has been shown that depending on how much responsibility the shopper has over the specific purchase decision the more effort and time will be put into the shopping activity. Also the person with the overall prime shopping responsibility will visit the store more often. Women have had the prime shopping responsibility both for themselves, the household and their husbands for a long time and have therefore been frequent store visitors. (Dholakia, 1999) Women today are even responsible for the purchases of technical and hardware related products. Hence they would be forced into hardware stores to acquire the right products, but ever since the same items have been available in more feministic stores, like the department store, they tend to purchase them there. (Underhill, 2006) This has changed the shaping of the market with an increase in number of department and mass merchandise stores, further leading to a fall in plain hardware and tool outlets. (Green & Cunningham, 1975)

Female shoppers are much more aware of price tags where 86 percent of women look at the price tag while only 72 percent of men do the same. Three times more often are female customers entering a store with a shopping list, but studies show that both genders engage in impulse buying to the same extent. (Underhill, 2006) Women analyse their purchases during their entire shopping tour. They compare products, prices and qualities to be sure that they make the absolute best purchase for the specific reason, it does not matter if it is a grocery product, furniture item or piece of art. Men, on the other hand, are almost unstoppable when the product features and benefits correlate with their wants and needs. (Underhill, 2006)

3.2.3 Decision Making
Most often decisions are made in a series of steps; problem recognition, information search, alternative evaluation and product choise. Depending on the product characteristics, these steps will be more or less gone through in the minds of the consumers. Research by Wesley *et al.* (2006) also show that consumers use a combination of individual decision making facets making up a specific decision making style. This style is affected by the following elements: demographics, spending limits planned prior to the shopping trip, actual reasons for going shopping and the type of outlet.

Solomon *et al.*, (2002) suggests that problems are recognised through consumers living in a reality with an actual state and an ideal state. The actual state is what they are and have today. The ideal state is what they want to be or have to make them totally satisfied. If a customer finds something in the store that she wants, there is a gap between the actual and ideal self called opportunity recognition. If she instead realises that she misses something and goes to the store to satisfy this need, there is a need recognition gap between actual and ideal self. (Solomon *et al.*, 2002)

To settle for a product that may decrease this gap as well as create high levels of value for the customers, they must make purchase decisions. Solomon *et al.* (2002) further identifies three different decision making processes. The habitual decision making process is recognised by little or no information search and where the products are bought as a routine without going through the different stages of the decision making process. When little information is gathered, but the products are evaluated on their cognitive attributes, the customer is engaging in limited problem solving. Extended problem solving is characterised by the customer searching for maximum amounts of information from all different sources of influence. These sources are most often the opinions and behaviours of family, friends, marketing and advertising, but does also include the cultural norms, beliefs and values that the customer is living by. The product in itself could also give information to come closer to a product choise through the image and personality of the item together with its aesthetics, symbols and colours. (Solomon *et al.*, 2002)

When the customer has gathered information and come up with different possible product alternatives, these are evaluated in comparison to each other and then the customer choose the item that fits the best with the wants, needs, expectations, accepable risk and monetary resources available. This evaluation could be based on the functions, benefits, attributes, heuristics and familiarity among other factors. The choise could then either be non-compensatory in nature or compensatory, meaning that a product may be chosen because it meets the most demands or because it generates the most positive attributes. (Solomon *et al.*, 2002)

Sproles and Kendall (1986) have identified eight mental characteristics of consumers' decision making that may be mixed and matched to mirror a customer's shopping decisions. The customers that are shopping carefully, systematic and seldom, settle for good instead of superior products have a high-quality consciousness. Brand consciousness is when the customers tend to buy expensive, but known brands and strongly believe that higher prices indicate higher quality. A novelty-fashion conscious has the characteristics of feeling excitement and joy when seeking out new products, this customer has high trend awareness and wants to keep up with new styles. Sales and value for money seekers do have a decision making element of price consciousness in contrast with the shopper with high degrees of impulsiveness and who have little control over the amount of money spent. There are consumers who believe they have too many choices to choose from and finally there are the ones with favourite brands and ritual stores and outlets, these characteristics belong to a habitual/brand loyal decision making process.

Decisions are though not always made independently, in a household the amount of influencers on a decision may reach double digits. Autocratic decisions are decisions taken by a primary decision maker in the area, these decisions are most often gender based. Syncratic decisions are instead jointly made decisions. It is common that these decisions concern more expensive or complex products which involve a lot of risk. (Solomon *et al.*, 2002) These risks

often refers to social belonging, product performance, financing, physical and psychological health, time and economic resource consumption and the product being opportunity creating. Fewer people want to bear all these risks themselves and therefore choose to make decisions jointly with someone. (Ward & Sturrock, 1998) Studies have shown that younger couples are following this trend to a certain extent and products, men have more decision power and more often decisions are made jointly. In the case of furniture, seldom bought products which are usually more expensive and highly expressive, most decisions are made jointly, but with great influence from the woman in the relationship. (Green & Cunningham, 1975; Ward & Sturrock, 1998) When women are involved in the decision making process, they tend to gather a large amount of information, select the data which strengthens their argument and then go into the discussion around what products to buy. This is also a behaviour undertaken by women to reduce the risk of arguing or fighting when making purchase decisions. This leaves men with the tasks of approving, deliberating and paying. (Ward & Sturrock, 1998) What Ward and Sturrock (1998) further showed was that women tend to use the term "we" to discuss the actual need and purchase, but tend to use "I" when considering the selection and choice. In spite of what have been said above, Solomon *et al*. (2002, p. 360) states that "*Couples reach decisions rather than make them*".

3.2.3.1 Family Constellations

High involvement purchasing decisions are rarely made by a single individual, but rather involve an entire decision making unit. In many cases this unit refers to the family. (Dubois, 2000) According to Dubois (2000), the decisions within the family are divided into categories, one of the categories, called investment decision, includes furnishing as well as electrical goods. These categories are considered to be subjects of joint decisions, although they are positioned closer to the female than to the male influence. A second category is the occasional household maintenance, which embraces, among other products, the family car. Dubois (2000) stereotype cars primarily under the male influence and hence cars are considered high involvement for men. Women on the other hand, have their main interest in clothing, decorating and utility items for the home and hence influence the decisions regarding the shopping in these product categories. (Dubois, 2000)

Hofstede and Hofstede (2005) states that most individuals learn to socialise within the family. The family often consists of two uneven pairs that complement each other; parent-child and husband-wife. Different degrees of equality therefore are connected to the child's power distance in the parent-child relationship. This statement implicates that for feminine countries, with low power distances, children are controlled by their parents' good example. There is no distinct difference between men and women in feminine countries when it comes to expressed values. Hence, family relationships are often equal and soft, meaning that parents are not dominant, but allow the child to have as well as express opinions. Both genders care about relationships, quality of life, facts and emotions, thus children perceive both parents as equal. Further, Hofstede and Hofstede (2005) claims, that men and women are very similar when it comes to taking care of the children as well as involvement in purchases, independently of it being a new car or groceries. In feminine cultures arguments are rather rare, but if they should occur, they are mostly solved rather fast by compromises and negotiations. (Hofstede & Hofstede, 2005)

There are different types of family constellations, further affecting purchasing decisions. According to Dubois (2000) the family evolves over time and there are several key stages. The emphasis will be put on three of these stages; married couple with children under six, married couple with children over six and older couples with children. Firstly, married

couples with children under six have periodically had limited resources as the woman had to give up work for maternity leave and hence the purchasing pattern is affected by the decline in monetary resources available. Thus it is more difficult to save money. In the second case, married couples with children over six have an improved financial situation as both spouses are working again, increasing the available resources. The children's needs are still significant, but varying in cost. Lastly, older couples with children are financially at ease. The family has the ability to move to a new house, buy a second car or invest money in the home. (Dubois, 2000)

3.3 Target Group Characteristics

According to Armstrong and Kotler (2003) baby boomers are those born sometime between the middle of the 1940's and 1960's, and have become one of the most powerful forces in the marketing environment due to their large incomes. As the boomers are reaching the years of peak earnings and spending, many rediscover the enthusiasm of life and thereby lay focus on themselves and their wellbeing.

The baby boomers were, according to Armstrong and Kotler (2003) followed by a "birth death" between the middle of the 1960's and 1970's, Generation X. This generation is more sceptical and pessimistic. Even though consumers of Generation X buy a lot, their financial pressure makes them more value conscious. They respond to honest and direct advertisements, further they favour socially responsible companies. The Xers also belong to a generation that frequently uses the Internet in searching for information. (Armstrong & Kotler, 2003) Loyalty programs have proven to be successful among both generations, even though members live in a world of limitless connections produced without the human touch, they still seek an actual relationship. (Dietz, 1999) Loomis (2000, p. 54) presents a motto for the two generations: "*Baby boomers live to work, Gen Xers work to live.*" This implies that while boomers have long been regarded as a generation that finds a comfort level with long-term employment within one company, Generation Xers are considered risk takers who want both change and the possibility to utilise technology to achieve results more rapidly. (Loomis, 2000)

Following the baby boomers and Generation X is Generation Y, which are the children of the baby boomers and therefore also called echo boomers. This generation includes those born in the end of the 1970's to the middle of the 1990's. Armstrong and Kotler (2003) states that the echo boomers created a large and growing market for children and teens as it adapted itself to the new generation. One distinguished characteristic of Generation Y is total confidence and comfort with technology. Swartz (2000) states that Generation Y is most likely, and readily able, to adopt new technologies into their lifestyle. They grew up with the Internet and the evolution of the mobile society, being reachable anytime, anywhere. (Swartz, 2000) Armstrong and Kotler (2003) present that studies have shown that Generation Y is smart, aware and fair-minded. They love things that are "green" and relate well to different causes. As they start working their buying power will increase and in time they will more than rival the baby boomers in both spending and influence. (Armstrong & Kotler, 2003)

3.4 Involvement

Involvement concerns the customers' response to a product or brand in terms of thoughts, feelings and behaviours (Quester & Lim, 2003). Zaichkowsky (1985) adds to this that involvement also include need, value and interest perceptions upon a products relevance. Involvement is built up out of three different attitude formation components; cognition,

affection and behaviour. If a consumer is highly involved in a product or brand, positive attitudes have then formed in all three categories. High cognition is generated by having good knowledge as well as positive beliefs and evaluations upon the product, high affection through positive feelings and emotions towards the object and high behavioural response by frequent interactions with the product or brand. (DePelsmacker *et al.*, 2004) Low involvement, also called inertia, is when the consumer is not involved at all in the product or brand and therefore tends to buy it out of habit or convenience without considering other substitutes (Solomon *et al.*, 2002).

Park (1996) claims that involvement and loyalty are two interrelated concepts, but simultaneously points out that they are not correlated in any specific manner. This was found through studies of the measurements of involvement and attitudinal loyalty separately. Further the author argues that the two concepts are correlated by the fact that a consumer may be highly involved and have low loyalty, or have low involvement and still be truly loyal. Thomsen *et al.* (1995) claims through Olsen (2007) that involvement possesses similar defining elements as attitudinal loyalty which further envisage and explain behaviour as determining the level of loyalty. Solomon *et al.* (2002) on the other hand, believe involvement elicits behavioural loyalty which is similar to Olsen's (2007) claim about involvement being significantly related to repurchase activities, behavioural loyalty.

3.5 Behavioural and Attitudinal Loyalty

Brody and Cunningham (1968), through Yi and Jeon (2003), were among the first to define loyalty and their definition has been widely used and elaborated upon among the field's many researchers and authors. Their definition is presented through Yi and Jeon (2003) as repeat purchases of a specific product or service during a certain period of time.

Oliver (1999) points out, that behavioural loyalty far from always is created through customer satisfaction which is strengthened by Yu and Dean (2001) who argues that there is no connection between switching behaviour, repurchase intentions and customer satisfaction. Reicheld (1993) further explains through East *et al.* (2005) that more than 65 percent of all customers who leave a previously used brand are satisfied with that brand's performance. Further Oliver (1999) adds that even though up to 95 percent of the customers in the car industry are satisfied with their automobile brand only about 40 percent tend to repurchase the same brand. Oliver (1999) and Gummesson (2002) have indicated other factors than dissatisfaction to cause switching behaviour such as recommendations from family or friends as well as marketing and promotional activities implemented by other actors on the market. Oliver (1999) finally adds to this that it is possible for the customer to switch supplier because of a change in lifecycle stage and thus changes in lifestyle, values, beliefs and preferences. East *et al.* (2005) argues that behavioural loyalty may be caused by other factors than satisfaction such as customer routines, habits, opportunities or convenience to buy a certain brand in a product category.

Day (1969) through Olsen (2007), as well as Jacoby and Chestnut (1978) through East *et al.* (2005), Zaichkowsky (1985), Beatty and Kahle (1988) through Olsen (2007), Clayton-Smith (1996), Macintoch and Lockshin (1997), Oliver (1999) as well as Bandypadhyay and Martell (2006) among other authors, add an attitudinal dimension to the loyalty definition above. The latter loyalty definition states that customers should be attached to the products or brands by making them feel connected to them by heart and mind; emotions and thoughts. Bandyopadhyay and Martell (2006) hence, define loyalty as a group of psychological

processes leading to a systematic behavioural response carried out over time by some decision making element with respect to a set of similar products under other brands.

Bennett and Rundle-Thiele (2002) argues that behavioural loyalty is the visible outcome of attitudinal loyalty which does not generate any understanding of the knowledge or emotional based stimuli affecting the purchase of the product or brand. Dick and Basu (1994) together with Hallberg (2004) argue that the link between the two types of loyalty should be explained by attitudinal loyalty being the driving force of behavioural loyalty. It is further argued that the relationship between emotional loyalty and behavioural loyalty is of an exponential cause and effect character. This means that larger amounts of the products will be bought the more emotionally attached customers become. It is not unusual that customers in the highest levels of emotional loyalty spend three to four times as much as a customer somewhat less attracted to the brand. This is because "*the more loyal customers do not only like the brand, they love it*" (Hallberg, 2004, p. 233). On the other hand, the study by East *et al*. (2005) only shows weak tendencies for behavioural and attitudinal loyalty to be related, most often the two types of loyalty do not impact on each other. Quester and Lim (2003) believe that loyalty builds up when the brand personality and image correlates with the consumers' similar characteristics or when the brand in any other case offer benefits that the consumer desires. Meaning that only a psychological relation to the brand could create loyalty and hence behavioural loyalty does not have an impact.

What is important to remember is that few of the customers are single loyal, they are most likely polygamous loyal consumers, thereby being one of the most loyal customers within the customer base of the company's biggest competitors too (Dowling & Uncles,1997). Uncles *et al*. (2003) claims that it does not hinder a customer, with positive attitudes towards one brand, to have similar favourable perceptions about other similar brands in the same product category. When it comes to products of routine and mundane nature this indifference may cause the customer to grab any brand in the product category that it believed to meet the expectations (Uncles *et al*., 2003).

Customers could though be loyal to a product or brand of reasons not specifically connected to certain product characteristics, brand attractions or category involvement, but rather due to a learned habit or due to simplicity (Quester & Lim, 2003). Depending on the purchase characteristics of the customers Dick and Basu (1994) through Garland and Gendall (2004) have divided them into four different kinds of customers; true loyals, spurious loyals, latent loyals and non-loyals. True loyals, also called monogamous loyals or single loyals, are loyal both on a behavioural and attitudinal level. Based on cognitive, affective and conative constituents these customers stick to one or a very few brands and products and tend to buy these repeatedly. (Quester & Lim, 2003; Garland & Gendall, 2004) This customer segment is also the customers with the most willingness to create a deeper relationship and more business with the specific brand or store in the future. Spurious and latent loyals, also called polygamous loyals, are only loyal on behavioural and attitudinal levels respectively. (Quester & Lim, 2003; Garland & Gendall, 2004) Because spurios loyals only are loyal on a behavioural basis it is argued that their loyalty might be grounded in other factors than product characteristics or brand attributes. They might be buyers of the product due to few other choices, high transaction costs for acquiring the product or because it is a learned habit to pick the certain product over and over again. (Quester & Lim, 2003) If the customer is a non-loyal it is a brand switching customer with no clear shopping patterns in terms of what products are bought. (Quester & Lim, 2003; Garland & Gendall, 2004) Bandyopadhyay and Martell (2007) points out that it is important to include the non-loyals, in the loyalty ladder

because, even though the customers have low attitudinal loyalty and do not purchase the brands or products, they are potential consumers in the future.

3.5.1 Loyalty Programs

There are loyalty clubs in many forms and with diverse functions. Some memberships are only valid locally others nationally or even globally. Some are free of charge for the customer others are not, some offer product or money incentives while other only brief their loyalty club members more often than others in the customer base. Loyalty clubs could either give rewards today or in the future, from one store only, one store chain or from multiple stores and/or service outlets. (McGoldrick, 2002) No matter the characteristics of the memberships, loyalty programs have been introduced to retain profitable customers by offering more satisfaction and value. It is the products and brands offered to customers that generate the most satisfaction to customers. Additional membership clubs are introduced to alter the perceived value of the purchased product or service to not only depend on the functions, benefits and solutions generated by the items bought. (Dowling & Uncles, 1997; Gummesson, 2002) Gummesson (2002) further argues that the relationship created with the product or brand could generate satisfaction, moreover leading to increased spending among members. Loyalty programs have an advantage in creating emotional attachment because they allow the customer to receive personalised marketing which further stimulates more involvement as well as feelings of desire to create exclusive relations to the product or brand. Customers feel special and chosen if they receive personalised newsletters, web logins, announcements and brand demonstrations. (Hallberg, 2004; Oliver, 1999) It is though argued by Uncles *et al.* (2003) that it is lost efforts to try to move a 100 percent loyal customer up the loyalty ladder because the true loyal customer already buys all products needed in the category from the brand and a stronger emotional attachment will not make her needs for the product increase.

A loyalty program is a customer reward generating scheme based on the individual customer's profitability to the supplier. (Yi & Jeon, 2003) Such loyalty programs are today being introduced more frequently, by many different suppliers and brands, due to the fact that loyalty clubs have been proven to affect customers' rational and habitual purchase patterns. A change of behaviour is possible because the consumers are interested in the rewards promised by such memberships (Hallberg, 2004; Uncles *et al.*, 2003).

Most companies follow the 20-80 percent rule meaning that 20 percent of the customer base generates 80 percent of total sales. By introducing loyalty clubs, companies hope to capture and involve these most profitable customers for a longer period of time and hopefully get a larger share of their wallet during that time. (Dowling & Uncles, 1997) The membership is also hoped for to reach single brand loyalty, attracting new customers, increase cross-selling, reduce price sensitivity as well as the influence from competing brands and thereby lessen the desire to buy other brands (Uncles *et al.*, 2003). Ahluwalia *et al.* (1999) claims through Uncles *et al.* (2003) that loyal customers have much more indulgence towards mistakes and blunders created by the supplier and they are therefore desired customers. Uncles *et al.* (2003, p. 298) expresses it as "*bonding the customers with velvet handcuffs*".

Loyalty programs have lately been introduced to help companies to fight the aggressive competition in the marketplace by raising customers' switching costs, even out seasonal sales, create a customer base which is more likely to forget about mistakes as well as follow competition (Gummesson, 2002). Members in loyalty clubs also reach a mature state of the customer lifecycle more quickly than other customers, leading to a recent signed up club member being as profitable as someone who has been a regular customer for a longer period

of time. (Yi & Jeon, 2003) This is because they spend more money overall and that they at the same time spend a larger proportion of the money in their favourite store. (DePelsmacker *et al.*, 2004)

For these loyalty memberships to stimulate and motivate customer retention and thereby maintain sales levels, increase profitability of present customers and entice cross-product purchasing, the programme has to offer some kind of rewards which in turn will increase product or service satisfaction levels (Dowling & Uncles, 1997). Rothschild (1986) as well as Dowling and Uncles (1997), among other researchers, focus upon three criteria for the customer compensations; type of loyalty, type of incentive and timing.

3.5.1.1 Loyalty vs. Rewards

Because few consumers are truly loyal to one brand and thereby more or less profitable to the supplier, it is possible to differentiate between customers being loyal to the membership and customers being loyal to the brand. (Yi & Jeon, 2003) Yi and Jeon (2003) differentiate membership loyalty and brand loyalty through two different paths; the dir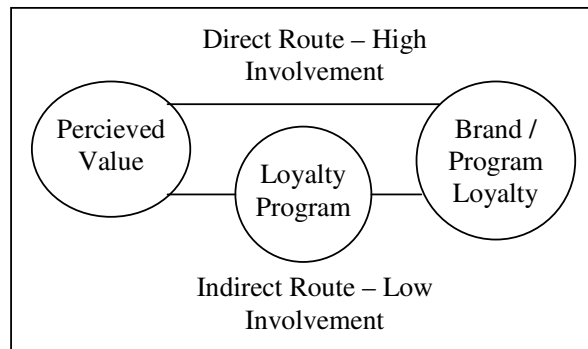ect path and the indirect path. If customers' perceptions of the value generated from a certain product or service affect their brand loyalty, they have taken the direct

Figure 1 – Effects of Reward Schemes and Value Perceptions, through Yi and Jeon (2003)

route to brand loyalty. The indirect route is taken when brand loyalty only is affected through loyalty to the specific membership club. Which path customers are taking depends on the customer's involvement in the product or service that is to be purchased. Brand loyalty of high involvement products, such as luxury goods, cars and homes, tend to be affected through the value perception of both the product and the program, both the direct and indirect route. Low involvement products, for example groceries, on the other hand tend to affect brand loyalty only through loyalty to the program, indirect impacting on brand loyalty. (Yi & Jeon, 2003) Consumers of low involvement products usually have a greater amount of brands in their consideration set, making them potential brand switchers and therefore the only loyalty generated from these customers is to the program (Quester & Lim, 2003). The above further indicates that customers might be interested in having a relationship to low involvement products, but that it is most effective to derive this brand loyalty trough a satisfactory loyalty program. It also indicates that loyalty programs are more effective when connected to a high involvement product since brand loyalty then is affected through both the direct and indirect paths. (Yi & Jeon, 2003)

The rewards in the loyalty program are based upon customers' consumption habits and could be direct or indirect in nature and given immediately on a repeat basis, or in the future. If the incentives are given immediately they are given in connection to the customer's repeat purchases. If the rewards instead are given in the future, customers have to save up, most often a certain amount of points depending on their purchase history, and later the customers receive their reward. Direct rewards are bonus products or discounts specifically connected to the item about to be purchased while monetary discounts, random products or any other reward, not explicitly related to the purchase, are called indirect rewards. (Yi & Jeon, 2003)

By mixing and matching these reward criteria it is possible to create a two dimensional matrix as the one presented by Yi & Jeon (2003) shown in Figure 2.

	Immediate	Delayed
Direct	Product Related Reward, e.g. Bonus Product	Product Related Reward, e.g. Frequent Flyer
Indirect	Non-Product Related Reward, e.g. Discount	Non-Product Related Reward, e.g. Frequent Buyer

Figure 2 – Reward Matrix, through Yi and Jeon (2003)

About 80 percent of all households in the United States hold more than one supermarket loyalty card (Leenheer *et al*., 2007). It is also argued through Hallberg (2004) that more than a third of frequent flyer customers belong to three or more loyalty clubs which further might be a sign of customers only being interested in the program rewards. This is understandable when put in relation to how many people are interested in only watching one television channel, only get news from one newspaper, only eat one dish for dinner and only keep company with one friend (Uncles *et al*., 2003, p. 304). Bolton *et al*. (2000) claim through Uncles *et al*. (2003) that there is a significant amount of customers who do not use their loyalty cards on a regular basis. About 40 percent did not use their card at all during a one year period and almost the same share of customers used their membership card less than six times over the same time period. Quester and Lim (2003) argue that the degree of loyalty has an impact on the commitment as well as the level of involvement that a customer feels towards a product or brand.

Dowling *et al*. (1981) argue that rewards should be given immediately to create product or brand loyalty instead of program loyalty which the author believes might occur if the customer have to wait for compensation. The authors also argue for the incentive to be of direct nature to remind customers of their participation and belonging. In contradiction to this Rothschild (1986) suggests that the direct rewards may put the purchased product in second place and that customers therefore should be given indirect rewards in the future. Bandyopadhyay and Martell (2007) highlight the risk of immediate rewards creating reward loyalty and causing non-usage when the discount is withdrawn. Depending on the loyalty membership's importance to the customers' different kinds of rewards are preferred. If the products connected to the membership is of high involvement character a direct reward is more appreciated by the customer whenever it is given. In the opposite case, when products are of low involvement nature, the timing of the incentives is the most important and the rewards should be given immediately for best effect. (Yi & Jeon, 2003) Product involvement does also play a key role for the importance of loyalty programs. High involvement items and services are more likely to make the customers want to create relationships to the supplier or brand and creating a loyalty program, offering closer cooperation, would therefore be effective. Such programs are not suitable for low involvement products because that kind of articles is more often bought on a habitual basis. (Dowling & Uncles 1997; Oliver, 1999)

4 Empirical Data

This section will present the primary data of the study and it will follow a format focusing on each of the six respondents separately, beginning with the Swedish interviewees. The empirical data will further be outlined in a design following the interview guide which may be found in Appendix 2.

4.1 The Swedish Respondents from the Helsingborg Store

In-store layout, IKEA Helsingborg, Sweden see Appendix 3.

4.1.1 Amy

Amy is a 42 year old woman and a mother of two children, eleven and twelve years old. Amy lives with her husband and children about an hour outside of Helsingborg. She therefore has to travel to visit IKEA, but still she visits the store about six to eight times a year and believe that she would go even more often if she lived closer. The disposable income in the family is approximately € 850 to 1 000 per month. Amy likes to shop, but the family tends to spend their money on vacations and other more expensive products or experiences for the family.

Before Amy went into the IKEA FAMILY in-store, she grabbed one of the characteristic yellow IKEA shopping bags. She then passed through much of the IKEA FAMILY store but did not touch or smell any of the products. She stopped specifically by the books before she moved on to the corner of safety products. Amy spent a long time watching and examining the products, but still without touching them. The travelling section caught Amy's attention shortly as she was about to leave IKEA FAMILY.

When Amy looks around in her home she realises that not much of the larger furniture pieces are from IKEA. It is rather the smaller things, kitchen appliances and decorations in the home such as glasses, tableware, picture frames and paintings that are from IKEA. The inspiration for the furnishing and decoration of her home is partly from IKEA; when shopping she follows the "yellow-brick-road" tightly to see all the exhibitions in order to get ideas for her own home. Other than that she is very interested in stores such as Room and Design Torget as well as home decoration magazines and television programs. She specifically mentions that she prescribes to the magazine Allt i Hemmet and that she watches the television program Äntligen Hemma on a regular basis.

Amy likes shopping, she sometimes even uses it as a while away from home. Most often she leaves the home without a shopping list and therefore tends to do much of her purchases on impulse as she makes the buying decision in-store. The children are usually accompanying her, although her son is not very fond of running in and out of stores. The family has a joint economy, but Amy is well aware that they do not have unlimited resources. Hence she let the economic situation as well as savings for vacations and larger, more expensive products or experiences for the family steer and limit her shopping. Amy finds the price tag to be important, she always look at it, but it is far from often that the price tag is decisive. Although the family has a joint economy Amy states that it is usually she who has the most influence on the purchases in the family, even when it comes to larger things such as furniture.

Because Amy has children she has signed up for quite many customer clubs. She is for example a member of MQ Sweden, which she uses the most, H&M, Jeans & Clothes, Team

Sportia and Intersport. Other memberships that she has are ICA, Kicks and IKEA FAMILY. Amy declare that being a mother does not leave that much time to go shopping, hence she really enjoys the club nights that many stores offer. She likes these because usually the stores are open after closing hours and she states that the discounts as well as benefits often are especially good these evenings. Amy also expresses her liking towards bonus checks, she likes that she gets money back into her wallet, but also realises that:

"*…every time I receive bonuses I tend to spend a lot more money in spite of the check!*"

When asked about loyalty Amy believes that a customer has to visit a store regularly to be loyal, but depending on the type of store, the number of visits may of course differ. ICA, H&M and Jeans & Clothes are the stores that Amy finds herself loyal to, which she mainly thinks is due to her children's' need of clothes growing up.

Amy visits IKEA about six to eight times a year since she has about an hour to travel and therefore does not tend to go as often as she would like to. She normally visits IKEA with the entire family since the visit often becomes a full-day trip where they try to visit as many stores as possible at Väla Centrum. Amy considers IKEA to be attractive to the entire family, but feels that it is usually herself who makes the purchasing decisions at IKEA. When she is in the store with her daughter they purchase a lot smaller home decorations than when Amy's husband is coming with her. Amy visits IKEA because of the prices, the wide and interesting assortment and the convenience of having everything under one roof. She finds IKEA to be the most important furniture store because the environment and assortment in other stores are boring and non-inspiring as well as no other store can compete with the good prices at IKEA. She does not believe that a negative change in her family's disposable income would affect her spending at IKEA, while an increase in money would make her buy more exclusive and expensive products in other stores. The times that Amy spent the most money at IKEA was when she and her husband started a family and got children. Aside from those fairly few occasions Amy thinks that she shops the most at IKEA in the fall, right after the new catalogue has been released, it is getting colder outside and she wants to cheer up her home. Amy likes the entire IKEA concept, the price worthy and good quality products, the wide assortment and the inspirational layout in the store. She finds herself loyal to IKEA in spite of her few visits and it would be a disaster if IKEA in Helsingborg closed. She would still be able to visit IKEA in Gothenburg or Malmö, but believes that the visits would be even less frequent because she would have to travel even further.

IKEA FAMILY is not visited by Amy every time she visits IKEA, hence she does not visit the in-store more than two times a year. Neither is her visits planned; when visiting IKEA FAMILY it is most likely something that has caught her eye and she therefore browses through the corner. The smaller things that Amy buys are often bought on impulse, which also holds true for the IKEA FAMILY items. It is more often her husband who finds something at IKEA FAMILY and it is often the need which affects the purchases. Amy does not believe that her trips and purchases at IKEA has changed remarkably with her membership in IKEA FAMILY, but points out that she probably would not consider the IKEA FAMILY products at all if she was not a member. As with the rest of IKEA, Amy bought the most products at IKEA FAMILY when she started her family. It is also since about then, ten to fifteen years ago, that Amy has been a member of the customer club. When someone says IKEA FAMILY, Amy immediately think of the family and the safety products in the store, but believes that the products in-store is sometimes more targeted at men. Amy considers the products in the IKEA FAMILY corner to be good, but she tends to only buy the safety items. If Amy was allowed

to change something in the IKEA FAMILY store she would make it more spacious and locate the store in a more visible spot so that it is more easily noticed. She does not believe that IKEA FAMILY's assortment is especially important compared to other brands of similar products and therefore she only has a materialistic relationship to IKEA FAMILY. Hence she does not think that it would matter if the IKEA FAMILY concept closed down. Amy does not consider herself loyal to IKEA FAMILY, but thinks that she is as rewarded as she should be compared to her purchases. To inspire her spending she would like to receive a more monetary based token to be received annually or twice a year.

4.1.2 Betty

Betty is the youngest of the respondents from Sweden with her 32 years of age. She lives in Helsingborg with her two children, close to one and three year old. She has just moved back to Sweden after some time abroad where her husband still is located for work. Since Betty lives close to IKEA she tends to visit the store as often as two to three times a month. Betty is still on maternity leave, but her husband is a high income employee which leaves the family with about € 1 600 after necessary expenses each month. Betty does not like to shop, but at the moment the family is remodelling a new house in Sweden and therefore she spend a lot of money, at the same time the family try to save money for trips and vacations in the future.

Betty passed through the IKEA FAMILY in-store in a fast pace until she reached the corner with safety products. She examined the items on the racks for a long time before she grabbed a few of them to investigate further. After a short while she put the products back on the shelf and left IKEA FAMILY in a prompt pace.

Betty looks around in her home and thinks that most of the products from IKEA are items that may be changed, whenever there is a need for a new touch on the home, she puts it:

> "…*products which makes a big difference in the home, but a small difference in the wallet are from IKEA*"

Other furniture and decoration pieces are mostly from Ilva in Malmö or antique stores located away from her home town in places such as Helsingør or Copenhagen. Betty buys antiques because the new house is from the year of 1905 and she believes that some of the furniture in the home should be from the same time period as the house itself. Betty uses the Internet and the available forums online as her primary source of inspiration. She says that she enjoys exchanging tips and ideas with other bloggers and believes that the conversations have given her great information about furnishing and where to acquire such items.

Betty does not like shopping; it is just something that she has to do. Most often she has a thought about what to buy, but she states that there will always be some products bought on impulse. Since Betty's husband is not living in Sweden she does most of the shopping, usually accompanied by her children. Betty feels a little spoiled and cocky when she realises that she does not have any restrictions on her purchasing, the family has joint economy and good monetary resources even though the family has been saving for the purchase and remodelling of the house. At the same time she points out that she is not a shopper and thus has to push herself to buy products when she finds something that she wants. Betty believes that her relationship to a price tag depends on her expectations. If she expects a certain price and the price tag do not correspond to it, she might not buy the item. It is most often Betty who makes the purchase decisions and when it comes to larger or more expensive products

she is the one doing the necessary research, makes a choice and her husband accept it as long as the price and quality is acceptable.

Betty mentions H&M, MQ Sweden and IKEA FAMILY as the membership clubs which she is involved in. She says that she uses the H&M club card most often since her children always need new clothes and that she therefore also tend to use the discounts that are offered through the membership club. When it comes to the other customer clubs, Betty feels that she does not have the time or possibility to make use of all the offers. When asked about loyalty, Betty cannot really define loyalty, but she believes that it depends on how often the customer visits the store in comparison to her need of the products which the store holds. With that definition in mind she considers herself loyal to H&M as well as Body Shop. She even points out that she has fought for Body Shop's establishment in the country where she lived while abroad.

Betty is a frequent IKEA visitor and, as mentioned before, she always brings her children when she goes shopping. This means that the trips are a one task trip, only IKEA, since the children cannot handle more than that. She likes the products at IKEA and always buys something, even if it is only lights and napkins. She is making most of the purchase decisions herself, but she is more involved in the aesthetics and her husband compares price and quality, which means that he normally has a say in more expensive purchases. In the end, Betty believes that the need has the largest impact on her purchases because she usually does not buy products without having a clear need for them. Betty usually visits IKEA because she finds it suitable for everyone in the family as the store concept at IKEA allows children to touch, feel and try the products. It is also a perfect place for meals since the pancakes are the best according to her daughter. IKEA has become more important for Betty since she lived abroad and realised that IKEA is Sweden, closing IKEA in foreign countries would be like withdraw something Swedish from the world. She also expresses that a closedown of the Helsingborg store would be like:

"loosing a part of my soul"

She would be very sad, but still visit IKEA in Malmö. Betty also likes that the customer only has to pay for what she gets at IKEA, compared to other furniture stores where the customer pays a lot more for almost similar products and brands. Right now Betty is spending the most money at IKEA because the family is remodelling a larger house and there is a lot of space to fill. Other than this, Christmas and summer are the seasons when she spends the most money because she wants to redecorate the home with new coloured cushions, pillows and curtains.

Betty does not visit IKEA FAMILY as frequently as the rest of IKEA. The times that she visits IKEA FAMILY is due to the fact that a need is dragging her in there. She generally does not like the products and it is hence very seldom that she browses the store to find something. It is not very much that, at the moment, may impact on her shopping habits at IKEA FAMILY. Betty spent the most money at IKEA FAMILY right after her children were born, then the safety issue became very apparent and she realised that there also was a need of that kind of products at the day-care centre where she normally works. Betty's husband found an interest in IKEA FAMILY as well through the safety products. Generally IKEA FAMILY products are not important to Betty, but she knows that the safety products are jointly produced with companies in the safety industry and hence consider them good. It is also these safety products which come to mind when someone says IKEA FAMILY, but Betty does not feel that the products at IKEA FAMILY fits with the rest of the IKEA concept and thinks the corner is odd in an otherwise successful concept. If Betty was to change something with the

IKEA FAMILY in-store, she would move it to the entrance and connect the products more obviously to the rest of the assortment, maybe have discounts on the regular products, she also wants a box for customers to leave their furnishing suggestions and home decorating ideas which later could be posted in the IKEA FAMILY Live to inspire other customers. Betty would like to add products for recycling to the IKEA FAMILY concept since the vessels that may be bought at other places today are neither big enough nor keep children out. The membership has made Betty look a little more at the price tags when she is at IKEA FAMILY, but she does not feel the customer club tying to bond enough with their customers except for through the magazine in the mailbox. Betty does not think that she has a relationship to IKEA FAMILY, but in spite of this, she finds herself loyal to IKEA FAMILY. As a member of IKEA FAMILY she would see a product assortment and in-store layout that correspond with customer's wants and needs as an appropriate reward for being a member. If there was some kind of bonus system to be introduced she would prefer a bonus check to be sent out close to Christmas when she buys the most products over the year. If IKEA decided to close IKEA FAMILY, Betty would not miss the concept, but the safety product range. Today she does not know where to find these products elsewhere and would hence have to spend more time researching for other safety alternatives.

4.1.3 Cathy

Cathy, 48 years old, is a mother of two children who are in their teens. Today Cathy visits IKEA about every third month, but she believes that the visits to the store would be more frequent if she lived closer to Helsingborg. Cathy believes the monthly disposable income of the family to be about € 1 050. She really enjoys shopping and especially for the family's home, but the family still saves money for vacations and clothes.

Cathy entered IKEA FAMILY together with her daughters, where the younger girl picked up a pair of slippers and put them in the yellow IKEA bag. Cathy spent her time in the bath and body section touching and smelling the different products, and ended up buying a shower cream. She also felt the bathrobes and pyjamas before she moved on to the book section of IKEA FAMILY where she took the books of the shelves and looked at them before leaving the in-store for further shopping.

When Cathy starts looking around in her home she realises that her furniture and decorations are from a wide range of stores. There are mostly products from stores located in the city where Cathy lives, but she even mentions some purchases at IKEA. It is obvious that she has read the consent and explains that the reason for her home including so many different brands of furniture and decorating depend on the fairly long distance she has to IKEA. Home remodelling and decorating shows on television is Cathy's prime source of inspiration for her home, but she also buys magazines or newspapers with the same themes.

Shopping is something that both Cathy and her daughters like. She generally shops alone or with her daughters, usually her husband is not interested in accompanying them. The different shopping companies affect Cathy's purchase decisions; with her daughters it tends to be a lot more products because, as she puts it:

> "…*they are surprisingly intense when they really want something*"

This means that even though Cathy uses a shopping list she also engage in some impulse buying. Money is not a problem in the family and they can usually buy what they want, which is mainly things for the house together with clothes. Vacations are also bought after some

time of saving. Cathy says that she is the primary purchase decision maker, but it may differ with some products. When it comes to smaller things she again points out that her daughters can make the final decision if they want the product. The price tag is not very important for Cathy, but she tends to look at it because she imagines a reasonable price.

Cathy does not mention any specific customer clubs except for MQ Sweden, Åhléns and IKEA FAMILY, but she says that she has memberships in clothes stores, grocery stores and jewellery stores as well. She does not use all the offers different customer clubs gives her, only the ones where she has a need of the product. She thinks that she uses the club offers from clothes stores the most, but realises that she uses her Åhléns card for a wider variety of products. Cathy believes loyalty depends on the customers liking of the product or store together with the customer's consideration of possibly purchasing the products offered. The stores which Cathy therefore thinks she is loyal are many, including H&M, Åhléns, Stadium, Team Sportia, Intersport and IKEA.

Cathy believes that she visits IKEA about every third month, making it about four times a year. The normal visit to IKEA is a full-day trip for the entire family since they have to travel to get to Helsingborg and the IKEA store. Hence IKEA does not tend to be the only stop for the day, but rather the entire Väla Centrum is browsed. Cathy buys both smaller decorations at IKEA as well as furniture. Her husband is not specifically fond of IKEA, but tends to come with her for purchases of larger furniture pieces. She likes the products, finds them interesting as well as price worthy and hence tend to never leave IKEA without any purchases. IKEA is very important for Cathy in comparison to other furniture stores, it is seldom that Cathy finds as price worthy products in the local furniture stores. Cathy's daughters make the biggest impact on the purchases at IKEA, they are very intense when they want something. Cathy does not believe that the time when she has purchased the most products from IKEA has yet come, but rather believes it will be when her children moves out of the house and into something of their own. The family is the typical IKEA customer according to Cathy and she would hence have a family star in an IKEA ad. Cathy's own relationship to IKEA is quite simple, she visits IKEA when she has time to travel all the way to Helsingborg and she never leaves the store without purchasing anything. She is sure that she would visit IKEA more often if she lived closer and if IKEA in Helsingborg closed, she would visit either the store in Älmhult or Gothenburg. She reflects upon the shortest way being to Älmhult, but that the roads are better to Gothenburg, but on the other hand she finds the store in Älmhult more special and hence the more complicated travel would be worth the while.

Cathy visits IKEA FAMILY every time she visits IKEA, hence the total amount of visits is four times a year. As mentioned before, Cathy shops at IKEA with her entire family, which is the same for IKEA FAMILY, and again it is Cathy who makes the final purchase decisions which her daughters might have a strong influence upon. She does not find as many tempting products at IKEA FAMILY which makes her purchases less frequent in this part of the store, but she believes that she at least buys something at IKEA FAMILY once a year. Cathy sees herself as a customer who only buys products that she needs, when she needs them, hence she does not believe that the membership has changed her purchases at IKEA during the seven to ten years that she has been a member. Nor does she believe that her spending at IKEA FAMILY has changed or reached its climax yet as top levels will be reached when her daughters start their own households. IKEA FAMILY makes Cathy think of her daughters who really enjoy the in-store. She would though star an entire family in an ad for IKEA FAMILY. Cathy considers IKEA FAMILY to be only a small part of IKEA and that it is not specifically highlighted by the company. She feels that the in-store is put in a corner and that

she only slips through IKEA FAMILY as long as she notices it. She would prefer to move the in-store to a more eye catching corner. Cathy also finds the assortment to be fairly small and would therefore add products from the original IKEA assortment and give them membership discounts on a permanent basis. Otherwise, Cathy considers the products at IKEA FAMILY to be price worthy, but does not believe that they are neither more nor less important than similar products of other brands. The last time she visited IKEA FAMILY she bought a shower cream which did not impress her, while her daughter, on the other hand, wears her pair of morning slippers from IKEA FAMILY frequently. Cathy finds her relationship to IKEA FAMILY to be wage. She believes that the membership club has too many offers during the weekdays which makes them almost impossible for her to use and at the same time the offers has a too small monetary value which does not make it worth the car ride. Despite this, Cathy still believes that she is loyal to IKEA FAMILY. She would prefer if IKEA FAMILY offered her a bonus system and an annual discount to reinforce their members as she today believe that she would not feel affected if the IKEA FAMILY in-store and membership club closed.

4.1.4 Conclusion Sweden

Table 1 - Summary of the Swedish Respondents

Topic / Respondent	Amy	Betty	Cathy
In-Store Behaviour	Looked around entire store without touching products.	Fast pace through store, stopped at safety products and examined items.	Accompanied by daughters. Examined products in book, bath and body section. Purchased products.
The Home	Smaller items from IKEA. Inspired by stores, magazines and television.	Everyday exchangeable products from IKEA. Inspired by bloggers on the Internet and antique stores.	Items form variety of stores including IKEA. Inspired by television, magazines and newspapers.
Shopping Behaviour	Likes shopping, affected by family and economic situation. Accompanied by children.	Does not like shopping. No restrictions to spending, price expectations may affect purchases.	Likes shopping. No monetary restrictions, imagines reasonable price. Accompanied by daughters.
Decision Making	Main decision maker. Decisions made in-store	Main decision maker. Think about needed products, shops after list and on impulse.	Primary decision maker, but influenced by daughters. Tries to follow list but also impulse shopping.
Thoughts upon Loyalty	Regular visits depending on type of store. Wide variety of club memberships. Enjoys club events and monetary discounts.	Need of products in relation to visits in-store. Cloth store memberships primarily. Uses some discounts, prefers bonus checks.	Liking of store or brand and consideration of purchases. Wide variety of memberships. Use discounts and deals when needed.
Involvement and Loyalty to IKEA	Wide assortment, convenience, inspiring, most important furniture store in relation to its prices. Occasionally involved.	Liking, convenience, price-worthy, availability. High level of involvement around seasonal changes.	Liking due to prices. High involvement entire family. Wish for increased involvement. Opportunity visitor with regular purchases.

Topic / Respondent	Amy	Betty	Cathy
Involvement and Loyalty to IKEA FAMILY	Non-planned, non-consistent, materialistic involvement. Increased involvement through membership. Wish for better availability of store concept.	Need, non-frequent and occasional based involvement. Non-important, non-fitting, non-relationship building concept. Wish for changed assortment and member influence.	Regular visitor, non-frequent purchases. Unaffected by membership. Wish for wider assortment, discount system and supplier involvement. Reasonable substitute for other brands but weak relationship.

4.2 The Danish Respondents from the Taastrup Store

In-store layout, IKEA Taastrup, Denmark see Appendix 3.

4.2.1 Daisy

Daisy is 29 years old and lives with her husband and two children about two hours from Copenhagen. She is expecting her third child at the time of the interview. The family has about € 1 350 left to spend each month. Daisy does not describe herself as enthusiastic about shopping nor does she consider it a must. Despite this, she still visits IKEA once a month.

Daisy, with husband and two children, entered IKEA FAMILY by crossing the main path from the outdoor section, with her eyes set on the travelling products at the far end of the in-store. She stopped to further look at these products as she and her husband discussed them. They continued to move among them in a slow pace as well as examining several of them. Daisy then continued her path along the inspirational books, glancing at them as she pushed her trolley. The family then passed between the different IKEA FAMILY information stands as they headed for the relaxation products. They passed the pyjamas slowly, but without touching anything. Daisy's husband took a look at the safety products before the family left the in-store.

Daisy's furniture as well as decorations are mainly from IKEA. She believes it is mainly due to the fact that when something new is needed for the home, she firstly visits IKEA and often she finds what she is looking for. The larger furnishers in the home which are not from IKEA are usually bought on offers which made them compatible with the IKEA furniture. Hence she sees both the IKEA catalogue and the IKEA FAMILY magazine as sources of inspiration to her home.

Daisy describes her general shopping trip as a trip with her husband, and sometimes the children where she usually makes her purchasing decisions on impulse. She believes that her husband influences her shopping as they usually end up with more items when he is accompanying her. The same goes for her mother who often accompanies Daisy on her shopping trips. She never decides in advance how much money she is allowed to spend and therefore buy what she can. At the same time she points out that she of course always look and think about the price and buy reasonably. The main decisions in the family are made by Daisy's husband, who she considers having a more realistic view on the purchases. It is also her husband who pays when they are shopping, even though they have a joint economy. Daisy reveals that it is her husband that makes most purchase to the home and he often research the items to find the cheapest place to acquire it. The money that the family saves each month is mainly spent on holidays, furniture and electronics.

Daisy is neither one of those that joins a customer club despite the fact that she has joined IKEA FAMILY and considers herself to be a loyal customer. She believes loyalty to be defined by both money spent and the number of visits to the store. She reveals that she views herself as loyal to many brands as well, but does not think that she is loyal to any other furniture store except from IKEA.

Daisy usually goes with her husband and the children to IKEA. As the family generally shops together the product decisions at IKEA are both jointly and individually made. She adds that since her husband pays at IKEA he usually gets a say in the product purchases. Daisy believes that she always buys something when she visits IKEA as the family has a bit to travel. She prepares her visits and hence usually has a list of items to buy, but adds that she rarely buys only what is on the list. The family usually takes a full day which includes a meal in the restaurant when visiting IKEA. The main reason to why Daisy shops at IKEA is the good prices as well as the great designs. She finds IKEA to offer nice textiles, good furniture as well as other items for the children and usable kitchen appliances. Daisy believes that she has increased her spending at IKEA the last three years since she became a mother, before then she rarely shopped in the store. Although Daisy's husband often is a part of the purchases at IKEA, she still believes that a woman would be the most suitable character in a commercial or ad. Daisy would definitely spend more money at IKEA if she had more, but she does not think that her spending would change if the family's disposable income decreased, but she would focus her spending on larger items for the home. She defines herself as a loyal customer at IKEA and believes that she is a heart customer. If her nearest IKEA closed Daisy would feel it to be a disaster, but would not stop visiting IKEA. The family would instead get in the car and travel across water to visit IKEA in Sweden, although it would not be that often.

"… if IKEA closed it would be a catastrophe"

Daisy has been an IKEA FAMILY member since the millennium. She visits the corner only if she sees something that looks interesting, but those times she also leaves the store with at least one IKEA FAMILY item. Her husband usually accompanies her into the IKEA FAMILY area and sometimes he is the one who first enters it. At IKEA FAMILY the decisions are usually made together although her husband often has a more realistic point of view. Although the family has a joint economy this has no impact on the decision making. The family usually eats before entering the IKEA FAMILY which means that they have the patience to thoroughly look around in the store. Daisy believes that the location of the in-store is very central within IKEA and she likes the layout. She finds it inviting as well as easy to browse, although she considers it to be a bit too many products for the space allocated to the in-store area. She suggests that it also could include larger items and furniture from the original IKEA assortment. Preferably offers on ordinary products, such as children's beds. Price is of some importance when looking at the products, although her shopping at IKEA FAMILY has not changed since she became a member. The only thing she may think of that has changed is that the family more often eats at IKEA. The yearly sum that she spent on IKEA has not increased due to the membership, but rather due to her becoming a mother. Since she got her first child, whom today is three years old, she has definitely bought more products at IKEA and IKEA FAMILY. For the products to really attract Daisy it is important that she experiences an added value from IKEA FAMILY. Just as with IKEA, Daisy believes that women are the most suitable characters in an ad for IKEA FAMILY, even though she considers the products to attract all adults. Daisy sees the membership club as a resource and would truly miss both the store and the offers. Daisy considers herself to be a loyal IKEA

FAMILY member as she often ends up with something from the store. She also feels that she wants to be a part of IKEA through her membership. Daisy believes that she has been rewarded through her membership as she believes some money has been saved. Although she adds that it would only be fare if the really loyal members also would receive an item from IKEA for free once a year. The printed information could also be a bit more extensive as she is not a frequent user of the Internet.

4.2.2 Erin

Erin is a 30 year old woman and lives in Denmark a bit outside Copenhagen with her boyfriend and two children, a girl and a boy. The family has approximately € 650 to 950 in disposable income each month. Erin likes shopping and visits IKEA approximately once a month.

Erin approached the IKEA FAMILY in-store from the restaurant, moving past the book section and stopped by the suitcases where she took a closer look at a few of the items. She examined them in order to test their different functions and features, before she chose one that she liked and put in her shopping trolley. Thereafter Erin past the IKEA FAMILY information on her way back to the "yellow-brick-road", but stopped for the bath and body products. She glanced at these products for quite a long time before she finally turned to look at pyjamas belonging to the relaxation products. After she examined the products she headed out of the store.

When the respondent was asked to look around in her home Erin noted that many items, both furniture and decorations in her home are from IKEA. The items that are not from IKEA have been primarily bought because she really wanted them from first glance. Erin gathers inspiration for her home mainly in books on home design as well as through subscriptions of decoration magazines.

Usually when Erin goes shopping she goes with her best friend and sometimes the children are accompanying her as well. She describes that she usually uses a list when shopping, but of course some items are bought on impulse. Erin expresses that shopping with a list also is a necessity when having children.

> "*If I can choose, I shop on impulse, but I save money if I bring a list*"

If the shopping includes larger items it is more common that her boyfriend is accompanying her to the store. When asked about her relationship to money, Erin points out that her boyfriend sometimes decides how much she is allowed to spend especially if it is at the end of the month and the family has other expenses, otherwise she usually set a limit for herself. She always looks at the price of an item before purchase, but if the item is needed the price is of less interest. If she finds a need for a product she usually buys it without hesitation, hence need is her main driving force. The family generally goes on a longer summer vacation together and hence some money is saved for this event each month. Erin stands for the main decision making in the family, but it is often her boyfriend who pays as he is the main income provider.

Erin is not a member of any customer clubs, connected to a store, except for IKEA FAMILY, but she has become a member at the Copenhagen Zoo, where she receives a discount in the gift shop. She feels that the offers at IKEA FAMILY are quite narrow and hence she does not take advantage of the benefits as often as she would like to. Erin describes loyalty as

depending on how often the customer visits a store and she believes that it is the time rather than the money spent that defines loyalty. She does not consider herself to be loyal to any brand and says that she buys items because she wants them and not due to the brand. Further, she underlines that a consumer may be loyal to several brands. If one visits a certain store once a month then one can be considered to be loyal to that store.

Erin likes to visit IKEA and she buys something every time she visits the store. She sees IKEA as a day trip and usually goes with a friend or her boyfriend as well as the children, even though her boyfriend is not that fond of IKEA. Erin mainly shops on impulse, even if she sometimes looks for more specific items. She views IKEA as a place to relax with her friends and they walk around in the store for hours. Usually they eat something in the restaurant to have enough strength for a whole day. Erin finds that the summertime as well as her maternity leave as periods which have had an impact on her purchasing habits at IKEA, she tends to buy more during these periods. Her boyfriend also has an impact on the purchasing decisions as he is the one paying for the items bought. Usually smaller products are bought such as lights or glasses. There are many reason to why Erin visits IKEA, she likes the prices, designs as well as the assortment. Erin considers IKEA to be much better than other furniture stores both due to the price, and the diversity in product categories. She believes that IKEA's marketing should be directed at women and hence women should be used in the commercials. If she had more time and money she would visit and spend more at IKEA. Even if she had less money than today, Erin would visit IKEA, since she believes that IKEA holds the cheapest furniture. Erin describes herself as loyal to IKEA and believes that she is a heart customer, as she first and foremost chose IKEA products. Hence, she would be very sad if the IKEA store closest to her went out of business.

Erin has not been a member in IKEA FAMILY for that long, only close to a year, but during that time she has been able to develop an understanding of the customer club and she sometimes uses the offers that the members receive. She does not visit the IKEA FAMILY corner every time she is at IKEA, neither is it common that she buys anything is the area. Her visits to the IKEA FAMILY in-store are often accompanied by her best friend, where the two browse the store. Hence if something is bought within IKEA FAMILY Erin has made the decision herself. Erin finds the prices at IKEA FAMILY to be very favourable if one is a member and the things that she buys are usually on pure impulse due to the fact that she likes the products or recognise a need when in the store. She likes the mix of products offered, but would like to add CDs and DVDs to the assortment. She does not believe that her buying behaviour has changed since she became a member in the loyalty club. As she has not yet experienced any difficulties or downsides with IKEA FAMILY she considers herself to be a satisfied customer, although she believes that she would like to receive a bit more information about what is going on in the IKEA store for the members. She believes that IKEA FAMILY would be even more successful if points could be collected and the members were rewarded once a year as it would feel like a greater reward. When IKEA FAMILY is mentioned Erin thinks of the store and the nice environment as it is located close to the children's department. She also connects women to IKEA FAMILY and believe that women are the ones that are most attracted by the membership and products. She does not believe that she is a loyal IKEA FAMILY customer as she considers that a loyal customer would visit IKEA FAMILY once a month. She considers herself as a routine customer since she became a member of IKEA FAMILY to be a part of IKEA. Erin would consider a close down of IKEA FAMILY to be bad, and would be sad over the deals taken away.

4.2.3 Fiona

Fiona is 42 years old and lives with her husband and three children in a house outside of Copenhagen. The two oldest children are teenagers while the youngest have just started school. The family has a disposable income of about € 4 000 to 5 350 per month. Fiona likes shopping as well as to decorate the home, garden and summer house. Hence she visits IKEA as often as possible, that is to say once or twice a month.

Fiona entered IKEA FAMILY by showing interest in the inspirational books, she examined most of the ones on display. When she reached the far end glanced at the travelling products, stopping at several of the items for a closer look. She passed by the IKEA FAMILY information on her way out of the in-store towards the outdoor products on display opposite to the in-store. Fiona later on re-approached the IKEA FAMILY corner where she this time focused upon the bath and body products. In a slow pace she moved around the shelves in this product category, but without touching or smelling anything. Fiona continued by scanning the safety products and finished her visit in the IKEA FAMILY in-store by passing the travelling products as well as the books and the ended up buying a toilet bag and a book on design and decoration.

Fiona finds inspiration for her home everywhere. She lives in a home where the main furnishers are bought in Copenhagen design stores which offer more classic and expensive furniture. The smaller items such as lamps, shelves, books, cushions etc. are from IKEA, as well as the furniture in the children's rooms. She believes that the main reason for this is that she likes a more classic design, which she believes is Danish design and therefore may be found outside of IKEA. Fiona further points out that the family has a summer house where the furniture and decorations as well as the garden furniture are from IKEA.

Fiona prefers to go shopping on her own although her mother sometimes accompanies her. She considers time to be of importance and hence she rather not bring her husband nor children when shopping as she finds it much faster and more effective going alone. Usually, if her husband is accompanying her she buys much less than she would otherwise. When buying larger furniture items, she tends to bring her husband to decide both upon a maximum amount of money to spend as well as what to buy. Otherwise Fiona never sets limits when shopping and most often make her purchases on impulse as she decides what to get at the point-of-purchase when opportunities come along. Hence she does not view certain brands as more important than others. She makes the purchasing decisions overall although the family have joint economy. Fiona have enough money, as she puts it, which means that she does not consider price as vital, it is rather the opportunity that decides. Savings are used for new clothes as well as vacations for the family.

Fiona is not a member of any loyalty clubs, except for IKEA FAMILY. She describes that she is not the type of person who joins or utilises such things, though she has left her e-mail in some department stores in Copenhagen to receive information about offers and the like. She believes that loyalty is based on a choice; if the store is the first choice, top-of-mind, then one should be considered loyal. The purchases do not have to take place in the store in question, but if it was the first option then the customer is loyal. Hence, it is not the money spent, but rather the number of visits and the interest that make customers loyal. Fiona does not consider herself loyal to any other store than IKEA. She informs that there are often one or two places that she goes to when shopping, either Illum or Magazin. She may then do most of her shopping at the same place, but as she pointed out, she does not consider herself to be a loyal customer.

Fiona really loves IKEA and she buys something there at least every second month. She usually visits IKEA around Christmas, or right before summer to buy new items for the outdoor season. She visits IKEA alone to get through the store faster since her husband hates it, which further means that she makes most of the purchasing decisions at IKEA alone except for larger investments. The purchases are usually made on impulse, but Fiona states that she gets inspired by the catalogue.

"…I find inspiration through the IKEA bible"

Fiona expresses that she loves IKEA and that many items in her home come from the store as she is a frequent shopper. The main reason for her visiting IKEA is that she like the concept of the store and has an interest in the home, garden and summer house. She usually buys smaller things at IKEA like gift wrapping paper, napkins and lights. Further, she expresses that there is honesty in IKEA, the products are plain and simple, and have a very Nordic style which she finds attractive. She points out that even though Ilva is considered to be similar to IKEA, it could never compete against IKEA, which is considered by Fiona to be something extra. Fiona would include both men and women in an ad for IKEA as she points out that both genders shop at the store. Even though she considers herself to be loyal to IKEA, she does not believe that her spending habits at IKEA would change if she had more money as she supposes that she already has the possibility to choose whatever she wants. If she had less money she would think more before a purchase, but she does not believe that it would change her buying habits at IKEA in the end. The store in Taastrup is her favourite and if it closed she would definitely think that it was a real shame. She informs that she actually lives closer to Gentofte, but that she still decides to visit IKEA Taastrup.

Fiona feels like she has always been a member in IKEA FAMILY, a total period of 15 years, even though she has had to renew her card a few times because she has forgotten to swipe it. Although she visits IKEA as often as she can, she only visits IKEA FAMILY two or three times a year. Since Fiona has been a member in IKEA FAMILY for a long time she does not think that her spending habits at IKEA has been affected by her joining the membership club, but rather believe that the spending increased as her income increased as well as the place in life has changed. As mentioned, the family has a summer house which is located on an island which makes it difficult to receive help from the mainland. Hence, products for safety located in the IKEA FAMILY store caught her attention and reinforced her liking of the loyalty club. She believes that the membership is created for the family and that it attracts both men and women. Due to Fiona's extended membership she has seen many types of products pass through the IKEA FAMILY in-store. Today she really likes the products, specially the travelling bags and the safety items. Fiona believes that she probably compare IKEA FAMILY products to other more known brands, as for example when buying a suitcase for her husband she believes that she unconsciously compared the IKEA FAMILY bags to Samsonite bags, as that is the brand that she usually buys. She considers the IKEA FAMILY corner to have a good placement in the store, close to the restaurant and the escalators, even though she does not eat in the restaurant, in order to speed up her trip. Fiona thinks that IKEA FAMILY contains very good products to fair price, which are further unique. She goes on by expressing her dislike of the bright and mismatching orange colours used. More classic products are suggested to be implemented in the range. Fiona says that she spends a lot of money at IKEA and hence feels that she should be rewarded through benefits or a general discount. She also suggests that a bonus would be favourable, but not necessary, as she would continue to shop at IKEA anyway. Fiona believes that she gets inspired by IKEA FAMILY

through the catalogue and invitations to club nights on design and decoration. To be a loyal IKEA FAMILY customer Fiona thinks that one should visit the corner every time one is at IKEA and thus defines herself as uncommitted.

4.2.4 Conclusion Denmark

Table 2 - Summary of the Danish Respondents

Topic / Respondent	Daisy	Erin	Fiona
In-Store Behaviour	Interest in entire store, discussion with husband among the travelling products. Accompanied by husband and children.	Browsed through in-store. Focused on travelling, bath and body products. Accompanied by female friend.	Thorough browser of in-store. Profound examination and purchase of book, scan safety, bath and body items, examines and buys travelling product.
The Home	Smaller items from IKEA, larger furniture elsewhere. Inspired by IKEA catalogue and IKEA FAMILY magazine.	Main proportion of home products from IKEA. Inspiration from books and subscription magazines.	Most furniture and decorating from Danish design stores. Smaller and complimentary products from IKEA. Products for the summer home, mainly from IKEA. Inspiration from everywhere including the IKEA and IKEA FAMILY publications.
Shopping Behaviour	Shopping is neither a must nor fun. Spends reasonably. Accompanied by husband, sometimes children or mother.	Likes shopping. Spends accordingly to limits, less at end of month. When product needed, less thought upon price. Accompanied by best friend.	Love shopping, Sets some limits when shopping, but no economic boundaries. Prefers going alone to make shopping effective. Less products bought when company.
Decision Making	Husband is main decision maker, influence, researcher and shopper. Usually shops with list, also some impulse purchases.	Main decision maker, boyfriend large impact because main income earner. Most often shops with list because children, but some impulse anyway.	Main decision maker, family some influence. Purchases on impulse.
Thoughts upon Loyalty	Defined with regards to spending and visits. No memberships except for IKEA FAMILY.	Believes it is the time spent rather than the money. No memberships in stores except for IKEA FAMILY. Otherwise Copenhagen Zoo. Few and narrow rewards, does not use often.	Loyalty based on choice and top-of-mind, number of visits and interest. No other memberships except for IKEA FAMILY. Enjoys the club nights with design and decoration themes.
Involvement and Loyalty to IKEA	Finds products price-worthy with great designs. High involvement.	Impulse buying, relaxation shopping. Liking of products and prices. Heart customer, IKEA first choice.	Loves IKEA and its products, great interest in home decoration, frequent visitor and buyer. Finds IKEA honest. High involvement.

Topic / Respondent	Daisy	Erin	Fiona
Involvement and Loyalty to IKEA FAMILY	Moderate liking, need involvement, occasionally increased purchases. Membership to be part of IKEA. Unchanged by membership. Wish for larger store with wider assortment and free membership benefits.	Favourable prices, unimportant products bought on impulse. Low involvement but satisfied, non-frequent visitor nor buyer. Occasional user of membership offers. Wish for extended information and greater rewards.	Products put in comparison to other brands, sometimes found unique. Occasionally highly involved. Non-regular visitor and buyer. In-Store has reinforced involvement. Wish for more products connected to the IKEA assortment.
Involvement and Loyalty to IKEA FAMILY	Non-planned, non-consistent, materialistic involvement. Increased involvement through membership. Wish for better availability of store concept.	Need, non-frequent and occasional based involvement. Non-important, non-fitting, non-relationship building concept. Wish for changed assortment and member influence.	Regular visitor, non-frequent purchases. Unaffected by membership. Wish for wider assortment, discount system and supplier involvement. Reasonable substitute for other brands but weak relationship.

5 Analysis

This section follows closely upon the empirical data which will be analysed as a comparison between the two markets. The analysis will be based upon the respondent-topic matrix and connected to the theoretical background reviewed in the theory chapter, in order to fulfil the aim of this study.

5.1 In-Store Behaviour

The respondents behaviour and interactions with the loyalty program was observed when they visited IKEA FAMILY in-store. All customers came, more or less, from the "yellow-brick-road", implicating that they are devoted to the guided shopper flow, hence do not merely use the shortcuts provided. IKEA FAMILY in Helsingborg is located along the guided shopper flow next to the restaurant which sometimes attracted customers more than the in-store. It was only the shoppers that were willing to delay their lunch or coffee break that had time to visit IKEA FAMILY. The restaurant in Taastrup is located in a way which makes it possible for the consumers to stop for food before their visit in the IKEA FAMILY store. But when entering the guided shopper flow once again, they automatically will be guided through the IKEA FAMILY in-store. All respondents browse through the entire in-store, although with some differences in pace, route and engagement, hence indicating different levels of involvement in the product range. In Helsingborg, the safety products were the most attractive product category which, as suggested by McGoldrick (2002), might be why it was located in the back of the in-store in order for shoppers to pass other items on their way to the desired products. The in-store in Taastrup is laid out accordingly with Underhill's (2006) recommendations, close to the "yellow-brick-road". Hence different displays were used to slow down, stop and tempt the consumer further into IKEA FAMILY in-store.

All products were available for examination in a free flow format and most products were observed at some point by someone, but both stores have dedicated more aisle space to the safety products. This is a way of reducing the risk of crowding, previously discussed by Underhill (2006), which otherwise might occur when products acquire a longer stop for thorough investigation, due to, for example, its technical nature. In this way the consumer, which normally does not appreciate crowding, become even more attracted to this specific category.

5.2 The Home

In their descriptions concerning the home and living situation, the nationality and the market belonging of the respondents appeared to be of less importance as the way in which they used furniture turned out to be more connected to their generation, rather then consumer market.

All respondents are family mothers with more than one child. They differ though in terms of lifecycle stage. The women range from 29 to 48 years old, hence there is a span across three generations; Generation Y, Generation X and baby boomers. Those categorised as Generation Y have so far reached the first stage of the family lifecycle; young married couples with children under six, presented by Dubois (2000). The author implies that this lifecycle stage involves strained or limited resources due to the fact that the women have not had a full income for certain time periods. The respondents do though, not feel any pressure concerning the disposable income in the family. They believe that they are able to purchase the products they need as well as some items that they want, but tend to reflect upon the fact that the

family does not have unlimited monetary resources, hence price has an impact on their shopping. It was pointed out by the younger women that they have many smaller items, that may be changed regularly, as well as furniture and items specifically for the children from IKEA, since they are considered to be price worthy products in relation to their quality. It might be due to the need to purchase furniture at IKEA, that they use the written materials from the store as well as the website as their main source of inspiration. Due to their rather frequent purchases of decorating items for the home, the women appear to consider the home as a high involvement category, although the items most commonly bought are not of such an expensive character.

Generation X have reached the second stage in the family lifecycle; married couples with children over six. Similar to Generation Y this generation is aware of their limited economic resources, but in contrast to the Yers, these individuals are more restrained in their shopping. They tend to buy what is needed and not waste their money on unnecessary products. Therefore they, according to Armstrong and Kotler (2003) thoroughly search information, including online, prior to their purchase to be well informed about the market offers. The respondents, considered as Generation Xers, point out that they do not have larger pieces of furniture from IKEA, but rather tend to stock up on smaller decorations and kitchen utensils from the store. An explanation might be that the children have grown up and the family income has increased, the families therefore tend to buy more long lasting and expensive furniture items. This leads to the respondents seeking inspiration from both home remodelling branch magazines and television programs.

The last stage in the family lifecycle is the older couples with children; baby boomers. This generation is characterised by its minor monetary restrictions generated through incomes reaching peak levels. With regards to Dubois' (2000) theory upon the family, in combination with the empirical data, the baby boomers are able to focus their spending on their own interests, needs and desires instead of spending money in a way suitable for the entire family. Hence they may afford almost any product that they desire for their home further leading to few of the respondents having IKEA products to a wide extent in their houses. As for inspiration the baby boomers tend to visit stores, both in the home city as well as places further away, to find the products they really desire. These women show tendencies of being more involved in their purchases, as they are willing to travel the extra mile to purchase the certain product or brand. Hence they are generating another kind of loyalty based on behaviours, emotions and attitudes.

5.3 Shopping Behaviour and Decision Making

The women put forward in the interview a true liking of shopping. One respondent divided shopping into two categories; purchasing and acquiring new items, where the latter is preferred as it is exciting in contrast to the earlier, which is an extended and tiring process. It was expressed by some of the respondents that it is more time effective to shop alone, which is also uttered by Underhill (2006), but the spending does not decrease with time. Most women visited IKEA FAMILY with a friend, their husband or children, which is how they usually spend their shopping trips, implying that decisions are made together with someone to lower the risk that the high involvement product category brings. It is seldom, among the Generation Xers and baby boomers, that they bring their husbands or partners, because the women's perception is that their men do not enjoy shopping. Hence this corresponds with the theory put forward by Underhill (2006) stating that men do not like shopping to the same extent as women do. The same generations also defined themselves as the primary shopper in the household, in contrast to the women belonging to Generation Y whom consider

themselves sharing this role with their partners, as claimed by Ward and Sturrock (1998). The primary shopper is found by Dholakia (1999) to be the one in the household spending the most time shopping, which might explain why the husband, who had joint shopping responsibilities, had accompanied his partner to the IKEA store. When some of the women found themselves to be the primary shopper, they also considered themselves to have autocratic decision power when purchasing smaller items. For more risk involving products, all women found that they tend to make joint purchase decisions, hence applying a syncratic decision making process, theorised by Solomon *et al*. (2002). The latter corresponds with the cultural studies by Hofstede and Hofstede (2005), which indicates that men and women in a feministic society, as both countries in the study are, have an almost equivalent standing when it comes to decision making. Hence no dissimilarities could be found with respect to consumer market, it was rather diversity in generations that affected the respondents' behaviour and decisions.

The empirical material collected indicates that it is the primary shopper who also conducts the primary information search, prior to the purchase decisions. The same data have shown that the main provider of the family tends to have more influence on the information search, but less impact on the purchase activities, as the risks increases in this stage. The different parties in the household may emphasise on different product characteristics and in order to reduce the risks in high involvement purchases both parties have to be engaged in the process. The latter decision making process is by Solomon *et al*. (2002) defined as syncratic.

Shopping lists are used by some of the women who agree with Solomon *et al*. (2002) that these are needed in order to structure the purchasing activity as well as to make sure that most of the products needed are actually bought. The female shoppers, purchasing on impulse are though not different from the ones following a shopping list, as they all engage in impulse shopping to some extent. Impulse buying might be due to, as McGoldrick (2002) points out, the wide assortment and tempting in-store settings, inspiring and involving the customer to further purchases. The discussion above implicates that the two different types of need recognitions, which Solomon *et al*. (2002) accounts for, are present among these women. The actual need recognition is visible through the use of a shopping list, while the opportunity need recognition is represented by the impulse purchases.

5.4 Thoughts upon Loyalty

Loyalty memberships are rare among consumers in Denmark, leading to consumers overall becoming loyal to a product or brand through the direct route in Yi and Jeon's (2003) loyalty model when positive perceptions of the product value are generated. The Swedish women, on the other hand, express that they are members of a wide variety of loyalty clubs, both connected to high and low involvement products. This emphasise that these women have a higher degree of receptiveness to becoming loyal to both types of products and brands. It simultaneously increases the chance of them becoming strongly loyal to high involvement products such as furniture because loyalty may be generated both through the indirect and direct path.

Maybe due to the uncertainty within existing research upon the definition of loyalty, the respondents had difficulties defining loyalty themselves. One of the first definitions of behavioural loyalty was stated by Brody and Cunningham (1968), through Yi and Jeon (2003), included keywords such as purchase and time. Half of the women stated that loyalty for them is about spending, visits and needs, which could indicate that their relation to loyalty is based on behavioural factors. Two, out of the remaining three women, associate loyalty

with liking, interest, consideration, top-of-mind and choice. These elements conform to what the early researchers of attitudinal loyalty, Quester and Lim's (2003), included in their definition. The last respondent believes that loyalty is based on time dedicated to the product or brand, rather than money or feelings devoted to the same. This latter statement is more closely related to Solomon *et al.* (2002) as well as Quester and Lim's (2003) explanation of involvement as only an attitudinal response, which further might imply that the interviewee rarely becomes loyal. Although this standpoint might, in the future, grow into loyalty, since involvement is argued to be a driving force thereof.

In the discussion following the definition of the phenomena, given by the respondents, the Swedish women put forward their polygamous stance towards loyalty club memberships. They explain their main reasons for signing up for several memberships as a desire to receive rewards and discounts, which implies that some of them, through their behaviour, only partly follow their own reasoning upon loyalty. The women act in a highly behavioural based loyalty manner, insinuating weak emotional attachment.

5.5 Involvement and Loyalty to IKEA
The theme concerning the women's relationship to IKEA steered towards the individuals' involvement in the products and brand. Clear differences between the respondents in the two markets were noticed in terms of the three attitude formation components of involvement presented by DePelsmacker *et al.* (2004). The Swedish women's attitudes towards the IKEA concept were mainly based on cognitive aspects of involvement, but tendencies of affectionate elements were detected. Strengthened by the following words being mentioned as depictions, convenience, price-worthiness, inspiring as well as liking and desire for increased involvement. All three respondents felt that they had a positive behavioural attitude towards IKEA since they always visit the store when they are in the neighbourhood as well as always purchase at least one item each time. The Danish women on the other hand, had primarily affectionate attitudes towards IKEA explained with words such as relaxation, honesty, liking and even as strongly as love. Two respondents found themselves behaviourally involved as well since they, as the Swedish women, never tend to leave the store without any purchases. The third respondent experienced both cognitive and affectionate attitudes towards IKEA, but lacked a behavioural attitude, which might be explained by the woman not being the main provider, decision maker or shopper in the family.

It could, according to Quester and Lim (2003) be argued that all the respondents are highly involved in IKEA. Hence Olsen's (2007) statement claiming that the level of involvement will affect the level of loyalty, is important. To further accentuate that the behavioural loyalty is not based in routines, habits, opportunities or conveniences, which East *et al.* (2005) states as potential risks, the respondents were asked to express their reactions to a possible discontinuation of their IKEA store. No matter market belonging, all women utter true disappointment as well as a strong willingness to travel far, literally even across bridges, to reach an IKEA store.

5.6 Involvement and Loyalty to IKEA FAMILY
The interviews revealed that the respondents do not consider IKEA FAMILY as a loyalty club creating win-win situations and building relationships between the two parties. They rather perceive it to be a sign or proof of being an accepted customer of the products and brand of IKEA. Hence, they do not expect any specific rewards, but are comfortable using the IKEA card as a label of belonging. If the respondents got the chance to change anything with their

loyalty club membership in IKEA FAMILY, the Swedish women would introduce reward systems similar to the ones offered by their other memberships. They want the loyalty program to provide them with indirect rewards no matter the timing. On the other hand, the Danish women, who have few previous experiences from loyalty reward programs, feel special when receiving the IKEA publications and other announcements with their name on, similarly envisioned by Hallberg (2004). Thus they clearly express satisfaction with their IKEA FAMILY membership. These three women are comfortable with only being a part of IKEA and believe that the rewards through IKEA FAMILY are well gratifying. If they were to change anything regarding the membership, they would connect it more to the IKEA concept by extending the discounted club prices to the original product assortment. This satisfaction might explain why, the main part of all Danish IKEA FAMILY members are active and thus utilise their membership on a regular basis.

The involvement in IKEA FAMILY among the Swedish women is primarily based on needs and purchases. Most often needs are realised in the store; few of the customers plan their buys before their visit. The Danish respondents base their involvement on purchases as well, but instead of needs their motivation is founded in wants and desires felt when interacting with the IKEA FAMILY in-store concept. All six respondents expressed that they visit IKEA FAMILY in-store in order to make sure that they are not missing any discounts or other rewards that their membership gives access to. Due to the customers' behavioural responses they do not feel that a discontinuation of the IKEA FAMILY customer club would not affect them in the long run.

6 Conclusion

This chapter will consist of a reasoning concerning the analysed empirical data where the aim is to clearly answer the research problem. This section will also highlight this study's contribution to the field of research.

There appear to be distinct differences among loyalty created through membership clubs in the furniture product category, in the different markets studied. In a nation where membership clubs are rare (red path), loyalty is created both through the direct and indirect paths, in correspondence with theory presented by Yi and Jeon (2003). This is due to the fact that products which are perceived as generating positive value engender loyalty to the concept through the direct path. Products which do not generate enough positive value for the consumer to immediately create loyalty are pushed through the indirect route where the value is increased through the extra value that the program engenders. This because the customers find the extra attention given by the company to be highly value creating, generating positive beliefs and attitudes. Further, a strong motivation among the consumers to bond with the product or brand is created, thus enhancing involvement. Increased involvement further leads to increased cognitive, affectionate and behavioural attitudes, and since these elements are the components of loyalty, enhanced loyalty is achieved. On the other hand, in a nation where loyalty clubs are frequently appearing on the consumer market (blue path), loyalty is still created through a similar direct pathway as long as the values created from the products are perceived as positive. If the products instead are generating low levels of positive values a loyalty program should be a way of increasing the value to further create loyalty,

Figure 3 – Modified Model of The Effects of Rewards Schemes and Value Perceptions through Yi and Jeon (2003)

accordingly with Yi and Jeon (2003). This study has though shown tendencies of such value alteration not to be valid in a high involvement product category such as furniture; a loyalty program is not able to counter balance the lost value to create loyalty among the consumers. The reason for this is that the program does not comprise elements which enable a shift of the perceived value. The reason for this is that consumers are familiar with loyalty memberships, thus compare the different rewards and have realised that the specific rewards are not as advantageous as others, therefore only low levels of involvement are created. Further, which then obstruct the creation of loyalty. The modified version of the theory expands upon present loyalty creation presumptions, which may be utilised in further research in the area.
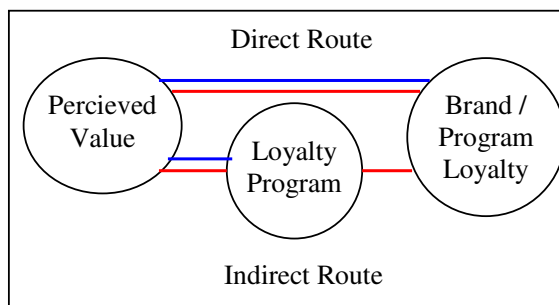
Elements creating the amplified value have different characteristics in the different consumer market settings. Consumers in a market with few loyalty programs are not used to receive any kinds of rewards and do therefore feel appreciated and noticed by receiving limited rewards. Hence accordingly with Dowling and Uncles (1997) the customers want to engage in a relationship with the product or brand, and thus they do not have any specific opinions or preferences concerning the matter of membership rewards. Although, this research allude that the involvement and loyalty would increase accordingly with increased levels of the assortment being included in the membership. In contrast, the consumers familiar with loyalty and reward programs have clear specifications concerning reward systems which would make

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	Immediate	**Delayed**
Direct	Product Related Reward, e.g. Bonus Product	Product Related Reward, e.g. Frequent Flyer
Indirect	Non-Product Related Reward, e.g. Discount	Non-Product Related Reward, e.g. Frequent Buyer

Figure 4 – Modified Reward Matrix, through Yi and Jeon (2003)

them loyal both through the direct and indirect route. Firstly, they too want an entire assortment to be included in a program. Further, consumers would prefer, in correlation with Rothschild (1986), to receive an annual bonus, indirect reward, which would provide them with a discount on the entire concept some time in the future. This is more similar to other existing reward programs on the market. This study contributes to the area of research by suggesting that when the market becomes increasingly saturated the expectations upon the rewards change towards more specific criteria similar to the non-product related reward.

Furniture, as a high involvement product category, has been proven to show tendencies of creating attitudinal as well as behavioural based loyalty to the entire concept in which the supplier has introduced a membership. As the loyalty club only consists of a specific part of the entire concept customers, in a market close to saturation of loyalty clubs, tend to create loyalty mainly on a behavioural and polygamous basis towards the membership club, theorised by Garland and Gendall (2004) as spurious loyalty. This leads to consumers only utilising the loyalty program in order to receive the rewards which the club offers, without becoming strongly attached on a cognitive or affectionate level. Customers then use the loyalty program because it is available, and hence act on opportunity recognition rather than on need recognition or heart and mind attachment. Therefore only one of the three involvement attitude components, behaviour, is significant leading to low involvement in the product or brand. As mentioned, low levels of involvement complicate the possibility of loyalty creation. Further, this leads to purchase decisions being made either on a habitual basis or by limited problem solving where the consumer conduct limited research prior to the purchase, which, accordingly with Solomon *et al.* (2002), is common when products constitute few potential risks. The difference in a market where few loyalty memberships are used lies in the fact that the customers are not focusing on the rewards, but rather on belonging to a preferred and appreciated concept. This implies that the attitudinal loyalty is larger on this market than the other and that behavioural loyalty is fairly low, hence loyalty, presented by Garland and Gendall (2004) as latent, is generated. More often decisions are made with limited problem solving than through habitual manners. This research has indicated that neither behavioural nor attitudinal loyalty are separate matters, the consumers are loyal on cognitive, affectionate and behavioural levels simultaneously. Since attitudinal loyalty is built up by the three components mentioned, including behaviour, loyalty to a high involvement product category may be determined through different alterations of attitudinal loyalty. The findings therefore are comparable with the theories upon loyalty presented by authors such as Thomson *et al.* (1995) as well as Bennett and Rundle-Thiele (2002).

Hallberg's (2004) suggestion that behavioural loyalty increase with attitudinal loyalty has been proven through this research to not apply in a high involvement product category. This because the loyalty membership club has not proven to impact on, or affect customers rational and habitual purchase patterns. The women are still spending the same amount of money and they are as concerned with the price and quality of the products or brands as previously, even

though the products and brands are considered the most favourable in the industry. The different levels of spending among the women, shown in the study, have instead varied with the changes in family constellations and lifecycle stages, which further have changed the economic situation, needs, wants, preferences and beliefs. Hence there is no loyalty created since the behaviour and mindset is the same as prior to the introduction of the loyalty program. It could be argued, in correspondence with Uncles *et al.* (2003), that the customers are true loyals and hence does not spend more money, which is also expressed by the women classifying themselves as loyal.

To conclude, on the market, liable for loyalty programs, customers create cognitive and affectionate perceptions towards the loyalty membership due to the value amplifying rewards, leading to higher involvement which further creates loyalty. In contrast, the rewards are perceived as privileges rather than value altering elements among the consumers on a market with several loyalty clubs. Further, this market has reached an early state of saturation which hinders the consumer to engage entirely in all loyalty clubs. Hence the consumers have difficulties to form bonds on attitudinal levels and therefore mainly behavioural loyalty is created, through opportunities, convenience and habits.

Finally, this research indicates that existing theories may to some extent explain the loyalty created towards high involvement products, connected to a loyalty program on a market where loyalty memberships are still rare. Thus, in order to describe the same phenomenon on markets with different characteristics the theories have been modified and may function as a springboard for future research.

7 Discussion

The following chapter is intended to firstly, point out the main managerial implications of the study and secondly, discuss the possible directions for further research in the area of loyalty memberships among high involvement product categories.

This study has been restricted both in terms of time and monetary resources, which is why a variety of aspects have been disregarded. The research has in spite of this come across an array of possible future research topics and areas.

The research has not considered duration in the membership when conducting the sampling in neither of the countries, which might have affected the perceptions and interactions with high involvement products, bought through the loyalty program. Further, it could be considered a limitation that membership clubs in Denmark, not only offers pure memberships, but often a combined membership and credit card, hence limiting the availability to the consumers.

The aim of the research was not to create an understanding of the connection between behavioural and attitudinal loyalty, therefore it could be of interest to find out the cause and effect relation between the two types of loyalty, providing a new angle of approach on the topic.

The broad studied sample, today covering three generations with diverse personal and behavioural characteristics, might have further limited the generalizability of the study. If the women studied would have belonged to the same generation the research would have probed deeper into one segment and hence more similarities and differences could have been found contributing to the understanding of a specific generation. To narrow down the research sample to only include one generation could be an angle of study in the future.

Rewards received through loyalty programs are much often concentrated upon monetary incentives since price is considered high involvement among consumers. In spite of the furniture category being of a high involving character it still may be included in a discount concept. Monetary incentives would then not be considered rewarding enough, as they most likely would have a fairly low monetary value, hence the consumer does not perceive it as compensation. Future research could thus problematise whether a complementary product, direct reward, would be preferred. The loyalty program chosen for this specific study was directly and immediately rewarding. In the future it would be of interest to study loyalty programs with rewards with other characteristics.

Shopping is a feminine activity, and as pointed out, when a man is shopping he is conducting an activity closely connected to his feminine side. A research study focusing upon a product category considered to be high involving for a man would be of interest to study in the future in order to examine a man's perspective upon loyalty.

A more extensive future study following this research could have an ethnographic approach and design where an even more thorough understanding of the customers' relation to loyalty memberships may be elaborated.

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APPENDIX 1

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The Woman and IKEA FAMILY

We are two masters' students from the School of Economics and Management in Lund, Sweden. We are conducting a research for our master's thesis, concerning the woman and the loyalty club called IKEA FAMILY. The study is a comparison between three Swedish and three Danish women's relationship to IKEA FAMILY. The project is neither grounded nor founded by IKEA, it is a study under the University of Lund.

The research is meant to be an in-depth study of the chosen segment's relationships and perceptions regarding IKEA FAMILY. More thoroughly the interviews will go into detail about home furnishing and decoration, decision making, shopping at IKEA and IKEA FAMILY, thoughts on club memberships as well as thoughts and emotions concerning the loyalty club.

The interview will be conducted over the telephone and will have an open conversation format rather than a questionnaire with pre-specified questions. This means that there will be time for your own words and thought to be expressed during the interview. The conversation will last for about one hour.

To be able to get in contact, and if wanted, send you a final edition of the thesis, we will need your name and contact information. For the thesis as such your name is not of importance and will therefore be excluded and instead you will be named A, B, C etc. This means that you will be totally anonymous in the description about to be presented in the thesis. We will not, under any circumstances hand out your contact information to anyone at any time.

We look forward to take part of your thoughts upon IKEA FAMILY through the upcoming interview. You, one of six chosen women, are very important for our investigation and hence we are grateful that you take time for this project and help us out!

You are very welcome to contact us through the contact information given above, if you have any questions.

Enjoy your shopping at IKEA with IKEA FAMILY!

Best Regards,

APPENDIX 2

Interview Guide for "The Woman and IKEA FAMILY"

General Questions
- If you look around you, from where are your furniture and home decorations?
- What are the reasons of the choices made concerning your home?
- From where have you gathered inspiration for your home furnishing and decoration?

Shopping Behaviour
- How do you feel about shopping?
- How would you describe your general shopping trip?
- What is your relation to money? How do you feel about saving and spending?
- Could you describe the decision making in you family? Decision making when shopping?
- Could you describe your relation to the price tag?
- Customer Clubs
- What customer clubs are you a member of?
- What are your thoughts and feelings of the offers your customer clubs offer you?
- How do you use your memberships?
- Membership clubs are also called loyalty clubs, could you describe what loyalty is to you?
- What stores or brands do you consider yourself as loyal to?

Questions about IKEA
- How many times do you visit IKEA in a year?
- How would you describe your visit to IKEA? Who is coming with you? Who is making purchasing decisions? Does your trip to IKEA include any other events?
- What factors impact on your purchasing at IKEA?
- Why do you visit IKEA?
- How would you evaluate IKEA in comparison to other furniture stores?
- Could you describe the situations when you have bought the most products from IKEA?
- If you were to create an ad for IKEA what characters would you include in the ad?
- Could you please describe your relationship to IKEA?
- Would you see yourself as loyal to IKEA?
- What would you feel if your nearest IKEA closed?

Questions about IKEA FAMILY

- How many times do you visit IKEA FAMILY in a year?
- How would you describe your visit to IKEA FAMILY? Who is coming with you? Who is making purchasing decisions?
- What factors impact on your buying at IKEA FAMILY?
- Can you tell us how your visit to IKEA has changed since you became a member of IKEA FAMILY?
- Can you tell us about the times when you have bought the most products from IKEA FAMILY?
- What comes to mind when someone mentions IKEA FAMILY? Feelings? Thoughts?
- What would your ideal IKEA FAMILY corner be like? Setting? Placing? Products?
- How would you evaluate IKEA FAMILY's products compared to similar products of other brands?
- If you were to create an ad for IKEA FAMILY what characters would you include in the ad?
- Could you please describe your relationship to IKEA FAMILY?
- Would you consider yourself loyal to IKEA FAMILY?
- What kinds of tokens would you like to receive through your membership in IKEA FAMILY? When?
- What would you feel if they closed IKEA FAMILY?

Personal Questions

- For how long have you been a member of IKEA FAMILY?
- What does your family situation look like?
- Approximately how much does your family have left after necessary payments and expenses each month?
- Would your behaviour be affected if your economic situation changed?

APPENDIX 3
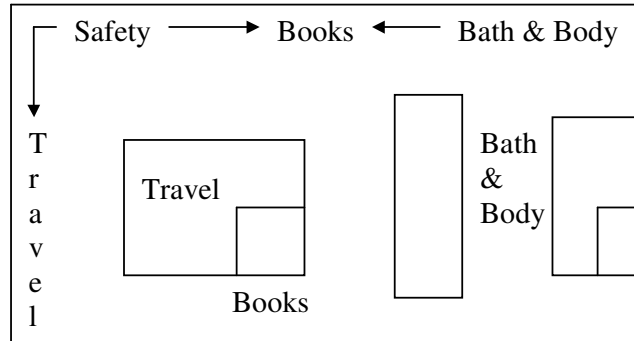
In-Store Layout, IKEA Helsingborg, Sweden

Figure 2 – IKEA FAMILY In-Store, Helsingborg

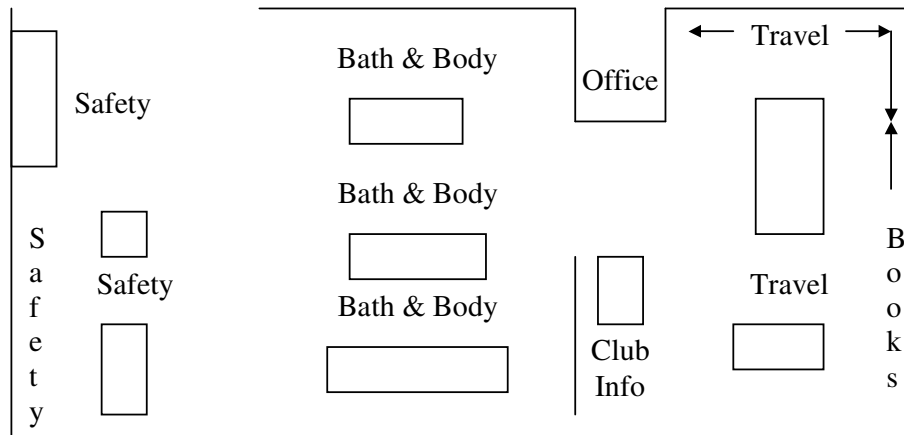## In-Store Layout, IKEA Taastrup, Denmark

Figure 2 – IKEA FAMILY In-Store, Taastrup

In-Store Observation Symbols

__	Walking
•	Stopping
X	Grabbing / Examining
---	Watching
B	Buying