

Measuring the Customer Experience in Physical Retail Environments

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Abstract

Retailers have to provide incredible shopping experiences to maintain existing consumers and draw in new ones in a world where customer empowerment is continually growing and changing the landscape of services. Customers expect that their visit to physical stores will be enjoyable and that the stimuli present there will elicit cognitive, Affective, and social physical reactions. This research goal is to suggest and validate a scale for evaluating in-store customer experience. In this research, data is collected through paper and pencil questionnaire by interacting with the customer in the retail stores in D-Mart, Department stores shopping like Shri Kannan Departmental Store, Kala Stores, Amutham Departmental Store, Susee Departmental Stores, Venkateswara Departmental Stores in Coimbatore. The findings of this study highlight the multidimensional nature of customer experience in physical retail. Results indicate that store ambiance, characterized by factors such as layout, design, and atmosphere, plays a pivotal role in shaping customers' emotional responses and overall satisfaction. Service quality, encompassing elements such as staff courtesy, responsiveness, and knowledge, was found to be another significant determinant of customer experience. By providing a framework for measuring customer experience in the physical retail environment, this research offers valuable insights for retailers aiming to enhance their customers' experiences and create sustainable competitive advantage. The study's findings can inform strategic decision-making processes, enabling retailers to allocate resources

effectively to areas that have the greatest impact on customer satisfaction and loyalty. this study contributes to the existing literature by deepening the understanding of the multifaceted nature of customer experience in physical retail environments. The findings underscore the importance of creating positive emotional experiences, delivering high-quality services, and tailoring product offerings to meet customer preferences. Future research endeavors may consider expanding this study to different retail sectors or exploring the influence of technology on the customer experience in physical retail settings.

I. INTRODUCTION

Customer experience is the total impression and emotion a consumer has after interacting with a product or service. It includes every interaction and touchpoint a customer has with a business, whether it be online or off, from looking through products or services to making a purchase and receiving support. A positive customer experience is crucial for businesses as it directly impacts customer satisfaction, loyalty, and advocacy. When customers have a great experience, they are more likely to become repeat buyers, recommend the brand to others, and develop a long-term relationship with the company. Customer experience goes beyond just meeting basic expectations. It involves understanding and fulfilling customer needs, desires, and expectations at every stage of their journey. By focusing on customer experience, companies can build customer loyalty, increase customer lifetime value, and drive sustainable growth.

Customer experience in a retail store refers to the overall impression and satisfaction a customer derives from their interactions and engagement with a physical retail environment. It encompasses all aspects of the customer's journey, from entering the store to browsing products, making a purchase, and receiving post-purchase service. A positive customer experience in a retail store is essential for several reasons. Firstly, it directly influences customer satisfaction. When customers have a positive experience while shopping, they are more likely to feel satisfied with their visit and the products or services they have received. This satisfaction can lead to increased loyalty, repeat purchases, and positive word-of-mouth recommendations. Secondly, customer experience impacts brand perception. A well-designed and customer-centric retail store creates a positive image of the brand in the customer's mind. It conveys professionalism, quality, and a focus on customer needs. On the other hand, a poorly managed or unpleasant store environment can result in negative brand associations and a diminished perception of the business. In this research, the experience of the retail store has 5 aspects of experience they are cognitive, affective, social, physical, and in-store experiences.

Research Problem

The customer experience (CX) in the retail store environment revolves around understanding and enhancing the quality of customer experiences in physical retail settings. While customer experience has gained recognition as a critical factor in achieving competitive advantage and customer loyalty. The development and validation of reliable and valid measures for assessing customer experience in the retail store environment.

Existing measurement tools often focus on traditional satisfaction metrics and fail to capture the multidimensional and holistic nature of Customer Experience. Understanding customer expectations and how they evolve in the retail store environment. Customers have diverse expectations, and these expectations can change over time due to various factors such as technological advancements, shifting consumer trends, and evolving market dynamics.

The impact of various touchpoints, such as store layout and design, product assortment, customer service, technology integration, and sensory elements (e.g., lighting, music, ambiance), on the overall Customer Experience.

Finally, understanding the long-term impact and outcomes of customer experience in the retail store environment is a research problem. This includes examining the relationship between Customer Experience, customer satisfaction, loyalty, repurchase intentions, word-of-mouth, and financial performance of retail stores.

Research Objectives

1. The research goals for customer experience in the retail environment may involve figuring out the variables that affect consumers' experiences, identifying the key touchpoints in the customer journey, and assessing customer satisfaction. In this research understanding the impact of customer experience on business performance and profitability.
2. The main objective may also include developing strategies to improve the customer experience and make it more personalized and responsive to customer needs. Other objectives may include understanding the role of technology, store design, and other factors in creating a positive customer experience and identifying best practices and benchmarks for customer experience in the retail industry.

Scope of the Study

This study aims to assess and analyse the consumer experience in a retail Store environment. This research will be conducted in the way by distributing questionnaires to the target respondents in different locations in Tamil Nadu. The target respondents in this study are set to total 180 respondents and their age limit can be 20 to more than 40.

The most picked location in this survey will be focused on Coimbatore, and the questionnaires will be distributed in the retail market nearby D-Mart and Department stores shopping like Shri Kannan Departmental Store, Kala Stores, Amutham Departmental Store, Susee Departmental Stores, Venkateswara Departmental Stores. During the weekend there may have a walk in these stores with their family members, therefore it may reach the respondents easily.

Literature Review

Cognitive experience refers to the mental processes and activities involved in perceiving, thinking, learning, understanding, and problem-solving. It is the subjective experience of conscious mental activity, including perception, attention, memory, language, reasoning, decision-making, and problem-solving. Cognitive experience is a complex and multifaceted process that involves both conscious and unconscious mental activities.

The term "affective experience" describes the emotional aspect of a person's experience, which encompasses their emotions, attitudes, and feelings. Mood and emotion are fundamental components of the affective system. Unlike moods, which often are not related with stimuli of higher intensity, these emotions are associated with an item that stimulates them and is more intense.

Social experience conceptualizes social identity theory. Social identity, which comprises a person's sense of identification with a group, is a part of their self-concept. Along with the social community's emotional and judgmental elements.

The term "physical experience" relates to the concrete elements of a person's interactions with the outside world, such as the setting, items, and sensory inputs. It includes every physical sensation that people feel as a result of using their senses to perceive touch, taste, scent, sight, and hearing.

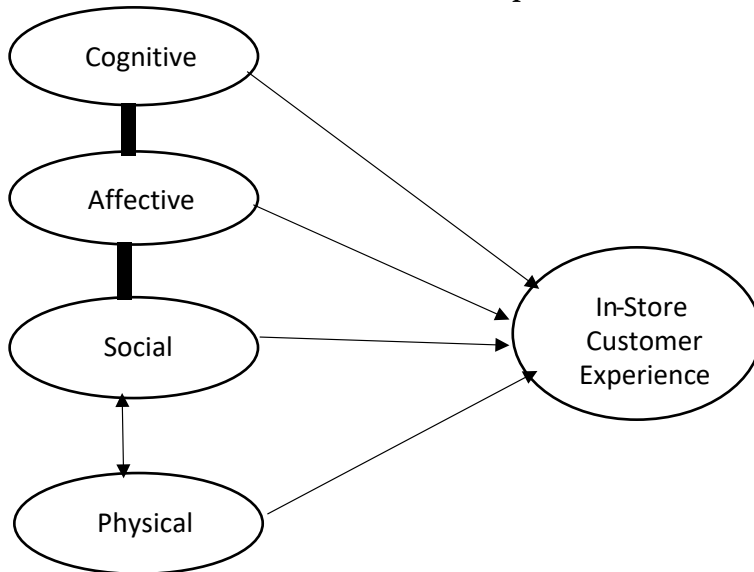
The in-store experience is a critical component of customer experience, as it represents one of the primary touchpoints that customers have with a brand or organization. A positive store experience can create a strong emotional connection with customers and enhance their overall satisfaction, loyalty, and advocacy toward the brand or organization.

Research Methodology

Research Framework

Figure 1

Research Framework of In-Store Customer Experience in Retail Store



This research framework is used to evaluate the factors that have been included in customer experience and the quality of the retail store. In this study, 7 hypotheses are shown and highlighted between the variables that indicate the relationship. The independent variable for the framework is Affective experience and Physical Experience. The dependent variable includes the Cognitive Experience, Social Experience, and In-Store Customer Experience. The Four Cognitive Affective Social and Physical experiences are inter-connected that resulting in In-store Customer experience

Sampling Design

Sample Size and Target Respondents

The sample size and target respondents for a customer experience survey in a retail store will depend on the specific research objectives and the characteristics of the store's customer base. However, here are some general guidelines:

Sample size

The sample size of customer experience in a retail store would depend on a variety of factors, such as the size of the store, the number of customers, and the goals of the research. Generally, a sample size of at least 190 customers is recommended to achieve statistically significant results. Larger sample numbers can improve the precision and dependability of the results. Additionally, the sample should be representative of the store's target demographic to ensure the insights obtained are applicable to the store's customer base.

Sampling Method

This study of the research of customer experience in a retail store employs a nonprobability sampling approach, the sample is not chosen at random, and the sampling method may contain biases that restrict the generalizability of the results. Convenience, Probability sampling are examples of sampling techniques.

In **Convenience, sampling** is a type of non-probability sampling in which the sample is selected based on the availability and willingness of participants. For eg; a retail store may survey customers who happen to be in the store at the time of the survey.

The goal of **Probability sampling** methods is to ensure that each member of the target population has a known and non-zero chance of being included in the sample. Participants are chosen at random from the target population. Simple random sampling, stratified sampling, and cluster sampling are typical probability sampling techniques. These methods help minimize bias and allow for statistical inference.

RESULT AND ANALYSES

Descriptive Statistics

The demographic of the respondents

Table 1

Demographic of the respondents

Variable	Frequency	Percentage
Female	87	48.33 51.66
Male	93	
20-30	119	66.11
30-40	44	24.44
More than 40	17	9.44

This table shows the demographic of 180 respondents. According to the variables of gender, most of the respondents who answered this survey is male which stands for 51%, while only 48% of females answered the survey. While for the variables of age, most of the respondents fall into the age class of 20-30 4, which stands for 119 respondents among 180. While the lowest number of respondents lies in the age class of more than 40.

Descriptive Statistics of Variables

Cognitive Experience

Table 2

Descriptive Statistics of Variable – Cognitive Experience

	Mean	Std. Deviation	Skewness	Kurtosis
Cognitive 1	2.6902	0.63307	-1.467	1.576
Cognitive 2	2.0489	0.39505	0.429	3.361
Cognitive 3	4.0217	0.45516	0.089	1.918
Cognitive 4	4.0870	0.59418	-0.816	2.013

Affective Experience

Table 3

Descriptive Statistics of Variable–Affective Experience

	Mean	Std. Deviation	Skewness	Kurtosis
Affective 1	2.1685	0.51096	0.247	0.321
Affective 2	1.8804	0.42702	-0.689	1.782
Affective 3	1.3696	0.60449	1.415	0931
Affective 4	3.9891	0.71662	-1.425	1.526

Social Experience

Table 4

Descriptive Statistics of Variable – Social Experience

	Mean	Std. Deviation	Skewness	Kurtosis
Social 1	4.5978	0.60163	-1.221	0.463-
Social 2	1.9837	1.10377	0.723	-0.881
Social 3	4.0598	1.03581	-0.687	-0.824
Social 4	1.4130	0.49372	0.3556	-1.894

Physical Experience

Table 5

Descriptive Statistics of Variable–Physical Experience

	Mean	Std. Deviation	Skewness	Kurtosis
Physical 1	4.4076	0.64626	0.633	0.585
Physical 2	4.0707	0.74688	-2.025	0.386
Physical 3	2.3098	0.97885	1.606	2.071
Physical 4	1.5435	0.82863	1.025	-0.754

In-Store Experience

Table 6
Descriptive Statistics of Variable–In–Store Experience

	Mean	Std. Deviation	Skewness	Kurtosis
In-Store 1	1.5543	0.73721	0.927	-0.562
In-Store 2	1.5054	0.88087	1.632	1.518
In-Store 3	4.1304	0.71238	-0.2029	0.258

Exploratory Factor Analysis

Cognitive Experience

Table 7
EFA of Cognitive Experience

Constructs COGNITIVE	Factor Loadings
CO 1	.821
CO 2	.882
CO 3	.847
CO 4	.762

Affective Experience

Table 8
EFA of Affective Experience

AF 1	.604
AF 2	.666
AF 3	.724
AF 4	.612
AF 5	.613
AF 6	.621

Social Experience

Table 9
EFA of Social Experience

Constructs SOCIAL	Factor Loadings
SO 1	.683
SO 2	.719
SO 3	.824
SO 4	.978

Physical Experience

Table 10
EFA of Physical Experience

Constructs PHYSICAL	Factor Loadings
PY 1	.664
PY 2	.826
PY 3	.723
PY 4	.611
PY 5	.613

In-Store Experience

Table 11
EFA of In-Store Experience

Constructs IN-STORE	Factor Loadings
IN ST 1	.684
IN ST 2	.701
IN ST 3	.935

Discussion and Conclusions

Discussion about Research Objectives

Discussion about research objective: Cognitive Experience

The research objective related to the cognitive experience in the context of customer experience (CX) is to deepen the understanding of the cognitive component of Customer Experience in physical retail stores.

The aim is to investigate how cognitive processes, such as acquiring knowledge, evaluating information, and engaging in creative thinking, contribute to the overall customer experience in a retail setting.

The purpose of the study is to investigate the function of cognition as the first phase of Customer Experience, occurring before emotional reactions. It recognizes that cognitive experiences include not just the learning of information but also the processing of stimuli in the retail environment. By understanding the cognitive component of Customer Experience, the study seeks to provide insights into how retail managers can design and implement strategies to enhance customers' cognitive experiences and improve overall Customer experience in physical retail stores.

The research will perform a thorough evaluation of the literature in service marketing, social and cognitive psychology, and ergonomics in order to meet this goal. Based on the idea of cognition as the faculty used to process information,

analyze problems, and participate in creative thinking, it will describe and conceptualize the cognitive component of the in-store customer experience (ISCX). The study will also investigate the impact of cognitive experiences on attitudes, assessments, and other facets of consumer behavior.

Discussion about research objective: Affective Experience

The research objective regarding the affective experience in this study is to develop a comprehensive understanding of the multiple elements composing in-store customer experience (ISCX).

The aim is to explore the affective responses of customers during their visit to physical retail stores and understand how these emotions and moods influence their judgments, attitudes, and overall behavior.

The study admits that emotive reactions, such as feelings and moods, have a big impact on how customers behave. While moods are often less strong and unrelated to specific stimuli, emotions are said to be more intense and tied to specific things or situations.

By exploring the effectiveness and measurement of emotions, the study aims to contribute to the existing knowledge and literature on affective experiences and their impact on customer behaviour.

Discussion about research objective: Social Experience

Understanding and researching the type and degree of relationships that develop between people and other people in a social setting would be the research goal of the social component in the context of assessing customer experience (CX) in physical retail locations.

The goal is to investigate how consumers engage and interact with two important groups of people: customer-employees and customer-customers. The emphasis would be on evaluating the variety of interactions that take place inside these groups, from straightforward opinion-exchange or advice-seeking to deeper social connection.

The study's goal is to comprehend how these social interactions affect customers' overall shopping experiences and how they help people build connections and social identities in the retail environment.

Discussion about research objective: Physical Experience

The research objective of the physical component in the context of measuring customer experience (CX) in physical retail environments would involve understanding and investigating the customer's physiological responses and their impact on their well-being and comfort levels during their interaction with the environment.

The goal is to investigate how a customer's physical interaction with a retail environment affects their physiological condition, including their degree of comfort or discomfort. This would entail researching the client's subjective experiences and

physiological reactions, including pleasure, harmony, stress, tiredness, fatigue, pain, and other relevant elements.

Understanding how the physical experience of the shop environment affects the total customer experience and how it affects their emotions and beliefs about the setting and the people in it would be the goal of the research.

Discussion about research objective: In-Store Experience

The research objective of the in-store experience is to understand and analyze the different components that contribute to customers' overall experience in a physical retail environment. Specifically, the discussion focuses on three key components: physical experience, cognitive experience, and social experience.

The cognitive component of the in-store experience involves the customer's mental processes, such as perception, knowledge acquisition, and subjective characteristics. The research objective, in this case, would be to explore how the cognitive aspects of the in-store experience influence customers' attitudes, beliefs, and decision-making processes.

In this affective response of customers during their visit to physical retail stores and understand how these emotions and moods influence their judgments, attitudes, and overall behavior.

Limitation and Future Research

This study acknowledges the need to evaluate the scale's applicability and validity in different countries to assess its generalizability. Future research should focus on validating the measurement scale for In-Store Customer Experience in various geographic contexts. The suggested scale might be utilized in further studies to investigate the significance of possible antecedents of Customer Experience at the point of sale, such as service interface, costs, selection, and retail environment. Understanding how these aspects affect the development of the customer experience and how that influences customer satisfaction and loyalty would be a valuable insight.

II.CONCLUSIONS

The study's limits in quantifying customer experience (CX) in actual retail settings are discussed at the end of this chapter, and they offer important guidelines for further study. Using the cognitive, emotional, social, and physical aspects to analyse the consumer experience in a retail setting offers insightful information about the variables that affect brand perception, customer satisfaction, and brand loyalty. By measuring the experiences across these dimensions provides a holistic view of the customer journey and allows retailers to identify areas for improvement and optimization. By employing a multi-dimensional approach to measure the customer experience in the retail store, retailers can gain valuable insights into the

cognitive, affective, social, and physical aspects of the customer journey. This understanding enables retailers to deliver exceptional experiences that meet customer expectations, foster loyalty, and drive business success in the competitive retail landscape.

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