

Retail Therapy: The Impact of Therapeutic Motivation, Therapeutic Value, and Retail Environment, on Customer's Purchase Intention

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Abstract

As the number of people experiencing anxiety and stress increases, retail therapy might be use to reduce the stress level. Retailers may benefit from this situation by differentiating their marketing strategy, especially their physical evidence. Previous research has concluded retail therapy as the mood-alleviative consumption behaviour. Furthermore, previous research also identified various therapeutic values and motivations that might lead to mood-alleviative consumption behaviour. The purpose of this paper is to investigate how retail therapy, both the therapeutic values and motivations, and the physical surrounding, as part of a marketing strategy, may influence customer's purchase intention. The writer will conduct a survey and distribute the questionnaire to collect data from 400 shoppers in Bandung. Then, data will be tested using descriptive analysis and path analysis. The important finding to emerge was that retail environments do have an impact on customer purchase intention especially in the ambiance and signage and have effect in therapeutic way. The result would be beneficial for both academic and managers since it will investigate the direct impact of therapeutic values and motivations and physical evidence on customer's purchase intention. Moreover, managers would have a new knowledge about parts of physical evidence which have significant impact to customer's purchase intention.

Retail therapy, servicescape, retail strategy, purchase intention

1. Introduction

Increasing competition due to the economic crisis condition has led to the high level of stress both for workers and students. Based on the survey by Regus in 2012, 64% employees in Indonesia said that their stress level increase compared to last year. According to Study Twenge and Researchers from Minnesota Multiphasic Personality Inventory (MMPI) stated that students in Indonesia felt greater pressure nowadays.

As the number of people experiencing anxiety and stress increases, retail therapy or the mood alleviating consumption behavior might be use to reduce the stress level. Some researchers found that shopping may influence their emotion and perceived quality of life (Kacen, 1994; Kacen, 1998; Kang, 2011).

Retail industry should aware of this market condition and provide adjustment to customer's need. Based on the interview with *The Wall Street Journal*, Nordstrom's Inc. recently using retail therapy strategy. The CEO, Mr.



Nordstrom said that “some people will choose to take a little retail therapy, and we want to be there to serve them” (Maher, 2008). A lot of online retail therapy also realized this potential and used it as a store name. However, most research on retail therapy focused on investigating the conceptual framework and not the application that can provide benefit for the retailer.

Therefore, it is important for the retailer to know the internal and external factors in relation to retail therapy condition that can impact to customer's purchase intention. We need to identify the various therapeutic values and motivations would be beneficial for retailers in developing the effective therapy using shopping experience. Besides, the physical environment or also known as servicescape is rich and very influential in communicating the firm's image and purpose to customers.

The aim of this research is to investigate how therapeutic values and motivations and also the physical surrounding have an influence in customer's purchase intention. The result of this study can be used as an input in the further research about the benefit of retail therapy. Furthermore, the writer hopes that this study will be the references for the other researchers who conduct the same object with a different perspective. For the practical benefit, the marketers will get a larger knowledge about the techniques of attracting the shoppers in the particular situation.

2. Literature Review

2.1 Consumer Behavior

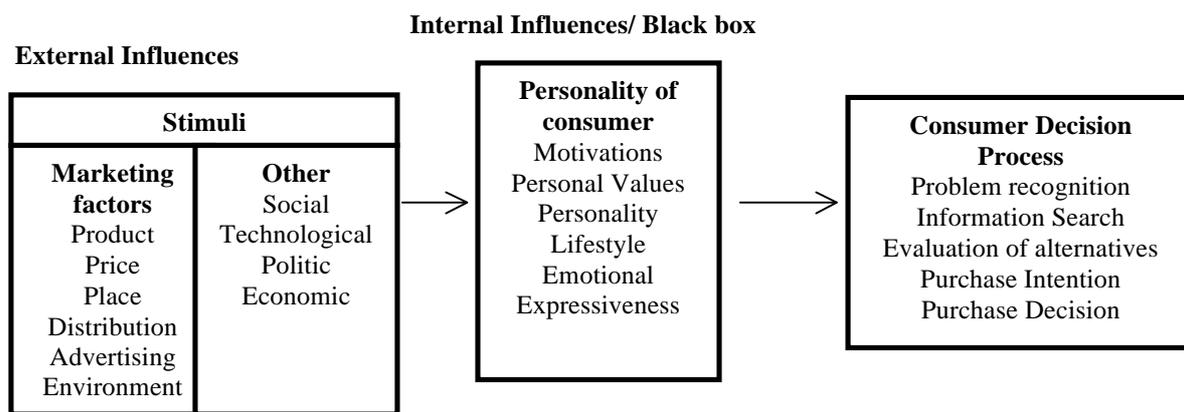


Fig. 1. Stimulus-response model of consumer behaviour by Kotler (Solomon, 2015)

2.2 Retail Environment

The physical service environment customer experience plays a key role in shaping the service experiences and undermining customer satisfaction. Bitner (1992), identifies three primary dimensions of the servicescape that influence customer's holistic perception of the servicescape, which is ambient, spatial layout, and signage or symbol.

Music, cleanliness, and temperature are intended as the ambient condition that has an emotional relation in shopping. Layout accessibility and fitting comfort are the part of spatial layout and functionality. Facility aesthetic and displays also have the important role in sensory stimulation as the part of signage or design.

Retail environment becomes one of the external that influence in consumer decision making. "Environment refers to the complex of physical and social stimuli in the outer world of customers. It includes the things, places, and other people that influence consumer' affect and cognition and their behaviour" (Olson, 1994, pp. 26-27). Ambience, spatial layout, and signage have a significant relationship to purchase intention in apparel stores. Luomala (2002), also stated that retail environment also has an impact in the therapeutic way that might result in increasing customer purchase intention.

H1: There is a significant relationship between ambience and purchase intention in apparel stores.

H2: There is a significant relationship between spatial layout and purchase intention in apparel stores.

H3: There is a significant relationship between signage or symbol and purchase intention in apparel stores.

2.3 Retail Therapy

Retail therapy is a strategic effort to make one feel better after the immediate shopping (Rath, 2010). There are two different approaches from retail therapy that have already studied by many researchers. The first one is

compensatory consumption that described retail therapy as a condition when an individual feels a need, lack, or desire which they cannot satisfy their primary fulfilment, so they use purchasing behaviour as an alternative (Woodruffe-Burton, Eccless, & Elliott, 1998). The second one is mood-alleviate behaviour that described by Kacen, (1998), implies that the actual product purchased during a therapy shopping trip plays a role in improving mood, which provides a distinction between a shopping therapy experience and a compulsive buying experience. The writers found out that it is important to have deeper understanding through the motivation and value behind retail therapy. These two factors need to be analysed to understand the profile of therapeutic users or people who use shopping as the activity to alleviate negative mood. Furthermore, the writers found out that it is important to have a deeper understanding through the motivation and value behind retail therapy.

2.3.1 Therapeutic motivation

Motivation is the driving forces within individuals that move them to take a particular action such as buying and using. This driving force is produced by a state of tension, which exists as a result of an unfulfilled need that moves us away from psychological equilibrium or homeostasis. Therapeutic motivation is the driving forces within individuals to choose shopping to alleviate their negative mood. As it has already stated in the previous subchapter, negative mood consists of irritated, stress, and dejection. They want to reduce this tension and reach their desired end-state or called consumer's goal. Shopping as the activities that can alleviate negative moods becomes the other reasons people buying something though not for the primary function of the product. Kacen found out that shopper in negative mood purchases clothing with more frequency than others because of therapeutic reasons (Kacen, 1998). In Luomala's Journal, he stated that mere sensory stimulation emanating from the consumption environment (e.g., sights, sounds, smells) function in a therapeutic way (Luomala, 2002).

H4: Therapeutic motivation mediates the relationship between retail environment and purchase intention in apparel stores.

2.3.2 Therapeutic value

Value holds an important role in consumption activities because people believed that purchasing a product would help them to attain a value-related goal. Although people may believe in the same behaviour (shopping is an activity to reduce negative mood), their underlying belief system may be different (shopping is an escape from loneliness, self-indulgence, or else).

Minjeon Kang did the research especially in the therapeutic value in the purchasing and shopping activities. There are seven categories of reasons people do the retail therapy, which is a positive distraction, escape, indulgence, elevation of self-esteem, activation, sense of control, and social connection (Kang, 2011). Consumer's core values have a major influence on their cognitive process and choice behaviours in the decision-making process. Value is also one of the internal influences in the stimulus-response model of consumer behaviour that have a significant effect on consumer decision-making process.

H5: Therapeutic value does function as a mediating variable between retail environment and purchase intention in apparel stores.

2.4 Purchase Intention

Purchase intention is part of consumer's decision making that studies the reason to buy a particular brand (Shah, et al., 2012). Purchase intention also can be defined as a situation where the customer wants to buy a certain product in the particular condition. Purchase intention is related to the customer's behaviour, perception, and attitudes toward a product. It can be affected by internal or external motivation during buying process (Gogoi, 2013). In this research, we focused on the therapeutic motivation. Purchase intention also can be changed under the influenced of price, perceived quality, retail environment, etc.

3. Methodology

3.1 Participant and data collection

In this paper, the research used quantitative data collection by questionnaire. Questionnaires were distributed to 400 respondents through online and offline method. Respondents are female who domicile in Bandung and Jakarta area in the range of 16-64 years old. The selection of respondents is made by non-probability sampling method using judgmental sampling technique.

3.2 Data analysis

In this paper, the research used descriptive analysis and path analysis model. Path analysis techniques are used to analysis the direct and indirect effects between variables (Freedman, 1987). Path analysis investigates the tenets of social cognitive theory and previous finding that hypothesised relationship have strong theoretical and empirical



support. The path model tested as the explanation on the last page.

3.2.1 Measurement

Ambience (X₁), spatial layout (X₂), and signage (X₃) are the variables that describe the retail environment. Ambience contains 13 questions that adopted from Hussain & Ali (2015) and Wakefield & Blodgett (1996). Spatial layout contains of 11 questions Signage contain 14 questions that adopted from Kisang Ryu & Soo Cheong (2008); Hussain and Ali. (2015); and Wakefield & Blodgett (1996). The therapeutic motivation variable consists of eight questions from Minjeon kang (2009); and Yurchisin *et al.*, (2008). The therapeutic value consists of 18 questions. Purchase intention variable contains four questions which two adopted from Hussain and Ali (2015).

4. Result and Discussion

A Pilot study of the questionnaire was conducted to fulfil the reliability and validity requirement. The present study released the survey to 80 respondents. The English questionnaire was translated into Bahasa Indonesia following the target respondent's ability. From all the completed questionnaires that were collected, the whole questions are valid. Besides, the normality test, multicollinearity test, and homoscedasticity test are all met.

Table 1. Descriptive statistics

	N	Mean	Std. Deviation
Ambience (X ₁)	405	5.1356	.85874
Spatial Layout (X ₂)	405	5.5075	.79378
Signage (X ₃)	405	5.0219	.79444
Therapeutic motivation (Y _A)	405	4.0057	1.27178
Therapeutic Value (Y _B)	400	4.5068	1.27175
Customer's purchase intention (Z)	405	4.9303	1.12034

In Table 1, it represents the mean and standard deviation for all variables. Among sub-variables of the retail environment, the spatial layout has the highest mean among all other variables with 5.51, indicate the respondent in this research think that layout accessibility and fitting comfort as the most important elements in the retail environment. Therapeutic value has greater mean than therapeutic motivation with 4.51 compared to 4, which means the respondents have greater belief in shopping as the therapeutic activity (therapeutic value) rather than their driving force to go shopping (therapeutic motivation).

Table 2. Decomposition effects of from the path analysis

Endogenous variable	Exogenous variable	Intercept	Beta	Sig	t	R result
Therapeutic motivation		0.809				R ² =0.127
	Ambience	0.251	0.169	0.007	2.698*	
	Spatial layout	0.08	0.05	0.473	0.718	
	Signage	0.292	0.183	0.013	2.507*	
Therapeutic value		0.386				R ² =0.208
	Ambience	0.293	0.198	0.001	3.295*	
	Spatial layout	0.128	0.08	0.229	1.205	
	Signage	0.38	0.238	0.001	3.413*	
Customer's purchase intention		1.426				R ² =0.198
	Ambience	0.246	0.189	0.002	3.138*	
	Spatial layout	0.082	0.058	0.383	0.087	
	Signage	0.356	0.252	0.000	3.611*	
Customer's purchase intention		2.651				R ² =0.310
	Therapeutic Motivation	0.258	0.293	0.000	5.479*	
	Therapeutic value	0.277	0.324	0.000	6.053*	

* $p < 0.05$ (significant)

From Table 2, we can see the correlation between all variables. Among all of the exogenous variables, the results were significant except for spatial layout (X₂). Therefore, in the path analysis model, spatial layout with non-significant paths will be removed. The effect of signage ($\beta = 0.252$ and $t = 3.611$) was higher than ambience ($\beta = 0.189$ and $t = 3.138$) on customer's purchase intention. Based on the beta and significance test, the first and third hypotheses about the effect of ambience and signage on customer's purchase intention are supported. However, the second hypothesis was not supported because there is no correlation between layout accessibility and customer's

purchase intention. It can be seen that therapeutical motivation ($\beta = 0.293$ and $t = 5.479$) and therapeutical value ($\beta = 0.324$ and $t = 6.053$) have strong impact on customer's purchase intention. The result of the first and the third hypotheses support the previous research by Luomala (2012) that retail environment does have an impact on customer's purchase intention in a therapeutic way. Besides, therapeutic motivation and therapeutic value that explained before in the Kang's (1998) Journal do exist in Indonesian's shopper and have a significant impact on customer's purchase intention.

Table 2. Direct and indirect effects on therapeutic motivation, therapeutic value, and customer's purchase intention

Effect	Direct effect	Indirect Effect	Total Effect
On Therapeutic Motivation			
of Ambience	0.169*	0	0.169
of Spatial layout	0.05	0	0.050
of Signage	0.183*	0	0.183
On Therapeutic Value			
of Ambience	0.198*	0	0.198
of Spatial layout	0.08	0	0.080
of Signage	0.238*	0	0.238
On Customer's purchase intention			
of Ambience	0.189*	0.114*	0.373
of Spatial layout	0.058	0.017	0.123
of Signage	0.252*	0.131*	0.463
of therapeutical motivation	0.293*	0	0.497
of therapeutical value	0.324*	0	0.503

* $p < 0.05$ (significant)

Table 3 is representing the direct and indirect effect in the path analysis. Results from the path analysis indicate that ambience and signage affect customer's purchase intention through the therapeutic motivation and value as the partial mediating variables. Besides, it also can be seen that the mediating variables, therapeutic motivation and therapeutic value have strong direct impact on customer's purchase intention

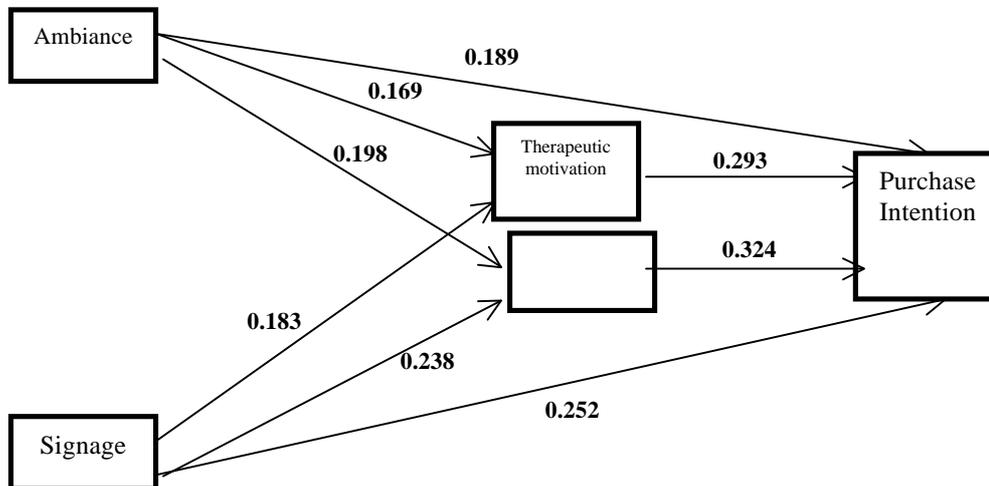


Fig. 2. Significant path coefficients between all variables in the study



5. Conclusion and Recommendation

The purpose of this paper is to investigate how retail therapy, both the therapeutic value (Y_A) and therapeutic motivation (Y_B), and the physical surrounding (X_1 , X_2 , and X_3), as part of a marketing mix, may influence customer's purchase intention. The important finding to emerge was that retail environments do have an impact on customer purchase intention especially in the ambience (music, cleanliness, temperature) and signage (facility aesthetic, electronic equipment, and display). The better the environment situation, it would improve the intention of a customer to buy a product. Another finding is the fact that Indonesian customers do admit that retail therapy exists. It is also founded that therapeutic value has a bigger impact than therapeutic motivation on customer's purchase intention. This research would be useful for the retailer to make retail strategy, besides they can use it in advertising and promotion. For example, Indonesian customer will be interested in the advertising that wrote "shopping in our store will make you relax and forget about your problems for a while" rather than "if you are desperate or stress, just come to shop in our store". The meaning might be quite the same, but there will be differences in the response of the receiver. For the future research, the writers suggested doing this kind of research using experimental method to identify which kind of music, temperature physical layout, et cetera that suits better to therapeutic shoppers. Besides, based on this paper's result servicescape in a therapeutic way have 30% impact on customer's purchase intention. The researcher also suggested analyzing other factors that may have an impact on customer 's purchase intention in retail therapy such as brand image, brand quality, etc.

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