Relational benefits of in-store actions: Analysis of the adaptability of a measurement scale of action perceived value

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Abstract

This research focuses on in-store actions in hyper and supermarkets in France led by manufacturers' brands of fast moving consumer goods. It interrogates how manufacturers brands' can develop relationships with consumers through such actions. It explores perceived benefits of these actions. The literature review highlights different measurement scales of marketing actions perceived benefits. A qualitative study with manufacturers and consumers of fast moving consumer goods identifies relational benefits of in-store actions. Through a quantitative study on 214 French consumers, a measurement scale of in-store perceived value is tested in a context of French retailing of fast moving consumer goods. This scale includes four dimensions: functional, relational, entertainment and exploration benefits.

Key words:

Relationship marketing, manufacturers' brands, relational benefits, in-store actions, fast moving consumer goods.

Introduction
In September 2013, in French hyper and supermarkets all Milka chocolate bars will have one missing square of chocolate. This in-store action is part of a campaign also present on the Internet and called "Où est passé le dernier carré". Consumers can choose to send the missing square of chocolate to friends or to themselves. It appears that benefits from such an action are of relational order. It intends to diffuse the value of Milka: tenderness, and to share it with consumers. It also fosters the link between the consumer, his or her friends and the brand. For most frequently purchased packaged goods distributed in hyper and supermarkets, the store is where a manufacturer's brand can meet with the consumer and interact with him or her. Indeed, in a context of self-service the shelf is the place where the consumer can see and interact with the brand. It is the place where the latter can highlight its efforts.

This research interrogates how fast moving consumer goods manufacturers brands can develop relationships with consumers through in-store actions. For that, we explore perceived value of these actions. We first present a literature review highlighting different measurement scales of perceived benefits. Afterwards, we develop the results of a qualitative study with manufacturers and consumers of fast moving consumer goods that identifies relational benefits of such in-store actions. Actions implemented by manufacturers' brands are the reflection of evidence of the willingness of the latter to retain consumers. On one hand, actions present functional benefits such as monetary or time savings. On the other hand, these same actions can develop relational value, entertainment and exploration benefits for the consumer. We characterize these impacts in an empirical application involving ice cream major brands pertaining to the frequently purchased packaged goods sector and distributed in French hyper and supermarkets. We test our scale through a quantitative study. Finally we offer the conclusion of our research, its implications and limitations.

1. Literature review

1.1. Relationship marketing and attribution theory
Relationship marketing brings together "*all activities to establish, develop and maintain successful relationship exchanges*" (Morgan and Hunt 1994). It offers more interactive exchanges between consumers and brands, and it is thus opposed to a more traditional vision of marketing where the company acts and the consumer responds (Möller and Halinen 2000). In its full development, the relationship is mutually beneficial to the involved parties (Barnes 1994; Berry 1995). A link is developed between the two parties. The literature has studied these links between consumers and brands (Fournier 1998; O'Malley and Tynan 1999; Heilbrunn 2003) and proposed concepts for measuring the strength of the various components of relationship (Breivik 2008 and Thorbjørnsen; Vesel and Zabkar 2010).

Attribution theory states that the benefits of relationship marketing are attributed to the entity perceived as having control on their production (Palmatier et al. 2007). Ensuring that consumers perceive its efforts, the brand reinforces their gratitude (Palmatier et al. 2009). It is relevant for manufacturers' brands to put in place actions and marketing strategies that deliver relational benefits to the consumer. Relationships between consumers and brands can be developed and maintained through the interactions that actors maintain day to day (De Wulf Odekerken-Schröder and Van Kenhove 2003). Each contact between the actors involved in the relationship contributes to its development thanks to promises (Bitner 1995) and perceived relationship investment (De Wulf Odekerken-Schröder and Iacobucci 2001). Companies put in place relational programs to develop customer loyalty (Meyer-waarden 2005) that provide

three different categories of benefits for the consumer (Mimouni 2005).

1.2. Perceived relational value

In relationship marketing, some works offer a definition of marketing in terms of benefits. Gwinner (1998) states that there has to be benefits for the different parts of a relationship for it to work. These relational benefits are psychological: confort, security, trust as well as economic and social with the expression of preferential treatment or personal acknowledgement. On top of that, marketing relationship theory presents benefit exchanges that arise from relationships per se (Vesel and Zabkar 2010). During the exchange process, value is given and received (Day 2000). This value has six components: functional knowledge, experiential simulation, social link, self-expression and spiritual value (Aurier et al. 2004).

Different elements of relationship marketing strategies present relational value. In the banking sector, relational orientation vehicles economic and emotional benefits in the short and long term (Benamour and Prim 2000). Loyalty programs, which are an important part of relationship marketing are for instance providing utilitarian, hedonic and recognition benefits (Mimouni 2005) to consumers. Consumers maximize utilitarian benefits through monetary savings and simplification of access to products. Hedonic benefits are of two forms: pleasure of reward and participation in the process. Finally the benefit of recognition reinforces the feeling of being treated with consideration. In-store actions are however a way for the brand to express relational orientation towards consumers, and create relationships with them.

1.3 In-store actions perceived benefits measurement scales

In-store actions are mainly discussed in the literature in their promotional angle (Chandon 1995; Desmet 2007) and are widely used because of their effect on the acceleration of purchases (Neslin Henderson and Quelch 1987) in a transactional perspective.

We explore the different benefits of these actions. In fact, store is a place where a manufacturer's brand can develop its image and its evaluation through an informal control over the purchase experience. In-store brand expression (Aurier and Lanauze 2011) covers the different non-product elements of the brand marketing expression addressed to the consumer during the in-store encounter. Habib (2011) underlines value that can be drawn from the shopping experience: aesthetic, playful value, price efficiency, interactions with staff, social environment, environmental and social commitment.

Finally, a scale is presented to measure the benefits drawn specifically from the encounter with an action in store (Chandon Wansink and Laurent 2000). They are of two kinds: utilitarian and hedonic benefits. The consumer perceives benefits through monetary savings, quality, convenience, value expression, exploration and entertainment. De Pechpeyrou (2006) develops the perceived sincerity of promotional offer. It implies that relational benefits can be drawn from in-store actions.

2. Method

The literature review allowed us to compile different measurement scales of perceived benefits of in-store actions and of relational benefits of marketing programs. To complete this literature review, we conducted a qualitative study to better define the concept of consumer - brand relationship and identify perceived benefits of action for both brand manufacturers and consumers. We conducted 18 semi-structured interviews with marketing professionals. The

interviews, lasting an average of 30 minutes, were made individually, by telephone or face to face. These interviews were supplemented by 10 interviews with consumers, of an average length of 45 minutes. The use of Kelly triads during interviews with consumers helped examining how they perceive their interactions with manufacturers' brands and how they make their classifications of in-store actions. We did a content analysis in three steps: cutting text into themes, categorizing and analyzing them using N'Vivo software.

A quantitative study followed this exploratory study to test the adapted scale. The online questionnaire was about in-store actions led by major brands positioned in frequently purchased packaged goods categories (ice cream). With the 214 responses, we used SPSS statistics 20 and we did a Principal Components Analysis to eliminate items that were not affected to any dimensions (Evrard Pras and Roux 2009). We then tested reliability of the scale.

3. Results: Development of a measurement scale of perceived value of in-store actions
3.1. Qualitative study results: perceived benefits of in-store actions
In-store actions implemented by manufacturers' brands have been little studied, to our knowledge, in a relational perspective. The different studies (Chandon Wansink and Laurent 2000; De Pechpeyrou et. al 2006) have underlined functional and hedonic benefits of in-store actions in the context of French retailing. We found these elements in the discourses of consumers.

In the discourses of manufacturers and consumers, elements bound to relational benefits tend to appear. For manufacturers, in-store actions are a way to strengthen contacts with consumers. They are sources of experience in link with the brand. For consumers, these actions provide relational benefits, consistent with the pleasure of being given something or participating in a dialogue with the brand.

Actions perceived benefits		Verbatims
Monetary savings	Functional	*« Les réductions tu te dis que c'est un peu bête de pas profiter des réductions parce que si t'achètes après au tarif normal tu te fais avoir. »* (M.) *« Ce qui attire mon attention c'est les actions promotionnelles liées au prix. Plus précisément, quand t'achètes une pièce t'as la deuxième soit à 50% soit gratuit. »* (A.)
Time savings	Functional	*« La promotion ça attire mon attention et je trouve tout de suite ce que je cherchais. »* (S.)
Convenience	Functional	*« Il faut juste rappeler les gens que ça existe »* (A.) *« Si le prix est correct, ça attire mon attention, je vais acheter plutôt ça, parce que les pâtes ça se conserve. »* (M.)
Exploration	Functional	*« La dégustation produits je goûte pas trop, très peu en fait. Ca arrive pour le fromage, pour le saucisson… Ca permet de voir si le produit est bon pour savoir si on va l'acheter après»* (M.) *« La dernière fois j'avais acheté un truc intéressant : confit de canard, c'était Delpeyrat je crois, y'avait 50%. C'était Delpeyrat ? Je sais plus la marque… Je l'ai vu*

		dans le rayon, j'ai vu 50%, c'était une boite donc ca se conserve bien je me suis dit pour une occasion, pour plus tard. » (C.)
Discovery of new products	Functional	*« Y'a des choses tu te dis c'est malin, j'y aurais pas pensé. »* (J.) *« Si t'as pas vu quelque chose il va attirer ton attention qu'il existe quelque chose sur le marché et c'est possible que t'auras besoin de ce type de produits mais tu l'as pas vu. »* (A.)
Feeling of pride	Hedonic	*« Tu vois je fais le ratio pour savoir si en qualité/prix ca vaut le coup, si j'ai déniché quelque chose d'intéressant »* (B.)
Interest	Hedonic	*« La plupart du temps t'achètes un fromage il te donne un plat pour faire de la fondue de fromage. C'est intéressant car ils complètent les produits d'une manière sympa et intelligente. »* (A.)
Entertainment	Hedonic	*« Des fois dans le rayon fruits et légumes, y'a des dégustations. C'est marrant, ça fait rigoler. »* (C.)
Pleasure / Agreeability	Hedonic	*« Les marques qui font des promotions en magasin c'est plutôt agréable »* (M.)
Proximity	Relational	*«Je vais à Carrefour et avec Nutella je vois qu'on peut gagner une Mini. Y'en avait même une en plein milieu du magasin… C'est ma voiture préférée… »* (S.) *« Quand j'achète en promo c'est qu'ils ont un coté novateur. Ils font quelque chose de différent dans le rayon»* (J.)
Dialogue	Relational	*« Le cadeau dans les céréales c'est mignon»* (C.) *« C'est intéressant quand même ça crée quelque chose d'affectif car on m'a donné quelque chose. »* (A.) *« La fille dans le rayon si elle est pas sympa ben j'aurai une mauvaise image de Pepsi »* (B.)
Trust	Relational	*« Généralement, la marque c'est associé à la qualité. Les promos ça va conforter l'image que j'ai de la marque. »* (J.) *« Je me dis là c'est vraiment intéressant, le prix au kilo est bien plus bas mais j'ai la qualité de la marque, c'est comme s'ils avaient fait un effort pour une fois »* (S.)

Table 1: Perceived benefits of in-store actions: verbatims

Consumers and manufacturers tend to associate some types of in-store actions to different benefits. For instance, functional value is strongly felt in the immediate reduction vouchers and virtual prizes that have similar mechanics. The animations tend to have high hedonic value while the distribution of gifts and samples tend to trigger relational benefits.

3.2. Generation of items and scale development
Our research objective is to develop a measurement scale of perceived value of in-store actions, including relational benefits. It also includes hedonic and functional benefits. A measurement scale of in-store actions benefits has been developed by Chandon, Wansink and Laurent (2000) but it mainly includes benefits of promotion. Our intent is to complete it with

the incorporation of a third dimension of benefits: relational benefits.

The exploratory study highlights these 3 dimensions and 10 sub dimensions of perceived benefits and leads us to retain 21 items. The items are formulated in French for the specificities of the French retailing sector.

Dimension	Sub-dimensions	Item formulation
Functional benefits	Convenience / Time savings	Cette action me facilite la vie
		Cela me fait gagner du temps
		Cela me permet de me rappeler que j'ai besoin du produit
	Discovery / Exploration	Avec cette action je découvre des produits que je n'aurais pas pu découvrir autrement
		Cela me fait essayer de nouveaux produits
	Monetary savings	Je fais des économies
		Je sens que je fais une bonne affaire
		Je dépense moins
Hedonic benefits	Feeling of pride / Value expression	Je me dis que je suis un(e) acheteur(se) efficace
		Je suis fier(e) de mon achat
	Interest	Cette action rend le produit attrayant
	Entertainment	Cette action est amusante
		Cette action est divertissante
	Pleasure / Agreeability	Je trouve que c'est agréable de participer à une telle action
		Je me fais plaisir quand je bénéficie d'une action comme celle là
Relational benefits	Proximity / Shared values	Grâce à une action de ce type, je me sens proche de la marque
		Cette action me donne le sentiment que j'ai les mêmes valeurs que la marque
	Dialogue	Avec cette action, la marque s'occupe de moi
		Avec cette action, la marque s'adresse directement à moi
	Sincerity / trust	C'est une action sincère
		Avec cette action la marque ne cherche pas à me tromper

Table 2: List of items of the measurement scale of in-store actions perceived value

This adapted scale has been administered through an online questionnaire. Respondents were invited to evaluate four different in-store actions among four brands of ice cream distributed in hyper and supermarkets. After having indicated a choice of brand and having been exposed to one action, respondents had to fill out a scale of perceived benefits. We intent comparing and analyzing variations between in-store actions to see if this scale can be used for every type of action.

214 questionnaires have been analyzed. The sample is made of 69.5% of women and 30.5% of men from 20 to 81 years old.

3.3. Evaluation of scale properties

The analysis of the scale is made to have the factorial structure of the scale emerge spontaneously while reducing the number of items. In a first time, we did Principal Components Analysis with Varimax rotation. KMO test (0.895) is meritorious and it indicates that the correlation between items is of good quality. Bartlett sphericity ($Chi - 2 = 4193.99$; $p < 0.000$) indicates a suitability of data for factorization. Kaiser criterion suggests the existence of four factors reporting more than 70% of variance (75.43%). After Varimax rotation, the Principal Components Analysis lets appear a very clear structure with the four following factors: functional benefits, relational benefits, entertainment benefits and exploration benefits.

We choose to eliminate the following item: "Cela me permet de me rappeler que j'ai besoin du produit" while items "Avec cette action je découvre des produits que je n'aurais pas pu découvrir autrement" and "Cela me fait essayer de nouveaux produits" constitute a single factor: exploration benefits, distinct from functional benefits. We code them EXPL3 and EXPL2. Items "Je me dis que je suis un(e) acheteur(se) efficace" et "Je suis fier(e) de mon achat" that reflect the feeling of pride seem to be part of factor 1: functional benefits and distinct from hedonic benefits. We code them FCT6 and FCT7.

Factor	% of explained variance	Code Item	Loadings	Communality
1: Functional benefits	23,497	FCT3	0.890	0.797
		FCT5	0.883	0.787
		FCT4	0.879	0.807
		FCT6	0.799	0.711
		FCT1	0.718	0.618
		FCT7	0.688	0.650
		FCT2	0.659	0.574
2: Relational benefits	21,672	RLT 3	0.816	0.823
		RLT 5	0.800	0.730
		RLT 2	0.780	0.781
		RLT1	0.764	0.797
		RLT 4	0.757	0.755
		RLT 6	0.717	0.639
3: Entertainment benefits	19,148	HED2	0.888	0.859
		HED3	0.866	0.871
		HED4	0.807	0.855
		HED1	0.735	0.741
		HED5	0.707	0.746
4: Exploration benefits	11,113	EXPL3	0.867	0.882
		EXPL2	0.858	0.881

Total explained variance: 75,429%	Scale: 4 factors Sample n = 214

Table 3: Factorial structure from PCA of in-store actions benefits measurement scale after Varimax rotation and purification

Reliability of the measuring scale is assessed by means of Cronbach's alpha (internal consistency test.) This indicator lies between 0 and 1. If the items are correlated with each other, Cronbach's alpha tends towards 1, otherwise it tends towards 0. Regarding our scale each dimension has a good degree of consistency as well as the full scale that also has a good alpha (superior to 0.90).

Dimension	**Item formulation**	**Alpha**
Functional benefits	FCT3. Je fais des économies	0.92
	FCT5. Je dépense moins	
	FCT4. Je sens que je fais une bonne affaire	
	FCT6. Je me dis que je suis un(e) acheteur(se) efficace	
	FCT1. Cette action me facilite la vie	
	FCT7. Je suis fier(e) de mon achat	
	FCT2. Cela me fait gagner du temps	
Relational benefits	RLT3. Avec cette action, la marque s'occupe de moi	0.93
	RLT5. C'est une action sincère	
	RLT2. Cette action me donne le sentiment que j'ai les mêmes valeurs que la marque	
	RLT1. Grâce à une action de ce type, je me sens proche de la marque	
	RLT4. Avec cette action, la marque s'adresse directement à moi	
	RLT6. Avec cette action la marque ne cherche pas à me tromper	
Entertainment benefits	HED2. Cette action est amusante	0.93
	HED3. Cette action est divertissante	
	HED4. Je trouve que c'est agréable de participer à une telle action	
	HED1. Cette action rend le produit attrayant	
	HED5 Je me fais plaisir quand je bénéficie d'une action comme celle là	
Exploration benefits	EXPL3. Cela me fait essayer de nouveaux produits	0.92
	EXPL2. Avec cette action je découvre des produits que je n'aurais pas pu découvrir autrement	
Total scale		**0.94**

Table 4: Reliability of the measurement scale

Conclusion, limitations and future research

Through this research we developed a scale to measure in-store actions perceived benefits in 20 items and 4 dimensions. This research contributes to the field of research on value and on in-store actions. We present modifications and adaptation of previous measurement scales. The main interest of this research constitutes the addition of relational benefits in the measurement of in-store actions perceived value. On top of that, the feeling of pride seems to be closer to functional benefits than to entertainment ones.

Operationally, the results of this research provide a useful reflection for manufacturers' brands. In-store actions that provide relational benefits can counter the lack of differentiation from the competition. It is critical for brand managers to take into account the types of consumer benefits provided by in-store actions to increase their effectiveness. The application of this measurement scale will determine the dimensions of in-store actions perceived value that are predominant for each type of action. It will help identifying the elements that create relational benefits for consumers. From there the manufacturers' brand can identify value-creating strategies for clients and thus provide ways to create and develop relationships with consumers.

The limitations of our study are also future lines of research. Mainly we intend to do further testing, in other categories of products. The first research perspective that we propose is to study categories of product with a cognitive treatment for the consumer to see if the relational benefits have the same importance. Afterwards, we could test the scale on non-alimentary products to better understand the impact of other variables on the perceived value on one hand and develop the external validity of our results on the other hand.

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