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# Retaining customers with shopping convenience

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# Retaining Customers With Shopping Convenience

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*Our empirical research investigates the impact of dimensions of shopping convenience (decision, access, search, transaction, and after-sales convenience) on customer retention, including customer behavioral loyalty (shares of wallet and visits) and attitudinal loyalty (exit intention). Our findings show that for utilitarian shopping, behavioral and attitudinal loyalty are partly affected by different dimensions. Decision and access convenience, dimensions that come into play prior to the purchase, are most important for share of visits and share of wallet. Apart from decision convenience, exit intention is very much affected by transaction convenience, which is an in-store dimension. Furthermore, comparing our results with results of hedonic shopping purposes shows that major differences exist.*

*KEYWORDS* *convenience, customer retention, retailing*

## INTRODUCTION

Existing empirical findings focusing on convenience indicate that convenience plays a decisive role in the relationship between customers and their service providers. Inconvenience has been shown to be a reason that customers exit a relationship (Keaveney, 1995; Pan & Zinkhan, 2006), and convenience has been shown to be a major reason that customers intensify a relationship (Seiders, Voss, Godfrey, & Grewal, 2007).

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More than 20% of customers who defect from a relationship with a service provider indicate inconvenience as one major reason (Keaveney, 1995). The research has focused on critical incidents that have led customers to switch their service providers, not on a certain type of service provision or industry. Critical incidents have occurred in connection with auto mechanics, insurance agents, restaurants, medical services, health clubs, and hotels. In a meta-analysis, Pan and Zinkhan (2006) showed that many convenience-related aspects (e.g., fast checkout, convenient location) are positively related to store choice and repatronage behavior.

In previous conceptual research, *convenience* was defined as the consumer's perceived degree of avoidance of time and effort and was exhibited as a multidimensional construct covering the entire shopping process (e.g., Berry, Seiders, & Grewal, 2002). For this reason, we denominate the construct of shopping convenience as entailing decision, access, search, transaction, and after-sales convenience. These dimensions were integrated in the seminal empirical study of Seiders et al. (2007) of a hedonic shopping environment that focused on the relationship between customers and an upscale women's apparel and home furnishings store. Their findings indicated that shopping convenience positively impacts share of wallet (SOW) and share of visits (SOV) and diverse attitudinal constructs (e.g., shopping enjoyment).

The aforementioned empirical studies rightly place emphasis on the importance of shopping convenience for the relationship between customers and their service providers. In addition, convenience is seen as a major possibility for remaining competitive in the retail business. According to a report commissioned by Visa, 70% of all international retailers located in Europe will launch a new store design to make shopping more convenient by 2015 (Bokaie, 2008). To account for the importance of shopping convenience and to enhance existing knowledge, we see research opportunities in focusing on the impact of shopping convenience for utilitarian shopping. We perceive a gap in research focusing on utilitarian shopping in general (Guido, Capestro, & Peluso, 2006) and for convenience in particular. In utilitarian or task-oriented shopping, one shops out of necessity to obtain needed products and services, whereas in hedonic shopping, one derives inherent satisfaction from the shopping activity itself (Babin, Darden, & Griffin, 1994; Guido et al., 2006; Kaltcheva & Weitz, 2006). Our assumption is that in terms of the perception of avoidance of time and effort (convenience) in shopping, there is a major difference between utilitarian and hedonic shopping. This is supported in literature that makes a distinction between these two types of shopping motives (Babin et al., 1994; Guido et al., 2006; Kaltcheva & Weitz, 2006). Our research complements existing research in the following ways.

Similar to Keaveney (1995) and Pan and Zinkhan (2006), we focus on the link between shopping convenience and customer retention. In contrast to Keaveney, we do not utilize the critical incident technique to elaborate

on switching reasons; we gather survey data to investigate the impact of shopping convenience on everyday transactions.

Furthermore, Keaveney (1995) conceptualized inconvenience in terms of the service provider's location, hours of operation, waiting time for service, or waiting time to get an appointment. This one-dimensional conceptualization of shopping convenience represents the dimension of access convenience in the prevailing multidimensional conceptualization. In line with the literature, we conceptualize shopping convenience as a multidimensional construct (e.g., Berry et al., 2002; Seiders et al., 2007) and link those dimensions to relationship-oriented outcomes, especially customer retention.

Beyond this, our study complements the study of Seiders et al. (2007) on hedonic shopping. Our results for utilitarian shopping show that the effects are indeed different (Seiders et al., 2007). Furthermore, Seiders et al. (2007) assumed that only some of the convenience dimensions influence SOV and SOW, whereas other dimensions do not. In contrast, we assume that all of the dimensions influence shopping convenience. We show later why this is sensible for our setting. Finally, our study complements theirs by integrating an attitudinal construct of relationship-oriented outcomes (exit intention). Their study confines itself to the behavioral dimension of customer retention: SOW and SOV.

Overall, our research aims to investigate the impact of dimensions of shopping convenience (decision, access, search, transaction, and after-sales convenience) on customer retention as conceptualized by SOW, SOV, and exit intention. To fulfill this aim, we organized the remainder of the article as follows. In the next section an overview is given on existing research on convenience, especially the conceptualization of shopping convenience and customer retention. Based on this foundation, we build our model and derive the hypotheses by assuming an impact of shopping convenience dimensions on customer retention. Thereafter, we describe our empirical study. Finally, the results are presented and discussed.

## MODEL AND HYPOTHESIS DEVELOPMENT

### Shopping Convenience

*Shopping convenience* is defined as the consumer's perceived degree of avoidance of time and effort associated with the entire shopping process (Berry et al., 2002). In line with the literature, we propose that shopping convenience is a multidimensional construct that is best conceptualized by the following five dimensions: decision, access, search, transaction, and after-sales convenience (Berry et al., 2002). Consequently, we treat every dimension as a separate construct (Seiders et al., 2007; Seiders, Voss, Grewal, & Godfrey, 2005). The dimensions decision and access convenience are salient prior to the actual purchase. Search and transaction convenience become

salient once the purchase process has been initiated. Finally, after-sales convenience becomes salient after the purchase has been made.

## Decision Convenience

*Decision convenience* can be described as the consumer's perceived degree of avoidance of time and effort in deciding to shop at a retailer. The availability and quality of information about the retailer and its competitors determine decision convenience (Seiders et al., 2007).

## Access Convenience

*Access convenience* is characterized as the consumer's perceived degree of avoidance of time and effort in reaching a retailer's location. The ability to access a brick-and-mortar retailer is determined by physical location, parking availability, and operating hours (Jones, Mothersbaugh, & Beatty, 2003; Seiders, Berry, & Gresham, 2000).

## Search Convenience

*Search convenience* is defined as the consumer's perceived degree of avoidance of time and effort in identifying and selecting products he or she wishes to buy. In general, a high level of stimulation during the consumption decision can lead to information overload (Malhotra, 1982) and consumer confusion (Huffman & Kahn, 1998). Both usually lead to cognitive effort and perceived search inconvenience. Aspects that can help consumers avoid such search inconvenience are efficient store layouts, appropriate and effective in-store signage, and customer-oriented information available inside the store (e.g., through the sales staff). Furthermore, a demand-oriented assortment contributes to search convenience because it reduces the time and effort needed to identify and select from the desired merchandise.

## Transaction Convenience

*Transaction convenience* is characterized as the consumer's perceived degree of avoidance of time and effort in effecting a transaction. According to Berry et al. (2002), it focuses on the consumer's right to actually take use of the offering. In a retail environment, this usually includes the exchange of the selected merchandise for money, which takes place in the cashier area. Transaction convenience is influenced by the ease and speed of finding the cashier area and moving through it (Dabholkar, Thorpe, & Rentz, 1996).

## After-Sales Convenience

*After-sales convenience* can be described as the consumer's perceived degree of avoidance of time and effort for any customer activity occurring after having passed the cashier area. Reasons for contacting the retailer include service recovery, such as return of merchandise, customer complaints, or honoring of a guarantee (e.g., Seiders et al., 2000).

## Customer Retention and Loyalty

Customer loyalty and retention are often used to describe the same phenomenon (e.g., Reichheld & Sasser, 1990; Zeithaml, Berry, & Parasuraman, 1996). *Loyalty* represents the customer perspective (Mägi, 2003; Oliver, 1999) and *retention* the provider perspective. The literature suggests measuring retention using more than intentional measures (Narayandas, 1998) and recommends measuring it in a behavioral and an attitudinal sense (Dick & Basu, 1994), which we do here. Beyond capturing loyalty in a comprehensive way, this measurement technique has two additional advantages. First, it includes objective and subjective measures. Second, it includes a measure that is related to present and forecasted future behavior. Both aspects are shown and recommended in the literature (Cooil, Keiningham, Aksoy, & Hsu, 2007; Mackenzie, 1986).

## Customer Retention for Grocery Shopping

In a high-frequency shopping situation, such as shopping for groceries, most consumers use more than one store on a routine basis (Cooil et al., 2007; Kahn & Schmittlein, 1992; Urbany, Dickson, & Sawyer, 2000). Thus, loyalty and retention is represented as a time-related dimension of frequent shopping behavior. This time-related dimension is represented by SOV. In the case of multiple providers, an important question for retail managers is how they can increase the share of their customers' total grocery expenditures over time (SOW). Thus, the literature claims that the behavioral part of customer retention in grocery retailing is best represented by SOW and SOV (Leenheer, van Heerde, Bijmolt, & Smidts, 2007; Mägi, 2003). As recommended in the literature, we complement this behavioral measure with an attitudinal measure (Dick & Basu, 1994). This is represented by exit intention. We now elaborate further on these two measures of loyalty.

## Behavioral Loyalty

As mentioned, behavioral loyalty in high-frequency, utilitarian grocery shopping manifests itself in SOW and SOV (Leenheer et al., 2007; Mägi, 2003).

*SOW* measures the proportion of the household's total grocery purchases at the focal retailer, whereas *SOV* measures the proportion of the household's total grocery visits at the focal retailer (Cooil et al., 2007; Du, Kamakura, & Mela, 2007; Mägi, 2003). Although both measures are highly correlated, they are not necessarily interchangeable. A retailer that is further away might have a greater SOW for a customer, because the major weekly shopping is done there. A nearby retailer might have a greater SOV because the so-called fill-up purchases are done at this store. Therefore, the factors that determine SOW are not necessarily the same factors that determine SOV (Mägi, 2003).

For hedonic shopping with a low frequency of visits (approximately four times a year), it is assumed that only the shopping dimensions prior to the repurchase visit (decision and access convenience) influence SOV, whereas the in-store shopping convenience dimensions that are salient to consumers at the time of purchase (benefit, transaction, and post-benefit convenience) influence SOW (Seiders et al., 2007). For high-frequency grocery shopping, we assume that the time between visits is so short that all in-store dimensions will also affect the probability of the next visit (SOV). Beyond that, we believe that the decision to patronize a retailer and access will also affect the amount of the purchase (SOW). This is supported by the literature, which makes a distinction between so-called fill-up purchases and major purchases depending on the distance of the retailer (Kahn & Schmittlein, 1992). Thus, we believe that all dimensions will influence shopping convenience, and we hypothesize the following:

> $H_1$: SOW is positively influenced by (a) decision convenience, (b) access convenience, (c) search convenience, (d) transaction convenience, and (e) after-sales convenience.
> $H_2$: SOV is positively influenced by (a) decision convenience, (b) access convenience, (c) search convenience, (d) transaction convenience, and (e) after-sales convenience.

## Attitudinal Loyalty

The attitudinal dimension of customer retention reflects the consumer's psychological attachment to a particular provider (Oliver, 1999). In order to operationalize the attitudinal construct, we make use of the construct exit intention. According to Ping (1993), *exit intention* is defined as the degree of disinclination to continue a relationship with the focal retailer. According to the literature, lack of convenience can be a reason for defecting or confining a relationship to one retailer, whereas convenience can discourage this (Keaveney, 1995; Pan & Zinkhan, 2006; Seiders et al., 2005). This is in line with social exchange theory, which postulates that consumers are more likely to retain relationships that they perceive as being attractive (Thibaut &

Kelley, 1959). In accordance with our aim to shed light on the importance of the different dimensions of convenience, we have integrated into our model relationships between multiple shopping convenience dimensions and exit intention. Consequently, we hypothesize the following:

> $H_3$: Exit intention is negatively influenced by (a) decision convenience, (b) access convenience, (c) search convenience, (d) transaction convenience, and (e) after-sales convenience.

## EMPIRICAL STUDY

### Measure Development and Questionnaire

To ensure the validity of our measures, we took several steps as suggested in the literature (e.g., Churchill, 1979; Diamantopoulos & Winklhofer, 2001). Based on an extensive literature review, we generated an initial pool of formative items capturing the entire scope of each shopping convenience dimension. To ensure the validity of our measures, we conducted expert interviews and an item-sorting task (Anderson & Gerbing, 1991). This two-stage procedure resulted in 26 formative items measuring shopping convenience. The scales for SOW, SOV, and exit intention were drawn from previous research. The questionnaire was pretested with 20 potential respondents of the sample population as recommended by Dillman (2000). This initial test resulted in minor modifications to the wording of the scales. The final scale items resulting from this process are presented in Table 1.

### Setting and Data Collection

The demand for shopping convenience is especially relevant to utilitarian shopping. In such cases, consumers engage in shopping out of necessity to obtain needed products, services, or information with little or no inherent satisfaction derived from the shopping activity itself. We consider grocery retailing one such utilitarian shopping process (e.g., Kaltcheva & Weitz, 2006). The data we used in this study were collected as part of a nationwide mail survey among real customers of a grocery retailer in Germany. The cooperating retailer provided contact information for 4,500 customers who were cardholders in the retailer's loyalty program. We randomly selected customers who had purchased groceries from any store during the 8 weeks prior to the survey. Care was taken to represent respondents with low, medium, and high expenditure and frequency in the sample.

To avoid nonresponse, we sent a personally signed letter with a pre-addressed postage-paid return envelope. Furthermore, a 20€ coupon was offered as an incentive to respondents. After 6 weeks we sent a

**TABLE 1** Item Descriptions

| |
|---|
| Decision convenience |
| I quickly receive information at XYZ prior to shopping. |
| Deciding to shop at XYZ is quick. |
| Deciding to shop at XYZ is easy. |
| I can quickly determine prior to shopping whether XYZ offers what I need. |
| Access convenience |
| It is easy to reach XYZ. |
| It takes little time to get access to the store of XYZ. |
| XYZ offers convenient parking facilities. |
| It is easy to get from the parking space to the store. |
| XYZ offers convenient opening hours. |
| Search convenience |
| XYZ makes in-store orientation easy for me (e.g., helpful signage). |
| It does not take much time to get to the shelves with the products I want. |
| I can quickly locate the merchandise I want at XYZ. |
| The atmosphere (e.g., temperature, music, and lighting) in the salesrooms is sometimes stressful.[a] |
| I find it easy to select merchandise at XYZ. |
| I can quickly get information at XYZ (e.g., about the location of merchandise I want). |
| It is easy to find the prices of the merchandise. |
| Transaction convenience |
| It does not take much time to get to the cashier. |
| The atmosphere (e.g., temperature, music, and lighting) at the cashier area is sometimes stressful.[a] |
| I am able to complete my purchases quickly at XYZ (e.g., short lines). |
| XYZ has well-trained checkout clerks. |
| XYZ offers convenient payment possibilities (e.g., cash card, credit card). |
| After-sales convenience |
| XYZ offers generous exchange policies (e.g., conversion period, money-back guarantee). |
| It takes little time to exchange products at XYZ. |
| It is easy to take care of returns at XYZ. |
| XYZ replaces defective products without any problems. |
| XYZ has well-trained clerks for product exchanges and returns. |
| Share of wallet |
| What percentage of your total expenditures for groceries do you spend at XYZ? |
| Share of visits |
| Of the 10 times you select a store to buy groceries at, how many times do you select XYZ? |
| Exit intention |
| I will consider buying fewer groceries at XYZ. |
| I am looking for alternative grocery stores. |
| I will probably visit XYZ less frequently. |

*Notes:* XYZ = name of the retailer.
[a]Reverse-scored.

follow-up letter and survey to the nonrespondents, offering them another chance to participate. A total of 1,036 people responded, for an effective response rate of 23%. After screening the questionnaires for incompleteness, we obtained a total of 972 usable questionnaires. Nonresponse bias did not appear to be a problem because there were no significant differences between early and late responders (Armstrong & Overton, 1977). As some respondents might not have experienced after-sales services, we designed

the survey to allow a "no experience" response for the five after-sales convenience items. Analysis of missing data was conducted using SPSS. We assumed that the small amounts of missing data were missing at random. Hence, they were imputed by means of the Expectation-Maximization (EM) algorithm available in SPSS (Schafer & Graham, 2002).

## Measurement Models of Shopping Convenience

The measurement models of decision, access, search, transaction, and after-sales convenience were formative in nature. The dimensions included many different aspects that form the construct. We believe that consumer evaluation of these different aspects forms the dimension, and not vice versa. This is typically characteristic of a formative measurement model (Coltman, Devinney, Midgley, & Venaik, in press; Jarvis, Mackenzie, & Podsakoff, 2003). Consequently, the items need not be highly intercorrelated (Diamantopoulos, Riefler, & Roth, in press; Diamantopoulos & Winklhofer, 2001). For example, a retailer can offer both very high access convenience, such as an easy-to-reach location, and very low access convenience, such as restricted operating hours.

## Measurement Models of Retention

The outcome variable exit intention was measured using three items adapted from Ping's (1993) scale. The resulting reflective items dealt with intention to look for a relationship with another retailer, to reduce visits, and to reduce spending at the focal retailer. All items were measured on a 7-point Likert scale ranging from *strongly agree* (1) to *strongly disagree* (7). In line with De Wulf, Odekerken-Schröder, and Iacobucci (2001), we used two self-reported behavior measures to measure SOW and SOV. SOW (measured on a continuous scale from 0% to 100%) and SOV (measured on a 10-point Likert scale from 1 = *1 of 10 visits* to 10 = *10 of 10 visits*) were measured using a single-item approach, because the entity being evaluated was easily and uniformly imagined and, thus, concrete (Bergkvist & Rossiter, 2007).

## Method

We used the partial least squares approach (PLS; PLS-Graph 3.0; Chin, Marcolin, & Newsted, 2003; Wold, 1966) to estimate the measurement and structural parameters in our model (Chin, 1998). PLS path modeling is very appropriate for models that contain both formative constructs and a large number of manifest variables (>25) such as were found in our conceptual

model (Chin, 1998; Ulaga & Eggert, 2006). In addition, unlike the covariance-based approach to structural equation modeling (e.g., LISREL), PLS path modeling is component based and therefore does not require multivariate normal data, places minimum requirements on measurement levels, and is suitable for use with small samples (Chin, 1998; Hulland, 1999).

## Validation

To assess the validity and reliability of measures, one must distinguish constructs with single indicators (SOW and SOV), reflective indicators (exit intention), and formative indicators (each of the five shopping convenience dimensions), because the evaluation criteria are different. We utilized the recommended evaluation criteria for single indicators (Netemeyer, Bearden, & Sharma, 2003), reflective indicators (Churchill, 1979), and formative indicators (Diamantopoulos & Winklhofer, 2001).

### Validation of Single-Item Measures

Because single indicators represent the entire construct, validation is only possible with external variables (Netemeyer et al., 2003). In order to validate the single-item constructs of SOW and SOV, we correlated these constructs to the actual money spent and to purchase frequency, respectively, at this particular retailer within the past year. We measured the objective data by using loyalty card data. Highly significant correlations ($\alpha < .01$) indicate the high validity of the two constructs.

### Validation of Reflective Constructs

To test the validity of the reflective scales, we used the criteria proposed by Chin (1998) and Hulland (1999): indicator reliability (factor loadings > .70, and $t$ values > 1.645), convergent validity (Cronbach's alpha > .70, and composite reliability > .60), and average variance extracted (> .50). All criteria exceeded the cutoff values and therefore indicated a high level of convergent validity for the reflective operationalized construct exit intention. In addition, we assessed discriminant validity with the Fornell–Larcker criterion and cross-loadings. As none of the intercorrelations of the construct exceeded the square root of the average variance extracted (Fornell & Larcker, 1981) and no item cross-loaded higher on another construct than it did on its associated construct (Chin, 1998), we concluded that the exit intention construct exhibited satisfactory discriminant validity (see Table 2).

**TABLE 2** Squared Construct Correlations

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|---|---|---|---|---|---|---|---|---|
| 1. Decision convenience | — | | | | | | | |
| 2. Access convenience | .204 | — | | | | | | |
| 3. Search convenience | .332 | .177 | — | | | | | |
| 4. Transaction convenience | .205 | .213 | .372 | — | | | | |
| 5. After-sales convenience | .167 | .176 | .204 | .296 | — | | | |
| 6. Share of wallet | .128 | .107 | .072 | .025 | .040 | — | | |
| 7. Share of visits | .138 | .127 | .101 | .044 | .041 | .599 | — | |
| 8. Exit intention | .111 | .058 | .116 | .125 | .068 | .029 | .030 | — |
| Average variance extracted | | | | | | | | .747 |

### Validation of Formative Constructs

Whereas there are multiple, well-established guidelines for validating reflective measurement models (e.g., Churchill, 1979), guidelines for formative aggregate models are rather rare. Diamantopoulos and Winklhofer (2001) proposed four critical steps for validating aggregate models: assessment of (a) content specification, (b) indicator specification, (c) indicator collinearity (variance inflation factor < 10, and Belsley–Kuh–Welsch criterion < 30), and (d) external validity. We took these steps, which indicated the validity of our measures. The variance inflation factors ranged between 1.1 and 3.6, well below the recommended cutoff of 10 (Hair, Black, Babin, Anderson, & Tatham, 2006).

## Structural Model

Following the recommendations of Chin (1998), we applied the prediction-oriented measures $R^2$ and the Stone–Geisser test ($Q^2$) to evaluate the structural model, whereas resampling procedure bootstrapping was utilized to examine the stability of the estimates. $R^2$ represents the explanatory power of a structural model (Fornell & Cha, 1994), and it is recommended that it be above .10 (Falk & Miller, 1992). $Q^2$ indicates the predictive relevance of a structural model in case $Q^2 > 0$ (Fornell & Cha, 1994). Because the objective of PLS is prediction and not theory testing using covariance fit, overall goodness-of-fit indices were not applicable (Fornell & Cha, 1994; Ulaga & Eggert, 2006).

# RESULTS

## Evaluation of the Model

As shown in Table 3 the values for explanatory power ($R^2$) and predictive relevance ($Q^2$) were above the critical values recommended in the literature.

**TABLE 3** Results for Consequences of Shopping Convenience

| Variable | Dependent Variables | | |
|---|---|---|---|
| | $H_1$: Share of Wallet | $H_2$: Share of Visits | $H_3$: Exit Intention |
| Decision convenience | 0.2417*** | 0.2229*** | −0.1749*** |
| Access convenience | 0.2228*** | 0.2525*** | *−0.0303* |
| Search convenience | 0.1007** | 0.1502*** | −0.1042*** |
| Transaction convenience | −0.0912** | *−0.0377* | −0.1789*** |
| After-sales convenience | 0.0799** | *0.0365* | −0.0655* |
| $R^2$ | 0.1875 | 0.2200 | 0.1813 |
| $Q^2$ | 0.1693 | 0.1986 | 0.1365 |

*Notes:* H = hypothesis. Coefficients in italics are not significant.
*$\alpha < .1$, one-tailed.
**$\alpha < .05$, one-tailed.
***$\alpha < .01$, one-tailed.

## Impact of Dimensions on SOW ($H_1$)

The results in Table 3 illustrate that most of our hypotheses were confirmed. With regard to the impact of the multiple shopping convenience dimensions on SOW, we found that four of the five hypothesized positive effects were significant at $\alpha = .05$. As hypothesized, the impact varied in magnitude across the dimensions: Search ($\beta = .10$) and after-sales ($\beta = .08$) convenience had a small impact, whereas decision ($\beta = .24$) and access ($\beta = .23$) convenience had a large positive impact on SOW. Thus, $H_{1a}$, $H_{1b}$, $H_{1c}$, and $H_{1e}$ were supported. For transaction convenience ($\beta = -.09$), we found a significant negative effect, which was opposite to $H_{1d}$. This might be explained by customers feeling swindled by the retailer if the payment process is arranged too quickly and easily. An optimized payment process might thus be perceived by consumers as greedy and in turn have a negative impact on SOW. As the effect was small in size and counterintuitive, we rejected $H_{1d}$.

## Impact of Dimensions on SOV ($H_2$)

Looking at the impact of the multiple shopping convenience dimensions on SOV, we found that three of the five hypothesized positive effects were significant at $\alpha = .05$ (see Table 3). Decision ($\beta = .22$) and access ($\beta = .25$) convenience were highly positively related to SOV, whereas search convenience ($\beta = .15$) had a smaller impact. On the basis of these results, $H_{2a}$, $H_{2b}$, and $H_{2c}$ were supported. $H_{2d}$ and $H_{2e}$ were not supported, because the data did not reveal a significant effect of transaction and after-sales convenience on SOV.

## Impact of Dimensions on Exit Intention ($H_3$)

With regard to the effect of the multiple shopping convenience dimensions on exit intention, four of the five hypothesized negative effects were

significant at $\alpha = .10$ (see Table 3). In support of $H_{3a}$ and $H_{3d}$, decision ($\beta = -.18$) and transaction ($\beta = -.18$) convenience were highly related to exit intention. Our results also revealed a significant and negative effect of search ($\beta = -.10$) and after-sales ($\beta = -.07$) convenience, supporting $H_{3c}$ and $H_{3e}$. However, the results provided no support for $H_{3b}$: Access convenience had no significant impact on exit intention.

## DISCUSSION

### Aim of Our Research

We aimed to enhance existing knowledge of convenience by focusing on the impact of dimensions of shopping convenience on customer retention for high-frequency, utilitarian grocery shopping. In contrast to much of the existing research, we conceptualized shopping convenience as a multidimensional construct so that the impact of the different dimensions on retention could be separated. In addition, we included in our model not only behavioral loyalty (SOW and SOV) but also attitudinal loyalty (exit intention).

### SOW

The results of our study show that the two dimensions decision and access convenience influence SOW to the greatest extent. Hence, prior to the experience of utilitarian shopping, both factors actually affect what will be bought in the store. Thus, the amount of groceries the consumer is going to buy in a certain store is influenced by the decision to patronize a retailer and access to that retailer, not by aspects of the store that are relevant while the customer is shopping. This supports the definition of utilitarian or task-oriented shopping as shopping that is necessary to obtain needed products and services (Kaltcheva & Weitz, 2006). As such, impulse buying does not seem to be a very important aspect of this type of shopping (see also Guido et al., 2006). Comparing our findings to those of Seiders et al. (2007), it is interesting to discover that for hedonic shopping only, search convenience impacts SOW. Thus, convenient access and information about the availability and quality of information about the retailer and its competitors seem to be especially important for utilitarian shopping, whereas looking about seems to be more accepted for hedonic shopping.

### SOV

The results of our study show that SOV is influenced to the greatest extent by decision, access, and search convenience. Similar to SOW, the two shopping convenience dimensions that come into play prior to the purchase (decision and access convenience) affect the repurchase decision. Previous findings

for hedonic shopping indicated that SOV is affected only by decision convenience (Seiders et al., 2007). This implies that access is more important for SOV for utilitarian shopping with a high frequency of visits rather than hedonic shopping with a lower frequency of visits. This supports the importance of the location of the retailer, especially for fast-moving consumer goods. In contrast to Seiders et al. (2007), our results reveal a positive impact of search convenience on SOV. Searching through the assortment of merchandise seems to be part of the hedonic shopping experience and thus does not lead the consumer to avoid time and effort, whereas for utilitarian shopping, searching through merchandise is considered inconvenient and thus does indeed have an impact on customer retention.

## Exit Intention

Going beyond the existing literature, our research estimates the impact of shopping convenience dimensions on exit intention. Our results show that decision, search, transaction, and after-sales convenience have a significant impact on exit intention, whereas access convenience does not. This is understandable, because consumers do not seem to choose a retailer for utilitarian shopping that is not perceived as accessible. Access convenience has no effect on attitudinal loyalty but a large impact on behavioral loyalty. In contrast, looking at the effects of the dimensions on behavioral loyalty, one could infer that transaction convenience is of low importance. Only looking at the impact of shopping convenience on behavioral loyalty would be misleading to retailers, because transaction convenience has a large effect on exit intention in utilitarian shopping.

Overall, our results support the assumption that shopping convenience is a promising alternative for helping retailers to retain customers. Against the backdrop of our results, we state that convenience is more important in high-frequency, utilitarian shopping than in low-frequency, hedonic shopping. In the former, the core service of a retailer is the most important aspect and cannot be even partly mitigated by additional services like relationship marketing activities (e.g., bonus programs). Convenience shields the customer from a potentially negative perception of time and effort while shopping. Nevertheless, we conclude that avoidance of time and effort will not necessarily be explicitly recognized and endorsed by consumers. Thus, retailers should not expect their customers to be enthusiastic about convenience. A satisfaction survey will not be a suitable measure of the success of activities enhancing convenience. That satisfaction is not always a suitable measure of consumer behavior is already stated in the literature (Narayandas, 1998). Still, a well-run core service that includes many smaller aspects of a frictionless and thus convenient shopping process will be implicitly endorsed by customers. A goal of customer retention can be accomplished, because

customers will keep coming back to those retailers that continually save them time and effort and offer a convenient shopping experience.

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