

**EXPLORATORY STUDY OF SALIENT  
ATTRIBUTES OF SERVICESCAPES  
IN THE CONTEXT OF IRISH BRANDED MOTOR  
DEALERSHIPS**

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# Submission of Thesis and Dissertation

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## ABSTRACT

**Purpose:** The study explores variables of branded car dealerships' servicescapes, set in the Dublin area and specifically seeks to uncover which attributes millennial consumers find important and which of these attributes contribute to approach behaviours and which to avoidance behaviours.

**Context:** Shopping environments and their respective stimuli need to be subjects of continuous research as consumers change their preferences and desires. Millennial consumers demand a more multi-sensory shopping experience from servicescapes in motor retailing and so this area deserves more attention from researchers as the organizations need to understand their consumers to deliver a hedonic shopping experience.

**Literature:** Existing literature has mostly focused on examining the influence of individual atmospheric variables on shopping behaviours, especially in the context of approach and avoidance behaviours. There is a consistent agreement that certain elements of a servicescape can be manipulated to induce a desired behaviour among shoppers, however a lack of studies devoted to the investigation of what consumers deem as the salient atmospheric variables and how these affect them in the context of motor retailing servicescapes.

**Methodology:** This research is of exploratory nature and an inductive qualitative approach is used. In-depth interviews were carried out with 8 participants who fitted the research criteria and a thematic analysis was used to uncover salient themes relevant to the research objectives.

**Findings:** The study highlights several servicescape attributes that millennial consumers deem important and suggests which of these attributes contribute to approach behaviours and which lead to avoidance behaviours.

**Originality:** Whilst there is a body of research dedicated to studying the impact of various atmospheric stimuli in retail settings, research attempting to discover salient servicescape attributes is limited and research into servicescape attributes of motor dealerships is scarce.

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# **Chapter 1**

## **Introduction**

Atmospheric stimuli and their impact on consumer behaviour have been attracting the interest of researchers over the last 4 decades, with a growing need to understand this ever evolving concept, as it becomes increasingly complex (Turley and Milliman, 2000). Store atmospherics as a concept attributed to Kotler,(1973) recognized the behaviour - affecting ability of the environment with its various elements and much of further research dedicated to the “servicescape” has influenced the shaping of the retail settings across a multitude of industries. Early managerial approach of Baker, Grewal and Levy (1992) emphasized three key dimensions of retail atmosphere: the ambience of the store, the design elements and the social elements. Servicescapes are known to be perceived by customers holistically (Bitner, 1990) and as such, store environmental cues influence the perceptions of value and subsequent behaviours, such as time spent and consumer spending. With a greater emphasis on enhancing customer experience of late, the design of products and servicescape is guided by the need to appeal to consumers on all levels, rational, emotional and across multiple senses (Spinney, 2013). Recent work on store atmosphere and its impact on shopping behaviour by Olahuf et al. (2012) recognizes the gap in research of atmospheric stimuli and calls for further investigation into elements of retail atmosphere, customers deem important when forming an approach-avoidance evaluation. The aim of this research is to uncover which of the elements of the servicescape in the context of branded motor dealerships do Irish millennial consumers deem important. Identification of these will enable the management to make changes to their retail settings, potentially making the environment more enjoyable and positively affecting consumers approach behaviour.

## **Chapter 2**

### **Literature review**

#### **2.1 Servicescape**

First academic articles on the impact of store environment on consumer behaviour date back as far as 1950 (Martineau, 1958) when the retailing sector and the sale of goods was growing on importance and more understanding on the topic of influencing consumption was needed. Later in 1973, Kotler introduced the term “store atmosphere” in his seminal article named *Atmospherics* as a marketing tool. The term described a conscious planning of the environment, to create certain effects in buyers. In his paper, Kotler suggests that buyer’s perception related to sensory qualities of the space, can modify his behaviour and impact the purchase probability.

Servicescape as a term, was officially established by Bitner (1992) in her research on the impact of physical surroundings on customers and employees, and described a physical setting, in which marketplace exchange is performed, delivered and consumed within a service organization. The original framework developed, relied heavily on ideas and concepts borrowed from environmental psychology, a field that studies the relationships of human beings with man-made, natural and social environments, but also draws from other relevant knowledge in marketing, organizational behaviour, human factors/ergonomics and architecture.

Particularly in the service business sector, where the consumption and production is simultaneous, in most cases, the consumer is “in the factory” and experiences the total service in the firm’s physical facility. This, the factory, may have a strong impact on the consumer’s perception of the service experience. Research has shown that consumers look for cues about the firm’s capability and quality (Berry and Clark, 1986) and that a physical environment rich in such cues may have an effect on the firm's efforts communicating its image and purpose to the customers (Rapoport, 1982). According to Bitner’s research, the physical setting may also influence the customer's ultimate satisfaction with the service. Recent research into servicescape by Hooper et al. (2013),

focused on the servicescape of a service station, argued a need to demarcate service quality perception and servicescape evaluation and proposed servicescape to be modelled as an antecedent of service quality. The findings suggest that servicescape evaluations, precede service quality perceptions and directly impact behavioral intentions, also serving as a primer for expectations. This is somewhat in opposition to the theory suggesting that consumers interact with atmospheric stimuli throughout their visit (Sarel, 1986).

Prior to Bitner's investigation into the effects of surroundings on employees and consumers, research was limited to studying the effects on either of the participants. Organizational behaviour research suggested that physical settings can influence employee satisfaction, productivity and motivation (Becker, 1981; Davis, 1984), but omitted the consumer and atmospheric research typically ignored the employee (Kotler, 1973; Milliman, 1982).

Bitner(1992) in her research integrated theories and empirical findings into a framework that described, how the man made environment influenced both consumers and employees. Initially, a typology of service organizations was presented to illuminate variations in form and usage of the servicescape. The typology presented considered the fact that not all service firms and industries are alike and that the strategic issues in planning and designing the servicescape may differ. Two dimensions were chosen to capture the important differences when categorizing the service organizations. Each cell within the matrix would represent firms facing similar issues related to the design of their servicescape.

One of the vertical dimensions divides the organizations according to who acts or performs the service into three categories, the self-service, interpersonal service or remote service (employee only). In a self service scenario, customer activity is high and few if any employees are present. The opposite, with little to no customer involvement is the remote service.

Interpersonal services are positioned between these two extremes as both customers and employees are present to perform the actions. Further, it is advised to consult either of the participants, depending on their relative level of involvement, when designing the servicescape and special consideration should be given to the effects of the environment on the nature and quality of social interaction among and between the participants (Bitner, 1992).

The presence or absence of participants within the servicescape has an effect on the objectives a firm may desire to accomplish with the use of physical environment. Bitner (1992) suggests that a self service setting may enhance customer satisfaction and attraction and support certain positioning and segmentation strategies. For remote services, the goals might represent employee satisfaction, motivation, productivity and operational efficiency as few customers would ever come into contact with the firm's physical setting.

Careful design of the setting for interpersonal services allows for organizational goals to be targeted as well as marketing objectives such as relationship building (Crosby, Evans and Cowles 1990).

The complexity of the servicescape is captured in the horizontal dimension and divides service environments into lean and elaborate. Lean environments contain few elements, spaces and forms. They are simple and relatively straightforward in design, particularly for remote or self service, where no interaction between employees and consumers occurs. Other environments, such as car dealerships, with many elements, spaces and forms and complex variability in functions performed are termed elaborate. These allow for a full range of marketing and organizational goals to be approached through careful design and management of the servicescape.

A framework for understanding the environment - user relationships in service organizations has been introduced to address and explain what behaviours are influenced and why, suggesting how an environment can be planned and designed to achieve particular objectives. The framework introduced the idea that both consumers and employees perceived a variety of objective environmental factors with potential cognitive, emotional and physiological responses, which influenced their behaviour and social interactions within the servicescape.

## **2.2 Individual Behaviours**

The behaviours, according to environmental psychologists, take two general and opposite forms, approach and avoidance (Mehrabian and Russell, 1974). Approach behaviours are all positive behaviours, directed at a place such as a shopping enjoyment, returning, spending money, time spent browsing and exploring the store, attraction and friendliness towards others and satisfaction with task performances. Avoidance reflects the opposites such as deteriorated performance and

dissatisfaction, feelings of anxiety, boredom or unfriendliness to others, a tendency to avoid interacting with the environment and a desire to leave and not to return.

As proposed by Mehrabian and Russell (1974) these approach-avoidance behaviours are mediated by three basic emotional states, namely: pleasure-displeasure, arousal-nonarousal and dominance-submissiveness. The first one refers to the degree to which the person feels good, joyful, happy or satisfied with the situation. Second, arousal-nonarousal refers to the degree a person feels excited stimulated or active in a situation thirdly dominance refers to the extent to which an individual feels in control and free to act in a situation. Authors further proposed an information rate or “load” of an environment, applicable across various physical and social settings. The load rate of an environment refers to the degree of its novelty and complexity, where novelty involves the unexpected, surprising and unfamiliar and complexity refers to the number of features or elements and the extent of change in an environment.

In their model, a low load environment results in feelings of calm, relaxation and sleepiness and a high load environment will make a person feel stimulated or excited. In relation to arousability, Mehrabian and Russell found that the extent to which individuals filter out incoming stimuli, places them into either the “Screeners” or “Nonscreeners”. “Screeners” are proposed to be relatively selective and automatically filter out less important stimuli, reducing the load of a complex environment, whereas “Nonscreeners” are individuals who get aroused a lot more by novel or intense stimuli.

Research by Donovan and Rossiter (1982), suggests that “emotional responses induced by the environment within the store are primary determinants of the extent to which the individual spends beyond his or hers original expectations.” Further, authors proposed that in-store stimuli that induce arousal almost certainly include upbeat music and bright lighting and can increase time spent in store and willingness to interact. However for the inducement of arousal to work positively, the environment must already be pleasant.

The degree of success consumers experience in executing their plans and how the servicescape can influence it was researched by authors such as Darley and Gilbert, (1985). The goals of

individuals entering a setting can be aided or hindered by it and the same setting or conditions can constrain an employee's ability to carry out his or her work.

Bitner's framework suggests that internal individual responses determine the approach/avoidance behaviours of consumers and employees. These three types of responses are cognitive, emotional and physiological and it is assumed that if positive, they lead to approach behaviours, which in the case of customers manifest themselves as desirable behavioural intentions (Harris and Ezeih, 2008) and improved financial performance of the business unit (Brüggen, 2009).

### **2.3 Social Interactions**

Bennett and Bennett (1970) suggest that the physical container affects all social interaction that occurs within and also the nature of such in terms of the duration of the interaction and the actual progression of events. Barker's research (1968) implies that there is an association between recurring social behaviour patterns and particular physical settings and that social behaviours of people encountering typical settings can be predicted. Forgas (1979) in his research suggests that certain environmental variables such as seating arrangements, size and flexibility can define the possibilities and limits of social episodes. Other empirical studies, such as Holahan (1982) confirmed that behaviours such as small group interaction, friendship formation, participation, aggression, withdrawal and helping have all been influenced by environmental conditions. Other research has also found that group cohesion and formation of friendships can be too be influenced by physical setting (Sundstrom and Sundstrom, 1986).

In her research, Bitner suggests the identification of desirable consumer and employee behaviours and the relevant strategic organizational goals be the first step in purposeful servicescape design. The relevant behavioural issues vary depending on the type of service organization and the extent of the employee-consumer interaction. For firms operating interpersonal services, as is the case with motor dealerships, the understanding of all participants plans and goals is required along with potential compatibility dilemmas. The behaviours identified to be most likely affected by the servicescape will influence the configuration of the setting, to bring about the desired internal

responses, pointing to the importance of identifying which attributes of servicescape impact the consumers the most.

## **2.4 Consumer's internal responses to the perceptions of servicescape**

As Bitner (1992) noted, atmospheric stimuli influence consumers and produce specific cognitive affective and physiological reactions, which in turn modify consumers behaviour. Turley and Milliman (2000) in their seminal work on atmospheric effects on shopping behaviour have reviewed sixty experiments that have manipulated elements of a store's atmosphere, with each of them uncovering some statistically significant relationship between stimuli and the response. Their classification of atmospheric stimuli is the most complex to this date and contains 57 variables across 5 dimensions.

## **2.5 Cognitive Responses**

Cognitive responses to perceived servicescape can influence people's beliefs about the place itself but also products and people found in the setting. The environment so, as a form of nonverbal communication called "object language" can impart a meaning (Ruesch and Kees, 1956, Rapoport, 1982). Furnishing quality, decor and apparel worn by service provider's employees can influence the consumer's beliefs of the provider's success, trustworthiness and perceived expensiveness. In situations when few intrinsic cues are available for consumers to form a belief, extrinsic cues, such as the physical surroundings tend to be used to infer quality (Zeithaml, 1988). Applying this logic to a car dealership's servicescape, a building with signs of wear and interior furnishing at end of life could affect a consumer's belief of the quality of the services and potentially products sold within that servicescape.

Perceptions of the servicescape may also help individuals distinguish the service provider by means of categorization - mentally assigning a label to an object. An important point Bitner (1992) makes is that the influence of servicescape on beliefs, attributions and categorization is stronger in case of inexperienced customers and when few intrinsic cues are available.

## 2.6 Emotional Responses

Emotional responses to environments have been researched by several authors such as Mehrabian and Russell (1974), Russell and Pratt (1980) or Russell and Snodgrass (1987). Their research concludes that emotion eliciting qualities of environments are captured by two dimensions: please-displeasure and degree of arousal. This response then in turn can be used to predict the behaviours in respect to the environment. Donovan and Rossiter (1982) suggest that environments that can elicit feeling of pleasure are likely to influence the choice of destination where people will want to spend their time and money. Mehrabian and Russell(1974) on the degree of arousal claim that arousing environments are viewed positively unless combined with unpleasantness, adding that unpleasant environments also high in arousal are particularly avoided. Research in the context of environmental crowding by Hui and Bateson (1991) found that increased perceptions of personal control are related positively to increased pleasure, adding that other environmental dimensions like good ventilation, clear signage and adequate space may also increase perceptions of personal space. Particularly interesting is research carried out by Maslow and Mintz (1956) and later Obermiller and Bitner (1984) suggesting that emotional responses to the environment may be transferred to people or objects within. In the 1984 study, products set in an emotionally pleasing environment were evaluated more positively than same products set unpleasant environments, pointing to the importance of effects store environments have on perceptions of goods offered.

In relation to emotion-eliciting qualities of environments, Kaplan (1987) concluded that three dimensions: complexity, mystery and coherence can be used to predict preference for a particular environment. Complexity encompassing visual richness, ornamentation and information rate, increases emotional arousal. Order, clarity and unity, attributes of coherence, have been found to enhance positive evaluation (Nasar, 1989). Nasar's research also suggests that compatibility, which in natural settings refers to how well an object blends in with its surroundings, influences perceptions of order and preference increases with compatibility. Nasar also found that the presence of environmental "nuisances", such as signs, wires or poles, reduces preference and perceptions of quality in urban settings.

## **2.7 Physiological responses**

How ambient conditions and equipment design affect physiological responses has been researched by a number of authors such as Osborne (1987) or Sanders and McCormick (1987). In relation to perceived servicescapes, factors in question that can affect behaviour through physical comfort/discomfort include light, colour, noise, music, air quality or temperature. Riley and Cochran (1984) point out it is not only consumers who is affected by environmental design, but also employees, as the physiological responses might determine whether a person is able to perform his or her job function.

Apart from directly affecting behaviour, responses have been found to influence unrelated beliefs and feelings about the place and people within. Griffith's (1970) research has shown that affective response to strangers among physically uncomfortable people was less positive than among individuals who were physically comfortable.

The strength and direction of the relation between variables, as noted by Bitner, is moderated by personal factors such as attitude, arousal seeking tendencies or ability to screen environmental stimuli and situational factors such as mood, expectations and plans or purposes for being in the servicescape.

## **2.8 Dimensions of the Servicescape**

The first three dimensions from Bitner's proposed servicescape framework: the physical, social, socially symbolic are considered relevant in the context of a car dealership's servicescape and elements of these dimensions with some of the influential authors' contributions were reviewed.

The physical dimension encompasses manufactured, observable and measurable stimuli that are controllable by the firm to enhance or constrain employee and customer actions and is said to be the easiest for managers to comprehend (Zeithaml, 2009, Rosenbaum 2010).

Ambient conditions or "atmospherics" (Kotler, 1973, Grayson and McNeil, 2009) represent background environmental stimuli, that comprise visual elements such as lighting, colours,

brightness or shapes and aesthetic cleanliness, secondly olfactory elements such as scent, fragrance or air quality, thirdly ambient such as temperature and auditory elements such as music or noises (Rosenbaum, 2010).

Space mentioned among Rosenbaum's environmental stimuli refers to the manner in which equipment, technology and furnishings are arranged together with other related factors of comfort, accessibility and layout, influence consumers approach or avoidance decisions.

Functionality of the servicescape with all its elements is its ability to facilitate the service exchange process and to enhance and innovate customer support in an ergonomic manner (Aubert-Gamet, 1997).

Space and function viewed as a dimension and considered a designscape according to Julier (2006), is a loosely coherent and hegemonic network of physical items that include realistic/manufactured and abstract/subjective meanings. To understand a place's meaning and identity, customers evaluate the designscape (Hall 2008), which can be manipulated by firms to tell a story, however the interpretation and resulting response is less controllable and can often be quite different from managerial intent (Aubert-Gamet, 1997). To communicate, create aesthetic impressions and to help customers understand a place's meaning, firms may employ signs, symbols and artifacts including decorative items or artwork (Zeithaml, 2009). Firms may also seek to demarcate a servicescape with corporate branding in order to create "brandscape" (Thompson and Arsel, 2004).

Even with most of the stimuli being in managerial control, purposefully planned in an attempt to influence consumers behaviour, research shows that consumers complete the servicescape with personal meanings from their "lifeworlds", directly impacting their ultimate approach/avoidance decisions (Seamon, 1979).

## **2.9 The Social Dimension**

Marketplace exchanges according to Bagozzi (1975) facilitate not only the fulfillment of consumers utilitarian needs but often also their social and psychological needs and as such customers approach/avoidance decisions are also influenced by social and humanistic stimuli.

Customer and employee elements encapsulated in a consumption setting were termed “social servicescape” by Rosenbaum and Montoya (2007) further expanded by Edvardsson et al. (2010), who suggested that three social elements: customer placement, customer involvement and interaction with employees, influence the a consumer’s experience in a service setting. The stimuli present in the social dimension of the servicescape then contain: employees, customers, social density and displayed emotions of others.

In relation to employee-consumer interaction, contemporary research indicates that frontline staff may often connect with consumers on a personal, emotional level and that consumers’ need to remedy loneliness may drive their consumption. Zomerdijk and Voss (2010) however argue that it remains unclear whether this relationship can be managed.

Rosenbaum concludes that social relationships with focal employees are considered by consumers a relational benefit that affects perceptions of both, the overall firm quality and behavioural intentions in relation to future patronage and word of mouth.

According to Danaher et al. (2008) and Rosenbaum (2009) firms should consider the importance of nurturing customized customer relations with those who desire them as they are worthless when forced onto customers who do not. Nicholls (2010) on the potential of customer to customer interaction adds that apart from fulfilling customers’ psychological needs, it can, at any level enhance a customer’s perceived satisfaction with the setting neutralize any negative service experiences within that setting. In addition to the sense of community among a service firm’s customers, McGinnis et al. (2008) found that a customer's ability to engage in pure sociability in the firm, despite differences in backgrounds and social classes, positively enhances their perceived involvement in a service setting, promoting long term patronage and loyalty.

Social density within servicescape has been identified as another factor influencing consumers' behaviour and according to empirical research, approach / avoidance decisions depend highly on situational factors. Research by Harrell et al.(1980) shows that "crowding" or high densities of customers in servicescapes lead to avoidance, because of perceived loss of control (Tombs, 2003), however there are instances when the opposite is true and high densities induce positive responses (Eroglu, 2005), Tombs and McColl-Kennedy (2003) have clarified this discrepancy by allowing for customers intend to engage in private or group consumption.

Servicescape's emotional contagion is a term that refers to the displayed emotions of others in the servicescape and is considered to be outside the scope of managerial control.

Tombs and McColl-Kennedy (2003), who have developed the social servicescape conceptual model, propose that a customer's experience, either private or group related, influences the extent to which the displayed emotions of others cause approach or avoidance behaviours, concluding that customers engaged in private, self-service consumption setting might be less likely to interpret or care about displayed emotions of others than they would be in a group consumption setting.

## **2.10 The socially symbolic dimension**

Objects present in a physical environment are known to carry a meaning and serve as explicit or implicit signals about the place (Davis, 1984). Bitner (1992) lists three elements: signs, symbols and artifacts as particularly important in forming first impressions, repositioning or communicating a new service as cues to differentiate an organization in highly competitive industries.

Exterior or interior signs, according to Bitner(1992), are explicit communicators that can be used for a variety of reasons, such as labels, to communicate directions or rules of behaviour and play an important part in communicating the firm's image. A vast variety of objects however carry an implicit meaning of the place and norms/ expectations of behaviour within. These include

artworks, quality of materials used, floor coverings or presence of certificates and personal objects.

Signs, symbols and artifacts that are high in socio-collective meaning may be purposefully employed by organizations who wish to influence approach behaviours of customers from within a unique ethnic or subcultural group or of a marginalized societal status (Rosenbaum, 2005). The symbols act as tangible intermediaries that are meant to help customers realize they are in unison with like others, among their fellow group members.

Davis (1984) adds on symbolic and aesthetic communication that it is extremely complex and regardless whether conveyed intentionally or accidentally, it may be subject to multiple interpretations and have unintended as well as intended consequences. Rosenbaum (2005) however maintains, that socially symbolic symbols encourage approach behaviours by evoking feelings of comfort and inclusiveness and suggests that organizations looking to target ethnic customers with distinct symbolic universes, consider developing a socially symbolic servicescape able to transmit a welcoming message through its design.

## **2.11 Servicescape in the service dominant logic**

The concept of service dominant logic was introduced by Vargo and Lusch (2004), and it proposed that it is service beneficiaries who determine value and a service provider merely makes a value proposition. The proposition, however unambiguous is interpreted by customers, with the resulting meaning affecting customer's expectations. Nilsson and Ballantyne (2014) noted that even though literature on service dominant logic did not acknowledge servicescape, its physical functionality, constructed ambience and symbolic projections, according to the authors, become part of the meanings customers associate with any value proposition. An interesting point that the authors made, is that the value derived from the consumer-supplier interaction is co-created, enabling new ways the design of servicescape in the digital world can be conceived.

## 2.12 Servicescape to Cyberscape

Even though physical dealerships still remain the chosen setting for majority of car purchases, service encounters increasingly occur on the internet, it is important to acknowledge this trend and develop further knowledge of virtual servicescapes, also known as the “cyberscape”. Research into servicescapes design, has provided many insights and understanding of the issues present and a wealth of knowledge as to how to plan and design environments, that produce specific emotional effects and behavioural responses. Virtual servicescape has been described by Harris and Goode (2010) as “the online environment factors that exist during service delivery”, proposing a three dimensional construct with the following three factors: aesthetic appeal, layout and functionality and financial security. The aesthetic appeal, mirrors Bitner’s offline

ambient conditions and refers to the extent to which customers perceive the servicescape as attractive. These ambient conditions in their hypothesized model were proposed to be: originality of design, visual appeal and entertainment value. Online layout and functionality in their model of e-servicescape refers to arrangement, organization, structure and adaptability of websites and the extent to which they facilitate service goals. The third dimension of Bitner’s physical servicescape model: signs, symbols and artifacts was replaced by the authors with financial security, an issue closely linked with trust and fundamental to e-shopping.

As service encounters increasingly occur on the internet, it is important to acknowledge this trend and develop further knowledge of virtual servicescapes, also known as the “cyberscape”. Russell and Williams (2004) in their paper on Cyberscape suggest, that the internet allows the consumers to enhance their search and evaluation capabilities, minimize the post-purchase dissatisfaction but also and perhaps more importantly, it allows the consumers to perform the search beyond the traditional, physical environments, designed to manipulate internal and cognitive responses. Positive approach behaviours, prolonged usage, the intention to return and recommend to others may too be induced by a well-planned and designed Cyberscape.

As a related concept to approach behaviour in computer mediated environments, the motivational-psychology construct “flow”, describes the holistic experience people feel when they act with total involvement (Csikszentmihalyi, 1975, Russell 2004).

Chen et al. (1999) have created a nine-component model based around antecedents, experiences and effects of flow. The antecedents are: the perception of clear goals, an immediate feedback and matched skills and challenges. The following stage, actual flow experience is characterised by a merger of action and awareness, concentration and the sense of potential control. The assumed effects of flow are then: loss of self-consciousness, time distortion and perceiving the activity as autotelic, i.e. intrinsically motivating and worth doing for its own sake.

Similarly to the approach behaviour described by Mehrabian and Russell as a desire to stay, explore, work and affiliate that are based on the stimulus-organism-response framework, does the flow model describe the holistic effect. Stimuli, according to Williams and Dargel (2004) come from both, targeted content and design. Further, vividness, the way in which an environment presents information to the senses, has been positively related to the experienced of being absorbed in research by Shih (1998).

Vividness, broken down into the breadth and depth of visual and aural sensory information provided, are important prerequisites of flow for web designers. Interactivity, cited by Dargel and Williams(2004) is another factor facilitating flow as it provides the user with a “dialogue”, by matching his or her skills with challenges and allowing him to structure the flow of information, which in turn creates a sense of control.

Important point raised by the authors is in depth knowledge of the target audience’s expectations as a mismatch could lead to disconfirmation and frustration. Similarly as Bitner(1992) noted for physical environments, the identification of objects in virtual environments that could be classified as nuisances is required and with increasingly complex virtual servicescapes and the constant introduction of new technology such as the 3D virtual reality Headsets, further research in this field will be required. Despite the technological advancements and capabilities of the virtual servicescapes the majority of actual purchases of vehicles still takes place at physical

settings of motor dealerships, of which the attributes facilitating approach behaviour are the objectives of this study.

### **2.13 Atmospheric Cues and Hedonic Retail Experience**

Hedonic consumption, defined by Hirschman and Holbrook (1982), “designates those facets of consumer behaviour that relate to the multisensory, fantasy and emotive aspects of one’s experience with products”. This contrasts with utilitarian consumption, often defined as a task related rational activity, with satisfaction dependent on product acquisition (Arnold and Reynolds, 2003). These two opposing goals provide a challenge when prioritising attributes of servicescape having two distinct consumers in mind. One, with an information processing task seeking function, results and purpose, the other experiential, seeking fun, enjoyment and pleasure.

Ballantine et al. (2010) critique studies attempting to isolate individual controllable stimuli and ascertain causal links between them and desired behavioural outcomes, stating that typical customers experience all sensory related and other stimuli as an ongoing, collective experience.

The authors suggest that the experiential retail concept has evolved to a fuller hedonic experience desire for customers and call for a more holistic approach, which looks to understand the hedonic immersion a customer seeks.

Reviewing the role of atmospherics in retail environments aiming to provide a hedonic experience in contrast to others with a more utilitarian focus, Ballantine, Jack & Parsons (2010) in their research suggested two categories of cues. The first category labelled “attractive stimuli” were ones attracting attention, exciting the participant and eliciting approach behaviours. The second category labelled “facilitating stimuli, included the necessary ones to facilitate product engagement. Authors findings suggest that product spotlighting and dim ambient lighting were effective in enhancing enjoyment. Sound was found to be successful in increasing interest and arousal when used effectively, categorized by medium volume and well spaced sound sources. Large open spaces made participants more comfortable with wandering around and engaging with products. A limited color palette was more effective in drawing participants to products and enhancing enjoyment. Layout can affect play mentality and offer areas of privacy, however

spacing of products can have a negative effect if too small. Lastly, design features can encourage flow and approach behaviours, leading to engagement.

Among the facilitating stimuli, authors proposed comfort issues, crowding issues, lighting intensity and employees. Interestingly, the research found that consumers with a utilitarian motivation or low involvement were not affected by ambience cues as much as those with hedonic motivations.

Even though sales of new personal motor vehicles rose to over 69 million units worldwide (OICA, 2017), very little research has attempted to investigate the servicescapes of motor dealerships, with a focus on attributes facilitating a positive service experience. Olahuf et al. (2012) in their review of conceptual issues of store atmosphere have acknowledged the efforts of Turley and Milliman (2000), stating it is the most representative framework in the retail context, providing the most complex classification of atmospheric variables.

The attributes listed in table 1 provide an extensive list of potential stimuli present in a retail setting, such as a car dealership and as such were chosen for the purpose of our study aiming to uncover which of the atmospheric cues are more salient to customers when they form an approach avoidance evaluation.

**Table 1. Atmospheric variables based on Turley and Milliman, 2000**

<b>External variables</b>	<b>General Interior Variables</b>	<b>Layout and Design Variables</b>	<b>Point of Purchase And Decoration Variables</b>	<b>Human Variables</b>
Exterior signs	Flooring and carpeting	Space design and allocation	Point-of-purchase displays	Employee characteristics
Entrances	Color schemes	Placement of merchandise	Signs and cards	Employee uniforms
Exterior display windows	Lighting	Grouping of merchandise	Wall decorations	Crowding
Height of building	Music	Work station placement	Degrees and certificates	Customer characteristics
Size of building	P.A. usage	Placement of equipment	Pictures	Privacy
Color of building	Scents	Placement of cash registers	Artwork	
Surrounding stores	Tobacco smoke	Waiting areas	Product displays	
Lawns and gardens	Width of aisles	Waiting rooms	Usage instructions	
Address and location	Wall composition	Department locations	Price displays	
Architectural style	Paint and wall paper	Traffic flow	Teletext/Technology	
Surrounding area	Ceiling composition	Racks and cases		
Parking availability	Merchandise	Waiting queues		
Congestion and traffic	Temperature	Furniture		
Exterior walls	Cleanliness	Dead areas		

## **Chapter 3**

### **Research Methodology**

#### **3.1 Introduction**

The researcher has undertaken an exploratory study aimed to uncover important attributes of car dealerships' servicescape, as perceived by consumers in Ireland. This chapter provides an overview of the research methodology, its justification and rationale for the approach selected.

Sample used for this study will be described along with techniques and procedures applied to collect and analyse collected data. Lastly, limitations and ethical considerations related to this research are expressed.

#### **3.2 Research Question**

An exploratory study of missed opportunities in servicescape design in the context of Irish branded motor dealerships

#### **3.3 Research Objectives**

Objectives include but are not limited to:

1. What elements of the five dimensions of the physical servicescape do customers deem important?
2. What are the elements of the physical servicescape that support approach behaviour ?
3. What are the elements that lead to avoidance behaviour ?
4. The presence of which elements, if any, can improve their experience?
5. To what extent does the experience of the virtual servicescape influence the approach/avoidance decision to visit the physical servicescape?
6. What are the requirements of the virtual servicescape that contribute to a visit to the physical servicescape with the aim to purchase the product ?

“The objective of exploratory research is the development of hypothesis rather than their testing” (Kothari, 2004).

The objective of this research paper is to review some of the most influential literature available on the topic of servicescape and provide an overview of key terms and concepts. It’s primary research focus is to expand on the existing knowledge of servicescape in the context of motor dealerships and uncover which of the attributes do the consumers assign greater importance in shaping their conscious perceptions. Further, the research aims to explore customer expectations of the physical servicescape of branded motor dealerships in Ireland and identify missed opportunities in stimuli across the five core dimensions of the servicescape and attempt to close the gap with the suggestions based on the findings.

### **3.3 Research philosophy**

The researcher identifies himself with a subjectivist worldview and adopts an interpretive paradigm . The interpretivist perspective emphasises that humans are different from physical phenomena due to the different meanings they create. Critical to this perspective is the notion that “different people of different cultural backgrounds, under different circumstances and at different times make different meanings and so create and experience different social realities” (Saunders, Lewis, Thornhill, 2007). Focusing on complexity, richness, multiple interpretations and meaning - making, interpretivist researchers collect what is meaningful to their research participants and attempt to understand the world from their viewpoint.

The purpose of interpretivist research is to create new, richer understandings and interpretations of social worlds and contexts (Saunders et al. 2007) and as such, an inductive reasoning approach is most suitable, where data is gathered to explore a phenomenon and build on theory.

### **3.4 Research Method**

“The objective of exploratory research is the development of hypothesis rather than their testing” Kothari (2004). An exploratory study according to Robson (2002) is a valuable means of finding out” what is happening; to seek new insights; to ask questions and assess phenomena in a new light”. Saunders, Lewis and Thornhill (2008) propose three principal ways of conducting such

research: a search of the literature; interviewing “experts” in the subject and conducting focus group interviews. The authors further propose a qualitative research method, with in-depth investigations of small samples as data collection techniques associated with an interpretivist philosophy, which the researcher agrees is the most appropriate as it will allow to gain deeper insights into participants experiences, feelings and behaviours and meet the objectives of the study. A quantitative method often utilised with previous experimental research studies was considered to allow for a greater sample to be studied however this would require to focus on a limited selection of stimuli and therefore limit the scope of enquiry and as a result was rejected.

### **3.5 Research Timeline**

In order to explore the set objectives, data collection was performed over the course of 4 weeks in July. With interview transcripts and analysis completed by 10th of August.

### **3.6 Research Sample**

Participants of the study were selected based on their availability at the time of research and selected as representative based on visiting a branded motor dealership in order to purchase a personal motor vehicle within the preceding 3 months in the greater Dublin area. Practical implications regarding the access to suitable participants have been considered and purposive sampling has been employed, allowing the researcher to target individuals, known to meet the selection criteria (Easterby- Smith et al., 2008). Literature is inconclusive on the ideal number of participants in qualitative research with regard to the notion of data saturation Malterud et al. (2016). The researcher conducted interviews with qualifying 4 adult males and 4 adult females, however acknowledges that further insights may be gained from a higher number of participants. Study participants were initially introduced to the aim of the research, and upon voluntarily agreeing to take part, signed a consent form that outlined the aim of the research, the procedure of recording the conversation, the protection of confidentiality and voluntary participation.

### **3.7 Research Instrument**

The instrument chosen for data collection phase was in-depth or unstructured interviews. Previous research into atmospheric stimuli was mostly of experimental nature however other

studies such as Ballantine, Jack and Parsons (2010) have similarly utilised a qualitative methodology with in depth semi-structured interviews that allowed to examine a large range of cues and interactions, that due to its complexity would not be possible with an experimental design.

A research interview is “ a purposeful conversation between two or more people, requiring the interviewer to establish rapport, to ask concise and unambiguous questions, to which the interviewee is willing to respond and to listen attentively”(Saunders et al., 2012) This instrument was deemed most suitable for this exploratory study due to its characteristics, the ability to probe answers, ask why and get the interviewees to explain their answers. Saunders et al. (2007) propose the use of this tool where the researcher’s aim is to explore a general area in-depth. Robson (2002) suggests that for exploratory studies, in-depth interviews can be very helpful, to “find out what is happening (and) to seek new insights”. In unstructured interviews, the interviewer does not work through a predetermined list of questions and “the interviewee is given the opportunity to talk freely about events, behaviour and beliefs in relation to the topic area” (Saunders et al., 2007).

### **3.8 Data Analysis**

The analysis followed a series of steps to ensure a systematic approach was adhered to during the process. The researcher has employed a Thematic analysis, with an inductive approach to qualitative data analysis as the aim of this study is to build on existing theory rather than test a hypothesis. Thematic analysis was the method chosen to examine data for patterns, themes and relationships.

Data set represented 8 interview recordings, which were transcribed using word processing software on a PC and then deleted. The transcripts were then read and re-read, as part of an active discovery process allowing the researcher to spot patterns / themes developing across the data items. Codes were not predetermined and were assigned to individual attributes of servicescape that participants referred to. Initial coding yielded a set of key attributes that participants referred to the most. Second stage of coding considered the attributes in relation to the impact they had on

participants behaviour, while the last stage aimed to identify interactions between attributes. The researcher acknowledges, that due to possible multiple interpretations the use of independent judges would have been beneficial to the authentication of findings however not possible due to resource constraints.

### **3.9 Research Limitations**

The primary research carried out for the purpose of this thesis was both time and resource constrained. Further, due to the instrument used, a number of issues related to data quality are recognized. Due to the lack of standardization in interviews, the reliability of data poses an issue. The concern here is whether other researchers would reveal similar information (Easterby-Smith et al., 2008). Findings derived from in-depth interviews reflect a complex reality which is dynamic and subject to change. Secondly, this data collection method is related to the issues of interviewer and response bias and lastly, the conclusions presented, based on research findings drawn from a sample size of 10 respondents, can not be statistically representative of the views of the total population and as such should be taken with due reservations. To reach a larger portion of the market, the funding for such a research would have to be superior to the one available to the researcher.

### **3.10 Research Ethics**

All participants of the interviews were given a clear description of the purpose, scope and intended use of the research along with the policy for anonymity and confidentiality. Responses gathered will be treated as anonymous and no personal data were gathered from respondents. Participating in the study was voluntary and did not pose any health or privacy risks.

## Chapter 4

### Research Findings

#### 4.1 Introduction

This chapter presents the findings from the data, collected for this exploratory study and its related objectives.

Data set composed of eight in-depth interviews, from among the sample of millennials, was analysed using thematic analysis. The process of discovery uncovered several themes and subthemes, which relate to the researcher's objectives and attempt to answer the questions raised.

**Table 2. Profile of participants**

In text code	Pseudonym	Age profile of participants	Gender	Shopping motivation	Participants Profession in the area of:
		Millennials All born >1981			
1	Ian	26	Male	Hedonic	Sponsorship
2	Joseph	36	Male	Hedonic	Delivery driver
3	Will	34	Male	Utilitarian	IT
4	Martin	35	Male	Utilitarian	IT
5	Suzanne	25	Female	Hedonic	Medical science
6	Ivana	28	Female	Hedonic	Medical science
7	Ieva	28	Female	Hedonic	Management
8	Silvia	30	Female	Hedonic	Health

**Table 3. Summary of themes and subthemes identified**

<b>Themes</b>	<b>Codes / Subthemes</b>
1. Exterior variables	Building Characteristics Parking Signage
2. General Interior variables	Flooring Lighting Music Scents Colour Cleanliness Merchandise
3. Layout variables	Space design Space allocation Signage Layout Placement of Merchandise
4. Human variables	Employee characteristics Employee Interaction Employee approach Privacy
Reasons for Avoidance	
Facilitators of Approach	
Improvement suggestions	
Research Prior to visit	
Virtual servicescape	

## **4.2 Thematic analysis**

A theme “captures something important about the data in relation to the research question, and represents some level of patterned response or meaning within the data set” (Braun & Clarke, 2006)

### **4.2.1 Research objective 1**

**What are the elements of a branded car dealership’s servicescape that customers deem important?**

#### **Theme 1. Exterior variables**

This theme encompasses all variables relating to the exterior of the dealerships’ servicescape. The codes found within this theme represent the main aspects the interviewed consumers paid attention to and reported while describing the experience they had at the garage they purchased from.

#### **Code 1. Building Characteristics**

As is evident from the participants’ answers, the size of the building, architectural style and materials are attributes of the servicescape that consumers pay attention to. Size of the building is viewed favourably as it is associated with spaciousness and large open spaces were proven to make customers feel more comfortable wandering around and engaging with products (Ballantine et.al. (2010). Modern buildings are viewed positively among participants. Some participants suggested that the perception of the product being modern affects their expectation of the type of servicescape this should be placed in. What has been mentioned several times throughout the dataset is the word impression, impressive. The size and style of the building is an important element as a positive evaluation of the exterior supports approach behaviours.

*P1: So I suppose upon arriving. It’s a nice dealership, it’s a nice big, in fact the biggest in the UK, I think while driving up you could see a lot of nice cars, not your everyday cars parked in front of the showroom and inside and as they say the dealerships are referred to as glass boxes I think because it’s a big big nice showroom.*

*P2: First impression was really good, because Audi has a new building, it's about two years old and it's really fancy and spacious. It's in an industrial area but it is a very good looking building actually. You can see it even from the motorway, it's like an eye catcher. I was looking forward to going there and not just to see that car I wanted to buy to to look at other Audis too. There are loads of other showrooms around so I had a look in the other ones too but the Audi is an eye catcher in the area.*

*P3: The building looked good. I could see the cars from outside already and they had a big mazda logo on the outside of building so I could see that I am at the right place and yeah the surrounding wasn't any particularly interesting. But yeah it was a glass building so I could see through, it looked pretty decent and maybe like a place where you would want to shop at for a car.*

*P4: The entrance where we walked in was okay, the building wasn't impressive, we saw nicer buildings, but it was good enough.*

*P6: There is nothing about the building to actually attract you to go into that dealership besides the sign saying seat. The building was grey on the outside, so no colour. I think the seat letters were red and that stood out but everything else was kind of empty and cold. So you wouldn't enter if you didn't have a reason.*

*P4: The bigger the dealership the nicer it is.*

*P8: The actual Hyundai dealership from the outside looks nice, it is really modern looking and has large glass windows.*

*P4: The dealership wasn't anything that would stand out and Nissan dealership was much nicer because it was taller, taller building with a higher ceiling, it was much more spacious,*

*P1: Yeah, apart from that, building was quite impressive I have to say. It was insanely big, like five stories show with cars all the way up. It was quite awesome to see and I drove by it many*

*times and like anyone else and just driven by and seen it and I just pulled up into it, something that I passed so many times it was quite a good experience.*

*P3: Ok so I've been to another dealership before where the building didn't look so great, so this building definitely make me feel like I want to shop there more than the other ones from the other dealerships ,which were kind of concrete buildings not really polished from outside so this one made me feel like going there.*

*P7: The exterior was very clean there were a lot of new cars parked outside, tidy, well organised in a nice manner, you could see all types of the cars that they had. The exterior of the building was really well kept very well preserved. The windows were massive, from top to bottom. Very clean, so I didn't notice anything that would put me away in that sense. It did look like a very standard car dealership garage. So there wasn't anything in particular about it. So if I was to drive past, would I want to go in there , I would say I would yeah, it does look very presentable.*

*P8: The building was a little bit older and didn't look that modern compared to Hyundai.*

**I:** Did you like the modern aspect of it. Was that something that you expected ?

*P8: Yes, I would always expect something modern if you're buying a modern car.*

## **Code 2: Parking**

Parking availability, accessibility has come up in all data items and appears to be an attribute participants felt strongly about when talking about the exterior characteristics of the dealership.

Parking has also been mentioned as a factor that may lead to avoidance behaviour if not properly marked or insufficient customer parking space is provided as per participants comments.

*P8: So firstly what I've noticed, there was a lack of parking space around, I know I was buying a car but I did arrive with a car and I had to drive away from the dealership, so it wasn't really convenient.*

*P1: Yes , a lot of negatives to be honest, cleanliness, car park, it was impossible to get a space in.*

*P1: The car park was quite busy I had a spot though, pulled in, realized that the majority of cars in the car park were audis so that was a good sign.*

*P2: There was actually a nice spacious car park with loads of audis around and I arrived in my old car which is a VW and I felt like wow, one of them will be mine. SO , yeah, very nice car park with plenty of spaces for visitors and a nice building with a lot of glass around, so very good first impression.*

*P8: Apart from that, the car park had easy access to it. They had a car park there for customers which was a big plus in my opinion.*

*P4: That parking wasn't paid and there was enough room to park and that was okay, where if you went to another dealership where the parking was paid or wasn't properly signed or anything that would make us uncomfortable or maybe we would want to leave faster and wouldn't spend so much time on the ground and talking to the sales people.*

*P4: I think if they want to sell a car they should have parking for customers. If you want to spend 40 000 euros on the car you should be taken care off better than just parking on the street and do your own thing. So that wasn't great, even their parking was crowded with cars, the interior was crowded.*

*P7: The Toyota centre I went to was quite familiar, I knew where the Centre was, so it was very easy to find, obviously. I went into it, and only because I knew where customers could park, normally I parked in a particular place. If I didn't know where that was, I wouldn't have known where to go. So that was the first thing I probably would want to point out.*

*P6: I went to ford and that wasn't a good experience. Because there was no parking and no pedestrian crossing.*

*P6: Ok, So when I approached the dealership I found out there was no car park so I had to look for a space around for where to leave my car as the road said parking not allowed and you just couldn't leave your car and go in, to look at cars. So I had to drive around for at least ten*

*minutes to find a place where to leave my car and when I finally did, it then took me another ten minutes to get back to the dealership.*

**I:** Ok, how did that make you feel ?

**P<sub>6</sub>:** *Unhappy and it made me a bit annoyed.*

**I:** Did it make you consider whether you wanted to go there at all ?

**P<sub>6</sub>:** *Yes, that was my first thought to be honest. I wanted to turn around and go back home.*

### **Code 3: Signage**

Ease of navigation was a recurring theme throughout all data items. The participants have mentioned keywords relating to signage for both interior and exterior, but predominantly exterior as most showrooms are one open planned room. Signage as a medium aiding navigation can in participants words “ put you at ease” or support avoidance behaviour if the lack of is a source of confusion or frustration.

**P<sub>4</sub>:** *The dealership was not difficult to find but it was tricky to find the entrance to the dealership, which was through the shopping centre and there was no parking that was dedicated for the customers, so the only parking was available in shopping centre outside of the gates of the dealership. That wasn't that nice.*

**P<sub>4</sub>:** *Yes, that is actually, in Mazda and Opel dealership they had combined dealership in Sandyford and you kinda enter through main door, and to the left is Mazda and to the right is Opel, and you are kinda lost and you don't know even how to enter, because they are trying to keep it separated, by separators or fake walls, but it made it a bit uncomfortable in where are you, in Mazda or in Opel, and how do you actually go. Are you going to somebody's office or is it the showroom, it was a bit weird, that was putting us off after entering that dealership.*

**P<sub>6</sub>:** *Ok , well as i parked the car i tried to find the entrance to the dealership but the entrance wasn't clear so I walked around the building and I walked to the back cause the main entrance said something about cleaning in progress and there was no sign saying where to enter the building.*

*P5: To be honest it was probably a really odd thing, but the cars outside, which were fine cars but I found myself looking at cars and then the next car thinking it was a for sale car then it was someone's actual car and I had to start paying attention to what was for sale and what wasn't and then my mind just got very confused altogether and decided I'm going home I'm burnt out.*

*P5: But the actual look itself was almost more inviting, you kind of felt like it was clearly laid out where customer parking was, with the arrows and you clearly knew where you were instantly and it helps a lot when you know you are in the right place, you know where to park and where you shouldn't be parking which is always a fear of mine when I am driving into one of these places, and that kind of puts you at ease a bit and then you can just go in.*

## **Theme 2, General interior variables**

Codes for flooring, lighting, cleanliness, scents, merchandise, music, colour schemes and temperature were grouped under the theme of general interior variables. These attributes have been mentioned by participants as main interior characteristics they paid attention to.

### **Code 2.1 Flooring**

Flooring as an attribute has been mentioned by several participants of the study. The flooring can positively enhance the perception of the environment in the eyes of the showroom visitor if kept clean and a more premium finish is chosen. Dark flooring seems to negatively affect the perception of brightness within the showroom.

*P5: Yeah, technically yeah. Probably one of the main things I noticed was probably the floorings if I am honest, like everything else was kind of very basic, it was just white walls, the reception was white and it was just a dark grey flooring, like it made me feel very (pause), it was almost like I was in a room that was not finished.*

*P5: ...and inside in fairness it was a lot fancier I suppose , almost like marble tiling floor...*

*P6: Ford I found very dark, the floor was dark and there was little light inside.*

*P1: The showroom floors were kind of all wet and dirty but there wasn't anyone there to clean it.*

*P7: I remember flooring in all of them, the floors were very nice and clean and shiny. Very well polished, something that I did pay attention to in all of them.*

*P6: But as you entered the building the tiles were really nice and shiny, so you could see the bottom of the car on them.*

### **Code 2.2 Lighting**

Lighting, perceived brightness within the showroom has been a keyword within all of the interviews. Sufficient lighting is expected by the consumers and is a facilitator of the shopping process within the showroom. Lack of adequate lighting as can be seen from responses, may affect time spent browsing and can contribute towards avoidance behaviour.

*P5: Yeah, did I probably say bright, just because it does make whatever you know like the car itself stand out. Now, I did find looking back that the downstairs, they had two floors, so the downstairs had the new models and they had the second hand models upstairs. I actually found the second floor a nicer place to actually view the cars just purely because they had larger windows and it almost looked like it was natural light, I know it wasn't natural light but it almost made you feel like this is what the car is going to look like outside.*

*P2: The interior was very spacious and bright inside so it gave me a good view of the cars.*

*P2: Well, that particular building had glass all around so it's really like spacious and bright inside, that was the main thing.*

*P7:...and it was nice and bright because it was made of glass...*

*P6: yes, I would expect it to be bright so I can see what I am buying, some of the dealerships were a good bit darker and you couldn't really see all the inside of the car and here you could see all*

*the controls and what it looks like inside not just from the outside and because there weren't so many cars so close to each other you could also walk around the car better and see the car from every angle. It made me feel a bit better.*

*P<sub>6</sub>: The tiles were quite dark, made the room even darker and they had windows on one side of the showroom and those also couldn't open and everything else was closed with the walls so they didn't have enough light. There was no light turned on in the dealership so everything was turned off. So when you actually looked at the car , I wouldn't say that the colour that you looked at was the one that you would actually see on the normal light .*

**I:** How did you feel about that ?

*P<sub>6</sub>: Unhappy and frustrated. Like you can't see what you wanted to see. I wanted to see the colour of the car the way it should be but then I had to bend to see the colour.*

*P<sub>5</sub>: Ford I found very dark, the floor was dark and there was little light inside.*

### **Code 2.3 Cleanliness**

Cleanliness was expected and perceived well, with participants stating it added to the presentation and perceived value. Some participants stated dirty front yards, messy desks and dusty furniture contributed to a negative impression of the premises and that it affected how they felt about the product.

*P<sub>7</sub>: The area was very tidy, airy and light. There was nothing there that I would have wanted to feel any different at all. The cars were very clean and well kept, ready for you to sit down and kinda explore a little bit. That was really something that stroke me.*

*P<sub>7</sub>: The exterior was very clean there were a lot of new cars parked outside, tidy, well organised in a nice manner, you could see all types of the car that they had. The exterior of the building was really well kept very well preserved. The windows were massive, from top to bottom. Very clean, so I didn't notice anything that would put me away in that sense.*

*P<sub>1</sub>: I think for someone who buys luxury premium cars it's more of a want then a need so I think the presentation is important. The cleanliness, the hygiene, the fresh clean look whereas I*

*suppose other people are practical and they might not need to see a new shiny showroom, even if it needed a bit of an update if it's practical and it works . But for me I suppose it is important to have an expectation a standard to which the dealership did in many ways live up to*

*P1: The cleanliness was just perfect, everything. I suppose it is almost like when you have a clean car, it's a good feeling. Like a haircut, kind of feeling fresh. So in a room full of something clean that you normally consider dirty you know?*

*P1: Yes , a lot of negatives to be honest, cleanliness, car park, it was impossible to get a space in. There wasn't good drainage, there were puddles when you were getting out of the car, the tarmac was worn away, the used car display was quite cramped. The showroom floors were kind of all wet and dirty but there wasn't anyone there to clean it, you could really smell, the workshop was attached to the showroom and you could just smell that it was a garage.*

#### **Code 2.4 Scents**

From among the interior variables, odour or scent has been mentioned mostly if a negative odour was present. A negative odour present within the servicescape has shown to be a contributing factor to avoidance behaviour. Some participants have favourably reported on “new car smell” and a portion of the sample has not reported on any scents or odours. Absence of scents has not been reported as having a positive or a negative affect, whereas a presence of a unpleasant smell has affected the consumers negatively. In instances where odour contributed to avoidance behaviour, the strength of the desire to purchase the brand has been the moderator.

*P3: ok, well it didn't smell there badly or some artificial smell, so that was an improvement on the other dealerships*

*P1: Everything was really fresh, clean air , smell, you know , new car smell throughout the showroom so I think that stands out in that showroom,*

*P1: Yeah. It smelled very well, I like the smell of the new cars so that smell impressed me also.*

*P3: The building also smelled weirdly inside so that didn't help.*

*P4: Like for example when we came to Hyundai, it was crowded with people, with cars, there was smell of cheap plastic in the air, so that was immediately off putting, we just didn't want to buy Hyundai because we had it in our head that you will go into your new car and you will smell like cheap plastic toys.*

*P4: I think the building was new enough, and it was with the glass, like the dealership usually looks. The exterior was ok, but the interior wasn't pleasant from entering, it was smelly,*

**I:** Ok, so that didn't make you feel very welcome I suppose?

*P4: No, it didn't. And then the smell of the car, of the plastic in the whole space was really bad.*

*P6: It had big windows, white ceiling with nice lamps but windows couldn't open and there was smell of the plastic inside and that made me feel kind of I wanted to go out as fast as I could. But then I was walking around the car that I actually liked, which was at the main door so I got a bit of fresh air from time to time when customers walked in.*

**I:** Ok, so you didn't leave. And what was the reason you didn't leave ?

*P6: Well, I was focused on the car I wanted to get.*

### **Code 2.5 Merchandise**

Access to merchandise has been reported as an important variable by all participants. Access to examine merchandise is an expectation among the respondents and allows a multi-sensory stimulation, increases time spent and contributes to a hedonic shopping experience. Servicescapes where access to merchandise was limited have negatively affected browsing, time spent and perceived pleasure.

*P5: They kind of had one of everything down on the bottom floor so yeah you could open the door of the one you wanted and check everything inside and see whatever however*

*P5: It was just that I wanted to poke and probe the cars more than anything..*

*P7: To see more products that you can actually touch, it's all about that touchy feely environment. The more the better, I think. Especially for women, a lot of our purchases are "we like what we see."*

*P5: You kind of felt that you were car shopping. Like you got that bit of excitement almost wandering around the cars because they were laid out in a quite nice way, with the doors open for you to automatically see and the boots open so you didn't have to do it yourself and that was quite nice.*

*P2: I was looking forward to see all of them actually, even the bigger and smaller ones and to sit inside and I really took the time, I enjoyed touching everything and seeing everything in all the cars .*

*P2: I actually felt free to open all vehicles and to see them on my own actually. I didn't want the salesperson to be with me and explaining it all to me. I wanted to see it on my own. To open everything and to see it and enjoy that view from the car and touch the buttons and steering wheel and things like that. So I really took time on my own and enjoyed the moment and the time spent there.*

*P8: It kind of made me feel like I had to walk up to the reception and ask someone if I could actually open a door or look inside you know? It was awkward, because, these cars are there for people to see and they are just parked there as on the average normal day and I think the cars in the showroom should be prepared for a person who is ready to buy a car.*

*P8: I think what would help if the car was more accessible, if they would open the door, you know if at least one or two cars had their doors open, you could get a feel for it, have a look inside and experience it as well. If you go to a dealership and all the cars are closed you don't really feel welcome you know, to buy anything just the looks. So if there were a few cars opened up and more light be on them. I'd feel more welcome if the doors were open and maybe I'd ask more questions about it. This way with cars closed not even windows, you know it's like on a car park.*

## **Code 2.6 Music**

The presence of music has not been reported as a positive or a negative attribute of the servicescape. The lack of however, has prompted some of the participants to suggest it among desired elements that were not present. Respondents mentioned that presence of music would make them more chilled and more cheerful. Reduce awkwardness and positively contribute to the perception of privacy.

*P<sub>8</sub>: The place was modern but I felt quite awkward I think a bit of music would be nice, just to make the person more chilled and not feel so awkward inside of the dealership.*

*P<sub>6</sub>: It was too quiet in the showroom, that was also a negative, you know you felt like you were there and three more people around you and the space, you know, you could hear everything that you talked about.*

**I:** Ok, and do you think your experience would have been better if the showroom facilitated more excitement possibly ?

*P<sub>6</sub>: Maybe if there was more music it would make me more cheerful. There was no music, it was really quiet so. I think music changes everything in the showroom.*

*P<sup>4</sup>: As long as there wasn't anything annoying , like loud music, or maybe no music...*

## **Code 2.7 Colour schemes**

Neutral colours have been positively perceived within the environment in general but lack of colour has been reported as a negative among the female study participants. Environments with lean color schemes have been described as boring.

*P<sub>7</sub>: So that stands out really well for me. Exterior has red writing, and then interior has red writing, so everything stands really well. If I didn't know where I am , just by opening my eyes I would know where I am by colours.*

*P7: The walls were either cream or white, I didn't notice them at all, it kinda blended in well with everything else. There was a lot of black and red, but I suppose these are the colours of the brand.*

*P7: I would go back there, it is definitely as neutral as it gets, overall sales experience was really good, so I think for me, that overwrites everything else. It did feel like a nice place to go to. And I will most definitely go back.*

*P1: All the cars were kind of perfectly lined up in the showroom at a diagonal angle and they had them laid out in a nice colour pattern and everything looked like it was thought out,*

*P5: The building was grey on the outside, so no colour. I think the seat letters were red and that stood out but everything else was kind of empty and cold. So you wouldn't enter if you didn't have a reason.*

*P5: I think they could have more colours, kind of to call you into the showroom. Whereas this was all just white and black and if you went to the other part of the room where they had the desks, it has same colours it was quite (Pause) how to describe it, boring.*

*P8: But actually what I found that cars that were for sale, all of them had a really dark color. I think to see a bit of colour would have been nice as well. One red, one yellow, green , just to play with people's imagination. Not to put all cars dark blue or black and dark purple.*

*P8: yes I would definitely choose one of their best cars and give it much more space and really light it up because I felt like on a car park you know. I had that impression. And more colours, more colored cars, you know. Cause we all know how a black car looks. It's very rare to see a green car so I think they could put an idea into people's heads.*

### **Theme 3. Layout variables**

Within layout variables, space design and space allocation was mentioned the most by all participants in relation to how the space made them feel. Interior designed to be spacious with tall ceilings was perceived positively and generous space allocation was a factor that contributed to time spent browsing, feelings of comfort and perception of luxury. Showrooms with little inside

space were negatively evaluated especially if merchandise was densely displayed that limited the extent to which visitor were able to examine the product.

### **Code 3.1 Space design**

Space design and spaciousness in particular has been cited by the majority of participants as one of the key attributes expected from dealership servicescape that enables a desired shopping experience.

This attribute is closely related to the size of the building, which was also shown to be an important variable, however spaciousness as can be seen directly influences the perception of value and willingness to spend more. Interior layout and placement of merchandise were also mentioned as factors that influenced the overall perception of the showroom design.

*P<sub>3</sub>: When I am looking for a car, I am looking for a spacious showroom that isn't packed with cars so that could be improved, definitely don't want it to smell badly and it should be well lit so I can see all the cars*

*P<sub>3</sub>: Well, that particular building had glass all around and it's really like spacious and bright inside, that was the main thing.*

*P<sub>2</sub>: The interior was very spacious and bright inside so it gave me a good view of the cars.*

*P<sub>7</sub>: I would definitely appreciate more space. To me the air associates with luxury. And that's how I want to be feeling when I am buying a brand new car.*

*P<sub>6</sub>: ...That was way better in seat because I had more space and I could literally walk around the car and do what i wanted and that's where I bought in the end.*

*P<sub>4</sub>: The Honda had nothing off putting there, so that was nice. If you compare it to Nissan dealership , that was nice and airy, nice building , really spacious, that was the best. I would add it to the perceived value of the Nissan cars as such. So you would be willing to spend a bit more maybe then on comparable Honda based dealership. I think it would make a difference, or you would prefer Nissan based on how their show room was, that was spacious and such.*

### **Code 3.2. Space allocation**

Sufficient space allocation was the most cited attribute of the interior that impacted the levels of comfort, time spent browsing and supported approach behaviour within the servicescape. Lack of space between cars especially, was viewed negatively, contributed to discomfort and avoidance behaviour. Insufficient space allocation also contributed to perceived crowdedness, which negatively affected perceived access to merchandise and time spent.

*P4: Absolutely, to me, in a place like that, it is important. I don't want to feel like I don't have enough space to walk around. If there were three or four people looking at one vehicle I don't want to feel like someone has to wait, so the thought that there is enough space to walk around and to feel like you're on your own, that makes the huge difference for me. I would definitely appreciate more space. To me the air associates with luxury. And that's how I want to be feeling when I am buying a brand new car.*

*P4: The showroom was really small so when I opened the door on a car and there was another couple that was looking at the other car, I had to close my door for them to be able to open their door on their car so that wasn't good.*

*P5: It was a good experience to just walk between the cars and it was spacious so you could open all doors and you had room to sit in and touch everything.*

*P6: There should be enough space around the cars, so you can see it from the right distance*

*P8: Ford had much more space around the car and also the windows were rolled down so you could have a look inside if you were interested. It felt more welcoming. In fairness yes, I felt better in Ford, my emotions were like, yeah I wanna buy a car here.*

**I:** Ok, and what was it that made you more excited ? What were the attributes ?

*P8: I don't know, I think it was the space. Because the difference between those two was pretty much about the space and I think that made me feel more excited like getting a car because it's there for you to have a look; to experience.*

*P<sub>3</sub>: I have visited one Peugeot and Suzuki dealership, which was well, the exterior wasn't as good as in Mazda and inside it was completely packed with cars. There was maybe half a meter between the cars so yeah it didn't feel good being there.*

*P<sub>4</sub>:...and there wasn't enough room in between the cars to have a look, so if you're standing 20cm from a car you can't really see the shape of a car, you can't really see it. That wasn't nice at all, even though we thought we might be interested in buying a new car by Hyundai, that was really off putting.*

*P<sub>8</sub>: Also, I think there were way too many office tables, large tables which were taking up way too much space and that could ve been used for a better purpose. Rather than for one person and his computer.*

### **Code 3.3 Layout**

Layout that allowed freedom of movement was perceived well, and participants also positively commented on space that was well organized and thought through. Positively perceived layout also reduced the perception of crowding and increased comfort. Small spaces that limited movement were viewed negatively and as one participant referred to as awkward.

*P<sub>7</sub>:...but the reception area was very well highlighted, the service area was very well highlighted. The layout of the place itself was great, apart the waiting area, that let it down. Everything was pretty well organised, the desks were on the side of the garage, it wasn't in the way. There was a massive hole are in the middle where people were passing by, so there was no obstructions there.*

*P<sub>7</sub>: Hmm, there were three cars at the time I was there. Yes, I liked the way they were laid out. The only thing I am remembering now is one side of the place was a bit narrower somehow, because they had a big massive car standing there, I would probably swap them around, because It did make me feel cautious of it, because there was a massive desk on one side, and car parked in front of it. Whereas the other side had little cars, and it felt much airier, so you know that probably was something I've noticed, as soon as you walked in you had massive wall and to your left you had massive vehicle over there and you couldn't really see the desk or the guys behind*

*the vehicle. So maybe that was something that got my attention. I would have probably have the smaller car in there.*

*P8: I felt that the space was awkward, absolutely awkward, the layout was bad.*

#### **Code 3.4 Placement of merchandise**

The placement of merchandise was commented on by both male and female participants. Both genders mentioned it affected their first impression positively if merchandise was strategically placed at the front door and where it wasn't, the participant mentioned the placement of merchandise individually without being prompted by question directed at this element.

*P1: ...initially as I walked in there was a car on a plinth on show, one of the nicest cars they probably had in the showroom, so that was probably the first thing I was met with as I walked in.*

*P8: yes I would definitely choose one of their best cars and give it much more space and really light it up because I felt like on a car park you know.*

*P7: Absolutely. The cars are new and shiny , you're walking in, you are about to spend quite a lot of money, you want to look at cars, on the podium, it does make a difference.*

*P1: Yeah, it was quite impressive. All the cars were kind of perfectly lined up in the showroom at a diagonal angle and they had them laid out in a nice colour pattern and everything looked like it was thought out, everything was pristine you know, the first car in the showroom on the plinth was a convertible and you know it was perfect, the first thing you looked at as you walked in so it was impressive.*

#### **Theme 4, Human variables**

Human variables is a key theme found within all data items. Sub-themes identified were employee characteristics, employee interaction, employee approach and privacy.

In the case of interpersonal servicescapes such as car dealerships, human variables can prove to be a deciding factor influencing approach or avoidance behaviour. Positive perception of these variables affects patronage, perception of comfort and time spent. Negative perception of these

variable can lead to avoidance behaviour even if other elements of the servicescape were viewed positively.

#### **Code 4.1 Employee Characteristics**

Staff characteristics were often mentioned within an overall evaluation of premises, suggesting it is viewed as an integral part forming an impression. When positively perceived, it served as a mediator helping to overcome avoidance behaviour and conversely negatively perceived employee characteristics were a reason for avoidance behaviour even if all other attributes of servicescape were viewed positively.

*P<sub>5</sub>: To be honest i didn't leave because the person looking after us was quite nice and he didn't make you feel like you were being short changed in that sense and he was talking me through the cars as we went along.*

**I:** If there were two audi dealerships close to you. What would be the deciding factors to visit ?

*P<sub>1</sub>: Well I think I would probably go to both of them and experience them and then make my decision. So probably the people. The people would be important.*

**I:** Ok, you mentioned the environment was quite impressive. Did it match your expectations when you were there ?

*P<sub>2</sub>: Yeah, I have to say yeah. It's not the cheapest brand so yeah, you expect more. The people were nice and friendly and the showroom was really good. I really can't say a bad word about anything.*

*P<sub>6</sub>: Well when I was going there I was quite nervous because I didn't know what to expect and what are the people going to treat me like, will they be approachable like, or will they try to offer you something to make you feel welcome and then I came there and whatever feeling I had it wasn't that scary like I felt it will be. The guy was quite nice and the approach he had towards me made me really relaxed and he was open for all questions and whatever I wanted to ask he had an answer so it was quite nice.*

*P<sub>3</sub>: Yes , there was a very good looking lady behind the desk. But of course the cars. I saw a white A4 straight away and other ones , and bigger ones, SUVs. But the lady was first and then the cars*

#### **Code 4.2 Employee Interaction**

Interaction, according to the participants is an important element of the servicescape. Quality of the interaction contributed to approach behaviours and time spent. Customers who were acknowledged, welcomed upon arrival and then left browsing evaluated interaction more favourably than those not welcomed who were left browsing.

*P<sub>4</sub>: I just enjoyed the interaction I had in VW purely because it was just a normal guy telling me about the car and just telling me these are your options rather than telling me this is a great car, you should just get the car which is what I've been getting previously. Which was just a bit refreshing and probably the biggest reason why I stayed there because he was so nice and treating me like a normal person rather than like a girl.*

*P<sub>7</sub>: Absolutely. I don't know what it may be, but especially for a girl, not that we know less about the cars, you want to be able to interact a little bit more, not necessarily sitting down in a car. It would have been nice if you would have some sort of interaction over there.*

*P<sub>3</sub>: Well the mazda dealership was good because I was welcomed immediately and they left me alone to look around which was good as well and after a while he arrived and asked me if I liked the car and if I wanted him to show me all the specs and financing options and so on.*

*P<sub>3</sub>: And as I entered I was welcomed by one of the employees which was also good. It doesn't happen in every dealerships that you are welcomed immediately.*

*P<sub>4</sub>: No , they were all always opened and basically we said Hi, we greeted the person that was there, there was no reception as such but there were people so we said Hi and somebody said Hi back. And that would be something that wouldn't make us feel nice if nobody responded.*

*P4: ...at the reception there was a lady at the desk, but she wasn't too nice. We said hello and she greeted us back but not in very nice way.*

**I:** Ok, so that didn't make you feel very welcome I suppose?

*P4: No, it didn't.*

*P7: So I was waiting about 10 minutes before I've been acknowledged upon my arrival. So that is where it all started. It was bright, there were few cars , that you could have walked around and have a look. While I was doing that again, nobody has approached me or asked me why I was here or what I was doing , do I have an appointment or. After around 5 minutes the guy that had an appointment with me has waved at me, made an eye contact. In my opinion that took a bit long, I should have been acknowledged earlier. Even by receptionist, she was available, she was at her desk.*

*P3: ...and somebody should welcome me as well and if they are busy somebody should come and ask me within a few minutes if I need anything or I am looking for help.*

**I:** So you would consider human interaction an important facet of the environment.

*P3: Yes, the human interaction element is important as well.*

### **Code 4.3 Approach**

Within the human variable, all participants mentioned the staff approach as a variable that either contributed to how comfortable they felt while browsing or negatively leading to avoidance behaviour if approach was evaluated as negative or customers were not approached altogether.

*P4: Well I think it made us leave faster, there was no one to talk to us about the car and how great it is , or showed us around we would have stayed longer and we might have considered it, but as we weren't, we kinda closed it really quickly.*

*P5: When I finally found how to get in, I walked in and said hi to the person at the reception and he didn't even blink. No hi back, no questions about do I need any help. I was in there for at least 15 minutes, walking around opened them on my own. No one approached me. So that wasn't good.*

*P5: The things I mentioned previously, the approach was good but I had to ask questions twice, that made me frustrated, but in the end I was quite happy with my car.*

*P5: I was unhappy with the light, the approach of the people there and at the end it turned me off buying a car that was actually really nice and instead of staying there I actually walked out.*

*P4: Nothing, it was alright. I think the fact that he gave us enough space and enough time to do our own thing and made us comfortable and we were easy to approach and ask him some questions, he was sitting at his desk but he was kinda paying attention to us as well.*

*P5: So as I walked in there was a really nice guy who said hi and he asked me if I needed any help or if he could do something for me or show me a car . I asked him to give me some time to look around first. So he left me alone for I'd say ten minutes and then when I had a look around I decided what I wanted then he approached me back. So I liked that.*

*P7: But it does make you feel a little bit uncomfortable. That was a place where people would look down on you, that was another thing of service, that was the one that I left. Nor did I get the service there, Nor was I acknowledged. And I did leave, it made me feel a little bit uncomfortable. I felt like I didn't belong which I feel like you shouldn't be feeling like that way.*

#### **Code 4.4 Privacy**

Privacy was of concern to consumers primarily when discussing financials of the transaction. Some participants felt that the environment was too quiet and they felt they didn't have enough privacy when they held a conversation, fearing others would hear what they talked about.

*P7: Yes, most definitely, it did feel very private, even though it was opened space. Which again, I do appreciate, you know, you're discussing finance and you don't want people overhearing, not*

*necessarily, but they shouldn't. I did feel like I was on my own with sales person. It does create positive environment definitely.*

*P1:... from the environment, I think it was important to have all the information available and actually knowing what was going to happen and I felt where we were sitting it was you know not private but yes ,it felt like you could have a nice open conversation.*

*P5: Yeah, so it was what I was expecting when I had said I would be interested in purchasing a golf and let's talk my finances I was just expecting not just to be brought back to the showroom, like I don't mind being in the showroom but you almost feel like you want a bit of privacy when you're talking about your finances so it was uncomfortable, yeah it's the only word for it. I was taken aback by it a bit. Because I was sitting there and you felt like you shouldn't be there now.*

*P8: It was too quiet in the showroom, that was also a negative, you know you felt like you were there and three more people around you and the space, you know, you could hear everything that you talked about if you know what I mean.*

**I:** So did you feel that there wasn't enough privacy ?

*P8: ...yeah not enough privacy.*

#### **4.2.2 Research Objective 2**

##### **Elements of servicescape that support approach behavior**

Previous thematic data analysis revealed attributed that consumers paid attention to and deemed important. A further analysis revealed some elements that have been mentioned as factors that have affected the desire to enter, stay and and explore among participants. The list does not contain the product on sale itself, which is the primary reason why consumers visited the dealer's showroom. The following table provides a summary of these elements.

**Table 4. Summary of key elements that influence approach behavior**

<b>Servicescape Exterior Variables</b>		
Building	Size	Large ( Desirable) Large buildings supported approach behaviours. Viewed as a determinant of choice. Bigger building more choice. More choice is valued favourably.
	Architectural style	Modern ( Desirable) Glass exterior walls enable consumers to see cars inside of showroom from outside which was viewed as inviting.
Parking	Available on site	Sufficient parking ( Desirable)
Signage	For: Entrance, Parking, Layout	Ease of navigation Understanding layout affects perceived comfort A well signposted exterior is more welcoming.
<b>Servicescape Interior Variables</b>		
Space design	Large open space, airy	(Expected, Desirable)  Spacious showrooms contribute to premium feel of environment which is transferred onto the merchandise as added value.
Lighting	Brightness	Bright interiors are more desirable, related to ability to examine the merchandise well, supports browsing and time spent.

Space allocation	Generous ( Width of aisles)	( Expected, Desirable) More space allocated to each unit of merchandise on display increases time spent browsing, wandering and exploring merchandise. Lowers perception of crowding
Product display - Merchandise	Access	Open vehicles allow for a multisensory stimulation. Freedom to access and inspect the interior is expected, extends time spent and supports engagement.
<b>Servicescape Human Variables</b>		
Employee Characteristics	Positive	(Expected, Desirable) Influence perceived pleasantness of environment and time spent. Can be deciding factor for approach or avoidance behaviour
Employee Approach	Relaxed, Helpful, Gives space	(Expected, Desirable) Influences time spent, interaction, engagement.

### 4.2.3 Research Objective 3

#### Elements of servicescape that lead to avoidance behaviour

Further to the main objective of exploring important elements of dealerships' servicescapes, the analysis of interviews revealed key attributes that lead to avoidance behaviours among the study participants. It is important to note that it was always the presence of more than one negatively perceived attributes that lead an individual to leave the servicescape with the exception of the human variable. If this element was perceived negatively alone, it lead to avoidance even when other elements of the servicescape were viewed positively. Some participants also mentioned that the desire to make a purchase was the reason that helped them overcome their desire to leave.

*P5: yeah probably the love of golf kept me going at some points.*

**I:** Ok, so you didn't leave. And what was the reason you didn't leave ?

*P5: I was focused on the car I wanted to get.*

*P4: It was from a greeting at the reception, and then the smell, and the crowdedness, it wasn't pleasant place to be in. So we looked at the car, we did our thing, we looked around, opened the cars, sat in, did everything but it was much faster than in the better place, and we moved much faster. It built up, if there was one thing that wasn't pleasant we would be fine and we would just go through, but we got to the point that we even didn't appreciate the car even if it was nice, you wouldn't like it because if the dealership and surroundings and everything.*

*P4: Well I think it made us leave faster, there was noone to talk to us about the car and how great it is , or showed us around we would have stayed longer and we might have considered it, but as we weren't, we kinda closed it really quickly.*

*P1: To be honest i didn't leave because the person looking after us was quite nice and he didn't make you feel like you were being short changed in that sense and he was talking me through the cars as we went along.*

**Table 5. Summary of Key elements of the servicescape leading to Avoidance behaviour.**

Parking	Available on site	Lack of parking on site contributes to avoidance behaviour.
Lighting	Insufficient light	Not being able to examine the merchandise fully causes frustration among shoppers shortening time spent and level of engagement.
Space design and allocation	Small showroom and Not enough space allocated between vehicles	Lack of space increases perception of crowding and limits engagement and time spent browsing.
Access to merchandise	Locked vehicles	Shoppers unable to examine the vehicle's interior have reported feeling awkward and reduced time spent in the showroom.
Scents / Odours	Bad smell	Showroom smelling badly, often of plastic have caused shoppers to reduce their time spent or leaving the showroom altogether.
Human Variables	Negative Employee Characteristics / Lack of approach	Negative perception of employee characteristics have been a reason for avoidance even when other attributes were viewed positively.

#### 4.2.4 Research Objective 4

**The presence of which elements, if any, can improve consumer's experience.**

One of the objectives of this exploratory study was to find out if there is anything that consumers feel is missing in the servicescape of dealerships that would enhance their experience. Suggestions were mostly related to general interior variables, decoration and layout. Music was

one of the most suggested items where participants felt the environment was too quiet and said having music would make them more cheerful and relaxed. Using more colours within the servicescape was also suggested, by female participants who found neutral colour schemes boring. Comments relating to merchandise were either placement or colour related. One participant said she felt like she was in a car park and suggested giving the best car more space and light while others suggested placing less cars within the showroom to give each unit more space around it. Some participants suggested the merchandise on display should be in a variety of colours. In terms of decoration, placing posters of vehicles on offer on walls was suggested. One participant suggested incorporating plants into the interior to “make the room alive” while other said it would give it a more natural look. Three of the female participants suggested the staff should use uniforms as it was difficult to determine who worked there and one said she felt awkward asking strangers if they did. Some suggested focusing on removing the annoying aspects such as bad smell.

*P4: Maybe to remove the annoying stuff that bothers you, like the smell. There wasn't too much, anyhow. The bigger the dealership the nicer it is. Like Nissan. Which you could compare with Mercedes, the premium.*

*P8: Definitely more color and the music, would've been nice.*

*P7: Maybe if there was more music it would make me more cheerful. There was no music, it was really quiet so. I think music changes everything in the showroom.*

*P8: yes I would definitely choose one of their best cars and give it much more space and really light it up because I felt like on a car park you know. I had that impression. And more colours, more coloured cars, you know. Cause we all know how a black car looks. Its very rare to see a green car so I think they could put an idea into people's heads.*

*P6: Well, they didn't have any music. It was also a very quiet environment and i haven't noticed any plants but I haven't noticed those in hyundai either. I love plants, I have them at home, maybe it would be give it kind of a more natural look. Yeah, a plant because of the green colour which is my favourite.*

*P<sub>3</sub>: In the mazda dealership, probably just having less cars in the showroom. Everything else was quite ok.*

*P<sub>6</sub>: I would probably put some posters on the wall and maybe some pictures of the cars where they had none or models of cars they don't have in the showroom or maybe . I saw in another dealership they had a wall with the colour of the car that you can pick so it was more like tiles on one wall and you would choose yours so maybe that in some corner. Maybe they should put some plant in it to make the room alive. Also it would help if they wore uniforms. When I entered I saw all these guys walking around, dressed well mind you, but I didn't know who were the sales guys and I felt awkward asking random people whether they worked there. That would help, a lot.*

*P<sub>7</sub>: I don't want to sound negative, I would have appreciated all staff wearing the same thing, some sort of same uniform, as it was very hard to determine when I first entered who's actually staff and who's is customer. It wasn't very clear, people were getting in and out of the cars.*

*P<sub>4</sub>: There should be enough space around the cars, so you can see it from the right distance, there shouldn't be too many people, waiting in the queue to see the car, which has never happened. Multiple trims that you can compare. I find that helpful.*

*I want to see the cars with higher trim, I am not interested to see the cars with lower trim, or at least have them to compare, higher and lower. Good selection of cars.*

*To have somebody to ask questions to, and then the questions would be more of a small talk. You can see dealerships online and then you know what you want to try. We wanted to see interior of the cars, not just exterior. As we saw exterior of the car online.*

#### 4.2.5 Research objective 5

**To what extent does the experience of the virtual servicescape influence the approach/avoidance decision to visit the physical servicescape.**

In addition to determining what elements of the physical servicescape consumers deemed important, the study attempted to explore if the experience of a dealership's virtual servicescape impacted the approach/avoidance decision of the consumer to visit the physical servicescape.

Part of this exploration was to find out what online research participants carried out prior to their visit to the dealer's premises. As can be seen in the summary table below, five of the eight participants carried out online research prior to their visit, of those three have visited the dealer's website. Only one said it has affected their choice. All participants including the ones who did visit the dealer's website decided on the particular dealership they visited based on proximity to their home. One participant mentioned the reason for not visiting the dealer's website was that he was not interested in used cars, while another said he wouldn't care that much.

**Table 6. Overview of participants online research and reason for visiting a particular dealer's physical premises.**

<b>Participants</b>	<b>Visited brand's website</b>	<b>Visited dealer's website</b>	<b>Has that affected your choice of dealership you visited ?</b>	<b>Reason to visit a particular dealership</b>
<b>Male</b>				
<b>Male Participant 1,</b>	Yes	No	No	Proximity
<b>Male Participant 2,</b>	Yes	Yes	No	Proximity
<b>Male Participant 3,</b>	No	No	No	Proximity
<b>Male Participant 4,</b>	Yes	No	No	Proximity
<b>Female Participant 5,</b>	Yes	Yes	No	Proximity
<b>Female Participant 6,</b>	No	No	No	Proximity
<b>Female Participant 7,</b>	No	No	No	Proximity
<b>Female Participant 8,</b>	Yes	Yes	Yes	Proximity

*P4: The brands website. I wouldn't go directly to dealerships website, I wouldn't care that much. First I would do the research on the brand and then look for the local dealer.*

**I:** And did you at any stage during the consideration visit their website before you went to the dealership?

*P4: No I just went there, I didn't visit their website*

**I:** Ok and when you were deciding on what dealership to visit, did you visit the dealership's website ?

*P1: No, no. Because I knew where to go . I just used my geographic knowledge, I just picked ones that were closest to me. And I wasn't looking at used cars.*

*P5: I did , it was probably fairly basic research, I just kind of went online and looked up, it was more actual models and stuff like that rather than dealership, anything like that as such. It was more to do with the car itself I was interested in and then I went to the nearest garage.*

**I:** Ok, where I was going is, Did you at any stage during your research visit the dealerships website ?

*P5: Yes, of course. Because they knew everything about the car, the prices and features so yeah.*

**I:** Ok, and did the visit to the dealer's website play a role in terms of you deciding which dealer you would go to ?

*P5: Not really no. I went to the one that was closest to my house*

As can be seen from the answers provided within this sample, the visit to the dealer's virtual servicescape has not influenced the approach avoidance decision. The decision to approach a specific dealer was made based on the proximity of the premises to the consumer's home.

## 4.2.6 Research Objective 6

### 4.2.6.1 What are the requirements of the virtual servicescape that contribute to a visit to the physical servicescape with the aim to purchase the product.

The answers from participants indicated that proximity of dealerships to their home was the deciding factor in forming the approach decision. The dealer's virtual servicescape was mentioned only by one participant as factor that affected the choice of dealership they visited.

Based on the available data collected from this study's sample in relation to this objective a table was created providing an overview of virtual servicescape features that contributed to an approach decision. The participant mentioned the website's contents, ease of navigation and visual appeal contributed to the feeling of comfort and confidence to approach the physical premises.

**Table 7. Overview of virtual servicescape features contributing to visit of physical premises.**

Location	Available products & services	Layout - easy to navigate
Opening hours	Available offers	5 to 6 pictures of the premises
Contacts of all staff		Visuals & Aesthetics

*P7: In terms of dealer's website, I wanted to know location, what's nearest to me, what is available, what are the opening hours, and that was what made my decision to go and visit that particular garage.*

*P7: Again, the layout of the website, it would be an easy thing to navigate, there was a nice picture of the garage, I knew exactly where it was by looking at it. The website was easy to navigate, I had all contacts , all the staff. I was able to see who works there, what offers they ' ve got on. It was just a very easy website that didn't waste my time. It was easy to navigate, and that is what probably made my decision, and plus that was the closest to me.*

*P7: Most definitely yeah, it was nice to see where you're going and for a purchase like that you want to be sure you're going to be looked after and the more information you can get from them*

*obviously the more confident you'll feel walking into place like that. It did have a good amount of 5-6 pictures of the garage, which did make me feel more comfortable, and I knew exactly what I was doing. The visuals make difference, most definitely.*

*P7: Definitely, it is all about aesthetics, and I think for women in particular it is more about the visual initially rather than the amount of information that you can access. It is all about the visual and how it makes you feel and the more pictures I can see and gather, and more information I can get It, does make a difference.*

#### **4.2.7 Themes that emerged during research**

The purpose of the primary research was to explore the research questions set out at the beginning, however the nature of enquiry in exploratory studies enables the researcher to be more flexible, meaning new themes may emerge in the course of the study.

While the participants were sharing the experiences and opinions on dealership's servicescapes additional elements present at the time were revealed. These were their emotions and their shopping orientation, either hedonic or utilitarian. As these elements are related to the experience of a servicescape their inclusion into the findings was deemed of value.

Excitement or feelings of pleasure have not been a recurring theme through participants answers and some mentioned they were focused on getting the vehicle they wanted and only felt excitement after. Store induced feelings of arousal or excitement can positively affect time spent, engagement and interaction.

**I:** Did you at any stage during your visit in the showroom feel excited, aroused ? Did you feel pleasure ? While you were in the environment ?

*P1: I think I was just you know , it was for me more excitement a bit of nerves, a bit apprehensive, that's it really.*

**I:** Tell me what did you feel when you were inside browsing. Did you ever feel excited or did you feel any emotions at all ?

*P8: Not really. Nothing has impressed me so much much that I would say wow that is amazing. So didn't have that impression. I had an impression that I walked into a modern car park.*

*P4: I was more goal orientated, most definitely. Now that I look back at my car buying experience yeah. I was walking in there to get the car. I sat down, they talked me through the options, but I knew that, you know.*

*P6: I was excited when I purchased the car then I started to be but before that I was just focused on what I was doing and I wanted to actually get what I was looking for. So at that moment to be honest I had no feelings I was more orientated on things that i wanted to get. But after I made the purchase and signed the contract then I was really happy.*

## **Chapter 5**

### **Discussion**

This study adds to the existing literature by providing clues as to what attributes of servicescape impact approach and avoidance behaviours in the context of branded car dealerships.

This chapter reviews the presented findings along the literature reviewed and discusses the identified salient points in consideration with the research objectives.

#### **5.1 Elements of the physical servicescape salient to the consumer.**

Atmospheric stimuli and their effect on shopping behaviour have been investigated by many authors such as Donovan and Rossiter (1982); Bitner,(1990, 1992) or Turley and Milliman (2000). Kotler (1973-1974) first introduced the term spatial aesthetics and later atmospherics, to denote an act of designing buying environments that produced a specific emotional effect in order to enhance the buyer's purchase probability. This early typology was described in terms of sensory channels through which an atmosphere is apprehended and focus on visual, aural, tactile and olfactory dimensions. Bitner (1992) proposed the servicescape concept as a built, man-made physical environment where services are delivered and suggested three dimensions: ambient conditions, spatial layout and functionality and lastly a dimension containing sign, symbols and artefacts. The most complex classification of atmospheric stimuli in the retail context recognizes 57 variables (Turley and Milliman, 2000) that have an effect on buyers cognitive, emotional and behavioural responses. These five dimensions are general exterior; general interior; layout and design; point of purchase and decoration and human variables. Several of these variables interact with the characteristics of individuals to determine their response. Authors such as Olahuf et al.(2012) note that an atmosphere that produces a certain reaction in one group of people may produce a different reaction in a different group of people and propose further research is needed to gain a better understanding of what attributes of the retail servicescape are more salient to consumers when forming an approach avoidance decision.

This study aimed to explore the perception of the various elements of servicescape among millennials and uncover what they deem as the salient attributes of a branded car dealership's servicescape.

Key elements that were deemed important within the sample of this study were presented in the previous chapter and can be found as variables within the four of the five dimensions within Turley and Milliman's (2000) classification of atmospheric variables. The following discussion reviews the elements of servicescape that impacted the participants behaviour as presented in the findings chapter along with relevant literature.

### **5.1.1. Exterior variables**

Turley and Milliman (2000) provide 14 elements within their classification of exterior atmospheric variables. Authors note that research relating to this portion of a store's environment is extremely limited and argue that it deserves more attention as the exterior provides the first set of cues to the customer and caution that "if not managed well, the rest of the atmosphere may not matter." Further, authors claim the elements must be pleasing and induce approach behaviours.

The analysis of participants' responses has uncovered 3 main themes that were repeatedly referred to in relation to the exterior. These were building characteristics, parking availability and signage. In terms of building characteristics, style and size were both key attributes. Larger buildings were viewed positively with one participant stating: "the bigger dealership the nicer it is" while another participant commented on the architectural style saying: "*Yes, I would always expect something modern if you're buying a modern car*". Building size and architectural design positively impacted participants approach behaviour. Bigger dealerships were described as impressive and suggested a wide range of choice available while modern buildings with glass were deemed inviting as they let the visitor see what is inside before he chooses to enter. Also, a link by a participant was suggested between the architectural style of the building and the modernity of the product sold within.

Signage and ease of navigation as an attribute was mentioned by several participants, who experienced difficulty to locate the entrance and stated it contributed to frustration and made

them consider leaving. Lack of exterior signage so contributed to avoidance behaviour whereas well signposted exterior supported easy of navigation which participants commented on by saying it put them at ease and the understanding of the external layout made them comfortable, contributing to approach behaviour. Parking as a servicescape variable came up repeatedly, with some commenting positively on parking facilities while others said they were unhappy with lack of parking. One participant said “customers should be taken care of better than just left parking on the street and doing your thing” while another said she had to drive around for ten minutes before she found parking, which made her consider turning around and going back home. She said “*it made me unhappy and annoyed*”. Dealerships that did not offer parking on site were inducing an avoidance behaviour among visitors whereas parking available on site contributed to approach behaviours.

### **5.1.2. Interior variables**

From the 38 interior variables found within the classification of atmospheric stimuli referred to earlier, consumers spoke about six variables which impacted their approach/avoidance behaviours. These represented Space design, Space allocation, Lighting, Scents and Merchandise. Some cues like temperature and colour were also mentioned but did not show any behavioural effect so were left out. Spacious and airy rooms were found to positively influence wandering around, contributing to approach behaviour. “*I had more space and I could literally walk around the car and do what I wanted* “ Spaciousness was mentioned as a desired aspect of a dealership's servicescape while some participants stated they associated airiness with premium and luxury: “*the air associates with luxury. And that's how I want to be feeling when I am buying a brand new car*”. One participant said he would add spaciousness to the perceived value of the product sold within the space, stating he would be willing to pay more. These findings conform with the research of Ballantine et al. (2010) where large open spaces had a similar effect on shoppers, making them comfortable wandering around and engaging with products.

Closely related to space design, the aspect of space allocation or in other retail settings referred to as width of aisles, was among the key variables that affected consumers' behaviour within the showroom. Participants who found sufficient space was allocated to each unit of merchandise reported it allowed them to inspect the product better, both visually looking at the product from

various angles and also examine the interior and to touch and get a feel for it. *“It was a good experience to just walk between the cars and it was spacious so you could open all doors and you had room to sit in and touch everything”*. Generous space allocation so supported playfulness and interaction with the product, positively contributing to approach behaviour. Some participants also mentioned that they perceived the environment as less crowded when more space was allocated to each car. Several participants expressed their displeasure where showrooms were packed with cars, not allowing for enough room in between, saying they couldn't see them properly or open doors, limiting their interaction. One participant said he found it off putting which contributed to avoidance behaviour. Previous research on the topic of spacing also supports these findings. Ballantine (2010) for example found that when spacing of products became too small and started to look cluttered, participants stated they would avoid going into the store unless they had to.

Lighting was also a variable that affected participants' behaviour. Good levels of brightness as participants reported allowed them to see colours better and inspect the interiors better. Insufficient lighting or badly directed spot lighting cause frustration among participants as they felt they could not see the colours of the products properly. Lighting was mostly mentioned in a utilitarian context among participants, however research suggests it may add to a hedonic shopping experience as Ballantine's (2010) research suggests that product spotlighting and dim ambient lighting is effective in establishing a play mentality and enhancing enjoyment. Only participant positively commented on such use of lighting, which serves as a good example of how use of this attribute can impact approach behaviour. *“actually that Audi building, when I drove past it during the night and I saw those cars with the led lights on, that was actually that effect and I said oooh yeah. I have to go and see those cars, because it looked really good from like far away so I wanted to go inside and see them and sit in them.* Further, floodlighting or levels too low or too high can cause products to be perceived as cheap or unexciting. One female participant of this study suggested *“I would definitely choose one of their best cars and give it much more space and really light it up because I felt like on a car park you know”*.

Scents and odours have been reported by some participants, mainly when negatively perceived odours were present in the environment, participants reported it impacted the time spent and lead

to avoidance behaviour. One participant stated *“there was smell of the plastic inside and that made me feel kind of I wanted to go out as fast as I could.”* Another participant said *“there was smell of cheap plastic in the air, so that was immediately off putting.”* On the other hand male participants mentioned they liked the “new car smell” in the showroom saying: *It smelled very well, I like the smell of the new cars so that smell impressed me also* while the other commented on clean, fresh air as well that by saying *“Everything was really fresh, clean air , smell, you know , new car smell throughout the showroom”*. In relation to odours, Turley and Milliman (2000) in their classification make a reference to Mitchell, Kahn and Knasko (1995) who found that different types of odor significantly influenced behaviour. In this study, the presence of favourably viewed “new car smell” did not show any effect on behaviour whereas negatively perceived smell of plastic contributed to avoidance behaviour.

Merchandise as an interior variable and access to it was one of the most discussed themes across all interviews. In particular, participants who reported a hedonic motivation to shopping reported experiencing negative feelings when limited access prevented them from a multi-sensory experience of the merchandise on display. Where access to vehicles was limited, participants responded feeling awkward and unhappy because they visited the showroom with the aim to inspect the interior of the merchandise which they felt they weren't able to. One participant said: *“If you go to a dealership and all the cars are closed you don't really feel welcome you know”*. In contrast to that, a product display that supports engagement and interaction by granting access to the shopper to inspect it fully contributes to time spent, engagement and a perception of enjoyment as can be seen by an answer from Jo who said: *“ I wanted to see it on my own. To open everything and to see it and enjoy that view from the car and touch the buttons and steering wheel and things like that. So I really took time on my own and enjoyed the moment and the time spent there.”* Participants with a hedonic motivation expressed the desire for a multi-sensory stimulation and when the product display allowed them to, reported extended time spent and feelings of enjoyment.

Allowing consumers to touch and inspect the product as desired supports engagement and contributes to approach behaviours and due to a multi-sensory stimulation contributes to a more

hedonic retail experience. In this context, Ballantine et al. (2010) note that, interactive and functioning product displays appear to encourage product engagement.

### **5.1.3 Human variable**

This was the last theme that showed to have an impact on approach or avoidance behaviours on participants from within this study's sample. In particular, employee characteristics and employee approach were mentioned as having an impact. When employee characteristics were viewed positively, participants were able to disregard other stimuli which would otherwise lead to avoidance behaviour pointing to the strength of influence that positively perceived employee characteristics have on consumers and approach behaviour. One participant stated: *"To be honest I didn't leave because the person looking after us was quite nice"* In case where employee characteristics were viewed negatively, the approach inducing power of other stimuli was diminished and consumers were inclined to leave the servicescape. Second variable within this theme was coded employee approach. Firstly, when participants were not approached they portrayed avoidance behaviours, in that it affected the time spent at the premises and lead to them leaving. One participant shared his experience saying: *"Well I think it made us leave faster, there was no one to talk to us about the car and how great it is , or showed us around we would have stayed longer and we might have considered it, but as we weren't, we kinda closed it really quickly"*. Positively perceived, relaxed employee approach has contributed to perceived comfort, engagement with product, browsing and time spent. Another participant commented on a positively perceived approach as: *"I think the fact that he gave us enough space and enough time to do our own thing and made us comfortable"*. Employees have been previously classified as facilitating stimuli by Ballantine et al. (2010), which are meant to facilitate product engagement together with other stimuli like lighting, comfort features or product displays. Their research points out that when one of facilitating stimuli, such as employees is negative or below a critical level, effectiveness of attractive stimuli meant to induce approach behaviour is decreased. If however no flaws are detected in facilitating stimuli, attractive stimuli function positively to create a hedonic experience.

Music as a variable has been touched on by some of the participants as well. It was not included in the findings section among stimuli that support approach behaviour as there was no clear link established between the presence of or type of sound and its effect it had on participant's behaviour. Investigating the effects of sound in the context of atmospheric stimuli, Turley and Milliman (2000) note that literature on sound in stores is inconclusive or conflicting. Our findings suggest that the absence of music in the background was perceived negatively as one consumer noted: *As long as there wasn't anything annoying, like loud music, or maybe no music* while another commented on music saying: *It was too quiet in the showroom, that was also a negative*. Female participants in particular suggested using music saying it would help feel more comfortable. One of them stated that: *Maybe if there was more music it would make me more cheerful* while the other said: *The place was modern but I felt quite awkward I think a bit of music would be nice, just to make the person more chilled and not feel so awkward inside of the dealership*. These statements support the notion that music can be a facilitating stimulus contributing to the perception of comfort. It is recognized that different demographic groups would prefer different music styles. However, knowledge of the consumers who purchase the brand could address this issue of music style preference and their compatibility.

#### **5.1.4 Virtual servicescape and its effect on approach/avoidance behaviour**

Virtual servicescape of car dealerships has been found not to have an impact on approach or avoidance behaviours. This is predominantly due to the fact that dealerships' websites were mostly not included in the online research performed prior to the visit of a physical servicescape. Majority of participants reported they visited the brand's official website to carry out the initial search and if interested in the merchandise went on to look for the nearest showroom of such brand, skipping the visit to the dealer's own website. Some of the participants cited reasons such as: *I wouldn't go directly to dealerships website, I wouldn't care that much. First I would do the research on the brand and then look for the local dealer*. Another participant on this topic said he didn't because he knew where to go and he wasn't interested in used cars: *No, no. Because I knew where to go. I just used my geographic knowledge, I just picked ones that were closest to*

*me. And I wasn't looking at used cars.” Finally, one respondent provided more detail as to why he didn't visit the dealerships' websites during his online research saying that brands' websites are usually up to date and are nicer in comparison to the dealer ones, that are not always updated and as well maintained. This participant mentioned these reasons were also why he left the dealer's website and went to the brand's space.”But then I went to brands website because that's usually up to date. I think they are nicely done. You can see that the dealership sites are not that well maintained or not fully up to date. So you wouldn't spend too much time there. If you realised it's just the dealerships website you would go to the brand website”.*

This issue deserves more attention as it could be a clue as to why dealers websites are not visited as part of online research when considering the purchase of a new vehicle.

The findings of this exploratory study aid the understanding of elements of a car dealership's servicescape that support approach behaviour or lead to avoidance behaviours. Due to the study's exploratory nature and its relatively small sample, generalizability of findings is limited and author suggests further quantitative research to investigate these elements on a large scale, ideally captioning experienced emotions in real time through the use of available technology.

## **Chapter 6**

### **Conclusion And Recommendations**

#### **6.1 Conclusion**

The overall aim of this exploratory study was to discover which elements of branded car dealership's servicescapes, millennials deem important and which of these had an effect on their behaviour. In addition to that, a secondary objective was to investigate whether an experience of a dealership's virtual servicescape had an effect on approach behaviour leading to a visit to the dealer's physical premises. The qualitative nature of the data collection instrument has allowed the researcher to gain rich and interesting insights into servicescape attributes from the participants' experiences that they gathered while shopping for a vehicle at various brands around the Dublin area. Not only has the research been successful in finding out which attributes the millennial participants deem important but also how some of these attributes influenced their behaviour.

Previous studies have investigated how various individual elements of a servicescape affected shoppers behaviour while some attempted to investigate how elements of a servicescape contribute to a hedonic shopping experience or towards a utilitarian one (Ballantine et al., 2010)

The purchase of a car in contrast to a less elaborate product offers the retailer the opportunity to create a more hedonic experience as the product itself can be examined with more than one sense. Millennial consumers have shown to be affected by a number of stimuli that when designed and managed well, can contribute to approach behaviours and influence shopping related intentions within a dealership, such as enjoyment of shopping, time spent browsing and exploring the offerings, willingness to interact with sales personnel and potentially a tendency to spend more money than originally planned.

This study has not attempted to isolate either of the atmospheric stimuli but rather let the consumers identify what stimuli affected them. Naturally, there are always stimuli present in an environment that one does not recognize, but may act upon. These were not under investigation here though.

What this research shows is that there are atmospheric stimuli present in a branded car dealership's servicescape that consumers perceive possibly more than others which leads them to portray signs of approach if favourable. These variables as discovered through thematic analysis are the following. For exterior variables to elicit approach they should be: large buildings indicative of plentiful choice and modern buildings incorporating glass frontage that enable to see the merchandise from outside, which is deemed inviting; there should be parking available on site and signage should be in place that enables ease of navigation.

Among interior variables that have been identified as positively contributing to approach behaviours is lighting, which should be bright enough for consumers to easily examine the exterior and the interior and that would allow them to see the colours in almost daylight fashion. Showroom interior should be airy and spacious, with a focus on generous space allocated to each unit of merchandise on display. Generous spacing contributes to feeling of comfort, reduces perception of crowding and allows consumers to move around freely and inspect merchandise. Product display variables namely access to merchandise is one of key elements that cannot be compromised on as it allows the shoppers to interact with the merchandise, supports engagement and time spent and adds to enjoyment and a hedonic shopping experience. Showrooms that are perceived as spacious with generous space allocated have been reported to give the environment a more premium, luxury feel, which can be perceived as value added to the product.

Human variables that contribute to approach behaviours are positive employee characteristics such as friendliness and being welcoming and employee approach which should be relaxed, helpful, giving time to individuals to explore and interact with the product before a sales focused interaction is initiated. The presence of negatively perceived odors, lead to avoidance behaviour while new car smell mentioned by some participants was viewed positively.

In terms of improvement possibilities, participants mentioned music. Quiet showrooms were perceived negatively among female participants looking for a hedonic shopping experience, however the absence of music was also perceived negatively by utilitarian male shoppers.

Other improvement suggestions were related to decoration. Two of the female participants suggested the use of plants to make the space more alive and to give it a more natural look.

The absence of employee uniforms has prompted 3 female participants to suggest that as an improvement, while one of them commented she felt awkward asking strangers whether they worked there. Finally an improvement suggestion coming from all participants regardless of gender was to give the cars more space or have less cars in a showroom to avoid a cluttered space. Further research or simple in store A/B testing could investigate how these improvements could aid approach behaviour even further.

The investigation into the how the dealership's virtual servicescape influences the decision to visit the physical servicescape has yielded a surprising result due to most of the study's participants not visiting the website of a dealer at all. The reasons gained indicate that participants prefer visiting the official brand's website as it is kept more up to date, better maintained and nicer. In general the online research consisted of two steps: a visit to the brand's website followed by a search for the nearest dealer.

## **6.2 Recommendations For Further Research**

While the present exploratory study contributes to the knowledge of atmospheric stimuli and their effects on approach and avoidance behaviours in the context of motor retailing there is still a wealth of atmospheric stimuli and the ways they impact the consumer's behaviour that have yet to be understood. Research that has been carried out using conventional quantitative and qualitative techniques has its limitations, as respondents of surveys or participants in interviews or focus groups will only report the information they know they processed. An ethnographic approach that would utilise current available technology from the field of neuroscience such as electroencephalograms (EEG) or magnetoencephalograms (MEG) would yield even greater insights into emotional and cognitive reactions of persons subjected to relevant stimuli. This

method, even though more costly, could provide further answers to questions raised by previous researchers.

Secondly, as the society is subjected daily to an information overload it will be interesting to see what effect this will have on consumers and their ability to process various marketing stimuli. Mehrabian and Russell (1974) have introduced the idea of an environment's information rate known as “load” and the idea of “Screeners”, who are people relatively selective in their attention and who automatically screen out less important components of the environment.

In this context it should be said that new generations of customers might be increasingly capable of screening out stimuli present in an environment which poses a challenge for servicescape designers and planners and will require exact knowledge of what information or stimuli the consumer responds to.

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