

# Shopping Centre Marketing: Management approach to atmospherics and experiential marketing

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## **Abstract:**

Beyond the satisfaction of basic shopping needs, researchers point out that the shopping centre is also a destination for consumers to have a good time in. This has been described as a holistic customer experience. One of the factors influencing customer shopping experiences is the retail environment. Here, atmospherics is the practice of consciously designing the retail space in order to produce certain effects in customers. While most research on atmospherics has tended to focus on individual stores, this study looks instead at atmospherics from the broader retail view of the shopping centre. A managerial perspective is also adopted in the study.

Specifically, the purpose of this thesis is to investigate how shopping centre management in Sweden relate to and approach atmospherics, in the context of creating customer shopping experiences. To fulfil this purpose, a qualitative research study was designed, and interviews were conducted with nine shopping centre managers. These are complemented by an interview with a shopping centre owner; and together, form the ten case studies in this thesis.

The main conclusion of this thesis is that shopping centre managements' approach to atmospherics in their shopping centres is influenced by how they relate to the concept. Further, within the framework of experiential marketing, the managements' understanding of customer experiences also contributes to affect and be affected by how they relate to and approach the concept of atmospherics. Moreover, this affective process is dynamic, in that learning from past approaches to atmospherics contributes to influence how the management relates to atmospherics, and how they understand customer experiences in turn.

**Keywords:** Experiential marketing, Atmospherics, Managerial perspective, Shopping centre, Sweden

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# 1. Introduction

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*This chapter provides a brief introduction to the focal topics of the research study: experiential marketing and atmospherics in shopping centres. A problem discussion follows, providing arguments leading up to the identification of the specific research problem that the study aims to address. The corresponding research purpose is also stated. Finally, to lay the ground for the rest of the report, some definitions are clarified and the report's delimitations and disposition are presented.*

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## 1.1 Background

*"Within an environment of possible overbuilding and changing consumers' shopping activities, the level of competition between shopping malls has increased significantly" over the past decades (Ibrahim & Ng, 2002a, p.338). In the face of rising competition, building and construction projects that pepper the landscape tell of the shopping centre industry's traditional and preferred mode of sustaining a competitive edge (Kim et al., 2003; Hedlund, 2010): refurbishment and revitalization.*

According to industry actors, many such projects, however, are reactive rather than proactive in their response to competitors' moves (Hedlund, 2010). In turn, this makes the differentiation process repetitive, and spawns what Kim et al. (2003) describe as a *"series of look-alike centres"* (p.62) from the same cookie cutter mould. In particular, while attempting to stand out against competitors, owners and managers of shopping centres appear predisposed to fit their revamped centres with strikingly similar store mixes and merchandise offerings (Ibrahim & Ng, 2002a), and often even *"identical anchor stores"* (Kim et al., 2003, p.61). Consequently, rather than enabling differentiation from an up-to-date range of store and service offerings, the apparent homogeneity across shopping centres contributes instead to fuel competition in the industry (Ibrahim & Ng, 2002a). Especially for shopping centres situated in close proximity to each other, or within a radius of 'reasonable travelling distance' from the customer; the comparable offerings in each shopping centre might prompt customers to visit a particular centre chiefly based on its location; rather than the attraction of its offer (ibid). On this note, although both scholars (McGoldrick, 2002; Fernie et al., 2003) and retail industry actors (Uhrstedt, 2010) put forth that a good retail location as the key to a successful shopping centre; advances in transportation network and technology might be seen to have greatly altered the significance of location to retail strategy. Specifically, improved transportation networks have eased accessibility to shopping centres (Ibrahim & Ng, 2002a) and the internet has enabled new modes of shopping outside the physical stores and shopping centres (Fernie et al., 2003). In turn, as pointed out by industry actors, while a prime location represents a hygiene factor imperative to retail strategy, it is insufficient as a standalone advantage (Lange, 2010; Kolterjahn, 2010).

Historically, the shopping centre industry has been able to innovate and renew itself (Kim et al., 2003), through an evolutionary focus in price and location in the 1970s to *"advertising, branding, design, service and loyalty schemes"* in the 1980s and 1990s (McGoldrick & Andre, 1997, p.74). Other retail marketing strategies along similar lines have also involved entertainment facilities (Haynes & Talpade, 1996; Eastlick et al., 1998; Zacharias & Schinazi, 2003), technology to visually attract and interact (Hankin, 2001) or an emphasis on *"lifestyle retailing"* (Kim et al., 2003). Indeed, where shopping centres have been depicted as lifestyle destinations (Kim et al., 2003; Cedrins, 2010); as theatres where *"consumers can create their*

*own world and fantasize their parts in a play*" (Langrehr, 1991, p.428); or even fantasy or magical havens to escape to (Goss, 1993; Lehtonen & Mäenpää, 1997); researchers (Haytko & Baker, 2004) and industry actors (Hedlund, 2010) propound that shopping centres should provide more than just a broad assortment and a convenient location. In this line, the activity of shopping is argued to encompass an *experience* (Falk & Campbell, 1997; Jones, 1999); which involves the elements of shopping, entertainment and social interaction (Haytko & Baker, 2004) as well as sensory stimulation (Kim, 2006).

Against this background, the customer experience has received an increasing amount of attention both from the theoretical and the practitioner realms (Tynan & McKechnie, 2009). While consumer behaviour research interprets customer experiences as natural and innate consumption phenomena, involving both rational and hedonistic dimensions (Holbrook & Hirschman, 1982; Hirschman & Holbrook, 1982); marketing practitioners subscribe to the view that companies should consciously co-create these customer experiences (Schmitt, 1999; Pine & Gilmore, 1998, 1999). Moreover, focusing on customer experiences has also been referred to as a means to customer loyalty (Schmitt, 1999) and should therefore be consciously and purposefully designed; and incorporated into a company's marketing strategy (Pine & Gilmore, 1998, 1999).

With the notion that experiences may act as a vehicle for achieving desired outcomes (Fiore & Kim, 2007), it follows that they may also be a means of gaining a competitive advantage (Pine & Gilmore, 1998, 1999; Grewal et al., 2009). Put simply, experiences can be used by shopping centres as a tactical marketing response vis-à-vis the competition (Kim, 2001). Different ways to influence and design the customer experiences include manipulation of prices; communications, type and quality of services or the retail environment (Jones, 1999); and even the availability of features such as entertainment facilities and food courts (Ibrahim & Ng, 2002b). To find out more about customer shopping experiences from a Swedish shopping centre perspective, a pre-study<sup>1</sup> was carried out in the summer of 2010. From this, a common topic of contemporary interest that emerged among actors in the Swedish retail industry was the design and atmosphere of the retail place.

## 1.2 Problem Discussion

Traditionally, according to industry actors, the development of shopping centres in Sweden has followed similar patterns (Hedlund, 2010). In their *"race to the top"* (ibid) in recent years, shopping centre developers have focused on architectural design and gone with the flow of current market trends like Green Design (Cedrins, 2010; Uhrstedt, 2010); or copied existing ideas from other shopping centres in local or overseas markets such UK, Asia or the Middle East (Kolterjahn, 2010). Nevertheless, in the pursuit of sustainable competitive advantage, shopping centre owners and managers have also begun to embrace and consider alternative marketing approaches with renewed interest (Uhrstedt, 2010). The Nordic Council of Shopping Centres (NCSC) even notes that *"more and more companies have started to work on generating a total shopping experience for the consumer"* in response to competitive pressure and to keep up with consumers' demands (NCSC, 2009, p.42).

The retail atmosphere has been shown to contribute to the customer shopping experience (e.g. Jones, 1999) through its effect on customer emotions and behavioural responses in turn (Donovan & Rossiter, 1982). Subsequently, scholars suggest that manipulation of elements in the retail environment, such as music, lighting, layout, design or aspects of the service encounter in the retail setting; could facilitate the retailer in achieving desired behavioural and retail outcomes (Kotler, 1973; Turley & Chebat, 2002).

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<sup>1</sup> Chapter 2 of this paper details the motivation, process and findings of this pre-study.

Indeed, Turley & Milliman (2000) find that the accumulated empirical evidence from studies on atmospherics "*clearly shows that retail consumers can be induced to behave in certain manners based upon the atmosphere created by retail management*" (p.209). Consequently, from a managerial perspective, *atmospherics*, or the conscious control and structure of atmospheric cues in the retail environment, is proposed to represent a valuable marketing tool (Kotler, 1973) which can transform retail environments into powerful communications media to engage customers through treats for their senses (Goss, 1993); and create retail destinations that are perceived as unique and which might differentiate the retailer (Kotler, 1973).

Given the broad spectrum of atmospheric elements available to retailers for retailers to mix and match (cf. Turley & Milliman, 2000), researchers argue that atmospherics should be employed in a strategic and structured manner (Turley, 2000; Turley & Chebat, 2002). Additionally, this argument also draws support from the fact that any retail setting consists of combinations of atmospheric elements instead of single stimuli at any one point (Eroglu et al., 2005), resulting in interaction effects between the multiple elements (e.g. Babin et al., 2003); as well as research findings that consumer do in fact process and respond to multisensory stimuli simultaneously (e.g. Hirschman & Holbrook, 1982; Bitner, 1992). Overall, the researchers mean that these points calls for and provide the impetus for a holistic approach to employing and managing the atmospheric cues in the retail environment.

Similar to several other areas within retailing research (Bloch et al., 1994; Haytko & Baker, 2004), the focus of the empirical studies on atmospherics has largely been on individual stores or department stores (cf. Turley & Milliman, 2000). Though similar studies taking the shopping centre or mall environment as a unit of analysis do exist (e.g. Wakefield & Baker 1998; Haytko & Baker, 2004; Chebat & Michon, 2003; Michon et al., 2005), these are not common. Nevertheless, industry actors are of the view that atmospherics is relevant for shopping centres as well. Specifically, given that retail stores regularly exist in the vicinity of other shops (Söderlund, 2010), it is logical to suggest that the concept and benefits of atmospherics for retail marketing strategy may be extrapolated to an aggregate level of retailing as well – the shopping centre (Lange, 2010; Kolterjahn, 2010). Moreover, research has also depicted the role of malls and shopping centres as key facets of a community's culture and social fabric (Bloch et al., 1994; Haytko & Baker, 2004); representing *the* place to go to shop (Kowinski, 1985; Lehtonen & Mäenpää, 1997), or even a "*consumer habitat*" (Bloch et al., 1994, p.23). Hence, where the customer's visit to the shopping centre is suggested to entail a considerable hedonic dimension in addition to a utilitarian one, it is also plausible to suggest that *mall* atmospherics would have similar effects on the shopping experience in the shopping centre.

Moreover, most studies have concentrated on studying the effects of atmospheric element manipulation on emotional and behavioural outcomes (see Turley & Milliman, 2000 for a review); taking a consumer perspective of the retail atmosphere as a point of departure. Only one study to date could be found, that considered how retailers employ atmospherics in their marketing activities (Bäckström & Johansson, 2006) – though this investigation was in effect part of a larger study exploring retailers' approach to creating customer experiences. Little is known about *how* retailers approach atmospherics, and not much is known either about their sentiments and attitudes towards using the retail atmosphere as a marketing tool or an element in their marketing strategies. Here, though Areni's (2003) empirical examination of managers' theories regarding the effects of atmospherics on perception, behaviour and financial performance does contribute towards this research gap, his study only focuses on one atmospheric element. Although past research has been able to show that retailers do realize the



significance of the physical retail environment in attracting and stimulating consumers (Bäckström & Johansson, 2006); Turley and Milliman (2000) note that there still remains retailers who make arbitrary decisions about the environments they create. Echoing this sentiment, Bitner (1992) laments that *"managers continually plan, build, and change an organization's physical surroundings in an attempt to control its influence on patrons, without really knowing the impact of a specific design or atmospheric change on its users"* (p. 57). Not surprisingly then perhaps, few theoretically based frameworks for strategically planning retail surroundings exist in literature (Bitner, 1992) and it has been stated that a *"clearly articulated discussion of the managerial and strategic issues associated with retail atmospheric design"* (Turley & Chebat, 2002, p.126), or the use of atmosphere to create a differential advantage, is rarely, if ever, discussed (ibid).

### 1.3 Purpose

The purpose of this study is to investigate how shopping centre management in Sweden relate to and approach atmospherics, in the context of creating customer shopping experiences.

More explicitly, the research investigates two managerial aspects of the practice of atmospherics in shopping centres. The first aspect concerns how management "relates to" atmospherics, in terms of their awareness and understanding of atmospherics, as well as their perceptions of the concept. The second aspect looks into managements' "approach" to atmospherics; specifically in terms of the adopted practices and processes in their work to influence the retail environment in some way. Finally, the investigation of these two managerial aspects will be framed by the specific context of experiential marketing, particularly in terms of creating customer shopping experiences.

### 1.4 Delimitations

Before laying out the structure of the research paper, a few points should also be noted as to the intended scope of the research.

Firstly, reflecting on the purpose of the study, my intention is to conduct a study that looks at atmospherics from the perspective of the industry or the retailer, rather than the consumer. Further, the focus of this paper is not the identification per se of which atmospheric cues were used or manipulated by the management in each case study; but rather, to understand the *approach* adopted by managers in controlling and structuring atmospheric cues in the shopping centre retail environment.

Secondly, an assumption is made that the shopping centres cases are, to some extent, currently using experiential marketing as part of their marketing strategy. Moreover, while recognizing that customer shopping experiences are influenced by a several factors (cf. Jones, 1999; Ibrahim & Ng, 2002b), the only factor that will be examined and discussed in the context of designing shopping experiences is the retail environment or atmosphere, in line with the findings from the pre-study.

Finally, though customer experiences in the context of marketing have been described to be a continuous process encompassing pre-, main and post-experience phases (Arnould et al., 2002; Tynan & McKechnie, 2009), the proposed study will only focus on the main customer experience. Thus, by concentrating on the element of atmospherics in the customer shopping experience, the physical retail environment becomes the focal point of the study.



## 1.5 Definitions

### ***Atmosphere and Atmospherics***

While atmosphere relates to the physical environment circumscribed in the retail space, encompassing both tangible and intangible dimensions; atmospherics is a concept. Specifically, atmospherics refers to the deliberate modification or manipulation of the retail environment, in order to achieve certain and desired outcomes.

### ***Experience***

Arguing that the shopping experience may be derived from the act of buying, some researchers point out that the shopping experience and customer experience may not mean the same thing. Nevertheless, where buying has been described to include the temporal phases before and beyond the actual act of purchase, it may also be argued that buying is not a single act, but a process. In turn, where shopping can be depicted to closely parallel the buying process, the customer experience from buying, consuming and shopping may then be argued to be analogous. Thus, for the purpose of this paper, the terms customer experience and shopping experience are used to mean the same thing. Further, these may also be referred to as the customer shopping experience.

## 1.6 Disposition

The first chapter of this thesis introduces the topic: atmospherics as a managerial tool in designing customer shopping experiences. The research problem is also outlined, identified as the lack of knowledge regarding how shopping centre managers in Sweden actually relate to and approach atmospherics in their marketing and design of customer experiences. In addition, the chapter also explains some key terminology, makes available the delimitations and outlines the rest of the paper.

Chapter two describes the pre-study, which was instrumental in delimiting the research focus to areas of interest and relevance to the shopping centre industry. Additionally, the pre-study also provided valuable insights to the topic and the Swedish shopping centre industry at large. The theoretical framework is presented in chapter three, in two main sections: customer experiences and atmospherics. Following a review of the literature in each of these two categories, the chapter closes by putting forward a conceptual research model as the analytical framework for the paper.

Next, chapter four describes the research method for the research study, detailing the research process and specific activities deployed in carrying out the examination of the shopping centre managements' approach to atmospherics. In addition, rationale for the choice of research method is also provided, as is a reflection on the limitations and quality of the research.

The fifth chapter provides the empirical findings, presenting each of the ten cases individually. Chapter six follows with an analysis of the findings, according to the framework introduced in the research model.

Chapter seven states the conclusions for the thesis and its findings, answering the purpose statement put forth in the first chapter. Finally, managerial implications, some final thoughts and suggestions for further research are presented in the eighth and closing chapter.

## 2. Pre-Study

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*A preliminary study was conducted in order to gain insights into the Swedish retail industry and to delimit the scope of research within the broad context of experiential marketing. The focal topic of atmospherics was arrived at following this process. This chapter describes the motivation, process and findings of the pre-study.*

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### 2.1 Motivation for a Pre-Study

According to Pine and Gilmore (1998, 1999), companies should not only incorporate experiences into their market offerings, but also aim to make experiences *the* offerings. Likewise, Schmitt (1999) advocate that by adopting an experiential approach to marketing, companies can get customers to sense, feel, think, act and relate to them and their brands; towards mutually beneficial outcomes. In this vein, these marketing practitioners contend that by emphasizing customer experiences and purposefully designing them, companies can not only achieve certain outcomes characteristic of consumers; but may also breed loyalty and differentiate themselves from competitors. In other words, they imply that an experiential marketing strategy has the potential to contribute to competitive advantage.

However, in these and similar publications by marketing practitioners, it is often goods, services, products or brands that are the constructs in question – the offerings to be ‘experientialized.’ Experiential marketing in retail places appears only to be mentioned in passing, or as part of the larger ‘experience movement’ in the economy (e.g. Pine & Gilmore, 1999). However, as retailing is an industry connected to the activity of shopping, which in turn has been argued to be an integral part of consumers’ culture, being and lifestyles (Bloch et al., 1994; Kim et al., 2003; Haytko & Baker, 2004), it seemed reasonable to conceive that an empirical study on experiential retailing from the industry perspective would be an insightful area of research. More specifically, the study might take shopping centres as the unit of analysis, since shopping centres today have transformed themselves into lifestyle destinations (Kim et al., 2003) and places in which to have fun (Lehtonen & Mäenpää, 1997) – encompassing in other words, an experiential dimension.

Turning to research, an initial literature review on customer experiences and retail marketing revealed that while the customers’ perspective of the shopping experience has attracted much scholarly attention, the industry or company perspective of providing these experiences has largely been neglected. Moreover, in the context of designing these experiences; antecedents of positive shopping experiences as indicated by research (e.g. Jones, 1999) suggest a wide range of angles from which to study experiential marketing in retailing.

Against this background, an exploratory pre-study was planned to shed some light on potential problem areas within the retail industry, and subsequently to delimit the scope of research within experiential marketing in the actual study. Similarly, in order to conduct an empirical study on the retail industry, the pre-study was instrumental in identifying a suitable research problem of contemporary relevance and interest to these actors.

Finally, as a student of marketing and not a native of Sweden, the pre-study also provided a valuable opportunity to gain a deeper insight into the realm of retailing, as well the chance to establish contact and some familiarity with the Swedish retail industry in practice, before the commencement of the actual research study.

## 2.2 Pre-Study Design, Method and Process

Since the aims of the pre-study were largely exploratory, it was decided that the most direct and efficient way to achieve them was through unstructured qualitative interviews, since these are recommended to be a suitable preliminary technique when ‘casting around’ for something, especially when *“the researcher does not know what is there, and cannot determine what needs to be known, or found out”* (Gillham, 2005, p.45).

While a snowball sampling technique – through personal contacts and references from academia – was mainly used to identify and gain access to interviewees, there was also an element of structure in the interviewee selection process. Specifically, basing the selection criteria on the desire to obtain exposure to as wide a range of perspectives as possible, interviews were conducted with a diverse range of actors and experts involved in the Swedish retailing industry; whether in the field, in consultancy or through research (Refer to Table 1). Further, as indicated by the results of the pre-study in the next section; despite the lack of access to specific decision makers in the industry such as store managers or shopping centre owners; the interviews with this set of actors appeared sufficient in highlighting strategic issues for the industry, and for providing a more objective overview of industry issues.

Yet, with reference to emergent issues pertaining to the interior retail environment, findings in this area might have been substantiated through communication with an interior designer specialising in the ins and outs of furnishing shopping centres. Nevertheless, although I was unable to obtain access to such an interior designer, I was able to explore these issues with an architect working with these issues instead.

A total of 12 interviews were conducted, mostly in face-to-face meetings. All interviews were conducted in English and lasted an average of one hour each. Since the interviews were meant to be unstructured and set out in the direction led by the interviewee, neither pre-planned questions in an interview guide, nor standardized ‘prompts’ were employed. Nevertheless, in line with the objectives of the pre-study, the two main topics of discussion in each interview comprised (i) the strategic marketing issues facing retail marketing managers and (ii) their thoughts on the concept of experiential marketing, as interpreted from their respective positions within the retail industry. In addition, discussions of these topics were framed within the context of retail marketing in a shopping centre, rather than single or departmental stores.

Extensive notes were taken for each interview, and later analyzed for substantive statements to identify potential research areas. Subsequently, a literature review on more focused topic areas within experiential marketing was performed, to arrive at the eventual research problem for the proposed study. The findings from the pre-study are presented in the following section.

**Table 1. Interviews conducted for the pre-study**

Date	Name	Company (Organization) / Position	Location/ Duration
2010-06-04	Andreas Hedlund	Head of Office, <i>Handelns Utvecklingsråd (HUR)</i> <sup>2</sup>	Via phone 1 hour
2010-06-07	Anna Nyberg	Assistant Professor – Department of Marketing and Strategy, <i>Stockholm School of Economics (SSE)</i>	SSE office 1 hour
2010-06-08	Niklas Gustafsson	Analyst – Consumer behaviour and experiences, <i>Handelns Utredningsinstitut (HUI)</i> <sup>3</sup>	at a café beside HUI 1 hour
2010-06-08	Henrik Storm	Urban Planner, <i>Nyréns Arkitektkontor</i> <sup>4</sup>	Interviewee's office 1 hour
2010-06-08	Kristina Cedrins	Architect, <i>Nyréns Arkitektkontor</i>	Interviewee's office 2 hours
2010-06-15	Fredrik Lange	Assistant Professor – Department of Marketing and Strategy, <i>Stockholm School of Economics (SSE)</i>	SSE office 45 minutes
2010-06-15	Lisa Henning	CEO , <i>People in Store</i> <sup>5</sup>	Interviewee's office 1 hour
2010-06-22	Agneta Uhrstedt	Secretary General, <i>Nordic Council of Shopping Centers (NCSC)</i>	Interviewee's office 1 hour
2010-06-22	Moon-Suck Song	Managing Director , <i>Panagora Room</i> <sup>6</sup>	Interviewee's office 1 hour
2010-06-24	Magnus Söderlund	Centre Director – Center for Consumer Marketing Professor – Department of Marketing and Strategy, <i>Stockholm School of Economics (SSE)</i>	SSE office 1 hour
2010-07-07	Fredrik Kolterjahn	Analyst – Shopping centre development & property owners, <i>Handelns Utredningsinstitut (HUI)</i>	Via phone 1 hour
2010-10-27	Thomas Eulau	Director – Head of Stockholm Region, <i>Svensk Handel</i> <sup>7</sup>	Interviewee's office 1 hour

<sup>2</sup> Handelns Utvecklingsråd (HUR) is *the Swedish Retail and Wholesale Development Council*.

<sup>3</sup> Handelns Utredningsinstitut (HUI) is *the Swedish Retail Institute*.

<sup>4</sup> *Nyréns Arkitektkontor* is a Swedish architect firm which works with city planning, residential and commercial buildings, landscape, interior furnishing and restoration projects.

<sup>5</sup> *People in Store* is a research oriented consulting firm with a focus on retailing and in-store communication management.

<sup>6</sup> *Panagora Room* is e-tailing expert specialised in the provision of e-tailing systems and online retailing solutions to companies within the fashion segment of the market.

<sup>7</sup> *Svensk Handel* is the *Swedish Trade Federation*.

## 2.3 Pre-Study Findings

Reviewing the notes from the interviews in the pre-study, three main themes emerged in the findings. These pertain to strategic issues facing retailers and shopping centres, as well as ideas concerning the concept of experiential marketing in a retail setting.

### 2.3.1 Need for new shopping centre marketing strategies in Sweden

One recurrent theme that emerged in discussion of strategic issues facing shopping centres was the need for managers to update their strategies to better *"take care of customers"* (Cedrina, 2010); as required by the internet and the new generation of customers in the 21<sup>st</sup> century. Vis-à-vis the rise of online retailing, interviewees were generally in favour of click-and-mortar strategies, commenting that retailers' ability to manage and leverage retail across different channels was essential in current market conditions (Song, 2010; Nyberg, 2010). While some perceived a trend in new business models of launching online retail stores prior to physical ones (Song, 2010), others were of the view that the trend did not pose a great threat for shopping centres, and shopping centres are here to stay, since *"retail in the city develops and increases alongside online retail"* (Cedrina, 2010). In this sense, from the perspective of an architect, Cedrina (2010) also meant that the rise of e-retailing did not make designing shopping centres any different.

The 21<sup>st</sup> century customer was characterized by interviewees as: stressed and time-pressed customers looking both for easy and convenient shopping, but also for more activities and spaces in which to unwind, possibly with others, outside their homes (Cedrina, 2010; Uhrstedt, 2010). In addition, with reference to shopping spaces, this also implied customers' tacit redefinition and hedonic interpretation of the mall as a place to express oneself (ibid), a 'second living room' (ibid), and not just a place for shopping. In the same vein, with particular reference to the Swedish context, the new lifestyle was also manifested in the fairly recent shifting of the 'tradition of shopping' toward a more hedonic activity as typified in common American contexts (Henning, 2010).

Thus, whereas *"the mall was an attraction in itself ten years ago"* – as a place to shop in (Hedlund, 2010), several interviewees were of the opinion that malls could no longer be planned, built or marketed simply as a collection of stores or a *"retail box"* (Cedrina, 2010). Particularly in the Swedish context, where *"most cities in Sweden are too small for two big malls...[such that] malls in Sweden need to have a very broad assortment"* (Henning, 2010); several interviewees also suggested that shopping centres needed to consider other aspects than store or tenant mix when planning their market positioning strategies (Kolterjahn, 2010; Hedlund, 2010; Nyberg, 2010). To support this opinion, several interviewees also pointed to the reality that most shopping centres in Sweden tend to have a very similar mix of stores (Lange, 2010; Hedlund, 2010; Nyberg, 2010), most notably in terms of the "standard" fashion chains such as H&M, Lindex or Kappahl (Storm, 2010).

Moreover, while retail location was perceived as an important aspect of retail marketing, and more so for shopping centres than stores due to the necessary consideration of town planning and wider community aspects during development (Uhrstedt, 2010; Cedrina, 2010; Storm, 2010); there was also a general acknowledgement that a prime location was not a guarantee for successful shopping centre sales (Lange, 2010; Uhrstedt, 2010). Like tenant mix, interviewees advocated that the element of retail location in strategy should be complemented by other factors as well (Lange, 2010). In the same vein, on account of the retail boom in Sweden in the past ten to twelve years, and the correspondent

increase in shopping centre development, Kolterjahn (2010) suggests that *"as more shopping centre retail space is built, competition hardens and shopping centres will be pushed to compete on more novel factors for competitive advantage."*

### 2.3.2 Experiential marketing in retail marketing strategy

Adjourning to my second topic of discussion, all interviewees were familiar with the notion of experiential marketing in retailing, offering several examples in the Swedish context – such as the Heron City shopping centre<sup>8</sup> in Stockholm, which was *"launched in the spirit of Pine and Gilmore"* (Nyberg, 2010). Moreover, most interviewees agreed that greater attention to the customer experience represented a valuable marketing approach (Cedrins, 2010; Uhrstedt, 2010) and a plausible differentiation and strategy for shopping centres (Hedlund, 2010; Gustafsson, 2010).

In terms of research, and the topic of experiential marketing, the need to recognize the difference between a producer and consumer perspective to viewing the customer experience was also emphasized; despite the use of similar terminology in the literature on both perspectives (Gustafsson, 2010). Continuing, Gustafsson (2010) explained that while the consumer perspective was more concerned with aspects of consumer behaviour, psychology and anthropology; the producer perspective relates to retailers' actions to influence, enhance or design these experiences.

Taking a closer look at the phenomenon, it was also noted that the concept of 'experience' had undergone several interpretations in its application in marketing; and possibly even misinterpreted since *"you can't sell experiences"* (Kolterjahn, 2010). In a similar vein, another main concern raised was the breadth of the concept of 'experience', lending in turn to challenges in interpretation and application of the concept in a marketing context (Gustafsson, 2010). Elaborating on the implications of this point in terms of the design of shopping experiences, Henning (2010) reiterated the dual characteristic of customer experiences – comprising both rational and hedonic aspects, – and suggested that shopping experiences should be designed similarly: *"first consider the practical aspects to drive traffic, then enhance customer experience with happiness factors."*

Nevertheless, vis-à-vis online stores, where an emphasis on convenient and customer-friendly shopping flows is essential for a positive shopping experience (Song, 2010), interviewees also suggested that brick-and-mortar retailers could instead leverage their physical retail spaces to their advantage (Lange, 2010; Kolterjahn, 2010). Specifically, recognizing that sensations such as taste and touch are less effective when experienced through a digital medium, the tangible physical retail space with which to communicate, interact and engage customers can be perceived as a relative luxury of the physical store over its online competition (Uhrstedt, 2010).

Consequently, with particular reference to shopping centres, while practical factors such as accessibility, availability of car parking spaces, a convenient and user-friendly layout and clean surroundings were considered essential for a positive mall shopping experience (Henning, 2010); these factors were also considered 'hygiene factors' in this regard (Hedlund, 2010; Eulau, 2010) – suggesting or implying that shopping centre differentiation and mall profiles should be based on other factors and values (Hedlund, 2010) more related to the hedonic or 'experiential' facets of customers' shopping activities (Uhrstedt,

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<sup>8</sup> Heron City is a shopping centre in the Huddinge municipality in Stockholm. Opened in 2001, it offers a destination for shopping, entertainment and restaurants over five stories (Heron City, 2010).



2010; Lange, 2010). Particularly, from an architectural perspective, the mall as shopping destination can be seen as a "*city miniature*" and should be designed as "*a rational building [that is] both easy and beautiful at the same time*" (Cedrics, 2010).

### 2.3.3 Customer experiences through design and atmospherics

Taking the discussion of experiential marketing in shopping centres further, one trend commonly perceived by interviewees was the use of physical design in Swedish shopping centres to enhance the shopping experience (Kolterjahn, 2010). Moreover, by appointing famous architects to design the shopping centre (Kolterjahn, 2010; Eulau, 2010) and creating colourful structures in unconventional forms (e.g. Emporia Mall<sup>9</sup>), shopping centre developers seemed to intend their shopping centre designs to be a facilitator in attracting customers, but also to evoke feelings in them and affect their shopping behaviours in turn (Uhrstedt, 2010).

While architecture and external design seemed to apply mainly to new shopping centres or newly refurbished shopping centres, interviewees also pointed out examples of shopping centres with ornately designed interiors (e.g. Sollentuna Centrum<sup>10</sup>), which though attractive, might also possibly be impractical when it comes to the matter of maintenance (Cedrics, 2010). Nevertheless, drawing support from the vast quantity of empirical studies conducted in stores, on the effects of various atmospheric elements on various retail outcomes; it was believed that mall interiors also had a similar potential to influence shopper behaviour and the shopping experience (Lange, 2010).

Despite the increasing body of research in the field of atmospherics however, interviewees also perceived a gap between academics and business in Sweden (Lange, 2010; Kolterjahn, 2010). For instance, with particular reference to shopping centres, while observing that shopping centres owners and managers are aware of the power of atmospherics and the retail environment on retail outcomes (Uhrstedt, 2010), interviewees also pointed out that the motivation for an integrated application of atmospheric elements in shopping centre design seems to be displaced by other design aspects such as architecture as previously mentioned, and sustainable (green) building design (Uhrstedt, 2010; Eulau, 2010). As summarized by Kolterjahn (2010), "*it is strange that not more retail managers are giving more thought to using atmospherics*" in their retail spaces.

Finally, alluding to academic research, interviewees also confirmed observations from my literature review that even though there is a substantial amount of empirical research conducted on atmospherics, most of these studies are centred on the level of the individual store than the mall (Hedlund, 2010) – like several other areas of retailing research (Söderlund, 2010).

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<sup>9</sup> Emporia is an upcoming shopping centre in Malmö, to be opened in 2012. Owned and managed by Steen & Ström AB, it is to be a "*whole new type of shopping centre*," in terms of its architecture, interior furnishing and tenant mix (Steen & Ström, 2010a).

<sup>10</sup> Sollentuna Centrum is a shopping centre in Sollentuna, Stockholm, and is also owned and managed by Steen & Ström AB. Reopened after extensive renovations at the beginning of 2010, it is "Sweden's first design-oriented shopping centre," featuring specially designed corridors, using high quality materials (Steen & Ström, 2010b).



## 2.4 Summary of the Pre-study

To summarize the findings of the pre-study, interviewees perceived a need for shopping centre marketing strategies to be updated, due to increasing competitive pressure from online retailers, but also from consumers' changing demands. In particular, Swedish shopping centre owners were recommended to make shopping convenient and easy for the consumer (Cedrina, 2010), offer an interesting tenant mix but still attract customers with something other than assortment; and to take a novel and "*much more extreme*" approach to planning and marketing their shopping centres (Hedlund, 2010). In this line, experiential marketing was suggested as a plausible approach toward an updated retail marketing strategy. Specifically, not only would a focus on designing a unique customer experience contribute to creating a unique mall profile vis-à-vis other shopping centres, the specific emphasis on hedonic aspects of the shopping experience in terms of tangible elements in the physical environment would contribute to competitive advantage over online stores.

As a more express example of how shopping centre owners could employ experiential marketing in their strategies and enhance mall shopping experiences, the retail environment and atmosphere was frequently alluded to. Specifically, after securing the comfort, convenience and practical aspects of the shopping environment, atmospherics represented a way by which shopping centre managers could better engage customers on multiple dimensions; resulting in more effective and positive shopping experiences. Overall, interviewees concurred with industry and trend reports indicating that shopping centres of the future were those that provided a greater customer experience (BCSC, 2007a, 2007b) through more attractive retail designs, and more engaging retail atmospheres (Jensen, 2007).

Thus, building on the common discussion thread of atmospherics and enlightened by a subsequent literature review highlighting the research gaps within this topic area; the emergent research problem for the main study entails an investigation of the use of atmospherics in shopping centres, within the frame of designing unique, effective and positive customer shopping experiences.

The next chapter presents the literature relevant to the main research study.

### 3. Theoretical Framework

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*This chapter provides a theoretical frame of reference for the study, and is divided into three parts.*

*In Part I, experiential marketing and the customer experience is introduced. Part II concerns atmospherics, and presents an overview of the empirical research in the area as well as managerial guidelines for the application of atmospherics. Finally, Part III reconciles Parts I and II, and presents a research model as the analytical framework for this paper.*

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#### PART I: Experiential Marketing and Customer Experiences

##### 3.1 Experiential Marketing

Experiential marketing, or customer experience management, is an approach to marketing which assumes the customer experience as its central focus (e.g. Pine & Gilmore, 1998, 1999; Schmitt, 1999; Puccinelli et al., 2009; Grewal et al., 2009). Specifically, in contrast to traditional marketing models which placed emphases on goods, services or customer relationships (Pine & Gilmore, 1998, 1999; Schmitt, 1999); this approach views customer experiences as the tools with which companies can use to create value (Pine & Gilmore, 1998, 1999; Poulsson & Kale, 2004; Gentile et al., 2007; Grewal et al., 2009). In a way, this focus on the customer experience represents a renewed or evolutionary take on *"the concept of relationship between the company and the customer"* (Gentile et al., 2007, p. 397).

Additional to emphasizing the customer experience, experiential marketing adopts a deeper understanding of customer experiences and how they are created (Schmitt, 1999; Gentile et al., 2007; Puccinelli et al., 2009; Verhoef et al., 2009), in order to better manage them (Grewal et al., 2009). To begin with, it recognizes the presence of an experiential dimension in the consumption process in addition to a rational one (Holbrook & Hirschman, 1982; Gentile et al., 2007). In other words, it is the acknowledgement that consumption also consists of an irrational or emotional side, relating to *"fantasies, feelings and fun"* (Holbrook & Hirschman, 1982, p.132). Moreover, while acknowledging that experiences are inherently personal occurrences (e.g. Holbrook & Hirschman, 1982; Hirschman, 1984; Gentile et al., 2007); the experiential marketing perspective also views experiences as *co-created* phenomena (Schmitt, 1999; Pine & Gilmore, 1998, 1999; Poulsson & Kale, 2004; Gentile et al., 2007; Tynan & McKechnie, 2009), arising from the interaction between the customer and the company (e.g. LaSalle & Britton, 2003; Grewal et al., 2009).

Subsequently, this gives rise to two perspectives of the customer experience: the 'experienter' and the 'experience provider' (Poulsson & Kale, 2004). The former view adopts the perspective of the consumer, taking into account both the antecedent conditions particular to him or her; as well as *"the feelings and sensations that take place...[in him or her] during the experience encounter"* (Poulsson & Kale, 2004, p.271). In contrast, the view of the experience provider is concerned instead with *"the tools and processes used...to create those feelings and sensations"* (ibid).

In this vein, the experiential marketing orientation takes as its point of departure, the view that not only *can* companies influence customer experiences; but that they *should* in fact *consciously* do so (e.g. Pine & Gilmore, 1998, 1999; Schmitt, 1999; Poulsson & Kale, 2004). In the context of retailing for instance, it has been argued that retailers are to a large extent responsible for the creation of customer

experiences; and that malls – instead of the *stores* within the malls – are responsible for presenting and managing the “*retail drama*” in order to persuade customers to buy (Kowinski, 1985).

By engineering, orchestrating (Carbone & Haeckel, 1994) or staging (Pine & Gilmore, 1998, 1999) customer experiences, companies do not merely deliver experiences; but instead also design them in such a way so as to contribute to the value creation for customers and the company itself (Gentile et al., 2007). Further, this also implies turning customer satisfaction into delightful experiences (Arnold et al., 2005), transforming ‘OK’ experiences into ‘Wow’ ones (Mossberg, 2003) to make them meaningful (Poulsson & Kale, 2004) and memorable (Pine & Gilmore, 1998, 1999). Yet, more than the aim to *sell* memorable experiences (Pine & Gilmore, 1998, 1999); Gentile et al. (2007) describe this deliberate creation of customer experiences as rather to “*enable the customer to live all the moments of the relationship with a company in an excellent way, even beyond her expectations*” (p.396). Accordingly, companies create customer experiences in the experiential marketing perspective by providing “*artefacts and contexts conducive of experiences,*” which consumers can “*properly employ to co-create their own, unique, experiences*” (Gentile et al., 2007, p.396). Indeed, as remarked by Schmitt (1999), marketers “*need to provide the right environment and setting for the desired customer experiences to emerge*” (p.60).

In short, experiential marketing, or customer experience management is “*a retailer’s strategy to engineer the customer’s experience in such a way as to create value both to the customer and the firm*” (Verhoef et al., 2009, p.38). In this way, by using customer experiences as a point of reference to align marketing decisions with desired shopping behaviour and retail outcomes, the customer experience becomes a marketing tool in its own right (Poulsson & Kale, 2004).

## 3.2 Characteristics of Customer Experiences

In order to manage a customer’s experience, scholars assert that retailers should understand “*what the “customer experience” actually means*” (Grewal et al., 2009, p.1), especially in terms of the underlying consumer buying process (Puccinelli et al., 2009). In this line, Gentile et al. (2007) suggest that proper understanding of the concept can facilitate a company’s achievement of the level of success associated with adoption of the experiential marketing approach.

In general, researchers observe that within marketing discourse and other disciplines (Carù & Cova, 2003), several and varied conceptualizations of the ‘experience’ exist (ibid; Gentile et al., 2007). Nevertheless, recent attempts to systematically define what constitutes an experience in marketing (e.g. Carù & Cova, 2003; Poulsson & Kale, 2004; Grewal et al., 2009) have contributed to dispel some of the ambiguity in discussion (Carù & Cova, 2003; Bäckström & Johansson, 2006; Tynan & McKechnie, 2009); enabling the identification of some common core characteristics of the concept (Gentile et al., 2007).

### 3.2.1 Customer experiences occur through interaction

Firstly, the customer experience in marketing is described as “*every point of contact at which the customer interacts with the business, product, or service*” (Grewal et al., 2009, p.1) – or even a representative of the company (LaSalle & Britton, 2003). This interpretation precludes the notion that experiences are enabled by both the customer and the company throughout the experience process (Poulsson & Kale, 2004; Tynan & McKechnie, 2009) and that interaction is a prerequisite for the experience to occur. In this line, interaction is also referred to as “*the heart of the experience*” (Tynan & McKechnie, 2009, p.506).

Further, researchers also note that the level of interaction may differ from one customer to another (Holbrook & Hirschman, 1982). This notion has been discussed in literature using terminology such as customer engagement (Pine & Gilmore, 1998, 1999; Poulsson & Kale, 2004), involvement (Holbrook & Hirschman, 1982; Wakefield & Baker, 1998; Jones, 1999), immersion (Carù & Cova, 2003; ), absorption or participation (Pine & Gilmore, 1998, 1999). Specifically, according to Poulsson and Kale (2004), an effective customer experience is one that engages customers, or precludes a certain level of involvement or interactivity. Moreover, Pine and Gilmore (1998, 1999) also propose that different levels of involvement give rise to different types of customer experiences. Additionally, the nature of the interaction between the customer and the company is described as *multifaceted* (Holbrook & Hirschman, 1982), in that it occurs on different levels, such as sensorial, emotional, and cognitive dimensions (e.g. Schmitt, 1999; Gentile et al., 2007; Verhoef et al., 2009).

Construing interaction from a social dimension, empirical research on positive shopping experiences has also revealed that customers appreciate high levels of *interpersonal interaction* during their shopping episodes; valuing for instance engagement with helpful salespeople (Arnold et al., 2005) or special attention paid to them on a personal level; such as “being pampered” by retail personnel (Cox et al., 2005).

### 3.2.2 Customer experiences are personal occurrences

In line with the view of experiential marketing to perceive the consumer as “*a person, as opposed to a customer*” (Gentile et al., 2007, p.396), customer experiences have been discerned as “*strictly personal*” (ibid, p.397), or “*private events*” (Schmitt, 1999, p.60). Likewise, experiences have also been described as subjective (Hirschman, 1984), varying from person to person and unique to the individual (e.g. Holbrook & Hirschman, 1982; Hirschman & Holbrook, 1982; Puccinelli et al., 2009; Verhoef et al., 2009). In this vein, recalling the customer-company interactions and customer involvement that take place when an experience is formed, researchers point out that this interaction or involvement takes place on a personal level (Schmitt, 1999; Pine & Gilmore, 1998, 1999; LaSalle & Britton, 2003), and is apprehended by the customer as personally relevant (Poulsson & Kale, 2004).

Moreover, in consumer behaviour discourse, researchers point out that the cognitive-affective processes which give rise to experiences are internal, private and subconscious processes (Holbrook & Hirschman, 1982; Hirschman & Holbrook, 1982). Specifically, construing customers’ interactions with the company as the receipt of external stimuli, Hirschman and Holbrook (1982) describe the subsequent process within individuals as the encoding of the stimuli and subsequent creation of multisensory impressions and images; which are then brought together and “*experienced as a mental phenomena*” (p.93). Moreover, both ensuing processes of emotional arousal – which occurs in response to these interactions and multisensory imagery, – as well as the psychological and physiological reactions prompted by emotions; also occur on a personal level (ibid). In addition to the sensorial and emotive dimensions, the cognitive dimension in the experience further supports the view of experiences as personal phenomena. Specifically, since thinking and sensing represent the essential modes of consumption (Hirschman, 1984), individuals are held to seek experiences that either activate their thought process, or one or multiple sense organs; or a combination of the two (ibid). Put another way, Hirschman (1984) means that “*all consumption experiences consist of thoughts, sensations, or both*” (p.117).

### 3.2.3 Customer experiences encompass multiple dimensions

Bringing together the characteristics of experiences related to interaction and personal occurrences, customer experiences have also been recognized as multidimensional (Schmitt, 1999; Gentile et al., 2007). Specifically, researchers point out that the nature of customer-company interaction during the customer experience is multifaceted (Holbrook & Hirschman, 1982); in that the experience stimulates multiple senses (ibid; Hirschman & Holbrook, 1982), occurs on multiple levels (Gentile et al., 2007; Verhoef et al., 2009), and "*involve[s] the entire living being*" (Schmitt, 1999, p.60).

In similar but distinct interpretations, these multiple 'dimensions' have also been referred to as the elementary components of customer experiences (Gentile et al., 2007); the ways in which the customer may be engaged (Schmitt, 1999) or involved with the company (LaSalle & Britton, 2003); or even the dimensions of customers' response to the interaction (Verhoef et al., 2009). Furthermore, the multidimensional characteristic of experiences also refers to the fact that the experience is influenced and created by multiple actors (Verhoef et al., 2009); comprising not only consumer factors and the elements which retailers can control; but also by elements outside the retailer's control (Jones, 1999; Ibrahim & Ng, 2002a, 2002b; Verhoef et al., 2009). In this way, some researchers have depicted the customer experience as the set of evaluations that customers make of these dimensions or factors, in response to stimuli or interaction with the company (Gentile et al., 2007; Verhoef et al., 2009).

Building on previous work (e.g. Schmitt, 1999; Gentile et al. (2007) summarized the dimensions of customer experiences into six dimensions; encompassing sensorial, emotional, cognitive, pragmatic, lifestyle and relational components. Additionally, LaSalle and Britton (2003) point out two additional dimensions, which they term the intellectual and the spiritual dimensions.

Explicitly, the sensorial dimension; sometimes referred to as the physical dimension (LaSalle & Britton, 2003; Verhoef et al., 2009); relates to the human senses. It concerns sensorial stimulation during the customer experience (Gentile et al., 2007) or resulting 'sensory experiences' (Schmitt, 1999). The emotional or affective dimension is concerned with customer's affective system through the generation and arousal of moods, feelings and emotions (Schmitt, 1999; Gentile et al., 2007). The cognitive dimension is connected with thinking and mental processes (ibid), customer expectations (Gentile et al., 2007) or even related to learning and skills as per the intellectual dimension (LaSalle & Britton, 2003). The pragmatic dimension comes from the practical act of doing something, usually connected to the concept of usability (Gentile et al., 2007). The lifestyle dimension is derived from an individual's affirmation of the system of values and the beliefs, often through the adoption of a lifestyle and behaviours (Schmitt, 1999; Gentile et al., 2007). The spiritual dimension is similarly described; referring to the level at which an interaction touches an individual's core being – not only in terms of his or her values and beliefs but also other more abstract levels of consciousness such as comfort and feeling at peace (LaSalle & Britton, 2003). Finally, the relational component involves the person and beyond; including his or her social context, relationship with other people, reference group or culture, or his or her ideal self (ibid).

On this note, while acknowledging that this deconstructive view of experiences as multidimensional in nature enables a better understanding of the customer experience construct; Gentile et al. (2007) point out that it is a view particular to the marketer – or the experience provider view in experiential marketing. Explaining, the authors note that customers rarely recognize the multidimensional structure

of experiences, but instead "*perceive each experience as a complex but unitary feeling, each component being hardly distinguishable from the others*" (p.398).

In research on customer experiences, particular emphasis has been placed on the sensorial and emotional aspects. In the former, Hirschman (1984) asserts that the senses have a significant function in the consumption of experiences – since they enable the receipt of the external stimuli, or the first step in the formation of the customer experience. In addition, customers' senses are especially relevant in terms of hedonically motivated experiences (Hirschman & Holbrook, 1982) and for sensory-seeking type experience-seekers (Hirschman, 1984). This is supported by empirical findings indicating that customers *do* derive pleasure from sensory stimulation in their shopping activities (Cox et al., 2005). Moreover, acknowledging that consumers' senses work simultaneously, instead of independent of each other; researchers also point out similarly that stimuli are processed in a holistic fashion instead of piecemeal (Holbrook & Hirschman, 1982; Hirschman & Holbrook, 1982; Babin et al., 2003). Consequently, it is suggested that managers should design customer experiences that are multisensory in nature (e.g. Pine & Gilmore, 1998, 1999; Michon et al., 2005; Hultén, 2009).

With regard to the emotional aspect, emotions are emphasized by marketing researchers as a central aspect to the consumption experience in experiential marketing (e.g. Holbrook & Hirschman, 1982, Hirschman & Holbrook, 1982). Building on the notion of experiences as involving a subjectivist dimension (Hirschman, 1984), this significance is supported by evidence from empirical studies, which reveal that different levels and types of customer engagement and stimulation (e.g. Hirschman & Holbrook, 1982; Bäckström & Johansson, 2006) and different aspects of the shopping experience (e.g. Machleit & Eroglu, 2000; Donovan & Rossiter, 1982) give rise to a diverse range of feelings and emotions such as "*love, hate, fear, joy, boredom, anxiety, pride, anger, disgust, sadness, sympathy, lust, ecstasy, greed, guilt, elation, shame, and awe*" (Holbrook & Hirschman, 1982, p.137). In turn, because emotions are mediators in the process of customer experiences (Fiore & Kim, 2007), these emotions lend to differing perceptions of the shopping experience, as well as various types of consumer behaviour and outcomes for the experience provider (e.g. Baker et al., 1992; Donovan & Rossiter, 1994; Wakefield & Baker, 1998).

Moreover, in addition to multisensory imagery, emotional arousal is argued to be an especially crucial customer response of hedonic experiences (Hirschman & Holbrook, 1982, p.92). This is so argued since hedonic motivations are "*those facets of consumer behaviour that relate to the multisensory, fantasy and emotive aspects*" of an experience (ibid).

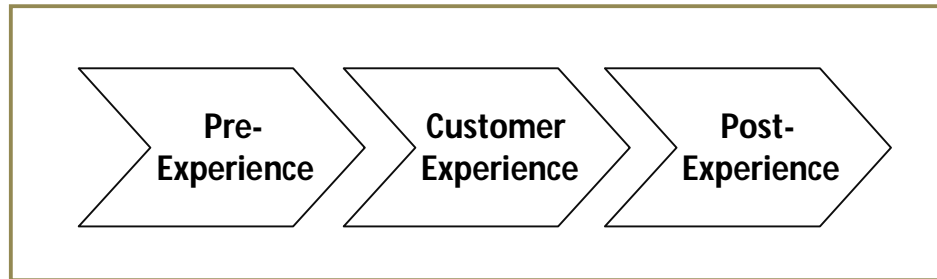
### **3.2.4 The customer experience is a process**

Another characteristic of customer experiences relates to its temporal dimension, which arises from the entire set of interactions or contact points that the customer has with the company, its product or its representative (Gentile et al., 2007; LaSalle & Britton, 2003). Specifically, rather than a single event or incidence surrounding the point of transaction, the experience is suggested to be formed over a period of time instead (Hirschman and Holbrook, 1982; Carù & Cova, 2003; Tynan & McKechnie, 2009) – circumscribing a continuous multi-stage process. With reference to Figure 1, this process takes into account the temporal phases prior to and after the actual point of purchase (Carbone & Haeckel, 1994; Schmitt, 1999; Tynan & McKechnie, 2009), such as searching, day-dreaming and remembering. In turn, the experience process thus draws a parallel to the buying process (Carù & Cova, 2003; Arnould et al.,



2002) or consumption process (Hirschman & Holbrook, 1982). Moreover, by accounting for the psychological phenomena of fantasy and nostalgia, or imagined and past consumption experiences (Tynan & McKechnie, 2009; Verhoef et al., 2009); this multi-stage process can also be described to represent a "*continuum from historic recollections to complete fantasy*" (Hirschman & Holbrook, 1982, p.93).

**Figure 1. The customer experience as a multi-stage process**



Source: Tynan & McKechnie (2009)

### 3.2.5 Customer experiences are both utilitarian and hedonic

Customer experiences are also described in relation to consumers' consumption goals or motivations; since these motivations are held to affect how customers perceive their consumption experiences (Verhoef et al., 2009) and the value they derive from it (Babin et al., 1994). In the discourse on consumer behaviour, researchers point to two types of consumption motivations: utilitarian and hedonic. Here, while utilitarian motivations are described as task-related and rational (Batra & Ahtola, 1991), and associated with the "accomplishment" (Babin et al., 1994) or "*conscious pursuit of an intended consequence*" (ibid, p.645); hedonic motivations are the facets of consumer behaviour relating to the "*multisensory, fantasy and emotive aspects*" of consumption (Hirschman & Holbrook, 1982, p.92). Using the utilitarian-hedonic consumption motivations to portray the two main ways in which humans consume (Hirschman & Holbrook, 1982), and recognizing that consumption encompasses both rational and experiential dimensions (Holbrook & Hirschman, 1982); customer experiences have also been denoted as utilitarian or hedonic (Fiore & Kim, 2007).

Moreover, these consumption motivations have also been applied to the retail context, manifested in the dimensionally opposite categorizations of the shopping activity. For instance, shopping is viewed as rationally or recreationally oriented (Falk & Campbell, 1997), 'shopping for' versus 'shopping around' (ibid), or perceptions of 'shopping as work' versus 'shopping as fun' (Babin et al., 1994). More specifically, while consumers with predominantly utilitarian motives tend to aim for achievement and efficiency in their shopping trip (Kim, 2006), hedonically motivated shoppers shop for the satisfaction of "*adventure, gratification, role, value, social and idea*" motives (Arnold & Reynolds, 2003, p.77). Furthermore, in terms of experiences associated with the shopping activity, shopping experiences have also been similarly described as utilitarian or hedonic (Fiore & Kim, 2007).

While the above descriptions might imply two types of customer experiences as engendered by one or the other consumption motivation; researchers point out that all experiences consist in fact, of a combination of the two (Holbrook & Hirschman, 1982; Hirschman & Holbrook, 1982; Hirschman, 1984). It is argued that both motivations exist simultaneously in all consumption situations – albeit to different



extents (ibid; Haytko & Baker, 2004). Applying this reasoning to shopping experiences, Falk and Campbell (1997) argue similarly that the two consumption motivations should not be *"translated unambiguously into two different practices of shopping"* (p.6). Rather, while a shopping activity may be primarily impelled by one type of motivation, the inherent presence of the other motivation will also influence shopper behaviour; such that the *"paradox [of the two dimensions is not] solved" but rather,...[remains] as a source of permanent tension stimulating the activity of shopping"* (Lehtonen & Mäenpää, 1997, p.146). By this logic, researchers reason that positive shopping experiences may be created regardless of consumers' motivations or *"enduring tendencies to enjoy the shopping process"* (Jones, 1999, p.130). In other words, positive shopping experiences can result from either type of consumption motivation (Ibrahim & Ng, 2002a).

On this note, researchers have also found that despite retailers' better efforts, consumers still tend to place more emphasis on traditional or fundamental values – such as personnel interaction, tidiness and satisfactory selection – when describing their memorable or positive shopping experiences (Bäckström & Johansson, 2006). Accordingly, Bäckström and Johansson (2006) suggest that managers looking to create customer experiences should first pay attention to the more traditional and fundamental retailer aspects; or the aspects related to positive utilitarian experiences. Likewise, Lehtonen and Mäenpää (1997) state: *"...ease and efficiency form the basis of a pleasurable shopping event...If the act of purchasing is not simple and quick, the shopping experience as a whole cannot be entertaining and leisurely"* (p.146).

### 3.2.6 Customer experiences are holistic constructs

Finally, the customer experience in marketing discourse is also held to be a holistic construct (Gentile et al., 2007; Verhoef et al., 2009), which considers both the customer and the consumption process underlying the experience as a whole. Specifically, to recapitulate the above elucidation of the customer experiences characteristics; the customer experience in experiential marketing takes into account the entire set of customer-company interactions (LaSalle & Britton, 2003), interacts with the customer on multiple levels (Gentile et al., 2007) – giving rise similarly to responses on multiple dimensions (Verhoef et al., 2009), encompasses the entire consumption process (Tynan & McKechnie, 2009) and acknowledges the influence of both utilitarian and hedonic motivations in an individual customer's experience.

In this vein, the creation of customer experiences within the framework of experiential marketing thus necessarily involves attention to the customer experience as a whole (Pine & Gilmore, 1998; 1999), so as to create a holistic *gestalt* (Schmitt, 1999; Gentile et al., 2007). In other words, this means that the creation of customer experiences considers *"the totality of providing for customers' needs and wants"* (Tynan & McKechnie, 2009, p. 508).

## 3.3 Factors influencing Customer Shopping Experiences

To engineer and manage customer experiences that create value for both the customer and the company (Gentile et al., 2007; Verhoef et al., 2009), researchers also posit that retailers need to take into account the antecedents to and moderators of customer experiences (Verhoef et al., 2009). Likewise, Berry et al. (2002) contend that companies desiring to compete on providing satisfactory customer experiences must orchestrate all the *"clues"* detected by customers in the buying process (p.85).

Subsequently, according to these researchers, these antecedents, moderators or clues refer to the factors influencing customer experiences. Specifically, Verhoef et al. (2009) indicate that from the point of view of the retailer or experience provider, experiences are *"created not only by those factors which the retailer can control...but also by factors outside of the retailer's control"* (p.32). Accordingly, drawing on research and empirical studies, scholars indicate two main groups of factors which contribute to the customer experience: customer factors and retail factors (Jones, 1999; Ibrahim & Ng, 2002a, 2002b; Haytko & Baker, 2004; Verhoef et al., 2009). Additionally, some situational factors (Haytko & Baker, 2004; Verhoef et al., 2009), and transport or travel-related factors (Ibrahim & Ng, 2002a, 2002b) have also been identified as groups of factors antecedent to customer experiences. Moreover, factors in the macro environment such as macroeconomics and politics have also been argued to affect both the retail factors as well as the customer experience itself (Grewal et al., 2009).

Customer factors include consumption goals and motivations (Jones et al, 1999; Ibrahim & Ng, 2002b; Cox et al., 2005; Verhoef et al., 2009), attitudes related to price sensitivity or involvement (Puccinelli et al., 2009; Verhoef et al., 2009), experience orientation or type of experience-seeking behaviour (Hirschman, 1984); as well as personal attributes such as gender, socio-demographics (e.g. Haytko & Baker, 2004; Verhoef et al., 2009), culture (Winsted, 1997); or even non auxiliary aspects of individuals such as available time and financial resources (Jones, 1999). Examples of situational factors specific to a particular occasion of consumption or shopping include shopping companions (Haytko & Baker, 2004), weather and climate (Verhoef et al., 2009). Transport and travel related factors pertain to both situational factors such as smoothness and enjoyment of the commute (Ibrahim & Ng, 2002a, 2002b); but also to attributes more closely related to the retailer such as travel time and distance (ibid).

Finally, retail factors relate to *"the factors which retailers may use to influence shoppers' experiences"* (Jones, 1999, p.132). These factors relate to price, assortment, service or salespeople (Jones, 1999; Ibrahim & Ng, 2002a, 2002b; Verhoef et al., 2009); as well as features of the shopping centre building including retail environment and atmosphere (ibid), retail location (Jones, 1999; Ibrahim & Ng, 2002a, 2002b) and the availability of ancillary and value-added features (Ibrahim & Ng, 2002a, 2002b).

In line with the context of this thesis, – the creation of customer experiences by retailers; – this lattermost group of factors is elaborated on in more detail. In one area of studies, parallel to managers' interest in retail-entertainment strategies in the 1980s (DeLisle, 2005), entertainment facilities and the general approach to providing shoppers with an element of entertainment have been attributed to positive shopping experiences (Ibrahim & Ng, 2002a; 2002b). In another area, various aspects of the retail environment have been studied for their influential impact on customer emotions and behavior (e.g. Turley & Milliman, 2000), but has also been examined in direct relation to the shopping experience more recently. For instance, in Ballantine et al.'s (2010) study, the ten categories of atmospheric cues which affected the hedonic retail experience most significantly were product display features, colour, space, layout, lighting, sound, design features, comfort features, employees and crowding. In other studies, social dimensions of the retail environment such as interaction with salespeople (Arnold et al., 2005) and the presence of other shoppers (Grove & Fisk, 1997) have also been attributed to the customers' evaluation of the shopping experience. In a study concentrating on adolescent females, Haytko and Baker (2004) find that perceived aspects of the mall such as comfort, safety, retail mix, accessibility and atmosphere influenced mall shopping experiences. Summarizing the above mentioned studies, Table 2 presents a sample of retail factors influencing shopping experiences.

**Table 2. A sample of retail factors influencing shopping experiences**

*Source: compilation from Ballantine et al. (2010); Grove & Fisk (1997); Haytko & Baker (2004); Jones (1999); Ibrahim & Ng (2002a, 2002b)*

	Category	Retail Factor
1.	Retail Prices	--
2.	Assortment	<ul style="list-style-type: none"> <li>▫ Variety of stores and brands</li> <li>▫ Variety of products (merchandise)</li> <li>▫ Cross-category assortment</li> <li>▫ Within category assortment</li> </ul>
3.	Marketing & Communications	<ul style="list-style-type: none"> <li>▫ Sales, promotions, discounts and bargains</li> <li>▫ Celebrations, activities and functions in the shopping centre</li> </ul>
4.	Service & Salespeople	<ul style="list-style-type: none"> <li>▫ Service quality</li> </ul>
5.	Retail Location	<ul style="list-style-type: none"> <li>▫ Accessibility</li> </ul>
6.	Shopping centre features & Facilities	<ul style="list-style-type: none"> <li>▫ Availability of parking facilities</li> <li>▫ Ease of finding parking/ car parking lot</li> <li>▫ Eating outlets, restaurants and cafes</li> <li>▫ Entertainment facilities</li> </ul>
7.	Retail environment, Atmosphere & Other considerations of the physical environment	<ul style="list-style-type: none"> <li>▫ Unique store design</li> <li>▫ Design features</li> <li>▫ General layout</li> <li>▫ Space/ Spaciousness of internal layout</li> <li>▫ Colour</li> <li>▫ Lighting</li> <li>▫ Sound</li> <li>▫ Product display features</li> <li>▫ Comfort features</li> <li>▫ Cleanliness</li> <li>▫ Air quality</li> <li>▫ Interaction with salespeople</li> <li>▫ Interaction with other shoppers</li> <li>▫ Crowding</li> <li>▫ Safety</li> </ul>

## **PART II: Retail Atmosphere and Atmospherics**

According to researchers, the retail environment, or the surroundings associated with a retail place, is comprised of several cues and elements (Kotler, 1973). Subsequently, the aggregate evaluation of these elements results in a perception of the “*quality*” (ibid, p.50) of the retail environment, otherwise known in the context of marketing and retailing as ‘atmosphere’ (ibid). In this line, although atmosphere is only one of several retail factors influencing the shopping experience, the multifaceted nature of the environment suggests that retailers are provided with a diverse range of component aspects with which to manipulate the environment and induce customer behaviour (Baker, 1986; Turley & Milliman, 2000). Subsequently, in the work to influence the retail atmosphere, retailers may also create choice combinations and permutations of different variables to suit their needs (ibid).

Taking retailers’ capacity to influence the environment as a point of departure, this intentional control and structure of environmental cues to create influential atmospheres (Turley & Milliman, 2000) is referred to as ‘atmospherics’ (Kotler, 1973; Turley & Milliman, 2000). More explicitly, this influence of the environment entails the practice of *consciously* designing the retail space in order to produce emotional effects in the buyer, and behavioural outcomes in turn (Kotler, 1973). Moreover, the practice is also suggested to be closely related to the philosophy of ‘total design’; where, “*instead of leaving space to evolve naturally according to the individual temperaments of users, a uniform design is adopted and followed consistently and effectively throughout the space*” (Kotler, 1973, p.50). Hence, additional to the notion of ‘atmospherics’ as the *work* and approach to influence the atmosphere (Kotler, 1973; Turley & Milliman, 2000); atmospherics has also been referred to as the characteristics and elements in the environment (Turley, 2000).

Advocating the employment of atmospherics as a ‘marketing tool’, Kotler (1973) also recognizes that “*atmosphere design is not of equal importance to all sellers*” (ibid, p.52). Elaborating, the author proposes four situations in which the practice of atmospherics *is* particularly relevant for a seller. Firstly, atmospherics is important when the seller’s products are both ‘purchased and consumed.’ Here Kotler (1973) means that atmospherics is relevant for retail situations, since retailers have a degree of “*control over the retail establishments where the final goods are bought,*” unlike manufacturer companies (ibid, p.52). Secondly, Kotler (1973) also argues that atmospherics will become more pertinent as competition increases within the same category of retail; in order to attract and retain the customer segment. Thirdly, where price and product differences between retailers are small, Kotler (1973) proposes that the retail atmosphere will become an additional discriminative criterion in customers’ decision-processes regarding which retail place to visit; alongside other factors such as locational convenience and parking facilities. Finally, Kotler (1973) posits that atmospherics is also especially relevant for retailers whose target customer segments are distinct social classes or lifestyle buyer groups. In this case, atmospherics enables the retailer to create the overall atmosphere in line with the target market segment.

Subsequently, where atmospherics is deemed to be most relevant in these four situations (Kotler, 1973), researchers suggest that the retail atmosphere should not simply be a component factor of marketing, but instead an instrument that should be understood and consciously played to achieve differentiation (Turley, 2000) and competitive advantage (Kotler, 1973). As according to Baker et al., (1992), the retail environment “*has the potential to be an effective and powerful marketing tool if retailers can better understand how to utilize it*” (Baker et al., 1992, p.448).

### 3.4 The broad spectrum of atmospheric variables

As aforementioned, a retail environment is multifaceted, and the range of aspects that can affect the customer correspondingly broad. However, in the context of understanding how atmosphere affects consumer behaviour, some discrepancies exist as to what elements are included in the concept of 'atmospherics'. In one interpretation, acknowledging that atmosphere is apprehended through the human senses (Kotler, 1973); atmospherics is used to describe the aspects of the environment that can be seen, heard, smelled, and felt – though not tasted (ibid); such as brightness, colour schemes, scents, music, noise or temperature. From this perspective, atmospherics pertains exclusively to rather subtle or intangible aspects of the retail environment (e.g. Bäckström & Johansson, 2006), also known as background conditions or ambient factors (Baker, 1986). Additionally, these background or intangible factors are considered separately from more tangible elements present or characteristic of the physical environment (Bäckström & Johansson, 2006); such as layout, display, signage, architectural style; and even the perception of space (Haytko & Baker 2004). Instead, this latter group of tangible factors are referred to more specifically as 'design' factors (Bäckström & Johansson, 2006).

However, when considering that atmospherics is also concerned with the creation of attractive environments (Kotler, 1973) – and increasingly so (Bäckström & Johansson, 2006); another view of atmospherics encompasses both the tangible and intangible elements of the environment (e.g. Hoffman & Turley, 2002). In other words, 'atmospherics' includes both sets of ambient factors and design factors within this view. In literature, this has been operationalized in Kotler's (1973) suggestion of atmospherics as composed of "*three major art forms*" (p.62), namely architecture, interior design and window dressing; or Berman and Evans' (1995) four categories of atmospheric stimuli: store exterior, general interior, layout and design, and point-of-purchase and decoration variables.

Yet, the spectrum of atmospherics is broader still. Further to the aforementioned aspects, a third aspect of atmospherics relates to a human or social dimension (e.g. Baker, 1986; Turley & Milliman, 2000); based on the notion that other customers and store employees also contribute to the overall 'quality' of the atmosphere; through interaction, or simply by their presence (Bitner, 1992). In particular, these social atmospheric factors include aspects such as crowding (e.g. Machleit et al., 1994; Haytko & Baker, 2004), number or friendliness of employees (e.g. Baker et al., 1992) or even employee uniforms (Baker et al., 1994). Further, since retail atmospheres also have an influence on *employees'* moods and behaviour (Bitner, 1992), it is suggested that in addition to the effects of physical stimuli on customers' emotions, atmospheres also have an *indirect* impact on customers through store employees (Bitner, 1992; Turley & Milliman, 2000). Likewise, since atmospheres also affect store personnel *through* customers; who are influenced by store employees again in turn through their interactions with each other (Bitner, 1992); the continuous cycle of social interaction between customers and other people in the environment cannot be ignored; and an understanding of atmospherics must thus also include the human dimension (ibid).

Hence, recognizing the significance of the human dimension of the retail environment, an example of a more holistic approach to viewing the spectrum of atmospheric elements is Baker's (1986) atmospheric framework, comprising all three dimensions of ambient, design and social aspects. In a more recent work, Turley and Milliman (2000) update Berman and Evans' (1995) prior four-way categorization with the inclusion of the human dimension as a fifth dimension. Turley and Milliman's (2000) compilation of atmospheric elements grouped into these five categories is reproduced in Table 3.

**Table 3. The broad spectrum of atmospheric variables**

*Source: Turley & Milliman (2000)*

<p><b>1. External variables</b></p> <ul style="list-style-type: none"> <li>a. Exterior signs</li> <li>b. Entrances</li> <li>c. Exterior display windows</li> <li>d. Height of building</li> <li>e. Size of building</li> <li>f. Colour of building</li> <li>g. Surrounding stores</li> <li>h. Lawns and gardens</li> <li>i. Address and location</li> <li>j. Architectural style</li> <li>k. Surrounding area</li> <li>l. Parking availability</li> <li>m. Congestion and traffic</li> <li>n. Exterior walls</li> </ul> <p><b>2. General interior variables</b></p> <ul style="list-style-type: none"> <li>a. Flooring and carpeting</li> <li>b. Colour schemes</li> <li>c. Lighting</li> <li>d. Music</li> <li>e. P.A.<sup>11</sup> usage</li> <li>f. Scents</li> <li>g. Tobacco smoke</li> <li>h. Width of aisles</li> <li>i. Wall composition</li> <li>j. Paint and wall paper</li> <li>k. Ceiling composition</li> <li>l. Merchandise</li> <li>m. Temperature</li> <li>n. Cleanliness</li> </ul>	<p><b>3. Layout and design variables</b></p> <ul style="list-style-type: none"> <li>a. Space design and allocation</li> <li>b. Placement of merchandise</li> <li>c. Grouping of merchandise</li> <li>d. Work station placement</li> <li>e. Placement of equipment</li> <li>f. Placement of cash registers</li> <li>g. Waiting areas</li> <li>h. Waiting rooms</li> <li>i. Department locations</li> <li>j. Traffic flow</li> <li>k. Racks and cases</li> <li>l. Waiting queues</li> <li>m. Furniture</li> <li>n. Dead areas</li> </ul> <p><b>4. Point-of-purchase and decoration variables</b></p> <ul style="list-style-type: none"> <li>a. Point-of-purchase displays</li> <li>b. Signs and cards</li> <li>c. Wall decorations</li> <li>d. Degrees and certificates</li> <li>e. Pictures</li> <li>f. Artwork</li> <li>g. Product displays</li> <li>h. Usage instructions</li> <li>i. Price displays</li> <li>j. Teletext</li> </ul> <p><b>5. Human variables</b></p> <ul style="list-style-type: none"> <li>a. Employee characteristics</li> <li>b. Employee uniforms</li> <li>c. Crowding</li> <li>d. Customer characteristics</li> <li>e. Privacy</li> </ul>
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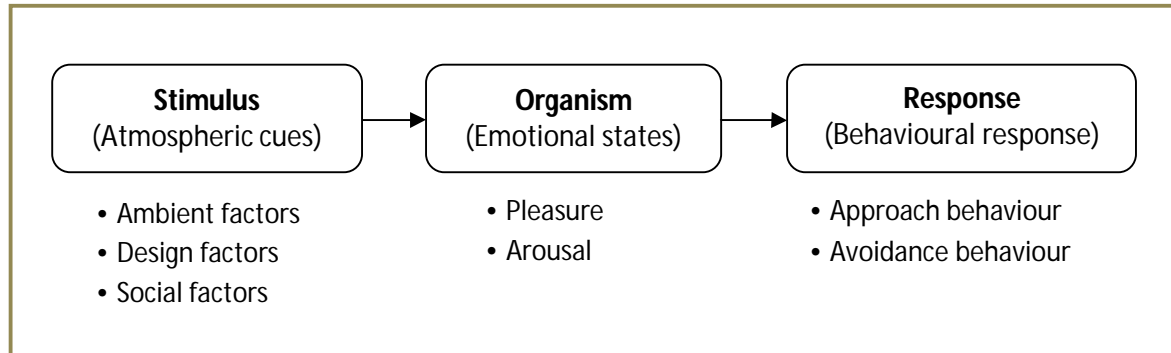
### 3.5 The mechanics of atmospherics

The basic premise of atmospherics is grounded in the field of environmental psychology; and especially in an influential publication by researchers Mehrabian and Russell (1974), culminating in the Mehrabian-Russell (M-R) model. In this work, acknowledging past research associating human behaviour with facets of the environment, the authors suggest that an individual's perceptions of, and behaviour within a given environment are the result of emotional states created by that environment. Specifically, alluding to the Stimulus-Organism-Response (S-O-R) mediation paradigm on which they build their M-R model; the authors mean that the effects of an environment do not directly influence customer behaviour (R), but are instead mediated by the customers' individual affective responses (O)

<sup>11</sup> P.A. is the abbreviated form of the phrase 'public address.' That is to say, "P.A. usage" refers to the use of overhead speaker systems.

to the external environmental stimuli (S). Explaining their logic, the authors hypothesize that since humans are subjective by nature, the effect of external stimuli on individuals can also vary. In this line, individuals' affective responses induced by the environment refer to their internal emotional states, categorized along three dimensions: pleasure (displeasure), arousal (non-arousal) or dominance (submissiveness). In turn, these customer emotions then drive individuals' behavioural responses, which Mehrabian and Russell (1974) characterize as either approach or avoidance behaviours. (Refer to Figure 2).

**Figure 2. Modified Mehrabian-Russell (1974) model**



*Source: Adapted from Donovan et al. (1994)*

Donovan and Rossiter (1982) are credited as the first scholars to apply the M-R model to a retail setting, where atmospheric variables in the retail environment are conceptualized as the external stimuli that induce customers' internal cognitive-affect and evaluation, which, in turn, leads to some behavioural response (e.g. Baker et al., 1992; Turley & Milliman, 2000). Specifically, having found support for Mehrabian and Russell's (1974) hypothesis through their empirical work (Donovan & Rossiter, 1982; Donovan et al., 1994), Donovan and Rossiter (1982) established the validity of the relationship between store environments, emotional states and behavioural intentions; inspiring much of the further research in a retail atmospherics.

## 3.6 Research on Atmospherics

Reviewing the literature on atmospherics up till 2007, Nordfält (2007) categorized extant research on the topic into three general areas of focus; namely (i) atmosphere and customers' choice of retailer, (ii) atmospheric variables and their effect on customer emotions, and (iii) atmospheric effects on customer emotions and other outcomes.

### 3.6.1 Atmosphere and customers' choice of retailer

In the first group of studies, research is focused on investigating the effects of atmosphere on store choice decision criteria (Nordfält, 2007). In the context of shopping malls, for instance, atmosphere is hypothesized to have an impact on mall choice (Baker et al., 2002), especially in terms of youth shoppers (Haytko & Baker, 2004); and juxtaposed against other variables that have been proven to significantly affect mall choice and patronage intentions, such as anchor stores (e.g. Finn & Louviere, 1996). In addition, atmosphere in this context has also been discussed alongside store or mall image, where the effects of atmosphere on customers' cognitions has been held to influence their evaluations not only of the retail environment, but the image of the retail place as a whole (e.g. Baker et al., 1994; Joyce & Lambert, 1996).



### 3.6.2 Atmospheric variables and their effect on customer emotions

The second area of research is interested in investigating *which* atmospheric components in the retail environment affect customer emotions, which then result in customer behaviour (Nordfält, 2007). Accordingly, these studies pertain to the first part of the M-R model depicting the causal relationship between 'stimulus' and 'organism', and assess moreover the effects of *individual* atmospheric variables on customers. Baker et al. (1992) suggest that this type of studies provide more meaningful guidelines "*to retailers regarding which environmental elements create different types of affective responses*" (p.449); than the studies focused on the latter part of the M-R model. Explicitly, the authors mean that these latter studies assess the effects of the retail environment on a 'global' level – or as a whole (e.g. Donovan & Rossiter, 1982), and do not take into account the contribution of individual atmospheric elements to influence the retail atmosphere.

As shown by Turley and Milliman (2000) in their review article, the literature in this area is "*both very diverse and eclectic*" (p.195), encompassing empirical research on a wide range of atmospheric variables, and their effects on customers' feelings and outcomes in turn. Some of these studies have also analyzed mall retail environments (e.g. Chebat & Michon, 2003; Michon et al., 2005; Chebat & Morrin, 2007). However, researchers observe that most of the extant research investigating the effects of atmospheric variables on customers has analyzed the variables individually (Wakefield & Baker, 1998; Eroglu et al., 2005); resulting in very little that is known about the effects of global configurations of the aspects in a retail environment (Everett et al., 1994). In this vein, Mattila and Wirtz (2001) propose that the notion of *Gestalt* can also be extended to consumers' perceptions of retail environments. Specifically, reiterating that consumers use their senses simultaneously (Holbrook & Hirschman, 1982; Hirschman & Holbrook, 1982) and perceive environments holistically (Bitner, 1992), and that atmospheric elements do in fact occur simultaneously and alongside each other in the retail setting (Eroglu et al., 2005); researchers suggest that atmospheric variables should also be varied or studied simultaneously instead of in isolation (e.g. Bitner, 1992; Babin et al., 2003; Eroglu et al., 2005). In fact, recent empirical studies reveal that the manipulation of multiple variables impacts customers differently than when each variable is manipulated in isolation (e.g. Eroglu et al., 2005). This difference is attributable to atmospheric interaction or interactive effects (ibid), which are the effects that atmospheric variables have on each other. Some studies considering the interaction effects of multiple atmospheric variables have included combinations such as lighting, music and social cues (Baker et al., 1992); colour, lighting and price (Babin et al., 2003); ambient scent and music (e.g. Mattila & Wirtz, 2001; Spangenberg et al., 2005), ambient scent and retail density (Michon et al., 2005); retail density and music tempo (Eroglu et al., 2005); as well as combinations of ambient and design factors such as ambience, design and layout (Wakefield & Baker, 1998).

Reviewing the large body of atmospheric research on the atmospheric variables which affect customer emotions and behaviour, Turley and Milliman (2000) observe that the majority of studies found some type of statistical significant relationship between the atmosphere and consumer behaviour – providing support for the premise of the M-R model.

### 3.6.3 Atmospheric effects on customer emotions and other outcomes

The third area of studies on atmospheric circumscribes the research investigating the effects of the emotions evoked by external stimuli on customer behaviour (Nordfält, 2007); relating, in other words, to the second part of the M-R model (organism-response). These studies involve two interrelated sub-areas of research.

The first area of research groups the studies focusing on the 'organism' component of the M-R model. Specifically, these studies are interested in the range of feelings that may result from atmospheric stimulation, and more importantly *which* emotions lead to desired customer behaviour. The main emotional states considered in these studies have tended to revolve around the categories of pleasure and arousal affective dimensions in Mehrabian and Russell's (1974) model (e.g. Donovan & Rossiter, 1982; Donovan et al., 1994; Yalch & Spangenberg, 1990; Baker et al., 1992). Specifically, according to Mehrabian and Russell (1974), the emotional state of '*pleasure*' refers to the extent to which a person feels good, joyful, happy, or satisfied in a situation. '*Arousal*' on the other hand, relates to the extent to which a person feels excited, stimulated, alert, or active in a situation (Mehrabian & Russell, 1974). Further to these broad categories of emotions, some researchers have also looked at other taxonomies of emotions borrowed from psychology (e.g. Machleit & Eroglu, 2000) and found support for the influence on atmosphere on other emotions individually; such as excitement (Wakefield & Baker, 1998), interest, joy, sadness and disgust (Machleit & Eroglu, 2000) and even mood (Spies et al., 1997).

Against this background, while it is logical to assume that the positive emotions are those that lead to desired (approach-type) customer behaviour, as most of these studies have done and found support for; it is argued that this association should not be taken for granted. Specifically, this is so since positive emotions could just as well lead to negative behavioural responses; for instance with the use of scents that are pleasant but non-associated with the retail store (Parsons, 2008). Moreover, even if positive emotions were present, it is possible that their effect on behavioural outcomes is insignificant; a case in point being Donovan and Rossiter's (1982) testing of Mehrabian and Russell's (1974) affect model on the retail setting and finding *insignificant* support for a positive relation between dominance-type emotions and approach-type response behaviours. In a similar case, Bellizzi et al. (1983) found that although people were attracted to warm colours (pleasure), they also found them unpleasant (displeasure); such that the emotions cancelled each other out, leading the authors to conclude that colours, while associated with physical attraction, do not influence approach behaviour.

The second sub-area of atmospheric studies in this section concerns the kinds of responses that can result from atmospheric stimulation, as mediated by emotions. Specifically, by the definition of atmospheric effects as the "*physiological and psychological reactions or impressions a consumer forms*" (Turley, 2000, p.49) from contact with the retail atmosphere, the responses in this group of studies pertain both to behavioural as well as cognitive responses in consumers. In these studies, researchers have looked at and found positive relationships between specific atmospheric variables and the categories of approach-avoidance consumer behaviour (e.g. Donovan & Rossiter, 1982; Baker et al., 1992). Specifically, according to researchers (Mehrabian & Russell, 1974; Donovan & Rossiter, 1982), '*approach*' behaviours are the positive responses to an environment, such as a desire to physically move towards, explore or stay in the environment, to communicate with others in the environment, as well as the degree of enhancement in task performance and satisfaction. '*Avoidance*' behaviours, on the other hand, refer to the opposite tendencies and behaviour such as the desire to physically move out of, avoid moving through or interacting with the environment, a tendency to remain inanimate with the environment, avoid interaction and ignore communication attempts from others, as well as the degree of hindrance in task performance and satisfaction (ibid).

Moreover, studies have also found support for the effects of atmospherics on more specific aspects of these types of behaviour, such as desire for interaction with store personnel (Dubé et al., 1995), patronage decision (e.g. Wakefield & Baker, 1998; Baker et al., 2002; Grewal et al., 2003) and time

spent in the store (e.g. Donovan et al., 1994; Spangenberg et al., 1996), – relating both to intended and actual behavioural outcomes. In addition to behavioural outcomes, past research also suggests a link between atmospheric stimulation and consumer evaluation and perception, such as estimation of time spent in store (e.g. Spangenberg et al., 1996), estimation of wait duration (e.g. Hui et al., 1997); perceived merchandise quality (e.g. Baker et al., 1994; Chebat & Morrin, 2007), perceived quality of service (e.g. Baker et al., 1994), store or mall image (e.g. Baker et al., 1994; Haytko & Baker, 2004), store evaluation (e.g. Dubé & Morin, 2001); and even hedonic shopping experiences (Ballantine et al., 2010). Moreover, beyond behavioural and cognitive responses from consumers, studies have also found evidence for the effects of atmospheric manipulation on a host of other retail outcomes such as dollar sales or amount of money spent in the store (e.g. Donovan et al., 1994), sales volume (e.g. Milliman, 1982; Edwards & Shackley, 1992); or for creating long lasting consumer relationships (Babin & Attaway, 2000).

### 3.7 Application of Atmospherics

Drawing support from the large body of empirical work on atmospherics in their review paper, Turley and Milliman (2000) conclude that *“retail consumers can be induced to behave in certain manners based upon the atmosphere created by retail management”* (Turley & Milliman, 2000, p.209). As a consequence, from a managerial perspective, atmospherics has been suggested to be a useful marketing tool (Kotler, 1973; Baker et al., 1992) for retailers; facilitating for instance the creation of value and increase in customer share (Babin & Attaway, 2000) as well as a differential advantage over competitors (Turley, 2000; Turley & Chebat, 2002).

In this line, scholarly reviews have shown that the retail industry does indeed have a history of atmospheric manipulation (Turley & Milliman, 2000), and that retailers *do* understand the potential of atmospherics and have incorporated the practice in their marketing efforts (Bitner, 1992; Bäckström & Johansson, 2006). Yet, while acknowledging that the atmospheric design decisions of major retailers today appear to be well thought-through, especially in terms of store layout and design (Turley & Milliman, 2000); researchers also observe that there are still retailers who adopt a more casual and informal approach to atmospherics, and continue to *“make arbitrary choices about the environments they create”* (Turley & Milliman, 2000, p.209). As Bitner (1992) notes for instance, while managers may modify their retail environments, they often do not know the impact of their atmospheric design on their customers. Accordingly, in order to harness the full potential of atmospherics, researchers advocate that retailers should adopt a more strategic (Turley & Chebat, 2002) or structured approach (Turley, 2000) to atmospheric design.

#### 3.7.1 Two complementary approaches to atmospherics

Notably, despite the interest in atmospherics in marketing research, only very few articles have addressed *“a global or macro view of retail atmosphere creation”* (Turley & Chebat, 2002, p.126), or specifically discussed how retail managers should go about their work in atmospheric design (ibid). Nevertheless, two attempts at providing retailers with a structured framework for atmospheric design can be identified in the extant atmospheric literature (Turley, 2000; Turley & Chebat, 2002).

In Turley's (2000) work, emphasis is on the practical aspects of using atmospherics in retail marketing as a selling tool. Specifically, the author first recommends the conduct of an atmospheric audit, followed by a set of nine guidelines. These guidelines, as reproduced in Table 4, are designed to steer the process of atmospheric design as well as the ongoing management of atmospherics.

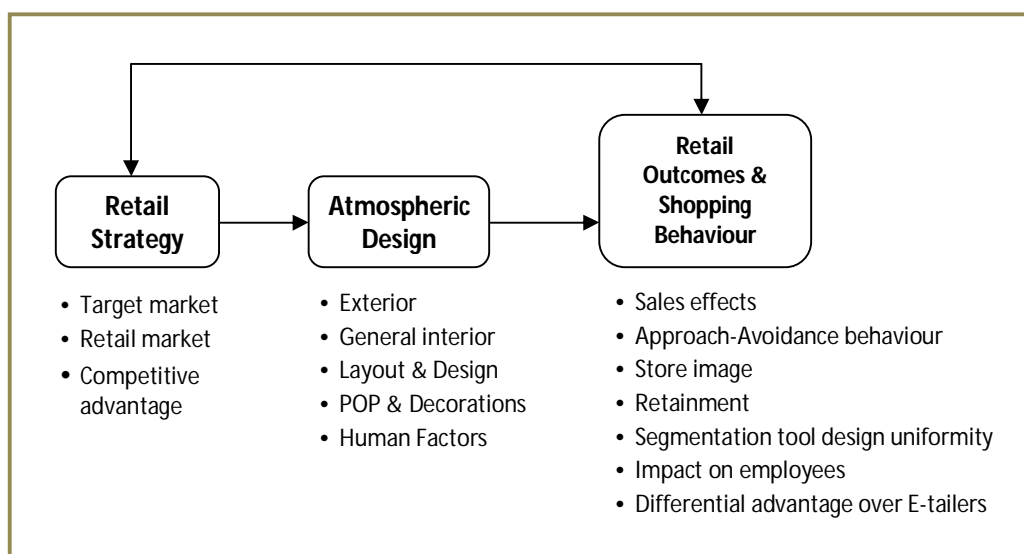
**Table 4. Turley's (2000) Managerial guidelines & recommendations for atmospheric design**

Source: Turley (2000)

- |  |
|--|
| <ol style="list-style-type: none"><li>1. When possible, develop an atmospheric theme</li><li>2. Shape the atmosphere for a particular target market</li><li>3. Foster impulse buying</li><li>4. Reduce atmospheric distortion</li><li>5. Focus on the exterior</li><li>6. Visit competitor stores</li><li>7. Choose music carefully</li><li>8. Monitor customer comments</li><li>9. Audit on a regular basis</li></ol> |
|--|

In the second framework, Turley and Chebat (2002) propose that retail executives should "*implement retail strategy for how they want consumers to respond to an atmosphere*" (p.127). In this line, they propose a more holistic approach to atmospherics, suggesting that atmospheric design should be incorporated in the retail strategy planning process (Refer to Figure 3). Drawing attention to the broad spectrum of atmospheric variables which retailers may use to influence customers (cf. Turley & Milliman), and the wide range of behaviours that the retail environment is capable of eliciting in consumers (Turley & Chebat, 2002); the central point underscored by the authors in their model is that the design of the retail atmosphere should be directed towards pre-determined and specific goals. Finally, as a supplement to the strategic approach, the model also depicts a feedback loop between outcomes and strategy, which allows for the strategies to be improved after they have been implemented (Turley & Chebat, 2002).

**Figure 3. A strategic view of the retail environment**



Source: Turley & Chebat (2002)

### **3.8 Managerial Guidelines for the application of Atmospherics**

Acknowledging that the task of developing a viable atmospheric design is exceedingly complex (Turley & Chebat, 2002), the above frameworks also propose some guidelines to facilitate retailers in their practice of atmospherics. Specifically, these guidelines pertain to certain practices or processes which the scholars believe retail managers should adopt, in their work on atmospheric design (Turley, 2000; Turley & Chebat, 2002). Since a comparison of the above two frameworks reveals that they are complementary and overlap to some extent, the two sets of recommendations are combined and presented as one set of guidelines in the rest of this section.

#### **3.8.1 Atmospheric Audits**

According to Turley (2000), an atmospheric audit implies taking stock of the retail environment and assessing how it may be better managed or adapted to influence consumers. Consequently, this step is also similar to the type of 'systematic research' which Baker et al. (1992) argue that retailers should engage in, to enable them to make better informed decisions regarding atmospheric design; resulting in desired retail outcomes regarding patronage.

In this line, the first step in the atmospheric audit involves the systematic evaluation and record of the variables present in the retail environment in each of the five areas of atmospheric variables (cf. Turley & Milliman, 2000). Here, adopting a thorough and objective stance, each variable is also evaluated for consistency, effectiveness and their potential influence on customers' perceptions and behaviour. Further, the authors recommend that additional notes should be made about each variable, such as whether and what things are done well, poorly or send conflicting images; or which variables can be changed quickly and cheaply; and which cannot (Turley, 2000). The next step in the atmospheric audit involves the evaluation of the retail place or facility as a whole, using the same set of questions as those in the "*area evaluations*" (ibid, p.50). More importantly however, the salient issue at this point is the appraisal of whether the retail environment is communicating the desired message about the retail organization to its customers. This appraisal is the main objective of the atmospheric audit, which contributes thereafter to provide direction for changes that need to be made in the retail environment, as well as implications for atmospheric design (ibid).

#### **3.8.2 Atmosphere as retail strategy**

As aforementioned, Turley and Chebat (2002) advocate that atmospheric design should be integrated into the retail strategy planning process, such that the retail atmosphere is tied to corporate and marketing objectives. Specially, referring back to Figure 3, this approach to atmospherics entails strategically thinking about atmospheric design in three components.

In the first, it is suggested that planning for atmospheric design should take place at the same time as retail strategy is formulated. Moreover, the authors contend that retail managers should recognize the potential of the retail atmosphere as an element of differentiation that is "*difficult to duplicate*" (Turley & Chebat, 2002, p.128), thus contributing to competitive advantage in turn. Subsequently, managers should also determine the role of the retail environment in their strategic goals; before moving on to the next stage. The second stage relates to atmospheric design, or specifically the development of ideas in designing the retail atmosphere. Importantly, the ideas developed here are based both on the target group as well as specific goals or behavioural and retail outcomes which the retailer has in mind.

This, according to the authors is the most crucial part of the strategic atmospheric design approach. Finally, when the selected atmospheric design has been implemented, the last stage in Turley and Chebat's (2002) strategic model prescribes that feedback must be collected; which can then be used to improve subsequent retail strategies and atmospheric designs. All in all, Turley and Chebat (2002) advocate that the whole process of planning, designing, implementing and evaluating the effects of atmospherics should be aligned with the retail strategy and the retailers' strategic objectives. Accordingly, this implies that managers also need to have "*specific goals for the atmosphere in mind*" when combining atmospheric stimuli and designing the retail atmosphere; so as to create a meaningful environment (ibid, p.125).

### 3.8.3 Development of an atmospheric design theme

Turley (2000) also recommends that the development of an atmospheric design should be done in line with an atmospheric *theme*. Building on the results of the atmospheric audit, the author explains that this theme should be consistent with the message or impression which the retailer wants his or her facility to convey. Likewise, this also implies an atmospheric theme that is complementary to the retailer's overall strategy (Turley and Chebat, 2002).

As one rationale explaining the necessity for a central atmospheric theme or design direction, Turley (2000) indicates that this consistency enables consumers to better interpret the atmosphere as well as the retailer's message in turn. In this way, sticking to the theme enables a company to reduce atmospheric distortion or dissonance, which "*occurs when different variables in an atmosphere communicate conflicting messages and/or impressions to consumers*" (Turley, 2000, p.50). Consequently and more importantly, having a theme in mind also serves to keep the overall atmospheric design on track towards desired goals (Turley & Chebat, 2002), since even well-defined themes can "*become lost and/or diluted over time*" when new atmospheric ideas are added and subtracted (Turley, 2000, p.50). In this manner, having a theme helps to guide future atmospheric design projects, such that new atmospheric elements are added only if they fit into the desired atmospheric design theme (ibid).

In conceiving a suitable theme, Turley (2000) indicate that a wide variety of choices are available, and inspiration can be drawn from the likes of nature, destinations and historical eras. Moreover, the authors suggest that themes can also be based on more abstract notions, for instance high quality, bargain basement and efficiency (Turley, 2000). Additionally, inspiration can also be drawn from competitor stores, where retailers can take a 'twist' on rival's ideas (ibid). Alternatively, rather than creating a theme, another option for retailers is to construct an environment aimed at a particular target group such as a generational cohort, in line with what theory refers to as 'lifestyle retailing' (ibid). As a caveat, researchers also point out that regardless of whether a theme-based or lifestyle-based atmospheric design is chosen (Turley, 2000), it is imperative that the retail environment be created with a specific target in mind (ibid, Turley & Chebat, 2002).

### 3.8.4 Selection of atmospheric variables

Conceptualization of an atmospheric design also precludes the selection of atmospheric variables, which researchers have acknowledged to be an especially difficult task (Turley & Chebat, 2002). Specifically, this challenge stems from the wide variety of atmospheric elements in the retail environment which can influence customers (cf. Turley & Milliman, 2000), the wide range of outcomes

possible (ibid), as well as the possibility of negative outcomes (e.g. Donovan & Rossiter, 1982) or “counterproductive” atmospheric effects (Bäckström & Johansson, 2006, p. 420).

In deciding which atmospheric elements to focus on, Turley (2000) suggests special attention to exterior variables. Specifically, the “*aggressive monitoring and upgrading [of] the exterior*” (Turley, 2000, p.51) is proposed to facilitate the retailer in creating a pleasing first impression on customers, and to increase traffic and sales (ibid). Further, this emphasis on the exterior in terms of exterior store windows, signs and marquees, is suggested to be especially helpful for retailers located in less prestigious or attractive shopping areas (ibid). Alluding to the significant effects which music has on consumers and retail outcomes in turn (cf. Turley & Milliman, 2000), Turley (2000) also advocates the use of music in retail facilities. However, acknowledging that consumers’ perceptions of music can be highly subjective, the author advises a careful selection of music. This implies attention to the type of music’s effect on the target group (Turley, 2000; Turley & Chebat, 20002) as well as congruency of the music with the type of merchandise in the store (Turley, 2000). As a note of advice, Turley (2000) also draws attention to studies showing that consumers may prefer no music to the wrong music (e.g. Yalch & Spangenberg, 1990).

As an overall approach to selecting atmospheric variables, Turley (2000) encourages retailers to dare to explore atmospheric elements beyond those traditionally listed in the five categories (cf. Turley & Milliman, 2000), since “*those little atmospheric quirks can be what consumers remember*” about the retail store (Turley, 2000, p.50). At the same time as creativity in atmospheric design is valuable, however, other researchers have also pointed out that customers may not always be aware of particular aspects of the retailer or retail environment, even when it is influencing their behaviour (Milliman, 1982; Bäckström & Johansson, 2006). Likewise, it has also been shown that some aspects of the environment are only noticed by customers when they exceed a certain threshold (Jones, 1999), such as the cleanliness of the environment, crowded aisles or unreasonably loud music (Arnold et al., 2005). As a consequence, Turley and Milliman (2000) suggest that atmospheric design need not necessarily be blatant or involve extensive or large-scale additions or modifications in order to affect consumers. In this line, the authors suggest that “*sometimes, understated and subtle changes to the retail environment are all that is required to change how shoppers behave inside a store*” (p.209).

Moreover, researchers also remind that the selection of atmospheric variables should be conducted so as to accomplish the strategic goals of atmospheric design and the retail strategy (Turley, 2000; Turley & Chebat, 2002). This implies for instance that if a desired outcome is impulse buying, the atmospheric variables selected to be manipulated should then contribute to foster these unplanned purchases (Turley, 2000). Moreover, corresponding to research indicating that atmospheric effects and perceptions of the external atmosphere can vary between individuals (e.g. Yalch & Spangenberg, 1988, 1990; Turley & Milliman, 2000), Turley and Chebat (2002) mean that retailers should take both the target group and the retailer’s desired outcomes into consideration when deciding which atmospheric variables to use. Furthermore, rather than selecting atmospheric elements piecemeal based on feel or instinct (Turley, 2000), Turley and Chebat (2002) advocate a centralized control over the retail environment. In particular, this entails the review of atmospheric elements *simultaneously* across the five categories (cf. Turley & Milliman, 2000), as well as the subsequent development of specific atmospheric element combinations to accomplish the goals the retailer endeavours towards (Turley & Chebat, 2002). Accordingly, this integrative approach thus also takes into account the possible interaction effects between atmospheric elements (e.g. Babin et al., 2003; Eroglu et al., 2005), which if



ignored during the process of atmospheric design, can “*play tricks on managers trying to boost mall and store perceptions*” (Michon et al., 2005, p.580).

### **3.8.5 Customer feedback and ongoing management of atmospherics**

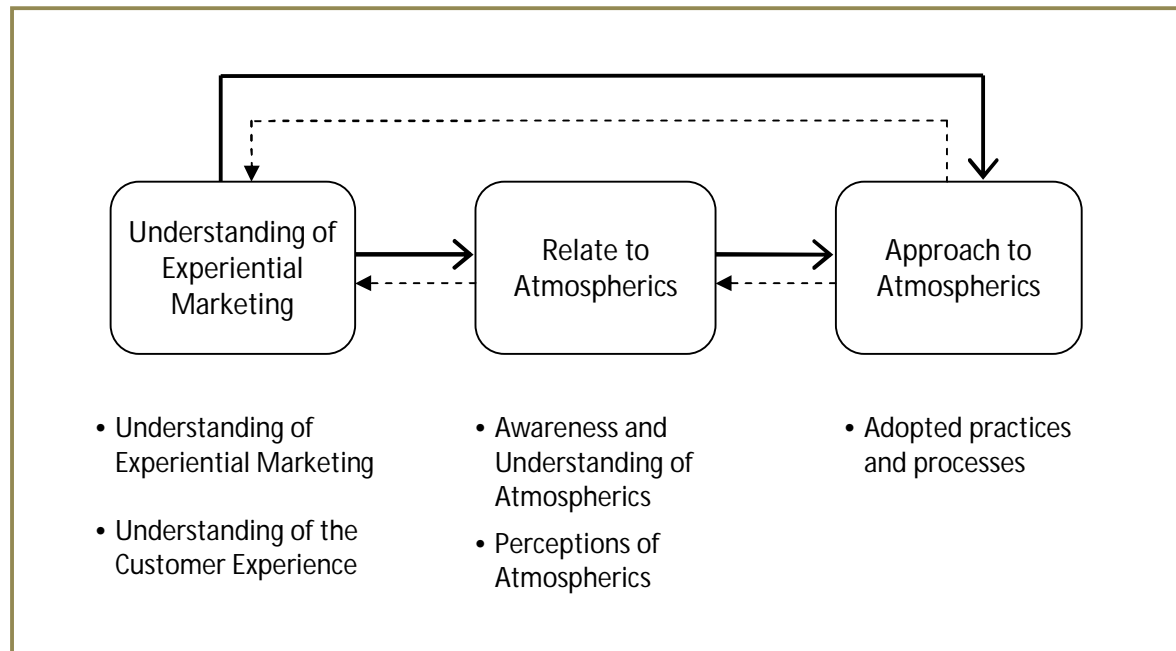
After implementation of an atmospheric design, researchers also deem it essential to obtain feedback from customers (Turley, 2000; Turley & Chebat, 2002); since implementation of a new atmospheric design may invariably raise unknown issues on customer behaviour effects (Turley & Chebat, 2002) or be unfavourable to customers (Turley, 2000). On this note, acknowledging that customers may not feel comfortable providing feedback on things which they do not find attractive, Turley (2000) also suggests that managers should ‘monitor’ customers’ comments – including voluntary feedback, – so that negatively perceived atmospheric changes can be recognized quickly as a damage control measure. Subsequently, the insights gained from customer feedback should be taken into account when fine-tuning the atmosphere (Turley, 2000); and should also be fed back into the retail strategy to influence future atmospheric design strategies (Turley, 2000; Turley & Chebat, 2002).

Finally, further to these insights, Turley (2000) also advises managers to conduct atmospheric audits on a regular basis, in order to identify areas in the retail atmosphere that may have become worn and tired to customers (Turley, 2000; Turley & Chebat, 2002). Additionally, these regular audits are necessary in light of the rapid changes in design trends and customer preferences, so as to enable retailers to update their atmospheric designs accordingly (ibid). Moreover, keeping an eye on competitors is also suggested to be a wise move in the ongoing management of atmospherics, especially if atmospheric design is part of a retailer’s differential advantage (Turley, 2000).

### PART III: Research Model

This section concludes the theoretical framework by presenting my interpretation of the theories put forward earlier in this chapter, organized into a research model. This model is illustrated in Figure 4, and is intended to serve as an analytical framework for the research analysis.

**Figure 4. Research Model**



This study takes as its point of departure the practice of experiential marketing in shopping centres. According to the literature, not only does this imply a conscious focus on customer experiences, it also entails a broader understanding of the customer experience as a concept (Grewal et al., 2009) and how this experience is co-created by both the experience provider (retailer) and the 'experiencer' (customer) (Poulsson & Kale, 2004). Moreover, researchers also recommend that these types of understanding should be present, in order for retailers to better create and manage customer experiences (Gentile et al., 2007; Grewal et al., 2009).

Retail factors are aspects characteristic of the retailer which influence shopping experiences (Jones, 1999). Of these factors, the retail atmosphere has been shown to positively impact customer behaviour (Turley & Milliman, 2000); and argued more recently to contribute likewise to shaping the customer experience (Ballantine et al., 2010). Consequently, the retail atmosphere has been proposed to be a valuable marketing tool towards the achievement of desired retail outcomes (Babin & Attaway, 2000), as well as differentiation for the retailer (e.g. Kotler, 1973; Turley, 2000) – or the shopping centre in the context of this paper. Looking at the retail atmosphere in this way from the perspective of the retail management, the manner of consciously and systematically working to influence the retail atmosphere is termed "atmospherics" (Kotler, 1973).

In attempting to understand shopping centre management's approach to atmospherics, learning about how management understands and perceives the concept is a pertinent aspect for consideration. Particularly, by the definition of atmospherics, it is reasonable to infer that application of atmospherics necessarily involves consciousness of the concept – or more specifically an awareness and

understanding of how a retail atmosphere may be influenced. In addition, as indicated by initial empirical insights from the pre-study, although retailers in Sweden are familiar with the concept of atmospherics, their attention to atmospherics in their retail places seemed to be less apparent. Reversely, in literature, researchers point out that while retailers have recognized the potential of the retail atmosphere to influence consumer behaviour, their holistic awareness of what the practice of atmospherics entails and its subsequent effects appears to be lacking (Bitner, 1992). Moreover, it was also presupposed in this literature that retailers' awareness, understanding and perceptions of atmospherics preceded and affected retailers' application of the concept in their retail places (Bitner, 1992; Turley & Milliman, 2000). Accordingly, to take these pertinent managerial aspects into consideration in understanding shopping centre managements' approach to atmospherics, these points are investigated in the study – denoted as the section on how management “relates to” atmospherics.

Alluding to the marketing potential of atmospherics to achieve significant retail outcomes, researchers assert that the application of atmospherics should be conducted in a structured way (e.g. Turley, 2000; Turley & Chebat, 2002). In this line, some researchers have attempted to propose some guidelines for how managers' could approach atmospherics, in order to leverage the full potential of atmospherics in its function as a marketing tool (Kotler, 1973). These guidelines pertain to various aspects of how work on atmospheric design should be regarded, as well as adopted processes for practicing atmospherics. Examples of these practices and processes include the conduct of atmospheric audits, selection of atmospheric variables to manipulate based on target group, and the collection of feedback on atmospheric effects.

In summary, managements' practice of atmospherics in the context of creating shopping experiences may be seen to constitute a process, as denoted by the bold arrows in Figure 4. Specifically, managements' approach to atmospherics may be affected by how they relate to the concept. Further, in the context of practicing atmospherics within the frame of experiential marketing, how management relates to and approaches atmospherics could be influenced by management's understanding of customer experiences and how these experiences may be created.

However, the process described in the above paragraph may also be reversed, as denoted by the dotted lines in the research model. In other words, as marketing decisions are not made in a time vacuum but instead evolve over time due to local and external learning, so too are decisions related to atmospheric design dynamic rather than static or time-specific. For instance, local learning could occur from completion of a particular atmospheric design project; which may then be fed back into the process, affecting the two other managerial aspects. In other words, past approach to atmospherics may be expected to have a bearing on how management relates to atmospherics in the future; as well as how they understand experiential marketing in the future. Moreover, deriving learning from external sources such as local and overseas competitors as well as literature and future trend research; how management relates to atmospherics may also change and develop over time; possibly altering both the understanding of experiential marketing as well as the approach to atmospherics.

In a nutshell, my interpretation is that managements' approach to atmospherics is affected by how they relate to the concept. Further, within the context of experiential marketing, managements' understanding of the customer experience also has an influence on both managerial aspects of “relating to” and “approaching” atmospherics.

## 4. Method

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*This chapter summarizes the knowledge and data gathered to fulfil the purpose of the study. A general description of the study design is first presented, followed by an elaboration of the process and steps undertaken for case selection, data collection and data analysis. This is followed by a reflection on the research limitations. The chapter concludes with a discussion of the quality of the research study, in terms of trustworthiness.*

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### 4.1 Research Design

Reflecting on the problem discussion and gaps in extant research on atmospherics, I arrived at the research purpose to investigate how shopping centre management in Sweden relate to and approach atmospherics, in the context of creating customer shopping experiences. Accordingly, this implies the aspiration to gain insight into the industry perspective of using atmospherics, and places less emphasis on the consumer perspective, such as resultant consumer behaviour or perceptions. Against this setting, the research orientation for the paper can also be described to be inductive, as suggested by the aim of the research project which entails the attempt to "*appreciate inherent patterns*" (Bryman & Bell, 2007, p.407) in the data rather than to test theories or "*impose preconceived ideas*" on them (ibid, p.407). Nevertheless, it should also be pointed out that the inductive approach does also involve some elements of deduction (Bryman & Bell, 2007).

While a quantitative research set up was considered, that approach would have neglected the contextual dynamics surrounding managers' present and ongoing decisions to employ atmospherics in their marketing work. In other words it would have been a mere assessment of past and static aspects of decisions regarding atmospherics. Instead, since the proposed investigation seeks to gain "*a holistic overview of the context under study*" (Miles & Huberman, 1994, p.6), a qualitative research orientation which is "*particularly helpful in the generation of an intensive, detailed examination*" (Bryman & Bell, 2007, p.62) of the phenomenon was deemed to be most suitable for the purpose of this essay.

In terms of the research strategy, a case study approach was selected as case studies are the preferred research technique when "*how*" or "*why*" questions [are posed regarding] a contemporary set of events, over which the investigator has little or no control" (Yin, 2003, p.9). Further, the case study research approach was also deemed as suitable when endeavouring to seek out both the common and particular in the case(s) (Stake 2005); which this thesis aims to do. To achieve stronger and more robust findings on the topic, and to paint a multiple cases richer and broader picture of the phenomenon at hand; multiple case studies were selected in favour of a single case (see e.g. Yin, 2003 or Merriam, 2009 on multiple case studies).

### 4.2 Case Selection

#### 4.2.1 Determining shopping centres as case subjects

As suggested by the discussion of the phenomenon in the problem discussion, the cases in this study refer to shopping centres. Following an iterative course typical of the qualitative research orientation (Bryman & Bell, 2007) and case study strategy (Yin, 2003), this designation of shopping centres as case

subjects is in fact a modification of a prior research design. Initially, my intention had been to assess the managerial approach to atmospherics from the perspective of shopping centre *owners and/or developers* – who, as industry actors involved at the start of the line in projects related to building and renovating shopping centres, represented those likely to have an influence on decisions related to atmospheric design. However, difficulties in obtaining access to people working in these companies contributed to the shift in focus. More importantly, the impetus to reassign case subjects was presented upon discovery during interviews that some Swedish shopping centres are not managed or operated by their owners *per se*. Rather, the shopping centre could be managed by an on-site management team employed by the owner (owner-as-operator); or a third party company engaged by the owner (known in Swedish as *förvaltare*, meaning the administrative and operational manager); or even other types of management arrangements. Hence, in order to better investigate the phenomenon of using atmospherics in shopping centres and assess the managerial approach to atmospherics; it was logical to take shopping centre managers into consideration as well in this research study.

#### 4.2.2 Selection of shopping centre cases

Selection of shopping centres as subject cases was carried out using a combination of a systematic and a snowball method. Drawing from emergent leads from the pre-study, an internet-based search was first conducted to familiarise myself with the various shopper centre owners active in Sweden, as well as the existing and upcoming shopping centres in the country. Compiling this knowledge into a list of shopping centres, a shortlist of potential shopping centre cases was then built up. To incorporate the emergent information related to the owner-as-operator feature of certain shopping centres, the original shortlist included a couple of shopping centres from each owner company, as well as a few other shopping centres owned by other state entities such as pension funds; as this indicated non-owner management. In general, the specific shopping centres picked from each owner company and from the pool of non-owner managed centres followed the logic of a convenience sample – where potential cases were picked by virtue of some degree of accessibility to them, as gained from the pre-study.

All in all, the list of cases and selection process follows the replication logic, which Yin (2003) argues to be more appropriate than sampling logic, when selecting cases in the multiple-case study design. Specifically, the underlying basis for replication logic selects cases to resemble “*multiple experiments*” rather than “*multiple subjects in an experiment*” (ibid, p.47). As such, each case in the multiple case study design is carefully selected to serve “*a specific purpose within the overall scope of inquiry*” (Yin, 2003, p.47). In other words, by treating each case as unique in its own right (Bryman & Bell, 2007), each case in the multiple-case study design is perceived as a “*whole study*” (Yin, 2003, p.50), rather than a contributing statistical component of the aggregate ‘sample’.

Table 5 provides a list of the final nine shopping centres that were use as case subjects in the study. Notably, four of the shopping centres examined as cases in are included in Market magazine’s 2009 ranking of top eleven shopping centres (Market, 2009) in terms of pleasant atmosphere. These are denoted by an asterisk (\*) in the table.

**Table 5. Shopping Centres as case subjects in the main study**

	Shopping Centre	Location (City)
1.	Sollentuna Centrum	Sollentuna
2.	Allum (*)	Partille
3.	Kupolen (*)	Borlänge
4.	Nova Lund (*)	Lund
5.	Gallerian	Stockholm
6.	Ingelsta Shopping	Norrköping
7.	Tuna Park (*)	Eskilstuna
8.	Kista Galleria	Kista
9.	Vällingby City (+ Kfem)	Vällingby

### 4.2.3 Assigning Centre and Marketing Managers as case representatives

Although shopping centres are referred to as the case subjects, specific individuals were assigned to represent each respective shopping centre – namely the centre manager or the marketing manager. Since these managers represent the decision-makers and personnel capable of effecting the often large-scale changes in overall marketing plans related to strategy and atmospheric design; it was conceived that a sound base for analysis of approach to atmospheric could be gained from interviews with these actors. Here, even though other actors such as architects and interior designers may have a large impact on the atmospheric design of the shopping centre, as pointed out in the pre-study (Cedrina, 2010); these actors were ruled out as they might not have the overall view that links atmospherics to marketing and strategic decisions.

In this study, no distinction is made between the centre manager and marketing manager of each shopping centre, as it was believed that there is no substantial difference between the two for the purpose of this study. In fact, as pointed out by the interviewees, since both these managers typically work very closely together on strategic marketing issues; their perspectives on atmospherics would indeed be very similar.

## 4.3 Data Collection Process

### 4.3.1 In-depth Interviews

Given that the key issue of the proposed study involves an assessment of managers' approach to atmospherics in a contextual setting; a traditional qualitative survey was unlikely to provide the depth of understanding of the phenomenon aimed for by the research purpose. In contrast, interviews are suggested to be "*inherently more flexible [than questionnaires]*" (Gillham, 2005, p.3). Thus, in line with the nature of the research purpose necessitating personal communication with shopping centre managers, and to better allow the study to appreciate the contextual dynamics underlying their decisions related to atmospheric design; in-depth interviews comprise the main method of data collection for this study.

A total of 10 interviews were conducted, with centre managers and marketing managers of the shopping centres. These interviews were semi-structured, which allowed for latitude to "*vary the sequence of the questions ... [and to] ask further questions in response to ...significant replies*" (Bryman & Bell, 2007, p. 213) along the direction of the conversation taken by the interviewee. For this purpose, an interview guide was used, and a generic version sent to interviewees in advance of the meeting (refer to the Appendix). The questions in these interviews were developed following the issues raised during the pre-study as well as from the literature review, and pertained to topics of



atmospherics, customer experiences, and marketing strategy. The interview guide was also frequently revisited to update it with learning from recent interviews. Often this meant adding or omitting questions, modifying prompts, rephrasing questions to increase understandability or updating them with terminology familiar to the industry. Overall, this process helped to improve the fit between the questions asked and the phenomenon under study.

The interviews ranged from 45 to 90 minutes long and were conducted in English and/or Swedish. To ensure that all information from the interviews would be possible to re-assess again and again, recordings were made of all interviews; which were then transcribed. Translations to English were then made where necessary, for the purpose of data analysis. Further to the interviews, a follow-up questionnaire was necessary in one case, following an incomplete interview due to unforeseen personal circumstances on the interviewee's part at the time of the arranged interview. Table 6 presents a list of interviews conducted for the purpose of the present study, indicating interviewee's position and the company they represent.

Although the research design calls for interviews with centre managers and marketing managers, two exceptions were made to the rule during the data collection process. In the first, Charles Larsson is a marketing director in Steen & Ström, a company which owns, develops and manages their shopping centre properties. Though this is an interview from the initial research design concerning the perspectives of shopping centre *owner* companies; it was included in the data set since the interviewee's wealth of experience and perspectives provide a valuable comparison vis-à-vis that of other managers; – especially that of managers in shopping centres owned and operated by this same owner. A second exception is the interview conducted with Jörgen Törnqvist, a marketing manager in Steen & Ström. Though his title suggests that perspectives from the owner company would be offered instead; technically speaking, the interviewee's responsibilities in his current position actually involve overseeing the marketing strategy in three shopping centres. Moreover, he was in fact a shopping centre manager in his previous assignment, and the promotion to his current position occurred only recently, between the time he was contacted and when the interview eventually took place.

#### 4.3.2 Documents

This thesis makes use of one of the main benefits of the case study method, namely what Yin (2003) and Bryman and Bell (2007) discuss as multiple sources of data; allowing the researcher to triangulate data sources. Specifically, the above-mentioned interviews were complemented by corporate documents. For the most part, I was provided with shopping centre brochures or directed to the shopping centre's website where I could access and download photographs, press releases and shopping centre brochures. Other than these documents which are generally accessible to the public, I was also privy in some cases to more internal or confidential material; such as front-of-store design guidelines and visual marketing manuals for tenants, as well as the shopping centres' brand platforms and marketing plans.

However, since most of the data from these sources is confidential, the use of documents and written sources has been limited. Still, these internal documents were valuable in *"corroborat[ing] and augment[ing] evidence from other sources"* (Yin, 2003, p.87); – or in other words, a useful source for elaboration or a check against what the interviewees mentioned in the interviews. Moreover, the documents were also instrumental in enhancing my understanding of the context of marketing in the shopping centre cases for the purpose of this study.

**Table 6. Interviews conducted for the main study**

Date	Name	Company/ Shopping Centre & Position	Location & Duration
2010-10-06	Charles Larsson	Steen & Ström, Marketing Director	Via phone 1 hour
2010-11-04	Linda Estenthal	Kista Galleria, Marketing Manager	Interviewee's office 45 minutes
2010-11-22	Peder Berentsen	Tuna Park, Centre & Marketing Manager	Via phone 1 hour 15 minutes
2010-11-23	Carl Isaksson	Sollentuna Centrum, Centre Manager	Interviewee's office 1 hour 30 minutes
2011-01-11	Jörgen Törnqvist	Steen & Ström, Marketing Manager (previously: Allum, Centre Manager)	Via phone 45 minutes
2011-01-12	Anna Timander	Kupolen, Centre Manager	Via phone 50 minutes
2010-01-13	Fredrik Oddshammar	Nova Lund, Centre Manager	Via phone 1 hour 15 minutes
2011-01-18	Margareta Almbring	Vällingby City (+ Kfem), Centre & Marketing Manager	Interviewee's office 45 minutes With Email follow-up
2011-01-20	Anders Pettersson	Gallerian, Centre Manager	Interviewee's office, 1 hour
2011-01-21	Anna Falk	Ingelsta Shopping, Marketing Manager	Via phone 1 hour

#### 4.4 Data Analysis and Conclusions

To build a broad base for the theoretical background for the data analysis, both books and scientific essays were reviewed and referenced. Then, in congruence with the inductive research orientation of this thesis, a grounded theory approach is used to analyze the data. Reviewing all textual sources of evidence, including interview notes, interview transcriptions and the corporate documents; substantial statements on various key topics or subjects were marked with a series of codes in what is referred to as open coding (Strauss & Corbin, 1990 in Bryman & Bell, 2007). In line with the idiographic nature of the case study strategy (Bryman & Bell, 2007), this phase of the analysis also helped to identify the peculiarities of each case, and to paint its portrait. Next, integrating the coded data, codes were grouped into "concepts", based on frequency of mention. Though coverage might be an approximate measure, it nonetheless helps to evaluate the relative significance that shopping centre managers accord to a particular subject, *"based on the assumption that they will spend relatively more than discussing the cues that are more important to them"* (Ballantine et al., 2010, p.645).

Subsequently, to link data to theory in the inductive approach, the emergent categories were lined up according to the three phases in the research model: Understanding of experiential marketing, Relating to atmospherics and Approach to atmospherics. In this sense, not only is the theory presented in the

theoretical framework, *"an immense aid in defining the appropriate research design and data collection... it also becomes the main vehicle for generalizing the results of the case study"* (Yin, 2003, p.33). Finally, conclusions regarding how Swedish shopping centres' relate to and approach atmospherics, in the context of creating customer shopping experiences; were then drawn from the analyses of both individual shopping cases and the aggregate view of all the cases.

## 4.5 Limitations

In the course of conducting the research, some observations were also noted which constitute limitations of the study.

Firstly, some limits to generalization can be identified. By and large, in discussions of business research, this topic of 'generalization' refers to statistical generalization – or the possibility to extrapolate research findings to the relevant population (Bryman & Bell, 2007). Subsequently, methodology researchers indicate that the characteristically small sample sizes in qualitative and case study research poses an inherent and inevitable challenge and limitation to achieving generalization in these types of studies. Yet, as Yin (2003) points out, the focus of case study research is seldom to generalize the research findings to a larger population; but more to highlight the unique feature of the case or cases. Thus, rather than statistical generalization, the multiple-case study research approach in this thesis aims more for analytical or theoretical generalization; which is which is more concerned with generalizing to theory, than to a population (Yin, 2003). Accordingly, due to the nature of this investigation, it makes more sense to address research limitations related to this form of generalization instead, rather than the usual suspect issues in statistical generalization such as sample size (ibid).

A possible limitation to analytical generalization in this paper pertains to the case selection process. Specifically, where case study research is conducted for the purpose of science, Stake (2005) contends that *"nothing is more important than making a representative selection of cases"* (p.450). In my study which examines nine shopping centre cases, representativeness of the industry or phenomenon may be questioned. However, since each case is contextually unique, and the objective of the case study research strategy is precisely to emphasize these differences; the only way to properly represent the entire Swedish shopping industry may be to conduct an examination of *all* the shopping centres in the country – a task beyond the scope of this thesis.

Secondly, in my position as an investigator working alone, balancing time resources with the research scope in terms of a greater breadth and depth of the research was always a consideration. For instance, while conducting more interviews and hence examining more cases than the nine cases presented in this report would be ideal in further boosting the robustness of the findings; doing so would have required additional time in both the phases of data collection and data analysis. Accordingly, during the case selection process, the decision to wind up the data collection process after nine cases was made to ensure sufficient time and attention for case and cross-case analysis.

Reviewing the dates of the interviews conducted for the study in Table 6 above, it may be noticed that the interviews spanned a period from October 2010 to January 2011. More specifically, interviews were conducted in two main periods: the first in October-November 2010 and a second in January 2011. While this extended data collection phase is related to the iterative process whereby research design, theoretical review, data collection, and analysis occurred simultaneously at times; and hence drawing out the process of data collection; another reason for this relates to a practical matter of access to

interviewees. In particular, when managers were contacted in September/October, several reverted that though they found the topic of relevance to them and their management team, they would not be able to field interviews since they were engaged in preparations for the Christmas season. Instead, a few suggested that they might be contacted after the turn of the year.

A third limitation relates to the language used in communication and interviews. As described above, almost all interviews were conducted using a mixture of Swedish and English. Often, since all interviewees are native Swedes, this meant posing questions in English, and receiving responses in Swedish. Here, recognizing that most interviewees work within a Swedish-speaking environment, a possible limitation could be misinterpretation of the questions on the interviewees' part. Conversely, since Swedish is not my mother tongue, misinterpretation of responses could also have occurred. Nonetheless, aware of the possibility of misinterpretation, a strategy of asking questions twice, using different phrasing each time, was adopted; to compare if responses were similar. Interviews were also recorded so as to allow me to revisit the actual statements made as many times as was necessary to comprehend their meaning. Moreover, I also had the possibility to check the translations of specific quotes and contexts with a native Swede, during the data analysis phase, where necessary. In general, on hindsight, given that most interviewees were not comfortable with responding in English, it is possible that the response rate to my requests for interviews would have been lower, if the emails had been written in English instead of Swedish.

## 4.6 Research Quality

Reliability and validity are the two primary considerations commonly raised in assessing the quality of the research. However, while these two concepts have been generally accepted by many scholars as the benchmark for research quality in business research, others have also suggested that the two concepts might have limited relevance for qualitative research or should be pursued from a different perspective in such studies (Bryman & Bell, 2007; Merriam, 2009). Lincoln and Guba (1985) proposed an alternative set of assessment criteria for qualitative research; which they believe better reflects the underlying philosophical assumptions involved in much qualitative research. The authors propose that qualitative research should be judged based on the notion of trustworthiness, or more specifically the dimensions of credibility, transferability, dependability, and confirmability (Lincoln & Guba, 1985).

**Credibility** is parallel to the conventional research quality construct of internal validity, and is concerned with presenting a "*confidence in the "truth" of the findings*" (Lincoln & Guba, 1985, p.218). Essentially, this implies depicting a true picture of the phenomenon, based on findings that are perceived as credible by the participant in the research (ibid). To establish credibility, interviews with managers were recorded and transcribed verbatim; such that the entire textual content of the interview was kept intact. To mitigate misinterpretations of particular quotes and contexts in Swedish, I also enlisted the help of a native Swede to conduct translation-checks in these specific situations. Here, while respondent validation is recommended as a means to establish research credibility (Bryman & Bell, 2007), this was not used or applicable in this study since the aim of the investigation is to analyse the characteristics of managers' business decisions related to atmospherics. In other words, the respondents' validation of the recording transcript or a descriptive case summary would be akin to confirming what was said in the interviews; which was in fact what the records were intended to capture. Further to recording interviews, credibility and confidence in the findings was also enhanced

through data source triangulation, which “*helps to identify different realities*” (Stake, 2005, p.454). Specifically, through the examination of multiple cases, data or analyst triangulation created multiple data points through which distinct ways of looking at the same phenomenon were illuminated. As a result, the multiple-case study design contributed to the credibility and robustness of the study.

The criterion of **transferability**, or the degree to which the findings can be transferred or applicable in other contexts (Lincoln & Guba, 1985), is comparable to the idea of external validity. To facilitate transferability of the conclusions of this thesis, this report details my definitive exposition for the study as well as an account of the process and methods used in arriving at the research findings. A case journal was kept for the purpose of logging the process and progress of the study, and documented moreover the new information and discoveries garnered from initial data collection – which allowed for redesign of the study where appropriate; in line with the iterative approach of case study and qualitative research (Yin, 2003; Stake, 2005; Bryman & Bell, 2007). Subsequently, this “*thick description*” (Geertz, 1973, in Lincoln & Guba, 1985, p.125) would then provide other researches with a database on which to make informed judgements about the possible transferability of the findings to other milieux (Lincoln & Guba, 1985).

**Dependability** is interested in whether the findings would be consistent if the study were repeated or replicated (Lincoln & Guba, 1985), and thus corresponds to the criterion of reliability in the traditional research quality benchmark. Hence, similar to one of the means for achieving transferability, the dependability criterion was also met in this study through a detailed documentation of the research process – to result in a ‘thick description’. Moreover, in the process of data collection through interviews, the use of an interview guide in the semi-structured interviews also contributes to dependability; since such a guide allows the researcher to ensure that similar conversations are held with each interviewee.

Finally, **confirmability** (Lincoln & Guba, 1985) is concerned with the extent to which the researcher acted in good faith, while recognizing that complete objectivity is impossible in business research. Specifically, it relates to the degree to which the research findings “*stem from the characteristics of the respondents and the context, and not from the biases, motivations, interests, and perspectives of the inquirer*” (Lincoln & Guba, 1985, p.218). In this study, both objectivity and confirmability were improved through the thick description of the data collection and data analysis stages of the research, presenting an organized account of the process leading up to the emergent findings and conclusions. In addition, confirmability was also enhanced by incorporating discovery into the research design. Moreover, where the use of a single respondent to represent an organization raises an issue of subjectiveness (Bryman & Bell, 2007), this issue was countered through triangulation of data sources – where documents were used as a built-in double check for whether the interviewee’s perspectives of atmospherics were representative of the overall management’s. Finally, to improve objectivity, the analytical basis for evaluating the shopping centre managements’ approach to atmospherics was developed following the literature review rather than a subjective assessment, and to better link data to theory.

Overall, I believe that the research quality of this study, in terms of the four dimensions of trustworthiness is high.

## 5. Empirical Findings

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*This chapter presents the empirical findings from the research study. A brief introduction to the ten cases is first presented. The cases are then presented individually, structured along the broad themes of customer experiences and atmospherics. Finally, a table summarizing the empirical findings rounds up the chapter.*

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### 5.1 An introduction to the cases in the study

The section presents an overview of the cases in the study, in terms of general background as well as some physical characteristics. These are the nine shopping centre cases and one industry perspective case.

**Sollentuna Centrum** is located in Sollentuna, a municipality with approximately 64,300 inhabitants, and bordered to the south by the Stockholm municipality. The mall houses 130 shops, and has a GLA (Gross Leasable Area)<sup>12</sup> of 38,000 square metres. Sollentuna Centrum was established in 1975, and since then has been refurbished and expanded in 1993 and 1999. Between 2009 and 2010, the centre was renovated again under a new owner. In the most recent renovations, Sollentuna Centrum was given a major facelift both internally and externally, making it “the first design-oriented shopping centre” in Sweden. The mall is owned and managed by Steen & Ström, a Scandinavian commercial property developer and company focused on shopping centres.

**Allum** is situated in Partille, a small town of 35,000 inhabitants outside Gothenburg, the second largest city in Sweden. The shopping centre is built over a freeway and has 100 stores over three floors, with a GLA of 53,600 square metres. Plans are currently underway to expand the centre by a further 10,000 square metres. Allum was opened in 2006, and is owned and managed by the Steen & Ström shopping centre company.

**Kupolen** is located in Borlänge, the largest Swedish town in the Dalecarlia (Dalarna) region, with approximately 40,000 inhabitants. The mall is also the largest in this region, with 80 shops, cafés and restaurants within an area (GLA) of 32,500 square metres. Kuoplen, which means “the dome” in Swedish, was originally an arena with a few shops. Later, it was slated as a shopping area when the arena closed. The mall was opened in 1990. Since then, the mall has been refurbished twice: once in 1995 which added a new level to the building, and again in 2005 which added a third floor – significantly expanding its retail area. Kupolen is also owned, operated and managed by Steen & Ström.

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<sup>12</sup> In the retail real estate industry, Gross Leasable Area (GLA) refers to the total amount of floor space available to be rented, and specifically designed for tenant occupancy and exclusive use. Thus, GLA is the area for which tenants pay rent; or in other words the area that produces income for the property owner. Accordingly, retail developers commonly use GLA to indicate the size of a shopping centre, instead of Gross Floor Area (GFA); which also encompasses common areas in the shopping centre such as corridors, walkways and open squares.



**Nova Lund** is an out-of-town<sup>13</sup> shopping centre in Lund, a city with approximately 110,500 inhabitants, and close to Malmö, the third largest city in Sweden. Within a GLA of 25,900 square metres, the centre has a total of 75 shops, cafés and restaurants. Nova Lund's tenant mix is unique, where unlike most other shopping centres, the centre does not have a grocery store among its tenant mix. Instead, the idea was to offer only shops selling durable goods (i.e. clothing and confectionery), as a complement to the large grocery stores (convenience goods) already present in the vicinity. This type of shopping centre was the first of its kind in a Swedish municipality. Nova Lund was opened in 2002, and was named Shopping Centre of the Year in the 2003 Annual Retail Awards; partly due to this business model. The mall underwent another round of refurbishment and extensions in 2005, reopening again in 2006. Nova Lund is owned and managed by Unibail-Rodamco, a French-Dutch company and the largest commercial real estate company and property developer in Europe.

**Gallerian** is located in the centre of Stockholm, the capital and largest city of Sweden with approximately 1.3 million inhabitants. It is an indoor mall housing 80 shops, cafés and restaurants. Gallerian was established in 1976, entirely rebuilt in 2003 and is currently undergoing another round of refurbishment at the southern end of the mall. It is currently owned by AMF Fastigheter, who is directly involved in the management and operations of the mall.

**Ingelsta Shopping** is an indoor mall in Norrköping, a municipality with a population of about 130,000 inhabitants. In total, the mall has 50 shops, cafés and restaurants; within a GLA of 39,100 square metres. Ownership of the centre was transferred in 2004 to Eurocommercial Shopping Centres, a Dutch property company and shopping centre specialist. Following a large scale refurbishment which gave the centre a new profile, graphic identity and new name, the mall was reopened in 2008. Ingelsta Shopping was named Shopping Centre of the Year in the 2010 Annual Retail Awards, jointly organized by DagensHandel, the Swedish retail trade magazine, and Svensk Handel, the Swedish Trade Federation. Management and development of the centre is outsourced to an external and renowned property manager, Jones Lang LaSalle. Nevertheless, marketing at the centre is conducted in line with the overall ideas and vision of the owner, EuroCommercial Shopping Centres.

**Tuna Park** is located in Eskilstuna, a town about 120km west of Stockholm with 96,000 inhabitants. The shopping centre consists of three sections in different buildings, but only the building housing the indoor mall will be considered in this study. Accordingly, Tuna Park will refer only to the mall section hereafter. The mall has a total GLA of 16,000 square metres, and is comprised of 56 shops. The mall section of Tuna Park was opened in 2005, and was the first external shopping mall in Eskilstuna. In 2006, 2008 and 2009, Tuna Park was named as Sweden's most popular shopping centre by Market magazine. The mall section of Tuna Park is owned by a pension fund called Alecta Pensionsförsäkringar, who in turn, has engaged Newsec, a property manager, to run and manage the centre. Alecta Pensionsförsäkringar continues to be involved in the operations and marketing of the centre, though only to a limited extent; giving the centre manager a high level of autonomy.

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<sup>13</sup> An external or out-of-town shopping centre is one situated outside a city centre or area of residence, but which attracts customers from the whole municipality and surrounding region. It is also sometimes referred to as a regional shopping centre.

**Kista Galleria** is an indoor shopping complex situated in Kista, a suburban district northwest of central Stockholm, and where several large commercial ventures have their offices. The complex houses a total of 180 shops, cafés and restaurants; as well as the largest food court and second largest cinema multiplex in Sweden, and a bowling alley. The mall also has the longest opening hours in Sweden, from 09:00 to 21:00 daily, seven days a week. Kista Galleria was first opened in 1977, and has been renovated twice; reopening in 2002 and 2009. The latest refurbishment also expanded the shopping centre by a further 25 percent, resulting in a total retail area today of 100,000 square metres. The shopping centre property is owned by Vital Forsikring ASA, a Norwegian insurance company. However, the shopping centre business is owned by Kista Galleria AB, comprised of an in-house team which manages and operates the complex, completely independent of its property owners.

**VällingbyCity** is located in Vällingby, another north-westerly district in the Stockholm municipality. With a total GLA of 64,000 square metres, the centre has approximately 200 shops, cafés and restaurants, as well as other leisure and cultural facilities such as a library, a children's community recreation centre (*fritidsgård*), a movie theatre and two churches. Additionally, VällingbyCity also includes **K:fem**, a standalone departmental store for high fashion brands which opened in March 2008. With open-air walkways and a large square, VällingbyCity resembles a town centre and is often referred to as an "outdoor" shopping centre. In fact, the only "indoor" section of the shopping centre is in K:fem. VällingbyCity is the only outdoor centre included in this study.

VällingbyCity was opened in 1954, making it one of Sweden's oldest shopping centres. However, as described above, VällingbyCity is more than a shopping centre. Planned according to the Swedish ABC principle of the time – the acronym for "*arbete-bostäder-centrum*", or work-housing-centre –, the centre was intended as a city miniature. Specifically, the suburb area and the shopping activities included in it were designed to offer its residents everything they needed; in short an independent city. Based on this history, VällingbyCity and the surrounding town centre were slated as an area of cultural heritage and interest in 1987 by the *Riksantikvarieämbetet*, the Swedish National Heritage Board. In turn, this meant that the general appearance of VällingbyCity was to be preserved, and that changes to the façades of the buildings in the centre were prohibited. Nevertheless, the shopping centre underwent a large scale refurbishment and expansion in the last decade, reaching completion in 2008. Today, VällingbyCity (and K:fem) is still owned by Svenska Bostäder, a part of the municipality. However, operations and management of the centre are led by its own centre management team, largely independent of its owner.

**Steen & Ström AS** (henceforth Steen & Ström) is a Scandinavian real estate company specialized in shopping centres. The company owns 52 shopping centres in Norway, Sweden and Denmark. The company also manages and operates the shopping centres they own.

Charles Larsson is a Marketing Director at Steen & Ström, and is quoted in the findings and analysis as the industry representative in the study.

## 5.2 Case Findings

### 5.2.1 Sollentuna Centrum

#### ***Working with Customer Experiences***

In this case, one of the objectives of management was to provide “*experience-based shopping*.” Here, while ensuring that the traditional retail elements such as a good tenant mix, free parking and a high standard of service are met; emphasis was placed on providing a “*wow feeling*” in order to inspire visitors to shop at *Sollentuna Centrum*. In the words of the manager, “*when you build something new, you’d also like to present something that you get a Wow feeling*.” Subsequently, this basis is meant to guide marketing, in terms of advertising and communications; as well as shopping centre design. According to the manager, while range, location and a pleasant environment ensure shopping centre viability, it is the focus on the customer experience that makes them stand out; in the face of tough competition in their catchment area. Further, the emphasis on design is also anticipated to inspire customers to revisit the shopping centre.

The customer experience was described as the feeling one gets from being in the shopping centre, which though “*not easy to put a finger on*,” arises through encounter various elements within the shopping centre; such as “*the service in the shops, the environment in the mall, the music in the background, the excellent coffee in the café, good food at lunch and so on*.” The manager also explained that since a customer may go to the shopping centre for two main reasons, whether to find something specific or to “*kill some hours*” and perhaps buy something; enhancing the customer experience must take both these situations into consideration. To do this, the manager contended that shopping centres must first have the “*base range*” of stores, meaning the large chain stores such as H&M and Lindex – as these are what customers expect to find there. On top of these, *Sollentuna Centrum* uses niche or monobrand fashion shops such as Marco Polo and Lexington, in order to attract and satisfy customers. Service was also pointed out as an essential element in the customer experience, though challenging to ensure a good level at the same time; since it is enough for just one bad service experience to make the customer perceive the shopping centre poorly. In this line, the management has introduced service training seminars for both store managers and store personnel, to ensure a similar level of service-mindedness across all stores in the shopping centre.

#### ***Retail Atmosphere & Atmospherics***

Ways to enhancing the customer experience were illustrated very much in line with the shopping centre’s design; which the manager also pointed out as a way to work with atmospherics. In this way, it was also indicated that the application of atmospherics was directed at enhancing customer experiences. Design is a large part of the *Sollentuna Centrum* identity, and has been worked into several areas of the shopping centre facility right from the beginning; at the same time as the new owners began planning to rebuild it. For instance, a multi-coloured theme is incorporated into *Sollentuna Centrum*’s logo, on its signage, furniture and even on its façade. Further, the shopping centre sports a fully glazed façade and many windows; designed to instigate excitement in customers approaching it. Indoors, the layout of the corridors and common areas were designed to influence customers’ movement in the centre, ensure a good flow of customer traffic; as well as to encourage a longer visit in turn. Curved corridors as opposed to straight ones and sections of the shopping centre that sport different style and design themes are meant to provide the customer with different experiences and inspire a sense of discovery. The different design materials used in the corridors were also described to create different atmospheres. In one themed corridor for instance, the textile-lined

corridor is carpeted and has light fabric in the ceiling to create a gentle environment. Moreover, the stores in this corridor were also specially selected to give the environment a *"distinctly feminine feel,"* in order to appeal to *Sollentuna Centrum's* target group. As explained by the manager, atmospheric design should involve thinking about the characteristics of their female target group, and subsequently thinking *"If we'd like to attract her, what type of environment does she like to do her shopping [in]?"* The themes in the shopping centre were also pointed out to stimulate customers' senses. As an illustration, another themed corridor – involving wood in the flooring, wall-panelling, store fronts, as well as the ceiling – was described to stimulate customers' senses through the scent of wood, or the sound of shoes on wood; and even to provide a warm and inviting feeling.

Beyond the physical infrastructure of the shopping centre, atmospheric design to influence the shopping experience also included smaller initiatives implemented by shopping centre management. Viewing music as important, the manager described the upgrade of the whole sound system as one of his first projects following the reopening of the shopping centre. Specifically, he pointed out: *"music makes people happy and you get a positive feeling,"* which according to the manager were anticipated to result in an impulse to shop more. Moreover, the manager also perceived that music should be broadcast in a good way to evoke these feelings, specifically *"having a certain beat per second...a mix between songs you can recognize and some new...and played at a good level."* Scent was also indicated as one area that was currently explored, such as from the regularly- oiled wood in one themed corridor. Plans were also underway to disseminate the smell of bread near the shopping centre entrance; to complement the natural smell from the shopping centre's full scale bakery to entice visitors entering the mall. Similarly, placement of the flower shop at the entrance was pointed out as intentional, since *"you always get happy when you see [flowers]."* Additionally, the flowers also contributed to making the environment feel fresh. The food market on the ground floor was also indicated to entice customers and stimulate their senses. Ten digital signage screens were also planned to be installed all over the shopping centre, that would not only broadcast advertisements but also *Sollentuna Centrum's* own TV channel. Pointing out that the use of these screens to influence customers involved more than the mere purchase and installation; the manager commented that it must be *"put together in a good way,"* in that the management *"must have an idea for how to use this."* As an illustration, the anticipated display of tenants' advertisements was indicated to encourage impulse buying. Indicating the need for a consistency in communications, another idea suggested was to *"put some colour into it...or add a theme"* such as displaying skiing scenes and pictures during the winter. Further, the manager also pointed to the exotic palms, waterfall and fireplace in the shopping centre as not only providing visual appeal; but which also contribute to the atmosphere to conjure positive feelings.

Commenting on working with atmospherics, the manager pointed out that the development of good ideas to interact and stimulate customers' five senses is a marketing challenge. Nevertheless, while indicating that few other atmospheric projects concerning that the above-mentioned have been conducted, he adds, *"but we are very interested to find out."* Subsequently, the manager also described *Sollentuna Centrum's* preferred approach to working with atmospherics as a slow and steady one, to test the ground. Drawing an analogy between the shopping centre's recent 2009 reopening and an individual's move into a new apartment, he indicated that a choice can be made between *"do[ing] everything you would like to do immediately"* or taking it slow, *"putting something in place and seeing how it works [before] making changes or adding in new attractions."* Of the two, the manager viewed the latter as the wiser move, since *"for sure you will make some mistakes...[when] doing a lot of things immediately."* In this line, it was pointed out that market research was conducted to get feedback from

visitors, with specific questions pertaining to their reasons for visiting *Sollentuna Centrum*; since these will undoubtedly differ from the reasons for visiting other shopping centres.

On a final note, manager also reminded of the importance of having a red thread between management's ideas and communication within the shopping centre. Here the manager explained that the brand concept and target group should be used as the platforms on which ideas for atmospheric design are developed. In a similar way, having a "*red thread*" in atmospheric design also involved the shopping centre's tenants. Specifically, frequent contact with store managers was also seen as important, in order to inform them of the centre's marketing ideas; so that their individual ideas regarding store design would be aligned with the overall concept of the shopping centre. Further to store design, the manager also suggested that type of store needed to fit the overall concept; and those that did not would be asked to leave, in order to bring in other shops.

### 5.2.2 Allum

#### ***Working with Customer Experiences***

It was pointed out in this case that the experience in the shopping centre will become even more essential for customers in the future. As explained by the manager, the "*lack of time*" from long work hours has meant less time for shopping. And this, coupled with the ability to "*find everything on the internet*" has made customers demand more from their shopping activities. Moreover, the experience was also noted as important since "*it is something that you can share with friends and you can do together.*" Thus, indicating that the customer experience is important for *Allum*, the manager also mentioned that the experience will become "*our big competitive benefit for the future.*"

On working with customer experiences at *Allum*, the manager commented that "*the feeling is important for the customer.*" Elaborating, he indicated that the shopping centre must feel safe and the visit must be easy. For instance, this meant making it easy for customers to access the shopping centre. Thus, further to its close proximity to the highway (the shopping centre is in fact built over the highway), *Allum* also includes a bus station commuter central inside the shopping centre, so that visitors without cars would also be able access the shopping centre easily. Making things easy also meant to find one's way back to the car, or to find the stores one wants to visit. To do this, one way was to replace old store guides. Range or availability of stores was also pointed out as essential, "*for the possibility of finding something interesting.*" In this line, the manager also noted that the shopping centres in Sweden are "*destined to choose the same shops,*" in that a shopping centre will face problems in achieving success if they do not include the big brand chain shops such as *H&M* or *Stadium*. Correspondingly, to counter this increasing industry standardization as well as to enable shopping centre differentiation, a sound store mix was described to include both these big brand chain stores, as well as smaller, more niche or different kinds of shops. Bringing in shops from other parts of the world was also noted as important. Further, pointing out that most customers, when surveyed, tended to indicate a desire for "*more parking spaces, better and more restaurants, more places to sit and rest, more quiet places,*" the manager also notes that meeting customers' needs in this way is also important in trying to improve the shopping experience. Service was another factor pointed out to be essential for the shopping experience. For all the above factors, the manager pointed out that "*these are the foundations for the [shopping centre] visit,*" and the basic elements of enhancing shopping experiences. Following this, other elements such as music, scent and customers' senses can then be paid more attention to. In this line, the manager comments that "*experiences are more things than the colours on the walls.*"

### ***Retail Atmosphere & Atmospherics***

The manager in this case mentioned that he was familiar with the term 'atmospherics'. Atmospherics was alluded to as another way to enhance the shopping experience, and work on the two was discussed simultaneously. Specifically, further to providing customers with the basic needs, working with customer senses was a way to improve customers' experiences. Sound was an example of an atmospheric element that *Allum* had worked with, where in addition to information about opening hours and store information, music and other sounds like bird song were also broadcast over the "*customer radio*". Scent was another example that *Allum* had previously worked with. However, the manager mentioned that they also experienced difficulties due to negative reactions from customers that the smells were sometimes too strong. Lighting was another area highlighted by the manager, such as more modern things like "*lead light that can change colours*" and be used to change the appearance of the shopping centre's interior and fit the themes at different seasons or holidays; such as Easter, Midsummer or Christmas. An example given was to introduce into the common areas and décor, red lights in December to fit Christmas, or green lights in the spring. While contending that lighting can be an important element to work with in shopping centres, the manager also commented that the shopping centre industry can learn much from theatres, theme parks or museums in this area; in order to enhance the customer experience. Explaining his view, he pointed out that shopping centres are in the same industry as these businesses, since "*visitors want to experience something different in the shopping mall in the future.*"

In closing, the manager perceives that senses will become more important for shopping centres to work with in the future. Moreover, he also observes that future shopping centres will take atmospheric design catered to the senses into account already from the beginning; incorporated into their elaborate designs. An example given here was the case of the upcoming Emporia mall in Malmö. In turn, the focus on customer senses was also indicated to contribute to better customer experiences in the future. In the general context of atmospheric design, the manager regarded it important to convey a consistent image in that the atmospheric projects need to be aligned with the ideas and concepts outlined in *Allum's* marketing plan. In this line, the manager also explained that it is important for a shopping centre's marketing to be representative of what it offers, where in a way, the shopping centre brand is the combination of all its shops. Consequently, in the context of presenting a consistent overall image of the shopping centre, the manager also pointed out that planning for atmospheric design also required listening to tenants, since "*stores are the most important in the shopping centre.*" However, *Allum* also recognizes that stores usually have their own design concepts and ideas which may be different from that of the management and the shopping centre's concepts. Thus, to reduce the disparity, the management initiated *Allum Academy* between 2008 and 2010, a unique idea which offered the tenants to possibility to participate and learn more about the shopping centre's brand concept, promise and goals. Further in terms of the shopping centre's brand message, service was also highlighted in this initiative, since "*if we have 20,000 visitors per day, it is very important for the shops to be keen on selling stuff to them.*"

Moreover, "*stick[ing] to the plan*" also meant not introducing too many things such that none could be done well. In designing a shopping centre or retail atmosphere, the manager also pointed out that atmospheric design need not be expensive. Moreover he also commented that it may not always be economically possible to "*go all the way*" to build an exclusive shopping centre in terms of atmospheric design, due to high costs which lead to high rents and consequent difficulties in leasing out retail spaces. In this line, a wise allocation of the marketing budget was recommended instead "*to get the most*



*output*" – not only to be visible on the market but also to attract customers. With this overall marketing goal in mind, the manager also called to mind the earlier mention of *"the basics"* in designing retail atmospheres and shopping experiences; and advocated the importance of listening to customers. In this line, the manager indicated that both *Allum* and its owner, *Steen & Ström*, conduct a lot of market research and surveys; to investigate customers' perceptions of the shopping centre, what they missed in the shopping centre and how they react to different things.

### 5.2.3 Kupolen

#### ***Working with Customer Experiences***

*"Shopping should not just be shopping. Shopping should be an experience too,"* stated the manager in this case. Attributing this notion to *Kupolen's* owner, *Steen & Ström*, the manager indicated that the customer shopping experience comprises a key focus of marketing at this shopping centre.

To work with the customer experience, the manager pointed out that management needs to think about how they want customers to feel and move about in the shopping centre. For instance, she continues, the environment should be pleasant, so that customers can feel comfortable when they go there to shop: *"You don't want to feel that you will be robbed for example. You want to feel safe, and able to go to the centre to shop in peace."* Two new glass elevators were also indicated to provide better mobility for customers, especially those families with prams. Moreover, recognizing that *"customers usually do more things in the shopping centre than buy a pair of socks,"* storage boxes are also provided so that customers walking around the shopping centre would not get too warm. In this line, the manager also indicated that the customer experience is a broad concept, starting from the point one decides to visit the centre, finds it easy to park and enter the centre, that it is not too crowded, encounters a clean and tidy environment with just the right temperature, ample sitting places, a nursing room, ATMs, pleasant toilets, nice music in the common areas, good service, finds what one wants and so on. In this line the manager commented that the experience is a whole process; and like a chain, all these elements must be present, or *"everything will fall apart."* Importantly, according to the manager, a shopping centre must also be able *"to deliver;"* since customers' decisions to visit the mall are based on the advertisements, but also these factors.

Additionally, the manager also pointed out that the customer experience can also be created through the ability to undertake several activities in the same place. Specifically, this logic also applied to non-shopping activities; where for instance, the provision of a carousel on Saturdays transforms the shopping trip into *"a fun experience for children, and a little excursion."* Additionally, the ability to shop and socialize was also indicated to be the ingredients for a positive shopping experience. Moreover, creating a certain atmosphere was also indicated to enhance the experience. As an illustration, the manager mentioned that a large part of the shopping centre's *shape*<sup>14</sup> has been preserved in the most recent refurbishment in 2005. Continuing, she explained that when the new third level of the shopping centre was built, a dome-shaped roof was added, and the shopping centre built in an open manner; such that one can see the shape of the shopping centre, experience the openness, the space and the roof from the inside.

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<sup>14</sup> In this case, the manager is referring to *Kupolen's* history as having been transformed from a sports arena, with a domed roof.

### **Retail Atmosphere & Atmospherics**

After taking care of all the elements in the “base-kit,” to make things are made simple, easy and comfortable for customers, the manager pointed to atmospherics as the next step to enhance the customer experience. Moreover, atmospherics was also mentioned to enable the shopping centre to keep the environment fresh, and to give it new feeling. For instance, a project is currently underway to inject new colours into the environment, to revive it from looking worn, and to give it new feeling. Music was also indicated to be used currently, in the common areas. It was also mentioned that though there had been discussions regarding scents, no plans had been made to work with that yet; it was a project for the future. At the moment, colour, light and music were to be the atmospheric projects for 2011. Further to these, while acknowledging that the shopping centre management does not really have a say in what the tenants did in their stores; the manager also commented that atmospherics in the shopping centre is also a lot about how stores displayed their goods. In the manager’s words, *“It depends a lot on how skilful the shops are at displaying their wares – that one can feel, press, experience with their eyes. And the whole thing becomes an experience.”*

Explaining some of the management’s thoughts behind the atmospheric projects, it was mentioned that atmospherics requires keeping a constant eye on the overall concept of the shopping centre. For instance, at the recent refurbishment, glass, steel and cement were used all over the centre, reflecting the visual identity of the shopping centre. Moreover, with openness as an additional theme, management worked closely with the architect to convey reflect this in the shopping centre design, both through the open areas and spaces as well as the feeling of space created by the domed roof. Further in this line, management also tries to streamline tenants’ ideas with that of the overall shopping centre concept and design; such as through a clause in their lease contracts. Moreover, new tenants are also provided with a design manual, which provides guidelines such as how high and long signage should be. In a related point, the manager also stressed the importance of adopting a holistic view of atmospheric design, taking into account the whole shopping centre and all areas at the same time. Here, referring again to the recent redevelopment of the shopping centre, the manager indicated close collaboration with the architect, *“so we don’t build one area in one way, and another way somewhere else. Instead, we think about Kupolen’s idea and concept the whole time. And that applies to both outside and inside [the shopping centre].”* As an example of how this is done, the manager pointed out that the architect whom they are currently working with on the project to add colour to the shopping centre’s interior is the same architect as the one who designed the shopping centre during the refurbishment in 2005.

In closing, the manager also expressed a view that atmospherics is important for shopping centres. Moreover, in the ongoing work on enhancing the customer experience and retail atmosphere, customer surveys are conducted quarterly to get feedback on customers’ perceptions, moods and feelings from their visit. Questions about how customers feel about the shopping environment are included in these surveys, as standard questions within more comprehensive pool of questions. In light of the 2011 plans for atmospheric design, the manager also pointed out that certain questions will have more priority in the upcoming surveys. In turn, this feedback is considered when the marketing plan is revised annually. However, the manager also pointed out that it is possible for changes to the retail atmosphere to take place without having been included in their marketing plan and overall idea. This was especially when issues identified in the quarterly surveys are so urgent that they have to be worked on immediately, instead of waiting a year to be included in the marketing plan.

#### 5.2.4 Nova Lund

##### ***Working with Customer Experiences***

At *Nova Lund*, marketing and communications are conducted within the framework of the 'Welcome Attitude,' a policy or set of strategic guidelines derived from its owner, *Unibail-Rodamco*. Consequently, it is common to all the *Unibail-Rodamco*'s shopping centres, and not unique to *Nova Lund*. This strategic marketing approach, takes into consideration several aspects of the shopping centre visit and follows the customer journey; – beginning at the time the customer sits at home in front of a computer and looks at the corporate website to arriving, finding a parking space and entering the mall. On site at the shopping centre, the policy also concerns making it easy to find the mall's entrances, greeting the customer at the door, supplying information on the mall such as where to find the toilets, the food, the different stores of interest and, of course, the shopping. In short, the Welcome Attitude approach *"follows the customer journey from when the decision is made to go to the shopping centre from seeing an advertisement or similar, to coming to the perimeter of the centre, going in and all the way back."* Thus, according to the manager, the policy is then a holistic approach for how to make the customers' visit to a *Unibail-Rodamco* mall an experience; which the manager felt was good for the mall.

In this line, work to enhance the customer experience at *Nova Lund* stems from four principles in the Welcome Attitude: to make things "easy, fresh, cool and green." This includes for instance clear signage, and a practical, clean and fresh environment, customer comfort, looking after guests and having "welcome gestures." A "green attitude" is also necessary, such as having a landscape around the centre, special pedestrian and cycling tracks, recycling containers and similar. In terms of more specific examples, the manager pointed out examples such as updating the shopping centre's homepage for easier access from iPhones and mobile phones or updating the exterior signage of the shopping centre. Further, the provision of services in the shopping centre such as electronic gift cards, personal shoppers and VIP letters were also indicated to contribute to the shopping experience. When opening a new store in the mall, the shopping centre management collaborates with the new tenant to promote the store opening, such as use of pictures from the brand on *Nova Lund*'s homepage, ads and billboards, and putting up banners and markers on the floor in the centre to inform customers of the opening and lead the way to the store. The store opening is made into a small event to show customers that something new is happening; as well as to welcome customers to the new store, and the new tenants to the mall. Other events involving fashion for instance attract and create experiences for *Nova Lund*'s target group. A "healthy rotation" of stores in the centre was also indicated as necessary to provide an attractive offer to the customer. As explained by the manager, *"If the customers come to your mall and you have the same stores every day, month and year...then it becomes uninteresting. You "need to have some trends, new brands, cafes and restaurants". Nevertheless, he also adds, "you can't open a new store every month or every day. It needs to be healthy and controlled."*

The manager pointed out that having "a nice atmosphere" was also indicated to be important for the shopping experience, and especially so for *Nova Lund*. He explained that since *Nova Lund* does not have a grocery store in the mall, the customers who go to the mall do so because they want to shop, have a break or a nice evening; rather than because they *need* to go to the mall to do groceries or run an errand. These "two different moods" to shopping were pointed out to result in different customer experiences. Thus, reiterated the manager, the customers going to *Nova Lund* are those that go there to *"buy things and be inspired."* In a way these are also the people who have *"shopping as a hobby."*

### ***Retail Atmosphere & Atmospherics***

The manager explained that in the beginning, before the Welcome Attitude was introduced, the approach to influencing the atmosphere was to make it comfortable, to use good materials while not making it exclusive, and to achieve a timeless atmosphere. Specifically, this meant that *"the main mall was supposed to be quite white and not say so much"* and to have the stores within the mall as the main experience. Now, in the new approach within the Welcome Attitude program, new experiences are added in the mall, the manager explained. Additionally, this also includes the use of atmospherics, which the manager believed that *Nova Lund "has or will have all the atmospheric elements"* in place.

Music was one element that was not in place today, but was to be added; specifically as *"some kind of welcome music"* in the entrances. Other sounds were also to be added in the toilets. Scents however were currently used in both the entrances and toilets. Particularly, the current scent used in the entrance was an apple smell, which the previous shopping centre manager selected as an *"easy and fresh"* smell; and which was to be connected to the shopping centre's positioning. Visual communications were also mentioned as elements to be added, such as in terms of signage. Moreover, special fixtures, termed *"wow effects"* within the Welcome Attitude program, were also pointed out to be used to contribute to the visual element in the atmosphere. A recent mounting of a *"really cool and large lamp that looks like a tree"* outside one store was indicated as one such special fixture. Rest areas and the food court were also highlighted as important features where atmospheric work was planned for. Specifically, small areas or lounges for resting in were designed to be connected to the shopping centre's themes, colours and layout; and have special lighting. Further, the food court was to have special lights, carpets, furniture, tables, and plants and similar. All atmospheric elements are believed to become present there, according to the manager.

The manager pointed out that the overall goal of the work on customer experiences and atmospherics at *Nova Lund* is to create traffic to the shopping centre and have as many guests as possible. And once the customers have arrived at the mall, *"we want them to stay as long as possible because it's comfortable and nice"*, he continued. On this note, the manager also commented that it is important that the Welcome Attitude and atmospheric elements chosen have to be connected to the shopping centre's positioning: to *"provide a wide range of fashion and home decoration in a relaxed environment with a golden touch"*. Explaining, he added that a visitor to the centre needs to *"feel the fashion centre,"* that it is about fashion in the fixtures, lighting et cetera, and that the environment has *"the right textures the right smells, the right everything."* On this note, he also commented, *"Every [retailer] can spend a lot of money on a nice sofa"* but a better way is to do it in connection with one's positioning. In this line, *Nova Lund* also works with its tenants, in the sense to require them to have updated premises and newest concepts; in line with the Welcome Attitude to keep the mall area updated.

To ensure that the management's efforts are presenting the shopping centre in a way consistent with their positioning, *Nova Lund* uses mystery shoppers to conduct audits as well as several surveys. These provide useful input as to what *Nova Lund* can improve on and continue to work with when it comes to all aspects of the shopping centre. The mystery shopper audits are conducted four times a year, by *"customer or guest eyes,"* and look at everything in the Welcome Attitude journey; such as the signs outside the mall, parking lot, entrances, lounges and toilets. Surveys with tenants are conducted annually with questions about the shopping experience, and as a channel to try and discuss new ideas; since this group of actors are recognized to *"have a lot of knowledge, having worked in a lot of malls."* Marketing and customer and marketing surveys gather information on customer profiles, and time

spent in the mall, as well as customer perceptions about things like the toilets, lounges and information provided. Surveys are also conducted in connection with the Welcome Attitude and shopping experiences, but also on individual and specific projects, such as how to improve the current signage. Similarly, focus groups have also been used to investigate what kind of shops and experience customers want. Overall, the manager remarked that these types of research produce a lot of information, upon which many decisions and strategies are based. *"They help the centre to make the correct, and best decisions,"* he added.

The manager pointed out that while the Welcome Attitude program was introduced to Sweden in 2009, it was only rolled out in *Nova Lund* in 2010. Continuing, he added that the adoption of the approach is a *"never ending and evolving process"* of working within the framework and refining processes as time goes by; instead of using the approach once and stopping. *"Retail is detail"* and *"there are always things to do and improve!"* remarked the manager. Likewise, while the positioning statement at *Nova Lund* was drawn up in 2009 and is believed to be good for a few years more, it is seen as a living document and evaluations on whether to add or remove things have to be made.

In closing, the manager reiterated that it is crucial to pay attention to details. For instance, complementing nice furniture all over the mall with the plastic chairs of a new tenant, such as a cafe, *"can destroy the whole shopping experience."* In particular, this is true for restaurants and cafés because they are so visible, explained the manager. Moreover, service in the cafés was emphasized as exceptionally important, though difficult to achieve. Thus, since restaurants and cafés are so important for the complete shopping experience; the manager recommended that extra attention and work with them is needed.

### 5.2.5 Gallerian

#### ***Working with Customer Experiences***

According to the manager, *Gallerian* has recently revamped its brand platform, bringing in new concepts, designs and ideas for the shopping centre's profile and identity. In this platform, conceived as a pyramid, a series of new customer experiences are indicated to constitute the differential advantage for the shopping centre. Hence, as the manager points out, the customer experience is a part of and woven into *Gallerian's* marketing strategy. To elucidate *Gallerian's* approach to experiential marketing, the manager explains that creating customer experiences at *Gallerian* takes place on two levels. At the base level, customer experiences are enhanced by taking care of the hygiene factors, which are also the base offerings necessary for a shopping centre to be successful. These factors include for instance accessibility, broad range of stores and services, number of shops, generous opening hours, good service; as well as an environment that is pleasant, neat and clean, and feels safe. Here, the manager stressed that range and a *"neat and clean"* appearance is especially vital; and should be paid attention to before other important factors such as building customer relationships and personality can follow. Moreover, atmosphere, people and accessibility are other very important factors which contribute to making a shopping experience positive. Most of all, according to the manager, what further enhances the customer experience is that these base offerings should be *"surprising"* in that they are provided in a thoughtful manner.

Beyond these base offerings, the customer experience at *Gallerian* is enhanced through creation of specific experiences or scenes with which the customers and target group can relate to. For instance,

since tourists comprise the flow of customers within the shopping centre, the introduction of a privately owned tourist information centre is seen as a way to enhance the shopping experience for this target group; since they need only come to the centre of the city for both information and shopping needs. In this line, the manager points out that the customer experiences created and received by the visitor should be in line with the centre's identity which is to be "*the heart of Stockholm City.*" Consequently, it was also indicated that the customer experiences which the centre creates should embody certain themes, such as being the central scene for what is new and currently on-going. Moreover, leveraging on their central location, the manager pointed out that though the "*personality*" of *Gallerian* is urban, innovative and proud; it also needs to be "*folksy*" or popular with people in general, – in recognition of the large volume of visitors passing through the shopping centre, numbering about 17 million annually.

An example of a way to enhance the customer experience along these themes is to invite tenants to have their flagship stores in *Gallerian*, with the newest concepts; commented the manager. Events such as exhibitions from museums and institutions and more cultural events are also used to enhance the customer experience, which the manager believed other shopping malls do not focus on. A hypothetical example of an exhibition in line with the *Gallerian's* 'current' theme is that of an electric motorbike that is new to the market. In this way, events are selected to create value-added and to "*make it fun to be in the Gallerian because you experience new things.*" On this note, the manager also reminded that at the same time as trying new ideas and following societal and other developments when creating customer experiences, it is important not to forget a traditional but crucial aspect of retailing: the customer service, or the "*Hi and welcome.*"

On another note about events, the manager points out that customer surveys asking visitors how they experienced the event have revealed that while most customers do not recall the exact event, they perceived the shopping centre as having a nice atmosphere. The conclusion, the manager argues, though not with 100 percent certainty, is that "*the events and things that happen affect the atmosphere, so [customers think] I like it, even though I cannot remember the event.*"

### ***Retail Atmosphere & Atmospherics***

Atmospherics was indicated as another way in which customer experiences could be created in line with *Gallerian's* marketing strategy, and thus also contribute to differentiating the shopping centre. Reiterating that the retail atmosphere contributes to the customer experience, the manager believes that it is first necessary to present an environment that is "*neat and clean,*" but which is also "*fresh, easily accessible and not too messy, a secure and safe and a good environment.*" For instance in terms of layout, some shops are being shifted around in current refurbishments, so as to achieve better customer flow and allow all the "*functions in the mall to function as one entity.*" Freestanding shops are also planned in the new concept, to create a commercial atmosphere and a feeling of proximity to customers.

Atmospherics is also employed in the shopping centre to reinforce the shopping centre's concept, profile and identity. For instance, since cyan blue is *Gallerian's* colour, it is the colour used in the conscious work to strengthen the shopping centre's profile and brand. Within the shopping centre, this has been done through interior design, on the furnishings as well as fixtures like big cyan blue trees and cyan blue balls. Moreover, the colour is also used in the external marketing of the centre; where, as the manager explained, "*we work from the inside and out with our profile.*" While events are held to enhance the customer experience, they also contribute to the atmosphere at the same time, as

previously mentioned. Specifically, the crowd they draw and the buzz they create influence the atmosphere, and create the notion that *"something is happening."* Moreover, recognizing that customers perceive the environment through their senses, the manager commented that these events should also stimulate customers' senses. In this line, in the manager's opinion, a perfect allegory of such an event that is sensory in nature is: *"a cow... [it] is the best because you can smell it, taste it, see it and so on. It is optimal because it entices all the senses. It is a good symbol for the different senses."* Hence, to execute such a sensory attraction and event, *"put a cow in the middle of the square!"*

In this line, in order to touch as many senses as possible, *Gallerian* has incorporated sensory atmospheric elements in its atmospheric design in several ways. For instance, in its current layout, the cafés and kiosks in the middle of the walkway were specially selected and placed, so as to entice the customer with smells, tastes and an international air. The smell of freshly baked bread is also thought to contribute in a positive way to the atmosphere. Moreover, sounds will also be used to create the atmosphere in *Gallerian* in the current refurbishment, such as through the broadcast of "urban sounds" in special sound rooms; to create a feeling of being in the middle of an urban area where things are happening. As pointed out by the manager, this is in line with *Gallerian's* urban concept, and is anticipated to strengthen their brand profile and personality. In another example in line with the shopping centre's concepts, the shopping manager comments that with changing times, new innovative ideas also need to be introduced in the retail atmosphere. Illustrating how the bread toaster was introduced as a technological innovation but today has been taken for granted, so too will younger generations take digitalization in a similar way, commented the manager. As such, the manager proposed that digitalization should be a part of the retail atmosphere, and *Gallerian's* idea to attract this new generation of shoppers is to incorporate visual tools into the shopping centre such as large touch screens.

Overall, the manager suggested that the customer experience and retail atmosphere are interlinked, and have to be worked on together; in order to create consistency and a red thread throughout the shopping centre. In this manner, the manager pointed out that even events need to be carefully selected along the marketing strategy and concept. Further, atmospheric design also includes the tenants, where through the use of a design manual, tenants are provided guidelines for how their stores should be designed, in line with the overall ideas of *Gallerian's* concept and identity. While the guidelines provided are very detailed, including such details as the maximum height of the cashier's counter; the manager also pointed out that the manual is meant to be a guideline rather than a set of hard and fast rules. Nevertheless, it does also include what tenants can and cannot do in terms of design. Finally, in line with the desire to stay current, the manager mentioned that customer surveys are conducted to understand how customers think of the *Gallerian*. While these surveys are currently conducted annually, the manager pointed out that they used to be done monthly, to *"feel if we are on the right track."* However, having received similar and satisfactory survey results for a period of time, it was indicated that the base offerings had been met and strategy should shift to follow-up, in order to live up to customers' perceptions. In the current surveys, customers are asked what they thought of the shopping experience, events; and how they felt about the retail environment along the lines of the hygiene factors. Moreover, the manager also indicated the purchase of external marketing research, which shows how customers perceive *Gallerian* vis-à-vis other competitors in the greater Stockholm region. Finally, discussing marketing and atmospheric design ideas with tenants in the tenants' marketing council, and using their insights about the customer as a sounding board was also pointed out to be important.



### 5.2.6 Ingelsta Shopping

#### ***Working with Customer Experiences***

Everything in *Ingelsta Shopping* is done to bring people to the shopping centre to shop and to have a positive experience while they are there, stated the manager. Pointing out that everything should be *"clear, easy to understand and follow... and accessible, practical and thoughtful,"* the manager indicated that the three value words (accessible, practical and thoughtful) should *"permeate the whole experience in some way...regardless of what the customer does in the store"* – and thus forming the basis for how customer shopping experiences are created. This emphasis on a red thread is highlighted throughout the findings.

Overall, to create positive customer shopping experiences, the manager explained that the idea is to take as a point of departure, how you would want to be met yourself when you go shopping; and then to provide that to the customers of *Ingelsta Shopping*. For instance, the manager points out that the shopping centre has only one floor and no stairs, which *"makes it easy"* to move around in the mall; especially for families with children and prams. Additionally, the moderate size of the shopping centre means that children cannot run too far from their parents – making the centre feel safe; and moderate breadth of walkways mean that the corridors feel neither too empty nor crowded. The opening hours of the shopping centre are referred to as simple and easy to remember and to do marketing for. Free and well-planned parking, easily accessible trolleys for customers are also pointed out as important, and are also inspired by the three value words. Moreover, small gestures are important too, such as waste bins and green plants to contribute to an impression of a clean and neat shopping centre once the visitor goes inside. Additionally, free toilets, provision of more restaurants, indoor parking to complement the outdoor lots, sufficient ATMs, sitting places and benches were all indicated to make shopping pleasant and enhance customer experiences.

*Ingelsta Shopping* is located in a shopping area, with other stores in the vicinity specialising in the retail of one type of merchandise, such as electronics, toys, interior home furnishing and furniture and construction companies; which, according to the manager is quite unique in the Norrköping area. She explained that there is no other retail area that has all these types of stores gathered in such a close range. Thus, a draw of *Ingelsta Shopping* is its *"good neighbours,"* since this makes it easy and effective for customers to perform all types of shopping errands in the same shopping area. This is especially so since *Ingelsta Shopping* is the only retailer in this shopping area which also includes restaurants, clothing and shoe shops in its offering. The manager described a current project underway as one where the 'neighbours' cooperate to make the whole Ingelsta shopping area larger and more pleasant to shop in. Accessibility to the area is considered, as is signage – both inside and outside the area itself.

In terms of store mix, *Ingelsta Shopping* believes in a mix of *"regular brands, chains and local stores"* and has tried to develop a niche, such as within sports. The shopping centre has several different store clusters to make it convenient for the customer; such as sports, shoe and interior décor shops. Moreover, placing two competing sports stores side-by-side near one of the entrances was pointed out to be positive for both stores and customers; since shoppers *"can walk to and from each store, to compare prices and try things on before they decide and make their purchase."* *"There are some who shop this way,"* added the manager. Moreover, instead of more homogenous store fronts which other shopping centres have, having very individual shop fronts was unique for the mall, which also helped to make the shopping centre *"stand out, at least here in Norrköping."* Moreover, where *"no two shop*

*fronts look the same,"* the manager also perceived that this feature *"makes the customer experience the shops in different ways."* Explaining, the manager meant that even if there is a H&M store in most shopping centres, the one in *Ingelsta Shopping* looks a bit different: it has a unique façade, nice display windows – and these are things that shape the first impression. *Ingelsta Shopping* was awarded Retail Awards Shopping Centre of the Year in 2009, and according to the jury, this was partly motivated by the individual shop fronts.

Further to aspects of the physical shopping centre, activities are also planned to enhance the customer shopping experiences, targeted towards both *"big and small,"* – or in other words, both children and adults. In this line, the manager explained that they try to appeal to all, and do not explicitly exclude anyone, when thinking about target groups. Stage performances are also used, though these are usually of a more traditional character, such as performances by local associations like small theatres, societies, dance clubs and the culture schools. Moreover, these performances by local clubs *"are fun to have because the customers live in Norrköping and they feel a sense of belonging to these activities."* Other smaller activities such as face painting for children and handing out balloons were also described to make customers happy. Likewise, giving out free glögg and gingerbread at Christmas was intended to improve shoppers' mood and reduce stress from their Christmas shopping. Generally, activities are directed at families with children, as these comprise a large part of their customer crowd. Moreover, satisfying the children often satisfies their parents too, which the manager pointed out to be important since they will *"stay longer, have lunch or fika, shop and carry out their errands [in Ingelsta Shopping]."* On this note, the manager also stated that it is vital to select activities and events that promote shopping and positive experiences, instead of just attracting a crowd.

### ***Retail Atmosphere & Atmospherics***

*Ingelsta Shopping* has worked in different ways to influence the retail environment. For instance, the shopping centre's profile colours of orange and magenta are applied to various elements in the mall such as the furniture, plant pots, waste bins and signage. The idea is to enhance the environment by using bright colours and the management believes it is working well so far. In this line, the manager commented that applying colour schemes to the design of the shopping centre should fit the building and its profile. To do this, the process of refurbishing the shopping mall included close cooperation between architects as well as advertisement and design agencies; in order to convey a consistent message across architecture and media communications. The manager indicated that this cooperation was very successful; and concrete recommendations were developed on how to reflect the mall profile in the appearance of the shopping centre. In this way, the architects were also the actors who developed the signage manual, which describes guidelines and the ways in which the individual shops are permitted to hang up their store signs.

In other ways to influence the atmosphere, a tapestry hanging from the ceiling is used to display greeting messages during festivals and holidays; and is intended to evoke positive feelings in customers and encourage a positive image of the shopping centre. Natural light from windows in the ceiling is intended to make the environment bright, and feel safe. Music is also used, and varied according to the visiting crowd. For instance, the music played in the morning, evenings and also during lunch hour is mostly calm; so as to create a peaceful atmosphere. A careful approach to scent is adopted. For instance, since scented sprays such as the ones usually used while cleaning toilets *"can provoke allergic reactions, we use unscented sprays"*.

Overall, in terms of atmospherics, the manager indicated familiarity with the concept, but pointed out that nothing has been done so far, especially with regard to stimulation of the senses. However, she also noted that there have been a lot of discussions on the topic, and contact has been made with a company that works with atmospherics. The idea is that this company will advise more on the sensory atmospherics; though nothing has been tried out so far. The manager does indicate though, that atmospherics and sensory stimulation are areas which the stores in the mall have already been working on. In a way, this is positive for the shopping centre, since, after all, *"it is in the stores that we want the customers to be in."*

In terms of their own atmospheric design projects, and knowing what to try out, the manager described that ideas are often shared with the other shopping malls under the same owner, *Eurocommerical: "We help each other a lot on what works and what does not"*. However, the manager also commented, *"it is different from city to city, and sometimes you need to try out ideas before you know what works best."* Other than the sharing of ideas with counterparts, inspiration on what type of atmospheric elements to bring into the shopping centre also comes from event actors, snippets in the mail, feedback from customers as well as research from newspapers and TV to keep up with the market trends. Customer feedback in particular was highlighted as a good source for tips, ideas and opinions – listening to *"both the good and not so good"* – to know what to focus on in the retail environment. Surveys are conducted to see what the customers think and what they want, as well as how they felt from the shopping environment and experience. Additional to these surveys, the manager also acknowledged that much of the feedback from customers comes through store employees since they are the ones with direct and closest contact with the customer. The last large survey carried out in the fall of 2010 revealed mostly positive customer feedback that the environment was felt safe, fresh, bright and airy; and hence, the manager explained, did not give the management much to go on when it came to enhancing customer experiences. It is clear though, that *"experiences and feelings have become more important over the years,"* she continued.

### 5.2.7 Tuna Park

#### ***Working with Customer Experiences***

The manager at *Tuna Park* explained that the shopping centre has not worked very systematically with the customer experience yet. Elaborating, he commented that improvements to the shopping centre are topics for an ongoing discussion; such as how improvements can be made regarding the ease to get inside the shopping mall once one arrives at the site, ease to navigate indoors and find one's way, if there are maps or toilets suited for everyone. The manager also suggested that the experiences which the customers have in a shopping centre are dependent on the competition as well. *"Five years ago when we opened this shopping centre there were four old gallerias in the city centre and perhaps people did not realise how old and bad they were until [this] new shopping mall opened with many stores."* In other words, explained the manager, the experience which customers now have in *Tuna Park* is to some extent also affected by how they perceive *Tuna Park* in comparison to the other shopping centres in the vicinity.

In this line, the manager indicated it as important that the mall has a clear profile and that *"you always try to get better and better"*. Coming up with new ideas to stay ahead of competitors is also therefore important. Here, even though *Tuna Park's* owner is minimally involved in the management and marketing of the centre, the manager described how he was able to communicate with other shopping centres under the same owner, through the sharing of new ideas or solutions to specific problems. This

was illustrated by the example of finding the best supplier for a specific type of coat lockers for customers.

According to the manager, the profile idea of *Tuna Park* is now to be *"associated with winners"*; a theme which also adds to the customer experience. This encompasses different activities such as through internal marketing, such as having most satisfied store employees at *Tuna Park*, or the best store managers of all the branches in a chain. For instance, *"almost all shops in Tuna Park also have representation in the city centre. So for a store like H&M for example... I want the best shop manager to be at my shopping centre, not the city centre."* The manager rationalizes that having such employees will subsequently contribute to a better customer experience and make the mall successful.

This association with winners is also extended to events, such as bringing currently popular artists and celebrities to visit and/or perform in the mall, such as the winners of Swedish Idol and the Eurovision Song Contest; – an approach which the manager believes has been a successful so far. *"It is a win-win situation"*, he explained, as the collaboration is good for both the shopping centre and the artist to promote him or herself. Further to type of performance, the manager indicated that such performances should preferably not be too long since *"performances in shopping centres just disturb shopping."* Nevertheless, while such events and performances do not increase sales *per se*, the manager does believe that it has an effect on the shopping centre; in the sense that it adds to the atmosphere and creates a buzz. He added, *"I want people to talk about that when they go to work on Mondays."* The manager furthered that while these activities may not work in bigger cities, they do work for *Tuna Park's* market because people are simply not that used to *"meeting celebrities"* and having a lot of activities going on.

The *Tuna Park* manager elaborated on creating a buzz around the shopping centre by saying that he has worked hard with the media, such as sending out press releases *"as soon as there is something good to tell."* In this way, the manager believed that consistently communicating good things about the shopping centre all the time gives people get the impression that *Tuna Park* is very successful. *Tuna Park* uses customer surveys to find out what customers think about the shopping centre and the last major survey was conducted a few years ago, according to the manager. Customers answered questions related to cleanliness of the centre, what they thought about the restaurants available, price levels, opening hours, if there was anything that they missed in the centre. The manager perceived that it was a *"really good survey"* and the results have been used to improve the shopping centre: *"We try to listen to the customers, what they thought and then do better."* A concrete example is also given in that customers felt they were missing *"old fashioned cafes"* so when there was a vacant retail spot in *Tuna Park* the following year, it was rented out to a cafe.

At *Tuna Park*, the management and the shop owners work in close cooperation on the marketing of the mall. There is a shop owners' association comprised of each shop in the mall, and who pay a marketing fee which varies with the size of their shop. The centre manager is also very involved in this association. The association also decides how the mall's marketing budget is to be spent, at an annual meeting where every shop owner in the mall is present. One example of such decisions was the type of advertising for the mall. The manager recalled that when *Tuna Park* opened five years ago, it was gradually evident that the people in Eskilstuna did not notice the presence of the mall; that the mall's marketing was not seen. Specifically, the reason for this was that much of the advertising was done through small, local newspapers and not everyone was reading them: *"Even if you subscribed to the*

*newspaper it wasn't for sure that you would see the ad that was ours."* Moreover, *Tuna Park's* customers do not only come from one city but rather from many small towns; and where each town has its own local newspaper. Consequently, the decision was taken to expand advertising, and the mall started TV commercials one year later.

### **Retail Atmosphere & Atmospherics**

On the topic of atmospherics, the manager indicated that he was familiar with the concept. However, while acknowledging that atmospherics can be important and useful for shopping centres, the manager perceived it as even more important in larger towns where the competition is tougher. *"Of course you want somewhere nice to shop"*, he says, but in a way, *"people will come anyway because they don't have that many options."* Explaining, the manager describes *Tuna Park* as typical shopping centre for the greater mass and the average Joe; implying in turn that the priority for the mall is to satisfy customers' needs. For instance, in terms of store mix, the manager perceives that smaller, less known brands would find it difficult to survive in *Tuna Park*. Instead, what works in *Tuna Park*, and what the mall mainly houses are the larger chains; as it is these which customers expect and want to have there.

Nevertheless, the manager also pointed out certain efforts to make the atmosphere in the shopping centre more pleasant and comfortable for customers. On the interior of the shopping mall, the manager indicated that the architect who built the shopping centre did a good job because the appearance of the shopping centre stays fresh. The material used for the walls are rocks and not painted walls and it *"looks good, more or less like it was built yesterday."* The shops have a white colours palette, but again, *"it never looks old"* since the white areas cannot be touched by the customer. Flowers are used throughout the centre: by the entrances, meeting square and the restaurants. *"Aromatic scents"* were tried and put in use by the entrances but later removed because they were thought of as being *"a little bit too synthetic"*. The manager also noted that *"more and more people do not like smells, synthetic smells... like perfumes and stuff"* because they are allergic to it. With regard to sound in the shopping centre, the manager perceived it as one area in which the mall was *"not very good in...I think we have it too quiet."* Explaining, he mentioned that he would like to have more background music in the shopping centre other than the square and restaurants; though the sound system *"is not working as it is supposed to"* and they are trying to buy a new one. Themes in the shopping mall are exemplified by having different colours for the entrances: there is an orange, a blue and a purple entrance. Apart from that, there are not so many themes that go throughout the centre.

Overall, the manager believed that there are areas of the shopping centre and atmosphere which are *"boring"* and which can be improved; such as in terms of lighting. Reiterating that is important to have a really clear profile along which marketing decisions are made, the manager opined that *"too many shopping centres are doing too small things that customers never notice."* Instead, he suggested that it may be *"better to do less and better."*

## **5.2.8 Kista Galleria**

### **Working with Customer Experiences**

According to the manager, *Kista Galleria* is a successful mall, ranked and perceived highly by customers. However, faced with a lot of competition in the area where it is located (north-west of Stockholm central), she also commented that a major challenge for the mall is to *"continue to be top of mind and top in mind"* – *[which is] where we are now."* Beyond the wide range of stores which the mall has, she

added that the trick is to discover *"the difference that makes the difference"* – and therein in this process is where marketing comes in and can contribute.

In this vein, one of the marketing aims *Kista Galleria* is to make the mall a *"shopping destination"* and offer customers new ways of experiencing shopping. According to the manager, this is achieved in varied aspects of the shopping centre. For instance, at a basic level, the shopping centre's large size, infrastructure, ease and availability of parking; as well as the feeling of security in the shopping centre were indicated to lead to positive customer experiences. Further, the manager also mentioned that the long opening hours of *Kista Galleria* have been a very important factor for differentiation of the shopping centre. Even though other shopping centres are closing in on this factor, *Kista Galleria* is still the best by far in this region, she added. Moreover, the manager explains that the mall attracts a diverse crowd during the day and during the week: in the daytime, most of the visitors come from the big group of 40,000 people working in the Kista area. Visitors who come later on in the evenings are mostly those who either live in the area or travel there for the purpose of shopping. Here, the close proximity to the subway is a major plus since it makes the shopping centre accessible.

In more tangible aspects of the mall, *Kista Galleria's* large number and wide range of shops is a major draw of the centre, which also contributes to the shopping experience. Here, the manager described the range of stores as balanced, encompassing both high end fashion and smaller, local stores in the mix. To make the galleria attractive and to make it easier to target specific groups, some types of stores are also clustered, such as telecom stores. Especially since a large part of the people who work in the the Kista area are in that type of business, this also makes it easier for the shopping centre to sell event spaces and to attract that customer group. As it is now, *"companies queue to get to come here and do events"*. For families, the concept of an area specially catered to children has been much appreciated – which the mall dubs as the Kids Court. With a cluster of facilities and stores for children and families with children clustered in one area, the Kids Court is also seen as a way to differentiate the mall and to make it stand out further from competition. Indeed, as the manager pointed out, by gathering different brands and concepts under one roof, *Kista Galleria* should be perceived as a simple one stop shopping solution for the families with children; and a family-friendly shopping destination where all the families' errands could be run.

Further to the wide range of stores, *Kista Galleria* also houses a very large food court in the centre of the mall. Here, the idea was to gather foods from all over the world and thereby also attract a cultural diversity to *Kista Galleria*. Additionally, the food court is identified as an important *"engine"* of the mall and *"one of the main reasons why the customer chooses to shop at Kista Galleria"*.

Entertainment is another area which *Kista Galleria* emphasizes, to further differentiate itself. As part of its latest refurbishment, the cinema in the mall's entertainment centre was upgraded with 3D rooms. Moreover, as requested by customers, a large sports bar and a 12 lane bowling alley were also added to the centre. Explaining the shopping centre's approach, the manager suggested that such entertainment factors enable the delivery of an experience concept to the market.

Overall, *Kista Galleria* strives to differentiate itself through its strong profile and clear concept: Fashion, Food Court, Kids Court and Entertainment Court. Further, marketing the whole mall at the same time, and *"see[ing] it as a marketplace,"* the values which drive the marketing and differentiation at *Kista Galleria* are accessibility, atmosphere and thoughtfulness.

### ***Retail Atmosphere & Atmospherics***

As aforementioned, atmosphere is identified as an aspect which *Kista Galleria* works closely with. For instance, to create a secure and familiar atmosphere, a welcoming with modern architecture and generous daylight intake contributes to creating a unique environment that is easy to navigate and shop in. At the food court, the diversity of restaurants itself contributes to the mood and atmosphere of the place, “with so many different nationalities and food from all the corners of the world.” The atmosphere is especially heightened during traditional festivities; added the manager. To illustrate this, the manager spoke about the long queues in front of the Halal food restaurants during the Persian new year or Ramadan, which contribute to a “fantastic atmosphere and mood” in the food court.

The manager described *Kista Galleria* as comprised of different environments and atmospheres. For instance, pointed out the manager, the atmosphere is different in the food court and in the shopping corridors. Where the mall regularly attracts a large crowd during the day time; the manager indicated that it was imperative to work with the environment, in order to moderate the atmosphere in the shopping centre. For instance, the food gives a feeling of a rather busy place; since there are things happening and people moving around all the time. Thus, while “[the mood] feels fast in the food court, ...maybe you want to slow it down in other parts,” so as to give customers another feeling than the stress from the crowded environment. The Kids Court which is situated at the back of the mall is such an area which is quieter, which is conducive for families with children to shop in. Additionally, there is a play area that the kids can use to play in for free while perhaps the parents have some coffee and relax a bit. Thus, in the manager’s words, “the different environments help to change the tempo” in different areas of the shopping centre. Moreover, while a good flow of people to the centre is undoubtedly positive, it can also make the mall too “crowded and messy,” added the manager. Thus, one way that the management tried to avoid overcrowding in the corridors was to remove two cafes from the main thoroughfare, so as to improve the flow of people through the shopping centre.

Visual appearance of the shopping centre was also indicated to enhance the atmosphere and the customer experience. Following the recent refurbishment, *Kista Galleria* updated its graphic profile and aligned its marketing with the new brand concept. The black and white colour scheme is used consistently throughout the centre, both in the interior and the exterior. Additionally, the refurbishment involved whole shopping centre, changing everything from its wall panelling, to lamps and sockets, floors and doors; such that “you can’t really see which part of the shopping centre is new and which is old;” remarks the manager. Here, the manager suggested that the uniform look in the shopping centre also helps to enhance customer experience.

Further in terms of design, the manager mentioned that store fronts and store concepts should also be regularly updated to fit the concept of the mall. Specifically, where *Kista Galleria* has put a lot of “time, effort and money into aisles and public areas, we demand the same from our stores...to have the latest concepts at all time.” Elaborating their view, the manager explains, “it does not matter how much you put into the experience if you enter a store and it is old and dreary. [That] brings down the whole experience.” To facilitate this aim, *Kista Galleria* includes a clause in the tenants’ rental contracts requiring stores to have the latest design concepts. Furthermore, a design manual also guides tenants design choices when new concepts are to be introduced, especially since the management would like the *Kista Galleria* brand to be reflected in all areas of the shopping centre design.



Other than these aspects, the manager deemed that they had not worked so much with atmospherics, and found sensory aspects of atmospherics to be *"a very interesting topic!"* Nevertheless, the management is currently working together with an external actor to explore the possibilities of enhancing the mall environment through stimulating customer senses and thereby also to influence emotions. A review of the whole shopping centre is going to be made and one idea is to continue to create sub-environments within the shopping centre, to *"create different environments within the environment."*

Still, for a start, the manager also pointed out some projects involving customers' senses which had been carried out or which they had in mind. For instance, smells have been tried out near the entrances; such as the scent of pine at Christmas, to enhance the shopping experience. However, this did not pan out very well partly due to the ventilation system, but also due to high ceilings which require a large volume of the scent to fill the atmosphere with. Music in the elevators was another area currently under consideration, to make for a different experience while riding the lift. Also, ideas are currently being gathered on how to create new experiences in the parking garage, such as through the use of lighting and similar elements.

In closing, the manager indicates that ideas for marketing are derived from findings in their surveys, such as how the *Kista Galleria* brand is perceived, who its competitors are, what drives shopping, customer satisfaction, customers' tendency for repeat visits and so on. Specifically, customer feedback is gathered monthly, which enables the management to see trends, direction and can take action more easily; than the previous surveys which were conducted annually. For instance, the monthly surveys showed that the mall had not been able to deliver what customers expected, when it poor scores were received on aspects such as "happiness" (*lyckokänsla*). These scores indicated that *Kista Galleria* was perceived as not inspiring, not having an appealing atmosphere; and generally not a fun place to visit. Yet, this finding was baffling since other results showed that the customers appeared to be content and had intentions to revisit the mall. Thus, the manager mentioned that it is important to find out what makes the experience unpleasant; and one outcome of their investigation has been to counter crowding through the removal of two cafés in the centre, as previously described.

### 5.2.9 VällingbyCity

#### ***Working with Customer Experiences***

According to the manager, the most important thing in marketing a shopping centre is *"to always be present high in the target groups' consciousness."* Accordingly, marketing at *VällingbyCity* is geared toward increasing awareness of the shopping centre – operationalized in activities and marketing efforts that either drive traffic to the shopping centre or *"create an unexpected experience"* there.

For instance, explained the manager, a positive customer experience in the shopping centre is comprised of the provision of good customer service, a clean and tidy environment, and a good range and offering of stores and services. Moreover, events at the shopping centre also help to enhance the customer experience; and contribute to create the desirable customer perception or *"feeling that positive things often happen here"* – rather than a *stagnant centre that does not progress or develop*. While several of these events are aimed at boosting shopping activity, the manager mentioned that there are also other motivations for some events. Specifically, some *"activities do not have a commercial purpose"* but they are put in place as acts of *"social responsibility;"* a 'duty' that comes from

being owned by the municipality. Thus, such events could be the set up of a basket ball court for the youth in the summer, to drive traffic to the shopping centre and provide a value-added experience for visitors. At other times, events such as fashion shows or inviting a pop artist to perform in the shopping centre will draw a crowd; which the management hopes will also shop in the stores, rather than just visit because of the artist. In this vein, the manager commented that every event has to be thoughtfully selected: *"you have to carefully think about why we are doing this, is it worth it? Why do we want to have the crowd here?"* Moreover, it is also imperative for the activities to form an impression on customers, and *"stimulate feelings and create memories which are positively associated with VällingbyCity."* These goals regarding marketing activities and events are also shared with tenants, where the management also *"we encourage [tenants] to test events to create added value for customers."*

Sales service was also pointed out to be crucial to the customer experience, as *"the experience in the customer's visit can never be better than what our employees deliver."* One project which the management had recently embarked on in this respect is a project to inspire better levels of customer service in the stores. In the fall of 2010, the management met with 15 store managers and discussed among other topics, how store employees could be motivated to be better at serving customers; as well as how to inspire them to feel as a part of the whole *VällingbyCity* shopping centre; rather than just an employee of the stores they worked at. This initial phase of the project was successful and the project will be repeated in 2011, with another 15 store managers.

### ***Retail Atmosphere & Atmospherics***

More than events and service, the manager adds that the environment and *"the physical attributes of VällingbyCity also contribute to the experience"* of each visitor to the centre. On this note, the manager described the historical background of the shopping centre, and pointed out that marketing at *VällingbyCity* – including atmospherics and creating customer experiences - is slightly different from that in other shopping centres. This is due to some of its unique features which place special demands on the centre. As aforementioned, one condition is its ownership by the municipality, resulting in marketing to fulfil its social responsibility. Moreover, operating as an outdoor shopping centre also implies the requirement to seek approval from the police and traffic authorities prior to holding activities on the square within the shopping centre compound. Thirdly, as a cultural heritage site, the shopping centre is also governed by laws specifying how much of the physical environment that can be changed, especially in terms of the exterior design. In particular, these regulations state that *VällingbyCity* cannot make too many or big changes to its overall appearance.

To enhance the atmosphere at the shopping centre, the manager mentioned that they tried to keep the environment *"clean, neat, fresh."* Further, the manager reckons that *"everything which contributes to a qualitative feeling in the visitors, even if they can be extremely subtle (inconspicuous), is positive"* – for shopping centre as a whole. For instance, *VällingbyCity* is involved in the Swedish National Council for Crime Prevention, which contributes to the feeling of security at the centre. Moreover, the openness of the outdoor shopping centre and its thoughtful architecture enhances the atmosphere, and thus the customer experience in turn. Additionally, work with signage is ongoing and there is a program to improve directions and ease of navigation within the shopping centre. *VällingbyCity* also tries to *"influence moods and feelings"* through more explicit means such as *"flower programs and fountains"* – where for instance large pots of flowers are placed in the outdoor areas and the large fountains turned on when spring arrives. Moreover, select photographs have also been put up on walls, to evoke positive feelings in customers. Here, only pictures that are thought to give a pleasant feeling are used,

and the idea is not to “bombard” the customer with a lot of thoughts. Similar ideas to these are run together with the tenants. For instance, a signage manual provides guidelines for how stores can and cannot build their stores and set up displays and signboards – and generally unites the management and the tenants in better environments and customer experiences.

The manager perceived that the sensory aspect of atmospherics is a “*very exciting*” topic, and added that “*we have not come so far yet.*” Nevertheless she recalled the previously mentioned marketing efforts, and comments that these are a good start to enhancing the atmosphere, and reiterated that the atmosphere at VällingbyCity is “*built on its history of good architecture, good service from all who are employed at the centre, and that we take care(keep in good condition) the public areas, plants and fountains.*” Additionally, one example of a project to enhance customers’ senses was a recent “*spring installation*” in K:fem was made for customers to be able to see and feel the merchandise, creating a beautiful environment to look at and complemented with background sounds to create “*a pleasant spring feeling*”.

On a final note, the manager believed that “*constantly developing according to customers’ needs*” is the key to remain successful and competitive. Through annual customer surveys, the management is able to find out about customers’ awareness and impressions of the shopping centre, as well as their willingness to visit. Awareness investigates if people know about their VällingbyCity, and is surveyed vis-à-vis other shopping malls. If they do know about VällingbyCity, do they also want to come there to shop? And finally, “*experiences of the visit*” are surveyed to see what the customers actually experience when they come to VällingbyCity to shop. Here, VällingbyCity also looks at how the customers move inside the building and thereby how the building functions, not just how it looks.

Beyond surveys, the management also looks to trends in society such as social networks, travel trends, fashion trends or whatever is relevant to the customers for inspiration in marketing. Some research such as reports on consumer behaviour is also used and while Vällingby City uses these as input, the shopping centre is not the initiator of the reports. Moreover, the manager indicated close cooperation with the tenants to understand the activities and to find new opportunities. Specifically in terms of maintaining the atmosphere, store employees are also encouraged to report if they see something in the shopping centre that needs to be fixed or cleaned so that “*we can create a good atmosphere together*”.

### 5.2.10 Steen & Ström

#### ***Shopping Centre Marketing & Customer Experiences***

According to Charles Larsson, the shopping centre owner and industry representative in this study, the most important thing for the customer is the feelings which he has while visiting the particular shopping centre; and that it is often a combination of experiences that make up the feelings. On this note, Larsson explained that the shopping activities which every shopper carries out can be categorized into two broad types. While the distinction between the two may not be so clear in English, since the verb ‘to shop’ is commonly used to refer to shopping in general, these two types as denoted in Swedish are “*att handla*” and “*att shoppa*.” Specifically, the former means to purchase out of necessity, and the latter refers to shopping out of want or desire. In turn, he also argued that the experience is more important in the latter type of shopping, which involves desire.

Larsson stated that the customer experience in the shopping mall as such has become a more important means of competition. Specifically, he believed that in a competitive situation where many

shopping centres are good at having the right shops, "*traditional competitive advantage like range and prices which one needs in order for success...now need to be complemented by others.*" Explaining, Larsson pointed out that the main reason for this is that most shopping centres and retail places are competing for the very same customers, where since "*the flow of new customers is not so great...it follows that the large profits come from repeat customers to the mall.*" To be able to attract customers to return to the mall, Larsson believed that more than just the right stores is needed – "*the experience of the visit itself must be positive, otherwise they will not come back.*" More explicitly, since many shopping centres have very broad concepts, it makes it difficult for them to stand out and to have their own special feature; and the shopping centre becomes broad in its character. Drawing an analogy, he added, "*It's a bit like a Volvo. It's good in many things but it doesn't stand out like a Ferrari does. But it's good in all areas.*" In the context of shopping centres, he continued, the three most important feelings a customer should have are that the shopping centre is clean, fresh and secure; and where "*after that, the dimensions of an experience are spiced very much by what you can do other than just shopping.*" In this line, Larsson perceived that it is the shopping centres which make the aggregate experience for visitors more positive which would have repeat visitors who also stay longer at each visit.

As examples of how the traditional retail factors could be complemented to achieve a total customer experience, Larsson pointed to design and service. He perceived these factors as powerful in contributing to the experience; and which had thus also "*become stronger competitive factors*" for shopping centres. Moreover, it is also about using "*the five senses,*" and different sensory impressions to create pleasant experiences in customers; or "*sensory marketing (sinnesmarknadsföring)* - as the researchers Hultén and Van Dijk call it;" continued Larsson.

In order to incorporate these elements well in the shopping centre, Larsson advocated the need for consistency. Speaking from the perspective of his shopping centre company, Steen & Ström, he explains that the shopping centres under this owner all place a lot of weight on the formulation of the brand statement, or a promise to customers – an overall theme which steers, guides and inspires all decisions at the shopping centre to a large extent; and basically gives the shopping centre its identity. For instance, not only does it guide the physical shape of the centre, it also helps determine a store mix, and suitable set of marketing and set up for the type of feelings one wishes to evoke, Larsson added.

### ***Design, Retail Atmosphere & Atmospherics***

As aforementioned, Larsson believed that the increased professionalism in the industry coupled with increased competition and consumer-side factors have made design, service and experiences more important to the customer and thereby also for the shopping centre owners. Specifically, in terms of design, he notes that "*design will become a hygiene factor in new shopping centres. [And] it will be a disadvantage without a good design.*" Furthermore, assuming that the actors on the market are more or less equally good at their basic offering, then "*design is a powerful tool for competition because the design is of course contributing very much to the experience*".

In terms of atmospherics, Larsson comments that "*the shopping centre industry in general has not come as far retailers;*" which could be due to the special challenge of making several different brands work as one entity when it comes to projecting an image of the shopping centre. However, he does not think that this would mean that it is more or less difficult to apply atmospherics in shopping centres as compared to individual retailers. Rather, the more likely reason for this challenge has to do with costs. This is so since design and atmospherics place higher demands on shopping centres and involve more

costs, such that *"it will become more expensive to build shopping centres."* Moreover, he explains that when you have a shopping centre, it is costly to have large areas which are not leasable and which do not reap revenue from rent. Additionally, Larsson also observed that the amount of shopping centre square metre per capita in Sweden is among the highest in the world – given its relatively small population vis-à-vis the total area of leasable space in shopping centres in the country. In turn, investment per square metre of shopping centres in Sweden is higher than that of shopping centres in England, and that the sales per square metre is lower in the former than the latter. Thus, since number of customers to a shopping centre influences the figure for sales per square metre, which in turn, together with location, determines how much investment a certain shopping centre can absorb; Larsson reckoned that shopping centres in Scandinavia face larger challenges than shopping centres in the Southern parts of Europe for instance.

Relating design and atmospherics to the enhancement or creation of customer experiences, Larsson also pointed out that this should be conducted in a sound manner. Specifically, while there are many factors which contribute to the total customer experience, it is wise to first ensure that all the basics are in place first: *"it is a little like Maslow's steps."* As a first step, Larsson continued, a shopping centre must have a good location, combined with easily navigable infrastructure and good accessibility – including opening hours. The next factor that should be ensured is a good store mix. Then, *"only when these two factors are in place, can design, service and similar factors be strong determinants and competitive factors."* In other words, design and atmospherics are complementary competitive factors to the basic factors of location, good store mix and a clean, fresh and secure environment; – where while *"it is good to have good design, it does not help the centre to have good design alone."*

Finally, Larsson pointed out that it is difficult to measure atmospheric effects and outcomes of experiential marketing. For instance, it is difficult to connect atmospheric design to turnover, since a shopping centre's turnover consists of the turnover of all stores – and where different stores had different levels of success. Moreover, he explained that it is difficult to know whether certain behaviours, customer perceptions or sales outcomes were in fact due to a specific atmospheric design project. To the best of his knowledge, no general performance metric linking customer experiences and financial performance exists. Further, from a strictly scientific perspective, he noted that there are many factors which are difficult to measure – for example that *"there is a difference between what one thinks and what one actually experiences."* Yet, despite the challenge in measuring outcomes and knowing if the experiential marketing or atmospheric design project was successful, Larsson is positive about the potential of these factors to be relevant factors for shopping centre differentiation. Elaborating, he pointed out that despite scientific metrics, what the company sees in its market research on the effects of design, and what customers think about shopping centres; is that *"the shopping centres which perform well in general are also those which customers appreciate and think are good."*

### 5.3 Summary of Shopping Centre Case Findings

To facilitate the research analysis, Table 7 provides an overview of the unique points of each case, in the similar two-section structure as the above presentation of the cases. Since the tenth case represents a broad industry perspective, the overview will only summarize the points for the nine shopping centre cases.

**Table 7. Summary of the Shopping Centre Case Findings**

	Shopping Centre	Working with Customer Experiences	Retail Atmosphere & Atmospherics
1.	Sollentuna Centrum	<ul style="list-style-type: none"> <li>• Provide "experience-based shopping"</li> <li>• Provide a "Wow" feeling</li> <li>• Service training seminars for store employees</li> </ul>	<ul style="list-style-type: none"> <li>• Emphasis on design, through the use of different building materials</li> <li>• Atmosphere is designed to create different feelings</li> <li>• Slow and steady approach</li> <li>• New atmospheric design project: digital signage</li> </ul>
2.	Allum	<ul style="list-style-type: none"> <li>• "The experience will become our big competitive benefit for the future"</li> <li>• "Experiences are more things than the colours on the walls"</li> <li>• Feelings are important for the customer</li> <li>• Service training in the Allum Academy</li> </ul>	<ul style="list-style-type: none"> <li>• Atmospherics need not be expensive</li> <li>• Do not introduce too many things such that none can be done well</li> <li>• New atmospheric design project: colour-changing lighting</li> </ul>
3.	Kupolen	<ul style="list-style-type: none"> <li>• "Shopping should be an experience too"</li> <li>• Consider how customers feel and move in the shopping centre</li> <li>• The experience as a chain, all elements must be present or "everything will fall apart"</li> </ul>	<ul style="list-style-type: none"> <li>• Atmospherics can give the mall "new feeling"</li> <li>• New atmospheric design projects: colour (interior decor and furnishing)/ light/ music</li> </ul>
4.	Nova Lund	<ul style="list-style-type: none"> <li>• A "welcome attitude": easy, fresh, cool and green</li> <li>• The experiences is a customer journey</li> <li>• Two types of shopping give rise to two different moods</li> </ul>	<ul style="list-style-type: none"> <li>• Will soon have all the atmospheric elements in place</li> <li>• Attention to details – "Retail is detail!"</li> <li>• Atmosphere is designed to create "wow effects"</li> <li>• Atmospherics enables new experiences</li> <li>• Atmospherics enables customers to "feel the fashion centre"</li> <li>• Use of mystery shopper audits</li> </ul>
5.	Gallerian	<ul style="list-style-type: none"> <li>• Customer experiences will contribute to differentiation</li> <li>• Create new experiences for customers</li> <li>• Make it fun</li> <li>• Hygiene/base factors should be "surprising"</li> <li>• Create experiences without compromising traditional retail aspects</li> </ul>	<ul style="list-style-type: none"> <li>• Atmospherics to create sub-environments</li> <li>• Stimulation of senses: a Cow is the best event to do this</li> <li>• Tenant marketing council is a sounding board for new atmospheric ideas</li> <li>• New atmospheric design projects: themed sounds and sound rooms/ digital screens</li> </ul>
6.	Ingelsta Shopping	<ul style="list-style-type: none"> <li>• "It is clear that experiences and feelings have become more important over the years"</li> <li>• The customer experience should be accessible, practical &amp; thoughtful</li> <li>• Conduct marketing to encourage commerce (shopping) and produce positive experiences</li> </ul>	<ul style="list-style-type: none"> <li>• Atmospheric design should also be accessible, practical &amp; thoughtful</li> <li>• Small activities can also enhance the atmosphere</li> <li>• Atmospherics: Individual and personal store fronts &amp; hanging tapestry</li> <li>• "Sometimes you need to try out ideas before you know what works best"</li> </ul>

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		<ul style="list-style-type: none"> <li>• Make the customer experience different by doing something differently</li> </ul>	<ul style="list-style-type: none"> <li>• Sensory atmospherics is exciting; though nothing has been tried out yet</li> <li>• In contact with a company that works with atmospherics</li> <li>• Listen to customers - "both the good and not so good"</li> <li>• Feedback from store employees, who are closer to customers</li> </ul>
7.	Tuna Park	<ul style="list-style-type: none"> <li>• Have not worked very systematically with the customer experience yet – it is an ongoing discussion</li> <li>• Create a buzz – provide a feeling that something is always happening there</li> <li>• Profile is an "association with winners" and this influences the experience</li> </ul>	<ul style="list-style-type: none"> <li>• Atmospherics is important, but perhaps more important in larger towns where the competition is tougher</li> <li>• Atmosphere is designed to feel constantly new</li> <li>• Atmosphere</li> <li>• "We try to listen to the customers, what they thought and then do better"</li> <li>• Customers might not notice all the small things that management does – "better to do less and better"</li> </ul>
8.	Kista Galleria	<ul style="list-style-type: none"> <li>• Discover "the difference that makes the difference"</li> <li>• Make the mall a "shopping destination"</li> <li>• Offer customers new ways of experiencing shopping</li> <li>• Focus on accessibility, atmosphere and thoughtfulness</li> <li>• Key aspects to enhance experience: Fashion, Food Court, Kids Court and Entertainment Court</li> </ul>	<ul style="list-style-type: none"> <li>• Atmosphere helps to differentiate the mall</li> <li>• Create sub-environments within the environment</li> <li>• Different environments help to change the tempo</li> <li>• A uniform look provides visual appeal</li> <li>• Emphasis on having the most updated design concepts</li> <li>• Engages in atmospheric work to counter overcrowding and resultant stress from it</li> <li>• New atmospheric design project: varied lighting in the parking garage(also creates new experiences)</li> <li>• Sensory atmospherics is "a very interesting topic!"</li> <li>• Currently working with an external actor to explore more atmospheric design opportunities</li> <li>• A review of the whole centre will be made</li> </ul>
9.	VällingbyCity	<ul style="list-style-type: none"> <li>• Bound by a social responsibility, not just commercial goals</li> <li>• Boost customer traffic and "create an unexpected experience"</li> <li>• Provide a "feeling that positive things often happen here"</li> <li>• Stimulate feelings and create memories which are positively associated with the centre</li> <li>• Service project to motivate employees to provide better service and feel as part of the whole centre and not just their store</li> </ul>	<ul style="list-style-type: none"> <li>• Physical environment also contributes to customer experience</li> <li>• Being an outdoor centre and a cultural heritage site involves special conditions and challenges for atmospheric design</li> <li>• Atmosphere is designed to influence moods and feelings</li> <li>• Atmosphere should not bombard the customer with lots of thoughts</li> <li>• Positive atmospheric design may even be "extremely subtle"</li> <li>• Sensory atmospherics is exciting, but "we have not come so far yet"</li> <li>• Encourage tenants to provide feedback on marketing and retail environment</li> </ul>



## 6. Analysis

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*This chapter analyses the research findings against the background of extant research. Recalling the research model presented at the end of the theoretical framework, the analysis of the findings is structured according to the three focal themes: (1) Understanding of experiential marketing (2) Relating to atmospherics and (3) Approach to atmospherics.*

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### 6.1 Understanding of Experiential Marketing

By and large, all the managers in the study expressed an awareness and understanding of the experiential marketing approach, even if this term was not explicitly used by any of them. They also expressed the aspiration to influence, provide or *create* customer experiences (cf. Schmitt, 1999; Poulsson & Kale, 2004) in their shopping centres, and even exhibited a level of enthusiasm at doing so. Moreover, most cases also indicated an understanding that working on customer experiences would be bi-beneficial for both customers and the shopping centre in turn (cf. Gentile et al., 2007; Verhoef et al., 2009). In line with Grewal et al.'s (2009) argument necessitating practitioners of experiential marketing to understand what customer experiences really mean, the analysis also juxtaposed the findings regarding shopping centre managements' interpretations of the concept against the main characteristics of customer experiences as outlined in theory.

Through extensive descriptions of the activities comprised in the customer experience, it might be said that the managers understood customer experiences as arising through multiple points of contact with the shopping centre (cf. Grewal et al., 2009), in a string of encounters or interactions that they describe as a chain or a process (cf. Carù & Cova, 2003). References were also made to activities beyond the actual shopping centre visit, such as looking at the shopping centre's website, or encountering advertisements on various media channels; as well as creating memories and intentions to revisit. These suggest likewise, the understanding of customer experiences as occurring over time, outside the confines of the physical shopping centre; and specifically before and after the visit, and closely related to the buying process (cf. Carù & Cova, 2003, Hirschman & Holbrook, 1982). Moreover, the findings also suggest the notion of customer experiences as subjective (cf. Hirschman, 1984), and affecting customers on a subconscious and individual level (cf. Hirschman & Holbrook, 1982, cf. Gentile et al., 2007). By pointing out that facilities such as nursing rooms or a carousel result in positive shopping experiences; it might also be deduced that managers understood the customer experience as being important or meaningful to the customer – or in other words personally relevant (cf. Poulsson & Kale, 2004).

Further to this notion that customer experiences are evaluated internally, the findings also indicated managers' understanding that customer experiences affect customers in different ways (cf. Gentile et al., 2007), even if the customers themselves were not specifically aware of *how*. These ways in which customer experiences were suggested to affect shoppers correspond to all the experiential dimensions presented by Gentile et al., (2007) as well as LaSalle and Britton's (2003) two additional dimensions. In particular, the dimensions which managers seemed to perceive as exceptionally pertinent in the customer experience were the pragmatic and practical dimensions, as indicated by frequent references to convenience, ease of access and use and practicality; similar to the notion of utilitarian experiences (cf. Hirschman & Holbrook, 1982). Emotional effect also took centre stage in managers' idea of the

customer experience, fuelling their notions that customer experiences arise through emotions; rather than sensory stimulation as Hirschman and Holbrook (1982) suggest. Subsequently, managers' corresponding perception of a positive experience was also one that engages customers primarily through their feelings and emotions – and it was these foci that the creation of customer experiences should focus on. In general, while the findings reveal that the managers were aware of all the experiential dimensions which Gentile et al. (2007) point out, it is also notable in fact, that not all shopping centres referred to all dimensions in their responses. Furthermore, even for managers that did, some dimensions were mentioned in passing or in a more subtle fashion; suggesting a varied level of awareness of how customer experiences affected customers. Moreover, perhaps this was because some concepts from theory are more hairy for a practitioner to fully comprehend; with the result that the choice of which factors to bring up for discussion or even to apply, falls upon those that are easier, or quicker to grasp.

An assessment of managers' understanding of the factors influencing customer experiences can also be made from the findings. Through their illustrations of experience-enhancing initiatives, managers indicated an awareness of both customer and retail factors which could influence the experience (cf. Jones, 1999). Transport and travel related factors (cf. Ibrahim & Ng, 2002a, 2002b) were also mentioned occasionally, but other macro environment (cf. Grewal et al., 2009) and situational factors (cf. Verhoef et al., 2009) and were rarely mentioned, if any; save for the weather. Specifically in terms of retail factors, the categories that received most attention were service, shopping centre features and facilities; as well as the general atmosphere in the shopping centre. Words such as “neat”, “clean”, and “safe” were used by several interviewees while describing important factors impacting the customer experience in their respective shopping mall. Furthermore, it is interesting to note that the interviewees discussing such terms came from very different shopping centres, varying both in size, location and profile. In turn, this might suggest that the factors crucial for a positive customer experience are consistent across shopping centres, and regardless of the types of differences present between the shopping centres in the study.

Moving on, with the undertaking to ensure a pleasant environment and customer convenience, at the same time as providing pleasant service and customer entertainment; it was also clear that the management perceived different types of customer shopping experiences within and across individuals. With attention to influence both rational versus emotional aspects of the shopping experience, it can also be said that managers understood these types of customer experiences as the utilitarian and hedonic experiences described in literature (cf. Hirschman & Holbrook, 1982; Fiore & Kim, 2007). Interestingly, however, while perceiving customers to be affected strongly by utilitarian aspects of the customer experience; hedonic aspects of customer experiences appeared to be more prominent when it came to creating customer experiences in the shopping centres. This finding is consistent with that in Bäckström and Johansson's (2006) study of single store retail managers' approach to enhancing experiences.

To understand this disparity, at least two explanations are possible. Firstly, it is likely that aspects related to utilitarian shopping experiences, – such as a clean and fresh environment or sufficient parking spaces – were perceived as *hygiene factors*; which though necessary, would not contribute to differentiation. As such, while ensuring to take care of the utilitarian aspects first, in line with scholars' recommendations (Lehtonen & Mäenpää, 1997; Bäckström & Johansson, 2006); these were not deemed to be unique or special in managers' work on customer experiences and therefore less emphasized. An alternative explanation for this observation could also be cultural. Specifically, recalling

the observation from Larsson, the industry representative in the study, it is possible that this focus on customer shopping experiences as primarily hedonic could have stemmed from an understanding of “shopping” in a Swedish context. In other words, where “shopping” implied a hedonically motivated shopping activity instead of the activity to purchase out of necessity; the managers’ subsequent emphasis on the *hedonic* aspect of experiences when creating them might then not be considered strange. Similarly, where it was observed that almost all instances of the customer experiences described by the managers were positive experiences, with only minimal references to negative ones; this latter cultural explanation might also hold. Nevertheless, as Bäckström and Johansson’s (2006) reflections also point out, it might have been natural for managers to downplay the more traditional aspects of customer experiences since they were in fact engaged in a discussion to illustrate the innovative aspects of their work – to create customer experiences that help them stand out. Accordingly, it should be acknowledged in this analysis, that the depiction of the management’s work on creating customer experiences reflected in the findings might not do full justice to the attention directed by the managers in reality, to the more utilitarian aspects of the customer experience.

Overall, in spite of the apparent tendencies to place more emphasis on certain aspects of customer experiences, the managers appeared to perceive the customer experience in the holistic and *gestalt* view of experiential marketing, as recommended in theory (Schmitt, 1999; Gentile et al., 2007). This is especially denoted by their references to the need for a red thread through their marketing work. Although managers used different words when talking about this: “red thread”, “profile” or “positioning” it was clear that they were essentially talking about the same thing. On the whole, the shopping centre managements in the study seem to have a rather comprehensive understanding of the concept of customer shopping experiences. Further, exceptions to this were identified mainly in the context of the component dimensions of the customer experience, especially in terms of the sensorial dimension. The reason for this could be that customer experiences were perceived as a complex phenomenon and that the managers simply were unable to fully express their views in just one sitting. Perhaps this was further compounded by the fact that another topic, atmospherics, was discussed in the same interview. In other words, it must be acknowledged that in the interest of time and the purpose of this study, the picture painted by the findings only provides a snapshot of managers’ understanding of customer experiences; which, in all fairness, could be life-long.

## 6.2 Relating to Atmospherics

### 6.2.1 Awareness and Understanding of the Concept

At a broad level, the shopping centre managers in the study appeared to be familiar with the concept of ‘retail atmosphere.’ Alluding to the “feeling” in the environment from evaluations of various components comprised in the shopping centre environment, this perception is similar to what Kotler (1973) describes as the ‘quality’ of an environment. Moreover, when illustrating or exemplifying this “feeling,” it was also clear in most cases, that the two focal topics atmosphere and customer experience were not mutually exclusive. In terms of ‘atmospherics,’ all managers indicated that they knew the concept or had heard of it. Interestingly though, a tendency to use ‘atmosphere’ to describe both concepts interchangeably was observed. While this clearly suggests the understanding that the concept of atmospherics is related to the atmosphere, another possible explanation from hindsight reflection could be the simple fact that there is no formal translation of the word ‘atmospherics’ in Swedish. Rather, as portrayed in the Swedish literature on atmospherics (cf. Nordfält, 2007), the word *atmosfär*

is used to refer both to the feeling in the retail environment, as well as the notion of atmospherics. Perhaps then, this subsequently resulted in the managers' use of the same word in English to discuss both concepts of atmosphere and atmospherics; and the observation is inconclusive in indicating whether the managers really grasped the concept of atmospherics.

Still, the incongruence here between managers' awareness of the concepts but not the technical terms might hint that practitioners and theorists are not fully aligned in the use of the terminology. As a consequence, care has to be taken in interpreting the findings from the study; where although practitioners might say they do not know much about atmospherics or have not applied it, their actions and examples may sometimes tell a different story.

The managers' interpretations of atmospherics fell into two broad categories, depicting the activities related to influencing the atmosphere (cf. Kotler, 1973; Turley & Milliman, 2000), and/or the elements in the retail atmosphere (cf. Turley, 2000). Both of these interpretations correspond to that in academic literature. However, this alone provides only a precursory picture of how aware and how much they really comprehended about the concept. Thus, it is also necessary for the analysis to examine how managers thought about using atmospherics in their retail settings; in order to provide a more correct evaluation of their understanding of the concept. This is developed in the next two sections.

### **6.2.2 Awareness and Understanding of how Atmospherics works**

Reviewing the broad set of ideas regarding the use of atmospherics in shopping centres, and the managers' aspirations to create pleasant atmospheres; two points were apparent. Firstly, managers understood that a retail atmosphere affects customers in some way; and secondly, that it was possible for retailers to influence this atmosphere. While these ideas hint at an understanding of the practice of atmospherics (cf. Kotler, 1973), a closer examination of the findings reveals that not all managers understood *how* the atmosphere actually affects customers (cf. Mehrabian & Russell, 1974; Donovan & Rossiter, 1982).

Specifically, when describing the effects which the atmosphere had on customers, the managers placed much emphasis on customers' feelings, moods and emotions – similar to the 'organism' component in Mehrabian and Russell's (1974) S-O-R model. In turn, while some types of behaviours were described to follow from exposure to a certain atmospheric variable, managers did not readily make the connection between emotion and behaviour. Moreover, while there are several instances of work to influence the atmosphere that depict some type of sensory stimulation, such as music; these were seen more as the elements in and of the environment that enhanced the atmosphere and evoke positive emotion, rather than actually working to stimulate customers' senses first. Further, while believing it desirable to appeal to customers' senses, so as to result in some positive behaviour; some managers seemed unsure of how exactly that happens.

In this light, taking Mehrabian and Russell's (1974) model as a starting point; an understanding of the retail environment as first stimulating customers' senses was lacking, as was the understanding of how sensory stimulation would lead to emotions; and customers' behavioural or cognitive responses in turn. Only a few of the managers really understood the process of how the retail environment influenced their customers. Subsequently, without this understanding, these managers also seemed to adopt a more global view of the environment, rather than a specific one (cf. Baker et al., 1992).

### 6.2.3 Awareness and Understanding of the variables and effects of Atmospherics

Going deeper into the analysis, an examination of the atmospheric design projects suggested by managers also paints a picture of whether they are aware of and how well they understand the constituent factors in each of the elements of the S-O-R paradigm (cf. Mehrabian & Russell, 1974).

#### ***Atmospheric Variables***

In the first component relating to stimuli (ibid), the findings are read for the atmospheric variables mentioned by managers (cf. Turley & Milliman, 2000). Specifically, even if the managers seemed unsure at the start of the interviews regarding what 'atmospherics' constituted of, their subsequent illustrations of atmospheric projects showed otherwise. From the extensive and diverse range of atmospheric projects mentioned, it appears that awareness of the range of the variables which affect the retail atmosphere is high. However, managers seemed to focus largely on the elements in only four out of the five categories; namely the external, general interior, layout and design as well as décoration variables (cf. Turley & Milliman, 2000). Almost all elements within the category of human variables were not mentioned, save for references to crowds and crowding, by a couple of managers. While service was also indicated as important, this was frequently described in the context of shopping experiences instead; and not to influence the retail atmosphere. Further to service in the sense of how customers are treated (*kundbemötande*), the literature actually refers to more tangible aspects of sales personnel (cf. Bitner, 1992) as the variables which influence the atmosphere – and none of the managers pointed this out. This large neglect of the human dimension suggests perhaps that beyond crowding, the managers were unaware of how else other people in the shopping centre could influence the retail atmosphere.

Within the four categories of atmospheric variables which managers seemed to be very familiar with, there also seemed to be an inclination to work with or mention certain variables; such as music for instance. Thus, while the shopping centre managements seemed to be aware of the component variables in the atmosphere on a broad level, their awareness and understanding of the elements which they could use to influence the retail atmosphere appears to be skewed towards certain categories and elements. Yet, rather than lack of knowledge about certain or all atmospheric cues in the retail environment, not mentioning specific variables could simply have been an effect of the time factor in the interview. Additionally, it could also mean they were not thought of yet for near-term atmospheric design projects, or that they were not suitable or relevant for the unique contextual situation of the particular shopping centre. On this note, to speak of categories of elements, it is also notable that the shopping centre managements did not seem to be aware of categorization schemas of atmospheric variables (e.g. Turley & Milliman, 2000); nor appeared to have similar categorizations of their own. Instead, the tendency seemed to be a listing of atmospheric variables in the order as they came to mind. In turn, this might suggest a similar approach to atmospheric design, where atmospheric projects for specific aspects of the retail environment were developed and worked on as and when the need arose or when inspiration struck.

In sum, while the managers were observed to have a broad awareness of atmospheric variables, a similar level of an understanding of how these variables influenced the atmosphere was less apparent. Specifically, while some emotions were mentioned to be anticipated from the variables; managers appeared not to understand the types of emotions that would arise from application or manipulation of most variables; and how these emotions would in turn lead to the desired customer behaviours.



Moreover, though multiple variables were indicated and their application was illustrated, it was unclear if managers were aware of the possibility of interaction effects (cf. Babin et al., 2003). Thus, overall, understanding of atmospheric variables might be said to be rather on a surface level, which in turn has implications on how they are used. Arguably, if you do not understand what type of outcome to expect from a certain activity you can assume that a certain degree of cautiousness will be present.

### ***Atmospheric Effects***

As per the definition of atmospheric effects (cf. Turley, 2000), the findings were read to identify the emotions, behaviours and perceptions which managers mentioned could arise through encounter with the retail atmosphere.

The emotions indicated by the managers to arise were by and large emotional states described in Mehrabian and Russell's (1974) pleasure and arousal dimensions, such as feeling good, happy or welcomed; as well as types of excitement. Further, managers were aware of other types of emotions such as interest (cf. Machleit & Eroglu, 2000), or nostalgia. Where managers pointed mostly to "positive emotions" as arising from contact with the retail atmosphere, or some small variations of 'feeling-good'; few negative emotions were pointed out, other than stress from crowds, or discomfort from allergic reactions to aroma sprays. While this might indicate non-awareness of the possibility of negative emotions arising from contact with the atmosphere, it is also likely that only positive emotions were mentioned since these are emotions which managers aspired to evoke through their atmospherics initiatives. Further, it is also probable that the managers found it more interesting to share details of successful atmospheric projects.

Overall, with a limited range of positive emotions mentioned and few negative ones, the findings suggest on the whole a modest level of awareness of the range of emotions possible from the managers' work on atmospherics. Further, while it was indicated in some cases that a certain emotion was anticipated from manipulating a certain atmospheric variable; these instances were generally few, the managers appeared to be uninformed of which emotions could arise from which variables, and subsequently which emotions would lead to the desired customer responses. This thus suggests a precursory understanding of the psychological processes at work when customers came into contact with the retail environment; which again, could lead to experimental approaches to atmospheric design.

In terms of behavioural effects mentioned, a majority were similar to the approach-type behaviours which researchers describe (cf. Mehrabian & Russell, 1974; Donovan & Rossiter, 1982), with special emphasis on attracting customers to visit, to revisit, and to stay longer in the shopping centre – as was expected from a study from the managerial perspective. Similarly, sales related behaviour was also mentioned, in terms of impulse buying and increased sales. Moreover, like the above analysis regarding customer emotions, negative or avoidance-type behaviours (ibid) were rarely mentioned, suggesting an air of optimism regarding the practice of atmospherics. In terms of cognitive effects, while customers' impressions were mentioned, this was discussed at a general level of the shopping centre as a whole, and less at the level regarding perceptions of specific aspects of the centre. Consequently, this might suggest that the managers were not aware of how the variables actually affected customer perceptions or even intentions for behaviour; which in any case is an area of ongoing research, especially with regard to interaction effects from combinations of atmospheric variables in a broad retail setting like a shopping centre. Moreover, effects of atmospherics on sales or financial performance were not

mentioned at all; possibly stemming from the difficulty of measuring such effects, as the industry representative, Charles Larsson, pointed out.

In sum, while there was a general understanding among the shopping centre managers that the retail atmosphere affects shoppers' moods, perceptions and behaviours; they appeared to be uninformed about how the atmosphere works to instigate customers' behaviours. Despite being aware of and leveraging several atmospheric variables in their atmospheric designs, managers appeared to be unsure of the subsequent outcomes, very similar to Bitner's (1992) observation of retailers' work on atmospherics. Instead, the shopping centre managers adopted a "try, wait-and-see" approach to their atmospheric design initiatives, and simply hoped for the best. The consequence of this reasoning, then, is that it is difficult to say whether an 'atmospheric success' is due to knowledge or a fluke, a touch of good luck. And just as the outcome could be positive, it could also be negative. An example is when aroma was tried for a while but removed on the grounds that people have different tastes or that people are allergic. Perhaps it was a case of interaction where several factors contribute to making the atmospheric initiative a negative experience.

Similarly, while managers were clear about the types of retail, behavioural or cognitive outcomes they desired from their atmospheric work, not all had a clear idea of which types or combinations of atmospheric variables would lead to these outcomes. By this analysis, although the managers seemed to be aware of atmospherics as a tool to influence their retail environments (cf. Kotler, 1973), most of them only have a partial understanding of the concept in terms of how it works and what it constitutes. Naturally, exceptions also exist, where managers displayed a deeper level of understanding of the variables, emotions and atmospheric effects; as well as how to leverage the variables to achieve their desired effects. These exceptions numbered only a couple, and even so; portrayed gaps in awareness of the three components of the S-O-R paradigm, though to a lesser extent than other cases. Moreover, it seems then, that despite a growing body of research on atmospherics (cf. Turley & Milliman, 2000; Nordfält, 2007) the shopping centres are not utilising that source of knowledge regarding the connections between specific atmospheric variables, emotions and atmospheric effects. Perhaps a reason for this is a belief that academic research is too focused on theories and lacks applicability to the practical context; especially when taking into account interaction effects and the multiple variables that exist simultaneously in a real retail setting. Additionally, another explanation could be that it is difficult to find relevant studies in areas which are less researched; such as shopping centres, specific atmospheric variables or even unique combinations of atmospheric variables which the managers come up with.

#### **6.2.4 Perceptions of Atmospherics**

The shopping centre managements displayed varying perceptions towards the retail atmosphere and hence, atmospherics. Particularly, two main ideas about the retail atmosphere were apparent from the findings. In one notion, the atmosphere of the shopping centre was accepted as is – an ambience formed and exuded by various factors of the environment and by the retail space in its entirety. Yet, an additional way of thinking about the atmosphere was that it could be *created*, and atmospherics was alluded to in this regard as the means to do so. Subsequently, this perspective of the retail atmosphere on two levels was also observed in the managers' perspectives of the concept of atmospherics.

In the first view all the shopping centre managers considered the practice of atmospherics as necessary, and identified with the notion of the atmosphere as is. However, rather than a motivation to influence



the atmosphere toward differentiation and competitive advantage (e.g. Kotler, 1973), the managers' arguments hinted instead that the goals of atmospheric work in this sense were the maintenance of hygiene factors in retailing – reminiscent of the approach to providing utilitarian customer experiences. In the second view, some managers also perceived atmospherics as important for strategy and a means to make them stand out (cf. Kotler, 1973; Turley, 2000; Turley & Chebat, 2002). They indicated the desire to *create* atmosphere; and the notion that atmospherics is a part of their retail marketing strategies. The managers in these cases also pointed out that atmospherics was essentially useful and relevant for competitive advantage vis-à-vis increasing industry competition and standardization, or to enhance the shopping experience for a particular target group; similar to Kotler's (1973) four propositions regarding the situations when atmospherics is most important.

In one special case, while acknowledging that atmospherics might be important for shopping centres, the manager viewed it as perhaps more relevant for malls in areas with more competition [*Tuna Park*]. It was mentioned too though, that a new and bigger shopping centre was being built in a neighbouring town, which was acknowledged to draw some of the crowd away from this shopping centre when the latter opened. Although this elucidation might seem to go against Kotler's (1973) suggestion of atmospherics as important when competition increases, – or more specifically, the number of outlets for a particular type of merchandise increases – other aspects of the case might actually suggest an exception to theory instead. Particularly, it was clarified that this shopping centre is the main mall for a small town, despite an out-of-town location; meaning that the focus of the shopping centre was first on meeting needs. In this line, it might be so that Kotler's (1973) propositions have different weights in the broader sense of retail such as a shopping centre. From this special case, the main mall characteristic seemed to outweigh increasing competition; decreasing the motivation for the application of atmospherics. This suggests in turn that other factors to counter or mitigate Kotler's (1973) are possible within the retail or shopping centre industry other than the unique situation identified here.

Further in this line, not all of the managers' adopting the view of atmospherics as important for strategy can be said to perceive atmospherics in the exact same line as that held by the scholars motivating the strategic use of atmospherics (ibid). Firstly, with reference to the list of atmospheric variables (Turley & Milliman, 2000) which retailers may manipulate for competitive advantage (Turley, 2000), managers seemed to view only select variables as capable of making their shopping centres stand out. Particularly, reviewing examples of projects which managers perceived to enable their shopping centres to stand out, it is notable that a large proportion of these projects are based on interior or exterior design; rather than the holistic atmospheric focus which the literature recommends. Secondly, while projects related to scent and music had been experimented on before or were currently implemented, it appeared that managers were not aware of these elements as encompassed within atmospherics, and hence did not consider them to be differentiating factors. Though it is possible that the managers did not perceive these initiatives as atmospherics projects because they were ad-hoc initiatives rather than part of a larger strategic or structured atmospheric design (Turley & Chebat, 2002), it seems more likely that the managers were merely oblivious in these cases. This is evidenced by their impression that manipulating customers' senses within the framework of atmospherics was new and interesting to them; despite having implemented similar projects in their shopping centres before. Moreover, as presented in the previous analyses, it is possible that the generally modest awareness and understanding of atmospherics in terms of how it works could have had an effect on their beliefs of the potential of atmospherics to be a unique differentiator.

Hence, overall, it might be said that while the managers in the study did recognize that atmospherics can be a means to differentiation; only few really do recognize and understand the full potential of atmospherics as the marketing tool for retailing which Kotler (1973) prescribed. On this note, when reflecting on these disparities between managers' and scholar's (Kotler, 1973; Turley, 2000; Turley & Chebat, 2002) perceptions of atmospherics vis-à-vis Larsson's comment that shopping centres tend to lag behind retailers in the application of atmospherics; these disparities are not so surprising. In other words, given the rapidly evolving retailing industry, it is quite likely that a similar study on shopping centre managers' perceptions conducted in ten years turns up quite different results to the current ones. Moreover, where high levels of awareness and understanding of atmospherics in certain cases corresponded to a perception of atmospherics as pertinent for differentiation; it is suggested that understanding of the concept has a contributing effect to perceived relevance of the atmospherics for marketing.

### 6.3 Approach to Atmospherics

In conceptualizing atmospheric design projects, and of deciding in which areas and how the retail atmosphere could be influenced, atmospheric audits in the way that Turley (2000) described were not observed to be common practice in the cases analyzed. Specifically, only one case [*Kista Galleria*] indicated having such a process, where an external company was hired to look over the entire retail environment, and provide counsel for how sensory aspects of atmospherics may be incorporated into the shopping centre environment. While this has only been recently done, it might indicate that the management has an awareness of the concept of atmospherics and recognizes its importance in retailing. Moreover, this also suggests awareness that holistic attention to the retail environment is an issue of concern, and the management's acknowledgement that they do not have in-house, the required knowledge or resources to implement such an atmospheric design project; and subsequently the need to bring in expertise. In another case [*Gallerian*], the atmospheric design project described by the manager seemed to be very extensive; and even involved thought to atmospheric elements that will appeal to the new digital generation of customers. Though it is not known from the findings how these atmospheric design ideas came about, it might be supposed that some form of atmospheric audit was involved in their conceptualization process, since the concept seems to think of everything. In yet other cases, the shopping centres indicated other ways to handle the issue of finding out which areas the atmospheric design might focus on. Specifically, these pertain to regular customer feedback and surveys, wherein customers are asked how they felt in the environment and what can be improved. Surveys and discussions with tenants were also pointed out to provide the management with a different perspective of the retail environment, and to leverage on their insights from being closer to the ground. While learning about the retail environment and subsequently developing atmospheric designs in this way might not involve the same thoroughness as the atmospheric audit prescribed by researchers, it does provide to some extent, insights into the message which the shopping centre is communicating to its customers – which is in any case, the main objective of Turley's (2000) atmospheric audit.

It was pointed out in all cases in the study that ideas for atmospheric design should be aligned with the shopping centre's overall concept, profile and identity; suggesting that the use of themes in atmospheric design is commonplace. From a marketing and branding perspective, this is not so unusual, since the idea herein is to convey a consistent message to customers; similar to what the managerial guideline in theory on atmospherics prescribes (cf. Turley, 2000). The themes which the shopping

centres planned their atmospheric designs along were varied: an urban theme, a wow feeling, to make things easy, accessible and practical; or directed towards females or families with children. By and large, these are also the types of themes which research suggests are suitable for retailers to develop. The use of themes linked to marketing concepts and strategy suggest that atmospherics is seen to be part of marketing, and specifically a tool to achieve marketing goals – even if not for differentiation as indicated in the previous analysis section. In this line, it was also observed that the atmospheric elements used were selected to achieve the objectives of the theme, such as to evoke pleasant moods and feelings in customers; leading in turn to positive retail outcomes. Additionally, in some cases, it was also noticed that the management carefully designed atmospheric projects for a specific target group, or toward specific retail outcomes; suggesting perhaps that atmospheric design in these cases involves a strategic dimension.

Moreover, while managers might seemed to have implemented other atmospheric designs in an ad-hoc manner at times, such as scents; or shown not to know the anticipated outcomes of specific atmospheric element on customers; this might be not negative in itself. Rather, even if management does not have a clear idea of what can be achieved from the atmospheric design project, from lack of familiarity with the atmospheric effects of specific atmospheric variables; the very first time they implement it will always seem to be a trial and error attempt. Moreover, management cannot be expected to know what will happen from manipulation of a specific variable even if much research has been done on the variable; especially in light of interaction effects between all the atmospheric variables that are unique to each shopping environment. Ergo, and in a way, management will only know the atmospheric effects if they try it out. Moreover, if what Larsson says is true, that the effects of atmospherics is very difficult to measure; then perhaps a retailer just has to try something out, in order to see if it works. At the very least, the shopping centres are not passive, but seem to be thinking of new ideas to work with their retail atmospheres.

Further to implementation of ideas, the cases in the study also indicated the regular collection of feedback which asks general questions about how customers felt in the environment and the shopping experience. However, while it was indicated by several managers that insights from these surveys are subsequently fed back into retail strategy, it was not clear from the findings, how this was done. Yet, since reflecting on an experience is often not the same as experiencing it, according to Larsson; the extent of usefulness of the data gathered in customer surveys may be questionable. There is a possibility that misinterpretation of data could result in wrong conclusions about what atmospheric elements to focus on. Nevertheless, with limited knowledge of the questions in the surveys, one can only speculate.

Across the nine cases in the study, the shopping centres' approach to atmospherics varied greatly. In some cases, atmospheric design seemed to be woven into the marketing strategy, where several distinct atmospheric design ideas can clearly be seen as sub-themes within the overall marketing concept, and where a clear structure seems to guide the design process from conceptualization, to implementation and feedback. In other cases, while having a clear idea of the message the shopping centre is to deliver, the interest in atmospherics seems have been sparked only recently. The atmospheric designs in these cases were characterized by seemingly experimental projects, and the ideas were much less elaborate than those exhibiting a structured process. Nevertheless, the managers in this latter group of cases did also acknowledge that they had not come so far yet, and internal discussions regarding atmospheric design had only just begun or nothing had been decided yet.

Consequently, this indicates that the approach to and application of atmospherics is marked by learning from previous projects, and is constantly evolving. Additionally, this learning process is incremental and cyclical, as signified by the atmospheric design projects of the shopping centres with more experience in atmospherics as having both a large scale and scope than the projects in shopping centres with less experience.

## **6.4 Integrated Analysis**

Returning to the research model, it is now possible to see the connections between the three main focal themes of (1) managements' understanding of experiential marketing, (2) how management relates to atmospherics and (3) how management approaches the practice of atmospherics.

Within the first focal theme, the findings revealed a comprehensive understanding of the concepts of experiential marketing, as well as the customer experience. Moreover, the management cases in the study also displayed an understanding of how customer experiences are created. In particular, it was argued that the creation of the customer experience should first satisfy the basics of shopping centre retailing, after which the experience can be enhanced by several factors. In both these ways, the retail atmosphere was frequently indicated as a factor influencing the shopping experience. The managements understood the retail atmosphere and atmospherics in two ways, parallel to their understanding of creating customer experiences. Subsequently, atmospherics was perceived similarly as having two purposes: one as necessary to provide a pleasant, clean and fresh environment; and two, as a means with which to enhance the atmosphere. In turn, enhancing the atmosphere was also frequently pointed out to enhance the customer experience simultaneously. From these findings, it can be said that by and large, the managements' understanding of experiential marketing affected their perceptions of atmospherics, and vice versa.

The findings also revealed that the cases which exhibited high levels of awareness and understanding of atmospherics tended to have a more structured and comprehensive atmospheric designs; suggesting that the managements' understanding of atmospherics affects their approach to it. Moreover, the same cases which exhibited high levels of awareness and understanding of atmospherics also tended to perceive the concept as a favourable and relevant marketing tool. In turn, this perception also appeared to translate to their approach, wherein atmospheric designs were not only strategic and aligned with marketing goals; but the designs also exhibited unique features to enable the shopping centre to stand out. In this way, how management related to atmospherics appeared to have a significant bearing on how they approached the concept in their shopping centres.

Finally, the managements' approach to atmospherics appeared to influence both their understanding of experiential marketing as well as how they relate to atmospherics. In particular, the findings displayed an ability of the management to learn from past implementations of atmospheric design projects. Here, several cases indicated that insights from customer feedback on the retail environment contributed to influencing retail strategy, which in turn affected their processes and practices regarding atmospheric design. Indeed, the cases which were mentioned to have used atmospherics for some time now displayed more structure in their approach to atmospherics. Moreover, through previous experimentation with different atmospheric designs and variables, these cases also appeared to have a more comprehensive understanding of atmospherics – both in terms of the concept and how it works

as well as the variables and atmospheric effects. In turn, past practice of atmospherics also contributed to greater appreciation of the concept atmospherics as a useful and relevant tool for differentiation. By this token, through learning, managements' approach to atmospherics can be said to influence how they relate to the concept. Moreover, since feedback is also collected on customer shopping experiences in connection with the retail environment; and since atmospherics is understood to influence the customer experience; past practice of atmospherics also influences managements' understanding of experiential marketing.

All in all, the three themes can be said to be interrelated in that they influence each other. Moreover, the process described by the model is dynamic, through the learning from past applications of atmospheric design.

## 7. Conclusion

The purpose of this thesis was to investigate how shopping centre management in Sweden relate to and approach atmospherics, in the context of creating customer shopping experiences.

In relating to atmospherics, the shopping centre managements in the study understood the concept in two ways: both as the necessary work to ensure a pleasant feeling in the retail environment, as well as to create atmosphere and contribute to the shopping experience. In turn, this interpretation of atmospherics is paralleled by a perception of atmospherics as necessary for shopping centre marketing, and a useful and relevant means for differentiation. By considering atmospherics to enhance the customer experience, how management related to the former was observed to affect their understanding of the latter. Reversely, understanding the customer experience to be influenced by the retail atmosphere, managements' understanding of customer experiences was also seen to affect how they related to atmospherics.

Managements' understanding and perceptions of atmospherics were also shown to affect how they approached the application of atmospherics in their shopping centres. Specifically, higher levels of awareness and understanding of atmospherics as a concept corresponded to more structured approaches to atmospherics. Similarly, perceptions of atmospherics as a relevant tool for differentiation also corresponded to more comprehensive and elaborate atmospheric designs, which were intended to enable the shopping centre to stand out.

Through the collection of feedback as well as learning from past atmospheric design projects, managements' approach to atmospherics appeared to influence how they relate to the concept of atmospherics. Moreover, since atmospherics is understood to influence the shopping experience, learning was also extended to affect the managements' understanding of customer experiences and of how to create them.

In all, the process described by the research model was found to be valid, and that the three focal themes were interrelated and contributed to influence each other. Further, based on feedback and learning from past approaches to atmospherics, the process was also found to be dynamic, in that it evolves over time as management continued to use atmospherics and focus on customer experiences in their shopping centres.

## 8. Discussion

### 8.1 Managerial Implications

In retailing literature, researchers often point out that location (or accessibility) and assortment are two retail aspects which managers would be wise to invest in and heed, ahead of other aspects. Applying the same logic at a broader level, it is conceivable that the constant and high level of attention paid by the managements in this study to the fundamental or hygiene retail aspects in their retail marketing strategies; undoubtedly had a role to play in the continued success of their shopping centres. Indeed, as indicated by recent news in retailing circles, negligence of such factors is viewed unfavourably by both customers and tenants alike; and can give rise to cumbersome problems for the shopping centre.

By the same token, in the context of creating customer experiences, it might be supposed that utilitarian experiences should be created first and then enhanced with hedonic ones. Yet, recalling that all customer experiences involve both utilitarian and hedonic dimensions, perhaps another approach would be to consider both types of customer experiences *simultaneously* when designing experiences, instead of one after the other. For instance, corridors in the shopping centre can be designed not only to ensure smooth customer flow throughout the centre, but also to create areas for sub-themes and sub-atmospheres within the mall, where store assortment and atmospheric cues are tailored accordingly. This approach may even be applied to more mundane areas of the shopping centre such as entrances to parking garages – for instance that they are not only easy to arrive at from major roads (utilitarian), but also include cheerful boards displaying the number of available lots in each section of the garage (utilitarian) and a welcome message (hedonic) – so as to cater to both types of shoppers and shopping motivations. While similar ideas for shopping centres have undeniably already been implemented, these examples provide an illustration of how utilitarian and hedonic customer experiences may be considered and created simultaneously.

Indeed, in areas where competitive pressure is high, it seems that managers need to go beyond the satisfaction of basic shopping needs in order to attract customers to their shopping centres – and atmospherics appears poised to represent such an ingredient for differentiation. Nevertheless, where each shopping centre is circumscribed by its own unique marketing conditions, stemming from factors such as location, catchment area, target group, and therefore marketing goals; it must also be acknowledged that there is no one-size-fits all strategy. Moreover, it is a fine balance between imitating or improving competitors' ideas, and coming up with an atmospheric design strategy would be received and perceived positively. In other words, like how the cases in this study have shown, it is the shopping centre's profile and concept which should guide ideas for atmospheric design, in order to create a true fit. Moreover, with new atmospheric design ideas, it may be so that large investments are required, with no knowledge of whether the idea will be successful. Short of taking the leap of faith to implement the idea directly and hope for the best, one way to go around this is to conduct pilot studies on small focus groups of customers, to identify possible challenges and red flags in the design idea. Finally, as a couple of interviewees recommended, keeping tabs on current market trends and subsequently interpreting them within the frame of shopping centre's specific needs could be a possible approach and way forward for atmospheric design.



## 8.2 Final Thoughts & Reflections

Though the findings in this paper revealed some broad and similar approaches to atmospheric design, a closer inspection reveals more nuanced variations in the managerial application, approach and engagement in atmospherics. Taking a step back to recall Section 5.1 of this paper (page 44), it can be discerned that the different characteristics of the nine shopping centres make for an interesting and diverse set of cases in the study. In particular, the shopping centres included in the study are of varying sizes, of varying 'ages' in terms of the number of years since establishment and latest refurbishment; are situated in varying locations across the country and in cities or towns of varying population sizes; and with different owners and types of management arrangements. Thus, reflecting upon the findings vis-à-vis the characteristics of each shopping centre, a couple of factors influencing a shopping centre's approach to atmospherics may be conjectured. Naturally though, other hypotheses are also possible.

One factor influencing approach to atmospherics could relate to the type of management and ownership of the shopping centre. For instance, having a company or the municipality as property owner seems to imply different conditions for the shopping centre's marketing processes; which might have led to the different approaches to atmospherics observed in the findings. Also, it seems that whether the owner is active or passive in management of the shopping centre has an effect on how the centre approaches or embraces concepts such as atmospherics. For instance, shopping centres which were managed by its owner seemed to have more comprehensive atmospheric design ideas and a more structured approach to its application. This was especially so in the cases where the owner is focused on shopping malls and not properties in general. An explanation for this observation could be that with only shopping centres in its property portfolio, the owner has a relatively larger vested interest in the retail industry. Moreover, where the owner has conducted research related to shopping and shopping trends, as mentioned in some cases; the return on investment of these research projects is higher if the research insights are applied across more of its shopping centres, and research costs are lowered through economies of scale – all of which might affect the owner's directives to the shopping centre's management team, regarding concepts such as atmospherics.

Another aspect which seems to have influenced approach to atmospherics is the 'age' of the shopping centre. Explicitly, shopping centres that were refurbished during the past three years seem to have more elaborate and comprehensive concepts when it comes to atmospheric design. In those cases, atmospheric design is integrated in the creation of the shopping centre's identity and thereby also its marketing strategy to a higher degree, than in the shopping centres that had been refurbished just five years ago. Indeed, when juxtaposing atmospheric design and approach of the newer and 'older' shopping centres, one can observe here that atmospherics in the shopping centre industry has only picked up in the last decade; as Charles Larsson pointed out. Moreover, when surveying the shopping centre landscape in Sweden, it is also interesting to note that of the upcoming and newly built shopping centres in the country, several seem to have a very pronounced emphasis on sensory stimulation, emotional appeal and atmospherics in their designs; – and are certainly not of the same style as the "retail box" shopping centres developed a couple of decades ago. Some examples of these new shopping centres include the Mall of Scandinavia in Stockholm (developed by Unibail-Rodamco), Emporia in Malmö (by Steen & Ström), Mölndal near Gothenburg (by Steen & Ström) and Mood in Stockholm (by AMF). To reiterate the previous point of discussion relating type of ownership/management to the shopping centre's engagement in atmospherics, perhaps it is interesting to note that these four shopping centres are owned and developed by shopping centre companies, as shown in the parentheses.



### 8.3 Suggestions for Future Research

This study has addressed the topic of atmospherics from a managerial perspective, thus contributing to fill two research gaps. Juxtaposing the findings with previous research, some other areas have been identified which could be interesting to look more into in the future, to further contribute to theory.

Firstly, when discussing how customer experiences are created in their retail places, it seemed natural for managers to talk about the atmosphere of the retail environment at the same time; suggesting that from the managerial perspective, enhancement of the customer experience and the retail environment occur simultaneously. Indeed, existing research does show that the retail environment is a factor contributing to the customer experience. Therefore, research looking simultaneously at atmospherics and customer experiences might be an insightful area for future research; especially in investigating how and which types of atmospheric manipulation might be most effective to result in positive customer experiences and other desirable retail outcomes.

Secondly, a connection seems to exist between the emphasis a shopping centre puts on atmospherics and its competitive context. Shopping centres situated in areas where few other shopping centres exist might not have the same motivation as their counterparts in larger cities, to stay on par with the most recent trends in research and the industry – simply because the customer base (in the former) is rather stable. One explanation could be that the customers do not have many options available within a convenient distance. Another possible scenario could be that the customers are unaware of other more attractive shopping malls and therefore judge the shopping centre at hand better than the industry benchmark or ranking would. This could be especially interesting not just in the Swedish context, but also other countries marked by small towns served by one main shopping mall. Thus, another research proposition is to further investigate the connection between the use of atmospherics and the location and geographic context of the shopping mall. Is there a difference in the approach to atmospherics between shopping centres in larger cities with many shopping centres competing for the same customers, as compared to a lone shopping centre in a smaller town?

Thirdly, an interesting finding indicated that the amount of customers and hence, the size of the turnover may be a very influential factor when it comes to investment in shopping centre upgrading. Could it be that many owners do not invest in the use of atmospheric elements because the customer base is too small for the upgrade to make sense from a financial point of view? Further, does the fact that the effect of atmospheric elements is difficult to measure and quantify have an impact on shopping centre owners' investment decisions?

Fourthly, a study investigating how to best quantify the returns of investing in atmospheric elements would be of great value. From the empirical point of view it would contribute to filling a research gap. Moreover, from the perspective of a shopping centre owner, if reliable measures existed towards which the choice of atmospheric elements could be evaluated, perhaps we would see a more widespread and bold use of atmospherics in shopping centre upgrading projects in the near time horizon.

Finally, where previous research indicates that atmospherics has been a familiar marketing tool among retailers in general for at least three decades, the findings in this study indicate that the shopping centre industry has only started to pay more attention to the concept in the past decade. Moreover, it was also observed that the application of a concept and marketing tool like atmospherics is not static,

but evolves over time as learning occurs. Therefore, as shopping centres move with market changes and gain internal learning from past experiences; it would be interesting to conduct longitudinal case studies to look at what kind and to what extent changes occur in the managerial approaches to atmospherics. Here, the time period analysed is of interest too, as it gives an idea of how fast the changes in approach occurred or developed over time; or even stayed the same. Subsequently, from analyzing the patterns in these case studies, scholars may be better informed as to how the temporal aspect of marketing comes into play. On the whole, further research into the management approach to atmospherics will produce more practical insights for researchers to update or draw up managerial recommendations regarding the application of atmospherics.

## 9. Appendix: Interview Guide

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### [A] General Facts about the centre

1. Shopping Centre facts (Eg. size, year in which the centre was opened & refurbished etc)
2. Management structure:
  - Owner-developer
  - Actors responsible for management and marketing of the centre

### [B] Marketing process & approach

3. Process of setting up the marketing plan/ concept at the centre.
  - Actors involved?
  - Roles of owner-developer/ centre manager/ marketing manager?
4. With regard to the marketing plan,
  - What specific topics are considered?
  - How is knowledge from future trends, academic journals, marketing books etc used?
5. With regard to shopping centre marketing,
  - What *actors* do you work with? How and what jobs?
    - (Eg. other functions, tenants, individual retailers, external actors)
  - What *marketing aspects/tools* do you work with?
    - What are the most common ones and most important ones?
    - Which are most relevant for your centre?
    - Particular retail/marketing outcomes you hope to achieve – how?

### [C] Specific marketing tools & approaches

6. What do you think about **experience marketing** – in general and with regard to your centre?
  - What makes a positive customer shopping experience?
7. How do you work with the customer/shopping experience? – give examples
  - Outcomes you hope to achieve from using this tool?
  - How do you work with the individual tenants on this?
8. What do you think about/How do you feel about using **atmospherics** in relation to marketing?
9. How do you work with retail atmosphere? – give examples
  - Outcomes you hope to achieve from using this tool?
  - How do you work with the individual tenants on this?
  - How do you work with **design** (both exterior & interior)?
  - How do you work with **customers' moods, emotions & senses** (sight, sound, smell, touch, taste)?
10. Are any of these used together? How? – give examples

### [D] Strategy & Competitive Advantage

11. Consumer research/feedback
  - How? (e.g. surveys – online/paper, mystery shopper, sales statistics etc)
  - What do you assess?
12. What makes people come to your centre?
  - (i.e. What is the special factor about the centre/ What makes it successful?)
13. What is the mall profile of your centre?
14. How does a shopping centre remain competitive?/ successful?
15. What are the most common challenges of shopping centre marketing?
  - Are you able to say which are particularly important for your centre?
16. What is the role of marketing in keeping a shopping centre successful/competitive?
17. What is the most important in marketing a shopping centre?

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