

# German Sunday shoppers in Roermond:



## *Shopping motivations and choice criteria*



Funs Jansen  
March 2006

# **German Sunday shoppers in Roermond:**

## *Shopping motivations and choice criteria*

F.P.J. Jansen (24.63.80)  
March 2006  
International Business: Marketing track  
Faculteit Economie en Bedrijfswetenschappen  
Marketing Department  
Universiteit van Tilburg / Tilburg University  
Accent Grave / [shoppenopzondag.nl](http://shoppenopzondag.nl)

Drs. M.P.J. Vincken (Tilburg University)  
K.B. van Tiggelen (Accent Grave / [shoppenopzondag.nl](http://shoppenopzondag.nl))

## **Preface**

On the third day of the third month at 3 o'clock, I will start with ending my study International Business. This thesis is the result of 4 years of theoretical knowledge brought into practice.

In September 2001 I started to study International Business. On the first day of the introduction I met fellow students that had great pleasure with (the weirdness of) my first name. With these students I had a very nice first year and after this, I was sure to finish this study. This happens today, when I defend my thesis. I had great pleasure with the study and even more pleasure in my social life. I learned a lot about myself and developed social skills in my time at VITE international, AWake international and during a semester abroad in Budapest. After more than 4,5 years I can say that I am still very satisfied with the way things were going. This makes it kind of sad to end this study. However, I will not quit being a student. In September I'll start again to specialize myself, by attending a Master Marketing research.

I really need to thank several persons. First, I would like to thank my parents. They made it possible for me to study without (financial) doubts and worries. I hope and expect that I can do something like this for them in the future. Besides this, they have always supported me in a voluntary way. When results were good (and they were), they let me do this my way.

Secondly, but not on second place, I would like to thank Joyce, my girlfriend, for being a fanatic supporter. In good times she was happy for me and in bad times she always used to say that everything would work out fine. Especially in the last part of my study, my thesis, this was a very good help for a pessimist like me.

With respect to this thesis, I also need to thank several persons. I would like to thank Drs. Mark Vincken, who turned out to be a very good corrector, a friendly and nice person and most important an inspiration to make the best of this thesis. I also want to thank Accent Grave and Kerstin van Tiggelen for providing this research to me and for helping me through the thesis-making-process, especially in the first months.

With the practical side of this research I also found help by several persons. I would like to thank Hetty van Dooren, German teacher, for correcting my questionnaire. Furthermore, Imke Jansen, Steffie Winters and Joyce Geuke helped me gathering enough questionnaires and for that I would like to thank them too.

In short, thank you everybody and enjoy reading this thesis!

Funs Jansen, Tilburg, March 2006

## ***Management summary***

Many shopping locations located close to the German border experience that they are visited regularly by German customers. Research suggests that these customers have different motivations and preferences compared to domestic visitors. However, there is not much research on the motivations and preferences of this German segment. Why are they coming to the Netherlands? On the basis of what do they decide which city they visit? Are they only coming for goods that are cheaper in this country or are there more important factors? These questions are answered by this research.

The research has been undertaken in Roermond. This research focuses on Sunday shopping. In order to get a clear idea of existing motivations and preferences of Sunday shoppers and cross-border shoppers, a literature study has been undertaken. 11 shopping motivations and 8 choice criteria have been found in the literature. A preliminary research on November 4, which confirmed all the variables, also found another choice criteria, prettiness of Roermond, which has been added to the list of choice criteria. The shopping motivations and choice criteria that have been found formed the basis of a questionnaire that eventually was filled out by 151 respondents. This was done in 2 Sunday shopping days in December.

The most important shopping motivation for German consumers on a Sunday is “value shopping”, followed by “recreational shopping”, “physical activity”, “role shopping” and “status and authority.” These motivations are hedonic in nature, which indicates that fun shopping is important for the German shopper. The most important choice criteria were “retail prices”, followed by “the availability of Sunday shopping”, “prices of excised taxed products” and “assortment”. The respondents were also asked about their appreciation concerning Roermond for each choice criterion. “The availability of Sunday shopping” is highest rewarded by the respondents. “Atmosphere” was ranked second and “assortment” was the third rewarded choice criterion.

The combination of the appreciation and importance of a choice criterion led to interesting conclusions. The choice criteria “prices”, “prices of excise taxed products” and “service in shops” were found important but valued relatively low. This research

recommends the retailers that these points need to improve, by communication or by changing the price or service level.

Besides finding the most important motivations and preferences, the data were also analyzed in order to find more structure. Cluster analysis was executed to divide respondents into 3 groups: “pro run shoppers”, “anti run shoppers” and “average run shoppers.” These segments of consumers differ in their value for the run shopping variables. In this way, differences between respondents with high values for run shopping variables and respondents with low values for run shopping could be established.

Factor analysis was executed on the importance of choice criteria and found 3 factors to be important when German consumers decide where to shop. These factors are “location”, “price” and “Dutch difference”. They have been asked without referring to Roermond, so these factors can be seen as important for other shopping locations too.

Differences between demographic groups have been studied and relationships between variables have been established. It has been found that respondents with high values for run shopping have significant higher values for the importance of “store environment” and “service in shops” and also higher values for the factor “location”. This confirms the theory that location is important for the efficient run shopper.

At the end of this research paper, recommendations are made to retailers in Roermond and retailers in general. A recommendation for the city centre is to communicate better when Sunday shopping takes place. This variable is found very important, but several respondents asked the interviewers whether the city centre was open.

This communication is recommended to be done by the DOC and the city centre together. In this way, they make Roermond as a city more attractive for both run shoppers and fun shoppers, because both types of shoppers can find something they like. An even better solution would be opening the city centre every Sunday, but previous research has found out, that this might not be a realistic recommendation.

# Table of contents

<b>Preface</b>	<b>3</b>
<b>Management summary</b>	<b>5</b>
<b>Table of contents</b>	<b>7</b>
<b>CHAPTER 1</b>	<b>9</b>
<b>1.1 Problem indication</b>	<b>9</b>
1.1.1 Cross-border shopping motivations and preferences	9
1.1.2 The choice for German consumers	11
1.1.3 Sunday shopping	12
1.1.4 Tourism versus cross-border shopping	13
1.1.5 Set-up of the research	13
<b>1.2 Problem statement</b>	<b>14</b>
<b>1.3 Research questions</b>	<b>14</b>
<b>CHAPTER 2: SITUATION ANALYSIS</b>	<b>16</b>
<b>2.1 The company</b>	<b>16</b>
<b>2.2 Sunday shopping</b>	<b>16</b>
2.2.1 Sunday shopping in the Netherlands	17
2.2.2 Sunday shopping in Germany	19
<b>2.3 The situation in Roermond</b>	<b>20</b>
2.3.1 Shopping locations in Roermond	20
2.3.2 Sunday shopping in Roermond	23
<b>CHAPTER 3, LITERATURE REVIEW</b>	<b>26</b>
<b>3.1 Introduction</b>	<b>26</b>
<b>3.2 Shopping motivations</b>	<b>28</b>
3.2.1 Personal and social shopping motivations	29
3.2.2 Hedonic shopping motivations versus rational shopping	30
3.2.3 Hedonic shopping motivations	31
3.2.4 Sunday shopping motivations	33
<b>3.3 Choosing a shopping location</b>	<b>34</b>
3.3.1 The push-pull framework	34
3.3.2 Incentive-inconvenience framework	36
<b>3.4 Choosing a cross-border shopping location</b>	<b>37</b>
<b>3.5 Summary</b>	<b>39</b>
<b>CHAPTER 4: METHODOLOGY</b>	<b>41</b>

<b>4.1</b>	<b>Set-up of the research</b>	<b>41</b>
4.1.1	Research type	41
4.1.2	Data collection	42
4.1.3	Study setting	42
<b>4.2</b>	<b>Preliminary research</b>	<b>43</b>
4.2.1	Setup of the research	43
4.2.2	Results of the preliminary research	44
<b>4.3</b>	<b>The questionnaire</b>	<b>45</b>
<b>4.4</b>	<b>Characteristics of the sample</b>	<b>47</b>
<b>CHAPTER 5: RESULTS AND ANALYSES</b>		<b>52</b>
<b>5.1</b>	<b>Shopping motivations</b>	<b>52</b>
5.1.1	Reported values	52
5.1.2	Differences between demographic groups	53
5.1.3	Run shopping versus fun shopping	55
5.1.4	Grouping respondents into clusters	56
<b>5.2</b>	<b>Choice criteria</b>	<b>57</b>
5.2.1	Importance and appreciation of the choice criteria	57
5.2.2	Differences between groups	59
5.2.3	Grouping choice criteria in dimensions	60
<b>CHAPTER 6: DISCUSSION</b>		<b>63</b>
<b>6.1</b>	<b>Conclusions</b>	<b>63</b>
6.1.1	Conclusions about shopping motivations	63
6.1.2	Conclusions about choice criteria	64
<b>6.2</b>	<b>Limitations and further research</b>	<b>67</b>
<b>6.3</b>	<b>Recommendations</b>	<b>68</b>
6.3.1	Recommendations for the retailer in Roermond	68
6.3.2	Recommendations for retailers in general	69

# Chapter 1

## 1.1 Problem indication

*Iddere Zaoterdaag dan is ut weer zoe wied*

*Dan wuurse in gans Venlo diene auto neet mier kwiet*

*Dan komme ze met bakke vol van euver de grens*

*En rieje allemaol in eine Mercedes-Benz*

- Neet oet Lottum

*Every Saturday the phenomenon is there*

*it's impossible to park your car anywhere*

*they all come en masse from over the border*

*and all drive a Mercedes-Benz*

This fragment from a well-known folk song from “Neet oet Lottum” called “Pruusse” (this means Germans) is a nice indicator of the topic of this research. Lots of cities, situated close to the German border, get large amounts of German customers in their shopping locations. In some cities, this happens en masse and frequently. Therefore, Germans can be considered as an important segment of customers, which can be very valuable for retailers located close to the border.

Instead of dealing with domestic customers, these retailers are dealing with customers from over the border. These foreign customers might have other shopping motivations and preferences, compared to domestic customers. This research deals with the shopping motivations and preferences of German cross-border shoppers in Roermond on a Sunday.

Paragraph 1.1.1 will define and explain what is meant by shopping motivations and preferences. After that, paragraph 1.1.2 explains the choice for German consumers as target group. The choice for Sunday as shopping day will be explained in paragraph 1.1.3. Paragraph 1.1.4 will discuss the difference between tourists and cross-border shoppers. At last, Paragraph 1.1.5 will discuss the set up of this research.

### 1.1.1 Cross-border shopping motivations and preferences

Several studies have examined the shopping motivations of consumers in their home country. A first distinction was made between personal shopping motivations and social shopping motivations (Tauber, 1972). This approach has also been used to develop a

motivation-based shopper typology (Westbrook & Black, 1985) and dimensions of hedonic shopping motivations (Arnold & Reynolds, 2003).

For retailers, knowledge about national shopping motivations and preferences is accurate enough, when their location is somewhere far from the border, without any touristy crowd puller in the neighborhood. However, when a retailer's location is close to the border, or for another reason attracts lots of foreign customers, it is important for these retailers to know more about this segment of foreign consumers. This research helps the retailers to understand the shopping motivations and preferences of these foreign customers. Research has shown that cross-border shopping motivations can be rather different than domestic shopping motivations. For example, domestic visitors are more negative in their service evaluations than their international counterparts (Yuksel, 2004).

At this moment, there is little appropriate research available that gives information about these foreign consumers to retailers that are located close to a border in the Netherlands. Nevertheless, worldwide, there are several studies examining cross-border shopping. Cross-border shopping is a world-wide phenomenon and can therefore be observed at several different borders, for example the border between Canada and the United States (Di Matteo & Di Matteo, 1996) and the border between Germany and Denmark (Bygvra, 2003). However, these results are not easily transferred to the Dutch-German situation. The reasons why, for example, Danes go shopping in Germany can differ from the reasons why Germans go shopping in the Netherlands. Every country has different aspects that might attract or distract foreign visitors. Of course, some general factors, like prices, atmosphere or assortment can be indicated, but it is hard to predict which factors are actually relevant for the specific situation on the Dutch-German border.

Besides shopping motivations, this research investigates the preferences of foreign customers. What local factors are perceived to be important by these cross-border shoppers? Previous research has concluded that non-domestic shoppers have a different shopping experience than domestic shoppers have (Yuksel, 2004). This implies that only serving the domestic shopper is not good enough for a retailer, dealing with a reasonable segment of foreign customers. This research investigates how satisfied the

German customer is with the local choice criteria and what can be improved to serve him better. In this way, this research provides more accurate and practical information for retailers in the sample area.

When there is more knowledge about the shopping motivations and preferences of German customers visiting the Dutch border area, retailers can adapt their communication and their behavior towards these German customers, possibly leading to a more satisfied segment of consumers and an increase in the amount of cross-border shoppers.

### **1.1.2 The choice for German consumers**

For this research, we focus on the German shopper in the Netherlands. The border between Germany and the Netherlands has been chosen for the following reasons.

#### **One country**

One country should be selected, because it is very hard to compare cross-border shopping motivations and preferences from consumers from different countries (e.g. Bygvra, 2003)

#### **Economic value**

There are actually a lot of Germans that shop in the Dutch border region. It's not very time consuming anymore to cross a border in the European Union. Therefore, many border cities get large amounts of Germans. This German segment has high economic value. Some shopping locations on the border already try to make their shopping location convenient for foreign visitors. In Venlo, for example, there is a special part of the city totally devoted to the German consumer. The people talk German, announcements and discounts are in German and of course, lots of German shoppers are there.

#### **Different language**

Germans have a different language. Therefore, if a retailer wants to communicate to these consumers, he cannot do this in Dutch.

### **Unfamiliarity with Sunday shopping**

Germans are not familiar with Sunday shopping. This can give some interesting insights. More information why Sunday has been chosen can be found in the next paragraph.

#### **1.1.3 Sunday shopping**

Shopping motivations and preferences are not the same during a week. For example, a difference has been found in attitude between the weekdays and the weekends (Grünhagen, Grove & Gentry, 2003). On weekdays and (to a lesser extent) Saturdays the prevailing shopping style is run shopping. Run shopping can be considered as functional-economic or utilitarian shopping, which makes shopping an efficient activity (Gorter et al, 2003). On Sundays, however, the prevailing shopping style is fun shopping. Fun shopping can be considered as recreational or hedonic shopping, influenced by entertainment, pleasure and diversion (Gentry, *et al.*, 1997; Grünhagen, *et al.*, 2003; Gorter, et al., 2003). This is called fun shopping. Fun shopping is likely to take place in city centers, where several goods, shops and opportunities of leisure are available (Gorter, *et al.*, 2003).

This research focuses itself on 1 particular day in the week, which is the Sunday. The most important reason why Sunday has been chosen is that this day is different from other days. This topic will be elaborated more in the literature review.

Another interesting element is the unfamiliarity of Germans with Sunday shopping. Shopping on Sunday is a quite new phenomenon for Germans, as they have always been used to closed shopping malls on Sundays and even (parts of the) Saturdays. It can be very interesting to see how they fill in this day and what leads them to the Netherlands. Also for the Dutch consumers, the amount of Sunday shopping days is rising, and so is the importance for retailers. This is, because the Sunday shopping sales take a bigger part of the monthly sales. Therefore, it is very important that a retailer can give the consumer (Dutch or German) what he wants.

Last reason for focusing on Sunday, is that this shopping day has great practical relevance for the company, this research is provided for. [Shoppenopzondag.nl](http://Shoppenopzondag.nl) (shopping on Sunday) is specialized in Sunday as a shopping day. More information about this company and Sunday shopping can be found in chapter 2.

#### **1.1.4 Tourism versus cross-border shopping**

This research focuses on non-touristy streams of Germans in the larger border towns in the Netherlands. The shopping motivations and preferences of German tourists in the rest of the Netherlands are not researched. Tourists are quite irrelevant for our border towns. They have a regular stream of customers that visit their shopping location. These customers don't live far from the Dutch border, might come back regularly and are therefore more important consumers compared to one-time tourists.

The Netherlands are also visited by tourists, for example at the Dutch beaches. The objective of this research is to find the shopping motivations and preferences of a cross-border shopper. Therefore, not all Germans shopping in the Netherlands are included in this research.

#### **1.1.5 Set-up of the research**

German adults that visit Roermond on a Sunday are the target group of this research. For practical reasons one city has been chosen. It would be better to research more border cities, but does not fit into the time constraint for this research. Roermond is considered to be a representative of other cities close to the border. One extra advantage is that our research can be done in different locations: the Roermond city center and the outlet shopping center. Both attract German customers and the results of these 2 places can be compared, possibly leading to extra information.

Questionnaires will be used in order to find out which motivations and choice criteria are important for the German consumer. The focus lies on adults because they have the autonomy to decide to come to the shopping locations and the ability to fill in the enquiry.

## ***1.2 Problem statement***

This research investigates shopping motivations and shopping preferences. In the problem indication, 2 demarcations have been proposed, which are:

- Focusing on the (non-tourist) German cross-border shopper
- Focusing on Sunday shopping

These 2 demarcations lead to a very interesting, challenging and unique problem statement. Interesting and challenging, because of the high practical relevance for Dutch retailers to understand their German streams of customers. Unique because the shopping motivations from cross-border shoppers on Sunday have not been researched yet in the Netherlands.

The problem statement of this research is:

**In order to better cater to their wishes to shop on a Sunday, a better understanding of the shopping motivations and shopping preferences of the German consumer in Roermond is needed.**

In paragraph 1.3 this problem statement is divided into theoretical and practical research questions.

## ***1.3 Research questions***

This research consists of 2 parts. First part of this research is a literature study. There are 2 different streams of research that need to be combined for this study. We need to gain knowledge about shopping motivations on a Sunday and about shopping motivations for crossing a border. The third theoretical research question needs to be answered to gain knowledge about shopping preferences. These 4 questions will form the theoretical research framework of this research.

*Theoretical research questions:*

- Which shopping motivations can be observed for people crossing a border?
- Which shopping motivations can be observed on a Sunday?
- Which shopping preferences can be observed for people crossing a border?
- Which shopping preferences can be observed on a Sunday?

After these theoretical research questions are answered, we will be able to list shopping motivations and preferences that might play a role for German consumers that cross the border for shopping on a Sunday. With the knowledge of the theoretical research questions a questionnaire will be developed to find out which shopping motivations and preferences are most important for the German cross-border shopper on Sunday. This leads to 3 practical research questions.

*Practical research questions*

- Which shopping motivations are most important for the German shopper, entering the Netherlands for Sunday shopping?
- Which shopping preferences are most important for the German shopper entering the Netherlands for Sunday Shopping?
- How can retailers located close to the border profit from this knowledge?

In order to provide a better understanding of the specific situation of this research, more information about Sunday shopping in the Netherlands and Germany and the location where the research takes place is discussed in chapter 2.

## **Chapter 2:        Situation analysis**

In this chapter, more background information will be given about the research.

Paragraph 2.1 deals with the company, where this research is provided for. After that, paragraph 2.2 deals with the nature and history of Sunday shopping in the Netherlands and Germany. At last, paragraph 2.3 will address the specific shopping situation in Roermond, including the 2 locations in Roermond where the questionnaires are undertaken and the Sunday shopping policy in Roermond.

### ***2.1    The company***

This research is done for Accent Grave V.O.F. This company exploits the website <http://www.shoppenopzondag.nl>. This website focuses on Sunday shopping in the Netherlands. People can find out here, when there is Sunday shopping in cities close to them and find news, articles, puzzles and more entertainment on this website.

Another relevant activity of [www.shoppenopzondag.nl](http://www.shoppenopzondag.nl) is carrying out research, together with students, to better understand the behavior of the consumer. To confirm their authority as a virtual bridge between consumer and retail, they also publish these researches about consumer behavior. This research has also practical relevance for retailers close to the German border, especially the ones from Roermond. They can profit from the findings of this research.

### ***2.2    Sunday shopping***

Not too long ago, shopping on a Sunday was unthinkable in both the Netherlands and Germany. However, recently, the amount of shopping hours has been expanded in both countries. In Germany, the restriction of opening hours (adopted in 1956) has been dropped in 1996, leading to more flexibility concerning opening hours. Also in the Netherlands the amount of hours that stores are allowed to be open has risen from 1996 on. This paragraph takes a look at the Sunday shopping situations in both the Netherlands (paragraph 2.2.1) and Germany (paragraph 2.2.2).

### **2.2.1 Sunday shopping in the Netherlands**

In the Netherlands, Sunday shopping now takes place regularly and structured, for example, once a month, on the first or last Sunday. However, there is a difference amongst the different cities and sometimes even amongst different shopping locations in a city. Some cities, like The Hague and Amsterdam, are open every Sunday. Other cities restrict Sunday shopping to only few times per year or for only the city center. Shoppenopzondag.nl helps the consumer choose a date and a shopping location that is open on Sunday, by organizing a database where people can find out when and where Sunday shopping will take place.

#### ***The history of Sunday shopping***

Sunday shopping does not have a great history in the Netherlands. The breakthrough event that triggered the possibilities for Sunday shopping was a change in law. The “winkelsluitingswet” (shop-closing-law) was replaced by a more flexible “winkeltijdenwet” (shop-times-law) on March 21, 1996. This law made it possible for shopping locations to keep their shops open 12 times a year on Sundays or special celebration days, like Christmas. In addition to that, a municipality can apply for an exemption for the city center. That has happened in some bigger cities, like Rotterdam Amsterdam or The Hague, but also in medium-sized cities like Roermond. The city center of Rotterdam, for example, is open every Sunday, and the shopping locations that are not in the centre each choose a (possibly different) Sunday per month. The new law will be evaluated this spring, by a research from the Ministry of Economics.

The introduction of Sunday shopping, in the days of Wim Kok as Prime Minister, initially raised questions. Especially the Christians and the small shopkeepers were against Sunday shopping. The Christians consider the availability of Sunday shopping as a corrosion of their Sunday’s rest. The small shopkeepers argue that they have to make more effort, compared to bigger chains of shops, to be open 7 days a week.

Eventually, it was agreed that municipals can decide for themselves, whether or not they introduce Sunday shopping. Furthermore, employees who have (religious) scruples, have the right to refuse to work on Sunday. This right was introduced at the request of confessional political parties Christenunie and SGP.

Nowadays, there are few shopping locations without Sunday shopping and more municipalities are expanding the amount of Sunday shopping days. However, some cities, that have caused the growth of Sunday shopping in the last years by expanding, can't expand anymore, because they reached the maximum of Sundays available. The growth cannot continue forever, due to a limited amount of Sundays in a year.

### ***The future of Sunday shopping***

The debate for an increase or decrease in the amount of Sundays for Sunday shopping is still going on. Grünhagen *et al.* (2003) mention in their research about expanding shopping hours in Germany some arguments pro and contra longer opening hours.

The arguments in favor of more shopping hours, for example on a Sunday, include:

- increased convenience for customers
- more efficient use of facilities
- Overall boost to employment and economic growth.

The arguments that oppose less restrictive hours include:

- the encouragement of family ties
- higher costs associated with expanded hours of operation
- longer working periods for labor
- favoritism for large business versus small business
- religious concerns

On June 1 this year, residents of Utrecht could vote in a referendum whether or not they wished every Sunday to have Sunday shopping instead of one Sunday per month. A majority of 66% voted against the proposition of unlimited Sunday shopping. There is no specific knowledge why they voted against, but apparently the arguments that oppose less restrictive hours are perceived to be more important in Utrecht.

In 2003, Roermond decided to do a research to evaluate their Sunday shopping policy. The respondents were asked about the frequency of Sunday shopping days. The answers were:

- Should remain like it is now; once 1 month\* 59%
- Fewer Sunday shopping 24%
- More Sunday shopping 14%
- No Sunday shopping at all 3%

*\* For the specific situation see paragraph 2.3.2*

Also in Roermond the opponents of unlimited Sunday shopping have a majority.

## **2.2.2 Sunday shopping in Germany**

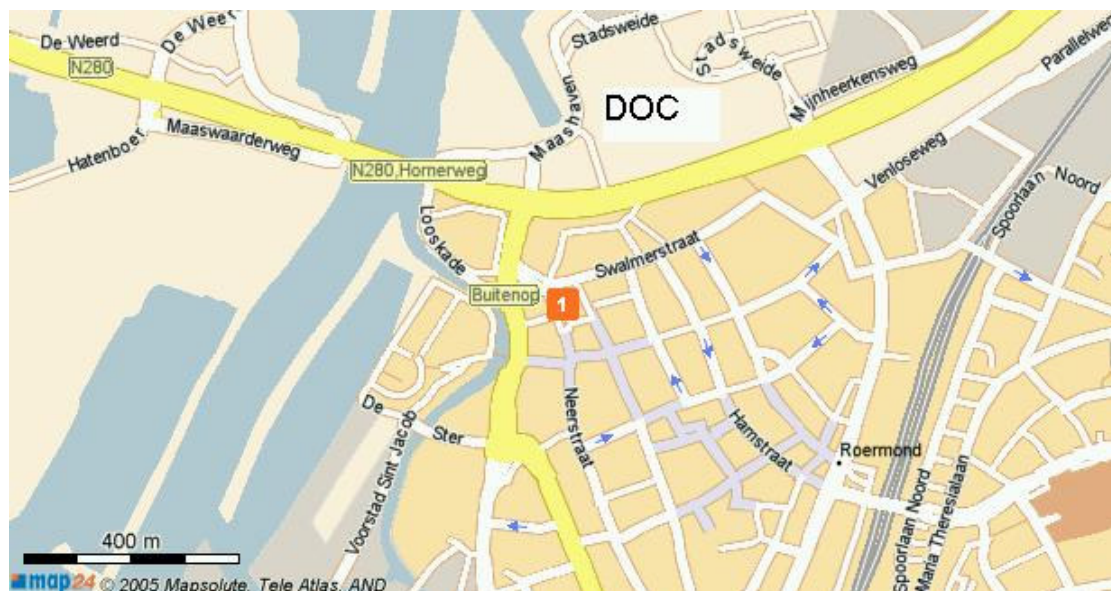
In Germany, the shops have less opening hours in the weekend than in the Netherlands. Just 10 years ago, every shop had to close at 2 o'clock on Saturday. On Sundays shops were not open at all. Store hours had been severely restricted in Germany since 1956. This was done to support the weak post-war German economy. However, in the fall of 1996 a new law was introduced. Now it was allowed for retailers to expand their hours of operation. In weekdays hours of operation were expanded with one and a half hour (Closing time 20.00 instead of 18.30) and on Saturday the hours of operating were expanded with 2 hours (Closing time 16.00, instead of 14.00). The latter change also changed the attitude towards shopping in the weekend in a positive way (Grünhagen et al, 2003).

Sunday shopping is still not common in Germany. However, sometimes shops are open on Sundays. The "Bundesländer" interpret the new law for opening times differently, resulting in a different policy per state. Sunday shopping is therefore not structured or organized like it is in the Netherlands. Cross-border shoppers are advised to call the tourist information office about 'verkaufsoffene Sonntage' of the city they want to visit. Because of the lack of structured Sunday shopping, an alternative for Germans living close to the border could therefore be a city close to the border.

### 2.3 The situation in Roermond

This research focuses on the German consumer in Roermond. Roermond is a city in the Dutch province Limburg with 45.042 inhabitants (CBS, June 2005). The name Roermond means “city on the Roer”. The city center includes lots of shopping locations and catering. Events, which are organized to draw public to the city centre, are scheduled regularly. In Elsevier (2004), a leading Dutch magazine, Roermond was chosen as second best shopping city of the Netherlands. Figure 1 is a map of the city centre of Roermond.

Figure 1: Plan of the city centre in Roermond



It can be seen that the Designer Outlet Center and the city centre are located close to each other. It is a five minutes walk from the city center to the DOC. The streets in light blue are the major shopping streets, forbidden for cars. Consumers can cross the N280 via a pedestrian underpass.

#### 2.3.1 Shopping locations in Roermond

In order to find answers to our practical research questions, questionnaires will be filled out by German shoppers at 2 locations in Roermond. These 2 locations are the city centre of Roermond and the Designer Outlet Center (DOC) in Roermond, which is close to, but not in the city centre. The Designer Outlet Center is introduced first.

### ***Background of the DOC***

The Designer Outlet Center in Roermond was opened in November 2001. In their first year, 2002, they welcomed 2 Million visitors. The DOC consists of 63 shops and 7 catering services on a surface of almost 10.000 m2. The DOC is open every day in the year, excluding December 25 and January 1. This means that, besides these 2 data, every Sunday can be considered as a shopping day. There are 2 designer outlets in the Netherlands. One is located in Lelystad (Batavia Stad) and one is located in Roermond (Designer Outlet Centre). At this moment, the average amount of visitors of the DOC per week equals 50.000. Figure 2 is a plan of the Designer Outlet Center.

*Figure 2: Plan of the Designer Outlet Center*



Furthermore, the Designer Outlet center sees to it, that the amount of visitors in the centre of Roermond rises. Especially the hotel and catering industry profit from that, while fashion and sports shops saw their turnover decrease. In September 2005 this outlet center has expanded further. An additional 10.000 m2 was added and gave space to about 40 extra shops. McArthurGlen is the company that owns the DOC.

McArthurGlen is Europe's leading designer outlet developer, owner and operator with a

total market share of 22%. McArthurGlen operates eight of Europe's largest designer outlets.

### ***The city centre vs. the Designer Outlet Centre***

To see the difference between the city centre and the DOC, table 1 shows the relevant facts of these 2 shopping locations.

*Table 1: Comparison between the city centre and the Designer Outlet center*

	<b>City centre</b>	<b>DOC</b>
Amount of retailers	360	70
Average visitors per week	149.000	50.000
Surface (in m <sup>2</sup> )	62.000	10.000
Average visitors on Sunday	16.000	?
Percentage Germans on Sunday	8%	75%*
Sunday shopping days in 2005	13x	50x

\* Weekend percentage

Source: Gemeente Roermond (2003) and [www.designeroutlet.nl](http://www.designeroutlet.nl)

The data from table 1 show that the city center is 5 times larger and has 7 times more retailers than the DOC. However, visitor amounts are only 3 times as much. This means that the average density is higher in the DOC.

DOC has a larger German segment compared to the city center. The DOC focuses on both German and Dutch consumers. All the communication is done in two languages (German and Dutch). Around 60% of the visitors in 2003 came from Germany (fashionunited.nl, 2004). This indicates that Germans constitute an important segment for this shopping location. This segment was even larger in the weekends (75%) and on German celebration days (90%). In the city centre, only 8% of the shoppers are German on a Sunday.

### ***Products***

The Designer Outlet Center is a shopping location, where manufacturers of leading brands and designer labels sell their excess and end-of-season merchandise directly to the customer. They always provide a discount of 30%-50% and during the summer and winter sales, they are even cheaper. The most shops in the Designer Outlet Center in Roermond sell fashion products and sportswear. Additionally, very different shops (for example Black & Decker) and catering services are present.

The city centre of Roermond has more variety in its shops. In 2004, Roermond was ranked second in a competition of most varied city center. This means that consumers have a choice of a wide variety of goods.

The most important purchases in the city center on a Sunday include:

- Clothing (39%);
- Shoes (18%);
- Caring products (4%);
- Domestic products (4%);
- Toys (3%).

*Source: Gemeente Roermond (2003)*

However, in the same question 32% of the respondents answered that they weren't planning to buy anything (Gemeente Roermond, 2003). This is again a signal that people tend to go shopping for fun, without buying anything. This topic is elaborated more in chapter 3.

### **2.3.2 Sunday shopping in Roermond**

When the Designer Outlet Center was opened, Roermond declared the whole city center to be a touristy area. This means that it is possible to open shops in the city centre every Sunday. This however does not happen a lot in practice. A few shops, like Intratuin, the DOC and furniture shops profit from this rule. The others stick to 1 or 2 shopping Sundays per month. In general, Sunday shopping in the city centre takes place every first Sunday of the month. However, in November and December the dates are different. This is because of Christmas and "Sinterklaas." These events generate extra shopping public and therefore the city centre opens its doors to fulfill the demand. Together with Sunday shopping, the city centre offers live music, and cultural events on these Sundays.

Besides this, sometimes a more sober form of Sunday shopping takes place. Only the department stores open their doors at these Sundays, together with a few retailers. This took place 3 times in 2005.

Sunday shopping and the events that come with it, are announced the Thursday before in a page-wide advertisement in the local paper Dagblad De Limburger, editie Midden Limburg. Retailers also suspend posters to inform their consumers about being open on a Sunday and about the activities. This poster is made by Centrum management Roermond and is for every retailer the same.

The Design Outlet Centre is, in contrary to the city centre, open on every Sunday. A remarkable fact is that parking is for free only on Sundays. As said before, a majority of the customers in the weekends in German (75% in 2003). Therefore this might be seen as a gesture to the Germans, who almost always do need to park their cars.

### ***Previous research on Sunday shopping***

To evaluate their Sunday shopping policy, Roermond decided to do a research on the city center's visitors profile and density. This research took place in the summer of 2003. The results from this research are a nice indicator of what can be expected while doing this research. In this paragraph, the most important findings are discussed.

#### *Where do the Sunday shoppers in the city centre come from?*

- Roermond and region            65%
- Limburg                            17%
- **Germany**                        **8%**
- Rest of the Netherlands       7%
- Belgium                            2%

#### *How often do Germans visit Roermond?*

- **Weekly**                            **16%**
- **Monthly**                         **16%**
- Few times a year                36%
- First time visit                 32%

From the first two questions, we can derive that 8% of the Sunday shoppers in the city centre are German and that almost one third of the Germans visit Roermond (in general) between once per week and once per month.

*What is the reason to visit the city centre of Roermond on a Sunday?*

- Sunday shopping 52%
- Sunday shopping & Outlet 15%
- Outlet only 2%
- Just daily activities 25%
- Being active 5%
- Nice weather 1%

When asked for their reason to come to Roermond, 69% of the respondents answered to come because of Sunday shopping in the centre, the outlet, or both.

## Chapter 3, literature review

### 3.1 Introduction

In this chapter, relevant literature for this research will be discussed. The target of this chapter is to extract a list of relevant shopping motivations and preferences for German consumers that come to Roermond. To do this, we need to know how motivations and decision-making are related in the decision-making process. The generic decision-making model is a well-known decision-making model in consumer behavior (Mowen & Minor, 2000). Figure 3 shows the stages of the generic decision-making model.

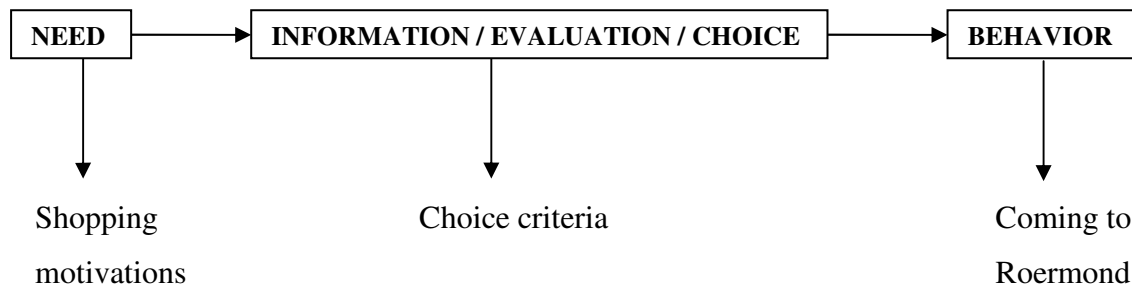
*Figure 3: The Generic decision making model*



Consumers first experience a need or desire. After that they seek information for alternatives to fulfill this need. These alternatives are evaluated and a choice is made. This choice results in behavior. Human behavior can be regarded as the product of both internal need states and external stimuli apperceived by the individual (Westbrook & Black, 1985).

This literature review is split in 2 components. The first component deals with the internal need states. These internal need states are the shopping motivations of consumers. The second component deals with the external stimuli apperceived by the individual. This includes information seeking about a shopping location, evaluation of alternatives and making a choice between the alternatives. The result of this choice is human behavior. Figure 4 shows the decision model for this research.

Figure 4: Decision model for this research



When this model is applied to the scope of this research, 2 questions are found to be central in this research:

- 1) Why do German consumers go shopping? Which needs do German consumers experience?
- 2) Why do German consumers go shopping in Roermond? Which reasons have determined the choice for Roermond for the German consumers?

The external stimuli “information”, “evaluation” and “choice” have been put together in this research. Information seeking and evaluation of alternatives have a minor role in this group. For a product, information can easily be gathered and evaluated. However, there is not very much information to be evaluated about Sunday shopping. One can think of information about opening days for example and information about Roermond as a shopping city. These items can also be seen as choice criteria. Knowledge about a shopping location and its opening hours can also play a role to choose for a shopping location. This research will mainly focus on the choice criteria that the consumer uses.

This chapter starts first with a discussion of literature about shopping motivations in paragraph 3.2. This paragraph concentrates on personal and social shopping motivations (§3.2.1), the difference in hedonic and utilitarian motivations (§3.2.2), hedonic shopping motivations (§3.2.3) and Sunday shopping motivations (§3.2.4).

In paragraph 3.3 the choice criteria that determine a choice for a location will be discussed. This paragraph also discusses the push-pull framework (§3.3.1) and the incentive-inconvenience approach (§3.3.2).

Paragraph 3.4 deals with the choice criteria for cross-border shoppers. After that, paragraph 3.5 will give a summary and list the shopping motivations and choice criteria that have been extracted from the literature.

### **3.2 *Shopping motivations***

When someone feels the need to acquire a product, he goes shopping. But shopping does not occur only to acquire a product. There are more reasons or needs why an individual can decide to leave his home and go to a shopping location. These reasons or needs are called shopping motivations. Shopping motivations form the core of this research. Shopping motivations can be defined as psychosocial needs, beyond those related to the products being acquired (Tauber, 1972; Westbrook & Black, 1985).

Several researchers have studied shopping motivations, resulting in a broad range of literature. A distinction was made between personal and social shopping motivations (Tauber, 1972) and by shopper typologies, like “the economic shopper,” “the apathetic shopper” or “the convenience shopper” (Westbrook & Black, 1985). Other studies have focused on the difference between functional shopping motivations and entertaining shopping motivations (Arnold & Reynolds, 2003; Barnes, 1984; Babin, Darden & Griffin, 1994). These studies have found several shopping motivations, which will be discussed in the next sections of this paragraph.

Additionally, several researches have studied cross-border shopping motivations. These researches focus on cross-border shopping motivations around different borders in Europe (Bygvra, 2003) or between the US and Canada (Di Matteo & Di Matteo, 1996; Timothy & Butler, 1995).

In this research, a distinction is made between shopping motivations and choice criteria. A shopping motivation is an intrinsic need that can be fulfilled by shopping. A choice criterion is a variable that distinguishes the available shopping locations from each

other. For example, recreation can be a shopping motivation, because people can recreate when shopping. Assortment is a choice criterion, because this is different in every shopping location. Furthermore, a different assortment is not an intrinsic need a consumer can feel.

However, in the literature the term “shopping motivation” is sometimes also used when choice criteria are meant. This happens for example in the cross-border shopping literature. A nice assortment abroad is indicated as a shopping motivation to cross the border. However, this is a relative variable. The assortment abroad is compared with the domestic assortment. Therefore, this variable is rather a choice criterion than a shopping motivation and will be handled as a choice criterion in this research.

### 3.2.1 Personal and social shopping motivations

A widely cited and very well-received exploratory research by Tauber (1972) divided shopping motivations into 2 categories: personal and social. Table 2 shows the shopping motivations that have been found.

*Table 2: Personal and social shopping motivations*

<b>Personal shopping motivations</b>	<b>Social shopping motivations</b>
Role playing	Social experiences outside the home
Diversion	Communication with others having the same interest
Self-gratification	Peer group attraction
Learning about new trends	Status & authority
Physical activity	Pleasure of bargaining
Sensory stimulation	

*Source: (Tauber, 1972)*

Tauber argues that buying a product is not the only reason why people go shopping because consumers can also have other, not product-related, reasons to go shopping. It has been recognized that shopping behavior arises (1) principally to acquire the products for which needs are experienced; (2) both to acquire the desired product and to provide satisfaction for various additional non-product-related needs; or (3) principally in service of needs unrelated to the acquisition of the product (Westbrook & Black, 1985).

Both social shopping motivations and personal shopping motivations can be satisfied without buying a product. For example, communication with others having the same interest can be achieved in a shopping location without buying anything.

Most of these shopping motivations were confirmed by Westbrook and Black (1985). They found 7 dimensions of shopping motivations on the basis of Tauber's personal and social shopping motivations.

- **anticipated utility** of prospective purchases
- **enactment** of an economic shopping **role**
- **negotiation** to obtain price concessions from the seller
- **choice optimization**
- **affiliation** with reference groups
- exercise of power and **authority** in marketplace exchanges
- **sensory stimulation** from the marketplace itself

*Source: Westbrook & Black (1985)*

The first one, anticipated utility of prospective purchases, has not been addressed by Tauber. The other 6 variables have also been addressed (partly) by Tauber.

### **3.2.2 Hedonic shopping motivations versus rational shopping**

The distinction between on the one hand “serious” or functional-economic or utilitarian shopping and on the other hand “recreational” or hedonic shopping has been made by several researchers (Babin, *et al.*, 1994; Gentry *et al.*, 1997).

Functional-economic or utilitarian shopping can be considered to be an efficient activity, in which particular predetermined goods are to be bought as quickly as possible (Gorter et al, 2003). This is called run shopping. Run shopping may predominantly take place outside the city centre, where consumers can buy the products without much time delays in easily accessible shopping malls without much social atmosphere (Borchert, 2005; Gorter et al, 2003).

On the other hand, recreational or hedonic shopping is associated with entertainment and pleasure, gained by visiting several (comparable) shops possibly with others (Gentry, *et al.*, 1997; Gorter, *et al.*, 2003). This is called fun shopping. Fun shopping is likely to take place in city centers, where several goods, shops and opportunities of leisure are available (Gorter, *et al.*, 2003).

Historically, an early emphasis in academic marketing studies was put on the economic “purpose” of shopping (Gentry, *et al.*, 1997). Shopping trips were evaluated only on the merit of goods or services acquired. This approach failed to recognize numerous intangible and emotional costs and benefits that also arise during the shopping process (Holbrook, 1986, cited in Babin *et al.*, 1994).

Run shopping is considered to be a success, when a product has been acquired in an efficient manner (Babin, *et al.*, 1994). Utilitarian shoppers may go only for the product(s) they need, thereby neglecting all the other motivations, in order to finish fast and efficient (Babin, *et al.*, 1994). Another contrast with the hedonic shopper is that the rational shopper often knows beforehand what he is going to buy. This is in contrast with hedonic shopping, where acquisition of products is not so important.

In short, psychological perception motivations are related to fun shopping, whereas economic efficiency motivations are linked to run shopping (Gorter, 2003).

Hedonic shopping motivations are in a way similar to the task orientation of utilitarian shopping motivations, only the “task” is concerned with hedonic fulfillment, such as experiencing fun, amusement, and sensory stimulation (Babin *et al.*, 1994). Next paragraph will examine the numerous hedonic shopping motivations.

### **3.2.3 Hedonic shopping motivations**

Six broad categories of hedonic shopping motivations have been found (Arnold & Reynolds, 2003). Some of these categories showed great compliance with previous studies, like Westbrook & Black (1985) and Tauber (1972).

Adventure shopping refers to shopping for stimulation, adventure and the feeling of being in another world (Arnold & Reynolds, 2003). Previous studies also found that people seek for sensory stimulation while shopping (Westbrook & Black, 1985; Tauber, 1972). Furthermore, adventurous aspects of shopping may produce hedonic value (Babin, *et al*, 1994).

Social shopping refers to the enjoyment of shopping with friends and family, socializing while shopping and bonding with others while shopping (Arnold & Reynolds, 2003). Tauber (1972) already found that communication with others having the same interest and social interaction is desired by shoppers. Also affiliation has been identified as a shopping motivation (Westbrook & Black, 1985).

Gratification shopping refers to shopping for stress relief, shopping as special treat to oneself and to alleviate a negative mood (Arnold & Reynolds, 2003). This motivation also corresponds with diversion and self-gratification (Tauber, 1972).

Idea shopping refers to shopping to keep abreast and to see new products and innovations (Arnold & Reynolds, 2003). Shopping to learn about new trends was already identified (Tauber, 1972).

Role shopping refers to the enjoyment that shoppers derive from shopping for others, the influence that this shopping motivation has on the shoppers' feelings and moods, and the excitement of finding the best gift in the world (Arnold & Reynolds, 2003). This motivation corresponds partly to the previously found shopping motivations role-playing and role enactment (Tauber, 1972; Westbrook & Black, 1985).

Value shopping refers to shopping for sales, looking for discounts, and hunting for bargains. This shopping motivation corresponds to the choice optimization dimension (Westbrook & Black, 1985). Bargain perceptions may produce hedonic value and satisfaction from personal achievement (Westbrook & Black, 1985; Babin, *et al.*, 1994).

### **3.2.4 Sunday shopping motivations**

This research focuses on Sunday shopping. Traditionally, researchers have differentiated weekend from weekday shopping (Grünhagen *et al.*, 2003) and Sunday shopping from shopping on other days (Barnes, 1984; Varble 1976). Sunday shoppers were found to have more recreational orientations than other shoppers (Varble, 1976) and have been divided into 3 categories of shopper types (Barnes, 1984).

These categories were:

#### The “serious” Sunday shopper

The shoppers tend to shop for all their needs on Sunday. They think that stores should be open every week. Sunday shopping is a convenience or necessity that they are willing to pay for. 55% of all consumers in a shopping mall on Sunday were categorized as “serious” Sunday shoppers (Barnes, 1984).

#### The “recreational” Sunday shopper

Recreational shoppers are those who choose to shop as a leisure time activity. They are shopping to have “something to do” or “without a specific reason.” 40% of all consumers in a shopping mall were categorized as “recreational” Sunday shoppers (Barnes, 1984).

#### The “anti” Sunday shopper

Only 5% of the respondents were “anti-“Sunday shoppers. They are opposed legislation of Sunday hours and do not feel that Sunday Shopping is a necessity (Barnes, 1984).

The needs that Sunday shoppers experience can have a “serious” character, for people that shop for specific products they need, or can have a “recreational” character, for people that enjoy shopping without necessarily buying a product. This confirms that shopping motivations can be divided into 2 categories as has been done before in this chapter.

### ***3.3 Choosing a shopping location***

The second component of this research deals with the choice criteria of German consumers. Which criteria are important when it comes to deciding where to go?

Jones (1999) executed an exploratory investigation to entertaining shopping experiences. Consumers were asked to describe both an entertaining and fun shopping experience and a shopping experience that was not very fun and entertaining.

4 retailer factors have been found:

- Retail prices
- Selection
- Store environment
- Sales people

*Source: Jones (1999)*

These retailer factors are interesting for our research, because when the 4 retailer factors are perceived better in one shopping location than another a competitive advantage compared to other shopping locations (in Germany or in the Netherlands) can be achieved.

In this research, we will study why customers come to a shopping location across the border. To do this, it is important to gain insight in how a shopping location is chosen. In this section, two theories for choosing a shopping location in general will be discussed. After that, the extra choice criteria that might be relevant when people cross a border are discussed.

#### **3.3.1 The push-pull framework**

The push-pull framework is developed by Arlin Epperson and described in Lundberg (1990; p41). This framework divides motivations to travel into 2 categories: push and pull.

Push factors are forces that urge people to leave their home community. Push factors are defined as the intangible desires that are generated from within the person. Pull

factors are attributes of a location that draw people towards a destination. Pull factors are defined as external travel stimulators. Table 3 shows examples that are given in order to get a better understanding of the difference between push and pull factors.

*Table 3: Examples of push- and pull factors:*

<b>Examples of push factors</b>	<b>Examples of pull factors</b>
Escape	Scenic beauty
Self-discovery	Cultural events
Rest, relaxation	Historical areas
Prestige	Sporting events
Challenge	
Adventure	

*Source: Lundberg (1990)*

This framework can also be applied for shopping (Bygvra, 2003; Timothy, 1995). As can be seen, the push-pull approach divides the factors in shopping motivations (the push side) and choice criteria (the pull side). For example, escape can be a reason to leave home and go shopping, while cultural events can be a reason to choose one shopping location above another. A travel can be motivated to some degree by both push and pull factors. Traveling to Hawaii, for example, can be motivated by push factors like rest, escape, or adventure, but also by pull factors, like scenic beauty or cultural events.

Push factors are motivations to go shopping. They belong to the need recognition in the decision-making process. They explain why people want to go shopping but not why they choose a particular place. However, it can be possible that they influence or explain the importance of choice criteria. Somebody with a need for recreation can for example find “atmosphere” an important choice criterion.

Pull factors are choice criteria. Choice criteria are evaluated compared to alternatives. Therefore, pull factors are relative and can fluctuate. This means that each pull factor can be an incentive or an inconvenience. This depends on the perceived quality of the shopping location compared to alternatives. A consumer will gain information about relevant choice criteria, evaluate the relevant choice criteria and eventually make a choice. If a pull factor is perceived better in location A than in location B, we say location A has a pull incentive. If a pull factor is perceived worse in location A than in

Location B, we say location A has a pull inconvenience. Next paragraph deals with the incentive-inconvenience approach.

### **3.3.2 Incentive-inconvenience framework**

Another approach for choosing a shopping location is the trade-off between incentives and inconveniences (Bygvra, 2003). General assumption of this approach is that a consumer will choose the shopping location for which incentives exceed inconveniences maximally. For example, a consumer has 2 options: a shopping location at 10 kilometers where only cheap clothes are sold, or a shopping location at 20 kilometers, where both cheap and expensive clothes are sold. If the availability of expensive clothes outweighs the extra effort, travel time and money to go to the second shopping location, a consumer will choose for the latter shopping location.

This approach has also been applied to cross-border shopping (Bygvra, 2003). If the incentives of a shopping location across the border are higher than the inconveniences, a customer will choose for this shopping location. Incentives and inconveniences are relative variables. An incentive occurs when, for example, a need can better be fulfilled in one shopping centre compared to the available alternatives.

The major inconvenience in cross-border shopping is distance (Timothy, 1995; Bygvra, 2003). This can be a real distance or a perceived distance. Real distance is the distance measured in objective variables. For example, a distance can be 10 kilometers or 1 hour by car. Perceived distance is the distance measured in subjective variables. For example, a location can be “far away” or “different than we are used to“. Perceived distance is an important variable when consumers cross a border. Paragraph 3.4 will address this topic further.

The incentive-inconvenience approach makes it easy to understand what a shopping location could do to attract more visitors. As far as they can, they should raise the incentives of their shopping location, and lower the inconveniences of their shopping location.

Pull factors are different for every shopping location. Therefore, it is necessary to conduct a preliminary research to find out the advantages and disadvantages of the location, besides the general factors mentioned in the theory. This preliminary research can be found in chapter 4. Furthermore, because the location involved is across the border for our target group, we also need to study choice criteria that occur when people cross a border. The next paragraph deals with cross-border shopping motivations or choice criteria.

### ***3.4 Choosing a cross-border shopping location***

When people need to cross a border for shopping, there are choice criteria that can be added to the domestic choice criteria, because the consumer is in a different country, and in a different situation, with possibly different prices, products and language.

According to the traditional central place theory, customers choose the nearest store able to fulfill their needs (Christaller, 1933, cited in Bygvra & Westlund, 2004). When a customer on his way to the chosen store passes another store that is able to fulfill their needs too, we say he is out shopping (Bygvra, 2003). Cross-border shopping can be regarded as a special form of out shopping.

Cross-border shopping can be defined as the phenomenon that people travel to a neighboring country to shop possibly together with other tourist events.

Cross-border shopping can add some incentives and some inconveniences to the incentives and inconveniences associated with domestic shopping. Some things are different abroad, which can amplify incentives or inconveniences. The incentives may consist amongst other things of lower prices, a larger or more differentiated assortment, or the chance of getting amused (Bygvra, 2003). Also shop opening hours can be rather different when crossing a national border (Gentry *et al.*, 1997).

This paragraph will discuss shopping motivations that occur when people need to cross a border.

### ***Lower prices***

Shopping around borders is a well-known pattern all over the world and the flows are changing, in intensity and direction, according to the price fluctuations in neighboring countries (Jansen-Verbeke, 1990, cited in Bygvra , 2003). Lower prices are an incentive that can pull someone over the border. On the other hand, higher prices are an inconvenience that can prevent a consumer from going abroad. Price differences can differ more between 2 countries than between 2 regions because of different excise taxes in each country. Excise taxes are applied on amongst others gasoline, cigarettes and alcohol. These products can be a major pull factor, when they are significantly lower priced.

Recently, the price of cigarettes has been raised enormously in Germany. This is because the German government has raised the excise tax on cigarettes. According to the local press, this will seduce more Germans to come to the Netherlands (Dagblad de Limburger, 2005). This could therefore be another cross-border shopping motive for Germans.

Research in Canada argued that the differences in the exchange rate can either heighten or lower the price differences between countries (Di Matteo & Di Matteo, 1996). However, this is not valid in this research, because both countries involved have the same currency, the euro.

### ***Different assortment***

Assortments differ from country to country, from region to region and even from shop to shop. When a consumer has to cross a border, he finds himself in a country with possibly different language, different culture, and different attitudes. A foreign country can have products that are not available in the domestic country. If these products are wanted by the German consumer, he has to cross the border. A different assortment can therefore be a pull factor.

For example, one of the main reasons German consumers cross the border to go to Belgium is the availability of special products (e.g. Belgian chocolate) that are not available in Germany (Breuer & Popsischil, 1994).

### ***Different atmosphere***

A shopping location abroad can be a pull incentive for customers that are looking for variation. Variation can be achieved by a different assortment, but also by a different atmosphere. This can be a competitive tool for retailers. For example, years ago German customers were attracted to Belgian border stores in order to take advantage of lower prices. Later, when prices had risen, the stores survived because Germans liked the atmosphere of shopping abroad (Breuer & Popsischil, 1994).

Research shows that domestic visitors are more active and less hedonic than their international counterparts who tend towards passive/hedonic behavior (Carr, 2003). This implies that there is a difference between shopping in your own country and shopping in another country. Furthermore, crossing a border and being in an unfamiliar country can contribute to the excitement of a trip (Timothy, 1995).

### ***Sunday shopping***

The availability of Sunday shopping can also be a pull factor to attract foreigners (Timothy, 1995). Especially for consumers from Germany, where cities can't offer comparable Sunday shopping alternatives, this can be a reason to spend their Sunday in the Netherlands.

## **3.5 Summary**

The shopping motivations and choice criteria that have been found in the literature are summarized in table 4 and 5.

Table 4: Shopping motivations extracted from the literature

<b>Rational shopping motivations</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
Need for shopping				X
Efficient shopping				X
<b>Hedonic shopping motivations</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
Adventure shopping	X	X	X	X
Social shopping	X	X	X	
Gratification shopping	X		X	X
Idea shopping	X		X	
Role shopping		X	X	X
Value shopping	X	X	X	
Recreational shopping	X	X		X
Physical activity	X			
Status & authority	X			

1. Tauber (1972)
2. Westbrook & Black (1985)
3. Arnold & Reynolds (2003)
4. Babin, *et al.* (1994)

Table 5: Choice criteria extracted from the literature

<b>Choice criteria</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
Retail prices	X	X		
Store environment	X			
Service in shops	X			X
Perceived distance		X		
Prices of excised taxed products		X		
Assortment	X	X		
Atmosphere		X	X	
Availability of Sunday shopping			X	

5. Jones (1999)
6. Bygvra (2003)
7. Timothy & Butler (1995)
8. Gentry *et al.* (1997)

From the theory a list of shopping motivations and choice criteria has been put together, but nothing can be said about the importance of each motivation. It can be interesting to find out, which of the theoretical variables are most important for the German customer in Roermond. If the main shopping motivations and choice criteria are known, retailers can cater to these wishes. This can improve the incentives for all German consumers. Possibly, this increase shifts consumers from more inconveniences to more incentives, resulting in a growing population of Germans in Dutch border cities on Sundays. Next chapter will deal with the method of the research.

## **Chapter 4: Methodology**

In this chapter, the methodology of this research will be discussed. This chapter is divided in 4 sections. Paragraph 4.1 deals with the set-up of the main research. After that, paragraph 4.2 will deal with the set-up and results of the preliminary research that has been executed. Paragraph 4.3 will deal with the questionnaire and the characteristics of the sample are discussed in paragraph 4.4.

### ***4.1 Set-up of the research***

In this paragraph the set-up of this research will be discussed. First, the type of research will be addressed, then the data collection is described and finally the study setting is explored.

#### **4.1.1 Research type**

Studies may be either exploratory in nature or descriptive, or may be conducted to test hypotheses (Sekaran, 2003). This research does not aim to test hypotheses. Exploratory studies are undertaken when no information is available on how similar research issues in the past have been solved. This is not applicable for this research, because there is plenty research about (cross-border) shopping motivations and choice criteria.

Descriptive research helps to understand the characteristics of a group in a given situation (Sekaran, 2003). Shopping motivations and choice criteria can be considered characteristics of a group (German consumers) in a given situation (cross-border shopping in Roermond). Therefore, descriptive research is a suitable type of research for this research.

Sekaran (2003) also distinguishes between 2 types of investigation; a causal study or a correlational study. The former is used to delineate the cause of one or more problems and the latter is used to delineate the important factors associated with the problem. This research wants to determine which shopping motivations and choice criteria may be important for German consumers. Hence, this research is a correlational research.

### **4.1.2 Data collection**

The data collection for a research can be either qualitative or quantitative. This research will use both qualitative and quantitative data collection. First, a qualitative preliminary research will be undertaken. This preliminary research is executed in order to verify the motivations and choice criteria that have been found in the theory. It could also be possible that this preliminary research finds variables mentioned that are not included in the theoretical framework. Next paragraph will discuss the preliminary research in detail.

The population of this research is all people with the German nationality near the border that shop in the Netherlands. Only the Germans that come to Roermond at the 2 sample days have a chance to be in our sample. This is therefore the sample-frame. From this frame a sample will be derived. Interviewers will be located at the DOC or in the city center to approach German consumers. The sample will be derived using a convenience sampling technique. More information can be found in paragraph 4.3.

### **4.1.3 Study setting**

Two study settings can be distinguished; contrived and non-contrived (Sekaran, 2003). Non-contrived studies do research in the natural environment where work proceeds normally. Contrived studies do research in altered or manipulated settings. This research is executed in the normal environment of shopping in Roermond and is not manipulated. Therefore, this is research is non-contrived.

The target of this research is to find out which motivations and choice criteria are important for German consumers that come to the Netherlands. When a study wants to characterize customers, the best approach is studying customers in stores in the receiving country (Bygvra, 2003). Therefore, the target group of this enquiry is German consumers at the two chosen locations in Roermond on a Sunday. These consumers are already abroad for shopping, so they are supposed to be able to say which reasons made them decide to visit the Netherlands.

The research took place on Sunday December 4<sup>th</sup> and Sunday December 18<sup>th</sup>. These dates have been chosen, because there is Sunday shopping in both the city center of

Roermond and the Designer Outlet Center. In that way, it was possible to collect 151 respondents in a limited time frame.

Selection of respondents occurred by asking people whether they are German or not. If the answer was negative, the next customer was addressed. If the answer was positive and they agreed to cooperate, they were asked to fill out the questionnaire. When necessary, the interviewers explained some elements of the questionnaire. Some consumers were shopping in Roermond in a group (e.g. family). It can be questioned if every adult group member should fill out a questionnaire themselves or only the decision-maker. For this research, the first option was chosen. Every group member can fill out his own questionnaire. Reason for that is that the shopping motivations and choice criteria are not necessarily the same in the group. For example, one person could go shopping to buy a sweater, and the other person could go shopping to spend time with the first person.

## ***4.2 Preliminary research***

In order to verify the shopping motivations and choice criteria that have been subtracted from the theory, a preliminary research has been set up. Additionally, this preliminary research makes sure that important variables that are not in the theoretical framework are not forgotten.

### **4.2.1 Setup of the research**

The preliminary research has been executed on November 6<sup>th</sup> in both the Designer Outlet Center and the city center of Roermond. Participants were adult German consumers that were present in the locations involved. Selection occurred by asking people whether they have the German nationality or not. If the answer was negative, the next customer was addressed. If the answer was positive and they agreed to cooperate, they were verbally asked about their shopping motivations. The interviewer was guided by 2 questions, but was allowed to interact with the customer, in order to find deeper meanings in their answers. The script, including the questions asked, can be found in appendix A.

To start the conversation, the selected consumers have been asked 2 open questions. The first one dealt with their push incentives. This question dealt with their motivation to shop. The second one addressed the choice criteria to come to Roermond. This question dealt with the reason why they chose Roermond instead of alternatives. The participant is asked to mention as many reasons as possible. The interviewer noted their answers and sometimes asked for clarification.

#### **4.2.2 Results of the preliminary research**

30 German consumers agreed to cooperate with the preliminary research. The main results can be found below.

- All the choice criteria that have been extracted from the literature have been verified. Availability of Sunday shopping was mentioned most by the respondents. Also perceived distance (consumers commented that Roermond was “close” for them) and retail prices have been mentioned a lot.
- All but one shopping motivations that have been extracted from the literature have been verified. Recreational shopping and adventure shopping were mentioned most by the respondents. Status and authority was not mentioned by any respondent. Because 30 people were asked and saturation began to occur in the answers, it is not to be expected that they would have been mentioned in a larger sample. An explanation could be that this shopping motivation is derived from research from 1972 and therefore can be outdated. Another explanation could be that respondents in this personal interview feel uneasy about the anonymity of their responses (Sekaran, 2003). It is not very common to say straightforward that one likes to have authority over other people. In an anonymous questionnaire respondents can be more honest, as nobody will confront them with their statement. Therefore, this variable will not be deleted from the questionnaire.
- Some answers that were given did not appear in the theory. Some respondents mentioned the nice weather conditions as a reason to come to Roermond. This is no shopping motivation, although shopping motivations or choice criteria can be moderated by this variable. For example: recreational shopping, strolling,

browsing and enjoying a drink can be enjoyed better in good weather conditions compared to bad weather conditions. Weather conditions can change between the 2 sample dates. This can lead to a bias, but a bias can also be caused by other factors. It will be tested whether there is a bias between the 2 dates in chapter 5.

- The prettiness of Roermond (and its environment) was also an answer that was frequently mentioned. This can be a choice criterion, because it can pull people from over the border. People argued that they chose Roermond (instead of other options) because of its prettiness. Therefore, the prettiness of Roermond is added to the list of choice criteria.

### ***4.3 The questionnaire***

The questionnaire has been developed on the basis of the shopping motivations and choice criteria that have been chosen in chapter 3 and the modification from paragraph 4.2.2. The complete questionnaire can be found in appendix B. The questionnaire consists of several segments, which are:

#### **1) Introduction**

The first part of the questionnaire is an introduction. This introduction informs the consumer why this research is done; what is going to be expected from the respondents; what incentive is provided and how long the questionnaire will take at most.

#### **2) Questions about shopping motivations**

The second part addresses the shopping motivations involved. The 9 shopping motivations are presented as statements. People are asked to indicate whether they agree or not agree. The scale used will be a 7-point Likert scale. Statements can be positively worded or negatively worded; in order to minimize the tendency in respondents to mechanically circle the points toward one end of the scale (Sekaran, 2003). The statements are presented in a random order.

### 3) Questions about choice criteria

The third part addresses the choice criteria involved. 11 Choice criteria are measured in a different way compared to the shopping motivations. They are not presented in statements, but as attributes, as was found in literature. People are asked for 2 things:

- 1) “How good is this variable in Roermond?” A 7-point Likert scale is used to measure how consumers think about the different choice criteria. These points range from “very bad” to “very good.”
- 2) “How important is this variable to you?” A 5-point Likert scale is used to measure how important these variables are for consumers. These points range from “unimportant” to “important.”

Table 6 shows a 2x2 framework that can be helpful to analyze the combination of importance and appreciation.

*Table 6: Framework of the results of the questionnaire*

<b>Choice criterion</b>	<b>Bad</b>	<b>Good</b>
<b>Unimportant</b>	<ul style="list-style-type: none"> <li>• Roermond scores low on this variable, but it is not an important variable. <b>Improvements will not sort very much effect.</b></li> </ul>	<ul style="list-style-type: none"> <li>• This choice criterion is good in Roermond, but not so important for consumers. <b>Improvements are not necessary</b></li> </ul>
<b>Important</b>	<ul style="list-style-type: none"> <li>• Although this choice criterion is important, Roermond scores low. <b>Vast improvements are needed here</b></li> </ul>	<ul style="list-style-type: none"> <li>• This important choice criterion is evaluated well in Roermond. <b>Improvements are not necessary, but the level of goodness should not decrease</b></li> </ul>

### 4) Demographic data

The fourth part of the questionnaire deals with demographic data of the consumers. These are closed questions that have a nominal or ordinal scale. These questions make it possible to divide respondents in several groups. The

questions are placed in the end of the questionnaire, because people tend to lose their attendance when a questionnaire is too long. The answers to these demographic data are objective and therefore not expected to be changed by disinterest.

The questionnaire has been pre-tested. This was done to find out which parts of the questionnaire were unclear for participants. The questionnaires will be distributed by several interviewers in the 2 chosen locations. The task of every interviewer is to approach German shoppers and to help them, when needed, with the questionnaire. To limit a possible interviewer bias, a script will be used, which guides the interviewers in detail. This script can be found in appendix C.

#### ***4.4 Characteristics of the sample***

At the end of the questionnaire, general questions have been asked. In this paragraph these questions are used to describe the sample. In chapter 5, the variables will be tested whether they change amongst the different groups.

In the 2 sample days 166 questionnaires have been collected by the respondents. 151 questionnaires were suitable for analysis. Some questionnaires have been dropped because they weren't filled out properly or completely. Also questionnaires that seemed to be filled out fast without any sense (e.g. all choice criteria 7) have been dropped from the analysis, resulting in a sample of 151 respondents.

55% of these respondents stem from December 4, 2005. 45% of the respondents were found on December 18, 2005. In chapter 5, it will be tested whether the results differ amongst the 2 dates. Next paragraph will address the general data of the questionnaire.

This paragraph deals with the division of gender, age, frequency of visits, location visited, amount of adults and availability of children.

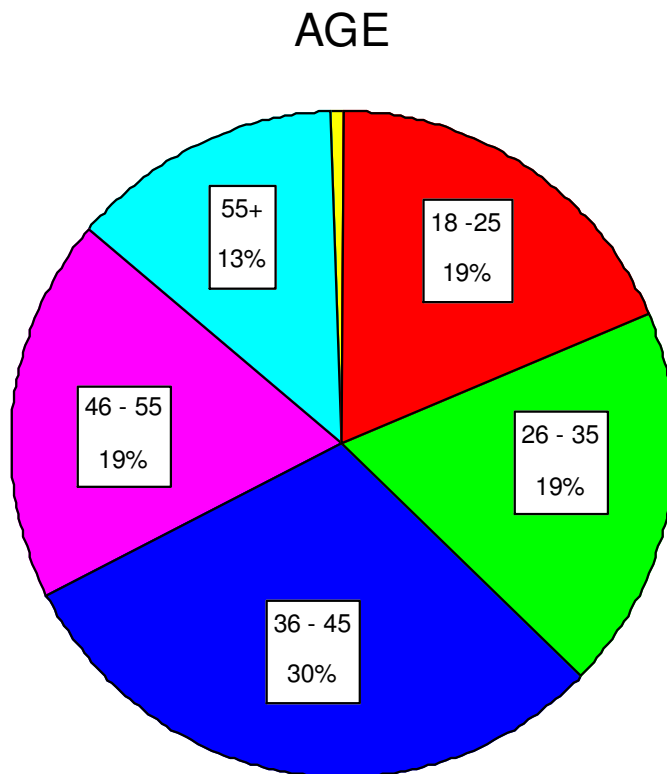
##### ***Gender***

Respondents were asked to indicate their gender. 53% of respondents were male; 45% was female and 2,0% didn't specify a gender.

### *Age group*

Respondents were also asked to indicate to which age group they belong. In the pie chart below, the results can be found.

*Figure 5: age groups*



The age group 36 – 45 years was most answered in our sample. The age group 55+ was mentioned less. Some respondents didn't fill out their age group, resulting in an unknown age group which is represented by the smallest area (<1%).

### *Location visited*

Respondents were asked which location they were visiting. They could choose between 3 options; the Designer Outlet Center, the city center, or both. 51% of the respondents answered they only visited the DOC. Only 3,3% indicated only to visit the city center and 45,7% indicated they were visiting both locations.

These data reflect which location the respondents have visited on the sample day. It does not say anything about where the respondents have been found. Therefore, these data might not give a good view of the distribution of German consumers. The aim of this question is to find out whether there are differences between the shoppers that only visit the DOC and shoppers that visit both locations. The data show that a fierce majority of the people in the city center also have visited the DOC. Therefore a distinction between respondents found in the city center and the DOC is useless, because the respondents could also be found in the other location.

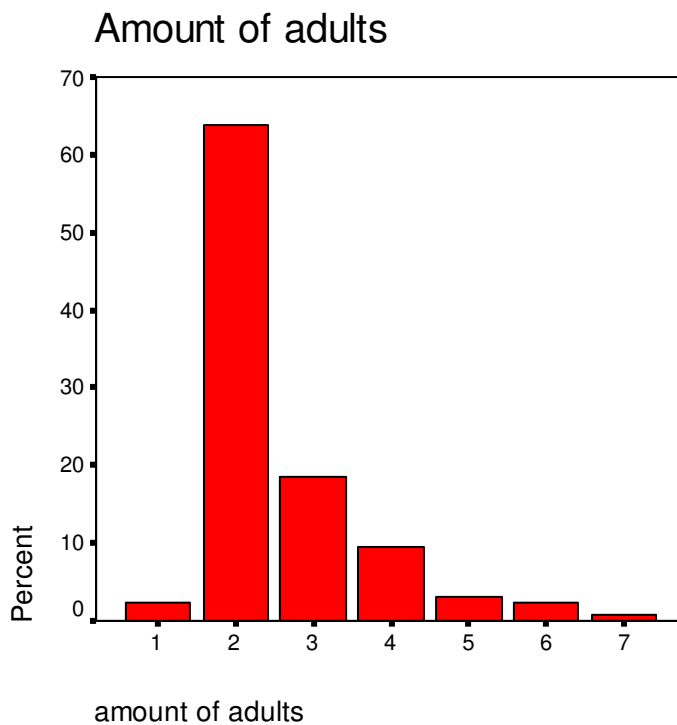
### ***Group of shoppers***

Respondents were asked about their shopping group. The amount of adults and children was filled out. Table 7 and figure 6 show the distribution of the different amounts of adults. As can be seen from the data, most people went shopping with 2 adults.

*Table 7: amount of adults*

<b>Amount of adults</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid percent</b>
1	3	2,2%	2,2%
2	86	63,7%	65,9%
3	25	18,5%	84,4%
4	13	9,6%	94,1%
5	4	3,0%	97,0%
6	3	2,2%	99,3%
7	1	0,7%	100%

Figure 6: amount of adults



65,9% of the respondents went shopping without children. 34,1% of the respondents went shopping together with one or more children. The difference in shopping motivations and choice criteria between these 2 groups is studied in chapter 5.

### ***Distance***

The respondents have also been asked to note the distance from their home. Not everybody was able to fill this out. The average distance is 66,3 km. Maximum is 220 km and minimum is 15 km.

### ***Frequency of visits***

Table 8 shows the frequency of visits of the respondents.

*Table 8: frequency of visits of the respondents*

	<b>Frequency</b>	<b>Percentage</b>	<b>Percentage in previous research</b>
Once a week or more	2	1,3%	16%
Between once a month and once per week	28	18,5%	16%
Once per 3 months or less	96	63,6%	36%
Today is the first time	25	16,6%	32%

This question has also been asked in previous research (Gemeente Roermond, 2003). The data of this research differ with the older research. There are fewer respondents that visit Roermond weekly and fewer respondents that come for the first time.

The sample has been described now. Chapter 5 will now execute various analyses on the data.

## **Chapter 5: Results and analyses**

In this chapter, data generated from the questionnaires are analyzed in several ways. The analyses are split up into 2 groups: shopping motivations and choice criteria. Paragraph 5.1 starts with the shopping motivations. After that, paragraph 5.2 will deal with the choice criteria

### ***5.1 Shopping motivations***

One of the objectives of this research is to find out which shopping motivations are most relevant for German consumers in the Netherlands. In order to answer this practical research question, several analyses have been done. First, the average agreement with the statements in the questionnaire is presented in paragraph 5.1.1. After that, the significant differences in answers between 2 different groups are reported in paragraph 5.1.2. In paragraph 5.1.3 the difference between fun shopping and run shopping is explored and paragraph 5.1.4 groups the respondents into 3 clusters, based on their run shopping values.

#### **5.1.1 Reported values**

Table 9 shows the shopping motivations that have been included in the questionnaire. As can be seen in table 9, people agreed most that value shopping is important for their shopping trip.

Table 9: reported values for each statement

Shopping motivation	Statement	Mean	SD
Value shopping	I feel very satisfied when I find a discounted product, or when I make a good deal	6,23**	1,184
Recreational shopping	Recreation and relaxation are important elements of my shopping trip	5,58**	1,449
Physical activity	I like to stroll around and being physically active	5,53**	1,409
Role shopping	I enjoy finding a good product or gift for someone else	5,48**	1,624
Status & Authority	I like it when sales people do their best to serve me	5,36**	1,651
Need for shopping	I mainly shop to buy products I need	4,83*	1,818
Efficient shopping	I already know which products I want to buy today	4,46*	2,208
Adventure shopping	Adventure shopping	4,38*	1,496
Idea shopping	While shopping, there are so many things to see, smell or try, it almost feels like an adventure	4,32*	1,719
Social shopping	While shopping, I like to socialize (with other consumers or friends/family)	4,27*	1,739
Gratification shopping	Shopping feels like an escape out of everyday life	3,80	1,911

\* = significant higher than 4

\*\* = significant higher than 5

To see whether the consumer agreed significantly more or less with the statements, a T test has been done. Consumers could agree on a 7-point scale, where 4 is the neutral value. The 95% T test tests whether the mean of the statements is 4 or not. When a statement differs significantly from 4, it can be stated that people are not neutral to this variable. 10 of the 11 variables can be confirmed in this way. Consumers positively agree with 10 statements. They are identified with one star in table 9. The shopping motivations that have a significantly higher value than 5 are identified with 2 stars in table 9.

This means that the most important shopping motivation is value shopping and that recreational shopping, physical activity, role shopping and status & authority are also important for German consumers in Roermond.

### 5.1.2 Differences between demographic groups

This paragraph investigates whether the mean value of a shopping motivation significantly differs between demographic groups. These demographic groups are gender, age, location visited, amount of adults, children, frequency of visits and date of visit. When there are 2 groups to be compared, an independent-samples T test will be

set up. When there are more than 2 groups to be evaluated, an ANOVA will be executed. This paragraph deals with the significant differences. The whole SPSS output can be found in Appendix D.

**Physical activity** is the only shopping motivation that has a significant higher mean for women (5,88) compared to men (5,19). This shopping motivation is also higher for respondents that visit both the DOC and the city centre (5,91) compared to respondents that visit only the DOC (5,16).

**Idea shopping** is significantly different between the groups that display the frequency of visits. Respondents that come at least monthly value idea shopping higher (5,14) compared to respondents that come for the first time to Roermond (3,80). This shopping motivation is also higher for people that visit both the DOC and the city centre (4,67) compared to people that visit only the DOC (3,99).

**Adventure shopping's** value increases when respondents are older. Adventure shopping has a higher mean for the age group 55+ (5,45) than all other age groups. However, this difference is only significant compared to the three youngest age groups: 18-25 (4,18), 26-35 (4,18) and 36-45 (4,02).

**Role shopping** has a higher mean for people that visit both the DOC and the city centre (5,77) compared to people that visit only the DOC (5,22).

**Recreational shopping** has a higher mean for people that visit both the DOC and the city centre (5,86) compared to people that visit only the DOC (5,32).

**Social shopping** has a higher mean for groups of adults that contain 3 or more members (4,85) compared to groups of 1 or 2 adults (3,99).

The presence of children did not lead to significantly different answers in the questionnaire. The six shopping motivations that have not been mentioned showed no significant difference in means of different demographic groups.

### **5.1.3 Run shopping versus fun shopping**

In chapter 3, it was stated that shopping motivations can be divided into 2 categories: run shopping and fun shopping. This chapter investigates whether there are differences found on the basis of the values for run shopping and fun shopping.

A factor analysis has been constructed in order to check whether this division was applicable. However, this did not work out. The 2 run shopping variables were put together, but the fun shopping variables were divided in 3 unclear factors.

However, the theory suggests that there should be a distinction between fun shopping and run shopping. Therefore, a reliability test has been executed to test whether it was possible to group the 9 fun shopping motivations together as 1 variable. The Cronbach Alpha equals 0,691. The Cronbach's Alpha is a value between 0 and 1 and a value of 0,6 or less indicates that there is not enough internal consistency reliability to group the variables (Malhotra, 1999). The Cronbach alpha in this research is higher than 0,6, so the reliability test is passed.

The 2 run shopping motivations ("need for shopping" and "efficient shopping") are put together as 1 variable and the same is done for the other 9 fun shopping motivations.

2 significant differences have been found between demographic groups. Visitors of the DOC have a significant lower average value for the fun shopping motivations (4,81) compared to respondents that visit both the DOC and the city center (5,18). The average value of run shopping motivations is higher for visitors that only visit the DOC but this result is not significant. Also the age group 55+ has a significant higher value for run shopping (5,35) compared to the age group 18-25 (3,89).

Now the differences are known, next paragraph will divide the respondents (instead of the variables) into groups.

### 5.1.4 Grouping respondents into clusters

In this paragraph a cluster analysis is executed to be able to group respondents into meaningful segments. Cluster analysis is the name for a group of multivariate techniques whose primary purpose is to group objects, in this case respondents, based on the characteristics they possess (Hair, 1998). Respondents are very similar to other respondents in the cluster, with respect to some predetermined selection criterion (Hair, 1998). In this case this selection criterion is the category of shopping motivations. This means that consumers will be segmented on the basis of their values for run shopping and fun shopping.

A major issue in cluster analysis is deciding on the number of clusters (Malhotra, 1999). On the basis of the agglomeration schedule (see appendix E), it has been decided to use 3 clusters. The agglomeration schedule shows that after 3 clusters the distance between the coefficients becomes lower and therefore less relevant (Malhotra, 1999). Table 10 shows the average values of the run shopping variables and the fun shopping variables.

*Table 10: average values for each cluster*

<b>Cluster</b>	<b>Fun shopping</b>	<b>Run shopping</b>
Cluster 1: average	5,01	4,36
Cluster 2: pro run shopping	5,02	6,35
Cluster 3: anti run shopping	4,92	2,23
<i>Average</i>	<i>4,99</i>	<i>4,65</i>

As can be seen from table 10, there are almost no differences between the values of the fun shopping elements in the clusters. However, there are huge differences between the values of the run shopping elements. This means that respondents cannot be separated in their values of fun shopping, but are segmented by their value of run shopping in this paragraph.

The respondents in cluster 2 have a very high value for the run shopping variables. On the other hand, the respondents in cluster 3 have a very low value for the run shopping variables. This large difference in value makes cluster 2 and 3 the most interesting

clusters. The respondents grouped in cluster 1 have a run shopping value that is falls between the 2 extremes.

The clusters have been tested for differences between the demographic groups, but no significant differences have been found. However, the data are provided in appendix F.

It's also interesting to see whether the appreciation or the importance of choice criteria differs amongst the 3 clusters. This will be done in paragraph 5.2.3, after we have explored the results of the single choice criteria in paragraph 5.2.1 and 5.2.2.

## **5.2 *Choice criteria***

Another objective of this research is to find out which choice criteria are important for German consumers in general and how well these choice criteria are perceived in Roermond. This chapter first explores the choice criteria from the questionnaire and shows the relationship between the appreciation of the choice criteria and importance of the choice criteria in paragraph 5.2.1. After that, the significant differences between different demographic groups are reported in paragraph 5.2.2 and in paragraph 5.2.3, the variables are grouped into 3 dimensions.

### **5.2.1 Importance and appreciation of the choice criteria**

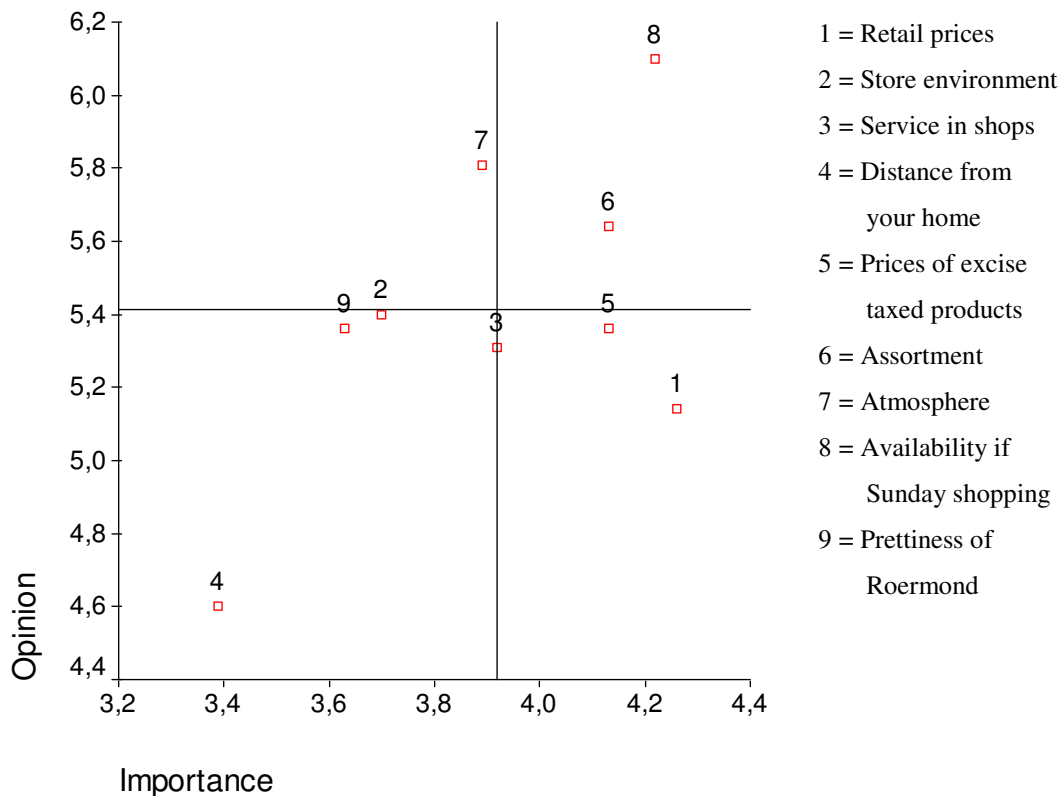
In the questionnaire, 2 questions have been asked for each choice criterion. First, people were asked their appreciation of the choice criteria to come to Roermond on a 7-point Likert scale. Second, people were asked how important this choice criterion is for them on a 5-point Likert scale. Table 11 denotes a summary of means and standard deviations.

Table 11: summary of means and standard deviations of choice criteria

Choice criterion	Appreciation mean (and SD)	Importance mean (and SD)
Availability of Sunday shopping	<b>6,10</b> (1,548)	<b>4,22</b> (1,006)
Atmosphere	<b>5,81</b> (1,172)	<b>3,89</b> (0,956)
Assortment	<b>5,64</b> (1,262)	<b>4,13</b> (0,866)
Store environment	<b>5,40</b> (1,286)	<b>3,70</b> (0,966)
Prettiness of Roermond	<b>5,36</b> (1,338)	<b>3,63</b> (1,043)
Prices of excised taxed products	<b>5,36</b> (1,245)	<b>4,13</b> (0,943)
Service in shops	<b>5,31</b> (1,328)	<b>3,92</b> (0,990)
Retail prices	<b>5,14</b> (1,143)	<b>4,26</b> (0,957)
Perceived distance	<b>4,60</b> (1,592)	<b>3,39</b> (1,119)

Figure 7 shows the relationship between choice criteria's importance and appreciation. The 2 drawn lines are the average value of appreciation and importance. In chapter 6, this figure is discussed.

Figure 7: relationship between appreciation and importance



## 5.2.2 Differences between groups

First, this paragraph covers the differences in the appreciation and importance of choice criteria between the several demographic groups. After that, the differences in the appreciation and importance of choice criteria between the pro run shoppers and the anti run shoppers (as defined in paragraph 5.1.3) are discussed.

The demographic groups are gender, age, location visited, amount of adults, children, frequency of visits and date of visit. Only the significant results ( $\alpha = 0,05$ ) are discussed. The mean values are presented in the text, except for age. These values can be found in table 12 on page 55. The whole SPSS output can be found in appendix D.

**Retail prices** are more important for women (4,46) compared to men (4,10).

The **store environment** in Roermond is higher valued by men (5,60) compared to women (5,10). Furthermore, it is higher valued (5,72 vs. 5,13) and considered more important (3,87 vs. 3,55) on December 18<sup>th</sup> compared to December 4<sup>th</sup>. Also age is a factor. The age groups 35-45 and 45-55 have a higher mean for the importance of store environment compared to the age group 18-25.

The **atmosphere** in Roermond is valued higher by respondents that visit both the city center and the DOC (6,06) compared to people that only visit the DOC (5,54). The respondents that only visit the DOC indicate also that atmosphere is less important for them (3,62) compared to respondents that also visit the city center (4,16). Women think atmosphere is more important (4,06) compared to men (3,75). Age is also a factor. The age group 35-45 and 45-55 have a higher mean for the importance of atmosphere, compared to the group 18-25.

The **service in shops** is higher valued on December 18<sup>th</sup> (5,66) compared to December 4<sup>th</sup> (5,02). The appreciation and importance of service in shops rises by age. However, a significant mean difference has only been found between the age groups 18-25 and 45-55.

**Prettiness of Roermond** is valued higher (5,87 vs. 4,86) and considered more important (4,13 vs. 3,17) by people that visit the city center besides the DOC. Women think the prettiness of Roermond is more important (3,85) compared to men (3,45).

The appreciation of the **perceived distance** is higher for age groups 26-35 and 46-55 compared to age group 18-25. Furthermore, the importance of the **perceived distance** significantly differs between people that visit Roermond at least once a month (3,93) compared to people that visit Roermond only few times a year (3,28).

*Table 12: Values of the different age groups*

<b>Choice criterion</b>	<b>18-25</b>	<b>26-35</b>	<b>36-45</b>	<b>46-55</b>	<b>55+</b>
Store environment importance	3,14*	3,79	3,80**	3,96**	3,65
Atmosphere importance	3,32*	4,00	4,07**	4,11**	3,80
Service in shops importance	3,39*	3,93	4,00	4,25**	3,95
Service in shops appreciation	4,61*	5,32	5,37	5,71**	5,60
Perceived distance appreciation	3,75*	5,07	4,54**	4,93**	4,90

\* = significantly lower than the value(s) labeled with \*\*

\*\* = significantly higher than the value(s) labeled with \*

Besides differences between demographic data, it is also interesting to see whether appreciation and importance of choice criteria differ between the pro run shoppers and the anti run shoppers. The cluster with average run shoppers is not taken into account. Therefore, an independent-samples T test is executed

There are 2 significant results found by this analysis. The importance of the store environment and the importance of service in shops are significantly higher for the pro run shoppers compared to the anti run shoppers. These choice criteria can therefore be considered to be more important for runshoppers.

### **5.2.3 Grouping choice criteria in dimensions**

The choice criteria can also be grouped in order to find the underlying dimensions of this set of variables. Factor analysis is used to group these variables.

Factor analysis can reduce the amount of variables and put the variables together in different dimensions. In other words, the objective is to search for and define the fundamental constructs or dimensions assumed to underlie the original variables (Hair, 1998). Because our target is to lower the amount of variables, the appropriate type of factor analysis is the R factor analysis (Hair, 1998).

The sample size should contain at least five times as many observations as there are variables to be analyzed, with a minimum of 50 observations. It would even be better to have 10 observations per variable (Hair, 1998). This research includes 9 choice criteria, and therefore 90 respondents are needed in order to apply factor analysis to the shopping motivations. Our sample size contains 151 respondents and is therefore large enough.

Every choice criterion has a value for the appreciation in Roermond and the importance in general. In order to find dimensions that are not only applicable for Roermond, a decision is made to group the variables with the importance of choice criteria as selection criterion. After this factor analysis, we can examine whether there is a difference in these factors between run shoppers and fun shoppers.

In order to check whether factor analysis is appropriate, the measure of sampling adequacy (MSA) should be measured (Hair, 1998). The MSA of the shopping motivations equals 0,702. Measures above 0,7 are regarded as middling, and indicate that there is enough correlation for a factor analysis (Hair, 1998).

Only factors that have eigenvalue greater than one are considered to be significant (Hair, 1998). Therefore, this will be the cut-off point as a criterion for the number of factors to extract. This results in 3 factors, which have been labeled in table 13. The influence on the label is depends on how high the factor loading is. The whole SPSS output can be found in appendix G.

Table 13: 3 factors and their loadings

<b>Factor 1: “Location”</b>	<b>Loading on factor 1</b>
Store environment	0,843
Service in shops	0,749
Atmosphere	0,727
Prettiness of Roermond	0,596

<b>Factor 2: “Dutch difference”</b>	<b>Loading on factor 2</b>
Availability of Sunday shopping	0,847
Assortment	0,632
Perceived difference	0,475

<b>Factor 3: “Price”</b>	<b>Loading on factor 3</b>
Retail prices	0,810
Prices of excised taxed products	0,800

Three factors have been found to be perceived important for a shopping location. The factors are “location”, “Dutch difference” and “price”. An independent-samples T test has been set up to test whether the 3 choice criteria factors differ between the pro run shoppers and the anti run shoppers that were found in paragraph 5.1.4. There was no significant difference found in the factors “price” and “Dutch difference.” However, the factor “location” is valued significantly higher by the pro run shoppers compared to the anti run shoppers. This confirms the theory that location is very important for the efficient run shopper.

The differences between the clusters are not significant for all demographic data but one. The average age level is significantly higher for pro run shoppers compared to anti run shoppers.

Now, all the analyses have been done. In the next chapter, the results will be discussed, some recommendations are given and the limitations of the research will be discussed.

## **Chapter 6: Discussion**

In this chapter, the research questions are answered on the basis of the analysis in chapter 5. Paragraph 6.1 deals with the conclusions of the analysis on both shopping motivations (research question 5) and choice criteria (research question 6). In paragraph 6.2 the limitations of this research are discussed and recommendations are made for further research. In paragraph 6.3 recommendations are made for both retailers in Roermond and retailers in general (research question 7).

### **6.1 Conclusions**

In this paragraph, the results that have been gathered through statistical analysis will be discussed. This paragraph is divided in 2 sections; one section about shopping motivations (paragraph 6.1.1) and one section about choice criteria (paragraph 6.1.2).

#### **6.1.1 Conclusions about shopping motivations**

In this paragraph, research question 5 about shopping motivations is answered on the basis of the analysis in chapter 5.

The respondents have indicated that “value shopping” is the most important shopping motivation. German consumers actively search for cheap or cheaper products. Also “recreational shopping”, “physical activity”, “role shopping” and “status and authority” are shopping motivations that are important for them. These shopping motivations can be considered to be hedonic in nature. Rational shopping motivations do not score high, therefore, it can be concluded that Sunday shopping has a more hedonic character for German consumers in Roermond.

Some shopping motivations were different between demographic groups. Visitors of only the DOC reported lower values for several fun shopping motivations (“physical activity”, “idea shopping”, “role shopping” and “recreational shopping”). Social shopping was higher valued for groups with 3 or more members and Idea shopping was also higher valued for people that come more often.

The shopping motivations have also been divided, as described in the theory, into 2 groups: run shopping and fun shopping. It can be concluded that the respondents that visit only the DOC have a significant lower average value for fun shopping variables. The theory that fun shopping takes more often place in the city center, while run shopping takes more place outside the city centers, can on the basis of this research also be confirmed for Roermond.

Cluster analyses found 3 clusters that divide respondents on the basis of their value of run shopping. Respondents could not be segmented by fun shopping values, but have been segmented by run shopping motivations into 3 categories: pro run shoppers, anti run shoppers and average run shoppers. Pro run shoppers perceive the importance of location variables higher than anti run shoppers.

### **6.1.2 Conclusions about choice criteria**

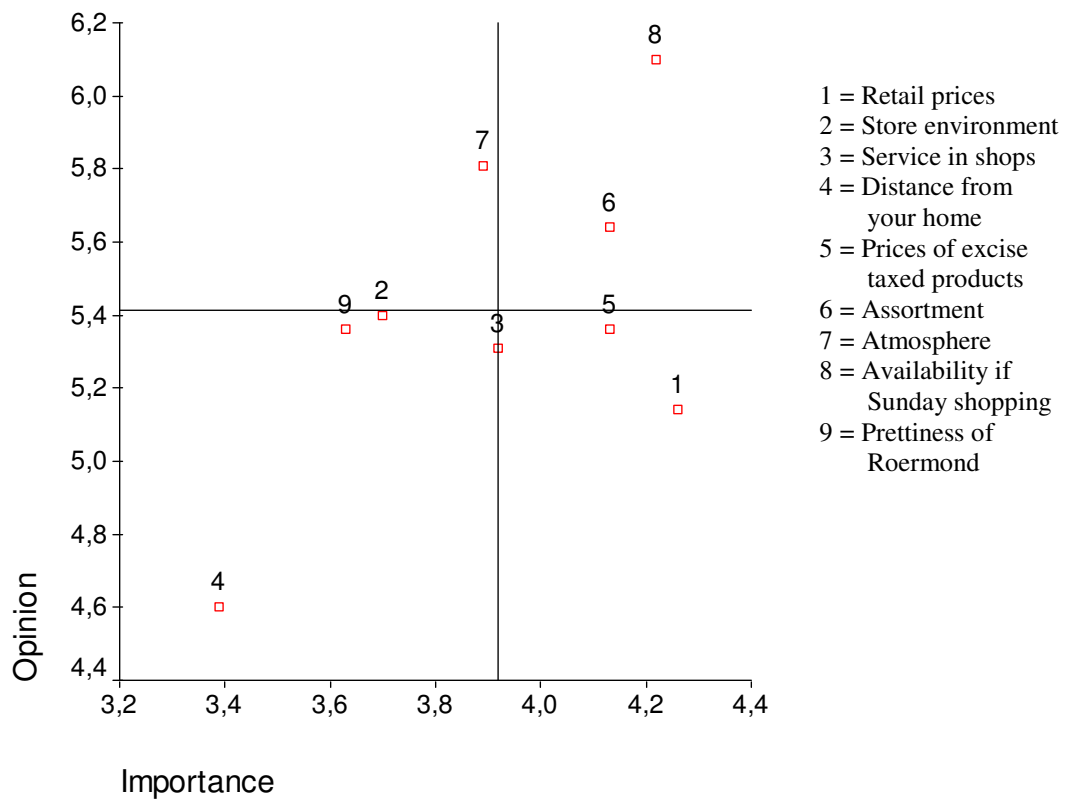
In this paragraph, research question 6 about choice criteria is answered on the basis of the analysis in chapter 5. Consumers were asked about the appreciation of a choice criterion in Roermond and how important that choice criterion is for them.

The availability of Sunday shopping is highest rewarded by the respondents. Atmosphere was ranked second and assortment was the third rewarded choice criterion. The respondents have the most negative opinion about retail prices and perceived distance.

However, retail prices were most important for the respondents, followed by the availability of Sunday shopping, Prices of excised taxed products and assortment. Store environment, prettiness of Roermond and perceived distance are the choice criteria with the lowest importance.

The combination of both the appreciation and the importance of a choice criterion can lead to interesting conclusions. Figure 7 shows means of each choice criterion for both appreciation and importance.

Figure 7: relationship between appreciation and importance



In figure 7, there is one clear outlier. That is number 4, distance from home. The importance and appreciation of the distance traveled are both low. This suggests that people do not like the distance to travel, but that this has little importance for their decision making.

German consumers think that the availability of Sunday shopping and assortment is important. These variables are also appreciated for Roermond by the respondents. These variables can therefore be considered as a competitive advantage.

The most interesting points in figure 7 are the points where importance is high and appreciation mediocre or low compared to the importance of that variable. If this is the case, Roermond does not fulfill to an important variable and therefore improvements

are needed. These cases are found in figure 7 in the right corner, as low as possible. Three variables are located in this area. These variables are “retail prices (1),” “prices of excised taxed products (5)” and “service in shops (3)”. The low appreciation for the service in shops is striking, because previous research has found that foreign visitors rate service higher than domestic visitors (Yuksel, 2004).

There were found some notable differences between demographic groups. The atmosphere and prettiness of Roermond have been valued higher and found more important by the visitors of both the city center and the DOC compared to visitors of the DOC only.

Besides looking at the single choice criteria, factor analysis has been constructed in order to be able to group variables. Factor analysis has introduced 3 elements considering the importance of choice criteria. Table 13 shows the factors that have been derived in chapter 5.

*Table 13: 3 factors and their loadings*

<b>Factor 1: “Location”</b>	<b>Loading on factor 1</b>
Store environment	0,843
Service in shops	0,749
Atmosphere	0,727
Prettiness of Roermond	0,596

<b>Factor 2: “Dutch difference”</b>	<b>Loading on factor 2</b>
Availability of Sunday shopping	0,847
Assortment	0,632
Perceived difference	0,475

<b>Factor 3: “Price”</b>	<b>Loading on factor 3</b>
Retail prices	0,810
Prices of excised taxed products	0,800

The variables “store environment” and “service in shops”, as well as the factor “location” was valued higher by the pro run shoppers compared to the anti run shoppers. This confirms the theory that states that run shoppers want to shop as efficiently as possible.

## **6.2 *Limitations and further research***

Like every research, this research also contains limitations. This paragraph will deal with these limitations. These limitations should be taken into account when the results of this research are interpreted.

The aim of this research was to find out the shopping motivations and choice criteria for German consumers on a Sunday. Therefore, the results are only applicable for Sunday shopping. The German segment in the other days of the week is not addressed. This could be a topic that is covered in another research.

Due to a time constraint, German shoppers are only questioned in Roermond and not in other border cities. An interesting option for further researchers is to study German consumers in different cities. There could be regional differences between German shoppers. In the preliminary research, some consumers commented that they have also visit Venlo sometimes. Why they prefer one city/region above another is not covered in this research, but could be an interesting research question.

The data have been generated by a convenience sampling technique at 2 different dates in December. Not every German consumer that is present in Roermond is asked and only the cooperative German consumers have been collected in the sample. Furthermore, it could be the case that shopping motivations and choice criteria differ in summer months compared to winter months. Also different weather circumstances and shopping dates (Sunday before Sinterklaas/Christmas is used in the sample) could cause a bias the data.

Another way of improving knowledge is to study how far the German consumer wants to travel for Sunday shopping. This research has asked how many kilometers the respondent has traveled and not what the maximum would be. When it is known how far the consumer wants to travel, it could be decided better to which region a city should focus.

### **6.3 Recommendations**

Now the conclusions and limitations of this research are known. In this paragraph, recommendations are made for both retailers in Roermond and retailers in general.

#### **6.3.1 Recommendations for the retailer in Roermond**

In this paragraph, recommendations are made for retailers in Roermond. Retailers in Roermond now have more knowledge about their German segment. The data suggest that visitors of the DOC are more run shoppers than fun shoppers. To serve these run shoppers, the DOC should communicate that they have lots of comparable stores, close to each other, so that shopping can happen fast and efficiently. In this way, the run shoppers are attracted to the DOC. This research shows that respondents with high run shopping values find location more important than respondents with low run shopping values. Therefore, the benefits of the location should be emphasized.

On the other hand, fun shoppers, that like to stroll around and enjoy their time, can be attracted to the DOC by the availability of the city center on a 5 minutes walk. This research shows that the people that visit the city center and the DOC have higher fun shopping values. Fun shoppers can add a visit to the DOC to the city center shops in order to find variety, physical activity and a different atmosphere. This can lead to a higher attractiveness of the DOC for fun shoppers.

Retailers in the city centre could communicate that they offer shopping in a nice atmosphere, with nice varied shops so that they attract the fun shoppers. Availability of Sunday shopping and the assortment in Roermond should be propagated in communication, because these variables are found important and are well appreciated by the German consumer. This claim could be strengthened by the fact that Roermond has won the second place in a survey of Elsevier (2004) that deals with variety of assortment.

This research shows that availability of Sunday shopping is found important and valued high. However, Interviewers were regularly asked whether the shops in the city center were actually open that day. When the city center wants to attract German consumers,

they first have to know that the city center is open. Therefore, the dates of Sunday shopping in the city center should also be communicated better. A possibility is to communicate that city center is open in the DOC and vice versa.

There is not much communication to the visitors that the city center is in the neighborhood. Instead of hiding a potential competitor, the DOC and the city center could promote Roermond together. In this way, Roermond can cater to the wishes of run shoppers (the DOC) and funshoppers (more variety, physical activity, different atmosphere). When the possibility of Sunday shopping in the city centre is communicated to the visitors of the DOC, the DOC makes itself more attractive to fun shoppers; the biggest group according to this research, because they can visit both places, thereby gaining more variety and physical activity.

Another option, which makes promotion much easier, is to open shops in the city center every Sunday. A DOC visitor has a change of 1 out of 4 that the city centre is open that day, which leads to uncertainty. However, it can be questioned whether this is a good solution for everyone, because only 14% of the respondents in a previous research have indicated that they would like to have more Sunday shopping days.

Figure 7 in paragraph 6.1.2 showed that 3 choice criteria (“retail prices,” “prices of excise taxed products” and “service in shops”) are found more important than the average but are appreciated less than the average. In order to improve the perception of these variables, Roermond could be propagated as a cheap (Dutch) city, where service is an important element. Of course, only communicating that service is good is not enough. It could be a good idea to train sales people in German language, in order to improve the ability to understand and serve the German consumer. Besides communicating that prices are low, lowering prices can also be suggested, but that decision is made by far more factors than have been studied in this research.

### **6.3.2 Recommendations for retailers in general**

Although, this research investigates the shopping motivations of German customers in Roermond on a Sunday, some results can also be useful to other border shopping locations in the Netherlands. There are some additional general recommendations that can be done.

The fact that the most important choice criterion for German consumers is the availability of Sunday shopping implies that the communication when Sunday shopping takes place is important. When a German consumer does not know that shops are open, he will not go to the Netherlands. But if the consumer knows the shops are open and the shopping location is liked, he can spend the Sunday in the Netherlands. Communication of the availability of Sunday shopping is therefore crucial. Also assortment and prices are found important by the German consumer and can therefore be communicated.

The results show that most German visitors do not live that close to the border. On average 66,3 kilometers needs to be traveled. The benefits of a shopping location over the border outweigh the costs and effort to get in the Netherlands. These benefits need to be communicated clearly to the German consumers. This research provides retailers with knowledge about what is important for German consumers in general. The important shopping motivations and the 3 factors (“location”, “price” and “Dutch difference” can be used in an efficient promotion.

Furthermore, retailers could make use of the shopper profiles that have been set up. For example, a retailer or retail location could stress benefits for pro run shoppers or anti run shoppers or for a specific segment that it wants to attract.

## **Literature:**

Arnold M.J. & K.E. Reynolds (2003). Hedonic shopping motivations. *Journal of Retailing*, 79, 77-95

Babin, B.J., W. R. Darden & M. Griffin, (1994). Work and/or fun: Measuring hedonic and utilitarian shopping value. *Journal of consumer research*, 20 (4), 644-655.

Barnes, N.G. (1984). New shopper profiles: implications of Sunday sales. *Journal of small business management*, 22, 32-39.

Bellenger D.N. & P.K. Korgaonkar (1980). Profiling the Recreational Shopper. *Journal of Retailing*, 56, (3), 77-92.

Borchert J. (1995). Binnenstad of periferie, 'fun' of 'run'? *Geografie*, 1995-1

Bygvra S. (2003). Cross-border shopping; research approaches and some evidence from two Danish border regions. *N.N.*

Bygvra S. & H. Westlund (2004). Shopping behavior in the Oresund region before and after the establishment of the fixed link between Denmark and Sweden. *Geojournal*, 61, 41-52.

Carr, N. (2002). The tourism-leisure behavioural continuum. *Annals of Tourism Research*, 29 (4). 972-986.

Di Matteo L. & R. Di Matteo (1996). An analysis of Canadian cross-border travel. *Annals of Tourism Research*, 23 (1), 103-122.

Gemeente Nijmegen (2002). Evaluatie koopzondagen Nijmegen; de consument en de ondernemer aan het woord. *N.N.*

Gemeente Roermond (2003). Koopstromen onderzoek. *N.N.*

Gemeente Utrecht (2005). *Uitslag referendum Koopzondagen*.

Gorter, C., P. Nijkamp & P. Klamer. The attraction force of out-of-town shopping malls: a case study on run-fun shopping in the Netherlands. *Tijdschrift voor economische en sociale geografie*, 94 (2), 219–229.

Grünhagen M., S.J. Grove & J.W. Gentry (2003). The dynamics of store hour changes and consumption behavior. *European Journal of Marketing*, 37 (11/12), 1801-1817.

Hair, J.F. (1998). *Multivariate data analysis*. 5th edition. London: Prentice-Hall international. pp730.

Jones, M.A. (1999). Entertaining shopping experiences: an exploratory investigation. *Journal of Retailing and Consumer services* 6. 129-139.

Lundberg, D.E. (1990), *The tourist business*. 6th edition. New York: Van Nostrand Reinhold. pp339

Malhotra, N.K. (1999). *Marketing research: an applied orientation*. 3rd edition. Upper Saddle River, NJ: Prentice Hall. pp763

Mowen, J.C. & M.S. Minor (2001). *Consumer behavior: a framework*. Upper Saddle River, NJ: Prentice Hall. pp354.

Sekaran, U. (2003). *Research methods for business: a skill-building approach*. 4th. Edition. New York, NY: Wiley. pp450.

Tauber E.M. (1972). Why do people shop? *Journal of marketing*, 36 (October). 46-49.

Timothy D.J. (1995). Political boundaries and tourism: borders as tourist attractions. *Tourism Management* 7, 525-532.

Timothy, D.J. & R.W. Butler (1995). Cross-border shopping; a North-American perspective. *Annals of Tourism Research*, 22 (1), 16-34.

Turner, L.W. & Y. Reisinger, (2001). Shopping satisfaction for domestic tourists. *Journal of Retailing and Consumer services*, 8, 15-27.

Varble, D.L. (1976), "Sunday Shopping and Promotion Possibilities", *Journal of the Academy of Marketing Science*, Vol. 4, Fall, pp. 778-791.

Wang D. (2003). Hong Kongers' cross-border consumption and shopping in Shenzhen: patterns and motivations. *Journal of Retailing and Consumer Services* 11, 149-159

Yuksel, A. (2004). Shopping experience evaluation: a case of domestic and international visitors. *Tourism management*, 25, 751-759

#### **websites**

[www.shoppenopzondag.nl](http://www.shoppenopzondag.nl)

[www.wikipedia.nl](http://www.wikipedia.nl)

[www.designeroutletroermond.nl/](http://www.designeroutletroermond.nl/)

[www.cityliferoermond.nl](http://www.cityliferoermond.nl)

[www.roermond.nl](http://www.roermond.nl)

[www.fashionunited.nl](http://www.fashionunited.nl)