Factors Affecting Children's Store Loyalty: An Empirical Examination Of Two Store Types

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Abstract

This research is an empirical examination of the factors that affect children's store loyalty. Specifically, the effects of impersonal communication, interpersonal communication, experience, and perceptions of affective and functional qualities of store image are examined as to how they impact children's store loyalty. Results suggest that prior experience and interpersonal communications are important in the formation of a child's perception of a store's image. In turn, the child's perception of the affective and functional qualities of a store's image are fundamental to a child's store loyalty. These findings were supported for both a mass-merchandise discount store and a specialty store. Managerial implications for retailers interested in building store loyalty with children are discussed.

Introduction

It is estimated that over 36 million children reside in the United States (McNeil 1998). These children account for over $24.4 billion in purchases primarily made for immediate consumption (McNeil 1998). In addition to direct expenditures, children also influence family expenditures in at least 62 different product categories amounting to an estimated $132 billion (McNeil 1992; Power et al. 1991; Stipp 1993). In fact, Hall (1987) estimates that children have spending power in five categories: (1) the money they spend on themselves; (2) the money parents spend on them; (3) the money they shop for the family with; (4) the influence they have over family purchases; and (5) the money they will spend in the future as teenagers and adults. Despite this documented market potential, little is known about the factors that shape children's patronage decisions.

The retail setting is certainly an appropriate arena in which to study child purchasing. McNeil (1992) points out that children begin making independent purchase decisions at a young age. He notes that by age six, a slight majority of all children will make at least one independent shopping trip per week. At age seven, a large majority of all children make almost two independent shopping trips per week. When shopping trips with parents are examined,
the number of trips per week doubles for six-year-olds. Virtually all seven-year-olds take about three trips per week. By age 10, children are making over 250 visits a year to stores. Due to their abundant market experiences, children establish store type preferences as early as age 5 (McNeal 1992). Zimmerman (1992) agrees and states, "Well before puberty, these kids have distinct preferences regarding where they like to shop..."

Given that children have the resources and the opportunities to become valued consumers, it seems especially important that we understand how children make patronage decisions. However, despite many calls to better understand how children make purchase decisions (Hall 1987; Harrigan 1991; McNeal and McDaniel 1981; Stipp 1993; Ward, Kalee and Wackman 1990), few researchers have addressed the need for patronage research. In short, there remains the need to investigate how a variety of potentially potent factors shape children's patronage decisions. Understanding children's store patronage processes is important to both retailers and manufacturers. Retailers must compete for children's transactions, and an understanding of how children form impressions and loyalties to a particular store or store type certainly has practical strategic value for these retailers. Similarly, manufacturers will benefit from knowledge of the forces shaping a child's patronage decisions, as they must decide on appropriate channels of distribution and they often initiate cooperative promotional programs.

Thus, this paper describes a study aimed at furthering our knowledge of children's patronage behavior. In particular, the objectives of this research are to develop a conceptual model of the antecedents to children's perceptions of store image and store loyalty and to examine how the effects of the antecedents might vary across store types. To do so, published research is reviewed to identify factors that affect children's store image perceptions and store loyalty. Next, an empirical study is described and its results are presented. Finally, implications of the findings are discussed and suggestions for future research are offered.

Conceptual Model of Children's Store Loyalty

The general conceptual model underlying this study is presented in Figure 1. As can be seen, we posit that the three exogenous factors of shopping experiences, interpersonal communication, and impersonal communication directly affect a child's affective impressions of a retail store. Consistent with current thinking and our logic described below, the child's affective impression of a store impacts his/her perceptions of the store's functional characteristics, specifically merchandise selection, price levels, and salespersons. These perceptions of the store's functional qualities, in turn, affect the child's loyalty to that store. The conceptual model has implicit hypotheses represented by the arrows in the diagram. Each of these is further developed in the following sections.

Socialization

Consumer socialization is the process whereby children learn consumer skills, knowledge and attitudes from interacting with the environment (Moschis and Moore 1979; Ward 1974). Socialization agents, such as family, peers, and mass media, instruct the child on how to make consumption related decisions, such as what to buy, how to buy, why to buy, and where to buy (Moschis 1978; Moschis and Churchill 1978; Moschis and Moore 1979; Ward et al. 1977; Ward 1974). These agents and a child's experiences are the primary sources of information from which a child forms an evaluation of a retail outlet. For this reason, it is assumed that children form a perception of a store's image from these sources. Specific hypotheses associated with each of these sources are developed in the following sections.

Direct Experience. Children most certainly learn to judge marketplace alternatives based on
direct experience. Children's market experiences influence their perceptions and direct their patronage behavior. McNeal (1992) estimates that a ten-year-old child makes an average of 2.9 independent purchase decisions while shopping with parents per week and 2.3 independent purchase decisions when shopping alone. Further, he estimates that children age 10 visit an average of 2.9 different stores per week with their parents and 2.2 different stores per week independently. During each shopping trip, children obtain information as to the store's product selection, quality of merchandise, sales personnel, pricing policies, and atmosphere. In fact, by the third grade, children can describe in detail a store's layout, product and brand offerings, and the sales personnel (McNeal 1992). Moreover, McNeal (1992) found that some retailers engage in specific activities catering to children. Among these activities, retailers provide facilitating mechanisms for children shoppers. These include accessible displays, special credit arrangements, and store personnel trained to respond to children's needs. For these many reasons, it is hypothesized that a child's personal experience in a retail outlet will influence his/her perception of the store's image.

H1: The more frequently a child patronizes a retail store, the more positive will be the child's evaluation of the affective store image.

Impersonal Communication. Manufacturers and retailers socialize children through advertising. Advertising is impersonal communication whereby children are provided consumer information via television, magazines, newspapers, direct mail, radio, and the Internet. Of these media, children are among the heaviest consumers of television, watching an average of over 20 hours per week (Stipp 1993). Others report that children spend thousands more hours watching television than in school (Brott 1995). This is supported by the reported $800 million spent on television advertising directed at children (Ross 1998). Estimates of television advertising to children suggest that children are the recipients of over 20,000 advertising messages per year, many of which are actively processed by the child (Liebert and Sprafkin 1988; Ward 1978). Research suggests that TV advertising creates positive attitudes and purchase intent in children (Goldberg et al. 1978; Gorn and Florsheim 1985; Gorn and Goldberg 1982; Resnik and Stern 1977; Robertson et al. 1979). In addition to television, communications through magazines, direct mail and the Internet targeted to children have exponentially grown in the past decades (Baar 1998). Children are the recipients of advertising and promotion messages through numerous media. Thus, impersonal communication is a vital source of information for children and is included in the conceptual model.

H2: The more frequently a child is the recipient of advertising and promotion for a retail store, the more positive will be the child's evaluation of the affective store image.

Interpersonal Communication. Communication from parents and peers has been shown to affect children's reactions to and assessments of a variety of marketing stimuli (see e.g., Churchill and Moschis 1979; Moschis 1978; Moschis and Churchill 1978). In fact, family communication is thought to have a greater impact on consumer socialization than mass advertising (Peterson and Rollins 1987). Parents are children's primary interpersonal socialization agents. In the home and store, parents teach their children appropriate consumer behavior by direct instruction and example. Parents introduce children to procedures and evaluative criteria for shopping and buying (McNeal 1987). For these reasons, a child's communication with parents is viewed as an important determinant of a child's assessment of a retail outlet.

At the same time, peers influence children's consumer behavior. For example, Bachmann et al. (1993) found that children felt the influence of peers on conspicuous product choices. In a study of third graders' Christmas gift requests,
Caron and Ward (1975) found peer influence to be stronger than the influence of advertising, retailing, and catalogs. Peers have been found to influence affective or expressive aspects of consumption (Moschis and Churchill 1978) and to be instrumental in the selection of products (Hawkins and Coney 1974). Although not specifically tested with children, research suggests that the evaluation and selection of a retail outlet should be influenced by interpersonal communication (Bloch et al. 1994; Darden et al. 1983; Feinberg et al. 1989).

Thus, it seems reasonable to assume that interpersonal communication will also affect children’s perceptions of a store’s image and resulting store loyalty. As such, it is expected that overt communication from family and peers will affect children’s assessments of a store’s image.

**H1:** The more frequently a child communicates with parents and peers about a retail store, the more positive will be the child’s evaluation of the affective store image.

**Store Image**

Over time, authors have conceptualized store image as being composed of a number of dimensions. Martineau (1958) defined store image in terms of symbols and color, layout and architecture, advertising, and sales personnel. Kunkel and Berry (1968) identified twelve store image dimensions, and Lindquist (1974) synthesized several store image studies to compile nine dimensions of merchandise, service, clientele, physical facilities, convenience, promotion, store atmosphere, institutional factors and post-transaction satisfaction. Rachman (1975) expanded earlier work to define six dimensions: location convenience, merchandise suitability, value for price, sales effort and store service, congeniality of store, and post-transaction satisfaction. Finally, Hansen and Deutcher (1977) described the most detailed list of dimensions consisting of 41 elements, including product quality and selection, salespersons, credit and return policies, atmospherics, location, and interpersonal and impersonal communications.

Although the number of researchers who have sought to define store image is vast, two store dimensions are consistently found across all studies. These dimensions are the affective, or atmospheric features of a store, and the functional characteristics of a store. For this reason, store image may be categorized as two component constructs: perceived affective qualities and perceived functional qualities.

**Perceived Affective Qualities.** Affective quality pertains to those emotion-arousing aspects of a retail environment (Russell and Pratt 1980; Russell and Snodgrass 1987). Affective or hedonic descriptions of store images are found in numerous research studies (e.g., Zimmer and Golden 1988; Darden and Babin 1994). In fact, Russell and Pratt (1980) concluded that no explanation of environment is complete without affective or emotional qualities. Affective quality, as conceived, is similar to store atmosphere (Mason and Mayer 1990), or "the psychological effect or feeling created by a store’s design and its physical surroundings" (Ghosh 1990). Affective quality can be thought of as a judgment of pleasant, attractive, valuable, likable, preferable, and repulsive, for example (Russell and Snodgrass 1987). Numerous researchers have provided indicators of affective quality (e.g. Darden and Babin 1994; Ghosh 1990; Mason and Mayer 1990; Russell and Pratt 1980), including spatial evaluations (e.g., crowding) and overall mood-producing elements (e.g. excitement) of the retail store. To date, there has been very little research on children’s perceptions of affective qualities. However, it is clear that perceived affective qualities of a retail store should be included in any conceptual model of store perceptions. Thus, it is hypothesized that children’s perceptions of a store’s affective qualities will affect children’s store loyalty.

**H2:** The more favorable a child’s evaluation of the affective qualities of a store’s image, the
stronger will be the child's store loyalty.

Previous research has established that a correlation exists between affective and functional quality; however, the causal relation between affective and functional quality is not fully understood (Darden and Babin 1994). The preponderance of thinking suggests that perceptions of a store's functional qualities are influenced by its affective store image. For instance, Russell and Snodgrass (1987) write that affective appraisals can indirectly influence cognitive evaluations, defined in this study as functional qualities. Further, Russell and Pratt (1980) cite Itelson (1973) who felt that, "The first level of response to the environment is affective. The direct emotional impact of the situation...very generally governs the directions taken by the subsequent relations with the environment." Sirgy and Samli (1985) argue that affective or personality aspects of the store will influence how consumers perceive the functional attributes of a store. Thus, the child's evaluation of the atmosphere may drive his or her evaluation of the more tangible, functional attributes of a store. For example, if a child perceives a store to be exciting and pleasurable, he or she may transfer these positive feelings to a judgment of the pricing, selection, and salesperson standards of a store.

Hi: The more favorable a child's evaluation of the affective qualities of a store's image, the more favorable will be the child's evaluation of the functional qualities of a store's image.

Perceived Functional Qualities. Functional store image represents consumers' assessments of the operational features of a retail outlet. Functional quality refers to the consumer's evaluation of the product, pricing and personnel offerings of a retail store. For example, Weale (1961) characterized this construct as how well a store meets the consumer's price, quality and service needs. Much traditional research on store image focuses on a store's tangible characteristics as representative of functional quality (Darden and Babin 1994). For instance, characteristics found earlier in the literature are merchandise selection and quality (Lindquist 1974; Hansen and Deutscher 1977; Rachman 1975), physical facilities (Lindquist 1974), pricing (Rachman 1975), and salesmanship and store service (Rachman 1975; Hansen and Deutscher 1977).

Research has confirmed that children do evaluate stores based on functional qualities such as quality and price (McNeal and McDaniel 1981). In fact, children are very aware of differences among retail stores in terms of functional qualities and are discriminating in store selection. In addition, research has suggested that store image evaluations should affect consumers' store loyalty (Lessig 1973; Sirgy and Samli 1985). For these reasons, it is hypothesized that children's perceptions of a store's functional qualities will affect children's store loyalty.

He: The more favorable a child's evaluation of the functional qualities of a store's image (i.e., merchandise selection, pricing, and salesperson service), the stronger will be the child's store loyalty.

Store Loyalty

Store loyalty refers to a consumer's predisposition to shop at a particular retail establishment. Samli (1989) defines it as "a biased, behavioral response, expressed over time by some decision-making unit, with respect to one or more alternative stores out of a set of such stores, and as a function of psychological process." Repurchase action alone does not constitute loyalty. Store loyalty also encompasses psychological commitment by the consumer to shop at a particular store in the future. For the purposes of this study, store loyalty is operationalized as a child's desire to patronize a particular store when a need arises.

Store Type as a Potential Moderator

Children's store type preferences change as they age (McNeal 1992). Younger children ages 5-7 prefer convenience stores and supermarkets.
for their ease of purchase and breadth of products. In contrast, older children ages 10-12 prefer specialty stores and discount stores for their depth and breadth of product offerings. In an experiment used to elicit children’s drawings of "going shopping," children portrayed supermarkets most often (40.2%), and specialty stores (25.9%) and discount stores (13.4%) second and third, respectively (McNeal 1992). Specialty stores were most often mentioned by children aged 9-10. Of specialty stores mentioned, toy stores were most important. Discount stores were mentioned by all ages of children. Of the non-food items mentioned by children, toys were most frequent (23.3%). Most of these toy purchases were depicted in specialty stores such as Toys R Us and discount stores such as Wal-Mart and Kmart. Collectively, these preference differences suggest that the model may operate differently for different store types within the same product category.

If one examines the marketing strategy differences distinguishing store types, the argument for different impressions and experiences is bolstered. For instance, a specialty store has great depth of assortment, while a discount or department store has great breadth of assortment. Specialty stores have strong product-specific images, while discount stores have strong price- or value-specific images. Specialty and discount stores differ greatly in store layout, self-service, merchandise display, advertising strategy, and prices. For these reasons, a specialty store (Toys R Us) and a discount store (Wal-Mart) are compared in this study. The precise nature of store type moderator effects is unknown at this time, however. Consequently, this research was structured to allow a comparison of the conceptual model for a discount store and a specialty store.

Method

Research Design

The research design selected for this research was a self-administered survey with convenience sampling. The sampling population was defined as children ages 7-10 enrolled university laboratory school located in the Southeastern U.S. Children ages 7-10 were selected as respondents due to their cognitive capabilities and their level of consumer experience. Cognitive development theorists suggest that the age range of 7 to 10 is the time during which a child’s mental abilities become sufficiently developed so that he or she can make independent decisions, make self-evaluations, and articulate perceptions (Clarke-Stewart and Koch 1983; Humphrey and Humphrey 1989; Smith 1982). In addition, children ages 7-10 have been shown to be capable of forming loyalties and intentions (Humphrey and Humphrey 1989; Clarke-Stewart and Koch 1983). This age range was further appropriate because it is a time during which children experience profound extra-familial learning, whereby they consult sources of information other than their parents for decisions. Finally, research indicates that children ages 7-10 are often independent shoppers, making numerous trips per week to retail outlets (McNeal 1992). For all of these reasons, children aged 7 to 10 were considered as an appropriate cohort in which to study patronage behavior.

Context of Study

The context of this study was a toy purchase. This product category was chosen for two reasons. First, research has documented that children’s influence and participation in purchase decision-making varies by product category; thus, it was necessary to select a product category wherein children were expected to be highly involved. Second, it was important to select a product category wherein children could be expected to have extensive patronage experience.

Personal interviews with a small sub-sample of these children indicated that they could distinguish between a discount and a specialty store and that the most popular store in each category was Wal-Mart and Toys R Us, respectively. Only children who reported that they shopped at
both of the two stores were included in the study.

Data Collection

All qualifying children (approximately 180, total) in the selected school were asked to complete a questionnaire during class. Questionnaires were self-administered; however, the authors were present for assistance. One hundred and fifty-six usable questionnaires were collected (response rate of 87%). The sample was comprised of 53% female and 47% male children.

Measures

Scales used in this study were generated by modifying existing relevant scales and by employing traditional scale development procedures (Churchill 1979; DeVellis 1991). All items were reviewed by qualified colleagues for accuracy and were pre-tested with children. Where appropriate, scales were subjected to principal components factor analysis to assess unidimensionality and offending items were deleted to assure unidimensionality. The following discussion provides a brief description of the origin of each scale and of the Cronbach’s alpha estimates for the two samples (i.e., specialty store and discount store). A listing of the items comprising each scale is found in Appendix A and an assessment of the measurement properties and scaling is given in Tables 1 and 2. Frequency measures utilized the scale points, “a lot,” “sometimes,” “not much,” and “never.” Likert measures used the scale points, “YES,” “yes,” “no,”

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<thead>
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<td>6</td>
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<tr>
<td>Interpersonal communication*</td>
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<tr>
<td>Affective store image**</td>
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<tr>
<td>Functional store image**</td>
<td>Merchandise selection</td>
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<tr>
<td></td>
<td>Salespersons</td>
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<td></td>
<td>Pricing</td>
</tr>
<tr>
<td>Store loyalty**</td>
<td>5</td>
</tr>
</tbody>
</table>

* A 4-point frequency scale with options of a lot, sometimes, not much, and never.
** A 4-point Likert scale with options of YES (I agree very much), yes (I agree), no (I disagree), and NO (I disagree very much).

<table>
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<th>Table 2</th>
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<td>Store loyalty</td>
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and "NO." Both scale formats were developed for use with children (Macklin and Machleit 1990).

**Experience.** Experience was operationalized as the child's frequency of patronage for a particular store. Scale items were generated by the authors. As noted in Tables 1 and 2, the scales for both the discount and the specialty store exhibited acceptable reliability (.87 and .88, respectively).

**Impersonal communication.** Impersonal communication was measured as the frequency with which the child interacted with television advertisements, magazine advertisements, newspaper advertisements, radio advertisements, and direct mail information about a particular retail store (Moschis 1985; Mangleburg et al. 1997). Reliabilities for the discount store and the specialty store were found to be .81 and .73, respectively.

**Interpersonal communication.** Interpersonal communication was conceptualized as the frequency which the child discussed the particular retail store with socialization agents or referent others, including family and friends (Moschis 1985). Reliabilities for the discount and specialty stores were found to be .88 and .86, respectively.

**Affective Store Image.** Items for perceived affective quality were derived from scales used to measure store image which were developed by Russell and Pratt (1980), Darden and Babin (1994), Donovan and Rossiter (1982), Wu and Petroshius (1987), and Dickson and Albaum (1977). Perceived affective quality was operationalized with adjectives that children normally use to describe emotion-laden experiences. The reliabilities were found to be .73 for the specialty store and .85 for the discount store.

**Functional Store Image.** Similar to affective qualities, items for perceived functional qualities were derived from scales developed in previous research (Russell and Pratt 1980, Darden and Babin 1994, Donovan and Rossiter 1982, Wu and Petroshius 1987, and Dickson and Albaum 1977). Perceived functional quality was operationalized as the child's evaluation of the store's product selection, pricing policies, and salesperson service. The reliabilities for discount and specialty stores were as follows: product selection (.84 and .86), salesperson service (.72 and .77), and pricing (.60 and .70).

**Store Loyalty.** Items to measure store loyalty were derived from previous research (Sirgy and Samli 1985). Store loyalty was operationalized as the child's desire to visit a particular retail store when a purchase need arises. Reliabilities were found to be .85 for the discount store and .84 for the specialty store.

**Analysis and Findings**

The structural model was estimated with LISREL 8.12 with a correlation matrix as input (see Appendix B). An aggregated model was estimated where constructs were represented using summed scale indicators (Bagozzi and Heatherton 1994). In order to account for the effect of measurement error, the lambda loadings were set to the square root of coefficient alpha and, correspondingly, the error terms were set to 1 - coefficient alpha. A structural model was computed for each store type.

**Model Specifications and Estimation**

Structural model fit was assessed through the use of multiple criteria. The overall fit indices for the structural models approximated the acceptable ranges (Bentler 1990; Bollen and Bonnett 1980; Bollen 1989, 1990). Both the absolute fit statistics and the relative fit indices suggested that the structural models fit adequately (as shown in Tables 3 and 4).
Structural model fit was further evaluated by two criteria: statistical significance of path coefficients and $R^2$. Figures 2 and 3 provide path estimates for the two structural models. Results of these structural models and the corresponding $R^2$ estimates are discussed in the following sections.

**Structural Equation Findings: Discount Store**

Figure 2 summarizes the structural model findings for the discount store, Wal-Mart. Results suggest that children's store loyalty to the discount store was affected by their perceptions of store image. Within store image, the child's perceptions of the functional aspects of the store were strongly influenced by his/her perceptions of the store's affective image. The most important functional quality that influenced a child's loyalty for the discount store was the merchandise selection. Sales personnel and price levels had no effect on children's store loyalty. Finally, children's past visits to the store and their receipt of impersonal communications about the store were related to their perceptions of the affective qualities of the discount store. Interpersonal communication was not related to children's perceptions of the affective qualities of the discount store.

In order to assess how much of the variation in children's store loyalty could be attributed to store image and socialization agents, the $R^2$ was examined. Results indicated that the relationships in the model explained 61% of the variance in children's store loyalty, suggesting that the model provided a good explanation of the antecedents of children's store loyalty. The $R^2$ of the other endogenous constructs were also encouraging. Results suggest that 31% of the variance in merchandise selection, 55% of the variance in salesperson service, 39% of the variance in pricing, and 42% of the variance in affective store image were explained by the relationships in the model.
Figure 2
Structural Model Path Estimates: Discount Store

Direct Experience → Affective Store Image
Interpersonal Communication → Affective Store Image
Impersonal Communication → Affective Store Image
Affective Store Image → Price
Affective Store Image → Merchandise
Affective Store Image → Salespeople Service
Affective Store Image → Store Loyalty
Price → Merchandise
Merchandise → Salespeople Service
Salespeople Service → Store Loyalty

*p<.05
Structural Equation Findings: Specialty Store

Figure 3 illustrates a similar structure in the case of a specialty store such as Toys R Us. In fact, the differences are subtle, indicating little face validity for any moderator effects of store type. First, both functional and affective dimensions of store image are directly related to store loyalty. In addition, merchandise selection is the most important dimension of functional store image with respect to molding store loyalty. As with the discount store, salesperson service and price had no significant effects on store loyalty. Another similarity is the halo effect finding, where affective qualities of store image are related to functional qualities of store image. Finally, direct experience and impersonal communication about the specialty store mold the child’s perception of affective store image. Interpersonal communication had no effect.

Finally, in order to assess how much of the variation in children’s store loyalty could be attributed to store image and socialization agents, the $R^2$ was examined. Results indicated that the relationships in the model explained 71% of the variance in children’s store loyalty, suggesting that the model provided a good explanation of the antecedents of children’s store loyalty. Similar to the findings for the discount store, the $R^2$ estimates for the other endogenous constructs were also encouraging. Results suggest that 33% of the variance in merchandise selection, 33% of the variance in salesperson service, 25% of the variance in pricing, and 44% of the variance in affective store image were explained by the relationships in the model.

Store Type

In order to empirically examine the possibility that the store type might affect the nature of the relationships in the model, stacked group analyses using LISREL 8.12 were computed. These analyses tested whether structural path estimates could be assumed to be equal across store types. As shown in Table 5, no significant differences were found for any single path or group of paths. Thus, the structural model is assumed to be invariant across store types. For this reason, it may be concluded that store type does not moderate the relationships in the structural model.

Limitations

A few limitations to this study merit mention prior to the discussion of the implications. First, the sample used in this study was a convenience sample. As such, the representativeness of the sample can not be determined. A second limitation of the study is the limited context of study. The models tested herein were examined only within the context of a toy purchase.

Discussion

This study aimed to further our knowledge of children’s store loyalty in the context of toy purchasing by children aged 7-10 years old. In particular, this study found that a child’s store loyalty for a discount and a specialty toy store was primarily influenced by his/her evaluation of the store’s merchandise selection. For both store types, the functional qualities of store image (i.e., merchandise selection, salesperson service, pricing) were strongly influenced by the child’s global affective perception of the store’s image. In this study, a child’s perceptions of the store’s affective store image appeared to operate as a halo effect, in that a child’s emotional gestalt of the store boosts the child’s impressions of the store’s functional qualities and it may also directly affect the child’s loyalty toward the store. Finally, affective store image was influenced by a combination of a child’s direct experience in the store and a child’s receipt of impersonal communications about the store. Altogether, these findings offer insight into a child’s store loyalty, and they afford the following practical implications for retailers.
Figure 3
Structural Model Path Estimates: Specialty Store
Table 5
Structural Model Comparisons: Stacked Group Analyses

<table>
<thead>
<tr>
<th>Path Freed</th>
<th>$\chi^2 / df$</th>
<th>$\Delta \chi^2 / df$</th>
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<td>$\gamma_{aa}$</td>
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<td>$\gamma_{ab}$</td>
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<td>8.62/16</td>
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Effects of Consumer Socialization on Store Image

First, regardless of store type, a child’s perception of store image is strongly influenced by his/her past experiences in the store. Findings suggest that the more often a child visits a store, the more likely he/she is to build a loyalty to the store. This finding supports the need for creating strategies that entice children to visit the retail location.

A number of strategic alternatives are available to retailers wishing to attract children. One suggestion is to sponsor special events or contests. Special events such as concerts, art exhibitions, story times, and arts and crafts activities have been successful as part of Zany Brainy’s “Free Fun Every Day” program (Barr 1998). As another alternative, retailers may consider designing special programs to bring parents into the store by offering product demonstrations and by providing purchase advice (Barr 1998). Kroger Co. experienced significant increases in sales of children’s products by using an account-specific promotion. Kroger sponsored a “watch and win” sweepstakes with Kraft and Warner Bros. Network. After watching for a symbol during television programming, children were required to go to Kroger to complete an entry form for the sweepstakes (Turcsik 1997).

In addition to special events and contests, retailers may consider creating in-store attractions. In-store attractions such as a video theatre, interactive displays, and play and reading areas have been successful with children (Barr 1998). Another way to attract children is to design a child-friendly retail atmosphere. The recent opening of Mackie’s World, the nation’s first specialty mall for children, illustrates how store design can appeal to children. The mall offers children’s products in a childlike atmosphere. For example, the movie theater features car-shaped seats and the food court offers more than 50 types of peanut butter and jelly sandwiches (Singhania 1998).

Frequent-shopper programs and loyalty clubs are another way to encourage child patronage. Supermarkets have been very successful with this concept by offering free cookies during shopping and free birthday cakes (Stienman 1998). IGA has expanded the concept and introduced the “IGA Hometown Kids” program where children receive club cards making them eligible for free toys, coloring books, activity books, pencils, erasers and stickers (Gaturo 1997). To encourage signing up, IGA sponsors events and education activities and has a point of purchase kit that includes posters, signs, and balloons. In addition, IGA has developed an Inter-
net homepage for the kids club that includes puzzles, jokes, and games. Finally, organizing a store tour is another way to encourage in-store exposure to children (Sternman 1998).

In addition to a child's direct experience with a store, this study demonstrated that impersonal communication influences a child's perception of a store's image. Within the context of the present study, the greater the number of advertisements and other promotional attempts children are exposed to, the more likely they are to form a favorable perception of the store's affective image. Ultimately, according to the findings of this study, children had stronger loyalties to stores from which they received impersonal communication. As a result, retailers should design creative ways to communicate directly with children. The following are examples of suggested promotional strategies.

Direct mail and the Internet both offer great opportunities for reaching child consumers. Children are much more channel-savvy and shop not only at retail outlets, but also through the mail and the Internet (Anonymous 1998). Channel One, a program through which sponsors who provide media equipment in schools are allowed to advertise during educational programs shown in school classrooms, is another creative alternative to reach child consumers (Davidson 1998). Where opportunities exist, retailers should consider making information or products available through these outlets.

For television, retailers should consider targeting children and parents with differing appeals. For example, Domino's Pizza instituted a series of television ads targeted to children aged 6 to 11 in recognition of the fact that children influence parents in food purchases and may drive patronage decisions for pizza (Cebryzynski 1998). Children are known for having distinct preferences from adults and, as a result, desire more appropriate advertising appeals. An illustration is the "Got milk?" campaign. The adult advertising appeals that featured a variety of situations where a person might thirst for milk were not popular with kids. Instead, when children were allowed input into the creative process, they preferred more messy and flashy advertisements such as the ad that featured a kid pouring an entire carton of milk into his mouth while the milk spilled over his face.

In contrast to the demonstrated effects of impersonal communication and direct experience, this study did not find that a child's receipt of interpersonal communications about a particular store had an effect on the child's perception of store image. This finding was surprising given that interpersonal communications with family and peers have been found in past research to be important socialization agents. One explanation for this finding could be the means used to measure interpersonal communication. Although a frequency of interpersonal communication measure is supported by past literature (Moschis 1985), it could be that the present study did not capture the true nature of interpersonal influence on the formation of a store image perception. In retrospect, it could be argued that the quality of information rather than the frequency of communication is important to store image formation (McLeod and Chaffee 1972). Thus, it would be imprudent to suggest that retailers ignore the potential booster effect of the evaluations communicated to children by parents, siblings, and peers as they have important credence, credibility, and gatekeeper qualities that operate apart from frequency.

Effect of Store Image on Store Loyalty

Both theory and the results of this study support the notion that children evaluate both functional and affective aspects of a store. Affective qualities are not only important as evaluative criteria, but also as they impact functional qualities. It is the combination of appealing/attractive affective qualities and functional qualities that will create a positive store image for the child consumer. A positive store image will lead to increased store loyalty.
According to this study's findings, a child's affective store image influences his or her assessment of the store's functional features, and, depending on store type, also directly influences a child's loyalty to the retail store. For this reason, retailers who intend to target children must consider ways to make their outlets more affectively attractive to children. Retailers may consider the use of bright, colorful displays and flexible fixtures. Other options include creating areas suitable for interaction or activity (Klepaki 1998) and making products accessible to children by adding steps or rotating shelving (Sternman 1998). Brightly colored carpeting, extra wide aisles, low shelves, miniature shopping carts, and easily discernable merchandise areas are other ways that retailers have attracted child consumers (Barr 1998). In short, it is vitally important for retailers who seek to inspire the loyalty of their children customers to research the nature of their affective store image perceptions and to formulate and implement strategies that engender strong positive feelings in children about the store in general.

As aforementioned, a child's store loyalty was largely influenced by the functional quality of merchandise selection. This suggests that retailers should offer child consumers a wide variety of product choices, name brand merchandise, and a selection of specialty or hard-to-find merchandise. One strategic alternative is to create special sections within the store for children's products (Anonymous 1998). In addition, retailers should consider carrying kid versions of adult products. Children have been shown to prefer products designed specifically for kids (Anonymous 1998). Successful examples include personal care products for kids (e.g., soaps, toothpaste, shampoo, etc.), grocery products for kids (prepared meals, snacks, instant foods, etc.), and customized services for kids (e.g., banking, hair care, medical services, etc.). Other strategies are to offer children the opportunity to make inventory suggestions and to provide children a means to order specialty or out of stock merchandise.

Salespeople and pricing had little effect on children's store loyalty. While one explanation of these findings is that children have a simplistic scheme for store loyalty, another interpretation may be that an opportunity exists for retailers to attract children through the development of child-oriented salesperson service. Many organizations have recognized the importance of serving the child consumer and have responded by hiring and training child-friendly salespersons. Zany Brainy is one example of a retailer that recognizes the importance of serving children. Zany Brainy employs sales associates, called "kidsultants," who are child-focused, enthusiastic and often times educated in child development (Barr 1998). Kidsultants have been important to Zany Brainy in building relationships with parents and children.

In addition, there may well be a need for retail salespersons to actively acknowledge children as primary consumers. IGA has embraced the notion that children deserve individual salesperson attention and is encouraging each retailer in the chain to appoint a "kids club liaison." This salesperson wears a special vest and is responsible for greeting children in the store and developing relationships with child consumers (Gatuso 1997). Another option for developing child-friendly service is to create a 1-800 line through which children can offer suggestions and seek information (Klepaki 1998).

In contrast, a retail store's pricing policies and strategies are less amenable to being child-oriented. Children have limited monetary resources, and they depend greatly on parents to pay for their purchases. For this reason, pricing may not be an important determinant of children's store loyalty. However, as trends have indicated (McNeal 1998), children's personal income is increasing, leading to children's purchasing of many items for their own consumption. If this trend continues, children may eventually place more importance on price.

Finally, the type of store being evaluated was not demonstrated statistically to moderate
these findings, as it was found that very similar relationships were present for both a discount and a specialty store. Although non-significant statistically, one difference was observed in the findings. Specialty toy stores may benefit more from their specialized store images than do discount stores from their value images, as the affective store image of the specialty toy store was found to directly affect a child’s store loyalty, while this effect was not demonstrated with the discount store.

In summary, given importance of in-store experience and impersonal communication, retailers should consider ways to modify their retail environments and to tailor communications in order to influence children’s perception of store image. As a starting point, child consumers need personalized attention and product selection in a pleasing atmosphere. It is also advisable for retailers to consider conducting store image research.

Suggestions for Future Research

Two interesting theoretical extensions of the research presented in this paper would be to examine the conceptual model in additional product categories and for additional store types. In particular, children are frequent shoppers in supermarkets and convenience stores, both of which could offer interesting areas of inquiry. Another area of future study would be to test the conceptual model with older children and teens. Finally, an interesting extension of this research would be to examine the socialization differences between males and females (Moschis 1985). Past research suggests that males and females may differ in respect to exposure and importance of socialization agents. These differences could have implications for the effects of direct experience, interpersonal communication and impersonal communication on the formation of store image evaluations.

End Notes

1 Children have greater influence in purchase decisions for products of which they are primary consumers. For example, studies have found children to have extensive influence in product categories such as cereal and snacks, vacations, and casual dining outside the home (Atkin 1978; Belch et al. 1985; Berey and Pollay 1968; Brody et al. 1981; Darley and Lim 1986; Jenkins 1979; Mehrotta and Torges 1977; Nelson 1978; Roberts et al. 1981; Szybillo and Sosanie 1977). In addition, McNeal (1992) found children to be most influential in purchases of toys and video games and personal items to be used by children, such as clothing, shoes, fragrances and beauty aids.

2 An aggregated model is appropriate since the intent is to examine the essence of the underlying relationships in the conceptual model (Bagozzi and Heatherton 1994).

3 Research has shown that path estimates generated from single-indicator models that incorporate random measurement error and full latent variable models are virtually identical in direction, significance and strength (Cohen et al. 1990; Netemeyer et al. 1990).

4 Testing for structural invariance followed the steps advocated by Joreskog and Sörbom (1993). First, the structural model was computed where all parameters were assumed to be equal between store types. Next, in an iterative process, each structural path was set free while all other paths remained constrained to be equal. For each path, the chi-square difference test was used to determine statistical significance. Non-significance is indicative of an invariant structural path, meaning there is no difference in the tested relationship across store types.

5 This hypothesized explanation is plausible, although it should be noted that Palan (1998) found a strong positive relationship between communication frequency (consumption interaction) and communication content, suggesting that both should be adequate predictors of consumer activity.
References

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**Appendix A**

**Scale Items**

**Direct Experience**
- I have been to Toys R Us
- My parents take me to Toys R Us
- I go to Toys R Us
- My parents and I go to Toys R Us

**Impersonal Communication**
- I see a television advertisement for Toys R Us
- I see a newspaper advertisement for Toys R Us
- I get mail from Toys R Us
- I see a magazine advertisement for Toys R Us
- I look at a Toys R Us catalogue
- I hear a radio advertisement for Toys R Us

**Interpersonal Communication**
- I hear friends talking about their trips to Toys R Us
- I talk to my friends about Toys R Us
- I talk to my parents about Toys R Us
- I talk to other family members about Toys R Us
- When I shop at Toys R Us, I talk to my friends about it

**Affective Store Image**
- Toys R Us is a colorful store
- Toys R Us is a fun store
- Toys R Us is a nice store
- Toys R Us is a pretty store
- Toys R Us is an exciting store

**Functional Store Image**

**Merchandise selection**
- Toys R Us has the best toys to choose from
- Toys R Us has the most toys to choose from
- The toys at Toys R Us are better than the toys at any other store
- Toys R Us is the best place to buy special toys

**Salespersons**
- The salespeople at Toys R Us are friendly
- The salespeople at Toys R Us are nice to me
- The salespeople at Toys R Us know a lot about toys
- The salespeople at Toys R Us are helpful to me

**Price**
- Toys R Us has good prices on its toys
- Toys R Us has cheap prices
- Toys R Us has sales on its toys often

**Store Loyalty**
- I like Toys R Us better than any other toy store
- My favorite toy store is Toys R Us
- I buy most of my toys from Toys R Us
- I would like to only shop at Toys R Us for toys
- I would choose Toys R Us over all other stores for toys

*All items were specific to the store (i.e., Toys R Us and Walmart).*
Appendix B
Correlation Matrices

**Discount Store**

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**Specialty Store**

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**Notes**