

Public defence Ph.D. in Applied Economics: Business Engineer by Kim Willems

The public defence of the joint Ph.D. in Applied Economics: Business Engineer for Kim Willems will take place on **Tuesday May 29th 2012** at 3.30pm at the Hasselt University, Campus Diepenbeek, Agoralaan Building D, 3590 Diepenbeek D, room H4.

The Ph.D. thesis is called "Differentiation Strategy in Retailing."

Promoters: Prof. Gilbert Swinnen (UHasselt) en Prof. dr. Malaika Brengman (VUB);

Copromoters: Prof. dr. Wim Janssens (UHasselt) en Prof. dr. Sandra Streukens (UHasselt)

Please confirm your attendance by Friday May 18th to [Kim Willems](#)

Abstract:

As the retailing industry has reached the maturity stage, being characterized by an overcapacity of rather homogeneous stores, the necessity of differentiation through positioning becomes increasingly obvious. Traditionally, the differentiation strategy is classified as one of Porter's main generic types of competitive strategy. In order to obtain a true *differential advantage*, the following conditions should be met: (1) the offer should be perceived as valuable by the consumer, (2) it should set the retailer apart from the competition, (3) and it should do so in a sustainable manner.

A differential advantage can be reached in many different ways. This doctoral dissertation decomposes perceived value in three hierarchical value types, as proposed by scholars like Holbrook and Park: (1) functional/economic value, (2) experiential/hedonic value, and (3) symbolic/social value. Since functional value could be considered a general precondition to stay in business, and as such rather a 'point-of-parity', this thesis focuses on experiential and symbolic customer value as sources of differential advantage.

This dissertation presents a bundling of research papers, conducted between 2007 and 2012, at the Vrije Universiteit Brussel and Hasselt University. Two empirical papers address *experiential customer value*. In a first article, we examine the strategic potential of designing stores, tuned to evolutionary predispositions regarding processing of the environment. In particular, a causal effect is found of *IN-STORE GREENERY* on shopping pleasure, stress reduction and approach/avoidance. A second paper investigates the impact of *ENVIRONMENTAL SIMULATION TECHNIQUES* in experimental research on store atmospherics. The findings indicate that customer experience measurements may vary depending on whether the respondent is presented by a simulation (e.g., a single photograph of a store) or immersed in a real store visit.

The following five empirical articles bundled in this dissertation study the role of *symbolic customer value*, focusing on retail branding, store personality positioning and self-congruity theory in particular. We start by first identifying *DETERMINANTS OF STORE PERSONALITY*, as perceived by the shopper. For example, what can make a store be perceived as 'enthusiastic' or 'sophisticated'? The results indicate that the factors responsible for perceptions of a certain store personality trait, differ according to the retail sector (e.g., fashion versus grocery retailing).

In order to account for concept-scale interaction, a second paper is devoted to the development of a *MEASUREMENT SCALE FOR 'FASHION STORE PERSONALITY'* and to test the applicability of self-congruity in the fashion retail context. A third article examines the extent to which people use store personality traits to infer store patron personality traits in *IMPRESSION FORMATION PROCESSES*. The findings show that, just as possession of an Armani outfit may contribute to consumer identity, so can patronage of – for example – Zara stores reveal more about consumers than they would expect. A fourth paper investigates the *STRATEGIC ROLE* of store personality, and confirms the construct's positive contribution to customer value-, satisfaction- and loyalty creation. In a final article on store personality, the generalizability of its strategic potential is assessed in the context of *GROCERY RETAILING*. The results indicate that consumers rather identify with value retailers than with (hard)-discounters, despite the latter's obvious differential advantage in terms of functional or economic value.

The findings of these empirical studies are finally combined and translated into managerial implications and suggestions for further research.