ESSAYS ON SPATIAL ASPECTS OF CONSUMER BEHAVIOUR: LEVERAGING INSIGHTS FROM CONSUMER MOBILITY AND OMNI-CHANNEL SHOPPING BEHAVIOUR TO INFORM RETAIL STRATEGIES

ABSTRACT

Mobility behaviour and omni-channel shopping are two key aspects of consumer behaviour that are changing in response to technological innovation in retail and consumers’ situational factors. From the retailer’s perspective, the interest in understanding the implications of this changing behaviour lies in their need to draw insights that could shape day-to-day business operations. Furthermore, this could inform long-term expansion decisions such as which markets to target and where to locate a new store. Hence, the overarching goal of this dissertation is to advance the knowledge about consumer spatial behaviour as a source of insights for retail strategies. This dissertation comprises of five empirical studies: one focuses on consumers’ willingness to travel to patronise a tyre shop; two focus on factors that influence the use of click-and-collect grocery service and the two final studies focus of how a baby-care retail business can evaluate its performance and potential expansion opportunities even when with limited consumer demographic and competitor data.

For retailers, we put forward methods to assess the market and identify underserved demand gaps which could in turn inform their location strategy in terms of which markets to target. The outcome of this study provides retailers with a robust way to assess their performance and more importantly a geographic overview of underserved markets. Additionally, retailers can determine whether their patronage hot spots are indeed statistically significant. Thereby allowing them to implement geo-targeting strategies which ensure that advertising and promotion reach customers that are most likely to buy.

Regarding consumer spatial behaviour, our analyses show that, factors that influence the distance consumers are willing to travel for store patronage purposes vary depending on the product being considered: in the automotive tyre replacement market price, quality, and the influence of trust of the tyre shop dealer or mechanic is key. Additionally, consumers’ perception of convenience influences channel choice, so do situational factors, including proximity to an offline store and access or ownership of a car. The implication for retail location strategy is to follow residential patterns in terms of new store locations, however, within the tyre replacement market this is not the case as these customers are highly mobile and hence have a wider range or willingness to travel. Essentially, retailers should ensure new potential locations preserve the attractive characteristics the customers deem important.

The different product categories considered as well as the specific products, the balance of qualitative and quantitative methods, and the modelling framework developed are key strengths of this research and served to curb the limitations. Data collection and
empirical applications specifically relate to Belgium and therefore only the methods are generalizable to other locations.