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THE RELATIONSHIP AMONG IMAGE, SATISFACTION AND LOYALTY – INNOVATIVE FACTOR OF COMPETITIVENESS FOR SHOPPING CENTERS

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Abstract
Currently, most markets are characterized by high competition among shopping centers. Under these circumstances, the evolution in the competitiveness and performance of the centers is increasingly linked to the success in the innovation of current activities, which is aimed at improving their image and increasing customer satisfaction and loyalty. The purpose of the present research is to study the influence of innovation activities through the image components on behavioural loyalty, mediated by satisfaction (affective loyalty) and conative loyalty. The authors aim to investigate, using a questionnaire survey among the customers of Cluj-Napoca shopping centers, the relationship among the components of image and satisfaction and the various types of loyalty.

The conclusions of the structural equations modelling reveal that most components of the image (assortment, price, loyalty policy, décor, service and communication) directly and positively influence satisfaction, and that satisfaction and conative loyalty mediate the relationship between image and behavioural loyalty. The results reveal important managerial implications from the point of view of innovative actions of shopping centers, which can contribute to attracting and keeping customers, these contributing not only to creating loyal patrons, but also to increasing their competitiveness and to achieving better positioning.

Keywords: consumer satisfaction, cognitive, affective, conative and behavioural loyalty, image, retail, shopping centers, innovation, competitiveness

JEL classification: M31, M10

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Introduction

Since the fluctuation of tenants in the Romanian shopping centers is high, due to the their inability to properly understand the desires, expectations, preferences or motivations of customers, many of the centers have been forced, soon after the inauguration, to radically change the market approach. Those that have understood the urgent need to focus on innovation in market relationships have managed not only to survive the effects of the economic crisis, but also to prosper and become a sort of center of social life.

The success of shopping centers depends on whether they manage to create positive, unique and powerful associations in the minds of consumers, which lead them, at first, to visit, then to make purchases from their tenants, and finally to turn them into loyal customers. For shopping centers, finding innovative levers and tools that are able to facilitate the attainment of these objectives becomes a major priority (Abrudan, 2012). Loyalty confers significant competitive advantages that can be quantified both in terms of image and monetarily.

Unlike other areas, in retailing, loyalty is not regarded as an exclusive phenomenon, since no buyer will make all his purchases in one place. In retailing, “polygamous loyalty” is more common, buyers attending several locations for each product category (Dowling and Uncles, 1997), chosen by subjective (possibility to socialize with friends, to watch movies, to do sports, etc.) and objective criteria (proximity to home, work, etc.). For shopping centers’ management, loyalty represents a positive attitude, an increased preference, and a larger amount of money spent by individuals (Adkins LeHew, Burgess and Wesley, 2002). Despite the efforts to provide their customers with a wide range of products, in line with the concept “everything under one roof”, these, regardless of their degree of loyalty, will turn to other individual retailers, shopping centers or shopping areas to make purchases. The reasons are varied, from shopping and visits motivations, to distance travelled or pricing issues.

Literature considers image and satisfaction, discretely or conjugately approached, as important antecedents of loyalty. Among the authors that deal with image, satisfaction and loyalty integrated are: Bloemer and Ruyter, 1998; Nisset, Norvik and Helgesen, 2011 (two-dimensional loyalty – conative and behavioral); Martenson, 2007 (behavioural loyalty); Brunner, Stoeklin and Opwis, 2008; Helgesen, Havold and Nisset, 2010; Yu and Ramanathan, 2012 (conative loyalty). All these studies confirm the significant roles of image and satisfaction in predicting loyalty.

The present research intends to fill in the existing gap in the approach of loyalty for shopping centers and to delimit conative loyalty (intention to recommend and revisit) from behavioural one (number of visits and acquisitions). The four types of loyalty arising from the synergistic actions of innovative elements of a shopping center are addressed sequentially. This research is an exploratory empirical study aimed at highlighting the link between the concepts outlined above. The findings are useful to the management of shopping centers, for a better approach of customers, for the adequate operation of levers through which customers can be attracted and retained, and for the establishment of a durable and lasting relationship with them.
1. Innovation in retail

Innovation in retail is the process and the result of introducing changes and innovations in its activity. Sorescu, Frambach, Singh, Rangaswamy and Bridges (2011, p.s7) define innovation in the retail business model as changing current practices and interdependencies between one or more of the business components (retail format, activities, organization, etc.). For Kotler and Keller (2012, p. 611) innovation is “any good, service or idea that someone perceives as new, regardless of its age” and a useful tool to increase efficiency, competitiveness, value for customers and to reduce costs. Innovation means implementing a new concept or strategy, which is significantly different from the existing one and new to the firm, not necessarily to the market. The ultimate goal of innovation is to better meet consumer needs, while increasing the profitability of the organization.

Innovation in retail can refer to very different aspects. According to OECD (2004), retail business innovation can refer to innovations brought to the assortment of products, brands or services, to the processes (production, distribution, support activities, etc.), to the organization (internal structure, logistics, value chain, practices or methods of management of goods, inventory, warehouses and/or stores, relations with the stakeholders), to the marketing and to the introduction of innovations in order to implement these. Sawhney, Wolcott and Arroniz (2006) broaden the area of innovation, further including integrated solutions addressed to buyers, shopping experience, value, or the various technical aspects that facilitate market presence.

Innovations can cover the entire business or one of the marketing mix elements. Traditional shopping centers - malls, community centers and neighbourhood (Abrudan, 2011) try to constantly provide buyers with new stores and innovative offers, in accordance with their wishes; to enrich service offerings, enabling visualization of the offers on mobile devices; to introduce new technologies to scan products, new payment methods, concepts such as “drive-in”, combined with the possibility to order using social networks; to launch new electronic services; to identify buyers through loyalty cards or mobile applications; to modify the communication system, using various social networks to make public the latest news; to decorate public spaces according to the season or specific holidays (Christmas, Easter, etc.); to modify prices to stimulate the sense of adventure shopping; to continuously improve customer relations, etc. Regardless of the chosen vector, shopping centers and retailers are able to continuously innovate, thus contributing to a better positioning and, of course, to improving their image. Even the deep concern for creating a good image, for developing customer satisfaction and loyalty are, at present, innovative marketing aspects for many shopping centers that neglect the impact of image on satisfaction and loyalty.

2. Shopping center image

In attracting and retaining visitors, an especially important role is played by shopping centers’ image, i.e. the sum of positive associations in their customers’ minds (Martineau, 1958). Shopping center image is a concept developed as a result of deliberate and unintended actions of its management, or of the component units, of the environmental conditions, of the differences in perception and in purchase decision making (Finn and Louviere, 1996). Burt, Johansson and Thelander (2007) consider image as the sum of tangible and intangible factors, of functional and psychological attributes and of emotional and factual data collected by individuals.
Research related to image is divided in two directions. The attribute-based approach treats image two-dimensionally – as a cognitive (functional) response of customers to certain functional attributes of the unit, which are important for the buyer, and as an emotional one - understood as the mood or emotion felt within a store (Dawson, Bloch and Ridgway, 1990), as the pleasure of the shopping experience (Hopkins and Alford, 2001), or as feelings, emotions and values that consumers associate with a retail unit (McGoldrick, 2002). From the holistic approach, image is considered the overall impression represented in individuals’ memory as a consistent set of perceived attributes (Champion, Hunt and Hunt, 2010; Hu and Jasper, 2010).

How the image of shopping centers or retailers is created in the minds of consumers is the result of the interaction between their real attributes and customers’ perceptual set. It relies more on consumers’ perceptions than on the messages conveyed by the retailer (Sullivan and Adcock, 2002). Image is also influenced by personal experience, expectations, purchase and use situations, shopping motivations, values and lifestyle, information received from other consumers, situational factors, time pressure, mood, perception of competitors’ offers (Solomon, Bamossy, Askegaard and Hogg, 2006). In shaping the image, shopping centers may employ various combinations of levers, such as: number of anchors, their image and characteristics; breadth, depth and characteristics of assortment; price; communication; store environment; location; personnel; service; customer policy (Finn and Louviere, 1996; Abrudan, 2012).

3. Satisfaction of shopping centers’ customers

Satisfaction can be considered the evaluation process of an offer, the result of this process, or consumers’ response to the consumption experience (Yi, 1990). Satisfaction is sometimes equated with the degree of fulfillment of consumers’ expectations (Oliver, 1999), but also with a cognitive response to the actions undertaken by a retailer (Leo and Philippe, 2002), an emotional one (Olsen, 2007) or a combination of both (Westbrook, 1981; Burns and Neisner, 2006). As a cognitive phenomenon, satisfaction is treated as an evaluation of the actions undertaken by a retailer. Regarded as an emotional concept (Olsen, 2007), it is considered the personal assessment of the pleasure felt during all the contacts with a retailer. In the two-dimensional approach, satisfaction is considered a resultant of the cognitive and emotional comparison between the expectations and the perceived performance. As a cognitive phenomenon, satisfaction occurs when the expected experience is exceeded by the one received (provided by the merchant), or when the result is higher than the costs involved (time, money, etc.). Regarded as an emotional concept (Olsen, 2007), satisfaction is formed in time, as the individual comes into contact with the retailer and has different (positive) experiences. Meanwhile, satisfaction can be two-dimensionally perceived as well. In this case it is the result of the comparison between cognitive and emotional expectations and perceived performance.

The satisfaction felt by the visitors or shoppers of a shopping center has two major components:

- Satisfaction with the shopping experience, which in turn is composed of (Hawkins and Mothersbaugh, 2010):
  - Satisfaction with the shopping process, generated by the information available, the prices, the merchandising of goods, and the experience of buying - relationships with sales
personnel, their knowledgeability etc. (Garton, 1995; Solomon, Bamossy, Askegaard and Hogg, 2006);

- Satisfaction with a particular store. The factors that belong to this category refer to the experience within the store, shaped by the point of sale stimuli: ambiance (temperature, lighting, noise, music and smell/ scent); interior layout; interior décor (architecture, design, decorations), signs and symbols; safety and accessibility (convenience of location, parking and hours of operation) (Sathish and Venkatesakumar, 2011).

- Satisfaction offered by the goods purchased (if purchases have been made), which is determined by post-purchase evaluation and by the use of the product or service. The postpurchase psychological evaluation can have two endings: the confirmation of the choice made or the conclusion that the decision taken has been wrong. The main goal of the marketing activity aimed at influencing the post-purchase behaviour is to reduce dissonance and to confirm customer’s choice, exceeding the legal provisions, to offset the resource gap between retailers and buyers and to emphasize the central position buyers must have in retail (Dinu, 2010). Shopping centers and stores oriented towards building customer loyalty will have special departments that solve customers’ problems and complaints, accept returned products, support customers in the disposal process of the old products and try to continuously improve service quality.

Regarding the relationship between satisfaction and loyalty, satisfaction is generally considered to have a positive impact on repurchase intention, on the duration of retailer-customer relationships, on the purchases of other products, on customers’ intention to recommend the retailer. Many studies conclude that satisfaction is a good predictor of loyalty, both conative and behavioural (Bloemer and Bruyer, 1998; Reynolds and Beaty, 1999; Baker-Prewitt and Sivadas, 2000; Szymanski and Henard, 2001; Wong and Yu, 2003; Wallace, Giese and Johnson, 2004; Carpenter and Fairhurst, 2005; Chen and Quester, 2006; Ibrahim and Najjar, 2008; Prasad and Aryasry, 2008; Sathish and Venkatesakumar, 2011).

Nevertheless, a satisfied consumer is not necessarily loyal (Jones and Sasser, 1995; Szymanski and Henard, 2001). Situations when loyal customers are not satisfied and others who are satisfied do not remain loyal occur because the relationship between satisfaction and loyalty is mediated by other factors related to the consumer, to the market or to the company- customer relationship (Seiders, Voss, Grewal and Godfrey, 2005). Despite conflicting results, literature anticipates a direct and positive relationship between satisfaction and loyalty, and dissatisfaction often leads to disloyalty. Therefore, shopping centers, too, should incessantly be concerned with creating, enhancing and maintaining customers’ satisfaction.

4. Loyalty towards shopping centers

Customer loyalty is one of the main resources for competitive advantage of a company. According to the Explanatory Dictionary of the Romanian Language (Romanian Academy, 1998, p.377), loyalty is “the steadfastness in beliefs, feelings, attitude, etc.; devotion, faith”. Until now, literature has not reached consensus on the definition and the measurement of loyalty (Zentes, Morschett and Schramm-Klein, 2011). Dick and Basu (1994, p. 99) define loyalty as the “the strength of the relationship between an individual's relative attitude and repeat patronage” while Oliver (1999, p. 34) describes it as: “a deeply held commitment to
rebuy or repatronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts”.

There are three approaches to defining and operationalizing the concept: singular concept - repeat purchases or favourable attitude and an additive or interactive combination between attitudes and behaviour (East, Gendall, Hammond and Lomax, 2005). In the behavioural sense, loyalty designates the tendency to repeat a purchase or to visit a shop (Sirgy and Samli, 1985; Sullivan and Adcock, 2002; Olsen, 2007; Sainy, 2010), being measured in terms of repeat visits, as the percentage of the budget for a product category that is assigned to a store or shopping center (Sullivan and Adcock, 2002), as the probability or percentage of buying or of changing the shopping destination (Sirgy and Samli, 1985), as a percentage of the number of times customers choose other shopping destinations; or as the number of alternatives explored (Enis and Paul, 1970); as the length of the relationship with the customers (Jones and Sasser, 1995). Other researchers take into account aspects such as: the average time between two visits to the store or the average period of time spent in the store; the average number of visits during a year and the number of shoppers in the store within a year, the date of the last visit, the amount of cross-shopping or of the volume of purchases (Chao, Fu and Lu, 2007).

This measurement mode is often preferred because it is easier to use. However, this could be, in fact, customer retention, a “false loyalty” (Dick and Basu, 1994, p.101). In other words, the buyer returns without necessarily being attached. It is very good for a store or a shopping center to have a high percentage of buyers who return regularly, but if they are not attached, they are highly vulnerable to the competitors’ actions. For this reason, a major challenge for the retailers is represented by the ability to use new, innovative elements and stimuli, able to arouse interest and to stimulate buyers.

Attitudinal loyalty implies the existence of certain favourable beliefs, attitudes, towards products, brands, services, employees or retail units of a shopping center; but also of affection and attachment (Jones and Sasser, 1995); of trust, psychological commitment or recommendation and repurchase intention (Russell-Bennett, McColl-Kennedy and Coote, 2007; Ray and Chiagouris, 2009; Wong and Dean, 2009). This type of loyalty can be measured by the level of pleasure experienced, by the intensity level of positive beliefs, by the level of confidence in the brands, products or the company, by the level of attachment, by the extent of brand recommendation, by the intention to recommend and repurchase, etc. (Jones and Sasser, 1995; Wallace, Giese and Johnson, 2004). Other authors reconceptualize attitudinal loyalty by dividing it into two subcomponents: cognitive and emotional (affective) (Worthington, Russell-Bennett and Hartel, 2010) or in three successive subcomponents: cognitive, emotional and conative (Oliver, 1999).

When frequent purchasing behaviour is doubled by attachment or positive attitude, true loyalty emerges, accompanied by economic advantages for retailers – increased sales revenue, lager market share and profits (Jones and Sasser, 1995; Baldinger and Rubinson, 1996). The model developed by Dick and Basu (1994) introduces cognitive, affective and conative factors as antecedents of relative attitude, which, in turn, influences repeat visits. The final consequences are recommendation, resistance to competitors’ offers and reduced intention to search for other offers.
Oliver (1999) proposes a model of loyalty which consists of four successive stages, whose sequence is modified from the model introduced in the previous paragraph (fig. 1). Cognitive loyalty is based on customers’ beliefs, and is the result of cognitive assessments on the costs and benefits of a brand compared to others. This is a fairly superficial loyalty, because, if another shop has better prices, the customer does not hesitate to change the current shop, reducing the costs and increasing the benefits being the main priority. Emotional loyalty refers to customers’ feelings, and is developed as an emotional connection or preference for the brand is created, based on several shopping occasions that have generated satisfaction for the customer. This form of loyalty is quite shallow, as well, so that at this stage shoppers can migrate, as well. The conative loyalty level (of behavioural intention) is developed based on repeated episodes of emotional loyalty. This level requires commitment from buyers to repurchase and to recommend the company to others. Action loyalty is the last level and involves the formation of habitual buying. This level of loyalty is measured by the frequency of visits in a given period.

![Diagram of four-stage loyalty](image)

**Figure no. 1: The model of four-stage loyalty**
*Source: adaptation after Oliver, 1999, p. 36*

Literature includes numerous adaptations of Oliver’s model, for example: Bloemer and Ruyter (1998); Martenson (2007); Brunner, Stoklin and Opwis (2008); Helgesen, Havold and Nesset (2010); Nesset, Norvik and Helgesen (2011), Yu and Ramanathan (2012), all confirming the causal relationship between image, satisfaction and loyalty, and the mediating role of satisfaction. However, none of these adaptations regards loyalty in the original manner proposed by this author, as a succession of four components.

The present research subscribes to Oliver’s approach (1999). The authors try to highlight the impact of innovative instruments that shopping centers use on creating a favourable image (cognitive loyalty), on satisfaction (emotional loyalty), on the intention to recommend and repurchase (conative loyalty) and on revisits and repurchase (behavioural loyalty) – figure no. 2.

### 5. Research methodology

*Image* components have been derived from an exploratory factor analysis (Abrudan, 2012). They refer to: the assortment of shops (variable called assortment), shopping center and stores ambiance (décor), special events organized at the shopping center (events), price policy (price), communication and promotion activities carried out by the center as a whole and by its stores (communication), customer loyalty policy (clients), aspects related to the attitude and behaviour of sales personnel (service) and the assortment of catering facilities of the center (restaurants, cafés, fast foods, etc.). All these components are found in
literature, which nomologically validates the model developed. A novelty is represented by customer policy. It is addressed because, nowadays, none of the centers uses an active, visible policy to stimulate customers’ retention. This is only carried out at the individual stores’ level. The research clearly reveals the interest of the shoppers for this policy and its potential for attracting and retaining customers, i.e. through the use of loyalty cards.

The latent variable satisfaction is measured through directly observed variables: satisfaction provided by the ease of finding all the favourite stores and by the opportunity to make all purchases under the same roof.

Conative loyalty is built as a reflexive latent variable, expressed through the recommendation (Oliver, 1999; Reynolds and Beatty, 1999; Sivadas and Baker-Prewitt 2000) and repurchase (Birtwistle, Clarke and Freathy, 1998; Oliver, 1999; Sivadas and Baker-Prewitt, 2000; Baker, Parasuraman, Grewal and Voss, 2002) intentions.

Latent variable behavioural loyalty is expressed through the frequency of visits (Oliver, 1999; Dick and Basu, 1994), analysed for the three months preceding the survey, and through the frequency of purchases (Chowdhury, Reardon and Srivastava, 1998; Szymanski and Henard, 2001) from the shopping center.

The proposed model for testing is shown in figure no. 2. According to the proposed model, the following hypotheses have been formulated:

- \( H_1 \): Shopping center image components directly and positively influence satisfaction.
- \( H_2 \): Satisfaction exerts a direct and positive influence on conative loyalty (CONL).
- \( H_3 \): Conative loyalty exerts a direct and positive influence on behavioural loyalty (BEHL).
- \( H_4 \): The relationship between image components and conative loyalty is mediated by satisfaction.
- \( H_5 \): The relationship between satisfaction and behavioural loyalty is mediated by conative loyalty.

As the research conducted focuses on issues related to the behaviour of shopping centers’ customers, located within or in close proximity to large urban areas, the research population must be representative in terms of social, demographic, professional, etc. characteristics. For this exploratory research, the study population is represented by shopping centers customers in Cluj-Napoca which are at least 15 years old. The sampling method is a combination of two solutions, systematic sampling based on Cluj-Napoca postal codes with quota method, using as variables the gender and age of respondents. Data collection took place at respondents’ homes to ensure the comfort needed to fill in the questionnaires and adequate measurement of all the facets investigated.

Literature states that, for an exploratory research that aims to identify a new phenomenon, the minimum acceptable sample size should be 500 people (Malhotra and Birks, 2007, p. 409). Estimating a 10% of invalid questionnaires and assuming that about 10% of the respondents are not customers of the shopping centers, the sample size should be large enough to provide results comparable to those that would have been obtained with purely random sampling, a maxim 5% error, with a confidence level of 95% \((e = 1.96 \times \sqrt{\frac{0.5 \times 0.5}{560}} = 0.04 < 0.05)\) (Plăiaș, Buiga, Comiati and Pop, 2008; Malhotra and Birks, 2007).
The relationship among image, satisfaction and loyalty – innovative factor of competitiveness for shopping centers

Figure no. 2: The proposed model of loyalty towards shopping centers

No one can say, however, that this is the precision of this research. In the future it is intended to carry out a quantitative research based on purely random sampling to eliminate this drawback. The intended sample size was, therefore, of about 700 people. Finally, out of these there have been selected 574 valid questionnaires. The sample structure is shown in table no. 1.

Table no. 1: The structure of Cluj-Napoca population and of the sample based on age and gender

<table>
<thead>
<tr>
<th>Age</th>
<th>M</th>
<th>F</th>
<th>Total</th>
<th>Age</th>
<th>M</th>
<th>F</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-24</td>
<td>7.95</td>
<td>9.00</td>
<td>16.95</td>
<td>15-24</td>
<td>11.0</td>
<td>13.2</td>
<td>24.2</td>
</tr>
<tr>
<td>25-34</td>
<td>9.98</td>
<td>10.62</td>
<td>20.60</td>
<td>25-34</td>
<td>11.3</td>
<td>11.3</td>
<td>22.6</td>
</tr>
<tr>
<td>35-44</td>
<td>8.58</td>
<td>9.32</td>
<td>17.90</td>
<td>35-44</td>
<td>5.9</td>
<td>10.8</td>
<td>16.7</td>
</tr>
<tr>
<td>45-54</td>
<td>7.17</td>
<td>8.55</td>
<td>15.73</td>
<td>45-54</td>
<td>7.8</td>
<td>8.9</td>
<td>16.7</td>
</tr>
<tr>
<td>55-64</td>
<td>6.71</td>
<td>7.60</td>
<td>14.31</td>
<td>55-64</td>
<td>4.9</td>
<td>6.3</td>
<td>11.1</td>
</tr>
<tr>
<td>Over 65</td>
<td>5.81</td>
<td>8.70</td>
<td>14.52</td>
<td>Over 65</td>
<td>3.8</td>
<td>4.7</td>
<td>8.5</td>
</tr>
<tr>
<td>Total</td>
<td>46.20</td>
<td>53.80</td>
<td>100.00</td>
<td>Total</td>
<td>44.8</td>
<td>55.2</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Cluj Regional Statistics Direction, 2011

Based on the proposed conceptual model, in order to test it, according to Hair, Black, Babin and Anderson (2010), the use of structural equations is recommended. In the proposed model, the latent variables are considered to be reflective and thus, for data modelling purposes, the covariance analysis can be used. The statistical software used for this purpose is AMOS. This technique involves first doing a confirmatory factor analysis based on a measurement model, in order to verify the proposed structure of the factors and the...
opportunity to make any changes in their structure. It is followed by an analysis of the
dependence relations among the variables – the creation of a structural model.

To establish the overall quality of the measurement model, various criteria may be used, the
most relevant being selected. The observed values of indicators suggested by literature to
assess the model fit show a good match (Hair, Black, Babin and Anderson, 2010): $\chi^2 /$
number of degrees of freedom ($cmin / df = 2.347 (<3)$, GFI = 0.905 (>0.9); AGFI = 0.878
(>0.8); TLI = 0.919 (>0.9); CFI = 0.933 (>0.9); IFI = 0.934 (>0.9); RMSE = 0.048 (<0.07).

The next step is to verify the quality of the measurement scales used, studying their
reliability, discriminant and convergent validity (Janssens, Wijnen, Pelsmacker and
Kenhove, 2008, p.294). The reliability of the scales has been assessed by measuring the
composite reliability coefficient. The results are presented in table no. 2.

| Table no. 2: Composite reliability coefficients for the latent variables of the model |
|-----------------|-------|-------|-------|-------|-------|-------|-------|-------|
| ASSORT | 0.880 | 0.847 | 0.886 | 0.770 | 0.765 | 0.891 | 0.858 | 0.786 | 0.761 | 0.772 | 0.777 |

Table no. 2 shows that all the scales register values above the threshold of 0.7, used for this
indicator (Fornell and Larcker, 1981). Convergent validity testing has been performed using
the average variance extracted (AVE), this criterion being fulfilled if the coefficient
exceeds 0.5 (Fornell and Larcker, 1981). In order to test the discriminant validity, it is
checked whether the square root of the variance extracted for each individual construct
exceeds the bivariate correlation between the construct and the other constructs in the
measurement model. The results of the measurement scales used for the latent variables for
the discriminant and the convergent validities are summarized in table no. 3.

| Table no. 3: Convergent validity and discriminant validity |
|-----------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| CLIENT | 0.898 | ASSORT | 0.193 | 0.741 | DECOR | 0.144 | 0.519 | 0.725 | EVENTS | 0.113 | 0.426 | 0.363 | 0.849 |
| PRICE | 0.159 | 0.24 | 0.128 | 0.145 | 0.724 | COMM | 0.343 | 0.221 | 0.339 | 0.315 | 0.225 | 0.729 | SERV | 0.145 | 0.213 | 0.309 | 0.113 | 0.337 | 0.219 | 0.867 |
| SAT. | 0.351 | 0.554 | 0.36 | 0.276 | 0.349 | 0.257 | 0.316 | 0.805 | CONL | 0.338 | 0.291 | 0.329 | 0.13 | 0.323 | 0.312 | 0.279 | 0.569 | 0.793 | BEHL | 0.176 | 0.056 | 0.052 | 0.068 | 0.122 | 0.105 | -0.04 | 0.242 | 0.261 | 0.807 | REST | 0.057 | 0.552 | 0.371 | 0.515 | 0.211 | 0.109 | 0.136 | 0.313 | 0.221 | 0.056 | 0.784 | AVE | 0.806 | 0.55 | 0.526 | 0.721 | 0.524 | 0.531 | 0.751 | 0.648 | 0.63 | 0.652 | 0.615 |

Note: AVE = average variance extracted

The results indicate that there are no problems concerning the validity of the scales used
(table no. 3). As all conditions of reliability of the measurement model are met, the next
step in using structural equation modelling is to determine the quality of the structural
model based on reliability indicators. All indicators of the model quality satisfy the
threshold requirements: $\chi^2 /$ number of degrees of freedom ($cmin / df = 3.04 (<5)$;
GFI = 0.984 (>0.9); AGFI = 0.939 (>0.8); TLI = 0.954 (>0.9); CFI = 0.986 (>0.9); IFI = 0.987 (>0.9); RMSE = 0.06 (<0.07).

The last step in the analysis of the proposed model consists in testing the research hypotheses, using standardized regression coefficients. The results are presented in table no. 4. The proposed model (figure no. 2) assumes that all image components directly and positively influence satisfaction (H₁).

6. Results and discussion

The results obtained confirm hypothesis H₁ (The components of shopping center image directly and positively influence satisfaction) only partially, in the sense that only six of the eight dimensions taken into account, components of the image, significantly influence satisfaction with shopping centers. From table no. 4 it may be observed that the assortment component of shopping center image (0.386) has the greatest impact on satisfaction, as expected. The influence is positive, but of medium intensity. Satisfaction is influenced, then, in descending order of importance, by customer retention and price policies, décor, service and communication policy carried out by the center. Special events and restaurants in a shopping center do not have a significant influence on satisfaction, probably because respondents somehow consider them “implicit”. Another plausible explanation for this is that special events are very seldom organized in community and neighbourhood shopping centers in Cluj-Napoca, despite the fact that their number is increasing. Moreover, these centers have a limited number of restaurants, frequented by very few customers, which demonstrates the lack of interest from buyers.

<table>
<thead>
<tr>
<th>Independent factors</th>
<th>Dependent factors</th>
<th>Standardized regression weights</th>
<th>Significance level</th>
<th>Research hypotheses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assortment</td>
<td>Satisfaction</td>
<td>0.386</td>
<td>****</td>
<td>H₁a confirmed</td>
</tr>
<tr>
<td>Decor</td>
<td>Satisfaction</td>
<td>0.144</td>
<td>****</td>
<td>H₁b confirmed</td>
</tr>
<tr>
<td>Price</td>
<td>Satisfaction</td>
<td>0.220</td>
<td>****</td>
<td>H₁c confirmed</td>
</tr>
<tr>
<td>Clients policy</td>
<td>Satisfaction</td>
<td>0.246</td>
<td>****</td>
<td>H₁d confirmed</td>
</tr>
<tr>
<td>Service</td>
<td>Satisfaction</td>
<td>0.134</td>
<td>****</td>
<td>H₁e confirmed</td>
</tr>
<tr>
<td>Events</td>
<td>Satisfaction</td>
<td>-0.032</td>
<td>n.s.</td>
<td>H₁f confirmed</td>
</tr>
<tr>
<td>Communication</td>
<td>Satisfaction</td>
<td>0.083</td>
<td>**</td>
<td>H₁g confirmed</td>
</tr>
<tr>
<td>Restaurants</td>
<td>Satisfaction</td>
<td>-0.003</td>
<td>n.s.</td>
<td>H₁h confirmed</td>
</tr>
<tr>
<td>Satisfaction</td>
<td>Conative loyalty</td>
<td>0.805</td>
<td>****</td>
<td>H₂ confirmed</td>
</tr>
<tr>
<td>Conative loyalty</td>
<td>Action loyalty</td>
<td>0.396</td>
<td>****</td>
<td>H₃ confirmed</td>
</tr>
</tbody>
</table>

Note: **p<0.05; p*** p<0.01; **** p=0; n.s. = not significant

Hypotheses H₂ (Satisfaction directly and positively influence conative loyalty, CONL) and H₃ (Conative loyalty directly and positively influence behavioural one, BEHL) are confirmed by the results. Satisfaction directly and positively influences conative loyalty (the intention to recommend and revisit), which proves an increased interest from the respondents to positively introduce shopping centers to their acquaintances, friends or relatives. Also, conative loyalty directly and positively affects action loyalty (number of
visits and purchases). This demonstrates an augmented interest of the respondents towards increasing visit frequency and acquisitions. The results are in line with other studies that show that attitudinal loyalty explains only a small part of the variance in behavioural loyalty (Russell-Bennett, McColl-Kennedy and Coote, 2007) – determination coefficient has a value of 0.16.

According to hypotheses H4 (The relationship between image components and conative loyalty is mediated by satisfaction) and H5 (The relationship between satisfaction and action loyalty is mediated by conative loyalty), satisfaction mediates the relationship between the factors that make up the image of shopping centers and conative loyalty, and this, in turn, mediates the relationship between satisfaction and behavioural loyalty. To determine if it is possible, indeed, to talk about mediation, and what type of mediation occurs, the procedures proposed by Baron and Kenny (1986) and Sobel's test (1982) are being used. The data in table no. 5 confirm the opportunity to introduce the mediating variables in the structural model. They show that satisfaction partially mediates the relationship between assortment and conative loyalty, and completely mediates the relationship between décor, price, service, customer retention policy and communication, on the one hand, and conative loyalty respectively, on the other hand. Also, conative loyalty fully mediates the relationship between satisfaction and behavioural loyalty, because, if that is interposed as a mediator between these two factors, the relationship between them becomes insignificant.

Many existing studies (Bloemer and Ruyter, 1998; Yu and Ramanthan, 2012) confirm satisfaction as a mediator variable of the relationship between image and conative loyalty. The mediating role of satisfaction and of conative loyalty suggests that, although image may have a significant effect on conative loyalty, and satisfaction on the behavioural loyalty, satisfaction and conative loyalty enhance this impact.

<table>
<thead>
<tr>
<th>Variables in relationship</th>
<th>Direct without mediator (p)</th>
<th>Direct with mediator (p)</th>
<th>Type of mediation</th>
<th>Sobel's test (p)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assortment, Sat, CONL</td>
<td>0.157 (0)</td>
<td>-0.187 (0)</td>
<td>Partial</td>
<td>9.15 (0)</td>
</tr>
<tr>
<td>Décor, Sat, CONL</td>
<td>0.154 (0)</td>
<td>0.026 (n.s.)</td>
<td>Complete</td>
<td>3.95 (0)</td>
</tr>
<tr>
<td>Price, Sat, CONL</td>
<td>0.205 (0)</td>
<td>0.004 (n.s.)</td>
<td>Complete</td>
<td>6.94 (0)</td>
</tr>
<tr>
<td>Service, Sat, CONL</td>
<td>0.085 (0.032)</td>
<td>-0.041 (n.s.)</td>
<td>Complete</td>
<td>4.24 (0)</td>
</tr>
<tr>
<td>Clients, Sat, CONL</td>
<td>0.215 (0)</td>
<td>-0.014 (n.s.)</td>
<td>Complete</td>
<td>7.82 (0)</td>
</tr>
<tr>
<td>Communication, Sat, CONL</td>
<td>0.086 (0.035)</td>
<td>0.016 (n.s.)</td>
<td>Complete</td>
<td>2.5 (0)</td>
</tr>
<tr>
<td>Sat, CONL., BEHL</td>
<td>0.311 (0)</td>
<td>-0.021 (n.s.)</td>
<td>Complete</td>
<td>6.28 (0)</td>
</tr>
</tbody>
</table>

Note: n.s. = not significant

Conclusions

The present research validates the opportunity to adapt Oliver's model (1999) to shopping centers. The results also confirm causal relationships between cognitive, affective, conative and behavioural loyalty and the opportunity to include satisfaction and conative loyalty as mediators. If cognitive loyalty is expressed through the components of image, the emotional one is conveyed through satisfaction with the center. Conative loyalty is measured through repurchase and recommendation intentions, while behavioural one through the frequency of visits and purchases from the centers. According to the results,
satisfied customers and those who intend to recommend and revisit a shopping center will visit and will buy more often from that center.

This model of loyalty, according to which cognitive, affective and conative loyalty are successive, predictive factors of behavioural loyalty, is a valuable, innovative and effective tool to increase the competitiveness of shopping centers and their success among customers. In fact, for shopping center management, a decisive success factor is represented by the augmentation of quantitative indicators (frequency of visits, profit, market share, number of stores) and of the qualitative ones (increased appeal, attraction of consumers’ favourite stores, augmented trust and satisfaction, etc.).

Through recurrent research, shopping centers management can obtain relevant information about the preferences and buying habits of customers; about any problems or shortcomings in service; about innovations that may contribute to attracting, retaining and turning them into “agents” of the centers through mouth to mouth publicity (Zentes, Morschett and Schramm-Klein, 2011, p. 299). Other effects of loyalty measurement and evaluation are: decreased risk of losing these customers; increased satisfaction and efficiency of sales personnel (Bruhn, 2001, p. 151; Postelnicu, 2005); augmented attractiveness of the center in the view of potential tenants. Monetary effects of loyalty include increased revenue, profit and profit rate (Sainy, 2010) by: increasing the frequency of purchases and of their value; reduced price sensitivity and the possibility to set higher prices; reduced consumer receptivity to competitors’ offers; decreased number of lost customers; cross-shopping or purchase of high-value goods, reduced costs to attract new customers etc.

Compared to previous research (Bloemer and Ruyter, 1998; Martenson, 2007; Nesset, Norvik and Helgesen, 2011), the originality of the present research lies in approaching the peculiar situation of shopping centers and in focusing on the specific stimuli that shopping centers resort to in order to attract and retain their customers. The authors have included in their exploratory approach the cognitive component of customers’ attitude towards shopping centers, i.e. the sum of information underlying the formation of shopping centers’ image. Also, image (considered an indicator of cognitive loyalty) has been measured through its components (and not globally), and emotional (affective) loyalty has been estimated through shoppers’ satisfaction. Another aspect explored has been that of considering conative and action loyalty as distinct and successive, for a deeper understanding and study of loyalty.

The exploratory research has only been carried out in the city of Cluj-Napoca due to financial constraints. Expanding it to a larger geographical scale would provide a more complete overview of the influence these types of loyalty exert upon shoppers’ behaviour. Meanwhile, extending future researches to several cities and number of variables included would provide a more accurate understanding of the phenomenon and of the impact of innovation as a precursor of behavioural loyalty and as an essential vector of increased competitiveness of shopping centers. It would be useful to study in the future the impact of social media, of smart phones and tablets applications on the perception formation and visits to shopping centers.

The present study provides a pertinent static picture of the relationship among the variables considered in the proposed model, the future being able to highlight the evolution in time of these causal relationships. It the future it would be appropriate to breakdown the results by shopping centers format, and to compare the results by geographic region, target segments or in terms of other relevant dimensions (size of the cities, “anchors”, food court area, etc.).
References


The relationship among image, satisfaction and loyalty – innovative factor of competitiveness for shopping centers


