



Retail shopper empowerment: A consumer-centric measure for store performance

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Received 23 March 2016; revised form 29 August 2016; accepted 30 August 2018; Available online 5 September 2018

KEYWORDS

Retail shopper empowerment;
Consumer experience;
Nonfinancial performance measures;
Scale development;
Retail strategy

Abstract In this paper, we consider the classic multidimensional consumer empowerment construct and modify it for application in the retail business. We provide an empirical basis for the store strategy using retail shopper empowerment scores. We propose a measure of retail shopper empowerment with appropriate psychometric properties as a consumer-centric and nonfinancial performance metric. By using the retail shopper empowerment metric, the retailers would have an understanding of the consumer preferences regarding store experience. We posit that it is possible to improve customer experience and, in turn, the financial performance of the store by implementing and modifying the retail shopper empowerment framework.

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Introduction

Retail shopper empowerment (RSE) is a relatively new construct in the retail domain. It highlights a method to ensure a dynamic degree of involvement of the retail shoppers in their shopping process. In turn, it enables the active participation of the consumers in the design as well as disbursement of goods and services to self in any retail store. In this paper, we highlight the significance of RSE in retail business as it includes consumers in managerial decision of stores (viz., provides more alternatives to the consumers in the design and disbursement of store offerings). Hence, the store experience would improve, consumer involvement would rise, and the likelihood of superior loyalty would increase as a logical extension. At an operational level, RSE helps retailers in identifying and managing consumer

expectations with respect to the shopping experience at the store. With the dual effectiveness of RSE at managerial as well as consumer level, it helps the retailer in optimal resource allocation across various strategic alternatives. While there is much exploratory and qualitative literature on consumer empowerment, there has been no agreed upon measure of RSE with appropriate psychometric properties. Hence, the aim of this paper is to develop a consumer-centric, nonfinancial and behavioural metric for performance measurement of the retail business. The concept of RSE being relatively new, we outline the scope of this paper as follows.

We define the RSE construct, identify the constituents and develop a scale as per the process laid out by De Vellis (1991) and Netemeyer, Bearden and Sharma (2003). Conceptualising RSE and arriving at an appropriate measure of RSE has become highly relevant in the competitive scenario today where most retailers are facing the persistent problem of low growth rate, low customer retention and frequently shifting customer loyalty.

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<https://doi.org/10.1016/j.iimb.2018.08.006>

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Need for RSE measure

Before discussing the conceptualisation of RSE as a significant nonfinancial measure, it is imperative to establish its context. Traditionally, retailers use various financial metrics (viz., sales, profit, sell through percentage, gross margin return on investment, stock turn ratio, and days of supply) to measure the performance of their stores. These metrics compare the inflow to the retail store with the outflow from the retail store, and benchmark the result with the competitors' to categorise the retail performance. While these performance measures successfully identify the current financial strength of the retail stores, the lack of availability of adequate nonfinancial and consumer-centric measures is often felt. [Ittner and Larcker \(2003\)](#) support the said point of view by highlighting the gap for nonfinancial measures and the lack of ability of the retailers to identify, analyse and act on any holistic nonfinancial measure that advances their strategic objectives. The need for adequate, dynamic and customer-centric metrics that provide direction for future strategy has also been highlighted by [Petersen et al. \(2009\)](#).

However, two major challenges still remain on the conceptual development front of RSE. Firstly, do these nonfinancial behavioural measures indicate the traditional financial metrics? Secondly, is there a managerial requirement for nonfinancial behavioural measures? The first challenge was duly addressed by the available literature. [Ittner and Larcker \(1998\)](#); [Said, HassabElnaby and Wier \(2003\)](#); [Ambler, Kokkinaki and Puntoni \(2004\)](#); and [Gupta and Zeithaml \(2006\)](#) investigate across the spectrum and provide adequate evidence of nonfinancial measures being leading indicators for corresponding traditional financial measures. We conducted an empirical study for the second challenge (managerial requirement for RSE) by interviewing 50 store managers and 20 senior managers across multiple retail verticals (viz., food and grocery, apparel and lifestyle, and specialty), and there was an overwhelming majority of opinion in favour of such nonfinancial consumer-centric measures provided it was possible to implement them at store level.

Having established the necessity for nonfinancial and behavioural performance measures of retail stores with appropriate psychometric properties, we went through the literature to identify the availability of such metrics. Customer

satisfaction ([Ittner and Larcker, 1998](#); [Gupta and Zeithaml, 2006](#)) and customer experience ([Grewal, Levy and Kumar, 2009](#); [Verhoef et al. 2009](#); [Puccinelli et al. 2009](#)) were revealed to be the frequently used customer-centric nonfinancial performance measures that have proven ability to indicate financial performance. However, an all-inclusive scale for consumer satisfaction or experience would have limitations with respect to implementation. In addition, the measures need to include both consumer- as well as retailer-controlled dimensions in order to meet the requirements of both theory and practice. To the best of our knowledge, there is lack of a retail performance measure with the said specifications. Hence, we decided to develop and validate a measure for retail shopper empowerment where the retailer can identify the type and extent of shopper empowerment, and by modification of store parameters, can potentially alter empowerment status of consumer segments. In effect, armed with specific retail shopper empowerment scores, the retailer can use focussed allocation of resources towards improvement of store performance. The conceptual model of RSE is illustrated in [Figure 1](#).

Next, it would be useful to elaborate on the RSE construct. Consumer empowerment is a process by which consumers are provided with more power. According to [Wright \(2006\)](#), consumer empowerment is a mental state usually accompanied by a physical act which enables a consumer or a group of consumers to implement their own choices through demonstrating their needs, wants and demands in their decision making with other individuals or organisational bodies in the marketplace. Retail shopper empowerment is the application of consumer empowerment construct to retail business in general and retail shoppers in particular. As the focus of this study is retail business, consumers are envisaged as retail customers at the store level, and an empowered retail shopper is a skilled customer with more choice and superior control over his/her own actions.

Consumer empowerment has attracted much attention in the last couple of decades and one can undeniably envisage the significance of the said construct in retail business. However, no significant literature was identified regarding the application of consumer empowerment in retail business. To the best of our knowledge, in the available literature, there has been neither any empirical clarity on the constituents of RSE nor any comprehensive and parsimonious model to

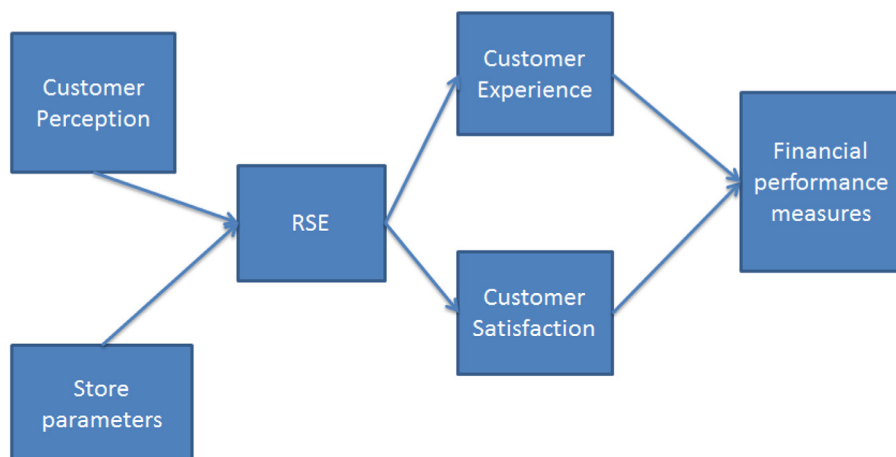


Figure 1 Retail shopper empowerment theoretical model.

measure it. In this paper, we start with the theoretical construct of consumer empowerment, use the retail context and stakeholders to identify the parameters of RSE, and subsequently use the scale development process to define and measure RSE. The purpose of our study is to extrapolate the available body of knowledge on consumer empowerment to retail domain, develop a measure for managerial usage of the same and validate the measure in field with the major stakeholders of retail business (viz., retailers and consumers). Hence, the objectives of this study are identified as follows:

1. To define the “consumer empowerment construct” in retail domain
2. To develop a comprehensive and parsimonious measure for retail shopper empowerment
3. To validate the said measure in theoretical and managerial context

To realise these objectives, the rest of the study is organised as follows. A review of relevant literature is conducted to develop the construct for RSE. Subsequently, a qualitative study is carried out to identify the dimensions and items of RSE. Finally, a four-step process of scale development and validation is detailed to create a parsimonious, valid and reliable scale.

Literature review for consumer empowerment

In order to analyse the literature in a structured manner and arrive at the research gap, we decided to follow the content analysis procedure. The scope was limited to 15 years considering the relevance of the research to the current scenario and significant developments in the conceptualisation of consumer empowerment. An a priori categorisation system was created on the basis of the topics of interest for consumer empowerment as well as the method of analysis for consumer empowerment. The categorization process was vetted by 10 experts (five Ph.D. students working in the said domain and five faculty members). The categories were subjective/quantitative, conceptual/empirical, and marketing/retailing. Subsequently, all available and relevant research papers on consumer empowerment since 2002 were collected and analysed. After the initial analysis of the selected papers, no retailing-based research on consumer empowerment was found. Hence, an emergent categorisation system was followed, where behavioural, technology/Internet influence based, historical, evolutionary and policy based categories were added to the a priori categories. The second level of analysis was carried out and the outcome is presented in Table 1. A frequency analysis of Table 1 was performed to identify the research gap and the result is presented in Table 2.

Table 2 shows that most of the research papers focussed on conceptual elaborations and the quantitative/empirical papers basically dealt with the impact of Internet/technology or behavioural constructs on consumer empowerment. Further, there have been few papers on consumer empowerment, with a specifically retail business focus. Also, due to the lack of availability of quantitative conceptual papers as well as measurement tools, there is poor elaboration of the

constituents of consumer empowerment from a retail strategy point of view. As a result, the impact of consumer empowerment on store performance has also not been explored in the literature. Hence, one can argue for a quantitative as well as empirical paper for conceptualisation, as also the development of consumer empowerment construct in retail domain that could have theoretical as well as practical applicability.

Theoretically, empowerment has been envisioned as a structural or psychological (Cho and Faerman; 2010) construct. Structural empowerment focusses on the process and power relationships within the workplace where mechanisms are developed for individuals to gain control over issues that concern them, including development of abilities and skills (Pires, Stanton and Rita; 2006). The studies by Wathieu et al. (2002) and Schwartz (2004) suggest that the key determinant of the subjective experience of empowerment is the ability to shape (i.e., to expand as well as to constrain) the composition of one's choice set. The psychological empowerment emphasises the individual's personal development of self-concept (Henry, 2005) that leads to “feeling a sense of control” whether actual or perceived (Pires, Stanton and Rita; 2006). According to Hjalager (2001), a truly empowered tourist (consumer) is a person who, without much pain or intellectual effort, is able to make an informed choice of services and products in accordance with his/her own preferences.

While there is considerable awareness in the literature regarding both the approaches, the integrative modelling approach to consumer empowerment seems most relevant for the retailing field. In the integrative modelling approach, a structural intervention is proposed that leads to the psychological model of empowerment (actual or perceived). As a parallel, in the retailing field, development of any strategy (structural) would lead to consumer experience creation and satisfaction (psychological) that would indicate improved financial outcomes viz., sales, profit or growth for the retail business. A few significant studies that followed integrative modelling are Wathieu et al. (2002), Pires, Stanton and Rita (2006); Hunter and Garnefeld (2008); and Cho and Faerman (2010). In this study, we too propose a multidimensional integrative model (structural as well as psychological) for the conceptualisation of RSE with the tool to identify and measure the said model.

Having clarified the context and concept, we begin with a qualitative study to identify the dimensions of retail shopper empowerment, and in turn develop items to measure each of those dimensions. The scale development process follows.

Scale development methodology

Scale development methodology is well-established in the annals of literature and some of the recent scale development studies (Burns, Dato-On and Malonis, 2015; Bagdare and Jain, 2013; Brocato, Voorhees and Baker, 2012; Omar and Musa, 2011; Atkins and Kim, 2011; Rolland and Freeman, 2010) have followed a structured empirical scale development process as highlighted by De Vellis (1991) and Netemeyer, Bearden and Sharma (2003). The four stages of scale development along with their methods are presented in Table 3.

Table 1 Content analysis to identify research gap.

Serial no.	Paper/Conference paper	Author/s	Year	Category
1	Consumer control and empowerment	Wathieu Luc et al.	2002	Conceptual, Subjective
2	The meaning of empowerment: The interdisciplinary etymology of a new management concept	Lincoln, Travers, Ackers and Wilkinson	2002	Conceptual, Subjective
3	European Union consumer policy and making it work!	Byrne David	2004	Policy
4	Enhancing consumer empowerment	Wright, Newman and Dennis	2006	Conceptual, Subjective, Marketing
5	The evolution of the empowered consumer	Davies and Elliot	2006	Historical, Evolutionary
6	The Internet, consumer empowerment and marketing strategies	Pires, Stanton and Rita	2006	Conceptual, Subjective, Technology
7	Mapping consumer power: An integrative framework for marketing and consumer research	Denegri-Knott, Zwick, & Schroeder	2006	Conceptual, Subjective, Behavioural
8	Consumer empowerment: A Foucauldian interpretation	Shankar, Cherrier and Canniford	2006	Conceptual, Subjective, Behavioural
9	The Internet, information and empowerment	Harrison, Waite, & Hunter	2006	Quantitative, Empirical, Technology
10	Assumed empowerment: Consuming professional services in the knowledge economy	Newholm, Laing, & Hogg	2006	Conceptual, Subjective
11	Self-empowerment and consumption: Consumer remedies for prolonged stigmatisation	Henry & Caldwell	2006	Conceptual, Subjective, Behavioural
12	Consumption as voting: An exploration of consumer empowerment	Shaw, Newholm, & Dickinson	2006	Conceptual, Subjective
13	Brand community of convenience products: New forms of customer empowerment-the case "my Nutella The Community".	Cova & Pace	2006	Conceptual, Subjective, Marketing
14	"Mothers of invention": Maternal empowerment and convenience consumption	Carrigan & Szmigin	2006	Conceptual, Subjective, Behavioural
15	When does consumer empowerment lead to satisfied customers?	Hunter, Garnefeld	2008	Empirical, Quantitative, Behavioural, Marketing
16	Consumer empowerment through Internet-based co-creation	Füller et al.	2009	Empirical, Quantitative, Marketing
17	Consumer empowerment model: From unspeakable to undeniable	Kucuk, S. U.	2009	Conceptual, Subjective, Technology, Behavioural
18	An integrative approach to empowerment: Construct definition, measurement, and validation	Cho, T., & Faerman, S. R.	2010	Empirical, Quantitative, Behavioural
19	Consumer empowerment in multicultural marketplaces: navigating multicultural identities to reduce consumer vulnerability	Boderick et al.	2011	Conceptual, Subjective, Behavioural
20	Exploring the role of online consumer empowerment in reputation building: Research questions and hypotheses	Siano, Vollero, & Palazzo	2011	Conceptual, Subjective, Technology
21	Team Purchase: A Case of Consumer Empowerment in China	Wang, Zhao, & Li	2011	Conceptual, Subjective, Marketing
22	Impact of consumer empowerment on online trust: An examination across genders	Midha	2012	Empirical, Quantitative, Technology
23	Consumer policy and consumer empowerment: comparing the historic development in Finland and Germany	Wahlen & Huttunen	2012	Historical, Evolutionary, Policy
24	An assessment of consumer protection and consumer empowerment in Costa Rica	Delgadillo	2013	Policy
25	Decision difficulty in the age of consumer empowerment	Susan M. Broniarczyka, Jill G. Griffinb	2014	Conceptual, Subjective, Behavioural
26	Rethinking the concept of consumer empowerment: Recognising consumers as citizens	L McShane, C Sabadoz	2015	Conceptual, Historical, Policy
27	The evolution of consumer empowerment in the social media ERA: A critical review	Lauren I. Labrecque et al.	2015	Conceptual, Subjective, Technology
28	Email marketing in the era of the empowered consumer	Mari Hartemo	2016	Conceptual, Subjective, Technology, Historical

Table 2 Result of content analysis.

Categories	Frequency
Conceptual & subjective	15
Quantitative/empirical	5
Marketing-based	5
Behavioural	8
Internet/technology-based	5
Historical/evolutionary	2
Policy-based	2

Dimensions of retail shopper empowerment - Study 1

As per the set procedure (Table 3), we started the dimension identification of consumer empowerment by going through literature. We identified 19 different dimensions (after eliminating the verbatim repetition) for consumer empowerment. As an illustration of the process followed, a few papers and the identified dimensions are listed in Table 4. Subsequently, qualitative empirical research was conducted for dimension identification and item generation.

Qualitative study

There are various approaches to dimension identification during any scale development process. Churchill (1979) suggested “critical incident method” as a possible exploratory tool for scale development. McGrath (1995) and Soley (2006) used a combination of projective tools and photo-elicitation method for dimension identification whereas Belk (1984) used questionnaire as well as photo-elicitation method to generate validity for his materialism scale. However, in this case, focus group and projective techniques were used as the qualitative tool for dimension identification of retail shopper empowerment. This is due to the initial availability of probable dimensions of RSE from the literature (Table 4) and the extensive usage of focus group for dimension identification during scale development process in recent literature (Guiot and Roux, 2010; Lin and Hsieh, 2011; Brocato, Voorhees and Baker, 2012). As women carry out the majority of the shopping for themselves as well as their families, the scope of focus groups was restricted to different segments of women consumers. The next major decision in any qualitative research is controlling for confounding parameters in participant selection which in this case is retail store type and format for shopper selection. As the top two retail category spending of consumers are food and grocery (~70% of their income) and apparels (~7% of their income) (Images India Retail Report, 2013), qualitative research focussed on the same two retail verticals. Consumers of medium to large format stores¹ were chosen for qualitative study as there are greater consumer empowerment initiatives in these stores and it is relatively easy to identify consumers of these stores in addition to greater consumer diversity. The third step in the focus group design is the selection of participants. The parameters for selection of participants are presented in Table 5.

¹ Medium format stores are >10,000 square feet in area and large format stores are >50,000 square feet in area.

These parameters were selected on the basis of significant demographics of available shoppers and to facilitate diversity of participants. The combination of parameters led to eight focus groups, and hence eight focus groups each were formed for food and grocery and apparel store shoppers.

Each focus group consisted of eight participants on average, and the participants were selected from an exit survey that was conducted with 10 stores each from food and grocery as well as the apparel vertical. A total of 500 shoppers were interviewed from these 10 stores and based on their interest in participation, convenience, as well as our pre-decided consumer profile, 128 shoppers were chosen for the focus group. The objective of the focus group was to identify all the constituents as well as indicators of retail shopper empowerment along with the embedded items. An illustrative set of information requirements is provided in Table 6.

As mentioned in Table 6, each of the focus groups started with a word association test to ascertain the associations of the consumers with the empowerment dimensions of the store as well as the items for each of the dimensions. The time spent by the consumers before giving their responses to each stimulus was also noted in order to ensure their involvement and degree of association. Some of the words used for the word association test are store, experience, inconvenience, information, price, skilled shopper, empowerment, freedom, control, trust, involvement, and observation.

Results of the qualitative studies revealed 83 items for retail shopper empowerment.

Purification

Next, the items were appraised by a panel of judges for data reduction and to ensure face validity. The procedure was based on Zaichkowsky (1985) and Lichtenstein, Netemeyer and Burton (1990). Twelve experts (PhD students, professors and corporate experts) were asked to rate the items on a three-point representativeness scale and the items that were rated by 80% of the judges as non-representative were rejected. Forty items were removed from the list after this appraisal. A subsequent physical verification revealed 12 identified items to be part of consumer dimensions that are not as per the conceptualisation of this scale (viz., involvement and value co-creation) and they are likely to be the outcome of the store dimensions. After eliminating those 12 items, 16 dimensions and 31 items remained.

Item reduction

Further purification of the items was carried out based on corrected item-to-total correlation and later exploratory factor analysis. Items with lower than .50 score for item-to-total correlation were removed. Items without significant correlation with the underlying dimensions were also removed. In the exploratory factor analysis, three more items were removed due to significant cross-loading across dimensions.

The resultant four dimensions, categories and the embedded items are presented in Table 7.

Initial validation - Study 2

The next significant activity involved in the scale development process is the empirical testing and validation of the

Table 3 Scale development methodology.

Stage No.	Stages of scale construction	Methodology	Data collection source	Data collection in this study (n)
1	Dimension identification	Content analysis	Literature survey	N.A.
	Qualitative study Purification	Focus group Data reduction	Consumers Expert opinion	128 12
2	Initial validation	Latent structure analysis, confirmatory factor analysis (CFA), convergent and discriminant analysis	Consumers	585
		Test of reliability	Consumers	585
3	Final validation	Replication of CFA	Consumers	292
		Replication of reliability test	Consumers	292
		Convergent, discriminant, nomological and predictive validity	Consumers	292
4	Test-Retest	Reliability over a time period	Consumers	76
		Validity over a time period	Consumers	76

Table 4 Dimension identification from literature.

Journal	Paper	Author	Year	Dimensions
<i>Direct Marketing</i>	The Internet, information and empowerment	Harrison, Waite and Hunter	2006	Information regarding product, manufacturer and middlemen, Freedom to exert choices, control over choices
<i>Journal of Research for Consumers</i>	When does consumer empowerment lead to satisfied customers?	Hunter and Garnefeld	2008	Control, Involvement, responsiveness of firms, face to face contact
<i>Direct Marketing</i>	Consumer empowerment model	Kucuk	2009	Knowledge, ability, expertise, information, control, influence, freedom, superior flexibility, trust
<i>Journal of Management Information Systems</i>	Consumer empowerment through Internet-based co-creation	Fuller et al.	2009	Positive emotional support, positive persuasion, observing others' effectiveness, experiencing success, technology, involvement, experiencing enjoyment, trust

Table 5 Parameters for focus group design.

Serial No.	Significant consumer characteristics	Levels of the characteristics	Explanation
1	Age (years)	< 25, 25-45	Significant shopping age
2	Sex	Female	Frequent shopper
3	Education	<Graduate, Graduate-Post graduate/Professional	Different knowledge base and different shopping orientation
4	Occupation - Income	High, Medium	Low is not considered as these consumers do not shop in stores that we have considered for research
5	Shopping type	Economic, Recreational	Major retail segments as defined by Bellenger, Robertson and Greenberg (1977)

conceptual model. So, a questionnaire was constructed (see Appendix) on the basis of the items identified in [Table 8](#) along with demographic details (age, qualification, marital status and working status) for the next stage of data collection. As in the qualitative study, the scope of empirical data collection was similar in terms of shoppers, store types as well as formats (viz., women shoppers; apparel and lifestyle

stores; medium to large format). The area of primary research was restricted to Bangalore², India, for its

² Capital of Karnataka, India. According to [Census \(2011\)](#), the population of Bangalore is 8.47 million with male-female breakup of 52% to 48%.

Table 6 Sample questions from moderator guide for focus group.

1. Introduce word association test for empowerment construct
2. Who is the consumer for the store under consideration?
3. Why does he/she come to the store?
4. What does he/she like/dislike about the store?
5. What is empowerment of the consumers? Is it good/bad?
6. How do you identify an empowered consumer?
7. What should the stores do to empower the consumers?
8. What is the benefit to the consumers and to the store?
9. When is the shopping experience enjoyable for the consumer and when is it difficult?
10. Do you feel empowered when you have more information or more knowledge? Answer similarly for each of the other dimensions of empowerment identified in the literature.

Table 7 Retail shopper empowerment dimensions and items.

Serial No.	Dimension identification	Categories	Items
	Store environment (RSI)	Lighting Layout and design	Lighting Arrangement of merchandise Store navigation Signage Ambience
2	Store convenience (SC)	Checkout Service	Checkout time Alteration
3	Relevant information (Info)	Information regarding items	Display windows Information sources
		Information regarding customers	Information sources
		Information regarding brands, products and consumption	Information sources
4	Control over choice set (EFC)	Product-related	Customer feedback Variety and assortment
		Price-related	Flexibility in offering

Table 8 Factor loadings for RSE scale.

Factor Item	Study 2 (Initial validation)				Study 3 (Higher income)				Study 3 (Lower income)			
	Range	Mean	SD	Loading	Range	Mean	SD	Loading	Range	Mean	SD	Loading
Store environment												
RSI 1	5	3.77	1.27	.686	5	3.74	0.86	.659	5	3.95	1.61	0.837
RSI 5	5	3.74	1.29	.553	5	3.71	1.18	.686	5	3.24	0.99	0.628
RSI 8	5	3.52	1.28	.550	5	3.52	1.56	.559	5	3.55	1.75	0.533
RSI 10	5	3.41	1.35	.634	5	3.4	1.29	.590	5	3.38	1.08	0.658
RSI 11	5	3.44	1.31	.566	5	3.28	1.37	.732	5	3.61	1.20	0.876
Store convenience												
SC 1	5	3.35	1.36	.775	5	3.14	1.79	0.696	5	3.19	1.55	0.944
SC 5	5	3.33	1.38	.659	5	3.70	1.53	0.588	5	3.79	1.57	0.530
Relevant information												
Info 1	5	3.02	1.25	.611	5	3.27	0.90	0.642	5	2.90	1.32	0.886
Info 2	5	2.98	1.28	.487	5	3.51	1.26	0.711	5	3.00	1.42	0.837
Info 4	5	3.14	1.23	.574	5	2.86	1.67	0.639	5	3.50	0.88	0.628
Info 5	5	3.23	1.28	.494	5	2.99	0.86	0.698	5	2.95	1.61	0.733
Control over choice set												
EFC 2	5	3.21	1.12	.657	5	2.91	1.56	0.529	5	3.55	1.75	0.676
EFC 4	5	3.26	1.22	.565	5	2.72	1.29	0.685	5	3.38	1.08	0.900
EFC 6	5	3.04	1.30	.706	5	3.58	1.37	0.696	5	3.61	1.20	0.744

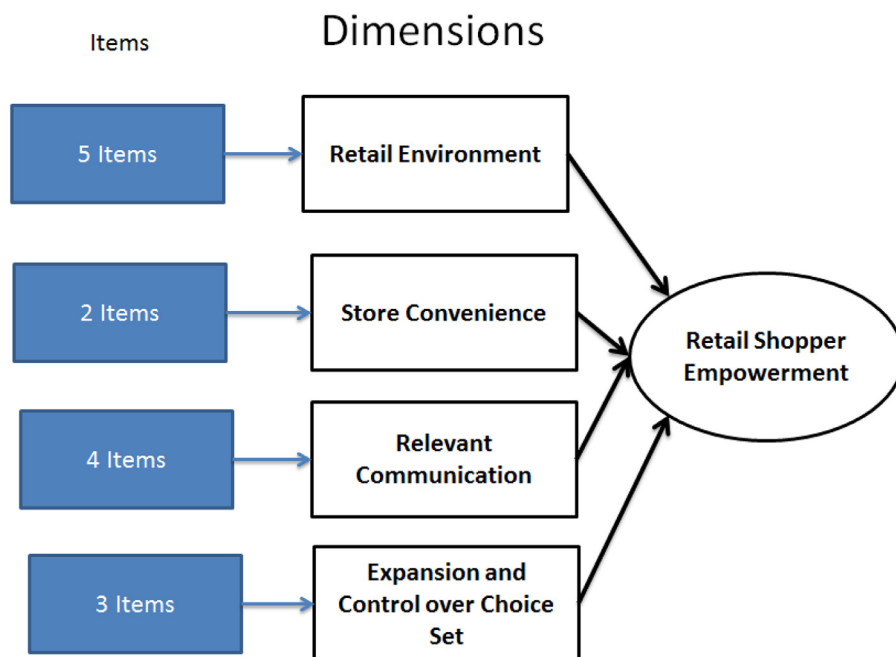


Figure 2 Retail shopper empowerment latent structure model.

cosmopolitan representativeness and data collection convenience. The sampling process is described below.

Sampling process

As per Census (2011) and Bangalore Municipal Corporation data, for the purpose of the study, the city was divided into five zones and each zone into three areas. From each area, two stores (medium/large) were chosen based on researcher judgement and the willingness of the stores to participate in the exit interview of the customers. From each store, 22 customers were interviewed on average.

As part of multistage sampling, there was a need to prepare a list of all the apparel stores of each identified area. In the absence of any available data source, database of the shops in each area was created by using Yellow Pages³ and websites⁴. In case of confusion/incomplete information, post-graduate students were engaged for physical verification and reporting. A sample frame of 258 stores from our survey was created, and subsequently 74 of them agreed to participate in the customer exit survey. From the list of 74, 30 stores were chosen based on the said multistage model for the survey. Individual customers in the selected stores were chosen based on systematic random sampling, and data collection was carried out from 660 women shoppers. After physical verification of the filled-up questionnaires for missing data and overall consistency, the final sample size remained at 585 for subsequent analysis which was consistent with the initial data collected for qualitative research (dimension and item identification, purification and reduction). As part of the survey, the respondents were asked to report their respective perceptions over a structured questionnaire on the parameters of retail shopper empowerment (see Appendix).

Latent structure analysis

As per the proposed model (Figure 2), the retail shopper empowerment construct should exhibit a reflective first order model. The formative second order model consists of four first order parameters of retail shopper empowerment (viz., store environment, store convenience, relevant communication and control over choice set). Also, the four factors of retail shopper empowerment do not need to exhibit covariance. Rather, the dimensionality in a four factor solution is assessed here when each item is forced to load on its intended factors (not allowed to cross-load on other factors). The said method is consistent with Jarvis, Mackenzie and Podsakoff (2003).

In order to test this structure, a 29-item, four-dimension confirmatory factor model was estimated and the resultant model was found to be significant (after eliminating 15 items based on the significance values and model fit). Chi-square value [$\chi^2(609)=1447.57$, $p < .00$], and RMSEA=.049; GFI=.88; AGFI=.86; NFI=.68; CFI=.77; IFI=.78 and PGFI=.73. Also, all the t -values were found to be significant at 0.05 levels.

As part of model validation process, convergent validity was assessed too. Preliminary support for convergent validity was found with the significance of each of the variables (all items are significant at .05 levels) and significant loading of the items on their respective constructs (See Table 9). Moreover, the composite reliability (CR) for each construct exceeded .50, suggesting that the items were accounting for more truth than error in the construct. Following this, the correlations between the four RSE dimensions were assessed and discriminant validity was determined using the method outlined by Fornell and Larcker (1981). All average variance extracted (AVE) values exceeded the squared correlation values for each pair and hence the discriminant validity was established.

³ 'TATA Yellow Pages' 'Just Dial Software Database7'

⁴ <http://www.retailangle.com/default.asp>

Table 9 Convergent and discriminant validity (Initial validation).

Serial No.	Construct	CR	AVE	Correlations		
				1	2	3
1	Store environment	.736	.360			
2	Store convenience	.680	.517	.378		
3	Relevant information	.625	.296	.516	.177	
4	Control over choice set	.680	.416	.466	.256	.462

Final validation - Study 3

In the third study, the measurement properties for the RSE scale were further validated in a new context of food and grocery stores, and across two demographically different consumer groups i.e. higher income category and lower income category (viz., income level as it is a significant influencer for food and grocery purchase). A sample size of 292 women shoppers was selected using quota sampling method. The sample was with a monthly household income (MHI) range of 20,000-80,000 INR. The two consumer groups were higher income category ($n = 162$; median income range Rs. 50,000/- to Rs. 60,000/-), and lower income category ($n = 130$; median income range Rs. 20,000/- to Rs. 30,000/-). The basic objective of the third study was to validate the measurement scale across two different consumer groups and thereby demonstrate the invariance across multiple groups.

A confirmatory factor analysis (CFA) was conducted on the data collected from both the samples. The measurement model using the 14 items established during the previous calibration stage provided satisfactory fit with the data for both higher income group [$\chi^2_{(655)} = 1134.20$ ($p = 0.000$) and RMSEA=.050; GFI=.83; AGFI=.81; NFI=.50; CFI=.67; IFI=.68 and PGFI=.73] and lower income group [$\chi^2_{(682)} = 1244.20$ ($p = 0.000$), and RMSEA=.059; GFI=.73; AGFI=.86; NFI=.52; CFI=.66; IFI=.78 and PGFI=.77]. All the coefficient alphas surpassed the .70 level.

Next, the validity and reliability of the RSE scale were tested. Convergent validity was established by checking the significance of factor loadings on the respective constructs and the relatively high AVE for each sample ($> .50$). Discriminant validity was established by computing the shared variance of each pair of constructs and comparing it against the average variance of each of the constructs. Finally, the reliability of the scale was established by computing construct reliability and Cronbach alpha. All reliability estimates exceeded .70. These tests further validated the dimensions of RSE and their measurement. The details of the convergent and discriminant validity as well as reliability for the two income groups are presented in Tables 10 and 11.

Nomological network for RSE

A nomological network is a pictorial representation of the construct/s of interest along with its observable indicators and their inter-relationships. This has added significance while developing any abstract construct as it not only provides academicians with the clarity regarding measurement, but also practitioners with the ability to visualise and use the construct for resolving real-world issues. In the case of measuring RSE

Table 10 Convergent and discriminant validity (High Income).

Serial No.	Construct	CR	AVE	Correlations		
				1	2	3
1	Store environment	.671	.406			
2	Store convenience	.755	.607	.385		
3	Relevant information	.634	.369	.405	.202	
4	Control over choice set	.662	.403	.150	.037	.275

Table 11 Convergent and discriminant validity (Low Income).

Serial No.	Construct	CR	AVE	Correlations		
				1	2	3
1	Store environment	.714	.198			
2	Store convenience	.523	.201	.525		
3	Relevant information	.626	.273	.512	.415	
4	Control over choice set	.796	.257	.541	.473	.520

effectively, a nomological network consisting of various observable (viz., measurable) parameters needs to be identified and the inter-relationships between parameters established.

As the constituents of RSE have already been identified and validated, the next task is to identify the observable and reflective characteristics of an empowered shopper. Subsequently, a series of relationships can be proposed between the constituents of RSE and the observable characteristics of an empowered shopper. In order to develop a nomological network for RSE, and validate the conceptual model proposed in Figure 1, we decided to map store experience against RSE. As there is no comprehensive scale available to measure store experience to the best of our knowledge, literature review and focus group were used to identify the experience of an empowered consumer. Thirteen characteristics of empowered consumers were identified that demonstrate the store experience of an empowered consumer (psychological empowerment as a consequence of structural empowerment) to develop a nomological network. We used existing scales to measure the said 13 dimensions. The 13 parameters included are self-esteem-self-efficacy, attitude to choose the best, self-confidence, product expertise, shopping competitiveness, consumer power, shopping aggressiveness, voice of consumer, righteous anger, complaining guts, freedom of movement, opinion leadership and innovativeness.

Due to the overlapping constructs and polarised opinion of the consumers regarding the psychological empowerment construct, we decided to conduct an expert opinion survey (purification of the items). We developed a list of the parameters that would demonstrate the experience of an empowered shopper. The prepared list carrying the parameter name, explanation and the identified items was provided to 12 experts in order to obtain their opinion about the consequences of consumer empowerment. These 12 experts were Ph.D. students, professors and corporate experts with more than 15-20 years of experience in the areas of social science (such as empowerment, gender studies and so on), marketing, consumer behaviour, retailing and corporate strategy (with focus on retailing). The experts were interviewed only

with their consent to be part of the survey and were briefed about the objectives before beginning the discussion. Instruction was provided to select only those major empowerment indicators (out of the 13 indicators provided) which they considered as most appropriate based on their experience and expertise. After two rounds of discussion, there was a consensus on 5 of the 13 parameters. The 5 indicator dimensions and 22 items are listed in Table 12. In the absence of any existing measure for retail shopper empowerment in the store context, the indicator parameters would ensure additional nomological validity.

Grounded on the relationships proposed in Figure 3, the relevant hypotheses for nomological network of RSE are provided below.

H₁: The RSE dimensions will have a positive and direct effect on product expertise.

H₂: The RSE dimensions will have a positive and direct effect on the confidence of the consumers in purchase decision making.

H₃: The RSE dimensions will have a positive and direct effect on consumer power and rights.

H₄: The RSE dimensions will have a positive and direct effect on freedom of movement while shopping.

H₅: The RSE dimensions will have a positive and direct effect on attitude of the consumers to choose the best.

Nomological validity was verified using separate measurement models and structural coefficients for each of the RSE dimensions ($n = 292$). The degree of common method bias in the effective estimation of nomological results was assessed using one factor CFA test. The results revealed the lack of adequate representation of the data with one factor solution. Next, the measurement models were considered for each construct of RSE against the nomological parameters. The

results revealed that the data fit the models well (Table 13C) and the reliability as well as validity of each model was established (Table 13A). In addition, most of the nomological network hypotheses were also established at 90% level (Table 13B). Hence, one can conclude that each proposed path in the nomological network is significant, even though a few combinations such as “store environment with attitude to choose the best”, “store convenience with consumer confidence”, and “control over choice set with consumer confidence” were found to be not significant. Results of the nomological model testing are provided in Table 13B.

Based on the above results we conclude that there is strong evidence for nomological validity. In addition, we also tested the consumer satisfaction construct against the RSE framework. In the absence of any comprehensive and parsimonious scale to measure consumer satisfaction in the retail context (Brunner II, 2009), we decided to use an overall consumer satisfaction scale (Harris and Goode, 2004). We carried out a sample survey of 100 customers of one store and ran a multiple regression with consumer satisfaction as the dependent variable and RSE dimensions as the independent variables. The model displayed high model fit [$R^2 (> .7)$] as well as the significant factor loadings (viz., beta values). The factor loadings changed on altering the demographic profile of the customers. This empirical exercise provides further nomological validity and substantiates the proposition.

At this stage, it would be prudent to provide some additional information on the RSE model. According to Arnett et al. (2003), the dimensions of RSE (store environment, store convenience, relevant communication and control over choice set) can be considered as the formative indicators and the nomological parameters (product expertise, consumer confidence, consumer power, freedom of movement and attitude to choose the best) can be considered as the reflective indicators. The complexity of the model derives from the fact

Table 12 Store experience of an empowered consumer.

Serial No.	Indicators	Items	Factor score (Exploratory)
1	Product expertise (PE - 4 items)	Product knowledge	0.51
		Shopping experience	0.75
		Information	0.78
		Expertise	0.76
2	Consumer power (CP - 7 items)	Self-confidence	0.81
		Independence	0.63
		Personal ability	0.57
		Ability of the firm to handle issues	0.54
		Influencing retail firms	0.57
		Consumer pressure	0.83
		Employee behaviour	-0.59
3	Freedom of movement (FOM - 5 items)	Complaint letters	0.71
		Dealing with defective product	0.74
		Importance of individual consumer	-0.5
		Pressure sales	0.55
		Shopping decision independence	0.64
4	Consumer confidence (CON - 3 items)	Obligation to buy	0.68
		Inner directed behaviour	0.54
		Consumer characteristics during purchase	0.60
5	Attitude to choose the best (ACB - 3 items)	Satisfaction with purchase	0.58
		Importance of choosing the best	0.74
		Purchase behaviour related to choosing the best	0.73

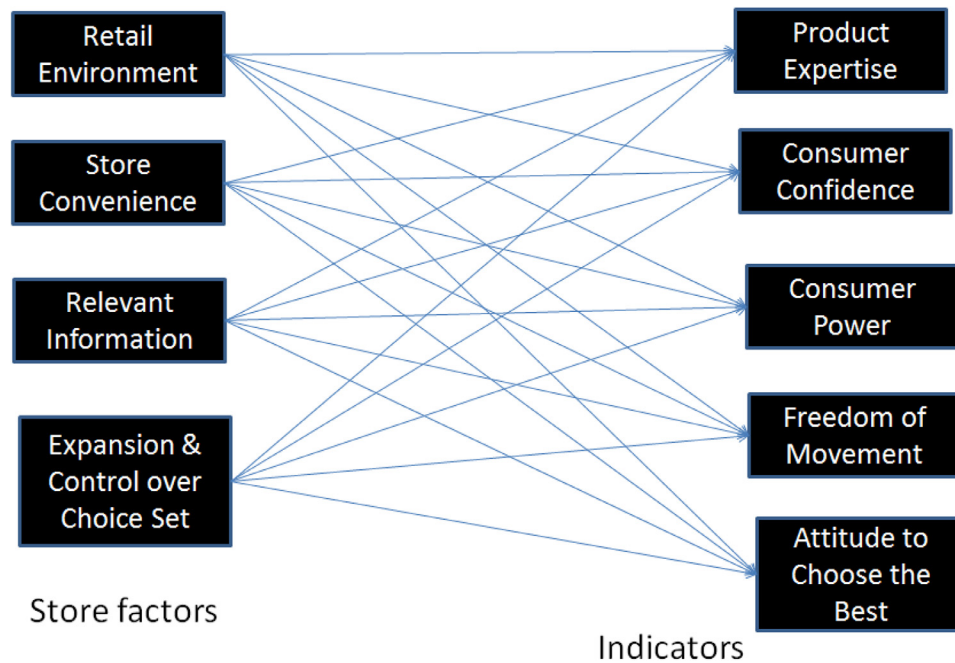


Figure 3 Nomological networks for retail shopper empowerment.

Table 13A Nomological validity final⁵.

Serial No.	Construct	CR	AVE	Correlation									
				1	2	3	4	5	6	7	8		
1.	RSI	.763	.452										
2.	SC	.703	.549	.673									
3.	INFO	.735	.593	.242	.139								
4.	EFC	.731	.601	.266	.162	.189							
5.	PE	.711	.453	.432	.329	.212	.133						
6.	CON	.677	.512	.260	.059	.237	.186	.142					
7.	CP	.691	.434	.356	.182	.184	.232	.227	.131				
8.	FOM	.794	.666	.094	.402	.319	.212	.149	.237	.184			
9.	ACB	.010	.660	-.604	.019	-.161	-.143	-.359	-.137	-.214	.069		

that the strategy to increase empowerment of retail shoppers would be implemented by the retailers and hence the RSE dimensions are non-concomitant as well as formative. In turn, if the strategy is successful, the retail consumers would be empowered and they will display the reflective characteristics of an empowered shopper. Hence, the nomological parameters could be concomitant. As a tangible output, the empowered consumers would take emotional ownership of the store which could lead to increased loyalty.

Test-retest reliability - Study 4

Finally, a test-retest reliability study was conducted to establish the reliability of the scale over a time period. The construct RSE is predominantly a psychographic tool that relies heavily on the perception of retail consumers. Hence, there is a risk of consumer memory, recent experience and natural variability in

data collection process which in turn might affect the scale results. Even though in the apparel and lifestyle sector there is ever increasing competition and hence retail shopper experience is likely to change faster, it was decided to control for the extraneous variables to carry out the test. As retail shoppers' perception as well as experience change with festival seasons and multiple discount schemes by all retailers across the board, a festival/occasion-free time period was chosen for the scale testing (January-February). A chosen panel of 100 customers and a set of five retail stores were used for the test. The respondents were regular customers of these five retail stores (at least a three year period). For each constituent of the RSE scale, an open-ended questionnaire was administered to the panel of consumers. The responses were coded and filed for reference while comparing the test-retest results. After three months (a fashion cycle is typically three months and customers are expected to visit their regular stores for apparel and lifestyle products at least once in three months), the panel members were asked to answer another set of open-ended questions containing the constituents of RSE prior to providing their responses

⁵ Legends as per Tables 5 and 7

Table 13B Nomological hypotheses final.

	Sample mean	Std. Error	Tstatistics	P value	Path coefficients
RSI - ACB	-.218	.575	1.057	.291	-.608
RSI - CON	.286	.091	2.864	.004	.261
RSI - CP	.383	.083	4.255	.000	.353
RSI - FOM	.336	.087	3.777	.000	.329
RSI - PE	.472	.066	6.695	.000	.441
SC - ACB	.198	.105	1.752	.080	.184
SC - CON	.080	.142	.478	.633	.068
SC - CP	.373	.073	4.905	.000	.358
SC - FOM	.409	.085	4.700	.000	.399
SC - PE	.377	.091	3.894	.000	.353
INFO - ACB	.251	.128	1.808	.071	.232
INFO - CON	.243	.112	1.858	.064	.207
INFO - CP	.383	.107	3.298	.001	.351
INFO - FOM	.360	.106	3.273	.001	.348
INFO - PE	.278	.089	2.973	.003	.266
CCS - ACB	.306	.098	2.909	.004	.284
CCS - CON	.126	.150	.676	.499	.101
CCS - CP	.369	.086	3.834	.000	.330
CCS - FOM	.265	.106	2.137	.033	.226
CCS - PE	.243	.109	2.064	.040	.224

Table 13C Nomological model fit.

	Chi Square	Df	RMSEA	IFI	SRMR
RSI Model	1366.91	491	.02	.96	.08
SC Model	1576.55	482	.04	.93	.08
INFO Model	1258.20	553	.03	.92	.08
CCS Model	1129.76	508	.06	.95	.09
Combined Model	1553.98	609	.04	.95	.07

on the developed RSE scale. To control for the extraneous variables, first, the open-ended formats were coded and compared with the previous responses (first feedback before three months). In case of great difference between both the open-ended formats, the scale response was rejected (inherent bias). Finally, 76 responses were deemed eligible for test-retest comparison and the correlation results for each dimension of RSE were found acceptable (within .60 to .85 range). Series of paired sample t-tests were also conducted to check for the differences of mean across the time period and the results did not reveal any significant difference apart from “control over choice set” dimension where the second set of data showed significantly lower value (-.26). In addition, the Cronbach's alpha for each RSE dimension exceeded 0.75. Hence, the scale measuring RSE proves to be stable across the time periods.

Conclusion

This research addresses the very important aspect of appropriate nonfinancial and consumer-centric measure of retail performance. While traditionally, financial measures have been accepted as the performance metrics in retail sectors, the measures have fallen short of expectations in identifying the reasons in case of poor performance of the store. As a result,

the optimality of the resource allocation for the retailer has always been a challenge. With the RSE metrics, we have resolved both the issues at once. On one hand, the RSE score highlights the store performance which is also an indicator of financial measures. On the other, it identifies the consumer preferences regarding store experience that help determine the reasons for poor performance, and in turn suggests solutions for superior consumer experience. Hence, the retailers have the necessary information for superior resource allocation. To the best of our knowledge, this paper is one of the first research papers in the above-mentioned direction.

In addition, this research extends the knowledge base regarding empowerment in general and retail shopper empowerment in particular. While there has been much research on empowerment in understanding employee behaviour in organisations as well as improving the standard of living of the community, a majority of the literature has been exploratory and qualitative. To the best of our knowledge, this is the first attempt to develop a domain-specific empowerment construct (viz., retail shopper empowerment) that is targeted towards end-consumers. In addition, a valid and reliable instrument has been developed to measure the said retail shopper empowerment. Hence, this research fills the gap at a conceptual as well as measurement level.

A four-dimensional conceptualisation of RSE has been proposed in this research and the RSE scale has been developed and validated in four different studies. This methodology is adopted as per the accepted practice and literature study (De Vellis 1991; Netemeyer, Bearden and Sharma 2003). First, the qualitative conceptualisation and dimension identification of RSE was performed using literature review and content analysis. Subsequently, in Study 1, exploratory research with consumers and experts was carried out to justify the dimensions and generate the items. The items were purified for better reliability. As part of Study 2, the initial validation was carried out on the identified dimensions and items using confirmatory factor analysis, convergent as well as discriminant validity. At the end of Study 2, even though the number of dimensions remained the same (4), the number of items were reduced from 38 to 14. This provided better parsimony, reliability as well as validity. In Study 3, the repeat validity of the scale was estimated across multiple samples (different income groups) using similar methodology as before (CFA, convergent as well as discriminant validity). Then, the nomological validity was estimated by building a nomological network with five related constructs and estimating the validity with individual dimensions and combined CFA. Finally, in Study 4, the test-retest assessment was conducted using a survey over a time period and the paired sample t-tests revealed the suitability of the scale.

Another issue of significance is the relatively short length of the RSE scale. Apart from providing parsimony to the construct, it also helps in ease of usage of the scale individually or in combination with any other instrument for any type of survey. In addition, the dimensions of RSE retain their individuality even in the relatively shorter scale and hence, adequately discriminate from other similar constructs. Hence, researchers should be able to use the RSE instrument confidently.

Theoretical contributions

The RSE scale and the related findings complement and extend existing theoretical constructs and frameworks. This

being a measurement device concerning consumer psychographics with adequate psychometric properties, one can find its theoretical usability in multiple and divergent constructs, models and frameworks. Here, we present some major ideas regarding the various theoretical possibilities.

The RSE model could extend the customer experience management frameworks by being a moderator in customer experience creation (Verhoef et al., 2009), by being part of the framework to understand the buying process (Puccinelli et al., 2009) and by being part of the organising framework in defining retail customer experience that leads to marketing and financial metrics (Grewal, Levy and Kumar; 2009). So, RSE definitely adds to the existing literature to understand and adequately modify customer experience for significant financial benefits of firms.

Secondly, the RSE model contributes to the literature on identifying optimal metrics for the retail business. It could prove to be an ideal metric that is applicable at the customer level as well as the store level, and a leading indicator of financial outcomes as proposed by Petersen et al. (2009). It could also be the driver for customer satisfaction as well as customer buying behaviour, and hence would drive profit for retail business as modelled by Ittner and Larcker (2003).

The RSE framework also extends the existing empowerment theories and frameworks (viz., Pires, Stanton and Rita, 2006; Cho and Faerman; 2010). Empowerment literature categorises the empowerment construct into two parts: structural (participative decision making and dissemination of information) as defined by Hollander and Offerman (1990) and Herrenkohl, Judson and Heffner (1999); and psychological (conviction to successfully execute the required behaviour for desired outcome) as outlined by Bandura (1994); Conger and Kanungo (1988). The empowerment of consumers in retail context happens through the structural as well as the psychological empowerment route. Hence, the RSE construct leads to new theoretical developments on the empowerment front as follows:

- a) Retail shopper empowerment is an integrative construct where consumers can be empowered by either structural or psychological methods. However, most often, it is the cumulative or sequential effect of both structural and psychological empowerment that is identified in the retail sector. An observation of the dimensions as well as items of RSE would reveal store environment and convenience to be structural parameters; whereas relevant information and control over choice set are psychological parameters. So, conceptually, it is possible to ensure superior satisfaction of the target consumers by empowering consumers via structural, psychological or integrative methods (Figure 1).
- b) Secondly, Cho and Faerman (2010) linked the structural and psychological empowerment constructs to organisational individualism-collectivism framework, and proposed the moderating effect of organisational individualism on structural and psychological empowerment. The RSE framework could be an equivalent of the Cho-Faerman model in the retail context by proposing the RSE scale as a measure of structural as well as psychological empowerment, and a higher RSE score would indicate stronger consumer individualism. It also complements the propositions by Pires, Stanton and Rita (2006) by providing the framework to measure empowerment, and in turn decide what

level of empowerment is ideal for a given business scenario. The RSE framework also provides information on the method to selectively modify the empowerment construct in the retail domain for optimal empowerment decision.

- c) Thirdly and most importantly, it is possible to identify and measure each of the components and dimensions of RSE and in turn modify them.

In addition, the RSE measure significantly extends the “value co-creation” framework (Prahalad and Ramaswamy, 2004). According to Prahalad and Ramaswamy (2004), value co-creation posits a close and productive company-customer interface as the central element in a firm’s continued ability to innovate and generate profits. Hence, whenever the consumer gets involved in the value co-creation process in the retailer’s offerings, it improves the store productivity. The retail shopper empowerment model suggests the process and parameters by which the retailer can empower the customer, and the empowered customer would get involved more positively with the retail store. In effect, it will be a value co-creation process for the consumer along with the retailer. Therefore, the value co-creation process model (Bonsu and Darmody, 2008) can be adequately updated with the addition of the RSE framework that would integrate the model with the store parameters and consumer characteristics in providing value to the target consumer.

Managerial contributions

Currently, one of the main business focuses of the organised retail sector is the emerging markets which are considered as a major source of revenue as well as growth. Some of the distinct features of the emerging markets are a large number of middle class consumers, high demand, low individual purchasing power, huge growth potential, high competition, and low concentration ratio. However, most of the organised retailers in emerging markets often encounter the lack of predictability of the purchase behaviour of the large middle class that is characterised by lack of brand sensitivity and frequent brand switching behaviour. Even the traditional store performance indicators (such as basket size and frequency of store visit) are proving to be inefficient estimators of long-term sustainability. As per Cardlytics (2014), frequent visits or higher purchase amount for the consumers with any retail store does not necessarily mean high loyalty as the consumer may spend an equivalent amount with competitors too.

In this scenario, RSE can be considered as a solution to the frequent brand-switching behaviour and lack of loyalty of customers in emerging markets. As the customers are more intimately involved in the value design (viz., store offering) to value delivery process (viz., merchandise and service delivery), they are less likely to complain and more likely to patronise the store. Hence, the retailer can segment and target the customers based on their empowerment index in retail stores. They can develop the positioning strategy accordingly, create merchandise mix and provide an overall pleasurable shopping experience for the target customers. In addition, the promotion and service mix can be designed as per the RSE index of the consumers and get the customers associated with the delivery of merchandise and services to self and others (viz., empowered community).

Choosing value

Traditionally, retail consumers are segmented as economic or recreational consumers (Bellenger, Robertson, & Greenberg (1977); Westbrook and Black (1985); Ganesh et al. (2010); Reynolds et al. (2012)). A value-seeking consumer shops strictly as a means to the end, while a hedonic consumer enjoys shopping with all the sensory touch points. A value-seeking consumer is not really bothered by the multitude of store offerings so far as he/she can carry out his/her shopping experience efficiently. A hedonic consumer wants to spend time in the retail environment and wants the experience to be pleasurable. However, this broad framework provides the basic positioning and operational context for retail business. It fails to account for competitive superiority as well as store patronage by the consumers. As a result, the traditional model for retail segmentation fails to provide direction to the retailers during slow retail growth, intense competition or poorer return on investments.

In this context, an RSE measure provides a challenging competitive edge for any retailer by involvement of the consumers in the retail operations, adequate customisation of the store offerings and most significantly, bonding with customer at an emotional level. A categorisation of the retail consumers based on their RSE propensity helps retailers to identify consumers at a psychographic plane and customise the offerings to satisfy their ego (viz., ownership and involvement). Hence, it helps to develop long-term store patronage from the customer.

The RSE scale could also help in assessing the impact of repositioning of any store for long-term sustainability based on the empowerment quotient of the customers. It is possible to measure the RSE scores for consumers of any geographical location and divide them based on their scores (viz., high and low). Each of the groups could be used as test group and control group to test the impact of RSE initiatives on store performance indicators. Insignificant difference in the results between the test groups and control group would indicate the lack of impact of RSE-based repositioning on store performance. A recent example would be the relative success of an apparel chain in India which took the customer feedback regarding stock outs and new designs to the next level by implementing a few of the recurrent suggestions, and intimating the customers (who were part of the CRM initiative) that their suggestions had been implemented. These customers (and their families and friends) considered this initiative unique and showed strong patronage motives (tested before and after the initiative).

Designing value

Designing value in a retail environment involves developing store offerings that would be treated as value by the prospective customers. Typically, merchandise and service planning, merchandise management, pricing and store atmospherics are part of value design for the retailer. Appropriate value design as per the characteristics and preference of the target customer is the key to the success of any retail store. As per the constitutive as well as operational definition of RSE, consumers with different RSE scores would appreciate different value designs from the retailers. With the RSE scale and structural-psychological empowerment divide, the retailer could differentiate between

the consumers with differential RSE scores. Hence, value preferences and the specific components of value that are significant for the target customer (from dimensions of RSE, such as store environment and store convenience) can be identified. As a result, the retailer can develop attractive offerings for interested (viz., profitable) customers and isolate (with reduced investment and focus) the uninterested ones. This would lead to superior utilisation of retailer resources and in turn improved chances of success in the long run.

Communicating and delivering value

The dimensions of RSE (viz., relevant communication and store environment) and their significance across multiple groups of consumers as well as multiple retail verticals provide enough input to the retailer regarding the effective modes of communicating to the target customer. It also provides the retailer with the effective method of value delivery (viz., store environment, store convenience and control over choice set) that is appreciated by the target customer.

The combination of value choice, value design, value communication and value delivery is the proverbial cornerstone for the success of any retail business. As measuring and identifying RSE has a significant impact on each and every stage of the retail value chain, it would be appropriate to accept the managerial significance of RSE measurement.

Limitations and scope for further research

As with any other research, this project also has a few limitations. The first limitation would be the extent of coverage of the various stakeholders (such as consumers, retailers and experts) in the dimension identification and item generation phase. A superior coverage of the stakeholders (breadth as well as depth) in exploratory research might lead to more comprehensive item identification, and in turn, dimension development. The second limitation would be the generalisability of the RSE scale. In this study, it has been validated across multiple formats and across demographics (viz., income ranges). Hence, there is always the scope to make the instrument more inclusive and generalisable by testing it across multiple verticals (such as food and grocery and specialty), and different sets of demographics (such as age, education and family size).

The RSE concept is a relatively new concept and this is the first known attempt to quantify it. Hence, there is a requirement to introduce more theoretical stability to this construct which in turn would lead to significant practical usage. As a starting point, the impact of increased/reduced RSE on store productivity and consumer perception can be studied. Subsequently, the ideal RSE level could be estimated across different retail verticals and different consumer characteristics. Even the impact of macro-economic parameters and retail brands can be ascertained as antecedents to RSE scores. In addition, shopping behaviour of consumers is typically affected by task types (Kenhove et al., 1999) such as urgent purchases, large quantities purchases and regular purchases, shopping motivations (Tauber, 1972), personal shopping values (Babbitt et al., 1994) and various shopping orientations (Sinha, 2003). Impact of these shopping antecedents on RSE scores, store strategy and consequent customer loyalty could be studied as well.

Appendix

Questionnaires (Likert Statements)

Consumer empowerment questionnaire	Store experience of an empowered consumer questionnaire
Lighting helps in noticing the items easily.	I know very little about the products that I buy.
Arrangement of merchandise in the store helps locating items easily.	I am an experienced shopper.
It is comfortable to move around in the store even during peak hours.	I am a well-informed shopper.
Signage inside the store is helpful in locating items.	I am an expert shopper.
Store has an attractive ambience.	I think I have more self-confidence than most people.
One does not need to stand for a long time in the checkout counter.	I am more independent than most people.
Adequate alteration and fitting facilities are available in the store.	I think I have a lot of personal ability.
Display windows are quite informative and inviting.	If something out-of-the ordinary occurs in dealing with the retail firm, the firm generally handles it quickly as a special situation to satisfy and please me.
Talking to the sales persons and/or visiting the website of the retailer helps me compare price and quality of the items of the store with other competitors.	In my view, consumers can generally influence the retail firms to make changes to better serve needs & desires of consumers.
Through various social media, the retailer provides me with an opportunity to learn about the experiences/choices of other consumers.	While dealing with a retail firms, consumers can generally pressurise the retail firm to do what is right and fair.
Through emails, SMSes, in store promotions and POS communication systems, the retailer provides relevant information on items, brands and their usage.	Most of the salesmen/employees won't go out of their way to help or satisfy the consumers.
I feel great if my feedback and preferred choice set is included in the retailer's future collection.	As an average consumer, there is little use in writing complaint letters to retail firm officials.
For me, larger the choice set, higher is the shopping satisfaction.	When a product is defective or shoddy, usually there is not much a consumer like me can do. . .if the retail firm refuses to make it "right" or "replace it".
Flexibility in offering and pricing is the key to feeling comfortable in the store.	When dealing with the retail firm, I am often treated. . .as just another body rather than a person with specific needs and desires.
	I do not feel forced while shopping by the retailer.
	Shopping decision I make is completely voluntary.
	I do not feel obligated to buy the product(s) if I simply browse through the products in the shop.
	Others would not have to talk to me into my final purchase decision making.
	"Not because I have to buy it, but because I want to buy it" would characterise me.
	When I was making this choice, any outfit (dress) that seemed satisfactory was OK. I didn't need to find the absolute best.
	It is not very important to me to choose the best outfit (dress).
	Please check the one phrase that best describes this particular choice. I was looking for:
	Any outfit (dress)
	The outfit showed to me was good enough but not necessarily the best for me, of the ones on the table/rack.

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