The Influence of a Retail Store's Atmosphere on Consumer's Reactions: The Case of Ephemeral Stores

Ghalia Boustani, Jean-François Lemoine

Université Paris 1 Pantheon Sorbonne (PRISM Sorbonne), Paris, France

Pop-up stores present many advantages to brands and customers. They take advantage of seasonality and events and manifest themselves in a relevant way in front of the targeted customer. Following a mixed-method approach, semi-structured interview outcomes were used to enrich the proposed research model, which was then tested by a questionnaire. Our research's results highlighted interesting components respective to the Lebanese market's pop-up stores; test and experimentation, collection presentation, communication and buzz creation. Test results showed that Lebanese pop-up store atmospheres are characterized by their social dimension; customers are less affected by the aesthetics and more affected by the crowd who frequents the pop-up. Results showed that customers feel happier and are more likely to stay and to spend time in the store than to make purchases.

Keywords: ephemeral stores, pop-up store, experiential contexts, emotional reactions, social dimension

Ephemeral Stores: Formation of a New Form of Distribution

The postmodern consumer is looking for consumption of meaning and constantly looking for new things, for ways to stimulate his senses, feeling and dreams (Klépierre & QualiQuanti, 2015). He is driven by sales outlets that manifest themselves in a new way and that are points of engagement rather than mere meeting places (Popup Republic, 2017). Pop-up stores have become more adopted by different types of brands (fashion retailers, book stores, grocers and so on) as they easily fit with their strategies (Retail Touch Points, n.d.), whether launching new products, testing new territories or celebrating an event. They have the faculty of putting the brand closer to the customer by proposing novelty, entertainment and animations.

Ephemeral outlets are defined as outlets with limited lifetimes that appear and disappear without warning. They are defined as a brand "happening" (Amelle, 2012) that consumers do not want to miss and that they do not want to feel excluded from (Klépierre & Quali Quanti, 2015). This type of store presents consumers with "experiential contexts" in which they can immerse themselves. These contexts invest in the search for themes of atmosphere, develop the interior by arranging space in a particular way to the brand and conceive space in a stimulating and exciting way (Influencia, 2015; Picot-Coupey, 2012).

The recession of the year 2008 had reshaped the world of retail. Owners have become more flexible to rent their spaces for shorter durations. Brands have put more effort to think of ways to excite and engage customers

Ghalia Boustani, Ph.D., researcher/lecturer, UFR 06, Paris 1 Panthéon Sorbonne (PRISM Sorbonne), Paris, France.
Jean-François Lemoine, full professor, ESSCA School of Management, Université Paris 1 Panthéon-Sorbonne (PRISM Sorbonne), Paris, France.
Correspondence concerning this article should be addressed to Ghalia Boustani, Paris 1 Panthéon Sorbonne (PRISM Sorbonne), Paris, France.

who have become increasingly difficult to attract and less able to spend (CradlePoint, 2012; Tomlinson, 2014). The recession was also an important catalyst for the development of pop-up stores, but it will not have been so important without online commerce. These points of sale have presented a considerable opportunity for online brands capable of humanising the relationship with Internet users (Boxall, 2012; Le Padellec, 2016) and coming closer or even engaging more with them.

The Development of Ephemeral Stores

Ephemeral stores have existed for centuries but their most recent appearance began in the 1990s in England and the United States. Since 2004, several brands and communities have invested in ephemeral stores; which persists so far (Marciniak, 2009). Pop-up stores have many advantages for the brand and the customer. Their attractiveness is due to their short life span and the imprecision of the service life. They choose a place suitable to the brand (Picot-Coupey, 2014), congruent with its identity and which gives "flavour to the environment".

These "clandestine" stores take advantage of seasonality and events and manifest themselves to the consumer at a particular point in time (Dean, 2012). "Here today, gone tomorrow" is a state that characterizes the imprecise nature of pop-up stores and makes them as powerful and influential to consumers (Economist, 2009). They can exist in different forms and can be found in different places.

Consumer Reactions to the Experiential Sales Atmosphere

Consumers have become more alert, more informed and less resistant to "inlaid" messages, and thus shifting marketing from a passive state to an active state (Posner, 2011). The transactional context of marketing becomes more relational by taking action on the purchasing environment to offer consumers hedonic rewards enhancing the customer shopping act (Lemoine, 2004). With sensory marketing, the direction towards the theatricality of sales points is established to focus on the activation of the consumer's five senses (Srinivasan & Srivastava, 2010). Following the appointment of Pine & Gilmore (1999), the point-of-sale's experience becomes the main foundation offering consumers immersion in extraordinary experiences.

The postmodern trend suggests that consumers want to immerse themselves in varied experiences that make sense of their lives (Carù & Cova, 2003; Vanheems & Collin-Lachaud, 2011; Holbrook & Hirschman, 1982). It is in the point-of-sale's atmosphere, made up of the ambience, design and social dimensions that the consumer establishes his relationship with the brand and builds his own identity. Space thus becomes a cognitive and emotional place where the exchange and construction of relationships are founded. It is also a themed and dramatized place that presents multi-sensory excitations, developed to arouse positive emotions among consumers; these emotions will be followed by behaviours of approach or avoidance (Bitner, 1992; Daucé & Rieunier, 2002).

Empirical results have shown that sensory, emotional, and imaginary stimuli directly affect consumers' affective reactions and subsequently their intentions (Altcheva & Weit, 2006). The first reaction to any environment is emotional (Driss et al., 2009). As for the behavioural responses to the variables of the atmosphere, they are influenced by individual and situational differences (Bitner, 1992). These internal responses influence consumer emotions as much as they influence their behaviours and they also affect the interactions between consumers and employees (Niehm et al., 2007).

The Research Framework and Research Gap

Existing literature has concentrated on the classic effects of a store's atmosphere on consumers' reactions but did not present sufficient research relative to a pop-up store's atmosphere. The study's aim is to test the responsiveness of customers to ephemeral store atmospheric factors with as a field of investigation: The Lebanese market.

The SOR (*Stimulus-Organism-Response*) model by Mehrabian and Russel (1974) was designed to analyse the effect of the point-of-sale's sensory dimensions. It explains the consumer's induction process due to his exposure to environmental stimuli. The framework provides grounds for studying a point-of-sale's atmosphere and its ability to influence emotional and behavioural responses (Mehrabian & Russel, 1974). Whilst in contact with the environment, a customer's intentions are affected by surrounding stimuli and will, in turn, influence his behaviours (Lichtlé & Plichon, 2014; Babin et al., 2001; Lunardo et al., 2012).

Several studies have presented sufficient and satisfactory information on the environment, on consumers and the effects of the environment on the consumer. However, very few studies have been done on the subject of ephemeral stores and were concentrated on pop-up stores in Northern America and Europe. In addition, the key variables that differentiate an ephemeral store from other store types have not been highlighted in the academic literature. Our interest in the Lebanese market to collect information was because an important number of brands have turned to this attractive phenomenon in recent years (Boustani, 2016) and that it would be worth presenting finding that complement those relative to other markets.

The research gap is to understand whether a pop-up store's atmosphere, as opposed to a traditional store's atmosphere, has similar or different effects on customers' reactions and that in the Lebanese market context.

The Exploratory Study

The research's design allows the conjunction of its different elements, as Grunow (1995) notes, p. 93. This approach consisted first of covering managerial and theoretical interests. Then, qualitative data was collected to refine the proposed research model. The third step was to collect data through a questionnaire that was lastly interpreted. This approach reduces the risk of not having "strict and deterministic" links (Thietart et al., 2014), p. 169 between the pillars of research. Following a mixed-method approach, our research has started with an exploratory study followed by a confirmatory study.

The exploratory study allowed us to better understand the researched subject and to extract relevant emerging variables out of the field; these variables have enriched the research model (Evarard et al., 2009; Thietart et al., 2014). A total of fourteen semi-structured interviews (Lunardo et al., 2012), of an average duration of thirty minutes, were launched, recorded, transcribed during the period of November and December 2015 and January 2016. Data collection stopped at the moment when the answers obtained the semantic saturation threshold and subsequently began to report less novelty to the answers obtained. Following a horizontal and vertical content analysis, we constructed a "frequency of occurrence" grid to collect the items that appear most by the majority of respondents (Frisch, 1999; Sabiote & Ballester, 2011).

Results show that an ephemeral store is adopted for testing the market, experimenting, or exploring a distribution channel. Ephemeral stores are means of brand communication as well as a means that can help the brand sell its products. Communications have to be carefully thought and have to be coherent with the brand's identity and with the pop-up store's theme. These types of outlets appear for a limited period by triggering an

instantaneous action among consumers; while doing so, they hope to create a positive customer experience. It is through these stores that the brand has the opportunity to present exclusive or limited products or present a selection of merchandise that is relevant to the season or the event.

Pop-up stores are themed places where customers meet with the brand for a defined period. The location is relevant to the brand's identity and is designed to meet this identity. Customers will be presented with novel concepts every time they meet up with the brand through a pop-up store. This will create excitement and hype and will lead to a buzz and positive word-of-mouth. Brands take advantage of ephemeral stores to come closer to the targeted customer, get in contact with him, share news, create awareness, propose novelty and provide him with excitement and fun.

The research conceptual model. We compared variables resulting from the literature review with variables emerging from the qualitative study and we selected those relevant to our research topic: The seasonality of appearance of the point-of-sale ephemeral, the duration or pop-up store's life, the product selection, the pop-up store's congruence with the brand and the pop-up store's theme. Even though the brand's identity influences atmospheric conceptions, this study focuses on the pop-up store's atmosphere at the time of its actual presentation, without questioning the brand's identity decisions contributing to its success.

The conceptual model studies the influence of a store's atmosphere on customers' emotional reactions, intentions and behavioural reactions. Since pop-up stores have specificities differentiating them from traditional retail outlets, the model adopted those variables that best relate to these types of stores and best describe their characterising features. Since the first customer reaction to any atmospheric stimulus is affective, the research proposed to study the effect of moderating variables on the relationship between the store's atmosphere (independent variable) and customer's emotional reactions (dependant variable).
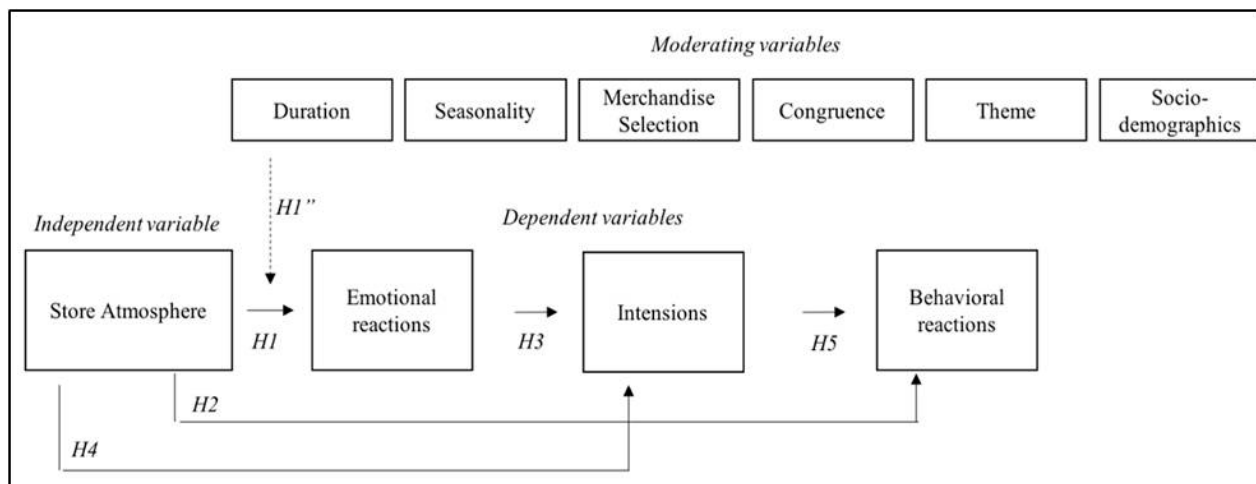

Figure 1. Conceptual model.

Confirmatory Study: Test Results

Following the advancement of the model of our research, a questionnaire was prepared, tested and then administered after having modified it according to the remarks resulting from a pre-test. Data was collected through an electronic platform (Calvo-Porral et al., 2016) and physical forms. Out of 425 collected questionnaires, a total of 250 complete responses were retained and they reflected answers of a heterogeneous sample composed of males and females belonging in majority to the following age groups: 58.80% between

15-25 years old and 29.60% between 26-35 years old. Most of the respondents are single, employed (48%) or students (30%) and earn around 15000 USD per year. We note that all respondents would have visited at least one pop-up store before responding to the questionnaire.

The adopted measurement scales related respectively to the variables to be tested: Environment of the point of sale (Driss Bakini et al., 2009), the theme of the ephemeral store (Mercanti-Guérin, 2008), the congruence with the brand (Gordon & Bruner, 2013), product selection (Babin et al., 2004), behavioural responses (Kumar & Kim, 2014), emotional reactions (Lichtlé & Plichon, 2014), intention (Niehm et al., 2007). We mainly used 7-point Likert scales.

The principal components analysis made it possible to judge if the loadings of the measured items are weak. Subsequently, these loadings are eliminated so as not to affect the reliability of the results. It is through the "KMO and Bartlett" test that we measured the adequacy of our sample. We, therefore, check the "reliability", internal consistency, of the measuring instruments according to the calculation of Cronbach's Alpha. The "Mean-Variance Extracted" (AVE) measured the level of variance a construct captures relative to the level due to the measurement error (Thietart et al., 2014).

Two different tests were performed using SPSS. A "correlation" test to validate the hypotheses between the independent variable and each of the dependent variables. The moderating variable acts mainly on the relationship between two other variables; it is, therefore, a variable that methodically modifies the magnitude, intensity, meaning and/or form of the effect of the independent variable on the dependent variable. Each of the proposed moderating variables was tested separately following a "three-regression" calculation.

Test results confirm the existence of a relationship between the dimensions of the point-of-sale atmosphere and the dimensions of the emotional reactions of consumers. Unlike results presented within the literature, the atmospheric dimension of Lebanese pop-up store atmospheres has a very shy impact on the customer emotional reactions; only a relationship between the intensity of lights and music influences the customer's feelings. The "social" atmospheric dimension on the other hand positively affects emotional consumer reactions visiting ephemeral outlets. This aspect dominates any other form of stimulation at a given moment and encourages people to spend more time, turns their visit into a hedonic escape and serves as a window of socialization, a reunion or a pleasant exploration. The crowd acts as a magnet, a magnet for people looking for a playful rather than a utilitarian aspect to visit the ephemeral outlet to spend time, entertain, socialize, mix with people, be part of the event.

The social of a point of sale is represented by the entire audience and the personnel. Results of some research have demonstrated the positive influence of the "social" point of sale dimension on consumer intentions. The aesthetic atmospheric dimension of Lebanese pop-up stores does not influence consumers' intentions, which contradicts previous academic research. These stores are perceived by Lebanese consumers as events that must be "experienced" or else customers will "fear being excluded" and not being at the right time with the right crowd.

The results of our research did not show a relevant relationship between consumer intentions and behavioural responses, such as the extension of time spent or purchase, even though this relationship is already validated by previous studies. The fact that consumer emotional reactions in ephemeral outlets only affect intentions does not mean that the consumer will not buy the brand or form positive brand opinions. The act of purchase will likely be done in another sales channel according to which the brand acts. Lebanese consumers

can react differently to ephemeral outlets than to European or North American consumers. This may be due to the recency of the phenomenon in Lebanon, or this may be due to the strong social influences that crush all opportunities of purchasing during the event as opposed to attending the event.

The main results of the effects moderating the relationship between the "atmosphere" and "emotional reactions of consumers" first showed that the socio-demographic status of consumers who visited the ephemeral outlets in Lebanon is not a variable that impacts the relationship between the point-of-sale atmosphere and emotional reactions. Only the "social" dimension and the feeling of "happiness" are positively moderated by the age of consumers and their socio-demographic status. Other variables positively moderating the relationship between the social dimension of the point-of-sale atmosphere and the happiness experienced by consumers are related to the presentation of products at the right time or during holidays or festive periods.

Theoretical and Managerial Contributions

Our research is consistent with several studies of the existence of a point-of-sale relationship with the emotional and behavioural responses of consumers. The SOR model in environmental psychology has shown that environmental stimuli affect the emotional states of consumers and later they will move closer to or avoid the point of sale. Following the qualitative study, our model has been enriched by several emerging variables closely related to the context of ephemeral outlets. An important theoretical contribution of this research would be putting forward a model respective to pop-up store atmospheres and their effects on consumer reactions.

An ephemeral point of sale is conceived according to characteristics comparable to a traditional point of sale. Several moderating variables describe its ephemeral nature, and these are especially those concerning the duration of time and the seasonality of appearance. A significant difference was noted in the application of ephemeral stores in the Lebanese market Lebanese brands managers are invited to prioritize their expectations for the conception and assembly of ephemeral stores; they are invited to pay closer attention to the ways that different atmospheric variables affect their customers' behaviours.

Managers are urged to educate their consumers to better understand the concept of ephemeral stores and to ensure that they are informed about the nature of the event, not just about its social aspect as it is visible that the Lebanese consumer is less aware of the aesthetic characteristics of the pop-up store's atmosphere.

Ephemeral point-of-sale communications are necessary for the spread of the event at a given moment to invite consumers (loyal and fans) to come to join the brand and participate in its proposed activities or assist in its presentations.

"Multichannel" in retail is becoming an important lever for brands who want to compete in fiercely competitive markets. If the ephemeral store is one of a multitude of distribution channels of a brand, managers are encouraged to ensure a smooth transition between these channels; a seamless relationship.

Pop-up stores not only deliver aesthetic experiences but can valorise more than ever social experiences. The point of sale's atmosphere has to stay true to the brand and has to transport customers into accessing its world, getting in touch with it and being able to share an experience with the brand and others.

Limitations and Perspectives of Research

We are aware that our study has limitations like any other research in management science. As the spread of ephemeral stores is still shy on the Lebanese market, there is still a cautious attitude toward this type of store. This may be because Lebanese consumers do not understand what ephemeral stores represent, either that they

have not grasped the concept correctly or that they have not been in contact with enough engaging brands in these types of stores.

Other moderating variables such as the place of appearance of the ephemeral store and the ephemeral selling point format can be considered in future research routes. These variables are important in ephemeral store design and are chosen to add value and competitive advantage to the brand.

We also understand that there are limits related to the "convenience" sample that was studied in Beirut, Lebanon; this sample might have reduced the research external validity. Future studies seek composing samples of varied populations as well as important numbers of respondents.

Bibliography

Altcheva, V. D., & Weit, B. A. (2006). When should a retailer create an exciting store environment? *Journal of Marketing*, January, 70(*1*), 107-118.

Amelle, N. (2012). Marketing. [Online] Available at: http://www.e-marketing.fr/Marketing-Magazine/Article/Pop-up-stores-le-triomphe-de-l-ephemere-44665-1.htm [Accessed on 2016 Mar. 2016].

Babin, B. J., Chebat, J. -C., & Michon, R. (2004). Perceived appropriateness and its effect on quality, affect and behavior. *Journal of Retailing and Consumer Services*, 11, 287-298.

Bitner, M.-J. (1992). Service scapes: The impact of physical surroundings on customers and employees. *Journal of marketing*, April, *56*, 57-71.

Boustani, G. (2016). Alternative retailing? Retail Observatory, first half of 2016, pp. 101-106.

Boxall, N. (2012). re pop-up shops the answer to empty high streets? [Online] Available at: https://www.theguardian.com/money/2012/jul/20/pop-up-shops-empty-high-street [Accessed on 12 February 2016].

Calvo-Porral, C., Martínex Fernàndez, V.-A., & Juanatey-Boga, O. (2016). Influence of manufacturer signature on store brands' loyalty and purchase intention. São Paulo, RAE, pp. 29-42.

Carù, A.，& Cova, B. (2003). Approche empirique de l'immersion dans l'expérience de consommation: Les opérations d'appropriation. *Recherche et Applications en Marketing*, 18(*2*), 47-65.

CradlePoint. (2012). Trends in Pop-up Retail: Innovative merchandising driven by flexible, dependable mobile connectivity. s.l.:s.n.

Daucé , B., & Rieunier , S. (2002). Le marketing sensoriel du point de vente. *Recherche et Applications en Marketing*, 17(*4*), 45-65.

Dean, W. (2012). independent.co.uk. [Online] Available at: http://www.independent.co.uk/news/uk/this-britain/the-pop-up-paradigm-they-may-not-last-for-long-but-temporary-shops-are-here-to-stay-6294576.html [Accessed on 14 Mars 2016].

Driss Bakini, F., Ben Lallouna Hafsia, H., & Jerbi, S. (2009). Effet de la valeur perçue de magasinage sur le comportement du consommateur: Cas d'un point de vente spécialisé. La Revue des Sciences de Gestion, Mai-Août, (Direction et Gestion) (No.237/238), pp. 177-185.

Economist. (2009). Gone tomorrow. [Online] Available at: http://www.economist.com/business/finance/displaystory.cf,?storyid=14101585&fsrc=rss [Accessed on 20 August 2009].

Evarard, Y., Pras, B., & Roux, E. (2009). Market. 4e édition éd. Paris: Dunod.

Frisch, F. (1999). Les études qualitatives. Éditions d'organization éd. s.l.:Eyerolls.

Gordon, C., & Bruner, I. (2013). Marketing Scales Handbook. Multi-item Measures for Consumer Insight Research. s.l.: GCBII Productions, LLC.

Grunow, D. (1995). The research design in organization studies: Problems and prospects. *Organization Studies*, Jan.-Feb., 6(*1*), 93-103.

Holbrook, M. B., & Hirschman, E. C. (1982). The experiential aspects of consumption: Consumer fantasies, feelings, and fun. *Journal of Consumer Research*, September, 9(*2*), 132-140.

Influencia (2015). Le consommateur en manque de popup stores. [Online] Available at: http://www.influencia.net/fr/actualites/tendance, etudes,consommateur-manque-pop-up-stores,5051.html [Accessed on 2 February 2015].

Klépierre, & QualiQuanti. (2015). Pop-up stores: La conquête d'un territoire d'expression pour les marques. s.l.: s.n.

Kumar, A., & Kim, Y.-K. (2014). The store-as-a-brand strategy: The effect of store environment on customer responses. *Journal of Retailing and Consumer Services*, 25(*5*), 685-695.

Le Padellec, P. (2016). VE interactive. [Online] Available at: VE interactive [Accessed on 09 March 2016].

Lemoine, J. F. (2004). Magasins d'atmosphère: Quelles évolutions et quelles perspectives d'avenir? *Revue Francaise du Marketing*, Juillet, 198(*3/5*), 107-116.

Lichtlé, M. C., & Plichon, V. (2014). Les émotions ressenties dans un point de vente: Proposition d'une échelle de mesure. *Recherche et Application en Marketing*, 29(*1*), 3-26.

Lunardo, R., Saintives, C., & Roux, D. (2012). Une étude exploratoire des inférences de contrôle du consommateur face à l'atmosphère du point de vente. *Management et Avenir*, *55*, 55-78.

Marciniak, R. (2009). Marketing approaches top Pop-up stores: Exploration of social networking. London, Londonmet Business School.

Mehrabian, A., & Russel, J. (1974). An approach to environmental psychology. Cambridge: MIT press.

Mercanti-Guérin, M. (2008). Perception d'une annonce créative par le consommateur: construction et validation d'une échelle de mesure. *Recherche et Applications en Marketing*, 23(*4*), 97-119.

Niehm, L. S., Ann Marie, F., Jeong, M., & Kim, H. J. (2007). Pop-up retail's acceptability as an innovative business strategy and enhancer of the consumer shopping experience. *Journal of Shopping Center Research*, 13(*7*), 1-30.

Picot-Coupey, K. (2012). Pop-up stores and the international development of retail networks. Venice, International Marketing Trends Conference.

Picot-Coupey, K. (2014). The pop-up store as a foreign operation mode (FOM) for retailers. *International Journal of Retail & Distribution Management*, 42(*7*), 643-670.

Pine, J., & Gilmore, J. (1999). The experience economy. s.l.: HBS Press.

Popup Republic. (2017). [Online] Available at: https://popuprepublic.com/our-services/

Posner, H. (2011). Marketing Fashion. s.l.: Laurence King .

Retail touch points. s.d. Pop-Up stores become more than just a trend. [Online] Available at: http://www.retailtouchpoints.com/features/special-reports/pop-up-stores-become-more-than-just-a-trend [Accessed on 17 January 2017].

Sabiote, E., & Ballester, M. (2011). Marcas de experiencia: Marcando la diferencia. Estudios generales, Octubre-Diciembre, 27(*121*), 59-77.

Srinivasan, S., & Srivastava, R. (2010). Creating the futuristic retail experience through experiential marketing: Is it possible? An exploratory study. *Journal of Retail & Leisure Property*, 9(*3*), 193-199.

Thietart, R. A.et al. (2014). Méthodes de recherche en management. 4e édition éd. Paris: Dunod.

Tomlinson, M. (2014). [Online] Available at: Available at: www.business.ee.co.uk [Accessed on 2017].

Vanheems, R., & Collin-Lachaud , I. (2011). Comment le parcours cross-canal du consommateur transforme-t-il son expérience de shopping? s.l., Cahiers de recherche PRISM-Sorbonne, pp. 1-29.