‘You are where you shop’: Examining stereotypes about town center shoppers

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A R T I C L E   I N F O

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Out-of-town shopping
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A B S T R A C T

The future role of the town center as a retail hub is uncertain. Despite being a historical meeting place, town centers have been struggling for decades to attract customers and retain retailers after the development of out-of-town centers and advancement of online shopping. Previous retail research has mostly used rational explanations and strategies like improved access, pricing, and retail mix to deal with this situation; but this study uses the stereotyping framework that traditionally examined user imagery associations. Town centers have historical charms, cultural establishments, and high streets, which may give rise to certain stereotypical judgments of consumers who prefer or dismiss town centers over other channels, such as more mass consumption-oriented out-of-town centers or online retailers. Could stereotyping be an alternative way to generate alternative strategies to cope with the decline of town center retailing? In two experiments with representative samples (total N = 703), we found that town center shoppers were perceived to be more likable, cultured, and moral, but less frugal than out-of-town and online shoppers. We further observed that status and polarization were central to town center shoppers were perceived positively. These findings not only support the role of symbolic consumption and stereotypes in retail channels, but also provide strategic marketing implications for town centers where retailing activities are in decline.

1. Introduction

Research on stereotyping shows that individuals form impressions of others based on their consumption choices, given that our purchase decisions are often driven by symbolic values (Fram and Cibotti, 1991; Vartanian et al., 2007). As early as the 1950s, experiments with projective methods showed that housewives who purportedly included an instant café brand on their shopping lists were described as lazy and failing to plan household purchases (Haire, 1950). To date, several studies have found implications related to stereotypical judgments of others based on what they consume (for reviews, see Fram and Cibotti, 1991; Vartanian et al., 2007). For example, women were perceived to be more feminine when they ate smaller meals (Chaiken and Pliner, 1987) and more attractive and likable when they ate low-fat foods (Mooney et al., 1994), and consumers were judged to be more moral when they preferred organic foods or environmentally friendly cars (Olson et al., 2016; Stein and Nemeroff, 1995). It is therefore evident that perceptions of others that are influenced by what they buy are important to marketing in general, but could such perceptions also be relevant for a retail context and influenced by where they buy? Put simply, is it socially accepted to shop at certain destinations, and do we judge people depending on where they shop? Could stereotypes work as a strategic tool to attract the right customers to the declining town center?

Retail marketing literature has generally focused on competition among three main channels: town center shopping, out-of-town shopping, and online shopping (Alzubaidi et al., 1997; Teller and Reutterer, 2008; Weltevreden, 2007; Whysall, 1995). These channels are also recognized to differ in terms of attributes, customer profiles, and price levels (Ng, 2003); therefore, they may give rise to varying perceptions of consumers who prefer one of these channels over the others. More specifically, the focus of this paper is on understanding the perceptions of town center shopping versus other shopping channels (out-of-town and online). Such an understanding would be important for several reasons. Given the current governmental, managerial, and academic interest in revitalizing economic activities in town centers (Ortuño Padilla et al., 2017; Wahlberg, 2016; Whysall, 1995) and the idea that consumption and purchase behavior are very much determined by social motives, we believe that town center managers could enhance marketing capabilities and compete more effectively with other channels through
understanding the role of stereotyping, user imagery, and symbolic values of town center shopping. From a retailer perspective, such understanding could be relevant when crafting channel strategies.

Interestingly, recent research has shown that stereotyping and consumption-based perceptions of individuals can be influenced, distorted, and neutralized by income type and issues related to deservingness, and that not everyone is judged as moral when contributing to the common good (Olson et al., 2016). It has been found that welfare-recipients in comparison with the employed were not perceived as moral and deserving when they consumed higher-priced organic and sustainable food products. This phenomenon could be relevant in a town center context, as town center managers' role is not only to find possible positioning strategy for the town center, but also to be socially responsible by promoting sustainability, maintaining the community feeling, and avoiding polarization. Appealing to inhabitants through supporting the town center has also been suggested as a strategy for the town center (Brown et al., 2003). Jewell (2001) described the social implications regarding polarization around the development of the department stores and city centers of the early 1900s, like the Burlington Arcade in central London, where those of the lower class were not welcome. The situation of the town center manager is unique and complicated, as he or she, in contrast to competing channels, needs to craft a differentiation strategy for retailing and, at the same time, make every citizen feel welcome. Inspired by recent research that showed how the same consumption decisions were judged differently based on consumers' status in the community (i.e., income type; Olson et al., 2016), we also investigate the role of this dimension in the relationship between shopping channel choices and relevant consumer perceptions commonly related to stereotyping. In this paper, we argue that just as organic foods are perceived as the 'right thing to eat' for being wholesome and environmentally friendly, the town center could be perceived as the 'right place to shop', as it represents a more ethical and sustainable (albeit more expensive) option for consumers through the sense of supporting one's local community.

The overall aim of the present study is to investigate to what extent preferences for different retail channels can affect how these customers are judged by others using a stereotyping framework. To reach this study objective, we first present a brief review of the literature on town center versus out-of-town and online shopping. Then, in Study 1, we identify consumer characteristics that could be perceived differently across different shopping channels (i.e., town center, out-of-town, online) and hence give rise to stereotyping effects by going through the stereotype literature. Inspired by Olson et al. (2016), Study 2 utilizes the deservingness approach and tests the framework developed in the first study by using income type as a moderator.

2. Town center versus out-of-town and online shopping

Historically, town centers have been the principal location for shopping, generally comprised of traditional public markets, local stores, and high streets. Retailing in the town center has long been recognized as an important contributor to a city's economy by creating jobs, as well as generating corporate and income tax (Porter, 1995). Town center retailing has also been valuable to the marketing efficacy of a city, for instance via building image, attractiveness, and competitiveness (Warnaby et al., 2005). Town centers have long been the most accessible channel for the majority of residents, and retailing has been a local activity; however, suburbanization, the rise of car sales, and the lack of space for large stores have given rise to new shopping locations outside the town center (Alzubaidi et al., 1997).

For decades, reports have shown that external shopping agglomerations took sales from the town center (Bearden, 1977; Ortúñopadilla et al., 2017; Pratt and Pratt, 1960). As early as the 1950s and 1960s, studies on out-of-town shopping developments were available in the retail literature (e.g., Pratt and Pratt, 1960; Stone, 1954). In the 1970s, marketers even began to segment customers as 'inshoppers' (i.e., town center shoppers) and 'outshoppers' (i.e., out-of-town shoppers; Reynolds and Martin, 1974). Much of this development has been explained by functional factors like wide assortment, low prices, and convenience. For example, external centers could compete on price due to lower land prices, which made it possible for discount and big-box stores (also called category killers) to be established outside town centers. Moreover, convenience, parking availability, and better store and product variety popularised out-of-town shopping (Alzubaidi et al., 1997; Gomes and Paula, 2017). It should be noted, however, that external shopping centers are diverse, comprising high-end luxury stores as well as stores that promote ethical and sustainable lifestyles. Yet, the overall public opinion and academic research indicate that such large shopping establishments are generally associated with consumerism (e.g., Johnstone, 2012; Varman and Belk, 2012).

Out-of-town shopping has become mainstream worldwide, yet the last two decades have witnessed a transformation of physical shopping into online shopping. Online retailers have become a significant threat not only to town centers, but also to external shopping centers, as they often provide the widest assortments and lowest prices in virtually any product category. Accordingly, studies have identified that typical online shoppers were motivated by price, variety, and convenience (Ganesh et al., 2010; Scarpi et al., 2014).

As discussed above, previous retail research has focused primarily on understanding the attributes of the town center, out-of-town, and online shopping channels as well as customer needs and motivations that lead to preferences for different shopping channels (Alzubaidi et al., 1997; Bearden, 1977; Ganesh et al., 2010; Gomes and Paula, 2017). A complementary approach to these functional factors in understanding how the town center could be relevant to consumers and retailers would entail an examination of user imagery, or how customers who shop through these different channels are perceived by others, because marketing communications often capitalize on the existing positive perceptions of the consumers of a brand or product (e.g., green consumers drive electric cars) rather than the attributes of the actual buyers or users (e.g., frugal consumers driving an electric car to save fuel; Darragh, 2010). While the general marketing literature acknowledges that consumption is driven largely by how we want to be perceived by others, little attention has been paid to this issue in the retail literature on town center shopping.

3. Study 1: examining stereotypes about shoppers

3.1. Hypotheses development

Typical shoppers of the town center, out-of-town, and online channels might be described with varying characteristics based on the different attributes of these channels. Because the focus of the paper is on town center versus other (i.e., out-of-town and online) channels, hypotheses were developed to scrutinize which judgments about town center shoppers would differ in comparison to out-of-town and online shoppers. In order to assure relevance to current stereotyping research, we based our conceptual framework on previous research rather than empirical and more exploratory investigations as a starting point. Taking the characteristics about the town center in comparison with the two other channels into consideration and at the same time reviewing the literature on stereotyping from the early 1970s until recent research, we identified and formulated four relevant hypotheses based on likability, cultural capital, frugality, and morality.

3.1.1. Likability

Similar to the previous literature that examined consumer perceptions (e.g., Stein and Nemeryow, 1995), global attitudes toward town center, out-of-town, and online shoppers were considered in this study. Individuals generally have more positive attitudes toward town centers. For example, farmers' markets, which are found in town centers, are perceived to be a friendlier and happier place than supermarkets.
shown that consumers of healthy food (Stein and Nemero, 2012; Sommer et al., 1981). Similarly, Teller (2008) observed in a focus group that almost all participants had a positive attitude toward shopping on the town center high street due to its historical character, although they did most of their actual shopping at out-of-town malls. In the present study, it is anticipated that the overall positive attitudes toward town centers spill over to the perceptions of town center consumers. Hence, it is hypothesized that town center shoppers are perceived to be more likable than out-of-town and online shoppers.

H1. Town center shoppers are rated higher on likability than out-of-town and online shoppers.

3.1.2. Cultural capital

Cultural capital can be defined as the high-status social signals (e.g., attitudes, preferences, formal knowledge, behaviors, goods, and credentials) that are widely accepted in society (Lamont and Lareau, 1988). In a comprehensive treatment of cultural capital and consumption, Holt (1998) maintained that high cultural capital consumers avoided mass culture by selecting authentic and artisanal products over mass-produced ones. For example, Holt (1998) recounted that high cultural capital consumers preferred the thrift stores in the town center instead of mass market brand stores to satisfy their needs for authenticity. Revisiting Holt’s (1998) study, Carlagna et al. (2014) found that today’s high cultural capital consumers emphasize environmental awareness, sustainability, and ethical consumption, which are closely associated with town center shopping, where local artisanal products are available. Given these associations of town centers with consumers with high cultural capital, the second hypothesis is as follows:

H2. Town center shoppers are rated higher on cultural capital than out-of-town and online shoppers.

3.1.3. Frugality

Frugal consumers are characterized as more conscious of price and value (Hoyer et al., 2016). Frugality was also considered to be relevant for this study, given the apparent differences with respect to price levels across the town center, out-of-town, and online channels, as well as the association between consumers’ price sensitivity and their shopping channel choice. Out-of-town shopping establishments have long been perceived as cheaper than the town center, even if the stores on the high street and the external malls were the same (Gomes and Paula, 2017). Studies that examined the factors that contributed to satisfaction with external malls often highlighted the role of low prices. Léo and Philippe (2002), for example, reported that external malls had an advantage over town center stores as a result of discounts and generally lower price levels.

Further, the Internet allows consumers to easily compare the price of a good or service across multiple providers and is therefore often preferred by price-conscious consumers (Girard et al., 2003). In a study of typologies of online shoppers, Brown et al. (2003) found that one of the largest groups was ‘economic shoppers’ who were shopping online mainly due to their price sensitivity. Similarly, Kacen et al. (2013) reported that consumers preferred online stores only when the prices are 8–22% lower than in traditional stores. Given that out-of-town and online shopping channels are often associated with lower prices and price-conscious consumers, ratings of frugality are expected to be lower for town center shoppers relative to out-of-town and online shoppers.

H3. Town center shoppers are rated lower on frugality than out-of-town and online shoppers.

3.1.4. Morality

Consumption has long been studied with respect to moral and ethical considerations (Holbrook, 1987). For example, studies have shown that consumers of healthy food (Stein and Nemeroff, 1995), organic food, and environmentally friendly vehicles (Olson et al., 2016) were perceived to be ethical and moral. Morality has not been widely studied in the domain of shopping channels. Yet, as early as the 1950s, Stone (1954) studied housewives’ reactions to an out-of-town shopping center in Chicago and found that ethical values were prevalent among consumers who preferred neighborhood stores, because supporting the local store owners was perceived to be a moral obligation in the face of larger retail chains that take business away from the local stores. In the 1970s, a cross-cultural replication study (Boone et al., 1974) confirmed Stone’s (1954) findings, while noting that the ethical orientation decreased over time. In the context of grocery shopping, Memery et al. (2012) studied ethical shopping motivations and recommended retail managers to consider opening smaller local or regional stores to satisfy ethical shoppers.

Such moral and ethical considerations, however, are not realized when shopping out-of-town or online. For example, in a study of the orientations of online shoppers, Brown et al. (2003) identified a group that still felt an obligation to support local stores, despite shopping mostly on the Internet. Hence, given that helping one’s community, which can be actualized by shopping at the local merchants in town centers, is considered to be a moral and ethical behavior, higher morality judgments are anticipated for the town center (vs. out-of-town and online) shoppers.

H4. Town center shoppers are rated higher on morality than out-of-town and online shoppers.

3.2. Context and sample

The study context was Sweden, which has been recognized as one of Europe’s most shopping mall-intensive countries (about 400 m² per 1000 inhabitants), and about one-third of shopping goods in Sweden is purchased through such channels (JLL, 2018). In Sweden, as well as in other European countries, the trend is that the external shopping locations, together with online shopping, are growing, while town center sales are in decline (HUI Research, 2015). Accordingly, there has been a long governmental and academic interest in town centers in Sweden (e.g., Forsberg et al., 1999; Wahlberg, 2016).

The present study concentrated on the three largest cities in the southern region of Sweden: Helsingborg (140,547 inhabitants), Lund (118,542 inhabitants), and Malmö (328,494 inhabitants; Statistics Sweden, 2017). The reason for concentrating on these three cities was to keep the study context under control: all three cities have external malls and external retail centers that have been growing and taking sales from the historically rich town centers.

Respondents were recruited from an online panel provided by Norstat Incorporated, which is among Europe’s largest data collection companies. Data were collected from 400 Swedish retail customers (M_age = 45.91, SD = 12.02, 51.8% females) in a consumer panel of 58,000 individuals who were representative of the Swedish population in terms of gender, age, and geography. The respondents were randomly assigned to the following experimental conditions in the study.

3.3. Design and procedure

The study was based on a one-factor, between-subjects experiment with three conditions (town center shopper, out-of-town shopper, and online shopper). Data were collected via an electronic survey. Consistent with the previous literature that examined consumer perceptions (Olson et al., 2016; Stein and Nemeroff, 1995), respondents were told that the study was about how accurately people make judgments of others with limited information available about their shopping preferences. This procedure was inspired by the projective methods whereby respondents make sense of an ambiguous stimulus in light of their pre-existing attitudes and beliefs (Haire, 1950). For this reason, the shopping channels were presented in a vague manner without...
specifying details, so that the respondents could make their interpretations of the scenarios.

In this study, the profile of a fictive couple was presented to all respondents at the beginning of the survey (a couple was preferred to avoid gender effects):

‘Jonas and Maria live together in your community. They work during the week and enjoy shopping together on the weekends.’

Next, participants were randomly assigned to one of the following three experimental conditions:

**Town center shoppers:** ‘They prefer shopping in the city center, where they stroll around, check their favorite stores, and have coffee. They also buy their groceries from the food store located in the city center.’

**Out-of-town shoppers:** ‘They prefer shopping outside the city, where they stroll around, check their favorite stores, and have coffee. They also buy their groceries from the food store located in the mall.’

**Online shoppers:** ‘They prefer shopping online, where they browse the web and check their favorite online stores while having coffee. They also buy their groceries from an online food store.’

Finally, participants were asked to evaluate the presented fictive couple:

‘Based on the information given above, please indicate the extent to which the following characteristics describe Jonas and Maria.’

### 3.4. Measures

All measures in the study were adapted from the existing literature (Olson et al., 2016; Stein and Nemeroff, 1995; Zahn and Hopper, 1985). Likability was measured with three bipolar adjectives (unlikable – likable, boring – interesting, negative – positive); cultural capital was measured with three bipolar adjectives (uncultured – cultured, rural – metropolitan, lower-class – upper-class); frugality was measured with three bipolar adjectives (extravagant – frugal, wasteful – sparing, uneconomical – economical); and morality was measured with four bipolar adjectives (cruel – kindhearted, immoral – moral, uncaring – caring, unethical – ethical). All measures were evaluated using a seven-point semantic differential scale.

### 3.5. Results

The measurement model was validated with confirmatory factor analysis (CFA; see Table 1). Composite scores were computed by averaging the item scores for each multi-item variable. Descriptive statistics, reliability coefficients, and correlation values of these variables are presented in Table 2.

To examine whether consumers were perceived differently based on their choice of shopping channel, one-way analyses of variance (ANOVA) were conducted for each variable in the study; these analyses were followed by planned comparisons to test the study hypotheses. The descriptive statistics for these analyses are presented in Table 3, and the ANOVA results are summarised in Table 4.

As seen in Table 4, all omnibus ANOVAs except for morality were significant. The focus of the analyses, however, was on testing the study hypotheses based on the planned contrasts (i.e., town center score vs. out-of-town score and online score). The results of the planned contrasts for each dependent variable are presented in Table 5. These findings show that, in support of hypotheses 1–4, town center shoppers, compared with other shoppers (i.e., out-of-town and online), were rated higher on the likability, cultural capital, and morality measures, but they were rated lower on the frugality measure. These results are further illustrated in Fig. 1.

### Table 1

<table>
<thead>
<tr>
<th>Factors and items</th>
<th>Morality</th>
<th>Likability</th>
<th>Frugality</th>
<th>Cultural capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>Morality</td>
<td>Cruel – kind-hearted</td>
<td>0.801</td>
<td>Immoral – moral</td>
<td>0.795</td>
</tr>
<tr>
<td></td>
<td>Uncaring – caring</td>
<td>0.753</td>
<td>Unethical – ethical</td>
<td>0.750</td>
</tr>
<tr>
<td>Likability</td>
<td>Unlikable – likable</td>
<td>0.770</td>
<td>Boring – interesting</td>
<td>0.720</td>
</tr>
<tr>
<td></td>
<td>Negative – positive</td>
<td>0.778</td>
<td>Extravagant – frugal</td>
<td>0.606</td>
</tr>
<tr>
<td>Frugality</td>
<td>Extravagant – frugal</td>
<td>0.606</td>
<td>Wasteful – sparing</td>
<td>0.713</td>
</tr>
<tr>
<td></td>
<td>Uneconomical – economical</td>
<td>0.731</td>
<td>Cultural capital</td>
<td>0.866</td>
</tr>
<tr>
<td></td>
<td>Uncultured – cultured</td>
<td>0.866</td>
<td>Rural – metropolitan</td>
<td>0.698</td>
</tr>
<tr>
<td></td>
<td>Lower-class – upper-class</td>
<td>0.650</td>
<td>AVE</td>
<td>60% 57% 47% 55%</td>
</tr>
<tr>
<td></td>
<td>CR</td>
<td>0.86 0.80 0.73 0.79</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Notes.** All factor loading values are significant (p < .001). Model fit: χ² = 250, df = 59, p < .001, CFI = 0.93, RMSEA = 0.09, SRMR = 0.06. AVE = average variance extracted, CR = composite reliability.

### Table 2

<table>
<thead>
<tr>
<th>Variables</th>
<th>M</th>
<th>SD</th>
<th>Cronbach’s α</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Likability</td>
<td>4.46</td>
<td>1.02</td>
<td>0.79</td>
</tr>
<tr>
<td>(2) Cultural capital</td>
<td>4.42</td>
<td>0.99</td>
<td>0.79</td>
</tr>
<tr>
<td>(3) Frugality</td>
<td>4.11</td>
<td>0.94</td>
<td>0.72</td>
</tr>
<tr>
<td>(4) Morality</td>
<td>4.35</td>
<td>0.97</td>
<td>0.86</td>
</tr>
</tbody>
</table>

Note. All correlation coefficients are statistically significant (p < .001).

### Table 3

<table>
<thead>
<tr>
<th>Variables</th>
<th>Town center shopper (n = 134)</th>
<th>Out-of-town shopper (n = 133)</th>
<th>Online shopper (n = 133)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Likability</td>
<td>4.73 (1.02)</td>
<td>4.32 (1.01)</td>
<td>4.33 (0.98)</td>
</tr>
<tr>
<td>Cultural capital</td>
<td>4.72 (0.96)</td>
<td>4.08 (0.95)</td>
<td>4.47 (0.94)</td>
</tr>
<tr>
<td>Frugality</td>
<td>3.88 (0.95)</td>
<td>4.26 (0.86)</td>
<td>4.20 (0.97)</td>
</tr>
<tr>
<td>Morality</td>
<td>4.49 (1.00)</td>
<td>4.32 (0.91)</td>
<td>4.26 (0.98)</td>
</tr>
</tbody>
</table>

### Table 4

<table>
<thead>
<tr>
<th>Dependent variables</th>
<th>SS</th>
<th>MS</th>
<th>F (2, 397)</th>
<th>p (one-tailed)</th>
<th>partial χ²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Likability</td>
<td>15.02</td>
<td>7.51</td>
<td>7.48</td>
<td>&lt; .001</td>
<td>0.04</td>
</tr>
<tr>
<td>Cultural capital</td>
<td>27.84</td>
<td>13.92</td>
<td>15.33</td>
<td>&lt; .001</td>
<td>0.07</td>
</tr>
<tr>
<td>Frugality</td>
<td>11.21</td>
<td>5.61</td>
<td>6.49</td>
<td>&lt; .001</td>
<td>0.03</td>
</tr>
<tr>
<td>Morality</td>
<td>3.85</td>
<td>1.92</td>
<td>2.06</td>
<td>&lt; .128</td>
<td>0.01</td>
</tr>
</tbody>
</table>

### Table 5

Planned contrasts comparing town center shoppers to other (out-of-town and online) shoppers.

<table>
<thead>
<tr>
<th>Dependent variables</th>
<th>Estimate</th>
<th>SE</th>
<th>t (397)</th>
<th>p (one-tailed)</th>
<th>Cohen’s d</th>
</tr>
</thead>
<tbody>
<tr>
<td>Likability</td>
<td>0.82</td>
<td>0.21</td>
<td>3.87</td>
<td>&lt; .001</td>
<td>0.39</td>
</tr>
<tr>
<td>Cultural capital</td>
<td>0.89</td>
<td>0.20</td>
<td>4.43</td>
<td>&lt; .001</td>
<td>0.44</td>
</tr>
<tr>
<td>Frugality</td>
<td>−0.70</td>
<td>0.19</td>
<td>−3.57</td>
<td>&lt; .001</td>
<td>0.36</td>
</tr>
<tr>
<td>Morality</td>
<td>0.40</td>
<td>0.20</td>
<td>1.97</td>
<td>.025</td>
<td>0.20</td>
</tr>
</tbody>
</table>

**Note.** One-tailed p-values are reported due to the directional hypotheses.
3.6. Discussion

The findings from Study 1 indicate that divergent perceptions of individuals based on their consumption behavior can be extended to the shopping channel context. The results show that, compared with out-of-town and online shopping, town center shopping is imbued with more positive connotations, as the consumers who preferred town center shopping were perceived to be more likable, moral, and cultured. Perceptions of frugality, which indicate being economical and thrifty, were nonetheless not related to town center shopping, given that town center stores are often associated with higher prices than out-of-town malls and online stores, which are known for low-price strategies.

Taken together, these results suggest that town center shopping is perceived as a more extravagant option relative to out-of-town and online shopping. Previous studies that examined contexts with similar characteristics (e.g., organic food and environmentally friendly cars) found that positive associations related to the consumption of such products diminished when controlled for income type, meaning the target individuals were not spending earned income through employment but were receiving unemployment benefits. In other words, welfare-recipients were not found to be deserving of such superior products and were not imbued with favorable judgments like morality (Olson et al., 2016). It is therefore possible that similar differences might emerge in the shopping channel domain. This postulation is examined in Study 2.

4. Study 2: replication and extension to income type and deservingness

Previous studies found that positive associations related to the consumption of sustainable products diminished when controlled for income type, meaning the target individuals were not spending earned income through employment but were receiving unemployment benefits. In other words, welfare-recipients were not found to be deserving of such superior products and were not imbued with favorable judgments like morality (Olson et al., 2016). It is therefore possible that similar differences might emerge in the shopping channel domain. This postulation is examined in Study 2.

4.1. Hypotheses development

Adverse public perceptions about welfare-recipients, such as being lazy, government-dependent, immoral, and undeserving, are frequently reported in the literature and in the media (Cuddy et al., 2007; Ehrenreich, 2004; Fiske et al., 1999). The severity of such negative attitudes is evidenced in Fiske et al.’s (1999) study that examined perceptions of 17 different stereotyped groups and found that the only

Fig. 1. A summary of the one-way ANOVAs for judgments across different shopper-type conditions. Notes. The error bars represent standard errors. The graphs were produced using the JASP software (JASP Team, 2018).
group that was substantially both disliked and disrespected were welfare-recipients. Olson et al. (2016) looked at how others perceived welfare-recipients based on their consumption decisions. The authors found that, despite making the same ethical consumption choices (e.g., buying organic food or renting an environmentally friendly car), welfare-recipients were judged to be less moral than income-earning consumers. Furthermore, these divergent effects were driven by the judgment that welfare-recipients do not deserve to spend their money as they desire, such as on expensive items like organic food.

We contend that just as organic foods are perceived as the ‘right thing to eat’ for being wholesome and environmentally friendly, the town center could be perceived as the ‘right place to shop’, as it represents a more ethical and sustainable, yet more expensive, option for consumers through the sense of supporting one’s local community. Thus, it is possible that typical town center shoppers would be imbued with more positive characteristics than typical out-of-town or online shoppers, but these positive judgments would disappear if the shopper were unemployed versus employed. Such an effect would be particularly relevant for town center management, as its role is to manage the city center not only as a commercial center but also as a meeting point for all community members.

Study 2 aimed at directly replicating Study 1 and further examining whether the differential perceptions of shoppers vary when the target consumers fall below the income norm. Fundamental to our theorizing is that if town center shopping is perceived as an uneconomical, high-status channel for shopping in general, welfare-recipients, the unemployed, or even low-income earners who prefer town center over other, more economical options like out-of-town or online shopping would not be associated with the positive characteristics that employed, income-earning consumers would be. It was therefore anticipated that judgments of town center shoppers, but not other shoppers (i.e., out-of-town and online), would be adversely affected when the target consumers receive welfare support. We accordingly postulate:

H6. When shopping at the town center (vs. out-of-town and online), employed, but not welfare-recipient, consumers are imbued with positive perceptions.

To elucidate this moderation effect, we also propose a mechanism that could explain why employed consumers would be imbued with positive characteristics when shopping in the town center, but welfare-recipients would not. An overall driver of judgments about welfare-recipients is deservingness, that is, the extent to which one deserves the right to spend money as one chooses (Olson et al., 2016). Deservingness is a central concept in examining public perception of welfare-recipients. For example, Petersen et al. (2011) found that the public looked for deservingness-relevant cues when forming opinions about welfare-recipients. Similarly, Slothhaus (2007) observed in an experimental study that public support for welfare policies was negatively influenced when welfare-recipients were presented as undeserving of social benefits.

The notion of deservingness can be understood with respect to the perceived norms in the society as to how those with limited resources should spend their money rationally and economically (Hjort and Ekström, 2006). As evident from Study 1, compared with other, more economical options like out-of-town shopping centers or online shopping, town center shopping is often associated with being more extravagant. We therefore posit that, similar to Olson et al. (2016), employed consumers are perceived to be more deserving than welfare-recipients, and for that reason, income earners but not welfare-recipients will receive favorable judgments from others when they choose the town center as their primary shopping channel. Hypothesis 6 above is hence extended as follows:

H7. When shopping at the town center (vs. out-of-town and online), employed, but not welfare-recipient, consumers are imbued with positive judgments, and this effect is mediated by perceived deservingness.

4.2. Sample and design

Study 2 was identical to Study 1 in terms of sampling frame and procedure, except for the addition of an income type condition. While the fictive couple was introduced as employed in Study 1, Study 2 had an additional condition in which the shoppers were presented as unemployed and receiving welfare (the remainder of the scenarios was identical to Study 1):

‘Jonas and Maria live together in your community. They are unemployed, receiving welfare, and they enjoy shopping together on the weekends.’

Thus, Study 2 had a 2 (income type: employed vs. welfare-recipient) x 3 (shopper type: town center shopper vs. out-of-town shopper vs. online shopper) between-subjects experimental design. 303 new participants (Mage = 44.56, SD = 11.78, 51.8% females) recruited from the same consumer panel as Study 1 were randomly assigned to one of the experimental conditions (Study 2 participants were not exposed to Study 1).

4.3. Measures

The measures were identical to Study 1, with additional three items to gauge the levels of perceived deservingness on a seven-point Likert-type scale (1 = strongly disagree, 7 = strongly agree) adopted from Olson et al. (2016); ‘They deserve to spend their money as they choose’; ‘They have the right to make their own spending choices’; ‘How they spend their money is up to them’.

4.4. Results

As in Study 1, the measurement model was first validated with CFA (see Table 6), and composite scores were computed by averaging item scores. Table 7 depicts descriptive statistics, reliability coefficients, and correlation values of the variables in Study 2.

Preliminary analyses showed that employed consumers were judged to be more deserving of their spending choices than were welfare-recipients (Memployed = 6.16, SD = 1.12; Mwelfare = 5.49, SD = 1.54, t (301) = 4.35, p < .001, Cohen’s d = 0.50). This result also indicates that the income type manipulation was successful.

Main analyses were conducted via two-way ANOVAs, which included the main effects of income and shopper types, as well as their interaction effects. Dependent variables were identical to Study 1. The descriptive statistics and overall results for these analyses are presented in Table 8 and Table 9, respectively.

As in Study 1, the hypotheses were tested via planned contrasts. Hypothesis 6 predicted that judgments across shopping channels (town center vs. out-of-town and online) would differ for employed consumers, but not for welfare-recipients. Put simply, it was anticipated that the town center effect would apply only to employed consumers. First, as seen in Table 10, an examination of the employed condition reveals that the Study 1 results were replicated, such that employed shoppers were judged to be more likable, cultured, and moral, and less frugal when they preferred town center versus other channels (out-of-town and online). Next, when the welfare-recipient condition was considered, these results did not change for likability and frugality judgments, but the differences between shopper types were no longer significant for the judgments of cultural capital and morality. Overall, these results, which are also illustrated in Fig. 2, partially support hypothesis 6.

To examine whether the differences between employed and welfare-recipient consumers across shopping channels could be explained by perceived deservingness (e.g., in the town center condition,
employment leads to higher perceptions of deservingness to spend money in the town center, which, in turn, lead to more positive judgments, moderated mediation analyses were conducted using PROCESS macro for SPSS (model 15; Hayes, 2013). This model is illustrated in Fig. 3. Mediation effects were evaluated by the 95% confidence interval (CI) of 5000 bootstrap samples (CIs exclude zero when indirect effects are present). Because the focus was on the town center condition (vs. other conditions), out-of-town and online shopping conditions were not a factor. While morality perceptions were influenced by how the target consumers obtained income. The introduction of a welfare-recipient shopper condition, however, significantly affected some of those perceptions. Likability and frugality were the two judgments that were not affected by the income condition. These results show that the town center is strongly associated with positive attributes that give rise to higher likability judgments and with a price premium that gives rise to lower frugality judgments, regardless of the income type of consumers. The results show that the town center is strongly associated with positive attributes that give rise to higher likability judgments and with a price premium that gives rise to lower frugality judgments, regardless of the income type of consumers.

As seen in Table 11, the results of the moderated mediation analyses showed that, in all shopper-type conditions, employed consumers were perceived to be more deserving than welfare-recipients and, in turn, received higher ratings on cultural capital and frugality. In other words, these two judgments were not moderated by the shopping channel condition. On the other hand, for likability and morality, only when shopping in the town center were employed consumers perceived to be more deserving and subsequently received higher ratings on these dimensions.

4.5. Discussion

First, Study 2 results replicated Study 1: when the target consumers were earning income (as in Study 1), town center shoppers were perceived to be more likable, moral, and cultured, but less frugal, than were out-of-town and online shoppers. The introduction of a welfare-recipient shopper condition, however, significantly affected some of those perceptions. Likability and frugality were the two judgments that were not affected by the income condition. These results show that the town center is strongly associated with positive attributes that give rise to higher likability judgments and with a price premium that gives rise to lower frugality judgments, regardless of the income type of consumers.

Similar to the findings of Olson et al. (2016), morality perceptions were influenced by how the target consumers obtained income. While employed consumers were judged to be making a more ethical consumption choice by shopping in the town center instead of out-of-town or online, the shopping channel did have any effect on morality judgments for the welfare-recipient shoppers. Moreover, this difference was explained by perceived deservingness: in the town center shopping condition (but not in other conditions), employed (welfare-recipient) shoppers were perceived to have more (less) freedom of choice in spending their money, which, in turn, gave rise to higher (lower) judgments of morality. Similarly, frugality and cultural capital...
they eat (Olson et al., 2016; Stein and Nemero
channels. Individuals often make judgments of others based on what

5.1. Theoretical contributions

5. General discussion and conclusions

5.1. Theoretical contributions

The objective of this paper was to study the role of stereotyping and whether perceptions of consumers varied by their preferred shopping channels. Individuals often make judgments of others based on what they eat (Olson et al., 2016; Stein and Nemeroff, 1995; Vartanian et al., 2007), and the present findings further suggest that stereotyping is relevant in a shopping channel context as consumers also make judgments of others based on where they shop.

Across two experiments, findings showed that when consumers chose town center shopping, they were perceived to be more likable, moral, and cultured, but less frugal than were consumers who preferred out-of-town or online shopping. These commonly used stereotypes were a confirmation of previous studies, for example, regarding food and cars (Olson et al., 2016; Stein and Nemeroff, 1995). Most likely there are other stereotypes that could be of relevance, and hence we suggest future research to empirically explore possible stereotypes.

It should be noted that the results from Study 2 showed that welfare-recipients who purportedly choose to spend their income in the town center were not perceived as moral as were income earners. Olson et al. (2016) found that welfare-recipients were not morally acclaimed for spending money on environmentally friendly products like organic food or electric cars. In the context of town center shopping, similar results emerged in the present study. While income earners were perceived as being moral — ‘doing the right thing’ — welfare-recipients did not receive such favorable judgments. It is possible that, as indicated by the judgments of frugality, town center shopping is associated with higher prices and status consumption; thus, spending government assistance in that way is not perceived as an appropriate economic decision by the community. In accordance with Olson et al. (2016), this finding could be explained by the factor of deservingness. There is a collation of researchers within sociology that has elaborated further on implications for this type of consumer segment in retail contexts (Brennan et al., 2011; Hill, 2002; Hjort and Ekström, 2006; Hutton, 2015).

The retailing literature has long studied the competition between different shopping channels, yet the emphasis has been on examining the attributes of these channels as well as understanding consumer needs and motivations that led to a preference for specific channels (e.g., Alzubaidi et al., 1997; Bearden, 1977; Ortuño Padilla et al., 2017; Pratt and Pratt, 1960). The present study contributes to the literature by taking an alternative symbolic approach and investigating the stereotypical judgments of consumers across different shopping channels. As a result, we would suggest that stereotypes, user imagery, and consumer perceptions could be incorporated to the traditional attribute-based models and could be compared in relation to the importance of retail mix, convenience, prices etc. Therefore, the rational attribute-based models could be complemented with more affect-based dimensions like the ones used in this study.

5.2. Managerial implications

From a managerial perspective, user imagery or consumer perceptions of a product’s or service’s typical user can help marketers better communicate the psychological benefits of using a product or service (Keller, 2001). Thus, understanding user imagery and symbolic values could be beneficial to the town center management that faces the challenge of improving the declining image town centers. Given the positive associations with morality, the town center appears as the right place to shop, considering sustainability and concern for the local community. Ethical and socially responsible consumption is a growing segment in today’s retailing and marketing, with a potent influence on consumer behavior (Dangelico and Vocalelli, 2017; Oppewal et al., 2006). Consequently, town centers can benefit from strengthening their associations with being an ethical and sustainable channel, such as through communication regarding morality and offering farmers’ markets and similar local production events, as well as artisanal stores in town centers.

Table 9
Two-way ANOVA summary table for the effect of income type and shopping channel on dependent variables in Study 2.

<table>
<thead>
<tr>
<th>Dependent variables</th>
<th>Independent variables</th>
<th>SS</th>
<th>MS</th>
<th>df</th>
<th>F</th>
<th>p</th>
<th>partial η²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Likability</td>
<td>Shopper</td>
<td>8.01</td>
<td>4.01</td>
<td>(2, 297)</td>
<td>5.12</td>
<td>.007</td>
<td>0.03</td>
</tr>
<tr>
<td></td>
<td>Income</td>
<td>11.62</td>
<td>11.62</td>
<td>(1, 297)</td>
<td>14.86</td>
<td>&lt; .001</td>
<td>0.05</td>
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<tr>
<td></td>
<td>Shopper x income</td>
<td>0.35</td>
<td>0.18</td>
<td>(2, 297)</td>
<td>0.22</td>
<td>.799</td>
<td>&lt; 0.01</td>
</tr>
<tr>
<td>Cultural capital</td>
<td>Shopper</td>
<td>7.39</td>
<td>3.65</td>
<td>(2, 297)</td>
<td>4.21</td>
<td>.016</td>
<td>0.03</td>
</tr>
<tr>
<td></td>
<td>Income</td>
<td>54.81</td>
<td>54.81</td>
<td>(1, 297)</td>
<td>63.26</td>
<td>&lt; .001</td>
<td>0.18</td>
</tr>
<tr>
<td></td>
<td>Shopper x income</td>
<td>2.42</td>
<td>1.21</td>
<td>(2, 297)</td>
<td>1.40</td>
<td>.249</td>
<td>0.01</td>
</tr>
<tr>
<td>Frugality</td>
<td>Shopper</td>
<td>22.99</td>
<td>11.05</td>
<td>(2, 297)</td>
<td>11.06</td>
<td>&lt; .001</td>
<td>0.07</td>
</tr>
<tr>
<td></td>
<td>Income</td>
<td>14.52</td>
<td>14.52</td>
<td>(1, 297)</td>
<td>14.54</td>
<td>&lt; .001</td>
<td>0.05</td>
</tr>
<tr>
<td></td>
<td>Shopper x income</td>
<td>4.63</td>
<td>2.32</td>
<td>(2, 297)</td>
<td>2.32</td>
<td>.100</td>
<td>0.02</td>
</tr>
<tr>
<td>Morality</td>
<td>Shopper</td>
<td>3.06</td>
<td>1.53</td>
<td>(2, 297)</td>
<td>2.28</td>
<td>.104</td>
<td>0.02</td>
</tr>
<tr>
<td></td>
<td>Income</td>
<td>3.67</td>
<td>3.67</td>
<td>(1, 297)</td>
<td>5.47</td>
<td>.020</td>
<td>0.02</td>
</tr>
<tr>
<td></td>
<td>Shopper x income</td>
<td>4.17</td>
<td>2.09</td>
<td>(2, 297)</td>
<td>3.10</td>
<td>.046</td>
<td>0.02</td>
</tr>
</tbody>
</table>

Table 10
Planned contrasts comparing town center shoppers to other (out-of-town and online) shoppers across income type conditions.

<table>
<thead>
<tr>
<th>Dependent variables</th>
<th>Condition</th>
<th>Estimate</th>
<th>SE</th>
<th>df</th>
<th>t</th>
<th>p (one-tailed)</th>
<th>Cohen’s d</th>
</tr>
</thead>
<tbody>
<tr>
<td>Likability</td>
<td>Employed</td>
<td>0.77</td>
<td>0.33</td>
<td>147</td>
<td>2.32</td>
<td>.011</td>
<td>0.13</td>
</tr>
<tr>
<td></td>
<td>Welfare</td>
<td>0.54</td>
<td>0.27</td>
<td>150</td>
<td>1.95</td>
<td>.027</td>
<td>0.12</td>
</tr>
<tr>
<td>Cultural capital</td>
<td>Employed</td>
<td>0.71</td>
<td>0.35</td>
<td>147</td>
<td>2.05</td>
<td>.021</td>
<td>0.14</td>
</tr>
<tr>
<td></td>
<td>Welfare</td>
<td>0.14</td>
<td>0.29</td>
<td>150</td>
<td>0.49</td>
<td>.312</td>
<td>0.08</td>
</tr>
<tr>
<td>Frugality</td>
<td>Employed</td>
<td>−0.79</td>
<td>0.32</td>
<td>147</td>
<td>−2.46</td>
<td>.008</td>
<td>0.41</td>
</tr>
<tr>
<td></td>
<td>Welfare</td>
<td>−1.50</td>
<td>0.36</td>
<td>150</td>
<td>−4.11</td>
<td>&lt; .001</td>
<td>0.67</td>
</tr>
<tr>
<td>Morality</td>
<td>Employed</td>
<td>0.84</td>
<td>0.30</td>
<td>147</td>
<td>2.83</td>
<td>.003</td>
<td>0.47</td>
</tr>
<tr>
<td></td>
<td>Welfare</td>
<td>0.01</td>
<td>0.27</td>
<td>150</td>
<td>0.04</td>
<td>.486</td>
<td>0.01</td>
</tr>
</tbody>
</table>

Note. One-tailed p-values are reported due to the directional hypotheses.
Another managerial implication of this study is the finding that shoppers at external shopping centers and online channels are perceived as more frugal and economically smart, which is consistent with the general perception that such channels often present lower prices. The results further support the idea that the town center cannot compete with external shopping based on prices. As a consequence, a strategy for town centers could be to position themselves as more of a hedonic shopping experience by highlighting experiential shopping rather than trying to compete with out-of-town centers or the Internet on the pricing dimension (see, e.g., Chebat et al., 2010).

A third managerial issue is the perception that town center shoppers have a higher cultural capital than external center shoppers. This is both positive and negative. On the positive side, it attracts a less price-sensitive segment that can outweigh price competition and is a

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**Fig. 2.** A summary of the two-way ANOVAs for judgments across different income- and shopper-type conditions. *Note.* The error bars represent standard errors. The graphs were produced using the JASP software (JASP Team, 2018).

**Fig. 3.** The moderated mediation model in Study 2.
potential differentiation strategy that helps retailers to cope with relatively higher costs for rent and parking. However, on the negative side, with high prices in stores, expensive car parking, and posh cafés and restaurants, the town center might become a place only for the cultural elite. Economically challenged community members may not feel welcome in the town center. In contrast to other channel competitors, this is an issue that town center managers need to address. At the same time as they should differentiate the town center retail mix from the other channels, they should also make everyone feel welcome. Given higher real estate prices and the need to charge full price for store and parking space, town center management could work with free events, exhibitions, and other outdoor activities in order to attract unemployed or low-income inhabitants.

The findings also have implications for retail chains and retail brands that should recognize that the choice of channel in terms of the town center or external center could affect the image of the brand, especially during the introduction phase. There is a possibility that whether a brand starts at the external center or in the high street could affect the perceived image of that retail chain, particularly regarding pricing, attitudes, social responsibility, and personality dimensions such as sophistication. Such understanding could help town center managers, retailers, and brand managers in their optimization of which channels and target groups to focus on. Simply put, high-end retailers and brands should fit well in the town center, and the medium and lower end of retailers should aim for out-of-town centers, whereas online retailers fit with all consumer profiles. It should be noted, however, that the effect sizes in the studies ranged from small to medium, which suggests the suitability of such strategies for brand building in the long term.

5.3. Limitations and future research

Limitations of this study as well as recommendations for future research can be noted as follows. First, the present study focused on large cities in southern Sweden, and hence the generalizability of the findings should be improved by examining different contexts. Interestingly, in culturally distinct countries like Turkey, external centers can be associated with status as much as town centers (Ozuduru et al., 2014). Town center revitalization is an ongoing issue in several countries, including the US, the UK, Germany, and Spain (e.g., Michel and Stein, 2015; Ortuño Padilla et al., 2017), and there is a need to improve our understanding of consumer behavior to reach the objective of more economically active town centers. Second, the main distinction in income in this study was presented as earning income versus receiving unemployment welfare. Future studies could therefore examine alternative conditions, such as low-income earners and their perceived characteristics when shopping in the town center. Third, it would be interesting to investigate whether the positive associations of town center shopping would be weakened when the target consumers pursue discounted prices. Fourth, different types of shopping centers, such as high-end malls located in town centers, should also be examined, for they might be associated with attributes different from external shopping centers. Fifth, the present study used a moderated mediation analysis approach; future studies can implement alternative statistical methods such as PLS or covariance-based structural equation modeling, which could provide a more holistic analysis of the proposed theoretical framework. Last, although perceived deservingsness was found to be an explanatory mechanism for some of the judgments (morality and likability), alternative theories should be examined to understand the mechanisms that give rise to cultural capital and frugality judgments. For example, the halo effect (Nisbett and Wilson, 1977) is a relevant theory that would explain the spillover effects from shopping channels to consumers.

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