

**YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF COMMERCE**

**THE IMPACT OF STORE ATMOSPHERE ON
CUSTOMER PURCHASE INTENTION OF
BLACK CANYON COFFEE**

MAY ZON MOE OO

DECEMBER, 2020

**THE IMPACT OF STORE ATMOSPHERE ON
CUSTOMER PURCHASE INTENTION OF
BLACK CANYON COFFEE**

**The Research Paper is submitted to The Board of Examiners in Partial
Fulfillment of the Requirements for the Degree of Master of Commerce**

Supervised by

Dr. Daw Soe Thu
Professor & Head
Department of Commerce
Yangon University of Economics

Submitted by

May Zon Moe Oo
M.Com II - 35
Department of Commerce
Yangon University of Economics

Yangon University of Economics

Department of Commerce

Master of Commerce

This is to certify that this dissertation entitled “**The Impact of Store Atmosphere on Customer Purchase Intention of Black Canyon Coffee**” submitted as the requirement for the Degree of Master of Commerce has been accepted by the Board of Examiners.

Board of Examiners

Dr. Tin Win

(Chairman)

Rector

Yangon University of Economics

Daw Khin Nwe Ohn

(Examiner)

Associated Professor

Department of Commerce

Yangon University of Economics

Dr. Aye Thanda Soe

(External Examiner)

Professor & Head

Department of Tourism

National Management Degree

College

Daw Yee Yee Thane

(Examiner)

Associated Professor

Department of Commerce

Yangon University of Economics

Dr. Thin Nwe Oo

(External Examiner)

Professor

Department of Management Studies

Yangon University of Economics

Dr. Daw Soe Thu

(Supervisor)

Professor & Head

Department of Commerce

Yangon University of Economics

ABSTRACT

This study was conducted with the objective of learning the effect of store atmosphere on customer purchase intention in Black Canyon Coffee. This study employed quantitative research methods with survey questions. It attempts to analyze the effect of the store atmosphere on customer purchase intention by applying S-O-R model. Primary data was mainly collected from 385 customers who consumed at Black Canyon Coffee with Five-Point Likert Scale to analyze the effect of store atmosphere on customer purchase intention. Secondary data was acquired from the relevant books, articles, journals and internet websites. This collected primary data was analyzed conducting means and regression analysis. Mostly are employed workers and student and they visit to shop at 1-2 times in a week. Using the regression analysis, five variables (scent, lighting, assortment, interior design and other customer) are significant with purchase intention while cleanliness, layout and store employee are not significant. This study revealed that store atmosphere factors had a significant positive effect on customer purchase intention at Black Canyon Coffee. Finding from this study can order to enhance retail management practices. Retail coffee shop can apply the finding from this research to increase customer satisfaction and create efficient policies as regard target segmentation. The results provide shop retailers and managers to attract customers by store atmosphere factors and gain competitive advantages among rivals.

ACKNOWLEDERMENTS

First and foremost, I would like to express my heartfelt thanks to Prof. Dr. Tin Win, Rector of Yangon University of Economics for giving me the opportunity to undertake this thesis. And I wish to express Prof. Dr. Ni Lar Myint Htoo, Pro-Rector of Yangon University of Economics for allowing me to do this study.

In particular, I would like to express deepest gratitude and give my truthful & hearty thanks to Prof. Dr. Daw Soe Thu, Head of Department of Commerce and my supervisor as well, for her kindly encouragement, close guidance and deeply support through my thesis.

My appreciation also goes to master students who are specialized in commerce, accounting, statistics, economics and population studies for providing valuable information and perceptions.

I also truly express my thanks to my family for their encouragement, advice and sustained support for my higher education.

Last but not the least, I would like to thank to my teachers and friends who give me advice and help me physically & mentally through my thesis.

TALBLE OF CONTENTS

	Page
ABSTRACT	i
ACKNOWLEDGEMENTS	ii
TABLE OF CONTENTS	iii
LIST OF TABLES	v
LIST OF FIGURES	vi
CHAPTER 1 INTRODUCTION	1
1.1 Rationale of the Study	2
1.2 Objectives of the Study	4
1.3 Scope and Method of the Study	4
1.4 Organization of the Study	4
CHAPTER 2 THEORETICAL BACKGROUND	5
2.1 Definition of Retailing	5
2.2 Customer Purchase Intention	6
2.3 S-O-R Model	7
2.4 Definition of Store Atmosphere	8
2.5 Previous Studies	15
2.6 Conceptual Framework of the Study	18
CHAPTER 3 HISTORY OF BLACK CANYON COFFEE	20
3.1 History of Coffee Shop	20
3.2 Overview of Coffee Shop Market in World	22
3.3 Coffee Shop Market in Myanmar	22
3.4 Black Canyon Coffee in Myanmar	23
3.5 The Importance of Coffee Shop Atmospheric	24
CHAPTER 4 RESEARCH METHODOLOGY	26
4.1 Research Design	26
4.2 Demographic Characteristics of the Respondents	27
4.3 Testing of Reliability for Construct Variables	29

4.4	Correlation of Store Atmosphere and Customer Purchase Intention	38
4.5	Effect of Store Atmosphere on Customer Purchase Intention	40
CHAPTER 5	CONCLUSION	42
5.1	Findings and Discussion	42
5.2	Suggestion and Recommendation	44
5.3	Needs for Other Study	45
REFERENCES		
APPENDICES		

LIST OF TABLES

Table No.	Title	Page
4.1	Gender of Respondent	27
4.2	Age of the Respondents	27
4.3	Occupation of the Respondents	28
4.4	Monthly Income Level of Respondents	28
4.5	Frequency of Visit to Coffee Shop	29
4.6	Results of Cronbach's Alpha Value	30
4.7	Cleanliness	31
4.8	Scent	32
4.9	Lighting	33
4.10	Layout	34
4.11	Assortment	35
4.12	Interior Design	36
4.13	Other Customers	37
4.14	Store Employee	38
4.15	Correlation between Independent Variables and Customer Purchased Intention	39
4.16	Effect of Purchased Intention on All Independent Variables	40
4.17	Effect of Purchased Intention on Three Factor	41

LIST OF FIGURES

Figure No.	Title	Page
2.1	Stimulus-Organism-Response Model	7
2.2	Factors of Ambience	11
2.3	Factors of Design	13
2.4	Social Factors	15
2.5	The Influences of Store Atmosphere on Purchase Intention toward a Fast Fashion Brand in Bangkok	16
2.6	The Effect of Store Atmosphere on Customer Purchase Intention in International Retail Chain Outlet of Karachi, Pakistan	17
2.7	The Effect of Store Atmosphere on Customer Patronage Intention towards Clothing Stores in Malaysia	18
2.8	Conceptual Framework of this Study	19

CHAPTER 1

INTRODUCTION

For the past few decades, people only focused on product functions, features and attributes thus while the classic tools used by managers to encourage sales and change customers' attitudes or behaviors within the store related with 4P's; product, price, promotion and placement. Today, clients are keen on extra useful components before they made their purchase decision. A pleasant store atmosphere is one of those components which are highly requested. Another components to make such pattern is on the grounds that retailers are difficult to acquire preferences based on product, place, price and promotion (Baker et al., 1992). Store atmosphere contributes a crucial part to business achievement or failure.

Retailing outlets such as café and bakery shops maintain an essential role in Myanmar. However to develop the competitive world of retailing, store-based retailers need to look for suitable and long term strategies. Countless retailers generally utilize traditional techniques to build deals and pull in clients by giving advancement or profound limits. These methodologies are suitable just for short terms and retailers can't anticipate expanding benefits for long terms by these methods.

Coffee shop retailers use different strategies in the environment of their shop to influence customer behaviors. Research show that the store environment such as ambience, design and social factors have strong influence on customer behaviors and perceptions. Store atmosphere is the connection by in store marketing to customers. Specifically, store environment impacts on customer impulse purchasing and intention. It also influences not only on customers' potential profit but also on perceived value (C.-S. Liao et al., n.d.).

In highly competitive retail industry, retailer should fast understanding customers' behaviors and respond to their demands to become successful and profitable. According to (Singh et al., 2014), retailers should focus on the preferences of their consumers and the factors influencing their purchase decision. Identifying customer needs and satisfaction factors is not enough to become successful in retailing and the utilization of this knowledge into location where buying takes place. In order to understand shopping behaviors, many researchers studied how the store atmosphere and store environment affect on customer based on Mehrabian-Russell

model. This model discusses the effect of store environmental stimuli on consumer purchase decision. Mehrabian-Russell (1974) likewise demonstrated that there is interceding variable in this model, terms as "enthusiastic states". By embracing Mehrabian-Russell model, researchers such as Kaltcheva and Weitz (2006) did additionally concentrates on the atmosphere upgrades with the important clients' reactions. They investigated various sorts of upgrades and how those boosts impact on each kind of buyer practices. As per this model, client feeling will drive distinctive client choice. Clients will act genuinely and come through getting a charge out of a charming climate.

There are fierce competitions in bakery retail industry, the boundaries of bakery industry are significantly expanding. The quick changing of retail industry pushes retailers respond as fast as conceivable to address those customers' issues and needs. Because of this contemporary market pattern, retailers attempt to develop alluring shopping experience to draw in and hold clients just as beat every one of their opponents. They realize that store environment can make an awesome and engaging client experience which straightforwardly influences customers' buying decision.

The basic elements in effective retail location is to guarantee consumer loyalty. This highlights can be utilized as huge serious weapon in many organizations. According to (Aydin & Özer, 2005), fulfilled clients will in general buy more and consent to greater cost. In addition, they are probably going to have uplifting mentalities that lead to positive verbal suggestion about the business items or administrations. Thus to understand the relationship in order to help retailers create long term strategies, the present research examines the relationship between store environment factors and customer satisfaction.

1.1 Rationale of the Study

According to the statistics offered by Stahlberg and Maila (2010), customers made approximately 70% of brand choices in the physical stores, which showed that physical stores remain the most popular channel for shoppers to make purchases. However, it should be pointed out that some of in-store buying behavior happens due to the store atmosphere. In general, before customers make a purchasing decision in the retail environment, there are a wide range of store environmental stimulus that can drive their behavior. Store atmosphere is one of the stimuli that can positive or negative affect to the customers. As a matter of fact, store atmosphere which is

positively affect to customers' emotion and feelings which in turn influence their buying behaviors. Therefore, from customers' perspectives, store atmosphere as a stimuli that can influence their psychological and behavioral responses in store environment. In term of the studied of store atmosphere, some researchers divide it into five sensory components including sight, sounds, scent, touch and taste, while some researchers identified from broader perspectives including exterior, interior, layout and design, point of purchase and decoration displays, and human factors.

However, the previous studied regarding store environment on purchasing behavior primarily centered on the department stores, grocery stores, supermarkets, and clothing stores. This research primarily focuses on food industry. The food industry covers wide range of products including bakery and café, bar and restaurant, tea shops, etc. In Myanmar, the demand for bakery industry has increased over the past decade, which can be confirmed by the fact that an increasing number of retailers begin to enter this industry. In Myanmar market place the most well-known bakery retailers are Shwe Puzun, BreadTalk Myanmar, Parisian, Seasons, SP bakery, and Fudo. According to (Saleh, 2012), a short product life can be regarded as significant features for impulsively purchasing one specific product, which made bakery industry meaningful and interesting to be studied in this thesis.

The bakery retailer, especially those who focus on stored-based distribution channel, should be aware of the fact that increasing number of customers utilize the retailers to receive recommendations, acquire product information test and compare the product in the physical stores and then make purchase in online stores. Therefore, the bakery retailers who are based on their business in physical stores in Myanmar are face a problem that how to fulfill competitive advantages over online retailers. To overcome this problem, it is necessary for retailers who are based on their business in fixed stores to stimulate and attract customers to make purchases. Since online retailers do not share the same characteristic features of store atmosphere, it is an opportunity for stored-based electronics retailers to make use of different dimensions of store atmosphere to increase the sales performance and then win competitive advantages in the Myanmar marketplace. It is likewise useful for senior supervisors improve the shopping experience for clients and the administrators realize what to focus on and what is important for clients identified with the store atmosphere.

1.2 Objectives of the Study

The major objectives of the study are as below,

- To analyze the store atmosphere factors of Black Canyon Coffee.
- To examine the influence of store atmosphere factors on customers purchased intention of Black Canyon Coffee.

1.3 Scope and Method of the Study

This study focused on customers who consumed in Black Canyon Coffee retail shops in Yangon downtown area. This study employed quantitative method of research. Information relevant to the study gained from both primary and secondary data. Primary data were acquired from the respondents in Black Canyon Coffee of the study. Furthermore, secondary data were obtained from literatures, previous studies, documents, book related to store atmosphere on purchase intention of the study.

The sample of 385 respondents were selected from Black Canyon Coffee by using simple random sampling method. 385 respondents are collected because of unknown population. Data analysis method were Mean Value, Correlation related and Linear Regression.

1.4 Organization of the Study

This study contained five chapters. Chapter (1) includes introduction, rationale of the study, method, scope and limitation of the study. Chapter (2) describe theoretical background of the study. Moreover, Chapter (3) presents the overviews of café industry in Myanmar. Chapter (4) expresses the research method of the study. Finally, Chapter (5) consist of findings, conclusion, needs and suggestions of further study.

CHAPTER 2

THEORETICAL BACKGROUND

The study relates to store atmosphere on customer purchased intention in Black Canyon Coffee. This chapters consists of five section, they are the definition of retailing, purchased intention, models of environmental psychology, factors and definition of store environment, previous studies and conceptual framework of the study.

2.1 Definition of Retailing

Retailing affects most things that people do every day. Retailing is the process of selling goods and services to the customers through multiple channel of distribution to earn profit. It involved in everything from foods to clothing from many kinds of stores. In recent study, (Dunne & Lusch, 2008) explored that retailing includes all the activities and producers need to distribute a product or provide a services to the customers for their personal or family use. In the broadest sense, retailing can be said to have begun the first time one item of value was bartered for another.

As with most other business activities, retailing is extremely competitive, and the mortality rate of retail establishments is relatively high. The basic competition is based on price, but, for brick-and-mortar retailers (those that operate within a physical building), and non-price forms of competition such as selection and display of merchandise, convenience of location, attractiveness of the retail atmosphere, and intangible factors such as reputation in the community.

Especially, retailer employ a set of final distribution channels to sell product and services directly to customers. Some researchers distinguish retailers by type of price, ownership, assortment, merchandise, location and services they sell such as general merchandise retailers, services retailers and food retailers (Miller, 2008). It is more appropriate to classify retailers according to the influences on them of, for example, economic, integration of technology and demographic shifts.

According to the large numbers of researchers, the retail industry can be characterized by format or by ownership status (Berman & Evans, 2000). Retailer ownership types can be classify into independent retailers, franchisers, chain retailers, vertical marketing systems, leased departments and consumer cooperatives. By

retailer format, retailers can be categorized into either store-based or non-store-based. Non-store-based retailers are formed of retailers in which sales are made to customers without using physical stores (Dunne et al., 2013). According to (Enders & Jelassi, 2000), store-based or bricks-and-mortar retailers operate out of the physical building where the seller interacts with the customers. In particular, with regard to retail formats, this study focused on store-based retailers located in business districts and restaurants.

2.2 Customer Purchase Intention

Customer purchase intention is defined as a customer tendency to buy a brand of product or take an action that related to purchasing and measured it at the level of customer possibility to purchase (Kinnear & Taylor, 1995). Purchase intention described as a driving force or as an intrinsic motive that can encourage a customer to pay attention spontaneously, voluntary, natural, fair and selective to a product and afterward, decide to buy it or not.

Purchase intention contain three major forms which are transactional, referential, and preferential. A level of customer intention state that drives direct purchase. Transactional intention describes a buyer that already have to set to buy a certain wanted product. Another type is referential intention which will triggered customer to recommend their experiences to their acquaintances (Turley & Milliman, 2000). Satisfied customer tend to do the good word of mouth, thus it can influence other to buy or try it. The last one is preferential intention, which started based on resemblance with the preferred taste and needs. Preferential intention will use certain product as a preference and stick in it when choosing and buying a product and a slight change on the preferred product is expected to influence purchasing (Bohl, 2012).

Consumers' buying behavior is very complicated. Purchase intention is usually related to consumers' perception, behavior and their attitudes. Purchase behavior is an important key point for consumers during considering and evaluating of a certain product. Purchase intention is an effective tool used in predicting purchasing process Ghosh (1990). Once the consumers decide to purchase the product in a certain store, they will be driven by their intention. However, purchase intention might be occurred by the impact of price, quality perception and value perception (Zeithaml, 1988). In addition, customers will be interrupted by external environment

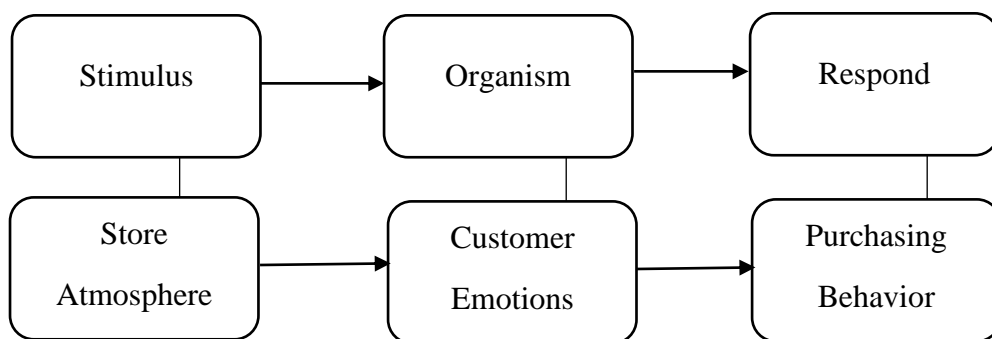
and internal impulse during the purchasing process. The investigation of (Elaine Sherman et al., 1997) indicated that the passionate states may impact the shopping practices if the client has decide to shop. Purchased behavior contains several aspects, such as amount of time spent, amount of money spent, the number of purchases and re-purchase intention. Their behavior will be driven by the physiological motivation that stimulates their response which brings them to the retail store to fulfill their need.

2.3 S-O-R Model

The S-O-R model refers to the abbreviation of stimulus-organism-response model in the environmental psychology. This model is based upon two assumptions (Tai & Fung, 1997). The first one is that shoppers' emotions and feelings decide what and how they purchase in the stores, and the second is that shoppers adopt different emotions in response to different environment.

In terms of three components of the S-O-R model, stimulus, organism and response are means to store atmosphere, consumer emotions, and purchasing behavior in the current study (Elaine Sherman et al., 1997), which is clearly presented in the Figure 2.1. In this paradigm, the atmosphere refers to the stimulus (S) that leads to the shoppers' emotional reactions (O) and then their purchasing behavior that serves as the respond (R).

Figure (2.1) Stimulus-Organism-Response Model



Source: (E. Sherman et al., 1997)

Stimulus is generally known as any object or phenomenon that is capable of rousing or promoting human actions (E. Sherman et al., 1997). Based upon the classical S-O-R model in which stimulus refers to things that can influence people's

internal emotional states, these researchers narrow the content of the stimulus and define that it is the store atmosphere that serves as the stimulus to affect the shoppers' feelings and emotions in the field of environmental psychology. They normally distinguished the store atmosphere into three categories involving ambient factors (e.g. lighting, scent, cleanliness etc.), design factors (e.g. layout, assortment etc.) and, social factors (e.g. salespeople). In the stimulus-organism-response model, organism refers to the shoppers' physiological, perceptual, feeling and thinking processes that work between the stimulus and consumer's final responses (E. Sherman et al., 1997). This means the emotional states that are internal to individuals serve as the organism. In terms of the response, it generally refers to the shoppers' behavioral actions that are made due to environment evaluation and the shoppers' mood. The number of items purchased, the amount of money spent and time in the store, and the shoppers' feelings toward store environment should also be considered as the shoppers' final responses in the retail environment.

Overall, stimulus, organism, and response are interrelated in the S-O-R model. In general, the stimulus of the store atmosphere are expected by retailers to exert positive influences on shoppers' emotional states which will in turn positively affect their purchasing behavior in the retail environment.

2.4 Definition of Store Atmosphere

Store atmosphere is the effort to design a physical store environment that provides specific emotional effects on customers that encourages consumers' buying decision-making (Kotler, 1974). (Belk, 1975) presented that physical encompassing is one situational trademark that animates buyer behaviors inside an environment. Retailers used competitive strategy by creating store atmosphere to influence consumer behavior, which in turn increases sales (Chebat & Michon, 2003).

Bakery retail store atmospheres are wide ranging and systematic. According to (Lam, 2001), store atmosphere is conceptualized as physical and nonphysical encompassing of a store, comprising of numerous components, for example, lighting, fragrance, design, adornment and human elements. However, these are within the management of retailer to enhance customer encounters in the shop. Store atmosphere is considered as a primary marketing instruments to compete the online retailers. Therefore, one of the most critical matter is to create the favorable environment to excite and attract customers so that they will spend more time and money.

Studies of retail environments has provided with a large number of atmospheric elements and noted their influence on evaluations and on a wide range of behavioral responses. In the concept of “atmospherics” into the consumer behavior literature, (Kotler, 1974) has classified four dimensions of store atmosphere in terms of the sensory channels which are aural, tactile, visual, and olfactory. He has described the important aural elements refers pitch and volume of song; the tactile elements means smoothness, softness, and temperature of atmosphere; visual elements of an atmosphere present shapes, color, size, and brightness; and then lastly olfactory elements contain freshness and scent in the environment of shop. The fifth sense of taste has not been included as a dimension because the atmosphere of a retail store cannot be described in terms of this sense.

Based on (Baker et al., 2002), categorizing the elements of store atmosphere consists of three main factors ambience (e.g., lighting, scent, music, temperature); design (e.g., interior design such as decoration, assortment and layout, color, scale shape); and social factors (e.g., store employee and other customers). These three cues influence customer perceptions differently. So, retailers have to learn about the importance of store atmosphere and attempt to develop an effective store environment in order to persuade targeted customers.

2.4.1 Ambient factors

Arising from the literature above, ambient factors can be understood as a group of factors which placed inside the store and one of the major forces in conducting certain atmosphere. (Baker et al., 1993) described that ambient components are nonvisual and can be defined as background saturations in the atmosphere. It mainly focuses on the senses of individual customers such as scent, visual and sound senses. Ambient variables are considered as non-visual segments of store environment, including scent, color, lightning and cleanliness as presented in figure2.2. (E. Sherman et al., 1997) estimated ambient elements regarding loose tense, lovely undesirable, wonderful smelling-upsetting smelling, dull-brilliant and found that surrounding factors influences excitement of clients in a store emphatically. Ambient components that are a piece of store atmosphere are separately described underneath.

(i) Cleanliness

Cleanliness can be defined as “the state or quality of being clean or being kept clean” and is perceived as very important by frequent and occasional customers in restaurant (Krukowski et al., 2013) . When estimating the impression of neatness, measurements which can be utilized for an eatery are "inner", "outer" and "staff". Inner alludes to within the store, for example, furniture, cover, and so on, outer to the outside of the store like structure, parking area, and so forth and work force alludes to the staff. Customers produce positive or negative comments as clean/dirty/tidy about store atmosphere of the shop by checking of the cleanliness (Banat & Wandebori, 2012a). Cleanliness of the stores affects good impression to customers and create the thought of safe and cleanliness of product and place in store. This investigation indicated that for the general insight of clients, neatness in both the in-and outside of the shop is significant. This likewise impacts the re-buy expectations of clients.

(ii) Scent

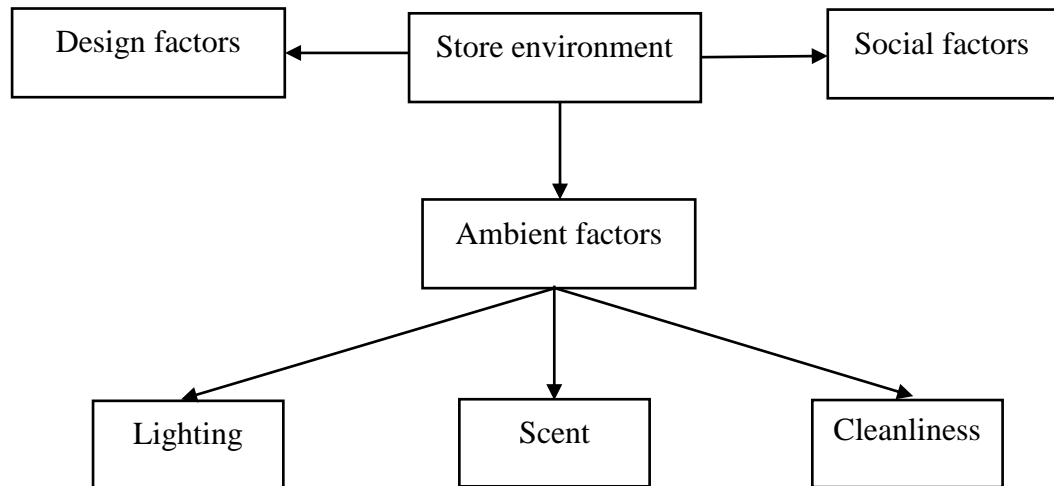
Aroma is a wonderful scent that impacts client state of mind and feelings which make the clients remain additional time, feel energized and view of holding up line. (Banat & Wandebori, 2012b). Likewise, aroma affects client feelings, for example, enjoyableness, bliss, craving, and fulfillment. (Dunne et al., 2013), demonstrated that the capacity of fragrance is more evident in bakeries, cafés where retailers should utilize aroma from items to draw in customers and supervisors utilize these scents as a promoting device to build up a competitive advantages (Spangenberg et al., 2006). Now and again, retailers add a wonderful fragrance to their merchandise to make positive shopper perspectives to pull in clients to purchase items with a more exorbitant cost (Michon et al., 2005).

(iii) Lighting

Lighting is mainly used to highlight products. It gives attractiveness and has a good effect on consumer buying behavior (Mehrabian, 1976). At the point when the retail chain sources is utilized the lighting of reasonable tone and shoppers are slanted to contact product to evaluate quality. According to (Levy & Weitz, 2008), there are two main functions of lighting in the retail industry: mood creation and highlighting merchandise. A good lighting system brings a sense of attracting to shoppers when they visit the store. Besides, lighting is used by retailers for focusing spotlights on

special items or a feature area. Meanwhile, (Dunne et al., 2013) noted that attractive lighting can be used to lead customers strategically through the shop and enhance store sales. The fundamental motivation behind utilizing appropriate lighting in retail shop chains is to catch the clients' eye so they begin buying from the sources because of their solace.

Figure (2.2) Factors of Ambience



Source: Developed for this research

2.4.2 Design Factors

While the ambient factors are defined as non-visual components, the design factors are stimuli that exit forefront of customer awareness such as layout, assortment, and group of other elements including color, decoration, scale shape and signage, now referred to as interior design etc. (Baker et al., 1994). Design components can be estimated regarding beautiful-boring, ugly-appealing, enormous-little, colorful-dark, agreeable-awkward, large-confined, jumbled walkways- cleaned up walkway, packed stock-well-place stock, amazing interior-unremarkable interior. The primary objective of the design factors is to implement the retailer strategy by fulfilling the requirement of target customers and establishing the sustainable competitive advantages. A part of design factors is portrayed independently beneath.

(i) Layout

(Bitner, 1992) defines layout as the structure and decoration of equipment and other furniture in the shop and, the ways in which those are placed, and the space relationships among items. Store layout refers to where both the merchandise and other structures and facilities are physically located, with the effective way of creating a particular pattern of people traffic (Miller, 2008). Most important, a layout not only increase sales and profits but also may improves the utilization of the building. According to (Dunne et al., 2013), layout in the retail industry consists of three principles: convenience, circulation, and coordination. The principle of convenience refers to arranging items to furnish a high degree of convenience to the customer and personnel; circulation provides for arrangements that facilitate the control of traffic flow through the store; coordination is the arrangement of merchandise in such places to help in promoting sales, creating good will, and furnishing subject matter for publicity. The fulfillment and view of clients are identified with extensive size, the ease to move around and to find items and product (Mohan et al., 2013a). Other than the usefulness, the design can lead clients in specific ways which influences their purchase decision.

(ii) Assortment

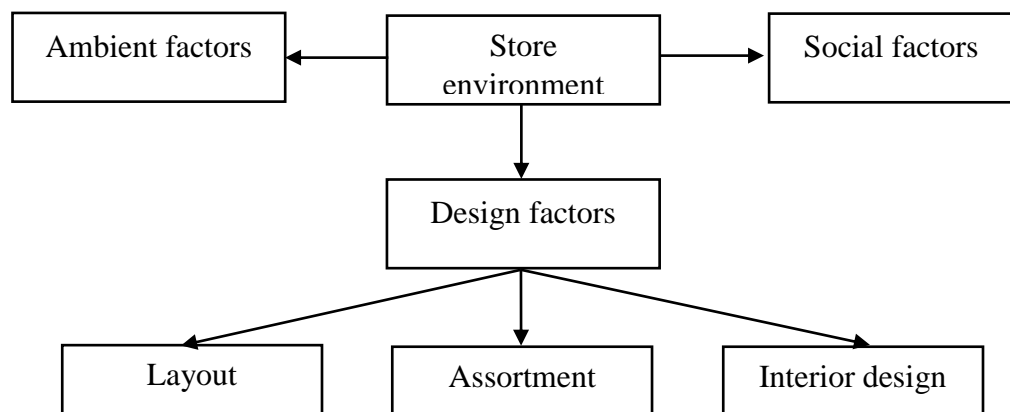
(Baker et al., 2002) defined store or product assortment is the complete arrangement of things masterminded and gave by a customer. Kök et al. (2008) explained that the objective of retail configuration is to locate an appropriate grouping that builds the association's benefit inside different requirements, for example, spending plan and restricted space. Collection is a crucial component of the design factor. Hence, retailers have to invest store assortment in satisfying customer needs and bringing the convenience for consumers; otherwise, if they do not know how to provide the expected assortment to customers, they are likely to be defeated in both current and future sales (Mantrala et al., 2009). Especially for store-based retailers, in order to attract customers, retailers should create an appropriate product assortment for their particular stores.

(iii) Interior Design

Generally, design in retailing contains layout, assortment as two main factors (mentioned above) and other elements, namely, décor, signage, color, and

merchandise, as known interior design factors. In studies of, interior design is considered as the biggest factor, containing more elements than layout and assortment together (Turley & Milliman, 2000). Therefore, in this research, the interior design factor contains elements related to design inside the store. (Baker et al., 2002) proved that the importance of the design factor in the store presenting the positive effect, and the necessity of taking into account the effect of interior design on customers in a retailing atmosphere. Moreover, in a study in 2012, (C.-S. Liao et al., n.d.) argued that that interior design factors help shoppers to find the desired products quickly, design factors can satisfy the customers by providing convenience, and get in and out of the store quickly.

Figure (2.3) Factors of Design



Source: Developed for this research

2.4.3 Social factors

Differing from the first two factors, social factors are related to human issues. Customers and employees presented in the store represent the social factors of the shop. The social factors in retail environment comprises the crowdedness of the store, sale style, the number of staff and interaction between customers and employees.(Baker et al., 2002). In short, social factors consists of two factors: other customers and employee. The social elements have generally an impact on feeling of clients. There are a few habits to measures the social elements in connection with the view of clients. Clients were approached to assess the social components in term of Cheerful-Depressing, Lively-Apathetically, Courteous salesman Discourteous salesman, Boring-Stimulating. (Mohan et al., 2013b) studied the relation between social factors on store environment and consumer purchased behaviors.

(i) Other customers

When customers go shopping in stores or restaurant, they make contact with not only store staff, but also other customers. (Eroglu et al., 2005) defined that two aspects of contact with other customers are crowding and social relations. The number of customers in stores, restaurant and shopping malls, known as 'crowding'. If the store is extremely uncrowded or crowded, customers seem to be unhappy, but a suitable number of customers may lead to customer satisfaction in the store (Eroglu et al., 2005). According to (Machleit et al., 1994), the spatial dimensions of crowding as store equipment, the amount of merchandise, and their configuration in the store, which may increase perceived crowding. As suggested by (Mohan et al., 2013a), store materials such as cluttered shelves and layout such as narrow aisles can result in a rise of the perception of crowding, but it may lead to a negative effect.

Social relations means to the interaction among customers in store when they are shopping. Retailers should find strategies for the management of good social relations by using pleasant music, or providing more salespeople in check-out counters at busy times in store environment. Customer satisfaction level may enhance when shoppers have conversations with other customers while shopping because they may get useful information from them (Harris et al., 1997). These are some reasons why customers usually like to shop in stores or restaurants where they have good social interaction.

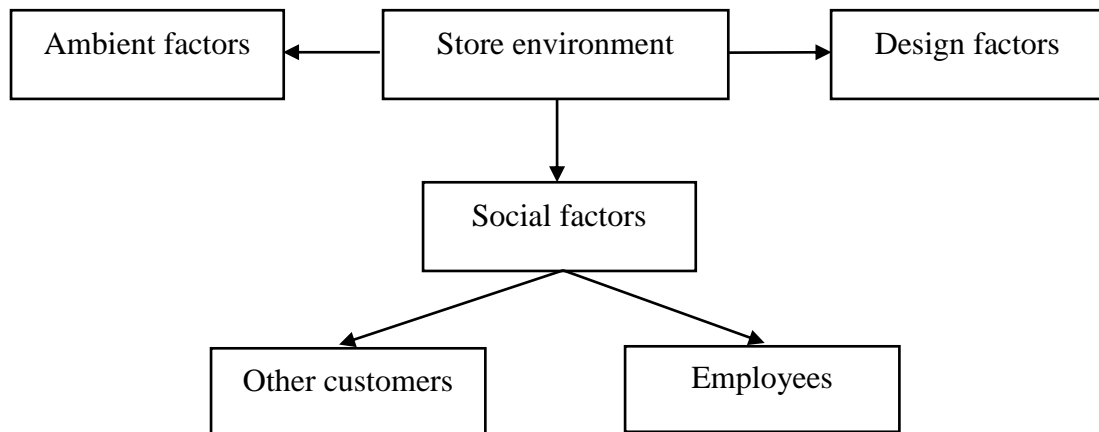
(ii) Store employee

Store employees contain salespeople, cashiers, service staff and store managers. (Y.-Y. Liao & Liaw, n.d.) declared that when customers go shopping in a physical store, the store employees are a primary factor affecting them. (J.-E. Kim & Kim, 2012) defined that store employees' issues comprise three elements: physical attributes of employees, number of salespersons and behavioral attributes of employees. In a study on social factors in retail stores, (J.-E. Kim & Kim, 2012) emphasized that employees' attributes are significant in the relationship between employees and customers in stores.

In fact, customers need to communicate with employees to satisfy their requirements concerning product information thus the social factor is very critical for store-based retailing. Likewise, (Mattila & Enz, 2002) concluded the aspects of social

interaction such as a smile or being easily available for customers, creates positive feelings to customers. Thus, by creating a good communication between customers and employee in the store atmosphere will satisfy customers and attract shoppers into stores more frequently.

Figure (2.4) Social Factors

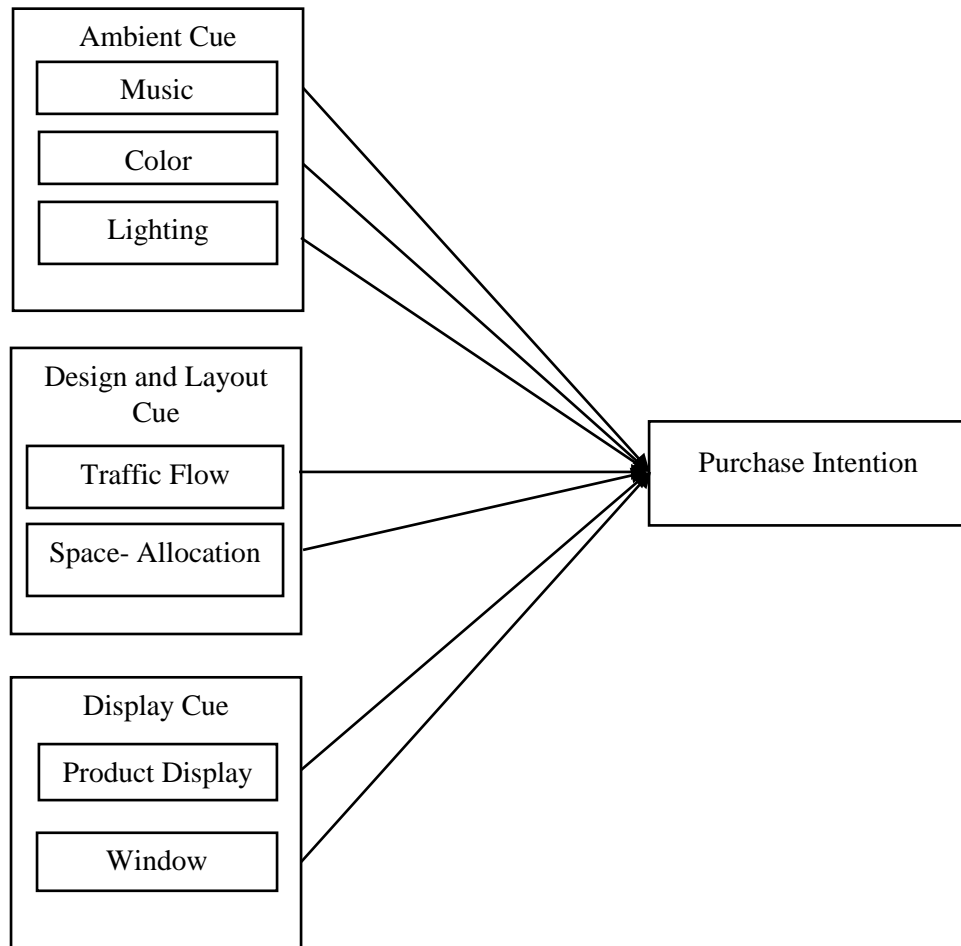


Source: Developed for this research

2.5 Previous Studies

There are many researchers who studied concerning with the effect of store atmosphere on customer purchased intention. The conceptual framework of this study stems from conceptual framework of other researchers who developed the conceptual model based on influential store atmosphere factors on consumer behavior. The first conceptual framework is developed by (Siddhibhongsa & Kim, 2017). The influence of store atmosphere on customer purchased intention can be grouped into ambient cues, design and layout cues and display cues.

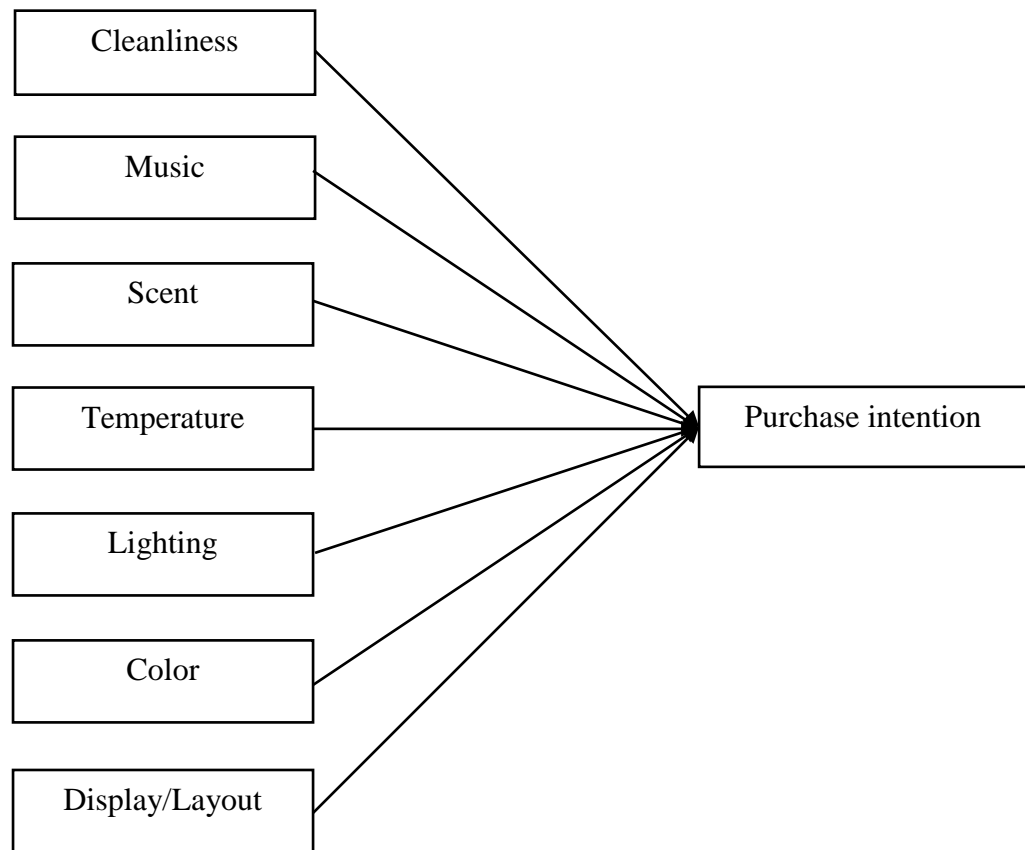
Figure (2.5) The Influences of Store Atmosphere on Purchase Intention towards a Fast Fashion House



Source: (Siddhibphongsa & Kim, 2017)

This study revealed three factors that influence Bangkok customers' behavior towards purchase intention. Ambient cue including music, colors and lighting, design and layout cue including traffic flow and space allocation, and display cue including product display and window display can influence Bangkok customer's purchased intention in fashion store. The second conceptual framework is developed by (Hussain & Ali, 2015).

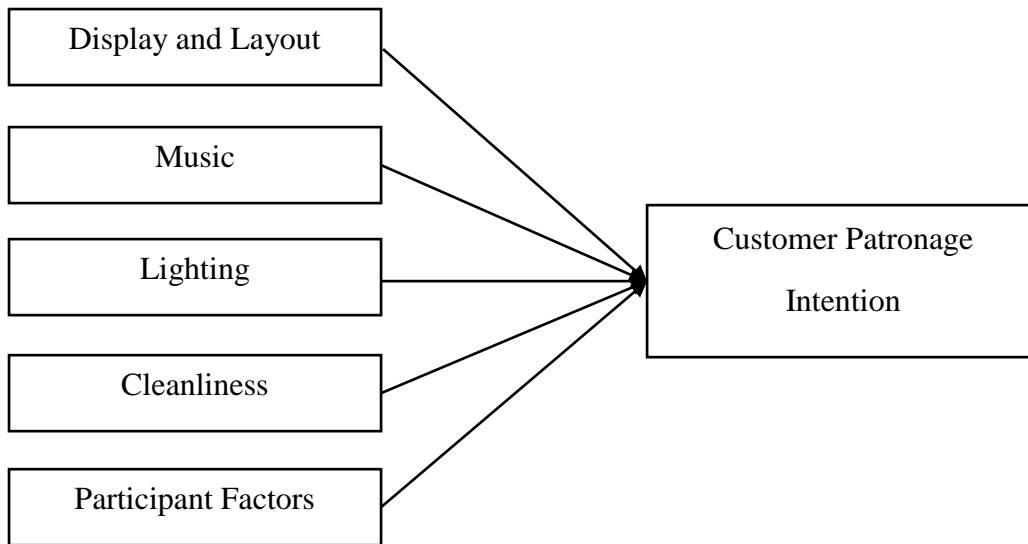
Figure (2.6) The Effect of Store Atmosphere on Customer Purchase Intention in International Retail Chain Outlet of Karachi, Pakistan



Source: (Hussain & Ali, 2015)

This study examined the influential variables such as cleanliness, music, scent, temperature, lighting, color, display/layout which have essential effects on buying intention. This result has important implications for retailers and managers to increase sales and profit. The third conceptual framework is developed by Yap Su Fei (Yap et al., 2011). This model is depicted with Figure.

Figure (2.7) The Effect of Store Atmosphere on Customer Purchase Intention towards Fashion Shop



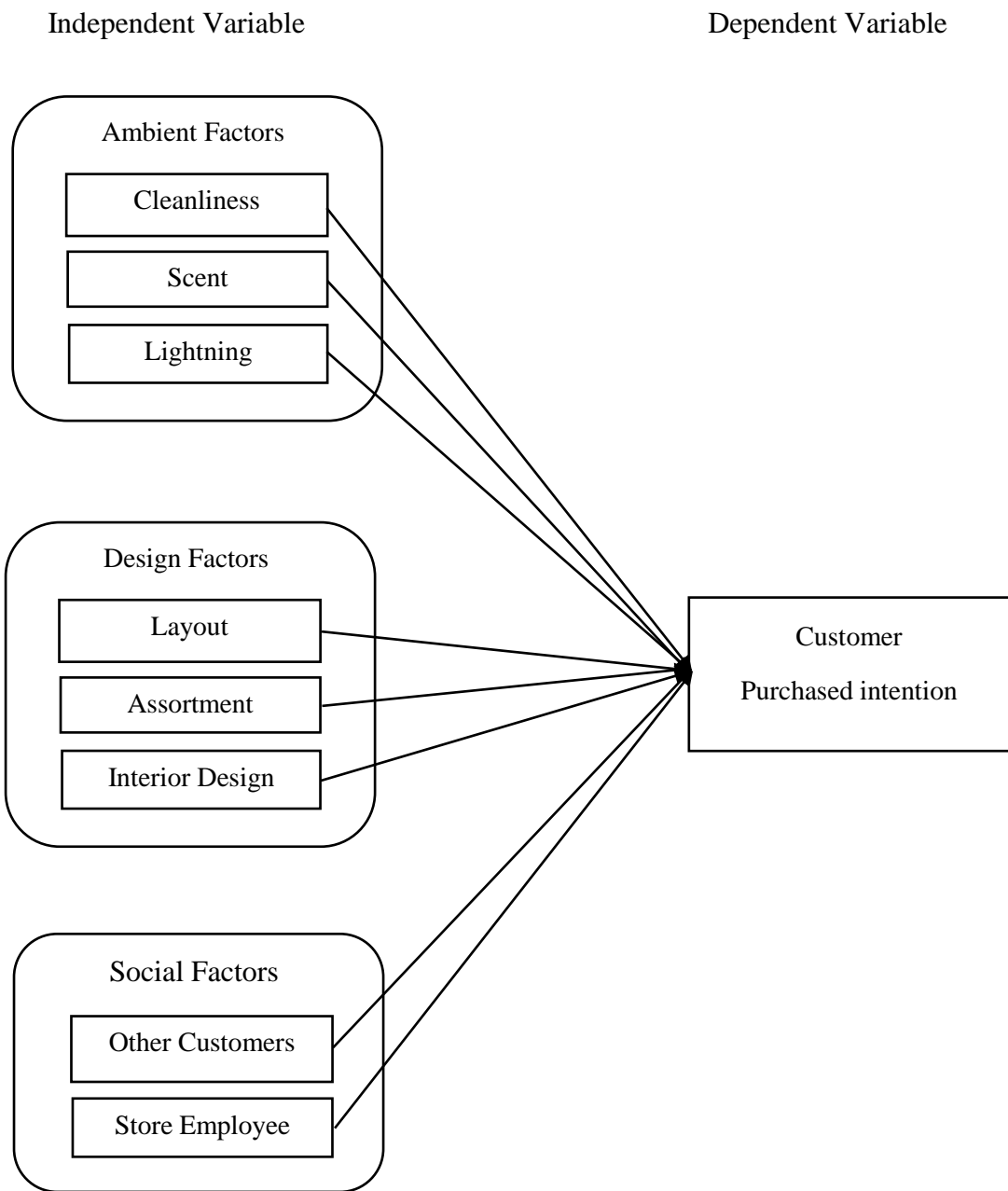
Source: (Yap et al., 2011)

The study revealed the store atmosphere such that display and layout, music, lighting, cleanliness and participant factors including employee and other customers have significant impact on customer purchased intention towards fashion shop in Malaysia.

2.6 Conceptual Framework of the Study

The conceptual framework of this study is based on the literature of pervious studies. The independent variables such as cleanliness, scent, lighting are adopted from (Siddhibhongsa & Kim, 2017). The another independent variable such as layout, assortment, and interior design are adopted from (Hussain & Ali, 2015). Moreover, the another independent variable such as other customers and store employee is taken from (Yap et al., 2011). The combining of three studies is based on theoretical concept and realization concept to comply with Myanmar context.

Figure (2.8) Conceptual Framework of this Study



Source: Own Compilation (Adopted from previous studies)

CHAPTER 3

HISTORY OF BLACK CANYON COFFEE

This chapter consists of four sections; they are the history of coffee shop, overview of coffee shop market in the world, coffee shop market in Myanmar, Black Canyon coffee in Myanmar and the importance of coffee shop atmosphere.

3.1 History of Coffee Shop

The history of the coffee house began hundreds of years ago and certainly has changed over years and year. At the point when coffee was entered to Europe, around the seventeenth century, the popular of bistros happened as the example of cafés around the globe. It turned into a spot for individuals to trade their perspectives, read books, compose sonnets, plays, and caused business exchanges, to talk about political confirmations, and often relax with friends. When there were no postal places, the famous of coffee shop had also served as a mailing places in the past. A behavior of coffeehouse gives a common characteristic with a restaurant. Especially, it differs in that a coffee shop targets on serving coffee, cakes and teas.

Today, cafés take the convention set by cafés of the past. They actually stay as well-known scene for individuals who might need loose and appreciate climates where they can peruse, talk, meet with individuals, make up for lost time with the day's occasion and feel the taste quality espresso. This is proven by famous cafés with establishments around the world, for example, Coffee Roasters, Refuge Coffee, Best Coffee, Cup O' Joe, The Second Cup and the Starbucks. Kiva Han was the first record coffee shop date back to 1475. It was located in Turkish city of Constantinople.

Coffee shop starting up continued to spread, with the first one opening up in Britain in 1652. Then the popularity was growing in Europe, arrived to England again from Turkey by English merchants who dealt in Turkish goods (including coffee). The coffee house was quick to follow, when America was colonized. The role of the American coffee house was became hotspots for the business community which are the same as those in England. In 1792, much business was conducted the Tontine Coffee House and it became the original location for the New York Stock Exchange. According to the country and region, coffeehouses adopted variations.

By working a few fields close to the Pyin Oo Lwin city, Myanmar present the espresso. Around then business creation didn't take off from the start, and the majority of the espresso filled generally in Shan State, Kachin and Mandalay during that time advanced across fringes to Thailand, China and Laos and through informal transportation.

Throughout the most recent quite a long while, the Myanmar economy has opened up in light of the fact that few associations have started to put more focus in on the coffee exchange. Non-Government Organization and private entities have been working with farmers to improve agronomy and harvesting practices to grow up coffee business in the country. The climate in Myanmar's highlands and lends itself well to coffee cultivation, it is particularly well adapted to natural processing and a significant amount of estimated coffee is also produced.

In late 2014, USAID Value Chains for Rural Development project began and estates existed selling lower-quality coffee, but if farmers did not abandon coffee, they were selling it to the local market. The Myanmar's government-run mill produce coffee and primarily sold in local and to foreign countries through unofficial transactions.

In 2019, there were at any rate five dry factories all through the nation and the Myanmar Coffee Association (MCA) has a yearly strength coffee rivalry in Yangon. The youth in Burmese are involved and interest about coffee production. Yearly absolute coffee creation is assessed at around 3,500-4,000 metric tons (MT) with 400-500 MT being traded to USA, UK, Singapore, Canada, Australia, Russia, France, South Korea, and somewhere else. Inside utilization is assessed at another 400-500 MT, with the mass coffee being offered to Thailand.

Mandalay and Shan State produce most of the coffee in Myanmar, yet different districts like Kachin State and Chin State have likewise begun developing coffee. In Mandalay, the majority of the ranchers own produce washed coffee and own enormous domains. Shan State makers own not exactly a hectare of land and are only smallholders.

Several groups are at the forefront of Myanmar's specialty coffee movement, including the Mandalay Coffee Group (MCG), Amayar, Shwe Taung Thu, and Behind the Leaf. Because of the extraordinary number of little makers and networks the accessibility of selling coffee vacillate year to year.

3.2 Overview of Coffee Shop Market in the World

Coffee shops market in the world is estimated with the growth by US\$58.7 billion in market. The chain outlets of coffee estimated and shows the probability with the growth at over 4.6%. This elements development makes it basic for organizations to be changing purpose of the market. Estimated to reach over US\$143.4 Billion by the year 2025. Today, coffee will bring in healthy facts and benefit by combining significant tempo to global growth.

Representing the developed world, Germany will invest over US\$2.8 Billion to the region's size and beat in the next 5 to 6 years and the United States will maintain a 4.2% growth momentum. Inside Europe, which keeps to stay as significant component on the planet economy. Rest of Europe markets request US\$10.8 Billion worth of task. Coffee will arrive at a market size of US\$10 Billion in Japan by the examination period. As the world's second biggest economy in worldwide business sectors, China add roughly US\$5.6 Billion and shows the possibility to develop at 7.8% throughout the following couple of years to pick up open door for the picking by yearning organizations.

3.3 Coffee Shop Market in Myanmar

During the recent years, opening foreign coffee outlets in Myanmar is changing the local food and drink culture and giving variety of new Asian food senses in Myanmar. For some, cafes shops are more than just a place to get a cup of coffee. Australian espresso chain Gloria Jean's Coffees which is worked by a Vietnamese organization worked its first shop in Myanmar at Myanmar Plaza finally year by doing a lot of exercises with clients. Myanmar Plaza is one of the strip mall situates in Yankin Township which is one of Myanmar's busiest business locale. On non-weekend days and end of the week, the coffeehouse is packed with local people who work for foreign organizations in similar building and different clients.

Gloria Jean's currently operates in more than 30 countries and it plans to run about 8 outlets through a local franchisee in Myanmar. Numerous foreign coffee chains have plunged on the nation lately, including Black True Coffee and Canyon Coffee, both from Thailand, by a developing number of enormous business buildings jumping up in Yangon.

While under military standard, foreign café administrators quit coming to Myanmar. Individuals generally appreciated moment espresso as a reward at road.

During the recent years, the Café Amazon and Tom and Tom coffee is also enter to the Myanmar market. In spite of the normal mug of coffee costs 2,000 to 4,500 kyats at major overseas coffee chains and most shops are presently progressing well.

3.4 Black Canyon Coffee in Myanmar

Black Canyon Co. Ltd. was founded in Thailand. It runs for many transportations business and operate restaurants giving best quality of coffee and menus under the "Black Canyon Coffee" name. The company was registered under owner of the "Black Canyon" brand and related services business. The company's main business is the opening of coffee shops that serving highest quality of food and coffee. Most quantities of shops are situated in cinemas, corner stores and strip malls all through nearby city, just as other an expanding number of abroad countries. Black Canyon owns and operates some branches directly, while others are owned and for the foreign countries are operated by franchise. All branches are beautified with the high plan standard and explicit plans chose from accessible sources relying upon the kind of area and nations.

Black Canyon's unique popularity is based on serving coffees with the best scent and taste, variety of choices, with the highest quality, made from highest quality fresh coffee beans gained from around the world, as well as those grown in local.

Black Canyon Coffee likewise give a broad assortment of food menu. The menu consolidates Eastern top choices, for example, seared rice and noodles with Western dishes like soups, servings of mixed greens, pasta and French fries; and Thai fortes as tom yum, som-hat, and so forth A novel element of the menu are the "combination" dishes which join West and East, instances of which are spaghetti with fusilli noodles in tom yum soup, green curry sauce, spaghetti with red panang shrimp sauce, and so on. Black Canyon now has more than 359 branches in foreign countries and 190 branches all around Thailand.

Every year, Black Canyon serves more than 1,000,000 cups of coffee to nearby and outsiders visiting Thailand, who need to burn-through the flavor and taste of genuine coffee, and hold returning for additional. Specialists at Black Canyon screen and control the nature of each cluster of coffee to guarantee that our clients get a similar encounter each time they visit a Black Canyon eatery. Black Canyon is the biggest and most notable administrator of diversified cafés in Thailand. The

administration and each worker utilize vital promoting ideas and has as their objective to consistently create and develop the Black Canyon Coffee brand.

In Myanmar, there are six branches of Black Canyon Coffee shop in Yangon. First branches is at Time City, the second and third one is at Sule and Myanmar Plaza. The fourth and fifth are at Yangon International Hotel and Sayarsan Street. The last one is located at Bo Gyoke Street.

3.5 The Importance of Coffee Shop Atmospheric

Store atmosphere is the physical space that the retailer can control and try to create a unique atmosphere for customers. The suitable atmosphere will not only persuade and experience customers, but also force them to use time and money at a unique and pleasant atmosphere. One study showed that a coffee shop's product only for 48% of a customer's emotional connection to the business and the remaining 52% up to other factors, such as the cafe's atmosphere.

Creating an ideal atmosphere for café shop to attract customers focusing on six key factors:

- **Design:** The design is one factor of atmospherics that locates on the utilization of a shading palette and combination colors throughout a store space. As an example, Starbuck used its logo green and white colors at its stores and all the place related with its brand.
- **Lighting:** Lighting has the ability to totally change the state of mind and feeling of any space. Regardless of whether pick faint or brilliant lighting, the climate it makes can assist with making all the more welcoming the clients to shop. For example, Colombo Coffee and Eighty Coffee areas utilize more splendid lighting to make a more vivacious climate. Conversely, Tom and Tom Coffee stores regularly utilize hazier lighting to establish a comfortable climate.
- **Sound:** Most likely, these sounds influenced customer mood and patient level within the space. Regardless of whether that play quiet, perky, or more seasoned music, everything impacts the sentiments and feelings clients will have as they spend time and energy in café.
- **Scent:** The scent of coffee can attract customers in from their location and encourage them to buy whatever product they smell and persuade want to taste. Wonderful aromas additionally can keep them waiting around your

bistro for longer timeframes. The scents used in shops during the holidays and special days offer a great example of this. By focusing on vacation customers, individuals stroll into a retail location, they quite often get the fragrance of pine, flavor, or espresso. These exemplary occasion aromas help clients catch the occasion soul, yet additionally may urge them to make a buy.

- **Fixtures and Layout:** The seats, tables and different installations in shop speak to the general climate of the shop. Specifically, the layout tells customers where to go to table placement for order and pick up drinks while drawing their attention to the products that want to sell. Setting product or sacks of coffee in a client's view as they submit their request, for instance, can improve the probability they'll buy more than their craving and assessed item with coffee.
- **Human Interaction:** While human communication is quite possibly the main barometrical variables and one of the hardest to control. Human Interaction is additionally barely noticeable when arranging key parts of the business. However, the manner in which store staff gets and thinks about clients in the bistro advises how client feel inside that space and how they consider the shop brand.

CHAPTER 4

RESEARCH METHODOLOGY

The purpose of this study is to analyze the effects of store atmosphere on customer purchased intention. Primary data are collected using the questionnaire set for this study based on the conceptual framework and are then analyzed by statistical methods. Descriptive statistics is used to show the quality of data and multiple regression analysis is applied to find out the effects of store atmosphere on customers' purchase intention in Black Canyon Coffee shops.

4.1 Research Design

Quantitative research method is applied in this study. Quantitative research is the measure of respondents' perceptions by using five-point Likert scale. Respondents are chosen by using simple random sampling method. The sample for this study is drawn from the population of customers who consumed at Black Canyon Coffee shops. Three hundred and eighty-five respondents are randomly selected. According to (Ticehurst & Veal, 2000), quantitative methodology rests on numerical evidence to test hypotheses and lead to findings and conclusion.

Descriptive research was conducted in this study and the data is collected from both primary and secondary sources. Primary data is collected from customers in Black Canyon Coffee shops through questionnaires and secondary data is acquired from the relevant journals, books, articles and internet websites.

The questionnaires are divided into three section which includes 47 questions; section A includes demographic background of the respondents such as gender, age, income, etc. Section B contains questions for independent variables and section C includes questions for dependent variables of purchased intention. This study uses SPSS (Statistical Package for Social Science) to analyze the collected data for the findings of this study by running of reliability test, correlation, regression. The result that certain whether the respondents agree to store atmosphere factors have an effect on customer purchased intention or not. Cronbach's alpha value was calculated to measure the internal consistency of the scales used in the questionnaire.

4.2 Demographic Characteristics of the Respondents

Demographic characteristics is the statistical data about the characteristics of respondents. In this study, demographic characteristics of the respondent are analyzed by gender, age group, occupation, income level and frequency of go to coffee shop in a week. Table 4.1 shown the demographic profile of 385 respondents by gender.

4.2.1 Gender

Gender can be classified into two groups, male and female in this study.

Table (4.1) Gender of Respondent

Gender	Frequency	Percentage
Male	333	86.5
Female	52	13.5
Total	385	100.0

Source: Survey Data

From data analysis of table 4.1, found that among 385 respondents, male 86.5% and female 13.2%. According to the result, male respondents are more consume in coffee shop than female.

4.2.2 Age

In this study, age are divided into four groups, contain Under 18 years, 18-25 years, 26-40 years, 40 above years.

Table (4.2) Age of the Respondents

Age (in years)	Frequency	Percentage
Under 18	34	8.9
Between 18 - 25	186	48.2
Between 26 - 40	126	32.8
Above 40	39	10.1
Total	385	100.0

Source: Survey Data

According to the table 4.2, ages of the respondents between 18-25, and 26-40 are largely involved and ages under 18 and 40 above are rarely involved. In this study, range of age between 18-25 are largely domain as number of 186 (48.2%) of respondent and the second largest one is age between 26-40 as number of 126 (32.8%) of respondents. The range of the age under 18 and above 40 are as number of 34 (8.9%) and 39 (10.1%) respectively.

4.2.3 Occupation

In this study, occupation is divided into four parts: student, housewife/husband, employed and self-employed.

Table (4.3) Occupation of the Respondents

Occupation	Frequency	Percentage
Employed	156	40.5
Self-Employed	30	7.8
Student	199	51.7
Total	385	100.0

Source: Survey Data

According to the table 4.3, the occupation of respondents as students and employed respondents are largely domain in survey as the percentage of 51.7% and 40.5%. Furthermore, self-employed are little domain as number 30 (7.8%) in this survey.

4.2.4 Income

In this study, income is divided into four groups which consists of Kyats 1 – 200000, Kyats 200001 – 400000, Kyats 400001 – 600000, and above 600000.

Table (4.4) Monthly Income Level of Respondents

Income	Frequency	Percentage
K1_K200000	193	50.1
K200001-K400000	112	29.1
K400001-K600000	44	11.4
Above 600000	36	9.4
Total	385	100.0

Source: Survey Data

According to the table 4.4, respondents of monthly income K200000-K400000 with 29.1%, K400000-K600000 with 11.4% and above K600000 as 9.4% respectively. It is found that the most of the respondents who are income level K1-K200000 with 50.1%.

4.2.5 Frequency of Visiting in Every Weeks

In this study, it is divided into three parts: 1-2 times, 3-4 times and above 5 times in every weeks.

Table (4.5) Frequency of Visit to Coffee Shop

Time	Frequency	Percentage
1 – 2	298	77.4
3 – 4	61	15.8
5 or above	26	6.8

Source: Survey Data

According to table 4.5, the respondents are mostly visit to shops 1-2 times (77.4%) in a week and 3-4 times in every weeks are 15.8% and above 5 times is 6.8% respectively.

4.3 Testing of Reliability for Construct Variables

Likert scales has widely used in this study. Therefore, before they are used, it should be checked for their reliability of each dimension. Reliability refers to the extent to which data collection techniques and analysis procedures will yield similar findings to those of prior researchers. Measurements of reliability provide consistency in the measurement of variables. Internal consistency reliability provides consistency in the measurement of variables. Internal reliability is most commonly used as psychometric measure assessing survey instruments and skills (Zhang et al., 2000). Cronbach alpha is the basis formula for determining reliability based on internal consistency (W. Kim & Cha, 2002).

In this study, Cronbach's alpha value is used as a measure of the internal consistency of the scales used in the questionnaire. If alpha is low, then at least one of items are unreliable and must be identified via item analysis procedure. However, the alpha value should ideally be above 0.7.

Table (4.6) Results of Cronbach's Alpha Value

Scale	Type of Scale	No. of Items	Cronbach's Alpha
Cleaning	5-point Likert	5	.865
Lighting	5-point Likert	5	.758
Scent	5-point Likert	5	.810
Layout	5-point Likert	5	.871
Assortment	5-point Likert	5	.829
Design	5-point Likert	5	.805
Other Customer	5-point Likert	4	.764
Store Employee	5-point Likert	5	.862
Purchase Intention	5-point Likert	4	.815

Source: Survey Data

According to table 4.6, the alpha value of store atmosphere factors such as cleaning, scent, layout, assortment, design, store employee and the independent variable of purchase intention are above 0.8 and that means they have very strong reliability. Furthermore, internal consistency reliability of lighting and other customers are also reliability because they both have 0.7 above alpha value. Therefore, all of the variables are reliable in this study.

4.3.1 Cleanliness

Among the variables of store atmosphere factors, cleanliness is measured with five items. The mean value and standard deviation for each items of cleanliness and overall mean value of time appropriateness is presented in table (4.7).

Table (4.7) Cleanliness

No	Statement	Mean	Std. Dev
1	The store's floor is clean.	4.06	.85
2	The shelves are clean.	4.08	.82
3	The store is clean.	4.13	.82
4	The products are tidy and not damaged.	3.97	.87
5	The fact that the store is clean and tidy increases my wellbeing and comfort.	4.32	.72
Total Average Scores		4.11	

Source: Survey Data

According to table 4.7, by compared the score of the fact that the coffee shop is clean and tidy increase the comfort and wellbeing of the customer which is the highest score 4.32 while the lowest score is 3.97 in which the shop of the product are tidy and not damaged. This point out that the cleanliness of shop is important for purchased intention but the tidy of the product is as such neutral. The average mean score is 4.11. For all the statement of cleanliness, it is one of the key factors to cause purchased intention. Cleanliness establishment is one of the importance in making a good first impression on customers and help to boost customer loyalty.

4.3.2 Scent

Among the variables of store atmosphere factors, scent is measured with five items. The mean value and standard deviation for each items of scent and overall mean value of time appropriateness is presented in table (4.8).

Table (4.8) Scent

No	Statement	Mean	Std. Dev
1	The store has a distinct fragrance	3.54	.82
2	The store has a pleasant scent	3.94	.78
3	The store has appropriate smell in different areas. E.g. cake, coffee, etc.	3.78	.83
4	The scent is suitable for the products in the store.	3.78	.77
5	The pleasant and suitable smell increases my wellbeing and comfort.	3.89	.83
Total Average Scores		3.79	

Source: Survey Data

According to table 4.8, by comparing the score of scent factors, the highest mean score is 3.89 which is the pleasant scent and suitable smell of coffee shop increase the consumers comfort and then turns to purchased intention. This point out that scent of the product of coffee shop can attract consumers. The lowest mean score is 3.54 which is the shop has distinct fragrance but the having distinct fragrance also flavor effect to purchase intention. The average mean score is 3.79. For all statement of scent, it is one of the key factors to cause purchased intention. In coffee shop, scent can lure customer near the shop and make desire to taste the product and it can turn into purchase intention.

4.3.3 Lighting

Among the variables of store atmosphere factors, lighting is measured with five items. The mean value and standard deviation for each items of lighting and overall mean value of time appropriateness is presented in table (4.9).

Table (4.9) Lighting

No	Statement	Mean	Std. Dev
1	The light in the areas of products allows me to evaluate the quality of the products (e.g., cake, bread, coffee, etc.).	3.95	.77
2	The light at the corners of the store (more hidden areas) is sufficient.	3.67	.87
3	The overall light in the store is sufficient.	3.89	.82
4	Different lighting used in each area inside the store is important.	3.90	.94
5	The bigger the clarity increases my wellbeing and comfort.	4.05	.70
Total Average Scores		3.89	

Source: Survey Data

According to the table 4.9, when comparing the mean score of lighting, the bigger the clarity of coffee shop increase customer comfort and purchased intention that have highest score of 4.05. This point out that the lighting of the coffee shop is one of the attractive way to persuade customers. The lowest score is 3.67 which is the light at the corner of the shop is sufficient. The average mean score is 3.89. For all the statement of lighting, it is a key factor to cause purchase intention. Coffee shops used different lighting with their business vibe, that is spread around to provide a comfortable level for everyone to see and some use their lighting marketing by highlight to the products that they want to sell it to customers.

4.3.4 Layout

Among the variables of store atmosphere factors, layout is measured with five items. The mean value and standard deviation for each items of layout and overall mean value of time appropriateness is presented in table (4.10).

Table (4.10) Layout

No	Statement	Mean	Std. Dev
1	It is easy to move around in the store.	3.81	.94
2	The layout is appropriate with the product.	3.81	.77
3	The corridors are spacious enough.	3.66	.83
4	The space between chairs and tables are spacious enough.	3.71	.93
5	The enough space and appropriate layout increases my wellbeing and comfort.	3.90	.75
Total Average Scores		3.79	

Source: Survey Data

By comparing the mean score of layout, this study found that the highest mean score is 3.9 which is the enough space and appropriate layout in coffee shop increases the customer purchase intention. While the lowest mean score is 3.66 which is the corridors of coffee shops are spacious enough that effect neutral to customer purchase intention. Consequently the average means score is 3.79 indicates the layout of the store atmosphere cause purchase intention. The coffee shop are recognized and implementing good layout ideas that will help to promote a workable and efficient service in café and making it more profitable for business.

4.3.5 Assortment

Among the variables of store atmosphere factors, assortment is measured with five items. The mean value and standard deviation for each items of assortment and overall mean value of time appropriateness is presented in table (4.11).

Table (4.11) Assortment

No	Statement	Mean	Std. Dev
1	The store has a wide variety of products.	3.88	.71
2	The store has different variety of prices in different kind of products.	3.96	.87
3	It is easy to find out the products that are sought.	4.05	.78
4	The arrangement of the product is systematic and clear.	4.14	.72
5	The suitable arrangement of the product increases my wellbeing and comfort.	4.13	.79
Total Average Scores		4.03	

Source: Survey Data

According to table (4.11), this study found that the highest means score showing 4.14 that is the systematic and clear arrangement of product in coffee shop increases the customer purchase intention. While the lowest mean score is 3.88 that the coffee shop has a wide variety of product. The overall average score is 4.03 which indicates that the assortment is a key factor to cause purchase intention. Assortment planning in retail is when a store optimizes visual merchandising, product placement and store layout for the most conversions.

4.3.6 Interior design

Among the variables of store atmosphere factors, interior design is measured with five items. The mean value and standard deviation for each items of interior design and overall mean value of time appropriateness is presented in table (4.12).

Table (4.12) Interior Design

No	Statement	Mean	Std. Dev
1	The design of floor, ceiling and wall are comfortable.	4.12	.71
2	The color in the store is currently fashionable.	3.94	.77
3	In-store displays (texture, pattern) are impressive.	3.83	.79
4	The décor is suitable with the store image.	3.90	.68
5	The pleasant interior décor and design increases my wellbeing and comfort.	4.00	.76
Total Average Scores		3.92	

Source: Survey Data

By comparing the mean score of interior design factors, this study found that the highest mean score is 4.12 which is the coffee shop design of floor, ceiling and wall are comfortable. This points out that the comfortable and suitable interior design increases purchase intention. While the lowest score is 3.83 which is the in-store displays as texture, pattern are impressive. The overall mean score is 3.92 which indicates that the interior design is a key factor that cause purchase intention. The interior design play an importance role in business, the attractive and effective design can have impacts on operation, attracting customers and brand loyalty.

4.3.7 Other Customer

Among the variables of social atmospheric factors, other customer factor is measured with four items. The mean value and standard deviation for each items of other customer and overall mean value of time appropriateness is presented in table (4.13).

Table (4.13) Other Customers

No	Statement	Mean	Std. Dev
1	There are enough customers in the store.	3.74	.71
2	I like having suitable numbers of customer in the store.	3.76	.79
3	The social relations among customers are cordial.	3.748	.87
4	The fact of having a reasonable number of customers in the store increases my wellbeing and comfort.	3.79	.84
Total Average Scores		3.77	

Source: Survey Data

According to table 4.13, the study found that the highest mean score is 3.79 that is having reasonable number of customers in the shop increases customer comfort and purchase intention. Not only crowding but also less of customers are not good enough and having suitable numbers of customers can attract customers. The average means score is 3.77 that indicates the other customer factor is a key factors to cause purchased intention. The shop is extremely crowded or extremely uncrowded, customer can be unhappy but a suitable number of customers may lead to customer satisfaction in the shop.

4.3.8 Store Employee

Among the variables of store atmosphere factors, store employee is measured with five items. The mean value and standard deviation for each items of store employee and overall mean value of time appropriateness is presented in table (4.14).

Table (4.14) Store Employee

No	Statement	Mean	Std. Dev
1	The appearance of employee is important.	4.10	.91
2	The politeness of employee is important.	4.43	.79
3	The store has helpful and friendly employees.	4.24	.85
4	The employees provide best service quality to me.	4.19	.77
5	The fact of having polite and helpful employee in the store increases my wellbeing and comfort.	4.31	.79
Total Average Scores		4.25	

Source: Survey Data

By comparing the mean score of store employee factors, this study found that the highest mean score is the politeness of employee in the shop is important because it increases the comfort and repurchase intention of customers. While the lowest score is the 4.10 that is the appearance of the employee is important but it also has flavor effect on purchase intention. The overall average means score is 4.25 that indicates that the store staff factor is a key factor to cause purchase intention. Staffing store is a huge expenses for retailers and the behaviors and politeness of the staff on customer is very influencing and important for repurchase intention.

4.4 Correlation of Store Atmosphere and Customer Purchase Intention

Pearson correlation is a statistical test that assesses the strength of the relationship between two numerical data variables (Saunders et al., 2000). Therefore, the relationship of independent variables and dependent variable is measured via correlation. The significance level is 0.05 in the Pearson Correlation test, which means there is 95% of confidence level. Therefore, the hypotheses only can be accepted if the significant p-value is less than 0.05. The correlation coefficient should

be range from -1 to +1. The value of r is closer to +0.1 to +0.3 are weakly, +0.4 to +0.6 are moderately correlated and then +0.7 to +0.9 are strongly correlated between two variables. The correlation analysis of the study is presented in Table (4.15).

Table (4.15) Correlation between Independent Variables and Customer Purchased Intention

IV		Purchase Intention
Cleaning	Pearson Correlation	.316**
	Sig. (2-tailed)	.000
Lighting	Pearson Correlation	.503**
	Sig. (2-tailed)	.000
Scent	Pearson Correlation	.427**
	Sig. (2-tailed)	.000
Layout	Pearson Correlation	.426**
	Sig. (2-tailed)	.000
Assortment	Pearson Correlation	.354**
	Sig. (2-tailed)	.000
Design	Pearson Correlation	.467**
	Sig. (2-tailed)	.000
Other Customer	Pearson Correlation	.510**
	Sig. (2-tailed)	.000
Store Employee	Pearson Correlation	.399**
	Sig. (2-tailed)	.000

Source: Survey Results

** . Correlation is significant at the 0.01 level (2-tailed).

According to Table (4.15), correlation values of cleanliness, lighting, scent, layout, assortment, interior design, other customer and store employee are 0.315, 0.503, 0.427, 0.426, 0.354, 0.467, 0.510 and 0.399 respectively. It is found that lighting, scent, layout, interior design and other customer are significant and correlated with purchase intention at 0.01 significant levels. Among them, lighting, scent, layout, interior design and other customer are moderately correlated with purchase intention.

4.5 Effect of Store Atmosphere on Customer Purchase Intention

Multiple regression analysis is used to analyze the effect of two or more independent variable on single dependent variable are investigated simultaneously. The fitness of the regression model is shown by its adjusted R square which gives more accurate information. In this study of analyzing, the results are showed in Table (4.16). The adjusted R square, F-value and t-value from SPSS output have been used to interpret the results of multiple regression analysis.

Table (4.16) Effect of Purchased Intention on All Independent Variables

Store Atmosphere	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.230	.241		5.097	.000
Cleanliness	.002	.051	.002	.037	.971
Scent	.220	.063	.218	3.474	.001
Lighting	.138	.063	.121	2.206	.028
Layout	-.006	.094	-.007	-.065	.948
Assortment	.302	.109	.295	2.765	.006
Interior Design	.398	.194	.345	2.046	.041
Other Customer	.198	.063	.199	3.159	.002
Store Employee	.079	.061	.085	1.304	.193
N=385, Adj R ² = .337, F = 25.429 (p-value = 0.000) DW = 2.146					

Source: SPSS Output

Table (4.16) shows in the multiple regression model, purchase intention was used as dependent variable and store atmosphere factors such as cleanliness, scent, lighting, layout, assortment, interior design, other customer and store employee are used as independent variable. Overall significance of the model, the value of F test, is highly significant at 1percent level. This specified model can be said valid.

According to table (4.16), the result provides scent, lighting, assortment, interior design and other customer show significant positive relationship with purchase intention (b=0.220, t=3.474, p<0.01), (b=0.138, t=2.206, p<0.05), (b=0.302, t=2.765, p<0.01), (b=0.398, t=2.046, p<0.05), (b=0.198, t=3.159, p<0.01).

But there is no significant relationship between cleanliness, layout, store employee with customer purchase intention. The result of the regression analysis indicates that one unit of interior design factors can increase 0.398times in customer purchase intention. And also 0.302times increase when one unit of assortment is made systematically. Furthermore, one unit of scent, lighting and other customer factors can increase the 0.22 times, 0.128 times and 0.198 times in customer purchase intention.

Table (4.17) Effect of Purchased Intention on Three Factor

Store Atmosphere	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.129	.224		5.028	.000
Ambient	.395	.088	.304	4.464	.000
Interior Design	.057	.083	.049	.682	.496
Social	.277	.075	.255	3.681	.000
N=385, Adj R ² = .307, F = 57.723 (p-value = 0.000) DW = 2.100					

Source: SPSS Output

According to the table (14.7), the store atmosphere factors of ambient factors including cleanliness, scent and lighting show significant positive relationship with customer purchase intention. The result shows one unit of ambient factors that can increase 0.395 in customer purchase intention. The social factors of the store atmosphere persists of other customers and store employees show significant positive effect on customer purchased intention but the design factors contain contains layout, assortment and interior design factors is not significant effect on customer purchase intention.

CHAPTER 5

CONCLUSION

The study is conducted with the aim of analyzing the effect of store atmosphere on customer purchase intention in Black Canyon Coffee shop. This chapter includes the findings and discussion, suggestion and recommendation and needs for further study based on the results of the data analysis.

5.1 Findings and Discussion

Nowadays café and bakery shop are occurred here and there around the Myanmar and the retailers are looking for strategic ways to attract customers. So this study was attempted to analyze the effect of store atmosphere on customer purchase intention in Black Canyon Coffee shop. The findings of the study provide useful strategic implication to understand the customer buying behavior towards coffee shop retailer.

As a part of the store atmosphere factors towards purchase intention, demographic factors of the respondents in the study are explored according to the variables such as gender, age, occupation, income level, and frequency of visiting to shop in a week. Regarding with the gender, more male respondents are participated than female do. According to the age, the most respondents are the range between 18-25 and 26-40. Ages between 18-25 is largely dominated as 48.2% of respondents among them. According to the occupation of respondents in survey, employed respondents and student are mostly visit to coffee shop domain in 40.5% and 51.7%. Students can frequently visit to coffee shop to discuss the assignment or their related subjects and to chill with their friends at weekends. Employed workers can visit at their lunch time or for business talk. According to income level in this study, K1-K200000 with 50.1% of respondents are largely domained that for income level. According to the frequency of coming to shop in week, most respondents are visited to shops at 1-2 times in a week representing 77.4%.

The collected data are analyzed with reliability test, correlation and regression analysis by using SPSS. The effect of store atmosphere factors is measured by using five-point Likert scale item (1=strongly disagree, 2=disagree, 3=neutral, 4=agree,

5=strongly agree). The higher mean value upon each item suggests that the store atmosphere on customer purchased intention.

With regard to descriptive statistics, the majority of respondents agree upon the fact that assortment factors about store atmosphere is the highest effect on customer purchase intention in Black Canyon Coffee with the overall mean score of 4.03. And most of the respondent agree that the lighting and interior design is also significant effect on purchase behavior with the average mean score of 3.89 and 3.92. Other store atmosphere factors such as lighting and other customers by shoppers are perceived as moderately effect.

According to the regression analysis, the store atmosphere influences the customer purchased intention in Black Canyon Coffee shop. Among the eight variables used in this study, scent, lighting, assortment, interior design and other customers have strong significant influence on customer purchase intention. In the present market place, store atmosphere is necessary for retailers to give priority to design of store atmosphere not only because of the competitive outlets is increasing but also the differences between product and prices are narrowing. Then many engaged respondents agree that the pleasant store atmosphere can increase their comfort and wellbeing.

Based on the findings of the study store atmosphere becomes competitive advantages factor with advancement in technology and increase in customer purchase intention. The pleasant store design makes the shoppers fulfill the shopping process effectively and efficiently which indicates that the shoppers spend in the store is reduced due to the well-organized store design. The use of clarity and sufficient lighting, the pleasant and suitable fragrance and the systematic and clear assortment are also significant factors that can cause customer purchase intention.

For the retailers who base their business in the fixed location, it is necessary to conduct in-store marketing in the physical store atmosphere in order to enhance their sales performance. This study points out that when shopping in the physical stores tends to be influenced positively or negatively by the store environment. If it is affected positively to customers, which influence to customer perception and turn to purchase intention.

5.2 Suggestion and Recommendation

Today, customers tend to look for additional beneficial elements before they made their purchase. In highly competitive retail coffee shop market, store atmosphere is one of those elements which are highly demanded. Another reason to make this study is that retailers are difficult to gain advantages on 4P and store atmosphere contributes to business success or failure. Thus while, coffee shop retailers are more concentrated in their store atmosphere of ambient cue, design cue and social cue to gain competitive advantages and increase their sale.

By the result of the study, among the ambient factors, scent and lighting are significant factors to cause purchase intention. The coffee shop retailers add a value to their good presentation to create positive customer attitudes in order to tempt customers to buy products with high price. In addition, the coffee shop needs to create the neutral zone where customers can have their sense of smell. Lighting can guide customer's eyes to key point and support store display by attracting and retaining customer patronage. Thus coffee shop retailers carefully align the lighting and try to persuade customer's eyes.

Among the design factors of this study, assortment and interior design factors are significant factors to cause purchase intention. Coffee shop retailers need to create the range of products with different prices to satisfy many kind of customers. Retailer try to create the systematic and clear assortment and the suitable assortment of products to improve customer purchase intention. Poor design may lead to a degradation of buying emotion and increase in stress in the shoppers. Thus retailers are fully concentrated on the merchandise in the store is well organized, the color is currently fashionable, the décor is suitable with the store image to make shoppers feel more pleasant. Among the social factors, other customer is a significant factor to cause purchase intention. Crowding customer in coffee shop shows the attractiveness of that shop. The shop is extremely crowded or extremely uncrowded, customers can be unhappy but a suitable number of customer may lead to customer satisfaction in the shop.

By the objective, the ambient factors including cleanliness, scent and lighting components are significant influence on customer purchase intention. Thus while, different types of coffee shop use different lighting strategies to attract customers. Some use low lighting that creates an intimate atmosphere, allowing customers to feel more detached from others. Other uses bright lighting that give off high energy mood

on customers and keep customers alert and awake. Scents can familiar with customers for years after they leave an environment and customers often memorizes of their childhood and important things when they come across the store that they experienced. Among the social factors, having suitable numbers of customers in store can attract customers and be positive on the brand image. The trained staff are polite and having caring behavior on the customers that can make repurchase intention on customers.

In concluded, retailers and managers of coffee shops must take into account that the store atmosphere factors to match with customer attitudes and perception. The manager in Black Canyon coffee shop always look for the changing fashion and trend to suit with their store atmosphere. The retailers have to manage not only price, promotion, product and place but also their store atmosphere to gain competitive advantages among the rivals.

5.3 Needs for Other Study

This study can serve as basis for further research study about store atmosphere on customer purchase intention. The present research focus only on customers who visited Black Canyon Coffee in Yangon, the result may not be representative as national level. Thus, further research may conduct studies in different areas of Myanmar. Further scientists are encouraged to gather the reacts from clients through subjective just as quantitative investigates to find out about the impact of more factors on customer purchase intention. Future examination should cover either entire nation or critical number of enormous and little urban communities to have a more extensive viewpoint of customer behaviors in Yangon. Future exploration should be directed utilizing a generally huge sample. At the same time, future research should consider the impact of atmospheric variable comparing all the different outlets to see how it is really affected. Future research also can study other store atmosphere from different retail industries like fashion retail, electronic, supermarket, pharmacies and so on.

REFERENCES

- Aydin, S., & Özer, G. (2005). The analysis of antecedents of customer loyalty in the Turkish mobile telecommunication market. *European Journal of Marketing*, 39, 910–925. <https://doi.org/10.1108/03090560510601833>
- Baker, J., Grewal, D., & Levy, M. (1993). An experimental approach to making retail store environment decisions. *Journal of Retailing*, 68, 445–460.
- Baker, J., Grewal, D., & Parasuraman, A. (1994). The Influence of Store Environment on Quality Inferences and Store Image. *Journal of the Academy of Marketing Science*, 22(4), 328–339. <https://doi.org/10.1177/0092070394224002>
- Baker, J., Levy, M., & Grewal, D. (1992). An experimental approach to making retail store environment decisions. *Journal of Retailing*, 68, 445–460.
- Baker, J., Parasuraman, A., Grewal, D., & Voss, G. B. (2002). The Influence of Multiple Store Environment Cues on Perceived Merchandise Value and Patronage Intentions. *Journal of Marketing*, 66(2), 120–141. <https://doi.org/10.1509/jmkg.66.2.120.18470>
- Banat, A., & Wandebori, H. (2012a). *Store Design and Store Atmosphere Effect on Customer Sales per Visit*. 6.
- Banat, A., & Wandebori, H. (2012b). *Store Design and Store Atmosphere Effect on Customer Sales per Visit*. 6.
- Belk, R. W. (1975). Situational Variables and Consumer Behavior. *Journal of Consumer Research*, 2(3), 157–164.
- Berman, B., & Evans, J. R. (2000). *Retail Management: A Strategic Approach* (8th edition). Prentice Hall College Div.
- Bitner, M. J. (1992). Servicescapes: The impact of physical surroundings on customers and employees. *Journal of Marketing*, 56(2), 57–71. <https://doi.org/10.2307/1252042>
- Bohl, P. (2012, March). *The effects of store atmosphere on shopping behaviour—A literature review*. (Monograph No. 1). Corvinus Marketing Tanulmányok; BCE Marketing és Média Intézet. <http://portal.uni-corvinus.hu/index.php?id=26979>
- Chebat, J.-C., & Michon, R. (2003). Impact of ambient odors on mall shoppers' emotions, cognition, and spending: A test of competitive causal theories.

Journal of Business Research, 56, 529–539. [https://doi.org/10.1016/S0148-2963\(01\)00247-8](https://doi.org/10.1016/S0148-2963(01)00247-8)

Dunne, P. M., & Lusch, R. F. (2008). *Retailing* (6th ed). Thomson/South-Western.

Dunne, P. M., Lusch, R. F., & Carver, J. R. (2013). *Retailing* (8th edition). Cengage Learning.

Enders, A., & Jelassi, T. (2000). The Converging Business Models of Internet and Bricks-and-Mortar Retailers. *European Management Journal*, 18, 542–550. [https://doi.org/10.1016/S0263-2373\(00\)00043-8](https://doi.org/10.1016/S0263-2373(00)00043-8)

Eroglu, S., Machleit, K., & Barr, T. (2005). Perceived Retail Crowding and Shopping Satisfaction: The Role of Shopping Values. *Journal of Business Research*, 58, 1146–1153. <https://doi.org/10.1016/j.jbusres.2004.01.005>

Harris, K., Davies, B. J., & Baron, S. (1997). Conversations during purchase consideration: Sales assistants and customers. *The International Review of Retail, Distribution and Consumer Research*, 7(3), 173–190. <https://doi.org/10.1080/095939697342987>

Hussain, R., & Ali, M. (2015). *Effect of Store Atmosphere on Consumer Purchase Intention*. <https://doi.org/10.2139/SSRN.2588411>

Kim, J.-E., & Kim, J. (2012). Human factors in retail environments: A review. *International Journal of Retail & Distribution Management*, 40. <https://doi.org/10.1108/09590551211267593>

Kim, W., & Cha, Y. (2002). Antecedents and Consequences of Relationship Quality in Hotel Industry. *International Journal of Hospitality Management*, 21, 321–338. [https://doi.org/10.1016/S0278-4319\(02\)00011-7](https://doi.org/10.1016/S0278-4319(02)00011-7)

Kinnear, T. C., & Taylor, J. R. (1995). *Marketing Research: An Applied Approach* (Subsequent edition). McGraw-Hill College.

Kotler, P. (1974). Atmospherics as a Marketing Tool. *Journal of Retailing*, 49, 48–64.

Krukowski, R. A., Sparks, C., DiCarlo, M., McSweeney, J., & West, D. S. (2013). There's more to food store choice than proximity: A questionnaire development study. *BMC Public Health*, 13(1), 586. <https://doi.org/10.1186/1471-2458-13-586>

Lam, S. Y. (2001). The Effects of Store Environment on Shopping Behaviors: A Critical Review. *ACR North American Advances*, NA-28. <https://www.acrwebsite.org/volumes/8468/volumes/v28/NA-28>

- Levy, M., & Weitz, B. (2008). *Retailing Management* (7th edition). McGraw-Hill Education.
- Liao, C.-S., Huang, C.-W., Huang, T.-Y., & Deeseentham, K. (n.d.). *A Cross-Cultural Examination of Store Environment Cues and Purchase Intention in Taiwan and the United States*. 11.
- Liao, Y.-Y., & Liaw, D. G.-F. (n.d.). *How Cues in the Multiple Store Environment Influence Shopping Mood and Patronage Satisfaction?* 8.
- Machleit, K. A., Kellaris, J. J., & Eroglu, S. A. (1994). Human versus spatial dimensions of crowding perceptions in retail environments: A note on their measurement and effect on shopper satisfaction. *Marketing Letters*, 5(2), 183–194. <https://doi.org/10.1007/BF00994108>
- Mantrala, M., Levy, M., Kahn, B., Fox, E., Gaidarev, P., Dankworth, B., & Shah, D. (2009). Why is Assortment Planning so Difficult for Retailers? A Framework and Research Agenda. *Journal of Retailing - J RETAIL*, 85, 71–83. <https://doi.org/10.1016/j.jretai.2008.11.006>
- Mattila, A. S., & Enz, C. A. (2002). The Role of Emotions in Service Encounters. *Journal of Service Research*, 4(4), 268–277. <https://doi.org/10.1177/1094670502004004004>
- Mehrabian. (1976). *Public Places Private Spaces*. Basic Books.
- Michon, R., Chebat, J.-C., & Turley, L. W. (2005). Mall atmospherics: The interaction effects of the mall environment on shopping behavior. *Journal of Business Research*, 58(5), 576–583. <https://doi.org/10.1016/j.jbusres.2003.07.004>
- Miller, D. (2008). *Retail marketing: A branding and innovation approach / Dale Miller*. (1st ed.). Tilde University Press.
- Mohan, G., Sivakumaran, B., & Sharma, P. (2013a). Impact of store environment on impulse buying behaviour. *Eur. J. Marketing*, 47, 8–8.
- Mohan, G., Sivakumaran, B., & Sharma, P. (2013b). Impact of store environment on impulse buying behavior. *European Journal of Marketing*, 47. <https://doi.org/10.1108/EJM-03-2011-0110>
- Saleh, M. A. E.-H. (2012). An Investigation of the Relationship between Unplanned Buying and Post-purchase Regret. *International Journal of Marketing Studies*, 4(4), p106. <https://doi.org/10.5539/ijms.v4n4p106>

- Saunders, M., Lewis, P., & Thornbill, A. (2000). *Research Methods for Business Studies*.
- Sherman, E., Mathur, A., & Smith, R. (1997). *Store environment and consumer purchase behavior: Mediating role of consumer emotions*. [https://doi.org/10.1002/\(SICI\)1520-6793\(199707\)14:4<361::AID-MAR4>3.0.CO;2-7](https://doi.org/10.1002/(SICI)1520-6793(199707)14:4<361::AID-MAR4>3.0.CO;2-7)
- Sherman, Elaine, Mathur, A., & Smith, R. B. (1997). Store environment and consumer purchase behavior: Mediating role of consumer emotions. *Psychology & Marketing*, 14(4), 361–378. [https://doi.org/10.1002/\(SICI\)1520-6793\(199707\)14:4<361::AID-MAR4>3.0.CO;2-7](https://doi.org/10.1002/(SICI)1520-6793(199707)14:4<361::AID-MAR4>3.0.CO;2-7)
- Siddhibhongsas, P., & Kim, D. S. (2017). The Influences of Store Atmosphere on Purchase Intention toward a Fast Fashion Brand in Bangkok. *AU-GSB e-JOURNAL*, 9(1), 124.
- Singh, P., Katiyar, N., & Verma, G. (2014). *Retail Shoppability: The Impact Of Store Atmospherics & Store Layout On Consumer Buying Patterns*. 3.
- Spangenberg, E. R., Sprott, D. E., Grohmann, B., & Tracy, D. L. (2006). Gender-congruent ambient scent influences on approach and avoidance behaviors in a retail store. *Journal of Business Research*, 59(12), 1281–1287. <https://doi.org/10.1016/j.jbusres.2006.08.006>
- Tai, S. H. C., & Fung, A. M. C. (1997). Application of an environmental psychology model to in-store buying behaviour. *The International Review of Retail, Distribution and Consumer Research*, 7(4), 311–337. <https://doi.org/10.1080/095939697342914>
- Ticehurst, G. W., & Veal, A. J. (2000). *Business Research Methods: A Managerial Approach*. Longman.
- Turley, L., & Milliman, R. (2000). Atmospheric Effects on Shopping Behavior: A Review of the Experimental Evidence. *Journal of Business Research*, 49, 193–211.
- Yap, S. F., Choong, R. H., Kuang, S. L., & Low, B. Y. (2011). *Investigate the influence of store atmosphere on customer patronage intention towards clothing stores in Malaysia*. /paper/Investigate-the-influence-of-store-atmosphere-on-in-Yap-Choong/3b749ba0ed0643dc0edb45a5d982531d1a1e47f0

- Zeithaml, V. (1988). Consumer Perceptions of Price, Quality and Value: A Means-End Model and Synthesis of Evidence. *Journal of Marketing*, 52, 2–22. <https://doi.org/10.1177/002224298805200302>
- Zentes, J., Morschett, D., & Schramm-Klein, H. (2017). *Strategic Retail Management*. Springer Fachmedien Wiesbaden. <https://doi.org/10.1007/978-3-658-10183-1>
- Zhang, Z., Waszink, A., & Wijngaard, J. (2000). An instrument for measuring TQM implementation for Chinese manufacturing companies. *International Journal of Quality & Reliability Management*, 17, 730–755. <https://doi.org/10.1108/02656710010315247>

APPENDIX

Questionnaires

Part (1). Profile of the respondents

1. Which gender are you?

Male.....

Female.....

2. How old are you?

Under 18

Between 18 and 25

Between 26 and 40

Between 41 and 65

Over 65

3. What is your occupation?

Student

Housewife/Husband

Employed

Self-employed

3. How much your income per month?

K1_K200000

K200001_K400000

K400001_K600000

Above 600000

4. How often you go to café and bakery in every fortnight (time_approximately)?

1-2

3-4

5 or over

Part 2. Independent Factors Questionnaires

(a)

No	Store Atmosphere (Cleanliness)	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1	The store's floor is clean.					
2	The shelves are clean.					
3	The store is clean.					
4	The products are tidy and not damaged.					
5	The fact that the store is clean and tidy increases my well being and comfort.					

(b)

No	Store Atmosphere (Lighting)	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1	The light in the areas of products allows me to evaluate the quality of the products (e.g., cake, bread, coffee, etc.).					
2	The light at the corners of the store (more hidden areas) is sufficient.					
3	The overall light in the store is sufficient.					
4	Different lighting used in each area inside the store is important.					
5	The bigger the clarity increases my well being and comfort.					

(c)

No	Store Atmosphere (Scent)	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1	The store has a distinct fragrance					
2	The store has a pleasant scent					
3	The store has appropriate smell in different areas. Eg cake, coffee, etc.					
4	The scent is suitable for the products in the store.					
5	The pleasant and suitable smell increases my well being and comfort.					

(d)

No	Store Atmosphere (Layout)	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1	It is easy to move around in the store.					
2	The layout is appropriate with the product.					
3	The corridors are spacious enough.					
4	The space between chairs and tables are spacious enough.					
5	The enough space and appropriate layout increases my well being and comfort.					

(e)

No	Store Atmosphere (Assortment)	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1	The store has a wide variety of products.					
2	The store has different price ranges in different products.					
3	It is easy to find out the products that are sought.					
4	The arrangement of the product is systematic and clear.					
5	The suitable arrangement of the product increases my well being and comfort.					

(f)

No	Store Atmosphere (Interior Design)	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1	The design of floor, ceiling and wall are comfortable.					
2	The colour in the store is currently fashionable.					
3	In-store displays (texture, pattern) are impressive.					
4	The décor is suitable with the store image.					
5	The pleasant interior décor and design increases my well being and comfort.					

(g)

No	Store Atmosphere (Other customers)	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1	There are enough customers in the store.					
2	I like having suitable numbers of customer in the store.					
3	The social relations among customers are cordial.					
4	The fact of having a reasonable number of customers in the store increases my well being and comfort.					

(h)

No	Store Atmosphere (Store Employee)	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1	The appearance of employee is important.					
2	The politeness of employee is important.					
3	The store has helpful and friendly employees					
4	The employees provide good service quality to me.					
5	The fact of having polite and helpful employee in the store increases my wellbeing and comfort.					

Part 3. Purchase intention on bakery and café shop

No	Purchase intention on bakery and café shop	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1	I would like to purchase in the shop.					
2	I would like to sit longer in shop.					
3	I would like to visit the shop again.					
4	I would like to repurchase in the future.					

Descriptive Statistics

	Mean	Std. Deviation	N
Purchased Intention	4.0130	.61383	385
Ambient	3.9307	.47227	385
Interior Design	3.9235	.53277	385
Social	4.0110	.56607	385

Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	3.0418	4.7699	4.0130	.34313	385
Std. Predicted Value	-2.830	2.206	.000	1.000	385
Standard Error of Predicted Value	.027	.119	.050	.016	385
Adjusted Predicted Value	3.0634	4.7660	4.0128	.34297	385
Residual	-1.55108	1.28250	.00000	.50896	385
Std. Residual	-3.036	2.510	.000	.996	385
Stud. Residual	-3.041	2.517	.000	1.002	385
Deleted Residual	-1.55659	1.29009	.00019	.51475	385
Stud. Deleted Residual	-3.075	2.535	.000	1.004	385
Mahal. Distance	.048	19.994	2.992	2.761	385
Cook's Distance	.000	.041	.003	.005	385
Centered Leverage Value	.000	.052	.008	.007	385

a. Dependent Variable: Purchased Intention

Regression

Descriptive Statistics

	Mean	Std. Deviation	N
Purchased Intention	4.0130	.61383	385
cleanliness	4.1132	.65912	385
Scent	3.7870	.60737	385
Lighting	3.8919	.53596	385
Layout	3.7803	.68589	385
Assortment	4.0322	.60000	385
Interior Design	3.9235	.53277	385
Other Customers	3.7669	.61585	385
Stroe Employee	4.2551	.66197	385

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients Beta		
1	(Constant)	1.230	.241		5.097	.000
	cleanliness	.002	.051	.002	.037	.971
	Scent	.220	.063	.218	3.474	.001
	Lighting	.138	.063	.121	2.206	.028
	Layout	-.006	.094	-.007	-.065	.948
	Assortment	.302	.109	.295	2.765	.006
	Interior Design	.398	.194	.345	2.046	.041
	Other Customers	.198	.063	.199	3.159	.002
	Stroe Employee	.079	.061	.085	1.304	.193