Form, time, place and possession utility are general utility or value provided to the consumer as the result of an effective distribution strategy. That is, channels of distribution work to provide form, time, place and possession utilities for consumers.

Effective distribution makes sure that goods are available to the consumer in convenient locations, when the consumer wants them and is able to take possession of them. The basic goal for a distribution system is to facilitate exchanges between the firm and consumers.

Store image refers to what consumers think about a particular store, including their perceptions and attitudes. The ability to appeal to specific market segments and conversely to demarket to others will be impacted by the store image.

Retailers are interested in store image and store atmosphere because they focus on the influence of store attributes on consumers’ affect and cognitions. That is, the retail store environment can have a big impact on consumer affect and cognitions through store image and atmosphere.

The measurement of store image is most likely to resemble a brand attitude measurement, a marketing research activity.

With respect to store image, one primary goal of retailers is to develop a consistent and favorable store image in the minds of consumers.

A consumer’s perception of store image is least likely to be influenced by publicity.

Environmental stimuli affect the emotional states that the consumer experiences in the store, including pleasure, arousal and dominance. These emotional states in turn lead to approach or avoidance responses or behaviors.

Store atmosphere is thought to be a function the emotional states consumers feel while shopping. The model of store atmosphere effects suggest that environmental stimuli cause consumers to experience emotion, which, in turn encourages approach or avoidance responses.

There are four types of approach/avoidance behaviors including: 1) physical, related to store patronage intentions; 2) exploratory, related to in-store search and exposure; 3) communications, related to personal interactions; and 4) performance and satisfaction, related to repeat shopping and time/money expenditures. These can also be related to the nature of the emotional state.
Consumer behavior and channel strategy

- The physical approach/avoidance relates to store patronage intentions at a basic level. The concept of “exploratory approach” would explain the consumer’s response to emotional states that lead him/her to broaden in-store search and exposure to a wide range of offerings. The openness of the consumer to communication with sales personnel is, in part, a function of emotional responses to environmental stimuli.

- Arousal of the consumer, or store-induced feelings of alertness or excitement, will lead to an approach response only in store environments that are already pleasant. The extent to which a consumer feels pleasure in the retail environment is a powerful determinant of in-store behaviors.

- Marketing managers are concerned with the concept of approach/avoidance responses because these behaviors are prerequisite to and include spending behavior.

- Retail design issues, such as end-of-aisle displays and information booths, are directed at movement toward product purchase. Careful attention to retail design elements can help retailers to increase product contact.

- As with brand loyalty, store loyalty concerns a consumer’s intentions and behaviors toward a particular store. Retailers typically use some combination of reinforcing tactics and positive store attributes to develop store loyalty.

- As with any stimulus chosen for a particular retail store, the manager must be sure that the stimulus chosen matches the objectives.

- The positive results achieved in using sale price plus product benefit signs suggests that both cognitions and behavior are affected by in-store signs.

- Research has found that the amount of shelf space given to product items (i.e. in the case of sports media space) is positively related to sales, in general.

- A marketing manager that wants to use music effectively as a part of the in-store environmental stimuli must match music selection with business objectives (i.e. music at sports event must match objectives – usually arousal).

- Catalog and direct mail purchases do not allow the marketer to engage in the sensory stimulation that is found in stores (true of distribution of sports via media).

- Direct sales purchases benefit consumers when consumers are buying products that need demonstrations – true when trying to encourage participation.

- Marketers should be concerned with the relationships between consumers and channel strategy because channel members are most influential in creating purchase loyalties. A
common conflict between manufacturers and retailers centers on brand loyalty versus store loyalty.

- The commodity is the basic nature of a product or service offered to a consumer. Marketers should study consumers, commodities and channels as a system of interrelated affects and cognitions, behaviors and environments.

- Analysis of economic, social, political and legal environments relative to channel design should focus on a situational analysis of the macro-environment.

- Marketing intermediaries are used to perform marketing function because they perform marketing functions more competently than the manufacturer