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Transnational adaptation: changing determinants of grocery store choice of German consumers in London

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Abstract

This paper investigates grocery store selection among Germans in Greater London compared to native UK residents. Since consumers hold so much power, the grocery retail sector is highly competitive. Additionally, understanding consumer behaviour in urban areas with large numbers of foreign nationals is a complex matter. As internationalisation continues borders are becoming increasingly blurred. Therefore, it is crucial for managers of grocery stores to understand potential cultural differences in terms of store choice. The survey examined the changes, if any, in store choice determinants among Germans living in Greater London compared retrospectively to when they were living in Germany. To provide a comparison, a small group of native UK consumers were also surveyed. The resulting comparison revealed some significant differences and changes in grocery store selection over time. These findings are also likely to be useful for managers in the grocery retail sector when addressing the dynamic nature of transnational mobile and connected consumer markets.

Keywords: *German consumers in London; movement; mobile consumers; store choice; transnational mobiles*

Introduction

Competitive pressure in the retail sector is immense; discounters are gaining market share, new retail forms such as convenience stores are emerging and due to increasingly porous borders it is easier for retail stores to expand internationally (Gupta & Randhawa, 2008). One essential question regarding behaviour of grocery store customers is which store attributes influence their choice of store. Marketing academics and practitioners have long recognized the importance of this question as it affects not only where consumers buy groceries but also what and how much they buy (Kardes *et al.*, 2011). Increasing mobility across borders and connectedness (i.e. "transnational connected consumers") make this competition even tougher as the question of brand [store] loyalty comes to the fore (Sirkeci, 2013). Greater London has a population of 8.1 million (Census Information Scheme, 2012) and approximately 2.8 million foreign nationals were living in London as of 2013, which means more than two fifths of Londoners are foreign nationals (Rienzo

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& Vargas-Silva, 2014). It has been asserted that transnational mobility would have a bearing on consumer behaviour; in other words, "transnational mobile(s) consumers" would differ in their behaviour (Sirkeci, 2013). Thus the question is whether consumers from different countries behave differently or adapt to UK patterns in terms of store selection. Germany has a similar grocery retail scene to the UK and given the large segment of Germans living in London this group provides a suitable comparison. German is just one of many foreign nationalities represented in Greater London but in some areas of London foreign nationals from Germany do indeed form a sizeable segment. According to the 2011 UK Census, the total number of German-born residents in England and Wales is estimated to be 273,546 and 55,476 of them were resident in London and 53,202 in the South East (Office of National Statistics).

Sirkeci (2013) argues that moving from one place to another may increase the likelihood of changing consumer behaviour since – when in a new market – [transnational mobile] consumers have to opt for brands and products, which they are not familiar with. They encounter new brands, products, substitutes and options because those they are familiar with may not be available in the destination market. In this study, we examine whether there is a shift in the importance of certain store attributes for German residents in Greater London when selecting a grocery store, while also examining potential differences in behaviour between German and native consumers.

Store choice and determinants

Two important consumer behaviour models relating to store choice suggest that it is a complex process since consumer behaviour when shopping is not only determined by a motive but also by traits, attitudes and experiences (Herker and Maier, 1990). Explanatory models on store selection can be divided into stimulus-response models (black box model) and stimulus-organism-response models (behaviour model). The black box model only considers observable and measurable variables and does not incorporate psychological processes (Kreller, 2000). Behaviour models on the other hand do consider non-observable variables, which are only measurable indirectly by means of measurable variables (Keller, 2000). Here, psychological influences are used in order to clarify the connection between stimulus and behaviour (Keller, 2000). However, these models do not offer much help in explaining consumer store selection (Napierala, 2010).

The process model of store selection developed by Heinemann (1976) covers determinant variables and consumer actions to identify the processes and actions behind consumers' choice of store. The process consists of five stages: 1) need recognition, 2) information search, 3) choice, 4) visit, 5) loyalty (Heinemann, 1976; Levey & Weitz, 2007). Store choice can also be affected by geographical factors (See Kitchin & Fotheringham, 1998). Thus the first stage is the recognition of the shopping occasion as triggered by a need. In the next stage, the consumer begins to search for information and alternatives in order to satisfy their needs. Subsequently, consumers evaluate the alternatives, before going on to select and visit a store to buy the desired product. Finally, the post-purchase phase commences when consumers evaluate their purchase to decide if they were satisfied or not.

There is a wealth of studies on determinants of consumers' retail store selection (Baker *et al.*, 2002; Briesch *et al.*, 2009; Hutcheson & Moutinho, 1989; Riteshkumar *et al.*, 2010; Severin *et al.*, 2001; Thenmozhi & Dhanapal 2012; Yilmaz *et al.*, 2007). There was an increase in scholarly interest in line with a rise in competition in retail sector (Lindquist, 1974-75; Myers & Alpert, 1968).

There are clearly country-specific characteristics within this sector and as such a need to consider specific consumer groups within a country market. A study conducted by Nielsen in 2008 examined the influences on grocery store selection globally and showed that when it comes to store selection consumers in different countries place value on different attributes or at least to a different extent (Nielsen, 2008). It is also advisable to examine each retail segment separately (Arnold *et al.*, 1978). For us the question is what happens when customers move from one country to another.

The existing studies on store choice used surveys with sample sizes ranging from 400 to 1,500; Likert scales along with demographic questions are also commonly used. Lindquist (1974-75) reviewed 26 empirical and conceptual studies on retail store selection and highlighted major store attributes, which are still used frequently. The observation was that the following attributes were mentioned in at least 25% of the studies (Arnold *et al.*, 1978; Lindquist, 1974-75): "Merchandise selection or assortment" (scholarly mentions: 42%), "merchandise quality" (scholarly mentions: 38%), "merchandise pricing" (scholarly mentions: 38%), "locational convenience" (scholarly mentions: 35%), "merchandise style, fashion" (scholarly mentions: 27%), "service, general" (scholarly mentions: 27%), "salesclerk service" (scholarly mentions: 27%). Lindquist (1974-75) pointed that when it comes to grocery store selection, location or price are always the top two priorities. Location along with being "good value for money" are also mentioned as critical factors in store choice (Nielsen, 2008).

Store choice in the UK and Germany

Mintel's study in 2010 (May, follow up November) identified that "location" is the most important factor in consumers' supermarket choice in the UK, followed by "price" and "convenience" (Mintel a, 2010). 57% of the participants chose "location" as one of the three most important factors and 53% selected "price" while "convenience" was ranked third by a large margin (Mintel a, 2010). In this study, Mintel found that younger consumers identified "promotion" and "price" as critical whereas older consumers placed more emphasis on store environment, service and convenience (Mintel a, 2010). The TGI's face-to-face survey reported that "location" was the most important factor for 36% of the participants followed by "price" while the "quality of the products" was also identified as important (Mintel b, 2010). The TGI study identified "value for money" as the most important attribute. The term "value for money" can be described as a combination of the minimum purchase price and the maximum efficiency as well as effectiveness of the purchase (Schiffman *et al.*, 2009). Another consumer survey conducted in the UK by NEMS Market Research revealed that 86% of the participants ranked a large selection of products as the most important factor in grocery store selection, followed by low price (80.3% of participants); the third most important factor was proximity or location of the retailer (79.6%) (Key Note, 2008).

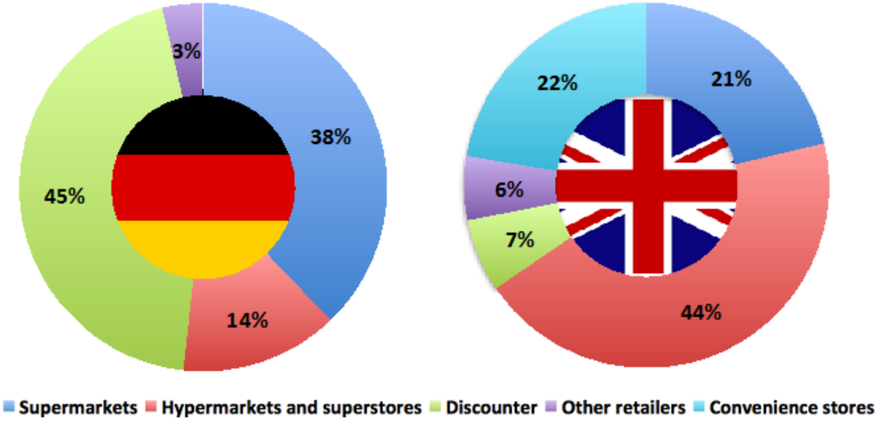
In a study published in 2013 by Statista, consumers in Germany evaluated determinant attributes when choosing a store as "very important", "important", "less important" and "unimportant". "Freshness of the products" was identifed as very important (55.5% of the participants), followed by "in-store cleanliness", "value for money" and "short waiting times at the checkout". Price was not specifically included in this survey but this attribute bears relevance in the form of "value for money" (Statista a, 2010). Another study highlighted that "freshness of the products" was the most important factor for consumers (Anzengruber, 2008). This factor was also shown to be important in other studies (IFAV 2001; Hayn *et al.*, 2005). The second most important factor is "value for money" (Bauer *et al.* 2006). However, it is not only consumers with a lower income that purchase inexpensive grocery products but consumers with high incomes too (KPMG, 2006; Anzengruber, 2008). Location and long opening hours also prove important for German consumers but not crucial (Anzengruber, 2008), while "Store environment" is moderately important (Keller, 2000).

There are key similarities and differences between the UK and Germany in terms of which store attributes are considered important by consumers. Price-related factors seem to play the most important role, though they carry slightly more importance for German consumers than UK consumers. Quality and freshness is an important factor in both countries but slightly more important in Germany than in the UK. Store location is ranked as the second most important factor in both countries. "Good customer service" was also commonly important. However, consumer opinion differs in terms of the importance attributed to waiting times at the checkout, which is more important in Germany than in the UK. Another notable difference is that the availablity of a car park is more important for Germany.

Grocery retail sector in the UK and Germany

The grocery sector differs significantly in the two countries: In Gemany discounters hold the largest market share (45%) as German consumers are price conscious (Euromonitor a, 2015) (Figure 1). Convenience stores, on the other hand, are more significant in the UK (22%), a format that is rarely found in the German grocery sector.

Figure 1. Market share (sales) by channel in Germany (2012) and the UK (2014)



Source: Statista b, 2013; Euromonitor a, 2015

Hypermarkets and superstores hold a large share in both countries but even more so in the UK despite a recognised decline (Gfk a, 2013; Mintel c, 2014). The grocery retail sector in both countries is dominated by a small number of main players (Gothe, 2002; Trade Dimension, 2005). The top four players in the UK make up over 72% of sales, which can divided up as follows: (1) Tesco – 29.1% market share, (2) Sainsbury's 16.9%, (3) Asda 16.8%, (4) Morrison 13.4% (Barber, 2015). Low-cost alternatives such as the two German discounters Aldi and Lidl hold just 4.8% and 3.5% of the market share in the UK (Barber, 2015). In Germany, the top four grocery retailers make up 67% of sales as follows: (1) Edeka 67.1%, (2) Rewe 14.9% (3) Lidl 14.4%, (4) Aldi 12.3% (Deutscher Bauernverbund, 2014).

In the face of fast changes in the sector, it is likely that a different set of factors will determine online grocery store choice though some of the key attributes mentioned above, such as price or freshness of products, are likely to maintain significance. For example, in the age of smartphones, all major grocery retailers must appear on the digital map (May, 2015). Although the share of online grocery sales is still low, an online store is crucial as a source of information since half of the visitors to online grocery stores are searching for information before buying in-store (Farrell, 2015). In 2013, online sales of food and drink accounted for 551.1 million Euros in Germany. This rose to 605.2 million Euros in 2014 (Euromonitor a, 2015). Only a few German grocery retailers have an online store and even one of the largest Germany grocery retailers "Edeka" is following in this trend rather than leading – as of mid-2014 the company's online offering was limited to non-chilled products (Euromonitor b, 2015).

In complete contrast to Germany, the UK is a pioneer in online grocery retailing (Euromonitor b, 2014). The share of online grocery retail in the UK e-commerce segment is the highest in Europe at 4.4% while Germany holds the last place with just 0.4% (UK 4.4%, France 3.9%, Spain 0.6%, Italy 0.5%, Germany 0.4%) (Staff, 2014). In 2013, online sales of food and drink in the UK totalled 6.5 billion Euros, a figure that is set to increase. According to Euromonitor International forecasts, online retailing will account for almost 20% of all UK retail sales by 2019.

However, transnational mobility and its impact on consumer behaviour is understudied (Sirkeci, 2013). Thus, this study is a pioneer attempt to understand store choice determinants among Germans living in London and to determine whether they have adapted to the local patterns of consumer behaviour or maintain habits from their homeland.

Data and methods

We used two slighltly modified questionnaires administered to two groups: (1) Germans and (2) UK nationals living in Greater London. Respondents were recruited on the street and online. We carried out face-to-face interviews as well as self-administered online questionnaires in order to reach wider and varying demographics. Three different distribution methods were used: (1) Face to face: The questionnaire was handed out by hand but filled out by participants themselves; (2) Online: A link to an online version of the questionnaire was handed out personally and via personal email invitation; (3) Online: A link to an online version of the questionnaire was posted on social media sites and blogs. The use of multiple approaches increased the overall number of questionnaires distributed and as such surely raised the number of responses by ensuring an effective mix of personal contact and confidentiality. A non-probability sampling technique was applied and no statistical inferences in relation to a wider population were made as the target sample group was unknown. A combination of convenience and snowball sampling were used for both questionnaires. The questionnaire was not only distributed those close to the researcher but also to randomly selected individuals in appropriate locations e.g. German restaurants, DSL (German Schools London), on the commuter train, at the gym, in relevant online forums and social media sites. The final sample included questionnaires completed by 201 German nationals and 136 UK nationals all living in Greater London.

Each target group received a slightly different questionnaire – the version distributed amongst German nationals included additional retrospective questions about their preferences, behaviour and demographics regarding their experiences in Germany prior to migration to the UK. As such the questionnaire given to German nationals consisted of 21 questions rather than the 13 in the questionnaire given to UK nationals.

The survey consisted mainly of closed-ended questions with just one open-ended question. Demographic questions were positioned at the end of the questionnaire. We used a five-point Likert scale (a summated rating scale) as this is a frequently used technique to measure respondents' attitudes (Ary *et al.*, 2009).

To avoid difficulties with culturally specific expressions or wordings leading to misunderstanding of questions and inaccurate results (Ghauri and Gronhaug, 2010) and to ensure comparability, questionnaires were in English only.

Changing consumer behaviour

We observed that the behaviour amongst German consumers relocated to Greater London had indeed changed in terms of their store choice for grocery shopping; 42.3% of German nationals living in Greater London stated that the importance of determinant factors for store selection have changed since moving to London, which equates to 85 of the 201 questioned.

Some German consumers in London stated that the importance of determinant factors for store selection for their weekly grocery shop has changed since moving to Greater London. We compared their past store selection behaviour when living in Germany and their current store selection behaviour in London (Figure 2).

German consumers in Germany – store selection

Among the 85 German consumers whose store selection behaviour had changed, the following five determinant factors were most frequently described as extremely important in Germany:

(1) Quality of products – 60 votes (70.6%)
(2) Convenience (location) – 43 votes (50.6%)
(3) A general, wide range of products – 42 votes (49.4%)
(4) Best value for money – 37 votes (43.5%)
(5) A wide range of organic and local products – 33 votes (38.3%)

However, when summarising all factors described as extremely or slightly important, or extremely and slightly unimportant, "Quality of products" was still the most important factor followed by "Best value for money" and "a wide range of organic and local products", since only a few participants considered these factors as slightly or extremely unimportant. The factors "A general, wide range of products" and "convenience" are no longer as important as they had been in Germany. On the other hand, the least important factors were: (1) "Self-checkout system", (2) "Additional free services", (3) "Offer of a loyalty card and coupons", (4) "Additional online shopping service", (5) "Offer of convenience food & in-store seating area": Only a small number of participants found these factors extremely important while a large number found these factors extremely or slightly unimportant. Furthermore, we compared our results with other studies carried out in Germany and were able to establish the study's validity. For instance, "Value for money" and "Wide range of products" were also amongst the most important factors.

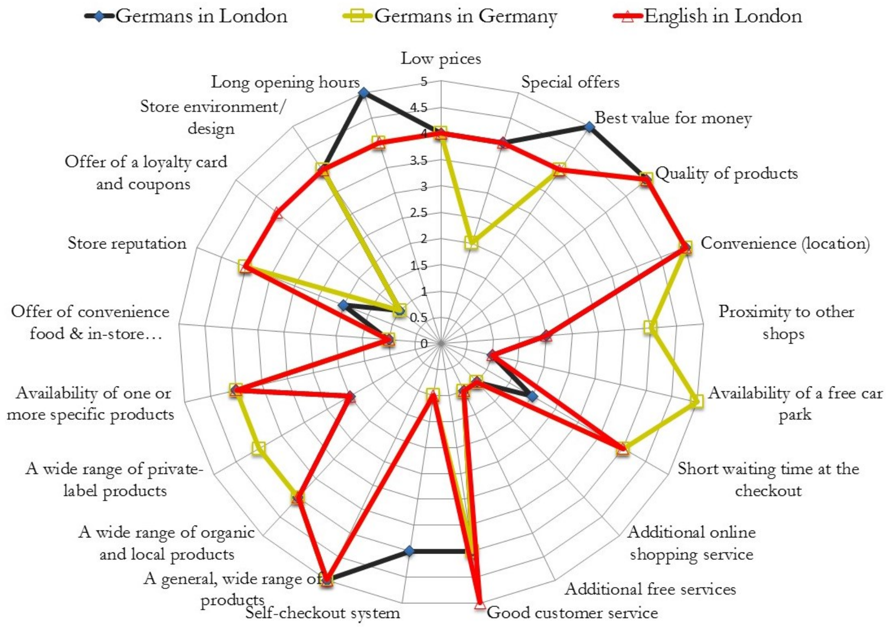
German consumers in London – store selection

Store selection behaviour of the same German consumers while living in London was determined by the following five extremely important factors:

(1) Quality of products – 56 votes (65.9%)

(2) Convenience (location) – 55 votes (64.7%)
(3) A general, wide rage of products – 42 votes (49.4%)
(4) Long open hours – 39 votes (45.9%)
(5) Best value for money – 38 votes (44.7%)

Figure 2. Comparison of store attributes influencing store choices



As in the previous section, all factors described as extremely or slightly important, or extremely or slightly unimportant were summarised. The results showed that the five determinant factors considered the most important overall remained unchanged; however, the order of the top five factors had changed. For example, "a general, wide range of products" was the second most important determinant factor and "best value for money" third most important. On the other hand, "long opening hours" and "convenience (location)" were ranked the fourth and fifth most important determinant factors, as more participants described them as slightly important and unimportant.

The factors most frequently selected as slightly or extremely unimportant in this section were: (1) "Additional free services", (2) "Offer of convenience food & in-store seating area", (3) "Additional online shopping service", (3) "Availability of a free car park" and (5) "Self-checkout system". These factors where also considered important by the smallest number of participants.

In order to gain an insight into potential changes to store selection behaviour amongst German nationals now living in London, a comparison of the importance assigned to selected determinant factors was undertaken. The table below highlights the factors whose attributed importance differed the most significantly for German nationals when living in Germany and in London. Only those factors that displayed significant differences are shown in the table, whereby "significant" in this case is defined as larger than 10%. The following calculation example serves to elucidate the figures: 32.9% of Germans considered the factor "special offers" slightly important in Germany, whereas 47.1% described this factor as slightly important in London – a difference of 14.1%. This shows that "special offers" became a more important determinant factor for store selection in London. Another example considering a negative number: 34.1% of Germans stated that special offers are slightly unimportant in Germany in contrast to 23.5% that considered this factor slightly unimportant in London – a difference of -10.6%, which indicates that special offers were more frequently unimportant for German consumers in Germany than in London.

Table 1. Comparison of store choice determinants for German consumers in Germany and in London

	Extremely important	Slightly important	Neutral	Slightly unimportant	Extremely unimportant
Special offers	4.7%	14.1%	-1.2%	-10.6%	-7.1%
Convenience (location)	14.1%	-5.9%	0.0%	-5.9%	-2.4%
Proximity to other shops	-11.8%	-5.9%	1.2	2.4%	14.1%
Availability of a free car park	-17.6%	-12.9%	1.2%	-1.2%	30.6%
Short waiting time at the checkout	-5.9%	-5.9%	0.0%	10.6%	1.2%
Additional online shopping service	14.1%	5.9%	0.0%	1.2%	-21.2%
Additional free services	-1.2%	-11.8%	1.2%	15.3%	-3.5%
Self-checkout system	5.9%	29.4%	0.0%	15.3%	-50.6%
A wide range of private-label products	-7.1%	-11.8%	2.4%	17.6%	-1.2%
Store reputation	-14.1%	-4.7%	0.0%	27.1%	-8.2%
Offer of a loyalty card and coupons	-1.2%	-3.5%	-1.2%	21.2%	-15.3%
Store environment/ design	-2.4%	-5.9%	1.2%	11.8%	-4.7%
Long opening hours	17.6%	1.2%	-1.2%	-14.1%	-3.5%

Special offers are not amongst the top 5 determinant factors, but nearly half of German consumers in London described this factor as slightly important while living in London. As such it had become more important for Germans since moving to London. This is a logical development since offers for groceries are less common in Germany; while every supermarket has weekly offers promoted in pamphlets these are not promoted as aggressively as in the UK, where grocery offers such as "2 for 1", "half price", and "£1 products" are placed prominently in stores and promoted with eye-catching posters (Empen, 2014). Grocery stores in the UK also reduce specific products that are nearly out of date; this is however a rather rare practice in German grocery stores. Another reason for special offers becoming important for Germans in London could be the overall high living costs in London.

Convenience (location) is one of the most important factors when it comes to store selection. When living in Germany 76.5% of German consumers found a convenient location slightly or extremely important (extremely important being the most frequently selected). Since relocating to London this figure had risen to 84.7%, such that a convenient location had become more important for German consumers since living in London, despite the fact that this factor was more frequently considered "slightly important" by German consumers in Germany.

Proximity to other shops had become less important for German consumers since moving to London. It could be suggested that in London, grocery shopping tends to be done separately from other shopping in contrast to the habits in Germany (Gfk b, 2013).

Availability of a free car park has become significantly less important for German consumers since living in London. When living in Germany 64.7% of the consumers considered a free car park important, while since moving to London only 34.1% of the consumers said this factor was important for store selection. In general, this result is not surprising, as residents in urban areas such as Greater London do not usually have a car and tend to use public transport (Department for Transport, 2013).

Short waiting times at the checkout have become slightly less important for German consumers living in London. 57.6% of German consumers rated this factor as slightly or extremely important while living in Germany but this figure dropped to 46.6% for German consumers since moving to London. This also reveals a surprising trend that almost half of German consumers questioned do not mind waiting at the checkout when shopping in London.

Additional online shopping service was not rated important at all in Germany. By contrast, when asked to evaluate their preferences since moving to London, this factor became more important for German consumers, such that 28.2% described online shopping as important; nevertheless 70.6% still found it unimportant. A possible reason for this is that the online grocery sector in Germany is still underdeveloped compared to the UK (Kolbrück, 2014).

Additional free services such as food tastings, sport activities, free coffee and magazines are not considered important when it comes to store selection. Whilst living in London, 91.8% of German consumers described these as slightly or extremely unimportant and while such services were more important for the group when living in Germany, 80.0% of the respondents still rated it as unimportant.

Self-checkout systems were not of great significance for German consumers in Germany as 92.9% rated it as unimportant. On the other hand, the importance of this factor had increased significantly since moving to London as 41.2% considered a self-checkout system slightly or extremely important. Again this is not surprising as self-checkout systems are only available in a very small number of grocery stores in Germany and German consumers in Germany are often unfamiliar with these systems (Schliewe, 2011).

Availability of a wide range of private-label products had become less important for grocery store choice for German consumers since moving to London compared to its importance in Germany. Nonetheless private-label products are a significant determinant factor overall as 57.6% described a wide range of private-label products as slightly or extremely important when living in Germany. This figure descreased however to 38.8% for German consumers in London.

Store reputation had become less important for store selection since moving to London; a significantly higher number of German consumers considered store reputation important in Germany than in London.

Offer of a loyalty card and coupons were rather irrelevant in Germany: 15.3% of the participants described loyalty cards and coupons as unimportant. Since moving to London the number of those that considered this slightly unimportant grew to 36.5%. Overall, loyalty cards and coupons are not of significant importance for German consumers in determining store choice.

Store environment and design became less important for German consumers since moving to London.

Long opening hours is a significant factor across the board as 71.6% of respondents considered it extremely important in Germany and 89.4% said the same with regards to their grocery shopping in London. It did however become more important in London, probably because of the busier lifestyle most adopt when they move there. Moreover, stores in London tend to offer extended opening hours (some stores open until 11pm or midnight) and are also open Sundays. By contrast, shops in Germany are closed on Sundays and have only recently received permission for longer opening hours (Dierig and Kaiser, 2009). Long opening hours are particularly important for participants with full-time jobs and less important for students – this could also be an explantion for the differences seen here as many of the German consumers questioned were probably students when they lived in Germany.

Adaptation of consumer behaviour

Furthermore, we examined whether Germans living in London adapt to this new culture in terms of determinant attributes in retail store selection. In order to answer this question three steps were taken. Firstly, the behaviour displayed by German nationals with regards to store selection was compared with the behaviour of UK consumers in this same respect. In order to identify "German behaviour", the data provided by German nationals currently living in Greater London who had stated a difference in store selection since moving to London was examined. This in turn enabled an exact comparison in the second step, which provided an insight into the degree of differentiation between German nationals in Germany and UK consumers. The exact same group of German consumers were then also compared with UK consumers, with the aim to also determine the degree of differentiation with regards to consumer store selection. In the third and final step, the results of both results of step one and two were compared to find out whether the behaviour of Germans living in Germany was similar to that of UK consumers living in Greater London or whether the behaviour of German consumers living in Greater London displayed more similarities to that of UK consumers living in Greater London with regards to consumer store selection. If the behaviour of German nationals now living in Greater London displays more parallels to UK consumers it can be assumed that German consumers have now adapted their behaviour.

The chart below provides the basis for the final comparison, it highlights the importance of the individual factors with regards to the store selection behaviour of UK consumers living in Greater London.

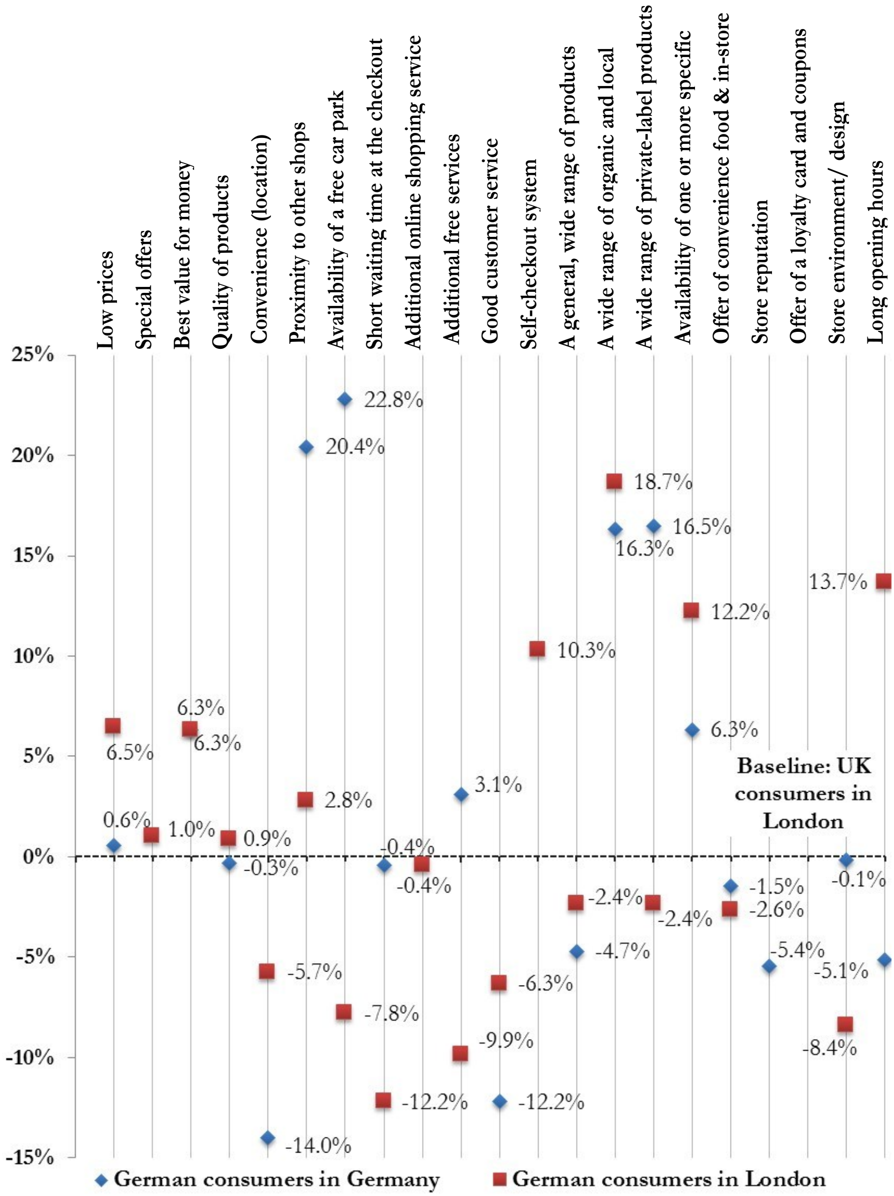
According to the 136 UK consumers who responded to our survey, the top five most important store attributes of 21 were: (1) quality of products (78.7%, n: 107), (2) convenience (location) (64.7%, n: 88), (3) wide range of products (59.6%, n: 81), (4) good customer service (44.1%, n: 60), and (5) best value for money (39.7%, n: 54). The least important factors for the same consumers were: (1) additional free services, (2) offer of convenience food & in-store seating area, (3) additional online shopping service, (4) self-checkout system, (5) proximity to other shops.

The results of the current study reveal similar results to those of previous studies. However, in past studies the factor "price" was consistently ranked at the top of the five most influential factors, while in the present study it came in around the centre – surprisingly, 21.3% of UK participants rated this factor as slightly or extremely unimportant. When comparing the results of these studies to similar past studies conducted in Germany, similarities are discernable, which also ensures the validity of the present study. For instance "value for money" and "wide range of products" were also amongst the top factors. By contrast, while "good consumer service" proves to be a significant factor in this study (extremely or slightly important for 81.6%), it was less important in past studies.

Figure 3 shows the differences between German and UK consumers in London with regards to those store attributes considered important for store selection. UK consumers are taken as the base line and the further away German consumers are from this, the further they deviate from UK consumers in their store choice behaviour. In order to highlight contrasting trends, we have combined the "extremely important" and "slightly important" categories into one as well as collapsing "extremely unimportant" and "slightly unimportant" into one for illustrative purposes.

Analysis of a potential adaptation of store selection behaviour amongst German consumers in London to that of UK consumers in London (based on the ratings extremely and slightly important).

Figure 3. Important store attributes for consumers in London: differences between Germans and UK consumers



As shown in Table 2, a total of 85 of the 136 UK respondents stated that they consider special offers extremely or slightly important, which represents 62.5% of this sample group. Amongst German consumers, this percentage was

44.7% when living in Germany and at 63.5% in London. As such, 17.8% fewer German consumers found this factor less important than UK consumers when they were living in Germany, while since moving to London, 1% more German consumers considered this an important determinant factor than UK consumers. In this regard, German consumers have seemingly changed their behaviour since moving to London as is also illustrated in the figure below.

Table 2. "Special offers" – extremely and slightly important

Calculation example "special offers"				
	Extremely important	Slightly important	Sum	Total in %
UK consumers in London	17.6% (n: 24)	44.9% (n: 61)	85 (out of 136)	62.5%
German consumers in Germany	11.8% (n: 10)	23.9% (n: 28)	38 (out of 85)	44.7%
Differences between UK consumers in London and German consumers in Germany				-17.8%
German consumers in London	16.5% (n: 14)	47.1% (n: 40)	54 (out of 85)	63.5
Differences between UK consumers in London and German consumers in London				+1%

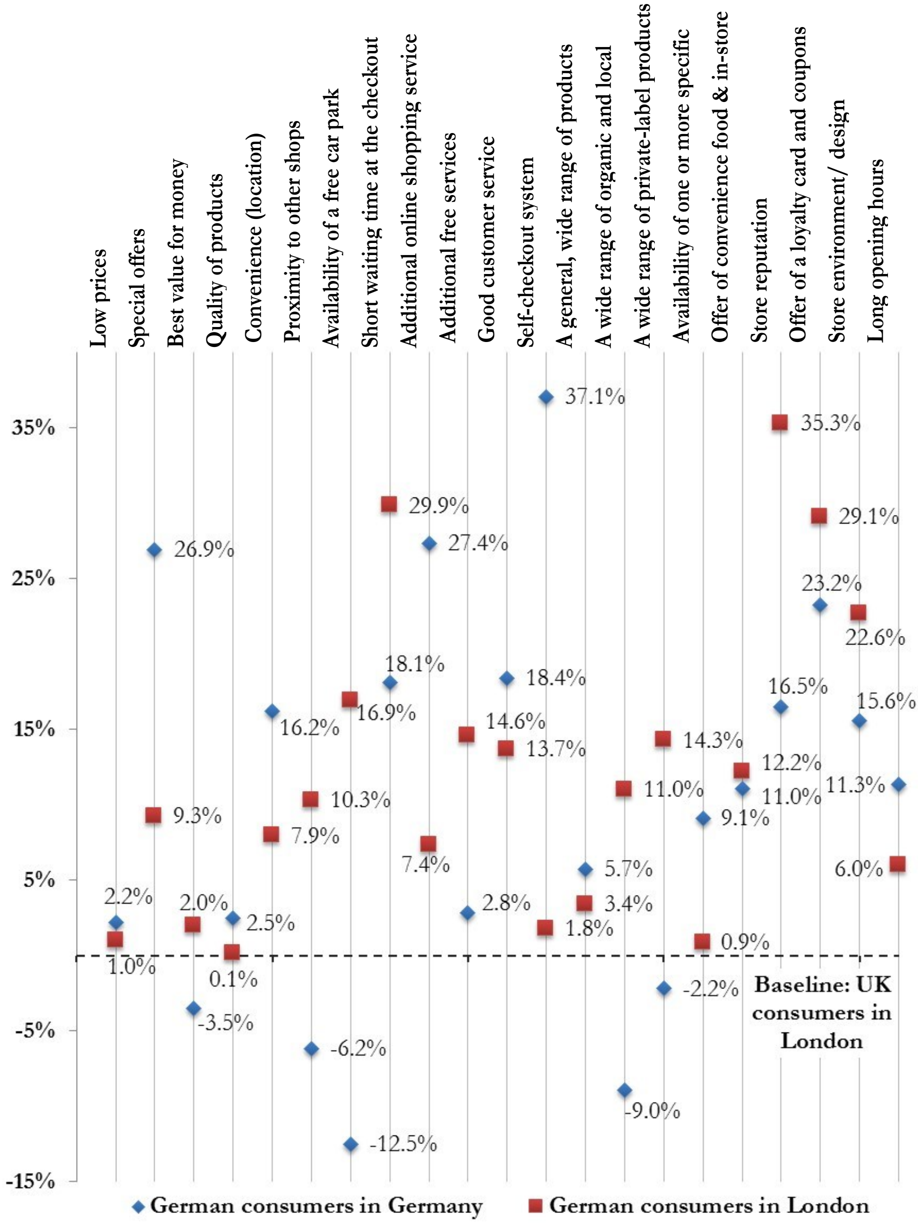
When the differences in the data between the groups are considered, German consumers in London displayed more similarities to UK consumers in London in their behaviour regarding store selection than German consumers in Germany (Figure 4). In five factors there was no difference in their behaviour, in eight factors German consumers had adjusted to the behaviour of UK consumers and in seven factors German consumers had become more differentiated from UK consumers in their behaviour.

Regarding attitudes towards special offers and convenient location, we found that Germans living in London had adapted to UK consumers: Location was one of the most important factors for UK consumers with 90.4% describing this factor as extremely or slightly important, at 76.5% this is clearly also an important factor for German consumers in Germany, but this proved important for more German consumers since moving to London at 84.7%, thus suggesting an adaption to the store selection behaviour of UK consumers.

A short waiting time at the checkout was a relatively important factor for all participants whereby differences between German and UK consumers remained. Participants had clear perceptions about having additional online services; in most cases they considered it either extremely important or extremely unimportant.

However, a greater number of UK consumers described having additional online services as extremely unimportant compared to Germans although Ger-

Figure 4. Unimportant store attributes for consumers in London: differences between Germans and the UK consumer



man consumers' attitudes shifted much closer towards those of their UK counterparts. Online shopping was considered extremely unimportant when in Germany – presumably because the offering of online shopping services is still underdeveloped there – but became just as important for German consumers living in London as for UK consumers.

Good customer service was an important but not extremely important factor for all participants, although it was more relevant for UK consumers than Germans while the latter converged slightly towards UK consumers. Self-checkout systems also became more relevant to German consumers after moving to London. It was one of the least important factors for German consumers in Germany due to the fact that self-checkout systems are only rarely available in Germany. Retailers in the UK are considerably more advanced in this respect and frequently offer self-checkout systems as an option (Schliewe, 2011). Therefore German consumers have far more opportunities to use self-checkout systems in London and this option becomes more important.

German consumers in London appear to have adopted similar behaviour to UK consumers regarding the importance of private-label products. The majority of German consumers found this factor important in Germany but for UK and German consumers in London this factor was rather unimportant. Store reputation is important for UK consumers but not for German consumers in Germany and surprisingly even less so for German consumers in London. This is the factor where German consumers in London seem to diverge further away from UK consumers. This could be due to the fact that German consumers as immigrants in a new country may not be aware of the nuanced reputations of the UK grocery stores.

It is clear that the core factors – i.e. "best value for money", "quality of products" and "a wide range of products" – are highly important for all groups, and there are only minor differences regarding these. In general, service related factors such as "online shopping service", "good customer service", "self-checkout service" are more important for UK consumers than German consumers. However, these factors did become more important for German consumers since they moved to London. This suggests that German consumers adapt to the behaviour of UK consumers.

Attributes associated with the actual products such as "organic & local products" and "specific products" are overall more important for German consumers than for UK consumers, and there were only small differences between German consumers' behaviour in Germany and in London. However this is not the case for "private-label products", which proved to be generally more important for German consumers than UK consumers.

Market specific factors, such as availability of private labels, were perceived differently among German and UK consumers initially as private labels are more common in German grocery sector than the UK. As a result the offer of private-label products became less important for German consumers in London too. Similarly, online shopping services and self-checkout systems were new to German consumers who adopted to the UK trends after moving to London.

Conclusion

In an increasingly mobile and connected world, understanding transnational consumer behaviour, both in terms of convergence and divergence, is important. In this study, we examined the potential changes in grocery store choices among German consumers who had relocated to London. We asked retrospective questions about various determinants in grocery store selection when they were in Germany as well as their current considerations while living in London. We compared attitudes in Germany with those in London as well as comparing them with UK consumers.

Overall, our findings show that there are several areas of convergence towards UK attitudes among German consumers since moving to London. Almost half of German participants noted that critical attributes for store selection had changed. In some areas, convergence to UK attitudes was greater than others.

In line with the literature and earlier studies, a number of "core factors" – i.e. "best value for money", "quality of products" and "a general wide range of products" – turned out to be important for participants of this study. Similarly, the least important factors remained more or less the same indicating very little adaptation on the part of German consumers.

However, there was a discernible pattern with regards to "service" factors, which were not as important as for German consumers in Germany as for UK consumers, though this had changed for German consumers since moving to London. These service factors became more important for Germans. Product-related factors, on the other hand, were more important for German consumers than UK consumers, both when in Germany and after moving to London, such that we found no evidence of convergence in this regard.

There are inherent differences in the grocery store sectors in Germany and the UK. Such attributes were commonly picked up by German consumers after moving to the UK such as self-checkout services. This may mean that some novelties are not necessarily seen through the lense of cultural difference.

The findings of this study are believed to be useful for marketers and managers in designing their offerings in terms of where to adjust and address group-specific needs and expectations. Germans are in general perceived to be a culturally similar group, yet there are significant differences when it comes to store choice determinants. This consumer segment in London and in the UK is small but not negligible. Thus in certain areas, a special marketing strategy may be warranted. However, one should not ignore the strong tendency of convergence in attitudes. This means a balanced approach in tailoring marketing programmes would be appropriate.

This study was designed as a pioneering empirical analysis into transnational consumer behaviour focusing on changes in behaviour as well as differences between an immigrant group and a native group. Despite a small sample and limited geographical focus, there is indicative evidence for us to suggest that transnational mobile consumers carry some characteristics to new destinations while also adapting to new ways as they settle in new cities and countries. Nevertheless, these findings should still be taken cautiously until more comprehensive evidence is available through studies with larger samples and on various sectors and consumer segments. On the same note, more nuanced data about individual characteristics may generate different results, again warranting lengthier questionnaires with more details on consumer characteristics than the one used in this study.

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