

From Motivation to Store Choice: Exploring Northwest Chinese Consumers' Shopping Behavior

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Although China has become the largest consumer market in the world, there is limited research on Chinese consumers' shopping behavior, particularly shoppers in the inland China. This study explores the shopping experiences of consumers from Northwest China. In-depth interviews reveal that the participants are much more than functional shoppers as they also shop to satisfy personal and social needs. In addition, they use merchandise, store and service criteria to choose among retail stores. The study contributes to the literature on Chinese consumers' store patronage behavior and provides valuable insights for retailers aiming to explore the Northwest Chinese market.

INTRODUCTION

China has experienced rapid economic growth since the 1980s when the country started its economic reform. With annual average economic growth rates of about 10% since the year 1990, consumer spending power has increased dramatically. The annual per capital disposable income of urban residents increased about 250% from 2000 to 2008 (China Statistical Yearbook, 2009). The improvement of consumer living standards and a growing wealthy middle class have attracted many international retailers to Chinese markets. An increasing number of international retailers also entered the Chinese market after China joined the WTO in 2001 (Liu, 2007). With the entrance of international retailers and development of the domestic retail industry, China's retail market has thus become very competitive (Chaney and Gamble, 2008). Chinese consumers' characteristics, however, are different from those of their western counterparts because of the country's unique social, economic, political, and cultural environments. Chinese consumers' unique shopping behaviors and attitudes constrain the success of some foreign investors (Mai and Zhao, 2004). Many western companies have failed in China despite its huge market size and

fast economic development (Wang and Zhang, 2005). To realize the full potential of China's consumer markets, international retailers cannot simply apply western marketing and merchandising strategies to Chinese markets.

China is composed of a number of regional markets (Tsang *et al.*, 2003) and consumers from different regional markets have very distinct shopping and purchasing behaviors (Tse *et al.*, 1989; Cui, 1997; Cui and Liu, 2000). The differences are caused by many factors, including unbalanced economic development between coastal and inner regions and changes in personal values as part of a changing social environment (Zhang *et al.*, 2008). At the forefront of Chinese economic reform, the eastern and southern regions of China have become wealthier and more advanced than the western and interior regions. As a result, the majority of research on Chinese consumers has been done in the cities of eastern and southern China such as Shanghai, Hong Kong, and Guangzhou (e.g. Fan and Xiao, 1998; Tang *et al.*, 2001; Wang *et al.*, 2004; Tai, 2005). After the West China Development project was initiated in early 2000, however, the relatively understudied area of western China has drawn more attention because of its rich resources and market scope. With the rapid growth of both domestic and international retailers, more retailers would expand aggressively to inland regions (Liu, 2007). However, there is yet very little information available to help international marketers and retailers understand consumers' consumption and shopping behaviors in this part of the country.

The purpose of this study is therefore to explore the shopping behavior of Chinese consumers in northwest China. Lanzhou is one of the most important cities in northwest China with a population of 3.3 million. Though Eastern Chinese cities have attracted foreign retailers because of greater sales potential, Lanzhou is attractive for its lower relative costs and government efforts to curb pollution and attract commerce (US-China Business Council, 2002). With the opening of the first supermarket —Lanzhou Hua Lian in the year 2000, a greater variety of stores became available in the marketplace. The changing retail landscape of Lanzhou and its importance in the western region makes it an ideal place to explore consumer shopping behavior. Hence, this study provides the insight that domestic and international marketers and retailers need to better cater to northwest Chinese consumers' needs and wants. This information will be useful to retailers competing in the modern Chinese retail environment. Additionally, this study contributes to the literature on Chinese consumer behavior by addressing a gap in knowledge about the relatively unexplored consumer behaviors in northwest China.

BACKGROUND

Chinese Retailing Industry and Its Consumer Markets

The retail industry in China went through three phases (Wang *et al.*, 2008). The first phase was from 1981 to 1990, during which the state-owned stores were still in control. The major stores in China were either department stores or grocery stores. There was a shortage of supply, and consumers could not purchase all they wanted or needed (Wang *et al.*, 2008). During this phase Chinese consumers did not worry much about product quality, services, and shopping environment because of limited choices (Li and Wang, 2006). During the second phase, from 1991 to 2000, the retail industry experienced tremendous changes. With new government regulations, the Chinese market opened its doors to foreign retailers. Meanwhile, different stores, including "super markets, warehouse club, large scale specialized stores, convenience stores, modern department stores, and shopping malls" all came into being (Wang *et al.*, 2008, p.156). The coexistence of different stores and foreign retailers significantly changed China's modern

retail landscape (Powers, 2000). China became a buyer's market. Consumers gained freedom of choice with abundant consumer goods and retail stores. They started to pay attention to other market elements such as service quality and shopping environment (Wang *et al.*, 2008). Phase three, which began in 2001 sees a further transition of the Chinese retail industry with the retail market became totally open to foreign retailers by the end of 2004 (Liu, 2007). China has become a major battleground with both international and domestic retailers competing to increase their market share and attract wealthy middle class Chinese consumers (Chaney and Gamble, 2008). Some consumer goods are oversupplied, and consumers have become the dominant force in the marketplace (Wang *et al.*, 2008). Economic value of the merchandise, store image, shopping conditions inside the store and service quality all affect Chinese consumers' satisfaction (Wang *et al.*, 2006).

To be successful in this increasingly competitive retail market, it is critical to understand factors that affect Chinese consumers' consumption and shopping behavior. Many factors affect modern Chinese consumers' shopping and consumption behavior, including demographic changes, as well as the social and cultural backgrounds of consumers. The profound role of family, importance of the group and the role of consensus in shaping attitudes, willingness to take risks, and regional diversity are some key social and cultural influences on consumption in China (Garner, 2005).

China has very diverse regional markets. Based on economic development and consumer purchasing behavior, China can be divided into seven regional markets that include South, East, North, Central, Southwest, Northwest, and Northeast (Cui and Liu, 2000). While south and east regions represent China's most developed regional markets, the northeast and northwest are still untapped markets. Chinese consumers in different regional market have unique tastes and consumption behavior (Tsang *et al.*, 2003; Garner, 2005). The differences among the regional markets are created not only by geographic size, linguistic differences, and historical legacy (Garner, 2005), but also economic disparities between coastal and hinterland regions created by government policy. Compared to consumers from the less developed northwest and northeast regions, consumers from the affluent east and south regions are more individually oriented and have a more active lifestyle (Cui and Liu, 2000). Individualism has become a more important personal value for Chinese consumers from coastal regions (Zhang *et al.*, 2008). Podoshen *et al.* (2011) suggest that materialism and conspicuous consumption is rising among young adults in urban Chinese areas. However, although western individualism has become more evident, there still exist intense personal relationships in China, called "guanxi." Guanxi affects such areas of consumption as gift-giving and conspicuous consumption (Garner, 2005).

The important role that Chinese consumers play in global markets has led to a rise in consumer research in the nation. Researchers have tried to understand Chinese consumers' consumption behaviors and the factors that affect consumer characteristics. Important topics include consumer decision making style (Fan and Xiao, 1998; Wang *et al.*, 2004), brand choice and preference (Lin and Chang, 2003; Yang *et al.*, 2005; Zhou and Wong, 2008), consumer values (Schaefer, *et al.*, 2004; Tai, 2005; Wong and Dean, 2009; Xiao and Kim, 2009), and store patronage behavior (Wong and Yu, 2002; Uncles and Kwok, 2009). However, limited studies have focused on Chinese consumers' shopping and patronage behavior, especially those of consumers in less developed inland China such as northwest China.

Shopping Motivations

For decades, consumer behavior researchers favored the traditional cognition, affect, and behavior (CAB) model to understand consumption behavior. Based on the CAB model, consumers go shopping when they need to purchase certain products or services. However, in 1972 Tauber argued that shopping behavior is motivated by a range of psychosocial needs that go beyond the acquiring of products and services. Following Tauber's seminal article, a number of researchers have focused on understanding consumers' shopping motivations (e.g. Westbrook and Black, 1985; Arnold and Reynolds, 2003). Further studies have shown that shopping motivation can be more product oriented (acquiring products or services) or experience oriented (not related to acquiring product or services) (Dawson *et al.*, 1990). The experience orientation is also referred to as a hedonic shopping orientation, which focuses on fun, sensory excitement (Babin *et al.*, 1994; Arnold and Reynolds, 2003), and the fulfillment of such needs as gaining ideas, improving personal well being, and socializing with others (Tauber, 1972; Buttle and Coates, 1984).

Existing studies present Chinese consumers as largely functional shoppers, meaning that they are more likely to shop for acquiring products or services and less likely for having fun and being entertained. Tsang *et al.* (2003) compared the mall shopping behavior of consumers from Xi'an and Hong Kong, and concluded that primary mall shopping motivations for these consumers were making a specific purchase and browsing. In a similar study, Li *et al.* (2004) compared the mall shopping behavior of Chinese and American consumers and concluded that Chinese consumers' mall visits were mainly motivated by a purchase purpose while American consumers tended to have multiple motivations. Fan and Xiao (1998) investigated young Chinese consumers' decision making style and found out that consumers from their sample were not interested in recreational shopping. With the growth in the Chinese economy and improvement in personal well-being, however, Chinese consumers may have become more similar to western consumers. That is, the Chinese consumer may go shopping for a number of reasons, some of which may be more experience oriented.

Store Choices

Many factors affect consumers' store choice decisions. The perception of product price and quality, service quality, time/effort cost, and psychic cost (mental stress or emotional factors) are all important store choice criteria (Baker *et al.*, 2002). Furthermore, store atmosphere, consumer characteristics and store reputation all affect consumers' choices of retail stores (e.g. Dawar and Parker, 1994; Ou *et al.*, 2006). The emergence of new retail channels and outlets in China has prompted researchers to explore how Chinese shoppers are different from or similar to their Western counterparts with respect to store choices. Li *et al.* (2004) found that for Chinese consumers, mall selection criteria, in order of importance, are shopping atmosphere, merchandise assortment and variety, and location. Tai (2005) showed that working women in both Shanghai and Hong Kong did not display loyalty to particular stores. Chinese consumers' choice of retail outlets and stores is affected by many factors such as social, economic, and geographic differences. Wong and Yu (2002) found that higher income consumers in China tend to be more concerned with the location, layout and store design, style of merchandise, and service quality when choosing a shopping center. Chaney and Gamble (2008) conclude that both geographic and demographic factors play a role in perceptions of local vs. foreign stores. They found that consumers in Shanghai preferred foreign stores, whereas those in Chengdu (a second-tier city), lower socio-economic groups, and older consumers preferred local stores. Overall, a

comprehensive body of research about Chinese consumers' patronage behavior does not yet exist. With the likelihood of even more competition in China's retail industry as market development continues, more information in this area will help retailers to compete effectively and gain market share.

METHODOLOGY

In order to explore Western Chinese consumers' shopping motivations and store choice criteria, a qualitative study was conducted in Lanzhou city, Gansu Province. A qualitative research methodology was necessary to gain insight into consumers' behavior from their own perspectives (Denzin and Lincoln, 1994). Additionally, because of the lack of relevant research in the field and the exploratory nature of the study, the in-depth interview method was selected, which proved to be very effective. Given the exploratory character of the research, the interviews were lightly structured, that is, the interviews used focused yet open-ended and non-directive questions in which discussion followed the participants' responses and issues (Mariampolski, 2001). The interviews first asked participants to describe their most recent shopping trip in detail and then asked about their general shopping motives, store choice criteria, and factors affecting their shopping experiences.

Eighteen adult Chinese consumers from different age groups, education levels, occupations, and income levels participated in the study, ensuring a variety of views and opinions. The participants were recruited through posters and word of mouth (WOM) in several local communities and neighborhoods. The diversity among the participants can be clearly shown through their employment status, which included office personnel, researchers, homemakers, small-store owners, retired factory workers and doctors. Ten of the participants were in their 20s and 30s, six in their 40s and 50s, and two were 60 or older. The majority of the participants were females (14), and four participants were males. This sampling approach helped to ensure that the results would be in accordance with the subject of investigation (Ruyter and Scholl, 1998). The interviews were conducted in Chinese and lasted between 30 and 60 minutes each. The interviews were audio-recorded with the participant's consent and transcribed for further analysis. The transcripts were then translated into English and then back-translated into Chinese to ensure accuracy of the English translation (Malhotra, 1996). Table 1 presents the age and gender distribution of the interview participants.

Several cycles of part-to-whole interpretive procedures were conducted to organize the raw data and to generate conceptual schemes based on the data. First, using an intra-text strategy, the interview data from each participant were read and coded to gain a holistic view of each text. Then, through an inter-text strategy, data were analyzed across all the interviews for the emergence of similarities and differences (Spiggle, 1994). The third step consisted of interaction between intra-text and inter-text, a cycle of moving back and forth between them, which allowed for evaluation across all interviews. Finally, an overall holistic interpretation was generated through the combination of the researchers' frames of reference and the data (Thompson, 1997). Two major categories are used to structure the interpretation of responses: shopping motivations and store choice criteria. Themes that emerged within both categories are discussed.

TABLE 1
DEMOGRAPHIC CHARACTERISTICS OF INTERVIEWEES

Gender	Young adult (20s – 30s)	Middle aged (40s – 50s)	Senior adult (60 +)	Totals
Male	3	0	1	4
Female	7	6	1	14
Totals	10	6	2	18

INTERPRETATION

Shopping Motivations

The data suggests that besides purchasing products, northwest Chinese consumers go shopping to satisfy multiple needs that include product needs, social needs and personal needs. Participants strongly suggested six major shopping motivations in addition to product needs that include market exploration, social obligations, socialization, self-gratification, diversion from routine, and visual appreciation.

Market Exploration

Market exploration was very common among participants. Consistent with the existing literature, participants explored the marketplace for similar reasons as their western consumers. Some participants explored the market to learn the newest fashion trends and popular styles, while others tended to check out new products and study the ones that they are interested in.

Well, I notice, sometimes even if I don't need to buy anything, I would go to see if there is any changes in the market. Is there any new product or any new trend in pricing? That is, to gain some information. There is lots of information in the market, such as products and prices. (#1, Female, 50s)

Some liked to observe market trends such as price changes, and to seek out deals and bargains. Others noted that they explored the market for more than one reason.

Sometimes I just look around to see what is good or if there is a good deal. If so, I would buy some. I think you need to shop the market more often, otherwise how can you find all the good deals. If you shop often, you can find things you want that are on sale. If you miss that opportunity, you cannot get that deal. (#10, Male, 70s)

If I have some money, I would like to shop for electronics. Like in the Electronic Market, I would buy a couple CD, or some software, or a USB if it is a good price. In fact, I like to shop at Electronic Market most, especially recently because I plan to buy a better laptop. So, I would shop there to see what is new, and fantasize a little bit too. (#14, Male, 20s)

Overall, the majority of the participants were very excited about exploring the marketplace and what they could learn and find from it. It is an important medium for them to learn about markets and products.

Social Obligations and Socialization

Shopping is not all about purchasing products (Tauber, 1972); for many consumers, shopping is a social occasion (Pooler, 2003). Similar motivations emerged within the participant responses, with two specific social shopping motivations surfacing most frequently: shopping as a social obligation and the opportunity for socializing that shopping affords. Some participants go shopping because of obligation, whether going with their colleagues, girlfriends, or relatives. This is especially true for shoppers who claimed they do not like to go shopping with others, but do so because of an invitation.

I like going shopping by myself. You have more freedom when you shop by yourself, and you can take your time. But it does not happen a lot. Usually colleagues will ask one another, and then we all go together. (#1, Female, 50s)

Other participants go shopping to socialize with friends and families.

Shopping is usually about hanging out with friends, spending time together, or finding an environment to talk with each other. Like asking a friend you have not seen for a long time for a shopping trip, you talk and gossip. (#7, Female, 30s)

In this case, shopping is about getting a chance to spend some time with a friend that one has not seen in a while, or to interact with the family to do something fun when they are bored. Overall, participants strongly emphasized social shopping motivations, pointing to a focus on the hedonic, rather than utilitarian, side of shopping.

Self-Gratification

Participants revealed that they also go shopping for *self-gratification*; that is they go shopping to release stress, to relax, to improve negative moods, or to treat themselves (Arnold and Reynolds, 2003). Some participants go shopping to lift their mood. When they are down and upset, the marketplace is an ideal place to help them to forget their problems and make them happier.

I like to go shopping, especially when I feel troubled in my mind. I go and look around, which helps me to improve my mood. It is helpful because there are lots of people and things in the market. Sometimes you can see interesting things happening or find very nice products which can help to divert my mind (from what troubled me). (#4, Female, 40s)

Others go shopping to relax after the hard work of the day.

Sometimes you feel quite tired after work and want to relax a little bit. Then you may shop at Chaoshi. You may just buy one item, like a cold drink, which makes you feel pretty good. You feel quite relaxed. You don't need to spend a lot, but you treat yourself. (#8, Female, 20s)

Diversion from Routine

Participants also go shopping because they get bored at home and there is nothing else to do. In this case, shopping is treated as a leisure activity. This motivation may be enhanced by the existence of a wide range of retail stores and shopping centers as well as the lack of nearby outdoor activities and facilities in many Chinese cities. It may require much more effort to go to a park than to a nearby shopping center. Shopping is therefore an easy way to seek stimulation or entertainment. This is especially common among older participants. At the same time, shopping can help to pass the time, as some participants mentioned shopping during lunch hours or while waiting for someone.

In fact we did not really want to buy something. We started around 3:30pm. We were bored and had nothing to do so we went shopping. We only shopped about 30 minutes. And then we went to KFC to eat fried chicken.... And sometimes I will go shop and look around a little bit during lunch hours. (#15, Female, 20s)

Visual Appreciation

Some participants saw shopping as a way of appreciating beautiful products such as arts, crafts, and jewelry, or the visual appeal of retail stores.

Sometimes you shop, but not to purchase anything. It is kind of appreciating (pretty things). Brand-name merchandise such as “Feng Mang” is always folded neatly. The merchandise is displayed in large plates with knife and fork beside it. It feels very good and looks very nice. Visually it feels different. May be same clothing, but displayed differently, with some ornaments, feels very good. (#8, Female, 20s)

Retailers in China, especially high-end department stores, have begun to focus on visual merchandising. Some participants go shopping just to appreciate beautiful merchandise and attractive visual displays because doing so makes them happy.

Well, sometimes I like window shopping. Sometimes my daughter doesn't like going to certain stores [selling arts or crafts] and says that we cannot afford shopping there. I don't agree with her. We can go window shopping without buying anything. I like to look at crafts. They are so expensive, but I still like appreciate them in the store and feel good about it. So, I like to look. (#4, Female, 50s)

For this participant, shopping is about appreciating beautiful things, which provides a means of having fun.

Store Choice Criteria

Since the opening of the first supermarket in the year 2000, the retail market of Lanzhou has changed tremendously. Local retail system reform has brought forth a number of new retail formats and an abundance of novelty products. Major retail formats in the local markets include: (a) the free (street) market, (b) specialty stores, (c) convenience stores (also called “small Chaoshi”), (d) department stores, and (e) supermarkets (called “Chaoshi”). Besides different retail stores, there are a number of wholesale markets selling a variety of consumer goods from electronics, apparel and accessories to medicines. Vendors in all the wholesale markets also cater

to individual consumers shopping for large quantities. Local consumers have become more educated about store and product choices. The shoppers interviewed for this study revealed that store choice has become an important element in their decision making process. Seven major store choice criteria surfaced within and across the interviews, indicating various factors that participants take into consideration when they decide to shop. Some criteria are focused on the merchandise (product quality/trust, price, style, assortment), while others are focused on retail stores and services (store location, shopping environment, and customer service).

Product Quality/Trust

Participants revealed that they choose to shop at stores providing good quality merchandise. For the majority of participants buying authentic merchandise, that is, getting what the merchandise is claimed to be, is a big concern. Because counterfeit merchandise is quite common in China and a consumer protection system is still underdeveloped – especially in inland China – participants desire to shop at trustworthy stores, regardless of whether they are purchasing food, cosmetics or apparel.

I buy food there [at Chaoshi], like sugar, salt, rice. Usually we don't buy fresh fruit there. The fruit there usually are not fresh. Those are pre-packaged, and have preservatives. We bought fruit there before, it was not good. The produce from fresh food market is pretty good and I feel safe buying it too. (#4, Female, 50s)

Dawar and Parker (1994) argue that perceived retailer reputation is one of the important product quality indicators for consumers. The interview data reveal that some participants prefer to shop at supermarkets and/or high-end department stores for certain merchandise because they assume that larger stores have better managerial and quality control abilities. This is especially important when it comes to food and expensive goods such as jewelry. When considering different retail outlets, one of the top two reasons cited by western consumers for shopping at big box stores is low prices (Brennan and Lundsten, 2000). However, the interview data reveal that for participants the appeal of big box stores is not necessarily low prices, but the availability of authentic or quality merchandise.

I think the shopping environment is good [at Chaoshi] and there are less counterfeit products too, especially food. It is trustworthy. Like apparel, if it is labeled as 100% cotton, it must be. In fact the prices in Chaoshi are not necessarily lower than those at small shops. But you are not sure if what you bought at those shops is exactly what it is claimed to be. The garments bought in small stores are more likely to shrink a lot. (#18, Female, 20s)

Price

Participants feel that price is another important criterion of store choice. This finding is consistent with the literature that reveals that Chinese consumers are very price-conscious (e.g. Fan and Xiao, 1998). The traditional wisdom is to shop around and get the best price. Under the planned economy, consumer goods were scarce so consumers could not put emphasis on prices. With a more competitive retail environment, shopping around became normal for many Chinese consumers. For certain goods, such as socks and underwear, some participants like to shop where

prices are lower or more reasonable. As in western countries, retailers use discounts and seasonal promotions to attract consumers.

I am more attracted to prices. If I see a promotion such as the sign of sales (at some store) I will shop there. I would go inside and have a look, not necessarily to buy anything. (#9, Female, 30s)

Style

Participants also revealed that when it comes to fashion goods, the *style* greatly affects their store choices. They like to shop at stores carrying merchandise that matches their lifestyle or fashion taste. This indicates that some Chinese consumers, including young women, are not necessarily interested in following the latest fashion trends, but instead are concerned with their own personal style and taste.

There are just some stores that are not right for me to shop at. I don't go to those kinds of stores, like those very fashion-forward ones. It is not because I don't like those stores. They are just not right for me to shop there. (#15, Female, 20s)

I don't go to stores selling very fashion forward apparel. Some of those styles look so weird to me. It makes me feel that those products are not for normal people. (#16, Female, 20s)

This information is especially valuable for western retailers looking to explore China's fashion market. Although Chinese consumers are becoming more accepting of western culture and fashion, some consumers in this region, however, clearly have different fashion tastes from that of western consumers.

Assortment

The participants also use product assortment/variety as an important store choice criterion. They revealed a preference for stores carrying a large variety of merchandise. Participants appreciate broad merchandise categories and deep assortment within each category. So an abundance of choice is highly valued.

They [supermarkets] have quite a lot of merchandise, so my shopping goals can be fulfilled over there. You don't need to go to different stores and you can buy all you want in one store. (#6, Female, 20s)

As in western countries, a large variety of merchandise provides consumers one-stop-shopping convenience. That is why many participants chose to shop at supermarkets for their daily needs. As a newer retail format in China, supermarkets also provide consumers a good opportunity to find new and novel products. Some participants shop there to explore new merchandise. Novelty is exciting and it turns shopping into a fun activity. Meanwhile, they become more educated consumers through exploring different brands and merchandise.

And there are large varieties of product [at Chaoshi]. And for each product there are several brands. So you have lots of choices. In fact, compared with other stores, I like

shopping at Chaoshi. There are very useful products for everyday life that you never saw before. So, you can get these kinds of information in Chaoshi, but not in other stores. So, there are large of variety products which can be very advanced and unique and not available anywhere else. (#15, Female, 20s)

Store Location

Location or the distance of shopping from the home is important for participants. The data reveal that participants like to shop at stores near where they live or work. Although personal cars are becoming popular in China, many still depend on public transportation. It is inconvenient to shop at stores that are far away, especially if direct bus lines are unavailable. The literature reveals that the distance to stores is often a critical determinant of store patronage decision for Shanghai Consumers (Wong and Yu, 2003; Uncles and Kwok, 2009). So, the distance to stores may be a common issue for Chinese consumers.

But compared with Jiashijie [a major supermarket], I like Haulian [the first supermarket opened in Lanzhou] better because it is close to my home and it is very convenient shopping there. I can go whenever I want to go or need to go; it can be on a daily basis. (#10, Male, 70s)

Shopping Environment

Shopping environment is another important factor affecting participants' store choices, and most of them preferred a clean shopping environment. Free markets and outdoor wholesale markets are full of dust and dirt, which keeps some from shopping there. This may suggest an important trend, because Chinese consumers are traditionally known for shopping at free markets for produce and groceries. Prices are usually lower in those marketplaces and one can bargain too. But with the improvements in living standards and availability of modern shopping outlets, it is possible that consumers are now choosing modern stores over traditional markets.

Chaoshi has cleaner shopping environment than other small vendors and shops. Although there are so many people and the air is not necessarily fresh [in Chaoshi], at least you don't have dust and dirt flying everywhere. The merchandise looks clean too. (#6, Female, 60s)

Participants also revealed that they like large stores that are spacious, have smaller crowds and less noise.

I dislike Eastern Wholesale Market most. There are so many people and vehicles. Sometime it is even dangerous because of the traffic. Too much noise too. Uh, there are so many thieves there too. They steal people's money. But this is not the case when you shop at Hualian or Jiashijie. (#10, Male, 70s)

They also like stores that are well-organized, and mentioned that disorganized merchandise often keeps them from shopping at a store. Elements such as lighting and scent all affect participants' store choices.

I like Beisheng [an upscale department store] and Xidan [another upscale department store] because of the better shopping environment and quite upscale merchandise. As an environment, you talk about good layout, light ... (pause) which is kind of neat, unlike some smaller shops which are so disorganized. (#3, Female, 50s)

Customer Service

Customer service has been a weak component in many Chinese retail stores. For example, it is very difficult to exchange or return merchandise after the purchase, especially in small private shops. With the increasing competition, some retailers have started to focus more on customer services. To avoid conflict and unpleasant shopping experiences, some participants try to avoid stores that have poor customer service.

I remember [there was] a convenience store beside my University. The service was very bad and the prices were pretty high. It would ruin your good mood if you shop there. Sometimes I was hungry late at night and cannot get anything elsewhere to eat except that store. I would rather be hungry than going to that store. That was bad. Like you would argue with them whenever you shop there, that gets old. (#14, Male, 20s)

CONCLUSIONS AND IMPLICATIONS

With a large population and strong economic growth, China has become one of the fastest growing consumer markets. This study investigated the shopping behavior of northwest Chinese consumers and its findings contribute to our understanding of consumers' shopping motivations and store choice criteria in this region. Several important findings surfaced from the interview data. Although the existing literature suggests that Chinese consumers are more likely to be motivated to go shopping for utilitarian reasons (Tsang *et al.*, 2003; Li *et al.*, 2004), the findings of this study tell a different story. With the advances in the Chinese economy and increased access to retail outlets and consumer goods, the shopping behavior of northwest Chinese consumers now resembles that of western consumers. That is, participants shop for a variety of reasons including, utilitarian, hedonic, and social reasons.

Among the variety of shopping motivations that surfaced, social motivations appear to be especially important for local consumers. The modern Chinese retail environment provides a good setting for consumers to socialize. The participants of this study frequently go shopping to socialize with friends or family. Furthermore, some participants shop with others simply for fun and companionship. In fact, the majority of participants claimed that they like to shop with others even if they do not like to shop. Similar to shopping behavior in western countries, these shopping companions, also called "shopping pals," serve both functional and social roles (Kiecker and Hartman, 1993). Some participants shop with others for product advice and some for help with decision making and bargaining. Given the important role of bargaining in Chinese shopping behavior, having a good shopping pal is apparently crucial for many consumers. In contrast to studies on western consumers, however, participants of this study did not shop to obtain social status or authority (Tauber, 1972; Cox *et al.*, 2005) or to meet people (Haytko and Baker, 2004). This implies that northwest Chinese consumers have different social needs and shopping motivations. As a modern society with a collective culture, pleasing others in a social group is still important for many Chinese consumers. The literature indicates that although western individualism has become more apparent in China, consumers in less developed

northwest China are the least individual-oriented (Cui and Liu, 2000). This might explain why some participants go shopping because of an invitation from friends or colleagues even if they have no personal shopping needs or generally prefer to shop alone.

It is also important to note that for the participants shopping does not equate to purchasing or buying. For the majority of participants shopping is about satisfying personal needs such as relaxation, appreciation, and recreation. For those participants shopping sometimes is about having fun, fantasy and entertainment. Participants enjoy the pleasure provided by modern retail outlets, which not only offers modern commodities but also a fantasyland to explore. Shopping not only provides immediate material satisfaction but also becomes a form of leisure pastime whether or not a purchase is made. Although Chinese consumers from less developed cities tend to have lower expectations for shopping experiences, the findings of this study imply that the shopping experience has become more important for northwest Chinese consumers, and many of them actively seek hedonic shopping value.

Participants also revealed that they use a variety of criteria to decide where to shop. Factors such as variety, quality, price and style, as well as in-store shopping environment, customer service, and store location are all important store choice criteria. Given the fact that socialization and other hedonic shopping motivations become important for participants, it is not surprising to see that in-store shopping environment and customer service are cited as key criteria. In order to have pleasant shopping experiences, some participants even try to avoid the traditional marketplaces. Furthermore, although prices are important for participants, some of them do choose to pay higher prices for better service. For most participants, product quality is associated with authenticity. Chinese consumers are becoming less adventurous in the marketplace because of the dramatic consequences of choosing inferior quality products, especially with food purchases (St-Maurice *et al.*, 2008). Finally, northwest Chinese consumers may not purchase fashions that do not match their lifestyles or tastes. Providing merchandise that better satisfies local consumer lifestyles and needs may become a key success element. Based on all the criteria that surfaced from the study, the majority of participants prefer to shop at supermarkets. Modern retailers should not only focus on providing quality merchandise, but also address other factors that affect the overall shopping experience.

This study contributes to the literature on Chinese consumer behavior, shedding light on the behavior of northwest Chinese consumers. Because of the exploratory nature of this study and because the interviews were conducted in only one region, the findings cannot be generalized to the larger Chinese population. Findings reveal that there are some differences between Chinese and western consumers with respect to shopping motivations and store choice criteria but also that the similarities are increasing. It is therefore important to conduct more research to develop a deeper understanding of these consumers. Additionally, with more and more consumers seeking extra in-store experiences, it is important to study Chinese consumers' shopping experiences and the factors that affect those experiences. These future research objectives can provide valuable information for both Chinese and international retailers to better serve Chinese consumers and compete in an increasingly challenging retail market.

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