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The purpose of this research was to explore and understand better how consumers perceive the value of their shopping experiences in two key retail outlets—mass merchandisers and department stores—as well as how consumers' shopping orientations, recreational or functional, relate to consumer perceived value (CPV). An initial qualitative approach was used, i.e., in-depth, lightly structured interviews, to explore the perceptions consumers have of the value they gain during their shopping experiences in retail stores. Findings from the qualitative study were combined with an in-depth literature review to develop a survey to measure consumers' perceptions of transaction value, acquisition value, efficiency value, choice value, esthetic value, curiosity value, social interaction value, social status value, and self-gratification value when shopping in mass merchandisers and department stores. 800 surveys were disseminated, which resulted in 372 usable questionnaires for analysis, a 46.5% response rate. The findings indicated that consumers do have different levels of perception on some of the value dimensions tested when they shop at mass merchandisers versus department stores. Specifically, consumers perceived higher levels of acquisition value and efficiency value at mass merchandisers than at department stores, and they perceived higher levels of transaction value, esthetic value, curiosity value, social interaction value, social status value, and self-gratification value at department stores than at mass merchandisers. Choice value was not perceived as different when consumers shopped at the two different

retail outlets. It was also found that shopping orientation, a recreational or functional shopping approach, significantly affected consumers' value perceptions when they shopped. Recreational shoppers perceived significantly higher levels of all the value dimensions investigated than functional shoppers at both department stores and mass merchandisers. The study results suggest that retailers may first want to target the perceived values most salient to consumers in order to increase their profitability, and, second, they may want to focus on the less salient values identified in the study to gain a better understanding of why consumers rated these values much lower when shopping in their establishments.

CROSS-SHOPPING AND SHOPPING ORIENTATION: CONSUMER PERCEIVED  
VALUE IN TODAY'S DYNAMIC RETAIL ENVIRONMENT

By

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Approved by

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Committee Chair

To my dear parents

APPROVAL PAGE

This dissertation has been approved by the following committee of the Faculty of  
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## **CHAPTER I**

### **INTRODUCTION**

Chapter I presents six sections: (1) Introduction; (2) A New Approach; (3) The Shopping Experience: The Consumer Interface with the Marketplace; (4) The Retail Industry; (5) Consumer Perceived Value (CPV); (6) Gaps in the CPV Literature; (7) Research Questions; (8) Research Objectives; (9) Hypotheses; and (10) Definition of Terms.

#### **Introduction**

The true experience of consumption begins in the marketplace for most consumers, and today's consumers face a broad range of choices in that marketplace for how they use their resources, time, and the retail outlets available to them. For modern consumers, value is very important. Although much literature in the consumer behavior area has focused on value as a price/quality trade off, recent developments in the literature suggest that the reality of value to the consumer is far more complex. Specifically, the consumer perceived value (CPV) literature has sought to explicate the dimensions of value that are meaningful to consumers relative to products and services. However, a gap exists in the literature relative to how consumers perceive the value associated with their retail choices and experiences. This research seeks to investigate the associations among retail environments, specifically mass merchandisers and department stores, shopping

orientation (a recreational or functional shopper approach), and consumer perceived value.

### **A New Approach**

To understand the value perceptions of today's consumers requires an understanding of how consumer behavior has been modeled since the beginning of marketing as a discipline. From the birth of the marketing concept in the 1950s, academics and businesses have sought to understand the processes and factors involved in meeting consumers' wants and needs, i.e., delivering value to the consumer. Much of this work has been based on the cognition, affect, and behavior (CAB) model, a model that assumes that the consumption process is a causal flow from consumer cognition to consumer affect to consumer behavior ( $C \rightarrow A \rightarrow B$ ), that is, cognition variables (information seeking) determine affective responses (state of predisposition) which in turn guide conative or behavioral effects (the choice process and purchase). The CAB model focuses on the "rational" man and utilitarian benefits and has dominated consumer behavior research for over five decades. Recently, however, researchers have begun to explore a broader view of delivering value to the consumer.

This research develops a new holistic consumer behavior (HCB) model which, contrary to the traditional CAB model, recognizes the rational and irrational aspects of consumer behavior, as well as utilitarian and hedonic experiences, thereby including cognition, emotion, sensory, and physiological factors. The model reflects the importance of the shopping experience to consumers and argues that the outcome of consumer behavior should be delivering value to the consumer—from the consumer's

point of view. This would entail an outcome of CPV, as opposed to the traditional consumer behavior model's outcome of product choice or purchase. In other words, the traditional business perspective taken by the CAB model regards acquisition and purchase of products, service, and information as the main goals of consumer behavior, while the consumer-oriented perspective recognizes the importance of shopping experiences and the overall value of marketplace experiences to the consumer. The HCB model combines these two perspectives in order to capture fully what consumption means to the consumer, providing a relevant framework for consumer perceived value.

### **The Shopping Experience: The Consumer Interface with the Marketplace**

From the consumer's perspective, the natural interface with the marketplace is the shopping experience. Retailers and consumers, however, have very different views on the concept of shopping (See Table 1.1).

From the managerial perspective, shopping is a rational process through which retailers generate sales and profits. For the business, shopping focuses on products and services, and the time orientation is short-term. The managerial perspective regards product, place, price, and promotion (4Ps) as the important controllable factors surrounding shopping, and businesses communicate with consumers through advertising, promotions, public relations, word of mouth, as well as a variety of nontraditional techniques. As a strong aspect of company strategy, communication is budgeted, and often relentless. Due to capital and other investments, businesses are frequently resistant to change and desire to maintain the status quo.

Table 1.1: Managerial and Consumer Perspectives on Shopping

<i>Items</i>	<i>Managerial Perspective</i>	<i>Consumer Perspective</i>
Cognitive Process	<ul style="list-style-type: none"> <li>• Rational</li> </ul>	<ul style="list-style-type: none"> <li>• Rational and irrational</li> </ul>
Benefits Sought	<ul style="list-style-type: none"> <li>• Sales and profit</li> </ul>	<ul style="list-style-type: none"> <li>• Need and want fulfillment</li> </ul>
Object of Consumption	<ul style="list-style-type: none"> <li>• Products and services</li> </ul>	<ul style="list-style-type: none"> <li>• Experiences—some involving products and services and some not</li> </ul>
Time Orientation	<ul style="list-style-type: none"> <li>• Short term</li> </ul>	<ul style="list-style-type: none"> <li>• Both short and long term</li> </ul>
Controllable Factors of Interest	<ul style="list-style-type: none"> <li>• Four Ps—product, place, price, and promotion</li> </ul>	<ul style="list-style-type: none"> <li>• Time, money, safety, choice among alternatives, and perceived value</li> </ul>
Nature of Communication	<ul style="list-style-type: none"> <li>• One way, toward the consumer, through advertising, promotion, public relations (PR), word of mouth, etc.</li> <li>• Budgeted</li> <li>• Strong aspect of company strategy, often relentless</li> </ul>	<ul style="list-style-type: none"> <li>• One way, toward the business, through purchasing choices, focus groups, surveys, customer service feedback, letters, emails, etc.</li> <li>• Relatively rare, often involves complaints</li> <li>• Frequently ignored</li> </ul>
Response to Change	<ul style="list-style-type: none"> <li>• Resistance to change and desire to maintain status quo</li> </ul>	<ul style="list-style-type: none"> <li>• Enjoys change (fashion) and wants products and services that will meet changing needs</li> </ul>

From the consumer’s perspective, shopping is both rational and irrational. There are many components of shopping, including cognitive, emotional, sensory, and physiological factors. For consumers, shopping is not equal to buying, but is the fulfillment of different needs and wants through a variety of processes. Furthermore, shopping is not all about products and services, it is about experiences, some involving products and services and some not. So, besides being requisite for buying and

consuming products and services in the marketplace, shopping and the shopping experience represent an important component of consumers' lives. Existing research supports this idea, indicating that consumers are motivated to go shopping for different reasons other than pure product acquisition (Buttle, 1992; Buttle & Coates, 1984; Tauber, 1972; Westbrook & Black, 1985). Some consumers simply enjoy shopping with or without purchasing. For consumers, shopping is both a short-term and long-term relationship with the marketplace, depending on a variety of factors that include the nature of the experience, information search, the type of product or service sought, and the price point of the goods being considered. Time, money, safety, the choice among alternatives of products and retailers, and perceived value are some of the factors of interest that consumers feel that they can control.

### **The Retail Industry**

Retailing has changed along with its customers. Consumers have become increasingly more sophisticated and demanding during the past two decades with the availability and abundance of products, services, information, and technology, as well as a new abundance of retail stores and channels (Terblanche & Boshoff, 2004). Today, the shopping experience has become a central element of consumers' lives, and for the post-modern consumer, consumption has become an act of experience production and an expression of the self or self-image (Firat & Dholakis, 1998). In response, many retailers are strategizing to turn shopping into a high-value pursuit and are generating consumer value as an important source of competitive advantage (Woodruff, 1999).

### ***Economic Impact***

The retail industry is a cornerstone of the US economy. According to the United States Department of Commerce, retail trade accounted for 30% of the US gross domestic product (GDP) of \$11.7 trillion in 2004. US retail sales of merchandise for personal and household use (including automobiles) totaled \$3.5 trillion in 2004. At the same time, sales of general merchandise, apparel, furnishings, and "other" goods (or GAFO, a government term referring to merchandise normally sold in department stores) reached \$1.0 billion (*Standard & Poor's Industry Surveys*, 2005). Wal-Mart Stores Inc., the world's largest retailer, had domestic revenues from its retail stores of \$229 billion in the fiscal year 2004—about 2.0% of the US GDP (*Standard & Poor's Industry Surveys*, 2005). With more than 1.4 million establishments, retailing is a major employer in the United States. According to the National Retail Federation, retailers employed more than 23 million people in 2004—nearly one of every five American workers (*Standard & Poor's Industry Surveys*, 2005).

### ***Mass Merchandisers vs. Department Stores***

#### ***Department Stores***

Department stores are large retail units that carry an extensive assortment of merchandise organized into separate departments, for example, Belk, Macy's, and Dillard's (Rabolt & Miler, 1997). Department stores originated during the middle of the nineteenth century with urbanization, industrialization, and the growth of the new middle class (Pasdermajian, 1954). They started from dry goods stores and later added an assortment of other goods and services (Burns & Bryant, 2002). The first department

store in the United States, the Marble Palace, was built in New York City by Alexander Turney Stewart in 1848. The concept was original at the time in several ways: fixed prices, no obligation to buy, service, entertainment, and scale (Knee, 2002). Department stores offered working people attentive service, an elegant place to shop for almost everything they needed, and the chance to buy on credit. Large department stores became central fixtures in the downtown areas of most cities. They evolved as the precursor to modern shopping centers—everything under one roof. Eventually, they became the foundations of shopping malls in the suburbs ([www.bookrags.com](http://www.bookrags.com)). From their beginnings in the nineteenth century to their decline in the 1970s, department stores were the major centers for urban American shoppers. In the 1970s, large discount stores began to compete with the popularity of department stores. By the 1990s, many of the distinguished old department stores had gone out of business, while many others had been absorbed by consolidation of the retail giants such as Federated and Macy's.

### *Mass Merchandisers*

Mass merchandisers are large retail discount stores that serve the mass market for example, Wal-Mart, Kmart and Sears (Rabolt & Miler, 1997). Discounters use the term mass merchandiser in an effort to “trade up.” The first discount store appeared after World War II and was called “the revolution of the 1950s” (Wellman, 1980). Discount stores began in the abandoned textile mills of New England and rapidly spread to major metropolitan areas across the United States and Canada. They offered self-service and lower prices through large quantity purchasing (Rabolt & Miler, 1997). By the 1970s, chain stores such as K-Mart and Wal-Mart were booming and mass merchandisers

encountered increasing market saturation. At the beginning of the 1980s, mass merchandisers recognized that consumers' perceived price and quality among the most important factors for evaluating a product (Hiller, 1983). In the 1990s, mass merchandisers placed further emphasis on providing a large, clean, attractive store environment (Kim & Chen-Yu, 2005). The sales of mass-merchandisers grew from about \$2 billion in 1960 to more than \$175 billion in 1999 (Andersen, 1999). Mass merchandisers remain the most important outlet for many product categories, such as table linens and kitchen textile products, apparel (including menswear, boyswear and girlsweat), bath products, toys, and the vitamin and mineral supplements category (Andersen, 1999; Gunin, 1999).

#### *Competitive Retail Environment*

In today's US retail market, business is extremely competitive because of the large number of competitors and the emergence of new retail channels such as the Internet. At the same time, however, consumer spending is growing slowly due to a weakened economy and changing demographics (*Standard & Poor's Industry Surveys*, 2005). According to *Standard & Poor's Industry Surveys* (2005), Americans generally are less interested in shopping than they were a decade ago, and value has become the consumer's hallmark (*Standard & Poor's Industry Surveys*, 2005). In fact, "value is the dominant purchase motivation among consumers today" (Berry & Yadav, 1996, p.49). Consumers have inexorably moved to favor shopping at retailers offering what they perceive as the best value, spending more of their dollars at superstores than before. This has hit department stores very hard.

Consumers today pursue a strategy called cross-shopping, which means shopping at different retail channel, as well as different types of outlets, to fulfill their needs and wants. Cross-shopping has become a wide-spread phenomenon, and heavy department store shoppers are also likely to be heavy mass merchandiser shoppers (Crask & Reynolds, 1978). According to the US Department of Commerce, some types of retailers experienced growth between 1992 and 2003, while others declined. Department stores' share of general merchandise, apparel, and furniture (GAF) sales fell 19%. During the same period, apparel specialty stores' share of GAF sales fell 4%. The share of the general merchandise group, consisting of warehouse clubs and superstores such as Costco Wholesale Corp. and Wal-Mart's Sam's Club grew 30% during the same period ([www.datamonitor.com](http://www.datamonitor.com)). Wal-Mart, the largest mass merchandiser, is the nation's largest grocer and the third-largest pharmacy, with a market share of 19% and 16% respectively in the year 2003 ([www.businessweek.com](http://www.businessweek.com)). The ten-year growth rate of Wal-Mart Stores Inc. from 1994 to 2004 was 13.2% (*Standard & Poor's Industry Surveys*, 2005) and its five-year growth from 2000 to 2004 was 12.0% (*Disclosure SEC Database*, 2005).

In this highly competitive marketplace, retailers have tried to gain customers by enhancing services, increasing convenience (locations and payment methods), and using visual appeal to inform fashion. They also have tried to spark the interest of consumers with better-differentiated merchandise assortments and more inviting store environments (Guiry, Magi, and Lutz, 2006). The present intensive competition among different retail channels suggests that it is critical for retailers to build their competitive advantage by delivering value that consumers truly recognize and want (Woodruff, 1997).

## **Consumer Perceived Value**

The role of value is of major and increasing concern to consumers, businesses, and marketers (Dodds, 1991). From the consumer's viewpoint, obtaining value is a fundamental shopping goal and pivotal to all successful exchange transactions (Holbrook, 1994). From the business perspective, Woodruff (1997) suggests that creating consumer value will increasingly become the critical source of competitive advantage for companies, replacing the quality management paradigm. Even more broadly, value has been called the basis for all marketing activity (Holbrook, 1994).

### ***Consumer Perceived Value Research***

Consumer perceived value (CPV) began to develop as a discrete research area with the attention drawn to price, quality, and value by Zeithaml (1988). In her seminal article, Zeithaml (1988, p.14) defined CPV as “the consumer's overall assessment of the utility of a product based on a perception of what is received and what is given.” Following Zeithaml's (1988) work, however, researchers defined CPV in a variety of ways as the research area grew. Despite differences in language, the key common point of these definitions is that CPV is a trade-off between benefits and sacrifices associated with a supplier's offering—as perceived by the consumer (Ulage & Chacour, 2001; Woodruff, 1997). These definitions indicate that value for a consumer is related to his/her experience or knowledge of buying and using a product, as well as the consumer's individual perception which cannot be objectively defined by an organization (Snoj, Korda, & Mumel, 2004). For the purposes of this research, CPV will be defined as all values perceived by consumers and generated by their consumption experiences.

From the beginning, CPV has been generally regarded as a multidimensional construct, and researchers have identified a number of similar and dissimilar dimensions. The seminal work of Holbrook (1986, 1994), Zeithaml (1998), as well as Sheth, Newman, and Gross (1991), have been the most influential in CPV research. Their major contributions have included: (1) Holbrook's (1986) typology of experiential value; (2) Zeithaml's (1988) seminal definition and her conceptual trade off of what is received and what's given; and (3) Sheth and colleagues' (1991) development of a theory of consumption value. Holbrook (1986) proposed that consumer value in consumption experiences can be classified into eight components through a matrix comprised of three dimensions: (1) extrinsic vs. intrinsic; (2) self- vs. other-oriented; and (3) active vs. passive. Zeithaml (1988) proposed at least five dimensions of CPV, intrinsic attributes, extrinsic attributes, perceived quality, price (monetary and non-monetary), and other relevant high level abstractions. Sheth and colleagues (1991) distinguished between five categories of value that might be provided by a product: functional, social, emotional, epistemic, and conditional value. It should be noted that, although price and quality have been generally recognized dimensions of CPV in the literature, less agreement exists on the other dimensions that may be critical to defining and assessing the CPV construct accurately and completely.

### **Gaps in the CPV Literature**

Although the CPV literature has identified the importance of CPV in consumer behavior, studies exploring CPV have been relatively limited. This research identifies and responds to three major gaps in the CPV literature within the context of shopping: (1)

lack of clarity about the dimensions of CPV; (2) lack of research on CPV in different retail environments; and (3) lack of research on the association of shopping orientation with CPV.

Researchers have approached CPV from different perspectives, resulting in different dimensions and a lack of clarity in their definitions. Some researchers have followed the economic exchange concept of CPV established by Zeithaml (1988), some have followed a broadened concept to include perspectives other than economic exchange theory as proposed by Sheth and colleagues (1991), some have followed the process view of Dodds, Monroe, and Grewal (1991) and Grewal, Monroe, and Kirshnan (1998), and others have followed the value typology developed by Holbrook (1986) (Kim, 2002; Petrick, 2002; Parasuraman & Grewal, 2000; Sweeney & Soutar, 2001; Terblance & Boshoff, 2004). The result has been disagreement on the dimensions of CPV relative to products and services. When it comes to shopping experiences, some researchers have investigated CPV as the outcome of shopping trips, some researchers have focused on experiential value during shopping, and others have emphasized in-store shopping experiences. It can be seen that more theoretical as well as empirical work needs to be carried out to understand CPV better.

Second, CPV has not been studied in the context of different shopping outlets. CPV studies have primarily focused on products, brands, and limited types of services and have not widely explored consumers' shopping behavior, such as consumers' patronage behavior or consumers' value perceptions in different retail outlets. Retail research has been focused on the effect that factors such as store attributes, store

attitudes, general shopping patterns, household demographics, retail pricing formats, and situational factors have had on consumers' store choices (Bhatnagar & Ratchford, 2004). Additional research is needed to understand the role of store type in CPV.

Third, there has been no study on the association between consumers' shopping orientations and their perceptions of value as a result of shopping in different retail environments. Shopping orientation and consumer typology studies have been an important part of retailing literature (Westbrook & Black, 1985). Stone (1954) introduced the concept of shopping orientation (Visser & Preez, 2001), and numerous consumer typology studies have pursued this topic since Stone's seminal study of urban consumers' shopping orientation. Consumers have been classified into different groups based on different criteria such as social relationships (Stone, 1954), product usage (Darden & Reynolds, 1971), and consumers' preference for store attributes (Darden & Ashton, 1975). Bellenger and Korgaonkar (1980) proposed a more simplified shopper typology, differentiating recreational shoppers (those who shop for enjoyment) and functional shoppers (those who treat shopping as a task). Bellenger and Korgaonkar's (1980) typology has proven to be meaningfully related to shopping behavior in a variety of situations (Williams, Slama, & Rogers, 1985). Research is needed to understand better the relationship of shopping orientation to CPV.

### **Research Questions**

The purpose of this research was to explore and understand better how consumers perceive the value of their shopping experiences in two key retail outlets—mass merchandisers and department stores—as well as how shopping orientations, either a

recreational or a functional approach, are associated with CPV. To answer the larger research question, three separate research questions were investigated:

1. What are the important dimensions of perceived value for consumers as a result of their shopping experiences?
2. What differences in the levels of the CPV dimensions occur when consumers shop at mass merchandisers versus department stores?
3. What is the association between shopping orientation and CPV when consumers shop at mass merchandisers versus department stores?

### **Research Objectives**

To fulfill the major gaps identified in the CPV literature and to answer the research questions proposed, this research was carried out in two steps.

1. The first step was a qualitative preliminary study using in-depth interviews. The purpose of the interviews was to explore consumers' shopping orientations, their general attitudes toward retailers, and the dimensions of value they look for and gain in different retail outlets.
2. The second step of the study was a quantitative study. Data was collected through the survey method. The study questionnaire was developed based on extant scales in the CPV and shopping literature, as well as the information gained from the study's qualitative interviews. Participants for both interviews and surveys were selected to represent the general consumer base of mass merchandiser and department store shoppers.

## **Hypotheses**

The research questions/objectives, the initial qualitative study, and an intensive review of the pertinent literature led to the development of twenty-seven hypotheses:

### ***Exchange Value Hypotheses***

H1a: Acquisition value is perceived to be higher when consumers shop at mass merchandisers than when they shop at department stores.

H1b: Transaction value is perceived to be higher when consumers shop at department stores than when they shop at mass merchandisers.

H1c: Efficiency value is perceived to be higher when consumers shop at mass merchandisers than when they shop at department stores.

H1d: Choice value is perceived to be higher when consumers shop at mass merchandisers than when they shop at department stores.

### ***Sensory Value Hypothesis***

H2: Esthetic value is perceived to be higher when consumers shop at department stores than when they shop at mass merchandisers.

### ***Cognition Value Hypothesis***

H3: Curiosity value is perceived to be higher when consumers shop at department stores than when they shop at mass merchandisers.

### ***Social Value Hypotheses***

H4a: Social interaction value is perceived to be higher when consumers shop at mass merchandisers than they shop at department stores.

H4b: Social status value is perceived to be higher when consumers shop at department stores than when they shop at mass merchandisers.

### ***Personal Value Hypothesis***

H5: Self-gratification value is perceived to be higher when consumers shop at department stores than when they shop at mass merchandisers.

### *Shopping Orientation Hypotheses*

- H6a: When consumers shop at mass merchandisers, acquisition value is not perceived to be different for recreational and functional shoppers.
- H6b: When consumers shop at department stores, acquisition value is perceived to be higher for recreational shoppers than for functional shoppers.
- H7a: When consumers shop at mass merchandisers, transaction value is not perceived to be different for recreational and economic shoppers.
- H7b: When consumers shop at department stores, transaction value is perceived to be higher for recreational shoppers than for economic shoppers.
- H8a: When consumers shop at mass merchandisers, efficiency is not perceived to be different for recreational and functional shoppers.
- H8b: When consumers shop at department stores, efficiency is not perceived to be different for recreational and functional shoppers.
- H9a: When consumers shop at mass merchandisers, choice value is perceived to be higher for functional shoppers than for recreational shoppers.
- H9b: When consumers shop at department stores, choice value is perceived to be higher for recreational shoppers than for functional shoppers.
- H10a: When consumers shop at mass merchandisers, esthetic value is not perceived to be different for recreational and functional shoppers.
- H10b: When consumers shop at department stores, esthetic value is perceived to be higher for recreational shoppers than for functional shoppers.
- H11a: When consumers shop at mass merchandisers, curiosity value is not perceived to be different for recreational and functional shoppers.
- H11b: When consumer shop at department stores, curiosity value is perceived to be higher for recreational shoppers than for functional shoppers.
- H12a: When consumers shop at mass merchandisers, social interaction value is perceived to be higher for recreational shoppers than for functional shoppers.
- H12b: When consumers shop at department stores, social interaction value is perceived to be higher for recreational shoppers than for functional shoppers.

- H13a: When consumers shop at mass merchandisers, social status value is not perceived to be different for recreational and functional shoppers.
- H13b: When consumers shop at department stores, social status value is perceived to be higher for recreational shoppers than for functional shoppers.
- H14a: When consumers shop at mass merchandisers, self-gratification value is not perceived to be different for recreational and functional shoppers.
- H14b: When consumers shop at department stores, self-gratification value is perceived to be higher for recreational shoppers than for functional shoppers.

### **Definition of Terms**

The following terms provide a foundation for more accurate understanding of this study:

<i>CAB models</i>	CAB models are consumer behavior models in which C refers to cognition, A refers affect and B refers to behavior. The CAB paradigm and models propose that cognition variables (information seeking) determine affective responses (state of predisposition), which in turn guide conative or behavioral effects (choice process and purchase).
<i>Consumer perceived value</i>	Consumer perceived value is defined as all factors, both subjective and objective, that form a consumer's evaluative perceptions of consumption experiences. It is all types of value that are generated by their consumption experiences.
<i>Consumption</i>	Consumption is a range of experiences that include dreaming, thinking, shopping, information search, purchase, consumption, and disposal that consumers have with market offerings.
<i>Consumption experience</i>	Generally speaking, consumption experience is the experience consumers have while using, consuming, possessing, and disposing market offerings. Following Hirschman and Holbrook (1986, p.219), consumption experience is defined as "an emergent property that results from a complex system of mutually overlapping interrelationships in constant reciprocal interaction with personal, environmental, and situational inputs." It is the synthesis of the affective and cognitive actions and reactions that consumers have during their interface with products, services, and the marketplace environment.

<i>Cross-shopping</i>	Shopping at different retail outlets, as well as different types of outlets, to fulfill their needs and wants.
<i>Experiential consumption</i>	Experiential consumption refers consumer behavior that consumers pursue various experiences coming from playful leisure activities, sensory pleasures, daydreams, esthetic enjoyment, and emotional responses rather than merely a material object. It regards consumption as “a primarily a subjective state of consciousness with a variety of symbolic meanings, hedonic responses, and esthetic criteria” (Holbrook & Hirschman, 1982, p.132). It is the consumptions that go beyond product and service acquisition during which what consumers consume and value is consumption experiences.
<i>Hedonic consumption</i>	Hedonic consumption refers to the esthetic, intangible and subjective aspect of consumption. It “designates those facets of consumer behavior that relate to the multi-sensory, fantasy and emotive aspects of one’s experience with products” (Hirshman & Holbrook, 1982, p.92). It is pursued as intrinsically valued ends-in-themselves.
<i>Marketplace</i>	A marketplace is wherever two or more people agree to buy and sell a product. It is where the company's products are sold and can be defined by types of customers and/or location. So, a marketplace is the space, actual or metaphorical, in which a market operates.
<i>Multisensory</i>	Multisensory means the “the receipt of experience in multiple sensory modalities including tastes, sounds, scents, tactile impressions and visual images” (Hirschman & Holbrook, 1982, p.92).
<i>Utilitarian consumption</i>	Utilitarian consumption is the consumption of utilitarian products, in which, the functionality of product is the core value (Addis & Holbrook, 2001). It is pursued as the extrinsically valued means to some other ends.
<i>Value</i>	Value is “an interactive relativistic preference experience” (Holbrook, 1986, p.32). Value is interactive because it involves an interaction between some subject and some object. It is relativistic because it is comparative (among objects), personal (across consumers), and situational (specific to the context in which the evaluative judgment occurs). Value concerns the consumption experience resulting from the use of an object or the appreciation of the object (Holbrook 1986).

## **CHAPTER II**

### **REVIEW OF LITERATURE**

Chapter II presents the following sections: (1) Introduction; (2) Modeling Consumption: Two Theoretical Perspectives; (3) The New Consumption Outcome: Consumer Perceived Value (CPV); (4) A New Consumption Model: the Holistic Consumer Behavior (HCB) Model; (5) An Overview of the CPV Literature; (6) An Overview of the Shopping Experience Literature; and (7) Chapter Summary.

#### **Introduction**

As previously noted, the true experience of consumption begins in the marketplace for most consumers, and today's consumers face a broad range of choices in that marketplace for how they use their resources, time, and the retail outlets available to them. Although the literature clearly suggests that value is important to the consumer, recent research indicates that the reality and nature of value to the consumer are far more complex than previously thought. In order to approach the research question for this study—clarifying the associations found among retail environments (mass merchandisers and department stores), shopping orientation (recreational or functional shoppers), and CPV—it is necessary to have a thorough understanding of: (1) the traditional modeling of consumption and its generally accepted outcome—purchase; (2) the changes in the consumer behavior (CB) view of consumption and the new outcome of CPV; (3)

an appropriate modeling of consumption, given CPV; (4) an overview of the CPV literature; and (5) an overview of the shopping experience literature.

### **Modeling Consumption: Two Theoretical Perspectives**

Although the CB area is generally believed to have three major components—shopping, buying, and consuming—buying has been by far the more thoroughly researched area (Tauber, 1972).

#### ***Consumption***

Consumption has been defined in a variety of ways. In the broadest lay terminology, consumption can be defined as: (1) the act or process of consuming; (2) the state of being consumed; or (3) an amount consumed. From the perspective of the American consumer, consumption might be defined as "the selection, adoption, use, disposal and recycling of goods and services," as opposed to product design, production and marketing (*www.dictionary.com*).

From an academic perspective, consumption has been a key word in the economics discipline, in which it is defined as the using up of goods and services through consumer purchasing or in the production of other goods (*The American Heritage® Dictionary of the English Language, Fourth Edition*). In classic economics, consumers are assumed to be rational and to allocate expenditures in such a way as to maximize total utility from all purchases. In the marketing discipline consumption has been conceptualized as having two major phases: (1) the transaction between the consumer and the firm; and (2) the use of the product transacted for (Addis & Holbrook, 2001). However, with the transition of the firm-customer interaction from discrete transaction to relationship building,

consumption is now recognized as consisting primarily of the relationship between the consumer and the firm and the use of the core product (Addis & Holbrook, 2001).

Consumer research has traditionally assumed that consumption is structured by the properties of the consumption object, which has resulted in a narrow focus on product and purchase. The definition of consumption, however, has evolved in more recent years. For example, Schiffman and Kanuk (2000) define consumption as consisting of three stages: the input, process and output stages. Their input stage consists of a consumption set (e.g., an assortment or portfolio of products and their attributes) and consuming style (the “rules” by which the individual or household fulfills the consumption requirement). The process stage includes using, possessing, collecting, and disposing of things and experiences, while the output stage includes changes in feelings, moods, attitudes, and behavior toward the product or service. In the area of apparel and clothing, Winakor (1969) argues that clothing consumption has at least three different meanings: (1) money expenditures for purchasing apparel and related materials and services; (2) the use or final using up of apparel and related services; and (3) the whole process of acquiring, storing, using, maintaining, and discarding of clothing. These views have moved far beyond the simple purchase perspective.

Consumer researchers have identified four dimensions of consumption according to the structure of consumption and the purpose of consumption (see Figure 2.1): consuming as experience, consuming as integration, consuming as play, and consuming as classification. In terms of structure, consuming consists of both actions in which consumers directly engage consumption objects (object actions) and interactions with

other people in which consumption objects serve as focal resources (interpersonal actions). In terms of purpose, actions can be either ends in themselves (autotelic actions) or means to some further ends (instrumental actions) (Holt, 1995).

Figure 2.1: Typology of Consumption

		Purpose of Action	
		Autotelic Actions	Instrumental Actions
Structure of Actions	Objective Actions	Consuming as Experience	Consuming as Integration
	Interpersonal Actions	Consuming as Play	Consuming as Classification

Note: How Consumers Consume: A Typology of Consumption practice. Holt, D.B. (1995), Journal of Consumer Research, 22, p1-16

By this consumption typology, consuming as experience refers to consumers' subjective and emotional reactions to consumption objects. It views consumption as a psychological phenomenon from a phenomenological perspective and emphasizes emotions during consumption. Consuming as integration means consumers regard a valued consumption object as a constitutive element of their identity. Consuming as classification views consuming as a process in which objects act to classify consumers. Consuming as play refers to using consumption objects as resources to interact with other consumers by means such as communing and socializing with others who have the same interests (Holt, 1995).

***First Perspective: Buying-oriented Consumption Models***

Two perspectives on consumption have been recognized in the consumer behavior literature, the buying-oriented consumption perspective and the experience-oriented consumption perspective. For years, CB research relied heavily on the buying-oriented consumption perspective. Researchers in the buying behavior area have emphasized a paradigm that can be traced back to Plato’s distinction among cognition (rational thought and beliefs), affect (emotion), and conation (behavior or intention to behave) (Hirschman & Holbrook, 1986). This is the well recognized CAB paradigm. This paradigm assumes that cognition variables (information seeking) determine affective responses (state of predisposition) which in turn guide conative or behavioral effects (choice process and purchase) (Hirschman & Holbrook 1986; Holbrook 1986). The notion of a causal flow from cognition to affect to behavior (C-A-B) was first incorporated into Howard’s (1963) original model of buyer behavior and has dominated subsequent modifications of Howard’s basic theoretical framework (Holbrook, 1986). The basic model is:



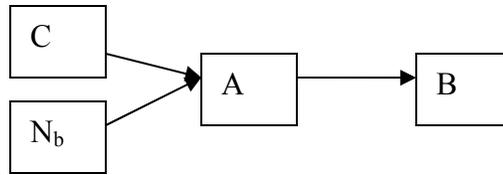
Generally, a feedback loop of satisfaction is included in the C-A-B model to represent learning effects (C-A-B-S):



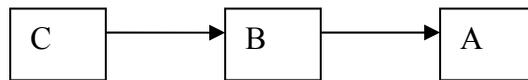
The C-A-B model provides a concise parsimonious explanation of buying behavior that focuses on brand choice and/or purchase decision. The model is presented from the view of marketing managers whose major concern is the determinants of sales or market share (Holbrook, 1986). In this paradigm, consumers are exclusively viewed as thinkers and rational information-seeking decision makers, and products are viewed as collections of functional and tangible attributes (Hirschman & Holbrook, 1986). Many researchers have borrowed and extended the basic C-A-B paradigm. Examples include Anderson's (1965) flow of effects from beliefs to feelings/disposition to selection; Engel, Kollat, and Blackwell's (1973) proposition of a chain from information processing to alternative evaluation to purchasing outcomes; Loudon and Della Bitta's (1979) model of information search, evaluation, and purchasing processes; and Assael's model of perception of stimuli, brand evaluation, and intentions to buy (Holbrook, 1986).

Holbrook (1986, 1987) summarizes ten refined models, and recasts them into the basic C-A-B framework, as follows:

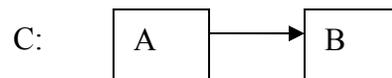
1. Normative beliefs ( $N_b$ ) are an additional cognitive component determining affect according to Fishbein and Ajzen (1975). Fishbein and Ajzen believe that a social or normative (normative belief) will determine affect along with the cognition factor, that is, our behavioral intention is affected by what we believe important referents would think of the action being contemplated.



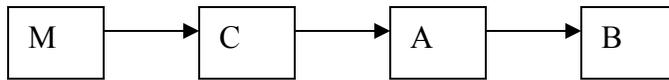
2. Krugmen (1965) focused on low-involvement processes in which affect follows rather than precedes behavior. He (1965) suggested that a consumer might move directly from awareness to purchase behavior without having affective response in the middle, especially for low involvement products.



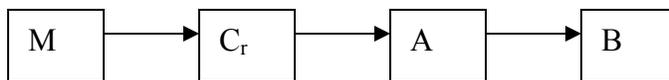
3. Separate cognitive and affective systems were proposed by Zajonc (1980). Zajonc (1980) argued that cognitive and affective process may be separate and independent systems, that is, cognitive processes would not necessarily lead to affective responses.



4. Lavidge & Steiner (1961) and other researchers incorporated message effects (M) within a model of communication. For example, Holbrook (1978) argues that factualness of a persuasive message exerts a positive effect on those beliefs considered most important.



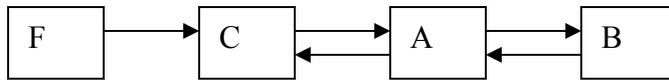
5. Message effects on cognitive responses ( $C_r$ ) were presented by Greenwald (1968) and Wright (1973). For example, Wright (1973) suggests that consumers' acceptance of advertising is mediated by the cognitive responses generated by message recipients, rather than by the content of the ad itself.



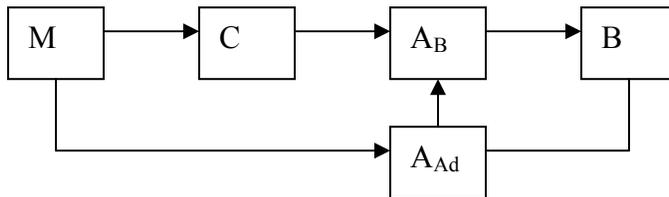
6. Other researchers, such as Huber (1975), Neslin (1979), and Holbrook, (1981) suggest the need for effects of product features (F) on cognition or perceptions. The presented features-perceptions-affect-behavior models regard product or brand features as determinants of cognition.



7. Some researchers such as Beckwith & Lehmann (1975) propose halo models that incorporate feedback effects from behavior to affect or from affect to cognition. This has been visualized as a feedback loop from behavior to affect to cognition.

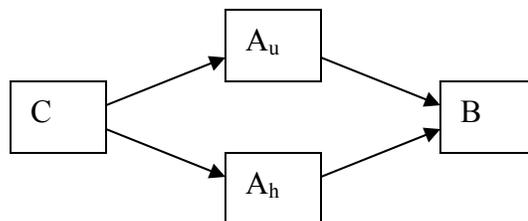


8. Another modification of the C-A-B model includes separate roles from attitude toward the brand ( $A_B$ ) and attitude toward the ad ( $A_{Ad}$ ) (Batra & Ray, 1986; Gorn, 1982). Studies indicate that attitude toward the advertisement itself leads to changes in brand attitudes.

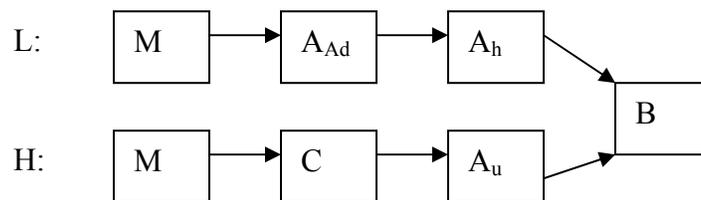


Note: M refers to message

9. The utilitarian/hedonic model separates utilitarian ( $A_u$ ) and hedonic ( $A_h$ ) components of attitude toward the brand (Ahtola, 1985; Batra, 1984; etc.). Researchers indicate that utilitarian and hedonic components can be distinguished for affective responses. It should be noted that in the mid-1980s the first period of research incorporating the non-rational consumer occurred.



10. Several researchers have added separate routes for low- and high-involvement learning (L versus H). For example, the study of Petty, Cacioppo and Schumann (1983) provides supports for the view that different features of an advertisement may be more or less effective, depending on a person's involvement with it. Under conditions of low involvement, peripheral cues are more important than issue-relevant arguments, but under high involvement, the opposite is true.



These models modified the basic C-A-B model through adding components such as message effects, product feature effects, feedback loops, attitude toward the brand, attitude toward the ads, as well as through modified processes such as changes in the order or separating key parts of the model. As can be seen, although many sequential refinements have been made in buying behavior theory, these refinements have only slightly modified the basic C-A-B paradigm with its central outcome of product choice and/or purchase.

***Second Perspective: Experience-oriented Consumption Models***

Only since the 1980s, with the work of Holbrook and Hirschman, has the experience-oriented consumption perspective been widely recognized as important. Many researchers today see a broad range of consumption that includes but goes far

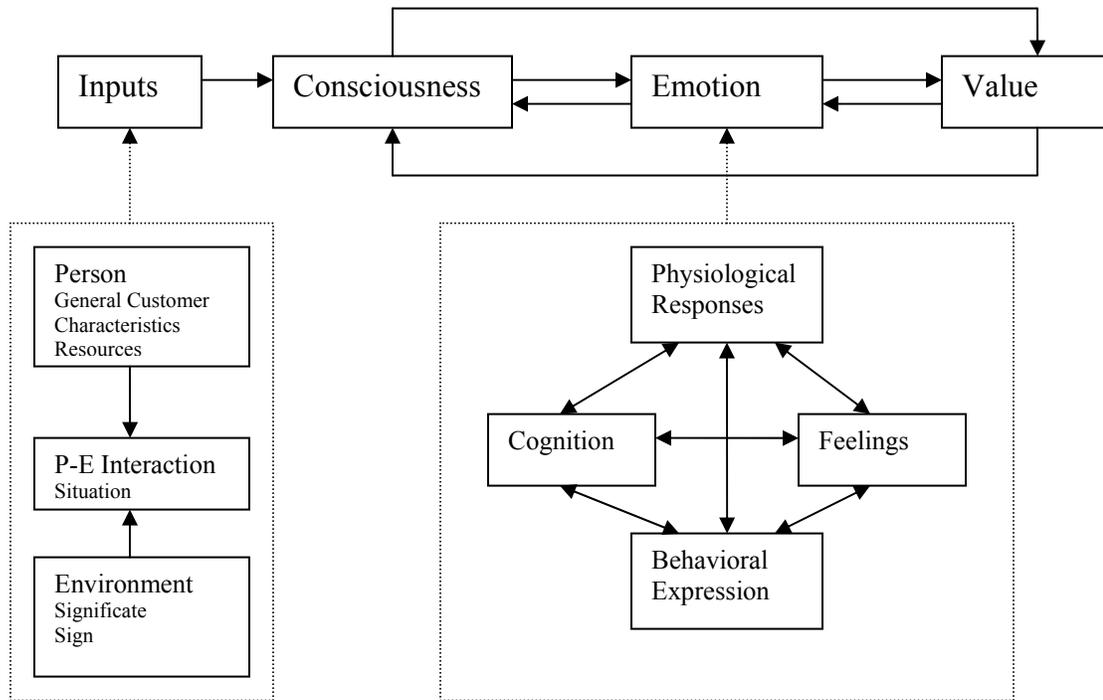
beyond brand choice and purchase behavior. They have challenged the traditional C-A-B models in a number of significant ways. First they have found the C-A-B paradigm incomplete, unable to explain all consumer behaviors, for example, compulsive shopping or impulsive shopping. Also, researchers have criticized the traditional C-A-B model of consumer behavior for not accounting for the role of emotions. Holbrook (1986) argues that the difference between machines and consumers is that human beings experience emotions. With the shift in CB research focus to include experiential consumption, models and perspectives have also transitioned. Two models were developed in the 1980s to challenge the traditional C-A-B model and explain the experience-oriented consumption perspective, the C-E-V model and T-E-A-V model.

#### *The C-E-V Model*

In emphasizing the important role emotions have in the consumption experience, Holbrook (1986, p.23) developed the C-E-V model by replacing the terms cognition, affect, and behavior with consciousness, emotion, and value (see Figure 2.2). This was an attempt to encompass the full range of phenomena in the consumption experience, which Holbrook views as a complex system in which emotion “entails multiway interactions among physiological, cognitive, behavioral, and experiential components” and holds together the consumption experience (Holbrook, 1986, p.18).

The input of the model includes person, environment, and the person-environment interaction that determines the relevant consumption situation (Holbrook, 1986, p.26). Personal inputs include variables of general customer characteristics (demographics, socioeconomics, and psychographics) and resources (time, energy, money).

Figure 2.2: C-E-V Model of the Consumption Experience



Note: Adapted from *Emotion in the Consumption Experience: Toward a New Model of the Human Consumer*, Holbrook (1986), *The Role of Affect in Consumer Behavior*, edited by Rober A. Peterson, Wayne D. Hayer, and William R. Wilson, 17-52

Environmental inputs consist of significates (objects, such as the physical brand or product itself) and signs (symbolic units used to designate an object, such as an advertisement). Consciousness is operationally defined by Holbrook (1986) as a verbal or nonverbal reaction to informational inputs from the person, the environment, or the person-environment interaction. It encompasses conscious, subconscious, and unconscious mental phenomena. The consumer’s consciousness includes not only beliefs about product attributes, but also a variety of fantasies, daydreams, images, subconscious thoughts, and unconscious mental processes (Holbrook, 1986). Consciousness precedes

emotion and partially determines emotion in the consumption experience (Holbrook 1986).

As the key linking the C-E-V model, emotion encompasses four interacting components: physiological responses, cognition, behavioral expression, and feelings (Holbrook, 1986). For physiological responses, Holbrook (1986, p.29) argues that according to James (1890) “perception leads directly to bodily changes that are in turn experienced as the relevant emotion.” Some psychophysiological indices of arousal such as circulation, sweat-gland changes, muscular tension and electrical brain activity exist to measure physiological responses of emotion. But other researchers (Schachter, 1971; in Holbrook, 1986, p.29) argue that arousal is a necessary but not sufficient condition. They argue that emotion is the result of cognitive interpretation, that is, a cognitively based theory of emotion (Arnold, 1960, 1970; in Holbrook 1986, p.31). Based on previous research, Holbrook (1986) explained that behavioral expression includes overt manifestations such as body postures, nonverbal gestures, and facial expressions. Feeling represents a subjective, phenomenological, experiential component of emotion which has been referred as “lived consciousness” and “life-world” by some researchers. These four components of emotion interact with each other with no causal priority among them. Emotion results in the outcome in the form of value experiences and exerts feedback effects on consciousness (Holbrook, 1986).

Value, the output of the model, is defined as “an interactive relativistic preference experience” (Holbrook, 1986, p.32). Value is interactive because it involves an interaction between some subject and some object. According to this definition, value

can only be obtained through an interaction between the consumer and the product (service). Although a product may have many attributes, they come to represent consumer value only after they are appreciated or perceived by consumers. It is relativistic because it is comparative (among objects), personal (across consumers), and situational (specific to the context in which the evaluative judgment occurs). Value concerns the consumption experience resulting from the use of an object or the appreciation of the object (Holbrook, 1986). So, value is found in the experience of consumption of product (service) rather in the purchase, although purchase can be a part of consumption experience.

The C-E-V model extends the traditional consumer behavior model. As argued by Holbrook, consciousness includes not only consumers' beliefs about tangible attributes of products but also components such as fantasy, daydreaming, images, and other unconscious and subconscious mental activities. The more important contribution of this model is to recognize the role that emotion plays in the consumption experience. In this model, emotion is not only a much broader concept than affect, but also the key linking other components of the consumption experience. The C-E-V model represents the introduction into the literature of two new and critically different concepts: (1) consumption from the perspective of the consumer, as opposed to business; and (2) value as the critical outcome of consumption, as opposed to product choice and/or purchase.

#### *The T-E-A-V Model*

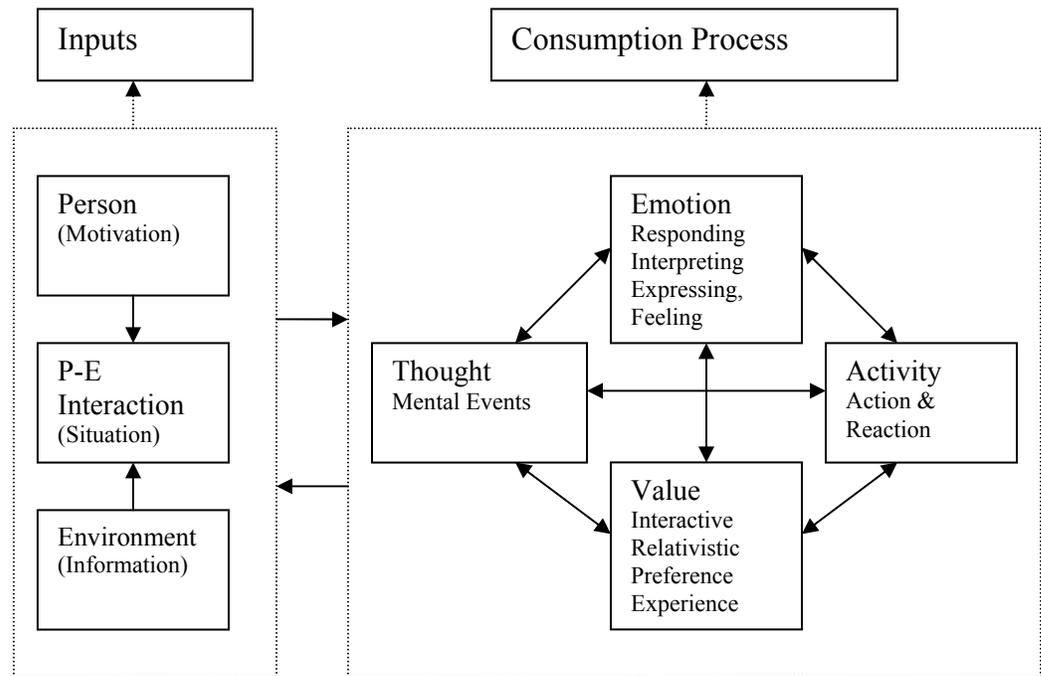
After the C-E-V model, another extended model, T-E-A-V model, was developed by Hirschman and Holbrook (1986), in which they replaced the terms cognition, affect,

behavior, and satisfaction of the C-A-B-S model with thought, emotion, activity, and value (see Figure 2.3). Hirschman and Holbrook (1986) argue that cognition, affect, behavior, and satisfaction in the traditional CB model have been confined to limited and narrow interpretations such as “believing,” “liking,” “buying,” and “learning.” At the same time, it is assumed there is a forward linear flow of effects with a reinforcement feedback through satisfaction [(C→A→B) ↔ S] (Hirschman & Holbrook, 1986). The T-E-V-A model breaks the traditional view of consumption as a linear process, and presents the components of the consumption process as an interactive and overlapping system.

In the view of the T-E-A-V model, Hirschman and Holbrook (1986, p.219) define the consumption experience as “an emergent property that results from a complex system of mutually overlapping interrelationships in constant reciprocal interaction with personal, environmental, and situational inputs.” Personal inputs are viewed from the perspective of personal motivation which is defined as a mental state explaining consumer behavior. The environmental input is defined by its capacity as a potential source of information, which may be in one of two forms as defined in the C-E-V model, significates and signs (Hirschman & Holbrook 1986).

In the T-E-A-V model, *thought* includes phenomena spread out at positions along such dimensions as veridical/nonveridical, conscious/unconscious, waking/dreaming, and normal/altered. It is a refinement of “consciousness” defined by Holbrook (1986) in the C-E-V model because the term “consciousness” causes confusion when it is used to include phenomena such as unconsciousness (Hirschman & Holbrook, 1986). *Emotion*, as defined by Holbrook (1986) in the C-E-V model, has four key components:

Figure 2.3: T-E-A-V Model of Consumption Experience



Note: Expanding the Ontology and Methodology of Research on the Consumption Experience, Hirschman & Holbrook (1986), Perspectives on Methodology in Consumer Research, edited by David Brinberg & Richard J. Lutz (1986), 213-51

physiological responses, cognitive interpretation, behavioral expression, and feelings.

These key components are referred to as responding (physiological responses of the autonomic and central nervous systems entailed by emotions), interpreting (cognitive interpretation in forming an emotional responses), expressing (overt manifestations such as postures, nonverbal gestures, facial mien, and vocalization), and feeling (a subjective, phenomenological, experiential component of the motional system generated by responding, interpreting, and expressing) in the T-E-A-V model (Hirschman & Holbrook, 1986). Activity (also consuming activity), which includes both physical and mental

events, has two facets: action and reaction. In the active circuit, person and thought dominate, which represents the rational means-ends paradigm; in the reaction circuit, environment and emotion dominate, which treats consumption activities as ends-in-themselves (Hirschman & Holbrook, 1986). As it is in the C-E-V model, *value* is defined by Holbrook (1986) as an interactive relativistic preference experience, which can be classified as economic value (self-oriented/extrinsic), hedonic value (self-oriented/intrinsic), social value (other-oriented/extrinsic) and deontological (other-oriented/intrinsic).

The T-E-A-V model attempts to encompass all forms of consumption, including those implicit in the C-A-B-S model. Each of the four constructs (thought, emotion, activity, and value) of the model is a broadened concept in respect to those of the C-A-B-S model. More important, it suggests that all variables in the consumption experience interact in a network of interdependencies to form a system of mutual inter-relationship to view the consumption experience as a gestalt-like phenomenon. The model expresses no linear flow or causal relationship among these four variables.

For the purpose of this research, consumption is defined as the complete range of experiences that consumers have with market offerings, including dreaming, thinking, shopping, information search, purchase, consumption, disposal, and the assessment of value.

### ***The Catalyst for Change: Hedonic and Experiential Consumption Research***

From the traditional C-A-B models to the new models developed by Holbrook and Hirschman (1986) and Holbrook (1986), the view of consumer behavior began to change.

While the C-A-B models focused on choice and/or purchase behavior, the newer models of consumer behavior expressed a broader view that includes value, emotions, and product consumption. The C-A-B models treated consumers as machines or computers, and assumed that consumers are logical thinkers and rational decision makers, while the newer models acknowledged consumers' emotions, feelings and value, and emphasize consumers' consumption experiences.

### *Hedonic Consumption*

In early research on experiential consumption, Hirschman and Holbrook focused on what they termed hedonic consumption. The word hedonism comes from the Greek *hedone*, which means pleasure, enjoyment, or delight (O'Shaughnessy & O'Shaughnessy, 2002). Psychological hedonism claims that pleasure is the only possible object of desire and ethical hedonism claims pleasure is what people ought to pursue. Despite the slight variation in the argument (see Table 2.1), hedonism views pleasure as the only good in life (O'Shaughnessy & O'Shaughnessy, 2002). In popular usage, hedonism is believed to mean that pleasure-seeking and avoidance of pain are the major motives for action (O'Shaughnessy & O'Shaughnessy, 2002). Campbell (1987) argues against this narrow definition of hedonism, distinguishes pleasure seeking from satisfaction seeking, and suggests that the pleasures of consumption reside in the imagination (O'Shaughnessy & O'Shaughnessy, 2002). A more general approach would suggest that hedonic consumption refers to the esthetic, intangible, and subjective aspect of consumption. The most commonly cited definition of hedonic consumption is "those facets of consumer behavior that relate to the multi-sensory, fantasy and emotive aspects" of the

Table 2.1: Definition of Hedonic Consumption and Hedonism

<i>Term</i>	<i>Definition</i>	<i>Author</i>
Hedonic Consumption	Hedonic consumption refers to the esthetic, intangible and subjective aspect of consumption. “Hedonic consumption designates those facets of consumer behavior that relate to the multi-sensory, fantasy and emotive aspects of one’s experience with products” (p.92).	Hirschman & Holbrook, (1982)
Hedonic Dimensions	Consumer attitudes are two dimensional. The first one is the hedonic dimension which results from “sensations derived from the experience of using products” (p. 310).	Voss, et al., (2003)
Hedonic Experience	“Hedonic experience is associated with pleasure, arousal (Campbell 1987), fantasies, feelings, and fun (Hirschman and Holbrook 1982)” (p. 274).	Hopkinson & Pujari, (1999)
Hedonism	The “doctrine that pleasure is the highest good; the pursuit of pleasure; a life-style devoted to pleasure-seeking” (p. 273) (quoting The Chambers Dictionary, 1993).	Hopkinson & Pujari, (1999)
Hedonism	The word hedonism is from the Greek <i>hedone</i> , which means pleasure, enjoyment or delight. Hedonism is the view that pleasure is the only good in life. It is pleasure seeking.	O’Shaughnessy & O’Shaughnessy, (2002)
Hedonism (Psychological)	Claims that pleasure is the only possible object of desire, because all motivation is based on the prospect of pleasure.	O’Shaughnessy & O’Shaughnessy, (2002)
Hedonism (Ethical)	Claims pleasure is what we ought to pursue.	O’Shaughnessy & O’Shaughnessy, (2002)
Hedonism (Universal)	Argues that every man ought to act in whatever manner brings about the most pleasure to the greatest number in the long run.	O’Shaughnessy & O’Shaughnessy, (2002)
Hedonism (Rationalizing)	Argues that hedonism is the pursuit of pleasure that makes action rational by making it purposeful, that the criteria of rationality and intentional action demand a foundation in terms of pleasure.	O’Shaughnessy & O’Shaughnessy, (2002)

consumption experience (Hirshman & Holbrook, 1982, p.92). For the purpose of this study, hedonic consumption is defined as all the intangible and subjective aspects of consumption, including factors such as esthetic enjoyment, emotional satisfaction, sensory experiences, physiological responses, fantasy, and imagination.

### *The Hedonic/Utilitarian Dichotomy*

Early in the development of the research area, researchers became drawn to comparisons of the new perspective and the old one. They argued two different pictures of consumers: hedonic-oriented and utilitarian-oriented, which have continued to be a key research topic. A hedonic-oriented consumer is assumed to be a feeler who seeks experience and enjoyment, while a consumer with a utilitarian orientation is assumed to be a rational information processor who follows decision making strategy (Lofman, 1991). According to this hedonic/utilitarian dichotomy, consumption can also be divided into hedonic consumption and utilitarian consumption. Hedonic consumption views consumption as an end in itself, while utilitarian consumption treats consumption as a means towards an end.

The hedonic and utilitarian (instrumental) distinction in the consumer behavior literature is based on psychological theories, especially those from the phenomenological or humanistic school (Lofman, 1991). This classification can be traced back to the distinction of extrinsic and intrinsic motivations that were originally formulated by Koch (1956), according to which, intrinsic motivation underlies hedonic consumption and extrinsic motivation leads to utilitarian consumption (Lofman, 1991). The hedonic /utilitarian classification can also be traced back to the contrast between allocentricity and

secondary autocentricity perception as described by Schachtel (1959) and the comparison of b-cognition and cognition by Maslow (1962) (Lofman, 1991). According to Schachtel (1956), in allocentricity, the perceiver is completely absorbed in the object; but in secondary autocentricity, the perceiver views objects in terms of the needs or uses they may serve, thereby engaging problem solving behavior. According to Maslow (1991), b-cognition involves experiencing the object as a whole, apart from any particular purpose while cognition involves comparing, judging, and evaluating (Lofman, 1991). Tellegen (1981) proposed fundamental differences between experiential and “instrumental” (utilitarian) sets, in which the experiential set refers to experiential events, sensory or imaginary, while the instrumental set refers to the state of planning, decision making, and goal-oriented behavior (Lofman, 1991).

Hedonic and utilitarian dimensions of consumption have been well recognized by consumer behavior researchers. Batra and Ahtola (1990) investigated consumers’ attitude towards brands and behaviors, and argued that attitude toward brands and consumption behavior has at least two distinct dimensions, hedonic and utilitarian. The hedonic component is related to sensory attributes and focuses on consummatory affective gratification, and the utilitarian component is related to functional and non-sensory attributes and focuses on instrumental expectation (Batra and Ahtola, 1990). Crowley and colleagues (1992) provide further evidence of existing hedonic and utilitarian elements in attitudes toward product categories. Voss and colleagues (2003) also argue that the hedonic and utilitarian constructs are two distinct dimensions of brand attitude. Babin and colleagues (1994) studied values of shopping experiences. They

argue that the distinct hedonic and utilitarian shopping value dimensions exist and that shopping experience can provide a relatively more hedonic or utilitarian perceived value.

### *Hedonic Consumption Theoretical Research*

The systematic, empirical investigation of hedonic response in consumption is quite new and can be traced back to the late 1970s (Hirschman & Holbrook, 1982). When Hirschman and Holbrook (1982) introduced the concept of hedonic consumption, they defined four sub-areas of hedonic perspectives: mental constructs, product classes, product usage, and individual differences.

For mental constructs, Hirschman and Holbrook (1982) propose that there is a growing body of evidence that sensory-emotive stimulation seeking and cognitive information seeking are two independent dimensions. They (1982, p.96-97) argue that: (1) in some cases, emotional desires dominate utilitarian motives in the choice of products; (2) consumers may imbue a product with a subjective meaning that supplements the concrete attributes it possesses; and (3) hedonic consumption is tied to imaginative constructions of reality. For product classes, Hirschman and Holbrook (1982) indicate that hedonic consumer research investigates performing arts, plastic arts, and other cultural products that tend to be more emotionally involving. The consumption of those products generates and requires substantial mental activity on the part of consumer, and the consuming decision is based primarily on the symbolic elements of the products rather than their tangible features (Hirschman & Holbrook, 1982). For product usage, Hirschman and Holbrook (1982) argue that the hedonic perspective expands to the psychological experiences accompanying product usage. They (1982, p.98) propose that

there appears to be a preferred or most desirable pattern of emotional arousal for products experienced over a specific time frame and that the capacity and desire for expending imaginal-emotional resources varies within one consumer over time. For individual differences they argue that hedonic research defines sub-cultural groups a priori, in contrast to the post hoc approach that traditional marketing research takes. The central proposition is that “individual differences in ethnic background, social class and gender cause products to vary greatly in the emotions and fantasies they inspire in a consumer” (Hirschman & Holbrook, 1982, p.98). It can be seen that one important concern of the hedonic perspective is the role the subjective and emotional parts of consumers play during consumption.

Consumers’ hedonic behavior can be classified into different types. Hirschman (1983) identified four types of hedonic behaviors: problem projection, role projection, fantasy fulfillment purchasing, and escapism. Problem projection means consumers engage in activities with unhappy realities in order to better cope with these kinds of situations; role projection permits consumers to self-project into a particular role or character; fantasy fulfillment purchasing is the use of products to help construct fantasies and augment reality; and escapism allows consumers to escape unpleasant realities or separate them from unpleasant events.

Overall, hedonic consumption research has tended to investigate products that strongly arouse emotions and aesthetic experiences, such as literature, visual arts, and drama. In doing so, it has focused on relatively extreme cases involving feelings, fun, and fantasies such as those in the consuming of games (Holbrook, et al., 1984), adventure

sports (Arnould & Price, 1993; Celsi, et al., 1993; Hopkinson & Pujari, 1999), performing arts (Caldwell, 2001), and music (Lacher, 1989), while overlooking the less extreme emotional perspectives of more ordinary consumption experiences. Although these early studies on hedonic consumption were a narrower subset of experiential consumption, they broke the barrier and began the process of bringing non-rational aspects of consumption into the consumer behavior literature.

### *Experiential Consumption*

The initial research on hedonic consumption generated interest in a broader concept of experiential consumption. Once experience has been defined and the relationship between experiences and consumption has been explained, and the concept of experiential consumption can be defined.

The concept of experience is a key element in understanding consumer behavior, as well as a fundamental factor in today's economy and the marketing of products and services (Caru & Cova, 2003). Different disciplines define experience differently (Caru & Cova, 2003) (see Table 2.2). In general terms, experience means gaining knowledge or a skill from practice in an activity or doing something for a long time, rather than reading about a topic. Also, an experience is something that happens to one and has an effect on the mind and feelings (*Longman Dictionary of Contemporary English*, 1987). Understanding experience in consumer behavior research is the first building block for understanding the concept of experiential consumption.

For years in consumer behavior the focus of consumption was primarily the products and services involved. Today, consumption is a personal occurrence that is

Table 2.2: Definitions of Experience

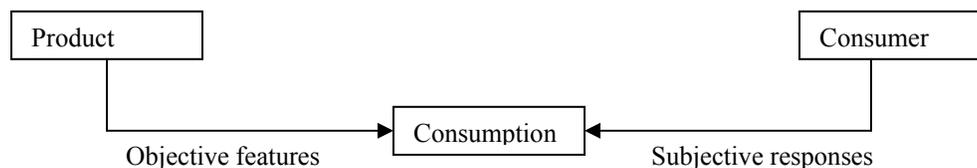
<i>Discipline</i>	<i>Definition</i>
Encyclopedia Universalis	Gaining knowledge
Science	An experience is similar to an experiment based on objective facts and data that can be generalized which provides universal knowledge.
Philosophy	An experience is a personal trial which generally transforms the individual. Experience is gained when what happens is translated into knowledge. So, it is a type of personal knowledge (singular), and has become harder to get in the modern society with modern science.
Sociology and Psychology	An experience is a subjective and cognitive activity which allows the individual to develop.
Anthropology and Ethnology	Experience is the way in which individuals live their own culture and perceive events by consciousness. Experience is something singular which happens to the individual.
Marketing and Economy	An experience is a type of offering added to merchandise, products and services. For marketing, a good experience is personal, memorable, and extraordinary, which allows consumers to exploit all their senses, thus producing emotions and transformations in individuals.
Consumer Behavior	An experience is a personal occurrence, often with important emotional significance, that is founded on the interaction with the products or services consumed (Holbrook & Hirschman, 1982). An experience is a subjective episode in the construction/transformation of the individual.

Note: Adapted from Revisiting Consumption Experience: A More Humble But Complete View of the Concept. Caru, A. & Cova, B. (2003). *Marketing Theory*, 3(2), 267-86

founded in the interaction between the consumer and the products or services consumed (Holbrook & Hirschman, 1982). Hirschman and Holbrook (1986, p.216) contend that consumption is not something that consumers *do* to products and suggest “consumption involves the experiences accumulating in consumers as they interact with products.”

From this perspective, every consumption event involves an interaction between a subject and an object, and these two entities make different contributions to the overall consumption event, as shown in Figure 2.4 (Addis & Holbrook, 2001; Holbrook, 1999). In this figure, the subject refers to a consumer or customer, and the object can be a product, service, event, person, place, or other kind of entity. This suggests that consumption events must include both the perspective of consumers and products/services.

Figure 2.4: The Consumption Event



Note: On the Conceptual Link between Mass Customization and Experiential Consumption: an Explosion of Subjectivity, Addis & Holbrook, 2001, *Journal of Consumer Behavior*, p.56

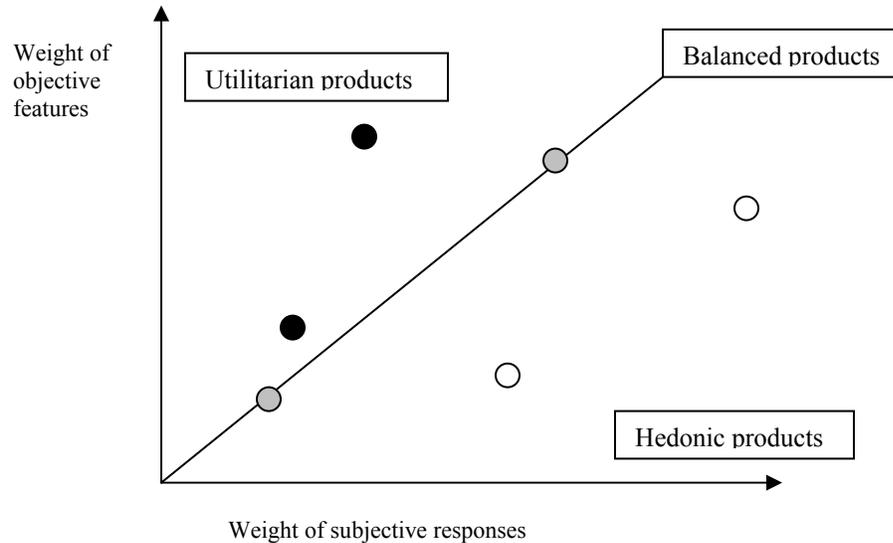
More recently, research on consumer behavior has begun to consider that experience is a central element of consumers' lives and consumers treat consumption as an act of experience production and self expression (Caru & Cova, 2003). Every consumption event provides some form of experiences (Holbrook, 2000). Hirschman and Holbrook (1986, p.219) define the consumption experience as “an emergent property that results from a complex system of mutually overlapping interrelationships in constant reciprocal interaction with personal, environmental, and situational inputs.” More generally speaking, the consumption experience is the experience consumers have while

seeking out, purchasing, possessing, using, consuming, and disposing of market offerings. For the purpose of this study, consumption experience is defined as the synthesis of the affective and cognitive actions and reactions that consumers have during their interface with products, services, and the marketplace environment.

According to the hedonic/utilitarian dichotomy, consumption (consumer) experiences can be classified as hedonic consumption and/or utilitarian consumption experiences. This difference in consumption experiences lies in the relative weights assigned to subjective responses and the objective features shown in Figure 5 (Addis & Holbrook, 2001). For hedonic consumption experiences, the relative weight of the consumer's subjective response is greater than the weight of the objective features of the product (Addis & Holbrook, 2001). For utilitarian consumption experiences, objective product features might have more influence than the consumer's subjective responses. Utilitarian consumers tend to be interested primarily in what they gain from the technical performance of a product (Addis & Holbrook, 2001). In some instances products can have similar weightings of objective features and subjective responses. In these cases, the product category can be called "balanced" in nature (see Figure 2.5). Addis and Holbrook (2001, p.58) state that, "Consumption experience in general can be relatively more utilitarian, hedonic, or balanced according to the respective weights of the contributions by the objective product-based and subjective consumer-related component."

Holbrook and Hirschman have variously termed experiential consumption as the experiential, hedonic, esthetic, autotetic, and subjective dimensions of consuming (Holt,

Figure 2.5: The Weight in Consumption of Products



Note: On the Conceptual Link between Mass Customization and Experiential Consumption: an Explosion of Subjectivity, Addis & Holbrook, 2001, Journal of Consumer Behavior, p.58

1995). Compared with the traditional buying-oriented consumption perspective, this experience-oriented consumption perspective emphasizes subjectivity and symbolism (see Table 2.4). The early studies on hedonic consumption, a subset of experiential consumption, introduced some important consumption-related variables, such as the role of emotions, consumers as feelers as well as thinkers, and consumers' needs for fun and fantasy (Addis & Holbrook, 2001). The consumer behavior research in hedonics, however, has focused heavily on flow experience as proposed by Csikszentmihalyi (1997), peak experience as conceptualized by Maslow (1967), the epiphanic experience as described by Denzin (1992), and the extraordinary experience as introduced by Abrahams (1986) (Caru & Cova, 2003). These experiences are all "memorable" and

extraordinary, events that can be usually turned into a “transformation” (Pine & Gilmore, 1999).

Table 2.4: Buying-oriented Consumption versus Experience-oriented Consumption

<i>Dimension</i>	<i>Buying-oriented Consumption</i>	<i>Experience-oriented Consumption</i>
Consumer	Rational thinkers and decision makers; goal-oriented behavior; information seeking	Feelers; experiencing experiential events, sensory or imaginary irrational and pleasure seeking
Product	Collection of functional tangible attributes, used for pragmatic ends	Symbolic vehicles capable of creating strong emotional states in consumer and helping consumers to transcend their material surroundings
Decision Making	Rational	Irrational
Theory Base	Economic Theory	Pleasure-pain Principle
Research Focus	Products	Consumers
Shopping Orientation	Utilitarian	Hedonic

More recently, marketing and consumer behavior researchers have begun to realize that the concept of “experience” has been too often replaced by that of “extraordinary experience” or “flow experience,” as if every experience has to be memorable (LaSalle & Britton, 2003). Abrahams (1986) defines an experience as both ordinary, which corresponds to ordinary everyday life, and extraordinary, which corresponds to more intense and engaging events (Abrahams, 1986). Schmitt (1999) also classifies experiences as mundane and extraordinary or memorable ones. On the other hand, consumption experiences can spread over a considerable period of time and may not be

equivalent to the individual experiences consumers have while shopping or consuming products and services. According to Arnould and colleagues (2002), the consumption experience can be divided into four major stages: (1) the pre-consumption experience, (2) the purchase experience, (3) the core consumption experience, and (4) the remembered consumption and nostalgia experience (see Table 2.5). Research on consumption experiences should include those everyday ordinary experiences (Caru & Cova, 2003), especially given that the vast majority of consumption experiences fit into this category and that far more time is allocated to this type of consumption experience.

Table 2.5: Stages of Consumption Experience

<i>Stages</i>	<i>Explanations</i>
Pre-consumption Experience	Involves searching for, planning, day-dreaming about, foreseeing or imagining the experiences.
Purchase Experience	Includes choice, payment, packaging, the encounter with the service and environment.
Core Consumption Experience	Encompasses the sensation, the satiety, the satisfaction/dissatisfaction, the irritation/flow, and the transformation.
Remembered Consumption Experience	Incorporates past experiences that are based on accounts of stories and on arguments with friends about the past and which move towards the classification of memories.

Source: Adapted from Arnould et al. (2002). *Consumers*, New York: McGraw-Hill

As it is presented, an experience is something that happens to one and has an effect on the mind and feelings. Consumption experience is the synthesis of the affective and cognitive actions and reactions that consumers have during their interface with products, services, and the marketplace environment. For the purpose of this research, the

experiential consumption is defined as consumptions that go beyond product and service acquisition during which what consumers consume and value is consumption experiences.

***The New Consumption Outcome: Consumer Perceived Value***

The transition from the old C-A-B perspective to the new experiential perspective involves a number of changes in how consumption is viewed. One of the most important of these changes is the shift from an outcome of purchasing to an outcome of consumer perceived value. The value concept has been used in a wide range of disciplines, such as economics, accounting, finance, strategy, production, management, and marketing (Wilson & Jantrania, 1997). In economics, value is placed within the context of exchange, that is, a good's value to a consumer is represented by the price that the consumer is willing to pay and the relationship between that price and the utilities or satisfactions the good provides (Richins, 1994). In the field of marketing, value is also examined primarily in the exchange context, but more from the point of view of consumers' perceptions of value when faced with choices of products or services to purchase (Richins, 1994). It is generally termed by scholars and practitioners as consumer value or customer value. The term "customer value" has been used in a variety of contexts, including creating and delivering customer value, consumer perceived value, and value of the customer (Payne & Holt, 2001).

The role of value is of major and increasing concern to consumers and marketers (Dodds, 1991). From the consumer's viewpoint, obtaining value is a fundamental consumption goal and pivotal to all successful exchange transactions (Holbrook, 1994).

CPV takes the perspective of the consumer, emphasizing the understanding and delivering of what consumers need, desire, and value.

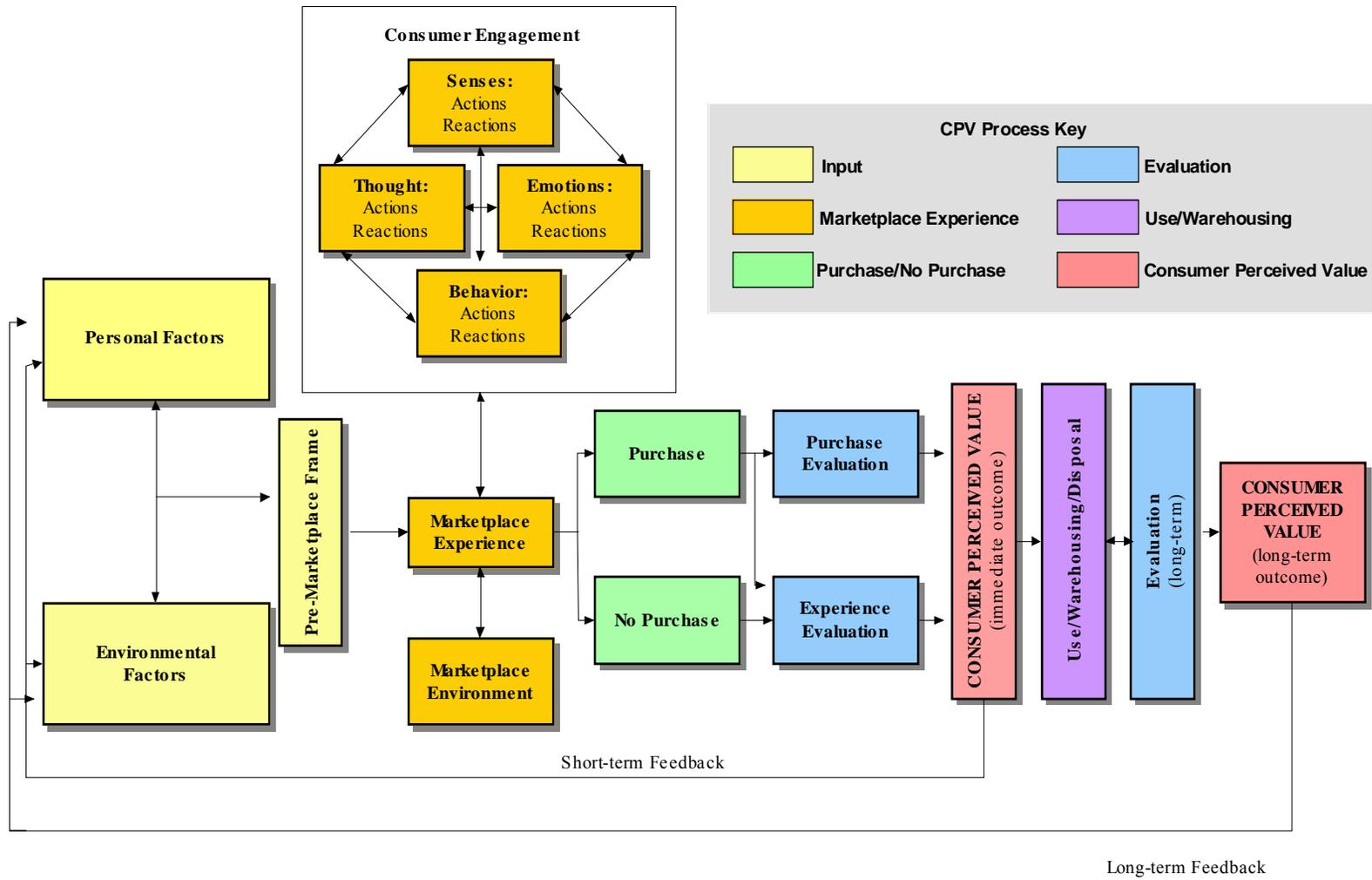
### **A New Consumption Model: The Holistic Consumer Behavior (HCB) Model**

The shift in perspectives on consumption necessitates the development of a new consumption model. In response, a holistic consumer behavior (HCB) model is presented that expands the parameters of the consumption phenomenon (see Figure 2.6). The theoretical framework developed is partially based on the C-E-V model of consumption experience (Holbrook, 1986), the T-E-A-V model (Hirschman and Holbrook, 1986) of consumption experience, the framework for understanding environment-user relationships in service organizations (Bitner, 1992), and the framework of product valuation for consumers (Lai, 1995). The model integrates the rational and experiential perspectives, recognizing that the marketplace exchange is a complex and overlapping reaction between the marketplace environment and consumer responses. The HCB model acknowledges that the outcome of consumer behavior is not the purchase of products/services—a bottom line business perspective, as traditionally described in the marketing literature. The HCB model shows that consumers evaluate not only products/services (if they purchase and consume them), but also their overall marketplace exchange, which includes the experience itself—a consumer perspective. Evaluation of that broader marketplace exchange leads to the outcome of consumer perceived value.

The holistic consumer behavior (HCB) model is intended to be comprehensive and consumer-oriented. The model is linear and interactive simultaneously. The linear flow shows the overall process of consumer behavior, and the interactive components show

**Figure 2.6: Holistic Consumer Behavior (HCB) Model**

IS



the simultaneous actions and reactions of consumers within that process. The model draws strongly from the work of Bitner (1992), Hirschman and Holbrook (1986), Holbrook (1986), and Winakor (1969), as well as drawing on original concepts.

### ***Model Overview***

#### ***Model Input***

The HCB model draws on Holbrook's (1986) argument for the importance of an input component. Holbrook (1986) argues the input of the consumption experience model (C-E-V) has three factors, which are person, environment, and the person-environment interaction that determines the relevant consumption situation. According to Holbrook (1986), personal inputs include variables of general customer characteristics (demographics, socioeconomics, and psychographics) and resources (time, energy, money), and environment inputs that consist of significates (objects, such as the physical brand or product itself) and signs (symbolic units used to designate an object, such as an advertisement). In the development of the T-E-A-V model, Hirschman and Holbrook (1986) defined personal inputs as a mental state explaining consumer behavior (personal motivation), and the environmental input as a potential source of information, which may be in one of two forms as defined in the C-E-V model, significates and signs.

Following the logic of the C-E-V model and T-E-A-V model, the HCB model identifies two types of input: environmental factors and personal factors. However, the HCB model seeks to capture a more complete range of both environmental factors and personal factors than Hirschman and Holbrook (1986) and Holbrook (1986). In the HCB model, the environment factors include the marketplace offering, social factors, and

external situational factors. The marketplace offering includes the product, service, and information which represent the concepts of signs and significates proposed by Holbrook (1986). The social factors include reference groups and family influences, social class, culture, customs, and subculture. The external situational factors refer to specific consumption situations or sets of circumstances such as holiday seasons, weddings and other special events.

The HCB model recognizes Bitner's (1992) argument that individual personality traits (such as arousal-seeking and arousal-avoiding), plan and purpose, mood states, and expectation would also affect consumers' behavior in the marketplace. Because there are many potential factors that can be considered as personal factors, the HCB model indicates that the personal factors includes general personal characteristics (demographics, socioeconomics, and psychographics), personality traits, shopping resources (time, energy, money), motivation, wants and needs, personal expression, personal values, shopping orientation, and expectations. As can be seen, the personal factors concept expands the concept of personal input suggested by Hirschman and Holbrook (1986) and Holbrook (1986).

#### *Pre-marketplace Frame*

The environment factors and personal factors interact to form a *pre-marketplace frame* that significantly shapes consumers' shopping experiences. The pre-marketplace frame represents an intermediary step between inputs and entry into the marketplace, the next step in the consumption process. The *pre-marketplace frame* is personal and situational and has been defined by scholars in different ways. In the C-E-V model,

Holbrook (1986) defines *consciousness*, a verbal or nonverbal reaction to informational inputs from the person, the environment, or the person-environment interaction, as the next step of *input*. Holbrook (1986) argues that consciousness encompasses all conscious, subconscious, and unconscious mental phenomena, and includes not only beliefs about product attributes, but also a variety of fantasies, daydreams, images, subconscious thoughts, and unconscious mental processes. In the framework of product valuation for consumers, Lai (1995, p.383) uses the term *consumption schema* to refer to the “cognitive structure” which organizes and represents personal ideas and beliefs about the substance of a consumption activity, such as interrelationships among complementary products, the cultural value and social meanings of the commodities, and personal preferences and affective associations.” The pre-marketplace frame is similar to consciousness and consumption schema, recognizing the importance of the influence of the interaction between personal and environmental factors in framing expectations of the following consumption process and experience.

### *Marketplace Experience*

Holbrook has thought deeply about the issues of consumption experiences and value in consumer behavior. The early C-E-V model has a linear flow of consciousness, emotion, and value (Holbrook, 1986). Emotion is the key linking consciousness and value and encompasses four interacting components: physiological responses, cognition, behavioral expression, and feelings. The later T-E-A-V model developed by Hirschman and Holbrook (1986) represents a non-linear approach to consumer behavior. It has four components that interact with and overlap each other. These four components are

thoughts, emotion, activity, and value. Bitner (1992) argues that consumers respond to their environment cognitively, emotionally, and physiologically, and those responses affect how they behave in the environment interdependently. The HCB model draws on both the C-E-V model (Holbrook, 1986) and T-E-A-V model (Hirschman and Holbrook, 1986) for the basic components of the marketplace experience, combining process and content. It recognizes that the interaction between *consumer engagement* with the marketplace and the *marketplace environment* lead to consumers' marketplace experience. Based on this theoretical work, the HCB model indicates that consumer engagement is composed of thought, behavior, emotion, and senses, all of which can be in the form of both action and reaction, and these components overlap and interact with each other. Unlike existing consumer behavior models including the C-E-V model (Holbrook, 1986) and T-E-A-V model (Hirschman and Holbrook, 1986), the HCB model recognizes the importance of both *consumer engagement* and the *marketplace environment* in forming consumers' consumption experiences, as well as the contextual, situational nature of this part of the consumption process.

#### *Purchase/No Purchase*

The HCB model argues that an intermediate outcome of consumer engagement with the marketplace is either purchase or non-purchase of products/services. Purchasing of products/service means the exchange of products/service and money or some instrument of value between consumers and the marketplace. This stage is the focus of business management, for which profit is the goal. It is also the emphasis of the traditional CAB model, which regards purchase behavior as the ultimate and most important outcome of

consumer behavior. But from the consumers' perspective, this is only the immediate outcome of their marketplace engagement. Consumer experience is a broader, long consumption cycle that is highly experiential.

#### *Purchase/Experience Evaluation*

After the purchase/non-purchase stage, consumers engage in an evaluation process, whether purchase happens or not. If the consumer purchases and consumes products/services, particularly services, s/he will evaluate the products/service, information, as well as the marketplace experience in the short term. If the consumer does not purchase and consume products/services, s/he will evaluate his/her immediate marketplace experience. This short-term evaluation may hold long term or not, but is an important step in consumption behavior.

#### *Immediate Consumer Purchase Value*

Contrary to the CAB model outcome of purchase, Holbrook (1986) argues that value is the output of consumer behavior or consumption experience. Value is the basic currency of all human interaction (Mittal & Sheth, 2001). In support of Holbrook's (1986) contribution, the HCB model indicates that the ultimate and most important outcome of consumer behavior is consumer perceived value (CPV). But there are two types of CPV: immediate CPV and long-term CPV. The HCB model argues that the immediate evaluation process after the purchase/non-purchase stages leads to short-term consumer perceived value. This immediate CPV reflects what consumers' experiences from their recent market engagement. Because consumers' natural interface with the marketplace is shopping experience, this immediate CPV can also be defined as the CPV

for shopping experiences. Mittal and Sheth (2001) argue that the only reason the consumers are even in the marketplace is that they are looking for something of value. The immediate CPV feeds back to the input of the model as personal experiences or via word of mouth to others.

#### *Use/Warehousing/Package Disposal*

Based on Winakor's (1969) model, the HCB model suggests that beyond the point of immediate CPV, there is a use, warehousing, and disposal stage of consumption. When consumers use the product after the purchase and the immediate evaluation, they face the problem of package disposal, including the decision on how, when, and where to dispose of the package. Sometimes consumers may briefly use the product or opt not to use it at all and put it away. In both scenarios, warehousing occurs because the product becomes a storage issue.

#### *Long-term Evaluation*

After the stage of use, warehousing, and package disposal, consumers evaluate the usage experience and the function of the product. This is a long-term evaluation stage, which leads to the ultimate outcome of consumption—long-term consumer perceived value. The long-term evaluation may happen either during consuming the product or after the consumption of the product. While consuming the product, the evaluation of consumption experience and product utility helps a consumer to decide whether to keep the product and continue to use or dispose of the product because of dissatisfaction with the product itself or a change in the consumer's circumstances. Then the consumer still faces the issues of use, warehousing, and disposal. If the consumer continues to use the

product, ultimately the product will be used up and final disposal will take place. So, the long-term evaluation stage is reversible with the use/warehousing/package disposal stage. The consumer might go back and forth between these two stages several times during the whole consumption process.

#### *Long-term Consumer Perceived Value*

The final stage of evaluation leads to long-term CPV. This CPV may focus on the functions of the product and the usage experiences of the product, and reflects what consumers want from the product. Researchers have done a large amount of theoretical work on describing CPV of a product (Zeithaml, 1988) and empirical work on how to measure it (Sweeney & Soutar, 2001). The long-term CPV will also turn into the feedback to the input section of the HCB model as personal experiences or via word of mouth to others.

The HCB model suggests that CPV will have different content in terms of value in different consumption contexts, that is, CPV is context-specific. At the same time, CPV is a multi-dimensional construct, which should be investigated for different consumption contexts and environments, and takes a consumer perspective.

#### **An Overview of the CPV Literature**

The CPV construct is a very important component of the consumer value literature. As stated previously, it has been identified as one of the most important measures for gaining a competitive edge (Parasuraman, 1997) and has been viewed as the basis for all marketing activity (Holbrook, 1994). CPV has been associated with customer satisfaction which leads to customer loyalty and retention, positive word-of-mouth,

stronger competitive position, and higher market share (Bearden & Teel, Fornell, 1992; 1983; Fornell, et al., 1996, from Ulage & Chacour, 2001). It is considered the key outcome in a general model of consumption experiences (Babin, Darden & Griffin, 1994; Holbrook, 1986) and has been argued to be the most important indicator of repurchase intentions (Parasuraman & Grewal, 2000). With the recognition of the importance of CPV comes the recognition that retailers must deliver value that creates good shopping experiences that will increase the shopping intention of consumers.

### ***Theoretical Framework—Means-End Theory***

Gutman's means-end theory (Gutman, 1982) seeks to understand the important meanings that individuals associate with the products and services they purchase, consume, and experience. Means-end theory is conceived of as cognitive linkages connecting consumers' values to product choices (Reynolds & Gutman, 1988). More specifically speaking, means-end theory seeks to characterize the relationships among particular objects attributes or behaviors, "the means", and the outcomes (consequences of product consumption) and personal values important to the individual, "the ends". This pattern of associations from attributes to consequences and from consequences to personal values represents a special type of structure called a means-end chain (Gutman, 1982). It assumes that personal values are the end goals the consumer strives for in life (Manyiwa & Crawford, 2001). Means-end theory and its associated methodology have typically been used to develop a better understanding of the factors influencing consumer choice or decision-making behavior. It has been widely used in marketing research and the development of consumer value (Zeithaml, 1988).

### ***Consumer Perceived Value Defined***

Zeithaml (1988) identified four diverse meanings of value: (1) value is low price, (2) value is whatever one wants in a product, (3) value is the quality that the consumer receives for the price paid, and (4) value is what the consumer gets for what he or she gives. To capture all four definitions of value, Zeithaml (1988, p.14) defined perceived value as “the consumer’s overall assessment of the utility of a product based on a perception of what is received and what is given.” Although what is received and what is given varies across consumers, value “represents a tradeoff of the salient give and get components” (Zeithaml, 1988, p.14). The benefit components of value include salient intrinsic attributes, extrinsic attributes, perceived quality, and other aspects such as convenience and appreciation. The sacrifice components of perceived value include both monetary prices and non-monetary prices such as time, energy, and effort to obtain products and services (Zeithaml, 1988).

Following Zeithaml’s (1988) seminal conceptualization of perceived value, researchers have defined consumer perceived value (CPV) in a variety of ways (see Table 2.6). Despite different expressions, the common point in these definitions is that CPV is a trade-off between benefits and sacrifices perceived by the consumer when considering a supplier’s offering (Ulage & Chacour, 2001; Woodruff, 1997). Among the researchers cited in Table 6, Schechter (1984) is alone in defining CPV without reference to a trade off of costs and benefits. Other common themes include the following (Snoj, Korda, & Mumel, 2004):

Table 2.6: Definition of Consumer Perceived Value

<i>Perceived Consumer Value</i>	<i>Authors</i>
The consumer's overall assessment of the utility of a product based on a perception of what is received and what is given.	Sweeney et al., 1999; Zeithaml, 1988;
Ratio of perceived benefits relative to perceived sacrifice.	Dodds et al., 1991
Trade-off between desirable attributes compared with sacrifice attributes.	Woodruff & Gardial, 1993
Perceived worth in monetary units of the set of economic, technical, service, and social benefits received by a customer firm in exchange for the price paid, taking into consideration the available alternative offerings and price.	Anderson, Jain, & Chintagunta (1993) in Ulaga & Chacour, 2001
The customers' assessment of the value that has been created for them by a supplier given the trade-offs between all relevant benefits and sacrifices in a specific-use situation.	Woodruff, 1997; Woodruff et al., 1993
The trade-off between the multiple benefits and sacrifices of a supplier's offering, as perceived by key decision makers in the customer's organization, and taking into consideration the available alternative suppliers' offerings in a specific-use situation (in industrial markets).	Ulaga & Chacour, 2001
Perceived value is composed of all factors; qualitative and quantitative, objective and subjective, that jointly form a consumer's buying experience.	Schechter (1984) in Zeithaml, 1988
A comparison of what a consumer "receives" with what the consumer "gives" for the attainment of a product or service.	Grewal, et al., 1998; Zeithaml, 1988
Perceived customer value = customer's perceived benefits – customer's perceived cost. That is, perceived customer value is the surplus (or the difference) between perceived benefits and perceived costs.	Day, 1990; Lai, 1995
Product value to a consumer is a comparison of tangible and intangible benefits from the generic as well as the supplementary levels of a product and the total costs of production and usage of a product	Nilson, 1992
Product value for a consumer is created when the benefits a consumer gets with a product are greater than the long-term costs a consumer is expected to have with a product.	Slater & Narver, 2000
Value equals a perceived quality relative to the price.	Hallowell in Cornin et al., 2000

- Value for a consumer is related to his experience or knowledge of buying and using a product;
- Value for a consumer is related to the perception of a consumer and cannot be objectively defined by an organization;
- Consumer perceived value is a multidimensional construct.

Woodruff (1997) argues that typical definitions of CPV rely heavily on terms such as utility, worth, benefits, and quality. Because these terms are generally not well defined themselves, it makes it difficult to compare different concepts and definitions. Also CPV can differ with each consumption circumstance, such as pre-purchase, post-purchase, and in use situations (Woodruff, 1997). At the same time, CPV can be predicted during the decision making process or actually experienced during the use process (Woodruff, 1997). Based on these arguments, Woodruff (1997, p.142) defined customer value as “a customer’s perceived preference for and evaluation of those product attributes, attribute performances, and consequences arising from use that facilitates (or blocks) achieving the customer’s goals and purposes in use situations.” Woodruff (1997) argues that his definition broadens the CPV concept by incorporating both desired and received value and emphasizing that value stems from consumers’ learned perceptions, preferences, and evaluations. It also “links together products with use situations and related consequences experienced by goal-oriented customers” (Woodruff, 1997, p.142).

The trade-off definition of perceived value has its roots in economic theory and has strongly influenced researchers’ thinking. However, a rational product- and purchase-oriented perspective on CPV fails to recognize the irrational and sensory elements of

experiential consumption. Although Woodruff (1997) defined a broader concept of CPV which provides conceptual richness (Parasuraman, 1997), he still emphasizes rational and goal-oriented consumer behavior that directs toward purchase. With a broadened view of consumer behavior, as has been put forth in this study, a definition of CPV that includes experiential consumption is sorely needed.

### ***Dimensions of Consumer Perceived Value***

CPV has been generally regarded as a multidimensional construct. Many researchers have investigated the construct of CPV and its dimensions and have identified both similar and dissimilar dimensions with a focus on consumer products and services (Oliver, 1996, from Ulaga & Chacour, 2001) (see Table 2.7).

Holbrook (1986) developed a value typology which was structured on broad conceptual classifications. In this framework, consumer value in the consumption experience is classified into: 1) extrinsic vs. intrinsic, 2) self- vs. other-oriented and 3) active vs. passive (see Table 2.8). Extrinsic value is also known as utilitarian value which occurs when consumption is appreciated for its function and utility. Intrinsic value is also called hedonic value which occurs when the consumption experience is appreciated as an end in itself, that is, for its own sake (Holbrook, 1986). Value is active when it entails some physical or mental manipulation of a tangible or intangible object, that is, when it involves things done by an individual; value is reactive when it results from responding to objects, for example, appreciating and comprehending, that is, from things done to an individual (Holbrook, 1986). Value is self-oriented when a consumer appreciates a product or experience for his/her own sake, for how he/she reacts to it or for

Table 2.7: The Dimensions of Consumer Perceived Value

<i>Author</i>	<i>Dimensions</i>	<i>Note</i>
Zeithaml (1988)	Four dimensions: <ol style="list-style-type: none"> <li>1. Intrinsic attributes</li> <li>2. Extrinsic attributes</li> <li>3. Quality</li> <li>4. Other high level abstractions, and</li> <li>5. Price (monetary and non-monetary)</li> </ol>	Theoretical work
Sheth, Newman, and Gross (1991)	Five dimensions: <ol style="list-style-type: none"> <li>1. Functional value</li> <li>2. Conditional value</li> <li>3. Social value</li> <li>4. Emotional value, and</li> <li>5. Epistemic value</li> </ol>	Theoretical work
Dodds, Monroe, and Grewal, 1991, Grewal, Monroe, and Kirshnan, 1998	Two dimensions <ol style="list-style-type: none"> <li>1. Acquisition value (AV), and</li> <li>2. Transaction value (TV)</li> </ol>	Empirical work
Kantamneni and Coulson (1996)	Four dimensions: <ol style="list-style-type: none"> <li>1. Societal value</li> <li>2. Experiential value</li> <li>3. Functional value, and</li> <li>4. Market value</li> </ol>	N/A
Parasuraman and Grewal (2000)	Four dimensions: <ol style="list-style-type: none"> <li>1. Acquisition value</li> <li>2. Transaction value</li> <li>3. In-use value, and</li> <li>4. Redemption value</li> </ol>	Theoretical work
Sweeney and Soutar (2001)	Four dimensions: <ol style="list-style-type: none"> <li>1. Emotional</li> <li>2. Social</li> <li>3. Quality/performance, and</li> <li>4. Price/value</li> </ol>	Empirical work
Petrick (2002)	Five dimensions: <ol style="list-style-type: none"> <li>1. Quality</li> <li>2. Emotional response</li> <li>3. Monetary price</li> <li>4. Behavioral price, and</li> <li>5. Reputation</li> </ol>	Empirical work

Table 2.8: A Typology of Consumer Value

		<i>Extrinsic</i>	<i>Intrinsic</i>
Self-oriented	Active	Efficiency (Convenience)	Play (Fun)
	Passive	Excellence (Quality)	Esthetics (Beauty)
Other-oriented	Active	Politics (Success, Impression Management )	Morality (Virtue, Justice, Morality )
	Passive	Esteem (Reputation, Materialism, Possessions)	Religion (Faith, Ecstasy, Sacredness)

Note: Holbrook, M.B. (1996). Customer value—a framework for analysis and research. *Advances in Consumer Research*, 23, p.138-40

the effect it has on him or her. Conversely, other-oriented value looks beyond self to others such as family, friends, countries and universe.

Other researchers have identified and selected dimensions of CPV by interviewing consumers. Zeithaml (1988) utilized focus groups and in-depth consumer interviews to explore the relationships between consumers' perceptions of price, quality and value. Her work has been strongly influential and has firmly established the cost and benefit trade-off concept of CPV, or the economic approach. Zeithamal (1988) proposes at least five dimensions of CPV, including salient intrinsic attributes, extrinsic attributes, perceived quality, other relevant high level abstractions, and price (monetary and non-monetary).

Sheth, Newman, and Gross (1991) developed a broader theoretical framework of CPV (Sweeney & Soutar, 2001). Sheth and colleagues (1991) regarded consumer choice

as a function of multiple consumption value dimensions, and these dimensions make varying contributions in different choice situations. They suggested five dimensions relating specifically to the perceived utility of a choice, functional value, social value, emotional value, epistemic value, and conditional value. Functional value is the perceived utility acquired from an alternative's capacity for functional, utilitarian, or physical performance; social value is the perceived utility acquired from an alternative's association with one or more specific social groups; emotional value is the perceived utility acquired from an alternative's capacity to arouse feelings or affective states; epistemic value is the perceived utility acquired from an alternative's capacity to arouse curiosity, provide novelty, and/or satisfy a desire for knowledge; and conditional value is the perceived utility acquired by an alternative as the result of the specific situation or set of circumstances facing the choice maker (Sheth et al., 1991). Sheth and colleagues (1991) claim that the theory is applicable to choices involving a full range of product types, including consumer nondurables, consumer durables, industrial goods, and services. However, Lai (1995, p.383) argues that the consumption values identified by Sheth and colleagues (1991) are in fact generic product benefits that a consumer may derive from possession or consumption, that is, Sheth and colleagues (1991) "conflate product benefits with consumption value." Lai (1995) proposes a typology of generic product benefits composed of functional benefits, social benefits, affective benefits, epistemic benefits, aesthetic benefits, hedonic benefits, situational benefits, and holistic benefits (see Table 2.9).

Table 2.9: A Typology of Product Benefits

<i>Product Benefit</i>	<i>Definition</i>
Functional	A product's capacity for functional, utilitarian, or physical performance.
Social	Perceptual benefits acquired from a product's association with social class, social status, or a specific social group.
Affective	Perceptual benefit acquired from a product's capacity to arouse feelings or affective states. They are often associated with cultural-ethnic meanings, or personal, idiosyncratic meanings, tests and memories.
Epistemic	Benefits acquired from a product's capacity to satisfy curiosity, provide novelty, and/or meet a desire for knowledge. The pursuing of these benefits can be seen in exploratory, novelty-seeking, and variety-seeking consumption behaviors.
Aesthetic	Benefits acquired from a product's capacity to present a sense of beauty or to enhance personal expression.
Hedonic	Benefits acquired from a product's capacity to meet a need of enjoyment, fun, pleasure, or distraction from work or anxiety.
Situational	Benefits acquired from a product's capacity to meet situational needs in specific circumstances.
Holistic	Perceptual benefit acquired from the complementarity, coherence, compatibility, and consistency in a product constellation as a whole.

Note: (Lai, 1995), Consumer value, product benefits and customer value: a consumption behavior approach, *Advances in Consumer Research*, Vol. 22, 1995, p.381-88

Dodds, Monroe, and Grewal (1991) and Grewal, Monroe, and Krishnan (1998) presented two additional dimensions of consumer perceived value, acquisition and transaction value. Perceived acquisition value is defined as the perceived net gains accrued when products or services are acquired. In other words, a product's perceived acquisition value is positively influenced by the benefits consumers believe they gain by acquiring and using the product and negatively affected by the costs associated with the product (Grewal, et al., 1998). Perceived transaction value is defined as the perception

of psychological satisfaction or pleasure gained from getting a “deal” (Grewal, et al., 1998).

According to Petrick (2002), Kantamneni and Coulson (1996) identified four dimensions of a product’s perceived value, societal value, experiential value, functional value and market value. Societal value is the product’s benefit/value to society; experiential value is value related to senses (the feel, smells, and looks of a product); functional value is related to whether or not the product is reliable and safe; and market value is the product’s value in regards to price (Petrick, 2002).

Parasuraman and Grewal (2000) conceptualized CPV as a dynamic construct consisting of four value types, acquisition value, transaction value, in-use value and redemption value. By definition, acquisition value is the benefits received for the monetary price given; transaction value is the pleasure the consumer receives for getting a good deal; in-use value is the utility derived from utilization of the product/service; and redemption value is the residual benefit received at the time of trade-in or at the end of the product life or termination of services (Parasuraman & Grewal, 2000). The relevance of each of the four dimensions varies along the product/service life. Acquisition and transaction value are most salient during purchase, while in-use value and redemption value are dominant after the purchase (Parasuraman & Grewal, 2000).

Based on the theoretical work of Sheth and colleagues (1991), Sweeney and Soutar (2001) established four dimensions for durable goods, quality/performance, emotional value, price, and social value. Sweeney and Soutar (2001) argue that price and quality are sub-dimensions of the functional value proposed by Sheth and colleagues (1991), and

these dimensions contribute separately to perceived value. Epistemic value was dropped by Sweeney and Soutar (2001) through the exploratory study, because none of the items generated were judged to reflect this dimension. However, epistemic value might be particularly important for experiential services such as holidays, adventures, or even shopping trips (Sheth et al., 1991). Conditional value was also dropped, because it can be described as a specific case of other types of value (Sweeney & Soutar, 2001).

Following the theoretical model developed by Zeithaml (1988), Petrick (2002, p.123) proposed that the value dimensions received from the purchase of a service include the emotional response to the service, the quality received from the service, and the reputation of the service rendered, while the dimensions related to what is given include monetary and non-monetary (behavioral) price. So, CPV has five dimensions, quality, emotional response, monetary price, behavioral price, and reputation.

A review of the study of CPV reveals that existing studies have been overwhelmingly influenced by the conceptual frameworks developed by Zeithaml (1988), Sheth and colleagues (1991) and Grewal and colleagues (1998), respectively. Zeithaml (1988) established the economic exchange concept of CPV; Sheth and colleagues (1991) broadened the dimensions of CPV to include perspectives other than economic exchange theory; and Grewal and colleagues (1998) presented two dimensions of CPV from the process view. It should be noted that the study of CPV has been based largely on studies that considered a limited number of products or product concepts, primarily physical goods with higher price points and with specific brand names. Furthermore, despite the “consumer” label, much of CPV has focused on products and purchase from a managerial

perspective. No research exists that explores the dimensions of CPV from the perspective of the consumer and the consumption experience.

### ***Measurement Issues***

Researchers associate concepts and dimensions of CPV with perceived benefits, perceived price, monetary price, psychological price, behavioral price, as well as perceived characteristics of the product, interest in the product, individual needs, motives, expectations, personality, and social values (Ateljevic, 2000; Solomon, 1999, in Al-Sabbahy, 2004). The existence of so many associated variables and dimensions has made the measurement of the CPV construct difficult. Initial measurement was done by using a self-reported unidimensional measure that asked respondents to rate the value they received for their purchase (Gale, 1994, in Petrick, 2002). Unidimensional self-report measures suffer from *assumed* shared meaning. The researcher cannot control how respondents interpret measurement items. Consequently, no one knows whether the respondents are interpreting items similarly or even in the way the researcher intended (Zeithaml, 1988). So, the unidimensional CPV measurement did not prove to be an adequate approach for measuring a multi-dimensional construct. In response, researchers have tried to develop multi-dimensional measurement scales to assess CPV. These studies include the measurement of acquisition and transaction value (Grewal et al., 1998), CPV for durable goods (Sweeny and Soutar, 2001), and a scale for CPV relative to services (Petrick, 2002) (see Table 2.10).

Grewal and colleagues (1998) have had success in the measurement and disentanglement of the constructs of acquisition and transaction value for tangible

products. Their study involved two empirical applications using an undergraduate student sample and a sample of employees coming from the same university. A nine-item and a three-item scale were developed to measure acquisition and transaction value, respectively. The instrument assessed CPV for bicycles in prepurchase setting. Petrick and Backman (2002) used an adaptation of this scale to investigate the construct of golf travelers' perceived value. In this study, transaction value was measured by a 4-item scale which was adapted from the scale developed by Grewal and colleagues (1998) by

Table 2.10: Measurement Scales for Consumer Perceived Value

<i>Author(s)</i>	<i>Study(s) Sample</i>	<i>Consumption Objective</i>	<i>Consumption Stage</i>	<i>Scale Dimensions and Items</i>
Grewal, Monroe, and Krishnan, (1998)	Two samples: Undergraduate students and employees of a Western state University	Tangible goods – bicycles	Pre-purchase	Total of 11 items: Acquisition value (AV), 3 items Transaction value (TV), 9 items
Sweeney and Soutar (2001)	Adult consumers aged 25 to 59 in a major Australian city	Clothing and durable goods by brands	Both pre- and post-purchase	Total of 19 items: Emotional value, 5 items Social value, 4 items Quality/performance value, 6 items Price/value, 4 items
Petrick (2002)	Two samples: Cruise passengers and undergraduate students	Service – cruise and lunch at a fast food restaurant	Post-purchase	Total of 25 items: Quality, 4 items Emotional response, 5 items Perceived monetary price, 6 items Behavioral price, 5 items Reputation, 5 items

removing items with the lowest factor loadings. Acquisition value was measured by the same 3 items as Grewal and colleagues (1998). The findings of the research suggest that the scale developed by Grewal and colleagues (1998) is a reliable and valid measurement instrument for examining golf travelers' acquisition and transaction values. In another application of the Grewal and colleagues (1998) scales, the study of Al-Sabbahy (2004) of the hospitality services of hotels and restaurants, found that although both scales were highly reliable, validity was questionable for the transaction value scale.

Based on the theoretical framework of Sheth and colleagues (1991), Sweeney and Soutar (2002) developed a 19-item scale, PERVAL, which can be used to assess consumers' perceptions of the value of a consumer durable good at the brand level. The measurement was developed for use in a retail purchase situation to determine what consumption values drive purchase attitude and behavior within that environment. The scale consisted of 19 items that identified four dimensions of CPV. Of these 19 items, five items assessed the dimension of "emotional value," four assessed "social value," six assessed "quality/performance" value, and four assessed "price/value." The scale was found to be valid and reliable in both prepurchase and postpurchase situations (Sweeney & Soutar, 2002).

Petrick (2002), using the theoretical framework of Zeithaml (1988), developed 25-items to measure a multi-dimensional CPV scale for services. The scale was proposed to measure perceived value after completing a purchase and identified five dimensions of CPV. Of the 25 scale items, four assessed the dimension of "quality" value, six assessed "perceived monetary price" value, and five each assessed "emotional response" value,

“behavior price” value, and “reputation” value. One cruise passenger sample was used to examine the scale’s external validity and one undergraduate student sample was used to examine the dimensionality and internal reliability of the scale items. The instrument appeared to be reliable and have convergent and discriminant validity.

From the above studies, it can be seen that scale development is a recent and underdeveloped research direction for the study of CPV. Existing measurement scales have not been widely tested for validity and reliability nor have they been widely utilized by empirical studies. Therefore, the discipline currently has no generally accepted measures for overall CPV or for the individual dimensions. Additionally, scale development to date still focuses on the managerial perspective and purchase paradigm of consumer behavior, instead of the overall consumption experience as perceived by consumers. Other values related to the consumption experience and personal values relating to consumption are not identified by the existing scales.

It should be noted that a measurement scale for CPV that incorporates the broader consumption experience (an overall assessment of CPV) has not yet been developed. While scales have been developed to some extent for the various dimensions of CPV, no researcher has yet looked across the existing studies on the dimensions to provide a framework organizing and explaining any appropriate application of the dimensions of CPV.

## **An Overview of the Relevant Shopping Literature**

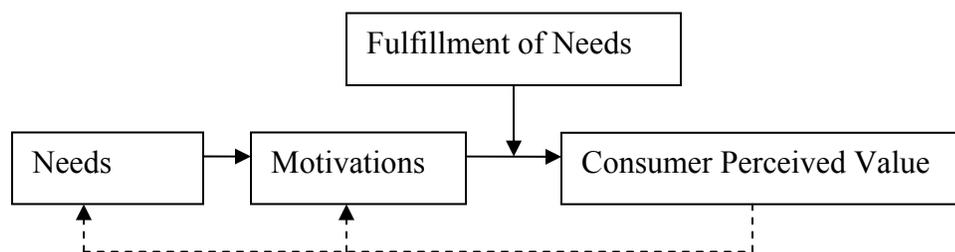
### ***The Needs, Motivations, and Value Connection***

So, where does value for the modern consumer originate? Value comes from fulfilling needs. “(N)needs and benefits (*value*) [added by the author] can be thought of, metaphorically speaking, as flip sides of the same coin” (Shimp, 2003). Some needs are innate, such as physiological ones necessary for biological life, for example, food, water, air, clothing, shelter, and sex. Some needs are acquired ones that people learn in response to their culture or environment and may include such needs as self-esteem, prestige, affection, and power.

Dr. Abraham Maslow (1943) envisioned that people function on a day-to-day basis according to a hierarchy of needs. Maslow’s well known Hierarchy of Needs identifies five basic levels of human needs, which rank in order of importance from lower-level needs to higher-level needs. According to the Hierarchy of Needs, physiological needs that are required to sustain biological life are the first and the most basic level of human needs. The second level is safety and security needs which include not only physical safety, but also order, stability, routine, familiarity, and control over one’s life and environment. The third level is social needs which include such needs as love, affection, belonging, and acceptance. The fourth level is egotistic needs which include the desire for self-respect, prestige, and success. The fifth level is the need for self-actualization which refers to an individual’s desire for self-fulfillment, worthwhile accomplishments, and personal growth. Maslow (1943) argues that lower-level needs must be fulfilled before higher-level ones can come into play.

Motivation arises because of unfilled needs (Schiffman & Kanuk, 2004) and leads to actions that can satisfy those needs. Motivation is the driving force within individuals that impels them to action. The same action can be initiated by different needs and motivations. For example, a consumer can go to a restaurant either because he is hungry or because he wants to have time with his wife. For these different needs and motivations, the consumer value gained is different. For a hungry consumer, a good meal is what he values. If a consumer wants to have a good time with his wife, a good meal plus a pleasant time made possible because of the restaurant atmosphere and services may be what he values. Given the different motivations caused by unfilled needs, the value that consumers feel they gain from the same consumption activity may be very different. However, when the need is fulfilled the consumer perceives value. The relationship among needs, motivations, and value is shown in figure 2.7.

Figure 2.7: Relationship between Needs, Motivations, and Value



***A Specific Case of Needs, Motivations, and Value: Shopping***

Some scholars of CB research argue that shopping behavior is motivated by a range of psychosocial needs that go beyond the acquiring of products and services (Arnold & Reynolds, 2003; Buttle & Coates, 1984; Tauber, 1972; Westbrook & Black;

1985). Viewed broadly, a person goes shopping because s/he experiences a need and recognizes that shopping activities may satisfy that need (Tauber, 1972). Using Maslow's Hierarchy of Needs, Pooler (2003) suggests that there are several layers of shopping needs and desires, each stacked upon the other, and that the behavior of shoppers can be best considered as a process whereby shopping needs are satisfied in succession, one level at a time. Compared with the Hierarchy of Needs, Pooler (2003) proposes that there are also five levels of shopping. The first level is shopping for physical survival needs; the second level is for security needs; the third level is for belongingness and social acceptance; the fourth level is for esteem needs; and the fifth level is for self-actualization.

### *Shopping Motivations*

Consumer needs and wants lead to shopping motivations. Tauber (1972) hypothesized both personal and social shopping motivations. The personal motives include role playing, diversion from daily routine, self-gratification, physical activity, learning about new trends, fashions, and innovations, and sensory stimulation. The social motives of shopping include social experiences outside the home, communication with others having a similar interest, affiliation with peer groups, obtaining status and authority, and gaining pleasure from bargaining and negotiation. The contribution of Tauber's study is to recognize that shopping can be motivated by (1) a need to acquire a desired product, (2) a need to acquire the desired product and to gain satisfaction for various non-product-related needs, and (3) a need to satisfy not-acquisition wants or needs (Westbrook & Black, 1985).

Buttle and Coates (1984) explore the motivation for making shopping trips and argue that the simple buying of products is far from being the sole motivation. Using in-depth interviews, nine shopping motivations were identified: (1) to kill time, (2) to relax, exercise and be stimulated, (3) to express temperament, (4) to acquire information, (5) to take advantage of proximity to the shops when a trip has been made for some other purpose, (6) to enjoy shopping as a social event, (7) to compare alternatives, and (8) to enhance, or actually, be a special occasion. Shopping can be a way of passing time or filling in time. It can be a source of pleasure because of the relaxation, exercise, and stimulation that consumers gain during the shopping trip. Some consumers, especially women, go shopping because of their mood, such as feeling depressed or miserable for which spending some money is a cure. Through shopping, consumers can not only satisfy their curiosity, but also get necessary information to make the subsequent decision making easier. Shopping can be an enjoyable and pleasurable social event, which is delightful because of the presence of others. It also can turn into a special occasion, such as holiday shopping. Finally, some consumers go shopping to compare alternatives, indicating that shopping is part of the valuation stage of the buying process for some products such as apparel (Buttle & Coates, 1984). Buttle and Coates's study confirms Tauber's (1972) argument that shopping meets a variety of needs, only some of which involve spending money (Buttle & Coates, 1984).

Similarly, Westbrook and Black (1985) hypothesized the dimensions of shopping motivation as: (1) anticipated benefits or hedonic states that will be provided by the product to be acquired through the shopping activity; (2) enactment of an economic

shopping role which means to identify with and assume culturally prescribed roles regarding the conduct of shopping activity; (3) to seek economic advantage through bargaining with the seller; (4) optimization of merchandise choice in terms of matching shoppers' needs and desires; (5) affiliation with reference groups; (6) exercise of power and authority in marketplace exchanges; and (7) sensory stimulation from the market itself which means seeking novel and interesting stimuli from the retail environment.

Arnold and Reynolds (2003) investigated consumers' hedonic shopping motivations and identified adventure shopping, gratification shopping, value shopping, social shopping, role shopping, and idea shopping motivation. Adventure shopping refers to shopping for stimulation, adventure, and the feeling of being in another world; gratification shopping refers to shopping for stress relief, shopping to alleviate a negative mood, and shopping a special treat for oneself; value shopping refers to shopping for sales, looking for discounts, and hunting for bargains; social shopping refers to the enjoyment of shopping with friends and family, socializing while shopping, and bonding with others while shopping; role shopping reflects the enjoyment that shoppers derive from shopping for others; and idea shopping refers to shopping to keep up with trends and new fashions, and to see new products and innovations (Arnold & Reynolds, 2003).

Pooler (2003) argues that general shopping motivations include (1) bargain hunting, (2) shopping for others, (3) shopping for dreams, and (4) shopping as competition. Pooler (2003) states that bargain hunting represents one of the significant reasons why consumers shop. It is all about the excitement of finding merchandise at surprisingly low prices and being able to take advantage of the discount. According to Pooler (2003) a

large segment of the retail market consists of consumers shopping for other people, and this kind of shopping accounts for approximately one-third of all shoppers in the stores. In this situation, the consumer does not buy but seeks information for potential purchases intended for other people. When consumers cannot afford products that they dream of owning, they would like to go out and look at them in the store, which is called shop for a dream. As for shopping as competition, Pooler (2003) argued that shopping is a form of competition. Consumers compete with their friends, neighbors, coworkers, and relatives through the products they buy. This kind of buying rewards the self, provides self-recognition, and satisfies the ego.

Studies on consumers' shopping motivations were summarized in Table 2.11. These studies suggest that the CAB model of consumer behavior lacks the ability to explain the overall phenomenon of shopping behavior, which is a significant aspect of consumer behavior in modern societies.

### *Shopping Value Research*

Researchers have approached the topic of shopping values in a variety of ways. Some researchers have investigated shopping value as personal shopping value (the outcome of consumption activities), some as experiential shopping value, and others as in-store shopping experiences.

### Personal Shopping Value

Babin, Darden, and Griffin (1994) presented personal shopping value (PSV) as the overall worth of a shopping experience related to both hedonic and utilitarian consequences. Following Holbrook (1986), value is considered the key outcome variable

Table 2.11: Shopping Motivations

<i>Author</i>	<i>Motivations</i>	<i>Motivation Type</i>
Tauber (1972)	<p>The personal motives</p> <ol style="list-style-type: none"> <li>1. Role playing</li> <li>2. Diversion from daily routine</li> <li>3. Self-gratification</li> <li>4. Physical activity</li> <li>5. Learning about new trends, fashions, and innovations</li> <li>6. Sensory stimulation.</li> </ol> <p>The social motives</p> <ol style="list-style-type: none"> <li>1. Social experiences outside the home,</li> <li>2. Communication with others having a similar interest</li> <li>3. Affiliation with peer groups,</li> <li>4. Obtaining status and authority</li> <li>5. Gaining pleasure from bargaining and negotiation.</li> </ol>	General shopping motivations
Buttle & Coates (1984)	<ol style="list-style-type: none"> <li>1. To kill time</li> <li>2. To relax, exercise, and be stimulated</li> <li>3. A reflection of temperament</li> <li>4. To acquire information</li> <li>5. To take advantage of proximity to the shops when a trip has been made for some other purpose</li> <li>6. To enjoy shopping as a social event</li> <li>7. To compare alternatives</li> <li>8. To enhance, or actually be, a special occasion</li> </ol>	General shopping motivations
Cox, Cox, & Anderson (2005)	<ol style="list-style-type: none"> <li>1. Bargaining hunting</li> <li>2. Browsing</li> <li>3. Sensory stimulation</li> <li>4. Being pampered</li> <li>5. Kinesthetic experience</li> </ol>	Sources of shopping pleasure
Arnold & Reynolds (2003)	<ol style="list-style-type: none"> <li>1. Adventure shopping</li> <li>2. Social shopping</li> <li>3. Gratification shopping</li> <li>4. Idea shopping</li> <li>5. Role shopping</li> <li>6. Value shopping</li> </ol>	Hedonic shopping motivations

Table 2.11: Shopping Motivations (continued)

<i>Author</i>	<i>Motivations</i>	<i>Motivation Type</i>
Pooler (2003)	<ol style="list-style-type: none"> <li>1. Bargain hunting</li> <li>2. Shopping for others</li> <li>3. Shopping for dreams</li> <li>4. Shopping as competition</li> </ol>	General shopping motivations
Westbrook & Black (1985)	<ol style="list-style-type: none"> <li>1. Anticipated utility</li> <li>2. Role enactment</li> <li>3. Negotiation</li> <li>4. Choice optimization</li> <li>5. Affiliation</li> <li>6. Power/authority</li> <li>7. Stimulation</li> </ol>	General shopping motivations

in a general model of consumption experiences, which is defined as “an interactive relativistic preference experience... characterizing a subject’s experience of interacting with some object” (Babin et al., 1994, p.645). From the experiential perspective, two values are derived from shopping experiences, hedonic and utilitarian (Babin, et al., 1994). Utilitarian value relates to shopping as a work mentality, which can explain shopping trips as “an errand” or “work” and represents task accomplishment (Babin et al., 1994). In contrast, hedonic value involves fun, playfulness, and sensory reactions, which reflects shopping’s potential entertainment and emotional worth and represents the immediate gratification provided by the shopping experience (Bellenger, Stenber, & Stanton 1976; Holbrook & Hirschman, 1982). Babin and colleagues (1994) developed a personal shopping value (PSV) scale to capture both the hedonic (intrinsic) and utilitarian (extrinsic) value of shopping experiences, that is, the fun side and dark side of shopping.

The scale recognizes that value is provided by the complete shopping experience, not just by product acquisition.

Babin and colleagues (1994) suggested that personal shopping value (PSV) has potential in developing and testing consumer theories in areas such as consumer choice, retail patronage, brand choice, and specific shopping contexts including gift shopping, shopping at flea markets, and garage sales. Babin and Attaway (2000) investigated the impact of positive and negative affect associated with ambient environment on “customer share,” which is defined as the resources a consumer spends in one store relative to the store’s direct competitors. Their findings from a convenience sample of mall shoppers suggest that affect has an impact on “customer share” and that both hedonic and utilitarian shopping values work as facilitators between affect and “customer share.” In another study, Babin, Chebat, and Michon (2004) examine how perceived environmental appropriateness affects perceived quality, emotions and personal shopping value. Their sample was composed of approximately 850 mall shoppers obtained through the mall intercept method. The findings suggest that perceived environmental appropriateness and affect positively influence hedonic shopping value, while perceived quality positively influences utilitarian shopping value (Babin, et al., 2004).

#### Experiential Shopping Value

Mathwick, Malhotra, and Rigdon (2001) followed the typology of value developed by Holbrook (1986) to investigate and assess retail shopping experiences in Internet and catalog shopping contexts. Following Holbrook’s (1994) “self-oriented” dimensions of value Mathwick and colleagues (2001) developed an experiential value scale (EVS).

They argue that experiential value has four dimensions: consumer return on investment (CROI), service excellence, playfulness, and aesthetic appeal (Mathwick, et al. 2001) (see Figure 2.8). Following Woodruff's (1997) hypothesis that value has a hierarchical structure, Mathwick and colleagues (2001) propose a hierarchical structure of experiential value, in which each dimension of experiential value is indicated by its lower order dimension(s) respectively. So, in this study, escapism and enjoyment are conceptualized as indicators of the higher order dimension playfulness, visual appeal and

Figure 2.8: Typology of Experiential Value

Intrinsic Value	Playfulness <ul style="list-style-type: none"> <li>• Escapism</li> <li>• Enjoyment</li> </ul>	Esthetics <ul style="list-style-type: none"> <li>• Visual appeal</li> <li>• Entertainment</li> </ul>
Extrinsic Value	CROI <ul style="list-style-type: none"> <li>• Efficiency</li> <li>• Economic value</li> </ul>	Service Excellence
	Active Value	Reactive Value

Note: Experiential Value: Conceptualization, Measurement and Application in the Catalog and Internet shopping, Mathwick, Malhotra, and Rigdon, 2001, Journal of Retailing, 77, p.42

entertainment are conceptualized as indicators of esthetics, and efficiency and economic value are conceived as indicators of consumer return on investment. The findings of this study provide empirical support for Woodruff's conceptualization of consumer value as a multidimensional hierarchically structured construct (Mathwick et al., 2001). The experiential value scale (EVS) is claimed to be useful in describing the perceived make-

up of a retail value package and in predicting differences in shopping preferences and patronage intent in Internet and catalog shopping.

Also based on Holbrook's (1986) theoretical framework of a value typology, Kim (2002) discussed and contrasted consumer value experienced by mall and Internet shopping in a conceptual article. In the discussion, playfulness is acquired through sensory stimulation, entertainment and social interaction, esthetics through ambience, efficiency through convenience and resource (time, effort and money), and excellence through product performance and customer service (see Figure 2.9). It can be seen that although Holbrook's value typology provides a framework for analyzing shopping value in different retail channels, researchers disagree on the components of each value dimension.

Figure 2.9: A Typology of Consumer Value: Mall Shopping versus Internet Shopping

Intrinsic Value	<b>Play</b> <ul style="list-style-type: none"> <li>• Sensory stimulation/entertainment</li> <li>• Social interaction</li> </ul>	<b>Aesthetics</b> <ul style="list-style-type: none"> <li>• Ambience</li> </ul>
Extrinsic Value	<b>Efficiency</b> <ul style="list-style-type: none"> <li>• Convenience</li> <li>• Resources (time, effort and money)</li> </ul>	<b>Excellence</b> <ul style="list-style-type: none"> <li>• Product performance</li> <li>• Customer service</li> </ul>
	Active Value	Reactive Value

Note: Kim, Y.K. (2002). Consumer value: an application to mall and Internet shopping. *International Journal of Retail & Distribution*, 30(12), 595-602

### In-store Shopping Experiences

Terblanche and Boshoff (2004) operationalize the concept of an in-store shopping experience as all merchandise, service, and in-store factors falling within the managerial control of retail managers and contributing to the customer's assessment of the shopping experience. They (2004) argue that the in-store shopping experience is a multi-dimensional construct and propose five key dimensions, including personal interaction, merchandise value, internal store environment, merchandise variety and assortment, and complaint handling. The in-store (IS) shopping experience is in fact the consumer's interaction with a store's physical surroundings, personnel, and customer-related policies and practices (Kerin & Jain, 1992). Enhancing the in-store shopping experience, which is central to creating value perceptions in retailing, will provide retailers with opportunities to find new avenues for achieving and sustaining competitive advantage.

Table 2.12 presents the major studies that have addressed CPV dimensions in a shopping context. In this context, researchers have focused on different stages of shopping, including in-store shopping experiences (Terblanche & Boshoff, 2004), the shopping process (Mathwick, et al., 2001), and the outcome of the shopping trip (Babin, et al., 1994).

### **Chapter Summary**

The goal of this research has been to clarify the associations found among retail environments (mass merchandisers and department stores), shopping orientation (recreational or functional shoppers), and CPV. This chapter started with the paradigmatic perspectives that have influenced our perception of consumption and how

Table 2.12: Consumer Perceived Value in the Shopping Context

<i>Author</i>	<i>Dimensions</i>	<i>Note</i>
Babin, Darden, and Griffin (1994)	Two dimensions: 1. Hedonic 2. Utilitarian	<ul style="list-style-type: none"> <li>• Shopping value</li> <li>• Value as the outcome of consumption activity</li> </ul>
Mathwick, Malhotra, and Rigdon (2001)	Four dimensions: 1. Esthetics Visual appeal Entertainment 2. Playfulness Escapism Enjoyment 3. Service excellence 4. Customer ROI Efficiency Economic value	<ul style="list-style-type: none"> <li>• Experiential value of catalog and Internet shopping</li> <li>• Based on Holbrook's value typology</li> </ul>
Terblanche and Boshoff (2004)	Five dimensions: 1. Merchandise value 2. Internal store environment 3. Personal interaction 4. Merchandise variety 5. Complaint handling	<ul style="list-style-type: none"> <li>• In-store shopping experience</li> </ul>

those perspectives have changed and broadened over time. A holistic consumer behavior model was developed and presented to clarify the role of shopping and the marketplace in general consumer experiences. The model emphasized that a key change in thinking about consumer behavior has been conceptualizing purchase as only one intermediary outcome and consumer perceived value as both an intermediate and ultimate goal of the consumption experience. To provide further background for the development of the study's research questions and hypotheses, the CPV and shopping experience literature were then reviewed in depth and the research findings presented.

## **CHAPTER III**

### **RESEARCH METHODOLOGY**

Chapter III presents the following six sections: (1) Introduction; (2) Preliminary Qualitative Research; (3) Hypothesis Development; (4) Survey Sample; (5) Survey Data Collection Procedure; (6) Instrument Development; and (7) Data Analysis.

#### **Introduction**

As previously noted, today's marketplace offers consumers a broad range of choices in the retail outlets available to them. When consumers enter the marketplace, the natural interface is the shopping experience, and the shopping experience has become a central element of consumers' lives (Firat & Dholakis, 1998). In response, many retailers strategize how they can turn shopping into a high-value pursuit that will generate consumer value and lead to competitive advantage (Woodruff, 1999). Although the literature clearly suggests that value is important to the consumer in the marketplace, recent research indicates that the reality and nature of consumer value are far more complex than previously thought. Specifically, the purpose of this research is to explore and understand better how consumers perceive the value of their shopping experiences in two key retail outlets—mass merchandisers and department stores—as well as how shopping orientations, either a recreational or a functional economic approach, relate to consumer perceived value (CPV).

### **Preliminary Qualitative Research**

A preliminary qualitative study was conducted to explore consumers' shopping orientations, their general attitudes toward retailers, and their shopping experiences at two different retail outlets. A qualitative approach was employed because it is particularly appropriate for exploratory research such as this study (Ruyter & Scholl, 1998). The in-depth interview technique was chosen as the primary data collection tool, because it focuses on informants' expressions of their own experiences and fits well with the desire to understand consumers' shopping experiences and what they value (Denzin & Lincoln, 1994). It should be noted that conducting an initial qualitative study was viewed as a necessary step to ensure rigor in this study due to the scarcity of extant studies relating values, CPV, and shopping orientation. See Appendix A for interview schedule.

Initial data collection was done during January 2006 in Greensboro, North Carolina. Open-ended interviews with sixteen informants (thirteen females and three males) 20 to 55 years of age were conducted to explore their shopping experiences in two different retail environments, mass merchandisers and department stores. Informants' occupations were wide ranging and included students, professionals such as engineers and office personnel, as well as homemakers—a diverse consumer base such as that expected to be shopping in mass merchandisers and department stores. Questions were designed to solicit information from the informants about what they valued from their shopping experiences in these two different retail environments. All interviews were audiotaped with the permission of the informants and later transcribed for analysis and interpretation.

The interview transcriptions of the informants' shopping experiences and their perceived value outcomes as expressed in those interviews were analyzed based on the analysis process suggested by Spiggle (1994). For the presentation of an analysis of the informants' interview transcripts see Appendix B.

As presented in Chapter II, motivation is spurred by unfilled needs (Schiffman & Kanuk, 2004) and leads to actions that will, in turn, satisfy those needs. The same action can be initiated by different needs and motivations. Given the different motivations caused by unfilled needs, the values that consumers feel they gain vary. However, once the need is fulfilled the consumer perceives some type and level of value. Figure 3.1 presents the need-motivation-fulfillment-value relationships that emerged from the qualitative data.

Figure 3.1: Steps in the Process of Preliminary Data Analysis—Interpretation



The preliminary data clearly indicated that there were similarities and differences in the value perceptions of the informants when they reflected on their shopping experiences

in mass merchandisers and department stores. The findings of the qualitative research helped identify the key values, out of the over 20 value dimensions discussed in the literature, that were most relevant to this study (see Table 3.1).

Table 3.1: Recurring Topical Patterns from the Qualitative Study, Associated Values from the Literature, and Retail Outlet Type

<i>Recurring Topical Patterns in Interviews</i>	<i>Associated Value Category</i>	<i>Shopping at Mass Merchandisers</i>	<i>Shopping at Department Stores</i>
<ul style="list-style-type: none"> <li>• Cross shopping</li> </ul>	N/A	Agreed upon	Agreed upon
<ul style="list-style-type: none"> <li>• Low prices</li> <li>• Convenience</li> <li>• Product Selection</li> <li>• Quality</li> <li>• Bargain Hunting</li> </ul>	Exchange Value	Very important: <ul style="list-style-type: none"> <li>• Acquisition value, emphasized price</li> <li>• Choice value: large variety and broad range</li> <li>• Efficiency</li> </ul>	Very important: <ul style="list-style-type: none"> <li>• Acquisition value: emphasized quality</li> <li>• Choice value: deeper selection within category</li> <li>• Transaction value: bargain hunting</li> </ul>
<ul style="list-style-type: none"> <li>• Product Information</li> <li>• Trend Shopping</li> </ul>	Cognition Value	Important: <ul style="list-style-type: none"> <li>• Information</li> </ul>	Important: <ul style="list-style-type: none"> <li>• Information</li> <li>• Curiosity value: idea shopping</li> </ul>
<ul style="list-style-type: none"> <li>• Marketplace Stimulation</li> </ul>	Sensory Value	Less important: <ul style="list-style-type: none"> <li>• Basic sensory stimulation (barely indicated)</li> </ul>	Less important: <ul style="list-style-type: none"> <li>• Basic sensory stimulation (barely indicated)</li> </ul>
<ul style="list-style-type: none"> <li>• Spending Time With Others</li> <li>• Gift Shopping</li> <li>• Social Status</li> </ul>	Social Value	Not important <ul style="list-style-type: none"> <li>• Social interaction (barely indicated)</li> </ul>	Important <ul style="list-style-type: none"> <li>• Social interaction (barely indicated)</li> <li>• Social obligation: gift shopping</li> </ul>
<ul style="list-style-type: none"> <li>• Recreation</li> </ul>	Personal Value	Not indicated at all	Important: <ul style="list-style-type: none"> <li>• Self-gratification</li> </ul>

## **Hypothesis Development**

Based on the qualitative analysis and the findings from an extensive review of the literature, hypotheses for the study were developed. A review of the large extant body of literature on consumer perceived value and shopping identified approximately twenty motivations for shopping (Arnold & Reynolds, 2003; Buttle & Coates, 1984; Cox, Cox, & Anderson, 2005; Tauber, 1972; Westbrook & Black, 1985; Pooler, 2003) and about twenty different values associated with general consumption behavior and shopping behavior (Babin et al., 1994; Dodds et al., 1991; Grewal, 1998; Kantamneni & Coulson, 1996; Parasuraman & Grewal, 2000; Mathwick et al., 2001; Sheth et al., 1991; Terblanche & Boshoff, 2004; Zeithaml, 1988). Five value categories, exchange value, cognition value, sensory value, social value, and personal value—those linked to the recurring topical patterns from the qualitative analysis—formed the basis for hypothesis development and subsequent quantitative analysis in the study (see Tables 3.2 and 3.3 for a means-end explanation of the values investigated, as well as definitions from the literature).

Value, however, is not a static concept. It should be noted that the key types of value recognized by today's consumers may be different from those that consumers focused on ten to fifteen years ago. Beginning in the early 1990s, consumers' attitudes toward shopping began to undergo a fundamental shift (*Standard & Poor's Industry Surveys*, 2005). Today's consumers are increasingly busy and have less time for shopping (Wakefield & Baker, 1998). They are more concerned with buying precisely what they need as quickly as possible, rather than spending hours browsing given the

Table 3.2: Consumer Perceived Value in Shopping

<i>Needs</i>	<i>Motivation</i>	<i>Value</i>	<i>U/H</i>	<i>Reference from Value Literature</i>
Exchange Needs	To fulfill the exchange needs <ul style="list-style-type: none"> <li>• Bargain hunting</li> <li>• Negotiation</li> <li>• To compare alternatives</li> <li>• Choice optimization</li> <li>• Have job done</li> <li>• ...</li> </ul>	Exchange value		
		• Acquisition value	U	Dodds, et al. (1991); Zeithaml (1988)
		• Transaction value	H	Dodds, et al. (1991); Grewal, et al. (1998)
		• Choice	U	Terblanche & Boshoff (2004)
Sensory Needs	To fulfill the sensory needs <ul style="list-style-type: none"> <li>• Sensory stimulation</li> <li>• Physical activity</li> <li>• ...</li> </ul>	Sensory value		
		• Basic stimulations (five senses)	U	Mathwick, et al.(2001)
		• Kinesthetic	H/U	
		• Esthetic	H	Holbrook (1996); Terblanche & Boshoff (2004)
Exploration Needs	To fulfill the exploration needs <ul style="list-style-type: none"> <li>• Idea shopping</li> <li>• Browsing</li> <li>• Learning about new trends, fashions, and innovations</li> <li>• ...</li> </ul>	Cognitive value		
		• Basic mental stimulation	H	
		• Information	U	
		• Curiosity/ exploration	U/H	Sheth, et al. (1991)
Social Needs	To fulfill a variety of social needs and wants <ul style="list-style-type: none"> <li>• Role playing</li> <li>• Socialization with friends and family...</li> <li>• Obtaining status</li> <li>• ...</li> </ul>	Social value		
		• Social obligations	U	
		• Social interaction	H	Mathwick, et al.(2001); Terblanche & Boshoff (2004)
		• Social status	U/H	
Personal Needs	To fulfill a variety of self/personal needs <ul style="list-style-type: none"> <li>• Self-gratification</li> <li>• ...</li> </ul>	Personal Value		
		• Self-gratification	U/H	
		• Self-expression	H	

Note: U refers to Utilitarian, and H refers to Hedonic

Table 3.3: CPV Dimensions and Definitions from the Literature

<i>Value Dimension</i>	<i>Sub-dimensions</i>	<i>Definitions</i>
Exchange Value	Acquisition Value	The perceived net gains accrued when products or services are acquired. It is the trade-off between benefits and sacrifices (Grewal, et al., 1998).
	Transaction Value	The perception of psychological satisfaction or pleasure gained from getting a “deal” (Grewal, et al., 1998).
	Efficiency Value	How efficiently and effectively the shopping task is completed.
	Choice Value	The availability of the assortment from which consumers can select products and services.
Sensory Value	Basic Sensory Stimulation	The stimulation of sound, scent, sight, touch, and taste.
	Kinesthetic Value	Physical exercises.
	Esthetic Value	The visual appeal that is driven by the design, physical attractiveness, and beauty inherent in the retail setting (Holbrook, 1994)
Cognitive Value	Basic Mental Stimulation Value	Mental diversions from the daily routine.
	Information Value	The gathering of necessary information for planned purchase decisions and/or later buying behavior (Tauber, 1972; Westbrook & Black, 1985).
	Curiosity Value	Consumers’ browsing to obtain information as an end in itself, having fun and positive experiences along the way (Cox et al., 2005).
Social Value	Social Obligation Value	Content-specific, depending on the particular obligation that consumers need to fulfill.
	Social Interaction Value	Consumers’ interaction with friends, family, salespeople, as well as other consumers during shopping.
	Social Status Value	Consumers’ feeling of being socially accepted and approved by shopping at certain retail outlets and stores.
Personal Value	Self-gratification Value	The improvement of personal well-being, including the satisfaction of stress relief, the alleviation of negative mood, the elimination of loneliness, and giving oneself a special “treat” (Arnold & Reynolds, 2003; Tauber, 1972;).
	Self-expression Value	Content-specific, including expression of personal values, personality, opinions, and others.

time limitations they operate under. This “precision shopping” has substituted to a degree for shopping as a recreational activity as experienced by many consumers in the 1980s (*Standard & Poor’s Industry Surveys*, 2005). On the other hand, consumers in the 1980s emphasized buying higher priced “status” goods, while consumers today often emphasize “value,” which often means low prices.

When consumers choose among stores, they try to maximize the benefits they receive from shopping (Brown & Fisk, 1965). The economic and time pressures of today’s marketplace have made cross-shopping common for consumers looking for the best value. Crask and Reynolds (1978) found that heavy department store shoppers are also likely to be heavy discount store shoppers. The question, then, is what are the types of value sought and where can these types of value best be satisfied when considering retail outlet choices?

### ***Exchange Hypotheses***

The first set of needs identified in the literature that motivates shopping is exchange needs, which include the need to buy the right product at a good price, to gain the enjoyment of a good buy, to fulfill the task in an efficient way, and to have a range of choices which can make the exchange easier or more satisfying. These needs lead to a variety of shopping motivations including alternative product comparisons (Buttle & Coates, 1984), choice optimization (Westbrook & Black, 1985), value shopping (Arnold & Reynolds, 2003), and bargain hunting (Cox et al., 2005; Pooler, 2003). The fulfillment of exchange needs leads to exchange value, which includes acquisition value, transaction value, efficiency value, and choice value, as suggested by the literature (Dodds et al.,

1991; Grewal et al., 1998; Holbrook, 1996; Jones, 1999; Terblanche & Boshoff, 2004), all of which are relevant to the question of retail outlet value outcomes. To fulfill exchange needs, consumers may carefully compare products and prices and search for the right product to fit their demands (Westbrook & Black, 1985). At the same time, consumers try to shop efficiently. Under this circumstance, the product quality, price, availability, as well as shopping efficiency, are important for consumers, especially for today's time-starved consumers (Pine & Gilmore, 1999).

Following Dodds and colleagues (1991) and Grewal and colleagues (1998), acquisition value refers to the perceived net gains accrued when products or services are acquired. Acquisition value is defined by many researchers as the trade-off between benefits and sacrifices, that is, "what you get for what you give,"—most often expressed as the price-quality tradeoff in the literature. Mass merchandisers have come to dominate much of retailing and have engaged in intense price competition (Mammarella, 1997), selling merchandise at prices lower than traditional department and specialty stores due to lower sourcing, distribution, and operating costs. When considering different retail outlets, the top two reasons cited for consumers shopping at mass merchandisers are low prices and a wide assortment of merchandise (Brennan & Lundsten, 2000). In a study of different retail outlets through men's fashion apparel, King and Ring (1980) found that mass merchandisers' dominant strength is "lower price" which is followed by "best value for the money." Lumpkin and Burnett (1991-92) found that discount store shoppers are very concerned with prices. Mass merchandiser shoppers are likely to be "economic" shoppers (Mason & Bearden, 1978), shopping around for the best deal (Dardis & Sandler,

1971; Mason & Bearden, 1978). However, lower price does not necessarily equal good value. According to a survey in *Consumer Digest* on apparel shopping, mass merchandisers were mentioned least often for having excellent clothing quality (*Consumer Report*, 1998). But overall, consumers are satisfied with the quality of products provided by mass merchandisers, given the price they pay. Supporting this, Grace and O’Cass (2005) found that the effect of perceived value for money on re-patronage intentions and customer satisfaction is stronger for mass merchandiser patrons than for department store patrons.

Department stores have high markup and price points. Compared with mass merchandisers, shopping at department stores are much more expensive. It seems that consumers patronizing department stores are not influenced by economic concerns to the same degree as consumers patronizing mass merchandisers. Although King and Ring (1980) found that in the fashion market the most important reason for consumers shopping at department stores was the “best value for the money,” department store shoppers have been found to be less price-conscious, with a low interest in economic appeal (Lumpkin & Burnett, 1991-92). Therefore, based on the literature reviewed, it is hypothesized that:

H1a: Acquisition value is perceived to be higher when consumers shop at mass merchandisers than when they shop at department stores.

Transaction value is defined as the perception of psychological satisfaction or pleasure gained from getting a “deal” (Grewal, et al., 1998). Transaction value is dominant in bargain hunting which provides consumers excitement and exhilaration, as well as a sense of accomplishment, pride and affirmation of intelligence (Pooler, 2003;

Schindler, 1989). The consumer gains pleasure from beating the system in bargain hunting (Morris, 1987). Although mass merchandisers offer everyday low prices (EDLP), they do not have a monopoly on offering outstanding buys. When consumers shop at mass merchandisers, especially those using EDLP strategies, they tend to believe that everything is low priced, and they do not need to worry about getting a specific deal or an item on sale (Stone, 1995). Consumers' expectations of bargains equal good merchandise at low prices when they shop at mass merchandisers. Department stores, however, have stressed the affluent and fashion-conscious market segment with branded merchandise at higher price levels. Consequently, department stores have the image and expectations of higher quality merchandise. Department stores provide opportunities for consumers to find what would be considered bargains through the process of offering seasonal markdowns, end-of-year sales, or other price discounting. When consumers shopping at a department store buy a designer brand item at a mass merchandiser price, they feel they have gotten a real "bargain." Because consumers have different expectations and definitions of a good deal and a bargain, the level of excitement and exhilaration that consumers gain when they shop at department stores and mass merchandisers may be different. Grace and O'Cass (2005) found the effect of consumption emotions and feelings on re-patronage intentions is stronger for department store patrons than for mass merchandiser patrons. So, the excitement and satisfaction that consumers gain when finding bargains in the department stores is more likely to lead to re-patronage. Thus, it is hypothesized that:

H1b: Transaction value is perceived to be higher when consumers shop at department stores than when they shop at mass merchandisers.

Efficiency value refers to how efficiently and effectively the shopping task is completed. Holbrook (1996) argues that efficiency is an important dimension of perceived consumer value. Babin and colleagues (1994) also argue that task accomplishment is a basic value of shopping. For many shoppers, the goal of shopping is convenience, which includes getting in and out of the store quickly and finding merchandise easily (Parasuraman, Grewal, & Voss, 2002). This appears to be especially true for functional shoppers who often prefer to minimize the time required to accomplish a shopping task (Bellenger & Korgaonkar, 1980). Layout is one store dimension that may influence consumers' expectations of efficient movement through a store (Titus & Everett, 1995). Based on retailer's layout strategies, mass merchandisers and department stores vary significantly in their approach. Mass merchandisers present their stores as functional environments, suggesting that consumers may get what they need quickly in a highly accessible setting, even using shopping carts to manage the merchandise selected. In this store environment, much of the merchandise is pre-packaged and offered via self-service. The front-end central checkout format is intended to provide more convenience for consumers. The stores are usually in a single floor building, which also facilitates consumers moving around the store.

Department stores, on the other hand, are designed to encourage browsing and greater interaction with store personnel. In department stores, merchandise is generally displayed in separate departments that have their own specialized personnel and their own department checkout. Many department stores also have in-store shops or boutiques

of designers and major brands. The in-store shops create a specialty store “feel” within the department store environment (Abend, 1998), emphasizing the shopping experience through attractive store décor and interesting merchandise display. Department stores also have tasteful music and pleasant scents, especially around the cosmetic department. This in-store atmosphere is more likely to encourage consumers to browse.

The large assortment of product categories that mass merchandisers carry satisfies consumers’ one-stop shopping needs, which is very important for today’s time-constrained consumers. One-stop shopping convenience is an important appeal that mass merchandisers have for consumers (Dogdg & Summer, 1969). The every day low pricing (EDLP) strategy of mass merchandisers also attracts consumers into doing a majority of their shopping there. The literature suggests that consumers with larger shopping lists prefer EDLP stores (Inman, Shankar, & Ferraro, 2004). Based on the literature reviewed it is hypothesized that:

H1c: Efficiency value is perceived to be higher when consumers shop at mass merchandisers than when they shop at department stores.

Of the four types of exchange value, *choice value* refers to availability or the assortment from which consumers can select products and services. Jones (1999) suggests merchandise selection is one of the four retail factors that most affect consumers’ shopping experiences. Similarly, Terblanche and Boshoff (2004) identify merchandise variety and assortment as one of the five key dimensions of in-store shopping experiences. Choice offers consumers a sense of achievement and mastery of their shopping environment. Department stores are large-scale operations that carry broad assortments of goods while offering depth in many product categories and a wide

variety of services (Poloian, 2003). King and Ring (1980) found that in the men's fashion market, the "largest overall assortment/section" is one of the most important reasons consumers select department stores as a place to shop. However, department stores have actually narrowed their assortments. Where at one time, "full-line" department stores were the norm, including among their assortment furniture, appliances, and beauty salons, today's norm is the "junior" department store that focuses on apparel, and accessories, cosmetics, as well as very reduced home departments (Poloian, 2003). Conversely, at the same time that department stores have narrowed their assortments, mass merchandisers have expanded theirs into automotive and electronic appliances, as well as other categories such as food and gardening. Some "junior" department stores found that they lost consumers who valued one-stop shopping (Poloian, 2003). Messiger and Narasimhan (1997) argue that large assortments become more important as time costs increase, and consumers seeking time-saving convenience have contributed to the growth in the one-stop shopping retail format. Mass merchandisers are convenient for consumers because of the one-stop option, although in some categories, their selections are likely to be limited (*Consumer Reports*, 1998). Inman and colleagues (2004) found that consumers perceive mass merchandisers as the closest channel for categories such as automotive, beauty care, cleaning products, gifts, miscellaneous household items and paper goods, all of which emphasize price and selection. The literature suggests that those mass merchandisers offering broad assortments will become more important for today's time-pressured consumers. Thus, it is hypothesized that:

H1d: Choice value is perceived to be higher when consumers shop at mass merchandisers than when they shop at department stores.

### *Sensory Hypothesis*

The second set of needs identified that motivates shopping is sensory needs, which include the needs for sensory stimulation (Tauber, 1972; Westbrook & Black, 1985), physical exercise (Buttle & Coates; 1984, Cox et al., 2005; Tauber, 1972), and esthetic expression or enjoyment (Holbrook, 1986). The fulfillment of sensory needs leads to sensory value, including basic stimulation value, kinesthetic value, and esthetic value. Basic stimulation refers to the stimulation of sound, scent, sight, touch, and taste. Some consumers go shopping because they like to watch other people, see the decorations and advertising inside the store, and enjoy the overall shopping atmosphere, including pleasant scents and background music. Pleasant sounds and scent can make shopping very enjoyable, while noise and unpleasant odors can destroy consumers' shopping moods. For some shopping, especially clothing shopping, most consumers like to touch and feel the product, because of the close proximity the product will have to the body. "Getting out of the house" and "cabin fever" are expressions of the need for sensory stimulation (Lehoten & Maenpaa, 1997). Some research indicates that consumers enjoy shopping primarily as kinesthetic experiences. During shopping, consumers walk around the stores and shopping malls, in essence exercising. The kinesthetic experience might be more important for consumers who have less opportunity to be physically active (Cox et al., 2005). Esthetics refers to visual appeal that is driven by the design, physical attractiveness, and beauty inherent in the retail setting (Holbrook, 1994). Esthetic enjoyment has long been identified as a major shopping motivation (Westbrook & Black, 1985; Cox et al., 2005; Tauber, 1972) and a source of store shopping pleasure. The

shopping environment can stimulate excitement and pleasure (Wakefield & Baker, 1998), and its gestalt can influence a consumer's decision to shop in a specific store (Tauber, 1972).

Of the three sensory values, esthetic value is especially relevant to a comparison between consumers' shopping experiences in both department stores and mass merchandisers. Consumers can gain basic stimulation no matter which kind of retail outlet they patronize because of the natural characteristics of their sensory organs and the complex nature of the retail environment. Likewise, large retailers in general meet consumers' kinesthetic needs. For example, both mass merchandisers and department stores tend to occupy large buildings, which provide consumers a large space for moving around. But consumers may gain differently in esthetic value when they shop at department stores and mass merchandisers because of the different merchandise and operating strategies of these retailers. Department stores are called the showplaces of retailing (Poloian, 2003). Especially toward the end of the 19<sup>th</sup> and the beginning of the 20<sup>th</sup> century, many department stores became luxurious, purposely-built fantasy palaces (Nava, 1996) which provided a range of entertainment including musical, visual, theatrical and oriental aspects. Mass merchandisers, however, in order to drive down prices, reduced their expenses for in-store decoration and promotions (*New Direction*, 1984). Lighting in mass merchandisers tends to be bold rather than subtle; materials are more utilitarian than esthetic; floor plans are more structured in appearance; and every possible square foot is taken up with merchandise (Poloian, 2003). Although as the format has evolved, mass merchandisers have placed emphasis on providing a large,

clean, and attractive store environment during the 1990s (Kim & Chen-Yu, 2005), they still have less in-store decoration and less interesting merchandise layout, as well as less exciting promotional exhibits, than department stores. Thus, it is hypothesized that:

H2: Esthetic value is perceived to be higher when consumers shop at department stores than when they shop at mass merchandisers.

### ***Cognition Hypothesis***

The third set of needs identified that motivates shopping is exploration needs. The shopping motivations associated with exploration needs may include idea shopping (Arnold & Reynolds, 2003), browsing (Cox et al., 2005), and learning about new trends, fashions, and innovations (Tauber, 1972). The fulfillment of exploration needs leads to cognitive value, which based on the literature has three sub-dimensions: basic mental stimulation value, information value, and curiosity value. The basic mental stimulation value is important for consumers who look for mental diversions from the daily routine. Elements such as store advertising, product display, product information, as well as talking to salespeople and other shoppers can provide basic mental stimulation value, especially for those who live alone or have limited social interaction. Information value refers to consumers' gathering of necessary information for planned purchase decisions and/or later buying behavior (Tauber, 1972; Westbrook & Black, 1985). Curiosity value refers to consumers' browsing to obtain information as an end in itself, having fun and positive experiences along the way (Bloch, Ridgway, & Ridgway, 1986; Cox et al., 2005). Consumers want to know what is going on around them and shopping can satisfy their curiosity about the marketplace relative to what is new in fashions and trends, what is available, and what is interesting.

As gaining basic sensory stimulation value, consumers can gain basic mental stimulation value no matter where they go shopping because of the general characteristics and environment of marketplaces. That is, with abundant stimuli from merchandise, the shopping environment, and social interactions, every retailer offers basic mental stimulation value to consumers. The gaining of information value is content-specific, depending on the specific product brand and product category for which the consumer is searching. Department stores and mass merchandisers differ in the merchandise categories and brands they carry. Department stores emphasize soft lines including apparel and accessories, cosmetics, as well as limited home departments, and mass merchandisers carry both soft lines and hard lines. So, there is no preferential pattern as far as where consumers gain specific information value. Of the three sub-dimensions of cognition value, curiosity value is most relevant to a comparison between consumers' shopping experiences in department stores and mass merchandisers.

Fashion has become a pervasive phenomenon of today's American culture (Eckman & Wagner, 1995). Fashion affects the design and consumption of many products, especially apparel. Fashion keeps changing because consumers keep changing and wanting something new. The fast change of fashion trends leads consumers to keep looking for new trends, styles, and merchandise. Relative to fashion, department stores and mass merchandisers have different orientations. Department stores have a stronger fashion orientation, because department stores carry a higher percentage of fashion merchandise, emphasize clothing and accessory trends, change inventory seasonally, and routinely change décor as well as merchandise assortment. Department stores exhibit

higher levels of competitiveness than mass merchandisers in the apparel product category (Morganosky, 1997). King and Ring (1980) found that department store shoppers were more involved in fashion than discount/mass merchandiser shoppers in the men's apparel market. Crask and Reynolds (1978) found a strong fashion emphasis among frequent department store shoppers. Hirschman (1979) also found that fashion-conscious consumers tended to shop more in department stores than discount stores. When consumers go to a store for ideas, they value the services provided, a wide assortment of products, new products and trends, as well as elegant interior design (Kenhove, Wulf, & Waterschoot, 1999). That implies that consumers are more likely to look for new fashion and trends in department stores than in mass merchandisers. Based on the literature reviewed, it is hypothesized that:

H3: Curiosity value is perceived is higher when consumers shop at department stores than when they shop at mass merchandisers.

### ***Social Hypotheses***

The fourth set of needs identified that motivates shopping is social needs. A wide range of social needs exists, which includes the need to fulfill social obligations such as role playing (Tauber, 1972), to have social contact with others (Arnold & Reynolds, 2003; Buttle & Coates, 1984; Tauber, 1972), and to obtain social status (Cox et al. 2005; Tauber, 1972). The fulfillment of consumers' social needs leads to different kinds of social value, including social obligation value, social interaction value, and social status value. Social obligation for shoppers may include expectations that society has for certain kinds of roles such as housewife or mother. It may also include such obligation as buying new clothing for attending a special social event and finding the perfect gift for

others (Arnold & Reynolds, 2003). The gaining of social obligation value is content-specific, depending on the particular obligation that consumers need to fulfill.

Consumers go to different retail stores to fulfill different obligations, making an aggregate comparison of shopping at department stores and mass merchandisers problematic. Social interaction value and social status value, however, are relevant when comparing consumers' shopping experiences when they shop at department stores and mass merchandisers.

Shopping is social (Pooler, 2003). It is an important way for some consumers to gain social interaction and to enjoy social relationships with others. Shoppers desire social interaction outside the home and like to communicate with others having similar interests, to affiliate with reference groups, and to talk to salespeople as well as other consumers (Tauber, 1972; Westbrook and Black, 1985). Consumers go shopping because they enjoy shopping with friends and family, socializing while shopping, bonding with others while shopping, and treating shopping as a social event (Arnold & Reynolds, 2003). Furthermore, some consumers shop with others for emotional support or for access to expertise (Pooler, 2003). So, social interaction may be a key shopping value for today's consumers. Crask and Reynolds (1978) found that compared with non-patrons, frequent department store patrons were younger, better educated, had higher income, were much more active (for example, in travel and sports), and entertained frequently. Hirschman (1979) found that department store shoppers tended to be single, or if married, without dependent children. Similarly, Cassill and Williamson (1994) found that department store shoppers have smaller households and are more likely to be

single, while mass merchandiser shoppers have larger households and are more likely to be married. According to Inman and colleagues (2004), mass merchandisers attract less affluent, more rural households that tend to be younger and have children. These studies imply that mass merchandiser shoppers are more likely to be less affluent with responsibilities to large families. Lower- and middle-income consumers who frequent mass merchandisers may be more likely to treat shopping as a family outing because of the resource limitations that impact babysitting and participation in other social, as well as entertainment events. Consumers who frequent department stores may enjoy other social and entertainment events, and may be less likely to seek social interactions while shopping. Thus, based on the literature reviewed, it is hypothesized:

H4a: Social interaction value is perceived to be higher when consumers shop at mass merchandisers than they shop at department stores.

Social class refers to a group of people who share commonality in such social characteristics as prestige, education, occupation, social skills, status aspirations, community participation, family history, recreational habits, and physical appearance (Coleman, 1983). It is very important for consumers to feel that they belong to certain social groups and they that have certain kinds of social status. The desire to gain status or social prestige from the acquisition and consumption of goods is an important motivation behind consumer behavior (Goldsmith et al., 1996). Consumers can gain social value through conspicuous consumption activities such as what products are bought and where they are bought (Veblen, 1934). People in different social classes differ not only in terms of the products they buy, but also in terms of the types of stores they frequent (Inman, et al., 2004). Martineau (1958) found that the social status of a store often becomes the

primary basis for its definition by the shopper. Shoppers go to where they “fit in” for shopping (Martineau, 1958). The social status of a retail store can be demonstrated by factors such as location, store building and decoration, as well as the merchandise carried. If the store image is consistent with the consumers’ perceived image of the store, consumers will patronize the store (Engel, 1995). Department stores emphasize fashion goods and luxury items, making the store’s prestige more important (Hirschman, 1978). Studies have confirmed that department store patrons primarily come from upper income group (Rich & Jain, 1968; Hirschman, 1980), while discount stores tend to attract lower income consumers (Rich & Jain, 1968). This pattern is more distinctive for purchases such as furniture or clothing (Schaninger, 1981) which are high visible and incorporate the extended self, leading to higher social risk (Prasad, 1975). Similarly, Cassill and Williamson (1994) found that department store shoppers were more likely to be employed in professional positions (e.g., middle management) and mass merchandiser shoppers were more likely to be either housewives or blue-collar (e.g., factory) workers. Dawson, Stern, and Gillpatrick (1990) found that upper and middle class consumers shop more frequently at department stores than working and lower income consumers. However, there does not appear to be significant social class differences among patrons of mass merchandisers. Thus, based on the literature reviewed, it is hypothesized that:

H4b: Social status value will be perceived is higher when consumers shop at department stores than when they shop at mass merchandisers.

### ***Personal Hypothesis***

The fifth set of needs identified that motivates shopping is personal needs, which include needs for self-expression and the need to improve personal well-being (Arnold &

Reynolds, 2003; Tauber, 1972). The fulfillment of personal needs leads to two major kinds of personal value, self-expression value and self-gratification value. People define themselves to the rest of the world by the things they wear, the objects they use, and the things they do. Objectives such as art, clothing, jewelry, makeup, and hairstyles help the consumer to define the self. Some consumers treat shopping as a form of self-expression. Self-expression includes expression of personal values and lifestyle and is very dynamic. The format and content of self-expression changes with the consumers' life time experiences, circumstances, and lifestyles. Consumers can gain some self-expression value through the retail outlets they patronize and the products and services they consume. The content of self expression will in part determine the retailer that consumers patronize. However, self-expression appears to be primarily unique to the individual and not to the retail outlets. Thus it is not reasonable to compare self-expression value that consumers gain when they shop at department stores versus mass merchandisers.

Self-gratification value is more relevant to consumers shopping experiences when they shop at department stores and mass merchandisers. Self-gratification value refers to the improvement of personal well-being, including the satisfaction of stress relief, the alleviation of negative mood, the elimination of loneliness, and giving oneself a special "treat" (Arnold & Reynolds, 2003; Tauber, 1972). Babin and colleagues (1994) recognize shopping as a self-gratifying, escapist, and therapeutic activity, describing it as a "pick-me-up" and a "lift" when consumers feel depressed. Poor (2003) argues that modern shoppers like to buy things to reward themselves, to satisfy psychological needs, and to make themselves feel good. In this scenario, the consumer is shopping to engage

the mind, buying self-confidence, self-esteem, and a boost for the ego (Pooler, 2003). Consumers frequently patronize mass merchandisers for functional shopping, such as weekly grocery and household product shopping, with the goal of getting the job done efficiently. Although some consumers enjoy grocery and household shopping, a majority of consumers regard this kind of shopping as a chore and treat it as a task. Department stores attract consumers through fashionable merchandise, unique promotions and merchandise displays, as well as pleasant shopping environments including music, lighting, scents, and convenient store layout. The sensory stimulation, esthetic value, and mental stimulation value that consumers gain in the department shopping environment may better support the improvement of consumers' personal well-being. Machleit and Eroglu (2000) argue that, by design, department stores are more conducive to recreational shopping as opposed to task-oriented store settings such as supermarkets and discount stores. The department store atmosphere encourages browsing and enhances shopping experiences through recreational shopping, and self-gratification shopping is a very important aspect of recreational shopping. Consumers are more likely to go to malls and department stores for leisure and recreational shopping and to satisfy their self-gratification needs. Thus, based on the literature reviewed, it is hypothesized that:

H5: Self-gratification value will be perceived to be higher when consumers shop at department stores than when they shop at mass merchandisers.

### ***Shopping Orientation Hypotheses***

Shopping is a potentially enjoyable process which forms a component of leisure-time activity for many consumers (Groepel & Bloch, 1990). From the perspective of shopping orientation, consumers can be classified as either recreational shoppers or

functional shoppers (Bellenger, et al., 1977; Bellenger and Korgaonkar 1980).

Recreational shoppers are defined as consumers who enjoy shopping as a leisure-time activity and functional shoppers as consumers who dislike shopping or are neutral toward shopping (Bellenger & Korgaonkar, 1980). Two largest shopper groups that emerged in a shopper typology study by Boedeker (1995) are “new type” shoppers and “traditional” shoppers. New type shoppers are consumers who simultaneously value both the recreational and economic/convenience characteristics of a retail outlet, and traditional shoppers are consumers who desire much less recreational shopping experiences (Boedeker, 1995). The new type shopper is similar to the recreational shopper, while the traditional shopper is very similar to the functional shopper. The typical recreational shopper is more likely to be female, white collar, younger, high in self-confidence, and more of an opinion leader regarding shopping (Bush & Grant, 1995). The literature confirms that recreational shoppers prefer to shop at department stores rather than at discount stores (Bellenger & Korgaonkar 1980; Williams et al.1995). However, no study has investigated the similarity as well as difference in the value perceptions generated when recreational shoppers and functional shoppers patronize the same retail outlets. This piece of knowledge will be very important for retailers to understand their consumers better and cater to the needs of consumers with different shopping orientations.

The literature suggests different findings regarding recreational and functional shoppers’ attitudes towards prices and bargains. Bellenger and colleagues (1977) argue that functional female shoppers seemed to be cost-oriented and price-oriented. Boddeker (1995) argues that new shoppers who enjoy shopping are less sensitive to prices and not

likely to hunt for bargains, but traditional shoppers tend to compare prices and search for bargains. It should be mentioned that functional shoppers as defined by Bellenger and Korgaonkar (1980) are not necessarily interested in getting the best price and deal but simply dislike shopping as a leisure-time activity (Williams, et al., 1995). Williams and colleagues (1995) found recreational shoppers also like to look for sales, and they use coupons more than functional shoppers. This implies that recreational shoppers can also be cost-oriented. Acquisition value may be important for both recreational shoppers and functional shoppers, especially when consumers shop at mass merchandisers because of the low prices and convenience attraction provided by mass merchandisers. Both types of consumers go to mass merchandisers expecting high acquisition value. Thus, it is hypothesized that:

H6a: When consumers shop at mass merchandisers, acquisition value is not perceived to be different for recreational and functional shoppers.

Although acquisition may be important for both recreational and functional shoppers, functional shoppers may be more sensitive to the benefit of lower prices. Functional shoppers tend to compare prices (Boedeker, 1995). While this may not be an issue in the low price environment of a mass merchandiser, when shopping at department stores, functional shoppers may be more likely to compare the merchandise prices with those in mass merchandisers, thus perceiving a much higher price level. Recreational shoppers are less sensitive to prices in general, and do not perceive the price levels in the department stores to be too high (Boedeker 1995). Based on the fact that recreational shoppers are more likely to shop at department stores, it is may be safe to say that they are comfortable with the price ranges of merchandises there. On the other hand,

recreational shoppers attach more importance to high-quality merchandise in a pleasant atmosphere, that is, they emphasize quality and fashionability of merchandise (Bellenger & Korgaonkar, 1980; Williams, et al., 1993). Recreational shoppers are also more prone to purchase something they like regardless of their needs (Bellenger & Korgaonker, 1980). Based on the evaluation of price and quality ratio, recreational shoppers may be more likely to perceive a higher level of acquisition value when they shop at department stores than functional shoppers. Thus, it is hypothesized that:

H6b: When consumers shop at department stores, acquisition value is perceived to be higher for recreational shoppers than for functional shoppers.

Recreational and functional shoppers may all be attracted to mass merchandisers for the same benefit of low prices and convenience. Consumers may have the same expectation of the kind of deal they may get from mass merchandisers no matter whether they are functional- or recreational-oriented because of the EDLP strategy applied by many mass merchandisers. For example, mass merchandisers tend to carry a stable assortment of goods with little exciting variation, and the quality of many items is limited by the basic cost/price requirements. Thus, it is hypothesized that:

H7a: When consumers shop at mass merchandisers, transaction value is not perceived to be different for recreational and economic shoppers.

Boedeker (1995) found that traditional shoppers tend to hunt for bargains. Their bargain hunting may come from an economic perspective rather than a desire to have fun. Recreational shoppers, on the other hand, may enjoy shopping for bargain hunting itself, which is an important source of shopping pleasure (Cox et al., 2005; Pooler, 2003). The department store environment with its changing assortment and higher quality

merchandise, coupled with periodic sales, provides an excellent opportunity for bargains. Both functional and recreational shoppers would logically patronize department stores to find big sales that would lead to bargains; however, while both would derive satisfaction from a bargain, recreational shoppers may emotionally enjoy finding a bargain more than functional shoppers. Thus it is hypothesized that:

H7b: When consumers shop at department stores, transaction value is perceived to be higher for recreational shoppers than for economic shoppers.

Functional shoppers are more likely to emphasize getting the shopping job done quickly and efficiently (Boddeker, 1995). Thus, they look for convenience and may enjoy the one-stop shopping experiences provided by mass merchandisers with their larger assortments and selections of merchandise, as well as functional layout.

Recreational shoppers may value the convenience provided by mass merchandisers at the same time, especially when they know the mass merchandiser that they patronize carries specific products or product categories they need or a specific shopping trip to a mass merchandiser fits in their schedule. Thus, it is hypothesized that:

H8a: When consumers shop at mass merchandisers, efficiency is not perceived to be different for recreational and functional shoppers.

Because department stores have narrowed their assortments over the years, they no longer provide consumers with one-stop shopping convenience. However, department stores have focused on more fashionable and higher quality merchandise and provide more variety and brands within some categories. According to a *Consumer Digest* survey on apparel shopping, one-fifth of the shoppers at mass merchandisers considered the appeal selection of mass merchandisers to be poor (*Consumer Reports*, 1998). A

functional shopper may, like recreational shoppers, prefer to go to department stores to buy fashionable and higher quality shirts or sweaters, because it is easier to find the style and size that fit them. Recreational shoppers, on the other hand, seem to prefer things associated with higher prices such as national brands which can be more easily found in prestige department stores (Williams, 1985). So, shopping at department stores may be efficient for all consumers when it comes to certain product categories. Recreational shoppers may shop at department stores for a large variety of merchandise, and functional shoppers may shop at department stores for a narrower range of merchandise. But going to department stores is usually a special trip for consumers. Consumers often find themselves needing help in the store, but it can be hard to find a store personnel. Sometimes it is even hard to check out because of the lack of help. So, consumers may feel it is inefficient to shop at department stores no matter they are functional- or recreational-oriented. Thus, it is hypothesized that:

H8b: When consumers shop at department stores, efficiency is not perceived to be different for recreational and functional shoppers.

Mass merchandisers attract consumers because of the one-stop shopping convenience, which is very important for functional shoppers. Boddeker (1995) found that functional shoppers are more likely than recreational shoppers to hunt for a large variety of merchandise. Recreational shoppers, however, regard availability of high-quality merchandise to be more important (Bellenger & Korgaonkar, 1980). Compared with functional shoppers, recreational shoppers tend to spend more time on shopping even after making a purchase (Bellenger & Korgaonkar, 1980). A large variety of merchandise may not be critical for recreational shoppers (Boddeker, 1995). Functional

shoppers may perceive higher choice value when they shop at mass merchandisers than recreational shoppers. However, recreational shoppers may perceive it is easier to purchase the higher quality and fashionable merchandise they prefer in a number of product categories in department stores. Thus, it is hypothesized that:

H9a: When consumers shop at mass merchandisers, choice value is perceived to be higher for functional shoppers than for recreational shoppers.

H9b: When consumers shop at department stores, choice value is perceived to be higher for recreational shoppers than for functional shoppers.

Bellenger and Korgaonkar (1980) found in-store décor to be very importance for recreational shoppers to choose retail stores to patronize. They seek for shopping experiences in which esthetic enjoyment is an important component and prefer a good place to shop regardless of its distance (Boedeker, 1995). However, consumers go to different retail outlet to fulfill different shopping needs and motivations. Heavy department store shoppers are also likely to be heavy discount store shoppers (Crask & Reynolds, 1978). Consumers who do not like shopping may not pay too much attention to or emphasize the in-store décor, especially when they go shopping at mass merchandisers. They are very task-oriented, so functional rather than esthetic characteristics of a retail outlet may be more important (Boedeker, 1995). Recreational consumers may be more concerned with economic and convenience factors than esthetic factors when they shop at mass merchandisers. However, it may be different for consumers shopping at department stores. Because recreational shoppers emphasize in-store décor and their shopping experiences, they may be more sensitive to the shopping environment, including esthetic factors such as enjoyable store layout and merchandise

display. Functional shoppers, on the other hand, may be less sensitive to the shopping environment and have much lower level of need for esthetic enjoyment when shopping. So, recreational shoppers may more ready to enjoy esthetics than functional shoppers in department stores. Thus, it is hypothesized that:

H10a: When consumers shop at mass merchandisers, esthetic value is not perceived to be different for recreational and functional shoppers.

H10b: When consumers shop at department stores, esthetic value is perceived to be higher for recreational shoppers than for functional shoppers.

Recreational shoppers love shopping. However, they are less likely to have an idea of what they are going to buy when they go shopping, that is, they do less pre-planning (Bellenger & Korgaonker, 1980; Boedeker, 1995). They are more fashion-oriented, regarding fashionable clothing as very important and wearing the latest style of clothing (Boedeker, 1995; Williams, et al., 1995). They also like to try “new and different things” and seek variety and brands (Williams, et al., 1995). This implies that recreational shoppers are more likely to be engaged in browsing, which is another important source of shopping pleasure for them. As discussed, department stores have a higher fashion orientation than mass merchandisers. Recreational shoppers may shop at mass merchandisers for the convenience and economic reasons just as functional shoppers do, but recreational shoppers may not look for new trends and fashion style in mass merchandisers because they are more oriented on everyday staple goods. On the other hand, they are more likely to shop at department stores because of curiosity about new assortment and sale opportunities, thus gaining a higher level of curiosity value.

Functional shoppers, however, may be less likely to look for new trends and fashion no matter where they go shopping. Thus, it is hypothesized that:

H11a: When consumers shop at mass merchandisers, curiosity value is not perceived to be different for recreational and functional shoppers.

H11b: When consumer shop at department stores, curiosity value is perceived to be higher for recreational shoppers than for functional shoppers.

Recreational shoppers tend to be more sociable. They tend to spend more time with their family and friends and shop more often with others (Bellenger & Korgaonker, 1980; Boedeker, 1995; Williams, et al., 1995). They also like giving advice about shopping decisions such as where to shop and what brand or product to buy (Williams et al., 1995). So, they may be more likely to enjoy social interaction no matter where they go shopping. Functional shoppers may, however, may find shopping companions interfere with the shopping task at hand, especially when they have more explicit purchases in mind or have limited time (Prus, 1993). Thus, it is hypothesized that:

H12a: When consumers shop at mass merchandisers, social interaction value is perceived to be higher for recreational shoppers than for functional shoppers.

H12b: When consumers shop at department stores, social interaction value is perceived to be higher for recreational shoppers than for functional shoppers.

Recreational shoppers tend to be in high social/income classes (Gillette, 1970).

Relative to demographics, females and members of families with white-collar heads of household are more likely to be recreational shoppers than males or members of families with blue-collar heads of household (Bellenger & Korgaonker, 1980). However, Bellenger and colleagues argue that in the affluent female market segment, recreational shoppers had a somewhat lower annual household income than the sample average.

Some mass merchandisers are reaching out to more affluent shoppers with specific products and categories in addition to the traditional core of low- and middle-income consumers (Garbato, 2005). So, there does not appear to be significant social class differences among patrons of mass merchandisers (Dawson, et al., 1990). However, mass merchandisers have the store image of catering lower- and middle-income consumers with lower quality products and lack of designer goods. So, consumers may not gain much social status value. Thus, it is hypothesized that:

H13a: When consumers shop at mass merchandisers, social status value is not perceived to be different for recreational and functional shoppers.

Recreational shoppers, on the other hand, have greater tendencies than functional shoppers to go to prestige department stores (Bellenger & Korgaonker, 1980; Williams, et al., 1995). They enjoy the atmosphere and services associated with department stores, and obviously value services more than functional shoppers. Some researchers argue that consumers gain a certain kind of social status when they are served by the store personnel during shopping and regard it as an important shopping motivation and a source of shopping pleasure (Cox, et al., 2005; Tauber, 1972). Recreational shoppers may regard gaining social status as more important than functional shoppers who emphasize the efficiency, convenience and economic costs of shopping. Thus, it is hypothesized that:

H13b: When consumers shop at department stores, social status value is perceived to be higher for recreational shoppers than for functional shoppers.

The recreational shopper tends to be an active woman who is looking for a pleasant atmosphere with a large variety of high-quality merchandise (Bellenger & Korgaonkar, 1980). They love to shop and treat shopping as fun by itself. Recreational shoppers tend

to be less traditional, more innovative and more actively involved in information seeking (Bellenger & Korgaonkar, 1980). Because shopping is an important leisure-time activity, recreational shoppers are very likely to shop to improve their personal well being. They seek shopping experiences and attach more importance to store décor and the shopping environment. Functional shoppers, however, according to Bellenger and colleagues (1977) in the study of the affluent female market segment market, tend to be well-educated housewives who are interested in reading and cooking, but have relatively low interest in spectator sports and movies. Because functional shoppers dislike shopping as a leisure-time activity, it is less likely for them to engage in shopping when they need to lift up their spirits or eliminate negative moods. They may be more likely to engage in other activities such as reading and cooking to improve their personal well being. So, functional shoppers may seek economic and convenience benefits no matter where they go shopping, but recreational shoppers are more likely to engage in self-gratification shopping in department stores rather than in mass merchandisers, which are more likely to be patronized for functional shopping. Thus, it is hypothesized that:

H14a: When consumers shop at mass merchandisers, self-gratification value is not perceived to be different for recreational and functional shoppers.

H14b: When consumers shop at department stores, self-gratification value is perceived to be higher for recreational shoppers than for functional shoppers.

### ***Restatement of the Hypotheses***

#### Exchange Value Hypotheses

H1a: Acquisition value is perceived to be higher when consumers shop at mass merchandisers than when they shop at department stores.

H1b: Transaction value is perceived to be higher when consumers shop at department stores than when they shop at mass merchandisers.

H1c: Efficiency value is perceived to be higher when consumers shop at mass merchandisers than when they shop at department stores.

H1d: Choice value is perceived to be higher when consumers shop at mass merchandisers than when they shop at department stores.

#### Sensory Value Hypothesis

H2: Esthetic value is perceived to be higher when consumers shop at department stores than when they shop at mass merchandisers.

#### Cognition Value Hypothesis

H3: Curiosity value is perceived to be higher when consumers shop at department stores than when they shop at mass merchandisers.

#### Social Value Hypotheses

H4a: Social interaction value is perceived to be higher when consumers shop at mass merchandisers than they shop at department stores.

H4b: Social status value is perceived to be higher when consumers shop at department stores than when they shop at mass merchandisers.

#### Personal Value Hypothesis

H5: Self-gratification value is perceived to be higher when consumers shop at department stores than when they shop at mass merchandisers.

#### Shopping Orientation Hypotheses

H6a: When consumers shop at mass merchandisers, acquisition value is not perceived to be different for recreational and functional shoppers.

H6b: When consumers shop at department stores, acquisition value is perceived to be higher for recreational shoppers than for functional shoppers.

H7a: When consumers shop at mass merchandisers, transaction value is not perceived to be different for recreational and economic shoppers.

- H7b: When consumers shop at department stores, transaction value is perceived to be higher for recreational shoppers than for economic shoppers.
- H8a: When consumers shop at mass merchandisers, efficiency is not perceived to be different for recreational and functional shoppers.
- H8b: When consumers shop at department stores, efficiency is not perceived to be different for recreational and functional shoppers.
- H9a: When consumers shop at mass merchandisers, choice value is perceived to be higher for functional shoppers than for recreational shoppers.
- H9b: When consumers shop at department stores, choice value is perceived to be higher for recreational shoppers than for functional shoppers.
- H10a: When consumers shop at mass merchandisers, esthetic value is not perceived to be different for recreational and functional shoppers.
- H10b: When consumers shop at department stores, esthetic value is perceived to be higher for recreational shoppers than for functional shoppers.
- H11a: When consumers shop at mass merchandisers, curiosity value is not perceived to be different for recreational and functional shoppers.
- H11b: When consumer shop at department stores, curiosity value is perceived to be higher for recreational shoppers than for functional shoppers.
- H12a: When consumers shop at mass merchandisers, social interaction value is perceived to be higher for recreational shoppers than for functional shoppers.
- H12b: When consumers shop at department stores, social interaction value is perceived to be higher for recreational shoppers than for functional shoppers.
- H13a: When consumers shop at mass merchandisers, social status value is not perceived to be different for recreational and functional shoppers.
- H13b: When consumers shop at department stores, social status value is perceived to be higher for recreational shoppers than for functional shoppers.
- H14a: When consumers shop at mass merchandisers, self-gratification value is not perceived to be different for recreational and functional shoppers.
- H14b: When consumers shop at department stores, self-gratification value is perceived to be higher for recreational shoppers than for functional shoppers.

## **Survey Sample**

The shopping literature has focused strongly on female consumers, because shopping has been found to be a gendered activity due to female consumers doing the majority of the shopping for most households (Dholakia, 1999; Fram & Axelrod, 1990; South & Spitze, 1994). For example, Dholakia (1999) found that women assume primary responsibility for household grocery shopping, and they even share responsibility for shopping for men's clothing. Consequently, the population of interest selected for this study was female consumers over 18 years of age who have cross-shopped—have had shopping experiences at department stores such as Belk, Dillard's, and Hecht's and mass merchandisers such as K-Mart and Wal-Mart. The study sample included 408 females representing a variety of backgrounds. The majority of the study sample came from women who attended church in the Southeast of the United States. Every attempt was made to ensure that these women were diverse and representative of American consumers.

### ***Demographic Statistics for the Mass Merchandiser Respondents***

The respondents in the mass merchandiser sample came from different age groups: 15.4% respondents from the 18 to 24 age group, 28% from the 25 to 34 age group, 16.5% from the 35 to 44 age group, 24.2% from the 45 to 54 age group, and 15.4% from the 55 and over age group (see Table 3.4). The majority of the respondents were Caucasian, accounting for 72.5% of the sample. The second and third largest ethnic groups were African American and Asian, accounting for 23.7% and 9.3% respectively. The majority

Table 3.4: Mass Merchandiser and Department Store Respondent Demographic Statistics

<i>Items</i>	<i>Shopping at Mass Merchandisers</i>		<i>Shopping at Department Stores</i>	
	<i>Frequency</i>	<i>Percentage</i>	<i>Frequency</i>	<i>Percentage</i>
<i>Age</i>				
• 18 to 24	28	15.4	37	19.5
• 25 to 34	51	28.0	45	23.7
• 35 to 44	30	16.5	35	18.4
• 45 to 54	44	24.2	38	20.0
• 55 and over	28	15.4	35	18.4
<i>Ethnic Background</i>				
• African American	25	13.7	27	14.2
• Asian or Pacific Islander	17	9.3	15	7.9
• Caucasian	132	72.5	129	67.9
• Hispanic	2	1.1	9	4.7
• Native American	2	1.1	2	1.1
• Other	3	1.6	8	4.2
<i>Education Level</i>				
• High school graduate	30	16.5	23	12.1
• Some college	59	32.4	59	31.1
• College graduate	58	31.9	69	36.3
• Advanced degree	34	18.7	36	18.9
• Other	1	0.5	3	1.6
<i>Occupation</i>				
• College student	35	19.2	35	18.4
• Technical	8	4.4	7	3.7
• Management	7	3.8	15	7.9
• Self-employed	9	4.9	15	7.9
• Professional	65	35.7	65	34.4
• Other	58	31.9	52	27.5
<i>Work Status</i>				
• Full-time	103	56.6	108	56.8
• Part-time	41	22.5	38	20.0
• Not employed outside home	14	7.7	13	6.8
• Unemployed	10	5.5	13	6.8
• Retired	14	7.7	17	8.9

Table 3.4: Mass Merchandiser and Department Store Respondent Demographic Statistics (Continued)

<i>Items</i>	<i>Shopping at Mass Merchandisers</i>		<i>Shopping at Department Stores</i>	
	<i>Frequency</i>	<i>Percentage</i>	<i>Frequency</i>	<i>Percentage</i>
Annual Household Income				
• Less than \$20,000	29	15.9	24	12.6
• \$20,000 to \$39,000	47	25.8	54	28.4
• \$40,000 to \$74,999	53	29.1	56	29.5
• \$75,000 to \$99,999	17	9.3	25	13.2
• \$100,000 or over	18	9.9	12	6.3

of the respondents had some college, college graduate or advanced degree, accounting for 83% of the sample. For the remaining respondents, 16.5% were high school graduates.

As for occupation, the largest three groups were professional, “Other”, and college students, accounting for 35.7%, 31.9%, and 19.2% respectively. 56.6% of the respondents were employed full-time and 22.5% were employed part-time. The largest three income groups were less than \$20,000, \$20,000 to \$39,999, and \$40,000 to \$75,999, accounting for 15.9%, 25.8%, and 29.1% respectively. 19.7% of the respondents had annual household incomes higher than \$75,000.

***Demographic Statistics for the Department Store Respondents***

For the department store respondent sample, 19.5% respondents were from 18 to 24 years of age, 23.7% were 25 to 34 years of age, 18.4% were 35 to 44 years of age, 20.0% were 45 to 54 years of age, and 18.4% were 55 or over. As with the first sample, the majority of the respondents were Caucasian, accounting for 67.9%. The second and third largest ethnic groups were African American and Asian, accounting for 14.2% and 7.9%

respectively. As for education level, 12.1% of respondents were high school graduates and 86.3% of them had some college, were a college graduate, or had an advanced degree. 34.2% of the respondents were professional, 18.4% of them were college students, and 27.4% of them identified as “Other.” 56.8% of the respondents were employed full-time and 20% of them were employed part-time. When it comes to income level, 12.6% of the respondents indicated the less than \$20,000 category, 28.4% the \$20,000 to \$39,000 category, and 29.5% the \$40,000 to \$74,999 category. Among all the respondents, 19.5% had annual household incomes higher than \$75,000.

### **Data Collection Procedure**

The study survey was administered between March 19, 2006 and April 11, 2006. Of the 800 surveys that were distributed to the study respondents, initially 520 questionnaires were collected, 408 of which were female respondents and 112 male respondents. Given that the study focus was female consumers, only questionnaires from female respondents were included in the subsequent statistical analyses. Of the 408 questionnaires from female respondents 372 were usable, with 182 describing consumers’ shopping experiences in mass merchandisers (sample one) and 190 describing consumers’ shopping experiences in department stores (sample two). Surveys were deemed unusable if they had missing values for any of the measurement scales as well as if the respondent was less than 18 years of age. The overall response rate for the study was 65 %. For the female sample, the response rate was 46.5%.

The survey instrument was administered in Sunday school classrooms, as well as in other church group meeting locations. Surveys were passed out during Sunday school

and group meetings either by the researcher herself or a relevant person who had been trained by the researcher. In order to validate the statistic reference of the study, survey participants were randomly assigned to two groups, either those answering questions about mass merchandisers or those answering questions about department stores.

### **Instrument Development**

The purpose of the survey was to test twenty-seven research hypotheses in order to: (1) explore the difference in CPV levels when consumers shop at mass merchandisers versus department stores, and (2) investigate the effect of different shopping orientations, a recreational and a functional approach, on CPV levels when consumers shop at mass merchandisers and department stores.

To ensure that the survey instrument accurately measured the dimensions of CPV as well as shopper type, scales from previous research were borrowed and/or adapted for the purpose of this study. The value dimensions explored in this study include exchange value, sensory value, cognition value, shopping value and personal value. The scale that assessed each construct satisfied the criteria of a Cronbach's alpha of 0.7 or greater (Peter, 1976; Peterson, 1994). See Table 3.5 for the original scale items drawn from the literature. See Appendices C and D for the study questionnaire.

### ***Exchange Value***

#### ***Acquisition, Transaction, Efficiency and Choice Value***

Acquisition value refers to the perceived net gains accrued when products or services are acquired, which is commonly referred to as the trade-off between benefits and sacrifices. The acquisition value construct is assessed using the Economic Value

Table 3.5: Construct and Measurement Items

<i>Constructs and Items</i>	<i>Sources</i>
<p>To what extent to do you disagree or agree with the following statements?</p> <ol style="list-style-type: none"> <li>1. XYZ products are a good economic value.</li> <li>2. Overall, I am happy with XYZ's prices.</li> <li>3. The prices of the product(s) I purchased from XYZ's Internet site are too high, given the quality of the merchandise.</li> </ol>	Mathwick et al. (2001)
<p>To what extent to do you disagree or agree with the following statements?</p> <ol style="list-style-type: none"> <li>1. Taking advantage of a price-deal like this makes me feel good.</li> <li>2. I would get a lot of pleasure knowing that I would save money at this reduced sale price.</li> <li>3. Beyond the money I save, taking advantage of this price deal will give me a sense of joy.</li> </ol>	Grewal et al. (1998)
<p>To what extent to do you disagree or agree with the following statements?</p> <ol style="list-style-type: none"> <li>1. Shopping from XYZ is an efficient way to manage my time.</li> <li>2. Shopping from XYZ's Internet site makes my life easier.</li> <li>3. Shopping from XYZ's Internet site fits with my schedule.</li> </ol>	Mathwick et al. (2001)
<p>To what extent to do you disagree or agree with the following statements?</p> <ol style="list-style-type: none"> <li>1. XYZ offers a choice of different brand names.</li> <li>2. XYZ offers a good selection of well-known brands.</li> <li>3. XYZ offers a variety of brand names that are available in many different sizes.</li> <li>4. XYZ offers a wide variety of products.</li> </ol>	Terblanche & Boshoff (2004)
<p>To what extent to do you disagree or agree with the following statements?</p> <ul style="list-style-type: none"> <li>• XYZ has attractive décor.</li> <li>• XYZ has attractive physical facilities (check-out counters, shelves, etc.).</li> <li>• XYZ has attractive product and promotional displays.</li> <li>• XYZ has attractive materials associated with their service (shopping bags, catalogs, etc).</li> <li>• XYZ has well-spaced product displays.</li> </ul>	Terblanche & Boshoff (2004)

Note: 7-point scale ranging from (1) strongly disagree to (7) strongly agree is used to measure each construct.

Table 3.4: Construct and Measurement Items (Continued)

<i>Constructs and Items</i>	<i>Sources</i>
<p>To what extent to do you disagree or agree with the following statements?</p> <ol style="list-style-type: none"> <li>1. Shopping at XYZ makes me keep up with new fashions.</li> <li>2. Shopping at XYZ makes me keep up with the trends.</li> <li>3. I shop at XYZ to see what new product is available.</li> <li>4. I shop at XYZ to experience new things.</li> </ol>	<p>Arnold &amp; Reynolds (2003)</p>
<p>To what extent to do you disagree or agree with the following statements?</p> <ol style="list-style-type: none"> <li>1. I go shopping at XYZ with my friends or family to socialize.</li> <li>2. I enjoy socializing with others when I shop at XYZ.</li> <li>3. Shopping at XYZ with others is a bonding experience.</li> <li>4. To me, shopping with friends or family is a social occasion.</li> </ol>	<p>Arnold &amp; Reynolds (2003)</p>
<p>To what extent to do you disagree or agree with the following statements?</p> <ol style="list-style-type: none"> <li>1. would help me to feel acceptable</li> <li>2. would improve the way I am perceived</li> <li>3. would make a good impression on other people</li> <li>4. would give its owner social approval</li> </ol>	<p>Sweeney &amp; Soutar (2001)</p>
<p>To what extent to do you disagree or agree with the following statements?</p> <ol style="list-style-type: none"> <li>1. When I am I a down mood, I go shopping to make me feel better.</li> <li>2. To me, shopping is a way to relieve stress.</li> <li>3. I go shopping when I want to treat myself to something special.</li> </ol>	<p>Arnold &amp; Reynolds (2003)</p>
<p>To what extent to do you disagree or agree with the following statements?</p> <ol style="list-style-type: none"> <li>1. I enjoy shopping more than most people do.</li> <li>2. I love to go shopping when I can find the time.</li> <li>3. Shopping is a waste of time.</li> <li>4. Shopping is not a way I like to spend my leisure time.</li> <li>5. Shopping is a good way for me to relax.</li> <li>6. Shopping picks me up on a dull day.</li> <li>7. Shopping is not entertaining to me.</li> <li>8. Shopping is not one of my favorite leisure activities.</li> </ol>	<p>Reynolds &amp; Beatty (1999)</p>

Note: 7-point scale ranging from (1) strongly disagree to (7) strongly agree is used to measure each construct.

Scale developed by Mathwick and colleagues (2001) in the study of experiential value in catalog and Internet shopping environment. An example item is “XYZ products are a good economic value.” This is a three-item scale. Mathwick and colleagues (2001) found a Cronbach’s alpha of 0.78 and a composite reliability of 0.83 for a sample of Internet shopper during the scale purification process. These values indicate good reliability and convergent validity of the scale (Fornell & Larcker, 1981; Mathwick et al., 2002; Peterson, 1994). The scale was adapted by substituting either “mass merchandisers” or “department stores” for XYZ and XYZ’s Internet site.

Transaction value is the perception of psychological satisfaction or pleasure gained from getting a “deal” (Grewal, et al., 1998). The transaction value construct is measured using a three-item scale developed by Grewal and colleagues (1998). An example item is “Taking advantage of a price-deal like thing makes me feel good.” The scale seems to capture the essence of transaction value—the pleasure buyers get from finding and taking advantage of a price deal. Grewal and colleagues (1998) found a scale reliability value of 0.85 from two samples: an undergraduate student sample and a sample of staff employee of the same university. The scale was adapted by adding either “mass merchandisers” or “department stores” in each statement to explain the context of the price deals.

Efficiency value refers to how efficiently and effectively the shopping task is completed. The efficiency value construct is assessed using a three-item scale developed by Mathwick and colleagues (2001). An example item is “Shopping from XYZ is an efficient way to manage my time.” Mathwick and colleagues (2001) found a Cronbach’s alpha of 0.74 and a composite reliability of 0.75 for a sample of Internet shopper during

the scale purification process. The scale was adapted by substituting either “mass merchandisers” or “department stores” for XYZ and XYZ’s Internet site.

Choice value refers to availability of an assortment of different product categories. The choice value construct is assessed using a four-item scale developed by Terblanche and Boshoff (2004). The scale, a sub-dimension of the In-store Shopping Experience (ISE) Scale, was originally used to measure merchandise variety and assortment of different retail outlets. An example item is “XYZ offers a wide variety of products.” Terblanche and Boshoff (2004) found a Cronbach’s alpha of 0.86 for a sample of supermarket shopper and a Cronbach’s alpha of 0.84 a sample of apparel shoppers. The scale was adapted by substituting either “mass merchandisers” or “department stores” for XYZ. The original scale emphasizes the availability of different brands and it is adapted to emphasize the availability of different product categories (see Appendix B and C).

### *Sensory Value*

#### *Esthetic Value*

Esthetic value refers to visual appeal that is driven by the design, physical attractiveness, and beauty inherent in the retail setting (Holbrook, 1994). The esthetic value construct is assessed using a five-item scale developed by Terblanche and Boshoff (2004). The scale was a sub-dimension of the ISE Scale, or the Internal Store Environment Scale. Internal store environment captures elements that contribute to a pleasant shopping atmosphere such as store layout, merchandise displays, and attractive décor. An example item of the scale is “XYZ has attractive décor.” Terblanche and Boshoff (2004) found a Cronbach’s alpha of 0.86 for a sample of supermarket shoppers

and a Cronbach's alpha of 0.85 for a sample of apparel shoppers. The scale was adapted by substituting either "mass merchandisers" or "department stores" for XYZ.

### ***Cognition Value***

#### *Curiosity Value*

Curiosity value refers to consumers' browsing to obtain information as an end in itself, having fun and positive experiences along the way (Bloch, Ridgway, & Ridgway, 1986; Cox et al., 2005). The curiosity value construct is measured using a four-item scale by Arnold and Reynolds (2003). The scale was originally named Idea Shopping and was used to capture a dimension of hedonic shopping motivation, but is easily adapted to measure curiosity value as identified in this research. An example item is "Shopping at XYZ makes me keep up with new fashion." Arnold and Reynolds (2003) found a Cronbach's alpha of 0.84 and a composite reliability of 0.88 for a scale calibration sample and a Cronbach's alpha of 0.87 and a composite reliability of 0.90 for a scale validation sample. So, the scale was estimated to be reliable and valid. The scale was adapted by substituting either "mass merchandisers" or "department stores" for XYZ.

### ***Social Value***

#### *Social Interaction and Social Status Value*

Social interaction value refers to consumers' interaction with friends, family, salespeople, as well as other consumers during shopping. The social interaction value construct is measured using a four-item scale developed by Arnold and Reynolds (2003). An example item is "I go shopping at XYZ with my friends or family to socialize." The scale was originally used to measure a sub-dimension of consumers' hedonic shopping

motivation, but has been adapted for this study. Arnold and Reynolds (2003) found a Cronbach's alpha of 0.85 and a composite reliability of 0.89 for a scale calibration sample and a Cronbach's alpha of 0.83 and a composite reliability of 0.88 for a scale validation sample. The scale was adapted by substituting either "mass merchandisers" or "department stores" for XYZ.

Social status value refers to consumers' feeling of being socially accepted and approved by shopping at certain retail outlets and stores. The social status value construct is assessed using a four-item scale developed by Sweeney and Soutar (2001). The scale was developed to measure the social value associated with a durable goods, a sub-dimension of the scale PERVAL. Sweeney and Soutar (2001) found a scale reliability of 0.82 during the scale development process. The scale was adapted by adding either "mass merchandisers" or "department stores" as the subject of each statement.

### ***Personal Value***

#### *Self-gratification Value*

Self-gratification value refers to the improvement of personal well-being, including the satisfaction of stress relief, the alleviation of negative mood, the elimination of loneliness, and giving oneself a special "treat" (Arnold & Reynolds, 2003; Tauber, 1972). The self-gratification value construct is assessed using a three-item scale developed by Arnold and Reynolds (2003). The scale was developed to measure relaxation shopping motivation, but captures the essence of self-gratification value identified in this study. An example item is "When I am in a down mood, I go shopping to make me feel better."

The scale is adapted by adding a specific retail outlet, mass merchandisers or department stores to each item. Arnold and Reynolds (2003) found a Cronbach's alpha of 0.79 and a composite reliability of 0.83 for a scale calibration sample and a Cronbach's alpha of 0.77 and a composite reliability of 0.80 for a scale validation sample. The scale was adapted by adding either "mass merchandisers" or "department stores" to indicate where to go shopping.

### ***Shopping Orientation***

Consumers can be simply classified as recreational shoppers or functional economic shopper according to their shopping orientation (Bellenger & Korgaonkar, 1980).

Recreational shoppers are those who treat shopping as a leisure time activity and would shop for enjoyment while functional economic shoppers are those who treat shopping as a task. Consumer type was assessed in this study by the Shopping Enjoyment Scale compiled by Reynolds and Beatty (1999) from items from Solomon (1987) and Forsythe, Butler, and Schaefer (1990). The scale has eight items and a Cronbach's alpha of 0.95 (Reynolds & Beatty, 1999). An example item is "I love to go shopping when I can find the time."

### **Data Analysis**

Several statistical procedures were employed to analyze the data. Descriptive statistics were used to review and clean up the dataset, to describe the data's basic characteristics, and to summarize the respondents' demographics. Chi-square tests were then used to determine if the respondents of the two samples were statistically different from each other on the demographic characteristics analyzed.

A full factorial Multivariate Analysis of Variance (MANOVA) method was used to test the first five groups of hypotheses. MANOVA is a multivariate extension of Analysis of Variance (ANOVA) with the difference that in MANOVA there are multiple dependent variables (Sharma, 1996). So, while ANOVA examines group differences on a single dependent variable, MANOVA examines group differences across multiple dependent variables simultaneously. MANOVA is appropriate when there are two or more dependent variables that are correlated. MANOVA was used to test whether an “overall” difference between consumers’ value perceptions existed when they shopped at mass merchandisers versus when they shopped at department stores. Then, a univariate ANOVA analysis was conducted to test which values contributed to the overall value perception differences, determining whether the data supported the hypotheses.

MANOVA was also used to assess evidence of the association of value perception to shopping orientation within each retail store type. There were two types of shopping orientations investigated: recreational and functional. An eight-item seven-point Likert-type shopping enjoyment scale was used to measure respondents’ shopping orientations. Respondents with an average scale value equal to or greater than four after adjusting revised items were identified as recreational shoppers and those with an average scale value of less than four after adjusting revised items were identified as functional shoppers.

## **CHAPTER IV**

### **RESULTS AND ANALYSIS**

Chapter IV presents the following three sections: (1) Introduction; (2) Descriptive Statistics; (3) Measurement Scale Verification; (4) Hypothesis Testing; and (5) Summary.

#### **Introduction**

The purpose of this research was to explore and understand better how consumers perceive the value of their shopping experiences in two key retail outlets—mass merchandisers and department stores—as well as how shopping orientations, either a recreational or a functional approach, relate to consumer perceived value (CPV). In order to approach this basic research question, five value categories relevant to shopping experiences were first identified, exchange value, cognition value, sensory value, social value, and personal value. The study questionnaire investigated consumers' shopping enjoyment and nine different sub-dimensions of the five value categories that were most relevant to the comparison of consumers shopping experiences in mass merchandisers and department stores. Those value sub-dimensions were acquisition value, transaction value, choice value, efficiency value, esthetic value, curiosity value, social interaction value, social status value, and self-gratification value.

#### **The Comparison of Two Samples**

Chi-square tests were used to determine if the respondents of the two samples were statistically different from each other on all demographic characteristics analyzed. The

results from the Chi-square tests showed large p-values (from 0.240 to 0.936) for all of the demographic variables, demonstrating no statistical evidence that respondents of the two samples were different from each other on the characteristics of interest (see Table 4.1).

Table 4.1: Chi-square Test Results by Demographics of the Two Study Samples

<i>Variables</i>	<i>Pearson Chi-Square Value</i>	<i>df</i>	<i>P-value (2-sided)</i>
Age	3.006	4	0.557
Ethnic Background	6.749	5	0.240
Education Level	2.764	4	0.598
Occupation	4.673	5	0.457
Work Status	0.819	4	0.936
Annual Household Income	4.658	5	0.459

### **Measurement Scale Verification**

The reliability of each measurement scale was calculated first using all of the study respondents (N=372). The reliability was then calculated individually for the mass merchandisers shopping sample (N=182) and the department store shopping sample (N=190). Table 4.2 provides the Cronbach's alpha for each measurement scale. All scales except acquisition value demonstrated acceptable alpha values (Peter, 1976; Peterson, 1994)), with the lowest for transaction value (0.67) followed by choice value (0.75). All other scales had alpha values greater than 0.80. The initial Cronbach's alpha for acquisition value was very low, ranging from 0.16 to 0.32. The analysis of the contribution of each scale item showed that the low Cronbach's alpha was associated

with item three of the scale, “The prices of the product(s) I purchase from department stores are too high, given the quality of the merchandise.” This item was a reverse scored item and was also wordy. Respondents may have had trouble responding to it. After deleting this item, the Cronbach’s alpha increased to an acceptable level, greater than 0.70. Consequently, item three was deleted from the acquisition value scale for all subsequent analyses.

Table 4.2: Reliability of Measurement Scale—Coefficient Alpha

<i>Measurement Scale</i>	<i>All Respondents</i>	<i>Mass Merchandiser Respondents</i>	<i>Department Store Respondents</i>
Shopping Enjoyment	0.81	0.79	0.82
Acquisition Value	0.27* (0.79)	0.16* (0.80)	0.32* (0.77)
Transaction Value	0.67	0.66	0.68
Efficiency Value	0.83	0.80	0.84
Choice Value	0.75	0.73	0.77
Esthetic Value	0.87	0.88	0.84
Curiosity Value	0.89	0.92	0.84
Social Interaction Value	0.89	0.91	0.86
Social Status Value	0.84	0.94	0.95
Self-gratification Value	0.87	0.91	0.81

Note: The coefficient alpha values in parentheses were the values calculated after deleting item three from the acquisition value scale.

### **Hypothesis Testing**

The first five groups of hypotheses proposing associations between different dimensions of consumer perceived value (CPV) and retail outlet type, department stores and mass merchandisers were tested using full factorial MANOVA analysis with shopper

type and store type as the two factors. The purpose of MANOVA was to detect if there was an “overall” difference between consumers’ value perceptions when they shop at mass merchandisers versus when they shop at department stores, and if the “overall” CPV differed by shopper type—either recreational or functional. A univariate ANOVA was then conducted to assess the individual hypothesis. All hypotheses were rejected or not based on significance level of 0.05. The MANOVA approach was used because it is very conservative, controlling the overall type I error rate for multiple comparisons (Hummel & Sligo, 1971).

### ***CPV and Retail Outlets***

In order to clarify the associations among retail environments, mass merchandisers or department stores and CPV—five groups of hypotheses based on different value dimensions were developed. For MANOVA, Wilks’ lambda test was used because it is widely used and accepted. The MANOVA test was used to test if the “overall” CPV differed by different store type and shopper type. The results of the MANOVA test are presented in Table 4.3. The mean of each value by store type and shopper type has been provided in Table 4.4 and Table 4.5 respectively.

The overall value perception differed by store type as well as shopper type. There was strong statistical evidence against the null hypothesis that there was no difference between consumers’ overall value perceptions when shopping at mass merchandisers versus department stores (p-value < 0.001). There was also strong evidence against the null hypothesis that CPV does not differ by shopper type (p-value < 0.001). This suggests that the overall value that consumers perceived when they shopped at mass

Table 4.3: Multivariate Analysis Results—Store Type as the Dependent Variable

<i>Effect</i>	<i>Test</i>	<i>Test Value</i>	<i>F</i>	<i>DF</i>	<i>Error DF</i>	<i>p-value*</i>
Store Type	Wilks' Lambda	.568	30.361	9.000	360.000	.000
Shopper Type	Wilks' Lambda	.785	10.946	9.000	360.000	.000
Storetype×Shoppertype	Wilks' Lambda	.967	1.349	9.000	360.000	.210

Note: \* p-value was rounded to 3 decimal points, DF referred as “Hypothesis DF”

Table 4.4: Sample Mean by Store Type

<i>Dependent Variable</i>	<i>Store ID</i>	<i>Mean</i>	<i>Std. Error</i>	<i>90% Confidence Interval</i>	
				<i>Lower Bound</i>	<i>Upper Bound</i>
Acquisition Value	1	4.837	.096	4.678	4.995
	2	3.686	.097	3.527	3.845
Transaction Value	1	4.938	.091	4.788	5.088
	2	5.241	.092	5.090	5.392
Choice Value	1	4.764	.084	4.625	4.904
	2	4.821	.085	4.681	4.961
Efficiency Value	1	4.716	.097	4.556	4.876
	2	3.684	.098	3.523	3.845
Esthetic Value	1	3.486	.083	3.349	3.623
	2	4.542	.084	4.405	4.680
Curiosity Value	1	3.021	.103	2.852	3.190
	2	3.817	.103	3.647	3.987
Social Interaction Value	1	2.707	.116	2.516	2.898
	2	3.502	.117	3.310	3.694
Social Status Value	1	2.019	.098	1.856	2.181
	2	2.259	.099	2.096	2.423
Self-gratification Value	1	2.591	.116	2.399	2.783
	2	3.246	.117	3.053	3.439

Note: Store ID =1 refers to mass merchandiser respondents (sample 1), Store ID = 2, refers to department store respondents (sample 2)

Table 4.5: Sample Mean by Shopper Type

<i>Dependent Variable</i>	<i>Shopper Type</i>	<i>Mean</i>	<i>Std. Error</i>	<i>90% Confidence Interval</i>	
				<i>Lower Bound</i>	<i>Upper Bound</i>
Acquisition Value	1	4.025	.104	3.853	4.198
	2	4.497	.087	4.353	4.641
Transaction Value	1	4.696	.099	4.532	4.859
	2	5.484	.083	5.347	5.620
Choice Value	1	4.533	.092	4.382	4.685
	2	5.052	.077	4.925	5.178
Efficiency Value	1	3.924	.106	3.750	4.098
	2	4.476	.088	4.330	4.622
Esthetic Value	1	3.840	.090	3.691	3.989
	2	4.188	.076	4.064	4.313
Curiosity Value	1	3.091	.112	2.907	3.275
	2	3.746	.093	3.592	3.900
Social Interaction Value	1	2.642	.126	2.434	2.850
	2	3.567	.106	3.393	3.741
Social Status Value	1	1.886	.107	1.709	2.062
	2	2.392	.090	2.245	2.540
Self-gratification Value	1	2.224	.127	2.016	2.433
	2	3.613	.106	3.438	3.788

Note: Shopper type =1 refers to respondents identified as functional shoppers, Shopper type = 2, refers to respondents identified as recreational shoppers

merchandisers was different from when they shopped at department stores. At the same time, CPV differed by shopper type, that is, recreational shoppers' value perceptions were different from functional shoppers' perceptions. There was no interaction between the store type and shopper type.

### *Exchange Value Hypotheses*

Four hypotheses investigating the association between four different dimensions of exchange value and store type were proposed. The aggregate exchange value construct differed significantly by store type (p-value < 0.001, see Table 4.6). There was strong evidence against the null hypothesis that there was no difference between consumers' perceived exchange value when they shopped at mass merchandisers versus department stores. Table 4.7 presents the univariate analysis results for the four exchange value hypotheses, as well as for the following five hypotheses for esthetic value, curiosity value, social interaction value, social status value, and self-gratification value.

Table 4.6: Multivariate Analysis Results—Exchange Value as the Dependent Variable

<i>Effect</i>	<i>Test</i>	<i>Test Value</i>	<i>F</i>	<i>Hypothesis DF</i>	<i>Error DF</i>	<i>P-value*</i>
Store Type	Wilks' Lambda	0.716	36.391	4.000	367.000	.000

Note: \* p-value was rounded to 3 decimal points

H1a: Acquisition value is perceived to be higher when consumers shop at mass merchandisers than when they shop at department stores.

H1b: Transaction value is perceived to be higher when consumers shop at department stores than when they shop at mass merchandisers.

H1c: Efficiency value is perceived to be higher when consumers shop at mass merchandisers than when they shop at department stores.

H1d: Choice value is perceived to be higher when consumer shop at mass merchandisers than when they shop at department stores.

Table 4.7: Univariate Analysis (ANOVA) Results—Main Effect

<i>Source</i>	<i>Dependent Variable</i>	<i>Type III Sum of Squares</i>	<i>DF</i>	<i>Mean Square</i>	<i>F</i>	<i>P-value*</i>
Store Type	Acquisition Value	118.486	1	118.486	71.308	.000
	Transaction Value	8.200	1	8.200	5.485	.010
	Efficiency Value	.286	1	.286	.223	.000
	Choice Value	95.273	1	95.273	56.148	.319
	Esthetic Value	99.968	1	99.968	80.437	.000
	Curiosity Value	56.705	1	56.705	29.927	.000
	Social Interaction Value	56.596	1	56.596	23.378	.000
	Social Status Value	5.180	1	5.180	2.964	.043
	Self-gratification Value	38.432	1	38.432	15.750	.000
Shopper Type	Acquisition Value	19.943	1	19.943	12.002	.001
	Transaction Value	55.615	1	55.615	37.202	.000
	Efficiency Value	24.030	1	24.030	18.701	.000
	Choice Value	27.261	1	27.261	16.066	.000
	Esthetic Value	10.872	1	10.872	8.748	.002
	Curiosity Value	38.427	1	38.427	20.281	.000
	Social Interaction Value	76.575	1	76.575	31.631	.000
	Social Status Value	22.982	1	22.982	13.149	.000
	Self-gratification Value	172.613	1	172.613	70.739	.000

Note: \*all p-values were rounded to 3 decimal points

H1a-H1c were supported, while H1d was not. The mean of the acquisition value scale at mass merchandisers was 4.837 and at department stores was 3.686. Consumers perceived significantly higher levels of acquisition value when they shopped at mass merchandisers than when they shopped at department stores (p-value < 0.001). The mean

of the transaction value scale was 4.938 at mass merchandisers and 5.241 at department stores. The transaction value that consumers perceived at department stores was significantly higher than mass merchandisers (p-value < 0.001). The mean of the efficiency scale was 4.716 at mass merchandisers and 3.684 at department stores. The efficiency value was significantly higher when consumers shopped at mass merchandisers than at department stores (p-value < 0.001). The mean of the choice value scale was 4.764 at mass merchandisers and 4.821 at department stores. There was significant no difference between the levels of choice value that consumers perceived when they shopped at mass merchandisers versus department stores (p-value = 0.319).

#### *Sensory Value Hypothesis*

H2: Esthetic value is perceived to be higher when consumers shop at department stores than when they shop at mass merchandisers.

H2 was supported. The mean of the esthetic value scale was 3.486 at mass merchandisers and 4.542 at department stores. The esthetic value that consumers perceived at department stores was significantly higher than at mass merchandisers (p-value < 0.001).

#### *Cognition Value Hypothesis*

H3: Curiosity value is perceived to be higher when consumers shop at department stores than when they shop at mass merchandisers.

H3 was supported. The mean of the curiosity value scale was 3.021 at mass merchandisers and 3.817 at department stores. The curiosity value consumers perceived at department stores was significantly higher than at mass merchandisers (p-value < 0.001).

### *Social Value Hypotheses*

Two hypotheses dealing with the association of social value to retail store type were proposed. The social value that consumers perceived at mass merchandisers was found to be significantly different from that perceived at department stores (p-value < 0.001, see Table 4.8).

Table 4.8: Multivariate Analysis Results – Social Status as the Dependent Variable

<i>Effect</i>	<i>Test</i>	<i>Test Value</i>	<i>F</i>	<i>Hypothesis DF</i>	<i>Error DF</i>	<i>P-value*</i>
Store Type	Wilks' Lambda	0.928	14.412	2.000	369.000	.000

Note: \*p-value was rounded to 3 decimal points

H4a: Social interaction value will be perceived to be higher when consumers shop at mass merchandisers than they shop at department stores.

H4b: Social status value will be perceived to be higher when consumers shop at department stores than when they shop at mass merchandisers.

H4a was not supported, and H4b was supported. The mean of the social interaction value scale was 2.707 at mass merchandisers and 3.502 at department stores. The social interaction value consumers perceived at department stores was significantly higher than at mass merchandisers (p-value < 0.001), the reverse of the predicted relationship. For the social status value scale, the mean was 2.019 at mass merchandisers and 2.259 at department stores. The social status value consumers perceived at department stores was significantly higher than at mass merchandisers (p-value = 0.043). However, the social value perception at both department stores and mass merchandisers were surprisingly low,

which suggested that social value was not perceived to be very important when consumers shop at either of these two retail outlets.

#### *Personal Value Hypothesis*

H5: Self-gratification value will be perceived to be higher when consumers shop at department stores than when they shop at mass merchandisers.

H5 was supported. The mean of the self-gratification value scale was 2.591 at mass merchandisers and 3.246 at department stores. The self-gratification value consumers perceived at department stores was significantly higher than at mass merchandisers (p-value < 0.001).

#### *CPV and Shopping Orientation*

MANOVA was used to assess evidence of the association of value perception to shopping orientation within each retail store type. There were two types of shopping orientations investigated: recreational and functional. An eight-item seven-point Likert-type shopping enjoyment scale was used to measure respondents' shopping orientations. Respondents with an average scale value equal to or greater than four after adjusting revised items were identified as recreational shoppers and those with an average scale value of less than four after adjusting revised items were identified as functional shoppers. This procedure for identifying shopping orientation was adopted for several reasons: (1) the literature on shopping does not currently include a shopping orientation scale adaptable for this research; (2) the key dimension for both shopping types is the level of enjoyment of the shopping experience. This classification is subjective.

Altogether there were 182 useful questionnaires on shopping at mass merchandisers and 190 useful questionnaires on shopping at department stores. For the mass

merchandise sample (N=182), 100 of the respondents were identified as recreational shoppers, and for the department store sample (N=190), 119 of the respondents were identified as recreational shoppers. The means for each comparison sample are provided in Table 4.9 and the ANOVA results of the comparisons are presented in Table 4.10.

H6a: When consumers shop at mass merchandisers, acquisition value is not perceived to be different for recreational and functional shoppers.

H6b: When consumers shop at department stores, acquisition value is perceived to be higher for recreational shoppers than for functional shoppers.

H6a was not supported, while H6b was supported. Recreational shoppers perceived significantly higher levels of acquisition value than functional shoppers at both mass merchandisers (p-value = 0.016) and department stores (p-value = 0.004). For the mass merchandiser respondent sample, the acquisition value scale mean was 0.100 higher for recreational shoppers with 95% confidence. For the department store respondent sample, the acquisition value scale mean was 0.208 higher for recreational shoppers with 95% confidence.

H7a: When consumers shop at mass merchandisers, transaction value is not perceived to be different for recreational and functional shoppers.

H7b: When consumers shop at department stores, transaction value is perceived to be higher for recreational shoppers than for functional shoppers.

H7a was not supported, while H7b was supported. Recreational shoppers perceived significantly higher levels of transaction value than functional shoppers at both mass merchandisers (p-value < 0.001) and department stores (p-value < 0.001). For the mass merchandiser respondent sample, the transaction value scale mean was 0.503 higher for recreational shoppers with 95% confidence. For the department store respondent sample,

Table 4.9: Value Means by Store Type (Samples 1 and 2) and Shopper Type

<i>Value</i>	<i>Store Type</i>	<i>Shopper Type</i>	<i>Mean</i>	<i>Std. Error</i>	<i>95% Confidence Inter value</i>	
					Lower Bound	Upper Bound
Acquisition Value	Mass Merchandisers	Functional	4.628	.142	4.348	4.908
		Recreational	5.045	.129	4.792	5.298
	Department Stores	Functional	3.423	.153	3.122	3.723
		Recreational	3.950	.118	3.717	4.182
Transaction Value	Mass Merchandisers	Functional	4.537	.135	4.271	4.802
		Recreational	5.340	.122	5.100	5.580
	Department Stores	Functional	4.854	.145	4.569	5.140
		Recreational	5.627	.112	5.407	5.848
Efficiency Value	Mass Merchandisers	Functional	4.539	.144	4.162	4.655
		Recreational	4.893	.130	4.897	5.343
	Department Stores	Functional	3.310	.155	4.394	4.923
		Recreational	4.059	.119	4.779	5.188
Choice Value	Mass Merchandisers	Functional	4.409	.125	4.256	4.821
		Recreational	5.120	.113	4.637	5.149
	Department Stores	Functional	4.658	.135	3.006	3.614
		Recreational	4.983	.104	3.824	4.294
Esthetic Value	Mass Merchandisers	Functional	3.287	.123	3.045	3.529
		Recreational	3.684	.111	3.465	3.903
	Department Stores	Functional	4.392	.132	4.132	4.652
		Recreational	4.692	.102	4.491	4.893
Curiosity Value	Mass Merchandisers	Functional	2.732	.152	2.433	3.031
		Recreational	3.310	.138	3.039	3.581
	Department Stores	Functional	3.451	.163	3.129	3.772
		Recreational	4.183	.126	3.935	4.431

Table 4.9: Value Means by Store Type (Samples 1 and 2) and Shopper Type (continued)

<i>Value</i>	<i>Store Type</i>	<i>Shopper Type</i>	<i>Mean</i>	<i>Std. Error</i>	<i>95% Confidence Interval Value</i>	
					<i>Lower Bound</i>	<i>Upper Bound</i>
Social Interaction Value	Mass Merchandisers	Functional	2.326	.172	1.988	2.664
		Recreational	3.088	.156	2.782	3.393
	Department Stores	Functional	2.958	.185	2.595	3.321
		Recreational	4.046	.143	3.766	4.327
Social Status Value	Mass Merchandisers	Functional	1.793	.146	1.506	2.080
		Recreational	2.245	.132	1.985	2.505
	Department Stores	Functional	1.979	.157	1.670	2.287
		Recreational	2.540	.121	2.302	2.778
Self-gratification Value	Mass Merchandisers	Functional	2.012	.173	1.673	2.351
		Recreational	3.170	.156	2.863	3.477
	Department Stores	Functional	2.437	.185	2.072	2.801
		Recreational	4.056	.143	3.774	4.338

the transaction value scale mean was 0.471 higher for recreational shoppers with 95% confidence.

H8a: When consumers shop at mass merchandisers, efficiency is not perceived to be different for recreational and functional shoppers.

H8b: When consumers shop at department stores, efficiency is not perceived to be different for recreational and functional shoppers.

Neither H8a nor H8b was supported. Recreational shoppers perceived significantly higher levels of efficiency value than functional shoppers at both mass merchandisers (p-value = 0.034) and department stores (p-value < 0.001). For the mass merchandiser

Table 4.10: Comparison Results by Shopper Type in Each Retail Environment

<i>Dependent Variable</i>	<i>Store Type</i>	<i>Shopper Type</i>		<i>Mean Difference</i>	<i>Std. Error</i>	<i>P-Value</i>	<i>90% Confidence Interval Value</i>	
							<i>Lower Bound</i>	<i>Upper Bound</i>
Acquisition Value	1	1	2	-0.417	0.192	0.016	-0.734	-0.100
	2	1	2	-0.527	0.193	0.004	-0.846	-0.208
Transaction Value	1	1	2	-0.803	0.182	0.000	-1.104	-0.503
	2	1	2	-0.773	0.183	0.000	-1.075	-0.471
Efficiency Value	1	1	2	-0.355	0.194	0.034	-0.675	-0.035
	2	1	2	-0.749	0.195	0.000	-1.071	-0.427
Choice Value	1	1	2	-0.711	0.169	0.000	-0.990	-0.433
	2	1	2	-0.325	0.170	0.029	-0.605	0.044
Esthetic Value	1	1	2	-0.397	0.166	0.009	-0.671	-0.123
	2	1	2	-0.300	0.167	0.037	-0.576	-0.025
Curiosity Value	1	1	2	-0.578	0.205	0.003	-0.916	-0.240
	2	1	2	-0.732	0.206	0.000	-1.072	-0.392
Social Interaction Value	1	1	2	-0.761	0.232	0.001	-1.144	-0.379
	2	1	2	-1.088	0.233	0.000	-1.473	-0.704
Social Status Value	1	1	2	-0.452	0.197	0.011	-0.777	-0.128
	2	1	2	-0.561	0.198	0.003	-0.888	-0.234
Self-gratification Value	1	1	2	-1.156	0.233	0.000	-1.542	-0.774
	2	1	2	-1.619	0.234	0.000	-2.006	-1.233

Note: For store type, 1 represents mass merchandisers and 2 represents department stores; for shopper type 1 represents functional shoppers and 2 represents recreational shoppers. All the p-value was rounded to 3 decimal points.

respondent sample, the efficiency value scale mean was 0.035 higher for recreational shoppers with 95% confidence. For the department store respondent sample, was 0.427 higher for recreational shoppers with 95% confidence.

H9a: When consumers shop at mass merchandisers, choice value is perceived to be higher for functional shoppers than for recreational shoppers.

H9b: When consumers shop at department stores, choice value is perceived to be higher for recreational shoppers than for functional shoppers.

H9a not supported, while H9b was supported. Recreational shoppers perceived significantly higher levels of choice value than functional shoppers at both mass merchandisers (p-value < 0.001) and department stores (p-value = 0.029). For the mass merchandiser respondent sample, the choice value scale mean was 0.433 higher for recreational shoppers with 95% confidence. For the department store respondent sample, the choice value scale was 0.044 higher for recreational shoppers with 95% confidence.

H10a: When consumers shop at mass merchandisers, esthetic value is not perceived to be different for recreational and functional shoppers.

H10b: When consumers shop at department stores, esthetic value is perceived to be higher for recreational shoppers than for functional shoppers.

H10a was not supported, while H10b was supported. Recreational shoppers perceived significantly higher levels of esthetic value than functional shoppers at both mass merchandisers (p-value = 0.009) and department stores (p-value = 0.037). For the mass merchandiser respondent sample, the esthetic value scale mean was 0.123 higher for recreational shoppers with 95% confidence. For the department store respondent sample, the esthetic value scale mean was 0.025 higher for recreational shoppers with 95% confidence.

H11a: When consumers shop at mass merchandisers, curiosity value is not perceived to be different for recreational and functional shoppers.

H11b: When consumer shop at department stores, curiosity value is perceived to be higher for recreational shoppers than for functional shoppers.

H11a was not supported, while H11b was supported. Recreational shoppers perceived significantly higher levels of curiosity value at both mass merchandisers (p-value = 0.003) and department stores (p-value < 0.001). For the mass merchandiser respondent sample, the curiosity value scale mean was 0.240 higher for recreational shoppers with 95% confidence. For the department store respondent sample, the curiosity value scale mean was 0.392 higher for recreational shoppers with 95% confidence.

H12a: When consumers shop at mass merchandisers, social interaction value is perceived to be higher for recreational shoppers than for functional shoppers.

H12b: When consumers shop at department stores, social interaction value is perceived to be higher for recreational shoppers than for functional shoppers.

Both H12a and H12b were supported. Social interaction value was perceived higher by recreational shoppers than functional shoppers at both mass merchandisers (p-value = 0.001) and department stores (p-value < 0.001). For the mass merchandiser respondent sample, the social interaction value scale mean was 0.379 higher for recreational shoppers with 95% confidence. For the department store respondent sample, the social interaction value scale mean was 0.704 higher for recreational shoppers with 95% confidence.

H13a: When consumers shop at mass merchandisers, social status value is not perceived to be different for recreational and functional shoppers.

H13b: When consumers shop at department stores, social status value is perceived to be higher for recreational shoppers than for functional shoppers.

H13a was not supported, while H13b was supported. Recreational shoppers perceived significantly higher levels of social status value at both mass merchandisers (p-

value =0.011) and department stores (p-value =0.003). For the mass merchandiser respondent sample, the social status value scale mean was 0.128 higher for recreational shoppers with 95% confidence. For the department store respondent sample, the social status scale mean was 0.234 higher for recreational shoppers with 95% confidence.

H14a: When consumers shop at mass merchandisers, self-gratification value is not perceived to be different for recreational and functional shoppers.

H14b: When consumers shop at department stores, self-gratification value is perceived to be higher for recreational shoppers than for functional shoppers.

H14a was not supported, while H14b was supported. Recreational shopper perceived significantly higher levels of social status value than functional shoppers at both mass merchandisers (p-value < 0.001) and department stores (p-value < 0.001). For the mass merchandiser respondent sample, the self-gratification value scale mean was 0.774 higher for recreational shoppers with 95% confidence. For the department store respondent sample, the self-gratification value scale mean was 1.233 higher for recreational shoppers with 95% confidence.

### **Summary**

The purpose of this research was to understand better how consumers perceive the value of their shopping experiences in two key retail outlets—mass merchandisers and department stores—as well as how shopping orientations, either a recreational or a functional approach, relate to consumer perceived value (CPV). Twenty-seven hypotheses were developed and assessed. The results indicated that overall value perceptions did differ significantly across the two retail outlet types. Furthermore, results

also indicated that perceptions of value varied by shopper type within each type of retail outlet.

Among the first nine hypotheses proposing associations between different dimensions of CPV and the type of retail outlet, seven of the hypotheses were supported and two were not. Consumers perceived higher levels of acquisition value and efficiency value at mass merchandisers than at department stores (H1a and H1c respectively) and they perceived higher level of transaction value, esthetic value, curiosity value, social status value, and self-gratification value at department stores than mass merchandisers (H1b, H2, H3, H4b, and H5 respectively). H1d was not supported, indicating no evidence of difference in choice value perception at mass merchandisers versus department stores. H4a was not supported, but the analysis indicated significant social interaction value perception opposite to the proposed direction of H4a (see Table 4.11).

Among the remaining eighteen hypotheses proposing differences in the perceptions of value by shopping orientation within each retail outlet type, nine of them, H6b, H7b, H9b, H10b, H11b, H12a, H12b, H13b, and H14b. were supported. The analysis indicated recreational shoppers perceived higher levels of all value dimensions than functional shoppers at both mass merchandisers and department stores (see Table 4.12).

Table 4.11: Hypothesis Assessment Summary—From H1a to H5

<i>Hypotheses</i>	<i>Predicted Association</i>	<i>Supported or Not</i>	<i>Mean of Scale</i>	<i>P-value</i>
H1a	Acquisition value is perceived to be higher at MM than DEPT.	Yes	MM: 4.837 DEPT: 3.686	.000
H1b	Transaction value is perceived to be higher at DEPT than MM.	Yes	MM: 4.938 DEPT: 5.241	.010
H1c	Efficiency value is perceived to be higher at MM than DEPT.	Yes	MM: 4.716 DEPT: 3.684	.000
H1d	Choice value is perceived to be higher at MM than DEPT.	No	MM: 4.764 DEPT: 4.821	.319
H2	Esthetic value is perceived to be higher at DEPT than MM.	Yes	MM: 3.486 DEPT: 4.542	.000
H3	Curiosity value is perceived to be higher at DEPT than MM.	Yes	MM: 3.021 DEPT: 3.817	.000
H4a	Social interaction value is perceived to be higher at MM than DEPT.	No	MM: 2.707 DEPT: 3.502	.000
H4b	Social status value is perceived to be higher at DEPT than MM.	Yes	MM: 2.019 DEPT: 2.259	.043
H5	Self-gratification value is perceived higher at DEPT than MM.	Yes	MM: 2.591 DEPT: 3.246	.000

Note: MM refers to mass merchandisers and DEPT refers to department stores.

Table 4.12: Hypothesis Assessment Summary—From H6a to H14b

<i>Hypotheses</i>	<i>Predicted Association</i>	<i>Supported or Not</i>	<i>Mean of Scale</i>	<i>P-value</i>
H6a	MM: no difference in perception of acquisition value between REC and FUNC	No	F: 4.628 R: 5.045	.016
H6b	DEPT: higher perception of acquisition value for REC than FUNC	Yes	F: 3.423 R: 3.950	.004
H7a	MM: no difference in perception of transaction value between REC and FUNC	No	F: 4.537 R: 5.340	.000
H7b	DEPT: higher perception of transaction value for REC than FUNC	Yes	F: 4.854 R: 5.627	.000
H8a	MM: no difference in perception of efficiency value between REC and FUNC	No	F: 4.539 R: 4.893	.034
H8b	DEPT: no difference in perception of efficiency value between REC and FUNC	No	F: 3.310 R 4.049	.000
H9a	MM: perceptions of choice value will be higher for FUNC than for REC	No	F: 4.409 R: 5.120	.000
H9b	DEPT: perceptions of choice value will be higher for REC than FUNC	Yes	F: 4.658 R: 4.983	.029
H10a	MM: there will be no difference in the perception of esthetic value between REC and FUNC	No	F: 3.287 R: 3.684	.009
H10b	DEPT: there will be a higher perception of esthetic value for REC than FUNC	Yes	F: 4.392 R: 4.692	.037
H11a	MM: there will be no difference in the perception of curiosity value between REC and FUNC.	No	F: 2.732 R: 3.310	.003
H11b	DEPT: there will be a higher perception of curiosity value for REC than FUNC.	Yes	F: 3.451 R: 4.183	.000
H12a	MM: there will be a higher perception of social interaction value by REC than FUNC.	Yes	F: 2.326 R: 3.088	.001
H12b	DEPT: there will be a higher perception of social interaction value by REC than FUNC.	Yes	F: 2.958 R: 4.046	.000

Note: MM refers to mass merchandisers and DEPT refers to department stores: REC (R) refers to recreational shoppers and FUNC (F) refers to functional shoppers.

Table 4.12: Hypothesis Assessment Summary—From H6a to H14b (Continued)

<i>Hypotheses</i>	<i>Predicted Association</i>	<i>Supported or Not</i>	<i>Mean of Scale</i>	<i>P-value</i>
H13a	MM: there will be no difference in the perception of social status value between REC and FUNC.	No	F: 1.793 R: 2.245	.011
H13b	DEPT: there will be a higher perception of social status value for REC than FUNC.	Yes	F: 1.979 R: 2.540	.003
H14a	MM: there will be no difference in the perception of self-gratification value between REC and FUNC.	No	F: 2.012 R: 3.170	.000
H14b	DEPT: there will be a higher perception of self-gratification value for REC than FUNC.	Yes	F: 2.437 R: 4.056	.000

Note: MM refers to mass merchandisers and DEPT refers to department stores: REC (R) refers to recreational shoppers and FUNC (F) refers to functional shoppers.

## **CHAPTER V**

### **DISCUSSION AND CONCLUSIONS**

Chapter V presents the following three sections: (1) Overview; (2) Discussion of Findings and Implications; (3) Study Limitations; and (4) Future Research.

#### **Overview**

For decades, scholars in the marketing discipline have relied on a CAB (cognition, affect, and behavior) paradigm which regarded consumer behavior as a logical problem-solving process with the outcome of brand choice and product purchasing. Since the 1980s, scholars have begun to explore a broader view of consumer behavior that includes the experiential consumption concept. According to this concept, consumer behavior is both logical and illogical, suggesting that feelings and emotions are very important for consumers during consumption (Holbrook, 1984). Under this scenario, what consumers pursue is not only the product and information but also experiences. Some scholars have further argued that the outcome of consumer behavior should be viewed in terms of value instead of the discrete act of product purchasing. This research followed the new paradigm, i.e., a broader view of consumption, and developed a new holistic consumer behavior (HCB) model, which, contrary to the traditional CAB model, recognizes the rational and irrational aspects of consumer behavior, as well as utilitarian and hedonic experiences, and argues that the outcome of consumer behavior is consumer perceived

value (CPV). Furthermore, this model provided a framework for the investigation of consumer perceived value pursued in this study.

If, as argued herein, that consumption includes the marketplace experience, today's marketplace offers consumers a broad range of consumption experiences including the retail outlets consumers frequent. When consumers enter the marketplace, the natural interface is the shopping experience—what has become a central element of consumers' lives (Firat & Dholakia, 1995). In fact, many retailers are turning shopping into a high-value pursuit that will generate consumer value and lead to competitive advantage (Woodruff, 1999).

An intensive literature review identified three major gaps in the CPV literature within the context of shopping: (1) lack of clarity about the dimensions of CPV; (2) lack of research on CPV in different retail environments; and (3) lack of research on the importance of shopping orientation to CPV. In response to these gaps, this study investigated how consumers perceive the value of their shopping experiences in two key retail outlets—mass merchandisers and department stores—as well as how shopping orientations, either a recreational or a functional approach, relate to consumer perceived value (CPV). These are very important research questions because in today's competitive retail environment, experiences and value appear to have become the dominant purchase motivations among consumers (Holbrook, 1984; Berry & Yadav, 1996).

To provide the needed insight into consumer thinking, especially in an area such as CPV where relatively little research has been done, a qualitative research methodology

using in-depth interviews was first employed to gain insight into consumer shopping experiences relevant to different shopping outlets (Ruyter & Scholl, 1998). Sixteen interviews were conducted and analyzed using narrative-based interpretation of recurring topical patterns expressed in response to lightly-structured questions about shopping experiences. The emergent topics expressed by the study informants about their value perceptions in the retail environment linked strongly to major value categories discussed in the literature—exchange value, cognition value, sensory value, social value, and personal value. The interview data suggested that there were differences in the value perceptions when participants shopped at mass merchandisers versus department stores. More specifically, when informants shopped at mass merchandisers they expressed that they focused on a narrow group of issues, e.g., good prices and information; while when they shopped at department stores, they tended to consider a broader group of issues, such as getting a bargain, fashion trends, enjoying the environment, social interactions, and self-gratification.

Based on the initial qualitative study and the literature review, it was hypothesized that the levels of these value dimensions perceived by consumers would differ in the two different retail stores (see H1a to H5). Furthermore, shopping orientation, a recreational or functional approach, was hypothesized to affect consumers' value perceptions in these different retail environments (see H6a-H14b). In order to test the 27 proposed hypotheses, a quantitative survey followed the qualitative research, with 16 out of the 27 hypotheses being supported. The survey data revealed that consumers do differ in their perceived levels of attributed value on some of the value dimensions tested when they

shop at mass merchandisers versus department stores. Overall, shopping orientation, a recreational or functional shopping approach, also significantly affected consumers' value perceptions when they shopped.

## **Discussion of Findings and Implications**

### ***Study Contributions***

This study has contributed to the literature, and potentially to marketing practice and consumer welfare, in a number of important ways. First, it has helped to fill gaps in our knowledge of CPV and consumer shopping experiences. The study identified five important value dimensions and fifteen sub-dimensions that may be relevant to consumers' shopping experiences. Results strongly indicated that the levels of perceived value do vary depending on whether consumers are shopping at mass merchandisers or department stores. Furthermore, results strongly suggest that consumer shopping orientations do influence their perceptions of value when shopping at mass merchandisers or department stores. Second, these findings have strong implications for how retailers may want to address the provision of value to their customers. For example, of the values investigated consumers appear to value getting good deals, finding a bargain, getting in and out quickly and easily, being provided a good selection, having a pleasing shopping environment, and being stimulated by store offerings more than socialization while shopping—whether shopping in a mass merchandiser or department store. Third, this study has begun to map out the value landscape of consumers and their experiences in the American retail marketplace. Hopefully, this will lead to improved retailer responses to consumer needs and wants.

### *Commonalities in CPV Between Mass Merchandisers and Department Stores*

When looking across the values explored in this study, several commonalities were observed. First, based on the qualitative data, cross shopping, i.e., shopping at both mass merchandisers and department stores, appears to be a common phenomenon, backing up the literature (Crask & Reynolds, 1978). Consumers' reasons for choosing a retail store type, however, differed. The findings of the qualitative study suggested that consumers felt that mass merchandisers were more likely to meet their needs, while department stores were more likely to meet their wants.

Second, consumers did perceive some values similarly in the two types of stores. Consumers shopping at both retail outlets consistently perceived relatively high levels of exchange value—acquisition, transaction, efficiency, and choice value—compared to relatively lower levels of social value—specifically, social interaction and social status value. The lower levels of social value experienced by consumers at both mass merchandisers and department stores suggest that consumers may be less likely to go to these two types of retail outlets for socialization purposes or to show social status. This could be associated with: (1) consumers in general not caring about socialization when they shop at these types of retailers; (2) these retailers doing a relatively poor job of facilitating consumers' social interactions because of environmental factors such as impatient salespeople, lack of seating, no husband facilities, cramped aisles and fixtures, tiny dressing rooms, or loud music that makes conversation difficult; and/or (3) these retailers not focusing on the right things to build a social image for their customers.

Self-gratification value levels in the study were also low for both retail store types. Either self-gratification value was not what consumers really looked for when they shopped at these retail outlets or the retailers did not facilitate the factors that would assist consumers' in finding self-gratification. Although the self-gratification means were statistically different between the two store types, they were also surprisingly close in value and the means were low, even though it was logically anticipated that department stores would have a much higher mean for this particular value.

Third, choice value was not perceived as different when consumers shopped at the two retail outlets, which suggests that consumers were relatively happy with the product selections offered at both stores or with the product selections expected at both stores. In any case, it appears consumers shopped and got what they wanted from each store type.

### *Association of Store Type with CPV*

#### *Mass Merchandisers*

The study found that the perceived levels for some values did vary depending on whether consumers were shopping at mass merchandisers or department stores. Specifically, the survey results indicated that consumers perceived high levels of acquisition value and efficiency value at mass merchandisers—both sub-dimensions of exchange value. Relative to acquisition value, what consumers gained while shopping at mass merchandisers was good price for decent products and good product selections. Furthermore, despite lower quality of some goods, consumers appeared to be relatively happy with the price deals they got at mass merchandisers. Relative to efficiency, what consumers gained was an easy solution of their shopping tasks.

The strong focus on high exchange value levels demonstrated by consumers when shopping at mass merchandisers suggests a relatively more narrow range of concerns than that demonstrated by consumers shopping at department stores. This suggests that the values important to consumers shopping in mass merchandisers may be much more functional in nature, or what might be characterized as very task-oriented. If a functional approach is what consumers truly want of mass merchandisers, Wal-Mart's recent moves to provide more upscale offerings may face obstacles in the long term. Based on the study findings, mass merchandisers' strength appears to lie currently in their superior provision of high exchange value for consumers. For exchange value, the quantitative findings in the study directly mirror the thoughts and feelings expressed by the qualitative study informants.

#### *Department Stores*

The survey results indicated that consumers perceived higher levels of transaction value, esthetic value, curiosity value, social interaction value, social status value, and self-gratification value—also indicating a much broader range of value concerns for consumers when they elect to shop at department stores. These findings suggest that consumers shopping at department stores, while interested in good prices and getting a bargain, focused primarily on three types of values, those centering around the fashion atmosphere of the store, social life, and the recreational benefits of shopping. It appeared that the general value perceptions in department stores for consumers involved experiences centered around enjoyment.

As mentioned previously, although social value and self-gratification value were higher at department stores than at mass merchandisers, the means were still relatively low for both. It could be argued that self-gratification for many consumers involved a large service component in their expectations. Perhaps the visual appeal of department stores was insufficient, and consumers were craving better service. It should be noted that the survey results diverged from the qualitative data findings on this value, suggesting that consumers may shop more at department stores for self-gratification purposes than the study survey revealed. This finding seems particularly surprising for department stores and deserves further research attention.

Overall, the study finding of higher levels of a broad range of values in department stores implies that department store retailers have more to manage in order to keep their customers happy. Retailers will need to identify their strengths and weaknesses relative to these values and then pursue appropriate strategies to meet consumers' needs.

#### ***Association of Shopper Type with CPV***

The study found that shopping orientation strongly affected consumers' value perceptions when they shopped at mass merchandisers and department stores. Recreational shoppers perceived statistically significant higher levels of all the perceived values investigated than functional shoppers at both mass merchandisers and department stores. This finding suggests that recreational shoppers in general had more positive shopping experiences in terms of value perception than functional shoppers, which certainly supports the definitions for the two shopping orientations. Given the consistency of recreational shoppers having higher means on all values and at either retail

store type, a key implication of the study is that shopper type appears to be a significant influence on value perceptions despite store type. Looking at the mean levels across the values investigated, the results suggested that neither functional nor recreational shoppers focus on social status value in mass merchandisers or department stores. Furthermore, functional shoppers appeared not to highly value social interaction or self-gratification when shopping in either store type. Finally, it appeared that curiosity value perceptions had very low levels for functional shoppers when shopping in mass merchandisers. These findings imply that in general what the shopper brings to the shopping experience may be very important for retailers to understand.

### **Study Limitations**

As with all research, this study has its limitations. Although the interview informants were highly representative of the population of interest for the study and the sample size was more than sufficient for a qualitative study, caution must always be exercised in interpreting qualitative data to ensure that it is not applied beyond its inherent scope. On the quantitative side, it should be noted that care was also taken to ensure a representative sample; however, the survey sample was a convenience sample drawn from a limited geographic area and a select group of agencies. To address this, two types of questionnaires, one dealing with value perceptions at mass merchandisers and one dealing with value perceptions at department stores, were randomly distributed to respondents to ensure the validity of the statistical analyses assessing hypotheses H1a to H5 (the association between CPV and retail store type). This randomization helped control for unexpected bias. However, caution should be taken in the interpretation of the

H6a to H14b hypothesis testing results, i.e., those assessing shopper type, given that respondent shopper type was self-described and it was not possible to control for possible bias. Furthermore, the survey respondents turned out to represent a more highly educated consumer group than the average. Finally, no valid extant measurement scale for shopping orientation—a recreational or functional approach—was found in the literature. Thus, a shopping enjoyment scale (7-point agree or disagree statement scale) was adapted to assess shopper type. These limitations should be taken into account when interpreting the study findings.

### **Future Research**

Given the exploratory nature of this research, there are many opportunities for researchers to extend it. First, future researchers may want to explore demographic issues further, given that this study focused only on female consumers. Some research suggests that with the changes in our social and economic environment as well as in consumers' life styles, male consumers have become a significant component of shoppers in the marketplace. So, it would be very important to study male consumers' shopping behaviors and their value perceptions when they shop at different retail outlets. This might be very beneficial to retailers targeting a broad range of consumers and families. In addition to gender differences, researchers may also want to investigate the association of age and ethnicity with CPV. Second, future research may focus on investigating consumers' value perception in other retail stores such as specialty stores or online stores which have become more salient for today's consumers. Third, future research may focus on developing valid scale identify shopper types according to consumers' shopping

orientation to facilitate relative studies. Finally, this study focused on a limited number of value dimensions and sub-dimensions that were felt to be highly relevant to shopping at mass merchandisers and department stores. Future research should be extended to include other value dimensions and sub-dimensions not investigated here.

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## APPENDIX A. INTERVIEW SCHEDULE

Survey Section	Survey Questions
Section 1: Shopping Orientation...	<ul style="list-style-type: none"> <li>• Do you like to shop? Why or why not?</li> <li>• What feelings do you associate with shopping?</li> <li>• What products do you enjoy shopping for? What ones do you hate shopping for?</li> <li>• Where do you like shop? Where do you hate to shop? Why?</li> <li>• Could you share a recent good/bad shopping trip and what happened?</li> </ul>
Section 2: General Attitude Toward Retailers...	<ul style="list-style-type: none"> <li>• Do you shop at mass merchandisers/department stores? Why? Which ones?</li> <li>• What words would you use to describe mass merchandisers/department stores?</li> <li>• Why do you select a mass merchandiser/department stores over other retail stores?</li> <li>• How often do you shop at mass merchandisers/department stores? When?</li> <li>• What products do you shop for at mass merchandisers/department stores? Who do you shop for at mass merchandisers/department stores?</li> <li>• For what occasions do you shop at a mass merchandiser/department store?</li> <li>• What would you say that you get out of a successful shopping trip to a mass merchandiser/department store? (general value)</li> <li>• When you feel that you are satisfied after shopping at a mass merchandiser/department store, what things are you thinking and feeling that lead to that satisfaction? (general value)</li> </ul>
Section 3: Consumer Perceived Value...	<ul style="list-style-type: none"> <li>• What interactions do you have with people when you shop at a mass merchandiser/department store? Family? Friends? Store personnel? Other shoppers? (social interaction value)</li> <li>• Would you purchase a status product (designer goods, high price ticket items, highly fashionable items) at a mass merchandiser/department store? Why? (social status value)</li> <li>• How would you describe the social status associated with shopping (being seen) at a mass merchandiser/department store? (social status value)</li> </ul>

**APPENDIX A. INTERVIEW SCHEDULE (CONTINUED)**

<b>Survey Section</b>	<b>Survey Questions</b>
<p>Section 3: Consumer Perceived Value...</p>	<ul style="list-style-type: none"> <li>• How would you describe the interior of a mass merchandiser/department store? (esthetic value)</li> <li>• How does the store atmosphere/physical appearance/set up make you feel at a mass merchandiser/department store? (esthetic value)</li> <li>• How would you describe the range of products available to you at a mass merchandiser/department store? How important is a broad assortment to you? (choice value)</li> <li>• Describe what you consider to be a great deal (real bargain) at a mass merchandiser/department store. How does getting a bargain make you feel? (transaction value)</li> <li>• On a scale of 1 to 10 (10 being the most) how would you rank the convenience of mass merchandisers/department stores? Why? (efficiency value)</li> <li>• What things do you look forward to seeing and learning about at a mass merchandiser/department store? (curiosity value)</li> <li>• How much does the product(s) you saw or purchased matter in evaluating the success of a shopping trip to a mass merchandiser/department store? How much does the experience itself matter? (acquisition value)</li> <li>• What do you think you would experience if you indulged yourself by shopping at a mass merchandiser/department store? (self-gratification value)</li> <li>• If you decided to indulge yourself at a mass merchandiser/department store, what would you do/purchase?</li> <li>• Are there other things that we haven't discussed that you value about mass merchandisers/department stores?</li> </ul>

## APPENDIX B ANALYSIS OF INTERVIEW TRANSCRIPT

### *Shopping Experiences in Mass Merchandisers and Department Stores*

In the broad view, the in-depth interviews confirmed that cross shopping, i.e., shopping at a variety of retail outlets, is a wide spread phenomenon in today's society (Crask & Reynolds, 1978), and that consumers go to different retail outlets for a variety of reasons (Buttle, 1992; Buttle & Coates, 1984; Tauber, 1972; Westbrook & Black, 1985).

### *Shopping at Mass Merchandisers*

Six recurring topical patterns initially emerged from the data analysis. The first topic indicated that informants wanted low prices, that is, a need for commodities at good prices. So, many informants expressed that they go to mass merchandisers for a cheap solution, such as indicated by BD, IJ, and CD. Some informants even would like to sacrifice pleasant shopping experiences for lower prices, such as indicated by MN and GH:

BD: Uh...I saved lots of money, uh...of course I found what I want, and...uh...I don't know. I cannot think anything else, but the main thing is saving money, that is kind of nice.

IJ: I think I like mass merchandisers because they have fair price, nice products.

CD: ....if I need something cheap I would go to Wal-Mart.

MN: I don't like shopping at Wal-Mart. I go there when I have something that I need to have and I need to have for cheap.

GH: I hate going to Wal-Mart. I hate shopping anything there. But if I have to go to a grocery store I'd rather go to Wal-Mart because I try to go cheaper. ...The reason I do go to Wal-Mart is it is lots cheaper and I can buy a lot more for me.

The second recurring topical pattern that emerged from the data indicated that informants desired convenience. When informants shopped at mass merchandisers, they indicated that they look for the easy of getting shopping job done, such as indicated by FH, ST, MN, and KL. For some informants shopping at mass merchandisers appeared to be just a quick solution:

FH: Uh...usually that's when I go to mass merchandisers that I have to buy multiple things for multiple trips. ... I just go to one place.

ST: I like being able to go to Target for DVD and deodorant or soap. I like being able to get all the things in one place.

MN: But if I want to get everything at one trip and know what I need, I will go to mass merchandisers because I know I would be able to find everything I want.

KL: I am not going to mass merchandisers to look for deals, I go just because it the quickest and easiest place to go to pick up whatever I need especially when I don't have a lot of time.

The third recurring topical pattern that emerged from the data was product selection. Informants, such as XY and UV, indicated that mass merchandisers have a large variety of merchandise which covers almost every aspect of daily life. So, informants wanted to be able to get what they need and want when they shopped at mass merchandisers, as indicated by JL, ST, and GH:

XY: Because they have lot of alternative and substitute commodities for you, I mean, say if you want one brand and it is too expensive, you can check for alternatives, you know, cheap but good substitutes.

UV: I guess they have a large a variety of product, a lot of different thing, a lot of different brand to choose from, they have a higher and lower level quality to choose from.

JL: You go there and get what you want and need...that is very valuable.

ST: Uh...I like that when I go to mass merchandiser... because I can get a lot of things I need. I think that's nice because you have a large variety of things. ...it is easy. ... They are very convenient, the place to shop especially for lots of things, lots of variety.

GH: I go to Wal-Mart because they have everything there, that's kind good.

The fourth recurring topical pattern that emerged from the data was an interest in product information. Informants indicated that they tended to check out the available products when they shopped at mass merchandisers. They also appeared to like to compare products when they shopped there. EF, AB, and UV all indicated information search was a key activity when they shopped at mass merchandisers:

EF: ...lots of time if I want something and don't know what is available, I would go to Wal-Mart first. I would look around and then I might go to somewhere else to compare.

AB: When I had more time, discovering a new product or a value I did not know before.

UV: Because they have an... lots of home furnishing stuff they have are very neat, kind of creative, so I like to go there, look around, and see what I can find, and uh...I like picture frames and candles that kind of thing, ...they have pretty neat style.

The fifth recurring topical pattern that emerged from the data was getting marketplace stimulation, as indicated by BE:

BD: Even it is so overwhelming, it is nice even just walking through, look all the kitchen stuff, and all the carpet, and all bedspreads, and all the lamps and picture frames. ...you know.

The sixth recurring topical pattern that emerged from the data was spending time with others, as indicated by the informant MN:

MN: If I need something or my friend needs something, we will go together, just to have something to do, sometime we can spend together....Usually when we go out shopping or hang out or to relax, we just go to Target or something like that.

Further analysis of the six initial recurring topic patterns, however, indicated that these patterns could be linked to four major value categories identified in the literature:

(1) low prices, convenience, and product selection related to exchange value, which includes those values surrounding exchange or purchase, such as acquisition (price), efficiency, and choice; (2) product information related to cognition value which is expressed in the literature as information value; (3) marketplace stimulation related to sensory value; and (4) spending time with others related to social value which is expressed in the literature as social interaction. It was found that when informants shopped at mass merchandisers they emphasized exchange value heavily, while cognition value appeared to be somewhat important, but sensory value and social value appeared to be far less important for this retail environment.

#### *Shopping at Department Stores*

Ten recurring topical patterns initially emerged from the data analysis regarding informants' experiences when they shopped in department stores. The first recurring pattern that emerged was product quality. Informants indicated that department stores have higher quality products so they tended to shop there when they wanted something nice or something special, as indicated by CD, QR, IJ, and MN:

CD: In department stores I feel they get better quality... they just have things that are interesting to wear or us.

QR: Their products are perceived by many to be higher quality, so, there are things you want to last.

IJ: But usually if I need something special to wear I go to department stores. ... It is usually when you need nicer things.

MN: I went there for higher quality merchandise. I want things are nicer so I would get.

The second recurring topical pattern that emerged from the data was product selection. Department stores were, in general, viewed by the informants as more specialized than mass merchandisers in the soft goods area. Although department stores had a narrower selection of product categories, they were perceived to have deeper selections within each product category they carry. Informants QR, OP, FH, and GH all indicated that department stores had a better selection of different styles and brands, including private label brand products:

QR: It is more specialized, so, ..., it is limited in a good way. ...uh...there is not wide range of products, but in each department of the department stores you have a good variety of things to choose from....as far as company and brands. ...They carry their own brands, sometimes that will be more value than you buy a really name brand, that type of thing at that store. It's good that you can go those stores for specific items you might not be able to find somewhere else.

OP: As going to department stores, you are going to have a narrower range to choose from, but, if you are looking for women's sweaters, you have a large amount to choose from, from conservative to fashion forward, from high price to moderate price, a lot of choice, depth within the category.

FH: ....you have a wider selection with clothing. I think it as soft goods one-stop shopping idea.

GH: I guess I think one of my problems is that whenever I see something like a pair of shoes, I don't just see the shoes I put a whole outfit with it that I put into my head. That is good because if in a department stores and I see a nice pair of shoes and a whole outfit I can pick out, you know, everything with it.

The third recurring topical pattern that emerged from the data was bargain hunting. When informants shopped at department stores, they appeared to be more likely to hunt for bargains and sales. The products in department stores were perceived to be expensive; however, informants indicated that they could find nice products at very decent prices, especially when department stores marked down their merchandise during

events such as seasonal sales. Informants OP, JL, FH, and IJ all indicated bargain hunting was important to them at department stores. Some informants, such as FH, only went to department stores when there was a big sale taking place.

OP: That's more likely to happen at department stores because it is much higher price point to begin with. Because it is fashion oriented, they mark things done on regally basis. Sometimes those markdowns can be really substantial. It is like a draw, you cannot account for anything being there, you have the possibility that you will have a great buy.

JL: (I shop at department stores) every time when it's a big sale...The pleasure...it's kind of people get high when I get a good buy.

IJ: I like the sales they have at stores. Good sales...which is always nice to get things cheaper than the original prices...Fine products can be found at decent prices.

FH: I usually only show up when I think I can save money...I usually go to department stores for individual sale.

The fourth recurring topical pattern that emerged from the data was marketplace stimulation. Informants JL and ST both indicated that they liked to go to department stores just to look around and see beautiful or interesting things:

JL: ....sometimes I just look at styles, sometimes I enjoy just looking at pretty cloth, just enjoy seeing new stuff there. So sometimes I even don't shop, I just look.

ST: Because I like looking around more at the department store. If I don't find anything, it is fine.

The fifth recurring topical pattern that emerged from the data was product information. Informants such as JL and ST indicated shopping at department stores without any specific purchasing intention. They suggested that they would go to department stores to check out what is available or to see what has become fashionable.

JL: When I go to department stores I don't know what I want. I am kind of looking around, just...to see what's available.

ST: Well, I will work and set aside a little money and say I would like to buy a new pair of shoes. Then I just go look (sound very relaxed) and look, go and look to see what's becoming fashionable. I don't necessarily buy anything, I just like to see.

The sixth recurring topical pattern that emerged from the data was trend shopping. For many informants, shopping at department stores was to satisfy their curiosity about trends and style, as indicated by OP and EF. Department stores were viewed as more fashion-oriented, so, informants said they liked to go there to see the latest looks. Informants saw department stores as taking more care to display merchandise, so that consumers could visually relate to what is fashionable and stylish.

OP: Lots of times when I go there, I already had my crystals, china, ..., pretty much, but I am very interested to see what has been done on the table settings, some interesting way of folding a napkin, found interesting ways of putting glasses together on the table, ... use of colors, all those things, you know, good ideas in the linens department because they have wonderful ideas on how bed make up. I really enjoy looking around.

EF: I think the value of department stores is that they put some time and effort in decorating and like dress the model and show you how.... what goes with what, and what is classic looks and you don't have to figure it out... you don't get that at mass merchandiser. You have to figure it out yourself, so you cannot figure out style.

The seventh recurring topical pattern that emerged from the interview texts was gift shopping. Department stores in general were perceived to have better quality products and a better selection of higher quality products. The products also were seen as more exclusive and with better image. Because of the higher quality and better image of the products, informants indicated that they liked to shop at department stores to buy gifts to show care and being personal, as indicated by OP and MN:

OP: If I need to buy somebody a wedding present, that's probably where I will end up with, unless I have already had an idea. Otherwise I would probably wonder through for something that would make a good wedding present. If you give somebody something and it is in the box of Belk, that is a very different thing than they know it comes from Wal-Mart or Target.

MN: I want to get somebody something that represents, you know, “It is for you. I thought you would like it. It is nice. I would you like to have something you like but don’t need buy yourself.”

The eighth recurring topical pattern that emerged from the data was recreation, which was indicated by informants as the enjoyment of pleasant shopping experiences. Informants indicated that the shopping environment of department stores was pleasant and relaxing. So, shopping at department stores involved seeking fun, enjoyment, and relaxation, as indicated by MN, EF, and JL:

MN: I just have time to relax and don’t do something that I have to do.

EF: Uh...I have fun (laughing)...maybe I may pick something up maybe I don’t, but it does not make any difference. You feel you are there for fun, entertaining or fun... you can brows around, try out thing, feel good about yourself, and then walk out.

JL: When I go to department stores, I feel I am kind of more relaxed, kind of like stoking around,... (laughing) ...I don’t know. Maybe the atmosphere is more relaxing, maybe because I am going there more relaxing. ....maybe...state of mind or something.

The ninth recurring topical pattern that emerged from the data was social status. Some informants indicated that they perceived people shopping at department stores to have higher social status than those shopping at mass merchandisers. Informant EF indicated that she could gain social status by wearing products purchased from department stores.

EF: I guess if I buy something from there, I picture myself wearing it and feel socially I am wearing the right clothing. When people look at me they would say ‘Oh, she has something nice.’

The tenth recurring topical pattern that emerged from the data was spending time with others, as indicated by informant FH:

FH: Usually when I go to department stores...uh...lot of times I have family a member with me. Usually when I go to pick up my mom clothing, I go with my dad. ...so it's kind of trip so that he and I can talk, catch up with things.

After reviewing the ten initial recurring topical patterns that emerged regarding consumers' shopping experiences at department stores, further analysis indicated that these patterns could be linked to five major value categories identified in the literature: (1) product quality, bargain hunting, and product selection related to exchange value which is described in the literature as acquisition value (quality), transaction value (bargain hunting), and choice value; (2) marketplace stimulation related to sensory value which is expressed as basic sensory stimulation; (3) trend shopping and product information related to cognition value which includes curiosity value and information value; (4) gift shopping, social status, and spending time with others related to social value which includes social obligation value, social status and social interactions; and (5) recreation related to personal value which has been expressed in the literature as self-gratification. Based on the qualitative data analysis, when the informants shopped at department stores, their responses indicated that they sought all five value categories, with a greater emphasis on exchange value, cognition value, social value, and personal value.

**APPENDIX C**  
**QUESTIONNAIRE ON SHOPPING EXPERIENCES AT MASS**  
**MERCHANDISERS**



THE UNIVERSITY *of* NORTH CAROLINA  
**GREENSBORO**

**Consumer, Apparel, and Retail Studies**

**Consumer Shopping Experience Survey**

Lizhu Yu  
Tel: (336) 746-5210  
Email: [lizhu\\_yu@hotmail.com](mailto:lizhu_yu@hotmail.com)

Dear Sir/Madam:

You are invited to participate in a study investigating how consumers value their experiences when they shop either at mass merchandisers such as Wal-Mart or K-Mart or department stores such as Belk, Dillard's, or Hechts. If you agree to participate in this study, you will be asked to fill out this questionnaire, which will take approximately 10 to 15 minutes.

Confidentiality will be maintained at all times. The research data will be kept securely for 5 years in a locked filing cabinet, after which all documents will be shredded and computer files deleted. Your privacy will be protected because the survey is anonymous and your name or any other personal identifying information will not be placed on the questionnaire.

There are no risks or discomforts associated with this research. This research benefits society by improving our understanding of consumers' shopping experiences. This understanding will help scholars provide knowledge that business managers can use to improve retail services and, consequently, improve the quality of consumer experiences. There are no benefits for the individual.

The University of North Carolina at Greensboro's Institutional Review Board, which insures that research involving people follows federal regulations, has approved this research. Questions regarding your rights as a participant can be answered by calling Mr. Eric Allen at (336) 256-1482. If you have any questions regarding the research please contact me at 336-746-5210. Any new information found during the project will be provided to you if the information might affect your willingness to continue to participate.

You are free to refuse to participate or to withdraw your participation at any time without penalty or prejudice; your participation is entirely voluntary.

Please be sure to read and answer ALL the questions. There are no right or wrong answers. We are interested in your true experiences and opinions.

**THANK YOU!**

Sincerely,  
Lizhu Yu

## Section 1: General Shopping Experiences and Shopping Enjoyment

Please think about your general shopping experiences and indicate to what extent you disagree or agree with the following statements.

1 = “strongly disagree” and 7 = “strongly agree.”

	Strongly Disagree					Strongly Agree	
1. I enjoy shopping more than most people do.	1	2	3	4	5	6	7
2. I love to go shopping when I can find the time.	1	2	3	4	5	6	7
3. Shopping is a waste of time.	1	2	3	4	5	6	7
4. Shopping is not a way I like to spend my leisure time.	1	2	3	4	5	6	7
5. Shopping is a good way for me to relax.	1	2	3	4	5	6	7
6. Shopping picks me up on a dull day.	1	2	3	4	5	6	7
7. Shopping is entertaining to me.	1	2	3	4	5	6	7
8. Shopping is one of my favorite leisure activities.	1	2	3	4	5	6	7

Please mark the description below that best describes how you see yourself as a shopper?  
Please choose only one.

9. \_\_\_\_\_ I would describe myself as someone who generally considers shopping to be an enjoyable experience.
10. \_\_\_\_\_ I would describe myself as someone who generally considers shopping to be a chore.

## Section 2: Shopping at Mass Merchandisers

Please recall your experiences when shopping at mass merchandisers such as Wal-Mart or K-Mart and indicate to what extent you disagree or agree with the following statements.

1 = “strongly disagree” and 7 = “strongly agree.”

	Strongly Disagree					Strongly Agree	
11. Mass merchandisers’ products are a good economic value.	1	2	3	4	5	6	7
12. Overall, I am happy with mass merchandisers’ prices.	1	2	3	4	5	6	7
13. The prices of the product(s) I purchase from mass merchandisers are too high, given the quality of the merchandise.	1	2	3	4	5	6	7

	Strongly Disagree							Strongly Agree						
14. Taking advantage of a price-deal in a mass merchandiser makes me feel good.	1	2	3	4	5	6	7	1	2	3	4	5	6	7
15. I would get a lot of pleasure knowing that I would save money at reduced sale prices at a mass merchandiser.	1	2	3	4	5	6	7	1	2	3	4	5	6	7
16. Beyond the money I save, taking advantage of price deals at a mass merchandiser gives me a sense of joy.	1	2	3	4	5	6	7	1	2	3	4	5	6	7
17. Mass merchandisers offer a choice of different product categories.	1	2	3	4	5	6	7	1	2	3	4	5	6	7
18. Mass merchandisers offer a good selection of well-known brands.	1	2	3	4	5	6	7	1	2	3	4	5	6	7
19. Mass merchandisers offer a variety of products that are available in many different sizes.	1	2	3	4	5	6	7	1	2	3	4	5	6	7
20. Mass merchandisers offer a wide variety of products.	1	2	3	4	5	6	7	1	2	3	4	5	6	7
21. Shopping at a mass merchandiser is an efficient way to manage my time.	1	2	3	4	5	6	7	1	2	3	4	5	6	7
22. Shopping at a mass merchandiser makes my life easier.	1	2	3	4	5	6	7	1	2	3	4	5	6	7
23. Shopping at a mass merchandiser fits with my schedule.	1	2	3	4	5	6	7	1	2	3	4	5	6	7
24. Mass merchandisers have attractive décor.	1	2	3	4	5	6	7	1	2	3	4	5	6	7
25. Mass merchandisers have attractive physical facilities (check-out counters, shelves, etc.).	1	2	3	4	5	6	7	1	2	3	4	5	6	7
26. Mass merchandisers have attractive product and promotional displays.	1	2	3	4	5	6	7	1	2	3	4	5	6	7
27. Mass merchandisers have attractive materials associated with their service (shopping bags, catalogs, etc).	1	2	3	4	5	6	7	1	2	3	4	5	6	7
28. Mass merchandisers have well-spaced product displays.	1	2	3	4	5	6	7	1	2	3	4	5	6	7
29. Shopping at mass merchandisers makes me keep up with new fashions.	1	2	3	4	5	6	7	1	2	3	4	5	6	7
30. Shopping at mass merchandisers makes me keep up with the trends.	1	2	3	4	5	6	7	1	2	3	4	5	6	7
31. I shop at mass merchandisers to see what new products are available.	1	2	3	4	5	6	7	1	2	3	4	5	6	7
32. I shop at mass merchandisers to experience new things.	1	2	3	4	5	6	7	1	2	3	4	5	6	7

	Strongly Disagree					Strongly Agree	
33. Shopping at a mass merchandiser with others is a bonding experience.	1	2	3	4	5	6	7
34. I go shopping at a mass merchandiser with my friends or family to socialize.	1	2	3	4	5	6	7
35. To me, shopping with friends or family at a mass merchandiser is a social occasion.	1	2	3	4	5	6	7
36. I enjoy socializing with others when I shop at a mass merchandiser.	1	2	3	4	5	6	7
37. Shopping at a mass merchandiser would help me to feel acceptable.	1	2	3	4	5	6	7
38. Shopping at a mass merchandiser would improve the way I am perceived.	1	2	3	4	5	6	7
39. Shopping at a mass merchandiser would make a good impression on other people.	1	2	3	4	5	6	7
40. Shopping at a mass merchandiser would give me social approval.	1	2	3	4	5	6	7
41. When I am in a down mood, I go shopping at a mass merchandiser to make me feel better.	1	2	3	4	5	6	7
42. To me, shopping at a mass merchandiser is a way to relieve stress.	1	2	3	4	5	6	7
43. I go shopping at a mass merchandiser when I want to treat myself to something special.	1	2	3	4	5	6	7
44. When I shop at mass merchandisers, I think I am getting good value for the money/time/effort spent.	1	2	3	4	5	6	7
45. Shopping at mass merchandisers provides good value.	1	2	3	4	5	6	7
46. Compared with the tangible and intangible costs I pay, shopping at mass merchandisers is worthwhile.	1	2	3	4	5	6	7
47. When I compare what I get for what I give, shopping at mass merchandisers offers good value.	1	2	3	4	5	6	7
48. I get what I want and need from shopping at mass merchandisers.	1	2	3	4	5	6	7
49. Compared with the money/time/effort I spend, shopping at mass merchandisers provides value.	1	2	3	4	5	6	7

Perception of the Environment

Please think about the following adjective pairs and check the space that best describe your general perception of the environment of mass merchandisers.

- |                   |     |     |     |     |     |     |     |             |
|-------------------|-----|-----|-----|-----|-----|-----|-----|-------------|
| 50. Tense         | ___ | ___ | ___ | ___ | ___ | ___ | ___ | Relaxed     |
| 51. Uncomfortable | ___ | ___ | ___ | ___ | ___ | ___ | ___ | Comfortable |
| 52. Depressing    | ___ | ___ | ___ | ___ | ___ | ___ | ___ | Cheerful    |
| 53. Drab          | ___ | ___ | ___ | ___ | ___ | ___ | ___ | Colorful    |
| 54. Boring        | ___ | ___ | ___ | ___ | ___ | ___ | ___ | Stimulating |
| 55. Unlively      | ___ | ___ | ___ | ___ | ___ | ___ | ___ | Lively      |
| 56. Dull          | ___ | ___ | ___ | ___ | ___ | ___ | ___ | Bright      |
| 57. Uninteresting | ___ | ___ | ___ | ___ | ___ | ___ | ___ | Interesting |

**Section 3: Demographics**

The following questions are for statistical purposes ONLY. Please circle the appropriate response for each question.

59. What is your age?  
(1) 17 or younger      (2) 18 to 24      (3) 25 to 34  
(4) 35 to 44      (5) 45 to 54      (6) 55 and over
60. What is your gender?  
(1) Male    (2) Female
61. What is your ethnic background?  
(1) African American      (2) Asian or Pacific Islander  
(3) Caucasian      (4) Hispanic  
(5) Native American, Aleut, or Eskimo      (6) Other \_\_\_\_\_
62. What is your education level?  
(1) High school graduate    (2) Some college    (3) College graduate  
(4) Advanced degree      (5) Other \_\_\_\_\_
63. What is your occupation?  
(1) College student    (2) Technical    (3) Management    (4) Self-employed  
(5) Professional      (6) Other \_\_\_\_\_
64. What is your work status?  
(1) Full-time    (2) Part-time    (3) Not employed outside the home  
(4) Unemployed      (5) Retired

65. How much is your annual household income?  
(1) Less than \$20,000      (2) \$20,000 to \$39,999      (3) \$40,000 to \$74,999  
(4) \$75,000 to \$99,999      (5) \$100,000 or over
66. On average how often do you shop at mass merchandisers?  
(1) At least once a week      (2) Once every two weeks  
(3) Once a month      (4) Other \_\_\_\_\_
67. On average how often do you shop for apparel?  
(1) More than one a week      (2) Once a week  
(3) Once in every two weeks      (4) Once a month  
(5) Special occasions      (6) Other \_\_\_\_\_
68. How much money, on average, do you spend on apparel each month?  
(1) Less than \$25      (2) \$25 to \$50      (3) \$51 to \$75  
(4) \$76 to \$100      (5) More than \$100
69. Where is your most favorite place to shop for apparel?  
(1) Mass Merchandisers (Wal-Mart, Target, Kmart, etc)  
(2) Mid-Tier Retailers (Kohl's, JC Penney, Sears, etc.)  
(3) Department Stores (Macy's, Dillard's, Belk, etc.)  
(4) Specialty Stores (Sport Authority, Old Navy, Gap, etc.)  
(5) Other \_\_\_\_\_

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THE END

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**Thank you very much!!!**

**APPENDIX D**  
**QUESTIONNAIRE ON SHOPPING EXPERIENCES AT DEPARTMENT**  
**STORES**



THE UNIVERSITY *of* NORTH CAROLINA  
**GREENSBORO**

**Consumer, Apparel, and Retail Studies**

**Consumer Shopping Experience Survey**

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Tel: (336) 746-5210  
Email: [lizhu\\_yu@hotmail.com](mailto:lizhu_yu@hotmail.com)

## Section 1: General Shopping Experiences and Shopping Enjoyment

Please think about your general shopping experiences and indicate to what extent you disagree or agree with the following statements.

1 = “strongly disagree” and 7 = “strongly agree.”

	Strongly Disagree					Strongly Agree	
1. I enjoy shopping more than most people do.	1	2	3	4	5	6	7
2. I love to go shopping when I can find the time.	1	2	3	4	5	6	7
3. Shopping is a waste of time.	1	2	3	4	5	6	7
4. Shopping is not a way I like to spend my leisure time.	1	2	3	4	5	6	7
5. Shopping is a good way for me to relax.	1	2	3	4	5	6	7
6. Shopping picks me up on a dull day.	1	2	3	4	5	6	7
7. Shopping is entertaining to me.	1	2	3	4	5	6	7
8. Shopping is one of my favorite leisure activities.	1	2	3	4	5	6	7

Please mark the descriptions below that best describes how you see yourself as a shopper? Please choose only one.

11. \_\_\_\_ I would describe myself as someone who generally considers shopping to be an enjoyable experience.
12. \_\_\_\_ I would describe myself as someone who generally considers shopping to be a chore.

## Section 2: Shopping at Department stores

Please recall your experiences when shopping at department stores such as Belk, Dillard’s, and Hechts and indicate to what extent you disagree or agree with the following statements.

1 = “strongly disagree” and 7 = “strongly agree.”

	Strongly Disagree					Strongly Agree	
11. Department stores’ products are a good economic value.	1	2	3	4	5	6	7
12. Overall, I am happy with department stores’ prices.	1	2	3	4	5	6	7
13. The prices of the product(s) I purchase from department stores are too high, given the quality of the merchandise.	1	2	3	4	5	6	7

	Strongly Disagree						Strongly Agree
14. Taking advantage of a price-deal in a department store makes me feel good.	1	2	3	4	5	6	7
15. I would get a lot of pleasure knowing that I would save money at reduced sale prices at a department store.	1	2	3	4	5	6	7
16. Beyond the money I save, taking advantage of price deals at a department store gives me a sense of joy.	1	2	3	4	5	6	7
17. Department stores offer a choice of different product categories.	1	2	3	4	5	6	7
18. Department stores offer a good selection of well-known brands.	1	2	3	4	5	6	7
19. Department stores offer a variety of products that are available in many different sizes.	1	2	3	4	5	6	7
20. Department stores offer a wide variety of products.	1	2	3	4	5	6	7
21. Shopping at a department store is an efficient way to manage my time.	1	2	3	4	5	6	7
22. Shopping at a department store makes my life easier.	1	2	3	4	5	6	7
23. Shopping at a department store fits with my schedule.	1	2	3	4	5	6	7
24. Department stores have attractive décor.	1	2	3	4	5	6	7
25. Department stores have attractive physical facilities (check-out counters, shelves, etc.).	1	2	3	4	5	6	7
26. Department stores have attractive product and promotional displays.	1	2	3	4	5	6	7
27. Department stores have attractive materials associated with their service (shopping bags, catalogs, etc).	1	2	3	4	5	6	7
28. Department stores have well-spaced product displays.	1	2	3	4	5	6	7
29. Shopping at department stores makes me keep up with new fashions.	1	2	3	4	5	6	7
30. Shopping at department stores makes me keep up with the trends.	1	2	3	4	5	6	7
31. I shop at department stores to see what new products are available.	1	2	3	4	5	6	7
32. I shop at department stores to experience new things.	1	2	3	4	5	6	7

	Strongly Disagree						Strongly Agree
33. Shopping at a department store with others is a bonding experience.	1	2	3	4	5	6	7
34. I go shopping at a department store with my friends or family to socialize.	1	2	3	4	5	6	7
35. To me, shopping with friends or family at a department store is a social occasion.	1	2	3	4	5	6	7
36. I enjoy socializing with others when I shop at a department store.	1	2	3	4	5	6	7
37. Shopping at a department store would help me to feel acceptable.	1	2	3	4	5	6	7
38. Shopping at a department store would improve the way I am perceived.	1	2	3	4	5	6	7
39. Shopping at a department store would make a good impression on other people.	1	2	3	4	5	6	7
40. Shopping at a department store would give me social approval.	1	2	3	4	5	6	7
41. When I am in a down mood, I go shopping at a department store to make me feel better.	1	2	3	4	5	6	7
42. To me, shopping at a department store is a way to relieve stress.	1	2	3	4	5	6	7
43. I go shopping at a department store when I want to treat myself to something special.	1	2	3	4	5	6	7
44. When I shop at department stores, I think I am getting good value for the money/time/effort spent.	1	2	3	4	5	6	7
45. Shopping at department stores provides good value.	1	2	3	4	5	6	7
46. Compared with the tangible and intangible costs I pay, shopping at department stores is worthwhile.	1	2	3	4	5	6	7
47. When I compare what I get for what I give, shopping at department stores offers good value.	1	2	3	4	5	6	7
48. I get what I want and need from shopping at department stores.	1	2	3	4	5	6	7
49. Compared with the money/time/effort I spend, shopping at department stores provides value.	1	2	3	4	5	6	7

### Perception of the Environment

Please think about the following adjective pairs and check the space that best describe your general perception of the environment of department stores.

- |                   |     |     |     |     |     |     |     |             |
|-------------------|-----|-----|-----|-----|-----|-----|-----|-------------|
| 50. Tense         | ___ | ___ | ___ | ___ | ___ | ___ | ___ | Relaxed     |
| 51. Uncomfortable | ___ | ___ | ___ | ___ | ___ | ___ | ___ | Comfortable |
| 52. Depressing    | ___ | ___ | ___ | ___ | ___ | ___ | ___ | Cheerful    |
| 53. Drab          | ___ | ___ | ___ | ___ | ___ | ___ | ___ | Colorful    |
| 54. Boring        | ___ | ___ | ___ | ___ | ___ | ___ | ___ | Stimulating |
| 55. Unlively      | ___ | ___ | ___ | ___ | ___ | ___ | ___ | Lively      |
| 56. Dull          | ___ | ___ | ___ | ___ | ___ | ___ | ___ | Bright      |
| 57. Uninteresting | ___ | ___ | ___ | ___ | ___ | ___ | ___ | Interesting |

### **Section 3: Demographics**

The following questions are for statistical purposes ONLY. Please circle the appropriate response for each question.

70. What is your age?

- (1) 17 or younger      (2) 18 to 24      (3) 25 to 34  
(4) 35 to 44      (5) 45 to 54      (6) 55 and over

71. What is your gender?

- (1) Male    (2) Female

72. What is your ethnic background?

- (1) African American      (2) Asian or Pacific Islander  
(3) Caucasian      (4) Hispanic  
(5) Native American, Aleut, or Eskimo      (6) Other \_\_\_\_\_

73. What is your education level?

- (1) High school graduate    (2) Some college    (3) College graduate  
(4) Advanced degree      (5) Other \_\_\_\_\_

74. What is your occupation?

- (1) College student    (2) Technical    (3) Management    (4) Self-employed  
(5) Professional    (6) Other \_\_\_\_\_

75. What is your work status?

- (1) Full-time    (2) Part-time    (3) Not employed outside the home  
(4) Unemployed    (5) Retired

76. How much is your annual household income?  
(1) Less than \$20,000      (2) \$20,000 to \$39,999      (3) \$40,000 to \$74,999  
(4) \$75,000 to \$99,999      (5) \$100,000 or over
77. On average how often do you shop at department stores?  
(1) At least once a week      (2) Once every two weeks  
(3) Once a month      (4) Other \_\_\_\_\_
78. On average how often do you shop for apparel?  
(1) More than one a week      (2) Once a week  
(3) Once in every two weeks      (4) Once a month  
(5) Special occasions      (6) Other \_\_\_\_\_
79. How much money, on average, do you spend on apparel each month?  
(1) Less than \$25      (2) \$25 to \$50      (3) \$51 to \$75  
(4) \$76 to \$100      (5) More than \$100
80. Where is your most favorite place to shop for apparel?  
(1) Mass Merchandisers (Wal-Mart, Target, Kmart, etc)  
(2) Mid-Tier Retailers (Kohl's, JC Penney, Sears, etc.)  
(3) Department Stores (Macy's, Dillard's, Belk, etc.)  
(4) Specialty Stores (Sport Authority, Old Navy, Gap, etc.)  
(5) Other \_\_\_\_\_

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THE END

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**Thank you very much!!!**