Measuring Motivational Factors for Product Category Based on Channels

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Abstract: The aim is to examine whether shopping motivations for hedonic and utilitarian products differs with channel. An online survey was conducted among 400 respondents, out of which 350 were usable. Based on the extant literature, grocery and electronics were the utilitarian products chosen for the study. Apparel and jewellery were the chosen hedonic products. Results show that shopping motivations varied for product category based on channels. Consumers who looked for higher level of convenience shopped grocery online. Shopping enjoyment motivated consumers to purchase grocery from the physical stores. Consumers considered product availability for the online apparel shopping, whereas impulse buying tendency motivated towards its in-store purchases. Risk aversiveness motivated consumers to buy electronics in-store. Consumers valued employee attitude and purchase jewellery from the physical stores. Identification of motivations based on channels for product category enables retailers to witness in-depth understanding of consumer needs.

Keywords: In-Store, Online, Shopping, Motivation, Product category

I. INTRODUCTION

In today's era, retailing offers consumers to shop from multiple channels. Consumers intention to shop in a particular channel is based on various shopping motivations [1]. Consumers' shopping motivations varies with channel. Online shopping provides opportunity to shop in an uncrowded environment with one-stop shopping. Convenience, and product availability are the key online shopping motivations. Car parking issues, waiting time and visit to various stores in search of different products are avoided in online shopping. Difficulties in merchandise services (product returns, customer service facility), shipping charges and delayed delivery are the major drawbacks of online shopping [2].

In-store shopping is preferred by consumers as they like browsing activity in physical stores to view varied products. For them, in-store is the first place to shop compared to online. Consumers gets excited with the various in-store activities like promotional events while engaged in the shopping process. They like to meet other people in-store as social interaction is enjoyed by such consumers. Store environment attributes (like music, light) improvises sensory stimuli thereby creating a sudden urge to buy products apart

from emotional feelings [3]. Impulse buying tendency, risk aversion and employee attitudes are the major in-store motivational factors. Store shopping results in wastage of psychological resources by searching products among varied choices.

Products are either hedonic or utilitarian in nature. For example, apparel and jewellery is treated as a hedonic product since it typically provides pleasure to the consumer through sensory gratification [4]. Conversely, consumers purchase utilitarian products like electronics and grocery for functional and cost related benefits [5]. Research on shopping motivations is fragmented. Consumers shopping motivations for the product category varies with channel. In this study we attempt to measure consumers' shopping motivations for hedonic and utilitarian products based on channels (i.e. online and in-store).

II. LITERATURE REVIEW

A. Convenience

Convenience is the ability to shop from anywhere at any time without any boundaries. Reduction of temporal resources like time and effort form the greatest part of convenience.

For instance, consumers buy utilitarian product like grocery online due to certain convenience factors like time and resource savings, uncrowded environment and easier ordering facility from home or workplace. Certain consumers consider situational factors as major motives for online shopping [6].

B. Shopping Enjoyment

Shopping enjoyment is the excitement, pleasure or arousal consumer gains from shopping process. It is associated with emotional feelings such as satisfaction and increases hedonic shopping value. Consumers who look for hedonic attributes like enjoyment purchase utilitarian products like grocery in-store.

Enjoyment attributes like shopping experience or fun of shopping and service facilities motivates consumers to engage in store shopping. Social aspects also facilitate shopping in physical stores [7].

C. Product Availability

Product availability is the obtainability of product needed in a convenient way Availability of products with varied choices in a single platform with lesser effort is the motive of all shoppers. Accessibility and availability are correlated. Consumers seek product purchase in an efficient way. For example, apparel being a hedonic product is purchased online by consumers concentrating on attributes like wide varieties, information accessibility and product interactivity.

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Availability of products with immediate possession and varied varieties motivates them to purchase online. Consumers who value product availability or presentation attributes like speed to search, variety of merchandise and product description purchase hedonic products like fashion goods online [8].

D. Impulse Buying Tendency

Impulse buying tendency is the desire to buy product or service without any pre-purchase intention. It occurs either of external factors like store atmosphere or internal factors like psychological feelings resulting in the desire to purchase products.

Perceived stimulation, hedonic consumption tendency, consumer's positive emotional responses, employee assistance and situational characteristics are the factors that drive consumers to engage in impulse buying for hedonic products like cosmetics, clothing, etc. [9]. Store atmosphere leads to an affective experience facilitating impulsive purchase decision. Impulse buying behaviour is influenced by buying desire which includes various psychological factors while purchasing hedonic products like fashion garments [10].

E. Risk aversion

Risk aversion is the internal risk perceived by consumers towards a particular channel. It is the probability that product purchases through certain channel results in dissatisfaction [11].

Consumers who are highly risk averse and brand conscious purchase utilitarian products like television, cell phones in-store as they want to experience the product before purchasing the product. Consumers of different geographic region possess varied attitude towards brand choice. For example, Spanish consumers are more price and quality sensitive. Risk aversion attributes like payment security and product variances from the actual one presented online is higher for them in case of utilitarian products and purchase it in-store [12].

F. Employee Attitude

Employee attitude or customer service facility is the act of taking care of consumer needs by providing proper assistance. Positive customer service or experience triggers cognitive and emotional responses from consumers.

Consumers purchase hedonic product like jewellery in-store due to positive attitude and appearance of employees which matches consumer's store expectations while involved in the shopping activity. They consider good customer service to the prestige or status obtained from the shopping process. Consumers find it difficult to choose products online from varied products or brands without the help of employees. Product reviews often fails to overcome the supreme power of word-of-mouth facility available in-store. Pleasant atmosphere with positive customer-salesman relationship helps consumer to buy right product [13].

Customer service is one of the major store attributes that determines consumers overall satisfaction from the shopping process. Availability of customer services with proper salesperson guidance enables consumer chose the right product. Positive feedback of employees engages consumers to revisit particular stores and preference for in-store over online shopping [14].

III. HYPOTHESES DEVELOPMENT

A. Grocery

Grocery is a combination of wide variety of products including canned or frozen foods, packaged or dry groceries, dairy products, refreshment items, pre-packaged meats and other grocery items [15]. Consumers purchase utilitarian product grocery often for their day to day needs and prefer it buying in a convenient way. Convenience plays a major role in the online purchase of grocery as it reduces the consumer's pre-purchase time and effort in search of products at multiple locations. For example, consumers buy grocery online due to the ease of use and usefulness of e-commerce sites with ability to order 24/7 from anywhere. Reduction of search cost and comfort of ordering online are taken in to account while shopping in time-pressured conditions. Time and fuel savings and shopping in an uncrowded environment provides positive interest amongst consumers to shop grocery online. They also believe that shopping online ensures faster delivery of products with less effort [16].

H1a. Consumers who score higher on convenience prefer to buy grocery online.

Shopping enjoyment is a major motivational factor for consumers to purchase grocery in-store as recreational experience with social interaction is achieved [3]. For instance, factors like freshness, customer relationship activity and advertising are perceived by consumers towards in-store grocery shopping. Consumers considers enjoyment attributes like social interaction with friends, family members or retailers while engaged in store purchases [17].

H1b. Consumers who score higher on shopping enjoyment prefer to buy grocery in-store.

B. Apparel

Apparel is a hedonic based product category which includes clothing, shoes, accessories, handbags and other fashion related products [18]. Consumers does online shopping for apparel due to product availability in a single platform [19]. For example, consumers shop apparel online due to availability of varied varieties with product comparison options. Products are easily accessible online which is often missed in-store. Other factors include availability of brand or product of their choice from authorized sellers worldwide with product reviews from other experienced consumers. Merchandise variety and product information with quick search ability feature encourages consumers to stick towards online purchases [8].

H2a. Consumers who score higher on product availability prefer to buy apparel online.

Retail environment characteristics and positive emotional responses results in impulse buying attitude amongst consumers for apparel in-store [20]. Store atmosphere and psychological feelings results in impulse buying. For example, consumers purchase apparel in-store due to factors like fashion involvement and positive social interaction. Perceived stimulation, self-esteem and presence of other shoppers are the other factors that results in buying products impulsively. It's seen that store environmental attributes like music and situational characteristics leads to affective experience facilitating urge to buy apparel in-store [10].

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H2b. Consumers who score higher on impulse buying tendency prefer to buy apparel in-store.

C. Electronics

Electronics are primarily a utilitarian product that ranges from small appliances like portable radios, CDs, DVD players and stereo's to large appliances like televisions, fridge and other electronic utilities [21]. Consumers are in need of electronics as it plays a major role in their daily life and possess higher risk aversion towards its purchase. Ability of store to meet functional or utilitarian needs of consumers with value-added purchase adds to its positive aspects. Product feel is often linked to quality and trust felt by consumer as it can be checked in-person. Payment security and no risk of product variances with proper authenticity motivates consumers to purchase electronics in-store [11].

H3. Consumers who score higher on risk aversion prefer to buy electronics in-store.

D. Jewellery

Jewellery is a hedonic product which is made of gold, silver or platinum with or without gemstones. Consumers considers jewellery as a part of value-based, luxury and emotionally connected product. Jewellery is mostly purchased in-store and it's observed that the purchase decision is strongly influenced by the positive attitude of employees, who help customer in choosing the right product. Employee attitude or customer service facility is the act of taking care of consumer needs by providing proper assistance. Positive customer service or experience triggers cognitive and emotional responses from consumers. For example, consumer's link product quality to the store atmosphere and appearance of employees while purchasing jewellery in-store. Consumers considers social value and store services important as product design and craftsmanship details can be known from in-store employees. Consumer's link, after sale customer service to traditional hallmark which is often considered as the symbol of purity of the product purchased in-store [14].

H4. Consumers who score higher on personal service prefer to buy jewellery in-store.

IV. METHODOLOGY

In this study, we use constructs from existing literature to test the hypotheses in order to understand channel preference of consumers. Product availability [22], convenience [6], impulse buying tendency [20], shopping enjoyment [23], risk aversion [22] and employee attitudes were the major variables selected for understanding consumer perception for in-store/ online shopping. All the scales were on a 7-point Likert (ranging from strongly disagree to strongly agree).

Participants were selected using snowball sampling and the questionnaire was distributed online. Out of 400 responses, 350 (88 percent) were usable. Around 51.9 per cent were male. Most of the reported annual household income was between 5 to 15 lakhs and family size was 3 to 7 people. The reliability of the questionnaire was validated before carrying out the entire process.

V. RESULTS

The reliability of the scale measurement items of the construct was indicated using Cronbach's alpha. It reflected above 0.7 for all the six constructs. Hypotheses testing was achieved using MANOVA. Results supported both H1a and H1b. Consistent with the stated prediction, convenience is higher for consumers who shop utilitarian product grocery online. However, as stated in the hypotheses, shopping enjoyment is higher when consumers shop grocery in-store. Grocery propensity value included: Low=280 and High=70. Multivariate test results were: $F_{(6, 337)} = 2.643$; $P=0.016$ (Pillai's Trace= 0.045; Wilks' Lambda=0.955; Hotelling's Trace and Roy's Largest Root=0.047). According to H2a and H2b, consumers look for product availability while shopping hedonic product apparel online. On the other hand, impulse buying tendency is higher while consumers purchase apparel in-store. Data supported both H2a and H2b. Apparel propensity value included: Low=218 and High= 132. Multivariate test results were: $F_{(6, 337)} = 4.475$; $P=0.000$ (Pillai's Trace= 0.074; Wilks' Lambda=0.926; Hotelling's Trace and Roy's Largest Root= 0.080). We postulated in the H3 that consumer seems to be highly risk aversive while purchasing utilitarian product electronics. This hypothesis is supported as perceived risk is higher for consumers while they purchase electronics online and prefer buying it in-store. Electronics propensity value included: Low=275 and High=75. Multivariate test results were: $F_{(6,337)} = 3.092$; $P=0.006$ (Pillai's Trace= 0.052; Wilks' Lambda=0.948; Hotelling's Trace and Roy's Largest Root= 0.055). Furthermore, consumers seem to value employee attitude while purchasing emotionally connected hedonic product jewellery. Findings concluded support for H4. Moreover, it's seen that positive employee attitude is linked to social status by consumers while they shop jewellery in-store. Jewellery propensity included: Low=285 and High=65. Multivariate test results were: $F_{(6, 337)} = 3.274$; $P= 0.004$ (Pillai's Trace=0.055; Wilks' Lambda=0.945; Hotelling's Trace and Roy's Largest Root=0.058).

VI. DISCUSSION

This study yields benefits to retailers and marketing managers. Consumers look for overall shopping convenience for the purchase of grocery online. Retailers need to concentrate on providing enhanced faster delivery facility to such consumers. They should provide the options of pickup from a nearby retail outlet or free one-day delivery at door-step either home/workplace. The facility should be provided to all products no matter whether it is FMCG goods or electronic products.

Shopping enjoyment motivates consumers to purchase grocery in-store. Retailers should attract these consumers by providing more promotional offers, discounts and recreational activities as they enjoy shopping in a crowded environment [24].

Product availability is of utmost importance to consumers who shop apparel online. Retailers should offer a wide variety of products with varied colours and sizes available in a single click. They can provide virtual trials using augmented reality to help consumers find the appropriate fit. Consumers with higher impulse buying tendency purchase apparel in-store.

Retailers should implement techniques to improvise store environment by incorporating techniques like LED screen for product display, store events, unique flooring experience, tea room, play area for children, etc. [25].

Risk aversive attitude motivates consumers to perform in-store shopping for electronics. Retailers need to enhance the trust of such consumers by offering high-quality products with personalized services. They should also provide in-store promotions and opportunity to meet technology specialist to solve product related queries. Employee attitude or personal services in-store is the key motivation for in-store shopping for jewellery. Retailers should attract such consumers by providing higher-end customer service, a self-scan app for easy check-out etc. A highly knowledgeable and skilled salesperson should help such consumers in choosing the right product. Rewards should be offered to consumers of this shopping type to encourage them to revisit particular stores [26].

VII. CONCLUSION AND FUTURE RESEARCH DIRECTIONS

Consumers shopping motivations varies with channel for different product categories. Studies on online and in-store motivational factors is fragmented. The current study concentrates on consumer shopping motivations for hedonic and utilitarian products based on channels. Future research may concentrate on comparing motivational factors of different age groups based on channel and product type. Retailers are migrating their businesses to multi and omnichannel retailing. Researchers may attempt to find the shopping motivations for multichannel and omnichannel consumers. An empirical study comparing single channel, multichannel and omnichannel for product types will give outlook of associated motivations [27].

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