

## UNDERSTANDING INTERNET SHOPPERS: AN EXPLORATORY STUDY

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*As part of a mall intercept study in comparing mall shoppers who shop both online and at the mall with those mall shoppers who do not shop online, we found several unique aspects about Internet shoppers. Internet shoppers are more fashion conscious, exhibit more variety seeking behaviors, are more likely to comparison shop, and have a more positive attitude toward shopping than those mall shoppers who do not also buy online. Additionally, those who have used the Internet over a longer period of time are more likely to be Internet shoppers. Finally, Internet shoppers are not any more price sensitive than mall shoppers who do not also buy online. The implications for retail managers are discussed.*

### INTRODUCTION

In the early 1990s, half of all retail sales were mall transactions (Feinberg and Meoli 1991). Trends now indicate that malls are not effectively meeting the varied needs of shoppers and mall shopping is declining (Lee 2003; Marney 1997; Nichols, Li, Kranendonk and Roslow 2002). Fewer people are going to the mall, they are going less often, and they are spending less time there (Lee 2003; Marney 1997; Nichols et al. 2002). The decline in mall patronage can be attributed in part to the advancements made by e-tailers to accommodate the Internet savvy shopper (Groover 2006) as Internet shopping can meet both the hedonic and utilitarian needs of shoppers (Childers, Carr, Peck and Carson 2001).

In 1996 annual online sales totaled roughly \$500 million, which was less than one percent of all dollars spent on non-store shopping (Schiesel 1997). Less than a decade passed before online shopping was experiencing sales of \$143.2 billion (Burns 2006). Online sales had risen to almost five percent of all retail sales, a feat that took catalogs a century to achieve (Wingfield 2003). Grannis (2007a)

reported results from a survey conducted by Shop.org in November 2007 in which 72 million Americans declared their intent to shop online on Cyber Monday, the traditional beginning of online holiday shopping. In a single day, these shoppers spent \$733 million, an increase of 26 percent over Cyber Monday sales in 2006 (Grannis 2007b). E-commerce, the purchasing of goods and/or services via the Internet (Hsu 2006), had exploded since the mid 1990s. The Internet had become the fastest growing shopping channel (Siddiqui, O'Malley, McColl and Birtwistle 2003) and had changed the world of retailing (Ballentine 2005).

This paper looks at online shoppers and compares them to those who do not shop online in terms of their fashion consciousness, price sensitivity, variety seeking behavior, comparison shopping, and attitude towards shopping. We propose that those shoppers who shop both in malls and online are different than those shoppers who only shop in malls. We study this by comparing two groups of mall shoppers through a mall-intercept study, one group that does not shop online and the other group that does shop online as well as in the mall. This paper makes a significant contribution to the literature by being one of the first to compare these two groups of mall shoppers on these variables. To address this, we will first discuss the literature in terms of

fashion consciousness, price consciousness and comparison shopping, variety seeking, and e-tailing. As part of the literature review we will propose our hypotheses. Then we will present our study and its results. Finally, we will discuss the managerial implications for both mall retailers as well as e-tailers.

## LITERATURE REVIEW

### Shopping Attitudes

Shopping can be seen as offering shoppers both utilitarian and hedonic benefits and that a positive mood can result from either benefit (Babin, Darden and Griffin 1994; Childers et al. 2001). Carpenter and Fairhurst (2005) found that utilitarian and hedonic shopping benefits were positively related to customer satisfaction in a retail branded shopping context, while Stoel, Wickliffe and Lee (2004) found mall attribute satisfaction has a positive influence on both hedonic and utilitarian shopping value and that hedonic shopping value positively impacted repatronage intentions. Finally, Laroche, Teng, Michon and Chebat (2005) noted that the higher the levels of pleasure shoppers felt with mall shopping, the higher the perceptions of service quality they had and thus a higher intention of purchase.

Mall retailers as well as e-tailers need to make sure that they attract shoppers, particularly the heavy user. Goldsmith (2000) finds that buyers who spend the most on new fashions (i.e., the heavy user) are significantly different than the light shopper (or user) as the heavy fashion user is more involved with fashion, more innovative and knowledgeable about new fashions, more likely to act as opinion leaders, and less price sensitive, plus they shopped more (Goldsmith 2000, p. 21).

### Fashion Consciousness

Fashion consciousness can be defined as consumers who are sensitive to their physical attractiveness and image (Wan, Youn and Fang 2001). "Fashion conscious people are highly aware of their appearance, of how they dress

and of how the things they possess are the extended forms of their self identity (Wan et al. 2001, p. 272)." Yavas (2001) finds the presence of new fashions to be an important shopping motive. Opinion leadership and innovativeness have been two important variables in predicting fashion adoption (Schrank 1973; Summers 1970). Goldsmith and Stith (1990) find fashion innovators to be younger and to place greater importance on the social values of being respected, excited, and the fun/enjoyment aspect of life than non-innovators. Additionally, fashion conscious consumers have been found to be self-assertive, competitive, venturesome, attention seeking, and self confident (Stranforth 1995; Summers 1970). Finally, Wan et al. (2001) reported that risk aversion and price consciousness showed weak relationships with fashion consciousness.

Fashion conscious shoppers tend to shop at high-quality stores and also engage in home shopping activities (Wan et al. 2001). Fashion conscious shoppers concerned with showing individuality will be more likely to shop online and tend to spend more money on clothing (Wan et al. 2001). Shoppers who are fashion conscious want to keep their wardrobe up-to-date with the latest style and gain pleasure from shopping (Walsh, Mitchell and Henning-Thurau 2001). Goldsmith and Flynn (2005, p. 271) found that clothing innovators shop more frequently through the Internet, catalogs, and stores, but are more drawn to traditional retail stores, particularly the very fashion conscious. Thus, we propose that:

**H<sub>1</sub>:** Shoppers who purchase products online will be more fashion conscious than those who do not buy from online stores.

### Price Consciousness and Comparison Shopping

Price consciousness is the degree to which the consumer focuses solely on paying low prices (Jin and Suh 2005). Yavas (2001) found price competitiveness to be a primary shopping motive. Grewal and Marmorstein (1994, p. 459) found that the "consumers' willingness to spend time comparing prices is affected by the

psychological utility, as well as the economic value of the expected savings.” Consumers in high stress situations have higher levels of price sensitivity (Anglin, Stuenkel and Lepisto 1994).

Retailers need to recognize that the stereotype of the price conscious consumer as a frugal shopper may not hold, as the pursuit of thrift can be a hedonic experience due to the pursuit of the unexpected (Bardhi and Arnould 2005). In response to off-price retailing, department stores have had to become more price competitive (Kirby and Dardis 1984). In the 1980s, mall merchants used sales and special promotions to attract customers, but this resulted in low profit margins and consumers addicted to sales (Barnes 2005). Mall retailers then resorted to cutting back on sales, which was not well received. Fewer sales combined with the explosion of manufacturers’ factory outlet centers, electronic shopping, catalog sales and off-price retailers resulted in the decline of mall shoppers (Barnes 2005). Finally, Roy (1994) found that the infrequent mall shopper was more deal prone with a relatively lower income.

Comparison shopping is seen as a form of information seeking and the need to comparison shop increases as the need for novelty increases (Anglin et al. 1994). Given the considerable inter-store price variations for standardized consumer products (Grewal and Marmorstein 1994), comparison shopping is becoming more important (Kirby and Dardis 1984). There are costs though associated with comparison shopping, including time costs and uncertainty about specific product availability (Kirby and Dardis 1984). For those who enjoy shopping, price comparison shopping may be seen as worth the time (Marmorstein, Grewal and Fische 1992). Use of the Internet, however, may reduce these time costs or increase the savings (Kwak 2001). The Internet allows shoppers interactivity, 24-hour accessibility, a wide range of sellers and most importantly shopping from the comfort of home and at their own time (Balabanis and Vassileiou 1999). Vijayarathy and Jones (2001) found that use of Internet shopping aids for comparison

shopping are convenient and can reduce search effort, but does not improve consumer confidence. Thus we propose the following hypotheses:

**H<sub>2a</sub>:** Shoppers who use the Internet to make their purchases will be more price sensitive than those who do not use the Internet to make their purchases.

**H<sub>2b</sub>:** Shoppers who use the Internet to make their purchases will be more likely to be comparison shoppers than those who do not use the Internet to make their purchases.

### Variety Seeking

Variety-seeking behavior is the tendency of individuals to seek diversity in their choices of services or goods over time (Kahn, Kalwani and Morrison 1986) in order to maintain an optimal level of stimulation (Menon and Kahn 1995). McAlister and Pessemier (1982) suggest that this need for variety may be due to either multiple needs/changes in the choice problem or due to variations in behavior being inherently rewarding. Shoppers seek variety to satisfy a need for stimulation by bringing something new into their lives, even if they are satisfied with their current brand (Walsh et al. 2001). This need for stimulation may be met by providing variety within a product category or in the choice context (i.e., the retail environment or variation in purchase in a different product category) (Menon and Kahn 1995). Thus, consumers are involved in a substantial amount of store-switching and variety seeking behavior (Popkowski and Timmermans 1997).

Wakefield and Baker (1998) found that mall tenant variety can lead to higher levels of excitement about the mall as well as increased desire to stay at the mall. Retailers can address the need for variety by offering a high variety product line or by changing the store atmospherics (Kahn 1998). Firms need to make sure that this variety is truly distinctive and enjoyable and avoid redundancy that makes the decision process more difficult (Kahn 1998) and confusing for shoppers (Walsh et al. 2001).

Finally, variety and assortment can positively impact satisfaction and loyalty (Terblanche and Boshoff 2006).

With e-tailing consumers have a greater array of vendors and products available (McKinney, Yoon and Zahedi 2002). Kim, Kim and Kumar (2003) found that the variety of brands and the variety of merchandise were strong factors in influencing consumers to purchase online. Thus, we propose that:

**H<sub>3</sub>:** Shoppers who shop online will exhibit more variety seeking behavior than those who do not shop online.

### E-Tailing

Initially it was predicted that online sales would drive traditional retailers out of business (Flynn 1995). Retailers feared that profits would erode as consumers searched for lower prices online (Alba, Lynch, Weitz, Janiszewski, Lutz, Sawyer and Wood 1997). This has not come to pass (Keen, Wetzels, de Ruyter and Feinberg 2004). Research has shown that online shopping is more highly related to catalog purchasing than shopping in a traditional store, the biggest difference being shoppers find online shopping riskier than ordering from a catalog (Park and Kim 2006; Vijayasarathy and Jones 2000). Goldsmith and Flynn (2005) theorize that catalogs, not retail store sales, have been impacted by e-commerce.

Instead of wrecking havoc on retailers' businesses, the web has actually played to their strengths. Now customers can browse sites to compare products, read comments of reviewers, and determine where the lowest price can be found ("Business: Clicks, Bricks, and Bargains..." 2005). This has traditional retailers jumping into online marketing, viewing the web as a new medium through which they can sell their goods and services (Madlberger 2006; Schoenbachler and Gordon 2002).

Pure Internet companies, ones without a brick-and-mortar presence such as Amazon and eBay, were pioneer e-tailers. With their success

retailers came to view the Internet as a place to promote a wider range of products, test market new products, and reach out to new target markets (Doherty and Ellis-Chadwick 2003). Many marketers have turned to multi-channel strategies, adding channels to expand existing business (Madlberger 2006; Saeed, Hwang and Yi 2003). These multi-channel strategies are emerging as the future of retailing ("Online Retailing ..." 2006). Schoenbachler and Gordon (2002) found that four out of five retail web sites have an offline counterpart (either catalog or retail store). Stores have found that synergies can be exploited when a company uses multiple distribution channels (Madlberger 2006); for example, multi-channel companies spend significantly less for marketing and advertising than online-only e-tailers (Schoenbachler and Gordon 2002). Shoppers also benefit from multi-channel companies as two-thirds of those polled shop online for gift ideas, make price comparisons, and then go to traditional stores for purchases ("Online Retailing"... 2006). Increasingly shoppers interact with the same company in on- and offline environments (Bhatnagar 2003). Shoppers cross channels, purchasing online and returning merchandise to the store (Schoenbachler and Gordon 2002).

The biggest predictor in how someone feels about shopping online is how s/he feels about catalog shopping (Madlberger 2006). Other factors include personal orientation, demographics, and experience with the Internet (Blake, Neuendorf and Valdiserri 2003). Thus we propose the following hypothesis:

**H<sub>4a</sub>:** Those shoppers who have been using the Internet longer are more likely to purchase online than those who have not been online for as many years.

Retailers are not the only ones that have realized there are advantages in online shopping. At an ever-increasing rate shoppers have begun to navigate web sites and purchase online. One attraction of online shopping is that the Internet permits consumers to make more informed purchase decisions (Park and Stoel 2002; Lokken, Cross, Halbert, Lindsey,

Derby and Stanford 2003). E-tailing can simplify the shopping process, permitting shoppers to compare alternatives, gather information, and switch merchandisers based on quality and price (Saeed, Groover and Hwang 2005). The savings goes beyond the product itself. There are non-monetary costs associated with traditional shopping that e-shopping can minimize, such as time, effort, and psychological costs. Apparel is one area in which online sales success has been questioned. Many believed that it would have difficulty getting a foothold online as prior to purchasing most shoppers desire to try on items (Greenspan 2003) and read care and content labels (Park and Stoel 2002). This has not proven to be true. A study by Xu and Paulins (2005) found that in general there was a positive attitude toward shopping online for apparel.

**H<sub>4b</sub>:** Those shoppers who shop online will have a more positive attitude toward shopping than those shoppers who do not shop online.

## METHODOLOGY

### Sample

The authors employed a mall intercept study. Permission was sought from the mall authorities and with their cooperation, data was collected by three upper level undergraduate marketing students who were trained in data collection procedures and used as interviewers. This approach has been successfully used in previous retailing and services research (e.g., Arnold and Reynolds 2003; Jones and Reynolds 2006). Interviewers were instructed to recruit non-student participants only. All surveys were personally administered by the interviewers. The mall administration was (covertly) sponsoring the study and it provided interview areas inside the mall premises. The study was conducted in a southeastern U.S. city. Therefore, the sample is a regional convenience sample.

A total of 300 respondents participated in the study. The descriptive information about the

sample is presented in Table 1. All scales used to test the hypotheses can be found in Table 2. In addition, sources used in the creation of each scale are provided. A three item comparison shopping scale was developed following standard scale development procedures (i.e., Churchill, 1979; Gerbing and Anderson, 1988; Nunnally and Bernstein, 1994) utilizing depth-interviews and pretesting. The construct was measured using multi-item, five-point scales.

As Table 1 illustrates, we had a strong representation of both men and women in the study. Additionally, it illustrates that the majority of shoppers at this mall are younger with lower incomes. It needs to be noted that the county in which the mall was located had a younger population with lower incomes compared to the state and the USA in general (Census 2006). For example, the median household income was \$32,672 for the county and \$42,421 for the state compared to \$43,318 for the country; the percent of the population below the poverty level was 17.7 percent for the county and 13.3 percent of the state compared to 12.5 percent for the country (Census 2006). We also measured occupation, mall frequency, and why the respondents visited the mall. These results suggest that consumers visit for a variety of reasons.

## RESULTS AND DISCUSSION

### Hypotheses Results

We tested our hypotheses using an independent sample t-test or a correlation analysis. For the independent sample t-test we used the grouping variable "INTPUR," which measured whether the patrons did/did not use the Internet to purchase products/services.

*Hypothesis 1* was tested using an independent sample t-test using the grouping variable "INTPUR" to measure fashion consciousness. The results of the t-test were significant ( $t=2.90$ ,  $p<.01$ , see Table 3). Hence, we can conclude that consumers who purchase products online will be more fashion conscious than those who do not buy from online stores.

**TABLE 1**  
**Descriptive Information on Sample**

<b>Items</b>			
<b>Gender:</b>			
Male	46%	Female	54%
<b>Age:</b>			
21-30	55%	31-40	28%
41-50	14%	61-70	3%
<b>Income:</b>			
0-10k	23%	10,001-30k	21%
30,001-50k	34%	50,001-70k	16%
Above 70k	6%		
<b>Occupation:</b>			
Homemaker/Not Employed	12%	Self-Employed	14%
Educator	7%	Professional	9%
Work for Company/Business	49%	Other	9%
<b>How often do you frequent the mall?</b>			
Daily	11%	Weekly	27%
Monthly	36%	Less than once a month	22%
Once or twice a year	4%		
<b>Why do you visit the mall?</b>			
Shopping/Information	81%	Window Shopping	30%
Food/Eat	31%	Check out what is on sale	34%
Entertainment	17%	Walk/Exercise	10%
Meet Friends	20%	Other	6%
<b>Do you use the Internet?</b>			
Yes	91%	No	9%
<b>Do you use the Internet for purchasing products?</b>			
Yes	65%	No	35%
<b>How frequently do you access the Internet?</b>			
Daily	48%	Weekly	36%
Monthly	5%	Less than once a month	3%
Never	8%		
<b>How long have you been using the Internet for shopping?</b>			
Never	8%	Less than 6 months	0%
6-11 months	2%	12-23 months	5%
2-5 years	37%	Over 5 years	48%
<b>How often do you purchase online?</b>			
Never	31%	Once a year	32%
Once a month	32%	Once a week	3%
More than once a week	2%		
<b>How many times have you bought something online in the past twelve months?</b>			
1-5 times	40%	6-10 times	14%
11-15 times	9%	16-20 times	2%
Over 20 times	4%	Never	31%

**TABLE 2**  
**Measurement Items**

Scale/Items*	Cronbach's alpha	Source/adapted from
<p><b>Attitude towards Shopping (ATTS)</b>                      Shopping is fun.                      I get a real high from shopping.                      Buying things makes me happy.</p>	0.84	Donthu and Gilliland (2002)
<p><b>Comparison Shopping (CS)</b>                      I print coupons from the Internet and use them to buy products at the mall.                      I normally return products back to the stores from where I bought the product when I find a better deal on the Internet.                      I often bring "price check-sheets" or "comparison prices" when shopping for specific items in the mall.</p>	0.77	New
<p><b>Fashion Consciousness (FC)</b>                      I often try the latest hairdo styles when they change.                      It is important to me that my clothes be of the latest style.                      I usually have one or more outfits that are of the very latest style.                      When I choose between the two, I usually dress for fashion, not for comfort.                      A person should try to stay in style.                      An important part of my life and activities is dressing smartly.                      I like to shop for clothes.</p>	0.89	Wells and Tiggert (1971) Lumpkin and Darden (1982) Wilkes (1992)
<p><b>Price Sensitivity (PS)</b>                      I usually purchase the cheapest time.                      I usually purchase items on sale only.                      I often find myself checking prices.</p>	0.74	Lichtenstein, Ridgway and Netemeyer (1993) Donthu and Gilliland (2002) Donthu (2000)
<p><b>Variety Seeking Propensity (VS)</b>                      I like to try different things.                      I like a great deal of variety.                      I like new and different styles.</p>	0.88	Donthu and Gilliland (2002) Donthu (2000)

Thus Hypothesis 1 was supported. Our results, similar to Wan et al. (2001), suggest that fashion-conscious shoppers have now found options online to learn more about the latest fashion and styles.

*Hypothesis 2a* was tested using an independent sample t-test using the grouping variable "INTPUR" and price sensitivity. The results of the t-test were not significant (t=-1.14, see Table 3). Hence, we can say that consumers who use the Internet to make their purchases will not be more price sensitive than those who

do not use the Internet to make their purchases. Thus Hypothesis 2a was not supported.

*Hypothesis 2b* was tested using an independent sample t-test using the grouping variable "INTPUR" and comparison shopping. The results of the t-test were significant (t=2.70, p<.01, see Table 3). Hence, we can conclude that consumers who use the Internet to make their purchases will be more likely to be comparison shoppers than consumers who do not use the Internet for comparison shopping. Thus Hypothesis 2b was supported.

Consumers who use the Internet for making purchases have the opportunity to visit other websites to check for competitor's offerings and prices. With the increase in portal sites that allows one an opportunity to check and compare different products, online shoppers have the opportunity to engage in comparison shopping at the same time scoping out best value. Our results suggest that while Internet shoppers are not more price sensitive, they do want to compare to make sure they are getting a good value for their money. Jin and Suh (2005) suggest that price sensitive shoppers are interested only in the lowest price; our results suggest that Internet shoppers want a good value, but not necessarily the lowest price. This is supported by Donthu and Garcia (1999), who postulate that online shoppers are not necessarily searching for the best deal, but rather for the best product to satisfy their needs.

*Hypothesis 3* was tested using an independent sample t-test using the grouping variable "INTPUR" to measure the extent of variety seeking behavior exhibited by the consumers. The results of the t-test were significant ( $t=3.83$ ,  $p<.01$ , see Table 3). Hence, we can conclude that consumers who shop online will exhibit more variety seeking behavior than those who do not shop online. Thus Hypothesis 3 was supported. Online shoppers have the opportunity to visit different vendors at the same time. They can compare the latest fashions and different products from different vendors, while shopping from the comfort of their homes; as suggested by Kim et al. (2003), this need for variety encourages online shopping.

*Hypothesis 4a* was tested using a correlation analysis between the variable "INTPUR" and the item measuring how long they have been using the Internet. The results of the correlation were significant ( $r=0.394$ ,  $p<.001$ ). Hence, we can say that consumers who use the Internet longer are more likely to purchase online than those who have not been online for as many years. Thus Hypothesis 4a was supported.

*Hypothesis 4b* was tested using an independent sample t-test using the grouping variable "INTPUR" to measure the consumers' attitude towards shopping. The results of the t-test were significant ( $t=2.71$ ,  $p<.01$ , see Table 3). Hence, we can conclude that consumers who shop online will have a more positive attitude toward shopping than those shoppers who do not shop online. Thus Hypothesis 4b was supported.

The positive aspects of shopping online are that shoppers are free from restrictive store hours and location (Dholakia and Uusitalo 2002; Goldsmith and Flynn 2005). In short, e-shopping is convenient. Via online customers can locate merchants and shop without leaving the comfort of their homes (Szymanski and Hise 2000). The quality of service is more consistent and does not vary as a result of high traffic times and sales clerk experience (Park and Stoel 2002). In many instances purchases are tax-exempt, deliveries are timely, and shipping costs are low (Xu and Paulins 2005). For those with more experience with the Internet, they may better realize and appreciate these advantages. By shopping online, they can avoid the hassles associated with traditional shopping. Additionally, our results suggest that Internet shoppers are satisfying their need for fashion, variety, and a good value with online shopping. This makes the online shopper have a more positive attitude towards shopping.

However, the automation of e-shopping is viewed as off-putting by some as it lacks human warmth and sociability (Gefan and Straub 2003). Almost half of all customers abandon their orders at checkout and these "ditched sales" are frequently the result of shipping costs and tax, which are added as the customer is checking out of the web site (Wingfield 2003). Chau, Hu, Lee and Au (2007) suggest that customers' trust in the vendor, not the pricing, plays a significant role in the decision to complete a purchase. These issues may be more likely to occur with those who are less experienced in shopping online.

**TABLE 3**  
**Independent Sample t-test**

INTPUR	N	Mean	S.D.	T	df	Sig. (2-tail)
ATTS Yes No Equal Variances Not Assumed	196 103	3.25 2.91	0.95 1.10	2.71	182	.007
PS Yes No Equal Variances Not Assumed	195 101	3.10 3.23	0.87 0.95	-1.14	187	NS
VS Yes No Equal Variances Not Assumed	195 99	3.63 3.15	0.93 1.05	3.83	178	.001
FC Yes No Equal Variances Not Assumed	192 103	3.13 2.80	0.84 1.00	2.90	180	.004
CS Yes No Equal Variances Not Assumed	196 103	2.07 1.75	1.01 0.94	2.70	221	.007

**IMPLICATIONS, LIMITATIONS AND FUTURE RESEARCH**

To meet consumers’ utilitarian as well as hedonic needs, retailers need to have the right product at the right time and place as well as offer a fun entertaining experience (Carpenter and Fairhurst 2005). Shoppers need to be able to find what they need quickly (Lee 2003), but in a relaxing, pleasurable environment (Nichols et al. 2002). Shopping experiences are not evaluated solely on the merit of the products purchased, but also on the experience shoppers have; having a pleasant experience encourages shoppers to build a more lasting relationship with the retailer and to return (Roy and Tai 2003). Our results suggest that Internet retailers are doing a good job of meeting Internet shoppers need for fashion, variety, and value as Internet shoppers have a more positive attitude toward shopping than those who do not utilize the Internet for purchase. This suggests that online retailers may be more effective meeting the needs of shoppers compared to mall retailers. Additionally, our results suggest that online shoppers have a lot of the same needs that used to be ascribed to mall shoppers, such as fashion and variety. Finally, our results

suggest that having the lowest prices is not enough to attract Internet shoppers as they are not more price sensitive than other shoppers; they want more than the lowest price.

For mall retailers, there is a need to make the mall more appealing as a leisure activity as shoppers see other retail venues as well as other leisure activities as competitors to the mall (Nichols et al. 2002). We found this in the multitude of reasons for why people went to the mall. This suggests that both the stores within the mall, as well as events held in the mall, need to emphasize the total leisure experience at the mall through the use of a variety of stores, restaurants, use of public space, special events, and so forth (Nichols et al. 2002; Roy 1994) to enhance excitement and increase the desire to stay at the mall (Wakefield and Baker 1998). Thus, mall retailers trying to compete with online retailers need to market the leisure experience that they can offer that online retailers cannot.

Online retailers need to address the disadvantages of online shopping. Consumers are not able to touch or examine merchandise (Kim 2005). To overcome these obstacles,

more non-sensory information has to be presented (Park and Stoel 2002). Online third party feedback forums have become popular, providing reviews of products. These provision services allow customers to voice their complaints or offer compliments via a “cyber-voice” along with other online options such as product review services, product appraisal services, and insurance services (Kim 2005). Also, while some believe online shopping anxiety is declining (Torkzadeh and Dhillon 2002), some shoppers still voice concerns about Internet security (Roman 2007) and credit card fraud (Xu and Paulins 2005). E-tailers can overcome this unease by using data encryption, clearly stating their security policy, offering off-line payment options, describing their return policies as well as multiple ways to contact the merchant, and provide interactive assistance with transactions to build trust (Then and DeLong 1999). Wang, Beatty and Foxx (2004) found that e-tailers can use security and privacy disclosures, awards from neutral sources, and seals of approval to positively impact consumer trust. In the end, customers trust vendors that fulfill their promises, are reliable and honest, and are concerned about their welfare (Chen and Dhillon 2003).

Factors that are critical for success among e-tailers include speed of shipping, ease of ordering, and recovery from a failure or a complaint (Wang, Chen, Chang and Yang 2007). Service recovery, the activities used to address a customer’s complaint, is vital for gaining customer loyalty and retention (Holloway, Wang and Parish 2005). Saeed, Grover and Hwang (2005) found order fulfillment and post sales service and support to be significant drivers of online performance. Additionally, the Internet allows for customization and personalization of both apparel and accessories. Touching and feeling merchandise is less important when the consumer is involved with designing or fitting apparel (Puente 2007), such as with myshape.com where a woman can select her overall body shape and then complete a preference profile. The customer is then linked to sites that contain only clothes that will flatter

her shape and reflect her preference and style (“The Fall Fashion...” 2007). Thus, online retailers need to continue to meet the needs of the fashion conscious, variety seeking, and comparison shopper consumer as they are more likely to be online than those who just shop at the mall.

This research is subject to several limitations. First, this study was done in a southeastern city in the U.S. which was home to a regional shopping mall. Therefore, additional studies, done in different areas of the USA are needed to enhance our findings. Second, these findings may not hold in other countries as cross cultural differences in shopping decision-making styles have been found (Walsh et al. 2001). Third, as this study surveyed only consumers in a regional mall, additional research is needed to replicate this study with other retail formats to help increase the generalizability of our findings. Finally, further research is needed to compare the online only shopper with those online shoppers who also utilize other retail formats.

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