

The Purchase Behaviors of Luxury Goods in Internet Shopping Malls according to Shopping Orientation

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Abstract

The purposes of this study were to investigate the perceived risks and the purchase behaviors for luxury goods in internet shopping malls according to the shopping orientation. 254 questionnaires were distributed from April 10 to May 9 in 2006. For data analysis, frequency, percentage, factor analysis, cluster analysis, chi-square tests were conducted. The results could be summarized as follows. (1) According to cluster analysis of shopping orientation, respondents were classified into five groups: pursuit of pleasure, pursuit of fashion, price consciousness, planned shopping, brand and store loyalty, time-saving and convenience. (2) There were not significant differences in the perceived risks according to shopping orientation. (3) There were not significant differences in purchase reasons and were significant differences in no-purchase reasons.

Key words : shopping orientation, purchase behaviors, perceived risks, luxury goods, internet shopping mall.

1. Introduction

In the recent domestic fashion market, the demand of luxury brand market has grown as customers prefer to higher value goods. Such demand is increased due to the upgrade and diversification of consumer needs, which is caused by the growth of the national income and the development of rapid and information communication system and due to the age expansion of luxury goods consumption from mid-thirties and

forties to twenties and thirties(Hye-Jung Park, Kyung Sook Jeon, 2004)¹. Silverstein and Fiske (2003)² reported that in USA, consumption of luxury goods which was originally spent by high class has expanded to middle class, because currently the luxury goods become available at lower price in the discount stores and internet shopping malls as well as the department stores. And young consumers in twenties and thirties are engaged to purchase luxury goods and the same phenomenon can be observed in Korea too.

In Korea, the diffusion rate of internet is very

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¹ Hye-Jung Park and Kyung-Sook Jeon, "Materialism and Attitude toward Purchasing Foreign Luxury Brands: The Moderating Effect of Consumer Ethnocentrism," *Journal of the Korean Society of Clothing and Textiles* 28, no. 9/10 (2004): 1197-1207.

² M. Silverstein, and N. Fiske, "Luxury for the masses," *Harvard Business Review* 81, no. 4 (2003): 48-58.

high compared to other countries and most people use the internet on daily basis. Also, internet shopping is very common, and consumers obtain various information easily via internet. The amount of internet shopping malls has grown constantly and internet shopping suppliers are trying to offer a variety of goods and information to attract to consumers. Especially, because of the popularization of luxury brands among consumers in twenties and thirties, suppliers place a great deal of weight on the sales of luxury goods in internet shopping mall.

Despite the increase of luxury goods purchase in internet shopping malls, however, there are not many studies devoted to investigating this area. The purposes of our study are, therefore, to examine the purchase behaviors and the perceived risks for luxury goods in the internet shopping malls according to the shopping orientation, especially focused on the newly rising young consumers in twenties and thirties.

II. Review of Literature

1. Current Sales of Luxury Goods in Internet Shopping Malls

Unlike the depression of the whole fashion market after the late 90's, the domestic luxury market has increased as twice as before. More specifically, the scale of the luxury market has grown from 360 billion won in 1997 to nearly a trillion won in 2003 (excluded the sales of duty-free goods), in terms of retail price, which accounted for 5.2 percent of the entire fashion market(Youngah Kwon, 2005)³.

In addition to the department store which has been the leading distribution channel, today distribution channels of the luxury goods have been diversified. For example, people have started to

utilize internet shopping because of the cheaper price usually 20~30% lower than the department store⁴. These days, a young people who usually do not have sufficient income are interested in internet luxury goods site, and are forming a fashion mania groups, which caused to make the internet market grow rapidly. The representative internet shopping malls that are selling the luxury goods include professional shopping malls such as Iluxury, and a import agent shopping malls such as Wizwid, and the general shopping malls such as G-market, CJ mall and D&Shop. Also, due to the increase of luxury goods sales, the Interpark has established 'Interpark International' to import luxury goods directly. The National Statistical Office announced the statistical report of internet shopping mall in November, 2005 that the sale of clothing/fashion and a related merchandises rose 15.9 percent compared to the previous month (September, 2005) owing to the marketing reinforcement of the internet shopping malls, and rapid growth of the sales of clothing, accessories, and luxury goods⁵.

The sales of luxury goods in internet shopping malls, however, show the critical limitation too. In particular, they mostly provide low involvement products such as small handbags, shoes, accessories(sunglasses, mufflers, stockings, gloves, and so on) and they offer considerable amounts of goods in stock as well as new products.

2. The Study on Purchasing Behavior for Luxury Goods in Internet Shopping Malls

The overseas studies about the internet sales of fashion luxury goods show conflicting opinions. Some are positive about the internet shopping mall, believing that internet shopping mall

³ Young Ah Kwon, "Market report : Luxury Market in Korea," *2005 Fashion information and Technology* 2: 82-91.

⁴ "The prospects for 2006: Construction · Distribution," in hankyung [newspaper online] (1 January, 2006 retrieved 25 January, 2006); available from worldwideweb@<http://www.hankyung.com/>

⁵ "The survey of the cyber shopping mall on November 2005," in Korea National Statistical Office [database online] (January, 2006 [retrieved 25 January, 2006]); available from worldwideweb <http://www.nso.go.kr/nso2005/index.jsp>

have an access to reach foreign market in line with globalization. Others think that there is no compatibility between the internet and "luxury" or luxury brands consumers and they are worried about the possible increase of the fake products sales. Francesca and Caroline (2003)⁶⁾ conducted the interviews with luxury brand managers and consumers about the possibility of luxury sales in internet shopping mall. The result showed that only a few of luxury brand web sites offered truly interactive customization and most managers and consumers thought internet couldn't be a practicable selling tools.

As to the domestic studies, Ji-Su Kim(2004)⁷⁾ investigated the purchase behavior and the perceived risks in internet luxury malls among women in twenties belonged to high class. The research reported that the possibility of the imitation products is the biggest perceived risk for both people who bought and didn't buy the luxury goods in internet shopping malls. Yu-Kyung Yi(2003)⁸⁾ conducted the in-depth interview to the consumers in twenties who bought the luxury goods through the different channels, and the result showed that people who preferred off-line luxury stores attached great importance to the emotional shopping enjoyment in store and tended to be unplanned shoppers and were negative about internet shopping. On the other hand, those who preferred the internet luxury shopping were mostly the beginners of luxury goods' purchase. They usually do not have enough time for in-store shopping and tended to be planned

shoppers. Ji-Seon Ryu(2003)⁹⁾ examined how consumer's characteristics influenced the buying behaviors of the luxury goods in internet shopping mall. The consumer's characteristics were classified into shopping experience, perceived risk, price sensitivity, and product perception. When consumers have a lot of shopping experiences, positive perception of product, and high price sensitivity, they had a tendency to buy in internet shopping mall.

3. Shopping Orientation

Shim and Kotsiopoulos(1993)¹⁰⁾ stated that market segmentation was the first step of marketing activity and that clothing shopping orientation was one of the valuable variables segmenting market along with lifestyle and benefits sought. Also, they argued that the retailers ought to understand consumer's shopping orientation to maximize consumer satisfaction and sales profit.

Howell(1979)¹¹⁾ indicated that shopping orientation included shopping-related activity, interests and opinion, and referred to the shopping-based lifestyle reflecting the complex phenomenon in conjunction with social, and economic situations. Stone(1954)¹²⁾ who introduced the concept of shopping orientation for the first time, examined the social relationship between city-resident consumers and local communities to study shopping orientation, and typified consumers as economic, personalizing, ethical, and apathetic.

There are some studies about shopping ori-

⁶ Francesca Dall'olmo Riley and Caroline Lacroix, "Luxury branding on the internet: lost opportunity or impossibility," *Marketing Intelligence & Planning* 21, no. 2 (2003): 96-104.

⁷ Ji-Su Kim, "The purchasing activity and perceived risk for luxury goods in internet shopping malls," (Ewha Women's University, 2004).

⁸ Yu-Kyung Yi, "An exploratory study on consumer's shopping behavior of fashion luxury products," (HanKuk University of Foreign Studies, 2003).

⁹ Ji-Seon Ryu, "A study on intention to purchase prestige brand products in the on-line markets focused on consumer's characteristics," (Master's thesis, Sookmyung Women's University, 2003)

¹⁰ S. Shim and A. Kotsiopoulos, "A typology of apparel shopping orientation segments among female consumers," *Clothing and Textiles and Research Journal* 12, no. 1 (1993): 73-85.

¹¹ R. D. Howell, "A multivariate examination of a patronage model. Unpublished doctoral dissertation," (University of Arkansas, Fayetteville, 1979).

¹² G. P. Stone, "City shoppers and urban identification," *Journal of Sociology* 60 (1954): 36-45.

entation of the internet shopping mall. Min young Ahn and Jae Ok Park(1999)¹³ classified apparel shopping orientation into pursuit of pleasure, time saving, convenience, individuality, and economy. They found out the pursuit of pleasure and time saving are more influential factors than other factors to explain the shopping orientation in internet shopping mall. To understand the purchase behaviors of internet shoppers between age 20 and age 39, Jeonmi Ko(2001)¹⁴ divided shopping orientation into recreational shopping, economical shopping, brand/store loyalty shopping, and convenience shopping. She concluded that the internet intimate group showed the higher recreational shopping, economical shopping and brand/store loyalty shopping than non-intimate group. Jae Eun Jung and Sung Jee Chung(2004)¹⁵ classified shopping orientation of on-line fashion consumers into shopping enjoyment, fashion pursuit, and economical shopping. Shoppers with higher shopping enjoyment and fashion pursuit orientation, are interested in the search of product information, free gifts, and events, whereas shoppers with economical orientation wanted to know the product/service information.

4. Perceived Risk

Bauer(1960)¹⁶ who introduced the perceived

risk to consumer behavior field for the first time defined it as "a possibility that a certain behavior of a consumer would produce an unpredictable result,"and explained that consumers tried to reduce this unpredictability and uncertainty by making a series of strategies to decrease the risk.

The perceived risks associated with internet shopping are relatively high and are affected by diverse reasons since the consumers purchase the product without experience. Javenpaa and Tractinsky(1999)¹⁷ indicated that the risk perceived by internet shopping was negatively associated with consumer's willingness to purchase in internet shopping mall, that is, the increase of the perceived risk led to an unwillingness to do online shopping. According to Furnell and Karweni(1999)¹⁸, the components of the perceived risks such as privacy concern, secure uncertainty, ordering or delivery, and distrust of e-tailers affected an unwillingness to purchase in internet shopping mall. Jayoung Choi and Kyu-Hye Lee (2003)¹⁹ noted that the perceived risks associated with on-line purchase were produced by concerns regarding delivery(undamaged delivery, on-time delivery, identity of the on-line description), transaction security(confidentiality of personal information, security of credit card in-

¹³ Min Young Ahn, Jae Ok Park, "Clothing evaluation criteria and purchase intention base on consumers' clothing shopping orientation in cyber shopping," *Journal of the Korean Society of Clothing and Textiles* 27, no. 7 (2003): 789-799.

¹⁴ Jeon-mi Ko, "A research on the clothing purchasing behaviors in internet shopping malls by internet intimacy. -Focusing on age 20-30 men and women-," (Ewha Women's University, 2001).

¹⁵ Jae-Eun Jung and Sung-Jee Chung, "Shopping orientations of internet consumers and receptive attitudes towards sales promotion activities," *Journal of the Korean Society of Clothing and Textiles* 28, no. 8 (2004): 1037-1047.

¹⁶ R. A. Bauer, "Consumer Behavior as Risk Taking in Dynamic Marketing for a Changing World. ed. Handcock. Chicago," *American Marketing Association*, (1960): 389-398.

¹⁷ Sirrka L. Jarvenpaa, and N. Tractinsky, "Consumer trust in an Internet store across-cultural validation," *Journal of Computer-Mediated Communication* 5, no. 1 (1999): 1-36.

¹⁸ S. M. Furnell, and T. Karweni, "Security implications of electronic commerce: a survey of consumers and business," *Internet Research: Electronic Networking Applications and Policy* 9, no. 5 (1999): 372-82.

¹⁹ Ja-Young Choi and Kyu-Hye Lee, "Risk perception and e-shopping: a cross-cultural study," *Journal of Fashion Marketing and Management* 7, no. 1 (2003): 49-64.

²⁰ Yeong-Joo Cho, Sook-Ja Lim and Seung-Hee Lee, "Apparel purchasing behavior among internet shopping. -Focusing on perceived risks-," *Journal of the Korean Society of Clothing and Textiles* 25, no. 7 (2001): 1247-1257.

formation, trustworthiness of online retailers), and customer service(ease of return, ease of contacting customer service). Yeongjoo Cho et al (2001)²⁰ divided the perceived risks into six factors (quality risk, time/convenience risk, economic risk, social/psychological risk, size/appearance risk and privacy risk), and reported that the consumers with purchase experience in internet shopping mall showed the lower level of quality risk, time/convenience risk, economic risk, social/psychological risk and size/appearance risk than the consumers with no-purchase experience. Ji-Su Kim(2004)²¹ classified the perceived risks in internet shopping as functional risk, service risk, personal information risk, economical risk and social/psychological risk. She reported that people with internet shopping experience showed the lower functional risk and social/psychological risk than people with no experience. In studying the perceived risk in on-line luxury goods purchase, Ji-Seon Ryu (2003)²² classified them into personal risk, privacy risk, functional risk, and economic risk.

III. Methodology

1. Research Questions

The purposes of the present study were (1) To find out shopping orientation of males and females in twenties and thirties and classify the consumer groups according to shopping orientation. (2) To investigate the differences of the perceived risks according to shopping orientation groups in internet shopping mall and (3) To investigate the differences of the purchase behaviors of the luxury goods according to shopping orientation in internet shopping mall.

2. Data Collection, Measuring Instrument, and Data Analysis

This study included males and females in twenties and thirties in Seoul using questionnaire survey. The preliminary questionnaire was administered to 20 men and 20 women in Seoul March 20 to 21 in 2006. The 37 questionnaires finally analyzed to check the reliability of the measure and the reliability was 0.85. Since reliability was high enough, the preliminary questionnaire was used as the final questionnaire.

312 questionnaires were distributed from April 10 to May 9 in 2006, and 254 were finally used in the data analysis. The respondents were composed of 97 males and 157 females. In term of age, the greatest number of the respondents were represented by the 20 ~ 24 age group ($n=96$, 37.8%), followed by the 25 to 29 age group ($n=85$, 33.5%), the 30 to 34 age group ($n=52$, 20.5%), and the 35 to 39 age group ($n=21$, 8.3%).

To develop questionnaire, 23 items for shopping orientation(Jeon-Mi Ko, 2001; Min-Young Ann, Jae-Ok Park, 1999; Jae-Eun Jung, Sung-Jee Chung, 2004), 20 items for perceived risk(Ji-su Kim, 2004; Ji-Seon Ryu, 2003; Eun-Jeong Ryou, 2002; Yeong-Joo Cho et al, 2001), and the purchase behavior of internet shopping mall were adapted from previous research(Ji-su Kim, 2004; Ji-Seon Ryu, 2003). Two items were asked to find out demographic characteristics(gender and age). Five-point-likert scales were used for measuring the shopping orientation and the perceived risk. For data analysis SPSS WIN 14.0 was conducted using frequency percentage, factor analysis, cluster analysis, χ^2 analysis, and Duncan's Multiple Range test.

IV. Results

1. Classification of the Consumer Groups based on Shopping Orientation

²⁰ Yeong-Joo Cho, Sook-Ja Lim, and Seung-Hee Lee, "Apparel purchasing behavior among internet shopping, -Focusing on perceived risks-," *Journal of the Korean Society of Clothing and Textiles* 25, no. 7 (2001): 1247-1257.

²¹ Ji-Su Kim, *Op. cit.*

²² Ji-Seon Ryu, *Op. cit.*

1) Extraction Factors of Shopping Orientation

A total of 6 factors were extracted from 22 shopping orientation items eliminating 1 inadequate item with explanatory adequacy of 65.267% (Table 1). To segment the respondents according to shopping orientation, factor analysis and cluster analysis were used, and eigen value 1 and factors with factor loading over 0.3 were retained. The reliability of the shopping orientation items tested by Cronbach's α was 0.751 which was satisfactory.

Factor 1 was named as hedonic orientation since it consisted of the contents such as frequent shopping and shopping enjoyment behaviors. Factor 2 was named as fashion orientation since it consisted of the contents such as fashion-oriented behaviors. Factor 3 was named as price consciousness. Factor 4 was named as planned shopping because it included the contents such as cautious shopping behaviors. Factor 5 was named as brand and store loyalty since it was composed of the contents

<Table 1> The Results of the Shopping Orientation Factors (n=254)

Shopping Orientation Items	Factor Loading	Eigen Value	Explanatory Variance (%)
Factor 1 : Hedonic Orientation I feel happy to shop when I am nervous and worried. I like shopping. I often go shopping to get idea even though I have no purchase intention. I go shopping when I have a idle time. I often go shopping to find out new fashion. Buying clothing itself is a pleasure for me. I like to look around the display of clothing store.	0.807 0.789 0.773 0.771 0.696 0.678 0.639	6.265	20.011
Factor 2 : Fashion Orientation. I want to wear according to new fashion. I like new fashion design clothing. I am aware of new fashion trends when I buy the clothing.	0.809 0.754 0.711	2.487	10.822
Factor 3 : Price Consciousness I like to shop during the sale period. I wait until the sale period to shop. I go to the store in sale.	0.858 0.845 0.815	2.124	10.571
Factor 4 : Planned Shopping I plan my shopping trip carefully. I look around the several stores to check the styles and the price of clothes before buying.	0.804 0.723	1.271	8.137
Factor 5 : Brand and Store Loyalty I have a tendency to buy clothing which fits well with me. If I like a certain brands, I tended to buy that brand continuously. I usually buy many pieces of clothing using credit card in one day. I buy clothing in a short period of time.	0.747 0.655 0.625 0.444	1.199	8.057
Factor 6 : Time-Saving and Convenience It is difficult for me to spare time when the shop is open. Traffic and parking bother me when I go shopping. It is not worthy of spending time to go to the shop for shopping.	0.810 0.727 0.472	1.012	7.669

such as patronage shopping behaviors. Factor 6 was named as time-saving and convenience since it consisted of the contents including the behaviors of pursuing parking convenience and time-saving shopping.

2) The Consumer Group Classification according to Shopping Orientation

Based on 6 factor of shopping orientation, 5 clusters were extracted by cluster analysis (Table 2).

Cluster 1 was named as brand and store loyalty group. Cluster 2 was named as fashion and convenience pursuit group. Cluster 3 was named as economy pursuit group. Cluster 4 was named as pleasure pursuit group. Finally, cluster 5 was named as planned shopping group.

2. The Perceived Risks of Luxury Goods' Purchase in Internet Shopping Mall according to Shopping Orientation

1) Extraction of the Perceived Risks

A total of 5 factors were extracted from 17 perceived risk items eliminating of 3 inadequate items with explanatory adequate of 64.27% (Table 3). Eigen value 1 and factors with factor loading over 0.3 were retained. The reliability of the perceived risk items tested by Cronbach's α was 0.851 which was satisfactory.

Factor 1 was named as quality-related risk since it consisted of the contents of the worries of the product quality. Factor 2 was named as delivery-related risk because it dealt with the concerns of the loss in the process of delivery. Factor 3 was named as social and psychological risk because the contents were composed of the worries of A/S and the imitation products. Factor 4 was named as privacy risk because it consisted of the contents of outflow of the privacy information after the product purchase. Factor 5 was named as economic risk because it included the concerns of over pay of the product after purchase.

2) Differences of the Perceived Risks according to Shopping Orientation

<Table 2> The Cluster Analysis of Shopping Orientation

(n=254)

Factor	Mean of Group					F
	Brand and Store Loyalty Group (n=45)	Fashion and Convenience Pursuit Group (n=66)	Economy Pursuit Group (n=41)	Pleasure Pursuit Group (n=75)	Planned Shopping Group (n=27)	
Hedonic Orientation	-.663(D)	.321(B)	-.049(C)	.697(A)	-1.539(E)	62.757**
Fashion Orientation	.127(B)	.493(A)	-1.295(C)	.215(A)	.375(A)	36.065**
Price Consciousness	.477(A)	.202(A)	.584(A)	-.551(B)	-.644(B)	19.703**
Planned Shopping	-.981(C)	.199(B)	.323(B)	.010(B)	.688(A)	20.618**
Brand and Store Loyalty	.785(A)	.585(C)	-.440(C)	.267(B)	.047(B)	20.918**
Time-Saving and Convenience	.110(B)	.855(A)	-.210(B)	-.647(C)	-.157(B)	30.153**

**p<.01.

The different alphabet letters indicate the significant difference among groups out of Duncan's multiple range test.

<Table 3> The Result of Factor Analysis of the Perceived Risks (n=254)

Perceived Risk Items	Factor Loading	Eigen Value	Explanatory Variance(%)
Factor 1 : Quality-Related Risk			
The quality of product would be worse than the product shown in screen.	0.793	5.121	18.047
The product would be different which is shown in screen.	0.793		
The delivered product is not likely to the product that I originally expected.	0.768		
I am worried that the product quality is worse than the product quality in off-line store.	0.651		
I am worried that the product quality is low compared to the product price.	0.557		
I am worried that defects of the product will be found after delivery from internet shopping mall.	0.454		
Factor 2 : Delivery-Related Risk			
I feel anxious that the delivery time is not punctual.	0.790	2.590	12.901
I am worried of the product loss during delivery.	0.758		
I am worried that the product would be delivered to the different place.	0.669		
Factor 3 : Social and Psychological Risk			
I feel the product purchased in internet shopping is not easy to have A/S.	0.797	1.212	11.887
I am worried that the product in internet shopping could be imitation.	0.679		
I am anxious that the refund procedure is difficult and uncomfortable.	0.663		
Factor 4 : Privacy-Related Risk			
I am worried that the purchase of product in internet shopping causes outflow of the credit card information.	0.805	1.031	10.856
I am anxious that my personal information would be misused in the process of internet shopping.	0.706		
Factor 5 : Economic Risk			
I am worried that I can buy the cheaper product in other store than in internet shopping mall.	0.781	0.972	10.579
I am worried that the product in internet shopping could be expensive considering its restriction such as delivery time, etc.	0.725		
I am worried that I can buy the same product by cheaper price in other stores just after the product purchase.	0.674		

Chi-square results indicated that there were not significant differences among the perceived risks according to shopping orientation (Table 4).

The results imply that since the luxury goods in general are not easy to make a buying decision

because of their high prices, the fact that the consumers can not see the real products like the off-line stores when they make buying decisions were burden some to every shopping orientation groups. Thus, It can be interpreted that the shopping orientation didn't affect buying decisions of

〈Table 4〉 The Perceived Risks of Shopping Orientation

n 254(%)

Factor \ Group	Brand and Store Loyalty Group	Fashion and Convenience Pursuit Group	Economy Pursuit Group	Pleasure Pursuit Group	Planned Shopping Group	Total	χ^2
Quality-related Risk	8(17.8)	14(21.2)	8(19.5)	17(22.7)	5(18.5)	52(20.5)	11.692
Delivery-related Risk	12(26.7)	12(18.2)	7(17.1)	16(21.3)	6(22.2)	53(20.9)	
Social and Psychological Risk	10(22.2)	9(13.6)	5(12.2)	17(22.7)	3(11.1)	44(17.3)	
Privacy-related Risk	9(20)	15(22.7)	10(24.4)	10(13.3)	4(14.8)	48(18.9)	
Economic Risk	6(13.3)	16(24.3)	11(26.8)	15(20)	9(33.3)	57(22.4)	
Total	45(100)	66(100)	41(100)	75(100)	27(100)	254(100)	

* $p < .05$.

the luxury goods in internet shopping mall.

3. Purchase Behaviors of the Luxury Goods in Internet Shopping Mall according to Shopping Orientation

1) Purchase Reasons of the Luxury Goods according to Shopping Orientation

Chi-square was applied to the respondents who bought the luxury goods in internet shopping mall($n=106$). The results indicated that purchase behaviors of the luxury goods in internet shopping were not significantly different according to shopping orientation (Table 5).

In terms of purchase frequency 2 ~ 3 times ranked the highest($n=55$, 51.9%). In terms of purchase items, the bag ranked the highest($n= 40$, 37.8%). Regarding purchase reasons, the moderate price showed the highest ($n=45$, 42.5%).

The respondents who purchased the products in internet shopping mall showed the strong intention to repurchase($n=83$, 78.3%). This result is consistent with that of Ji-su Kim (2004)'s research which also found out the high repurchase intention of the customers with purchase experience.

2) No-purchase Reasons of the Luxury Goods according to Shopping Orientation

To find out the no-purchase reasons of the luxury goods in internet shopping mall, Chi-square tests were applied to the respondents who didn't buy the luxury goods in internet shopping mall($n=148$). The result showed that there were a significant differences according to shopping orientation (Table 6).

Five groups all indicated that the reason they didn't buy the luxury goods is the possibility of imitation products. This result is consistent with the research of Ji-su Kim(2004) and Yu-Kyung Yi(2003).

V. Conclusions

This study examined the purchase behaviors and the perceived risks for the luxury goods in internet shopping mall according to shopping orientation. The results could be summarized as follows.

First, shopping orientation was classified into the six factors: hedonic orientation, fashion orientation, price consciousness, planned shopping, brand and store loyalty, and time-saving and convenience. Based on six factors of shopping

<Table 5> Purchase Behaviors of the Luxury Goods according to Shopping Orientation n=106(%)

Buying behavior	Group	Brand and Store Loyalty Group	Fashion and Convenience Pursuit Group	Economy Pursuit Group	Pleasure Pursuit Group	Planned Shopping Group	Total	χ^2
Purchase Frequency	1 ~ 3	15(83.3)	20(66.7)	15(88.2)	818.8(25.5)	6(75)	83(78.3)	10.089
	4 ~ 7	2(11.1)	10(33.3)	1(5.9)	5 (15.2)	1(12.5)	19(17.9)	
	Over 8	1(5.6)	0	1(5.9)	1 (3.0)	1(12.5)	4(3.8)	
	Total	18(100)	30(100)	17(100)	33 (100)	8(100)	106(100)	
Purchase Item	Clothes	6(33.3)	6(20)	5(29.4)	4 (12.1)	3(37.5)	24(22.6)	23.379
	Purse	2(11.1)	4(13.3)	2(11.8)	2 (6.1)	1(12.5)	11(10.4)	
	Bag	3(16.7)	8(26.7)	5(29.4)	15 (45.5)	1(12.5)	32(30.2)	
	Watch	1(5.6)	2(6.7)	1(5.9)	0	2(6.0)	6(5.7)	
	Shoes	1(5.6)	2(6.7)	0	3 (9.0)	0	6(5.7)	
	Glasses	1(5.6)	4(13.3)	0	4 (12.1)	0	9(8.5)	
	Other items	4(22.2)	4(13.3)	4(23.5)	5 (15.2)	1(12.5)	18(17.0)	
	Total	18(100)	30(100)	17(100)	33 (100)	8(100)	106(100)	
Purchase Price (unit:won)	Below 100,000	6(33.3)	5(16.7)	3(17.6)	2 (6.1)	1(12.5)	17(16.0)	16.888
	100,000 ~ 200,000	6(33.3)	13(43.3)	8(47.1)	9 (27.3)	4(50)	40(37.8)	
	200,000 ~ 400,000	5(27.8)	7(23.3)	6(35.3)	14 (42.4)	3(37.5)	35(33.0)	
	Over 400,000	1(5.6)	5(16.7)	0	8 (24.2)	0	14(13.2)	
	Total	18(100)	30(100)	17(100)	33 (100)	8(100)	106(100)	
Purchase Reason	The moderate price	8(44.4)	13(43.3)	8(47.1)	14 (42.4)	2(25)	45(42.5)	28.743
	Be able to buy without seeing	5(27.8)	4(13.3)	3(17.6)	3 (9.1)	3(37.5)	18(17.0)	
	Good design	1(5.6)	3(10)	2(11.8)	9 (27.3)	2(25)	17(16.0)	
	Valuable product	0	7(23.3)	0	4 (12.1)	0	11(10.4)	
	Events, sale period	3(16.7)	2(6.7)	4(23.5)	3 (9.1)	0	12(11.3)	
	Other reasons	1(5.6)	1(3.3)	0	0	1(12.5)	3(2.8)	
	Total	18(100)	30(100)	17(100)	33 (100)	8(100)	106(100)	
Repurchase Intention	Yes	15(83.3)	24(80)	12(70.6)	26 (78.8)	6(75)	83(78.3)	0.970
	No	3(16.7)	6(20)	5(29.4)	7 (21.2)	2(25)	23(21.7)	
Total		18(100)	30(100)	17(100)	33 (100)	8(100)	106(100)	

*p<.05.

orientation, five clusters were extracted by cluster analysis. It included brand and store loyalty group, fashion and convenience pursuit group, economy pursuit group, pleasure pursuit group, and planned shopping group.

Second, the perceived risks of buying luxury goods in internet shopping mall were classified into five factors which included quality-related risk, delivery-related risk, social and psychological risk, privacy-related risk, and economic risk.

〈Table 6〉 No-purchase Reasons of the Luxury Goods according to Shopping Orientation $n=148(\%)$

Group Non-purchase reason	Brand and Store Loyalty Group	Fashion and Convenience Pursuit Group	Economy Pursuit Group	Pleasure Pursuit Group	Planned Shopping Group	Total	χ^2
Insufficiency of the product	0	1(2.8)	0	3(7.1)	1(5.3)	5(3.4)	56.268*
Expensive price	5(18.5)	5(13.9)	5(20.8)	2(4.8)	5(26.3)	22(14.9)	
The possibility of imitation product	12(44.4)	21(58.3)	11(45.8)	28(66.7)	7(36.8)	79(53.4)	
Uncertainty of delivery	0	0	0	0	2(10.5)	2(1.4)	
Complexity of refund/change	1(3.7)	1(2.8)	1(4.2)	0	1(5.3)	4(2.7)	
Insufficiency of product explanation	0	2(5.5)	0	1(2.4)	0	3(2.0)	
The problems of size and fitting	4(14.8)	0	1(4.2)	0	0	5(3.4)	
Uncertainty of shopping mall	5(18.5)	6(16.7)	3(12.5)	7(16.7)	3(15.8)	24(16.2)	
etc	0	0	3(12.5)	1(2.4)	0	4(2.7)	
Total	27(100)	36(100)	24(100)	42(100)	19(100)	148(100)	

* $p < .05$.

There were no significant differences in perceived risks according to shopping orientation. This result can be interpreted that since the luxury goods in general are very expensive, all shopping orientation groups perceived the risks very highly especially when they have to make a decision without seeing the product in internet shopping mall.

Third, purchase reasons of internet shopping mall were not significantly different according to shopping orientation. However, there was a difference for no-purchase reason. The possibility of the imitation products was the biggest reason for all groups in the process of distribution.

Based on these results, several marketing suggestions can be presented.

First, this study found out that shopping orientation was not a good indicator for the perceived risks and the purchase behaviors of the luxury goods in internet shopping mall. Thus,

marketers of internet shopping mall do not have to consider shopping orientation when they promote the luxury products in internet shopping mall.

Second, this study showed that most consumers are worried about the imitation products because they can not trust internet shopping mall by which products are distributed through the parallel imports. Thus, marketers should try to demonstrate the import procedure clearly to reduce the consumer's concern of the imitation products.

The limitation of study can be suggested as follows.

Since this study was conducted by convenience sampling of men and women in twenties and thirties, careful interpretation would be done.

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