



Chapter V

A Psychographic Approach to Segmenting the Electronic Shopper

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ABSTRACT

Shopping Orientations are psychographic measures that have been used to discern consumers' preferences for shopping media. In this study, shopping orientations and their relationship with consumers' actual use and intention to use online shopping are examined. Data for the study were collected through a survey that was mailed to a stratified sample of 800 consumers. Usable responses were received from 281 survey participants, who were classified into three shopping segments—home, community, and apathetic—based on their shopping orientations. The three shopping segments were found to differ on online shopping measures. Specifically, the home shopping segment was found to be positively associated with online shopping in contrast to the community and apathetic shopping segments. Further analysis revealed that there were no significant associations between shopping segments and commonly used demographic variables including gender, age, income, and education. Implications of these findings are discussed, along with suggestions for future research.

INTRODUCTION

A popular approach to studying the phenomenon of online shopping has been the adoption of intention-based theories, including the theory of reasoned action (Fishbein & Ajzen, 1975), theory of planned behavior (Ajzen, 1985, 1989), and the technology acceptance model (Davis, 1989; Davis et al., 1989). These theories model an individual's intent to engage in a behavior as a function of his/her salient beliefs and attitudes towards the behavior of interest. Studies that have applied and tested these theories (e.g., Bhattacharjee, 2000; Chen et al., 2002; Gefen & Straub, 2000; Limayem et al., 2000) can offer valuable guidelines to online retailers to help them focus on those aspects of online shopping that are important to customers (e.g., ease of use) and/or make improvements in areas which are found to be lacking (e.g., security). However, for purposes of market segmentation, it is essential to explore the external variables, whose influence on intentions and behavior is theorized by Fishbein and Ajzen (1975) to be fully mediated by beliefs and attitudes.

These external variables could include demographic, personality, and psychographic characteristics that can help Internet marketers to segment their market for customized advertisement, promotion, service, and retention campaigns. Demographic indicators such as age, gender, income, and ethnicity may have, especially during the Internet's nascent stage, been accurate indicators of who shops online. But with the global diffusion of the web and the steady narrowing of the digital divide, demographics may no longer be reliable predictors of online shopping.

Therefore, in this study we explore the relationship between another segmentation factor, namely shopping orientations, and intentions to use online shopping. As a psychographic measure, shopping orientations are intended to capture the motivations of shoppers and/or the desired experiences and goals they seek when completing their shopping activities (Stone, 1954). For example, an in-home shopper may be motivated by convenience, while a personalizing shopper may value the interaction experience with a known sales clerk.

While demographic indicators such as age, gender, marital status, and income have been traditionally used in the study of consumer behavior and market segmentation, shopping orientations have also emerged as reliable discriminators for classifying different types of shoppers based on their approach to shopping activities (Gehrt & Carter, 1992; Lumpkin & Burnett, 1991-92). Researchers have tapped into shopper orientations to study patronage behavior among elderly consumers, catalog shoppers, out-shoppers and mall shoppers (Bloch et al., 1994; Evans et al., 1996; Gehrt & Shim, 1998; Korgaonkar, 1984; Lumpkin, 1985; Lumpkin et al., 1986; Shim & Mahoney, 1992). By extending this psychographic construct to online shopping, our study aims to contribute to the knowledge and understanding of consumer response to electronic modes of shopping.

It is becoming increasingly clear that in order to survive, and more importantly, to succeed, online merchants should embrace and actively pursue fundamental

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