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LUXE-BARGAIN SHOPPING: CONSUMER ORIENTATIONS, PERCEIVED VALUES, SATISFACTION, AND FUTURE INTENTIONS

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ABSTRACT

This study was designed to examine the phenomenon of "massclusivity" of luxury (i.e., increased accessibility and affordability of luxury) in the current luxury market. To do so, this study introduced the concept of "Luxe-Bargain Shopping," which referred to purchasing a luxury brand at a bargain, and developed an empirical framework that portrayed both luxury consumption and the bargain process. The specific research objectives of this study were to: (1) investigate whether luxury-related consumer orientations (i.e., prestige sensitivity and fashion leadership) influence perceived product values (i.e., social, emotional, and quality values); (2) investigate whether bargain-related consumer orientations (i.e., price mavenism and sale proneness) influence perceived process values (i.e., transaction value); (3) investigate whether perceived product and process values predict satisfaction with Luxe-Bargain Shopping; (4) examine whether satisfaction with Luxe-Bargain Shopping influences future intentions to buy the luxury brand at a bargain; (5) examine whether perceived product and process values influence future intentions to buy the luxury brand at a bargain; (6) examine whether perceived product and process values influence future intentions to buy the luxury brand at full price; and (7) examine the moderating role of shopper type in the relationship between perceived values and future intentions.

This study was conducted in the context of luxury apparel or accessories. An online survey methodology was employed to collect the data and 500 completed responses were used for the data analyses. Both the luxury-related consumer orientations and bargain-related consumer orientations were found to be important consumer characteristics that predict perceived values generated in Luxe-Bargain Shopping. The perceived value influenced future

intention to purchase the luxury at a bargain indirectly through satisfaction. However, the direct links between perceived values and future intention to buy the luxury brand at a bargain were not supported in this study. The relationships between perceived values and future intentions to buy the luxury brand at full price were found to be significant. The shopper type was not a significant moderator between perceived values and future intentions. Research implications, managerial implications, and suggestions for future research based on the findings were provided.

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CHAPTER I
INTRODUCTION

Over the past few decades, bargain shopping has become a popular shopping type among American consumers regardless of social class or age. As the meaning of "bargain" has shifted from buying cheap and second-quality merchandise to getting the best value for money spent, today's consumers are less resistant to seek a bargain and shop at discount stores, off-price stores, or online stores (Kim, Sullivan, & Forney, 2007). While bargain shopping is common for staple items and groceries, shopping for luxury goods is not an exception to the bargain shopping concept. In today's market, luxury goods are far more accessible and affordable to mass consumers than in the past (Gardyn, 2002). It is not surprising to find deep-discounted luxury items in online stores (e.g., Bluefly.com and Overstock.com), factory outlet malls (e.g., Chelsea premium outlet malls), and upscale department outlet stores. Luxury retailers are undertaking their off-price operations with aggressive expansion plans of launching outlet stores (Gogoi, 2008). Saks Fifth Avenue operates 48 outlet stores of Saks Fifth Avenue Off Fifth. Nordstrom launched six new Nordstrom Rack outlet stores in 2008 and plans to open eight more in 2009 (Gogoi, 2008). Moreover, many luxury brands are making their brands more affordable to mass consumers through product extensions (e.g., Jaguar's X-type sedan and Tiffany's sterling silver key chains) (Gardyn, 2002).

While "exclusivity" has traditionally been considered as an essential characteristic of luxury, this view faces shortcomings in explaining the reality which the current luxury market faces. The phenomenon of bargain in the luxury market can be represented by the term

“massclusivity” of luxury (Koval, 2005). The massclusivity of luxury is attributable to the emergence of new luxury consumers and consumer tendencies toward bargain shopping.

The traditional segmentation approach in the luxury market categorizes consumers into two segments: the “Affluent,” who have both the desire and the financial ability to purchase luxury goods; and the “Excluded” who have no access to the luxury market (Dubois & Laurent, 1996). However, researchers (Dubois & Laurent, 1996; Gardyn, 2002) argued that middle-class consumers now express an increased desire to purchase luxury products due to an increased disposable income level and improved lifestyles. In addition, recent economic recession accelerates consumers’ propensity toward bargain shopping. Luxury consumers who can afford to pay full price are hesitant to do so as they demand more value and seek bargains in their luxury purchasing (Unity Marketing, 2004). These consumers are financially cautious, risk averse in their spending, and highly protective of their financial resources (Danziger, 2005).

Veblen’s (1899) notion of conspicuous consumption, wherein wealthy individuals consume expensive luxury goods in order to display their wealth and obtain greater social status, has been a prevailing framework to explain consumption behavior of luxury goods. Within the conspicuous consumption perspective, research on consumption behavior of luxury brands has focused on symbolic meanings of luxury possession (Vickers & Renand, 2003; Wong & Ahuvia, 1998), emotional and hedonic values attached to luxury brands (Wiedmann, Hennigs, & Siebels, 2007), and consumer characteristics related to luxury consumption such as materialism (Richins, 1994a), need for uniqueness (Park, Rabolt, & Jeon, 2008), congruency with public- or private-self (Park et al., 2008; Wong & Ahuvia, 1998), self-gift giving (Tsai, 2005), and conformity (Park et al., 2008). In addition, research on strategic management of the luxury goods market has

identified constituents of luxury goods such as heritage, iconic product design, flagship stores (Beverland, 2004; Moore & Birtwistle, 2005), and premium pricing (Groth & McDaniel, 1993).

Although the conspicuous consumption model based on “exclusivity” of luxury has provided an insightful perspective on traditional luxury consumption behavior, it cannot capture the phenomenon of “massclusivity” of luxury in today’s value-oriented shopping environment. In other words, there is a gap between traditional research frameworks and the current market situation driven by changes in consumer demand and luxury price strategies. As Wiedman et al. (2007) noted, the luxury market needs to be transformed from its traditional conspicuous consumption model to a new experiential perspective. Given this note, a theoretical and managerial need is to develop an empirical framework that can depict luxury consumption with a bargain shopping concept. Furthermore, it may be argued that the current deep-discount price strategies operated by many luxury retailers may cause luxury consumers to be reluctant to purchase luxury brands at a full price in the future. As Dubois and Paternault (1995) admitted, luxury marketing is a paradox; while a certain level of accessibility to luxury brands is necessary for a wide customer base and success in the market, it comes at a cost of losing the mystique of luxury. Considering the current luxury market, wherein many luxury brands are struggling to hold on to their profit with a pricing strategy of deep price reduction and moving merchandise in volume (Trebay, 2008), some critical questions should be answered. These include whether consumers who have once experienced luxury bargain shopping are willing to pay full price for future luxury purchase, whether consumer’s perceptions of value affect their satisfaction and future purchasing intentions, and how the relationships between consumers’ perceptions of value and their future purchasing intentions differ by consumer bargain tendency.

LUXE-BARGAIN SHOPPING

The massclusivity of luxury represents accessible and affordable luxury for mass consumers. The increased availability of luxury products at lower price points for a wide range of consumers calls attention to examine luxury consumption with a new perspective. With an attempt to describe the aforementioned phenomenon in the luxury market, this study introduces a new term, "Luxe-Bargain Shopping." Luxe-Bargain Shopping is defined as "purchasing a luxury brand at a bargain, which generates values in association with both the product (luxury brand) and process (bargain shopping)." However, the terms "luxury brand" and "bargain" can be interpreted subjectively. For example, a brand can be perceived as a luxury brand for some consumers but not for the others. In a similar vein, a certain percentage off can be perceived as a bargain for some consumers but not for others. Thus, it is necessary to delve into the terms of "luxury brand" and "bargain," in defining "Luxe-Bargain Shopping."

LUXURY BRANDS

Although the term "luxury" is routinely used in our everyday life to refer to products, services, or a certain lifestyle, there is no clear understanding of the concept of luxury (Wiedmann et al., 2007). Previous studies have defined luxury brands as those which have a heightened status that can be charged premium prices (Jackson & Haid, 2002); those whose price and quality ratios are the highest of the market (McKinsey, 1990); goods that are infrequently purchased and involve a higher level of interest and knowledge (Vigneron & Johnson, 1999); and goods that provide the buyer with a perceived status through ownership due to their scarcity in accessibility (Moore & Birtwistle, 2005; Vigneron & Johnson, 1999). Most of these definitions, however, are rooted in exclusivity (rarity, scarcity) and premium price as key

dimensions of luxury brands. Therefore, these definitions fail to describe the concept of luxury brands in the context of Luxe-Bargain Shopping. In Luxe-Bargain Shopping, consumers purchase luxury brands at a bargain or lower price points. This makes the luxury brands more accessible and affordable to a wide range of consumers. Thus, scarcity of accessibility, high price-quality ratio, and premium price are no longer elements that define luxury brands in Luxe-Bargain Shopping.

To understand the luxury concept beyond exclusivity and premium price, it is useful to examine consumers' perception of luxury and values they seek in luxury purchasing. The perception of what is and is not a luxury brand is dependent on the consumer's evaluation of desire, need, and value generated by ownership of the brand (Kemp, 1998; Vigneron & Johnson, 2004; Wiedmann et al., 2007). The consumption of luxury goods involves purchasing a product that represents value to both a consumer and his or her reference group. Wiedmann et al. (2007) argued that individuals purchase luxury brands as a symbolic sign of group membership and as a way to conform to the lifestyle of their reference group. The importance of value perception in luxury purchasing is emphasized in Danziger's (2005) assertion that "Money is not the hard currency in a luxury market. The real currency of the transaction is the value" (p. 170). Among the values associated with luxury consumption, psychological values such as emotional benefits or intrinsic pleasure are regarded as main factors distinguishing luxury from non-luxury products or counterfeits (Arghavan & Zaichkowsky, 2002). Also, superior quality is an important factor in perceptions of luxury brands compared to non-luxury brands (Garfein, 1989; Quelch, 1987). Vigneron and Johnson (2004) argued that it is difficult to develop a luxury brand image without developing a long-term commitment to quality. Based on Vigneron and Johnson's (2004) definition, the luxury brands in this study are defined as "the prestigious brands that provide the

buyer with a high level of perceived values encompassing both physical value (e.g., quality) and psychological values (e.g., social, emotional).”

BARGAIN SHOPPING

Individuals gain a sense of excitement and pleasure from bargains by taking advantage of the deal itself, as well as by saving substantial amounts of money (Schindler, 1989). Although the term “bargain” is often used as equivalent to “price promotion” (Schindler, 1989, p. 447) or “price discount” (Alford & Biswas, 2002, p. 776), this study adopts Darke and Dahl’s (2003) definition, “subjective experiences consumers have when getting a discount” (p. 328). This definition of bargain can portray the concept of a bargain beyond the economic sources of value involved.

The traditional economic perspective posits that the benefits of a bargain are equivalent to objective financial gains such as amount of money saved (Stigler, 1987). The monetary gains from a bargain and the greater assurance of good value for money generate a utilitarian benefit (Schindler, 1989). However, other researchers have suggested that getting a bargain involves more than mere monetary gains (Kahneman & Tversky, 1984; Schindler, 1998). In their empirical studies, Kahneman and Tversky (1984) found that consumers were more willing to make an extra shopping trip to get a large percentage discount (33% off the price) than to get a small percentage discount (4% off the price), even though the amount of money saved was the same ($5) in both cases. Similarly, Darke and Dahl (2003) found that bargains increased consumer satisfaction with a shopping trip even when no monetary gains were obtained. In their experimental study, they asked the participants to return the money that they gained from a bargain to the experimenter. They found that satisfaction still increased even when the

participants did not gain any money from the bargain deal. These findings suggest that psychological values beyond financial gains are involved in the bargain shopping process itself. In bargain shopping, a shopping activity is considered as a challenge or a game to be won (Arnold & Reynolds, 2003). Schindler (1998) attempted to explain psychological values of bargain shopping with smart shopping perception. In bargain shopping, consumers gain a great sense of achievement and excitement from their "smart" behaviors. In addition, by paying a low price for a particular product, a bargain elicits sense of being proud, smart, or competent (Holbrook, Chestnut, Oliva, & Greenleaf, 1984). Darke and Dahl (2003) related the smart shopping concept to one's ego-expressive goal; that is, consumers who found a good deal and bargain attributed it to their own skill, experiencing greater satisfaction. In a similar vein, Danziger (2005) argued that getting a bargain is a way for luxury consumers to measure their wining in the shopping game. She described reasons why luxury consumers engage in bargain shopping as " they don't go for a 50% off sale because they need to save that money; they go for it because it is a good, sensible, money-wise thing to do, and it is a heck of a lot of fun" (p. 161).

SIGNIFICANCE OF THE STUDY

The luxury goods market has experienced significant changes due to consumer tendencies toward bargain shopping, increased demand for luxury among middle-class consumers, and economic downturn. However, the traditional research framework of conspicuous consumption presents shortcomings in capturing these changes in consumer luxury consumption behavior and luxury consumer characteristics. To address this issue, this study introduces a new concept of "Luxe-Bargain Shopping" and examines luxury consumption in the bargain shopping context. To comprehend consumer behavior in Luxe-Bargain Shopping, it is

critical for marketers to understand characteristics of the new luxury consumer, what value perceptions are associated with luxury bargain shopping, and how these perceptions influence consumer satisfaction and behavioral intentions. To do so, this study identifies (1) consumer orientations of luxury consumers beyond the conspicuous consumption perspective, (2) perceived values generated from both luxury consumption and bargain process, and (3) outcomes of Luxe-Bargain Shopping. Using the cognition-affect-behavioral intention framework, this study examines relationships among consumer orientation, perceived values, satisfaction, and future purchase intention in the context of Luxe-Bargain Shopping. A moderating effect of luxury shopper type (based on their bargain tendencies) on the relationship between perceived values and future intentions is added to the research model. In addition, this study includes consumers' future intention to buy the luxury brand at full price in the research model to provide insights to current luxury pricing strategies (e.g., deep-discount pricing or off-price operation).

In the course of examining consumer orientation, perceived values, satisfaction, and future purchase intention in the context of Luxe-Bargain Shopping, specific theoretical contributions can be generated. First, this study identifies consumer orientations (e.g., fashion leadership, price mavenism) that better describe the characteristics of Luxe-Bargain Shoppers than do traditional luxury consumer orientations such as conspicuousness, materialism, and self-congruency.

Second, this study contributes to the existing literature on the perceived value-satisfaction-intention framework by examining the direct relationship between perceived value and intention as well as their indirect relationship through satisfaction in Luxe-Bargain Shopping. Although these relationships have been explored in the context of health care (Choi, Cho, Lee, & Kim, 2004) and business-to-business marketing (Lam, Shankar, Erramilli, & Murthy, 2004;

Patterson & Spreng, 1997), no research has investigated these relationships in luxury consumption.

Third, this study extends our knowledge of value perception generated from a bargain by examining relationships among transaction value, satisfaction, and intention. Transaction value has been identified as an important psychological value in association with a bargain process and examined in a wide range of general consumer products including bicycles (Grewal, Monroe, & Krishnan, 1998), household products (Lichtenstein, Netemeyer, & Burton, 1990), and movie videos (Darke & Dahl, 2003). While the impact of transaction value on satisfaction and behavioral intention is established, examination of transaction value in the context of luxury consumption can be meaningful because the high price perception is embedded in a luxury brand.

Lastly, this study can provide empirical support for a perceived value model by examining multi-dimensional perceived values in the context of Luxe-Bargain Shopping. While research on luxury consumption has identified dimensions of values created by possession of luxury (e.g., social acceptance, emotional attachments, quality assurance) (Vigneron & Johnson, 1999; Wiedmann et al., 2007), empirical research that measures these multi-dimensional values in the luxury consumption is scarce. This study measures the multi-dimensional perceived values identified through previous qualitative studies and tests the relationships between the perceived values and other outcomes (i.e., satisfaction and behavioral intention) using quantitative methods.

PURPOSE OF THE STUDY

This study attempts to provide luxury marketers suggestions they can utilize to capture the emerging value-conscious consumer segment. Although the bargain concept within a luxury

market has been the reality, no research has investigated luxury consumption in the bargain shopping context. Moreover, with most research focused on qualitative aspects of luxury consumption, little research has tested conceptual frameworks of luxury consumption empirically. This study aims to fill the gap between traditional research frameworks and the current market situation of luxury bargain shopping by developing an empirical framework that depicts both luxury consumption and the bargain process. This study examines the relationships between consumer orientations and perceived values. Further, this study provides insights into how and to what degree consumer orientation and perceived values generated from Luxe-Bargain Shopping influence consumer satisfaction and future behavioral intentions. Toward this end, the specific research objectives of this study are developed as follows:

1. Investigate whether luxury-related consumer orientations (i.e., prestige sensitivity and fashion leadership) influence perceived product values (i.e., social, emotional, and quality values).
2. Investigate whether bargain-related consumer orientations (i.e., price mavenism and sale proneness) influence perceived process values (i.e., transaction value).
3. Investigate whether perceived product and process values predict satisfaction with Luxe-Bargain Shopping.
4. Examine whether satisfaction with Luxe-Bargain Shopping influences future intentions to buy the luxury brand at a bargain.
5. Examine whether perceived product and process values influence future intentions to buy the luxury brand at a bargain.
6. Examine whether perceived product and process values influence future intentions to buy the luxury brand at full price.

7. Examine the moderating role of shopper type (based on bargain tendencies in a luxury shopping) in the relationship between perceived values and future intentions.

The operational definitions of the main concepts of Luxe-Bargain Shopping and constructs are shown in Table 1.

DISSERTATION ORGANIZATION

This dissertation comprises five chapters: introduction, literature review, research methods, data analysis and results, and discussion and implication. Chapter I serves to introduce the concept of Luxe-Bargain Shopping. The chapter also provides a brief overview of the research, significance of the study, and the purpose of the study. Chapter II provides theories and conceptual frameworks based on a review of literature. The chapter reviews previous studies on price promotion of apparel retailers, apparel discount shopping, and constructs used in this study. The chapter also addresses the research hypotheses. Chapter III discusses the methods used to test the model and hypotheses. The chapter includes discussion of the research model, measurement development, and research design including setting, sampling, data collection, and procedure. Chapter IV provides the data analyses and the results of the hypothesis testing. The chapter covers descriptive analyses of the sample data, construct validity and reliability using confirmatory factor analysis (CFA), and hypothesis testing using Structural Equation Modeling (SEM). Chapter V presents conclusions, implications of the study, and recommendation for future research.

Table 1. Operational Definitions of the Concepts and Constructs

Constructs	Definitions	Source
Luxury brands	the prestigious brands that provide the buyer with the highest level of perceived values encompassing physical value and psychological values	Vigneron & Johnson (2004)
Bargain	subjective experiences consumers have when getting a discount	Darke & Dahl (2003)
Luxe-Bargain Shopping	purchasing a luxury brand at a bargain, which generates values in association with both product luxury consumption and a bargain itself	Author
Perceived product value	the values driven by possession of luxury items	Author
Perceived process value	the values driven by bargain shopping process itself	Author
Prestige sensitivity	favorable perceptions of the price cue based on feelings of prominence and status that higher prices signal to other people about the purchaser	Lichtenstein, et al. (1993)
Fashion leadership	the degree to which an individual has a greater than average interest in fashion, purchases new fashions relatively earlier than the rest of the market, and influences later buyers to purchase new fashion items	Goldsmith et al. (1991)
Price mavenism	the degree to which an individual is a source for price information for many kinds of products and places to shop for the lowest prices, initiates discussions with consumers, and responds to requests from consumers for marketplace price information	Lichtenstein, et al. (1993)
Sale proneness	an increased propensity to respond to a purchase offer because the sale form in which the price is presented positively affects purchase evaluations	Lichtenstein, et al. (1993)
Social value	the utility derived from the product's ability to enhance social self-concept	Sweeney & Sourtar (2001)
Emotional value	the utility aroused from the feelings or affective states (e.g., aesthetic beauty, pleasure, and enjoyment) that a product generates	Sweeney & Sourtar (2001)
Quality value	the utility generated from the perceived quality and expected performance of the product	Sweeney & Sourtar (2001)
Transaction value	the perception of psychological satisfaction or pleasure obtained from taking advantage of the financial terms of the price deal	Grewal, et al. (1998)
Satisfaction	a cumulative and global evaluation based on experience with shopping	Seider et al. (2005)

CHAPTER II
LITERATURE REVIEW

This study includes seven research objectives: (1) to examine the relationship between luxury-related consumer orientations and perceived product values; (2) to investigate the relationship between bargain-related consumer orientations and perceived process value; (3) to investigate the relationship between perceived values and satisfaction; (4) to investigate the relationship between satisfaction and future intentions to buy the luxury brand at a bargain; (5) to investigate the relationship between perceived values and future intentions to buy the luxury brand at a bargain; (6) to investigate the relationship between perceived values and future intentions to buy the luxury brand at full price; and (7) to test the moderating role of shopper type on the relationship between perceived values and future intentions.

The first section of this chapter identifies the theoretical frameworks of this study. The next section reviews the previous research on apparel discount shopping and past studies in relation to the major variables of this study. Based on the preceding discussions, research hypotheses are constructed.

THEORETICAL FRAMEWORKS

The framework of the study is drawn from four theoretical frameworks: (1) cognition-affect-behavioral intention model (Fishbein & Ajzen, 1975); (2) multi-dimensional perceived values (Sweeney & Soutar, 2001); (3) snob and bandwagon effects (Leibenstein, 1950); and (4) acquisition-transaction utility theory (Thaler, 1983).

COGNITION-AFFECT-BEHAVIORAL INTENTION FRAMEWORK

The relations among cognition, affect, and behavioral intention have been well investigated in the consumer behavior literature. Fishbein and Ajzen (1975) argue that cognition (attitude or overall evaluation) influences intention indirectly through affect. Bagozzi (1982) extends the model by suggesting that cognition influence intention both directly and indirectly through affect. Recently, the framework of cognition-affect-behavioral intention has been validated in the context of health care (Choi et al., 2004) and business-to-business service (Lam et al., 2004), with positive relationships among perceived value, satisfaction, and intention. Perceived value is often conceptualized as a comparison of "get" components to "give" components (Heskett, Jones, Loveman, Sasser, & Schlesinger, 1994; Zeithaml, 1988). Lam et al. (2004) argue that the perceived value is a cognitive evaluation of perceived benefits ("get" components) and perceived sacrifices ("give" components), taking into consideration all aspects of a product's offerings and prices. Sweeney and Soutour (2001) conceptualize the perceived value as a multidimensional construct by identifying its sub-dimensions including social, emotional, price, and quality values. On the other hand, satisfaction is a more affect-laden evaluation (Gooding, 1995; Oliver, 1997). Oliver (1992) defines satisfaction as a consumer's post-purchase evaluation and affective response to the overall product or service experience. Geyskens, Steenkamp, and Kumar (1999) also define satisfaction as a positive affective state resulting from the considerations of all aspects of a firm's relationship with another firm in the business-to-business context. Past studies have revealed that satisfaction is a reliable predictor of repurchase intentions (Bitner, 1990; LaBarbera & Mazursky, 1983; Patterson & Spreng, 1997).

With these perspectives, Choi et al. (2004) showed that perceived value influenced satisfaction and satisfaction led to behavioral intention among health care patients. They tested

the framework of cognition-affect-behavioral intention in the context of South Korean health care market and found that cognition (i.e., service quality and value) influenced behavioral intention (i.e., repatronage intention, willingness to recommend, and positive word-of-mouth) directly and indirectly through affect (i.e., satisfaction). Lam et al. (2004) also reported the same sequence in the organizational relationships. They found that customer satisfaction mediated the relationship between customer value and customer loyalty among corporate customers of courier services. Figure 1 presents the relationships among perceive value, satisfaction, and future intention based on the framework of cognition-affect-behavioral intention.

Based analogously on the framework of cognition-affect-behavioral intention, this study builds the conceptual model on the relationships among perceived value, satisfaction, and future purchase intention in the context of Luxe-Bargain Shopping. Luxe-Bargain Shopping involves both luxury goods acquisition and bargain shopping process. Thus, there are two sources of consumers' perceived values generated in Luxe-Bargain Shopping: perceived product values and perceived process values. Perceived product values refers to the values driven by possession of luxury items while perceived process values refers to the values driven by bargain shopping process itself. This study distinguishes perceived values associated with bargain process from the perceived values derived from a product acquisition. The conceptual model of this study is

Figure 1. The Relationships among Perceived Value, Satisfaction, and Future Intention

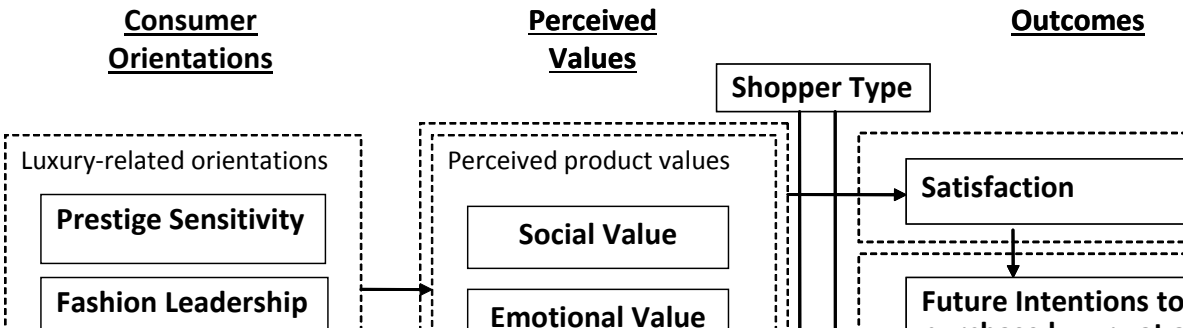

Figure 2. Conceptual Model

shown in Figure 2.

While an effect of perceived value (cognition) on intention through satisfaction (affect) has been established well in literature, there is an argument that perceived value influences behavioral intention directly as well as indirectly through satisfaction. Bagozzi (1982) argues that the cognition influences intention both indirectly (through affect) and directly. Cronin, Brady, and Hult (2000) support this argument by finding a direct relationship between service value and behavioral intention and their indirect relationship through satisfaction. They found that the relationship between service value and behavioral intention (i.e., repatronage intention and willingness to recommend) was significant in the context of six service industries (i.e., spectator sports, health care, participation sports, long distance carriers, entertainment, and fast food). The significant indirect relationship of service value and behavioral intention through satisfaction was also found in their study in all industries except for health care. Thus, the current

study investigates both a direct effect of value perception on intention and an indirect effect through satisfaction in Luxe-Bargain Shopping.

CONSUMER PERCEIVED VALUE

Perceived value has been one of the crucial factors for understanding consumer choice and behaviors in the marketplace and ultimately long-term success of business (Sweeney & Soutar, 2001). One of the most common definitions of perceived value is a trade-off between benefit and cost (Bolton & Drew, 1991; Rao & Monroe, 1989). Cottet, Lichtlé, and Plichon (2006) suggest that consumer perceived value originates from a conflict between benefits and sacrifices in a transaction. Zeithaml (1988) refers to consumer perceived value as low price, balance between price and quality, benefit received from a product, or comparison of “get” and “give.” However, researchers (Bolton & Drew, 1991; Sweeney & Soutar, 2001) have argued that this view is too simplistic and suggested that values generated in consumption are multidimensional. Sheth, Newman and Gross (1991) develop multidimensional consumption values that influence consumer purchase choice, product choice, and brand choice. They identify five dimensions of perceived consumption value: social, emotional, functional, epistemic and conditional value. By separating price and quality in value dimensions of Sheth et al. (1991), Sweeney and Soutar (2001) suggest four value dimensions (i.e., quality, price, emotion, and social) that can be applied in a variety of purchase situation. Richins (1994b) identifies possession values of a product, including both utilitarian and hedonic components. She suggests that value of possession includes utilitarian value, enjoyment, interpersonal ties, identity, financial value, and appearance-related value. Hirshman and Holbrook’s (1982) hedonic

perspective of consumption advocates emotional values attached to consumption (e.g., aesthetic beauty, pleasure and excitement).

SNOB AND BANDWAGON EFFECTS

In the pioneer work on luxury consumption, "*The Theory of the Leisure Class*," Veblen (1899) analyzes luxury consumption in the social-economic context. He suggests that there is a general tendency toward conspicuous consumption, wherein wealthy people purchase luxury goods as a means of ostentatiously displaying their wealth. This notion of conspicuous consumption implies that the demand for certain consumer goods depends on factors other than the qualities inherent in the consumer goods. Based on this notion, Leibenstein (1950) suggests snob effect and bandwagon effect. He explains "Snob" and "Bandwagon" effects based on whether the demand decreases or increases as others are also purchasing the same product. According to Leibenstein (1950), the snob effect describes a situation in which the demand for the good decreases because others are buying the good. The snob effect represents the desire of an individual to be exclusive, to be different, and to dissociate himself from his non-reference group. Conversely, the bandwagon effect describes a situation in which market demand increases because others are purchasing the same good. It represents the desire of an individual to be fashionable and stylish or to conform to the people he wishes to be associated with.

These effects can be explained by two competing social needs among consumers: a need for uniqueness and a countervailing need for conformity (Brewer, 1991). Snob effect relates to individuals' need for uniqueness. When consumers purchase products to satisfy their need for uniqueness, they may value the products less when more consumers buy them (Amaldoss & Jain, 2005). Another social need that influences the purchase of luxury goods is consumers' desire to

conform. Some consumers value a product more as the number of other consumers who buy the product increases (Jones, 1984; Ross, Bierbrauer, & Hoffman, 1976). This consumer desire for conformity can explain the bandwagon effect. Amaldoss and Jain (2005) found that the demand among snobs increased while the demand among conformists decreased as the price of a luxury product increased.

Vignernon and Johnson (1999) develop a framework that luxury consumers' prestige-seeking behaviors can be explained by five value constructs (i.e., social, emotional, conspicuous, unique, and quality values). Social value is related to people's desire to possess prestige brands as a way to conform to prestige groups or to be distinguished from non-prestige reference groups. Emotional value represents arousal, feelings, and affective states originated for acquiring a luxury brand. Conspicuous value is related to the utility of luxury products to display wealth and power. Unique value demonstrates the utility generated from the exclusivity and scarcity of products. Quality value refers to the utility acquired from superior product characteristics and performance of a luxury brand. Vignernon and Johnson (1999) suggest that social value, unique value, and conspicuous value reflect bandwagon effect, snob effect, and Veblen effect, respectively. According to them, the bandwagon effect influences an individual to conform to his/her reference groups, while snob consumers express the desire to be differentiated from other individuals through purchasing prestige goods by perceiving price as an indicator of exclusivity or scarcity. They also explain conspicuous value with "Veblen effect," suggesting that Veblenian consumers attach a greater importance to price as an indicator of prestige and consume luxury products as a way to display their wealth and status.

In the context of Luxe-Bargain shopping, consumers look for sales and enjoy the bargain itself in luxury purchasing. Exclusivity and scarcity may not be the motivation for these

consumers to buy luxury. The fact that other consumers are buying the same luxury goods would not deter these consumers from enjoying a bargain and purchasing the products. The more the price reduction is, the more consumers feel pleasure of a bargain by taking advantage from the deal itself. That is, price reduction would increase demand of luxury products among these consumers. Considering massclusivity of affordable and accessible luxury, conspicuousness may not be the main motivation to buy the product in Luxe-bargain shopping. Because the snob effect depicts demand decline as more consumers buy luxury items, it does not adequately address the perception of values in Luxe-Bargain Shopping. Based on this reasoning, this study excludes conspicuousness and uniqueness and focuses on social, emotional, and quality values.

ACQUISITION-TRANSACTION UTILITY THEORY

Acquisition-transaction utility theory (Thaler, 1983) posits that two types of utility−acquisition utility and transaction utility−are associated with consumer purchase behavior. The acquisition value refers to the perceived net gains associated with the purchased product (Dhruv Grewal et al., 1998). The acquisition value can be obtained by comparing the benefits from the acquisition and usage of the product to the money spent to acquire the product (Dhruv Grewal et al., 1998). Thaler (1983) defined the acquisition utility as the difference between utility of the purchased goods and the price paid for the goods. By his definition, the acquisition value represents the economic gain or loss from a purchase transaction. Several researchers described the acquisition value based on this definition (Keon, 1980; Lichtenstein et al., 1990; Thaler, 1985). Grewal, Monroe, and Krishnan (1998), however, argued that viewing the acquisition value simply as a reservation price was limited in capturing totality of “get” component obtained from the purchased product. They argued that other elements such as

product quality should be incorporated to represent a global acquisition value. Although this perspective provided better representation of the acquisition value by including quality, researchers (Sheth et al., 1991; Sweeney & Soutar, 2001) argued that the view which described the value originated from a product with only these two dimensions (i.e., price and quality) was too narrow, and that multi-dimensional values such as social value and emotional value as well as quality value and price value must be embedded in the value derived from product acquisition.

The transaction utility is described as the difference between an individual's internal reference price and the purchase price (Thaler, 1983). The internal reference price can be generated from consumer experience with the product such as the buyer's perception of fair price (Monroe, 1973). The internal reference price is also drawn from the readily accessible information in the marketplace, including the most frequently purchased brand in the marketplace (Garbor & Granger, 1961), the most recently observed price (Winer, 1986), or the lowest market price (Lichtenstein & Bearden, 1989).

Grewal et al. (1998) broaden the concept of transaction value by defining it as the psychological satisfaction obtained from the perception of taking advantage of the deal. The transaction value is associated with hedonic value of the deal *per se* such as pleasure of finding a "good deal," rather than the purchased product (Lichtenstein et al., 1990; Thaler, 1983). The enjoyment of finding a bargain was also linked to "feeling lucky" (Darke, Freedman, & Chaiken, 1995). Assuming that reference price of luxury goods is high because luxury goods are expensive in relative and absolute terms (Dubois & Duquesne, 1993), getting a deep discount and finding a real bargain would elicit greater transaction value.

REVIEW OF PREVIOUS RESEARCH

This study examines luxury apparel or accessories in the context of bargain shopping. A premise of Luxe-Bargain Shopping is the affordability and the accessibility of luxury items to mass consumers through off-price operations and discount stores. Although the product categories of luxury encompass house, car, furniture, fashion items, travel package, or entertaining equipment, luxury fashion items (i.e., apparel or accessories) also form a prevalent product category in Luxe-Bargain Shopping context. To examine luxury apparel or accessories in the context of bargain shopping, the study proposes a model linking consumer orientations, perceived product values, perceived process values, satisfaction, and future intentions. In this part of literature review, previous studies on consumer apparel shopping and apparel discount shopping are reviewed first, followed by discussion on previous research on the constructs used in this study.

REVIEW OF PREVIOUS STUDIES

In order to explore constructs relevant to Luxe-Bargain Shopping, previous research on price promotion of apparel retailers, consumer apparel discount shopping, and consumer store choice behavior in apparel shopping was reviewed. In addition to searching through online search engine, articles published in following journals between 1980 and 1985, which the off-price stores became popular, were searched: Journal of Marking, Journal of Retailing, Journal of Business Research, Journal of Consumer Research, Journal of Academy of marketing Science, Clothing Textile Research Journal. Table 2 summarizes the major findings from the previous studies.

Table 2. Major Findings of Selected Studies on Apparel Shopping

Authors (Year), Journal	Variables examined	Major findings
King & Ring (1980), Journal of Retailing	consumer patronage determinants (fashionability, value for money)	This study examined market positioning dynamics of fashion retailers (discount stores, department stores, mid-range and high fashion specialty chains) based on consumer patronage determinants (e.g., fashionability and value for money).
Jolson et al. (1981), Journal of Retailing	demographic, personality, sociographic variables	The study found a set of demographic, personality, and sociographic predictors that distinguish consumers who take extreme positions (signature good proneness and avoidance groups) relative to signature goods from other fashion-minded consumers. Signature good prone consumers showed aggressive personality, socially active, female, blacks, well-educated people.
Gutman & Mills (1982), Journal of Retailing	fashion orientation, shopping orientation	The study identified seven fashion lifestyle segments (i.e., leaders, followers, independents, neutrals, uninvolved, negatives, and rejecters) based on fashion leadership, fashion interest, fashion important, anti-fashion attitude and examined their store patronage and shopping behaviors.
Korgaonkar (1982), Journal of Retailing	perceived risk, patronage attitude	The study examined the role of level (high vs. low) and type (economic vs. social) of perceived risk on consumers' patronage attitude toward catalog showrooms and discount stores in different product categories. They found that consumers more preferred shopping for low social and high economic risk product and less preferred shopping for high social and low economic risk product at both discount stores and catalog showrooms.
Kirby & Dardis (1986), Journal of Retailing	factor influencing price variation	The study investigated apparel price variations in off-price and department stores and the potential savings to the consumer from comparison shopping. They found that average prices were 40% higher in department stores than in off-price stores and that other factor influencing price variation were items and week.
Walters (1988), Journal of Retailing	retail promotion, store performance (profit)	The study examined effect of retail promotions (special sales) on retail store performance based on magnitude of full-margin product complements and substitutions.
Mazumdar & Monroe (1992), Journal of Retailing	inter-store price comparison, price recall accuracy, confidence	The study examined effects of inter-store price comparisons and in-store price checking during a choice task on consumers' price recall accuracy, and confidence. They found that price recall accuracy and confidence improved when consumers acquired price information and used the price comparison and that the confidence differential was larger than the accuracy differential for inter-store price comparison shoppers.
Kim & Chen-Yu (2005), Clothing Textile Research Journal	shopping orientation, importance of store attributes, store evaluation, store satisfaction, store patronage intention	The study examined the similarities and differences between customers in South Korea and in the United States with respect to their characteristics and behaviors related to discount store patronage (i.e., shopping orientation, importance of store attributes, store evaluation, store satisfaction, store patronage intention). They found differences in importance of store attributes, store evaluation, and store satisfaction, but no differences in shopping orientation and store patronage intention.

Table 2. (*Continued*)

Authors (Year), Journal	Variables examined	Major findings
Morganosky (1990),Clothing Textile Research Journal	quality perception, store type, brand type	The study examined influences of store and brand type on the perception of apparel quality. Quality perception of Name Brand (well-known brand) was lowered when associated with off-price and discount store. While quality perception of Store Brands was higher when associated with department stores, it was lowered when associated with off-price, discount, and chain stores.
Summers & Wozniak (1990),Clothing Textile Research Journal	perceived risk, patronage preferences	This study examined the role of perceived risk on consumers' discount store patronage preferences for apparel. They found that consumer preference for purchasing in discount stores declines more sharply when economic risk increases than when social risk increases.

Several variables that are relevant to consumer apparel discount shopping and consumer store choice in apparel shopping were identified from the previous studies: fashion leadership (Gutman & Mills, 1982), fashionability (King & Ring, 1980), signature goods proneness (Jolson, Anderson, & Leber, 1981), perceived social risk (Korgaonkar, 1982; Summers & Wozniak, 1990), price comparison (Kirby & Dardis, 1986; Mazumdar & Monroe, 1992), value for money (King & Ring, 1980), quality perception (Morganosky, 1990), shopping orientation (Kim & Chen-Yu, 2005), and retail promotion (Walters, 1988). Although previous studies have explored consumer behavior in the context of consumer apparel discount shopping, there was no research on luxury apparel shopping in the context of a bargain shopping.

CONSUMER ORIENTATIONS

Consumers' individual characteristics are considered to be major determinants on motivated behavior (Murray, 1938). Consumer characteristics such as demographics and psychological orientations have been identified to be determinants of consumer value perception and thus important factors to understand the consumer attitudes and behaviors in the marketplace.

Mittal (1994) found that demographics and individual differences influenced consumer perception of cost and benefits. Bubois and Duquesne (1993) found that income level affected the propensity to purchase luxury products. Beyond the demographic variables, consumer orientations (e.g., need for uniqueness, consumer ethnocentrism, materialism, and vanity) have been discovered as key factors in purchasing behavior of global luxury brands. In this study, four consumer orientations (i.e., prestige sensitivity, fashion leadership, price mavenism, and sale proneness) are examined in relation to consumer value perceptions of Luxe-Bargain Shopping.

Prestige Sensitivity

Prestige sensitivity is defined as "favorable perceptions of the price cue based on feelings of prominence and status that higher prices signal to other people about the purchaser" (Lichtenstein, Ridgway, & Netemeyer, 1993, p. 236) . Lichtenstein et al. (1993) suggested that prestige sensitivity tendency was the degree a consumer purchases expensive products with the perception that other people will perceive the high price as reflection of a buyer' personal traits. According to them, prestige sensitivity is based on perceptions of what a price signals to other people in a social sense. Prestige sensitivity is the tendency to make attributions about other consumers or to be sensitive to attributions made by others based on the level of price (Calder & Burnkrant, 1977). Prestige sensitivity is closely related to socially visible products and consumption behaviors (Calder & Burnkrant, 1977; Jin & Sternquist, 2004) such as fashion luxury goods. Sternquist, Byun, and Jin (2004) relate prestige sensitivity to brand-consciousness, arguing that brand-conscious consumers believe that price is an indicator of prestige.

Fashion Leadership

Fashion is a vehicle to express the self-concept or of self-image (Kaiser, 1990) and way to impress others (Goldsmith, Heitmeyer, & Freiden, 1991). The fashion leader is defined as "a consumer who has a greater than average interest in fashion, who purchases new fashions relatively earlier than the rest of the market, and who influences later buyers to purchase new fashion items" (Goldsmith et al., 1991, p. 38). Fashion leaders tend to possess a more positive attitude toward change than fashion-followers, task risks in trying new products, and have favorable attitudes towards new products and new fashion styles (Kim & Schrank, 1982; Myers & Robertson, 1972; Schrank, Sugawara, & Kim, 1982; Workman & Kidd, 2000). These consumers have greater media exposure and read more fashion magazines (Chowdhary & Dickey, 1988; Goldsmith et al., 1991; Polegato & Wall, 1980; Summers, 1970). Fashion leaders show greater interest in fashion and enjoy sharing information about fashion and clothing styles (Workman & Kidd, 2000). Fashion leadership is closely related to fashion innovativeness. Fashion leaders possess a more positive attitude toward changes than non-leaders, having favorable attitudes toward new products and new fashion styles (Workman & Kidd, 2000).

Fashion leaders are more likely to use fashion goods as a way to express self-concept and are more interested in fashion and shopping than fashion-followers (Goldsmith, Flynn, & Moore, 1996). Opinion leaders tend to use clothing as a way to enhance self-esteem, social status, or prestige (Shim & Bickle, 1994). Consumers who are innovative and opinion leaders are fashion-conscious, enjoy shopping at upscale stores, and value fashion-image and symbolic meaning of clothing (Shim & Bickle, 1994).

Price Mavenism

The concept of price mavenism is based on Feick and Price's (1987) market mavenism. Feick and Price's (1987) identified some consumers as "market mavens" because of their desire to be informed about the marketplace so that they can spread information to other consumers. A market maven is a person whose influence is based not on knowledge or expertise in particular product categories, but on more general knowledge and experience with markets. Market mavens' involvement with the marketplace is also apparent in other marketplace attitudes and behaviors such as extent of interest in and enjoyment of shopping, use of coupons, and interest in and attention to advertising (Feick & Price, 1987). The market mavens are also aware of new products and brands earlier and engage in a more extensive information search than other consumers (Higie, Feick, & Price, 1987; Inman, McAlister, & Hoyer, 1990; Price, Feick, & Gusley-Federouch, 1988). Price mavenism focuses on price information among a wide range of market information. A sensitivity to price in its negative role (Lichtenstein et al., 1993) for certain consumers reflects a desire to be a "price maven" and source of low price information for other people. With this perspective, price mavenism is defined as "the degree to which an individual is a source for price information for many kinds of products and places to shop for the lowest prices, initiates discussions with consumers, and responds to requests from consumers for marketplace price information" (Lichtenstein et al., 1993, p. 235). Price mavens enjoy sharing price information with other consumers (Jin & Sternquist, 2004). Jin and sternquist (2004) found that price mavenism was positively related to hedonic shopping value such as excitement, pride, and sensory involvement and accomplishment.

Sale Proneness

Sale proneness is viewed as one dimension of deal proneness, possessing characteristics similar to deal proneness. A deal prone consumer is more likely to purchase a product only because it is a deal (Thaler, 1983). Similarly, certain consumers display high propensity to sales and bargains. Zeithmal (1984), in fact, identified a consumer segment who defined value as "sales," or "specials." Sale proneness refers to "an increased propensity to respond to a purchase offer because the sale form in which the price is presented positively affects purchase evaluations" (Lichtenstein et al., 1993, p. 235). The lower the price of a product, the more likely sale-prone consumers are to purchase the product (Jin & Sternquist, 2004). Sale proneness is positively related to price consciousness and negatively related to price/quality schema and brand loyalty (Lichtenstein, Burton, & Netemeyer, 1997; Lichtenstein et al., 1993). A bargain or price promotion for a particular product can generate pride, excitement, and sense of accomplishment of the shopping experience (Barbin, Darden, & Griffin, 1994; Holbrook et al., 1984; Mano & Elliott, 1997). Jin and Sternquist (2004) also found that sale proneness was positively related to hedonic shopping values.

PRODUCT VALUES PERCEIVED FROM LUXE-BARGAIN SHOPPING

Research on luxury has identified perceived values as important factors to understanding consumer behaviors in luxury consumption. Groth and McDainiel (1993) argued that a value premium was added to utilitarian values of the luxury products. Luxury consumption is closely associated with psychological values such as satisfying buyers' needs for symbolic meaning (Vickers & Renand, 2003; Wong & Ahuvia, 1998) and extending buyers' own personality through the possession of the luxury goods (Richins, 1994a; Wong & Ahuvia, 1998). Wiedmann

et al. (2007) identified four latent luxury value dimensions (i.e., financial, functional, individual, and social values) and nine antecedent constructs of the dimensions (i.e., price, usability, quality, uniqueness, self-identity, hedonic, materialistic, conspicuousness, and prestige values). The financial value addresses what is given up or sacrificed to obtain a product. The functional value refers to the core benefits of a luxury good such as the quality, uniqueness, usability, reliability, and durability of the product. The individual value focuses on personal orientation such as materialism, hedonistic, and self-identity value. The social value refers to the perceived utility the buyers obtain within their own social group.

The aforementioned Vignernon and Johnson's (1999) framework categorize luxury consumers' prestige-seeking behaviors into five value constructs including personal factors (i.e., social and emotional values) and non-personal factors (i.e., conspicuous, unique, and quality value). Among the five values of Vignernon and Johnson's (1999) framework, this study focuses on three values generated from luxury acquisition in the context of Luxe-Bargain Shopping: social, emotional, and quality values. The concept of luxury bargain shopping includes massclusivity of luxury and affordable and accessible luxury. Thus, uniqueness and conspicuousness, based on exclusivity, are not the main focuses in examining consumer orientations of Luxe-Bargain Shopping.

Social Value

Social value refers to "the utility derived from the product's ability to enhance social self-concept" (Sweeney & Soutar, 2001, p. 211). Sheth et al.'s (1991) definition of social value provides insight into the concept of social value:

"The perceived utility acquired from an alternative's association with one or

> *more specific social groups. An alternative acquires social value through association with positively or negatively stereotyped demographic, socioeconomic, and cultural-ethnic groups. Social value is measured on a profile of choice imagery" (p.161)*

The concept of social value is primarily based on reference group influence. In product choice, consumers are influenced by observation of the behavior of reference group members in regard to the decision under consideration as well as direct interaction to determine the reference group's evaluation (Bearden & Etzel, 1982; Moschis, 1976). Social value in product consumption is related to Park and Lessig's (1977) value-expressive reference group influence, in which an individual is influenced by the reference group because of a desire to enhance his/her own self concept or because of a liking for the group. In other words, the value-expressive influence is based on an individual's affect for the reference group as well as the need for psychological association with a person or group (Bearden & Etzel, 1982). Bearden and Etzel (1982) argued that several factors such as the opportunity for observation and noticeable elements of an item (e.g., product itself and brand of the product) are important in reference group influence on product purchasing decision. They argued that publicly consumed luxuries are more susceptible to reference group influence. This notion is also supported by Sheth et al.'s (1991) argument that purchasing behavior of highly visible products such as clothing and jewelry items are influenced by social value. Especially, a luxury brand can be chosen more for the social image than for its functional performance (Veblen, 1899). In sum, people purchase luxury items as an expression of their desire to be associated with (Vigneron & Johnson, 1999) or their affect for the group of people they admire (Bearden & Etzel, 1982) such as the wealthy, celebrities, and figures who achieve success.

Emotional Value

Emotional value is the utility aroused from the feelings or affective states (e.g., aesthetic beauty, pleasure, and enjoyment) that a product generates (Sweeney & Soutar, 2001). Certain goods often elicit emotional responses in excess of their functional utility. Holbrook and Hirschman (1982) argued for emotional aspects of the consumption process, including symbolic, hedonic, and esthetic aspects. According to their perspective, while a product is largely judged by a utilitarian aspect based on how well the product serves its intended purpose, the product also possesses a hedonic aspect based on an appreciation of the good for its own sake. Luxury products are likely to provide subjective intangible benefits beyond their functional benefits (Vigneron & Johnson, 1999). Previous studies recognized that the emotional value was an essential characteristic of the benefits acquired from luxury products (Dubois & Laurent, 1996; Vigneron & Johnson, 2004). The importance of emotional value of luxury items is also evidenced by long-run advertisements that appeal to consumers' emotional responses (e.g., pleasure, freedom, and self-fulfillment).

Quality Value

Quality value is the utility generated from the perceived quality and expected performance of the product (Sweeney & Soutar, 2001). Sheth et al. (1991) argued that functional value of a product (i.e., perceived utility acquired from a product's functional, utilitarian, or physical performance) was the primary driver of consumer choice. They also argued that functional value was derived from a product's characteristics, including reliability and durability. Excellent quality of a product is a key factor in the luxury market (Garfein, 1989; Quelch, 1987). Vigneron and Johnson (1999) suggested that consumers evaluate the level of prestige of brands

based on quality. According to the authors, consumers' perceived quality of the brand plays a critical role in their perception of prestige on the brand. Quality value of luxury consumption can be related to price/quality schema, which is ''the generalized belief across product categories that the level of the price cue is related positively to the quality level of the product'' (Lichtenstein et al., 1993, p. 236). Rao and Monroe (1988) argue that consumers who are not familiar with products tend to rely on extrinsic cues such as past experience or price as an indication of quality. Thus, consumers may utilize high price of the luxury brand, when consumers are not familiar with the brand, as a general predictor of quality. On the other hand, brand-conscious consumers possess a high propensity toward buying expensive and well-known brands in the belief that higher price means better quality (Sproles & Kendall, 1986). These consumers utilize the brand name in evaluating product quality (Forsythe, 1991). Thus, luxury brands, with their high prices and well-known brand names, seem to generate quality value whether consumers utilize the price/quality schema or brand name as an indication of quality.

PROCESS VALUES PERCEIVED FROM LUXE-BARGAIN SHOPPING

Researchers (Kahneman & Tversky, 1984; Schindler, 1998) have claimed that a bargain involves non-utilitarian sources of value as well as economic sources of value. In other words, subjective psychological values are generated in the process of the bargain itself. Darke and Dahl (2003) supported this argument with the finding that consumer satisfaction with a shopping trip increased through the process of bargain itself, even when no monetary gains were involved. They found that consumers' satisfaction increased when the participants received a bargain. In the second experiment, they asked the participants to return the money that they gained from a bargain to the experimenter. They found that satisfaction still increased even when the

participants did not gain any money from the bargain deal. Kahneman and Tversky (1984) also found that consumers were willing to expend more time and energy to get a large discount than a small discount in terms of percentage, even when the absolute values of monetary gain in both cases were the same. Further, consumer satisfaction is more often derived from finding a sale price itself than from the amount of money they actually saved (Darke & Dahl, 2003). These findings altogether suggest the hedonic value of bargain shopping.

Transaction Value

Hedonic values of bargain shopping process can also be explained in the perspective of transaction utility theory (Thaler, 1983). Perceived transaction value is defined as "the perception of psychological satisfaction or pleasure obtained from taking advantage of the financial terms of the price deal" (Dhruv Grewal et al., 1998, p. 48). The premise of the transaction utility theory is that a consumer's behavior depends on the consumer's perceived quality of the deal *per se* as well as on the value of the goods and services in terms of their respective prices (Thaler, 1983). Consumers view the same price as more satisfying when it is framed as a discount rather than it is original price (Darke & Dahl, 2003) By paying a low price compared with a consumer's reference price of luxury items, the consumer perceives additional value beyond the value obtained by product acquisition. This additional hedonic value generated from the deal itself can be capitalized as transaction value of Luxe-Bargain Shopping. Assuming that reference price of luxury goods is high because luxury goods are expensive in relative and absolute terms (Dubois & Duquesne, 1993), getting a deep discount and finding a real bargain in off-discount stores or the Internet would elicit greater transaction value.

Transaction value can be related to ego-expressive excitement. Shindler (1989) suggested that getting a bargain often generates ego-expressive excitement, by viewing a bargain as an object to "win." In bargain shopping, consumers gain a great sense of achievement and excitement from their "smart" behaviors and attribute finding a good deal to their own skill, while experiencing greater satisfaction (Darke & Dahl, 2003; Schindler, 1989). By paying a low price for a particular product, a bargain elicits a sense of being proud, smart, or competent (Holbrook et al., 1984). Although seeking a bargain is often viewed as planned economic behavior, researchers (Cox, Cox, & Anderson, 2005; Schindler, 1989) argued that bargain hunting involves more emotional satisfaction than just premeditated economic cognition. This argument is supported by Cox et al.'s (2005) study that investigated pleasure from different aspects of the shopping experience. They found that pleasure of bargain hunting had a considerably higher mean than pleasure derived from browsing, pampering, sensory experience, and mingling. Tauber (1972) viewed the pleasure of bargain hunting as an implicit competition that occurs between buyers as well as a competition between buyer and seller. As he mentions, the pleasure of a bargain is induced when the consumer believes he has paid less for a product than others will have to pay the seller for the same product. Through competition with buyers, a consumer feels a sense of pride in his ability to obtain bargains, and thus greater pleasure in the bargain process.

RESEARCH HYPOTHESES

Based on the literature review, specific research hypotheses on the relationships among consumer orientations, perceived values, satisfaction, and future intentions are constructed.

CONSUMER ORIENTATIONS: IMPACT ON PERCEIVED VALUES

Prestige Sensitivity

Prestige sensitive consumers tend to believe that a higher price provides signals to other people about the buyer. These consumers are willing to pay more when they feel that the high price of luxury goods delivers prestige perception to others (Jin & Sternquist, 2004). Even price-conscious consumers are willing to pay more for famous brand names (Lindquist, 1994). Prestige sensitive consumers perceive the high price of a luxury good as the indication of a buyer's personal characteristics such as wealth and high social status (Lichtenstein et al., 1993). By relating consumption of luxury goods to a symbol of personal success or wealth, these consumers may purchase luxury items more to enhance their self-image or because of affect for the people they admire than for the functional utility of luxury items. As such, prestige sensitive consumers may use high price perception of luxury items to be noticed and accepted by the people in which they wish to be associated.

The level of price cue is related positively to the level of product quality, because price can be viewed as a general indicator of quality (Lichlenstein & Burton, 1989; Lichtenstein et al., 1993; Peterson & Wilson, 1985). Superior quality of a product increases costs of the product because of rarity of raw materials, unique design, or elaborate procedure to make the products. Thus, higher price can be viewed more favorably because of perceptions of an increase in product quality for the additional monetary cost (Lichtenstein, Bloch, & Black, 1988). Prestige sensitive consumers who are willing to pay more for luxury goods may obtain higher level of value from the superior quality of the luxury goods. Thus, the following hypotheses are proposed:

H1a: A higher level of prestige sensitivity leads to a higher level of social value derived from luxury product consumption.

H1b: A higher level of prestige sensitivity leads to a higher level of quality value derived from luxury product consumption.

Fashion Leadership

Fashion leaders possess a greater interest in fashion (Goldsmith et al., 1991). They are knowledgeable about fashion (e.g., clothing styles, fashion trends, designers, and fashion shows), and actively obtain fashion information by reading fashion magazines and going to shopping for clothing (Workman & Kidd, 2000). These consumers are consciously involved in their role as fashion leaders (Schrank, 1973) and this consciousness may create a higher interest in fashion and the fashion more relevant to themselves and their life. Involvement (i.e., product relevance) and interest have been identified to be directly related to emotional aspects (e.g., fantasies, feelings, and fun) of consumption (Holbrook & Hirschman, 1982). A product's heightened involvement and interest lead to high motivation (Block, Sherrell, & Ridgway, 1986; Burnkrant & Sawyer, 1983). In the same vein, fashion leaders' high fashion involvement and fashion interest may elicit high emotional attachment of fashion products. Furthermore, fashion leaders tend to use fashion to enhance self-image and social-status than non-leaders (Shim & Bickle, 1994). Given the symbolic and status image of luxury brands, fashion leaders are expected to possess higher social and emotional values of luxury consumption. Based on this, the following hypotheses are proposed:

H1c: A higher level of fashion leadership leads to a higher level of social value derived from luxury product consumption.

H1d: A higher level of fashion leadership leads to a higher level of emotional value derived from luxury product consumption.

Price Mavenism

A price maven is an individual who has a higher desire to be the source of price information for products and disperse information to other consumers (Lichtenstein et al., 1993). These consumers tend to keep up-to-date on marketplace prices, engage in extensive information search, and are associated with earlier awareness of price information (Higie et al., 1987; Jin & Sternquist, 2004). They are highly involved in price information (e.g., promotions, bargains, and specials) in the marketplace (Lichtenstein et al., 1993). Higher involvement in market information will lead to a higher hedonic shopping experience such as feeling of fun and pleasure. A bargain can cause hedonic response (i.e., transaction value) by providing feelings of price and excitement and increasing sensory involvement and accomplishment (Barbin et al., 1994; Holbrook et al., 1984; Jin & Sternquist, 2004; Schindler, 1989). In fact, Mano and Elliott (1997) found that market mavenism is closely related to hedonic shopping experience response through a bargain. Jin and Sternquist (2004) also found that price mavenism was positively related to hedonic shopping values such as excitement, pleasure, and pride. With a concept of marketplace involvement embedded in price mavenism such as searching for sales, bargains, and specials, price mavens are expected to enjoy the pleasure of a bargain and a bargain deal itself. Through the leadership in searching and dissemination of market information, price mavens may feel a sense of achievement and attribute finding good bargain information to their own skill and effort, resulting in heightened transaction value of bargain shopping. Thus, the following hypothesis is proposed:

> H1e: A higher level of price mavenism leads to a higher level of transaction value derived from Luxe-Bargain Shopping.

Sale Proneness

Sale prone consumers are more likely to purchase a product only because it is on sale (Thaler, 1983). For these consumers, a bargain itself is a reason to buy the products rather than the functional purpose of the product. Sale prone consumers are the ones who find bargains, sales, special offers, and a good deal that is impossible to refuse (Hackleman & Duker, 1980). These consumers may experience a sense of pride that they find a real deal and perceive themselves as smarter than consumers who purchase the same product in a regular price. By paying a reduced price for a particular item, these consumers feel that they take advantage of the price deal and experience excitement and a sense of accomplishment (Barbin et al., 1994; Holbrook et al., 1984; Mano & Elliott, 1997), resulting in increased transaction value. Jin and Sternquist (2004) also found that sale proneness was positively related to hedonic shopping values such as fun and excitement. Based on the discussion, the following hypotheses are proposed:

> H1f: A higher level of sale proneness leads to a higher level of transaction value derived from Luxe-Bargain Shopping.

RELATIONSHIPS AMONG PERCEIVED VALUES, SATISFACTION, AND BEHAVIORAL INTENTION

Satisfaction is a cumulative and global evaluation based on experience with a product, service, or shopping experience (Homburg, Koschate, & Hoyer, 2005; Seiders, Voss, Grewal, & Godfrey, 2005). Satisfaction reflects consumers' overall feelings generated from the perceived value (Woodruff, 1997). While perceived value at a genetic level (e.g., providing value to consumers) has often been used as confusion with satisfaction in practitioner literature, these two constructs are distinct in terms of stage of purchase process (Sweeney & Soutar, 2001). While

perceived value is originated at various stages of the purchase process, including the pre-purchase stage (Woodruff, 1997), satisfaction is a post-purchase evaluation (Sweeney & Soutar, 2001). With the perspective of perceived value different from satisfaction, the relationship between perceived value, satisfaction, and behavioral intention can be established by the perspective of cognition-affect-intention (Bagozzi, 1982; Fishbein & Ajzen, 1975). Literature in the social sciences suggested that cognitive thought processes trigger affective responses (Ellis, 1962; Weiner, 1986), and the affective responses are antecedents of behavioral intention. While perceived value is considered a cognitive-based construct which captures the benefit-cost discrepancy, satisfaction is primarily an affective evaluative response (Hunt, 1993). In line with this perspective, Spreng, Dixon, and Olshavsky (1993) argued that value should be a direct antecedent of satisfaction. Furthermore, previous studies found that satisfaction is a reliable predictor of repurchase intentions (Bitner, 1990; LaBarbera & Mazursky, 1983; Patterson & Spreng, 1997). While an effect of perceived value on behavioral intention through satisfaction has been supported in literature, Bagozzi (1982) argued that perceived value influences behavioral intention directly as well. With these perspectives, Choi et al. (2004) and Lam et al. (2004) found that perceived value influenced behavioral intention both directly and indirectly through satisfaction in the context of health care and business-to-business service, respectively. With the evidence of relationships among perceived value, satisfaction, and behavioral intentions in the service environment, it is reasonable to expand the relationships to the context of product consumption and shopping experience. Higher level of perceived values generated from the consumption of products and shopping process are expected to increase consumer satisfaction for the shopping and future intention to purchase. Furthermore, consumers who seek higher social value of, have higher emotional attachment to, and possess higher perception of quality

perception of luxury products will be more willing to pay full price for the luxury brands in the future. On the contrary, consumers who obtain higher transaction value from the bargain process will be less willing to pay full price for the luxury brands in the future. Based on the discussion, the following hypotheses are proposed:

> H2: A higher level of perceived values (social value [H2a], emotional value [H2b], quality value [H2c], and transaction value [H2d]) leads to a higher level of satisfaction with Luxe-Bargain Shopping.
>
> H3: A higher level of satisfaction leads to a higher level future intention for Luxe-Bargain Shopping.
>
> H4: A higher level of perceived values (social value [H4a], emotional value [H4b], quality value [H4c], and transaction value [H4d]) leads to a higher level of future intention to buy the luxury brand at a bargain.
>
> H5: A higher level of perceived values (social value [H5a], emotional value [H5b], and quality value [H5c]) leads to a higher level of future intention to buy the luxury at full price. A higher level of transaction value [H5d] leads to a lower level of future intention to buy the luxury brand at full price.

SHOPPER TYPE: MODERATOR BETWEEN PERCEIVED VALUES AND FUTURE INTENTIONS

Contrary to the traditional view that the luxury consumers are the affluent who are the wealthiest and have permanent access to luxury goods, researchers (Danziger, 2005; Dubois & Laurent, 1996) have identified new luxury consumer groups who have incresing luxuy demand and purachse luxury occationally. Moreover, today's luxury consumers who can even afford to pay full price frequently look for a bargain when they purchase luxury (Unity Marketing, 2004). This wide spectrum of consumers of Luxe-Bargain Shopping can reflect a wide range of consumer chracteristics of bargain tendency in their luxury shopping. Although consumers' perceived values of luxury lead to consumers' future intention for the bargain shopping and

intention to pay full price in the future, consumers who have a higher bargain tendency and only purchase luxury goods when they are on sale and from off-price retailers may possess higher intention toward Lux-bargain shopping and lower intention to purchase the luxury brands at full price in the future. The effects of perceived values on consumers' future behavioral intentions may be moderated by the shopper type depending on whether they have higher bargain tendency for their luxury shopping. Thus, the following hyphothese are proposed:

> H6: The impact of perceived values (social value [H6a], emotional value [H6b], quality value [H6c], and transaction value [H6d]) on future intention to buy the luxury brand at a bargain is greater among consumers who have higher bargain tendency.

> H7: The impact of perceived values (social value [H7a], emotional value [H7b], quality value [H7c], and transaction value [H7d]) on future intention to buy the luxury brand at full price is smaller among consumers who have higher bargain tendency.

SUMMARY

Chapter II provided the conceptual foundations for this study and theoretical justification of the relationships among consumer orientations, perceived values, satisfaction, future intention to buy the luxury brand at a bargain, and future intention to buy the luxury brand at full price in Luxe-Bargain Shopping. The conceptual model of this study was based on a literature review of the four theoretical frameworks: cognition-affect-behavioral intention framework; consumer perceived value; snob and bandwagon effects; and acquisition-transaction utility theory. As an output of the previous literature on luxury, bargain, and consumer apparel shopping, consumer orientations (i.e., prestige sensitivity, fashion leadership, price mavenism, and sale proneness) were identified as antecedents of perceived values (i.e., social, emotional, quality, and

transaction values) and examined in their relationships to satisfaction and future purchase intentions.

CHAPTER III
METHODS

This study is designed to accomplish seven research objectives. First, the study investigates whether luxury-related consumer orientations affect perceived product values in Luxe-Bargain Shopping. Second, the study investigates whether bargain-related consumer orientations affect perceived process value in Luxe-Bargain Shopping. Third, the study examines whether perceived product and process values influence satisfaction with Luxe-Bargain Shopping. Fourth, the study examines whether satisfaction with Luxe-Bargain Shopping influences future intentions to buy the luxury brand at a bargain. Fifth, the study examines whether perceived values influence future intentions to buy the luxury brand at a bargain. Sixth, this study examines the impact of perceived values on future intention to buy the luxury brand at full price. Lastly, the study examines the moderating effect of shopper type (based on bargain tendencies in luxury shopping) on the relationship between perceived values and future intentions.

This chapter is divided into three sections. The first section presents the research model and hypotheses developed in Chapter II. The second section illustrates research design including setting, sampling, data collection, and procedure. The last section describes instrument development including construct measurements, content validity test, and a pre-test.

RESEARCH MODEL

This study tests a conceptual model depicting the relationships among consumer orientations, perceived values generated in Luxe-Bargain Shopping, satisfaction, future intention

to buy the luxury brand at a bargain, and future intention to buy the luxury brand at full price. As shown in Figure 3, the exogenous constructs are consumer orientations consisting of luxury-related constructs and bargain-related constructs. Perceived values of Luxe-Bargain Shopping encompass both perceived product values and perceived process value. The suggested model illustrates the relationship between consumer orientations and perceived values, the direct relationship between perceived values and future intention to buy the luxury brand at a bargain, the indirect relationship between perceived values and future intention to buy the luxury brand at a bargain through satisfaction, the relationship between perceived values and future intention to buy the luxury brand at full price, and the moderating effect of shopper type on the relationship between perceived values and future intentions. The overall research model and sub-models are shown in Figure 3 through Figure 7.

HYPOTHESIZED RELATIONSHIPS

Specific hypotheses on the relationships among consumer orientations, perceived values, satisfaction, and future intentions are stated.

H1: Consumer orientations are positively related to perceived values of Luxe-Bargain Shopping

H1a: A higher level of prestige sensitivity leads to a higher level of social value derived from Luxe-Bargain Shopping.

H1b: A higher level of prestige sensitivity leads to a higher level of quality value derived from Luxe-Bargain Shopping.

H1c: A higher level of fashion leadership leads to a higher level of social value derived from Luxe-Bargain Shopping.

H1d: A higher level of fashion leadership leads to a higher level of emotional value derived from Luxe-Bargain Shopping.

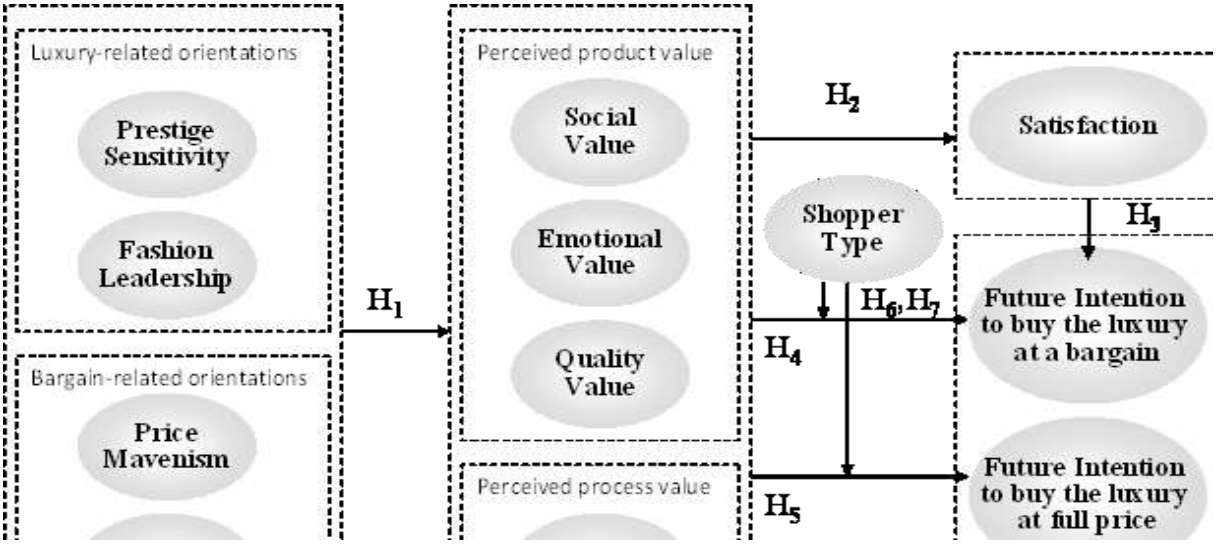

Figure 3. Research Model

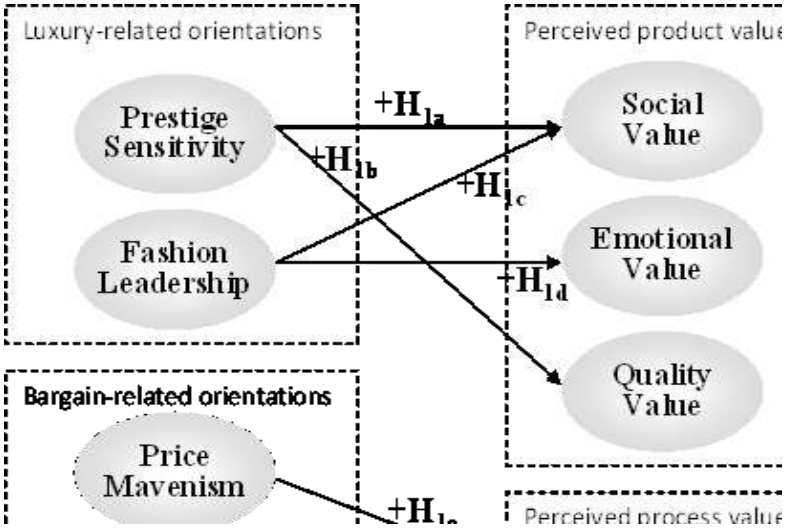

Figure 4. Sub-Model 1 (H1)

Figure 5. Sub-Model 2 (H2 and H3)

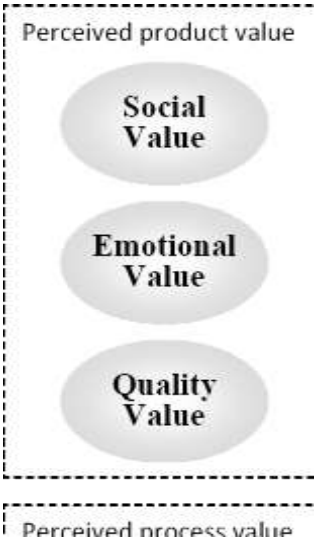

Figure 6. Sub-Model 3 (H4 and H5)

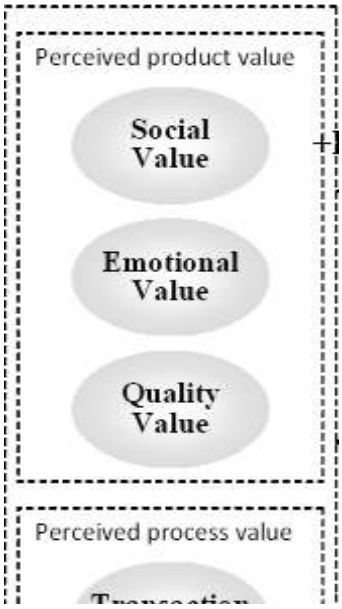

Figure 7. Sub-Model 4 (H6 and H7)

H1e: A higher level of price mavenism leads to a higher level of transaction value derived from Luxe-Bargain Shopping.

H1f: A higher level of sale proneness leads to a higher level of transaction value derived from Luxe-Bargain Shopping.

H2: Perceived values are positively related to satisfaction with Luxe-Bargain Shopping

H2a: A higher level of social value leads to a higher level of satisfaction with Luxe-Bargain Shopping.

H2b: A higher level of emotional value leads to a higher level of satisfaction with Luxe-Bargain Shopping.

H2c: A higher level of quality value leads to a higher level of satisfaction with Luxe-Bargain Shopping.

H2d: A higher level of transaction value leads to a higher level of satisfaction with Luxe-Bargain Shopping.

H3: Satisfaction with Luxe-Bargain Shopping is positively related to future intention to buy the luxury brand at a bargain

H3: A higher level of satisfaction leads to a higher level future intention to buy the luxury brand at a bargain.

H4: Perceived values are positively related to future intention to buy the luxury brand at a bargain

H4a: A higher level of social value leads to a higher level of future intention to buy the luxury brand at a bargain.

H4b: A higher level of emotional value leads to a higher level of future intention to buy the luxury brand at a bargain.

H4c: A higher level of quality value leads to a higher level of future intention to buy the luxury brand at a bargain.

H4d: A higher level of transaction value leads to a higher level of future intention to buy the luxury brand at a bargain.

H5: Perceived values are related to future intention to buy the luxury brand at full price

H5a: A higher level of social value leads to a higher level of future intention to buy the luxury brand at full price.

H5b: A higher level of emotional value leads to a higher level of future intention to buy the luxury brand at full price.

H5c: A higher level of quality value leads to a higher level of future intention to buy the luxury brand at full price.

H5d: A higher level of transaction value leads to a lower level of future intention to buy the luxury brand at full price.

H6: There is a moderating role of shopper type on the relationship between perceived values and future intention to buy the luxury brand at a bargain

H6a: The impact of social value on future intention to buy the luxury brand at a bargain is greater among consumers who have higher bargain tendency.

H6b: The impact of emotional value on future intention to buy the luxury brand at a bargain is greater among consumers who have higher bargain tendency.

H6c: The impact of quality value on future intention to buy the luxury brand at a bargain is greater among consumers who have higher bargain tendency.

H6d: The impact of transaction value on future intention to buy the luxury brand at a bargain is greater among consumers who have higher bargain tendency.

H7: There is a moderating role of shopper type on the relationship between perceived values and future intention to buy the luxury brand at full price

H7a: The impact of social value on future intention to buy the luxury brand at full price is smaller among consumers who have higher bargain tendency.

H7b: The impact of emotional value on future intention to buy the luxury brand at full price is smaller among consumers who have higher bargain tendency.

H7c: The impact of quality value on future intention to buy the luxury brand at full price is smaller among consumers who have higher bargain tendency.

H7d: The impact of transaction value on future intention to buy the luxury brand at full price is smaller among consumers who have higher bargain tendency.

RESEARCH DESIGN

This study employed an online, self-administered cross-sectional survey method to collect the data. Online data collection techniques are increasingly used by both academic researchers and practitioners from many disciplines including marketing and retailing (Ilieva, Baron, & Healey, 2002). Significant advantages of online surveys include low costs, instant access to a wide audience, short response times, and wider geographic reach. Data collection using the Internet allows cost saving by eliminating the printing and mailing of survey instruments (Cobanoglu, Warde, & Moreo, 2001) and delivers messages to the recipients instantly, regardless of geographical location. These advantages make the online survey appropriate for cross-sectional studies.

SETTING

Although the term “a luxury brand” can be used in a wide range of product categories (e.g., house, car, furniture, travel, clothing and accessories, and cosmetics), this study examines luxury brands in the context of clothing or accessories. The concept of Luxe-Bargain Shopping is based on the affordability and the accessibility of luxury items through off-price operations and discount stores. Considering this premise, Luxe-Bargain Shopping is most prevalent in the product categories of clothing or accessories (e.g., apparel, bags, shoes, watches, scarves, jewelry) with increased availability of the online retailers and off-price stores operated by upscale department stores.

Table 3. Initial Luxury List

Brand Name		
Balenciaga	Givenchy	Pierre Cardin
Bally	Giorgio Armani	Polo Ralph Lauren
Bulgari	Gucci	Prada
Burberry	Hermes	Rolex
Calvin Klein	Hugo Boss	Salvatore Ferragamo
Cartier	Jimmy Choo	Swatch
Chanel	Lacoste	TAG Heuer
Christian Dior	Lanvin	Tiffany & Co
Coach	Laura Ashley	Tod's
DKNY	Louis Vuitton	Tommy Hilfiger
Dolce & Gabbana	Marc Jacobs	Valentino
Donna Karen	Moschino	Vera Wang
Escada	Movado	Versace
Etro	Nina Ricci	Yves Saint-Laurent
Fendi	Omega	

LIST OF LUXURY BRANDS

Perception of a luxury brand can vary by consumer. For example, a certain brand may be perceived as a luxury brand for some consumers, but not for others. In order to provide consistency, it is necessary to delineate a list of luxury brands. An initial list of luxury brands was developed based on various sources including two academic studies (i.e., Dubois & Paternault, 1995; Nia & Zaichkowsky, 2000), a market report (Unity Marketing, 2004), the websites of two upscale department stores (i.e., Neiman Marcus and Saks Fifth Avenue), and the website of an online luxury handbag rental service (i.e., Bagborroworsteal.com). The initial luxury list with 44 brands is provided in Table 3.

A pilot-test to refine the luxury list was conducted among 51 undergraduate students, 8 graduate students, and 1 faculty member in Retail and Consumer Sciences at the University of Tennessee. Among the brands in the initial luxury list, brands perceived as a luxury brand by less than 13 people out of 60 were eliminated from the luxury list. The number 13 was

Table 4. The Refined Luxury List from a Pilot-Test

Brand Name		
Balenciaga	Fendi	Prada
Bulgari	Givenchy	Rolex
Burberry	Giorgio Armani	Salvatore Ferragamo
Cartier	Gucci	TAG Heuer
Chanel	Hermes	Tiffany & Co
Christian Dior	Hugo Boss	Valentino
Coach	Jimmy Choo	Vera Wang
Dolce & Gabbana	Lacoste	Versace
Donna Karen	Louis Vuitton	Yves Saint-Laurent
Escada	Marc Jacobs	

determined by the researcher that the resulting list generally collaborates with the public list from marketing reports and luxury retailers' websites. As a result, the refined luxury list with 29 brands was formulated (Table 4).

The selected 29 luxury brands and the eliminated 15 brands were reviewed by the researcher and a graduate student in Retail and Consumer Sciences. Among these brands, 3 brands were identified for discussion on whether they should be included in the list: 'Coach', 'Lacoste', and 'Omega'. Out of 60 respondents, 'Coach', 'Lacoste', and 'Omega' were perceived as luxury brands by 24 people, 16 people, and 11 people, respectively. It was determined that prestige and product price points of the 'Omega' brand are comparable to the other selected 29 luxury brands, while those of the 'Coach' and 'Lacoste' brands are much lower than those luxury brands. Therefore, 'Coach' and 'Lacoste' were eliminated from the list and 'Omega' was put back into the luxury list. In addition, 'Vera Wang' was eliminated from the list because many respondents did not differentiate the 'Vera Wang' brand from the brand "Simply Vera Vera Wang', which is an exclusive co-brand made by designer Vera Wang and sold exclusively in "Kohl's" department store. As a result, the final luxury list was composed of 27 brands (Table 5).

Table 5. The Final Luxury List

Brand Name		
Balenciaga	Fendi	Omega
Bulgari	Givenchy	Prada
Burberry	Giorgio Armani	Rolex
Cartier	Gucci	Salvatore Ferragamo
Chanel	Hermes	TAG Heuer
Christian Dior	Hugo Boss	Tiffany & Co
Dolce & Gabbana	Jimmy Choo	Valentino
Donna Karen	Louis Vuitton	Versace
Escada	Marc Jacobs	Yves Saint-Laurent

SAMPLING FRAME

The population of this study consists of consumers who have experienced Luxe-Bargain Shopping (i.e., purchasing a luxury brand at a bargain) for clothing or accessories. The sampling frame was constructed from the consumer panels managed by MarketTools (Zoomerang), a market research company specializing in consumer online surveys. The consumer panel of MarketTools (Zoomerang) includes 2.4 million individuals who are pre-screened and profiled based on hundreds of data points for precise demographic, lifestyle, occupational, and geographic targeting. MarketTools (Zoomerang) ensures that no respondent can enter a survey twice and uses digital fingerprinting to eliminate and blacklist fraudulent respondents to keep them from taking future surveys (Zoomerang.com). Among the consumer panels, the target respondents of this study were adult consumers (18 or older) who have purchased a luxury brand of clothing and accessories at a bargain in online or brick-and-mortar stores during the past 12 months.

DATA COLLECTION

Data were collected from consumer panels of MarketTools, Inc. (Zoomerang) in April 2009. E-mail invitations were sent by MarketTools, Inc. (Zoomerang) to the panel members asking for their participation in the survey. Among the invited members, 6,907 members accessed the survey and 500 completed responses were obtained with an incidence rate of 7%. The quota was set to obtain 250 responses for online stores and 250 responses for brick-and-mortar stores. The data collection process lasted four days. Respondents were reimbursed for their participation through Zoompoints, which can be used to purchase goods or services through the company's redemption partners.

SAMPLE

The demographic characteristics of the sample are shown in Table 6. The analysis of respondents' demographic information revealed that the majority (98.1%) of respondents were female. Because there was no artificial treatment for gender distribution of sample, the skewed gender distribution seems to be a reflection of the actual gender characteristic of Luxe-Bargain Shoppers. The respondents' age ranged from 18 to 88 and the proportion of the respondents was distributed fairly evenly throughout all age groups: 22.8% were aged 18-30; 24.2% were aged 31-40; 20.4% were aged 41-50; and 22.0% were aged 51-60. As for annual household income, 14.4% of the respondents reported less than $30,000; 35.4% reported $30,000-$69,999; 27% reported $70,000-$109,000; and 23.2% reported more than $110,000. Slightly more than a half (54.4%) of the respondents were married and 23.6% were single. Approximately 50% of the respondents had a full-time job; 18.2% had a part-time job; and 13.4% were homemakers.

Table 6. Demographic Characteristics of the Respondents

Demographics		Frequency (N=500)	Percentage
Gender	Female	493	98.6%
	Male	7	1.4%
Age	18-30	114	22.8%
	31-40	121	24.2%
	41-50	102	20.4%
	51-60	110	22.0%
	61-70	40	8.0%
	71-80	11	2.2%
	81+	1	0.2%
Income	Less than $10,000	23	4.6%
	$10,000-29,999	49	9.8%
	$30,000-49,999	84	16.8%
	$50,000-69,999	93	18.6%
	$70,000-89,999	79	15.8%
	$90,000-109,999	56	11.2%
	$110,000-129,999	40	8.0%
	$130,000 or more	76	15.2%
Education	High-school or less	91	18.2%
	Associate's degree	113	22.6%
	Bachelor's degree	169	33.8%
	Graduate degree	87	17.4%
	Other	40	8.0%
Marital status	Single/Never married	118	23.6%
	Married	272	54.4%
	Widowed	14	2.8%
	Separated/Divorced	51	10.2%
	Living with significant other	45	9.0%
Work status	Part-time	91	18.2%
	Full-time	247	49.4%
	Unemployed	21	4.2%
	Retired	43	8.6%
	Homemaker	67	13.4%
	Other	31	6.2%
Ethnicity	White(Caucasian)	353	70.6%
	African-American	69	13.8%
	Native-American Indian	3	0.6%
	Hispanic	21	4.2%
	Asian/Pacific Islander	45	9.0%
	Other	9	1.8%

Table 7. The Brand List Used in the First Screening Question

Brand Name		
Ann Taylor	Fendi	Nine West
Balenciaga	GAP	Omega
Banana Republic	Givenchy	Polo Ralph Lauren
Bulgari	Giorgio Armani	Prada
Burberry	Gucci	Rolex
Calvin Klein	Guess	Salvatore Ferragamo
Cartier	Hermes	TAG Heuer
Chanel	Hugo Boss	Tiffany & Co
Christian Dior	Jimmy Choo	Timberland
Coach	Louis Vuitton	Tommy Hilfiger
Dolce & Gabbana	Marc Jacobs	Valentino
Donna Karen	Nautica	Versace
Escada	Nike	Yves Saint-Laurent

PROCEDURES

In the beginning of the survey, the introduction paragraph showed information on the survey including contact information of both the researcher and the market research company, MarketTools, Inc. Immediately after this introduction, two screening questions were inserted. In the first question, respondents were asked to select all brands, among 39 brands of apparel or accessories, which they have purchased for themselves in the past 12 months. The 39 brands used in the first screening question are shown in Table 7. The 39 brands used in the screening question comprised 27 luxury brands from the final luxury list (Table 5) and 12 non-luxury apparel brands. If respondents selected none of the brands listed in the final luxury list, they were not given any more questions and were screened out. The combination of luxury and non-luxury brands in the screening question is designed to increase accuracy of the respondent qualification by preventing false reporting in relation to the luxury brands. Moreover, the screening question was designed to (1) exclude luxury shopping for gift-giving from general luxury shopping and

(2) prevent potential recall loss in terms of shopping experiences (i.e., perceived values and satisfaction).

If respondents selected at least one of the 27 brands listed in the final luxury list, they were given the second screening question. In the question, the respondents were asked to select all brands that they have purchased for themselves **at a bargain** in the past 12 months, among the chosen brands in the first screening question. If the respondents selected none of the brands listed in the final luxury list, they were not given any more questions and were screened out. The second screening question is also designed to increase accuracy of the respondent qualification. Those who qualified, through the two screening questions, were given several questions (i.e., luxury brands, luxury items, store types, and discount percentage) regarding their most recent Luxe-Bargain Shopping. The respondents were asked to complete the questionnaire regarding the chosen luxury brand and item. For example, if the respondent chose 'Chanel' as the luxury brand and 'bag' as the luxury item in the previous questions, the word "This Chanel bag," instead of "This luxury brand," was shown in the measurement scale items throughout the questionnaire.

The survey instrument comprised 27 items for consumer orientations, 18 items for perceived values, 3 items for satisfaction, 3 items for future intentions to buy the luxury brand at a bargain, 3 items for future intentions to buy the luxury brand at full price, 1 item for shopper type, 2 items for manipulation checks, and 8 demographic items (see Appendix A or Appendix B). The questionnaire is designed to be completed in 10 minutes.

INSTRUMENT DEVELOPMENT

The measurement scales employed in this study were adapted from the literature and modified to be tailored to Luxe-Bargain Shopping context. The final measurement items were refined based on two content validity tests and a pre-test. The questionnaire was composed of six sections: (1) consumer orientations, (2) perceived values and satisfaction; (3) future intentions; (4) shopper type and manipulation checks; (5) luxury shopping behaviors; and (6) demographics.

MEASUREMENT DEVELOPMENT

The measurements is discussed in terms of consumer orientations, perceived values, satisfaction, future intentions, shopper type, manipulation checks, luxury shopping behavior, and demographic information.

Measurement of Consumer Orientations

Consumer orientations used in this study were composed of four dimensions: prestige sensitivity, fashion leadership, price mavenism, and sale proneness. To measure consumer orientations, a nine-item scale for prestige sensitivity, six-item scale for price mavenism, and six-item scale for sale proneness were adopted from Lichtenstein, Ridgway, and Netemeyer's (1993) study. A five-item scale measuring fashion leadership was adapted from Gutman and Mills' (1982) study. All items were measured on a 7-point Likert scale ranging from 'strongly disagree' (1) to 'strongly agree' (7). Table 8 shows the items used to measure consumer orientations.

Table 8. Scale Items for Consumer Orientations

Variables	Items	Reliability (α)	Source
Prestige Sensitivity	• People notice when you buy the most expensive brand of a product. • Buying a high priced brand makes me feel good about myself. • Buying the most expensive brand of a product makes me feel classy. • I enjoy the prestige of buying a high priced brand. • It says something to people when you buy the high priced version of a product. • Your friends will think you are cheap if you consistently buy the lowest priced version of a product. • I have purchased the most expensive brand of a product just because I knew other people would notice. • I think others make judgments about me by the kinds of products and brands I buy. • Even for a relatively inexpensive product, I think that buying a costly brand is impressive.	N/A	Lichtenstein et al. (1993), Journal of Marketing Research
Fashion Leadership	• I am aware of fashion trends and want to be one of the first to try them. • I am the first to try new fashion: therefore, many people regard me as being a fashion leader. • It is important for me to be a fashion leader. • Clothes are one of the most important ways I have of expressing my individuality. • I am confident in my ability to recognize fashion trends.	.85 (Goldsmith, Freiden, & Kilsheimer (1993), Psychology & Marketing	Gutman & Mills (1982), Journal of Retailing
Price Mavenism	• People ask me for information about prices for different types of products. • I'm considered somewhat of an expert when it comes to knowing the prices of products. • For many kinds of products, 1 would be better able than most people to tell someone where to shop to get the best buy. • I like helping people by providing them with price information about many types of products. • My friends think of me as a good source of price information. • I enjoy telling people how much they might expect to pay for different kinds of products.	.90	Lichtenstein et al.(1993), Journal of Marketing Research
Sale Proneness	• If a product is on sale, that can be a reason for me to buy it. • When I buy a brand that's on sale, I feel that I am getting a good deal. • I have favorite brands, but most of the time I buy the brand that's on sale. • One should try to buy the brand that's on sale. • I am more likely to buy brands that are on sale. • Compared to most people, I am more likely to buy brands that are on sale.	.90	Lichtenstein et al.(1993), Journal of Marketing Research

Measurement of Perceived Values

Measurement scales for perceived values were adapted from the literature using a 7-point Likert scale ranging from ‘strongly disagree’ (1) to ‘strongly agree’ (7). Perceived product value includes social value, emotional value, and quality value. Perceived process value is measured by transaction value. A four-item scale for social value, five-item scale for emotional value, and six-item scale for quality value were adapted from Sweeney and Soutar (2001). For the measurement of transaction value, Grewal, Monroe, and Krishnan’s (1998) three-item scale was adapted. The original scale for perceived values (e.g., would help me to feel acceptable) was modified to be tested in Luxe-Bargain Shopping context (e.g., this luxury brand would help me to feel acceptable). In the main survey, the word “This luxury brand” was shown as the luxury brand and the luxury item chosen by respondents (e.g., This Chanel bag). Table 9 shows the items used to measure perceived values.

Measurement of Satisfaction and Future Intentions

Measurement scales for satisfaction and future intentions were adapted from the literature using a 7-point Likert scale ranging from ‘strongly disagree’ (1) to ‘strongly agree’ (7). A three-item scale to measure satisfaction was adapted from Seider, Voss, Grewal, and Godfrey’s (2005) study. Three-item scales to measure future intention to buy the luxury brand at a bargain and future intention to buy the luxury brand at full price were adapted from Grewal, Krishnan, Baker, and Borin’s (1998) study. The original scale for satisfaction (e.g., I am pleased with the overall service at SR) was modified for Luxe-Bargain Shopping context (e.g., I am pleased with the overall experience with this shopping). The scale for future intention (e.g., I would purchase this

Table 9. Scale Items for Perceived Values

Variables	Items	Reliability (α)	Source
Social Value	• This luxury brand would help me to feel acceptable. • This luxury brand would improve the way I am perceived. • This luxury brand would make a good impression on other people. • This luxury brand would give its owner social approval.	.82-.91	Sweeney & Soutar (2001), Journal of Retailing
Emotional Value	• This luxury brand is one that I would enjoy. • This luxury brand would make me want to use it. • This luxury brand is one that I would feel relaxed about using. • This luxury brand would make me feel good. • This luxury brand would give me pleasure.	.82-.91	Sweeney & Soutar (2001), Journal of Retailing
Quality value	• This luxury brand has consistent quality. • This luxury brand is well made. • This luxury brand has an acceptable standard of quality. • This luxury brand has poor workmanship. (-) • This luxury brand would *not* last a long time. (-) • This luxury brand would perform consistently.	.82-.91	Sweeney & Soutar (2001), Journal of Retailing
Transaction value	• Taking advantage of a price-deal like this makes me feel good. • I would get a lot of pleasure knowing that I would save money at this reduced sale price. • Beyond the money I save, taking advantage of this price deal will give me a sense of joy.	.94	Grewal, Monroe, and Krishnan's (1998), Journal of Marketing

bicycle) was also modified to be appropriate for Luxe-Bargain Shopping (e.g., I would purchase this luxury brand at a bargain). In the main survey, the word "this luxury brand" was shown as the luxury brand of clothing or accessories that was chosen by respondents (e.g., I would purchase clothing or accessories of Chanel at a bargain). Table 10 shows the items used to measure satisfaction and future intentions.

Measurement of Shopper Type

To categorize consumers into shopper type, consumers' bargain tendency in their luxury shopping was measured. Respondents were asked to rate how much they agree with the statement "I seek a bargain when I purchase a luxury brand," using a 7-point Likert scale ranging from 'strongly disagree' (1) to 'strongly agree' (7).

Manipulation Checks

To assess how the current economic situation influences respondents' shopping habits, they were asked to rate how much they agree with the following two statement using 7-point Likert scale ranging from 'strongly disagree' (1) to 'strongly agree' (7): "The current economic situation affects my shopping habits for clothing or accessories" and "The current economic situation affects my tendency to bargain-shop for luxury brands."

Luxury Shopping Behavior

Information on luxury shopping behavior of participants was obtained for descriptive analysis use. Respondents were asked which luxury brand and item they bought most recently in the past 12 month at a bargain. Also, other questions regarding Luxe-Bargain Shopping were

Table 10. Scale Items for Satisfaction and Future Intentions

Variables	Items	Reliability (α)	Source
Satisfaction	• I am pleased with the overall experience with this shopping. • This shopping experience is a delightful. • I am completely satisfied with this shopping experience.	.90	Seiders, Voss, Grewal, & Godfrey (2005), Journal of Marketing
Future intention to buy the luxury brand at a bargain	• I would purchase this luxury brand at a bargain in the future. • I would consider buying this luxury brand at a bargain in the future. • The probability that I would consider buying this luxury brand at a bargain is high.	.92	Grewal, Krishnan, Baker, & Borin (1998), Journal of Retailing
Future intention to buy the luxury brand at full price	• I would purchase this luxury brand at full price in the future. • I would consider buying this brand at full price in the future. • The probability that I would consider buying this brand at full price is high.	.92	Grewal, Krishnan, Baker, & Borin (1998), Journal of Retailing

asked such as store types, where they bought the luxury brand (e.g., online stores, specialty stores, department stores, department outlet stores, or manufacturer outlet stores), bargain percentage they received, how often they purchased luxury brands during the past 12 months, and how often they purchased luxury brands at a bargain during the past 12 months. To understand the concept of 'bargain,' that is often subjective for consumers, the respondents were asked to respond to the question of "what percentage off means a bargain to you in purchasing luxury brands?" with 9-point ordinal scale ranging from '10% or less' (1) to '90% or more' (9).

Demographic Information

The last section of the questionnaire contained demographic information of participants, such as age, gender, ethnicity, marital status, education, working status, income, and the number of people in a household. The data were nominal (i.e., gender, ethnicity, marital status,

education, and working status), ordinal (i.e., income), or open-ended (i.e., age and the number of people in a household).

CONTENT VALIDITY TEST AND PRE-TEST

The 1st Content Validity Testing

To ensure content validity, academic experts (i.e., two academic researchers and eight doctoral students specializing in Retail and Consumer Sciences at the University of Tennessee) reviewed the measurement scale items adapted from the literature. The academic experts evaluated the measurement items in terms of clarity of questions, readability, and content validity. Two items of fashion leadership were indicated as double-barreled items that contain two themes in one question. Double-barreled items tend to be problematic in clarification and take a longer time to answer than do single-barreled items (Bassili & Scott, 1996). In addition, the double-barreled items may cause bias because respondents may have different answers for each theme in one question. One item of sale proneness was modified to be in the first person. Verbs of the items for social value and transaction value were modified to be in the present tense and past tense, respectively. In three items of satisfaction, the word “purchase” was identified to be more appropriate than the word “shopping,” because consumers may make several purchases in one shopping trip. Measurement revisions were made based on the experts’ feedbacks. The revised items are summarized in Table 11.

The 2nd Content Validity Testing

The 2nd content validity was tested based on feedbacks from academic experts (i.e., two academic researchers specializing in Retail and Consumer Sciences at the University of

Table 11. The 1st Content Validity Testing

Construct	Initial Item	Revised Item
Fashion Leadership	• I am aware of fashion trends and want to be one of the first to try them. • I am the first to try new fashion: therefore, many people regard me as being a fashion leader.	• I am aware of fashion trends. • I am the first to try new fashion. • Many people regard me as being a fashion leader.
Sale Proneness	• One should try to buy the brand that's on sale.	• I try to buy the brand that's on sale.
Social Value	• This luxury brand would help me to feel acceptable. • This luxury brand would improve the way I am perceived. • This luxury brand would make a good impression on other people. • This luxury brand would give its owner social approval.	• This luxury brand helps me to feel acceptable. • This luxury brand improves the way I am perceived. • This luxury brand makes a good impression on other people. • This luxury brand gives its owner social approval.
Transaction Value	• Taking advantage of a price-deal like this makes me feel good. • I would get a lot of pleasure knowing that I would save money at this reduced sale price. • Beyond the money I save, taking advantage of this price deal will give me a sense of joy.	• Taking advantage of a price-deal like this made me feel good. • I got a lot of pleasure knowing that I saved money at this reduced sale price. • Beyond the money I saved, taking advantage of this price deal gave me a sense of joy.
Satisfaction	• I am pleased with the overall experience with this shopping. • This shopping experience is delightful. • I am completely satisfied with this shopping experience.	• I am pleased with the overall experience with this purchase. • This purchase experience is delightful. • I am completely satisfied with this purchase.

Tennessee). The academic experts reviewed the revised measurement scale items (based on the 1st content validity testing) and evaluated clarity and readability of questions. The revised items are summarized in Table 12.

Pre-Test

A pre-test survey was administered to refine the measurement items generated from the previous steps. The qualified respondents for the pre-test were consumers age 18 and older who have purchased a luxury brand (one of the brands listed in Table 5) for themselves at a bargain in the past 12 months. Students and faculty members in Retail and Consumer Sciences at the University of Tennessee were asked to take the survey. If students were not qualified, they were asked to get the survey response from their acquaintances. Student subjects received extra credit for their participation. A total of 65 surveys were collected and 25 surveys among them were excluded because the respondents were not qualified. A total 40 usable surveys were used for the data analysis. Because a primary objective of the pre-test was to achieve unidimensionality of the constructs, reliabilities of the constructs using Cronbach's alpha coefficient were measured. The reliabilities of the constructs are shown in Table 13. The reliabilities of the constructs except "Satisfaction" ranged from 0.780 to 0.960. The reliability of satisfaction was 0.482. To identify which item contributes the low reliability, reliabilities of each pair of items were calculated. The reliabilities of each pair were shown in Table 14. Although the reliabilities of all pairs of the three items were low, the reliability of two items, "I am pleased with the overall experience with this purchase" and "This purchase experience is delightful," was especially low ($\alpha = 0.172$), indicating that these two items do not measure satisfaction consistently. Neither of these items, however, was identified as being problematic through the two content validity tests nor showed

Table 12. The 2nd Content Validity Testing

Construct	Initial Item	Revised Item
Prestige Sensitivity	• People notice when you buy the most expensive brand of a product. • It says something to people when you buy the high priced version of a product. • Your friends will think you are cheap if you consistently buy the lowest priced version of a product.	• People notice when I buy the most expensive brand of a product. • It says something to people when I buy the high-priced version of a product. • My friends will think I am cheap if I consistently buy the lowest-priced version of a product.
Fashion Leadership	• Many people regard me as being a fashion leader.	• Many people regard me as a fashion leader.
Price Mavenism	• For many kinds of products, 1 would be better able than most people to tell someone where to shop to get the best buy.	• For many kinds of products, I can easily tell someone where to shop to get the best buy.
Social Value	• This luxury brand would give its owner social approval.	• This luxury brand gives me social approval.
Satisfaction	• This purchase experience is delightful.	• This purchase experience was delightful.
Future Intention to buy the luxury brand at a bargain	• I would purchase this luxury brand at a bargain in the future. • I would consider buying this brand at a bargain in the future. • The probability that I would consider buying this brand at a bargain is high.	• I would purchase clothing or accessories of this brand at a bargain in the future. • I would consider buying clothing or accessories of this brand at a bargain in the future. • The probability that I would consider buying clothing or accessories of this brand at a bargain is high.

Table 13. Pre-Test: Reliabilities of Construct

Construct	Number of Items	Reliability (Cronbach's alpha)
Prestige Sensitivity	9	0.899
Fashion Leadership	6	0.889
Price Mavenism	6	0.899
Sale Proneness	6	0.784
Social Value	4	0.901
Emotional Value	5	0.822
Quality value	6	0.826
Transaction value	3	0.780
Satisfaction	3	0.482
Future intention to buy the luxury brand at a bargain	3	0.887
Future intention to buy the luxury brand at full price	3	0.960

Table 14. Pre-Test: Reliabilities of Each Pair of Items of 'Satisfaction'

Construct/Items	Pair of Items	Reliability
Satisfaction/ **SA1:** I am pleased with the overall experience with this purchase. **SA2:** This purchase experience is delightful. **SA3:** I am completely satisfied with this purchase.	**SA1 and SA2**	0.172
	SA2 and SA3	0.430
	SA1 and SA3	0.579

obvious inconsistency to measure the satisfaction. Thus, the researcher decided to retain these three items of satisfaction for the main survey. The final measures for the main survey are organized in Table 15.

SUMMARY

This chapter discussed the research methods that were used to describe the research design, and test the research model and the research hypotheses. The fist section of this chapter described the research model and restated the research hypotheses presented in Chapter II. The second section described research design such as setting, list of luxury brands, sampling frame, data collection, samples, and procedures. The last section presented instrument development procedures. The instrument development includes measurements of constructs (i.e., consumer orientations, perceived values, satisfaction, future intentions, and shopper type) and descriptive information (i.e., luxury shopping behavior, demographics, and manipulation checks). Results of content validity tests and a pre-test were described in the instrument development.

Table 15. Summary of Final Measures

Construct	Measures
Prestige Sensitivity	**PS1:** People notice when I buy the most expensive brand of a product.
	PS2: Buying a high priced brand makes me feel good about myself.
	PS3: Buying the most expensive brand of a product makes me feel classy.
	PS4: I enjoy the prestige of buying a high-priced brand.
	PS5: It says something to people when I buy the high-priced version of a product.
	PS6: My friends will think I am cheap if I consistently buy the lowest-priced version of a product.
	PS7: I have purchased the most expensive brand of a product just because I knew other people would notice.
	PS8: I think others make judgments about me by the kinds of products and brands I buy.
	PS9: Even for a relatively inexpensive product, I think that buying a costly brand is impressive.
Fashion Leadership	**FL1:** I am aware of fashion trends.
	FL2: I am the first to try new fashion.
	FL3: Many people regard me as a fashion leader.
	FL4: It is important for me to be a fashion leader.
	FL5: Clothes are one of the most important ways I have of expressing my individuality
	FL6: I am confident in my ability to recognize fashion trends.
Price Mavenism	**PM1:** People ask me for information about prices for different types of products.
	PM2: I am considered somewhat of an expert when it comes to knowing the prices of products.
	PM3: For many kinds of products, I can easily tell someone where to shop to get the best buy.
	PM4: I like helping people by providing them with price information about many types of products.
	PM5: My friends think of me as a good source of price information.
	PM6: I enjoy telling people how much they might expect to pay for different kinds of products.
Sale Proneness	**SP1:** If a product is on sale, that can be a reason for me to buy it.
	SP2: When I buy a brand that's on sale, I feel that I am getting a good deal.
	SP3: I have favorite brands, but most of the time I buy the brand that's on sale.
	SP4: I try to buy the brand that's on sale.
	SP5: I am more likely to buy brands that are on sale.
	SP6: Compared to most people, I am more likely to buy brands that are on sale.
Social Value	**SV1:** This luxury brand helps me to feel acceptable.
	SV2: This luxury brand improves the way I am perceived.
	SV3: This luxury brand makes a good impression on other people.
	SV4: This luxury brand gives me social approval.
Emotional Value	**EV1:** This luxury brand is one that I would enjoy.
	EV2: This luxury brand makes me want to use it.
	EV3: This luxury brand is one that I would feel relaxed about using.
	EV4: This luxury brand makes me feel good.
	EV5: This luxury brand gives me pleasure.
Quality value	**QV1:** This luxury brand has consistent quality.
	QV2: This luxury brand is well made.
	QV3: This luxury brand has an acceptable standard of quality.
	QV4: This luxury brand has poor workmanship.*
	QV5: This luxury brand would *not* last a long time.*
	QV6: This luxury brand would perform consistently.
Transaction value	**TV1:** Taking advantage of a price-deal like this made me feel good.
	TV2: I got a lot of pleasure knowing that I saved money at this reduced sale price.
	TV3: Beyond the money I saved, taking advantage of this price deal gave me a sense of joy.

Table 15. (*Continued*)

Construct	Measures
Satisfaction	**SA1:** I am pleased with the overall experience with this purchase.
	SA2: This purchase experience was delightful.
	SA3: I am completely satisfied with this purchase.
Future intention to buy the luxury brand at a bargain	**FIB1:** I would purchase clothing and accessories of this brand at a bargain in the future.
	FIB2: I would consider buying clothing and accessories of this brand at a bargain in the future.
	FIB3: The probability that I would consider buying clothing and accessories of this brand at a bargain is high.
Future intention to buy the luxury brand at full price	**FIF1:** I would purchase clothing and accessories of this brand at full price in the future.
	FIF2: I would consider buying clothing and accessories of this brand at full price in the future.
	FIF3: The probability that I would consider buying clothing and accessories of this brand at full price is high.
Shopper type	**ST:** I seek a bargain when I purchase a luxury brand.

*The item is reverse scored.

CHAPTER IV
DATA ANALYSES AND RESULTS

This chapter presents the data analyses and results of hypothesis testing that were proposed in Chapter II. The research model and the hypotheses were tested using structural equation modeling (SEM). The two-step approach (Anderson & Gerbing, 1988) was used to: (1) validate the measurement model; and (2) test the proposed hypotheses. First, confirmatory factor analysis (CFA) evaluated whether the measurement items of consumer orientations, perceived values, satisfaction, and future intentions were appropriate to represent each construct. Second, SEM was used to examine the causal relationships among the latent variables. Both the measurement model and the structural model were assessed using AMOS 16.0 with the maximum likelihood method. The model fits of the estimated models were assessed by the chi-square (χ^2) tests, the ratio of chi-square to degrees of freedom (χ/ df), the comparative fit index (CFI), the goodness-of-fit index (GFI), and the root mean square error of approximation (RMSEA).

The first section discusses descriptive analyses of respondents' luxury shopping behaviors. The second section presents preliminary analyses of the main data including the mean, standard deviation, minimum values, maximum values, skewness, and kurtosis. The third section evaluates the measurement model of the study by examining unidimensionality, reliability, construct validity, and fit statistics. The fourth section describes structural model evaluation, hypothesis testing results, and revised model evaluation based on the hypothesis testing results. The last section describes the impact of the current economic situation on the research model.

DESCRIPTIVE CHARACTERISTICS OF THE SAMPLE

Prior to preliminary analysis, descriptive analyses were done for the respondents' luxury shopping behaviors. Respondents were asked which luxury brand and item they have purchased at a bargain most recently during the past 12 months. The most frequently purchased brands at a bargain were Dolce & Gabbana (N = 79), Dona Karen (N = 50), Gucci (N = 48), Channel (N = 41), and Burberry (N = 39). The least frequently purchased brands at a bargain were Cartier (N = 3), Jimmy Choo (N = 3), Hermes (N = 3), Rolex (N = 2), Omega (N = 1) (Table 16), and Valentino (N = 1). The most frequently purchased items at a bargain were clothing (30.6%), followed by accessories (28.4%) and bags (26.6%) (Table 17). For the sample, the quota was set to obtain 250 responses for online stores and 250 responses for brick-and-mortar stores. Among the 250 respondents who shopped at brick-and-mortar stores, 93 (37%) purchased the luxury brand at department stores, 55 (22%) at manufacturer outlet stores, and 48 (19%) at department outlet stores (Table 18). The majority (36%) of respondents received 20%-39% discounts for the luxury items, 29% received 40%-59% discounts, and 17.6% received 60%-79% discounts (Table 19). Approximately 18% of respondents perceived price discounts of 20% or less as a bargain; 27.4% of respondents perceived 20%-39% discounts as a bargain; 41% of respondents perceived 40%-59% discounts as a bargain; 22.2% of respondents perceived 60%-79% discounts as a bargain; and 7.6% of respondents perceived price discounts of 80% or more as a bargain (Table 20).

Respondents were asked to answer the question "I seek a bargain when I purchase a luxury brand" to be categorized into shopper type. Approximately 57.2% of the respondents rated "7," 21.0% rated "6," 11.2% rated "5," 6.2% rated "4," and 4.4% rated less than "3," on a

Table 16. Frequency of Luxury Brands

Luxury brand	Frequency
Balenciaga	5
Bulgari	12
Burberry	39
Cartier	3
Chanel	41
Christian Dior	27
Dolce & Gabbana	79
Donna Karen	50
Escada	12
Fendi	12
Givenchy	9
Giorgio Armani	8
Gucci	48
Hugo Boss	10
Jimmy Choo	3
Louis Vuitton	23
Marc Jacobs	25
Omega	1
Prada	25
Rolex	2
Salvatore Ferragamo	8
TAG Heuer	5
Tiffany & Co	17
Valentino	1
Versace	12
Yves Saint-Laurent	20

Table 17. Frequency of Luxury Items

Luxury Item	Frequency	Percent
Clothing	153	30.6%
Bag	133	26.6%
Footwear	28	5.6%
Watch	17	3.4%
Jewelry	27	5.4%
Accessories	142	28.4%

Table 18. Frequency of Store Types

Store Type	Frequency	Percent
Online stores	250	50.0%
Specialty stores (e.g., Chanel stores)	16	3.2%
Department stores (e.g., Neiman Marcus, Saks Fifth Avenue)	93	18.6%
Department outlet stores (e.g., Off Fifth, Nordstrom Rack)	48	9.6%
Manufacturer outlet stores (e.g., premium outlet mall)	55	11.0%
Other	38	7.6%

Table 19. Price Discounts for Luxury Purchase

Percentage off	Frequency	Percent
Less than 20%	69	13.8%
20%-39%	180	36.0%
40%-59%	145	29.0%
60%-79%	88	17.6%
More than 80%	18	3.6%

Table 20. Percentage Discounts Perceived as a Bargain

Percentage off	Frequency	Percent
10% or less	9	1.8%
20%	63	12.6%
30%	74	14.8%
40%	73	14.6%
50%	132	26.4%
60%	54	10.8%
70%	57	11.4%
80%	20	4.0%
90% or more	18	3.6%

7-point Likert scale ranging from ‘strongly disagree’ (1) to ‘strongly agree’ (7).

PRELIMINARY ANALYSES

The descriptive statistics of measurement items are shown in Table 21. The minimum values, maximum values, means, and standard deviations of each measurement item were calculated. The mean values ranged from 2.99 to 6.25 on the 7-point scale. One item of emotional value (i.e., EV1), four items of quality value (i.e., QV1, QV2, QV 3, and QV 6), two items of transaction value (i.e., TV1 and TV2), two items of satisfaction (i.e., SA1 and SA3), and three items of future intention to buy the luxury brand at a bargain (i.e., FIB1, FIB2, and FIB3) showed relatively high mean values (greater than 6.0 on the 7-point scale). The standard deviations ranged from 1.09 to 2.14 on the 7-point scale.

The skewness and kurtosis were calculated with AMOS 16.0 to evaluate univariate normality of items. The absolute values of skewness values ranged from 0.028 to 1.765 and the absolute values of kurtosis ranged from 0.005 to 3.155. The kurtosis value of FIB2 (3.155) was greater than the threshold value of ±3.0 (Bollen, 1989), indicating that the distribution of FIB2 is not normal. The FIB2 was eliminated from the final measurement model and the structural model. The reliabilities (using Cronbach’s alpha coefficient) of constructs ranged from 0.795 to 0.974 (Table 22). Although the reliability of ‘satisfaction’ in the pre-test was 0.482, it was 0.812 in the main test, indicating that all three items measured the construct consistently.

Table 21. Descriptive Statistics of Measurement Items

Construct	Item	min	max	mean	STD	skew	kurtosis
Prestige sensitivity	PS1	1	7	4.42	2.01	-0.309	-1.108
	PS2	1	7	4.36	1.99	-0.276	-1.105
	PS3	1	7	4.07	2.02	-0.117	-1.206
	PS4	1	7	4.67	1.95	-0.496	-0.859
	PS5	1	7	4.24	1.98	-0.218	-1.105
	PS6	1	7	2.99	2.11	0.705	-0.92
	PS7	1	7	3.17	2.18	0.52	-1.178
	PS8	1	7	3.65	2.12	0.179	-1.324
	PS9	1	7	3.83	2.04	0.038	-1.273
Fashion leadership	FL1	1	7	5.56	1.38	-0.834	0.282
	FL2	1	7	4.44	1.84	-0.268	-0.948
	FL3	1	7	4.42	1.86	-0.243	-0.891
	FL4	1	7	3.91	2.05	0.028	-1.28
	FL5	1	7	4.75	1.91	-0.549	-0.757
	FL6	1	7	5.26	1.52	-0.622	-0.344
Price mavenism	PM1	1	7	4.65	1.86	-0.425	-0.817
	PM2	1	7	4.65	1.79	-0.37	-0.814
	PM3	1	7	5.08	1.70	-0.708	-0.329
	PM4	1	7	4.78	1.74	-0.475	-0.642
	PM5	1	7	4.94	1.73	-0.629	-0.425
	PM6	1	7	4.57	1.91	-0.383	-0.994
Sale proneness	SP1	1	7	5.26	1.60	-0.818	-0.005
	SP2	1	7	5.80	1.27	-0.91	0.245
	SP3	1	7	4.77	1.75	-0.53	-0.601
	SP4	1	7	5.22	1.56	-0.672	-0.262
	SP5	1	7	5.53	1.51	-1.157	1.032
	SP6	1	7	5.09	1.72	-0.714	-0.364
Social value	SV1	1	7	4.23	1.99	-0.224	-1.076
	SV2	1	7	4.51	2.00	-0.379	-1.038
	SV3	1	7	4.91	1.82	-0.55	-0.669
	SV4	1	7	4.39	2.05	-0.3	-1.139
Emotional value	EV1	1	7	6.08	1.17	-1.319	1.385
	EV2	1	7	5.82	1.36	-1.215	1.181
	EV3	1	7	5.89	1.29	-1.296	1.651
	EV4	1	7	5.85	1.39	-1.331	1.605
	EV5	1	7	5.96	1.26	-1.206	0.998
Quality value	QV1	1	7	6.08	1.19	-1.443	1.997
	QV2	2	7	6.18	1.10	-1.399	1.414
	QV3	1	7	6.13	1.15	-1.363	1.564
	QV4	1	7	5.84	1.88	-1.528	0.934
	QV5	1	7	5.58	1.92	-1.198	0.131
	QV6	1	7	6.03	1.18	-1.21	1.017
Transaction value	TV1	1	7	6.21	1.12	-1.551	2.326
	TV2	1	7	6.18	1.19	-1.515	1.861
	TV3	1	7	5.83	1.31	-1.029	0.566
Satisfaction	SA1	2	7	6.21	1.09	-1.514	2.018
	SA2	1	7	5.67	1.40	-1.017	0.687
	SA3	1	7	6.17	1.09	-1.467	2.076

Table 21. (*Continued)*

Construct	Item	min	max	mean	STD	skew	kurtosis
Future intention to buy the luxury brand at a bargain	FIB1	1	7	6.21	1.20	-1.722	2.728
	FIB2	1	7	6.25	1.16	-1.765	3.155
	FIB3	1	7	6.14	1.27	-1.699	2.76
Future intention to buy the luxury brand at full price	FIF1	1	7	3.65	2.06	0.193	-1.209
	FIF2	1	7	3.78	2.11	0.114	-1.311
	FIF3	1	7	3.63	2.14	0.223	-1.305

Table 22. Reliabilities of Constructs

Constructs	Number of Items	Reliability
Prestige sensitivity	9	0.943
Fashion leadership	6	0.907
Price mavenism	6	0.932
Sale proneness	6	0.851
Social value	4	0.940
Emotional value	5	0.900
Quality value	6	0.795
Transaction value	3	0.868
Satisfaction	3	0.812
Future intention to buy the luxury brand at a bargain	3	0.921
Future intention to buy the luxury brand at full price	3	0.974

MEASUREMENT MODEL EVALUATION

Confirmatory factor analysis (CFA) was conducted to evaluate the measurement model. Unidimensionality, reliability, construct validity, and model fit of the measurement model were evaluated. First, CFA was conducted for each construct. Second, CFA was conducted for the measurement model, in which individual manifest variables were loaded on their appropriate latent variable and all latent variables were correlated with each other.

CFA FOR EACH CONSTRUCT

CFA was conducted for the eleven constructs separately: prestige sensitivity; fashion leadership; price mavenism; sale proneness; social value; emotional value; quality value; transaction value; satisfaction; future intention to buy the luxury brand at a bargain; and future intention to buy the luxury brand at full price. Fit statistics for the measurement models of each construct are provided in Table 23. The constructs that have three measurement items (i.e., transaction value, satisfaction, future intention to buy the luxury brand at a bargain, and future intention to buy the luxury brand at full price) resulted in zero degrees of freedom.

Model Improvement

To improve the models, several statistical criteria were evaluated: standardized regression weights (Lambda weights); standardized residual covariances; and modification indices. A standardized regression weight below 0.4 is unacceptable due to the risk of measurement errors (Singh, 1995). High standardized residual covariances (i.e., absolute values greater than 2.58) indicate a substantial prediction error. Excessively high modification indices (MI) indicate signs

Table 23. Each Construct: Fit Statistics

Construct	Number of items	$\chi 2$ (*df*)	$\chi 2$/ *df* [1]	CFI[2]	GFI[3]	RMSEA[4]
Prestige sensitivity	9	453.45 (27)	16.794	0.889	0.792	0.178
Fashion leadership	6	140.032 (9)	15.559	0.937	0.916	0.171
Price mavenism	6	99.948 (9)	11.105	0.961	0.930	0.142
Sale proneness	6	176.474 (9)	19.608	0.886	0.903	0.193
Social value	4	23.252 (2)	11.626	0.989	0.979	0.146
Emotional value	5	96.547 (5)	19.309	0.940	0.929	0.192
Quality value	6	527.410 (9)	58.601	0.729	0.815	0.340
Transaction value	3	N/A	N/A	N/A	N/A	0.751
Satisfaction	3	N/A	N/A	N/A	N/A	0.634
Future intention to buy the luxury brand at a bargain	3	N/A	N/A	N/A	N/A	0.894
Future intention to buy the luxury brand at full price	3	N/A	N/A	N/A	N/A	1.196

[1] < 5 indicates acceptable fit level, < 2 good fit
[2] ≥ 0.80 acceptable fit, ≥ 0.90 good fit
[3] ≥ 0.80 acceptable fit, ≥ 0.90 good fit
[4] < 0.05 very good, < 0.08 acceptable, < 0.10 mediocre, ≥ 0.10 poor errors of approximation (Byrne, 2001).

of misfit. Based on these criteria, model modifications were made by eliminating the measurement items with low lambda weights, high standardized residual covariances, and high modification indices.

The standardized residual covariances of PS6 (3.797) and PS7 (3.178) were significantly high. In addition, excessively high modification indices (105.849) of PS6 and PS7 indicated that the two items were cross-loaded. FL6 had a high standardized residual covariance (3.698) and was cross-loaded with FL1 (MI = 79.506). SP2 had a high standardized residual covariance (7.582) and was cross-loaded with SP1 (MI = 107.372). The lambda weights of QV4 (0.280) and QV5 (0.286) were significantly low and a standardized residual covariance (16.326) of the two items was high. Moreover, the two items were cross-loaded (MI = 323.613). Fit statistics of each construct after eliminating the aforementioned six items are shown in Table 24.

Table 24. Each Construct: Fit Statistics (Improved Model)

Construct	Eliminated Item	Number of items	$\chi 2$ (*df*)	$\chi 2$/ *df*	CFI	GFI	RMSEA
Prestige sensitivity	PS6, PS7	7	125.958(14)	8.997	0.961	0.927	0.127
Fashion leadership	FL6	5	34.050 (5)	6.810	0.982	0.975	0.108
Price mavenism	-	6	99.948 (9)	11.105	0.961	0.930	0.142
Sale proneness	SP2	5	33.049 (5)	6.610	0.977	0.975	0.106
Social value	-	4	23.252 (2)	11.626	0.989	0.979	0.146
Emotional value	-	5	96.547 (5)	19.309	0.940	0.929	0.192
Quality value	QV4, QV5	4	10.759 (2)	5.379	0.993	0.989	0.094
Transaction value	-	3	-	-	-	-	0.751
Satisfaction	-	3	-	-	-	-	0.634
Future intention to buy the luxury brand at a bargain	-	3	-	-	-	-	0.894
Future intention to buy the luxury brand at full price	-	3	-	-	-	-	1.196

MEASUREMENT MODEL

CFA was conducted for the measurement model that comprises 11 constructs measured by 54 observed variables. The covariance matrix was not positive definite. A non-positive definite covariance matrix may imply a linear dependency of one variable on another. As shown in a correlation matrix (Table 25), several constructs were highly correlated with other constructs: quality value and satisfaction (γ = 0.976); quality value and emotional value (γ = 0.956); quality value and transaction value (γ = 0.917); and transaction value and satisfaction (γ = 0.900). One of the solutions regarding this problem is to delete the variable highly correlated with other variables. Eliminating quality value resulted in positive definite covariance matrix. Therefore, the researcher decided to eliminate quality value from the model (Figure 8). Correlation matrix of constructs without quality value is presented in Table 26.

Table 25. Correlation Matrix of Constructs

Construct	1	2	3	4	5	6	7	8	9	10	11
1. Prestige sensitivity	1.00										
2. Fashion leadership	.798	1.00									
3. Price mavenism	.649	.755	1.00								
4. Sale proneness	.359	.264	.439	1.00							
5. Social value	.753	.528	.455	.359	1.00						
6. Emotional value	.349	.355	.400	.362	.481	1.00					
7. Quality value	.227	.270	.318	.358	.338	.956	1.00				
8. Transaction value	.234	.263	.327	.451	.319	.854	.917	1.00			
9. Satisfaction	.203	.267	.333	.355	.252	.874	.976	.900	1.00		
10. Future intention (bargain)	.174	.262	.296	.314	.207	.731	.802	.756	.820	1.00	
11. Future intention (full price)	.504	.424	.338	-.011	.366	.295	.213	.082	.187	.176	1.00

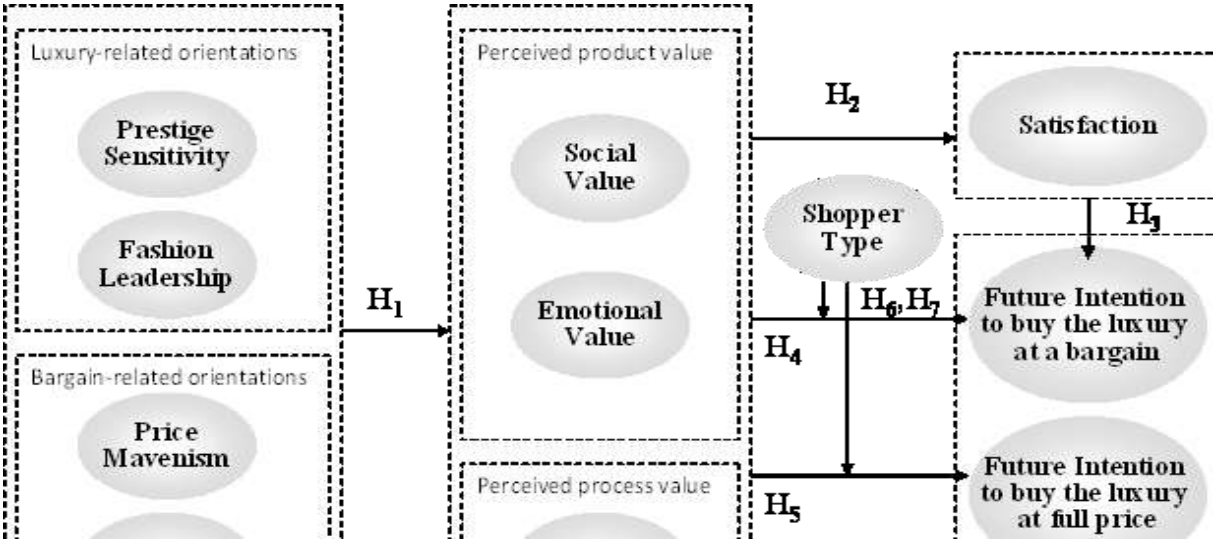

Figure 8. Research Model (Without Quality Value)

Table 26. Correlation Matrix of Constructs (Without Quality Value)

Construct	1	2	3	4	5	6	7	8	9	10
1. Prestige sensitivity	1.00									
2. Fashion leadership	.798	1.00								
3. Price mavenism	.649	.755	1.00							
4. Sale proneness	.359	.264	.439	1.00						
5. Social value	.753	.528	.455	.359	1.00					
6. Emotional value	.351	.355	.399	.363	.482	1.00				
7. Transaction value	.237	.265	.329	.454	.322	.854	1.00			
8. Satisfaction	.205	.268	.335	.356	.254	.875	.902	1.00		
9. Future intention (bargain)	.174	.262	.296	.314	.207	.730	.755	.821	1.00	
10. Future intention (full price)	.504	.424	.338	-.011	.366	.295	.082	.188	.176	1.00

CFA was conducted for the measurement model that consisted of 10 constructs measured by 48 observed variables, after eliminating quality value from the model. Covariance matrix of the measurement model was positive definite. Model fit of the measurement model was assessed by the chi-square (χ^2) tests, the ratios of chi-square to degrees of freedom (χ^2/ *df*), the comparative fit index (CFI), the goodness-of-fit index (GFI), and the root mean square error of approximation (RMSEA). Parsimonious-fit indices such as GFI are overly influenced by sample size and have lower values than the threshold level generally perceived as acceptable for other indices of fit (Byrne, 2001). In this study, χ^2 /*df*, CFI, and RMSEA are considered to be primary model fit criteria, with GFI as secondary fit statistics. The fit statistics of the initial measurement model were: χ^2 (1035) = 3883.958; χ^2 /*df* = 3.753; CFI = 0.876; GFI = 0.719; and RMSEA = 0.074. The fit statistics of the initial measurement model are provided in Table 27.

Model Improvement

To improve the measurement model, all measurement items were examined in terms of lambda weights, standardized residual covariances, and modification indices. Nine items (i.e.,

Table 27. Initial Measurement Model: Fit Statistics

Fit Statistics	
$\chi 2$ (*df*)	3883.958 (1035)
$\chi 2$/ *df*	3.753
CFI	0.876
GFI	0.719
RMSEA	0.074

PS6, PS7, FL1, FL6, SP1, SP2, TV3, SA2, and FIB2) were identified as having low lambda weights, high standardized residual covariances, high modification indices, or high kurtosis. Thus, these nine items were eliminated from the measurement model. In addition, the parameters in the covariance modification indices were examined to determine whether the error variances were highly correlated. Five pairs of error variance showed high modification indices: PS2 and PS4 (MI = 33.833), PS8 and PS9 (MI = 22. 250), PM2 and PM3 (MI = 47.941), PM4 and PM6 (MI = 34.945), and EV1 and EV2 (MI = 49.502). After examining these highly correlated scale items, the researcher decided to correlate the five pairs of errors. The modifications to improve the measurement model are presented in Table 28.

The final measurement model was composed of 10 constructs measured by 39 observed variables. Factor loadings of all items ranged from 0.640 to 0.976 and all paths were significant ($p < 0.001$). The composite reliabilities of each construct ranged from 0.776 to 0.974, meeting the minimum criteria of 0.70 (Nunnally & Bernstein, 1994). The final measurement model (Table 35) provided an acceptable fit to the data: χ_2 (652) = 1841.053; χ_2 /*df* = 2.824; CFI = 0.936; GFI = 0.837; and RMSEA = 0.060. Factor loadings, composite reliabilities, and fit statistics of the final measurement model are provided in Table 29.

Table 28. Modifications

Construct	Modification
Prestige sensitivity	• Dropped PS6 and PS7 (based on standard residual covariances and modification indices) • Correlated error variances of PS2 and PS4 • Correlated error variances of PS8and PS9
Fashion leadership	• Dropped FL1 and FL6 (based on standard residual covariances and modification indices)
Price mavenism	• Correlated error variances of PM2 and PM3 • Correlated error variances of PM4 and PM6
Sale proneness	• Dropped SP1 and SP2 (based on standard residual covariances and modification indices)
Emotional value	• Correlated error variances of EV1 and EV2
Transaction value	• Dropped TV3 (based on standard residual covariances and modification indices)
Satisfaction	• Dropped SA2 (based on standard residual covariances and modification indices)
Future intention (bargain)	• Dropped FIB2 (based on kurtosis (normality))

Table 29. Final Measurement Model: Factor Loadings and Fit statistics

Construct	Scale Items	Factor Loading	t-value	Composite Reliability
Prestige sensitivity	**PS1:** People notice when I buy the most expensive brand of a product.	0.808	21.594***	0.827
	PS2: Buying a high priced brand makes me feel good about myself.	0.848	23.253***	
	PS3: Buying the most expensive brand of a product makes me feel classy.	0.865	24.050***	
	PS4: I enjoy the prestige of buying a high-priced brand.	0.822	22.131***	
	PS5: It says something to people when I buy the high-priced version of a product.	0.892	25.314***	
	PS8: I think others make judgments about me by the kinds of products and brands I buy.	0.763	19.817***	
	PS9: Even for a relatively inexpensive product, I think that buying a costly brand is impressive.	0.778	20.398***	
Fashion leadership	**FL2:** I am the first to try new fashion.	0.864	23.915***	0.901
	FL3: Many people regard me as a fashion leader.	0.913	26.149***	
	FL4: It is important for me to be a fashion leader.	0.896	25.307***	
	FL5: Clothes are one of the most important ways I have of expressing my individuality	0.640	15.620***	
	SV2: This luxury brand improves the way I am perceived.	0.941	27.800***	
	SV3: This luxury brand makes a good impression on other people.	0.883	24.931***	
	SV4: This luxury brand gives me social approval.	0.908	26.084***	

Table 29. (*Continued*)

Construct	Scale Items	Factor Loading	t-value	Composite Reliability
Price mavenism	**PM1:** People ask me for information about prices for different types of products.	0.845	22.912***	0.776
	PM2: I am considered somewhat of an expert when it comes to knowing the prices of products.	0.792	20.787***	
	PM3: For many kinds of products, I can easily tell someone where to shop to get the best buy.	0.788	20.610***	
	PM4: I like helping people by providing them with price information about many types of products.	0.818	21.720***	
	PM5: My friends think of me as a good source of price information.	0.873	24.203***	
	PM6: I enjoy telling people how much they might expect to pay for different kinds of products.	0.855	23.336***	
Sale proneness	**SP3:** I have favorite brands, but most of the time I buy the brand that's on sale.	0.662	15.934***	0.881
	SP4: I try to buy the brand that's on sale.	0.885	24.207***	
	SP5: I am more likely to buy brands that are on sale.	0.875	23.821***	
	SP6: Compared to most people, I am more likely to buy brands that are on sale.	0.788	20.344***	
Social value	**SV1:** This luxury brand helps me to feel acceptable.	0.843	23.125***	0.941
	SV2: This luxury brand improves the way I am perceived.	0.941	27.800***	
	SV3: This luxury brand makes a good impression on other people.	0.883	24.931***	
	SV4: This luxury brand gives me social approval.	0.908	26.084***	
Emotional value	**EV1:** This luxury brand is one that I would enjoy.	0.744	18.994***	0.894
	EV2: This luxury brand makes me want to use it.	0.716	17.971***	
	EV3: This luxury brand is one that I would feel relaxed about using.	0.811	21.492***	
	EV4: This luxury brand makes me feel good.	0.824	22.017***	
	EV5: This luxury brand gives me pleasure.	0.863	23.755***	
Transaction value	**TV1:** Taking advantage of a price-deal like this made me feel good.	0.949	27.502***	0.897
	TV2: I got a lot of pleasure knowing that I saved money at this reduced sale price.	0.852	23.211***	
Satisfaction	**SA1:** I am pleased with the overall experience with this purchase.	0.872	23.830***	0.848
	SA3: I am completely satisfied with this purchase.	0.844	22.730***	
Future intention to buy the luxury brand at a bargain	**FIB1:** I would purchase clothing and accessories of this brand at a bargain in the future.	0.931	25.444***	0.867
	FIB3: The probability that I would consider buying clothing and accessories of this brand at a bargain is high.	0.815	21.092***	

Table 29. (*Continued*)

Construct	Scale Items	Factor Loading	t-value	Composite Reliability
Future intention to buy the luxury brand at full price	**FIF1:** I would purchase clothing and accessories of this brand at full price in the future.	0.976	30.004***	0.974
	FIF2: I would consider buying clothing and accessories of this brand at full price in the future.	0.976	30.034***	
	FIF3: The probability that I would consider buying clothing and accessories of this brand at full price is high.	0.935	27.762***	
Fit Statistics				
$\chi 2$ (*df*)		1841.053 (652)		
$\chi 2$/ *df*		2.824		
CFI		0.936		
GFI		0.837		
RMSEA		0.060		

*** Significant at $p < 0.001$.

Construct Validity

The construct validity of the latent constructs were evaluated by both convergent and discriminant validity (Table 30). Convergent validity refers to the degree to which a measure is correlated with other measures as theoretically predicted. Convergent validity was validated as the average variance extracted (AVE) for all latent variables (ranging from 0.63 to 0.93) were greater than the threshold value of 0.50 (Fornell & Larcker, 1981). Discriminant validity refers to the degree to which the measure does not correlate with other constructs as not predicted to do so. Discriminant validity was tested by examining whether the AVE was larger than the shared variance (i.e., squared correlation coefficients) between all possible pairs of latent variables (Fornell & Larcker, 1981). In this study, emotional value did not satisfy the criteria of the discriminant validity test. AVE of emotional value (0.63) was smaller than its shared variance with transaction value (0.73) and with satisfaction (0.77). The result appears to be attributable to the high correlations between emotional value and transaction value (r = 0.854) and between

Table 30. Construct Validity of the Final Measurement Model

Construct	1	2	3	4	5	6	7	8	9	10
1. Prestige sensitivity	**0.68**									
2. Fashion leadership	0.66	**0.70**								
3. Price mavenism	0.42	0.56	**0.69**							
4. Sale proneness	0.10	0.04	0.16	**0.65**						
5. Social value	0.57	0.29	0.20	0.11	**0.80**					
6. Emotional value	0.15	0.10	0.16	0.10	0.23	**0.63**				
7. Transaction value	0.05	0.03	0.09	0.14	0.08	0.73	**0.81**			
8. Satisfaction	0.04	0.03	0.10	0.09	0.05	0.77	0.77	**0.74**		
9. Future intention (bargain)	0.04	0.04	0.09	0.07	0.05	0.55	0.54	0.71	**0.77**	
10. Future intention (full price)	0.23	0.19	0.11	0.00	0.13	0.09	0.01	0.03	0.04	**0.93**

Diagonal entries show the average variance extracted by the construct.
Off-diagonal entries represent the variance shared (squared correlation) between constructs.

emotional value and satisfaction (r = 0.875) (See Table 26). Although the result suggests that emotional value could be one dimension with transaction value or satisfaction, these constructs are conceptually and theoretically different constructs.

STRUCTURURAL MODEL EVALUATION

The proposed model and the hypothesized relationships among constructs were tested in the structural model. The fit indexes of the structural model were: χ^2 (676) = 2413.505; χ^2 /*df* = 3.570; CFI = 0.906; GFI = 0.808; and RMSEA = 0.072. Table 31 presents the results of the hypothesis testing and fit statistics for the structural model.

HYPOTHESIS TESTS

Standardized estimates of the hypothesized relationships and significance of the path weights were estimated to determine whether the hypotheses were supported.

Table 31. Structural Model: Hypothesis Testing and Fit Statistics

Hypothesis		Structural Path	Standardized Regression Weight	Standard Error	t-value	Result
H_1	H_{1a} (+)	Prestige sensitivity → Social value	0.938	0.138	12.943***	Supported
	H_{1c} (+)	Fashion leadership → Social value	-0.218	0.127	-3.359***	Not supported
	H_{1d} (+)	Fashion leadership → Emotional value	0.361	0.050	7.407***	Supported
	H_{1e} (+)	Price mavenism → Transaction value	0.175	0.051	3.276***	Supported
	H_{1f} (+)	Sale proneness → Transaction value	0.322	0.053	6.281***	Supported
H_2	H_{2a} (+)	Social value-→ Satisfaction	-0.216	0.016	-5.587***	Not supported
	H_{2b} (+)	Emotional value-→ Satisfaction	0.683	0.048	1.754***	Supported
	H_{2d} (+)	Transaction value → Satisfaction	0.595	0.042	4.212***	Supported
H_3	H_3	Satisfaction → Future intention to buy the luxury brand at a bargain	0.829	0.225	0.175***	Supported
H_4	H_{4a} (+)	Social value → Future intention to buy the luxury brand at a bargain	0.038	0.032	0.164	Not supported
	H_{4b} (+)	Emotional value → Future intention to buy the luxury brand at a bargain	0.016	0.135	-0.141	Not supported
	H_{4d} (+)	Transaction value → Future intention to buy the luxury brand at a bargain	-0.074	0.11	-0.162	Not supported
H_5	H_{5a} (+)	Social value → Future intention to buy the luxury brand at full price	0.250	0.051	6.102***	Supported
	H_{5b} (+)	Emotional value → Future intention to buy the luxury brand at full price	0.431	0.138	3.167***	Supported
	H_{5d} (-)	Transaction value → Future intention to buy the luxury brand at full price	-0.328	0.130	-6.169***	Supported
Fit Statistics						
$\chi 2$ (*df*)			2413.505 (676)			
$\chi 2$/ *df*			3.570			
CFI			0.906			
GFI			0.808			
RMSEA			0.072			

*** $p<0.001$

H1: Impact of Consumer Orientations on Perceived Values

The path weights of all sub-hypotheses of H1 were significant at $p < 0.001$. Prestige sensitivity had a significant effect on social value ($\beta = 0.938$) and fashion leadership had a significant effect on emotional value ($\beta = 0.361$). Both price mavenism ($\beta = 0.175$) and sale proneness ($\beta = 0.322$) showed significant effects on transaction value. Although the impact of fashion leadership on social value was significant ($\beta = -0.218$, $p < 0.001$), it was opposite (negative) of the hypothesized direction. Thus, H_{1a}, H_{1d}, H_{1e}, and H_{1f} were supported and H_{1c} was not supported.

H2: Impact of Perceived Values on Satisfaction

Both emotional value ($\beta = 0.683$, $p < 0.001$) and transaction value ($\beta = 0.595$, $p < 0.001$) influenced satisfaction significantly, which supported H_{2b} and H_{2d}. Although the relationship between social value and satisfaction was significant ($\beta = -0.216$, $p < 0.001$), it was opposite (negative) of the hypothesized direction, not supporting H_{2a}.

H3: Impact of Satisfaction on Future Intention to Buy the Luxury Brand at a Bargain

The relationship between satisfaction and future intention to buy the luxury brand at a bargain was significant ($\beta = 0.829$, $p < 0.001$), which supported H_3.

H4: Impact of Perceived Values on Future Intention to Buy the Luxury Brand at a Bargain

H4 tests the effects of perceived values−social value (H_{4a}), emotional value (H_{4b}), and transaction value (H_{4d})−on future intention to buy the luxury brand at a bargain. None of the paths was significant. Thus, H_{4a}, H_{4b}, and H_{4d} were not supported.

H5: Impact of Perceived Values on Future Intention to Buy the Luxury Brand at Full Price

H5 tests the effects of perceived values −social value (H_{5a}), emotional value (H_{5b}), and transaction value (H_{5d})−on future intention to buy the luxury brand at full price. All paths of the H5 were significant. Social value ($\beta = 0.250$, $p < 0.001$), emotional value ($\beta = 0.431$, $p < 0.001$), and transaction value ($\beta = -0.328$, $p < 0.001$) had significant effects on future intention to buy the luxury brand at full price. Thus, H_{5a}, H_{5b}, and H_{5d} were supported.

H6: Moderating Effect of Shopper Type on the Relationship between Perceived Values and Future Intention to Buy the Luxury Brand at a Bargain

H6 tests the moderating role of shopper type on the relationships between perceived values and future intention to buy the luxury brand at a bargain. However, the relationship between perceived values and future intention to buy the luxury brand at a bargain was not significant which implies that the findings of the moderating effect are not meaningful. Thus, H_{6a}, H_{6b}, and H_{6d} were not supported.

H7: Moderating Effect of Shopper Type on the Relationship between Perceived Values and Future Intention to Buy the Luxury Brand at Full Price

The moderating effect was tested through multi-group analysis: splitting the sample into sub-groups according to whether consumers scored high or low on the measurement item of shopper type (i.e., “I seek a bargain when I purchase a luxury brand”). Respondents’ bargain tendencies in luxury shopping were skewed to the “Strongly Agree,” with a mean score of 6.19 on a 7-point Likert scale. Considering the sample size in each group, mean split method was chosen to classify respondents into two groups (i.e., consumers who have “High” and “Low” bargain tendency). Respondents who rated more than the mean score (N = 286) were categorized

into the “High” group and respondents who rated less than the mean score (N = 214) were categorized into the “Low” group.

Comparative analysis of each path between the two groups (i.e., high group and low group) was conducted (Table 32). The moderating effects were tested using the chi-square difference ($\Delta\chi^2$) tests. The chi-square difference tests assessed whether the chi-square differences were significant between the two models (i.e., unconstrained model and the model with each path between high group and low group being set to equal). The chi-square difference tests revealed that there was significant differences on the paths of social value and future intention to buy the luxury brand at full price ($\Delta\chi^2 = 4.106$, $p = 0.043$). However, the impact of the social value on future intention to buy the luxury brand at full price was greater among consumers who have higher bargain tendency, which was opposite of the hypothesized direction, not supporting H_{7a}. The chi-square difference tests showed that there were no significant differences on the paths of emotional value and future intention to buy the luxury brand at full price ($\Delta\chi^2 = 1.550$, $p = 0.213$) and transaction value and future intention to buy the luxury brand at full price ($\Delta\chi^2 = 1.251$, $p = 0.263$). Thus, H_{7b} and H_{7d} were not supported. The moderating effects of shopper type are organized in Table 32.

REVISED STRUCTURAL MODEL

While the indirect effect of perceived value on intention through satisfaction has been established in the literature, there has been an argument that perceived value influences behavioral intention directly as well as indirectly. One of the objectives of this study was to examine whether the direct links exist between perceived values and behavioral intentions in addition to indirect effects through satisfaction. However, the direct relationship was not

Table 32. Moderating Effects of Shopper Type (H7)

Hypothesis		Structural Path	Standardized Regression Weight		$\chi 2$ difference ($\Delta\chi 2$) *(df = 1)*	Result
			High Group	Low Group		
H_7	H_{7a}	Social value → Future intention to buy the luxury brand at full price	0.313***	0.127*	4.106*	Not supported
	H_{7b}	Emotional value-→ Future intention to buy the luxury brand at full price	0.320***	0.618***	1.550	Not supported
	H_{7d}	Transaction value → Future intention to buy the luxury brand at full price	-0.128*	-0.381***	1.251	Not supported

* Significant at $p<0.05$, *** Significant at $p<0.001$

supported in this study. The results of the hypothesis tests showed that the relationship between the relationship between perceived values and future intention to buy the luxury brand at a bargain (H_4) was not supported. Thus, the researcher decided to also examine the revised structural model with the direct links between the perceived values and future intention to buy the luxury brand at a bargain eliminated. Given that the direct relationship between perceived values and behavioral intentions does not exist in the study, examination of the revised model is meaningful to investigate the established sequential relationships of cognition, affect, and behavioral intention.

The model fit of the revised structural model was acceptable: χ^2 (679) = 2415.161; χ^2 /*df* = 3.557; CFI = 0.906; GFI = 0.808; and RMSEA = 0.072. The values of CFI, GFI, and RMSEA were the same as those of the original structural model. The results of hypothesis testing were the same as those of the original structural model. Table 33 presents the results of the revised structural model.

Table 33. Revised Structural Model: Hypothesis Testing and Fit Statistics

Hypothesis		Structural Path	Standardized Regression Weight	Standard Error	t-value	Result
H_1	H_{1a} (+)	Prestige sensitivity → Social value	0.938	0.138	12.814***	Supported
	H_{1c} (+)	Fashion leadership → Social value	-0.218	0.127	-3.228**	Not supported
	H_{1d} (+)	Fashion leadership → Emotional value	0.361	0.050	7.482***	Supported
	H_{1e} (+)	Price mavenism → Transaction value	0.176	0.052	3.471***	Supported
	H_{1f} (+)	Sale proneness → Transaction value	0.322	0.053	6.186***	Supported
H_2	H_{2a} (+)	Social value → Satisfaction	-0.207	0.015	-5.708***	Not supported
	H_{2b} (+)	Emotional value → Satisfaction	0.693	0.046	11.506***	Supported
	H_{2d} (+)	Transaction value → Satisfaction	0.580	0.040	11.385***	Supported
H_3	H_3	Satisfaction → Future intention to buy the luxury brand at a bargain	0.793	0.047	21.438***	Supported
H_5	H_{5a} (+)	Social value → Future intention to buy the luxury brand at full price	0.250	0.051	5.680***	Supported
	H_{5b} (+)	Emotional value-→ Future intention to buy the luxury brand at full price	0.430	0.138	6.473***	Supported
	H_{5d} (-)	Transaction value → Future intention to buy the luxury brand at full price	-0.327	0.130	-5.341***	Supported
Fit Statistics						
$\chi 2$ (*df*)			2415.161 (679)			
$\chi 2$/ *df*			3.557			
CFI			0.906			
GFI			0.808			
RMSEA			0.072			

**$p<0.01$, ***$p<0.001$

MANIPULATION CHECKS

Manipulation checks were conducted to assess whether the current economic situation influenced the research model of this study, especially the relationships among perceived values, satisfaction, and future intentions. The relationships are shown in Figure 8.

Respondents were asked to rate how much they agree with the two statement: (1) “The current economic situation affects my shopping habits for clothing or accessories” and (2) “The current economic situation affects my tendency to bargain-shop for luxury brands.” The mean scores for the first question and the second question were 5.39 and 5.50, respectively, on a 7-point Likert scale ranging from ‘strongly disagree’ (1) to ‘strongly agree’ (7). The reliability of these two items was 0.838, which was high enough to use the average score for the further analysis. The respondents were classified into two groups: consumer who rated higher than the mean score (5.44) (“High” group) and consumer who rated lower than the mean score (“Low” group). A multi-group comparison was done for the following relationships: between perceived values and satisfaction; between satisfaction and future intention to buy the luxury brand at a bargain; between perceived values and future intention to buy the luxury brand at a bargain; and between perceived values and future intention to buy the luxury brand at full price.

The chi-square difference tests showed that the impacts of the current economic situation were significant on the relationships between emotional value and satisfaction ($p = 0.004$) and between transaction value and satisfaction ($p = 0.004$). There were no significant differences between the two groups for all the other relationships (Table 34), indicating that there was no impact from the current economic situation on the relationships.

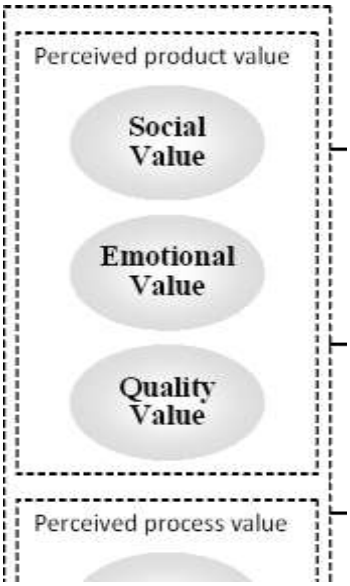

Figure 8. The Relationships among Perceived Values, Satisfaction, and Future Intentions

Table 34. Manipulation Checks: Chi-Square Difference Tests

Path	*df*	χ^2	*P*
Social value → Satisfaction	1	0.229	0.632
Emotional value-→ Satisfaction	1	8.306	0.004**
Transaction value → Satisfaction	1	8.382	0.004**
Satisfaction → Future intention to buy the luxury brand at a bargain	1	0.290	0.590
Social value → Future intention to buy the luxury brand at a bargain	1	0.045	0.833
Emotional value → Future intention to buy the luxury brand at a bargain	1	2.885	0.089
Transaction value → Future intention to buy the luxury brand at a bargain	1	0.034	0.853
Social value → Future intention to buy the luxury brand at full price	1	2.061	0.151
Emotional value → Future intention to buy the luxury brand at full price	1	1.831	0.176
Transaction value → Future intention to buy the luxury brand at full price	1	3.157	0.076

** Significant at $p<0.01$

SUMMARY

This chapter provided the data analyses and results of hypothesis testing that were introduced in Chapter II. In the first section, a descriptive analysis of respondents' luxury shopping behaviors was presented. The second section provided the results of the preliminary analysis of main data. The third section evaluated the measurement model using CFA. The measurement model provided an acceptable fit to the data: χ^2 (652) = 1841.053; χ^2 /*df* = 2.824; CFI = 0.936; GFI = 0.837; and RMSEA = 0.060. The fourth section evaluated the structural model using SEM and tested the hypotheses. The fit indexes of the structural model were: χ^2 (676) = 2413.505; χ^2 /*df* = 3.570; CFI = 0.906; GFI = 0.808; and RMSEA = 0.072. Overall, the results of the hypothesis testing were mixed. H1 and H2 were partially supported. H3 and H5 were supported. H4 was not supported. As for the moderating effect, H6 and H7 were not supported. Based on the results, the revised structural model was examined with the direct links between the perceived values and future intention to buy the luxury brand at a bargain eliminated. The fit indexes of the revised structural model were: χ^2 (679) = 2415.161; χ^2 /*df* = 3.557; CFI = 0.906; GFI = 0.808; and RMSEA = 0.072. The hypothesis testing results were same as those of the original structural model. The last section examined the impact of the current economic situation on the research model. Generally, there was no dominating impact from the current economic situation on the research model.

CHAPTER V
DISCUSSIONS AND IMPLICATIONS

The study developed a model that depicts both luxury consumption and the bargain process. The model explained the relationships among consumer orientations, perceived values, satisfaction, and future behavioral intentions in Luxe-Bargain Shopping. This chapter presents the findings of the study in relation to their managerial and research implication, limitation of the study, suggestion for future research, and conclusion.

DISCUSSIONS OF FINDINGS AND IMPLICATIONS

The specific research objectives of this study were: (1) investigate whether luxury-related consumer orientations influence perceived product values; (2) investigate whether bargain-related consumer orientations influence perceived process values; (3) investigate whether perceived product and process values predict satisfaction with Luxe-Bargain Shopping; (4) examine whether satisfaction with Luxe-Bargain Shopping influences future intentions to buy the luxury brand at a bargain; (5) examine whether perceived product and process values influence future intentions to buy the luxury brand at a bargain; (6) examine whether perceived product and process values influence future intentions to buy the luxury brand at full price; and (7) examine the moderating role of shopper type in the relationship between perceived values and future intentions.

RESEARCH MODEL

The theoretical background of this study is based on the overarching framework of cognition-affect-behavioral intention (Fishbein & Ajzen, 1975). In applying the framework to the context of Luxe-Bargain Shopping, the study employed acquisition-transaction utility theory (Thaler, 1983) to depict both luxury consumption and the bargain process. Multiple dimensions of perceived value were identified using Sweeney and Soutar's (2001) perceived values. These multiple dimensions were selected for this study based on whether they reflect snob or bandwagon effects (Leibenstein, 1950).

In evaluating the measurement model of the study, the high correlation of quality value and other perceived values (i.e., emotional value and transaction value) created two concerns: (1) a non-positive definite covariance matrix of the measurement model and; (2) non-satisfactory discriminant validities (i.e., AVE less than the shared variances between constructs) of quality value and emotional value. As a solution to these problems, the quality value was eliminated from the model and the final model contained 10 latent variables and 39 observed variables. The measurement model provided an acceptable fit to the data: χ^2 (652) = 1841.053; χ^2 /*df* = 2.824; CFI = 0.936; GFI = 0.837; and RMSEA = 0.060. The structural model provided an acceptable fit to the data: χ^2 (676) = 2413.505; χ^2 /*df* = 3.570; CFI = 0.906; GFI = 0.808; and RMSEA = 0.072.

Overall, the acceptable model fits of the proposed research model suggest that the model can be effective to depict Luxe-Bargain Shopping in today's luxury market. Not only luxury-related consumer orientations but also bargain-related consumer orientations were found to be important consumer characteristics that predict consumer satisfaction and future purchase intention of luxury. Moreover, consumer orientations beyond conspicuous consumption or materialism were identified as useful antecedents to perceived values of luxury consumption.

These findings support the argument that this new research framework should depict luxury consumption and bargain shopping concept to describe the phenomenon of massclusivity of luxury.

The findings of this study also confirm the critical role of transaction value on satisfaction and behavioral intention. Although the impact of psychological value generated from a bargain itself (i.e., transaction value) has been identified as an important determinant of satisfaction and behavioral intention among general consumer goods, it was also shown to be a key factor in the context of luxury consumption. This study supported the previous studies that proposed multi-dimensional perceived values of luxury (Vigneron & Johnson, 1999; Wiedmann et al., 2007), by measuring social, emotional, and quality values and by demonstrating their relationships with satisfaction and future purchase intention. However, excessively high correlations among luxury-related perceived values suggest the need for future research to identify appropriate context-specific perceived value dimensions that ensure discriminant ability for Luxe-Bargain Shopping.

Effects of Consumer Orientations on Perceived Values

Mixed evidence was found for the effects of consumer orientations on perceived values. Prestige sensitivity proved to be an important determinant of social value. Consistent with the argument that prestige sensitivity is closely related to socially visible products (Calder & Burnkrant, 1977; Jin & Sternquist, 2004), it was found that prestige sensitive consumers used luxury brands to be noticed and accepted by their reference group.

Surprisingly, the relationship between fashion leadership and social value was significant but negative, which was opposite of the hypothesized direction. This result seems to be

inconsistent with the finding that fashion leaders are more likely to use fashion to enhance their social-status than fashion followers (Shim & Bickle, 1994). However, negative beta coefficient of fashion leadership (β = -0.218) and the positive correlation between fashion leadership and social value (γ = 0.528) suggest that a suppressor situation may be present. Suppressor situations are important to identify, because they can reconcile what seems to be inconsistent between theory and empirical observation (Hicks & Patrick, 2006). Net suppression occurs when the beta coefficient of the initial predictor reverses sign, while the beta coefficient for the suppressor variable increases relative to its initial validity coefficient (Cohen & Cohen, 1975; Hicks & Patrick, 2006; Krus & Wilkinson, 1986). High correlation between predictor variables makes the initial predictor share more information with the other predictor variable than with dependent variables. Thus, inclusion of both predictors in the same regression model results in a reversal of the sign for the initial predictor and an increase of the beta coefficient for the other predictor (suppressor variable). In this study, prestige sensitivity appears to play a role as a net suppressor. Fashion leadership has higher correlation with prestige sensitivity (γ = 0.798) than it does with social value (γ = 0.528). Although both prestige sensitivity (γ = 0.753) and fashion leadership (γ = 0.528) showed robust bivariate associations with the dependent variable (i.e., social value), including both predictors in the regression model caused a reversal of the sign for fashion leadership (β = -0.218) and an increase in the validity of prestige sensitivity (β = 0.938). After eliminating prestige sensitivity from the model, significant positive relationship between fashion leadership and social value (γ = 0.545, $p < .001$) was found. As a result, it can be interpreted that fashion leadership influenced social value in a positive way; however, prestige sensitivity had more predictive power than fashion leadership toward social value.

Significant relationships between fashion leadership and emotional value were found. The positive relationship between fashion leadership and emotional value suggests that fashion leaders with higher fashion involvement and fashion interest may have higher emotional attachment to luxury products. The finding that fashion leadership is an important determinant of perceived values in Luxe-Bargain shopping confirms the premise of this study that consumer characteristics beyond conspicuousness must be considered to understand today's new luxury consumers. Furthermore, as described by the demographic characteristics of the respondents, Luxe-Bargain consumers in this study encompass a wide range of income levels (Table 6). Nearly 50% of the respondents have less than $70,000 as their annual household income, including approximately 15% of the respondents having less than $30,000. This finding suggests that marketers targeting traditional luxury consumers (i.e., high income consumers) may miss the opportunity to reach the new luxury consumers. For new luxury consumers, luxury may be viewed as a tool to express high fashion and stylish taste rather than as a product to show their wealth and success. This view is supported by the success of Bagborroworsteal.com, an online luxury handbag rental service. Using this service, consumers rent luxury handbags, watches, sunglasses, or jewelry by the week or the month at a certain membership fee. Marketing strategies such as product extension with various price points or innovative product design for mass consumers can ensure the patronage of these Luxe-Bargain consumers.

The results also showed that bargain-related consumer orientations positively affected transaction value. The positive relationship between price mavenism and transaction value supported previous researchers (Jin, Sternquist, & Koh, 2003; Mano & Elliott, 1997) who found that market mavenism is positively related to hedonic aspects of bargain or shopping experience. The positive relationship between sale proneness and transaction value is consistent with the

findings of previous studies that price savings elicited feeings of pride, excitement, or accomplishment (Barbin et al., 1994; Holbrook et al., 1984; Mano & Elliott, 1997). Although Jin and her colleagues (Jin & Sternquist, 2004; Jin et al., 2003) failed to find the evidence that sale proneness was closely related to hedonic shopping value for US and Korean consumers, the findings of this study supported the relationship in the context of bargain shopping.

The finding that Luxe-Bargain consumers' perceived values were influenced by luxury-related consumer orentations as well as bargain-related consumer orientation imply that Luxe-Bargain consumers may enjoy Luxe-Bargain Shopping because they can purchase high quality and high-priced luxury at a good deal, not because the products are just cheap. This suggests that luxury retailers need to keep the reference price of their luxury brands high through prestigious brand image to creat high perceived value of the luxury brands. The finding also implies that luxury retailers need more careful marketing strategies regarding price discounts than general consumer goods marketers do, because price discounts of luxury brands may be double-edged, attracting consumers to a sale but damaging brand image by lowering consumers' internal reference price of the brand. Consumers' reference price decrease by price discounts is decribed as "discounting the price discounts" (Gupta & Cooper, 1992, p. 401), which is a phenomenon that consumers perceive they are receiving less discounts than the advertised discounts. Gupta and Cooper (1992) found that the discounting of discounts is lower for name brands than store brands. Extending this finding, it may be said that reference price decrease of luxury brands by price discounts can be smaller than those of non-luxury brands. However, a daily low-price strategy in off-price retailers (e.g., off-price discounters, department outlet stores) or frequently offered price deals may cause consumers suspicious about luxury retailers' claimed regular prices.

Effects of Perceived Values on Satisfaction

The findings regarding the effects of perceived values on satisfaction were mixed. The impact of emotional value on satisfaction was supported in this study. The finding reinforces the argument that the emotional value attached to luxury products is one of the essential values that can be acquired from luxury products (Dubois & Laurent, 1996; Vigneron & Johnson, 2004). The positive relationship between emotional value and satisfaction is consistent with the findings of previous studies that perceived value is a direct antecedent of satisfaction in the context of health care (Choi et al., 2004) and business-to-business service (Lam et al., 2004; Patterson & Spreng, 1997). This relationship is found to exist for luxury apparel or accessories in this study.

Social value negatively influenced satisfaction, which was opposite of the hypothesized direction. A net suppression phenomenon appears to be present in the relationship between social value and satisfaction. Correlation between social value and satisfaction ($\gamma = 0.254$) was positive but beta coefficient of social value ($\beta = -0.216$) was negative. Social value has higher correlations with emotional value ($\gamma = 0.482$) and with transaction value ($\gamma = 0.322$) than it does with the dependent variable (i.e., satisfaction) ($\gamma = 0.254$). In other words, social value shares more information with other predictor variables (i.e., emotional value and transaction value) than dependent variables (i.e., satisfaction). Thus, the inclusion of all three predictors in the same regression model resulted in a reversal of the sign for social value. After eliminating both emotional value and transaction value from the model, significant positive relationship between social value and satisfaction ($\gamma = 0.227$, $p < .001$) was found. Therefore, it is reasonable to say that social value influenced satisfaction in a positive way, having weaker predictive power toward satisfaction than emotional value and transaction value do.

Overall, the findings of the impacts of perceived product value and perceived process value on satisfaction suggest that consumers will be satisfied when they perceive value from Luxe-Bargain Shopping. Marketers can increase consumer satisfaction by improving product benefits through social and emotional benefits through active advertising and marketing communication. Also, marketers can increase consumer satisfaction by increasing perceived process value (i.e., transaction value). The greater the difference between consumers' reference price of luxury and actual price they pay, the greater is the transaction value. Although reducing prices can increase transaction value, constant price reduction may lower consumers' reference prices of luxury goods and thus lead consumers to take a bargain for granted. On the other hand, enhancing transaction value by increasing consumers' reference prices of luxury goods would lead to consumer satisfaction. Differentiated price strategies for different product lines such as premium pricing for flagship products accompanied by product extensions for mass consumers and exclusive co-brand strategies may effectively increase transaction value without taking the risk of damaging the brand image. The managerial implication is supported by fact that the respondents of this study did not differentiate the 'Vera Wang' brand from the brand "Simply Vera Vera Wang', an exclusive co-brand by designer Vera Wang.

Effect of Satisfaction on Future Intention to buy the Luxury Brand at a Bargain

The result showed that significant impact of satisfaction existed on future intention to buy the luxury brand at a bargain. This finding is consistent with the findings of many previous studies (Bitner, 1990; Choi et al., 2004; LaBarbera & Mazursky, 1983; Lam et al., 2004; Patterson & Spreng, 1997) that supported the positive relationship between satisfaction and behavioral intention.

Effects of Perceived Values on Future Intention to Buy the Luxury Brand at a Bargain

There were no significant impacts of perceived values on future intention to buy the luxury brand at a bargain. An effect of perceived value on behavioral intention through satisfaction has been well established in literature, based on the framework of cognition-affect-behavioral intention. Regarding the relationships among perceived value, satisfaction, and behavioral intention, Bagozzi (1982) argued that perceived value influences behavioral intention directly. Other researchers (Choi et al., 2004; Lam et al., 2004) also support this direct effect in the context of health care and business-to-business service. However, the direct effect of perceived value on future intention to buy the luxury brand at a bargain was not supported in this study.

Effects of Perceived Values on Future Intention to Buy the Luxury Brand at Full Price

The results showed that there were significant impacts of perceived values on future intention to buy the luxury brand at full price. Consumers who obtained higher perceived product values from Luxe-Bargain Shopping showed higher intention to purchase luxury brands of apparel or accessories in the future. As hypothesized, consumers who had higher transaction value from Luxe-Bargain Shopping showed lower intention to purchase luxury brand of apparel or accessories in the future. The positive relationships between perceived product values and future intention to buy the luxury brand at full price suggest that consumers' future purchase intention at full price can increase with greater perceived product value. One of the research questions of this study was whether consumers who have once experienced luxury bargain shopping are willing to pay full price for the luxury brands in the future. From the preliminary analyses of constructs, the average mean value of the future intention to buy the luxury brand at

full price (mean = 3.69) was the lowest among the mean values of all other constructs including the future intention to buy the luxury brand at a bargain (mean = 6.20). The finding demonstrates that consumers who have experienced Luxe-Bargain Shopping are less likely to purchase luxury brands at full price than at a bargain in the future. Furthermore, the negative impact of transaction value on future intention to buy the luxury brand at full price implies that emotional experience obtained from bargain shopping may decrease consumers' willingness to pay full price for the luxury in the future. The finding implies that the deep-discount price strategy of upscale retailers may not be a good long-term strategy and eventually cause losing the allure of luxury.

Moderating Effects of Shopper Type

The moderating effect of shopper type on the relationship between perceived values and future intention to buy the luxury brand at a bargain was not meaningful because the re relationship between perceived values and future intention to buy the luxury brand at a bargain was not significant. The moderating role of shopper type on the relationships between perceived values and future intention to buy the luxury brand at full price were not supported as hypothesized. Thus, the results concluded that there were no differences between consumers who have high bargain tendency and consumers who have low bargain tendency in the relationships between perceived values and future intention to buy the luxury brand at full price. However, a potential limitation regarding categorization of shopper type should be noted. The responses of consumer bargain tendency were highly skewed toward high bargain tendency (mean = 6.19 on a 7-point scale). The mean split method, which was used in this study to ensure similar sample size for two groups, categorized consumers who rated less than 6.19 into "Low" group. Other

methods (e.g., categorizing consumers who rated “1,” “2,” and “3” into “Low” group) may result in different conclusions.

LIMITATIONS AND FUTURE RESEARCH

Several limitations and opportunities for future research can be addressed from this study. First, lack of unidimensionality of satisfaction construct should be noticed. In the pre-test, the reliability of satisfaction was 0.482. Among the three items that measure satisfaction, the item of “This purchase experience is delightful” (SA2) showed the lowest item-to-total correlation to the satisfaction construct. While the reliability of the three items in the main test was 0. 812, the SA2 showed low lambda weight and high standardized residuals in the measurement model, and consequently was eliminated from the final model. Although the three-item scale was reliable to represent satisfaction construct in the context of store service as in the original study by Seider, Voss, Grewal, and Godfrey (2005) (reliability = 0.90), the item “This purchase experience is delightful,” compared to the other two items, may not measure the satisfaction construct well in the context of Luxe-Bargain shopping. The finding suggests the need to develop a measurement scale for satisfaction in the Luxe-Bargain Shopping context.

Second, the proposed model was tested in the context of the luxury apparel or accessories category. Caution should be taken in generalizing these findings to other product categories of luxury. Perceived values generated from publically visible luxury products (e.g., apparel, watch, and car) would be different from privately used luxury products (e.g., home theater, home decoration products). Although Luxe-Bargain shopping is prevalent among the product category of apparel or accessories, it would be interesting to apply this proposed model to other luxury

product or service categories such as home decoration, consumer electronics, and travel packages. These attempts might validate or extend the model proposed in this study.

Third, the participants of this study were online panel consumers recruited by a research firm. Therefore, the results of this study are not necessarily generalizable to the entire population of Luxe-Bargain consumers. Fourth, availability of off-price stores, department outlet stores, or online-discount stores may differ by culture and country. Thus, the findings based on the sample of U.S. consumers cannot necessarily be generalized to other cultural contexts.

Fifth, this study used a self-report survey method. Respondents of this study were asked to recall information from memory, which allows the possibility that some of the self-reported information may not have been accurate. Sixth, this study used a cross-sectional design by which data were collected at one time point. The use of longitudinal or experimental data in structural equation modeling would substantially advance causal relationships among variables studied (Kelloway, 1995). Although the manipulation checks found the model to be robust for the current economic situations, the longitudinal study might reveal findings regarding whether the bargain concept is a permanent consumer paradigm shift toward bargain shopping or temporary shopping behavior during an economic recession.

Seventh, the dimensions and measurements used in this study were originally developed in the context of general consumer goods. The high correlations among perceived value constructs and high modification indices among measurement errors in this study suggest the need to develop perceived value dimensions appropriate to Luxe-Bargain Shopping and the context-specific measurement scales.

For future research, constructs other than those employed in this study could be examined regarding consumer orientations. For example, reference group influence or celebrity influence

could be investigated to expand the understanding of Luxe-Bargain consumers' characteristics. Another future research interest involves whether the model suggested in this study is also valid for gift-giving shopping behavior. This study focused on luxury shopping for self. Bargain-seeking behavior in the gift-giving context might be different from shopping for self. Other variables that are related to the bargain concept or future intention can be examined to expand the proposed model. Fairness perception has been identified as an important variable to understand the value of a bargain (Darke & Dahl, 2003). In addition, brand loyalty or store image has been recognized as variables related to future purchase intention. The attempts to incorporate these variables into the model would contribute to enhancing the relationship between perceived values and satisfaction and between perceived values and future purchase intention.

CONCLUSIONS

This study attempted to develop an empirical framework that can depict the phenomenon of massclusivity of luxury (i.e., increased accessibility and affordability of luxury) in the current luxury market. In doing so, this study introduced the concept of Luxe-Bargain Shopping which is referred to as purchasing a luxury brand at a bargain and examined both the product-related (luxury-related) factors and the process-related (bargain-related) factors. In an attempt to fill the gap between the traditional research framework of conspicuous consumption and current market situation of Luxe-Bargain Shopping, this study investigated the relationships among consumer orientations, perceived values, satisfaction, future intention to buy the luxury brand at a bargain, and future intention to buy the luxury brand at full price. This study proposes a new perspective

on the research on luxury by incorporating a bargain concept and provides a corner-stone for future research on consumer behavior related to Luxe-Bargain Shopping.

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APPENDICES

APPENDIX A

A Sample Questionnaire (Pre-Test)

The University of Tennessee

Dear participant,

Thank you for your participation in this survey. The survey will take about 10 minutes to complete. Your participation in this study is voluntary; you may decline to participate without penalty. If you decide to participate, you may withdraw from the study at anytime without penalty or loss of benefits to which you are otherwise entitled. If you wish to withdraw from the survey before data collection is completed, your data will be destroyed. Return of the completed survey or questionnaire constitutes your consent to participate. All responses will be held in confidence.

If you have questions at any time about the study or the procedures, you may contact the researcher, Chae-Mi Lim, at 1215 W Cumberland Ave, 233C Jessie Harris Building, University of Tennessee, or 865-974-1848. If you have any questions about your rights as a participant, contact the Research Compliance Services section of the Office of Research at (865) 974-3466.

Thank you.

Respectfully,

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Section I. CONSUMER ORIENTATIONS

The following questions are regarding your **GENERAL PERSONAL CHARACTERISTICS** as a consumer. Please rate how much you agree or disagree with the following statements.

		Strongly Disagree						***Strongly Agree***
1.	People notice when you buy the most expensive brand of a product.	1	2	3	4	5	6	7
2.	I am aware of fashion trends.	1	2	3	4	5	6	7
3.	I am the first to try new fashion	1	2	3	4	5	6	7
4.	Buying a high priced brand makes me feel good about myself.	1	2	3	4	5	6	7
5.	If a product is on sale, that can be a reason for me to buy it.	1	2	3	4	5	6	7
6.	Many people regard me as being a fashion leader	1	2	3	4	5	6	7
7.	Buying the most expensive brand of a product makes me feel classy.	1	2	3	4	5	6	7
8.	It is important for me to be a fashion leader	1	2	3	4	5	6	7
9.	People ask me for information about prices for different types of products.	1	2	3	4	5	6	7
10.	I enjoy the prestige of buying a high priced brand.	1	2	3	4	5	6	7
11.	When I buy a brand that's on sale, I feel that I am getting a good deal.	1	2	3	4	5	6	7
12.	It says something to people when you buy the high priced version of a product.	1	2	3	4	5	6	7
13.	Your friends will think you are cheap if you consistently buy the lowest priced version of a product.	1	2	3	4	5	6	7
14.	I'm considered somewhat of an expert when it comes to knowing the prices of products.	1	2	3	4	5	6	7
15.	I have purchased the most expensive brand of a product just because I knew other people would notice.	1	2	3	4	5	6	7
16.	I think others make judgments about me by the kinds of products and brands I buy.	1	2	3	4	5	6	7
17.	Clothes are one of the most important ways I have of expressing my individuality.	1	2	3	4	5	6	7
18.	For many kinds of products, I would be better able than most people to tell someone where to shop to get the best buy.	1	2	3	4	5	6	7
19.	I am confident in my ability to recognize fashion trends.	1	2	3	4	5	6	7
20.	Even for a relatively inexpensive product, I think that buying a costly brand is impressive.	1	2	3	4	5	6	7
21.	I have favorite brands, but most of the time I buy the brand that's on sale.	1	2	3	4	5	6	7
22.	I like helping people by providing them with price information about many types of products.	1	2	3	4	5	6	7
23.	I try to buy the brand that's on sale.	1	2	3	4	5	6	7
24.	My friends think of me as a good source of price information.	1	2	3	4	5	6	7
25.	I am more likely to buy brands that are on sale.	1	2	3	4	5	6	7
26.	I enjoy telling people how much they might expect to pay for different kinds of products.	1	2	3	4	5	6	7
27.	Compared to most people, I am more likely to buy brands that are on special.	1	2	3	4	5	6	7

Section II. LUXE-BARGAIN SHOPPING

The following questions are regarding luxury shopping. Please answer to the following questions.

1. Select brands that you have purchased FOR YOURSELF in the PAST 12 MONTHS.

	Balenciaga		Dolce & Gabbana		Hermes		Prada
	Bulgari		Donna Karen		Hugo Boss		Rolex
	Burberry		Escada		Jimmy Choo		Salvatore Ferragamo
	Cartier		Fendi		Louis Vuitton		TAG Heuer
	Chanel		Giorgio Armani		Marc Jacobs		Tiffany & Co
	Christian Dior		Givenchy		Omega		Valentino
	Vera Wang		Versace		Yves Saint-Laurent		Gucci

2. Have you purchased one of the brands listed above **FOR YOURSELF** at a **BARGAIN** in the **PAST 12 MONTHS**?
   YES_____ NO_____

3. If your answer is YES in the question 2, what was **THE BRAND** that you have purchased **MOST RECENTLY** at a **BARGAIN**? _____

4. If your answer is YES in the question 2, what was **THE ITEM** that you have purchased **MOST RECENTLY** at a **BARGAIN**?
   Clothing ___ Bag ___ Footwear ___
   Watch ___ Jewelry__ Other accessories ___

5. What type of **STORE** have you purchased the luxury brand most recently at a BARGAIN?
   On-line stores ___
   Brick-and-mortar stores ___

6. If your answer is Brick-and-mortar stores in question 5, what type of brick and mortar store have you purchased the luxury brand most recently at a bargain?
   Specialty stores (e.g., Chanel stores) ___
   Department stores (e.g., Neiman Marcus, Saks Fifth Avenue, Nordstrom) ___
   Department outlet stores (e.g., Off Fifth, Nordstrom Rack) ___
   Manufacturer outlet stores (e.g., premium outlet mall) ___
   Other (specify) _____

7. What PERCENTAGE OFF have you RECEIVED for the purchase of the luxury brand? _____ %

Section III. LUXE-BARGAIN SHOPPING

In this section**, THIS LUXURY BRAND ITEM** refers to the luxury brand you purchased **FOR YOURSELF MOST RECENTLY** at a **BARGAIN**. Please rate how much you agree or disagree with the following statements.

		Strongly Disagree						***Strongly Agree***
1.	This luxury brand item helps me to feel acceptable.	1	2	3	4	5	6	7
2.	This luxury brand item is one that I would enjoy.	1	2	3	4	5	6	7
3.	This luxury brand item has consistent quality.	1	2	3	4	5	6	7
4.	This luxury brand item improves the way I am perceived.	1	2	3	4	5	6	7
5.	This luxury brand item makes a good impression on other people.	1	2	3	4	5	6	7
6.	This luxury brand item makes me want to use it.	1	2	3	4	5	6	7
7.	This luxury brand item gives its owner social approval.	1	2	3	4	5	6	7
8.	This luxury brand item is well made.	1	2	3	4	5	6	7
9.	This luxury brand item is one that I feel relaxed about using.	1	2	3	4	5	6	7
10.	This luxury brand item makes me feel good.	1	2	3	4	5	6	7
11.	This luxury brand item has an acceptable standard of quality.	1	2	3	4	5	6	7
12.	Taking advantage of a price-deal like this made me feel good.	1	2	3	4	5	6	7
13.	This luxury brand item gives me pleasure.	1	2	3	4	5	6	7
14.	I get a lot of pleasure knowing that I saved money at this reduced sale price.	1	2	3	4	5	6	7
15.	I am pleased with the overall experience with this purchase.	1	2	3	4	5	6	7
16.	This luxury brand item has poor workmanship.	1	2	3	4	5	6	7
17.	This purchase experience is delightful.	1	2	3	4	5	6	7
18.	This luxury brand item does ***not*** last a long time.	1	2	3	4	5	6	7
19.	Beyond the money I saved, taking advantage of this price deal gave me a sense of joy.	1	2	3	4	5	6	7
20.	This luxury brand item performs consistently.	1	2	3	4	5	6	7
21.	I am completely satisfied with this purchase.	1	2	3	4	5	6	7

Section IV. FUTURE INTENTION

In this section, **THIS LUXURY BRAND** refers to any clothes or accessories of the brand you indicated in the section III. Please rate how much you agree or disagree with the following statements.

		Strongly Disagree						***Strongly Agree***
1.	I would purchase this luxury brand at a bargain in the future	1	2	3	4	5	6	7
2.	I would consider buying this luxury brand at a bargain in the future.	1	2	3	4	5	6	7
3.	The probability that I would consider buying this luxury brands at a bargain is high.	1	2	3	4	5	6	7
4.	I would purchase this luxury brand at full price in the future.	1	2	3	4	5	6	7
5.	I would consider buying this luxury brand at full price in the future.	1	2	3	4	5	6	7
6.	The probability that I would consider buying this luxury at full price is high.	1	2	3	4	5	6	7

Section V. SHOPPING BEHAIOR

Following question is about your shopping behavior. Please rate how much you agree or disagree with the following statements.

		Strongly Disagree						*Strongly Agree*
1.	I seek a bargain when I purchase a luxury brand.	1	2	3	4	5	6	7
2.	The current economic situation affects my shopping habits for clothing or accessories.	1	2	3	4	5	6	7
3.	The current economic situation affects my tendency to bargain-shop for luxury brands.	1	2	3	4	5	6	7

4. What PERCENTAGE OFF means a BARGAIN to you in the LUXURY purchasing?

10% or less	20%	30%	40%	50%	60%	70%	80%	90% or more

Section VI. GENERAL INFORMATION

The following statements are for descriptive purpose only. Please answer the following questions.

1. HOW MANY TIMES have you purchased LUXURY BRANDS in the PAST 12 MONTHS? _____

2. HOW MANY TIMES have you purchased LUXURY BRANDS at a BARGAIN in the PAST 12 MONTHS? ___

3. What is your gender type? Male _____ Female _____

4. Which of the following ethnic groups do you belong to?
   White(Caucasian) _____ African-American _____ Native-American Indian _____
   Hispanic _____ Asian/Pacific Islander _____ Other (Specify) _____

5. What is your age as of your last birthday? _____

6. What is your current marital status?
   Single/Never married _____ Married _____ Widowed _____
   Separated/Divorced _____ Living with significant other _____

7. How many people are in your household (including yourself)? _____

8. What is the highest level of education you have completed?
   High-school or less _____ Associate's degree _____ Bachelor's degree _____
   Graduate degree _____ Other (Specify) _____

9. What is your work status?
   Part-time _____ Full-time _____ Unemployed _____
   Retired _____ Homemaker _____ Other (Specify) _____

10. What is your approximated total household income last year (before tax)?

   Less than $10,000 _____ $10,000-29,999 _____ $30,000-49,999 _____
   $50,000-69,999 _____ $70,000-89,999 _____ $90,000-109,999 _____
   $110,000-129,999 _____ $130,000 or more _____

APPENDIX B

A Sample Questionnaire (Main Test)

Dear participant,

Thank you for your participation in this survey. The survey will take about 10 minutes to complete. Your participation in this study is voluntary; you may decline to participate without penalty. If you wish to withdraw from the survey before data collection is completed, your data will be destroyed. All responses will be held in confidence.

If you have questions at any time about the study or the procedures, you may contact MarketTools, Inc. at **survey@zoompanel.com** or the researcher, Chae-Mi Lim, at 1215 W Cumberland Ave, 233C Jessie Harris Building, University of Tennessee, or 865-974-1848. If you have any questions about your rights as a participant, contact the Research Compliance Services section of the Office of Research at (865) 974-3466. Thank you.

Checking the "agree" box constitutes your consent to participate.

- ○ **AGREE**
- ○ **DISAGREE**

Select **ALL** brands that you have purchased **FOR YOURSELF** in the **PAST 12 MONTHS**. (If **NONE**, click **NEXT** button)

☐ Ann Taylor	☐ Dolce & Gabbana	☐ Hugo Boss	☐ Rolex
☐ Balenciaga	☐ Donna Karen	☐ Jimmy Choo	☐ Salvatore Ferragamo
☐ Banana Republic	☐ Escada	☐ Louis Vuitton	☐ TAG Heuer
☐ Bulgari	☐ Fendi	☐ Marc Jacobs	☐ Tiffany & Co
☐ Burberry	☐ GAP	☐ Nautica	☐ Timberland
☐ Calvin Klein	☐ Giorgio Armani	☐ Nike	☐ Tommy Hilfiger
☐ Cartier	☐ Givenchy	☐ Nine West	☐ Valentino
☐ Chanel	☐ Gucci	☐ Omega	☐ Versace
☐ Christian Dior	☐ Guess	☐ Polo Ralph Lauren	☐ Yves Saint-Laurent
☐ Coach	☐ Hermes	☐ Prada	

Select **ALL** brands that you have purchased **FOR YOURSELF** at a **BARGAIN** (at a **DISCOUNTED PRICE**) in the past 12 months (If **NONE**, click **NEXT** button).

- ☐ Giorgio Armani
- ☐ Givenchy
- ☐ Gucci

What was the **luxury brand** that you have purchased **MOST RECENTLY FOR YOURSELF** at a **BARGAIN**? (Select **ONE**)

○ Balenciaga	○ Hugo Boss
○ Bulgari	○ Jimmy Choo
○ Burberry	○ Louis Vuitton
○ Cartier	○ Marc Jacobs
○ Chanel	○ Omega
○ Christian Dior	○ Prada
○ Dolce & Gabbana	○ Rolex
○ Donna Karen	○ Salvatore Ferragamo
○ Escada	○ TAG Heuer
○ Fendi	○ Tiffany & Co
○ Giorgio Armani	○ Valentino
○ Givenchy	○ Versace
○ Gucci	○ Yves Saint-Laurent
○ Hermes	

What was the **item** that you have purchased from **Rolex** **MOST RECENTLY** **FOR YOURSELF** at a **BARGAIN**? (Select **ONE**)

- ○ clothing
- ○ bag
- ○ footwear
- ○ watch
- ○ jewelry
- ○ accessory

At what **type of store** did you purchase this **Rolex watch for yourself** at a **bargain**?

- ○ On-line store
- ○ Brick-and-mortar store (Traditional store located in a building)

What **percentage off** did you **receive** for the purchase of the **Rolex watch**? (Type number only)

The following questions are about **this Rolex watch** you **most recently** purchased **for yourself** at a **bargain**. Please rate how much you agree or disagree with the following statements.

	Strongly Disagree 1	2	3	4	5	6	Strongly Agree 7
This Rolex watch helps me to feel acceptable.	○	○	○	○	○	○	○
This Rolex watch is one that I will enjoy.	○	○	○	○	○	○	○
This Rolex watch has consistent quality.	○	○	○	○	○	○	○
This Rolex watch improves the way I am perceived.	○	○	○	○	○	○	○
This Rolex watch makes a good impression on other people.	○	○	○	○	○	○	○
This Rolex watch makes me want to use it.	○	○	○	○	○	○	○
This Rolex watch gives me social approval.	○	○	○	○	○	○	○

The following questions are about **this Rolex watch** you **most recently** purchased **for yourself** at a **bargain**. Please rate how much you agree or disagree with the following statements.

	Strongly Disagree 1	2	3	4	5	6	Strongly Agree 7
This Rolex watch is well made.	○	○	○	○	○	○	○
This Rolex watch is one that I feel relaxed about using.	○	○	○	○	○	○	○
This Rolex watch makes me feel good.	○	○	○	○	○	○	○
This Rolex watch has an acceptable standard of quality.	○	○	○	○	○	○	○
Taking advantage of a price-deal like this made me feel good.	○	○	○	○	○	○	○
This Rolex watch gives me pleasure.	○	○	○	○	○	○	○
I got a lot of pleasure knowing that I saved money at this reduced sale price.	○	○	○	○	○	○	○

The following questions are about **this Rolex watch** you **most recently** purchased **for yourself** at a **bargain**. Please rate how much you agree or disagree with the following statements.

	Strongly Disagree 1	2	3	4	5	6	Strongly Agree 7
I am pleased with the overall experience with this purchase.	○	○	○	○	○	○	○
This Rolex watch has **poor** workmanship.	○	○	○	○	○	○	○
This purchase experience was delightful.	○	○	○	○	○	○	○
This Rolex watch does **not** last a long time.	○	○	○	○	○	○	○
Beyond the money I saved, taking advantage of this price deal gave me a sense of joy.	○	○	○	○	○	○	○
This Rolex watch performs consistently.	○	○	○	○	○	○	○
I am completely satisfied with this purchase.	○	○	○	○	○	○	○

Following questions are about your **future intention** to purchase **any clothing or accessories** of **Rolex**. Please rate how much you agree or disagree with the following statements.

	Strongly Disagree 1	2	3	4	5	6	Strongly Agree 7
I would purchase clothing or accessories of Rolex at a **bargain** in the future.	○	○	○	○	○	○	○
I would consider buying clothing or accessories of Rolex at a **bargain** in the future.	○	○	○	○	○	○	○
The probability that I would consider buying clothing or accessories of Rolex at a **bargain** is high.	○	○	○	○	○	○	○

Following questions are about your **future intention** to purchase **any clothing or accessories** of **Rolex**. Please rate how much you agree or disagree with the following statements.

	Strongly Disagree 1	2	3	4	5	6	Strongly Agree 7
I would purchase clothing or accessories of Rolex at **full price** in the future.	○	○	○	○	○	○	○
I would consider buying clothing or accessories of Rolex at **full price** in the future.	○	○	○	○	○	○	○
The probability that I would consider buying clothing or accessories of Rolex at **full price** is high.	○	○	○	○	○	○	○

Please rate how much you agree or disagree with the following statements.

	Strongly Disagree 1	2	3	4	5	6	Strongly Agree 7
I seek a bargain when I purchase a luxury brand.	○	○	○	○	○	○	○

What **percentage off means** a **bargain** to you in purchasing **luxury brands**?

○ 10% or less ○ 40% ○ 70%
○ 20% ○ 50% ○ 80%
○ 30% ○ 60% ○ 90% or more

How many times have you purchased **luxury brands** (either full price or bargain price) in the **past 12 months**?

How many times have you purchased **luxury brands** at a **bargain** in the **past 12 months**?

The following questions are regarding your **GENERAL CONSUMER CHARACTERISTICS** as a consumer. Please rate how much you agree or disagree with the following statements.

	Strongly Disagree 1	2	3	4	5	6	Strongly Agree 7
People notice when I buy the most expensive brand of a product.	○	○	○	○	○	○	○
I am aware of fashion trends.	○	○	○	○	○	○	○
I am the first to try new fashion.	○	○	○	○	○	○	○
Buying a high-priced brand makes me feel good about myself.	○	○	○	○	○	○	○
If a product is on sale, that can be a reason for me to buy it.	○	○	○	○	○	○	○
Many people regard me as a fashion leader.	○	○	○	○	○	○	○
Buying the most expensive brand of a product makes me feel classy.	○	○	○	○	○	○	○
It is important for me to be a fashion leader.	○	○	○	○	○	○	○
People ask me for information about prices for different types of products.	○	○	○	○	○	○	○

I am confident in my ability to recognize fashion trends.	○	○	○	○	○	○	○
Even for a relatively inexpensive product, I think that buying a costly brand is impressive.	○	○	○	○	○	○	○
I have favorite brands, but most of the time I buy the brand that's on sale.	○	○	○	○	○	○	○
I like helping people by providing them with price information about many types of products.	○	○	○	○	○	○	○
I try to buy the brand that's on sale.	○	○	○	○	○	○	○
My friends think of me as a good source of price information.	○	○	○	○	○	○	○
I am more likely to buy brands that are on sale.	○	○	○	○	○	○	○
I enjoy telling people how much they might expect to pay for different kinds of products.	○	○	○	○	○	○	○
Compared to most people, I am more likely to buy brands that are on sale.	○	○	○	○	○	○	○

I enjoy the prestige of buying a high-priced brand.	○	○	○	○	○	○	○
When I buy a brand that's on sale, I feel that I am getting a good deal.	○	○	○	○	○	○	○
It says something to people when I buy the high-priced version of a product.	○	○	○	○	○	○	○
My friends will think I am cheap if I consistently buy the lowest-priced version of a product.	○	○	○	○	○	○	○
I am considered somewhat of an expert when it comes to knowing the prices of products.	○	○	○	○	○	○	○
I have purchased the most expensive brand of a product just because I knew other people would notice.	○	○	○	○	○	○	○
I think others make judgments about me by the kinds of products and brands I buy.	○	○	○	○	○	○	○
Clothes are one of the most important ways I have of expressing my individuality.	○	○	○	○	○	○	○

Following questions are about your **shopping behavior**. Please rate how much you agree or disagree with the following statements.

	Strongly Disagree 1	2	3	4	5	6	Strongly Agree 7
The current economic situation affects my shopping habits for **clothing or accessories.**	○	○	○	○	○	○	○
The current economic situation affects my tendency to bargain-shop for **luxury brands.**	○	○	○	○	○	○	○

What is your gender?

- ○ Male
- ○ Female

Which of the following ethnic groups do you belong to?

- ○ White(Caucasian)
- ○ African-American
- ○ Native-American Indian
- ○ Hispanic
- ○ Asian/Pacific Islander
- ○ Other _____

At what year were you born?

_____

How many people are in your household (including yourself)?

_____

What is your current marital status?

- ○ Single/Never married
- ○ Married
- ○ Widowed
- ○ Separated/Divorced
- ○ Living with significant other

What is your work status?

- ○ Part-time
- ○ Full-time
- ○ Unemployed
- ○ Retired
- ○ Homemaker
- ○ Other _____

What is your approximated total household income last year (before tax)?

- ○ Less than $10,000
- ○ $10,000-29,999
- ○ $30,000-49,999
- ○ $50,000-69,999
- ○ $70,000-89,999
- ○ $90,000-109,999
- ○ $110,000-129,999
- ○ $130,000 or more

What is the highest level of education you have completed?

- ○ High-school or less
- ○ Associate's degree
- ○ Bachelor's degree
- ○ Graduate degree
- ○ Other _____

VITA

Chae Mi Lim was born in Incheon, South Korea, on October 4, 1971, the daughter of Youngil Lim and Heysung Park. After completing her degree at Sungmo Women's High School in 1990, she attended Ewha Women's University, Seoul, South Korea from 1990 to 1994. She graduated with a Bachelor of Science degree in Chemistry in February 1994. After graduation, she worked for O'leary Cosmetics Company for 3 years and Boryung Cosmetics Company for 5 years as a product developer. She then entered the Graduate School in the Department of Statistics, Operations and Management Science at the University of Tennessee, Knoxville in August 2004, receiving a Master of Science degree in August 2006. In the fall of 2006, she was admitted to the Ph.D. program in Retail, Hospitality, and Tourism Management at the University of Tennessee, Knoxville. While in Graduate School, she worked as a Graduate Teaching Assistant and a Graduate Teaching Associate. She researched Luxe-Bargain Shopping in association with consumer orientations, perceived values, satisfaction, and future intentions. She has coauthored papers on consumer experience on value retailing, retailing in technology market, non-traditional retailing, and international retailing published in professional journals and presented at several conferences. She will be awarded the doctoral degree in Retail, Hospitality, and Tourism Management in August 2009 and will teach at Philadelphia University in Philadelphia, Pennsylvania, as an Assistant Professor of Marketing from August 2009.