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I am submitting herewith a thesis written by Jennifer Louise Shatley entitled "A Focus Group Analysis Of Rural Teleshoppers." I have examined the final copy of this thesis for form and content and recommend that it be accepted in partial fulfillment of the requirements for the degree of Master of Science, with a major in Communications.

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We have read this thesis and
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A FOCUS GROUP ANALYSIS OF RURAL TELESHOPPERS

A Thesis
Presented for the
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Degree
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Jennifer Louise Shatley
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DEDICATION

This thesis is dedicated to my parents, Ms. Benita Joyce Shatley and Mr. Raymond Kenneth Shatley, who have supported me throughout all my educational endeavors, and to the memory of my sister, Miss Joyce Renee Shatley.

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ABSTRACT

This study used focus groups in order to gain a better understanding of a rural population's use of home shopping channels. The focus groups were conducted with home shoppers residing in West Tennessee and nearby parts of Missouri. The study sought to identify how this service was being used for shopping by individuals in rural areas, why these individuals used this service and how teleshopping compared to traditional shopping according to these individuals. These rural teleshoppers' use of home shopping channels ranged from entertainment to background noise for a sense of companionship while completing other tasks to boosting social status. Teleshopping was perceived to be superior to traditional store shopping mainly due to the convenience and safety provided by being able to shop from home 24 hours a day.

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CHAPTER I

INTRODUCTION

Background

Home shopping is not an innovation. From the early days of door-to-door travelling salesmen to catalogs, the concept of shopping from home has been around for centuries. The first edition of the Sears, Roebuck catalog was published in 1893; and today catalogs are still a viable market for home shoppers. In 1995, sales from catalogs reached almost $70 billion dollars. According to projections from the Direct Marketing Association, catalog sales for the rest of the decade will continue the yearly seven percent sales increase that has been experienced since 1990 (*The Economist*, 1996, p.67).

In response to the upward trending revenue and expanding market for home shopping, other alternatives were introduced and home shopping reached the airwaves. In 1977, a radio home shopping program was introduced by the Home Shopping Network (HSN). Home shopping television channels emerged in 1985 when HSN moved from a radio shopping program to a cable television channel. The following year, the cable television channel Quality Value Control (QVC) was started by Joseph M. Segel, the Franklin Mint founder. In 1988, there were more than twenty cable television shopping channels competing for the home shopping market. Today, home shopping channels remain primarily cable channels; although, some smaller, local affiliate network stations

switch programming to home shopping after signing off from regular programming. Some home shopping channels are broadcast via satellite or are UHF or low powered television stations.

Despite the competition, HSN and QVC remain the two major channels dominating the market. Currently, HSN and QVC have approximately ten million customers. According to reports, every month more than one hundred thousand viewers place their first order from QVC and sixty percent of these become repeat customers (Schember, 1999, p6). Sales for HSN remained around $1 billion per year from 1990 to 1995. In contrast, sales for QVC increased from $1.2 billion in 1993 to $1.5 billion in 1995 (*The Economist*, 1996, p.67). The industry is expected to flourish. According to a May 1999 report, home shopping channel sales were at about $5 billion (Schember, 1999, p6). Growth projections range anywhere from $30 billion to $250 billion over the next ten years (Stores, 1994, p.S6).

These interactive home shopping cable channels give the audience a chance to participate in what they are viewing. The viewer sees a product and, if he/she so desires, calls an 800 number to order it. The two major home shopping channels are broadcast live twenty-four hours a day, seven days a week. Despite the similarities, QVC and HSN take different marketing approaches to sell merchandise. According to *Women's Wear Daily*, a trade publication, "HSN takes the fast-paced, hard sell route, with heavy emphasis on price-cutting and savings. In contrast, QVC takes an intimate soft-sell approach by using a talk show format with hosts, placing emphasis on product information and background more than on price" (Jan 6, 1993, p.9).

The two major cable channels have been changing their images and adding new products to their channels. Celebrities have been endorsing their own lines of products on the channels. Conflicting reports on the actual audiences of these channels are being published. Some articles report the audience as lower middle-class (Edelson, Jan. 11, 1994, pg.8). In contrast, another article reports that upscale professionals utilize the teleshopping options (Donaton, Nov. 22, 1993, p.19). Both QVC and HSN are attempting to improve the image of home shopping television channels by offering upscale merchandise to their viewers, such as Spiegel and Waterford crystal (*Stores*, Feb 1994, p.S7). The effectiveness of these marketing ventures should be gauged over time.

Home shopping has shown tremendous growth over the years. As a result, shopping via television is expanding into different product categories. Teleshopping was once seen as only a jewelry distributor. Among other things, sales from the channels have expanded into clothing, collectibles and electronics (Donaton, Nov. 22, 1993, p.19). With the belief that in the near future there will be five hundred channels available, QVC and HSN are planning "electronic shopping malls" which will provide separate channels dedicated solely to certain types of products, such as sporting goods and cookware (*Stores*, Feb. 1994, p.S7). In addition, specialty stores are beginning to offer products and services through television. The Japanese firm Aucnet discussed plans to launch a home car shopping program (*Forbes*, April 24, 1995, p.12). MTV is testing a channel entitled "The Goods" to target "generation X'er" home shoppers (Edelson, Nov 8, 1995, p.9). Personalized channels, such as the Black Shopping Network, are taking to the airwaves (*Advertising Age*, May 30, 1994, p.24).

With the assistance of the Internet, home shopping is expanding to the personal computer. Individuals can shop on-line via the computer at home or the office. More than 13 million U.S. households are expected to shop on-line in 1999, spending approximately $18 billion (Schember, 1999, p6). The teleshopping giants, HSN and QVC, have made this leap to the Internet (*The Economist*, Oct. 12, 1996, p.70). Grocery stores and drug stores are among the other companies to experiment with the home shopping market by means of the personal computer (Garry, Sept 1995, p.81). The advent of numerous home shopping alternatives has the potential to make traditional shopping centers obsolete (Fielder, Summer 1994, p.45).

Research Problem

Home shopping channels are relatively young so the literature available is scarce. There have been no studies conducted which focus on a rural population's use of home shopping channels. The published articles regarding home shopping channels cover the two major channels, HSN and QVC. These articles generally provide the latest marketing strategies or the revenue generated by each channel. There have been some dissertations published concerning home shopping, but these did not seek to discover motivations behind teleshopping. One dissertation examined the influence of scarcity messages on impulse buying (Li, 1995). Another dissertation studied the advantages, disadvantages, questions and images involved with teleshopping (Bascom-Cobb, 1992). A third dissertation discussed retail change according to a Marxist perspective (Ducatel, 1987).

This particular study is seeks to discover reasons why individuals use home shopping channels.

Purpose of the Study and Research Questions

The purpose of the study is to assess how teleshoppers use home shopping channels and why they use this medium. Focus groups can provide qualitative data regarding the use of teleshopping. This type of research helps explain the reasons for particular uses of this medium. Additionally, focus groups can address partial issues involved in uses and gratifications theory, particularly how the audience is using mass media and possibly provides information on the desired uses that are not currently being met by the media (Severin, 1992, p.6). The information used in this study will be gathered from individuals who purchase from home shopping channels.

It is obvious that these channels are being utilized. Home shopping channels generate billions of dollars in revenues every year. Information detailing the marketing strategies the channels are employing and the audiences that are being targeted is available. Additionally, the types of products being bought and new lines of products to be available have been covered. What is not readily known are the reasons individuals purchase from home shopping channels.

The research questions to be addressed in this study are as follows:

R1: How is this service used for shopping by individuals in rural areas?

R2: Why do these individuals use this service?

R3: What are the unique features of home shopping channels that appeal to frequent viewers?

R4: How does teleshopping compare to traditional shopping according to these individuals?

Definition of Terms

For the purpose of this study the following terms are defined as follows:

Home Shopping: Shopping from the home. For this study, it ranges from catalogs, television shopping channels, and on-line computer shopping.

Teleshopping: Home shopping via television. Products are showcased on television and the viewer can call and order the products from the channel.

Internet: An electronic information and services center available through the computer.

Organization of the Chapters

This study will be presented in five chapters.

Chapter I gives a brief introduction on home shopping from origin to future projections. The problem statement and purpose of the study are provided, along with the three research questions to be addressed in the study. In addition, the key terms of the study are defined.

Chapter II is an in-depth literature review that expands the introduction. This

review covers the early days of home shopping from catalogues to shopping from television and computer. The demographics of the home shopping market is described from studies that have been conducted. The main channels and the marketing techniques employed by each channel are discussed. The problems and the positive aspects of home shopping are compared. Finally, future projections are supplied.

Chapter III provides the methodology used to gather information from teleshoppers. Limitations of the study are discussed.

Chapter IV reports the findings of the study based on the focus groups conducted and the completed surveys.

Chapter V is a summary of the study. Included are conclusions that can be drawn from the study, limitations of the study and further research recommendations.

CHAPTER II

LITERATURE REVIEW

Organization of the Chapter

In this chapter, information from available literature regarding home shopping channels is presented. This literature review begins by providing a brief overview of the origins of teleshopping. Also discussed are the acceptance of home shopping channels, a comparison to retail stores, an exploration of the teleshopping market, teleshopping problems, the demographics of teleshoppers and a section on changing the HSN image. This chapter concludes with a discussion of home shopping and the internet.

Teleshopping

To capitalize on the earning potential of the home shopping market, alternatives to catalogs and the traditional means of home shopping were introduced. Among these alternatives was teleshopping. This concept of television channels dedicated to home shopping began in 1985 when the Home Shopping Network moved from a radio program to a television channel. In 1988, more than twenty cable channels were competing for the teleshopping market. Today, that competition has been reduced to two dominant cable

channels - HSN and QVC. These two channels have a combined total of ten million customers (Schember, 1999, p.6). Despite beginning only slightly over a decade ago, teleshopping generated $2.6 billion in sales in 1996 (*The Economist*, 1996, p.67). In three short years, teleshopping sales have risen to $5 billion (Schember, 1999, p.6). Because of the growth of cable households and the fact that every evening over one-third of the American population watches television, teleshopping is expected to continue its upward financial trend (Schember, 1999, p.6).

Retail Stores and Teleshopping

According to retail analysts, teleshopping is gaining acceptance as a practical concept because of the growing number of time-poor consumers (MacIntosh, 1993, p.9). By the year 2000, eighty percent of adult women are expected to be working outside of the home. This trend in the increase of working women has helped the home shopping market grow (Schember, 1999, p.6).

Price is also an issue. A 1993 study found that nearly half of the teleshoppers surveyed thought buying from home shopping channels saved about forty percent over retail stores (*Adweek*, 1993, p.31). Other studies have concluded that additional factors contributing to boosting home shopping have been the fear of violence on the streets and the fact that goods bought from a company in another state do not incur sales tax (*The Economist*, 1996, p.67). In fact, a telephone survey conducted by Yankelovich Partners indicated consumer dissatisfaction with traditional retail stores. Of the 502 adults

surveyed (201 traditional shoppers, 201 who had made a purchase from the television at least twice in the past two months and 100 who had made an on-line purchase at least twice in the past two months), only one-fourth thought shopping malls provided adequate safety. The study also reported that sixty-two percent of the respondents had decided to make a purchase in a store but left without doing so because no sales clerks were available. Another complaint was that retail stores do not offer the consumer enough information on products. The median income for teleshoppers interviewed was $37,200, while traditional shoppers' median income was $29,400 (Cleland, 1994, p.22).

Teleshopping enjoys certain advantages over traditional stores. Products that require explanation or a demonstration could do better on a home shopping channel. In a traditional store, the burden of this explanation lies with the salespeople who may or may not be available at all times or even capable of explaining the product. The fact that home shopping channels are live means they can immediately capitalize on demand. For example, after the 1994 Super Bowl the same limited-edition hat being worn by the victorious Dallas Cowboy team in the locker room was being offered on QVC (Whitford, 1994, p.65). Not only can they capitalize on existing demand, teleshopping channels also can create demand. In its first appearance on QVC, the book *60 Minutes* sold three thousand copies in five minutes. The book's second appearance sold eight thousand copies and earned $240,000 in sales in seventeen minutes. In the early years, shopping channels considered selling $10,000 in an hour as excellent. Now, these channels are selling that much per minute (Whitford, 1994, p.64).

In attempts to compete with the advantages of teleshopping, retail shopping

centers have been adding services to attract customers to their human elements. Along with coatrooms and package checks, greeters at the doors have been added to Bloomingdale's. Wal-Mart provides door greeters and telephones at the end of aisles for customer assistance. Some upscale centers are even offering valet parking to their customers (Underwood, 1994, p.20).

The Teleshopping Market

The home shopping market has expanded. Specialty retailers have taken to the airwaves. Traditional retail stores have taken the plunge. In addition, designers have begun offering their brands to teleshoppers. Teleshopping considered becoming an international force (Stern, 1994, p.60). The home shopping options became more segmented with specialty shows or channels. Sporting good shows, sport memorabilia shows, and travel and tourism package shows are among the options that were undertaken (Mandese, 1993, p.39). HSN became involved in efforts by other retailers, such as Black Entertainment Television and TV Macy's. QVC began selling merchandise for department stores, such as Saks Fifth Avenue (Stern, 1994, p.60). QVC expanded through diversifying. It created Q2, an upscale project, and On Q, which was specifically geared towards 18-to-35 year olds. Because of the diminishing number of available cable channels, these programs share the same channel. Q2, airing on weekends, devotes its airtime to products and services designed to enhance leisure time activities. (Edelson, 1993, p.30). After the release of Q2, market research indicated that the audience was

thirty-two percent male and had higher incomes than the QVC shopper (Levin, 1994, p.16). On Q is a fast paced, less serious atmosphere designed to attract the young audience it desired. According to On Q's director, the channel has a "dare-to-be different mentality" in the sets, graphics and overall production because of the difficulty in converting these "trend-driven" people into teleshoppers (Edelson, 1993, p.30). HSN attempted to create a television shopping mall that would contain twenty-five to fifty different retailers, catalogers and designers who would buy air time (Edelson, 1995, p.2).

Teleshopping Problems

Despite the successes, teleshopping has faced some difficulties. Fashion designers are afraid to market their products via TV because of the perceived low image of the medium (Edelson, 1994, p.22). A 1993 study conducted by Wendy Liebman noted that more than ten percent of the respondents replied that, "TV shopping is for lazy, stupid people" (Stern, 1993, p.63). The first attempt of HSN to launch its television shopping mall failed due to lack of interest from retailers and designers (Edelson, 1995, p.2). In 1994, the QVC spinoff Q2 only reached ten million homes (Levin, 1994, p.16). Q2 failed to catch on with the market it targeted so it became an outlet to feature successful products from the main channel, QVC (*The Economist*, 1996, p.70). Despite the fact that there are some consumer needs that are universal, observers have noted that American retailers will face problems in overseas markets because of intrinsic cultural differences (McDonald, 1996, p.RR7)

Teleshopping prevents the customer from being able to touch or test a product before purchasing it (Warner, 1993, p.60). Because sizing is not exact, the inability to try on clothes is a problem (*Stores*, 1994, p.S22). The return rate of merchandise purchased from home shopping channels is between twenty and forty percent (*Stores*, 1994, p.S6). In addition, teleshopping is purported to be based on impulse buying. According to reports, thirty-six hours is the average length of time spent watching QVC before making a purchase. This indicates that teleshoppers are individuals who have a lot of time to simply sit and watch TV (*The Economist*, 1996, p.70).

Teleshopping has faced fierce criticisms. Some critics have expressed the belief that viewers are drawn to home shopping channels because of the bonds created during conversations between the viewers and the host. The only way to achieve these bonds is by ordering. In addition, the channels market their products to depict middle-class life. This preys on the actual audience of lower-middle-class women who hope to raise their self-esteem by purchasing (*Psychology Today*, 1994, p.14). The channels promise the lifestyle of the rich for a discounted price. According to Amy Waldman in *The Washington Monthly*, "the home shopping hosts are marketing the pearly gates of upper-class heaven. They just happen to be faux pearl" (Waldman, 1995, p.12). The costume jewelry feeds the viewers desire to look like she has more than she does. It pushes the need for excess featuring celebrities such as Ivana Trump. She gives the audience the impression that if they buy her products they will be purchasing class. This inexpensive short cut to the upper-class life is played up by the hosts. The irony is when the same hosts market a real diamond by stating, "Enjoy your cubic zirconium . . . I have a real

diamond" (Waldman, 1995, p.13). Exploiting insecurities is another tactic used by home shopping channels. In the article entitled "Lonely Hearts, Classy Dreams, Empty Wallets" quotes a QVC host as saying, "If you're not picking up our kit today, you're a loser" (Waldman, 1995, p.11).

According to Waldman, home shopping channels also prey on the lonely by offering companionship. Many of the elderly viewers call and place orders simply for the human contact involved. An elderly Virginia man who had complained of loneliness found that he could keep operators from the channels talking to him for half an hour, so he called almost everyday. After his death, his family found boxes by the dozens stacked with the unused merchandise he ordered (Waldman, 1995, p.10). When on the air, some of the callers attempt to reveal intimate details of their painful, lonely lives. The hosts ignore these statements and move the conversations towards the products or ends the calls. The following passage from Waldman's article describes her opinion of the marketing techniques of home shopping channels:

> So it's not all that surprising that people have figured out how to line their pockets by bleeding our unhappiness. Harder to come by naturally in our social environment, connection has become a commodity. . . . To belong to the home shopping 'club,' you have to buy. . . . And that is how home shopping channels prey on the lonely, the alienated: by offering a haven, then charging admission. (Waldman, 1995, p.14).

These findings are supported by media gratification motivated through a loss of social identity. Motivations for viewing include "companionship . . . escape, and passing time" (Blumler, p.50). Some of the measurements used in exploring the social origins of media included: "It makes me wish I were like some of the people I see . . . I can imagine myself in a situation I see . . . It makes me feel as if I really know the people I see." This describes the perceived relationships viewers have with the hosts of home shopping channels and is referred to in media uses and gratifications as parasocial activity (Blumler, p.51).

Another possible alternative regarding teleshopping is dependency created by habit. It has been theorized that daily viewing routines become habituated patterns. Constantly tuning in and/or purchasing from home shopping channels could create an addictive pattern (*Journal of Broadcasting and Electronic Media*, 1997, p.326).

Teleshopping Demographics

Demographic studies have differed concerning home shopping. According to one article, twenty-five percent of the shoppers were in the 25-to-34 age groups and the average household income was almost $35,000 (Whitford, 1994, p.64). A 1993 phone survey of 730 adults (forty-two percent moderate TV home shoppers, twenty percent frequent TV home shoppers and thirty-eight percent non-TV home shoppers) conducted by WSL Marketing and Liebman found that the majority of those television home shoppers surveyed were working women who had at least a high school degree. In

addition, twenty-five percent of these home shoppers surveyed had household incomes greater that $55,000. When segmented, frequent television home shoppers showed different results than the frequent and moderate teleshoppers as a group. The majority of these shoppers lived in households with incomes under $35,000 and were over age 45. Almost half did not work outside the home and a mere thirteen percent had college degrees. In contrast to Waldman, Liebman concluded that home shoppers were not "TV junkies or hermits" (Donaton, 1993, p.19).

The Yankelovich Partners study indicated that consumers are interested in value, speed and convenience. Forty percent of the respondents said that they would pay more for speed and convenience indicating that price is the least important of the three. (*Stores*, 1994, p.S9). In order to meet this want, QVC and HSN attempt to ship every order within twenty-four hours of purchase (Whitford, 1994, p.66).

More than the majority of respondents were interested in obtaining a lot of information about a product before purchasing it. Twenty-eight percent of the respondents strongly agree that shopping is fun, even if nothing is bought. Of those who strongly agree, thirty-five percent are TV shoppers (*Stores*, 1994, p.S9).

Also, this study identified several reasons why consumers are trying alternatives to traditional shopping. These include the following: "retailers are driving customers away, safety fears of traditional shopping, the need for personalization" and "efforts to market differently by gender" (*Stores*, 1994, p.S9).

Changing the HSN Image

In 1993 after a failed attempt at merging with QVC, HSN decided to redesign the channel. Since the merger talks were off, HSN wanted to compete directly with QVC. Despite this, HSN continued to concentrate on impulse purchases and low prices. Added importance was being placed on customer satisfaction (Stern, 1993, p.60). In an attempt to change its low image, HSN changed its product offerings. It moved from gemstones to high-quality jewelry. In addition to featuring higher profile vendors who created exclusive designs for the station, HSN developed an in-house design team to launch a private label (Turnage, 1995, p.11). In 1995, Barry Diller, former chairman and CEO of QVC, was elected to the board of HSN. His addition marked further changes for the channel in its attempt to compete with QVC (Tosh, 1995, p.17). HSN has remained a leader in the ever evolving world of home shopping. Efforts to improve business and obtain more revenue from its core customers, who are responsible for eighty percent of current sales, have HSN planning to add service-oriented products to its channel. These services include travel, health, long distance and financial services (*Tampa Tribune*, 1998).

Home Shopping and the Internet

Home shopping has moved to the internet. Both QVC and HSN have bought on-line shopping ventures (*The Economist*, 1996, p.70). Both stations own their own websites that feature on-line storefronts. In addition to its own website, HSN owns the

Internet Shopping Network. This network introduced First Auction in June of 1997 in an attempt to make on-line shopping entertaining. On this site, products are sold to the highest bidder. This approach to selling seems to be working. Revenue projections for on-line auctions were estimated to increase from the $335 million earned in 1997 to $1.8 billion in 1998 (Caulfield, 1998). The products auctioned off of on the First Auction site are jewelry, electronics, computers and other goods from HSN. Additionally, HSN handles the shipping, returns and inventory of the site and promotes it on-air (Caulfield, 1998). Currently, HSN is trying to increase its internet presence through a merger with Lycos in an effort to create USA Lycos Interactive Networks. This merger would create the largest commerce property on the internet. Also, it could be used to supplement HSN because products could be sold over longer periods of time than TV allows and buyers could be directed to the internet site (Andrews, 1999). As home shopping turns to the internet, home shopping channels are taking steps to be there already.

With the ability to purchase practically everything from home foreseen, some have predicted the extinction of neighborhood shopping centers (Fielder, 1994, p.49). Interactivity through the television is expected to be developed. This would enable a consumer to punch up a specific product on the television, get information about it and purchase it at any time (Whitford, 1994, p. 68). The economic danger of this technology, as expressed by Waldman, is that four hundred eleven thousand retail jobs have been lost since 1989. QVC has a mere six thousand one hundred employees. The social danger is that individuals will be drawn further into isolation and completely lose the community that remains (Waldman, 1995, p.15)

Summary

Based on the literature, analyst projections for the future growth of teleshopping are known. Possibilities are provided in order to gain an understanding of why teleshopping has become a viable shopping method. Image and other challenges faced by home shopping channels are explored, as well as failed teleshopping ventures. All of the studies included in the report are based on quantitative studies. There does not seem to be a wealth of qualitative information available for this subject. Likewise, specific information regarding a particular segment, such as rural teleshoppers, is not available.

CHAPTER III

METHODOLOGY

Research Methodology

This thesis seeks to understand the reasons why people in rural areas teleshop. The information desired to address the research questions is qualitative. Because it is a strategy for understanding audience and consumer behavior, focus group research is the chosen method for this study. The research questions to be addressed in the focus groups are as follows:

R1: How is this service used for shopping by individuals in rural areas?

R2: Why do these individuals use this service?

R3: What are the unique features of home shopping channels that appeal to frequent viewers?

R4: How does teleshopping compare to traditional shopping according to these individuals?

Selection of the Sample

The focus group respondents were recruited via telephone. The telephone numbers were obtained from a table of random numbers and random digit dialing was

employed for the recruit. This was done in order to include unlisted and new telephone numbers. The sample was derived from a population in rural West Tennessee and near-by parts of Missouri. The Dyersburg, Tennessee areawide directory was used to obtain the proper phone prefixes. This directory includes the following communities in West Tennessee and Missouri: Arp, Ashport, Bogota, Bonicord, Brasher (MO), Brazil, Canady (MO), Caruthersville (MO), Central, Cherry, Chestnut Bluff, Churchton, Cottonwood Grove, Cottonwood Point (MO), Crockett Mills, Curve, Double Bridges, Dry Hill, Durhamville, Dyersburg, Eaton, Edith, Elbridge, Evansville, Finley, Flippin, Fowlkes, Friendship, Frog Jump, Fulton, Gates, Glimp, Golddust, Hales Point, Halls, Heloise, Henning, Hornbeak, Kenton, Lane, Lenox, Mason Hall, Maury City, Midway, Miston, Nankipoo, Newbern, Obion, Orysa, Owl City, Phillippy, Pleasant Hill, Polk, Proctor City, Ridgely, Ripley, Rives, Roellen, Rutherford, Samburg, Tatumville, Tennemo, Tigrett, Tiptonville, Trimble, Troy, Union City, Unionville, Walnut Log, Woodville, Wynnburg and Yorkville. This directory includes a mixture of small town, suburban and rural areas.

There are malls and shopping centers located within these areas or a short driving distance from these areas. In addition, outlet malls are located nearby which provide products directly from the factory at a lower cost to the consumer. Home shopping channels are provided on the local cable systems and DBS satellite programming.

Because this thesis is a focus group analysis of teleshopping, the participants need to be home shopping channel purchasers, not simply viewers. The following qualifying question was asked during the recruitment calls in order to account for this requirement:

Q1: Have you ever purchased anything from a home shopping channel?

Research Methodology Guidelines

Due to time and money constraints, only two focus groups were conducted. Each group session lasted approximately two hours. Twelve respondents were recruited per group. Group participants were not be paid. As an incentive for participation, a local frame shop donated 2 framed prints valued at $150 each to be given away in a drawing among attendees at each focus group. Refreshments consisting of sandwiches, potato chips, cookies, vegetables with dip and soft drinks were provided. Facilities for the groups were provided free of charge by a local business. The facility was easy to locate and has ample parking. The room where the group sessions were held provided a warm, home-like atmosphere as opposed to a cold, laboratory-type setting. This environment provided a comfortable area conducive to a group discussion.

Upon arrival for the focus group sessions, respondents were asked to complete a written consent form. This form contained all the basic elements of informed consent. A signed copy of this form was maintained by the principal researcher and a signed copy was provided to the participant for personal use and information. Before the focus groups began, the respondents completed a written questionnaire regarding demographic information, viewer behavior and a comparison of teleshopping to traditional shopping. The demographic information consisted of age, gender, marital status, educational background, occupation, household income and type of area in which the respondent resides. The viewer behavior information consisted of questions regarding how often the viewer watches home shopping channels, how often the viewer purchases from the

channels and the types of merchandise the viewer purchases. The survey required the respondent to rate on a scale from 1 to 5 certain categories for home shopping channels and traditional stores. The categories were rated as poor, fair, neutral, good or excellent. The categories addressed included variety of merchandise, quality of merchandise, convenience, price, safety of environment, hours available, assistance with purchases, courtesy of sales staff, enjoyment and speed of assistance with purchases.

The focus groups addressed several questions in an attempt to delve into the motivations that cause the viewers to watch and purchase from home shopping channels. The focus groups discussion were divided into six major categories. The moderator began by delving into reasons why the participants watch home shopping channels and how watching these channels differ from watching other television station programming. General questions regarding purchasing behavior, such as, how often the viewer watches home shopping channels, the length of time the viewer usually watches a home shopping channel, how often the viewer purchases from the channels and the types of merchandise the viewer purchases were addressed. In order to gain an understanding of the motivations behind purchasing from home shopping channels, the moderator attempted to elicit specific reasons for teleshopping. Satisfaction was explored in regards to customer service and product satisfaction. The actual service experience while purchasing addressed issues concerning average wait time while ordering an item and the knowledge and friendliness of the sales representatives. Purchase satisfaction focused on how the participants feel after making a purchase and their satisfaction with the item once they receive it. Finally, the home shoppers were asked to compare teleshopping to traditional

store shopping.

The results of the two focus groups were compared to determine if any similarities or differences existed. This was useful in determining whether the results were relevant for the specific group or are characteristic of the larger group.

Limitations of the Study

There were limitations involved in this study. The principal researcher moderated the focus group sessions. Although not specially trained, the moderator had taken coursework covering broadcasting research and research techniques, such as focus groups, and had read books regarding focus group moderation. This could have affected the quality of the information obtained. An attempt was made to elicit responses from all participants, but some respondents were more talkative than others in the group. This type of research provides only limited quantitative data about the teleshopping population (Wimmer, 1997, p.98). The groups will be used to provide qualitative insights into behavior, usage and gratifications of rural teleshoppers. The results of these focus groups are not statistically projectable to the entire teleshopping population. The participants were volunteers and may not actually represent the teleshopping population. The results obtained could be specific to the particular area where it was conducted and not representative of the wider teleshopping population.

CHAPTER IV

RESULTS

Dates and Demographic Composition of Groups

Two focus groups were conducted with individuals who had made a purchase from a home shopping channel. The incidence for the group recruitment was approximately 6%. A total of 24 participants were recruited with 19 actually attending the groups. The first group was held on October 30, 1997, and consisted of 10 respondents. The second group was conducted on November 18, 1997, with 9 participants.

The focus groups were conducted at a local West Tennessee business after normal business hours. The respondents were seated around a long table that was located in the center of a large room. A tape recorder was located in the center of the table. The moderator was seated at the head of the table. Refreshments were located on a smaller table located in a corner of the room. Upon arriving, the respondents were asked to complete a short questionnaire that provided information on general teleshopping behavior, demographics and a comparison of traditional shopping to teleshopping. After completing the survey, respondents were given an opportunity to enjoy the refreshments before the focus group began. Generally, the groups addressed why the respondents viewed home shopping channels, their purchase behavior, why they purchased from home shopping channels, the home shopping channel customer service experience, satisfaction

of home shopping channels purchases and a comparison of home shopping channels and traditional stores. The focus groups moderator's guide, which contains the actual questions asked, is attached in the appendix of this thesis.

The groups consisted of 16 women and 3 men. Almost three-fourths of the participants were between the ages of 35 and 54. However, all age groups were represented. The majority of the respondents were married, but a few respondents lived alone. Most of the participants had high school diplomas or some college education. A small percentage of participants had college degrees. This lower educational status was probably a product of the rural area and not indicative of home shopping viewers. Most of the participants were employed in blue collar occupations. The household income of over two-thirds of the participants was below $51,000, with over one-third having a household income below $31,000. Again, this relatively low household income could be due to the lower educational status of the participants and the somewhat cheaper cost of living in a rural area. Almost all of the participants lived in a rural area or small town within West Tennessee. The majority of respondents received QVC and HSN shopping channels through their cable television subscription. Although, several respondents lived in areas which did not provide cable television and their source for receiving these channels was through direct broadcast satellites (DBS). A few respondents viewed other home shopping programs which were aired on local affiliates after the regular station programming signed off.

Decision to View Home Shopping Channels

This section addressed the research question regarding the unique features of home shopping channels that appeal to frequent viewers. The motivations underlying the decision to view home shopping channels and how viewing home shopping channels differs from viewing other television channels were investigated.

This group of teleshoppers' decision to watch a home shopping channel seemed to be based largely on the items being sold and the personalities on the channels. Many of the group participants were collectors and would tune in to a home channel during certain collectible shows, such as doll, figurine, baseball card and knife shows. Several stated they would watch a home shopping channel because they did not want to miss out on a one of a kind item. Many times, home shopping channels would sell items that were exclusively sold through the station or items of which only a certain number were available. These teleshoppers did not want to miss an opportunity at a "once in a lifetime" product. Some would view home shopping channels simply because they liked the personalities on the stations. A large number of the respondents could refer to hosts by name or describe their favorite personalities. Additionally, sometimes the creators or designers of certain products would be on the channels to promote their items. These teleshoppers liked "meeting" the people behind the products, especially when the creator was a celebrity. As one woman stated, "I love getting to meet all the stars that come on to sell their products." Seeing a celebrity on a home shopping channel appeared different to these teleshoppers than seeing them on a television program or in a movie. On a home shopping channel, the celebrity seemed real to them, like an ordinary person. "I like really

getting to know them <stars>. You would never guess that most of them were such down to earth people," declared one respondent. They felt like they were speaking to them in their living room. Also, there was the possibility that they could speak to the celebrity while calling in an order or testimonial of the celebrity's product.

Another major factor in these teleshoppers decision to view home shopping channels seemed to be the relative entertainment value of other viewing options. These respondents often referred to home shopping programs as the best thing on television. They seemed to be turned off by the often violent or explicit programming being offered on networks or other cable channels. "I was tired of all the nudity on cable, but nowadays the regular stations are just as bad," complained one woman. They were bored with the repetitious programming being offered on other stations. On home shopping channels, they always were presenting something new. If you did not like what they were showing when you tuned in, then you simply had to wait a few minutes and they would present a new item.

Viewership of home shopping channels appeared different than watching other television station programming. Viewers did not have to be loyal viewers of a program to be able to understand what was going on when they tuned in to an episode. Additionally, they did not have to pay close attention to the program and get bogged down in a plot. With home shopping channels, the viewers could simply relax. According to one home shopping viewer, "When I put the kids to bed, the last thing I want to do is follow a movie. I just want to relax and veg out on the couch. And, if I find something nice to buy for myself in the process, then great." Home shopping channel viewing seemed to be

more related to browsing through a catalog or looking through a magazine. After a long day, they could just relax and watch these items being brought into their homes without having to search through a department store. Much like catalog shopping, they simply had to pick up the phone, place an order and have the product sent directly to their home. But, unlike catalog shopping, they could actually witness the items being used and see the items in much more detail being modeled right in their living rooms. At times, many of these teleshoppers did not intend to purchase anything when viewing a home shopping channel. They would watch simply because they were interested in seeing new clothing fashions or jewelry. In this way, watching a home shopping channel was related to looking through a fashion magazine. They could check out all of the latest styles without ever coming into contact with a sales person and feeling pressured to purchase an item.

Another description of home shopping channel viewing related the experience to listening to talk radio. Sometimes these rural teleshoppers would tune into home shopping channels simply to provide background noise while doing another activities. Many of those who used home shopping channels in this manner were doing housework while home alone. As explained by media uses and gratifiactions theory, having the television playing while home alone provided these respondents with a sense of "companionship" (Blumler, p.51). A few of the women like to workout or walk on their treadmills while tuning into a home shopping channel. Others liked to have a home shopping channel playing while they were cleaning house or cooking dinner. If they happened to hear something of interest being sold, they would go into the living room to check out the item. If they were not interested, they would resume their other activity. In

this way, these teleshoppers could weave shopping into their daily routine.

The men in the groups tended to have different motivations for watching home shopping channels than the women. None of these men watched home shopping channels because they liked shopping, which was why most of the women stated they watched. Home shopping channels allowed the men to avoid following their spouse around malls carrying packages while their wives visited every store and tried on "almost everything" in the mall. "Thanks to home shopping channels, I don't have to spend an entire Saturday being a pack mule for my wife at the mall," one man joked. Instead, they could lounge around their living room and read the newspaper while their wives shopped via television. The men in these groups were inclined to use home shopping channels for several different purposes. At times, their work hours prevented them from visiting traditional stores, so the only means available to them to shop were home shopping channels. The men would watch certain collectible shows to buy items they could not find locally. One man stated that he hated to shop and home shopping channels allowed him to buy birthday, anniversary and Valentine gifts for his wife without having to endure going to a jewelry store or a mall. According to this teleshopper, "I don't have to dread holidays now. I can sit on my butt at home and buy gifts for my wife at the same time." Also, the ability to shop from home has saved these men the embarrassment of going to lingerie stores. According to one gentleman, "I don't have to feel like a pervert in public anymore. I mean, I never knew where to look when my wife would drag me into a Victoria's Secret."

Purchase Behavior

This section of the groups addressed the research question regarding how individuals in rural areas were using home shopping channels. Such issues as how often the respondents made a home shopping channel purchase, the time of day when the respondents typically viewed home shopping channels, the types of merchandise purchased and the average price of items ordered were explored.

While many respondents watched multiple home shopping channels, including the Home Shopping Network, QVC and Shop At Home, almost all watched QVC most of the time. These teleshoppers liked the types of products offered on this channel and the format of the shows. Again, the hosts seemed to play a large part in which channel to view. Over one-third of the participants had purchased from multiple home shopping channels.

The groups were split in regard to frequency of viewing home shopping channels, with approximately half watching home shopping channels weekly and half viewing monthly. Respondents admitted they usually did not purchase a product every time they viewed a home shopping channel. Mainly, their purchasing frequency was less than once a month. Most of the respondents had purchased an item from a home shopping channel within the last 3 months. The reasoning was that it was close to Christmas and they liked to purchase gifts for family and friends via television. Purchasing from a home shopping channel enabled them to avoid the crowds and crime which seemed to increase around malls during the holiday season. "It's gotten to where you can't even walk through the

mall anymore because of all the people," one woman complained. Also, department stores always seemed to be out of inventory or only had picked over merchandise remaining during this peak season. " I was in a toy store one time and I actually saw two grown women fighting over a toy," one woman recalled.

Almost three-fourths of the participants typically watched home shopping channels between the hours of 7 p.m. and 6 a.m., with half of these watching between 11 p.m. and 6 a.m. Many of those who watched during the overnight period worked second shift or swing shift at a factory, so this was their available television viewing time. Others stated that this was the only time they had to themselves while the rest of the family was sleeping. Some admitted they watched during these hours because they had difficulty sleeping and this was the best programming available during those late night hours.

When these participants did watch a home shopping channel, they watched for at least an hour. Even though they rarely purchased as often as they watched, when these teleshoppers did purchase it was usually within the first half hour of viewing. All of these participants called from home in order to purchase an item. The nature of most of their jobs prevented them from viewing or calling a home shopping channel from work. A small percentage had purchased items from a computer on-line service. Those who had not either did not own or regularly use a computer.

Almost all of these respondents had made multiple purchases from home shopping channels. The main types of items purchased were jewelry, clothing, collectibles and beauty products. The average amount these teleshoppers spent per purchase was $100 or less. Typically, the amount spent would depend on the type of item being purchased.

These participants were much more willing to spend over $100 for a piece of jewelry, but would not spend that much for apparel. They also would be more likely to spend larger amounts of money on certain types of electronics or household items. Interestingly, many of these teleshoppers would spend larger amounts of money on collectibles because of the "personal value" of the item. "I'll spend around $100 on a doll because they're like my babies and I know they'll be worth a lot more one day," declared a porcelain doll collector.

Decision to Purchase

This section of the groups addressed the research question regarding why these individuals in rural areas used home shopping channels. The questions addressed in this section investigated the motivations behind teleshopping purchases. The main issue explored was what made the respondents "have to have" certain items offered on home shopping channels.

Item uniqueness and limited quantities were the strongest drivers in motivating these teleshoppers to purchase an item from a home shopping channel. Once again, these teleshoppers liked the idea of getting a one of a kind item. Many of the women teleshoppers in these groups enjoyed having clothing or jewelry that no one else in the area could find at local stores. This ability to have something that the neighbors could not have made them feel like a member of an elite group. It made them feel like they were the envy of others when they could tell people that the piece of jewelry they were admiring

was one of only a limited quantity. According to one woman, "I love it when people tell me that they love my ring or whatever and that they've never seen anything like it. I say that because it's a limited edition and they'd never find anything like it around here."

Price was another major aspect of the decision to purchase an item from a home shopping channel. Even though, the majority of participants admitted they would pay more for an item if it made shopping faster and easier, most of these teleshoppers really did feel like they were getting a bargain when they purchased something from a home shopping channel. The fact that the station would show the retail price compared to the particular home shopping channel price reinforced this perception. Even when jewelry was valued at $250 retail and was being sold at $50 on a home shopping channel, most of these teleshoppers believed the jewelry was of the same quality as the higher priced retail piece of jewelry. Several women in the groups bought all of their beauty and skin care products from home shopping channels. They felt that they were getting better products at a cheaper price than buying designer products at department stores. After all, they could see the home shopping beauty products being applied and hear the actual creator of the product describe its benefits. "I know the <beauty> products work before I buy them. I can see the results in the women on TV," stated one teleshopper. The program hosts seemed to strengthen this belief that these items truly were unbelievable bargains.

The fact that there was a limited number of each product available added urgency to the purchase decision. The countdown on the channel made them feel like they better hurry because the item could sell out before they ordered it. In order to intensify this urgency, home shopping channels often would have a one time offer on an item or it

would be months before the item was available again. Therefore, popular and not readily available items would sell out within minutes. Experienced teleshoppers in the group knew that when these items were available they had to call immediately or they would miss out on the item. If they were able to purchase these rapid selling items, many of these teleshoppers felt a sense of accomplishment. Again, they were part of an elite group who were able to purchase. It was equated to the feeling of winning a race. They were faster than the other shoppers, so they got the benefit of the reward. Several of the women stated that they got an adrenaline rush when they would finally get through to an operator. "When I'm trying to buy something and I finally get through after hitting redial a billion times, I'm excited. I'll tell you, my heart's beating really fast and I'm sweating," proclaimed one teleshopper. This particular woman declared that the feeling of excitement and suspense of whether or not she would get the item was addictive.

Purchase based contests seemed to motivate some of these teleshoppers to purchase from a home shopping channel. All of these rural teleshoppers were aware of specific contests offered by home shopping channels. Home shopping channels often would have a contest where a lucky caller would get to choose between 3 colored envelopes which contained a certain discount amount. Whichever discount amount was revealed was the percentage that caller would get off of their purchase price. Another promotion would choose a lucky account number and, if that individual called in, they would receive a discount on their purchase. Those who used the automated purchasing system could be chosen randomly by the system for a discount. The possibility of being chosen for a discount seemed to excite some of these teleshoppers enough to motivate

them to call.

A small portion of these teleshoppers cited the possibility of being on television or getting to talk to a celebrity as a motivating factor for making a purchase from a home shopping channel. Typically, this possibility alone did not motivate these teleshoppers to make a purchase. Most stated that it might persuade them if they were already interested in the product. The possibility of talking to a celebrity seemed to be a bit more desirable than simply speaking on the air.

Customer Service Experience

This section briefly addressed the research question regarding a comparison of teleshopping and traditional store shopping. Mainly, this section focused specifically on teleshopping customer service issues. Average wait times, length of time it takes to place an order and impressions of the home shopping channels' sales representatives were discussed.

Overall, customer service provided by home shopping channels was described as excellent. When calling to make a purchase, these teleshoppers were typically on the phone placing an order for five minutes or less. The hold time to wait for an operator was relatively brief. The more experienced customers used automated purchase systems, such as the "tootie" system. The use of the automated systems allowed customers to avoid hold lines and increased the speed of placing an order. Another aspect of customer service that was appreciated by many of these teleshoppers was the ability to pay for more

expensive items in monthly installment, similar to layaway at traditional stores.

Generally, the sales representatives were considered friendly and courteous. Particularly when buying jewelry, participants preferred the friendliness of the home shopping channels sales associates as compared to the sometimes "snooty" clerks one may encounter at department or jewelry stores. "I hate going into a jewelry store and having the sales ladies look down their noses at me like I can't afford their stuff," complained one shopper. According to these teleshoppers, the sales representatives made them feel like smart shoppers for taking advantage of such a bargain. Additionally, these teleshoppers said the representatives did not make them feel rushed when placing an order. Some of the more experienced teleshoppers stated that the home shopping sales representatives seemed to know them. This was probably due to the information provided on their computer screen regarding previous orders, but several of these teleshoppers felt that it was because they were known and appreciated shoppers. According to one home shopping channel customer, "Sometimes when I call in, they know who I am and that I'm a good customer and that makes me feel good."

There were some complaints regarding wait times when trying to order extremely popular items. The majority of the participants admitted that they had given up trying to purchase certain items because the telephone lines remained busy for too long. Others complained of finally getting through to a sales associate only to discover that the item had sold out or that their size was no longer available. Most of these teleshoppers seemed more willing to wait on hold for a sales representative than to wait in a long line at a store. The perception was that the store waits were longer and thus much more aggravating. A

contributing factor to this was probably the fact that the store shoppers could actually see the length of the line ahead of them, while those on the phone had no idea how many shoppers were ahead of them.

Satisfaction of Purchase

The research question addressed in this section was why these individuals used home shopping channels. This section investigated not only how the teleshoppers felt about items purchased, but also how the respondents felt after making a purchase from a home shopping channel. Additionally, the likes and dislikes of home shopping channels were discussed, as well as, the return policies of home shopping channels.

These teleshoppers felt they made more informed purchase decisions when they bought items from home shopping channels. Lengthy product descriptions, personal testimonials and product demonstrations contributed to this perception. Home shopping channels provided them with more information than if they just saw the item sitting on a store shelf. These teleshoppers liked the hosts' in-depth descriptions of every item being presented. They felt like the hosts had tremendous knowledge of all the products. It was as if an "insider" was sharing product secrets with them. They could not get this type of information from sales clerks at traditional stores, so they were never certain of the "value" of store products. "None of the employees at <traditional> stores even know where anything is located, much less if it's <the product> any good or not," complained a respondent. The fact that individuals who had purchased the products before were

compelled to call in and provide testimonials meant to these teleshoppers that this product must be wonderful. This word-of-mouth advertising was like a recommendation from a friend. Additionally, the hosts demonstrating the product helped to increase its desirability to these teleshoppers. They were able to witness first hand how well it performed without first having to purchase the product.

Many female group members liked the feeling of independence they achieved from purchasing on home shopping networks. Typically, when shopping at a store, these women involved a spouse in the decision making process. Shopping from home, they were able to make purchase decisions independently. Some women participants even mentioned having a separate credit card their spouse was unaware of that they used for home shopping purchases. "I buy things on a credit card that my husband doesn't know I have. I get the stuff sent to my mom's house and tell him I found the stuff at yard sales for really cheap," one woman confessed.

Even though they liked the fact that the product was available immediately at traditional stores, the fact they had to wait seven to ten days for an order to be delivered did not seem to be a deterrent to most of these participants for purchasing from a home shopping channel. Instead, a couple of participants mentioned they preferred making purchases from home shopping channels because they looked forward to the excitement of receiving a package in the mail. One woman even mentioned that she often forgot what she had ordered and liked the surprise aspect of the delivery.

Most participants were aware that home shopping networks had liberal return policies. The ability to get a full refund instead of a store credit held strong appeal with

these consumers. They liked the freedom of being able to try an item before committing to the final purchase. One woman loved to purchase new jewelry, wear it for a few days and return it. She felt the cost for shipping and handling was worth it in order for her to constantly have new jewelry to wear. She felt like others perceived her as being rich because she always had new jewelry. It made her feel special when her friends constantly commented on all her beautiful jewelry and whenever she would tell them that her husband bought it for her, they would jealously reply how lucky she was. "All my friends are always asking where did you get this or that and I can tell it eats them up when I say my husband got it for me," she bragged.

There were some individuals who were not always pleased with their home shopping purchases. The fact that you could not try items on or touch them prior to purchasing was an issue for some of these participants. The clothes would often look different on the tall, slender models than they did on themselves. At times, the fabric would be very sheer or the dresses would not be lined, but it was impossible to tell without receiving the item. Often, the jewelry appeared thicker on home shopping channels than it was in actuality. "I bought a necklace one time and when I got it, it wasn't what I expected. It looked thicker on TV, but you just can't tell sometimes. I don't think it was worth what I paid for it," complained one teleshopper. On several occasions, many of these women would order their typical size in a clothing item only to have the item not fit once they received it. While most would return these unwanted items, some did admit they kept the items because sending them back seemed like such a hassle. Those who did send items back complained about having to pay the shipping and

handling costs. Another aggravating aspect of returning an unwanted item to a home shopping channel was having to make a trip to the post office. "If I don't want to make a trip to the mall to buy something, I sure don't want to make a trip to the post office to send something back," one teleshopper complained. The majority of these teleshoppers seemed more amenable to returning an unwanted purchase to a traditional store than to a home shopping channel because it simply seemed easier and there would be no cost involved.

Comparison to Traditional Store Shopping

This section directly addressed the research question regarding a comparison of traditional store shopping with teleshopping. Particularly, the differences in the purchase experience were addressed, as well as, the reasons these respondents would purchase an item from a home shopping channel which also could be purchased in a store.

When compared to traditional shopping, these respondents seemed to prefer the convenience of home shopping channels. The availability of home shopping channels 24 hours a day was a major advantage. Many of these respondents worked during the hours that traditional stores were open. They expressed aggravation at the fact that without home shopping they would be forced to shop only at the 24 hour Wal-Mart. "If I couldn't shop at home at night, everything I own would be from Wal-Mart because it's the only thing open when I get off work," joked a respondent.

There did not seem to be any differentiation between the quality, price and variety

of products offered by these two options. The main differentiation seemed to be in customer service areas. They received quick response from the home shopping agents compared to sales clerks at traditional stores. They did not have to stand in long lines to purchase their selections. The teleshopping agents were described as friendlier than traditional stores' sales staff. The distinction seemed to be that the home shopping agent could devote all of their time to the caller, while traditional sales clerks were often assisting multiple customers at the same time. These factors appeared to make the overall teleshopping experience more enjoyable than traditional store shopping.

The largely rural and small town population attending these focus groups appreciated the convenience of being able to shop at home, instead of driving at least half an hour to the nearest mall. Additionally, the local malls seemed to lack the selection and variety to which home shopping channels gave them access. Their local malls did not contain the major department stores of major malls located in larger cities. In order to visit these major malls, most of these participants had to travel at least an hour. Even though they could probably find an item similar to one being offered on a home shopping channel, the fact that they would have to drive this distance to make the purchase motivated them to buy it from the home shopping channel.

Safety seemed to be another major distinction between home shopping channels and traditional stores. Rural participants had to visit cities to obtain certain items and complained of the lack of safety they felt in these areas, particularly at large urban malls. "I just don't like Memphis. If I never had to go there, that would be alright with me," stated on of the rural respondents. Another agreed, "Every night on the news it's one

story after another of somebody else getting killed <in Memphis>. Additionally, these consumers did not like to leave packages unattended in their vehicles because of the threat of theft. In comparison, home shopping channels offered them the comfort and safety of buying merchandise in their own homes. It prevented them from having to come into contact with any undesirables. One woman joked that home shopping also allowed her to avoid coming in contact with the endless supply of Santas asking for donations. She said, "Another plus is if I can do my shopping from home, then I don't have to deal with all the Santas begging for change." Safety was especially an issue for the older adults in the groups.

The comparison section of the written questionnaires that were completed prior to the groups supported the findings of the focus groups. The questionnaires asked respondents to rate on a 1 to 5 scale, with 1 being poor and 5 being excellent, traditional stores and home shopping channels on certain aspects related to shopping. Similar to the findings of the focus groups, the biggest differences in ratings between shopping at traditional stores and home shopping channels were related to safety, convenience, courteous sales staff and hours available. With a rating of 5.0, home shopping channels were considered excellent at providing a safe environment, while traditional stores were considered fair with a rating of 2.6. Home shopping channels were rated good (rated 4.0) at providing courteous sales staff, but these teleshoppers were neutral in their opinions regarding speed of assistance with purchases (rated 3.3). In contrast, traditional stores were rated fair at providing both courteous sales staff (rated 2.7) and quick assistance with purchases (rated 2.6). With ratings of 4.6 compared to 2.6, home shopping channels were

considered superior to traditional stores at both being convenient for shopping and having better hours of availability. Teleshopping was rated good at making shopping enjoyable (rated 4.4), while respondents were neutral in their opinions of traditional stores ability of making shopping enjoyable (rated 3.4). The variety of merchandise available at traditional stores and home shopping channels was considered good, rated 4.2 and 4.0 respectively. Respondents did not seem completely satisfied with the quality or price of merchandise available to them at either traditional stores or home shopping channels. With both receiving a rating of 3.8, respondents were neutral in their opinions of the quality of merchandise available from home shopping channels and traditional stores. Similarly, respondents were neutral in their opinions regarding the price of merchandise at traditional stores (rated 3.6) and home shopping channels (rated 3.9). Lastly, opinions regarding the ease of locating merchandise at traditional stores (rated 3.4) and home shopping channels (rated 3.3) were neutral.

CHAPTER V

DISCUSSION AND IMPLICATIONS

Conclusions

Teleshopping seemed to be a social experience for these rural teleshoppers. Because they were always exposed to the same hosts, they got to know the hosts and formed "relationships" with them. Watching home shopping channels was almost similar to inviting the Avon lady into their home for a demonstration. The hosts seemed like friends who they invited into their homes. This perceived relationship prompted many of these rural teleshoppers to share intimate details about their lives while on the phone with the operators and hosts.

Home shopping products seemed to be used by many participants in the groups, the women in particular, as a means for achieving a certain social status. A motivating factor of some purchases seemed to be in a sense "keeping up with the Joneses." It was a sense of "having it all" and being envied by others. If they could get items that no one else in the area had yet, it made them feel like a trendsetter. If they could be wearing the fashions that were being worn in the city before they were available in their area, these rural teleshoppers felt a status level above typical rural residents. Even though these rural teleshoppers knew they paid a bargain price for items such as jewelry, the fact that they had the piece of jewelry made them feel like one of the rich. Regardless if the ring was a

cubic zirconium or if the coat was a faux fur, many of these rural teleshoppers felt like one of the rich because they had a luxury item.

According to uses and gratifications theory, different people use mass media in various ways to provide such things as entertainment, companionship and social learning. According to some researchers, satisfaction levels with media are influenced by the media's fulfillment of information and entertainment needs, as well as parasocial interaction (Palmgreen, 1985, p. 336). Research had indicated that mass media usage is consistent with certain lifestyles (Donohew, 1987, p.256). One such lifestyle group is referred to as the "disengaged homemaker." According to descriptions, these types of individuals feel that their lives are routine and boring. Because of this, they like to try the latest hairstyles and many are heavy credit card users. Studies indicate these individuals are far more likely to use cable television for companionship, parasocial interaction, entertainment and to simply pass the time (Donohew, 1987, p.267). This particular use of media seems to be in response to the boring and socially lacking lifestyle lead by these types of individuals (Donohew, 1987, p.272). Interestingly, this lifestyle theory can be applied to the usage of home shopping channels by respondents in these focus groups. They use the channels for "companionship," "parasocial interaction," and "entertainment." Additionally, they like to try new fashions or attempt to distinguish themselves through the purchase of limited edition or luxury items. Much like the "disengaged homemaker," these teleshoppers rely heavily on credit cards in order to make purchases from home shopping channels.

Recommendations for Home Shopping Channels

Home shopping channels which address the needs of segmented audiences are beginning to be developed. BET is developing a home shopping channel which will focus on providing products for African-Americans. MTV is developing a shopping channel to supply Generation X shoppers with products of interest. Following this trend, a home shopping channel which targets and addresses the needs and interests of rural shoppers could be developed. Another alternative would be to create channels which are devoted to specific types of products. As an example, a hunting channel devoted specifically to hunting knives, tents, deer stands, duck blinds, three wheelers and all types of hunting gear could be developed to meet the needs of hunters.

Typically, specialty stores are not available to individuals in rural areas. Often, these stores cannot afford to move into smaller cities. Instead, these specialty stores, such as Macys, Saks Fifth Avenue and Nordstrom's, could develop home shopping channels of their own. This would allow rural shoppers access to designer products from these stores which otherwise would be unavailable to them.

Since collectibles and one of a kind items seem popular among these rural teleshoppers, entire channels devoted to these types of items could be developed. For instance, channels devoted wholly to porcelain dolls might be an option.

Home shopping channels should continue to utilize inventory countdowns, retail store price comparisons, celebrity guests and contests. All of these practices seemed to encourage these teleshoppers to make purchases. The inventory countdown seemed to

add urgency to the purchase decision. The retail store price comparisons made these teleshoppers feel like they were purchasing a bargain. Celerity guests appeared to add interest to the programming. The possibility of speaking with the celebrity or participating in a contest seemed to motivate the slightly reluctant shopper to call and order.

As the internet develops, home shopping channels will be competing with vast number of retail outlets and auction sites on the internet. Currently, this might not seem like much of an issue because these rural teleshoppers did not seem technologically savvy. This could change as computers become increasingly user friendly. After all, these teleshoppers were once exclusively traditional store shoppers, but embraced the teleshopping technology when it became available. However, home shopping channels might have an advantage over internet shopping due to the social and entertainment value they provide. The audio visual nature of home shopping channels provide entertainment, while the hosts provide "companionship" and build relationships with viewers. Home shopping channels could use their television channels in conjunction with an internet site. The ability to order a product on the internet site while it is being shown on the shopping channel could cut down on the often lengthy wait involved when ordering popular items and enable internet shoppers to purchase the product prior to it running out of stock.

Recommendations for Future Research

While the focus group discussions touched on gratification issues, customer satisfaction issues were not the primary focus of the groups. Rather, the qualitative

research gathered in the groups was focused on answering usage research questions while generally exploring gratification issues. The responses gathered from this study could be used to frame a quantitative study which would be more appropriate for measuring customer satisfaction. Using the results of this study to develop a quantitative study could help substantiate or dismiss some of the findings which resulted from these qualitative groups.

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APPENDIX

My name is Jennifer Shatley and I am a graduate student at the University of Tennessee. This survey is being administered as part of the requirements for a Master's thesis. The purpose of this study is educational, not commercial. The information provided will be used in the focus group discussion. Thank you, in advance, for your cooperation.

Please, select your response from the choices given and circle the appropriate answer.

1. Do you watch :

QVC	Yes	No
HSN	Yes	No
Other_____	Yes	No

2. Have you purchased products from:

QVC	Yes	No
HSN	Yes	No
Other_____	Yes	No

3. How often do you watch home shopping channels?

Daily 2-3 times a week 4-5 times a week Monthly Less than once a month

4. When do you usually watch home shopping channels?

6-10AM 10AM-3PM 3-7PM 7-11PM 11PM-6AM

5. About how long do you watch a channel each time?

15 minutes 30 minutes 1 hour 2 or more hours

6. How often do you purchase something when you watch a channel?

Rarely Every Time Weekly Monthly

7. On average, how long do you watch a channel before you make a purchase?

15 minutes 30 minutes 1 hour 2 or more hours

8. From where do you call a channel?

Home Office Other

9. How long do you usually talk when you call a channel?

1-5 minutes 6-10 minutes 11-15 minutes 16 or more minutes

10. What kinds of merchandise do you purchase from the channels?

Jewelry Sports Equipment Beauty Products Clothing

Other_____

11. On average, how much money do you spend when you order from a channel?

    $10-50 $51-100 $101-200 $201 or more

12. Have you ever ordered from a computer on-line service?

    Yes No

13. What is your age?

    18-24 25-34 35-44 45-54 55-64 65 or over

14. What is your gender?

    Male Female

15. What is your marital status?

    Single Married Divorced Widowed

16. What is your educational background?

    High school Some college College grad Graduate degree

17. Describe your occupation?

    Professional Managerial Secretarial Blue Collar Retired Other

18. What is your approximate household income?

    $10,000-20,000 $21,000-30,000 $31,000-40,000

    $41,000-50,000 $51,000-75,000 $76,000 or more

19. In what type of area do you live?

    Rural Small town Suburban

20. Do you live alone?

    Yes No

In this section, rate the following categories for home shopping channels and traditional stores by circling the appropriate number.

	Home Shopping Channels					Traditional Stores				
	Poor	Fair	Neutral	Good	Excellent	Poor	Fair	Neutral	Good	Excellent
21. Quality of merchandise available	1	2	3	4	5	1	2	3	4	5
22. Provides a wide variety of merchandise	1	2	3	4	5	1	2	3	4	5
23. Provides a safe environment	1	2	3	4	5	1	2	3	4	5
24. Fast assistance with purchases	1	2	3	4	5	1	2	3	4	5
25. Convenient to shop	1	2	3	4	5	1	2	3	4	5
26. Reasonable prices	1	2	3	4	5	1	2	3	4	5
27. Makes shopping enjoyable	1	2	3	4	5	1	2	3	4	5
28. Courteous sales staff	1	2	3	4	5	1	2	3	4	5
29. Easy to find merchandise you want	1	2	3	4	5	1	2	3	4	5
30. Hours available for shopping	1	2	3	4	5	1	2	3	4	5

FOCUS GROUP MODERATORS GUIDE
Teleshopping Behavior, Uses & Gratification

I. Introduction

- What is a focus group? What is the purpose of a focus group?
- Participant rules: Your job is to be honest and participate / share your opinions.
- Let's start with introductions. Share your first name and a few sentences about yourself
- Today's discussion topic is home shopping channels.

II. Decision to Watch

- What motivates you to watch home shopping channels?
- How do you feel when you watch a home shopping channel?
- Why do you choose to watch home shopping channels instead of other television channels? How does watching a home shopping channel differ from watching other television shows?

III. Purchase Behavior

- How often do you purchase merchandise from a home shopping channel?
- When was your last purchase?
- About how many purchases from a home shopping channel did you make in the past year?
- What time of day do you usually watch home shopping channels?
- Which home shopping channel do you watch most often? Why?
- Where are you when you usually watch a home shopping channel? Home or office?
- Do you normally watch home shopping channels alone or with others? Why?
- How long do you usually watch home shopping channel programs? Average hours per week?
- What type of merchandise to you usually purchase? (Probe: apparel, jewelry, collectibles, etc.) Why?
- What is the average purchase price of items you typically buy from a home shopping channel?

IV. Decision to Purchase

- What makes you call a home shopping channel?
- What makes you want to purchase an item / "have to have it"?

V. Customer Service Experience

- Do sales representatives typically answer the call?
- When you are put on hold, on average, how long do you have to wait before you speak with a representative?

- How long do you usually talk to a sales representative?
- What is your general impression of home shopping channel sales representatives? (Probe: Are they knowledgeable? Courteous?)

VI. Satisfaction of Purchase

- How do you feel after you've made a purchase from a home shopping channel?
- What do you like most about purchasing items from a home shopping channel?
- What do you like least about purchasing items form a home shopping channel?
- How often do you return merchandise to a home shopping channel? If you do, how easy is it to return an item?

VII. Comparison to Store Shopping

- How does purchasing from home shopping channels differ from shopping in traditional stores?
- Why would you buy something from a home shopping channel that you could also get in a store?

VIII. Wrap-Up

- Anything else you would like to share about home shopping channels?

VITA

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