To the Graduate Council:

I am submitting hereweith a dissertation written by Brigitte West Burgess entitled "A Comparison of American Television Home Shoppers Based on Amount of Perceived Risk and Shopping Orientation." I have examined the final copy of this dissertation for form and content and recommend that it be accepted in partial fulfillment of the requirements for the degree of Doctor of Philosophy, with a major in Human Ecology.

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A COMPARISON OF AMERICAN TELEVISION HOME SHOPPERS BASED ON AMOUNT OF PERCEIVED RISK AND SHOPPING ORIENTATION

A Dissertation

Presented for the

Doctor of Philosophy

Degree

The University of Tennessee, Knoxville

Brigitte West Burgess

August 1996

To my grandmother,
Enid Middleton.
Are you an English pea?

ACKNOWLEDGEMENTS

I would like to thank my major professor, Dr. Ann Fairhurst, for her guidance and patience. I would also like to thank my committee members, Dr. Susan Dillard, Dr. Carl Dyer, Dr. Nancy Fair, and Dr. Vicki Stout for their support and assistance throughout my tenure at The University of Tennessee. A special thank-you is extended to Dr. Mary Frances Drake, who has been a wonderful mentor and friend. Additional thanks are expressed to my husband, Scott, for his encouragement and understanding during the past few years. Finally, thanks are extended to my family: Jerry and Becky West, Enid Middleton, Renonda and Jeff Burger, Ross and Nelle Burgess and Mark and Chris Burgess. You have helped me keep a sense of humor and my sanity.

TABLE OF CONTENTS

LIST OF TABLES

ABSTRACT

The use of television home shopping by consumers has received limited non-proprietary attention. Based on the theory of perceived risk and related non-store research and literature, this study was designed to develop shopping profiles of TV home shoppers and to categorize TV home shoppers as high or low risk perceivers in order to examine variables that might be associated to the level of risk perceived by customers of TV home shopping retailers. Variables used included risk perception, information related to previous non-store shopping experiences, shopping orientation and demographic information.

A self-administered mail questionnaire was sent to 1,495 actual TV home shoppers. Data collected from 125 respondents were analyzed using frequencies, univariate analyses, Kruskal-Wallis factor analysis and Cochran-Mantel-Haenszel analyses.

Low risk perceivers accounted for 61.6 percent of respondents while high risk perceivers accounted for 38.4 percent. Kruskal-Wallis analysis of variance was used to test for significant differences between high and low risk perceivers in regard to several variables. Significant findings were supported by the use of Cochran-Mantel-Haenszel analyses.

Significant differences were found between high and low risk perceivers and the number of TV home shopping orders placed during the past year. Low risk perceivers placed more orders than high risk perceivers. Also significant

were differences in the dollar amounts of most expensive orders. Low risk perceivers spent more on a single order than high risk perceivers. Significant differences were not found between high and low risk perceivers and the following: dollar amounts of first and most recent TV home shopping purchases, the number of hours TV home shoppers watched TV home shopping shows before placing their first order, and their frequency of catalog purchases.

Results of factor analysis yielded four shopper types: recreational, methodical, innovative, and price-conscious. A significant difference was found between high and low risk perceivers who were classified as recreational shoppers but not the other shopper types.

CHAPTER ONE

INTRODUCTION

Consumers have experienced dramatic changes in lifestyle during the past century. Retailers, in an attempt to address the changing needs of their customers, have adapted selling strategies complementary to these changes. The introduction of television (TV) home shopping along with various other non-store shopping formats is only one way that retailers have tried to meet the evolving needs of their customers. The following chapter will provide: definitions of non-store shopping in general, TV home shopping and TV home shopping retailers. Also included is an overview of the study including the purpose, conceptual framework, rationale, objectives, research scope, limitations, assumptions and definitions of terms.

Non-store Shopping Described

Because of the variety of terms used to represent non-store shopping (e.g., home shopping, in-home shopping) it is necessary to distinguish what is meant by this term as it is used throughout this study. Generally, the term "non-store shopping" indicates an absence of a physical store in which the sales transaction or shopping takes place. Mason, Mayer and Wilkerson (1993) and Berman and Evans (1995) define non-store retailing as a non-store based method of selling merchandise to customers. Therefore, the term non-store shopping encompasses a great variety of shopping formats. This would include catalogs, telemarketing, direct response advertisements, infomercials, computer on-line services, television shopping shows, door to door and vending machines (e.g., Burnett and McCollough, 1994; Sanghavi, 1990).

In non-store shopping, the customer/shopper takes personal responsibility for most of the tasks associated with shopping including searching for information, placing orders for merchandise, payment and receipt of merchandise. In addition, many non-store shoppers also perform the selling function associated with the shopping experience (Burnett and McCollough, 1994). Research is necessary, not only to identify characteristics of non-store shoppers, but also to determine how these characteristics differ from in-store shoppers.

Burnett and McCollough (1994) suggest that non-store shoppers are willing to forego store services and accept these responsibilities as their own because the perceived benefits of non-store shopping outweigh the costs of performing the duties described above. This definition can also be applied to the current study: "Non-store shopping denotes a phenomenon where the primary shopping and purchase task takes place at a site other than a traditional [in-store] retail setting, and is, therefore, primarily the responsibility of the shopper" (p. 452). A consumer, therefore, may be categorized as a non-store shopper of a traditional retail store format because marketing techniques allow customers to shop outside the confines of the physical store. Catalogs, inserts in credit card statements, telemarketing and direct mail advertisements are examples of non-store shopping options sometimes used by in-store retailers.

Television Home Shopping Retailing

Television home shopping has been in existence since the early 1980's. With this type of non-store shopping, customers view selections of merchandise via television, make purchase decisions and place orders by telephone, mail or fax. In this study the term "TV home shopping" is restricted to include shopping with TV home shopping **retailers** only. Certain criteria must be met for a company to be considered a TV home shopping retailer:

1) Merchandise, and in some cases services, are presented to customers through **live** television broadcasts which may be broadcast locally, on cable or by satellite (Fitzgerald, 1993; "Home Shopping," 1986; McKinney, 1995);
2) TV home shopping retailers present products from several **different** manufacturers or vendors in a viewer response atmosphere (Burgess and Drake, 1995; Murrow and Hyman, 1994).

Infomercials, which are pre-recorded, program-length, direct marketing advertisements designed to look like live talk shows or newscasts do not meet the criteria for being classified as TV home shopping retailers (Zinn, 1993).

Similarly, direct response television advertisements, which are pre-recorded advertisements sponsored by manufacturers, membership clubs or other merchandisers (e.g., Time-Life Books) also fail to meet the criteria.

Research Purpose

The purpose of this study was to examine variables that might be associated with a level of risk perceived by customers of TV home shopping retailers. Levels of risk perceived, high and low, were used as the independent variables. The dependent variables were derived from examination of empirical literature relating to consumer behavior, especially non-store shopping behavior, as well as trade and popular literature regarding TV home shopping and other non-store retail formats.

Categories of independent variables selected to explain perceived risk associated with TV home shopping include: demographic characteristics, previous non-store shopping experience, and shopping orientations. This combination of variables has not been used to explain TV home shoppers in past research although these variables have been used in examining non-store shopping in general.

Conceptual Framework

Consumers are increasingly faced with more products from which to choose and more advertisements aimed at influencing their purchase decisions (Garman, 1995). In addition to the increasing complexity of product choice, consumers' decisions are further complicated by the decision they must make regarding the retail outlet from which to make each purchase. Since the early 1960's, research has indicated that consumers perceive certain risks when making purchase decisions (Bauer, 1960). Knowing what types of risks consumers perceive in the purchase decision has led to a better understanding of consumer behavior. To date, no published literature regarding risk perceptions of TV home shopping retailers has been identified. Using the theory of perceived risk to explain consumer utilization of TV home shopping retailers will give a more detailed explanation of TV home shopping consumers and consumer behavior in general.

According to Schiffman and Kanuk (1991), perceived risk is defined as "the uncertainty consumers face when they cannot foresee the consequences of their purchase decisions" (p. 180). The amount of risk a consumer is willing to take when making a purchase depends on the level of uncertainty and the consequences of the purchase decision. These two dimensions, uncertainty and consequences, are key to understanding the concept of perceived risk. Uncertainty may occur when a consumer chooses to purchase an item that he or she may be unfamiliar with from a retailer or retail format, for example TV home shopping, that the customer has never tried or has little experience with. The consequences of making poor purchase decisions are the result of uncertainty in decision making. When a consumer chooses one retailer over another, they risk making a poor decision. It is the amount of risk a consumer perceives to be present that is important, regardless of whether the risk is real or imaginary. Different consumers may perceive same or differing types and amounts of risk, depending on their subjective interpretation of the uncertainty associated with purchase decisions. (Schiffman and Kanuk, 1991).

Rationale for the Study

Changes in lifestyles and in the wants and needs of consumers precipitates changes or emergence of new retail formats. As consumers are faced with more decisions in the marketplace and less time to make these decisions, they have begun to seek alternatives to the in-store shopping experience. This, combined with new technology available to retailers and their customers, has aided in the emergence of new and improved shopping options. TV home shopping, although in existence for less than fifteen years, is still very much in its infancy, especially in the area of consumer acceptance (Eldridge, 1993).

TV home shopping could influence our leisure time, our daily routines and could ultimately lead to the following benefits:

1) convenience -- shoppers could choose hours convenient to their work schedules and lifestyles;

2) greater merchandise assortment -- shoppers would not be limited to merchandise available locally;

3) resource conservation -- shoppers could save time by not having to get dressed, drive to stores, locate parking, or entertain accompanying children. Shoppers could save money associated with in-store shopping including, child care services, fuel or other transportation costs. Shoppers would also save energy associated with the financial and time factors mentioned above;

4) safety -- shoppers would not have to be concerned about the physical safety of themselves and their families while shopping or in route to traditional stores.

Since the widespread use of TV home shopping retailers would affect other non-store and in-store retail formats, research in this area contributes to a better understanding of this retail environment and the behavior of consumers who patronize this format. If consumers increasingly use TV home shopping as an additional shopping method, in-store retailers as well as other non-store retailers may utilize the results of research concerning customer profiles and other descriptive information to alter their market strategies. The use of existing non-store retailing literature along with risk perception literature and the variables previously discussed will contribute to creating such a profile. The use of a national sample of TV home shoppers further contributes to the relevance of the current study by reporting results based on actual TV home shoppers in real purchase situations rather than hypothetical situations.

This research will provide information that can be used to further the body of knowledge currently available. Since TV home shopping is still in its evolutionary stage, little non-proprietary research pertaining to TV home shopping has been conducted at this time.

Research Objectives

The purpose of this research study was to gain information related to the topic of television home shopping by examining variables that might be related to risk perceived by customers of TV home shopping retailers. In order to fulfill this purpose, the following objectives were constructed:

1) To categorize respondents as low or high risk perceivers.
2) To produce typologies of TV home shoppers based on shopping orientation, demographics, and information regarding their use of TV home shopping.

Research Scope

This study was limited by the researcher in the following ways:

1) Consumers' use of TV home shopping retailers was investigated. Other

shopping methods by which consumers could purchase products from television (direct response advertisements, infomercials) were excluded, due to time and other constraints.

2) Subjects were adults (18 years or older) who were currently TV home shopping or had used TV home shopping in the past.

3) Variables used to describe shopping profiles were limited to the following:

A) Demographic characteristics, including age, gender, education, marital status, occupation and total household income before taxes.

B) TV home shopping experience including: familiarity with TV home shopping, the number of hours TV home shopping programs were viewed prior to placing first TV home shopping orders, dollar amounts of most expensive purchases, the number of TV home shopping orders placed in the past year and frequency of catalog purchases.

C) Shopping orientation items (i.e. time consciousness, brand and store loyalty, innovativeness).

4) Self-administered mail surveys were used to collect data.

Research Assumptions

The researcher made the following assumptions regarding the research conducted:

1) There is a difference between the shopping orientations and TV home shopping characteristics of high and low risk perceivers.

2) Respondents are willing to participate in this study.

3) Respondents answered the questionnaire truthfully.

Definitions of Terms

High risk perceivers--A shopper who typically perceives greater amounts of risk in purchase decisions (Schiffman and Kanuk, 1991).

In-store shopping -- Shopping that occurs in a retail establishment, such as a department store or catalog showroom (Burgess and Drake, 1995).

Lifestyle -- The spending patterns, activities and interests of an individual that reflect their style of living (Engel and Blackwell, 1982).

Low risk perceivers--A shopper who typically perceives little risk in making purchase decisions (Schiffman and Kanuk, 1991).

Non-store shopping -- "Non-store shopping denotes a phenomenon where the primary shopping and purchase task takes place at a site other than a traditional [in-store] retail setting...." (Burnett and McCollough, 1994, p. 452).

Perceived Risk -- Uncertainty faced by shoppers who make purchase decisions that have unforeseen consequences (Schiffman and Kanuk, 1991).

Shopping orientation -- Segmentation of customers based on similar demographic, psychographic and behavioral characteristics which can be used to forecast future purchase behavior (Mason, Mayer, and Wilkerson 1993).

Television (TV) home shopping -- The purchase of merchandise or services via a television format, excluding infomercials and direct response advertising (Burgess and Drake, 1995).

CHAPTER TWO

REVIEW OF LITERATURE

This chapter provides a review of literature which relates various topics to the purpose of this research project. The first section of this chapter presents TV home shopping and related non-store literature. Following sections include reviews of empirical literature regarding perceived risk and shopping orientation, including TV home shopping and related non-store literature.

TV Home Shopping and Related Literature

This section provides a brief history of non-store shopping, the development of TV home shopping and a discussion of why TV home shopping and non-store shopping are appealing to shoppers.

A Brief History of Non-store Shopping

Non-store shopping in the United States dates back 160 years to the days of pioneer peddlers. Early non-store shoppers were primarily those who were geographically isolated (May and Greyser, 1987). Since that time, dramatic changes have occurred in the acceptance and variety of non-store shopping choices. These changes are credited in part to demographic and social changes in the United States including full-time working women, increased consumer education and marketplace confidence, and feelings of being pressured for time (May, 1979). Gradually, different types of non-store retailing were introduced and gained popularity, including catalogs, door-to-door, direct mail and TV home shopping.

The first non-store retailing format viewed as having significant acceptance was catalogs. In the early 1870's mail-order catalogs began realizing widespread popularity. This popularity dropped following World War II but returned in the early 1970's. According to Coe and Lipstein (1979) the single most dramatic change in retailing during the period of 1939 and 1972 was the increase in non-store retailers including catalogs as well as other non-store formats. There were twenty-nine times more non-store retailers in 1972 than in 1939, an increase from 5,600 to 162,000).

Part of the renewed patronage of catalog retailers stems from a combination of newly developed mailing lists, acceptance and use of credit cards, toll-free ordering and the previous introduction of five digit zip codes (Lumpkin and Hawes, 1985). Even today, catalogs are perhaps the most widely recognized and utilized home shopping format. In 1988, 58% of shoppers reported having made a catalog purchase in the past six months (Eldridge, 1993), and sales in 1992 were $51.5 billion ("Meet the new competition," 1994).

Original door-to-door retailing has also undergone various changes since its early days of peddlers who visited homes of pioneers. Although some companies still utilize door-to-door selling in the traditional sense, more and more of these retailers have adapted this format to meet the changing demographics of its customers. Today, party plan selling techniques or acquaintance selling used by TupperWare, for instance, are more common than the traditional door-to-door selling techniques employed by Avon or Fuller Brush.

Direct response advertising is another non-store selling format that has evolved since its inception. Although many consumers still view direct response advertisements as junk mail, this format has made dramatic changes with the introduction of electronic capabilities and the use of target marketing. Originally consisting of advertisements being mailed to potential customers, direct response advertising has expanded to include print advertisements, television, fax machines, and computers. Customers' familiarity with the use of 800 numbers, increasing quality of merchandise and improved image of these companies has increased shoppers' levels of comfort using telephones and credit cards to purchase merchandise ("Behavior and attitudes," 1987).

Development of TV Home Shopping

Almost twenty years ago McNair and May (1978) predicted that a major retail revolution would be coming shortly. This revolution was partially credited to the dramatic changes in retailing between the 1920's and the 1970's. The rising importance of consumers, a rise in mass distribution systems, technological advances, and the shortening of life cycles of businesses were also cited as indications of a dramatic change in retailing's future. Less than five years after

McNair's and May's prediction, partners Speer and Paxon began televising a local TV home shopping show called "Home Shopping Club," which, three years later, in 1985, became the first nationally televised TV home shopping channel. Shortly thereafter, the name of this retailer was changed to "Home Shopping Network," or HSN (Ryan, 1994). With the introduction of HSN, consumers nationwide were given a new retail shopping alternative.

Since Home Shopping Club was first introduced in 1982, the number of TV home shopping retailers has steadily increased with HSN and QVC (Quality, Value, and Convenience) maintaining the highest market penetration and accounting for approximately $2 billion of the $2.5 billion in TV home shopping sales in 1992 (Macdonald, 1993). In addition to these better known TV home shopping retailers, there are numerous other international, national, regional, and local TV home shopping retailers based in the United States (Carlin, 1993; Edleson, 1994; "Home shopping," 1986). One reason that HSN and QVC are better known may be that they have arranged to be nationally televised 24 hours per day in most of the markets they reach while other TV home shopping retailers may not yet be able to afford this expense. Instead, smaller scale operations may simply purchase air-time on different television stations for a fixed rate and, more often than not, a percentage of profits made during the broadcast (Levin, 1994a).

Another reason some TV home shopping retailers are not nationally known may be reflective of their positioning and marketing strategies. Some of these non-store retailers wish to maintain a strong hold in a local market and expand slowly, if at all. Others are quite selective of the markets they reach, focusing on upscale clients for instance.

TV home shopping retailers have began differentiating themselves from their competition by updating their images (show hosts, set design and merchandising), selecting higher quality merchandise for sale and selecting specific niche segments of the population to target. By doing so, TV home shopping has been attracting the attention of shoppers as well as others who are interested in this alternative shopping format. In-store retailers (i.e., Saks Fifth Avenue, JC Penney's, Sears and Macy's), catalog retailers (i.e., Fingerhut, The Sharper Image, Speigel and Land's End), fashion designers (i.e., Donna Karan, Calvin Klein, Diane von Furstenberg, and Arnold Scaasi), broadcasters (i.e. MTV), and manufacturers (i.e., Pontiac) have all either considered or used TV home shopping to reach prospective customers and to maintain the interest of current customers (Donaton, 1993; Ivey, Pitzer and Dreyfeck, 1986; Levin, 1994a, 1994b; Macdonald, 1993; Paulmieri, 1993; Santoro, 1994; Zinn, 1993).

Settle, Alreck and McCorkle (1994) conducted a study to determine how image was related to non-store and in-store consumer preferences. A variety of non-store shopping formats were studied including TV, newspaper and catalog, which was the most popular non-store shopping format in their study. Results indicated several differences in image ratings between in-store and non-store formats. These authors found that women rated the images of non-store formats and in-store formats higher than men, married respondents were more favorable towards non-store formats, and, respondents with "ample" time were more positive towards in-store shopping while those with "normal" time were more positive towards TV home shopping.

TV home shopping is estimated to account for as much as one half of all retail sales within the next twenty years (Donaton, 1993). Although TV home shopping sales in 1994 were $2.5 billion, this figure is projected to be as high as $100 billion by the turn of the century (Burnett and McCollough, 1994, Donaton, 1993). It seems rather surprising, then, that very little scholarly research exists related solely to this retail format.

The Appeal of TV Home Shopping and Non-store Shopping

Today, shopping may no longer mean a trip to a mall or shopping center. Customers have an increasing number of shopping formats from which to choose. Many customers are drawn to these alternatives instead of traditional in-store shopping for a variety of reasons such as convenience, safety, merchandise assortment, and dissatisfaction with their normal store choices (Forseter, 1994; Gillett, 1970; Kwon, Paek and Arzeni 1991; Macdonald, 1993; Marchetti, 1994; "Meet the new competition," 1994; Peterson, 1994; Reynolds, 1974; Rosenberg and Hirschman 1980; Schwartz, 1986; Walsh, 1993).

Convenience. Convenience is the most widely reported reason that consumers shop at home (Berry, 1979; Cleland, 1994; Forseter, 1994; Gillett, 1970, 1976; Macdonald, 1993; Reynolds and Darden, 1979). According to Robinson (1990), 32% of consumers report that they feel more rushed now than ever. Those reporting the feeling of being rushed share similar characteristics: very little free time, long work weeks, and young children, however men with young children reported feeling less rushed than women with young children. Additionally, rushed individuals report that they watch on average 30% less television than others, although, in general, Americans watch as much television today as they did in the 1960's and 1970's (Robinson, 1990). An article in Fortune ("What consumers want," 1990) predicts that the need for convenience will only increase in coming years, eluding to the fact that time is as valuable as money. Berry (1979) reported that the enormous growth in catalog shopping, a form of non-store retailing, during preceding years was demonstrative of consumers' feeling of being pressed for time.

Shoppers are also attracted to non-store shopping because of its recreational or social value. According to Bellenger and Korgaonkar, (1980), recreational shoppers are the largest group of identified shoppers. It is likely that non-store shoppers will also have recreational shopping tendencies. Recreational shoppers, as suggested by Bellenger and Korgaonkar (1980) are attracted to shopping for reasons beyond making a purchase.

Schwartz (1986) conducted an interview with Judy Ludin, a spokesperson for HSN. This TV home shopping retailer is quite aware of the social value of shopping. According to Ludin, HSN is helping shoppers to fulfill this need by providing them not only with the opportunity to watch interactions between hosts and guests, but the opportunity to call in and participate in the show live (Schwartz, 1986). In addition to creating a social environment, it provides TV home shopping retailers a way to share testimonials and endorsement from satisfied customers (Ryan, 1994).

The widespread use of credit in non-store shopping also adds to its convenience factor. Credit use has been shown to have a positive correlation with a variety of non-store shopping formats including catalogs, door-to-door, direct response advertising and TV home shopping ("Behavior and attitudes," 1993; Cunningham and Cunningham, 1973; Haynes, Lowe and Black, 1994; Hawes and Darden, 1986; Shim and Kotsiopolous, 1993; Shim and Mahoney, 1992; Yucelt, 1988).

Consumers are also opting to stay at home more often now than in the past. Affordable technological innovations, for example home computers and video cassette recorders, have given consumers more ways to entertain themselves and their families without leaving the house ("What consumers want," 1990). Consequently, consumers are attracted to non-store shopping alternatives which allow consumers to take care of shopping needs without leaving home.

Safety Issues. Another issue that makes non-store shopping an attractive shopping alternative is safety (Forseter, 1994; Peterson, 1994). With the increase of reported crime in shopping malls and parking facilities, consumers are becoming more concerned about their safety and the safety of their families. Less than 25 percent of respondents in a study conducted by the National Retail Federation felt that shopping malls provide a safe environment (Forseter, 1994). Peterson (1994) reports safety as a factor in consumers' decision to use TV home shopping and other non-store shopping formats. Shoppers who have tried non-store retailing reported that the top two advantages of using a non-store retail format were convenience and safety ("Meet the new competition," 1994).

Merchandise Assortment. Consumers want to have a variety of products from which to choose. In fact, McAlister and Pessemier (1982), who reviewed variety-seeking literature, determined that variety alone is often the motivation for consumer behavior. Non-store shopping allows consumers to purchase unusual or hard to find products and brand names (Macdonald, 1993). With TV home shopping retailers consciously improving brand image, more consumers will be willing to place orders (Zinn, 1993).

Burnett and McCollough (1994) conducted a study involving numerous non-store shopping formats including catalogs, TV home shopping, party plans, direct mail and telemarketing. Innovativeness was a quality possessed by shoppers identified as fanatic in-home shoppers. These shoppers wanted to have products as soon as they were available or at least before their friends. TV home shopping and non-store shopping in general provide innovative-minded shoppers with that option.

At the same time, brand loyalty and price-consciousness are other factors causing shoppers to turn to non-store formats. Whether shoppers are attracted to brands that are unavailable to them locally or are less expensive through non-store venues has yet to be empirically tested, however, trade literature supports this idea (Donaton, 1993; Levin, 1994a, 1994b; Macdonald, 1993; Paulmieri, 1993; Santoro, 1994; Zinn, 1993).

Consumers may also be faced with a lack of suitable local shopping choices. Researchers have concluded that non-store shoppers in rural areas display unfavorable attitudes toward local retail stores and the availability of quality merchandise (Haynes, et al., 1994; Lumpkin, et al., 1986; Yucelt, 1988). Germain (1995) attributes lack of suitable local stores in combination with infeasibility of travel as reasons non-store shopping is so popular in areas such as Alaska. Non-store shopping allows these shoppers to complete shopping tasks with minimal effort while in the convenience of their home or office (Reynolds, 1974).

Dissatisfaction with In-store Shopping Formats. According to Wunderman (1993), retailers are "entering the largest and last decade of on-site retailer dominance" (p. 28). There is evidence that consumers' ideas about going shopping as well as their shopping needs have changed. For instance, consumers are spending less time in shopping malls. The average number of hours customers spent in shopping malls decreased from twelve hours per month in past years to eight hours per month in 1993. Another interesting fact is that the length of time the consumer spends on each shopping trip is also decreasing. Explanations for these trends could include dissatisfaction with the shopping alternatives available to consumers or a lack of time for in-store shopping (Gordon, 1994; Wunderman, 1993).

One reason cited for the decline in mall shopping is that the amount of disposable income, which was around 50 percent in the late 1970's, has dropped by five percent today (Gordon, 1994). At the same time, however, the percentage of non-store shopping has been increasing in recent years. In 1992, 58 percent of shoppers reported that they had made catalog purchases in the past six months. That figure is up four percent since 1988. Additionally, non-store shopping has grown thirty percent in the same four years, from five percent of all shopping to nine percent. These increases in non-store shopping occurred while traditional in-store retailing declined three percent overall (Eldridge, 1993).

Gordon (1994) attributes non-store retailing as another cause for the decline in mall shopping. TV home shopping, as well as other non-store retailing formats, are in an advantageous position. It appears that shoppers are becoming less satisfied with traditional in-store shopping trips ("Meet the new competition," 1994; Warner, 1993; Zinn, 1993). Lack of product information available to shoppers was cited by sixty percent of shoppers in a study by the National Retail Federation (Forseter, 1994). In the same study, more than sixty percent stated that they had ended a shopping trip without buying anything because there was no associate to help them with their purchase. If TV home shopping retailers could convey to consumers the level of individualized sales assistance customers receive from the show host. order entry operators and product representatives, they may attract some of the shopping mall's dissatisfied patrons.

Summary

The review of literature relevant to non-store shopping has revealed a number of factors related to its acceptance, providing a better understanding of non-store shoppers. Factors that seem applicable to TV home shopping are convenience, safety, merchandise assortment, and dissatisfaction with in-store shopping formats. The convenience factor includes personal convenience, time-consciousness and credit use of shoppers. The safety factor represents physical safety of the shopper and his or her family. Innovativeness of merchandise and shoppers themselves, brand/store loyalty and price-consciousness are represented in the merchandise assortment factor. The final factor, dissatisfaction with in-store formats, includes lack of sales assistance and knowledgeable sales associates.

Perceived Risk

In consumer behavior, researchers are interested in choices consumers make. Since retailers as well as products differ, understanding why consumers make certain choices over others is useful in developing strategies for advertising and merchandising. The theory of perceived risk attempts to answer some of the questions associated with consumer choice decisions, which can then be related to strategy development.

Stem, Lamb and MacLachlan (1977) proposed a conceptual framework of perceived risk (Appendix 1), in which the concept of risk is shown to be a combination of the components of risk and risk types. According to the framework, identifying the effects of consumer perceptions of these components and risk types is necessary for further understanding perceived risk (indicated by broken lines). The model suggests that the convergence of risk components and types of risk permits measurement of perceived risk. The perceived level of risk may then produce risk enhancement or reduction behavior. The model shows that consumers then select methods for risk reduction or enhancement.

This study is focused on the upper portion of the model, namely "Perceptions of Risk Types." The remainder of this section presents literature related to the components of perceived risk, perceived risk types, levels of risk perceived and how this literature has been used in general patronage research and non-store research.

Components of Perceived Risk

Perceived risk as it relates to consumers was first introduced by Bauer (1960) who posited that consumers' actions produce consequences that could not be fully anticipated. When consumers make choices to buy a particular brand or to shop at different retail establishments they face the possibility of satisfactory or dissatisfactory outcomes. The problem is that the outcomes of the choices remain unknown until after that choice has been made. Perceived risk, then, can be described as the uncertainty consumers experience when making choices without knowing the outcomes associated with those choices (Peter and Ryan, 1976; Peter and Tarpey, 1975; Roselius, 1971; Taylor, 1974). In addition, consumers perceive the outcomes of risk and the consequences associated with that outcome differently depending on past experiences, the specific situation and self-esteem (Taylor, 1974). The different losses consumers face as a consequence of making poor decisions have been studied in great detail and are described as types of perceived risk.

Types of Perceived Risk

Researchers have identified various types of perceived risk (Bauer 1960; Cox and Rich 1964; Cunningham, 1967; Jacoby and Kaplan, 1972; Roselius, 1971). The risk types experienced by shoppers were determined by these researchers according to the type of loss perceived if a poor choice was made by consumers.

Cunningham (1967) explored the possibility of different types of perceived risk by asking consumers to describe dangers they associated with the decision to purchase a variety of products including pasta and headache remedies. The results yielded a definite pattern of dangers across the product categories examined. In 1972, Jacoby and Kaplan, noting a lack of formalized risk types, reviewed available literature in an attempt to compile the different types of risks identified in past research. Seven major types of risk perceived by consumers when making purchase decisions have been identified: financial, functional, physical, psychological, social, time and overall risk (Cunningham, 1967; Jacoby and Kaplan, 1972; Schiffman and Kanuk, 1991;). Each of these risk types is listed below, followed by a brief description of that risk and an example of the uncertainty a consumer may experience in making a decision.

1) Financial risk -- Financial risk is the risk of economic (monetary) loss as a result of making a poor shopping decision. For example, is shopping from a TV home shopping retailer worth the cost?

2) Functional risk -- Functional risk is the risk that the service will not be performed as expected or that the product will not perform as expected. As applied to TV home shopping, will my purchase from a TV home shopping retailer go smoothly, as expected?

3) Physical risk -- Physical risk is the risk that this choice might cause bodily harm to the purchaser or other individuals. In this case, shoppers would consider whether using a TV home shopping retailer is safe.

4) Psychological risk -- Psychological risk is the risk that a poor decision might bruise the ego of the consumer. This is interpreted as whether using a TV home shopping retailer would make the

shopper proud.

5) Social risk -- Social risk is the risk that this decision could result in social embarrassment. For example, if the shopper uses a TV home shopping retailer, what will others think?

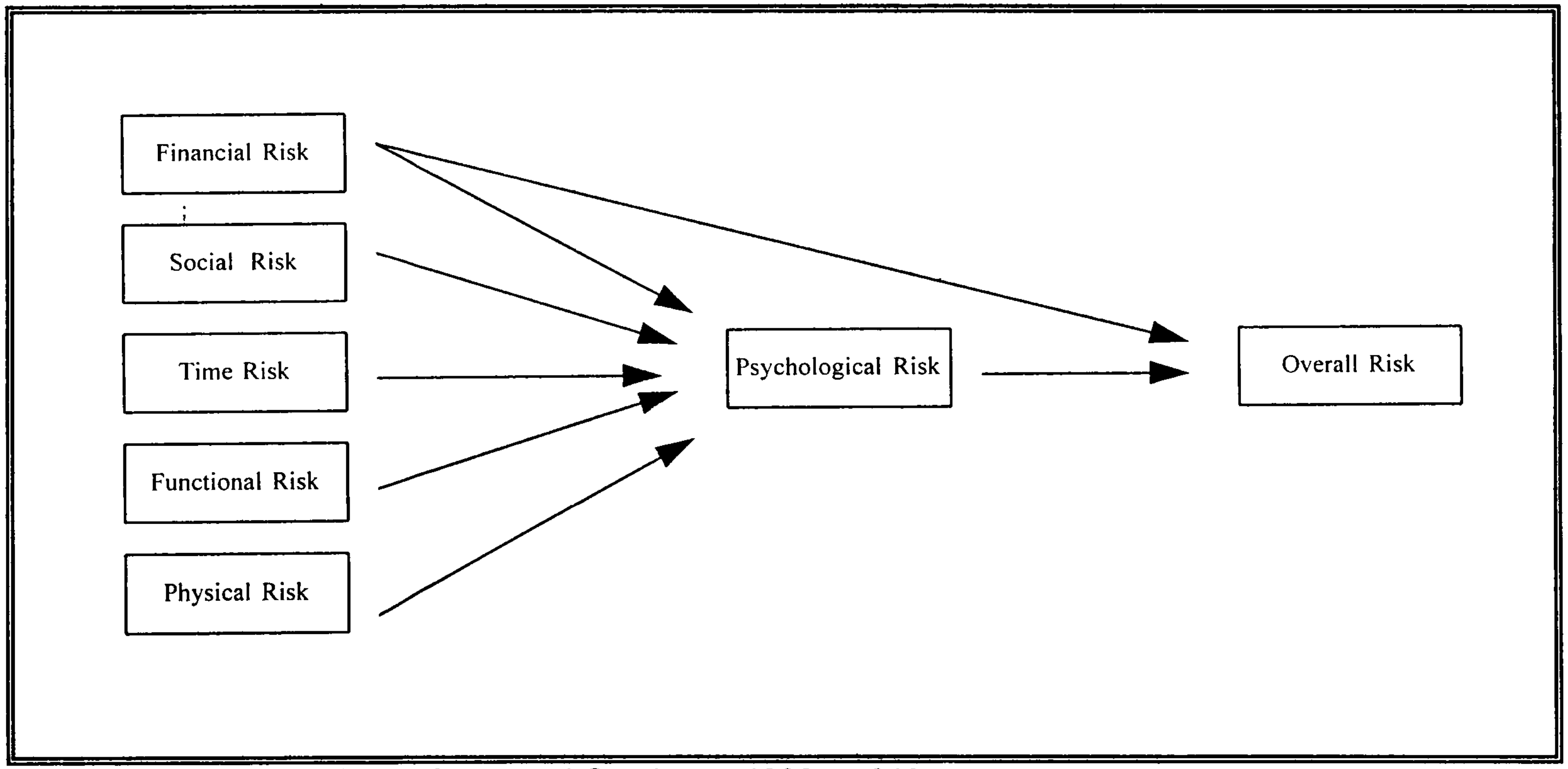
6) Time risk -- Time risk is the risk that the time spent making this decision will have been wasted if the outcome is not as expected. If the shopper's TV home shopping experience does not go as expected, will they feel as if they have wasted their time.

7) Overall risk -- Overall risk is a combination of the various types of risk perceived by the shopper. A shopper's overall risk may include all six of the previously discussed risk types or any combination. For example, a shopper may perceive a great deal of functional and economic risk but little or none of the other risk types.

Subsequently, these risk types have been adopted and adapted by numerous researchers to date to investigate a variety of consumer related topics including risk handling and reduction methods (Dardis and Stremel, 1980; Dowling and Staelin, 1994; Greatorex and Mitchell, 1994; Mitchell and Boustani, 1994; Mitchell and Greatorex, 1993; Mitchell and Prince, 1993; Roselius, 1971; Sheth and Venkatesan, 1968) advertising and product information (Grewal, Gotlieb and Marmorstein, 1994; Schaninger 1976), warranties (Shimp and Bearden, 1982), brand/store loyalty and product trial (Arndt, 1967; Bauer, 1960; Schiffman, 1972) and patronage and shopping preferences (Cox and Rich, 1964;

Dash, Schiffman and Berenson, 1976; Jacoby and Kaplan, 1972; Jasper and Ouellette, 1994; Kwon, et al., 1991; Mitchell and Greatorex, 1993; Prasad, 1975; Simpson and Lakner, 1993; Spence, Engel and Blackwell, 1973).

Stone and Gronhaug (1993) investigated the concept of overall risk as a combination of the risk types identified in past research (e.g., Jacoby and Kaplan, 1972) and described above. Results of their study supported their hypothesis that overall risk is a combination of the six risk types previously identified, however, they found the risk types to vary in their association with overall risk. Figure 2.1 shows the path associations of individual risk types as they contribute to overall risk. Five risk types, financial, social, time, performance (functional) and physical were shown to be directly associated with psychological risk. Psychological risk, in turn, is directly associated with overall risk. Financial risk, in addition to having a direct association with psychological risk, has a direct association with overall risk (Stone and Gronhaug, 1993). Jacoby and Kaplan (1972) also found that financial risk was a major predictor of overall risk.



Source: adapted from Stone and Gronhaug, 1993, p. 313.

FIGURE 2.1

ASSOCIATION OF RISK TYPES WITH OVERALL RISK

Amounts of Risk Perceived

In addition to the different types of risk perceived, consumers can also be classified according to the level or amount of risk they perceive. Schiffman and Kanuk (1991) attribute the differences in consumers' perceptions of amounts of risk to a number of factors. Personal characteristics of consumers will affect the amount of risk perceived as will characteristics of products, purchase situations and consumers' cultures (Schiffman and Kanuk, 1991).

Consumers who perceive high amounts of risk associated with a purchase decision are categorized as being "high risk perceivers." Consumers who perceive high amounts of risk in a purchase situation are likely to be cautious in making purchase decisions. High risk perceivers are also likely to limit the number of retailers they purchase from to retailers they are familiar with rather than risk making a poor purchase decision. In this respect, high risk perceivers are considered to be "narrow categorizers," meaning they would rather choose from a limited selection rather than risk the consequences of a poor decision (Schiffman and Kanuk, 1991).

"Low risk perceivers," on the other hand, are likely to perceive less risk in making purchase decisions than high risk perceivers. Consumers who perceive little risk in making purchase decisions are likely to take more chances, choosing from a larger selection of retailers from whom to purchase products. Low risk perceivers would rather risk the consequences of making a poor decision than limit the range of retailers with whom they shop. Therefore, low risk perceivers are best described as "broad categorizers," indicating the wide range of retailers they might consider when making purchase decisions (Schiffman and Kanuk, 1991).

The product category may also influence perceptions or risk. A consumer may be a high risk perceiver when choosing products that are unfamiliar, but a low risk perceiver when choosing products about which the consumer is knowledgeable (Prasad, 1975). In addition, some products can be classified as high, medium or low risk products through an evaluation of the types of risk associated with that product and the level of greatness of the consequences associated with making a poor purchase decision (Schiffman and Kanuk, 1991; Mast, Oliver and Shim, 1991). Schiffman and Kanuk (1991) use a color TV as an example of a high risk product and balance scales as an example of a low risk product. Mast, et al (1991) identified records/tapes and books/magazines as the least threatening product types to electronic on-line shoppers while jewelry and collectibles were most threatening to these respondents.

In a study conducted by Dardis and Stremel (1980), different categories of men and women's apparel were investigated for varying degrees of physical risk of burning. They found that women's sleepwear was perceived to have a higher physical risk than men's sleepwear and women's daywear, indicating that some categories of clothing are perceived to be more physically risky than others.

The shopping situation also presents variation in risk perception. Schiffman and Kanuk (1991) point out the differences between shopping situations. For instance, consumers will experience a higher perception of risk when using non-store retail formats, including TV home shopping retailers, than would be experienced when using traditional in-store retailers. Hawes and Lumpkin (1985) investigated how store type, or mode, impacted perceived risk. Department and specialty stores were identified as low risk modes. Modes considered moderately risky were discount stores and store catalogs. Advertisements and direct mail represented the highest risk modes (Hawes and Lumpkin, 1985).

Schiffman and Kanuk attribute variations in risk perception of store types to lack of experience with a particular retail format. As consumers receive positive feedback from others and have positive experiences themselves, this level of perceived risk should decrease. A study conducted by Mitchell and Prince (1993) provides empirical support for the relationship between experience and amount of risk perceived. Results of their study indicate that, in general, as the frequency of purchases increased, risk perception decreased for a variety of shopping goods and services. Cunningham and Cunningham (1973) found similar results in a study involving in-home shoppers. In their study, satisfactory experiences with past purchases led to less perceived risk.

Risk Perception and Non-store Patronage Behavior

Perceived risk has been hypothesized by many researchers to affect not only the products that consumers buy, but also the shopping options consumers prefer. Generally speaking, consumers will choose a shopping option that is perceived to be the least risky, especially if the product being considered is perceived to involve a great deal of risk (Schiffman and Kanuk, 1993).

Cox and Rich (1964) explored how perceived risk affected the frequency and amount of telephone orders for department and specialty store merchandise advertised in newspapers. Results indicated that risk was perceived and as the amount of perceived risk increased, purchases decreased. The authors also investigated methods by which the respondents attempted to decrease that amount of risk perceived including seeking product information and relying on past experiences. These findings were used to offer implications for department and specialty stores wishing to increase telephone orders.

Spence, et al (1970) investigated the differences in perceived risk between mail order and in-store or salesperson purchases of hospitalization insurance and a variety of other products. These authors hypothesized that perceived risk would be greater in certain types of buying situations than others (greater in mail order; less in store or by salespeople). Responses were obtained by using self-administered and interviewer administered questionnaires in the residences of the respondents. Results showed that perceived risk was greater for mail order than in-store or salesperson buying situations, but, the authors concluded that low levels of perceived risk in mail order purchases of hospitalization insurance did not indicate low levels of perceived risk for other types of products nor were they able to show that current mail order users perceived less risk in purchasing other types of products by mail than respondents who currently were not mail order policy holders.

Kwon, et al (1991), carried out a study with the purpose of identifying risk dimensions or types involved in purchasing apparel from catalogs. The types of risks hypothesized to influence catalog purchases were financial, social, performance/functional, and time. The sample consisted of working and non-working women who were later divided into catalog and non-catalog shoppers. Analyses comparing catalog and non-catalog users with regard to these risk types yielded highly significant results. Catalog users consistently perceived less overall risk and less risk in all risk types hypothesized than non-users. Respondents who did shop for apparel by catalog reported "convenience" and "time-saving" as being the primary determining factors. Those respondents who did not shop for apparel by catalog reported deterrents including "inability to examine and try the product" as well as "uncertainty of the catalog apparel quality" (p. 17-18). Because of the limited product category, future research is needed across a variety of product types.

Simpson and Lakner (1993) studied the risks perceived by consumers of apparel mail order shopping. The objective of their study was to determine the types of perceived risk applicable to mail order apparel shopping. Four mutually independent risk types were found to be applicable to mail order apparel shoppers: social/psychological, economic (financial), performance (functional), and physical. Those respondents who had little or no experience purchasing apparel by mail perceived higher amounts of risk in this activity than those respondents who had made purchases. Economic (financial) risk was found to be the risk type in which appeared the greatest differentiation between users and non-users of apparel mail order shopping. It was concluded that the theoretical concept of perceived risk was useful in connecting perceived risk literature with that of mail order, a non-store retail format.

In a study concerning the use of mail order pharmacies, Gerthoffer (1993), found that the risk types most affecting the respondents use or non-use of mail order pharmacies were time and functional risks. Additionally, in support of Simpson and Lakner (1993), non-users of mail order pharmacies perceived more overall risk in using this retail format than respondents who had or were currently using mail order pharmacies.

Similarly, Jasper and Ouellette (1994) investigated the role of perceived risk in consumers' decisions to purchase apparel from catalogs. The purpose of this study was to investigate whether or not perceived risk was associated with a consumer's decision to purchase apparel from catalogs and whether that risk might be influencing the recent decline in catalog patronage. Findings supported a number of hypotheses relating various risks to catalog shopping habits. Risk variables including the ability to physically inspect the merchandise and familiarity with brand names were found to affect the dollar amount per order as well as the frequency of orders or the decision not to place an order. Respondents reporting very little or no catalog purchases were found to perceive higher risks in catalog shopping than more experienced catalog shoppers.

In an exploratory study of TV home shoppers, Burgess and Drake (1995) received quite similar responses from student respondents of open ended questions that asked why that person had or had not made TV home shopping purchases and what could be done by TV home shopping retailers to encourage future purchases. The ability to physically inspect the merchandise was included in the category receiving the largest number of responses. Respondents' lack of brand familiarity was cited as a reason purchases had not been made. Presenting more well-known national brands was suggested by respondents' as one way TV home shopping retailers could encourage shoppers to make purchases in the future.

Summary

This section has presented a discussion of perceived risk including the components of perceived risk, different types of perceived risk and how this theory has been applied to non-store consumer behavior. Stone and Gronhaug (1993) determined that overall risk is comprised of risk types identified in past studies (financial, functional, social, psychological, physical and time). Additionally, research has shown that non-store shoppers perceive varying amounts of risk related to purchases (Cox and Rich, 1964; Spence, et al., 1970). The amounts of risk associated with non-store shopping and specifically TV home shopping is still poorly understood.

Shopping Orientation

Shopping orientations can be used to classify shoppers into types according to similarities in consumer characteristics and market behavior (Shim and Kotsiopolous, 1993). Characteristics used in grouping similar consumers have included shopping motives (e.g., recreation, necessity, etc.), lifestyle (e.g., activities, interests, opinions), retail preferences (e.g., location, image) and demographics. Using the characteristics common to a group of shoppers allows retailers, marketers and advertisers to develop segmentation strategies based on pricing, merchandise assortment, geographic location of consumers, gender, or media usage.

Shopping Types

Stone (1954) introduced and conceptualized shopping typology through identification of consumer's motives for selecting certain retailers over others. In Stone's (1954) work, respondents were classified as one of four shopper types for general products based on a subjective analysis of consumer responses to characteristics of retailers. Shopper types identified were:

1) "Economic" shoppers, who were concerned with price, quality and variety. These shoppers viewed shopping as an economic activity necessary to obtain the goods and services they needed;
2) "Personalizing" shoppers, who desired social contact in shopping.

These shoppers considered the friendliness of store personnel and the relationship with store personnel as an important determinant in making a shopping choice;

3) "Ethical" shoppers, who were more likely to shop in local stores. These shoppers were motivated by feelings of loyalty or obligation for local merchants. This allegiance made them likely to avoid chain stores in favor of independently, locally owned retail stores; and

4) "Apathetic" shoppers, who expressed little interest in shopping. To these shoppers convenience was more important than store characteristics when making shopping choices.

In 1971, Darden and Reynolds adapted shopping typologies introduced by Stone (1954) to the purchase of health and personal care items. The resulting shopper types were referred to by Darden and Reynolds (1971) as personalities. The description of the shopper orientations as a shopper "personality" indicates that the consumer's shopping orientation relies on internal characteristics as well as retailer characteristics. Darden's and Reynold's (1971) findings were similar to Stone's (1954), resulting in the same four shopping orientations.

General Applications of Shopping Orientation

The use of psychographic type statements is now commonly used in conjunction with lifestyle characteristics (Crask and Reynolds, 1978; Darden and

Ashton, 1974-5; Mason, Durard and Taylor, 1981; Moschis, 1976; Reynolds, 1971), shopping preferences (Darden and Ashton, 1974-5), store image characteristics (Williams, Painters and Nicholas, 1978) and demographics to determine factors that could predict inclusion of consumers into one shopper type while excluding them from others through grouping shoppers with similar characteristics.

The combinations of these variables have led to several studies of shopping orientations related to patronage behavior (Bellenger and Korgaonkar, 1980; Bellenger, Robertson and Greenberg, 1977; Crask and Reynolds, 1978; Hennerberg, 1993; Reynolds and Darden, 1972; Reynolds and Martin, 1974; Vitaska, 1980).

Hennerberg (1993), whose purpose was to offer strategy implications for retailers, identified three types of shoppers. The social shopper wants to be the first to own products and are likely to purchase products endorsed by celebrities. Pragmatic shoppers are interested in value, sales and comparison shopping. Finally, righteous shoppers prefer endorsements from independent sources, for example Consumer Reports, and prefer to do business with companies who are highly credible and reliable.

Product Use and Information Sources. Researchers have studied shopping orientations to predict product usage and the use of information sources by consumers. Moschis (1976) studied female cosmetics users' shopping orientations to predict the type of information the shopper types would use, preferences for different types of information and types and amounts of media sources used to gather information. Mochis concluded that shopping orientation in combination with lifestyle could be used to predict the use of information sources.

Williams, et al (1978) investigated grocery shoppers' levels of involvement with stores' pricing practices and services offered. The resulting shopper types: apathetic, price oriented, convenience oriented, and involved (with grocery shopping), were used to create possible market strategies for use by grocery retailers. Similarly, Shim and Kotsiopolous (1993), used shopping orientation in combination with information sources used, lifestyle and demographics to develop typologies of female catalog apparel shoppers. They were: highly involved apparel shopper, apathetic apparel shopper and convenience oriented catalog shopper.

Outshopping. The relation of outshopping to shopper types has also been a topic of research. Reynolds and Darden (1972) conducted a study of differences between women who shopped within their local trading area to those women who frequently traveled to other trading areas. These two shopper types were developed using lifestyle characteristics, trade area characteristics and demographics. A later study by Darden and Perreault (1976) also identified shopper types based on choice of shopping in or outside the local trading area, using lifestyle characteristics and the respondent's stage in the life cycle as indicators of outshopping. Five shopper types resulted: inshoppers, outshoppers, big-ticket outshoppers, furniture outshoppers, appearance outshoppers and entertainment outshoppers (Reynolds and Darden, 1972).

Rural and Urban Groups. Identifying characteristics common to shoppers who live in rural or urban areas has been investigated using shopping orientation. Lumpkin, Hawes and Darden (1986) looked at consumers in rural communities in regard to their purchase of general products in that shopping area or outside that shopping area. Results included the following orientations: inactive inshoppers, active outshoppers, and thrifty innovators. Haynes, et al (1994), compared rural and urban shopping orientations of non-store clothing shoppers in order to determine if these shoppers differed and identified patronage related factors of each group.

Demographic Groups. Shopping orientation has also been used to investigate a specific group of shoppers. Lumpkin (1985) looked at consumers aged 65 and older and their shopping orientations based on the purchase of products in general. Resulting shopper types were: apathetic, economic and active. Lumpkin, Strutton, Lim and Lowery (1990) also investigated elderly consumers. Seven shopper types (autonomous-economic, impersonal-brand conscious-recreational, venturesome-insightful-affiliative, uncommitted-isolate, apathetic, irrepressible-imprudent and synthesized-professionally contingent) were identified based on perceived risk of misuse of over the counter medication and store attributes.

Non-store Applications of Shopping Orientations

In recent years, shopping orientation has been applied to various non-store formats used by consumers. In 1970, Gillett used shopping orientation to identify in-home shopper types. Urban women users of mail order, phone order and in-store catalog counters served as the sample. Socio-economic attributes, attitudes and demographics were used to develop profiles of in-home and non-in-home shoppers. In-home shoppers when compared to non-in-home shoppers were younger, more highly educated with higher household incomes and more white collar heads of household. In general, the attitudes between these two groups differed very little.

Later, Peters and Ford (1972) also used shopping orientation to assemble profiles of urban in-home shoppers. This sample was also comprised of women, however the non-store method studied was door-to-door selling rather than mail order. In this study, socio-economic characteristics, personality and demographics were used to identify in-home shopper types. No significant personality differences were found between the two groups identified: heavy in-home shoppers and heavy in-store shoppers. In general, the results of this study were almost completely opposite those found by Gillett (1970). Heavy in-home shoppers were found to be less highly educated with lower household incomes and blue collar heads of household (Peters and Ford, 1972).

Cunningham and Cunningham (1973) investigated women shoppers of a variety of shopping formats including catalog, department stores, specialty stores and advertisements. Motivational/attitudinal and socio-economic attributes along with demographics were used to create shopper profiles. Two shopper types resulted. Active in-home shoppers were identified as using credit more often, being more highly educated, more "cosmopolitan," having a higher social class and being less conservative. This is the first non-store shopping study in which profiles have significant results beyond demographic and socio-economic data.

Lumpkin, Hawes, and Darden (1986), explored the relationship between shopping orientation and outshopping of shoppers living in rural communities with populations of less than 4,000 and within a one hour drive to regional shopping malls. Shopping in local stores, stores in other trading areas and catalog shopping were investigated. Three shopper types were identified: inactive in-shoppers--preferring local shopping, but shopping less often than the other shopper types; active outshoppers--less loyal to local retailers and less satisfied with their local shopping choices; and, thrifty innovators--more likely to try innovative retail formats. Catalog shoppers were considered to be thrifty innovators by these authors. These shoppers were better time managers, more self-confident, had lower incomes and were interested in shopping efficiency.

Yucelt (1988) identified types of shoppers who are likely to shop within or outside their local trading area. The sample was chosen randomly from telephone directories of two small towns. Socio-economic and demographic questions were used in conjunction with questions relating to the trade area preferred (including non-store shopping) and product types likely to be bought in each trading area. The analysis yielded three shopper types: in-town shoppers, out-of-town shoppers and in-home catalog shoppers.

In-town shoppers were likely to be more loyal to the community, not own an automobile and not have credit cards. In addition, in-town shoppers did not view catalog shopping as an alternative to in-store shopping. Conversely, out-of-town shoppers were likely to own automobiles, use credit cards and view local shopping as inadequate. This shopper type also used catalogs as an alternative to local shopping in addition to shopping out of town (Yucelt, 1988). The in-home catalog shopping type was described as using credit cards, being convenience minded, having low incomes and associating catalogs with better merchandise assortments than local or out of town retailers (Yucelt, 1988).

Shim and Mahoney (1992) compared women aged fifty-five and over who were classified as heavy or light users of apparel catalogs. The purpose of the comparison was to develop a profile of elderly heavy catalog users based on shopping orientation, shopping attributes, lifestyle activities and demographics. When compared to light users, heavy users were more likely to prefer catalog shopping to in-store shopping, be less price conscious, have higher incomes and be time conscious.

Shim and Kotsiopolous (1993) studied the shopper types of female apparel consumers. Shopping orientation along with information sources used, lifestyle and demographics were used to determine different typologies of shoppers. A mail survey was used to gather data from which three shopper types were revealed: highly involved apparel shopper, apathetic apparel shopper and convenience oriented catalog shopper. Highly involved apparel shoppers were considered to like local stores, and dislike catalog shopping. Apathetic apparel shoppers were not particularly interested in brand names or fashion apparel. They were the least frequent users of credit and were considered uninterested in shopping in general (Shim and Kotsiopolous, 1993).

The convenience oriented catalog shoppers were the most frequent users of credit and the least oriented towards in-store shopping formats. For these shoppers, convenience and time were the major considerations for apparel shopping. This shopper type as well as the highly involved shoppers tended to be professionals with higher incomes and live in suburban areas (Shim and Kotsiopolous, 1993).

Burnett and McCollough (1994) investigated the differences in consumers who had used various non-store shopping methods. Four distinct shopper types emerged: fanatic non-store group, personal non-store group, non-personal non-store group and traditional store group. This suggests that non-store shoppers vary according to the type of non-store shopping they use which lends support to constructing a profile based solely on TV home shopping. Burnett and McCollough (1994) found that differences between the fanatic non-store shopper and traditional shopper groups could be explained by extremes in product adoption. The fanatic non-store shopper was considered to be an innovator or early adopter, disliking in-store as well as shopping in general, married female with moderate incomes and time conscious. The traditional shoppers were considered to be laggards, married men, who preferred in-store shopping, were brand loyal and not time conscious.

The other two shopper groups, personal non-store shoppers and non-personal non-store shoppers, differed in regard to shopping involvement. The personal non-store shoppers viewed non-store shopping as a way to make life easier. These shoppers were less educated, employed women with children at home. Despite the fact that they shopped non-store, these women were likely to avoid high tech non-store shopping. In contrast, the non-personal non-store shopper is described as young, unmarried, employed women with good incomes. They are further described as highly innovative and time conscious.

Haynes, et al (1994) compared urban and rural catalog and TV non-store clothing shoppers. Profiles of urban and rural non-store shoppers revealed that the percentage of clothing purchased by non-store shopping was higher for urban non-store shoppers as was the average dollar amount per purchase. Rural shoppers were less satisfied with local stores, more likely to use TV home shopping retailers, and more likely to have family constraints. Urban non-store shoppers were more time conscious and convenience oriented than rural non-store shoppers. The use of credit and innovativeness were determined to be factors influencing both urban and rural non-store shoppers to use catalogs and TV home shopping retailers.

Summary

Shopping orientation is one method researchers can use to identify shoppers with similar consumer preferences. Since shopping orientation was first used by Stone (1954), numerous researchers have adapted his approach to create typologies of shoppers in general, shoppers of specific products and store formats. A variety of variables including attitude, interest and opinion scales, store attributes, personality, motivation, lifestyle, information sources, socio-economic information and demographics have been used to compile shopper types.

In non-store literature, shopping orientation has been used to 1) develop profiles of non-store and in-store shoppers for comparisons, 2) construct profiles of shoppers of a single non-store format, and 3) to produce shopping profiles of non-store shoppers in general. As a result, non-store shoppers have generally been identified as having higher incomes and education (Berkowitz, Walton and Walker, 1979; Cox and Rich, 1964; Cunningham and Cunningham, 1973; Gillett, 1970; Lumpkin, et al., 1986; Neal, 1993; Reynolds, 1974; Shim and Drake, 1990; Spence et al., 1971), more innovative, self-confident or venturesome than shoppers of in-store formats (Berkowitz, et al., 1979; Gillett, 1970, 1976; Reynolds, 1974), comfortable using credit cards to pay for purchases (Berkowitz, 1979; Cox and Rich, 1964; Cunningham and Cunningham, 1973; Kwon, et al., 1991) and more convenience minded (Berkowitz, et al., 1979; Cox and Rich, 1964; Gillett, 1970; Kwon, et al., 1991).

CHAPTER THREE

RESEARCH METHODOLOGY

Chapter Three describes the methodology employed in this study. The hypothesis is stated followed by the development of the questionnaire, including operationalization of variables and pre-testing. Data collection procedures, including securing the sample and questionnaire administration, are also included.

Hypothesis

The null hypothesis developed in relation to the objectives of this study and the review of literature was:

H_o: There is no significant difference between high and low risk perceivers in terms of:

a) the number of TV home shopping orders placed in the past year.

b) the dollar amounts spent on first, most recent and most expensive TV home shopping orders.

c) the number of hours TV home shopping shows were viewed before placing first TV home shopping orders.

d) the frequency of catalog shopping.

e) shopper types.

Questionnaire Development

The instrument used in gathering data for this study was constructed during January and February of 1996. Some items were adapted from previously developed instruments identified in the literature review (Appendices 2 and 3). Other items specifically for this study were developed. Measures from recent research (e.g., Attaway, 1989; Fairhurst, 1985; Martin, 1991; Shim and Kotsiopolous, 1993; Shimp and Bearden, 1993; Simpson and Lakner, 1993) pertaining to other forms of non-store retailing (i.e., catalog, on-line) were adapted for TV home shopping . The reported reliability and validity of these measures as well as appropriateness were the basis for selection. Additional measures were developed to answer questions specific to the retail organization from which the sample was obtained.

Operationalization of Multi-scale Variables

Risk perception and shopping orientation were measured using five point Likert type scales where 1 represented "strongly disagree" and 5 represented "strongly agree." Five point scales were chosen since research has shown that reliability for Likert type scales increases up to five scale points, but levels off when more are added (Lissetz and Green, 1975). Additionally, respondents are more likely to be able to remember the meanings of the scale codings when there are no more than five choices (Sudman and Bradburn 1982).

Perceived Risk. Expanding on the concept of consumers' perceptions of risk varying in shopping situations and the fact that shoppers perceive risk differently (Schiffman and Kanuk, 1991), the current study was designed to categorize TV home shoppers as high or low risk perceivers. Perceived risk was measured using eleven items reflecting overall risk and risk types found to be associated with non-store shopping in previous research (Shimp and Bearden, 1993; Simpson and Lakner, 1993; Martin, 1991; "Behavior and attitudes," 1987).

Stone and Gronhaug (1993) concluded that overall risk is a combination of financial, functional, social, time, physical and psychological risks, although the paths of association varied. Financial, functional, social, time and physical risk were directly linked to psychological risk which in turn was directly associated with overall risk. Financial risk was the only risk type other than psychological to be directly related to overall risk (see Appendix 2).

Since one objective in the current study was to categorize TV home shoppers on the basis of amount of risk perceived, the majority of the perceived risk items, seven of eleven, were selected to measure overall risk perceived (Appendix 2). Additionally, two measures of financial risk (Appendix 2) were added in light of the direct correlation between financial and overall risk identified by Stone and Gronhaug (1993). The final two perceived risk items identified in the literature were functional and time risks. The literature names not being physically able to inspect the merchandise as the most reported reason shoppers are reluctant to non-store shop. The amount of time necessary to non-store shop is reported as a reason that many shoppers choose this format.

Shopping Orientation. Shopping dimensions included in the shopping orientation variable were chosen based on the literature reviews of TV home shopping and non-store shopping and shopping orientation. Dimensions included convenience, time-consciousness, innovativeness, brand/store loyalty, price-consciousness, shopping enjoyment and social activities, which have all been shown to be correlated with non-store shopping in past research ("Behavior and attitudes," 1987; Bellenger and Korgaonkar, 1986; Berry, 1979; Burnett and McCollough, 1994; Cunningham and Cunningham, 1973; Gillett, 1970; Haynes, et al, 1994; Lumpkin et al, 1986; Reynolds and Darden, 1972; Shim and Kotsiopolous, 1993; Shim and Mahoney, 1992; Yucelt, 1988) and trade literature (Donaton, 1993: Levin, 1994a, 1994b; Macdonald, 1993; Paulmieri, 1993; Santoro, 1994; Zinn, 1993). The literature review resulted in thirty-five items which represent these dimensions (Appendix 3). These items were chosen based on their significance in prior research (Shim and Kotsiopulos, 1993; Attaway, 1989; Ahuja, 1988; "Behavior and attitudes," 1987; Hawes and Lumpkin, 1986; Fairhurst, 1985; Darden and Perreault, 1976).

Questionnaire Pre-test

The purpose of the pre-test was to evaluate the length of time required to complete the questionnaire and to address problems respondents might encounter when completing the questionnaire booklet. Respondents were encouraged to express any concerns they might have regarding answering any of the questions. The pre-test sample consisted of men and women who had made purchases from TV home shopping retailers. Respondents for the pre-test were chosen as representative of the study sample. Results of the pre-test were useful in rewording items and improving the flow of the final instrument, which was then arranged into five sections.

Sections of the Questionnaire

The questionnaire booklet was comprised of five sections designed to measure a variety of variables related to the respondents' use of TV home shopping, risk perception, shopping orientation, demographics and other, more general consumer information (Appendix 4). This questionnaire was also developed with other research projects in mind, therefore, some questions were not used in the current study.

Section 1: Consumer Information. This section of the instrument measured variables related to the respondents' television viewing habits, regularity of shopping at various types of retail formats, use of credit cards and number and types of credit cards held by each respondent. This section of the questionnaire consisted of a combination of forced choice, Likert type (1=always; 5=never) and open ended questions (Appendix 4). Question 3g in this section was used in the analysis of part "d" of the hypothesis.

Section 2: TV Home Shopping Information. Section 2 requested respondents to answer a series of questions related to TV home shopping (Appendix 4). Variables measured in this section included number of hours TV home shopping was watched, times of the day in which the respondent was most likely to watch and make purchases, date of first purchase, frequency of purchases, dollar amounts of first, most expensive and most recent purchases, product categories for purchases and returns, including reasons for returns, and suggestions for improving TV home shopping. In this section of the instrument, Likert-type, open ended and forced choice responses were used. Data resulting from questions 5 and 8 of this section of the questionnaire were used in fulfilling objective two and in the analyses of parts "b" and "c" of the hypothesis.

Section 3: Shopping Confidence. This section of the instrument was used to measure risk perception. Respondents were asked to assess their level of agreement with a series of statements related to overall risk discussed in Chapter Two. Five point Likert-type statements, with "strongly disagree" (1) and "strongly agree" (2) were used (Appendix 4). This section of the questionnaire were used to gather data for fulfillment of objective one and for the analysis of all parts, "a-e," of the hypothesis.

Section 4: Consumer Preferences. Section 4 (Appendix 4) of the instrument consisted of a series of statements related to the respondents' preferences as a consumer. This section was used to identify different shopping types of the respondents using Likert-type statements ranging from "strongly disagree" (1) to "strongly agree" (5). Section 4 was used in fulfilling objective two and in the analysis of part "e" of the hypothesis.

Section 5: Demographics. The final section of the instrument asked respondents to provide information related to gender, age, marital status, education, occupation, income and geographic location. Open ended and forced choice responses were used in this section, which was used to describe the sample and in fulfillment of objective two (Appendix 4).

Data Collection

This section describes the method by which the sample was obtained and how the questionnaire was administered.

Securing the Sample

The sample for this study was provided by an international TV home shopping retailer whose operations are located in the southeastern United States. The Board of Directors of this retail firm agreed to provide the researcher a mailing list of 1,500 randomly selected customers from their data base. Since this retailer operates internationally, the researcher requested a national list of addresses of TV home shoppers. Additionally, the sample was to be comprised of actual purchasers, excluding individuals who may have been in the database without having made a purchase. Men, as well as women, who were at least eighteen years old were included, however, the proportions were random.

Questionnaire Administration

The procedure used to gather data was the mail survey method. Questionnaire booklets were mailed to the national sample of U. S. TV home shoppers during the last week of February 1996. Each questionnaire was mailed in an envelope with the name of the College and University on the return address. When opened, the questionnaire booklet with the University logo was visible (Appendix 4). Included as part of the questionnaire booklet was a letter explaining the purpose of the study and general instructions for answering the questions (Appendix 4, page 124). At the end of the questionnaire, respondents were thanked for their time and given space to include comments.

Respondents were not compensated for their participation, however, they were offered a summary of the results by filling in their name and address in a space provided. The reverse side of this offer was the business reply panel, allowing names of respondents requesting summaries to be separated from the questionnaires upon receipt. Other than those respondents who supplied postal information for summaries of results, the identities of respondents were never associated with the questionnaire in any way.

CHAPTER FOUR

FINDINGS AND DATA ANALYSIS

The purpose of this study was to examine variables that might be associated with a level of risk perceived by customers of TV home shopping retailers. The two objectives were to 1) categorize respondents as high or low perceivers of risk and 2) to produce profiles of TV home shoppers based on shopping orientation, demographics, and information regarding their use of TV home shopping.

The research findings and data analysis are presented in this chapter. The first section contains information related to respondents, including descriptions of the response rate and the sample. Section two includes reliability and validity tests for multi-scale items, response normality and results of statistical analyses. The third and fourth sections describes the methods by which the research objectives were met and results of data analysis related to the hypothesis. The final section is a summary of the findings.

Sample Information

Response Rate

Of the 1,500 names and addresses secured from the participating TV home shopping retailer, five addresses were incomplete and were excluded from the mailing. The remaining 1,495 questionnaires were mailed. To facilitate a timely conclusion of the data collection, a cut off date was set, allowing respondents four weeks to return the questionnaires. Just over nine percent of the questionnaires were returned by the post office as non-deliverable.

Of the remaining 1,358 questionnaires, 129 were returned for a response rate of 9.5%. Although this response rate is low, there are several possible explanations. First, since the questionnaires were addressed to a specific person, they may have been discarded by someone other than the addressee. Second, quite a few of the addresses were places of employment or mailed in care of another individual. In these instances, it is possible that the questionnaires were never given to the addressees. Third, is the question of time and convenience. McCorkle, Planchon and James (1987) present time-consciousness and convenience-mindedness, both characteristics of non-store shoppers, as possible reasons for non-response bias in TV home shopping studies. TV home shoppers in the current study may not have had time to properly complete a questionnaire or may have regarded the questionnaire as an inconvenience.

Characteristics of the Sample

Table 4.1 provides a summary of sample characteristics. Respondents were almost evenly split by gender (50.4 percent female; 49.6 percent male). Eighty percent of the respondents reported that they were or had been married

TABLE 4.1

DEMOGRAPHIC CHARACTERISTICS OF RESPONDENTS

DEMOGRAPHIC	RESPONDENTS NUMBER	RESPONDENTS PERCENT
Gender		
female	63	50.4
male	62	49.6
	125	100.0
Marital Status		
never married	25	20.2
married	78	62.9
separated	3	2.4
divorced	16	12.9
widowed	2	.8
	124	100.0
Age		
18-24	3	2.4
25-34	16	12.8
35-44	37	29.6
45-54	40	31.2
55-64	22	17.6
65-74	5	4.0
75 and over	2	1.6
	125	100.0
Highest Educational Level Completed		
grade school	1	0.8
high school	31	24.0
vocational training/community college	30	24.8
university	45	36.0
graduate school	18	14.4
	123	100.0

TABLE 4.1 (continued)

DEMOGRAPHIC	RESPONDENTS NUMBER	RESPONDENTS PERCENT
Occupation		
managerial and professional specialty	61	48.8
technical sales and administrative support	17	13.6
precision production, craft and repair	1	.8
operators, fabricators and laborers	5	4.0
service industry	7	5.6
self-employed	8	6.4
homemaker	9	7.2
retired	6	4.8
student	4	3.2
other	7	5.6
	125	100.0
Family Income Before Taxes		
< 5,000	1	.9
5,000-9,999	3	2.6
10,000-14,999	0	0.0
15,000-14,999	4	3.5
25,000-34,999	16	14.0
35,000-49,999	20	17.6
50,000-74,999	31	27.2
75,000-99,999	16	14.0
100,000 and more	23	20.2
	114	100.0

at some time. The majority of respondents, 60.8 percent, ranged in age from 35 to 54, representing Americans who are in the most productive years of wage earning. In fact, just over 60 percent of the respondents reported gross incomes of $50,000 or more. More than one in five respondents reported before income taxes of over $100,000.

The sample can also be described as rather well educated. Slightly more than 75 percent of the sample completed some type of education beyond high school, including vocational training, community college, university or graduate school. Additionally, almost half (48.8 percent) of the respondents indicated their occupation to be managerial.

Reliability, Validity and Normality of Variables

The initial step in analyzing the data was to confirm the reliability and validity for the variables under investigation. Chronbach's alpha and factor analysis were used to assess the reliability and validity of multi-scale variables.

Reliability. Although measures used in this study were found to be reliable in past research, Chronbach's alpha was used to determine if the measures for perceived risk and shopping orientation were reliable in this study. According to Garrett (1958), reliability is the stability or trustworthiness of a measure being free of chance error. In the reliability analysis for this study, measures that did not meet acceptable reliability requirements ($\alpha = .60$

standardized) were deleted, resulting in a purified scale. The perceived risk measure was reduced from eleven to five items, which when tested using Chronbach's alpha produced an alpha coefficient of .78. These findings are located in Appendix 5.

Chronbach's alpha test was also used to assess the reliability of the thirty-five shopping orientation items represented by the seven shopping orientation dimensions. The results of these tests are located in Appendix 6. After testing for validity, Chronbach's alpha was again used to test for reliability of each of seven shopper types resulting from a factor analysis of shopping orientation. Of these seven shopper types, four were found reliable. The results of this test can be found in Appendix 7.

Validity. In addition to testing items for reliability, tests for validity were also employed. The purpose of testing for validity is to determine if the variable is well represented in the instrument and to determine if the operationalization of a variable actually measured the concept as it was defined. Two methods of determining validity were used in the present study.

content validity. The successful use of current scale items for risk perception and shopping orientation in previous research lends evidence of content validity. Additional substantiation for validity (face) in this study results from examination of the instrument during pre-testing by professors and graduate students prior to its administration.

construct validity. Factor analysis was used to determine construct validity of the risk perception and shopping orientation variables. Measures of a single construct were considered valid if they had high factor loadings in the same factor and low factor loadings in other resulting factors. Factor loadings of .30 were retained. This is considered acceptable for predeveloped multi-scale items (Gorsuch, 1983). Three types of factor analysis, alpha, image and maximum likelihood, were used to test for validity of the items used to measure perceived risk and shopping orientation. The results of these tests were extremely similar, lending to the reliability of this procedure. Since results varied very little, only image factor analysis results are presented.

The image method of factor analysis with orthomax rotation and eigenvalues of one or greater were used to assess construct validity of risk perception items. The items used to measure risk perception loaded into one factor, indicating a valid scale. Additionally, all five risk perception items loaded above the .30 level for retainment. The overall variance explained by this single factor was 2.691. Individual item loadings for risk perception are located in Appendix 5.

The items used to measure shopping orientation were also image factor analyzed with orthomax rotation to determine their validity. Shopping orientation items with eigenvalues less than one were omitted, which decreased the original number of items from thirty-five to thirty-three. This analysis resulted in seven factors representing shopper types which describe respondents' shopping orientations. Factor loadings of .30 and greater were retained for further analysis. The overall variance explained by each of the seven resulting shopper types as well as the reliability for each can be found in Table 4.2. The factor loadings for individual items within each shopper type is included in Appendix 7.

Response Normality

To determine whether or not the responses were normal, a univariate analysis was carried out. Results of this analysis showed that the sample was not normal. Determining the normality of the distribution of responses is important in that it guides the researcher to appropriate statistical tests for data analysis. Since these responses were non-normal, hypotheses tests chosen were designed to manage non-normal samples. Kruskal-Wallis tests, which are approximations of an analysis of variance, were chosen for hypotheses tests for this reason. In addition to having non-normal distribution of responses, the hypotheses required comparing two groups using ordinal and interval data. Kruskal-Wallis is the best choice in this instance because it is designed to compensate for unequal numbers of observations in groups being compared and for use with ordinal and nominal data (Schlotzhauer and Littell, 1987).

Fulfillment of Research Objectives

Objective one was to categorize respondents into one of two groups based on their level of risk perception associated with TV home shopping. The

TABLE 4.2

OVERALL VARIANCE EXPLAINED BY SHOPPER TYPES

Shopper Type/ Factor	Variance Explained(%)	Chronbach's Alpha
1: Recreational Shopper	4.00897(22.6)	.69*
2: Methodical Shopper	2.86229(16.7)	.595*
3: Innovative Shopper	2.61332(14.8)	.72*
4: Price Conscious Shopper	2.33139(13.2)	.69*
5: Apathetic Shopper	2.07160(11.7)	-0.3
6: Time Conscious Shopper	2.00676(11.3)	-0.3
7: Convenience Oriented Shopper	1.81189(10.2)	0.5

*Shopper type retained for further analysis second objective was to construct profiles of different types of shoppers of TV home shopping based on shopping orientation, demographics and information related to respondents' use of TV home shopping.

High and Low Risk Perceivers

Perceived risk was measured using five Likert-type items with response choices ranging from 1, indicating "strongly disagree," to 5, indicating "strongly agree." The sums of these items were used to determine the mean score for risk perception for the entire sample (sample mean = 3.176). Individual respondents' mean scores were then compared to the sample mean to identify those respondents as having a lower or higher individual average than the sample mean. Those respondents whose individual means were higher than the sample mean were labeled low risk perceivers and those respondents whose individual averages were lower than the sample mean were labeled high risk perceivers (Table 4.3).

There were differences in demographic data between high and low risk perceivers. Table 4.4 provides a comparison between high and low risk perceivers on demographic variables. Women accounted for 57.1 percent of low risk perceivers and 39.6 percent of high risk perceivers. Men, on the other hand comprised 42.9 percent of low risk perceivers and 60.4 percent of high risk perceivers. Chi-square was used to test the significance of gender differences. Results indicated that there is a significant difference between men and women

TABLE 4.3

FREQUENCIES AND PERCENTS OF HIGH AND LOW RISK PERCEIVERS

Level of Risk Perception	Frequency	Percent
High Risk Perceivers (individual average lower than sample mean)	48	38.4
Low Risk Perceivers (individual average higher than sample mean)	77	61.6
Total	125	100.0

TABLE 4.4

DEMOGRAPHIC CHARACTERISTICS OF HIGH AND LOW RISK PERCEIVERS

DEMOGRAPHIC	HIGH RISK FREQ.	HIGH RISK %	LOW RISK FREQ.	LOW RISK %	SAMPLE %
Gender					
female	19	39.6	44	57.1	50.4
male	29	60.4	33	42.9	49.6
Total	48	100.0	77	100.0	100.0
Marital Status					
never married	13	27.1	12	15.8	20.2
married	28	58.3	50	65.8	62.9
separated	2	4.2	1	1.3	2.4
divorced	4	8.3	12	15.8	12.9
widowed	1	2.1	1	1.3	.8
Total	48	100.0	76	100.0	100.0
Age					
18-24	1	2.1	2	2.6	2.4
25-34	8	16.7	8	10.4	12.8
35-44	18	37.5	19	24.7	29.6
45-54	11	22.9	29	37.7	32.0
55-64	7	14.6	15	19.5	17.6
65-74	2	4.2	3	3.9	4.0
75 and over	1	2.1	1	1.3	1.6
Total	48	100.0	77	100.0	100.0

TABLE 4.4 (continued)

DEMOGRAPHIC	HIGH RISK FREQ.	HIGH RISK %	LOW RISK FREQ.	LOW RISK %	SAMPLE %
Highest Educational Level Completed					
grade school	0	0.0	1	1.3	0.8
high school	11	22.9	19	24.7	24.0
vocational training/ community college	7	14.6	24	31.2	24.8
university	25	52.1	20	26.0	36.0
graduate school	5	10.4	13	16.9	14.4
Total	48	100.0	77	100.0	100.0
Occupation					
managerial/prof. specialty	2	47.9	38	49.4	48.8
tech. sales/admin. support	8	16.7	9	11.7	13.6
precision production, craft & repair	1	2.1	0	0.0	.8
operators, fabricators & laborers	3	6.3	2	2.6	4.0
service industry	2	4.2	5	6.5	5.6
self-employed	3	6.3	5	6.5	6.4
homemaker	2	4.2	7	9.1	7.2
retired	3	6.3	4	5.2	5.6
student	2	4.2	2	2.6	3.2
other	1	2.1	5	6.5	4.8
Total	48	100.0	77	100.0	100.0

TABLE 4.4 (continued)

DEMOGRAPHIC	HIGH RISK FREQ.	HIGH RISK %	LOW RISK FREQ.	LOW RISK %	SAMPLE %
Family Income Before Taxes					
< 5,000	0	0.0	1	1.4	.9
5,000-9,999	1	2.4	2	2.8	2.6
10,000-14,999	0	0.0	0	0.0	0.0
15,000-14,999	1	2.4	3	4.2	3.5
25,000-34,999	9	21.4	7	9.7	14.0
35,000-49,999	8	19.0	12	16.7	17.6
50,000-74,999	8	19.0	23	31.9	27.2
75,000-99,999	4	9.5	12	16.7	14.0
100,000 and more	11	26.2	12	16.7	20.2
Total	42	100.0	72	100.0	100.0

and the levels of risk they perceive in using TV home shopping retailers (Chi-square=3.647; df=1; p>.05). Generally, it appears that women perceive less risk when TV home shopping than men.

Differences between high and low risk perceivers of TV home shopping also are evident in levels of education completed by respondents. High risk perceivers appear to be better educated than low risk perceivers. Over 62 percent of high risk perceivers have a university degree as compared to less than 43 percent of low risk perceivers. This difference was statistically significant when tested using Chi-square (Chi-square=4.485; df=4; p>.034).

Differences in marital status between high and low risk perceivers were not statistically significant. There were, however, more married (65.8 percent) and divorced (15.8 percent) low risk perceivers than high risk perceivers (58.3 percent married; 8.3 percent divorced). Although not statistically significant, low risk perceivers seem to be older than high risk perceivers (Table 4.4). While around half of both groups (47.7 percent low risk; 56.3 percent high risk) are under forty-five years of age, the age range between ages forty-five and sixty-four appear quite different. The forty-five to sixty-four age range accounts for 57.2 percent of low risk perceivers and only 37.5 percent of high risk perceivers.

Additionally, occupation of respondents was not found to be statistically significant. Almost half of each group (49.4 percent low risk;

47.9 percent high risk) were in management or professional specialty positions. Income, although not statistically significant, revealed an interesting difference. More high risk perceivers than low risk perceivers (26.2 percent versus 16.7 percent) reported incomes of $100,000 or more, however, more than 65 percent (65.3) of low risk perceivers reported incomes over $50,000 while less than 55 percent (54.7) of high risk perceivers indicated incomes over this amount.

Shopper Types

Shopping orientation was measured using thirty-five questions with Likert-type response choices ranging from "strongly disagree" (1) to "strongly agree" (5). These items were factor analyzed to distinguish separate shopper types using image analysis with orthomax rotation. Items with eigenvalues greater than one were included in the factor analysis, which reduced the number of items from thirty-five to thirty-three.

The reliability of the seven emerging shopper types was tested using Chronbach's Alpha. Shopper types with alphas of .60 and above were retained for further analysis. Three of the seven shopper types were eliminated from further analysis due to poor reliability. Individual factor loadings, alpha levels and measurement items for each of the remaining four shopper types are included in Appendix 7.

The four shopper types found to be reliable were labeled recreational shoppers, methodical shoppers, innovative shoppers and price conscious shoppers. The label, "recreational shopper" was selected because most of the items loading in this factor described shopping as a form of enjoyment or entertainment. The label "methodical shopper" represents items loading together which pertain to brand and store loyalty as well as time consciousness. The term "innovative shopper" is used to describe factor loadings that include interest in new products, store trial and peer leadership. The label "price conscious shopper" represents items factor loading together related to sales and bargain hunting . The following sections provide a description of these four types of shoppers.

Recreational Shopper. Overall, recreational shoppers tend to be women aged forty-five to fifty-four (Table 4.5). This group has the highest family incomes before taxes and the highest level of education when compared to the other shopper types. These shoppers are familiar of the four shopper groups with TV home shopping (Table 4.6). Recreational shoppers gain personal enjoyment from shopping. These shoppers view shopping as a way to gain product information for making purchase decisions. In addition, these shoppers view shopping as an end to itself. Shopping offers a recreational value whether or not a purchase is made.

Methodical Shopper. Methodical shoppers can be described as single men between the ages of twenty-five and thirty-four (Table 4.5). Methodical shoppers place TV home shopping orders the least often of all four shopping types. Methodical shoppers prefer to purchase brands and shop at stores they are familiar with. These shoppers also plan their shopping activities by the clock, which might necessitate shopping in familiar stores and choosing brands found satisfactory in the past. It also appears that shopping is not as enjoyable to these shoppers as it is to the recreational shoppers.

Innovative shopper. Innovative shoppers represent married men and women aged thirty-five to fifty-four (Table 4.5). These shoppers are least likely to hold management positions. Innovative shoppers are the most familiar with TV home shopping and have placed the most expensive TV home shopping orders of all four shopper types (Table 4.6). They also use credit cards to pay for purchases more than the other three groups. The largest number of TV home shopping orders in the past year were placed by these shoppers when compared to the other shopper types. Additionally, these shoppers are most likely to catalog shop. Innovative shoppers like to be thought of as a leader among their friends. They want to be the first to try new products and new places to shop. Friends look to these shoppers for information related to stores and products.

Price-Conscious Shopper. Price-conscious shoppers are primarily married women between the ages of thirty-five and fifty-four (Table 4.5). As well as being the least familiar with TV home shopping, price-conscious shoppers have spent the least on their most expensive TV home shopping

TABLE 4.5

DEMOGRAPHIC CHARACTERISTICS OF SHOPPER TYPES

Demographic	Recreational	Methodical	Innovative	Price-conscious
Gender				
female	61.6	43.3	51.6	49.4
male	38.4	56.7	48.4	50.6
Total	100.0	100.0	100.0	100.0
Age				
18-24	4.7	3.3	4.7	2.5
25-34	13.8	15.0	12.5	16.0
35-44	21.5	36.7	37.5	38.3
45-54	41.5	30.0	20.3	21.0
55-64	15.4	11.7	20.3	16.0
65-74	3.1	1.7	4.7	4.9
75 and over	0.0	1.7	0.0	1.2
Total	100.0	100.0	100.0	100.0
Marital Status				
married	61.5	61.0	63.5	60.5
widowed	0.0	1.7	0.0	1.2
divorced	6.1	15.3	11.1	13.6
separated	3.1	1.7	3.2	2.5
never married	29.3	20.3	22.2	22.2
Total	100.0	100.0	100.0	100.0
Highest Educational Level Completed				
grade school	0.0	1.7	1.6	1.2
high school	23.0	26.7	25.0	24.7
vocational training/ commun college	23.0	28.3	31.3	24.7
university	46.0	33.3	29.7	34.6
graduate school	9.0	10.0	12.5	14.8
Total	100.0	100.0	100.0	100.0

TABLE 4.5 (continued)

Demographic	Recreational	Methodical	Innovative	Price-conscious
Occupation				
managerial & prof. specialty	56.9	51.7	46.9	50.6
technical sales & ad. support	12.3	8.3	10.9	12.3
precision production, craft and repair	10.7	1.7	1.6	1.2
operators, fabricators & laborers	4.6	5.0	6.3	3.7
service industry	7.8	5.0	1.6	6.2
self-employed	4.6	8.3	6.3	7.4
homemaker	3.1	6.7	9.4	6.2
retired	0.0	3.3	4.7	4.9
student	0.0	6.7	6.3	3.7
other	0.0	3.3	6.3	3.7
Total	100.0	100.0	100.0	100.0
Family Income Before Taxes				
< 5,000	0.0	1.8	1.7	0.0
5,000-9,999	0.0	5.3	5.2	1.4
10,000-14,999	1.5	0.0	0.0	0.0
15,000-14,999	3.1	7.0	1.7	5.5
25,000-34,999	9.2	14.0	15.5	16.4
35,000-49,999	4.6	17.5	12.1	20.5
50,000-74,999	30.8	22.8	24.1	26.0
75,000-99,999	27.7	10.5	19.0	17.8
100,000 & more	23.1	21.1	20.7	12.3
Total	100.0	100.0	100.0	100.0

TABLE 4.6

MEAN SCORES OF TV HOME SHOPPING CHARACTERISTICS OF RESPONDENTS BY SHOPPER TYPE

Characteristic	Recreational	Methodical	Innovative	Price-conscious
Frequency of catalog shopping*	2.5	2.6	2.7	2.5
Familiarity with TV home shopping**	4.3	4.1	4.3	4.0
Number of TV home shopping orders placed in the past year***	2.2	1.9	2.3	2.1
Number of hours TV home shopping was watched before first order ****	1.3	1.3	1.4	1.3
Dollar amount of most expensive TV home shopping order*****	3.3	3.2	3.3	3.1

*1=always; 5=never

**1=not at all familiar; 5=very familiar

***1=0-5; 2=6-10; 3=11=15; 4=16-20; 5=21-25; 6=26 or more

****1=0-10; 2=11-20; 3=21-30; 4=31-40; 5=41-50; 6=51-75; 7=76-100; 8=101-150; 9=151-200; 10=201 or more

*****1=$0-$50; 2=$51-$100; 3=$101-$150; 4=$151 and over orders (Table 4.6). Price conscious shoppers are likely to participate in comparison shopping as well as looking through advertisements for information on sales. In addition to shopping for sales, price conscious shoppers are quite aware of the prices of non-sale merchandise as well. The rising cost of products is a concern of these shoppers.

Analysis of Findings

A five part hypothesis was tested. The statistical tests used and the results of these tests are presented for each part of the hypothesis separately in this section.

Hypothesis Part "a"

Ha: There is no significant difference between high and low risk perceivers in terms of number of TV home shopping orders placed during the past year.

Respondents were asked to indicate the number of times they had placed TV home shopping orders in the past year. Responses were measured using a series of six choices ranging from 0-5 to 26 or more. This measure can be found in Section 1, question 8, of the questionnaire (Appendix 4). The frequencies of responses are located in Appendix 8. In order to test for differences between high and low risk perceivers in terms of number of orders, a Kruskal-Wallis analysis of variance test was performed.

Kruskal-Wallis was used to compensate for variations in numbers of observation in high and low risk groups.

Results of the analysis yielded Kruskal-Wallis significant at p>.0007 (Chi-square 11.46; df=1). Therefore, the null hypothesis is rejected. There is a significant difference between high and low risk perceivers in terms of the number of TV home shopping orders placed in the past year. Cochran-Mantel-Haenszel, a multiple comparison procedure which adjusts for unequal sample sizes, was also performed. Results show a probability of significant difference at .001 (C-M-H value=3.081; df=1), supporting the results of Kruskal-Wallis. Based on mean scores, it appears that high risk perceivers placed fewer orders than low risk perceivers. Only 6.52 percent of high risk perceivers indicated placing eleven or more TV home shopping orders in the past year. Almost 39 percent (38.67%) of low risk perceivers reported placing eleven or more TV home shopping orders in the past year. Additionally, 71.74 percent of high risk perceivers indicated placing less than five TV home shopping orders, while this number was 45.33 percent for low risk perceivers.

<u>Hypothesis Part "b"</u>

Hb: There is no significant difference between high and low risk perceivers in terms of the dollar amounts spent on first, most recent and most expensive TV home shopping orders.

Separate analyses were used to measure dollar amounts spent by respondents on their first, most recent and most expensive TV home shopping orders. Each of these questions provided respondents with a series of answer choices ranging from \$0-\$10 to \$201 or more. These questions are located in Section 2, numbers 10-12 respectively, in the questionnaire (Appendix 4). Appendix 8 includes frequencies for each answer choice.

Kruskal-Wallis was the statistical test chosen for each of the dollar amounts (first TV home shopping purchase, most recent TV home shopping purchase and most expensive TV home shopping purchase). Since Kruskal-Wallis produces a Chi-square approximation, the assumptions of Chi-square must be met. For this hypothesis, the ten response categories were collapsed into four to meet minimum cell size requirements for Chi-square to be an effective test. The four categories represented \$0-\$50, \$51-\$100, \$101-\$150 and \$151 and more. The dollar amount high and low risk perceivers spent on their first TV home shopping purchase was not statistically significant ($p>.7933$; df=1; Chi-square=.06866).

Another Kruskal-Wallis test was conducted to determine if there was a significant difference in the dollar amounts spent by high and low risk perceivers on their most recent TV home shopping purchase. Results of this test showed no statistically significant difference between high and low risk perceivers ($p>.3864$; Chi-square=.75025; df=1).

A third Kruskal-Wallis test was used to test for a significant difference between high and low risk perceivers in terms of the dollar amounts spent on their most expensive purchase. Results of this test were significant at the .05

level (p>.0474; df=1; Chi-square=3.9326). The significant difference found in the dollar amounts high and low risk perceivers spent on their most expensive TV home shopping purchase provides support for a partial rejection of the null hypothesis. A Chochran-Mantel-Haenszel test was performed to confirm the findings of the Kruskal-Wallis test for difference in dollar amounts of most expensive TV home shopping purchases. This test was significant at p>.047 (C-M-H value=3.933; df=1). Mean differences suggest that low risk perceivers have spent more on a single order than those TV home shoppers who were categorized as high risk perceivers.

Hypothesis Part "c"

> *Hc: There is no significant difference between high and low risk perceivers in terms of the number of hours TV home shopping shows were viewed before placing first TV home shopping orders.*

In order to discern the number of hours respondents watched TV home shopping before placing their first orders, a question was constructed asking them to make a choice from several ranges of hours. The answer choices ranged from 0-10 hours to 201 or more hours. Frequencies for responses to this question are located in Appendix 8. This question can be found in Section 2, number 5, of the questionnaire (Appendix 4).

The Kruskal-Wallis equivalent of an analysis of variance was used to test for a significant difference in the number of hours high and low risk perceivers watched TV home shopping shows before placing their first order. This test was chosen due to differences in sample sizes between high and low risk perceivers. Because Kruskal-Wallis will produce a Chi-square approximation, the assumptions of Chi-square had to be met. For this hypothesis, the ten response categories were collapsed into four to meet minimum cell size requirements for Chi-square to be an effective test. The reduced categories were 0-50 hours, 51-100 hours, 101-150 hours and more than 151 hours. The results of Kruskal-Wallis were not significant ($p>.5250$; $df=1$; Chi-square=.40408). Therefore it is not possible to reject the null hypothesis. It is concluded that there is no significant difference in the number of hours high and low risk perceivers watched TV home shopping shows before placing their first order.

<u>Hypothesis Part "d"</u>

Hd: There is no significant difference between high and low risk perceivers in terms of the frequency of catalog shopping.

The frequency of catalog shopping by respondents was measured using a five point Likert-type scale ranging from never (1) to always (5). The frequencies of each answer choice can be found in Appendix 8. This question is located in Section 1, number 3g, of the questionnaire (Appendix 4).

Since the number of high and low risk perceivers was unequal, a Kruskal-Wallis test was performed. Results of the test yielded a $p>.4416$

(df=1; Chi-square value= .59616). This p-value is above the .05 significance level, therefore the null hypothesis was not rejected. There is no significant difference in the frequency of catalog shopping by high and low risk perceivers.

Hypothesis Part "e"

> *He: There is no significant difference between high and low risk perceivers in terms of shopper types.*

As discussed earlier, the variable shopping orientation was factor analyzed, producing four TV home shopper types. To test for significant differences between high and low risk perceivers in these four shopper types, Kruskal-Wallis tests were utilized. These tests yielded only partial support for rejection of the null hypothesis. The first Kruskal-Wallis test was used to determine if significant differences existed between high and low risk perceivers who had been classified as Recreational Shoppers. This test showed that a significant difference was evident ($p>.0345$; $df=1$; Chi-square=4.4789). Recreational shoppers who are high risk perceivers differ from recreational shoppers who are low risk perceivers. A Cochran-Mantel-Haenszel test yielded additional support for this conclusion (C-M-H value=3.619; $df=1$; $p>.05$).

The Kruskal-Wallis tests used to check for significant differences between high and low risk perceivers classified as methodical, innovative and price conscious shoppers did not produce strong enough results to support rejection of the null hypothesis. Table 4.7 provides test results for all four shopper types investigated.

Summary

Shoppers of TV home shopping were categorized as perceiving high or low amounts of risk associated with TV home shopping. Analysis of four parts of the five part hypothesis revealed the following results. Significant differences were found between high and low risk perceivers and the number of TV home shopping orders placed in the past year and the dollar amount spent on most expensive TV home shopping orders. No significant differences were found between high and low risk perceivers and the following: dollar amounts spent on first and most recent TV home shopping orders, number of hours TV home shopping was watched prior to making their first TV home shopping purchases and frequency of catalog shopping.

TV home shopping types were constructed using shopping orientation, demographics and information regarding respondents' use of TV home shopping shows. Four TV home shopper types emerged from the data: recreational, methodical, innovative and price conscious shoppers. Part five of the hypothesis tested for significant differences between high and low risk perceivers and each of these four types of shoppers. The only statistically significant difference was found between high and low risk perceivers

TABLE 4.7

RESULTS OF KRUSKAL-WALLIS TESTS FOR DIFFERENCES BETWEEN HIGH AND LOW RISK PERCEIVERS AND SHOPPER TYPES

Shopper Types	χ^2	Prob>Kruskal-Wallis
Recreational Shopper	4.4789	.0343*
Methodical Shopper	.06238	.8028
Innovative Shopper	.24350	.6217
Price Conscious Shopper	1.4614	.2267

*Significant at .05 level

classified as recreational shoppers. A summary of the analyses used to test the hypothesis is located in Table 4.8.

TABLE 4.8

SUMMARY OF HYPOTHESIS TESTS

Null Hypothesis: There is no significant difference between high and low risk perceivers and...	x^2	p> Kruskal-Wallis
a: the number of TV home shopping orders placed during the past year	11.46	.0007**
b1: the dollar amount of their first TV home shopping order.	.06866	.7933
b2: the dollar amount of their most recent TV home shopping order.	.75025	.3864
b3: the dollar amount of their most expensive TV home shopping order.	3.9326	.0474*
c: number of hours TV home shopping was watched before the first purchase was made.	.40408	0.525
d: frequency of catalog shopping.	.59616	0.4416
e1: recreational shoppers.	4.4789	.0345*
e2: methodical shoppers.	.06238	.8028
e3. innovative shoppers.	.24350	.6217
e4: price conscious shoppers.	1.4614	.2267

*Significant at p>.05
**Significant at p>.001

CHAPTER FIVE

SUMMARY, DISCUSSION, IMPLICATIONS, LIMITATIONS AND FUTURE RESEARCH

The researcher investigated variables that were thought to be associated with the level of risk perceived by TV home shoppers. The two objectives of the study were to 1) categorize shoppers as high or low risk perceivers and 2) produce typologies of TV home shoppers based on shopping orientation, demographics and information regarding their use of TV home shopping.

Literature supports the idea that differences exist between shoppers of different retail formats, lending support for this study. TV home shopping retailers should recognize that their customers differ from in-store and other non-store shoppers. Recognition and identification of these differences will help TV home shopping retailers tailor segmentation strategies and produce promotional activities to meet the needs of their customers (e.g., Gordon, 1994; Hawes and Lumpkin, 1995; Schiffman and Kanuk, 1991).

Respondents consisted of men and women TV home shoppers whose names were obtained from a mailing list provided by an international TV home shopping retailer. For data collection an instrument was designed to obtain information regarding general consumer information, TV home shopping information, shopping confidence, shopping orientation and demographics.

Data were collected using a self-administered mail questionnaire, resulting in a response rate of 9.5 percent. The data were analyzed using nonparametric techniques. Chapter five includes a summary and discussion of the objectives and hypothesis tests, including implications for TV home shopping retailers, and directions for future research.

Summary, Discussion and Implications

Limited non-proprietary research is available related solely to TV home shopping. A better understanding of TV home shoppers can provide TV home shopping retailers, and other non-store retailers, with information that will help them better understand their customers and, in turn, serve them more effectively. The results of this study provided the basis for several implications.

Demographic findings are similar to TV home shoppers described in a special research report presented by Stores ("Meet the new competition," 1994). Although methodological differences prevent direct comparisons, both samples were predominately middle aged, married and college or university educated. Gillett (1976) reviewed more than forty studies of non-store shoppers. The current sample resembles this compilation of non-store shoppers in that respondents are highly educated with high incomes.

It has been generally accepted that women comprise the majority of shoppers in the U. S., and have therefore received the focus in many research studies. It appears that this trend may be shifting, at least with TV home shopping. TV home shopping retailers are positioned to take advantage of the fact that many men do not like going into stores, especially when buying gifts for females. TV home shopping retailers should try to attract men by stressing the personal assistance available from show hosts, telephone operators and, in some cases, manufacturer representatives. A service TV home shopping retailers could provide is a type of gift registry where a database could access clothing and jewelry preferences and sizes the gift recipients. This could also help shoppers choose merchandise that would compliment a previous purchase made by the gift recipient. Reminders of special dates (birthdays, anniversaries) could be mailed to men (or women) to help them remember to shop with the TV home shopping retailer for that gift. Additionally, the fact that TV home shopping is completed in privacy with no face to face sales pressure should be emphasized. Half of the sample in this study was comprised of men, which means that there is a large segment of TV home shoppers of whom TV home shopping retailers may not currently be aware. Developing merchandising and sales information with this in mind could increase purchase activity within this segment, for example designing shows with sports themes in which viewers can discuss the sport while selecting from related items or presenting a sports celebrity to introduce or describe merchandise.

Objective One

To categorize TV home shoppers as high or low risk perceivers

Respondents were categorized as being high or low risk perceivers based on a comparison of individual and sample means of perceived risk items. The majority of respondents were categorized as low risk perceivers (61.8 percent vs. 38.2 percent high risk perceivers). Gillett (1976) compiled over forty studies of non-store shoppers and found that non-store shoppers generally perceived lower amounts of risk in non-store shopping than in-store shoppers. The current research supports the trend observed by Gillett (1976).

Although literature suggests that shoppers (in- and non-store) in general perceive higher amounts of risk in non-store shopping (Schiffman and Kanuk, 1991), this finding is not to be considered unique. A likely explanation is that shoppers with generally low perceptions of risk are attracted to TV home shopping in larger numbers than high risk perceivers. The theory of perceived risk identifies low risk perceivers as being more likely to try new shopping environments than high risk perceivers. The fact that high risk perceivers have TV home shopped indicates that these people are willing to at least try this shopping format. With this experience, perceptions of higher risk should diminish (Cunningham and Cunningham, 1973; Mitchell and Prince, 1993).

Realization that TV home shoppers perceive differing levels of risk associated with TV home shopping resulting in differing shopping behavior can be used by TV home shopping retailers to encourage patronage. Identifying customers who perceive higher levels of risk and developing promotions that address this may help reduce these perceptions and reinforce the perceptions of low risk perceivers.

Several suggestions can be made to help decrease the levels of risk TV home shoppers perceive. Allowing customers to actually use the product for a trial period, during which returns will not be questioned, could attract shoppers who feel that returning merchandise is inconvenient or troublesome. TV home shopping retailers could also offer to pay return postage and/or offer gift certificates if the merchandise received by a customer is damaged or differs from the order placed. Offering coupons for specific merchandise categories or certain times of the day to encourage customers to try a new product or type of merchandise show could, according to the theory of perceived risk, reduce the customer's feelings of uncertainty associated with using a TV home shopping retailer. Following up on sales by allowing shoppers to evaluate their purchase experience and customer service by either calling or sending a questionnaire with the order could produce ideas for which promotions may work the best.

<u>Objective Two</u>

To produce profiles of TV home shoppers based on shopping orientation, demographics, and information regarding their use of TV home shopping

Factor analysis resulted in four shopper types: recreational shoppers, methodical shoppers, innovative shoppers and price conscious shoppers. Recreational shoppers viewed TV home shopping as a form of entertainment. Methodical shoppers were store and brand loyal, and concerned with time. Innovative shoppers were interested in trying new products and retailers before their friends. Price-conscious shoppers were attracted to sales and read advertisements to help save money.

Bellenger and Korgaonkar (1980) identified recreational shoppers in a study of in-store shopping. Recreational shoppers in Bellenger's and Korgaonkar's study were compared to shoppers who were concerned with time and money. Both of their shopper types were based on in-store shopping, however similarities between recreational shoppers in their study as well as the current study are apparent. In both instances recreational shoppers were primarily women who viewed shopping as a leisure activity that did not require a purchase to be considered successful.

In some respects recreational shoppers can be compared to active outshoppers identified by Lumpkin et al. (1986). Both shopper groups seem to be unconcerned with time constraints. Both seem predisposed to alternative shopping opportunities; recreational shoppers being very familiar with TV home shopping and active outshoppers being less loyal to local merchants.

It may seem contradictory that recreational shoppers seem unconcerned with time constraints, when convenience and time saving are factors which attract many TV home shoppers and non-store shoppers in general. However, this finding is similar to those of Burgess and Drake (1995) whose respondents reported recreation or entertainment as a reason for watching TV home shopping shows.

For methodical shoppers, who are concerned with saving time, several strategies may be used. TV home shopping retailers can provide customers with a listing of shows and the times they will air. By arranging these programs carefully, merchandise categories can be rotated, presenting a wide variety of products during the time span of that show. Also, presenting a preview of all items to be shown within a given time period, for example every hour or half hour, will help customers decide if they need to watch during that time. By showing these previews at set times, customers will be able to check in with the TV home shopping retailer while watching regular television shows. A final implication for attracting time-conscious TV home shoppers is to allow or encourage shoppers to video tape TV home shopping shows and make purchases when convenient. Customers can then fast-forward through uninteresting items and spend time only on the items they are interested in. This may also attract shoppers who may not have access to a television during specific shows that interest them.

Hennerberg (1993) conducted a study to provide strategy implications for retailers. Although Hennerberg did not disclose whether respondents participated in non-store shopping, similarities in two shopper types identified by him are similar to two identified in the current study. Hennerberg (1993) presented a profile of a social buyer that in some ways is similar to the innovative shoppers identified in the current study. Social buyers prefer to be the first to own products, desire acceptance from peers and want to differentiate themselves from others. These are all characteristics found in innovative shoppers in the current study.

Also identified by Hennerberg (1993) are pragmatic shoppers, who in some ways, may be compared to the price-conscious shopper in the current study. Both of these shopper groups are concerned with price. Comparison shopping is an activity valued by these shoppers as well as taking advantage of sales and sale information prior to making purchases.

Impulse purchases comprise a large number of sales made by TV home shopping retailers (Bellenger and Korgaonkar, 1980; Carlin, 1993; Melia, 1994). It would be wise for TV home shopping retailers to develop promotional events specially aimed to attract recreational shoppers. Creative merchandising and use of product information and entertainment could be incorporated into merchandising and advertising strategies. Presenting the versatility of impulse items could also serve to attract shoppers who may not normally engage in impulse shopping.

Additionally, presence of innovative TV home shoppers suggests that TV home shopping retailers could present new and innovative merchandise.

Actually, the TV home shopping format offers many advantages over in-store formats for presenting new and innovative products for these retailers and the manufacturers. TV home shopping retailers could capture the entire market for an innovative product before it is available in stores. Manufacturers would be in a better position to control and monitor product information and demonstration on TV home shopping shows than in retail stores. As part of the TV merchandise presentation, manufacturer representatives, who are well-trained in the functions and benefits of their products, could appear as guests and could relay a great deal of this information to a wide audience with comparatively lower costs than associated with training in-store personnel. This could help create demand for the manufacturer's merchandise in-store as well.

Customers who are not innovators may be more likely to buy a product that is unfamiliar to them if they feel that their questions are answered knowledgeably. Manufacturers can better insure that the information given to customers during TV home shopping shows is more accurate than in-store situations where sales associates may have no sales training and little product knowledge.

At the same time, price-conscious and methodical shoppers must not be overlooked. While presenting innovative products in an entertaining manner, TV home shoppers are also brand and store loyal and interested in saving money when shopping. Choosing products that are of well-known and wellliked brands is one way TV home shopping retailers can introduce innovative products without alienating brand loyal customers. Presenting products in conjunction with in-store retailers, other non-store retailers (e.g., catalog) or a well-known designer or spokesperson is another possibility.

For price-conscious TV home shoppers, choosing product categories that can be compared in local stores along with emphasizing value and possibly offering coupons could increase patronage. In spite of the lack of statistical significance to support differences between high and low risk perceivers and frequency of catalog shopping, over half of the sample as a whole (52.56 percent) indicated they catalog shopped sometimes. In this respect, it does appear that TV home shoppers, in general, participate in other non-store shopping activities. A joint catalog between a well-known catalog retailer and TV home shopping retailer could entice shoppers of one non-store format to cross-shop.

Hypothesis Part "a"

Part "a" of the hypothesis stated that there was no significant difference between high and low risk perceivers in terms of the number of TV home shopping orders placed during the past year. Results of a Kruskal-Wallis test were significant, allowing for rejection of the null hypothesis. Mean scores indicated that high risk perceivers placed fewer orders than low risk perceivers. This finding is in line with the general theory of perceived risk as it relates to retail situations. According to this theory, shoppers will avoid retail situations where a great deal of risk is perceived. As the shopper becomes more familiar with the shopping format, through personal experiences, friends and relatives, the level of perceived risk will lessen leading to more purchases (Schiffman and Kanuk, 1991).

Cox and Rich (1964) had similar findings. They investigated telephone shoppers and non-shoppers and found that low risk perceivers made purchases to a greater extent than high risk perceivers. Dash, et al (1976) investigated risk perception as one determinant of store choice. They found differences in amounts of risk perceived by shoppers of specialty and department stores. The findings of the current study lend support to differences in risk perceived in various retail formats by supplying evidence of variations of risk perception associated with TV home shopping.

To lessen the amount of risk perceived, TV home shopping retailers could encourage their customers to refer friends or family by offering incentives (gifts, merchandise certificates, coupons, etc.) when new shoppers indicate that they have been referred. Similar offers can be made to the new customer as well. To keep the new customer active, incentives could also be used. This may include a merchandise certificate for making a certain number of purchase or spending a certain dollar amount at once or within a specified period of time.

Hypothesis Part "b"

Part "b" of the hypothesis stated that there is no significant differences between high and low risk perceivers and the dollar amounts of their first, most recent and most expensive TV home shopping orders. Differences in dollar amounts of first and most recent TV home shopping orders were not found to differ significantly between high and low risk perceivers. This suggests that the dollar amount of the purchase may not be an important factor in the decision to make a TV home shopping purchase. At least with dollar amount, high and low risk perceivers are equally apt to make a TV home shopping purchase. The dollar amount of most expensive TV home shopping orders, however, was significantly different. Mean differences suggest that low risk perceivers spent more on a single TV home shopping order than those TV home shoppers who were categorized as high risk perceivers. The fact that significant differences between high and low risk perceivers in terms of most expensive purchases may indicate that low risk perceivers are more comfortable making purchases of higher dollar amounts, however, caution must be used. The time of the year these purchases were made, Christmas for instance, may have influenced them more than the amount of risk they perceived. Shopping orientation may also be a factor. The desire for innovative merchandise for example, may have been more important for innovative shoppers than the amount of risk they perceived.

The Journal of Direct Marketing ("Behavior and attitudes," 1987) published a study conducted by AT&T in which the behavior and attitudes of users and non-users of 800 numbers to place mail orders were compared. Perceived risk was an underlying factor shown to affect the dollar amounts spent on orders placed by phone. Results of AT&T's study were similar to those in the current study, however direct comparison is cautioned since their respondents were not categorized as perceiving high or low amounts of risk. Shoppers who more frequently placed orders using 800 numbers were found to have made more expensive purchases than those who placed orders less frequently. The theory of perceived risk suggests that as familiarity or frequency in experience of using a shopping format increases, the uncertainty associated with making a purchase decision decreases, leading to fewer perceived negative consequences if a poor decision is made.

Hypothesis Part "c"

Part "c" of the hypothesis stated that there was no significant difference between high and low risk perceivers in terms of hours spent viewing TV home shopping shows before placing first orders. The results of Kruskal-Wallis were not significant. It was concluded that there is no significant difference in the number of hours high and low risk perceivers watched TV home shopping shows before placing their first order. This could mean that the importance of having the merchandise to meet the customer's needs was more important than the length of time TV home shopping shows were watched before making a purchase. Impulse purchases may also partially explain this finding. Determining the motivation for the first purchase along with the type of product purchased may provide further insight.

Hypothesis Part "d"

Part "d" of the hypothesis states that there is no significant difference between high and low risk perceivers and their frequency of catalog shopping. Results of a Kruskal-Wallis test failed to provide significant evidence of this relationship. It was concluded that there is no significant difference in the frequency of catalog shopping by high and low risk perceivers.

In spite of the lack of statistical difference between high and low risk perceivers and frequency of catalog shopping, over half of the sample as a whole (52.56%) indicated they catalog shopped sometimes. In this respect, it does appear that TV home shoppers, in general, participate in other non-store shopping activities. TV home shoppers may perceive catalogs differently than TV home shopping in terms of risk or enjoyment for example. This may help explain why high and low risk perceivers of TV home shopping were not significantly different in terms of the frequency of their use of catalogs, although catalog shopping was a shopping choice.

Hypothesis Part "e"

Part "e" of the hypothesis stated that there was no significant difference between high and low risk perceivers in terms of shopping types. A significant difference was found between high and low risk perceivers who had been classified as recreational shoppers, however, differences were not significant for the other three shopper types (methodical, innovative and price-conscious). A reason high and low risk perceiving methodical shoppers were not significantly different is that these shoppers are very brand and store loyal. Although they may not have been experienced in TV home shopping, these shoppers may have only purchased merchandise with which they were satisfied in the past.

Innovative high and low risk perceivers may not have differed significantly for two reasons. First, these shoppers were the most familiar with TV home shopping, which may have led to less uncertainty about the outcome of their TV home shopping experience. Second, TV home shopping may provide these shoppers with an assortment of innovative merchandise that outweighs the risk associated with the use of this retail format. Price-conscious high and low risk perceivers may not have differed significantly because of their tendency to comparison shop and bargain hunt. The products or product types purchased by these shoppers may have been researched before the purchase was made. Another reason may be that the products purchased may have been presented as closeouts or clearance items, appealing to the thrifty nature of price-conscious shoppers.

Limitations and Recommendations for Future Research

Limitations

Although safeguards were used throughout the research process to minimize limitations to this study, the following list indicates potential influences which should be considered:

1) The mailing list provided by the TV home shopping retailer may have been inaccurate.
2) The time span and size of this study were affected by available resources including time and money.
3) The sample size is small, which limits the generalizations of this study to these respondents and TV home shopping.
4) The non-respondents may have had different views regarding TV home shopping.

Recommendations for Future Research

Future research possibilities involving TV home shopping are as follows:

1) Use a larger sample of TV home shoppers to replicate this study with the following revisions:

    a) include TV home shoppers from several TV home shopping retailers.

b) develop a shorter questionnaire that may increase the response rate.

2) Compare differences in risk perception based on geographic regions of respondents.

3) Compare TV home shopper's perceptions of risk based on product-type purchased.

4) Investigate risk reduction methods employed by TV home shoppers.

5) Compare men and women TV home shoppers in terms of shopper types and patronage behavior.

6) Investigate dollar amounts of most expensive purchases in relation to the time of year or occasion of purchase.

7) Compare TV home shoppers to other non-store and/or in-store shoppers and non-TV home shoppers.

8) Investigate marketing strategies towards consumers of TV home shopping and other non-store shopping formats.

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APPENDICES

APPENDIX 1

CONCEPTUAL FRAMEWORK OF PERCEIVED RISK

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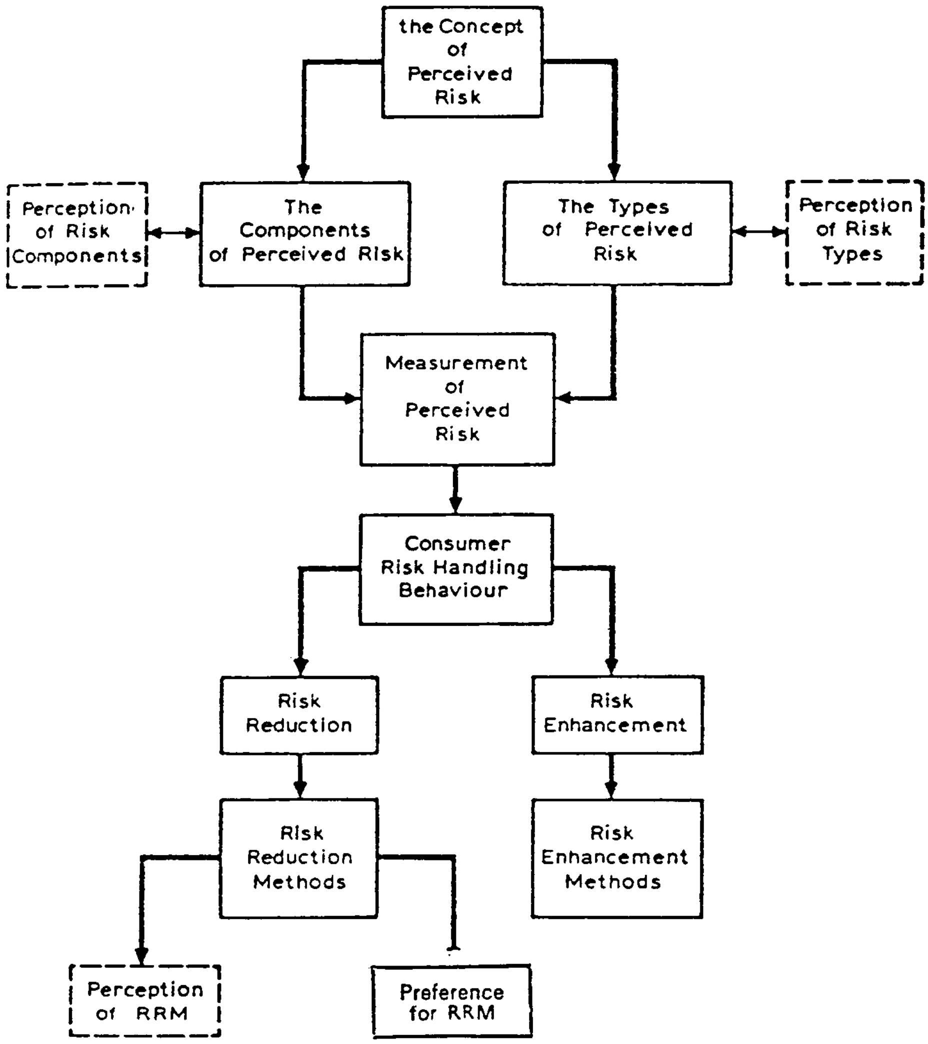
CONCEPTUAL FRAMEWORK OF PERCEIVED RISK



Source: Stem et al, 1977, p. 313.

APPENDIX 2

OPERATIONALIZATION OF PERCEIVED RISK

APPENDIX 2

OPERATIONALIZATION OF PERCEIVED RISK

Question Number/Item (Questionnaire Section Three)		Risk Type Measured	Empirical Support
1.	Most TV home shopping retailers are ethical.	Overall	Ahuja, 1988; Martin, 1991; Simpson and Lakner, 1993
2.	Most TV home shopping retailers are honest.		
3.	Most TV home shopping retailers are reliable.		
4.	I don't like to take chances if I don't have to.		
5.	The risk of being dissatisfied is a large factor in my shopping decisions.		
7.	I shop through a TV home shopping program when I want to, even though I may not need to.		
8.	I am confident my TV home shopping experience will turn our as expected.		
6.	I worry about giving credit card information over the phone.	Financial	"Behavior and attitudes," 1987
11.	As the amount of money I spend increases, the amount of time I spend shopping increases.		
9.	I like to see a product before I buy it.	Functional	"Behavior and attitudes," 1987
10.	TV home shopping allows me to have time for other activities.	Time	Simpson and Lakner, 1993

Each item was rated on a 5 point Likert-type scale where 1=strongly disagree and 2=strongly agree

APPENDIX 3

OPERATIONALIZATION OF SHOPPING ORIENTATION

APPENDIX 3

OPERATIONALIZATION OF SHOPPING ORIENTATION

Shopping Orientation Dimension	Question Number/Item (Questionnaire Section Four)	Correlation to Non-store Shopping
Convenience	14. I usually buy at the most convenient store. 18. Mail or phone ordering at home is more convenient than going to the store. 19. I tend to keep shopping until I find exactly what I want.	Berry, 1979; Gillett, 1970, 1976; Reynolds and Darden, 1972
Time-consciousness	5. Exploring stores and malls is a nice way to spend your time. 6. If I didn't have so many other things to do with my time, I would shop more often. 15. I don't like to spend too much time planning to shop. 17. I like to plan my activities by the clock. 35. I try saving time when shopping.	Berry, 1979

Appendix 3 (continued)

Shopping Orientation Dimension	Question Number/Item (Questionnaire Section Four)	Correlation to Non-store Shopping
Credit Use	33. It is good to have charge accounts at various stores. 34. I like to pay cash for everything I buy.	"Behavior and attitudes," 1987; Cunningham and Cunningham, 1973; Haynes, et al, 1994; Lumpkin, et al, 1986; Shim and Kotsiopolous, 1993; Shim and Mahoney, 1992; Yucelt, 1988
Innovative-ness	3. I enjoy trying new products or brands before other people do. 7. Shopping is a good way to obtain information about what products are available. 9. I like to be considered a leader. 30. I really enjoy being the first to own a new product. 31. I like to try new and different places to shop. 30. My friends ask me where to shop for many kinds of products.	Burnett & McCollough, 1994; Shim and Kotsiopolous, 1993
Store/Brand Loyalty	10. It is important to me to buy well-known brands. 11. I try to stick to certain brands and stores. 12. Once I find a store I like, I stick with it. 13. I don't pay much attention to brand names.	Shim and Kotsiopolous, 1993

Appendix 3 (continued)

Shopping Orientation Dimension	Question Number/Item (Questionnaire Section Four)	Correlation to Non-store Shopping
Price-consciousness	8. When home shopping, I buy without hesitation. 16. I often shop around until I find a store with the lowest price. 20. I usually read advertisements for announcements of sales. 21. I pay a lot more attention to prices today than ever before. 22. I buy less because of rising prices. 23. I find myself checking the prices of even small items. 24. I usually comparison shop only for major purchases.	"Behavior and attitudes," 1987; Donaton, 1993; Levin, 1994a, 1994b; Macdonald, 1993; Paulmieri, 1993; Santoro, 1994; Shim & Kotsiopolous, 1993; Zinn, 1993
Shopping Enjoyment	1. I only go shopping if I need to buy something. 2. I enjoy shopping whether or not I purchase an item. 4. Shopping is recreational. 26. I would rather spend a quiet evening at home than go out to a party. 27. I would rather go to a sporting event than a dance. 28. I like parties where there is a lot of music and talk. 29. I like to stay at home.	Attaway, 1989; Bellenger & Korgaonkar, 1980; Burnett & McCollough, 1994

Each item was rated on a 5 point Likert-type scale where 1=strongly disagree and 2=strongly agree

APPENDIX 4

MAIL QUESTIONNAIRE

APPENDIX 4

MAIL QUESTIONNAIRE

THE UNIVERSITY OF TENNESSEE
KNOXVILLE

Textiles, Retailing and Interior Design
Room 230, College of Human Ecology
1215 West Cumberland Avenue
Knoxville, Tennessee 37996-1900
(615) 974-2141
FAX (615) 974-2617

Dear Consumer:

TV home shopping provides a convenient time-saving method of shopping. However, no one has a clear understanding of consumers' feelings about TV home shopping so it is difficult for these retailers to improve their services to you the consumer. To help combat this lack of information, you, along with other carefully selected consumers, are being asked to participate in a University of Tennessee research project which will enable TV home shopping retailers to better serve you in the future. We urgently need your help to make the results of this research project as complete as possible. Please take time to answer all questions completely. It will only take you approximately 10 minutes to answer the questions. The completion of the questionnaire constitutes your consent to participate in this study. You can be assured that the information you provide will be kept confidential.

Please limit your responses to TV home shopping retailers including network, cable and satellite shopping programs, but EXCLUDING commercials and infommercials. For instance TV home shopping would include QVC or HSN or similar broadcasts. Remember, we are only interested in your opinions, there are no right or wrong answers.

If you have any questions please call me at (423) 974-2141. Thank you in advance for your participation.

Sincerely,

Brigitte Burgess

Brigitte Burgess
Graduate Student

Ann Fairhurst

Ann Fairhurst
Associate Professor

SECTION 1 CONSUMER INFORMATION
This section asks questions related to consumers of TV home shopping in general.

1. Please check ONE answer that best describes your household.
   [ ] My household has never subscribed to cable.
   [ ] My household has subscribed to cable in the past.
   [ ] My household subscribes to cable now.
   [ ] Although my household does not currently subscribe to cable, we plan to in the future.

2. On average, how many hours of television do you watch each week?

[ ] 0-10 hours	[ ] 26-35 hours
[ ] 11-15 hours	[ ] 36-45 hours
[ ] 16-20 hours	[ ] 46-60 hours
[ ] 21-25 hours	[ ] more than 60 hours

3. Indicate the frequency with which you shop at each of the following types of retailers by circling the number that best represents your feelings. For example if you never shop at department stores you would circle the number 5.

1 = ALWAYS **4 = RARELY**
2 = FREQUENTLY **5 = NEVER**
3 = SOMETIMES

	ALWAYS				NEVER
a. Department stores (eg. Macy's, Dillard's)	1	2	3	4	5
b. National Chains (eg. Sears, Penney's)	1	2	3	4	5
c. Specialty stores (eg. Radio Shack, Gap)	1	2	3	4	5
d. Discount stores (eg. K-Mart, Wal-Mart)	1	2	3	4	5
e. Manufacturer outlets (eg. Nike Outlet, Eddie Bauer Factory Store)	1	2	3	4	5
f. Off-price stores (eg. TJ Maxx, Marshall's)	1	2	3	4	5
g. Catalogs (eg. Speigel, Land'S End)	1	2	3	4	5
h. TV home shopping shows (eg. QVC, HSN)	1	2	3	4	5
i. Other___________	1	2	3	4	5

4. What percentage of the purchases you make each month are made with credit cards?

[ ] 0-20%	[ ] 61-80%
[ ] 21-40%	[ ] 81-100%
[ ] 41-60%	

5. HOW MANY of EACH of the following types of credit cards do you own? Use the space beside each choice to record the number.

   a. _____Major (eg. Visa)
   b. _____Charge cards (eg. American Express)
   c. _____Store (eg. Sears)
   d. _____Gas (eg. Exxon)
   e. _____Other ___________________

SECTION 2 TV HOME SHOPPING
This section asks questions specifically related to TV home shopping.

1. How familiar are you with television home shopping?

Not at all Familiar		Somewhat Familiar		Very Familiar
1	2	3	4	5

2. During what times of the day are you most likely to WATCH a TV home shopping show? Check all that apply.
   [ ] early morning (5:01-9:00am)
   [ ] daytime (9:01am-4:00pm)
   [ ] evening (4:01pm-8:00pm)
   [ ] prime time (8:01pm-11:00pm)
   [ ] night (11:01pm-2:00am)
   [ ] late night (2:01am-5:00am)
   [ ] never

3. During what times of the day are you most likely to make a **PURCHASE** from a TV home shopping show? Check all that apply.
   [ ] early morning (5:01-9:00am)
   [ ] daytime (9:01am-4:00pm)
   [ ] evening (4:01pm-8:00pm)
   [ ] prime time (8:01pm-11:00pm)
   [ ] night (11:01pm-2:00am)
   [ ] late night (2:01am-5:00am)
   [ ] never

4. In the **last 3 months**, about <u>how many hours</u> of TV home shopping shows did you watch?

[ ] 0-10 hours	[ ] 51-75 hours
[ ] 11-20 hours	[ ] 76-100 hours
[ ] 21-30 hours	[ ] 101-150 hours
[ ] 31-40 hours	[ ] 151-200 hours
[ ] 41-50 hours	[ ] 201 or more hours

5. About <u>how many hours</u> of TV home shopping did you watch before making your first **PURCHASE?**

[ ] 0-10 hours	[ ] 51-75 hours
[ ] 11-20 hours	[ ] 76-100 hours
[ ] 21-30 hours	[ ] 101-150 hours
[ ] 31-40 hours	[ ] 151-200 hours
[ ] 41-50 hours	[ ] 201 or more hours

6. I prefer to watch TV home shopping shows
   [ ] alone. [ ] with others.

7. Approximately, what was the date of your first TV home shopping purchase?

   ______________ (month) ______________ (year)

8. About how many times in the **PAST YEAR** have you ordered items from TV home shopping retailers?

[ ] 0-5	[ ] 16-20
[ ] 6-10	[ ] 21-25
[ ] 11-15	[ ] 26 or more

9. How often do you make purchases from TV home shopping shows?
   [ ] Once a week
   [ ] More than once a week
   [ ] Every month
   [ ] Once every few months
   [ ] Once or twice a year
   [ ] Never

10. Approximately how much did your **<u>FIRST</u>** TV home shopping order cost?

[ ] $0-$10	[ ] $51-$75
[ ] $11-$20	[ ] $76-$100
[ ] $21-$30	[ ] 101-150
[ ] $31-$40	[ ] $151-$200
[ ] $41-$50	[ ] $201 or more

11. Approximately how much did your **<u>MOST RECENT</u>** TV home shopping order cost?

[ ] $0-$10	[ ] $51-$75
[ ] $11-$20	[ ] $76-$100
[ ] $21-$30	[ ] 101-150
[ ] $31-$40	[ ] $151-$200
[ ] $41-$50	[ ] $201 or more

12. On average, how much did you spend on your **<u>MOST EXPENSIVE</u>** TV home shopping purchase?

[ ] $0-$10	[ ] $51-$75
[ ] $11-$20	[ ] $76-$100
[ ] $21-$30	[ ] 101-150
[ ] $31-$40	[ ] $151-$200
[ ] $41-$50	[ ] $201 or more

13. In <u>EACH</u> space below indicate if you have purchased this type of product from a TV home shopping retailer and whether it was for yourself or a gift. Check all that apply.

<u>PRODUCT</u>:	<u>PURCHASED FOR</u>:
[ ] Clothing	[ ] myself [ ] gift
[ ] Accessories	[ ] myself [ ] gift
[ ] Collectibles	[ ] myself [ ]gift
[ ] Electronics	[ ] myself [ ] gift
[ ] Exercise/Fitness	[ ] myself [ ] gift
[ ] Food/Perishables	[ ] myself [ ] gift
[ ] Health/Beauty items	[ ] myself [ ] gift
[ ] Hobbies	[ ] myself [ ] gift
[ ] Home furnishings	[ ] myself [ ] gift
[ ] Jewelry	[ ] myself [ ] gift
[ ] Maintenance/ Tools/Cleaners	[ ] myself [ ] gift
[ ] Toys	[ ] myself [ ] gift
[ ] Other______	[ ] myself [ ] gift

14. The following statements suggest ways in which home shopping channels could be improved. Indicate your level of agreement by circling the letter after each statement that most closely represents your feelings.

SA = STRONGLY AGREE
A = AGREE
U = UNCERTAIN
D = DISAGREE
SD = STRONGLY DISAGREE

TV HOME SHOPPING RETAILERS SHOULD:

a. offer products that are not available in area retail stores.	SA	A	U	D	SD
b. offer products that are offered in area retail stores.	SA	A	U	D	SD
c. offer products that can easily be compared to products offered in area stores.	SA	A	U	D	SD
d. offer lower prices than area stores.	SA	A	U	D	SD
e. offer higher quality products than area stores.	SA	A	U	D	SD
f. have products that are associated with store or brand names.	SA	A	U	D	SD
g. offer to pay the shipping charges for merchandise returns.	SA	A	U	D	SD
h. spend less time presenting each item for sale.	SA	A	U	D	SD
i. allow viewers more time to decide to purchase particular product.	SA	A	U	D	SD
j. provide schedules that tell when different products will be offered for sale.	SA	A	U	D	SD
k. other ________________	SA	A	U	D	SD

15. In EACH space below check if you have RETURNED this type of product to a TV home shopping retailer.
[ ] I have never returned an item.
[ ] Clothing
[ ] Collectibles
[ ] Electronics
[ ] Toys
[ ] Food/Perishables
[ ] Maintenance/Tools/ Cleaners
[ ] Hobbies
[ ] Jewelry
[ ] Home furnishings
[ ] Exercise/Fitness
[ ] Health/Beauty items
[ ] Other________

16. If you have returned items to TV home shopping retailers, indicate the reason(s) for your returns by checking the appropriate space below. Check all that apply.
[ ] I have never returned an item
[ ] didn't fit
[ ] poor quality
[ ] changed mind
[ ] wrong size
[ ] delivery took too long
[ ] broken when delivered
[ ] found item cheaper in a store or catalog
[ ]other________________

SECTION 3 SHOPPING CONFIDENCE
This section asks questions about your confidence as a consumer.

Directions: Circle the letter that most closely matches your opinion.

SA = STRONGLY AGREE
A = AGREE
U = UNCERTAIN
D = DISAGREE
SD = STRONGLY DISAGREE

1. Most TV home shopping retailers are ethical.	SA	A	U	D	SD
2. Most TV home shopping retailers are honest.	SA	A	U	D	SD
3. Most TV home shopping retailers are reliable.	SA	A	U	D	SD

4. I don't like to take chances if I don't have to. SA A U D SD

5. The risk of being dissatisfied is a large factor in my shopping decisions. SA A U D SD

6. I worry about giving credit card information over the phone. SA A U D SD

7. I shop through a TV home shopping program when I want to, even though I may not need to. SA A U D SD

8. I am confident that my TV home shopping experience will turn out as expected. SA A U D SD

9. I like to see a product before I buy it. SA A U D SD

10. TV home shopping allows me to have time for other activities. SA A U D SD

11. As the amount of money I spend increases, the amount of time I spend shopping increases. SA A U D SD

SECTION 4 CONSUMER PREFERENCES

This section asks questions about your preferences as a consumer.

Directions: Circle the letter that most closely matches your opinion.

SA = STRONGLY AGREE
A = AGREE
U = UNCERTAIN
D = DISAGREE
SD = STRONGLY DISAGREE

1. I only go shopping if I need to buy something. SA A U D SD

2. I enjoy shopping whether or not I purchase an item. SA A U D SD

3. I enjoy trying new products or brands before other people do. SA A U D SD

4. Shopping is recreational. SA A U D SD

5. Exploring stores and malls is a nice way to spend your time. SA A U D SD

6. If I didn't have so many other things to do with my time, I would shop more often. SA A U D SD

7. Shopping is a good way to obtain information about what products are available. SA A U D SD

8. When home shopping, I buy without hesitation. SA A U D SD

9. I like to be considered a leader. SA A U D SD

10. It is important to me to buy well-known brands. SA A U D SD

11. I try to stick to certain brands and stores. SA A U D SD

12. Once I find a store I like, I stick with it. SA A U D SD

13. I don't pay much attention to brand names. SA A U D SD

14. I usually buy at the most convenient store. SA A U D SD

15. I don't like to spend too much time planning to shop. SA A U D SD

16. I often shop around until I find a store with the lowest price. SA A U D SD

17. I like to plan my activities by the clock. SA A U D SD

18. Mail or phone ordering at home is more convenient than going to the store. SA A U D SD

19. I tend to keep shopping until I find exactly what I want. SA A U D SD

20. A person can save a lot of money shopping around for bargains.	SA	A	U	D	SD
21. I usually read advertisements for announcements of sales.	SA	A	U	D	SD
22. I pay a lot more attention to prices today than ever before.	SA	A	U	D	SD
23. I buy less because of rising prices.	SA	A	U	D	SD
24. I find myself checking the prices of even small items.	SA	A	U	D	SD
25. I usually comparison shop only for major purchases.	SA	A	U	D	SD
26. I would rather spend a quiet evening at home than go out to a party.	SA	A	U	D	SD
27. I would rather go to a sporting event than a dance.	SA	A	U	D	SD
28. I like parties where there is a lot of music and talk.	SA	A	U	D	SD
29. I like to stay at home.	SA	A	U	D	SD
30. I really enjoy being the first to own a new product.	SA	A	U	D	SD
31. I like to try new and different places to shop.	SA	A	U	D	SD
32. My friends ask me where to shop for many kinds of products.	SA	A	U	D	SD
33. It is good to have charge accounts at various stores.	SA	A	U	D	SD
34. I like to pay cash for everything I buy.	SA	A	U	D	SD
35. I try saving time when shopping.	SA	A	U	D	SD

SECTION 5 DEMOGRAPHICS
This section is for classification purposes only, and will be kept strictly confidential.

1. What is your gender?
   [ ] Female [ ] Male

2. What is your age?
   [ ] 18 - 24 [ ] 55 - 64
   [ ] 25 - 34 [ ] 65 - 74
   [ ] 35 - 44 [ ] 75 and older
   [ ] 45 - 54

3. What is your marital status?
   [ ] Married [ ] Separated
   [ ] Widowed [ ] Never married
   [ ] Divorced

4. What is the highest level of education you have COMPLETED?
   [ ] Grade school
   [ ] High school
   [ ] Vocational training/community college
   [ ] University
   [ ] Graduate school

5. What is your current, or most recent occupation?
   [ ] Managerial and professional specialty
   [ ] Technical, sales, and administrative support
   [ ] Farming, forestry, and fishing
   [ ] Precision production, craft and repair
   [ ] Operators, fabricators, and laborers
   [ ] Service
   [ ] Armed forces
   [ ] Self-employed
   [ ] Homemaker
   [ ] Retired
   [ ] Student
   [ ] Other ____________________

6. Which range best describes your total household income in 1995 before taxes?
   - [ ] Less than $5,000
   - [ ] $5,000-$9,999
   - [ ] $10,000-$14,999
   - [ ] $15,000-$24,999
   - [ ] $25,000-$34,999
   - [ ] $35,000-$49,999
   - [ ] $50,000-$74,999
   - [ ] $75,000-$99,999
   - [ ] $100,000 and up

7. In order to determine which region of the country you live in, please give your mailing zip code.

____ ____ ____ ____ ____

THANK YOU

FOR YOUR HELP!
YOUR PARTICIPATION WILL HELP RETAILERS BETTER SERVE YOU IN THE FUTURE.

USE THIS SPACE IF YOU WOULD LIKE TO MAKE COMMENTS

If you are interested in receiving a summary of the results of this study, please **PRINT** your address in the spaces provided below.

____

____

____

____

PLEASE REFOLD THIS BOOKLET SO THAT THE BUSINESS REPLY MAIL PANEL IS VISIBLE. FASTEN CLOSED WITH A STAPLE OR TAPE.

YOU DO NOT NEED TO USE A STAMP.

Appendix 4 (continued)

UNIVERSITY OF TENNESSEE

CONSUMER RESEARCH
SURVEY

NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY MAIL

FIRST CLASS PERMIT NO. 477 KNOXVILLE, TENNESSEE

POSTAGE WILL BE PAID BY ADDRESSEE

Textiles, Retailing and Interior Design
College of Human Ecology
230 Jessie Harris Building
Knoxville, Tennessee 37916-9989

APPENDIX 5

INFORMATION ON SCALE VALIDITY AND RELIABILITY FOR RISK PERCEPTION

APPENDIX 5

INFORMATION ON SCALE VALIDITY AND RELIABILITY FOR RISK PERCEPTION

Scale Name and Scale Items	Factor Loadings	Chronbach's Alpha (correlation to total)
Risk Perception *Variance explained: 2.662056*		.78
1. Most TV home shopping firms are ethical.	.863	(.68)
2. Most TV home shopping firms are honest.	.837	(.70)
3. Most TV home shopping firms are reliable.	.868	(.68)
4. I am confident that my TV home shopping experience will turn out as expected.	.617	(.73)
5. TV home shopping allows me to have time for other activities.	.329	(.81)

APPENDIX 6

INFORMATION ON SCALE RELIABILITY FOR SHOPPING ORIENTATION

APPENDIX 6

INFORMATION ON SCALE RELIABILITY FOR SHOPPING ORIENTATION

Scale Name and Scale Items	Chronbach's Alpha (correlation with total)
Shopping Orientation	.73
1. I only go shopping if I need to buy something.	(.74)
2. I enjoy shopping whether or not I purchase an item.	(.72)
3. I enjoy trying new products or brands before other people do.	(.72)
4. Shopping is recreational.	(.72)
5. Exploring stores and malls is a nice way to spend your time.	(.72)
6. If I didn't have so many other things to do with my time, I would shop more often.	(.72)
7. Shopping is a good way to obtain information about what products are available.	(.72)
8. When home shopping, I buy without hesitation.	(.73)
9. I like to be considered a leader.	(.72)
10. It is important to me to buy well-known brands.	(.71)

APPENDIX 6 (continued)

Scale Name and Scale Items	Chronbach's Alpha (correlation with total)
11. I try to stick to certain brands and stores.	(.72)
12. Once I find a store I like, I stick with it.	(.72)
13. I don't pay much attention to brand names.	(.73)
14. I usually buy at the most convenient store.	(.74)
15. I don't like to spend too much time planning to shop.	(.74)
16. I like to plan my activities by the clock.	(.73)
17. Mail or phone ordering at home is more convenient than going to the store.	(.74)
18. I tend to keep shopping until I find exactly what I want.	(.73)
19. A person can save a lot of money shopping around for bargains.	(.72)
20. I usually read advertisements for announcements of sales.	(.72)
21. I pay a lot more attention to prices today than ever before.	(.72)
22. I buy less because of rising prices.	(.74)
23. I find myself checking the prices of even small items.	(.72)

APPENDIX 6 (continued)

Scale Name and Scale Items	Chronbach's Alpha (correlation with total)
24. I usually comparison shop only for major purchases.	(.74)
25. I would rather spend a quiet evening at home than go out to a party.	(.74)
26. I would rather go to a sporting event than a dance.	(.73)
27. I like parties where there is a lot of music and talk.	(.74)
28. I really enjoy being the first to own a new product.	(.71)
29. I like to try new and different places to shop.	(.72)
30. My friends ask me where to shop for many kinds of products.	(.72)
31. It is good to have charge accounts at various stores.	(.73)
32. I like to pay cash for everything I buy.	(.74)
33. I try saving time when shopping.	(.74)

APPENDIX 7

INFORMATION ON SCALE VALIDITY AND RELIABILITY FOR SEVEN SHOPPER TYPES

APPENDIX 7

INFORMATION ON SCALE VALIDITY AND RELIABILITY FOR SEVEN SHOPPER TYPES

Scale Name and Scale Items	Factor Loadings	Chronbach's Alpha (correlation with total)
Shopper Type 1: Recreational Shopper *Variance explained: 4.009871 (22.64%)*		.69
1. I enjoy shopping whether or not I purchase an item.	.62	(.50)
2. Exploring stores and malls is a nice way to spend your time.	.60	(.49)
3. If I didn't have so many other things to do with my time, I would shop more often.	.63	(.52)
4. Shopping is a good way to obtain information about what products are available.	.66	(.58)
5. When home shopping, I buy without hesitation.	.67	(.56)
6. I only go shopping if I need to buy something.	.83	(.77)
7. I like to try new and different places to shop.	.64	(.54)

APPENDIX 7 (continued)

Scale Name and Scale Items	Factor Loadings	Chronbach's Alpha (correlation with total)
Shopper Type 2: Methodical		
Variance explained: 2.862290 (16.17%)		.595
1. I try to stick to certain brands and stores.	.41	(.41)
2. Once I find a store I like, I stick with it.	.46	(.47)
3. I don't pay much attention to brand names.	-.58	(.59)
4. I like to plan my activities by the clock.	.61	(.62)
5. I really enjoy being the first to own a new product.	.57	(.58)

APPENDIX 7 (continued)

Scale Name and Scale Items	Factor Loadings	Chronbach's Alpha (correlation with total)
Shopper Type 3: Innovative Shopper		
Variance explained: 2.613320 (14.76%)		.72
1. I really enjoy being the first to own a new product.	.66	(.64)
2. I like to try new and different places to shop.	.69	(.69)
3. My friends ask me where to shop for many kinds of products.	.66	(.63)
4. It is good to have charge accounts at various stores.	.72	(.70)
5. I like to be considered a leader.	.70	(.68)
6. I enjoy trying new products or brands before other people do.	.68	(.65)
Shopper Type 4: Price Conscious Shopper		
Variance explained: 2.331388 (13.16%)		.69
1. A person can save a lot of money shopping around for bargains.	.66	(.66)
2. I usually read advertisements for announcements of sales.	.59	(.59)
3. I pay a lot more attention to prices today than ever before.	.65	(.66)
4. I find myself checking the prices of even small items.	.58	(.59)

APPENDIX 7 (continued)

Scale Name and Scale Items	Factor Loadings	Chronbach's Alpha (correlation with total)
Shopper Type 5: Apathetic Shopper		
Variance explained: 2.071604 (11.69%)		-.38
1. I would rather spend a quiet evening at home than go out to a party.	-.22	(-.23)
2. I would rather go to a sporting event than a dance.	.28	(-2.42)
3. I like parties where there is a lot of music and talk.	-2.41	(.54)
Shopper Type 6: Time Conscious Shopper		
Variance explained: 2.006762 (11.33%)		-.30
1. It is good to have charge accounts at various stores.	-.45	(-.45)
2. I like to pay cash for everything I buy.	.01	(.01)
3. I don't like to spend too much time planning to shop.	-.34	(-.34)
4. I tend to keep shopping until I find exactly what I want.	-.40	(-.41)
5. I usually buy at the most convenient store.	-.06	(-.07)

APPENDIX 7 (continued)

Scale Name and Scale Items	Factor Loadings	Chronbach's Alpha (correlation with total)
Shopper Type 7: Convenience Oriented Shopper		
Variance explained: 1.811897 (10.23%)		.50
1. I pay a lot more attention to prices today than ever before.	.53	(.54)
2. I buy less because of rising prices.	.38	(.38)
3. I try saving time when shopping.	.43	(.43)
4. Mail or phone ordering at home is more convenient than going to the store.	.51	(.52)

APPENDIX 8

FREQUENCIES OF RESPONDENTS' QUESTIONNAIRE ANSWERS

APPENDIX 8

FREQUENCIES OF RESPONDENTS' QUESTIONNAIRE ANSWERS

(Section) Question Number		Frequency (Percent)
(1)3g.	always	29(23.6)
	frequently	29(23.6)
	sometimes	35(28.5)
	rarely	25(20.3)
	never	5(4.1)
(2)1.	1. not at all familiar	3(2.5)
	2.	7(5.7)
	3. somewhat familiar	24(19.7)
	4.	24(19.7)
	5. very familiar	64(52.5)
(2)8.	0-5	67(55.4)
	6-10	22(18.2)
	11-15	8(6.6)
	16-20	2(1.7)
	21-25	5(4.1)
	26 or more	17(14.0)
(2)10.	$0-$50	53(42.4)
	$51-$100	29(23.2)
	$101-$150	21(16.8)
	$151 and more	22(17.6)
(2)11.	$0-$50	45(36.0)
	$51-$100	24(19.2)
	$101-$150	27(21.6)
	$151 and more	29(23.2)
(2)12.	$0-$50	13(10.4)
	$51-$100	17(13.6)
	$101-$150	18(14.4)
	$151 and more	77(61.6)

APPENDIX 8 (continued)

(Section) Question Number		Frequency (Percent)
(3) 1.	high risk	52(41.6)
	low risk	73(58.4)
(3) 2.	high risk	64(51.2)
	low risk	61(48.8)
(3) 3.	high risk	47(37.6)
	low risk	78(62.4)
(3) 4.	high risk	99(79.2)
	low risk	26(20.8)
(3) 5.	high risk	41(32.8)
	low risk	84(67.2)
(3) 6.	high risk	41(32.8)
	low risk	84(67.2)
(3) 7.	high risk	48(38.4)
	low risk	77(61.6)
(3) 8.	high risk	51(40.8)
	low risk	74(59.2)
(3) 9.	high risk	41(32.8)
	low risk	84(67.2)
(3) 10.	high risk	67(53.6)
	low risk	58(46.4)
(3) 11.	high risk	60(48.0)
	low risk	65(52.0)
(4) 1.	strongly disagree	66(52.8)
	disagree	0(0.0)
	uncertain	0(0.0)
	agree	0(0.0)
	strongly agree	59(47.2)

APPENDIX 8 (continued)

(Section) Question Number		Frequency (Percent)
(4) 2.	strongly disagree	49(39.2)
	disagree	0(0.0)
	uncertain	0(0.0)
	agree	0(0.0)
	strongly agree	76(60.8)
(4) 3.	strongly disagree	4(3.2)
	disagree	32(25.8)
	uncertain	29(23.4)
	agree	44(35.5)
	strongly agree	15(12.1)
(4) 4.	strongly disagree	54(43.2)
	disagree	0(0.0)
	uncertain	0(0.0)
	agree	0(0.0)
	strongly agree	71(56.8)
(4) 5.	strongly disagree	64(51.2)
	disagree	0(0.0)
	uncertain	0(0.0)
	agree	0(0.0)
	strongly agree	61(48.8)
(4) 6.	strongly disagree	62(49.6)
	disagree	0(0.0)
	uncertain	0(0.0)
	agree	0(0.0)
	strongly agree	63(50.4)
(4) 7.	strongly disagree	23(18.4)
	disagree	0(0.0)
	uncertain	0(0.0)
	agree	0(0.0)
	strongly agree	102(81.6)
(4) 8.	strongly disagree	78(62.4)
	disagree	0(0.0)
	uncertain	0(0.0)
	agree	0(0.0)
	strongly agree	47(37.6)

APPENDIX 8 (continued)

(Section) Question Number		Frequency (Percent)
(4) 9.	strongly disagree	4(3.2)
	disagree	25(20.0)
	uncertain	34(27.2)
	agree	46(36.8)
	strongly agree	16(12.8)
(4) 10.	strongly disagree	6(4.8)
	disagree	28(22.4)
	uncertain	26(20.8)
	agree	51(40.8)
	strongly agree	14(11.2)
(4) 11.	strongly disagree	4(3.2)
	disagree	39(31.2)
	uncertain	21(16.8)
	agree	53(42.4)
	strongly agree	8(6.4)
(4) 12.	strongly disagree	3(2.4)
	disagree	18(14.4)
	uncertain	15(12.0)
	agree	75(60.0)
	strongly agree	14(11.2)
(4) 13.	strongly disagree	4(3.2)
	disagree	31(25.0)
	uncertain	17(13.7)
	agree	60(48.4)
	strongly agree	12(9.7)
(4) 14.	strongly disagree	11(8.8)
	disagree	47(37.6)
	uncertain	17(13.6)
	agree	45(36.0)
	strongly agree	5(4.0)
(4) 15.	strongly disagree	15(12.0)
	disagree	63(50.4)
	uncertain	11(8.8)
	agree	29(23.2)
	strongly agree	7(5.6)

APPENDIX 8 (continued)

(Section) Question Number		Frequency (Percent)
(4) 16.	strongly disagree	30(24.6)
	disagree	38(31.1)
	uncertain	16(13.1)
	agree	20(16.4)
	strongly agree	18(14.8)
(4) 17.	strongly disagree	11(8.9)
	disagree	54(43.9)
	uncertain	15(12.2)
	agree	38(30.9)
	strongly agree	5(4.1)
(4) 18.	strongly disagree	2(1.6)
	disagree	18(14.5)
	uncertain	16(12.9)
	agree	65(52.4)
	strongly agree	23(18.5)
(4) 19.	strongly disagree	7(5.6)
	disagree	20(16.0)
	uncertain	12(9.6)
	agree	67(53.6)
	strongly agree	19(15.2)
(4) 20.	strongly disagree	2(1.6)
	disagree	7(5.7)
	uncertain	12(9.8)
	agree	60(48.8)
	strongly agree	42(34.1)
(4) 21.	strongly disagree	4(3.2)
	disagree	10(8.1)
	uncertain	12(9.7)
	agree	64(51.6)
	strongly agree	34(27.4)
(4) 22.	strongly disagree	0(0.0)
	disagree	15(12.2)
	uncertain	8(6.5)
	agree	54(43.9)
	strongly agree	46(37.4)

APPENDIX 8 (continued)

(Section) Question Number		Frequency (Percent)
(4) 23.	strongly disagree	0(0.0)
	disagree	26(21.1)
	uncertain	22(17.9)
	agree	56(45.5)
	strongly agree	19(15.4)
(4) 24.	strongly disagree	3(2.4)
	disagree	20(16.1)
	uncertain	10(8.1)
	agree	71(57.3)
	strongly agree	20(16.1)
(4) 25.	strongly disagree	2(1.6)
	disagree	46(37.4)
	uncertain	10(8.1)
	agree	39(31.7)
	strongly agree	26(21.1)
(4) 26.	strongly disagree	8(6.5)
	disagree	25(20.2)
	uncertain	25(20.0)
	agree	43(34.7)
	strongly agree	23(18.5)
(4) 27.	strongly disagree	15(12.1)
	disagree	25(20.2)
	uncertain	18(14.5)
	agree	37(29.8)
	strongly agree	29(23.4)
(4) 28.	strongly disagree	12(9.8)
	disagree	23(18.7)
	uncertain	22(17.9)
	agree	53(43.1)
	strongly agree	13(10.6)
(4) 29.	strongly disagree	11(8.8)
	disagree	23(18.4)
	uncertain	30(24.0)
	agree	26(20.8)
	strongly agree	25(20.0)

APPENDIX 8 (continued)

(Section) Question Number		Frequency (Percent)
(4) 30.	strongly disagree	8(6.5)
	disagree	39(31.7)
	uncertain	35(28.5)
	agree	29(23.6)
	strongly agree	12(9.8)
(4) 31.	strongly disagree	39(31.2)
	disagree	0(0.0)
	uncertain	0(0.0)
	agree	0(0.0)
	strongly agree	86(68.8)
(4) 32.	strongly disagree	4(3.2)
	disagree	34(27.4)
	uncertain	23(18.5)
	agree	52(41.9)
	strongly agree	11(8.9)
(4) 33.	strongly disagree	17(13.8)
	disagree	31(25.2)
	uncertain	27(22.0)
	agree	36(29.3)
	strongly agree	12(9.8)
(4) 34.	strongly disagree	10(8.1)
	disagree	54(43.5)
	uncertain	27(21.8)
	agree	21(16.9)
	strongly agree	12(9.7)
(4) 35.	strongly disagree	4(3.2)
	disagree	32(25.8)
	uncertain	12(9.7)
	agree	63(50.8)
	strongly agree	13(10.5)

VITA

Brigitte West Burgess was born in Waynesboro, Mississippi on August 13, 1966. She attended elementary, junior and senior high school in Petal, Mississippi and graduated from Petal High School in 1984. She entered the University of Southern Mississippi in fall, 1984 and received the degree of Bachelor of Science in fashion merchandising in 1989. In 1990, she began her graduate work at The University of Tennessee, Knoxville, where, in 1992, she earned a Master of Science in Human Ecology in Retail and Consumer Science. In 1993, she began her doctorate at The University of Tennessee, Knoxville and in summer, 1996 she received the degree of Doctor of Philosophy in Human Ecology in Consumer Environments.