

Consumer Motivations for Online Shopping

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Abstract

Consumers shop online for goal-oriented, instrumental reasons, and for experiential reasons. However, goal-oriented motives are more common among online shoppers than are experiential motives. Based on our exploratory research of online shopping using 5 offline and 4 online focus groups conducted in conjunction with Harris Interactive, we identify and discuss attributes that facilitate goal-oriented online shopping, including accessibility/convenience, selection, information availability and lack of unwanted sociality from retail sales help or shopping partners such as spouses. The goal-oriented characteristics of online shopping collectively result in an experience that is involving for buyers, but which results in low commitment to purchasing. Buyers shop when and where they want, and are comfortable abandoning a site and products placed in a shopping cart either on a whim or to further consider their purchase; consumers often use the words "freedom" and "control" in explaining the value of online shopping. While consumers are more likely to describe offline rather than online shopping in experiential terms, we find evidence of experiential motivations for online shopping emerging. We offer managerial implications for cultivating goal-oriented and experiential online buyers.

Introduction

The number of consumers buying online, and the amount being spent by online buyers has been on the rise; Forrester Research has estimated Internet sales in 1999 to be more than double that of 1998, \$20 billion (see estimates at www.forrester.com). Despite the hype and the growth, consumer e-commerce sales currently account for less than 1% of retail sales, and experts and scholars have argued over the possible upper limit to the percentage of consumer online spending.

Ultimately, the degree to which online and offline shopping fulfill various consumer needs -- both goal-oriented and experiential -- is likely to impact the amount of shopping dollars that consumers will choose to spend in each environment. Inarguably, online and offline environments present different *shopping experiences* even when the same products can be purchased. Consumers shop with utilitarian, goal driven motives as well as for experiential motives, such as fun and entertainment; in sum, they shop to acquire products or they shop to shop (Babin, Darden and Griffen 1994; Bloch and Richens

1983; Hirschman 1984; Hirschman and Holbrook 1982; Hoffman and Novak 1996; Schlosser and Kanfer 1999).

Based on our research, we suggest that online and offline shopping experiences are perceived and evaluated by shoppers with respect to their ability to deliver satisfaction on two dimensions: (1) goal fulfillment and (2) experience-related outcomes. Our research suggests that goal-directed motivations are more likely to be satisfied *online* while experiential shopping motives are more likely to be associated with *offline* shopping. Nevertheless, there are online buyers who reported to us that they shop for fun; typically they shop auction sites, engage in ongoing hobby type interests (see Bloch, Sherrell and Ridgeway 1986 for a discussion of offline hobby behavior) or enjoy the thrill of looking for bargains.

Research Method

This research represents the first phase of a research plan intended ultimately to identify and measure the consumer experiences and website attributes that are associated with quality and satisfaction. In this first phase, we desired to understand motivations, attitudes and behavior of consumers from a phenomenological point of view (as experienced and explained by consumers). Five offline and four online focus groups of online buyers were recruited by Harris Interactive who maintains a panel of about 5 million online consumers. We believe the importance of various attributes associated with quality will vary somewhat depending on the motivation for online shopping (Hoffman and Novak 1996; Hoffman, Novak and Schlosser 2000; Schlosser and Kanfer 1999); the research reported here focuses on these motivations and the attributes that support these motivations according to online consumers.

Both researchers attended or "lurked" (logged in without being visible to participants) in all focus groups. The researchers moderated the five offline groups, which were both audio and videotaped. In the four online groups, a professional moderator ran the groups, while both researchers "lurked." The online groups are held in real time in a "chat room" format; our youngest informant was 19 and our oldest was 81. Focus group participants were chosen to (1) maximize the variety of age groups over age 18, (2) include both men and women, (3) solicit participants who collectively had engaged in purchases in the top categories -- books, CDs, computers and software, travel, and online auctions. As well, during their focus

groups, informants reported purchases in a variety of other purchase categories including online stock trading, cars, ammunition, toys, clothing, groceries, and buying jewelry from the home shopping network; one participant even bought his house online! The offline groups were based in Southern California, but the online groups included participants from across the United States (included rural areas) and at least one Canadian.

Online qualitative research methodologies evoke dialogues that are honest, direct, and somewhat less constrained by social conventions present in traditional focus groups (Montoya-Weiss, Massey and Clapper 1998). Online qualitative research is uniquely suited for engaging Internet savvy respondents. It is especially appealing to those for whom time is at a premium. It also reaches audiences not generally reached by traditional face-to-face focus groups, including those in outlying areas and respondents who are home bound.

Theoretical categories both existed a priori and emerged during coding and analysis of transcripts. We looked for exceptions to our tentative findings (Arnould and Wallendorf 1994; Glaser and Strauss 1967; Miles and Huberman 1984; Spiggle 1994). Our primary theoretical categories for this analysis involve reported goal directed search vs. experiential browsing/buying behavior, as well as the attributes and outcomes that are associated with those behaviors. A second analysis is currently underway which identifies all the attributes online consumers associate with satisfaction and overall transaction quality.

GOAL DIRECTED SEARCH VS. EXPERIENTIAL BROWSING

Our research suggests that accessibility/ convenience, selection, information availability, control of sociality, low commitment to the experience and more generally, a sense of freedom and control all mark *goal-directed buying* (see Table). Moreover, these attributes that are associated with goal-directed search are more likely to be associated with online as compared to offline shopping (see Solomon 1999 concerning goal-directed search).

While offline shopping is more likely to be associated with experiential benefits, some online buyers nevertheless describe online shopping as being enjoyable, fun, and even sociable. Collectors, hobbyists and eBay shoppers sometimes formed relationships with those who shared their interests online.

In addition to sociality, online buyers told us they engage in experiential browsing for three reasons: (1) auction activities (2) ongoing hobby-type search (similar to offline behavior described by Bloch, Sherrell and Ridgeway 1986) and (3) bargain hunting. What do auctions offer consumers? Positive surprise (Babin, Darden and Griffen 1994) is a major benefit of auction sites. Hobbyist shoppers frequently and regularly check sites of interest. Another activity that results in experiential online is looking for great deals. Consistent with our observations that discount shopping is associated with experiential buying behavior, goal-oriented shoppers are actually *less* likely to use shopping agents than are the experiential shoppers we interviewed; the experiential shoppers enjoy the fun of surfing various sites and finding the best deals; as well, based on empirical research, Babin, Darden and Griffen (1994) identify bargain-shopping in offline retailing as being experiential.

The Prevalence of Goal-Directed Buying on the Internet

Recent market research as well as our focus groups indicate that a majority of Internet buyers are goal-oriented rather than the being experiential. For instance, Jupiter Communications (Solomon 1999) reports that 77% of shoppers go online with a specific purchase in mind. Currently, weekly data provided publicly on Nielsen-NetRatings website regularly show that the "stickiness" or in other words, time spent at an e-commerce Web site during a visit, is limited; the length of visits at the top e-commerce sites (with the significant exception of the more "experiential" site e-Bay) is largely 10 minutes or so, suggesting that consumer online buying behavior tends to largely be focused and goal-oriented.

Table: Goal Directed vs. Experiential Online Shopping Behavior

| Goal Directed Buying | Important Factors | Outcomes |
|------------------------------|---|------------------|
| | Accessibility/Convenience | Freedom, Control |
| | Selection | |
| | Information Availability | |
| | Control of Sociality | |
| | Commitment to Goal, Not experience | |
| Experiential Browsing/Buying | Ambiance/Atmosphere | Fun |
| | Positive Sociality | |
| | Positive Surprise | |
| | Commitment to Experience as important or more important than goal | |

Goal-oriented or utilitarian shopping has been described by various marketing scholars as task-oriented, efficient, rational, and deliberate (cf. Babin, Darden and Griffen 1994; Batra and Ahtola 1991; Hoffman and Novak 1996; Sherry 1990). The online medium facilitates this task-orientation as search costs are dramatically reduced (Klein 1998). Moreover, many users currently prefer to undertake efficient linear searches on the Internet using the fewest number of clicks to get to the information they want (Hoque and Lohse 1999). Consistent with this goal-orientation perspective, consumers more likely to buy on the Internet are likely to be time-starved (Bellman, Lohse and Johnson 1999).

In fact, online buyers often told us that they did not necessarily think of buying on the net as "shopping." Rather, they think of it as "buying." As well, online buyers often said they decided to go online to shop only when they had a specific purchase in mind, describing online buying as consisting largely of planned purchases. We specifically asked online buyers if they are more impulsive while shopping online or offline and were overwhelmingly informed that shoppers are *more impulsive offline*. Our online consumers report that goal-directed buying is facilitated online specifically because of: (1) convenience and accessibility (2) unique and broad selection (3) availability of accurate and comprehensive information and (4) lack of sociality from salespeople, retail workers, spouses and kids. Each of these goal-oriented attributes was explicitly associated by online consumers with freedom and control. Consistent with the importance of freedom and control to many online shoppers, Hoffman, Novak and Schlosser (2000) find that longer and heavier users of the Internet report a significantly higher internal locus of control than do non-users.

Related to the ideas of freedom and control, shoppers reported to us that they feel little pressure to buy online, whereas offline they are disappointed if they come home empty handed. They often shopped in whatever moments they had free to look for information, shopped for an item across multiple online sessions that included offline looking, and feel comfortable abandoning online shopping carts, especially given how easy it is to return to the site and make the purchase later if they want; thus goal-oriented buyers "nibble" or "snack" on commercial websites. Thus, and paradoxically, many online shoppers appear engage in "low commitment, high involvement" behavior, as they easily leave a site without purchasing, but find their online shopping trips interesting, informative, useful and involving.

Conclusion: Designing for Goal-Oriented and Experiential Consumers

Experiential browsing behavior is desirable online as it has been associated in offline environments with increased impulse purchases, and more frequent visits (Babin, Darden and Griffen 1994). Moreover, as younger surfers become full-fledged consumers, experiential benefits (for instance, streaming video, community, forums, games, auction) may become more desirable at websites. Before emphasizing such benefits, however, sites need to identify a base of users who are regular visitors and who are involved with the product category. Products and services with a hobbyist or enthusiast base are natural matches for sites that mix e-commerce with experiential content and community.

Before designing the mix of experiential vs. goal-focused features offered on a site, a company needs to understand both its products and its users; average time spent on the sites by users is associated with goal vs. experiential orientation; thus, using clickstream data, companies should be able to estimate the percentage of shoppers and buyers who are goal-oriented vs. experiential.

Additionally, website design and strategy issues should be based on motivations and satisfiers for online buyers. For example, online buyers largely do not expect or desire "high touch" service unless they have questions or problems with customer service, in which case they expect relatively speedy answers (within 24 hours) responsive to their individual problems. Any features that increase the sense of user control and freedom, including order tracking, purchase histories, saving information to facilitate speed in future sessions, and opt-in email notification of new products and special deals, increase the satisfaction of goal-oriented users. The importance of posting accurate, relevant and (when requested) comprehensive information about products cannot be overemphasized by e-commerce sites.

In sum, companies anxious to build experiential features and encourage customers to spend longer times at their site (or increasing "stickiness" as widely encouraged in industry publications) may be overlooking the fact that transaction-oriented customers can build ties to an online business even when they do not spend much time at a site. Offering goal-oriented online consumers what they want, when they want it, and answering inquiries in a timely fashion creates loyalty, even if these customers are not interested in being entertained while shopping online.

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