

Full Length Research Paper

Exploration of the differences in Taiwanese women's purchasing decisions towards luxury goods and general products

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This study explores the differences in Taiwanese women's purchasing decisions towards two different categories: luxury goods and general products. The application and analysis of demographic variables such as population, purchasing motives, sources of information, product categories, and alternatives, forms the main content of this survey. Stratified random sampling is used and then ANOVA analysis, t-test and chi-square test are used to examine the hypotheses. From the results, we found that; (1) women have different motives to buy luxury goods; (2) women especially, value the opinions from the clerks of luxury goods and information from the mass media such as newspapers and magazines as their sources of information; (3) women tend to buy luxury goods in department stores, shopping malls or duty-free shops in the airports, and general products from the internet, TV shopping or mail orders as their alternatives; and (4) in terms of product categories, most women choose jewelry, purses, watches, or skin care products for their buying of luxury goods, and for general products, most opt for pens, apparel, scooters or bicycles. Through the comparisons of product categories, we found that women choose luxury goods for personal use and general products for family use.

Key words: Luxury goods, general products, consumers' purchase decision.

INTRODUCTION

In the past, it was considered that only the few wealthy could own luxury goods. As consumption styles changed, luxury goods have become what people from all walks of life care about. International brands of luxury goods which companies launch are global marketing events like tornados sweeping the world. The consumers of luxury goods are increasing in numbers, and the age group has become younger and younger (Chen, 2006; Jian, 2009). Meanwhile, Silverstein et al., (2008) also mentions that "trading up" has become a universal phenomenon in our daily life, which reflects a globally

important change of consumer behavior (Silverstein et al., 2008). Because the number of target customers of luxury goods keeps expanding, more and more people are willing to spend more from an emotional perspective. But for those of less emotional importance, customers will buy relatively cheaper stuffs. In other words, the luxury goods market is indeed of great potential that cannot be ignored. The motivation of this study is to compare the general products in the mass consumption market and luxury goods, determine how consumers react to products in these two different categories and to possible differences in their purchase decisions, with the hope of contributing both to practical uses and academic theories.

On the other hand, Barletta's observation of the

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American market indicates, that the business opportunities in the female market will be greater than that of the internet. The reason is that, women are responsible for most purchasing of households with 83% of purchase decisions in all consumptions and 51% of purchasing specialists in enterprises being females and female entrepreneurs account for 70% in emerging businesses (Barletta, 2008). Besides, Wang (2007) economic consultant of Master Card International for the Asia Pacific Region, studied female consumers in 11 Asian countries and found Asian female consumers will become the new driving force to stimulate Asian economies. Estimated from the current Asian business situation, women in rich Asian countries will have \$ 335 billion of spending power and those in emerging Asian countries will have \$181 billion by 2014. There is no doubt that Asian female consumer will immense consumption power in the 21st century.

In Taiwan, female consumers are also a driving force. The Social indicators of 2009 published by the directorate general of budget, accounting and statistics (DGBAS, 2009) of the executive Yuan shows that women account for 25.3% of the economic heads of households in 2008, which is an increase of 8.9% compared with the number 10 years ago, and the increase even reaches 11.7% compared to that of 1994. These shows the economic extent to which women supporting their households has increased. Further, directorate general of budget accounting and statistics (DGBAS) published the latest employment statistics of July 2010 showing that Taiwanese female labor force participation rates have reached 50.25% (Council of Labor Affairs, 2010) officially showed over half of the labor forces. Compared with other countries, South Korean's female labor force participation rate is 49.2% and Japan is less than 49%. Obviously, Taiwanese women are active in the workplace. Because women have higher education, more job opportunities and equality, it is common for a family to have double incomes that reflects female labor force participation rates in all age groups show a rising tendency. This phenomenon also reflects in women's economic independency and autonomy. Facing women in the new era, businesses no longer view female consumers in the traditional way but turn to them as the main target (Warner, 2005). The reason lies in the drastic change of the female role in social structure and the commercial market such that their economic independency even elevates their control over life and finances. Martha Barletta (2002) even indicated that women are not only the most powerful consumers in the world but customers that creates profits and have a different purchasing decision process with a unique priority setting, preferences and attitudes vis-à-vis men (Barletta, 2002). Under this situation, female market segmentation will help sales growth. Therefore, Taiwanese females are the subjects of this research and we further investigate the differences of purchasing

decision patters for luxury goods and general products so as to provide practical references for relevant business.

Based on substantial research theories on the luxury goods market, most consumer behavior research looks into the purchasing decisions on an individual scale, therefore, the aforementioned description is the background of the research and a questionnaire investigation is used to study the differences of Taiwanese women's purchasing decisions towards luxury goods and general products. The following are the research objectives:

1. To survey whether Taiwanese women have different purchasing decisions for "luxury goods".
2. To survey whether Taiwanese women have different purchasing decisions for "general products".
3. To survey whether Taiwanese women's purchasing decisions have significant differences towards "luxury goods" and "general products".
4. The research results can be used in designing marketing strategy for related business.

LITERATURE REVIEW

The definition of luxury goods, consumers' behavior and purchasing decision patterns are discussed further.

The definition of luxury goods

Dubois and Duquesne (1993) used ambiguous phrases to define luxury goods as "the dream value", while Aaker and Keller (1990) proposed the reason that, consumers buy luxury goods more for what they mean than what they are. Kemp (1998) thought the concept of luxury goods would change because of different social and economic backgrounds. The same product may be different because of whom and why. Even the same person may view the same product under different scenarios, as luxury goods or general products (Chen, 2006). Though, luxury goods are popular, yet the definition of luxury goods and its contents are vague (Vigneron and Johnson, 1999). For example, Björkman (2002) viewed luxury goods as a kind of aura; some people's recognition might also put luxury goods into the same place as expensive goods. However, simply placed luxury goods as expensive products will consequently cause controversies (Phau and Prendergast, 2000) because expensive goods will not necessarily be viewed as luxury goods (Dubois and Czellar, 2002). Besides, Nueno and Quelch (1998) defined luxury goods, as being "low function-to-price ratio but high intangible-and-efficacy-to-price ratio". Earlier, luxury goods market include 8 industries; perfume, jewelry, watches, cars, red wine, dinnerware, china and crystal glasses, gifts and apparel (McKinsey, 1990; Vickers

and Renand, 2003). In 2001, Morgan Stanley capital international (MSCI) developed the global industrial classification standard (GICS) changing “textiles and apparel” to “textiles, apparel and luxury goods” where luxury goods include 4 categories: haute couture, accessories (handbag, suitcase, handkerchief, and belt), jewelry and watches; this shows that Morgan Stanley capital international (MSCI), views luxury goods as an industry and the so-called luxury goods industry from different perspectives such as economics, semantics, sociology and psychology to understand the meaning behind luxury goods. Kapferer (2006) thought products of the same categories provided by luxury goods are more expensive than non-luxury goods but not all expensive products are luxury goods. Secondly, from the semantic point of view, “lux” means “glory and shiny”, which means that luxury goods must have bright and easily recognized characteristics. From the perspective of sociology, the birth of luxury goods and its prevalence have to do with social changes. As the aristocratic class declines and the middle class rises, craftsmen and tailors who used to serve the royal family and nobles turn to serve the middle class (the “nouveau riche”), which now has the spending power and their names gradually becomes the brands of luxury goods. And from the perspective of psychology, we found Europeans thinking that the value of luxury goods lies in their scarcity and as luxury goods become globalized, the popularization of luxury goods reduces the scarcity but does not affect their value and status in people’s minds (Chen and Huang, 2009).

Social competition in the 21st century is fierce, that under such pressure, the consumers’ behavior will even emphasize the added-value of the products. Looking around at every shop or individual, French purses, Swiss watches, Italian boots and Greek accessories are everywhere, which shows that the glamour of luxury goods is ubiquitous. Consumers hope to satisfy their needs deep inside by carrying all kinds of luxury goods. As the consumption styles change, buying luxury goods is no longer a lifestyle belonging to just a few people, but a universal phenomenon that all can enjoy (Chang, 2007). The social meaning of luxury goods is not simply luxury but a necessity of a new form of life. What consumers value, is how the product or brand conveys a personal style and signifies oneself as having chosen a specific product and brand (Ho, 2004). The pursuit of luxury goods is no longer “showing off” but enjoying the aspiration and delicate experiences from the purchased products (Chen, 2008). The iconic meaning of luxury goods turns from earlier social status and wealth to taste, style and enjoyment, which means the value of luxury goods has changed in consumers’ minds. The middle class wants to spend less money to buy better quality and taste and in Western countries, this phenomenon is called “masstige” which is to say that the target market of luxury goods used to be the top-tier

consumers and now it is extended to middle-class consumers. Traditional luxury goods keep launching middle-or-high-price products to the market; the appearance of masstige enables the shortening of the distance between luxury and consumers. The public also no longer regards luxury goods as not own-able (Wang, 2007). So we can see that the same group of designers who serve the top of the pyramid now work with mass market brands or channels so that people can spend less money to buy different emotional and taste experiences. Lin (2007) indicated that luxury goods consumption has become a game for all, because luxury goods continue selling and the mass media keeps reporting. It is not a question of “ability” but “willingness” for the public to buy expensive luxury goods. In other words, the boundary of today’s luxury goods market is no longer defined by income, personal wealth or spending budget. Also, in Danziger’s research (Danziger, 2005), consumers of luxury goods are driven by experiences and not money. For the consumers of luxury goods, what they care about is to make materialistic life comfortable, have transformational experience to accomplish themselves as whole and self-realized individuals. These phenomena show luxury goods not only have to do with material objects, but also the special experiences that consumers feel when they buy and own these goods.

From previous references, we roughly know it is a process for luxury goods to evolve from the upper class to the mass market. Summarizing from the scholars’ perspectives and the evolution of the luxury goods market, the definition of luxury goods has gone beyond material objects and materials, and is interpreted by a personal and experiential point of view. Hence this research, referring to Kemp (1998) and Ho’s (2004) point of view, defines luxury goods as a perception of the consumers’ subjective recognition this means, it is the consumers that define luxury goods. Since past relevant researches focus more on the recognition, attitudes and behaviors, but few studies have elaborated the characteristics of luxury goods consumer purchasing decision patterns, this research tries to make up the gap through studying the differences of purchasing decisions towards luxury goods and general products.

Consumer behaviors

Viewpoints of consumer behaviors have evolved from earlier single disciplinary to interdisciplinary science, whose structure and concept includes sociology, psychology, economics, marketing and so on. Therefore, many scholars have tried to define consumer’s behaviors from different viewpoints (Wu, 1998). The following introduces related consumer behavior studies. Walters and Gorden (1970) indicated consumer behaviors as decision-making and behaviors involved in purchasing or using

a certain products.

Terrell (1982) defined consumer behaviors as follows; consumer behaviors are every activity, opinion and influence involved in the purchase and labor process. Demby (1973) thought consumer behaviors are the decision-making and behaviors when people buy and use products or services. Schiffman and Kanuk (1991) pointed out that consumer buying behaviors are based on individuals satisfying their needs, seeking products, services or ideas and that includes behaviors like purchasing, using, evaluating and disposing. Kotler (1998) studied how individuals, groups and organizations purchase, use and dispose of products, services, ideas to satisfy their needs as his viewpoint on consumer behaviors. Engel et al. (1995) redefined consumer behaviors as "All relevant activities where consumers acquire information, consume and dispose of products or services, including ex ante and ex post decision-making processes". In conclusion, not every scholar has the same opinion towards consumer behaviors but we can summarize that, consumer behaviors are the decision-making process where consumers satisfy their needs, purchase products or services.

Purchase decision

Purchasing decision-making is a process where consumers make decisions from two or more than two choices when they buy a product or service, that is, consumers will proceed because of certain reasons during purchasing. In the past articles, many scholars have proposed different purchasing decision processes and integrated consumer behavior theories to develop different models. The following is a description of three representative purchasing decision models: Nicosia model, Howard-Sheth model and E-K-B model.

The Nicosia model was proposed in "Consumer Decision Processes" in 1966 (Nicosia, 1966). Nicosia mentioned that, consumer behaviors originated from the product features and consumers' attitudes and it is a process of decision-making. There are four parts in the Nicosia model: 1) information exposure: manufacturers use advertisements or other marketing mix to send product information to the consumers. consumers' attitude is formed after internalization; 2) information collection and option evaluation: once the consumers' attitude is formed, consumers will proactively collect the relevant product information to generate the criteria of product and brand selection and then form the purchase motives; 3) purchase behaviors: consumers transform the motives into an action of purchase. At this stage, consumers are influenced by the scenarios and product evaluations such as the advertisements in shopping venues, give-aways channels and so on; 4) information feedback: after purchasing and using the product, the consumers will have impression and experience, which

will influence whether they shop again.

The Howard-Sheth model of buyer behaviors was first proposed by Howard in (1936) as the Howard model, and after several revisions, he and Sheth wrote the "Theory of Buyer Behavior" together in 1969 (Howard and Sheth, 1969) and built the Howard-Sheth model of buyer behaviors, which considers the consumer behaviors originating from their psychology and motives. Afterwards, Howard (1994) proposed a consumer decision model, which included 6 variables: 1) information: information enables the consumers to know the brand and evaluate the brand according to their needs; this is called attitude and a certain faith in their minds; 2) brand recognition: meaning the extent of understanding towards the criteria, but it doesn't mean to evaluate or distinguish brands in the product categories. Product recognition characteristics tend to be real such as the form and function of a product; 3) brand attitude: meaning the extent to which consumers expect a certain need to be satisfied by the brand; 4) faith: the extent to which consumers can tell and evaluate a certain brand and consider the judgment correct; 5) purchase willingness: the mindset of planning to buy a specific brand in a certain period of time; 6) purchase: during a certain period of time, the consumer has purchased a certain brand.

Three scholars, Engel, Kollat and Blackwell from Ohio State University proposed the E-K-B model in 1968, which considered consumer behaviors a continuous process instead of intermittent individual actions. The model is centered on decision-making and comprised of combining the intertwined effects of internal and external factors. E-K-B model is the more comprehensive, intact and systematic model in current consumer behavior models. The model structure comprises 5 parts: 1) information input; 2) information process; 3) decision-making process; 4) variables that affect the decision-making; 5) extraneous interference. Amongst them, the decision-making process is the core of the E-K-B model. It includes: 1) need recognition; 2) search for information; 3) alternatives and evaluation; 4) purchase; 5) post purchase evaluation. Later on, Engel et al., (1995) further presented internal and external factors, such as individual differences and environmental influences, affecting decision-making at every stage, to wit: 1). environmental influence: including culture, social status, personal influence, family, scenario and so on; 2) personal differences: consumers' sources of information, knowledge, attitudes towards the product, motive, personality, value system and lifestyle, etc which means the decision will be different depending on personal characteristics.

According to the research objective and variable measurements, this research refers to the E-K-B model to define the factors of female purchasing decisions for luxury goods and general products. The factors are purchase motives, sources of information, product

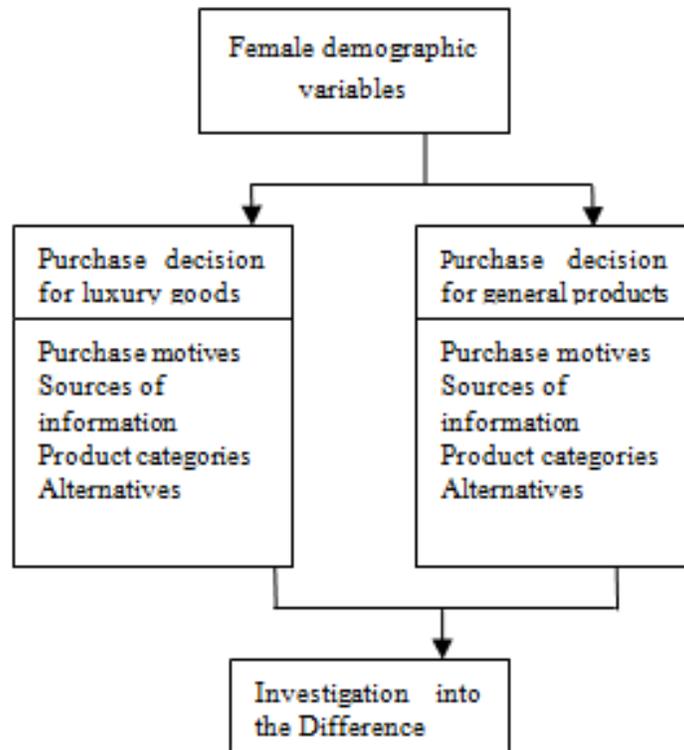


Figure 1. Data source: this research. Research framework.

categories, and alternatives. The main purpose is to clarify the characteristics of female purchasing decision-making and further to compare the differences of purchasing decisions for luxury goods and general products.

METHODOLOGY

Research framework

Based on Taiwanese women's viewpoints, the study investigates the differences of purchasing decision-making for luxury goods and general products. According to the previous introduced literature, the study analyzes this for luxury goods and general products through the population variable. Then we further compare the differences for luxury goods and general products. The research structure is as shown in Figure 1.

Hypothesis

According to the previous introduced literature, research objectives and the relations among the variables stated in the research structure, we propose the hypothesis testing which includes 3 parts: H_1 : There is a significant difference in purchase decisions of luxury goods for females of different demographic variables. H_2 : There is a significant difference in purchase decisions of general products for females of different demographic variables, after investigating the purchase decision for luxury goods and general products. H_3 : Makes a comparison of the variables of the previous

two purchase decisions to understand whether there are differences in the female purchase decisions towards luxury goods and general products. Therefore, the following are the hypotheses:

H_1 : Women of different demographic variables (age, education, occupation, marital status, income) have significant differences in their purchase decisions (purchase motives, sources of information, product categories and other alternatives) for luxury goods.

H_2 : Women of different demographic variables (age, education, occupation, marital status, income) have significant differences in their purchase decisions (purchase motives, sources of information, product categories and other alternatives) for general products.

H_3 : There is a significant difference in female purchase decisions (purchase motives, sources of information, product categories, alternatives) towards luxury goods and general products.

Subjects and sampling

Taiwanese women are the subjects of discussion and to avoid too much variable interference, the samples are those who have bought luxury goods and stratified random sampling is adopted to select the samples.

In the beginning of the questionnaire stage, we use questionnaires in hard copy and some subjects in other counties or cities answered the online questionnaire. There were 300 formal questionnaires, 23 of which were invalid and 238 effective questionnaires with an effective response rate of 79.3%. Then we used SPSS for analysis. According to Comrey's (1973) requirement

for sample numbers, if the research population is quite homogeneous and has not many variables, the numbers of the sample can be 100 to 200. Therefore, the numbers of subjects met the sampling requirements.

Questionnaire design and measurement

According to the research objectives and questions, we refer to established data such as relevant studies and books to form the questionnaire draft and through consulting experts and scholars to evaluate the content feasibility. We then used the convenient sampling was for pretesting. Through vis-à-vis interviews, we asked the subjects how much they understood the questions in the questionnaire and their suggestions and we collected the pre-test questionnaires to examine their reliability. From the comprehensive evaluation and reference of some subjects' opinions, we changed the 42 questions in the pre-test to 49 with the intention to increase overall reliability. There are 5 parts of the content: 1) purchase motives: to investigate the inner cognition and thoughts that women have when shopping; 2) sources of information: to know how women acquire product information; 3) alternatives: to find out where and how women shop; 4) product categories: to investigate the types of product women opt for; 5) personal profile: subjects' background information.

Measurement of the questions: parts 1 to 3 are the question forms, and there are 34 questions. Scores are measured by Likert Scale 5 measurement; part 4 is multiple-choice questions and there are 15 questions. Questions with checks, get 1 score, otherwise 0; part 5 is the population data including age, education, occupation, marital status, and personal monthly disposable income.

Reliability analysis

The research utilities measurement in reliability validation, Cronbach's α was used to examine the reliability of the questionnaires. As Guiford (1965) has suggested, Cronbach's $\alpha > 0.7$ as benchmark, and following Churchill's advice (1995), we removed the behavior variables by the correlation of item scores and total scores to choose questions fitted for the analysis.

Descriptive analysis

To describe the relevant variables is to understand the samples and distributions. Besides, the multiple choice questions under "product categories" follow Wu's (2008a) advice that the most appropriate statistical analysis for multiple choice questions is to analyze the frequency and percentage of questions checked so as to describe the differences between variables.

One-way ANOVA analysis

One-way ANOVA analysis can test whether averages of multiple data are equal. The research tested females of different demographic variables (age, education, occupation, and income) to find out whether there were significant differences in aspects of purchase decision for luxury goods and general products: purchase motive, source of information, and other alternatives.

Independent samples t-test

It was used to test females of different "marital status", for

differences in variables of purchase decision for luxury goods and general products.

Paired-sample t-test

This method was intended to compare the same group of subjects who receive the second test or measure the differences of averages. The study used the same sample to get two data sets and analyze the female characteristics of two different products: luxury goods and general products, and found out whether there were significant differences in the variables of purchase decisions.

Chi-square test

The main purpose was to examine the multiple-choice questions-whether there was significant difference under "product categories". Its test of homogeneity was used to investigate whether the demographic variables would make percentage differences in product categories under luxury goods and general products, and observe whether there was a percentage difference of these two product categories. Lastly, through test of significance of change, the changes of the same variable between 2 measurements for luxury goods and general products were analyzed-whether there was significant difference of the choices of 15 product categories.

EMPIRICAL ANALYSIS

Analysis of sample structure

The number of samples that are effective are 238. The following is the overview of the sample structure: for age distribution, age between 31 to 40 accounts for the most, 37.4%; then 21 to 30 accounts for 34.5% which means women aged between 21 and 40 are the most with luxury goods shopping experiences, accounting for approximately 70% of the total sampling. For their education, nearly 80% of subjects had college or university background, which shows the subjects were well-educated. In terms of occupation, office ladies (females employed in clerical and secretarial positions) are the majority, accounting for 57.6% of the sample, which shows office ladies have economic independence and therefore have better spending power. For marital status, the proportion of married and single is close (married women were slightly higher, about 51.7%) and the female monthly disposable income was between NT\$20,000 to 40,000, accounting for 37.4%.

Test analysis

To understand the subjects' answering situation, first we used descriptive analysis; in addition, we took the "product categories" in the multiple-choice questions as variables and analyzed them. The following describes the score ranking of relevant variables and the answers in the multiple choices from the effective samples.

Luxury goods

(1) Purchase motive: ranking the average scores of the 20 questions, the top 3 are “quality goods”, the average scores are 4.49; “sales services”, the average scores are 4.39; “product durability”, the average scores are 4.34; the standard deviations of these questions are lower than those of the remaining questions, which is to say, women consider quality, services, and durability as the most important features of luxury goods. The next are “product origin”, “product functionality”, “reasonable product prices”, “product reputation”, “brand awareness” and “product appearance and design”; these questions all have average scores above 4. Therefore, we see women have diversified perspectives to value luxury goods and these are what women care the most about in shopping for luxury goods. On the contrary, the lower-average-score purchase motives are “venting bad mood”, “influenced by the TV shopping”, “affected by the shopping environments”, “affected by the endorsers”, “just because I like it”; the above show these motives have less influence on them.

(2) Source of information: the first one in the ranking is “past experiences”, the average scores are 4.04 and the scores are significantly higher than other options, which shows that most females tend to go shopping according to their past shopping experiences as an important reference of their source of information.

(3) Alternative: “Department stores/ large shopping malls” have the highest average scores, 4.31 and it has the lowest standard deviation, which means most women go to department stores and large shopping malls to buy luxury goods. The second is “duty-free shops in the airports”, with an average score of 3.90, because the luxury goods in the duty-free shops are good bargains; therefore, duty-free shops in the airports are preferred locations for luxury goods shopping

(4) Product categories: The total checked number for 15 product categories by 213 subjects is 1,392. So the analysis shows 66.2% of women go luxury goods shopping for “purse”, the second is “watch” and “jewelry”, the percentage for these two items is 62.0%; the third is “skin care product”, the fourth is “home appliance”. The percentages for these five product categories are all more than 50%. Hence we infer more than half women own or have purchased these luxury goods.

General products

(1) Purchase motive: the number 1 of the average scores is “reasonable product price”, 4.1, and the second and third are “product functionality”, “product quality” with scores of 4.09 and 4.06 respectively, which means women mostly agree with the reasonable price for the general products. As for “affected by the endorsers”, which ranked 17th, same as the analysis for

luxury goods, means celebrity endorsement has less influence on women’s shopping attitudes.

(2) Source of information: the highest average scores is “past shopping experiences”; the result is the same as that of luxury goods, meaning whether they are luxury goods or general products, women tend to refer to past shopping experiences as their source of information.

(3) Alternative: “retail store and product store” has the highest average scores, because it is more common to find retail stores and product stores, their point of sales are convenient for shopping and this therefore becomes the priority choice for women to go shopping for general products. The second alternative is “department stores and large shopping malls”; its scores are similar to that of luxury goods. Doubtlessly, no matter whether luxury goods or general products, department stores and large shopping malls are women’s pre-eminent choice.

(4) Product category: the total checked number for 15 product categories by 236 subjects is 2,270, after analysis, it shows the general product that women buy most is “pen”, accounting for 83.1%; the second is “apparel”, 80.9%; the third is “scooter”, 76.7%; the fourth and fifth are “food” and “bicycle” accounting for 72.9% and 72.5% respectively. Among all, only one item’s result is lower than 50%. In other words, compared with the other 14 product categories, women shop less for “jewelry” in general category.

Then, we used one-way ANOVA analysis and independent sample t-test to test whether the demographic variables (age, education, occupation, marital status, income) affected purchase decisions for luxury goods and general products: purchase motive, source of information and alternative and then used the chi square test to tell whether demographic variables make significant difference in purchase decisions for luxury goods and general products in “product category”. Because multiple choices questions are used for “product category”, we used test of homogeneity of chi square test to observe whether demographic variables make differences in purchase decisions for luxury goods and general products in “product category”; and we compared the percentage differences of “product category” in luxury goods and general products. Secondly, the “test of significance of change” was used to see the changes between two measurements of the same variable (for luxury goods and general products), which was to see whether there were differences in women choosing 15 product categories.

The following is the description of items with significant differences.

DISCUSSION

For luxury goods, demographic variables in purchase decisions do not reach significance level; therefore, the

Table 1. The difference in “purchase motive” for luxury goods and general products.

Question	t	p-value
Brand awareness	6.934***	0.000
Product reputation	6.787***	0.000
Product appearance and design	5.929***	0.000
Trendy product	2.184*	0.030
Product durability	5.860***	0.000
Sales service	7.068***	0.000
Product quality	7.260***	0.000
Product functionality	3.239**	0.001
Convenient transportation to the sales venue	-0.805	0.422
Reasonable product price	2.620**	0.009
Product origin	7.120***	0.000
Department stores' anniversary celebration and promotion	3.143**	0.002
New material or functionality is launched	3.858***	0.000
Time for replacement	-2.060*	0.040
Recommended by friends and relatives	-0.667	0.505
Influenced by endorsers	0.966	0.335
Affected by TV shopping	0.149	0.882
Affected by the shopping environment	-0.500	0.617
Because I like it	-1.631	0.104
Venting bad mood	-1.902	0.058

* Data source: this research. Means $p < 0.05$; ** means $p < 0.01$; *** means $p < 0.001$ significance level.

assumption rejects H_1 . For general products, there is significant difference in “source of information” for different age groups ($F = 5.28$; $p = 0.002$). Results from using Scheffes' method shows the significance level is higher in the age group of under 30 than that of above 51; and different income makes significant difference in “sources of information” ($F = 3.083$; $p = 0.017$); results from using Scheffes' method shows the significance level is higher in income less than NT\$ 10,000 than that of income between NT\$ 40,000 and 60,000. Therefore, we assume H_2 is partly true.

Then, paired-sample t-test was used to examine whether there were significant differences in female purchase decisions for luxury goods (variable 1) and general products (variable 2).

Purchase motive

As Table 1 shows, “time for replacement” has significance level with $t = -2.060$; $p = 0.040$, meaning women would form these motives when it is time to replace the product for general goods; on the contrary, they won't go buying luxury goods for the same reason. On the other hand, the degree of emphasis on luxury goods is higher than that of general goods, and there are 12 items showing significance level: product quality, product origin, sales service, brand awareness, product reputation, product appearance and design, product durability,

new material or functionality is launched, product functionality, department stores' anniversary celebration and promotion, reasonable product price, and trendy product. In comparison, women show more emphasis on the purchase motive for luxury goods than general products.

Source of information

As Table 2 shows, $t = 2.688$; $p = 0.008$ for sales representatives' introduction, $t = 2.197$; $p = 0.029$ for print media coverage and both have significance level, which means women value sales representatives' opinions and information from newspaper and magazines for luxury goods more than for general goods.

Alternative

As Table 3 shows, the degree of emphasis for luxury goods is higher than that of general products. Significance level shows in department stores/large shopping malls with $t = 9.145$; $p = 0.000$ and duty-free shops in the airports with $t = 5.386$; $p = 0.000$, meaning women tend to buy luxury goods in department stores/large shopping malls and duty-free shops in the airports. On the contrary, the degree of emphasis for general goods is higher than that of luxury goods and

Table 2. The difference in “source of information” for luxury goods and general products.

Question	t	p-value
Product catalogue/ direct mails/ flyers	0.990	0.323
Sales representatives' introduction	2.688**	0.008
Coverage by print media	2.197*	0.029
Recommended by colleagues, friends or relatives	0.683	0.495
Information provided by the shopping mall	-1.605	0.110
Past shopping experiences	1.251	0.212
Information acquired from the internet	0.379	0.705

* Data source: this research. means $p < 0.05$; ** means $p < 0.01$ significance level.

Table 3. The difference in “alternative” for luxury goods and general products.

Question	t	p-value
Department stores/large shopping malls	9.145***	0.000
Retail stores/product stores	-0.911	0.363
Shopping on line	-6.260***	0.000
TV shopping	-6.699***	0.000
Second hand stores	-1.344	0.180
Mail orders	-8.536***	0.000
Duty free shops in airports	5.386***	0.000

*** Data source: this research. means $p < 0.001$ significance level.

therefore with significance level are shopping on the internet with $t = -6.260$; $p = 0.000$, TV shopping with $t = -6.699$; $p = 0.000$, and mail order with $t = -8.536$; $p = 0.000$, meaning women tend to buy general products through the internet, TV and mail orders.

Product category

As Table 4 shows, the test of homogeneity has significance level ($\chi^2 = 223.068$; $p = 0.000$). According to Haberman's a posteriori comparisons (1978), we can tell the adjusted standardized residuals whose distribution approximately shows normal distribution. Therefore, under the two-tail test, the critical value for significance level 0.05 is 1.96, and the critical value for significance level 0.01 is 2.58. So if the value of adjusted residuals of the observed variables is larger than 1.96 or 2.58, then it has reached significance level. Therefore, according to the results from the adjusted residuals, we found that the significance level of luxury goods is higher than that of general goods, and jewelry tops the list, with the next being purse, watch, and skin care products. From these four product categories, we find they all belong to women's personal use. So, the inference is women prefer luxury goods for their personal use and the product categories with high significance level are pen,

apparel, scooter, and bicycle, meaning women prefer general products for these categories.

Secondly, through test of significance of change, apparel, pen, car, scooter, bicycle, mobile phone, home appliance, food, travel, facial or massages these ten categories have significance level, meaning the subjects have changes in their purchase decision for the product categories of different attributes (luxury goods, general products). From the cross table of the McNemar test, we also found that women tend to choose general products for the mentioned ten product categories.

According to McNemar test theorem, if the 2 measurements of attitudes do not change, then the number of subjects will be proportionally distributed on the diagonal of the cross table, in other words, the larger the discrepancy of the numbers, the less proportional the distribution is for those who change their attitudes, meaning the events significantly affect the subjects' change of attitude. Therefore, no significant change on the diagonal of the cross table indicates the number of subjects who didn't change their attitudes before and after the test; it also means subjects will not change their attitudes towards the choices of product categories because of luxury goods or general products. Hence, from the observation of the variables that do not reach significance level, we can infer specific groups exist for luxury goods and general products. As a result, tests of

Table 4. Summary table of "product category" for luxury goods and general products.

Product category		Luxury goods	General products	A posteriori comparisons
		(1)	(2)	
Purse	Number	141	125	1>2
	Percentage of total	3.9	3.4	
	Adjusted residuals	5.2	-5.2	
Apparel	Number	59	191	1<2
	Percentage of total	1.6	5.2	
	Adjusted residuals	-4.9	4.9	
Skin care product	Number	123	120	1>2
	Percentage of total	3.4	3.3	
	Adjusted residuals	4.2	-4.2	
Watch	Number	132	122	1>2
	Percentage of total	3.6	3.3	
	Adjusted residuals	4.7	-4.7	
Jewelry	Number	132	109	1>2
	Percentage of total	3.6	3.0	
	Adjusted residuals	5.5	-5.5	
Pen	Number	28	196	1<2
	Percentage of total	0.8	5.4	
	Adjusted residuals	-8.1	8.1	
Scooter	Number	59	181	1<2
	Percentage of total	1.6	4.9	
	Adjusted residuals	-4.4	4.4	
Bicycle	Number	56	171	1<2
	Percentage of total	1.5	4.7	
	Adjusted residuals	-4.3	4.3	

$\chi^2 = 223.068^{***}$; p -value = 0.000

*** Data source: this research. means $p < 0.001$ Significance level.

Table 5. The cross table of luxury goods*general products (purse).

Purse	General products		χ^2	p -value
	0	1		
Luxury goods	0	8	1.160	0.282
	1	105		

Data source: this research.

significance of change that do not reach significance level are purses, skin-care products, watches, jewelry, and computers. Comparing the above variables, we find as Table 5 shows, jewelry of luxury goods is more than

that of general products, so that we can tell women prefer luxury goods for jewelry, to the rest of the product categories.

The result is the same as that of the test of

Table 6. The cross table of luxury goods*general products (skin care product).

Skin care product	General products		χ^2	p-value	
	0	1			
Luxury goods	0	20	95	0.021	0.886
	1	98	25		

Data source: this research.

Table 7. The cross table of luxury goods*general products (watch).

Watch	General products		χ^2	p-value	
	0	1			
Luxury goods	0	9	97	0.397	0.529
	1	107	25		

Data source: this research.

Table 8. The cross table of luxury goods*general products (jewelry).

Jewelry	General products		χ^2	p-value	
	0	1			
Luxury goods	0	10	96	2.251	0.134
	1	119	13		

Data source: this research.

Table 9. The cross table of luxury goods*general products (computer).

Computer	General products		χ^2	p-value	
	0	1			
Luxury goods	0	25	114	3.645	0.056
	1	86	13		

Data source: This research.

homogeneity of proportions. Meanwhile, subjects choose both luxury goods and general products for “purse”, which tops the list. And the second is skin care product; watch (Table 6 to 9). It shows women buy both luxury goods and general products for purse, skin care products and watches for their personal use or reasons. In summary, we can see the variables such as purchase motive, source of information, product category, and alternative all reach significance level in women’s purchase decisions for luxury goods or general products. Therefore, H_3 is true.

CONCLUSIONS AND SUGGESTIONS

The research is mainly based on the female decisions for luxury goods and general products to investigate the

differences from women’s needs or wants of these two products’ attributes. Further, we summarized the analysis results and discussed the application and practicality of the results for management guidance.

Overview of female purchase decisions towards luxury goods and general products

Luxury goods

For the “purchase motives”, women especially agree to product quality, sales service, product durability, meaning when women purchase or would like to own luxury goods, they would first consider these product features; the second are product origin, functionality, reasonable price, product reputation, brand awareness

and product design and appearance which also are highly considered by women. Therefore, we can infer the more product features luxury goods contain, the higher possibility that women would opt for them. For the “source of information”, women tend to refer to their past shopping experiences, which correspond to the process of decision-making in the E-K-B model, meaning when the need is confirmed, consumers will search the knowledge from their internal memories, and if that doesn’t provide sufficient information, they will search for information in the external environment (Engel et al., 1995).

For “alternatives”, it shows women mainly shop in department stores and large shopping malls; the second is duty free-shops in the airports. The result is similar to Danziger’s viewpoint. In the past, the research finds that when consumers buy luxury goods, the first place they go is the department store (Danziger, 2005). Therefore, how the relevant businesses increase female attention for luxury goods is critical to their channel strategies. For the “product category” of luxury goods, “purse” is the most popular and second are “watch” and “jewelry”, the third and fourth are “skin care products” and “home appliance”. The result matches the 2009 survey by BRAND, a magazine that reports luxury goods, which shows 61.63% of women mainly shop for purses of the luxury goods.

From the above analysis, we find women’s need for luxury goods is mostly for personal use, which reveals there are substantial business opportunities for these product categories in the luxury market. So we advise the luxury goods businesses to pay more attention to sales and design for these product items and strengthen the marketing strategies by appealing more to women; also the luxury goods themselves not only have to do with material subjects but also convey tangible and intangible experiences to the consumers because of the product features; therefore, the luxury goods businesses can utilize experiential marketing to arouse consumers’ emotional identification via senses and reach women’s deep desires for luxury goods and then create their emotional connections so they take up the purchase action and eventually drive the sales growth of the luxury goods.

General products

From the “purchase motive”, reasonable price has the highest identification, and the second are practicality and quality. Because general products are usually daily necessities, price range is the key to affect the purchase. And for the “source of information”, past shopping experience has the highest average scores, which reflects women tend to refer to past shopping experiences as the product information. For the “alternative”, the results show retail stores and product

stores are the main shopping venues that women go; this has direct relationship with the ubiquitousness of domestic retail stores and product stores so that consumers can go shopping conveniently. The second is department stores and large shopping malls which show department stores and large shopping malls are women’s ideal shopping venues. For the “product category”, “pen” accounts for the highest proportion and the second is “apparel”, the third is “scooter”, the fourth is “food”, and the fifth is “bicycle”.

Among all, the result finds only the observed value for jewelry is lower than 50%, in other words, compared with another 14 product categories, women buy less jewelry of general products. From the perspective of the mass consumer market, general products have vast categories, a large market, and low entry level so that makes the prices of the popular general products competitive. Such product features have caused different product qualities. Therefore, we advise the manufacturers to build the brand personalities, as the starker the brand personalities are, the more identification consumers have so that can create brand value to avoid endless price competition. Brand strategy not only helps product differentiation, but also forms the association of brand and quality to attract female consumer attention and realize sustainable business development.

For general products, under the influences of demographic variables, consumers under 30 years significantly value the source of information than those above 51 years of age. Besides, consumers with disposable income at NT\$ 10,000 value the sources of information more than those of NT\$ 40,000 to 60,000 and the average scores of those under NT\$ 10,000 are higher than the rest; the results show women with disposable income of less than NT\$ 10,000 value the source of information the most. Because nowadays there are various sources of information, we advise businesses, in addition to publishing product information through traditional and new media, to grasp the shopping characteristics towards the product information for the pink collars who are under 30 with disposable income less than NT\$ 10,000, to increase their impressions on the products because the higher the possibilities of the impressions left in their minds, the more their attention and interest would be aroused for the products.

It’s worth noting that, for the purchase motive of luxury goods and general products; we find women rarely shop because of endorsers. The result tallies with the consumer behavioral evolution proposed by Wu (2008b); the reason is the sound development of Internet technology enables consumers to easily seek and acquire product information; therefore, there is less dependence on the endorsers. The result also corresponds to the long-tail theory proposed by Chris Anderson in 2006 (Anderson, 2006) that the new shopping model formed by today’s generation breaks the limitations of traditional marketing

which uses professionals or celebrities to endorse the product, so that consumers no longer solely rely on the endorser's publicity as their only reference for shopping. Besides, to vent the bad mood, shop "because I like it", affected by TV shopping or shopping environment, do not really affect female shopping motives. We can be aware that the possibilities of impulsive shopping have reduced, and it shows modern female consumers are getting savvier and savvier.

Findings on the female purchase decisions for luxury goods and general products

The results show there are significant differences in female purchase decisions for luxury goods and general products.

Purchase motive

Women especially value luxury goods more than general products and the average scores of more than 12 variables are significantly higher than those of general products. The main reason is that luxury goods provide unique feelings of the product itself and emotional experiences and that further motivates women to buy luxury goods. On the other hand, women are motivated to buy general products when it is time for replacement. On the contrary, they won't shop for luxury goods because it is time for replacement. From the above, we infer that when women buy luxury goods, they expect the products to be much better than the general products. Therefore, the luxury goods businesses, besides providing product functions and performances, should emphasize the unique experiences brought by the luxury goods, and satisfy the consumers' needs and aspirations by tailor-made and refined professional services. According to the above results, we advise the businesses to firstly position their own products (whether they are luxury goods or general products); good product positioning can attract female consumer groups with different purposes. Doing so will not only be beneficial for the target audience to distinguish the brand features and images, but also help female consumers choose products for their individual needs.

Source of information

Women value luxury goods more than general products; they especially value the opinions of the luxury goods sales representatives and coverage on the newspapers and magazines. Therefore, luxury goods businesses, in addition to promoting their products via print media, should reinforce sales people's professional knowledge and communication ability with female customers in order to satisfy their information needs for luxury goods

and further recommend the product to their friends and drive the sales growth. The most important thing is to take advantage of the trend of information streaming to connect to Google, Youtube, Facebook, blogs and microblogs to increase product exposure and catch more potential female consumer attention.

Alternative

The result shows females tend to shop for luxury goods in department stores, large shopping malls and duty-free shops in the airports. On the other hand, for general products they go for online shopping, TV shopping and mail orders. Therefore, we advise the businesses to work with women-preferred distributors according to different product attributes (luxury goods versus general products) to provide better services and further build loyalty and increase their willingness for repeat purchase. Secondly, as the market evolves, businesses should not ignore the impact brought about by internet technology; therefore, to construct an e-commerce platform will help reach a win-win situation for both female consumers and businesses.

Product category

Jewelry is the top choice for women to buy the luxury goods; the second are purse, watch and skin-care products. As we can tell these four kinds are all for female personal use. On the contrary, women buy general products mostly for pen, apparel, scooter, bicycle which are mostly family use products. From the cross table of Chi square test of significance of change, women buy jewelry of the luxury goods more than other categories. According to Fara Warner's observation on the female market, more and more women think buying diamonds to indulge or treat themselves is as important as their boyfriends or husbands buying the diamonds for them. Apparently women have subtly shown two-layer needs. Therefore, we advise the businesses to fully know women's emotions, needs and aspirations as their marketing foundation to take account of both past and modern emotional connotation, which would enlarge the business opportunities in the jewelry industry. It is worth noting that women buy most purses of both luxury goods and general products and the second are skin care product and watch which shows another layer of meaning that women would buy these product categories for individual needs or reasons. Therefore, we can expect in the female consumer market, there are huge business opportunities for purses, skin care products and watches. So, business in luxury goods or general products regardless, all should have comprehensive planning from the female mindset in the quality, functionality, features, packages, and services for these

product categories. The more precisely female needs are mastered, the greater the opportunity to drive sales growth.

RESEARCH LIMITATIONS AND RECOMMENDATIONS FOR FUTURE RESEARCH

The research investigates the differences in female purchase decisions for luxury goods and general products from perspectives of purchase motive, source of information, alternative, and product category based on the E-K-B purchase decision model, which covers these processes: need recognition, search for information, alternatives and evaluation, purchase and post purchase evaluation. However, limited by time, manpower and current resources, we still cannot examine the model to our satisfaction overall. Further, we can only pick 15 product categories from thousands of choices as our variables, so that the designed questions might also create some limitations. Hence we suggest future research discusses other variables in the E-K-B model or through the difference comparison of other product attributes so as to further clarify and build the completeness of factors that affect female purchase decisions.

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