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Consumer Innovativeness and Behavioral Intentions Towards Pop-up Retail

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Abstract
This study examines if individual differences in consumer innovativeness influence attitudes and behavioral intentions towards pop-up retail through intervening factors of market mavenism, shopping enjoyment, and beliefs about pop-up retail.

Keywords
pop-up, retail, innovativeness, marketing

Disciplines
Fashion Business | Marketing | Technology and Innovation

Comments
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Background. Researchers suggest that today’s consumers have become more active, innovative, creative, and participatory. They also share traits of open-minded toward diverse, unique experiences and prefer exclusive products that express their identity as creative people (Florida, 2002; Postrel, 2003). Particularly, Florida (2002) identified this group of consumers as a Creative Class (CC). Pine and Gilmore (1999) and Postrel (2003) also agreed that there is a pervasive change in consumer behavior; shoppers are no longer singularly concerned with purchase of goods and services; they increasingly crave engaging experiences. Consumer innovativeness (CI) may be used to identify and measure this type of consumer. Retailers increasingly use experiential marketing activities to provide the engaging shopping environment desired by these consumers, build brand image, and attract attention. For instance, pop-up retail entails highly experiential marketing environments focused on promoting a single brand or product line (Gordon, 2004). It is a promotional/retail setting designed to offer an exclusive and highly experiential interaction for the consumer, but is only open for a short period of time, from one day to a year. Pop-up stores have been used to market numerous consumer product categories, including apparel, fashion brands, and brand extensions (“Pop-up retail”, 2005).

Justification & Purpose. Little empirical research has been conducted in regard to pop-up stores and consumer behavior. The present study explores the appeal of the new experiential marketing format, pop-up retail, to today’s consumer. In particular, the present study examines if individual differences in CI influence attitudes and behavioral intentions towards pop-up retail through the intervening factors of market mavenism, shopping enjoyment, and beliefs about pop-up retail (product novelty/uniqueness and facilitators of purchase decisions).

Hypotheses. Based on relevant literature and the theory of reasoned action (Fishbein and Ajzen, 1975) as a theoretical framework, the following hypotheses were developed: CI will be positively associated with market mavenism (H1a) and shopping enjoyment (H1b). Market mavenism will positively affect attitudes (H2a), perceptions of product novelty/uniqueness (H2b), and perceptions of facilitators of purchase decisions (H2c) towards pop-up retail. Shopping enjoyment will positively affect attitude (H3a), perceptions of product novelty/uniqueness (H3b), and perceptions of facilitators of purchase decisions (H3c) towards pop-up retail. Perceived product novelty/uniqueness (H4a) and facilitators of purchase decisions (H4b) will be positively associated with attitude towards pop-up retail. Consumer attitude toward pop-up retail will be positively associated with patronage intentions (H5).
Method. A national sample of male and female consumers (N = 869) ages 18 and over was acquired via an e-mail survey distributed through SurveySampling.com. The instrument’s 7-point Likert-type scales included consumer innovativeness, market mavensim, shopping enjoyment, product novelty/uniqueness, facilitators of purchase decisions, attitude, and patronage intention toward pop-up stores.

Results and Discussion. To test the quality of measures, exploratory and confirmatory factor analyses were performed. The Cronbach’s alpha coefficients of measures ranged from .81 to .98. To test the model, structural equation modeling, utilizing an item parceling technique, was performed using a maximum likelihood estimation procedure with a covariance matrix as input. A latent model with 21 indicators and 7 latent variables (1 exogenous and 6 endogenous variables) was tested to examine the hypothesized relationships indicated in H1a through H5. Although $\chi^2$ goodness-of-fit statistic for the perfect fit model was significant ($\chi^2 = 951.62, df = 177, p = 0.0$), the model showed a fair fit based on established fit indices (RMSEA = .07; NFI = .98; and CFI = .98). CI had significant positive relationships with both market mavenism ($\gamma_1^* = .87, t = 28.26, p < .001$) and shopping enjoyment ($\gamma_2^* = .58, t = 17.49, p < .001$), supporting H1a and H1b. Market mavenism had significant positive associations with product novelty/uniqueness ($\beta_2^* = .19, t = 4.89, p < .001$), facilitators of purchase decisions ($\beta_3^* = .15, t = 4.05, p < .001$), and attitude toward pop-up retail ($\beta_1^* = .07, t = 2.24, p < .01$). Thus, H2a, H2b, and H2c were supported. Shopping enjoyment had significant positive relationships with product novelty/uniqueness ($\beta_5^* = .16, t = 4.86, p < .001$) and attitude toward pop-up retail ($\beta_4^* = .16, t = 5.17, p < .001$), supporting H3a and H3b. Product novelty/uniqueness ($\beta_7^* = .58, t = 13.01, p < .001$) and facilitators of purchase decisions ($\beta_8^* = .09, t = 2.06, p < .05$) had significant positive effects on attitude toward pop-up retail, supporting H4a and H4b. Based on the path coefficients, product novelty/uniqueness (.58) was the most important predictor of attitude toward pop-up retail, followed by shopping enjoyment (.16). The SMC of attitude toward pop-up retail was .52, which supports that shopping enjoyment, market mavenism, product novelty/uniqueness, and facilitators of purchase decisions explained a fair amount of variance. Attitude had a significant positive association with patronage intentions ($\beta_9^* = .91, t = 57.95, p < .001$), supporting H5. The SMC of patronage intentions was .84, indicating that a substantial proportion of variance was explained by attitude toward pop-up retail.

Our findings provide valuable marketing and consumer insight regarding pop-up retail and show how innovative consumers’ beliefs about novel products and experiences ultimately have a strong impact on their attitude and patronage intentions. As the findings show, innovative consumers look for not only information but also unique shopping experiences. In addition, the hedonic (product novelty/unique experience) and utilitarian (facilitators of purchase decisions) aspects of pop-up retail may play a role in satisfying consumers’ needs for both information search and shopping enjoyment. Therefore, pop-up retail may be an effective way to provide consumers with opportunities for enhanced retail experiences, brand experiences, and other offerings that are associated with the growing CI lifestyle and today’s consumers.
Further research may investigate other characteristics of the growing CI segment, which may be combined to form CI sub-segments. Having a better sense of the characteristics of this segment and its potential sub-segments would facilitate the development of targeted experiential marketing strategies. The present study used the CI scale to measure the predisposition of creative class consumers. Future research may develop a creative class consumer scale that captures their traits, such as preferring unique products that express their identity and preferring more active, innovative, participatory, and authentic consumer experiences.

References


