Impact of Consumers' Risk Perceptions to Product Performance on Channel Usage Behavior in Relation to Online Apparel Shopping

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Multi-channel shopping, defined as shopping at different retail channels, empowers consumers to have more flexible shopping options across channels, obtain easier access to product information, reduce perceived risks resulting from the intangibility or the lack of direct product experience before purchase, and reduce inconvenience of returns or exchanges (Verhoef, 2007). As consumers increasingly shop across channels, such as stores, the Internet, mobile, catalogs, kiosks, and call centers, the tendency to use one channel for search and another channel for purchase continues to grow (Verhoef, 2007). According to the perceived risk theory (Cox, 1967), consumers develop or adopt risk reduction strategies through information searching or handling to obtain certainty and favorable consequences in the limited shopping situations. There was no clear evidence that high perceived risk of product performance induced a greater amount of information search in online shopping. However, consumers’ information seeking across different channels can be regarded as one of the most effective risk reduction strategies to reduce uncertainty and unfavorable consequences.

Consumers’ information search and purchase intentions toward online versus offline stores may be influenced, depending upon their risk perception to product performance. According to Yu and Damhorst (2012), online consumers tend to perceive visual, tactile, and trial risks of product performance, based on the evaluation of product attributes through virtual product experience available in online apparel shopping. Based on perceived risk theory, it is hypothesized consumers who perceive more visual, tactile, and trial risks of product performance in online apparel shopping tend to become more involved in information search through offline stores, and purchase products less online to increase certainty about a product and reduce any undesirable consequences in online apparel purchases. That is, consumers’ channel usage behaviors, such as information search offline before purchase online, will be influenced by consumers’ risk perceptions to product performance. Little research has investigated how consumers’ risk perceptions to product performance—visual, tactile, and trial risks—relate to their channel use behavior—information search offline and purchase intention online—across multi-channels.

Of 7,000 female college students randomly selected from a large, Midwestern university in the US, 403 female students responded with a usable response rate of 6%. The mean age of the respondents was 22.25 years and a majority of the respondents were White or European American (82%). A web-based survey was conducted using the J.Crew website as a stimuli. Participants were asked to freely navigate all available denim items at the J.Crew website for five minutes, then asked to rate visual, tactile, and trial risks of product performance, attitude toward product, information search offline, and purchase intention online. Existing scales from previous studies were utilized. For example, three risks of product performance were measured by...
existing items originated from Grewel, Gotlieb, and Marmorstein (1994). Reliability of all six variables was supported (above .70). Multiple regressions were conducted for data analysis using SPSS 18.0.

Results indicated visual risk and trial risk negatively influenced attitude toward product ($\beta = -.52, t = -9.79, p < .001; \beta = -.21, t = -4.18, p < .001$, respectively). Participants, who perceived more visual and trial risks to the J.Crew product, were more likely to show negative attitudes toward product. Visual risk and trial risk negatively influenced information search offline ($\beta = -.33, t = -5.46, p < .001; \beta = -.13, t = -2.29, p < .05$, respectively). Participants, who perceived more visual and trial risks to the J.Crew product, were less likely to search more information of product at offline stores. Inconsistent with the hypothesis, consumers who perceived more visual and trial risks of product performance at the J.Crew website became less involved in information search through offline stores to reduce the risks. Visual risk and trial risk negatively influenced purchase intention online ($\beta = -.25, t = -4.38, p < .001; \beta = -.32, t = -5.86, p < .001$, respectively). Participants, who perceived more visual and trial risks to the J.Crew product, were less likely to purchase the product online.

Results identified (1) the negative effect of consumers’ risk perception relevant to visual and trial attributes of apparel products on channel usage behavior, including information search offline and purchase intention online; and (2) the insignificant effect of consumers’ risk perceptions relevant to tactile attribute of apparel products on channel usage behavior. Consumers tend to become less involved in information search offline and purchase intention online when they perceive visual and trial risks of apparel products in the online apparel shopping environments. That is, the current risk reduction strategy through multi-channel shopping options may be less effective to online consumers, who perceive visual and trial risks of product performance in online apparel shopping. This study suggests more development of a higher level of product visualization tools or virtual product experience tools (e.g., three-dimensional rotation views, video, virtual dressing room) may increase effectiveness in helping online shoppers reduce visual and trial risks of apparel products, which lead to certain and confident purchase decision in the limited online shopping environments.

References