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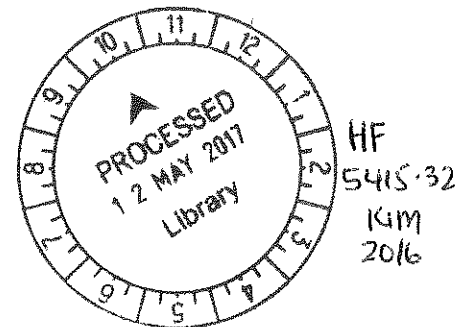
MASTER OF BUSINESS ADMINISTRATION

South Korean Women's Online Buying Behaviour for Clothes

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ABSTRACT

Since development of the Internet, online shopping platform has been stood out and worked on positive lines in current society. According to this situation, a creative and specific marketing approach has been needed to attract consumers who prefer to purchase online. To grasp consumer satisfaction, companies must have an ability that can identify and satisfy customer needs and desires. Namely, the study of consumer behaviour highly has become a necessity. The ultimate purpose of this research is to ascertain whether there are highly relevant considerations when South Korean women purchase clothes online, and to evaluate how strong the factors influence to women's online buying bahaviour. Based on previous and current literatures, Trend, Brand, Price and Online Customer Review were selected as the specific Independent Variables of Women's Online Buying Behaviour for Clothes (Dependent Variable). A sample size for this research was comprised to smoothly perform an online survey with targeting biological females who inhabit in Ansan city, South Korea, and have online clothes shopping experience. To accurately analyse data collected by the questionnaires, several statistical tests were carried out by SPSS software for ensuring the validity and reliability of this research. The findings in this research strongly indicate that trend and price have significant relations on South Korean women's online buying behaviour for clothes, whereas brand and online customer review do not show the significant relationship on South Korean women's online buying behaviour for clothes. Based on the findings, lastly this research would like to suggest that all organisations in fashion industry design specific and suitable marketing strategies to satisfy targeted consumers, and strengthen competitiveness of the business, which is a key of success.

Key words: Online Buying Behaviour, Theory of Planned Behaviour (TPB), Consumer Decision Making Style, Korean Fashion, Clothes

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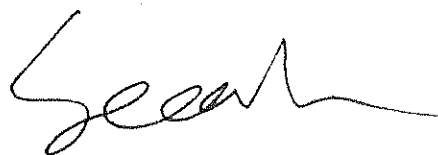
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DECLARATION BY CANDIDATE

I understand the meaning of "Plagiarism" and "Intellectual Property Rights" and Ethics Related to the Principles of Academic Works.

I declare that this study was completed by my own work and effort, and it has not been submitted anywhere for any award. Where other sources of information have been used, they have been duly acknowledged.

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1.1 Introduction

In the first chapter, the researcher will offer overall research content of this study to readers. Section 1.2 will provide background of this study. The detail issues of online buying behaviour and clothing shopping trend will be discussed by section 1.3, problem statement. The research objectives and research questions will be presented from section 1.4 to 1.5. Then, significance of this study will be followed by section 1.6. On the basis of section 1.2 to 1.6, section 1.7 and 1.8 will present research scope and limitations of this study one at a time. For basic understanding of this study, operational definition will be mentioned by section 1.9. Finally, organisation of all chapters will be made at the end of this chapter with outline of the research.

1.2 Background

Internet world has become an important part of human beings. During the last decade, a lot of people's interest and intention about the internet has enormously increased (Dazeinfo, 2012). The internet gradually has made our lives better. Through the internet, people can interact with others, send e-mail anytime and anywhere, search some data and even buy something on the e-commerce (Bourlakis, Papagiannidis and Fox, 2008).

Hoffman and Novak (1996) said that a new online network which points out a marketing medium that influence for both customers and businesses has been shifting up since development of the internet. According to UK Retailer Shop Direct, which conducted a new research with more than 25 percent of British in 2013, one in four British people shop online at least once a week (Burrows, 2014). Additionally, 62 percent of US consumers now shop online at least once in a month, and just 1 percent of US people said that they never use online shopping, according to 2013 report by Walker Sands (Nanji, 2013).

In 2016 July, online shopping frequency in South Korea recorded high rather than offline shopping, according to Statistics Korea (2016). Online shopping raised 17.4 percent from a year earlier to 5.57 trillion won (4.97 billion US dollars). It was shown the biggest variation since the Statistics Korea began collecting the data about online shopping frequency in 2001. In addition, purchasing of the goods and services via smartphones jumped up 36.9 percent; it continuously has been increasing every month (Global Times, 2016).

Mathapati (2015) mentioned that finding new and creative methods to attract E-shoppers is faced more vital and crucial because a lot of customers shop online nowadays; if companies do not have specific marketing approaches, they will taste slack sales with unclear profits. Diyarbakırlıoğlu and Durmaz (2011) continuously stated that marketing works for customers' needs and their satisfaction and delight, thus a company must have an ability that can identify and satisfy customers' needs better in competitive marketing environment. Namely, the study of consumer behaviour has become a stringent necessity.

1.3 Problem Statement

Below Figure 1 is a statistic rank that shows the most popular online shopping categories worldwide in October 2015. 55 percent of global internet users purchased goods in fashion category (Statista.com, 2015).
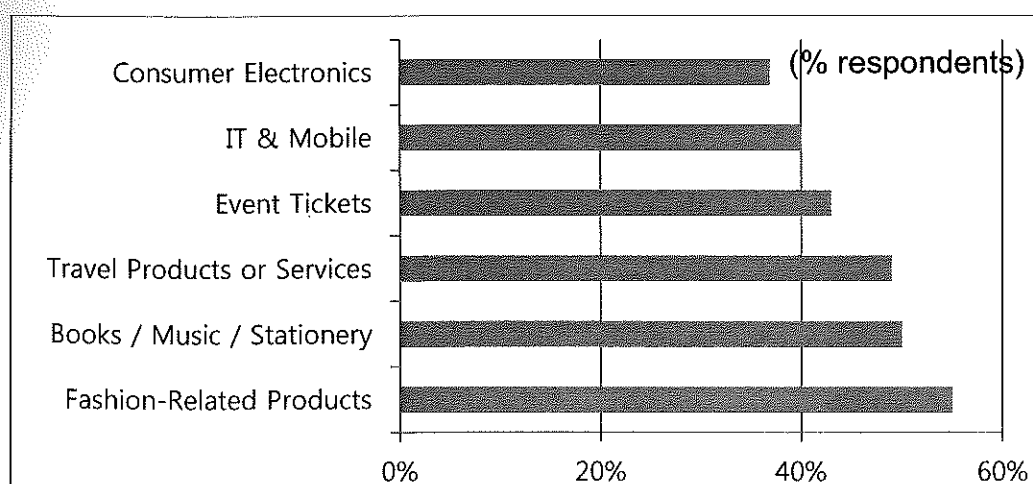

Figure 1: The Most Popular Online Shopping Categories Worldwide
Source: Statista.com (2015)

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Especially, 89 percent of Asian women among those between 18 to 39 years prefer to shop online in clothing and accessories category (The Economist Intelligence Unit, 2014).
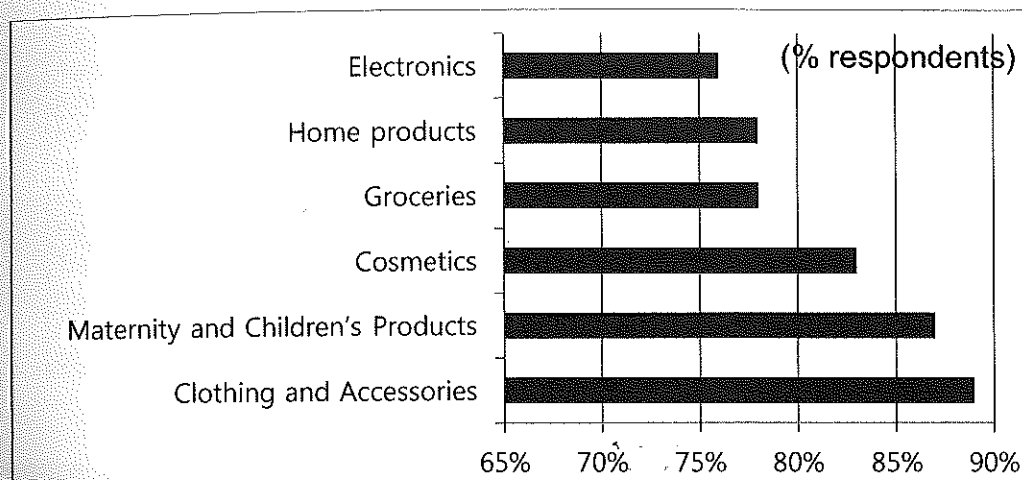
Figure 2: The Most Popular Online Shopping Categories for Asian Women

Source: The Economist Intelligence Unit (2014)

Furthermore, one of the top transaction values of online shopping by South Korean is also clothing area as below (StatisticsKorea.com, 2016).

Table 1: South Korean Online Shopping Transaction Value by Group of Commodities

Source: StatisticsKorea.com (2016)

(100 million won, %) Classification	2015 Feb.		2016 Jan.[p]		2016 Feb.[p]	
	Online shopping	Mobile shopping	Online shopping	Mobile shopping	Online shopping	Mobile shopping
Total	38,235	15,533	52,140	26,700	46,918	23,914
Computer and computer-related appliances	2,878	665	3,604	1,029	3,679	1,077
Home electric appliances, electronic and telecommunication equipment	3,848	1,326	5,374	2,347	4,840	2,091
Software	44	5	57	11	54	12
Books	903	205	1,262	406	1,118	349
Office appliances and stationery	376	80	409	116	416	121
Music CDs & disks, videos and musical instrument	121	31	158	70	158	60
Clothing	3,560	1,783	5,120	2,980	4,276	2,581
Footwear	574	272	700	424	737	467

Luggage	620	274	820	480	911	532
Fashion and accessories	602	279	771	451	708	415
Sports and leisure appliances	1,096	452	1,678	791	1,446	678
Cosmetics	2,592	1,217	3,968	2,426	3,665	2,199
Goods for infants and children	1,882	1,032	2,431	1,588	2,272	1,469
Food & beverages	3,835	1,757	5,331	3,045	4,386	2,550
Agriculture, livestock and fishery products	1,400	519	1,713	887	1,322	683
Household goods, motor vehicle parts and accessories	3,751	1,737	5,510	3,138	4,749	2,736
Furniture	967	345	1,356	643	1,365	644
Pet products	177	77	255	145	228	132
Travel arrangement and reservation services	7,182	2,605	9,375	4,256	8,542	3,871
Miscellaneous services and others[1]	1,827	871	2,246	1,469	2,046	1,250

Usually, women look for the kind of products in various brands, compare several designs that they have in mind, identify any detail offers accessible, and finally purchase the product with their greatest satisfaction (The Web Listers, 2016). Actually, women have keen senses about the brand; they make a careful choice with analysing brand values. Furthermore, women quite consider product price as a buying decision factor, even they are too sensitive with product discounts (J2Store, 2016).

A statistic delivered that the most significant factors to UK shoppers when they purchase fashion items are price, quality, brand, trend and so on. For women, 32 percent of respondents reacted that the most important factors influencing on clothes purchasing process is fit as opposed to men who think price is the most important factors for clothes purchasing (Statista.com, 2015). One of the interest researches is that 41 percent of Asian women responded that their personal feeling is the most important decision factor when they purchase clothes on online whereas price and brand value were racked respectively as second and third factor (The Economist Intelligence Unit, 2014).

Although there are lot of global statistical data regarding popular online shopping categories as above, and even the statistics indicate that clothing area is one of the top online shopping categories worldwide (Statista.com, 2015.; The Economist Intelligence Unit, 2014.; StatisticsKorea.com, 2016), there are few researches that have studied or are studying in the field of consumer online buying behaviour for clothes (Goswami and Khan, 2015.; Holmlund, Hagman, and Polsa, 2011.; Lawan and Zanna, 2013). Especially, there are extremely few

data or researches handled about South Korean's online clothes buying behaviour (Choi, 2002). Therefore, the researcher recognised the necessity of a study that investigates what perspectives influence when South Koreans purchase their clothes online and which factors are more significant for them. Particularly this research studies for South Korean women because women have more sensitive buying behaviour than man as mentioned above (Ha and Stoel, 2004).

1.4 Research Objectives

In responding to the problem statement, the research objectives are clearly comprised. The ultimate objective for this research is to ascertain whether there are highly relevant considerations when South Korean women purchase clothing on online. Thus it hopes to achieve the following objectives:

I. To determine the decision factors that can influence online clothes purchasing for South Korean women

II. To discover the factor that has strong impact on online clothes purchasing for South Korean women

III. To suggest specific and suitable online clothes marketing strategies toward South Korean women

1.5 Research Questions

The specific research questions based on the research objectives above are guided as below:

I. What are the factors that can influence on online clothes purchasing for South Korean women?

II. Which of decision factor has a strong impact on online clothes purchasing for South Korean women?

III. What are the specific and suitable clothes e-marketing strategies toward