Dimensions of Experiential Value: Is it the same across Retail Channels?

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〈Abstract〉

Purpose: While empirical importance of dimensionality of perceived value is widely accepted, our understanding of experiential value dimensions in other retail channels and other cultures has not been explicitly tested. This study attempted to determine if the dimensions of experiential value scale (EVS) by Mathwick, Malhotra, and Rigdon (2001) identified in US catalog and Internet contexts could be applied in other international markets (South Korea) and in other retail channels (department store versus Internet shopping mall).

Methodology/Approach: Two data sets, one from 220 department store shoppers and the other from 359 Internet shopping mall shoppers, were analyzed.

Findings: Confirmatory factor analysis confirmed four different EVS dimensions by retail channels. Overall, entertainment and intrinsic enjoyment values were found to be more important in department store while economic and efficiency value dimensions were interpreted critical in Internet shopping mall context. Visual appeal aspect constitutes distinct value dimension in two channels.

Practical Implications: One separate dimension of time efficiency in Internet shopping mall suggests that more efficient web design and functions that can save time and promote convenience are needed to better accommodate their customers. Internet has heavily relied on traditional attributes, such as factual information, price comparability, and brand name reliance. However, this study suggests that Internet shopping mall retailer should offer visual diversion and stimulation just as brick and mortar shopping malls do.

Originality /Value of Paper: Although the research findings must be viewed as tentative because the results are from one country, they provide a rich basis for further understanding the dimensions of experiential value in other international markets and other retail channels.

Category: Research Paper

Key words: Experiential Value, Korean Department Store, Internet Shopping Mall, Value Dimensions

Value is an ultimate outcome of marketing activities and recognized as an important factor for customer satisfaction (Fornell, Johnson, Anderson, Cha, and Bryant, 1996; Kotler and Levy 1969; McDougall and Levesque, 2000; Patterson and Spreng, 1997). Therefore, delivering customer value is of critical importance in

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retail strategy. In order to provide customers with maximum value, thorough understanding of what constitutes and underlies value is essential. Current view on value construct is multi dimensional, combining hedonic or experiential side of value (e.g. Babin, Darden, and Griffin, 1994) with traditional concept of value, tradeoff between quality and price (e.g. Zeithaml, 1988). Recently, Mathwick, Malhotra, and Rigdon (2001) go beyond hedonic/utilitarian typology, adding active/ reactive side of perceived value. Based on Holbrook (1994)'s typology, they conceptualized and developed Experiential Value Scale (EVS) in the context of catalog and internet shopping.

Sheth, Newman and Gross (1991) regarded consumer choice as a function of multiple 'consumption value' dimensions and that these dimensions make varying contributions in different choice situations. Importance of customer value dimension is reported to depend on the decision level (e.g. buy/not buy, or buy brand A/brand B), product/service being considered (Sweeney and Soutar, 2001) and shopping task (Mathwick, Malhotra, and Rigdon, 2001). Customers shop using variety of shopping venues, accordingly their perceived value from their shopping experience will vary by their interaction with respective shopping environment. As the retailers started to realize the usefulness of multi channels to optimize their profits and customer service, understanding fundamental differences in the perception of value experienced by multichannel retail environments is essential. If certain value dimensions are important than others in particular retail channel, retailers could strategically manipulate their retail designs and shopping features.

While empirical importance of dimensionality of perceived value by retail channels is widely accepted, our understanding of EVS dimensions in traditional versus on-line shopping mall has not been explicitly tested. In addition, because of different cultural and retail environments, relative importance of EVS dimensions may be different in other countries. However, investigation in this regard has been unexplored.

The purpose of this study is to compare EVS in Korean traditional shopping mall versus on line shopping mall and to explore the possibility that specific dimensions of value are uniquely associated with specific retail channels. We chose South Korea (from now on Korea) because of their high potential in

e-business. Value perception may be function of either retail format or shopper characteristics. In other words, particular customers may consider "service excellence" important across retail format. Other customer group thinks "service excellence" important in a traditional store setting, not but in an Internet setting. Therefore, this study additionally investigated the influence of shopper demographic characteristics on experiential value judgment to provide practical implications.

LITERATURE REVIEW

Korean Internet Shopping Mall and Traditional Department Stores

In Korea, with the half size of Florida peninsula, the concept of shopping mall in which many department stores anchored within one roof is not popular. Unlike the US, most Korean department stores are located independently. For this reason, this study chose a department store as a physical counterpart of online shopping mall. Korean department store has led retail market until 2001. However, their overall sales have stagnated and market share has fallen in recent years due to increased competition with discount stores. Korean department store's annual sales growth only accounts for 3.8 percent as compared to 24.5% of large discount stores. In the case of department stores, the sales of 2004 were $1.65 billion, and it was $1.71 billion in 2005. Meanwhile, the sales of large mart stores in 2004 were $2.15 billion, and it was $2.35 billion in 2005 (http://nso.go.kr). In contrast, while sales of Internet shopping (B2C) increased from $6.44 billion in 2004 to $7.92 billion in 2005 (http://nso.go.kr). Thus, potential growth of Internet shopping is expected to be high. Korean Internet shopping mall, similar to department store, carries broad-category merchandise, including cosmetics, clothing, electronics, and furniture. Leading Korean Internet shopping malls are usually managed by large corporations such as Samsung, LG, and Lotte.

Korea ranks third in the world in Internet usage, just after US and Canada (Ipsos-Reid, 2002, December 10), and represents top country in the world in broadband penetration. As of 2001, over 90 percent of the users are connected to "high-speed" networks at a data transmission speed of two megabits per second (Mbps) or faster (Kim, 2003). We

believe this fact will facilitate Korean consumers' online shopping.

Given the significant growth potential in online retailing, the Korean online retailer needs to understand the particular elements that lead perceived customer value. This need is equally relevant for international retailers planning to have their presence in Korean market.

Experiential Value and Its Dimensions

Despite the value that motivates consumption behaviour has been broadly attributed to functional, conditional social, emotional and epistemic utility (Sheth, Newman, and Gross, 1991), empirical researchers have traditionally interpreted value more narrowly as the tradeoff between quality and price (Dodds and Monroe, 1985; Yadav and Monroe, 1993). Triggered by Babin, Darden, and Griffin (1994)'s hedonic and utilitarian value in a shopping mall context, researchers have started to include both extrinsic benefit and intrinsic benefit in their empirical research. Extrinsic benefit is utilitarian in nature. It is achieved through a task completion and often described as an errand or work. Intrinsic benefit, by contrast, is derived from fun or hedonic aspect of shopping experience, such as "appreciation of an experience for its own sake, apart from any other consequence that may result (Holbrook, 1994, p.40)".

Holbrook (1999) extended this extrinsic intrinsic conceptualization of value by including active versus reactive value, and self versus other-oriented value dimensions. Active or participative value implies consumer's desire for the efficient use of resources or for receiving functional or emotional benefits. Reactive value or passive value, on the other hand, may be obtained passively from the consumer's positive reaction to the products, service or environment that satisfies his or her needs while shopping.

Recently, two studies presented development of perceived value scale in different retail settings. In consumer durable goods at a brand level, Sweeney and Soutar (2001) developed 19 item measure of PERVAL scale and found emotional, social, and quality/performance and price/value for money dimensions. In the context of catalog and internet shopping, Mathwick, Malhotra, and Rigdon (2001) developed Experiential Value Scale (EVS) based on Holbrook (1994)'s typology with four quadrants framed by intrinsic/extrinsic sources of

value on one axis and active/reactive value the other. They hypothesize a hierarchical structure of the EVS and labeled four higher dimensions of experiential value as Consumer Return on Investment (CRI), Service Excellence, Playfulness and Aesthetic Appeal. Consumer Return on Investment, an active source of extrinsic value, refers consumer's perception about getting return in terms of economic value and efficiency of an exchange encounter. Service Excellence is a reactive source of extrinsic value and derived from generalized consumer appreciation of a service provider to deliver task-oriented performance such as customer service. Both Playfulness and Aesthetic Appeal reflect intrinsic value. Playfulness is active source of intrinsic value since it reflects intrinsic enjoyment that comes from engaging in activities. Escapism (i.e. from window shopping or other forms of vicarious consumption) and enjoyment (i.e. from sensory simulation, or social interaction) were suggested as sub-dimensions of Playfulness. In contrast, Aesthetic Appeal represents reactive sources of intrinsic value. Two sub dimensions as Aesthetic Appeal, visual appeal of retail environment and entertainment aspect of service providers were suggested. While Kim (2002) conceptually suggested a typology of consumer value in mall shopping versus Internet shopping, no empirical validation of PERVAL or EVS has been presented in physical mall versus Internet shopping mall. Because of comprehensiveness of EVS, this study chose EVS to validate in Korean context.

When Internet initially introduced as a shopping medium, practitioners primarily assumed a functional aspect of value in Internet shopping, such as convenience (e.g. time and space) and economic benefit (e.g. value for money). However, considerable empirical findings confirmed coexistence of utilitarian and hedonic motivation in Internet shopping just like physical store (Breitenbach and Doren, 1998; Korgaonkar and Wolin, 1999; Parson, 2002). Wolfinbargar and Gilly (2001) suggest that web design features need to simultaneously offer both goal-oriented and experiential benefits, as longer average time spent on sites, frequent visits, and impulse purchases are associated with experiential motives. Parsons (2002) also concludes that Tauber's non-functional motives can be adapted to online shopping. Rohm and

Swaminathan (2004)'s profiling of online shoppers showed that variety seeker is the largest group, and the convenience shopper who values overall convenience offered by e tailer, is the smallest group. These findings implicitly suggest that importance of hedonic or experiential value of virtual marketplace along with utilitarian or functional value.

Current online retailers continuously introduce more functions and features that mirror offline shopping environment in order to overcome limitations of Internet and to appeal to more customers. Features that make social interaction possible in cyber space, such as virtual community, shopping with a friend, and synchronous inquiry to the salesperson, are now being adopted. With regard to visual appeal in merchandise presentation as well as website design, e-tailers employ sophisticate multimedia presentation and advanced functions such as Bloomingdale's e colour (E color offers color consistency solution, 2001, February) and Spiegel's zoom function of a product (Zoom technology doubles conversion rate in test on Spiegel.com, 2002, June 26). The presence of games in GapKids.com and play features in Barbie.com is an indication of introducing entertainment value. Sensory simulation in virtual store, such as smell, is now technologically possible and will be adopted in near future. Website designs that accommodate customers' shopping efficiency, such as search function within a site, easy to navigate, virtual model (e.g. Land's end), easy checkout, nice layout without cluttering, are becoming common. These examples indicate that offline and online shopping environment becomes similar. Then question is, do these new features that e tailers try to attract consumers to online changes consumers' evaluation of perceived value for each shopping venue? Or are there fundamental different values created by each channel? Relative importance of value in each retail channel may differ by culture. Korean, as a collectivist, tends to heavily involve in online communities than any other country. Their use of Internet for recreational purpose, such as network games, is also known to be high (Park and Jun, 2003). Therefore enjoyment or entertainment value in virtual marketplace may consist of an important dimension of value for Korean shoppers. As such, underlying dimensions of value may be different by retail channels.

H1: Different underlying dimensions of value will exist by retail channels.

Value Perception by Demographic Variables

Value perception is subjective (Kim, 2002), therefore, perceived value experienced during shopping may vary by demographic variables. However, prior literature on perceived value has not explicitly examined relationship between value perception and demographics. While store motivation and perceived value are two different constructs, we expect that shoppers' motivation, reason to visit particular marketplace, is related to shoppers' evaluation of perceived value occurred at various stages of purchase process. Previous store motivation studies reported rather inconsistent findings. While some reported that store motivation and demographic are not significantly related (Groeppel Klein, Thelen, and Antretter, 1999; Jin and Kim, 2003; Westbrook and Black, 1985), Dawson, Bloch and Ridgway (1990) found the young and male have more experiential motive than the old and female. In an online setting, Rohm and Swaminathan (2004) found that online grocery shopper groups classified by shopping motivation are not significantly different in terms age, income, and household size. Shopping frequency seems to be related to value perception. Hammond, William, and Diaz (1998) found that heaviest users are enthusiasts for the medium, while moderate and light users perceived the web as a source of information. From this finding, we expect that heavy shoppers of Internet shopping mall may perceive more value in entertainment related dimension than others.

To sum, previous literature offers limited and inconsistent results between value perception and demographic variables, and whether the relationship remains same by retail channels has not been reported. However, as different shopping venues offer dissimilar experience, we anticipate that shoppers with different demographic background may perceive different values by retail channels.

H2: The association of value perception and demographic variables will differ by retail channels.

METHOD

Measurement

Mathwick et al. (2001)'s nineteen items of perceived experiential value (EVS) scale were utilized to compare the dimensions of EVS by retail channels, traditional department stores and Internet shopping malls. Respondents were asked to indicate their levels of agreement on each item on a seven-point scale anchored by strongly disagree (1) and strongly agree (7). For demographic variables, sex, age, education, and average monthly visit were asked. However, in case of the Internet shopping mall, recalling monthly visit was relatively difficult; therefore, frequency of annual average purchase was used as a substitute.

The questionnaire was developed in Korean and pre tested using a convenience sample of approximately 10 students and 10 shoppers in Seoul, Korea. The questionnaire was revised based on the pretest responses (e.g. wording).

Samples and Procedures

To compare EVS dimensions by retail channels, two data sets, one from department and the other from Internet shopping mall, were collected. To obtain the data from shoppers with department shopping experiences, an on site survey was conducted in front of several department stores in one of famous shopping districts in downtown Seoul, Korea. Well-trained MBA students randomly approached the potential respondents and asked their participation in our survey. Self-administrated questionnaires were presented to respondents to fill out at the designated space and they were asked to rate how much they agreed with each item on the scale. We choose one out of five passers-by, on one day during week and Saturday during weekend to ensure representativeness of respondents. As an appreciation of the participation, $2 worth of small gift was offered. Among 240 questionnaires collected, 220 questionnaires were finally used for analysis, excluding 20 questionnaires with either left large portion blank or important questions unanswered.

To approach consumers with online shopping mall experiences, an online survey was performed. The Internet has a unique set of problems in guaranteeing a random sample of respondents (Wilde, Kelley, and Scott, 2004). In addition,

e-mail addresses are so varied that they are virtually impossible to collect the data randomly, making Internet sampling very complex (Kaye and Johnson, 1999). The available lists of e-mail address also may not be representative (Furrer and Sudharshan, 2001). Hence, a large Korean on-line research company (www.bestresearch.co.kr) which has registered panels who agreed answer survey was utilized. The company randomly chose the shoppers with online shopping experiences, who were requested to visit and answer an HTML-format questionnaire published on their Web site. Password was given to ensure the persons who agreed to participate. As an incentive, the respondents were given mileage points which can be used to buy products. A total of 359 usable questionnaires were entered for data analysis. Table 1 provides sample characteristics of the respondents of each channel. Table 1 describes characteristics of respondents for both channels.

RESULTS

To identify the dimensions of EVS scale by retail channel, an exploratory

Table 1 Characteristics of respondents

	Department stores	n	%	**Internet shopping mall**	n	%
Gender	Female	146	66.4	Female	118	32.9
	Male	74	33.6	Male	241	67.1
Age	- 24 years old	132	60.0	-29 years old	181	50.4
	25 – 29	59	26.8	30 -39	127	35.4
	30 or higher	29	13.2	40 or higher	51	14.2
Education	High school	12	5.5	High school	38	10.6
	College	130	59.1	College	48	13.4
	University	70	31.8	University	236	65.7
	Graduate	8	3.6	Graduate	37	10.3
Average Monthly Visit	1 time	54	24.5	1- 6 times*	172	47.9
	2 times	60	27.3	7 - 12	99	27.6
	3 times	42	19.1	13 - 18	16	4.5
	4 or more	94	28.8	19 or higher	72	20.1

* Annual average purchase was measured.

factor analysis (EFA) using SPSS 11 was conducted for the two data sets. Following this, confirmatory factor analysis (CFA) using Lisrel 8.5 was performed to further verify the identified dimensions, to check unidimensionality and validity. Reliability the measurement was checked through three separate processes.

Exploratory Factor Analysis (EFA)

Exploratory principal components factor analysis with varimax rotation was used to initially identify the dimensions of EVS. Initial EFA showed low factor loadings less than .40 and a couple of cross loading on two factors. A series of consecutive EFA were performed to remove these items at a time. EFA for department stores identified four factors with 13 items (Table 2). All four factors had eigenvalues greater than 1, accounting for 72.95 percent of the total variance. The final result of EFA for Internet shopping malls revealed four factors with 17 items, accounting for 69.98 percent of the total variance (Table 3).

To test the appropriateness of EFA, two measures were used. The Kaiser-Meyer-Olkin (KMO) overall measure of sampling adequacy (MSA) was .84 for department store and .91 for Internet shopping mall, which falls within the acceptable level. In addition, the Bartlett's test of sphericity was 1,457.29 for department store and 3.564.94 for Internet shopping mall and both were significant at p = .000.

Confirmatory Factor Analysis (CFA)

A CFA is a more rigorous way to assess unidimenionality than EFA, coefficient alpha, and item total correlations (Gerbing and Anderson, 1988). Initial CFA for both data sets exhibited generally below acceptable thresholds (for department store, $\chi^2_{(59)}$ = 173.00, p = .000; GFI = 0.89; AGFI = 0.83; CFI = 0.92; NNFI = 0.89; RMR = 0.096, RMSEA = 0.094 and for Internet shopping mall, $\chi^2_{(113)}$ = 462.30, p = .000; GFI = 0.87; AGFI = 0.82; CFI = .90; NNFI = .88; RMR = .010, RMSEA = .093). When poor fit occurs, a fit may be purified by the inspection of modification indices (MIs) and construct representativeness (Nunnally and Bernstein, 1994).

Table 2 The Results of Exploratory and Confirmatory Factor Analysis: Department Stores

Variables	EFA				CFA*		
	Factor loadings	Eigenvalue	Variance explained	Alpha	CSS	CCR	AVE
Entertainment Value/Escapism	0.78	3.0	23.45	0.86		0.82	0.61
DPV8. Shopping from XYZ make me feel like I am in another world.					-		
DPV7. Shopping from XYZ's shopping mall "gets me away from it all".	0.77				.72 (11.59)		
DPV5. The enthusiasm of XYZ's shopping mall is catching, it picks me up.	0.69				-		
DPV6. XYZ doesn't just sell products-it entertains me.	0.69				.94 (16.72)		
DPV4. I think XYZ's shopping mall is very entertaining.	0.69				.67 (10.73)		
Visual Appeal	0.88	2.54	19.52	0.86		0.87	0.69
DPV2. XYZ's shopping mall is aesthetically appealing.					.94 (17.28)		
DPV3. I like the way XYZ's shopping mall looks.	0.81				.79 (13.30)		
DPV1. The way of XYZ displays its products is attractive.	0.79				.74 (12.35)		
Economic Value/ Efficiency	0.88	2.06	15.86	0.76		0.82	0.70
DPV16. Overall, I am happy with XYZ's prices.					.60 (8.76)		
DPV15. XYZ products are a good economic value.	0.81				1.00 (12.63)		
DPV14. Shopping from XYZ's shopping mall fits with my schedules.	0.58				-		
Intrinsic Enjoyment	0.86	1.84	14.12	0.82		0.82	0.70
DPV11. I shop from XYZ's shopping mall for the pure enjoyment of it.					.81 (11.58)		
DPV10. I enjoy shopping from XYZ's shopping mall for its own sake, not just for the items I may have purchased.	0.84				.86 (12.28)		

CSS: Completely Standardized Solution

CCR: Composite construct reliability

AVE: Average variance extracted

* $\chi^2_{(29)}$ = 47.05, p = .018; GFI = .96; AGFI = .92; CFI = .98; NNFI = .97; RMR = .068, RMSEA = .053

Note: DPV8, DPV5, and DPV14 were eliminated during CFA procedure, so their loading was not presented.

Table 3 The Results of Exploratory and Confirmatory Factor Analysis: Internet Shopping Malls

Variables	EFA				CFA*		
	Factor loadings	Eigenvalue	Variance explained	Alpha	CSS	CCR	AVE
Hedonic		5.00	29.41	0.91		0.78	0.54
IPV8. Shopping from XYZ make me feel like I am in another world.	0.84				-		
IPV7. Shopping from XYZ's shopping mall "gets me away from it all".	0.82						
IPV9. I enjoy shopping from XYZ's Internet shopping mall for its own sake, not just for the items I may have purchased.	0.79						
IPV5. The enthusiasm of XYZ's shopping mall is catching, it picks me up.	0.75				-		
IPV4. I think XYZ's shopping mall is very entertaining.	0.73				.66 (12.87)		
IPV10. I enjoy shopping from XYZ's shopping mall for its own sake, not just for the items I may have purchased.	0.72				.70 (13.71)		
IPV6. XYZ doesn't just sell products-it entertains me.	0.69				.83 (16.94)		
IPV11. I shop from XYZ's shopping mall for the pure enjoyment of it.	0.63						
Time Efficiency		2.37	13.94	0.85		0.83	0.71
IPV12. Shopping from XYZ is an efficient way to manage my time.	0.84				.77 (14.90)		
IPV13. Shopping from XYZ's Internet shopping mall makes my life easier.	0.81				.91 (17.80)		
IPV14. Shopping from XYZ's Internet shopping mall fits with my schedules.	0.76						
Visual Appeal		2.27	13.33	0.80		0.81	0.59
IPV2. XYZ's shopping mall is aesthetically appealing.	0.84				.85 (18.02)		
IPV3. I like the way XYZ's shopping mall looks.	0.81				.77 (15.92)		
IPV1. The way of XYZ displays its products is attractive.	0.68				.68 (13.67)		
Economic Value/Excellence		2.26	13.30	0.82		0.73	0.58
IPV16. Overall, I am happy with XYZ's prices.	0.85						
IPV15. XYZ products are a good economic value.	0.79				.70 (13.45)		
IPV18. When I think of XYZ, I think of excellence.	0.67				.82 (15.63)		

CSS: Completely Standardized Solution

CCR: Composite construct reliability

AVE: Average variance extracted

* $\chi^2_{(29)}$ = 94.61, p = .000; GFI = 0.95; AGFI = 0.90; CFI = 0.95; NNFI = 0.93; RMR = 0.071, RMSEA = 0.079

Note: IPV8, IPV7, IPV9, IPV 5, IPV14, and IPV16 were eliminated during CFA procedure, so their loading was not presented.

For department store data, a total of three items, one item at a time, were removed from further consideration. A final confirmatory model was then estimated on the remaining 10 items. As presented in Table 2, the model fit was substantially improved and indicated respectable fit: ($\chi^2_{(29)}$ = 47.05, p = .018; GFI = 0.96; AGFI = 0.92; CFI = 0.98; NNFI = 0.97; RMR = 0.068, RMSEA = 0.053).

Same purification procedure was applied to the Internet shopping mall data. After deleting seven items, the final confirmatory model for Internet shopping mall exhibited good fit ($\chi^2_{(29)}$ = 94.61, p = .000; GFI = 0.95; AGFI = 0.90; CFI = 0.95; NNFI = 0.93; RMR = 0.071, RMSEA = 0.079). In both CFA results, each item taps into a unique facet of each perceived experiential value thus provides good domain representation, offering evidence of unidimensionality.

Validity and Reliability

To examine the convergent and discriminant validity, measurement model was assessed. As presented in Table 2 and 3, all confirmatory factor loadings exceed 0.63 for department store and .66 for Internet shopping mall, and all are significant with t values were significant at p < .001, demonstrating convergent validity. The evidence of discriminant validity exists when the proportion of variance extracted in each construct exceeds the square of the phi coefficients representing its correlation with other constructs (Fornell and Lacker, 1981). The variance extracted in each construct, ranging from .61 to .70 for department store (from 0.54 to 0.71 for Internet shopping mall), exceeds the square of the respective phi correlations, ranging from 0.13 to 0.34 (ranging from 0.18 to 0.42 for Internet shopping mall) between constructs, which provides evidence of discriminant validity.

For the instrument reliability, three separate methods were tested. First, internal consistency was examined using Cronbach's alpha technique. All factors showed relatively high reliability coefficients, ranging from 0.76 to 0.86 for department store data and ranging 0.80 to 0.91 for Internet shopping mall data. Second, composite construct reliability was measured. All extracted dimensions exceed the suggested level of 0.70, ranging from 0.82 to 0.87 for department store data and ranging 0.72 to 0.83 for Internet shopping

mall data. Last, average variance extracted measure which shows how variances are measured compared to random measurement error, was calculated. All variance extracted were above 0.61 for department store data and 0.54 for Internet shopping mall data, which means more than half of the variances for the specified items were accounted for by the construct (Fornell and Larcker, 1981). From these results, it was deemed that all items used to measure the identified dimensions of EVS for both channels were internally consistent.

The Dimensions of Experiential Value by Retail Channels

As the unidimensionality, validity, and reliability of the EVS for two retail channels were proved, the identified dimensions through CFA are now solid to interpret. For EVS for department store setting, four dimensions were emerged. The first factor combined Entertainment Value and Escapism dimensions of EVS, so was labeled as 'Entertainment Value/Escapism.' It provided 23.5 percent of the total variance explained with five items. The relatively large contribution to the total variance explained suggests that entertainment value and escapism are the central experiential value Korean department shoppers experience. The second dimension was named as ‘Visual Appeal’ which accounted for 19.52 percent of the variance and is consisted of three items. The third dimension emerged with combination of Economic Value and Efficiency dimensions of EVS, so was labeled as ‘Economic Value/Efficiency.’ This dimension explained 15.86 percent of the variance with three items. The final dimension labeled as ‘Intrinsic Enjoyment’ explained 14.12 percent of the variance with two items.

For EVS for Internet shopping mall, eight items that related to Entertainment Value, Escapism and Intrinsic Enjoyment dimensions of original EVS, are grouped into the first dimension, thus it was labeled as 'Hedonic.' It explained 29.41 percent of the total variance with a reliability coefficient of 0.91, and consisted of eight items. Similar to department stores, enjoyment aspect dimension contributes the largest proportion of the total variance for the experiential value in the context of Internet shopping malls. The second dimension was related to time and schedule convenience, so labeled as ‘Time Efficiency.’ The third

dimension was labeled as 'Visual Appeal' which accounted for 13.33 percent of the variance. The final dimension emerged combined with Economic Value and Excellence dimensions of EVS, so labeled as 'Excellence Value/Excellence.' This dimension explained 13.30 percent of the variance and is consisted of three items. As these findings indicate, Korean shoppers experience different experiential value by retail channels. Therefore, H1 stating that "different underlying dimensions of value will exist by retail channels", was accepted.

The Differences of EVS Perception by Demographic Variables

To examine differences of EVS perception by demographic variables, t-test was performed for both retail channels (Table 4 & Table 5). As Table 4 shows,

Table 4 The Results of t-test by Demographic Characteristics: Department Stores

		N	Entertainment Value/Escapism	Visual appeal	Economic value/Efficiency	Intrinsic Enjoyment
Sex	Female	146	4.74 (1.16)	5.41 (.98)	5.64 (1.12)	5.21 (1.25)
	Male	74	4.88 (.81)	5.20 (.90)	5.18 (1.16)	4.54 (1.23)
	t value		.925	2.123	7.902	14.190
	Sig.		.337	.147	.005	.000
Education	College or under	142	4.64 (1.10)	5.44 (.95)	5.64 (1.07)	5.04 (1.31)
	University or higher	78	5.04 (.91)	5.14 (.94)	5.19 (1.25)	4.90 (1.23)
	t value		7.531	5.027	8.021	.581
	Sig.		.007	.026	.005	.447
Age	24 or under	132	4.66 (1.12)	5.40 (1.10)	5.67 (1.14)	5.05 (1.34)
	25 or higher	88	4.96 (.93)	5.24 (.86)	5.20 (1.28)	4.90 (1.19)
	t value		4.461	1.383	8.979	.713
	Sig.		.036	.241	.003	.399
Average Monthly Visit	2 or under	114	4.86 (.92)	5.39 (.92)	5.57 (1.18)	5.24 (1.15)
	3 or more	105	4.70 (1.18)	5.28 (1.00)	5.39 (1.13)	4.73 (1.37)
	t value		1.303	.702	1.374	8.661
	Sig.		.255	.403	.242	.004
Total			4.78 (1.05)	5.33 (.96)	5.48 (1.15)	4.99 (1.28)

in a department store context, significant differences found in some dimensions. In specific, female department store shoppers experienced higher Economic Value/ fficiency (t-value = 7.902, $p < 0.01$) and Intrinsic Enjoyment (t-value = 7.902, $p < 0.001$) than male counterparts. For education, shoppers with college or under degree evaluated higher Visual Appeal and Economic Value/Efficiency than the shoppers with university or higher degree (t-value = 0.027, $p < 0.05$ for visual appeal; t-value = 8.021, $p < 0.01$ for economic value). On contrary, they put less value in Entertainment Value/ scapism value (t-value = 7.531, $p < 0.01$) than shoppers with university or higher degree. In term of age, young shoppers (24 or under) had significantly higher mean in Economic Value/Efficiency, but lower mean value in Entertainment Value/ scapism dimension than old shoppers (25

Table 5 The Results of t-test by Demographic Characteristics: Internet Shopping Malls

		n	Hedonic	Visual appeal	Time Efficiency	Economic Value/ Excellence
Sex	Female	118	4.04 (1.19)	4.78 (.97)	4.84 (1.27)	4.37 (1.19)
	Male	241	4.03 (1.03)	4.80 (.85)	4.82 (1.14)	4.56 (.96)
	t-value		.003	.056	.010	2.469
	Sig.		.958	.814	.921	.117
Education	College or under	86	4.06 (1.09)	4.79 (.84)	4.75 (1.20)	4.48 (1.06)
	University or higher	241	4.03 (1.09)	4.80 (.91)	4.85 (1.18)	4.50 (1.04)
	t-value		.079	.001	.491	.036
	Sig.		.778	.973	.484	.849
Age	29 or under	181	4.14 (1.02)	4.76 (.90)	4.72 (1.16)	4.45 (1.06)
	30 or higher	178	3.93 (1.15)	4.83 (.89)	4.94 (1.20)	4.54 (1.03)
	t-value		3.150	.504	3.010	.687
	Sig.		.077	.478	.084	.408
Average annual purchase	2 or under	271	3.99 (1.03)	4.76 (.90)	4.82 (1.18)	4.46 (1.03)
	3 or more	88	4.17 (1.23)	4.90 (.86)	4.86 (1.20)	4.60 (1.10)
	t-value		1.850	1.687	.071	1.075
	Sig.		.175	.195	.790	.301
Total			4.04 (1.09)	4.80 (.89)	4.83 (1.18)	4.50 (1.05)

or higher). Less frequent shoppers (2 or less visit per month) experience more Intrinsic Enjoyment than frequent shoppers (3 or more visit per month). Contrary to department store shoppers, Internet shopping mall shoppers did not experience significant experiential value differences by demographic characteristics (Table 5). Therefore, H2, stating that "the association of value perception and demographic variables will differ by retail channels," was partially accepted.

DISCUSSION

This study attempted to determine if the dimensions of EVS identified in US catalog and Internet contexts could be applied in other international markets and in other retail channels. To this end, this study compared EVS dimensions in two retail channels (department store versus Internet shopping mall) in Korean context. Additionally, this study explored the EVS perception differences by demographic variables to provide managerial implications for Korean as well as International retailers. The findings revealed EVS dimensions differed by the retail channels, and shoppers' perception of the EVS dimensions varied by demographic variables. This means that department store and Internet shopping mall marketers should cater the different aspects of experiential value.

In particular, in department stores, items to measure entertainment, escapism, and intrinsic enjoyment were divided into two dimensions such as Entertainment Value/ Escapism and Intrinsic Enjoyment. However, in Internet shopping mall, the three dimensions were all combined into one (Hedonic). In other words, department store shoppers make a distinction between entertainment value/escapism and intrinsic shopping enjoyment, but those three aspects were perceived as same for Internet shoppers. This indicates that while importance of hedonic aspect is equally important across channels, shoppers expect more distinct and broad range of hedonic sources from department store shopping.

On the other hand, while Economic Value and Efficiency constitute one dimension in department store setting, the dimensions represent separate two dimensions in Internet shopping mall context. Economic Value is further combined with excellence aspect in the Internet context. This indicates that Internet shoppers distinctly distinguish two

sources of value, time convenience and economic benefits. This finding lends support to Mathwick et al. (2001) that found positive association of the perceived return on financial, temporal and behavioural investment with on line shopping preference. These findings clearly suggest entertainment and intrinsic enjoyment aspects are more important to department stores customers, while in Internet shopping malls, economic value and time convenience or efficiency are the dimensions to which more efforts should direct.

Although the research findings must be viewed as tentative because the results are from one country, they provide a rich basis for further understanding the dimensions of experiential value in other international markets and other retail channels. In this regard, we hope this study contributes literature by adding empirical findings and provokes further research agenda. Differing experiential value structure by retail format guides us to think that continued efforts are needed to develop a more comprehensive measure of experiential value dimensions for different settings.

Managerial Implications

Our findings also generate relevant insights that are more directly applicable by marketing management. First, despite three dimensions were combined into one in the case of Internet shopping mall, hedonic aspect of value is still imperative in Internet shopping mall setting. Like traditional shopping malls, Internet shoppers expect to enjoy and entertain themselves, and escape from everyday routine life from Internet shopping experiences. Therefore, Internet shopping mall managers should provide and continuously put efforts to enhance these hedonic aspects of value. Currently some savvy retailers such as gapkids.com and Barbie.com provide entertainment functions in their websites, however, more application of hedonic aspects to the broad shopping mall context is recommended.

Next practical insight pertains to time efficiency value in Internet shopping mall. One separate dimension of time efficiency in Internet shopping mall suggests that more efficient web design and functions that can save time and promote convenience are needed to better accommodate their customers. Third, it is interesting to note that the existence of visual appeal value with same factor

structure in both channels. This affirms equal importance of visual appeal across channels. Internet has heavily relied on traditional attributes, such as factual information, price comparability, and brand name reliance. However, this study suggests that Internet shopping mall retailer should offer visual diversion and stimulation just as brick and mortar shopping malls do. With regard to how to improve visual appeal may be different by channels. Frequent changes of window display, attractive store layout and design are main elements of visual appeal in traditional mall. In this sense, more studies that pursue off line equivalents of visual appeal and its impact on consumers' subsequent behaviour (i.e. shopping satisfaction, frequency of revisit, etc.) would be an interesting topic.

Last, not least important, one of the interesting findings was that the experiential value dimensions were differently perceived by demographic characteristics of the department store customers. However, a stunning contrast was that none of the demographic characteristics explains differing value perception in the case of online shopping mall. This suggests that department store should direct varying efforts according the needs of market segments than in online shopping mall. For example, female department store shoppers' perceptions of Economic Value/Efficiency and Intrinsic Enjoyment value were higher than male counterparts. Therefore, department store managers need to establish strategies to better serve male customers in terms of economic value, efficiency of shopping and intrinsic shopping enjoyment. On the other hand, since Internet shoppers' value perception was rather homogeneous, at least among the participants of this study, same strategies to provide the four dimensions of value could be applied, regardless of demographic variables of Internet shoppers.

Limitations and Further Research

Broad applications of our conclusions are hampered by examining one country. Therefore, cross cultural comparison that provides more accurate interpretation and increases external validity is highly recommend for future researchers. For further generalizations, the comparison of the results presented here with those from other industry contexts would be worthwhile. Other service industry sectors such as hotels, museum, and leisure

facilities would provide different aspects of experiential value. Next, although this study is limited to test EVS in other culture, other sources of experiential value dimensions that may be prevalent in other retail context and/or other cultures should be pursued in future research. For instance, as Korean involves heavily online communities than any other countries (Park and Jun, 2003), value from social interaction may constitute important dimension. In addition, as Holbrook (1994)'s "other oriented" value typology remains untested, incorporating and testing this dimension in other cultures could be another important research agenda. It may be particularly relevant in collectivism and large power distance cultures where other oriented consumption such as status symbol explains large variances. Finally, extending current research to investigate the role of perceived value in predicting consumer behaviour in other international markets also provide us with meaningful implications.

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