



Quality Dimensions Affecting Online Luxury Consumers: Does Gender Matter?

Jung-Hwan Kim, University of South Carolina, USA

Keywords: luxury, e-service, satisfaction, gender

According to a report by *The New York Times*, one-fifth of all luxury purchases will be made online by 2025 and most of the transactions in a physical luxury store will be impacted by what people have seen on a website, mobile app, or social networking sites (Clark, 2014). This means the quality of a luxury retail website will significantly contribute to the success of a luxury brand. Bain & Company (2017) suggest implementing a holistic omnichannel strategy by connecting all distribution channels as a way of improving current luxury retailers' profitability.

Compared to other consumer products, apparel is greatly gender-oriented. Apparel firms sell and advertise their products differently based on the gender they are targeting (Meyers-Levy & Loken, 2015). However, there is little difference on the website design and features between men's and women's. According to the selectivity hypothesis theory, men and women are different in terms of depth of process (Richard, Chebat, Yang, & Putrevu, 2010). Men are more selective data processors so they rely less on effortful heuristic cues. However, women are more comprehensive processors thus they incorporate all available information and use more distally relevant information when making judgments (Meyers-Levy & Loken, 2015). Based on this theory, the purpose of this study is to examine how men and women differ in their perceptions of website quality in the context of luxury fashion e-retailing. A key research question developed for this study is: would the key e-service quality dimensions that affect luxury consumers' overall satisfaction differ by gender?

Method. An online marketing survey firm was utilized to disseminate an online survey. To exclude participants who were not qualified for the study, respondents were first asked if they have purchased luxury fashion personal items online during the last six months. Only those who indicated yes were enabled to participate in the survey. As additional filtering questions, respondents were asked to provide the name of the online fashion luxury retailers that they have shopped most often, how often, and how many items they have bought at the site in the last six months. After the filtering questions, respondents were asked to indicate their perceptions of e-service quality and overall satisfaction based on the name of the luxury retailer provided. Demographic related questions were included at the end. Perceptions of e-service attributes were measured using 107 attributes identified by Kim and Kim (2016). Three items developed by Yang et al. (2004) were used to measure overall satisfaction.

Results. The total number of respondents was 287 (male=104; female=183). Over 62% of female and 50% of male respondents were between the ages of 32 and 47. One-way ANOVA indicated no significant differences between the two groups in terms of age ($F = 3.12, p > .05$), ethnic background ($F = .64, p > .10$), annual household income ($F = 3.40, p > .05$), and general online shopping behaviors ($F = .27, p > .10$). Over 37% of women and 34% of male respondents purchased luxury fashion items online several times per year. Exploratory factor analysis was conducted using Principal component factoring with Varimax rotation. Factor loadings of .5 or greater with eigenvalues greater than 1.0 were retained. As a result, 9 dimensions with 82 items

were generated (9 dimensions: efficiency, order management, customer service, personalization, trust, product description, product presentation, entertainment features, and graphic styles). To assess the internal consistency of the items and construct validity of the dimensions, a confirmatory factor analysis using LISREL was employed. The fit indices surpassed the cut-off values, CFI=.98; NNFI=.97; RMSEA=.065. The CR values were higher than .70 and the AVE value for each measured construct was greater than .50. Discriminant validity and Cronbach's alpha values (>.70) for all 9 dimensions were checked. Due to the insufficient sample size, structural equation modelling was not deemed appropriate. Thus, stepwise regression analyses for male and female respondents were conducted to assess the relationship between 9 dimensions and overall satisfaction. For male respondents, order management was identified as the significant factor affecting satisfaction ($F=87.57, p<.001$). This variable explained 46% of the total variance. For female respondents, order management, trust, and personalization were indicated as important factors affecting satisfaction ($F=61.99, p<.001$). These variables explained 51% of the total variance. Collinearity statistics were within acceptable levels.

Conclusions and Implications. The findings of this study show that similarities and differences exist between male and female luxury consumers' perceptions of e-luxury retail sites. Order management (e.g., order accuracy, shipping/payment options) was an important factor that affects overall satisfaction to both men and women. However, trust (company info/security/privacy) and personalized services were additionally crucial to women luxury consumers when they shop luxury fashion goods online. Women's trust concern in e-retailing context is consistent with previous literature. Luxury e-retailers should be aware of these gender differences and reflect them accordingly in their website design and features.

References

- Bain & Company (2017). *Luxury goods worldwide market study, Fall-Winter 2017*. Retrieved from <http://www.bain.com/publications/articles/luxury-goods-worldwide-market-study-fall-winter-2017.aspx>
- Clark, N. (2014). The new luxury buyer: Younger, richer and well-wired. *The New York Times*, Retrieved from <https://www.nytimes.com/2014/12/02/fashion/the-new-luxury-buyer-younger-richer-and-well-wired.html>
- Kim, J-H., & Kim, M. (2016). Luxury fashion retailers and consumers' perceptions of luxury fashion websites. *2016 Proceedings of Academic of Marketing Science (AMS) World Marketing Congress*, Paris, France
- Meyers-Levy, J., & Loken, B. (2015). Revisiting gender differences: What we know and what lies ahead. *Journal of Consumer Psychology*, 25(1), 129-149.
- Richard, M-O., Chebat, J-C., Yang, Z., & Putrevu, S. (2010). A proposed model of online consume behavior: Assessing the role of gender. *Journal of Business Research*, 63(9), 926-934.
- Yang, Z., Jun, M., & Peterson, R.T. (2004). Measuring customer perceived online service quality: Scale development and managerial implications. *International Journal of Operations & Production Management*, 24(1), 1149-1174.