



Comparing shopping channel preferences: Hispanic and Caucasian consumers

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The Hispanic consumer has become increasingly important with a purchasing power of over \$1 trillion (Fahmy, 2010). Additionally, Hispanic consumers are continuing to show this buying power online and most recently it has been through their presence on social media. Despite the mounting evidence of Hispanics' growing impact and influence on the retail market both traditional and non-traditional, research has lagged behind, and little has been done to investigate this group in terms of their multi-channel shopping behaviors. This research seeks to examine the influence of fashion involvement, fashion consciousness, and shopping enjoyment on Caucasian and Hispanic consumers' selection of shopping channel.

Rationale

According to the Census Bureau, the US Hispanic population is projected to reach 132.8 million by 2050 which would account for 30% of the nation's total population (An Older, 2008). The Hispanic population is unique in that it is the largest population group to exhibit culture sustainability. In other words although the Hispanic culture may evolve, it will not go away (State of The Hispanic Consumer, 2012). Furthermore, research has indicated that it is vital that retailers do not assume that the Hispanic population within the US has the same shopping preferences as the general population (Seock, 2009). Thus, for retailers and other businesses this makes understanding Hispanic consumers essential.

Studies that have examined Hispanic and non-Hispanic shopping behaviors have provided mixed results. Previous studies have included coupon usage (Donthu & Cherian, 1992); mall shopping behavior (Nicholls, Roslow, & Comer, 1995); and social shopping orientations (Seock & Sauls, 2008). In terms of online shopping behavior, ethnicity does influence the outcome as indicated in the research by Morton, Zettelmeyer, and Silva-Risso (2003). As it can be seen, studies have examined Hispanic and Caucasians purchase behavior both in stores as well as online, however, further research is needed to better understand the multi-channel consumer behavior for these two groups. Given the importance of the multi-channel consumer to the retail industry this study seeks to fill a gap in academic literature by examining how both Hispanic and Caucasian multi-channel consumers are influenced by fashion involvement, fashion consciousness, and shopping enjoyment in their choice of shopping channel. For the purpose of the study department stores, discount stores, and non-traditional channel (i.e., including electronic retailing and catalogues) were included.

Methods

The study was conducted using a convenience sample at a Southwestern University via a written survey. A total of 451 participants were included in data analysis with approximately 40.6% Caucasian and 59.4% of Hispanic origin. To test hypotheses and explore the causal relationships, a multi-group structural equation model (SEM) was used. The model revealed overall acceptable fit ($\chi^2 = 949.93$, $df = 479$, $p = 0.00000$, $CFI = 0.97$, $RMSEA = 0.066$, $NNFI = 0.97$).

Findings

The results of the study indicated support for all of the hypotheses for both of the ethnic groups; however, there were dissimilarities with respect to channel choice as well as other constructs.

Caucasians. Shopping enjoyment was influenced by fashion consciousness and fashion involvement and both had the same path coefficients. Thus, it can be inferred that both of these

variables equally influence shopping enjoyment. In terms of influence on channel patronage behavior, shopping enjoyment most influences Fashion Discounter Patronage (FDP) followed Department Store Patronage (DSP) and finally Nontraditional Channel Patronage (NCP).

Hispanics. Fashion consciousness ($\beta = 0.58$) was a greater influence than fashion involvement ($\beta = 0.33$) with respect to shopping enjoyment. The influence of shopping enjoyment on patronage behavior across the three channels was very similar with the highest beta coefficient value being for DSP followed by FDP and finally NCP.

Conclusions and Implications

The results of this study indicate differences in shopping behavior between Hispanic and Caucasian consumers. Fashion consciousness plays a larger role than fashion involvement in shopping enjoyment for Hispanic consumers. This further supports the notion that Hispanics have a high awareness for fashion. Caucasian and Hispanic consumers also indicated differences regarding the impact of enjoyment on shopping channel choice. Caucasians preferred Fashion Discounter Patronage whereas Hispanics preferred Department Store Patronage above other shopping channels. The findings suggest that Caucasians are willing to purchase clothing that follows current fashion trends whereas Hispanics prefer to patronize stores that provide new and trendy merchandise. Both Caucasians and Hispanics indicated that shopping enjoyment had the least influence on Nontraditional Channel Patronage. This may suggest that nontraditional retailers, including online stores are not perceived as providing shopping enjoyment; therefore, vendors that utilize the internet or catalogs should consider incorporating elements associated with enjoyment into their retail formats in order to capture the increasing number of Hispanics that are using the internet.

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