Examining the Influence of Perceived Risk and Consumer Personality on Sport Apparel Purchase within the Context of Gift Giving

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The market of sporting goods has been rapidly growing. The market for sporting goods in the U.S. has a projected value of more than 63 billion dollars in 2014. Among other sporting goods, the sports apparel is one of the biggest retail markets with growing Compound Annual Growth Rate (CAGR) of 4.32 percent over the period 2014-2015 (Statista, 2015). Sportswear sales reached 33.7 billion dollars in 2014 representing 16 percent of the total U.S. apparel market, and it has a significant role in the overall success of the total apparel gifting market over 2012-2014 (Statista, 2015). On the other hand, consumer buying on gifts represent approximately 10 percent of the total retail market in the U.S., amounting to 300 billion dollars spent annually (Unity Marketing Gifting Report, 2007).

Consumers buy sports apparel to use for themselves as well as for others as gifts. Further, it was suggested that gifting-giving is an important phenomenon as it is instrumental in maintaining social ties and serves as a means of symbolic communication in relationships (Ward & Bronizrczyk, 2011). However, despite the common purchase of sports apparel as a gift, the factors influencing the sports apparel purchase within the context of gift-giving have not been fully examined to date. It was suggested that gift-giving is a unique phenomenon in that it involves a combination of economic, social and self-expressive motivations (Russell, 1982). Previous studies also indicated, gift purchase is more complicated than buying for oneself due to the tension in selecting a product that is appropriate for the recipient while still reflective of giver’s identity and the relationship between individuals (Warshaw, 1980; Ward & Bronizrczyk, 2011).

Based on the literature in marketing and consumer research, the primary purpose of the current study was to investigate whether attitude toward and purchase intention to a sport apparel were varied as a function of product recipient (i.e., self vs. gift). The present study is based on ‘perceived risk’ framework, where perceived risk produces wariness or risk aversion and often leads to a variety of risk-handling activities (Dowling, 1999). In addition to recipient as a risk factor, the study also examined the influence of product type as another risk factor as it was suggested that financial risk is one of the important sources of risk, while different products can create different levels of financial risk. Further, the study examined the effect of individual’s Optimum Stimulation Level (OSL) on attitudes and product intention as there is plenty of evidence supporting the relationship between individual’s OSL and capacity for risk-taking (Zuckerman & Kulhman, 2000).

This study employed the 2 (recipient: myself vs. boss) X 2 (product type: T-shirt vs. socks) X 3 (OSL) experimental design. A pilot study was conducted (N = 30) in order to examine the validity and reliability of experimental stimulations and scaled measures. In the main study, data from a random sample of adults 18+ in Korea were collected. Each participant was randomly assigned to one of the four experimental conditions. Participants presupposed themselves in one of two sports apparel purchase scenarios. In the high-risk scenario, participants were asked to imagine themselves purchasing a T-shirt while, in the low-risk scenario, participants were asked to imagine themselves purchasing a pair of socks. Then participants were given two situations of buying a product for oneself or boss. Participants’ level of OSL was also measured by Change Seeking Index (CSI).

The sample consisted of 177 males and 184 females. Data analysis revealed that all the measured scales reached satisfactory reliability level with Cronbach alpha level ranging from .85 (CSI) to .92 (Product Attitude). The study conducted Multivariate Analysis of Variance (MANOVA) using SPSS 21.0 for the hypothesis testing. With regard to product attitude, only product type was a significant predictor [F (1,361) = 10.216, p <.05, η² = .03]. On the other hand, all three independent variables, including recipient [F (1,361) = 13.77, p <.05, η² = .04], product type [F (1,361) = 8.37, p <.05, η² = .02], and CSI [F (2,361) = 5.94, p <.05, η² = .03], were significant predictors of
purchase intention. MANOVA also revealed no significant interaction effects among three independent variables on both attitude and purchase intention.

This investigation is one of the first attempts to examine the risk factors and consumer personality on consumer behavior within the context of gift giving. While, there was no significant interaction effects among independent variables, the data partially support the notion that both attitude and purchase intention vary as a function of recipient, product type, and consumers’ OSL levels. The applied and theoretical implication of the study findings are discussed along with future directions for research.