

Research Note

An Examination of the Determinants of In-Flight Duty-Free Shopping: Hedonic and Utilitarian Motivations

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ABSTRACT

This research note presents the findings of a study that empirically examined air passengers' in-flight duty-free shopping behaviors in the perspectives of utilitarian and hedonic motivations. On the basis of the primary data collected from 212 air passengers in Taiwan, empirical findings revealed that both utilitarian and hedonic motivations affect air passengers' intentions to browse in-flight duty-free shopping catalogues. Findings also showed that hedonic motivation does not directly influence air passengers' in-flight purchase intentions. Instead, a higher utilitarian motivation can directly enhance passengers' in-flight purchase intentions. Copyright © 2012 John Wiley & Sons, Ltd.

Keywords: in-flight duty-free shopping; hedonic and utilitarian motivation.

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INTRODUCTION

The importance of in-flight duty-free shopping, which represents nearly 8% of global duty-free and travel retail sales (Generation Research, 2008), has been, and will likely be, increasing in the coming years. Despite the significant contributions that in-flight duty-free sales have given, the related issues have been largely overlooked by academic researchers. In their study, Crawford and Melewar (2003) examined passengers' shopping behavior in airports, but the study basically offered little, if any, insight on the decision-making process underlying passengers' in-flight duty-free shopping. In reality, in-flight retailing has more restrictions than airport retailing. For example, whereas airport retailing is able to focus on the choices of shop locations and airport terminals, shop design and quality of shop interiors, in-flight retailing can only rely on the available catalogue located at each seat to stimulate a passenger's shopping interest. Moreover, a more limited range of products is able to be offered at in-flight retailing than that at airport retailing.

Furthermore, prior studies indicated opposite opinions regarding the motivations of air

passengers' shopping behaviors. Although scholars have asserted that passengers' duty-free shopping tends to be impulse shopping resulting from personal and environmental factors (Omar and Kent, 2001), Baron and Wass (1996) argued that much of the browsing and purchasing behavior is planned in advance and is thus considered as a component of a trip/holiday.

In view of the importance of this issue and the dearth of prior research efforts, this study makes an initial attempt to investigate the inconsistent arguments and to provide new insights on verifying in-flight duty-free shopping behavior via the lenses of the utilitarian and hedonic motivations approach, which was well developed in marketing.

RESEARCH HYPOTHESES

Scholars of marketing, sociology and psychology disciplines have consented that investigating the utilitarian and hedonic motivations is a useful approach to understand consumer attitudes (Hirschman and Holbrook, 1982). In particular, Voss *et al.* (2003) indicated that there are two basic reasons why consumers purchase products and services: (i) instrumental or utilitarian reasons concerned with expectations of consequences; and (ii) affective or hedonic enjoyment. In particular, utilitarian motivation indicates that the goal of shopping is a mission, and whether this mission is fulfilled efficiently during the process can decide the requested benefits. In contrast, hedonic motivation delineates the situation on how consumers enjoy the shopping process. Specifically, consumers' shopping evaluation can be placed on a continuum, with one extreme as utilitarian and the other as hedonic. That is, upon purchasing in-flight duty-free products, passengers may cognitively consider how efficient shopping in-flight is (utilitarian motivation) and how much pleasure is associated with this shopping as there are not many leisure activities to do in-flight (hedonic motivation). Crowley *et al.* (1992) empirically examined consumers' attitudes toward a wide variety of product categories and reported that hedonic and utilitarian motivations are useful predictors of shopping attitudes. Consequently, it is hypothesized that

Hypothesis 1: Air passengers' utilitarian motivation will positively influence their in-flight shopping intentions.

Hypothesis 2: Air passengers' hedonic motivation will directly influence their in-flight shopping intentions.

Additionally, as utilitarian and hedonic motivations were reported to be the significant predictors of consumers' shopping evaluations and the catalogues are the valuable shopping tools and information channel for consumers (Ansari *et al.*, 2008), in the context of in-flight duty-free shopping, it is hypothesized that

Hypothesis 3: Air passengers' utilitarian motivation will positively influence their intentions to browse the in-flight duty-free catalogue.

Hypothesis 4: Air passengers' hedonic motivation will positively influence their intentions to browse the in-flight duty-free catalogue.

Notably, in-flight retailing must use the product catalogue offered at each seat as a substitute for a welcoming salesperson, good locations and pleasant shopping environment to stimulate the shopping desire of air passengers. Catalogues are thus perceived as a useful strategy to communicate with customers and increase their shopping frequency and order size (Ansari *et al.*, 2008). Marketing studies have widely supported that catalogue stimuli would effectively enhance customers' shopping intentions toward products (Keen *et al.*, 2004). Consequently, it is hypothesized that

Hypothesis 5: Browsing the in-flight duty-free catalogue will increase air passengers' shopping intentions toward duty-free in-flight products.

Based on the above discussion, this study proposes a model and five hypotheses, as depicted in Figure 1 below.

RESEARCH METHOD AND DATA ANALYSIS

A survey was conducted at an international airport in Taiwan. Two hundred fifty air passengers were interviewed, and 212 valid

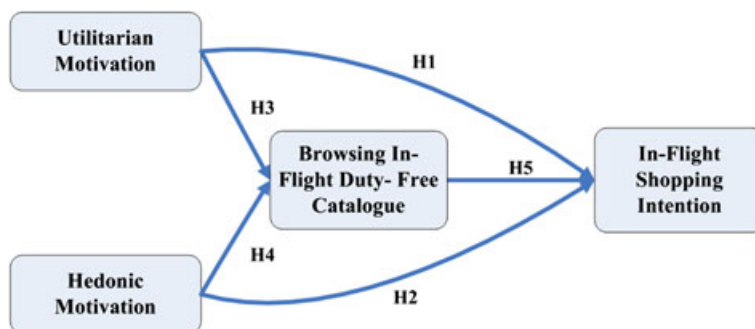


Figure 1. The conceptual framework.

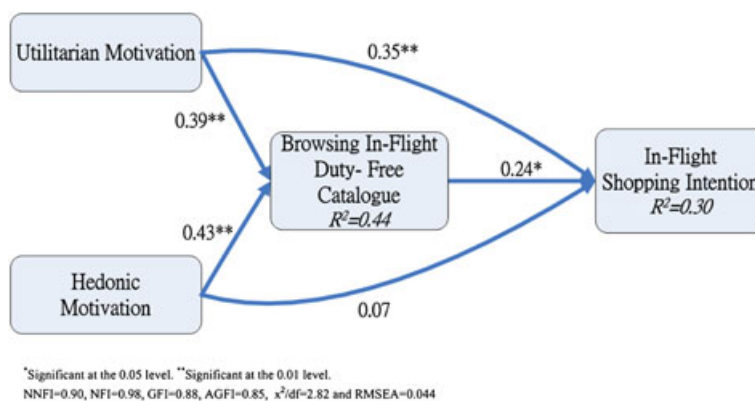


Figure 2. Results of LISREL analysis.

responses were collected. Among the respondents, 37.74% were men, and 62.26% were women. Approximately 60.38% and 38.68% of the respondents were above 30 years old and between 21 and 30 years old respectively. Additionally, 45.28% of them had business and service-related jobs, and 68.40% of them were college and university educated.

Four constructs were developed in this study: utilitarian motivation, hedonic motivation, browsing the in-flight duty free catalogue and in-flight purchase intention. Scale items were drawn from the previously discussed literature and modified to fit the present study. All four constructs demonstrated adequate reliability and construct validity. Moreover, model fitting results show that the observed values of non-normed fit index (NNFI), normed fit index (NFI), goodness-of-fit index (GFI) and adjusted goodness of fit index (AGFI) exceeded the recommended thresholds, whereas ($\chi^2/d.f.$) and the root mean square error of approximation

were within the recommended limits. Hence, the structural equation model fitted the observed data reasonably well. Figure 2 shows the standardized path coefficient and path significance.

RESULTS AND CONCLUSION

This exploratory study has successfully demonstrated the adequacy of using the utilitarian and hedonic motivations approach to explain customers' in-flight purchase behavior. Findings indicated that both utilitarian and hedonic motivations affect air passengers' intentions to browse in-flight catalogue, which ultimately lead to higher in-flight purchase intentions. Besides, hedonic motivation was found to have a much higher impact than utilitarian motivation on intentions to browse the catalogue. Interestingly, hedonic motivation does not significantly and directly impact passengers' in-flight purchase intentions. In

other words, while staying in aircraft, which provides limited entertainment, many passengers may perceive browsing a shopping catalogue as an enjoyable leisure activity, although they do not want to shop. More importantly, hedonic-motivated air passengers will not feel like shopping in-flight unless they first browse the catalogue, which subsequently stimulates their interests. This issue needs more future studies to provide further insights.

In contrast, the purchase intentions of utilitarian-motivated air passengers could be aroused irrespective of the provision of catalogues. Since duty-free prices are perceived as less expensive than retail prices, passengers who intend to conduct planned purchases may ask the stewardess to deliver products they already have in mind. Additionally, they may be inspired to take advantage of the cheaper duty-free price after browsing in-flight catalogues and decide to buy something. Being an exploratory study, this research is limited to the examination of a single-region sample. Future studies may investigate other samples from different regions or conduct a comparison among different sample sources to verify the propositions of this study.

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