

Factors Affecting Online Search Intention and Online Purchase Intention

Jae-II Kim*

*Seoul National University
Seoul, Korea*

Hee Chun Lee**

*Hanaro Telecom Co., Inc.
Seoul, Korea*

Hae Joo Kim***

*Seoul National University
Seoul, Korea*

Abstract

This research focuses on various factors affecting online search intention which has been found to be a key predictor of online purchase intention. Data were collected from a sample consisting of mostly young adults with familiarity of computer use and online shopping experience. A structural equation model was employed to test hypotheses. According to the findings, utilitarian value of Internet information search, hedonic value of Internet information search, perceived benefits of Internet shopping, perceived risk of Internet shopping, and Internet purchase experience predicted online search intention well. The findings also showed that online search intention positively affects

* Professor of Marketing, College of Business Administration, Seoul National University(jaekim@snu.ac.kr)

** Marketing, Telephone Service Team, Hanaro Telecom Co., Inc. (heechun@hanaro.com)

*** M.B.A. candidate, College of Business Administration, Seoul National University(haejoo80@yahoo.com)

This research was supported by the Institute of Management Research, Seoul National University.

online purchase intention. Finally, theoretical and managerial implications are discussed.

Keywords: Online search, Online purchase, Information search, Internet marketing

1. Introduction

Due to the rapid growth of the Internet and its use as a channel for shopping, today's consumers are able to shop from anywhere at anytime with just a few clicks of their fingers. A recent study by Active Media(E-Commerce Times 2001) estimates that as e-retailers continue to ramp up their online marketing and order processing capabilities, Internet sales for B2C marketers will be pushed above \$1.1 trillion by 2010. Moreover, the U.S. Census Bureau(2003) reports that e-commerce retail sales in the United States have risen from \$34.5 billion in 2001 to \$37.6 billion currently in the third quarter of 2003.

In spite of the tremendous growth in online sales, there is significant evidence revealing purchase abandonment(i.e., consumers' search on retailer websites not leading to actual purchase behavior) of a vast number of consumers. A Boston Consulting Group study(2000) found that 28 percent of consumers' purchase efforts "failed" when they could not find the products they wanted, could not finish their transactions, or did not complete their purchases to their satisfaction. These statistics hint the importance of consumers' online search experiences prior to their online purchasing behaviors.

One objective of this research is to understand the relationship between the intention to search online information and its predictors - utilitarian value of Internet information search, hedonic value of Internet information search, perceived benefits of Internet shopping, perceived risk of Internet shopping, and online purchase experience. Another objective is to confirm whether the intention to search the Internet for product information is one of the key elements to understand and predict the consumer's Internet purchasing intentions.

Three of the seven hypotheses developed in this article (i.e., the relationships between previous purchase experience and online purchase intention, and the relationship between online

search intention and online purchase intention) reexamine the prior findings of Shim et al.(2001) within a Korean context. The other four hypotheses investigate other factors that influence consumers' intention to search online for information. Hypotheses are tested with data obtained from a survey. The results are presented and followed by a discussion of the findings. Finally, we provide a general discussion of the findings as well as limitations of the study and directions for future research.

2. Literature review and Hypothesis development

As the Internet grows to become one of the most abundant sources for consumer information, consumers' use of the Internet for information search and their choice of channel(e.g., traditional "offline" store vs. Internet) for the final purchase have raised potential research questions in the marketing field. In the present study, we first identify various factors affecting intention to search online. These factors include utilitarian value of Internet information search, hedonic value of Internet information search, perceived benefits of Internet shopping, perceived risk of Internet shopping, and online purchase experience.

2.1. Utilitarian value of online information search

The utilitarian value of online information search involves the external motive of consumers to use the Internet instrumentally as a source of problem solving. This type of value is usually linked to speed, efficiency, and ease to problem solving through the help of net navigation.

Hammond et al.(1998) suggest that novice Web users tend to appreciate the Web's informational value more than its entertainment value, compared to more experienced Web users. Lin(1999) proposes that the motives which drive the use of online services media such as the Internet are different than those of the use of traditional media(e.g., TV), the former emphasizing entertainment, pastime, compilation of information rather than formation of community and problem-solving.

Kim and Park(1999)'s study focuses on the utilitarian value of shopping through the analysis of the advantageous and disadvantageous factors of online shopping malls. Seo and Kim (1999) state that consumers with online shopping experience highly value the inexpensiveness of Internet search costs of traditional shopping channels.

Furthermore, the research of Yoo and Chung(2002) describes the motives of consumers who shop via the Internet as either being utilitarian or hedonic. Of the two, the utilitarian value is referred in relation to searching for information that leads to product purchase. This task-related aspect of information search includes comparing prices and products, consulting with employees, and final purchase. The utilitarian value also includes the effort to search for information that enhances the knowledge of the product the consumer has interest in or is most likely to purchase in the near future.

2.2. Hedonic value of online information search

It has been acknowledged that consumers use different strategies while exploring a shopping environment depending upon the purpose or task of a particular shopping trip (Hirschman and Holbrook 1982). Hirschman(1980) introduced the notion that some consumers seek cognitive or informational stimulation, while others seek sensory stimulation in the consumption experience. Similarly, Babin, Darden and Griffin (1994) and Baumgartner and Steenkamp(1996) assert the importance to evaluate shopping as an experience in addition to its utilitarian outcomes (i.e. the goods or services acquired).

We further look into these values from an online-based perspective. If the purpose of a shopping trip is to locate a particular item, the search process tends to be of a utilitarian or problem solving nature. If the main purpose of the trip is more fun oriented, then the search strategy involves more hedonic, or experiential behavior(Bloch, Ridgway, and Sherrell 1989; Titus and Everett 1995).

The hedonic value of online information search is associated with the fun and enjoyment of the online search process per se. The flow construct in the studies of Novak, Hoffman, and Duhachek(2003), Hoffman and Novak(1996) and Novak et al.

(1998) depicts the hedonic dimension of the process to search online for information. It is during this flow state when online consumers are highly absorbed in their activities and feel the most excitement within the interactive environment. In short, such research can be viewed as a type of research focusing on the hedonic value of online shopping.

Burke(1997) and Schwartz(1997) suggest that consideration of the high value Web users place on the hedonic facet of Internet information search is necessary when building websites. Meanwhile, Park(2000) states that both the fun and work aspects of online information search positively affect the overall utility of web-surfing behavior.

Yoo and Chung(2002) revealed that the hedonic value of shopping is not driven by the objective to purchase, but by the consumer's more personal motives to visit a website for entertainment and emotional satisfaction(e.g., killing time, evaluating websites, participating in online promotional activities).

Although online consumers are mainly motivated either by desires for utilitarian value or by ones for hedonic value, we can conclude that Web users are most likely to search online for information when they perceive to obtain these values via the Internet. Thus, the following hypotheses are proposed.

H1: Utilitarian Value of Internet information search will positively affectt intention to use the Internet for product information search.

H2: Hedonic Value of Internet information search will positively affect intention to use the Internet for product information search.

2.3. Perceived benefits of Internet shopping

The perceived benefits of shopping via the Internet, for the most part, can be represented by convenience, economical efficiency, and entertainment. The supply of online product information, acceptance of online orders, and convenience of front door delivery have made reduction in time/mobility costs possible, as well as an offering of a variety of product without the worry of stock or storage issues, leaving Internet shopping

with competitive advantage over traditional retail shopping (Darian 1987; Carson et al. 1996; Burke 1997). Consumers are not only free to search for product information, but also free to compare information between competing manufacturers (Alba et al. 1997).

As more and more consumers directly negotiate with businesses, the reduction or absence, in some cases, of intermediaries lowers distribution costs for many online companies, which generally results in discounted prices for consumers (Benjamin & Wigmand 1995; Foley & Sutton 1998). Companies can also save on communication costs and employee training/education costs, leading to lower consumer prices (O'Conner & O'Keefe 1997).

As for the entertainment of Internet shopping, many online shoppers reportedly enjoy the search for new products or new product information, and/or find pleasure in participating in various activities provided by online shopping mall websites. Much of this benefit of Internet shopping has been discussed earlier in connection with the hedonic value of Internet information searching. In conclusion, the above discussion led to the development of the following hypothesis.

H3: The perceived benefits of Internet shopping will positively affect intention to use the Internet for product information search.

2.4. Perceived risk of Internet shopping

Meanwhile, as is the case of any other purchase decision-making situation, Internet shopping accompanies a sense of uncertainty among consumers. The risks consumers perceive while shopping online include financial risk (i.e., fear of the economic loss in the result of purchase), social risk (i.e., fear of social rejection against the online-purchased product), performance risk (i.e., fear of the performance failure of an online-purchased product), personal risk (i.e., uncertainty of the stability of the online shopping process), and privacy risk (i.e., fear of the exposure of personal information).

Previous research conducted by Miyazaki and Fernandez (2001), shows a negative relationship between perceived risk of Internet shopping and purchase rate. The first prediction in

consumer behavior literature in regards of perceived risk(Bauer 1960) states that consumers make purchase decisions that minimize perceived risk in the relevant situation. This brings to our next hypothesis.

H4: Perceived risk of Internet shopping will negatively affect intention to use the Internet for product information search.

2.5. Online purchase experience

In line with the work by Klein(1998), Shim and Drake(1990), Liang and Huang(1998), Eastlick(1996), and Weber and Roehl (1999), Shim et al.(2001) found that previous experience with Internet shopping is a good predictor of online search behavior. It has been also established through past studies that prior online purchase experience may also have a direct effect on online purchase intentions(e.g., Shim et al. 2001; Weber & Roehl 1999; Eastlick 1996). That is, prior Internet purchase experience may both have a direct and indirect(through online information search intentions) impact on online purchase intentions. Hence, the two hypotheses are derived from the above discussion.

H5a: Purchase experience via the Internet will positively affect intention to use the Internet for product information search.

H5b: Purchase experience via the Internet will positively affect the intention to use the Internet for purchase.

2.6. Online search intention as an antecedent of online purchase intention

Klein(1998) and Shim et al.(2001) suggested that as long as a Web user intends to perform a given online behavior(e.g., intention to search, intention to purchase), he or she will likely succeed in doing so(i.e., search, purchase) to the extent that the person is provided with the required opportunities and resources (e.g., time, money, skills, cooperation of others).

The followings hypothesis proposes that there is a positive relationship between the intention to use the Internet for information search and the intention to use the Internet for product purchase.

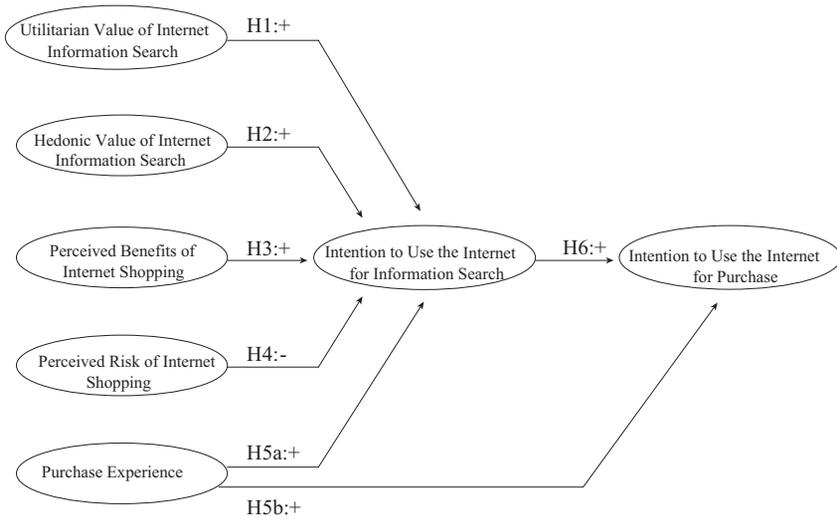


Figure 1. The Relationships Among Predictors of Online Search Intention and Online Purchase Intention.

H6: The intention to use the Internet for product information search will positively affect the intention to use the Internet for purchase.

2.7. Conceptual Model

Based on the above discussion, the hypothetical model is presented(Figure 1).

3. Method

3.1. Sampling and data collection

245 participants who have experience to purchase books online were surveyed through a self-administered questionnaire during the period of November 17 and 25, 2002. Prior to the survey, the questionnaire was pretested, using a convenience sample size of 50. The purpose of the pretest was to ensure readability and a logical arrangement of questionnaire items and to decide on the product categories that consumers perceive to

be search goods¹ which will be used in the main study. Excluding those questionnaires with incomplete responses, we used 222 out of 245 for the final analysis.

3.2. Respondents' characteristics

Of the eligible respondents, males(58.6%) represented a slightly larger percentage than females(41.4%). The majority consisted of those aged between 20 and 29(66.7%), unmarried (86.9%), undergraduate or graduate students(45.9%), with monthly incomes ranging from 1,010,000 to 2,000,000 won (828.89 to 1641.36 dollars, with an exchange rate of KRW 1218.50/USD as of 2002.11.21), and with college education (33.3%). Since subjects were mainly composed of young undergraduate or graduate students, they were assumed to be more familiar with Internet navigation and online shopping.

4. Preliminary data analysis

Reliability and validity of the constructs were analyzed based on the scale refinement process of Gerbing and Anderson(1988). Exploratory factor analysis and Cronbach's α were used to confirm the reliability of each multi-item construct(i.e. utilitarian value of Internet information search, hedonic value of Internet information search, perceived benefits of Internet shopping, perceived risk of Internet shopping, previous Internet purchase experience, online information search intention, online purchase intention). Confirmatory factor analysis, descriptive statistical analysis, and correlation analysis were used to evaluate validity.

4.1. Reliability analysis

Based on Nunnally's suggestion(1978), the reliability

1 Search goods are defined as products that are dominated by product attributes for which full information can be acquired prior to purchase, whereas experience goods are those dominated by attributes that cannot be known until purchase and use of the product or for which information search is more costly and/or difficult than direct product experience(Nelson 1970, 1974, 1976, 1981; Klein 1998).

Table 1. Reliability Analysis

	Selected Questions	Factor Analysis			α
		Loadings	Eigen-value	% of Variance Explained	
Utilitarian Value of Internet Information Search	The Internet provides inter-comparable information. (pv2) It is convenient to gather information through the Internet. (pv3) It saves time to gather information through the Internet. (pv5)	.862 .903 .807	2.209	73.638	.8159
Hedonic Value of Internet Information search	Searching for information on the Internet is a good way to spend time. (fv3) Information searching on the Internet is fun rather than tedious. (fv4) Searching for information on the Internet is not obligatory but enjoyable. (fv6)	.800 .849 .840	2.066	68.877	.9685
Benefits of Internet Shopping	Internet shopping malls provide a variety of products. (b1) It is time-efficient to buy products online. (b2) Internet shopping malls provide convenience. (b4)	.687 .880 .848	1.965	65.491	.7926
Perceived Risk of Internet Shopping	The quality of products sold online is questionable. (f5) It is risky to purchase products by the mere sight of ads and images. (f6) It is difficult to get a refund or obtain customer service with online-purchased products. (f7)	.834 .881 .818	2.141	71.353	.7967

Table 1. Continued

	Selected Questions	Factor Analysis			α
		Loadings	Eigen-value	% of Variance Explained	
Purchase Experience	I was satisfied with my Internet purchase experience(s). (ex1)	.908	2.561	85.359	.9138
	I was pleased with my Internet purchase experience(s). (ex2)	.947			
	I was happy with my Internet purchase experience(s). (ex3)	.916			
Intention to Use the Internet for Information Search	I will likely use the Internet to collect a wider range of information. (s2)	.897	1.608	80.412	.8228
	I will use the Internet to compare similar, competitive products. (s5)	.897			
Intention to Use the Internet for Purchase	I will likely repurchase products at those Internet shopping malls I have visited. (p2)	.888	2.389	79.634	.8935
	I like shopping at Internet shopping malls. (p3)	.901			
	Online shopping malls are a fit means to buy products. (p5)	.888			

coefficient of 0.7 was used as the main criterion. Those items deteriorating the overall reliability of the relevant construct were identified in the preliminary data analysis. As a result, 2 items in the utilitarian value of Internet information search construct, 3 items in the hedonic value construct, 3 items in the perceived benefits of Information shopping construct, 2 items in the online purchase experience construct, 2 items in the intention to use the Internet for information search, and 2 items in the intention to use the Internet for purchase were dropped out of further analysis.

Factor loading of 0.3 and above calculated through exploratory factor analysis(Varimax), and variance extracted indices of 0.5 and above were also used as criteria to draw out unreliable items (Bagozzi and Yi 1991). As a result, one additional item in each of the constructs -utilitarian value, hedonic value, risk of Internet shopping, intention of using the Internet for information search - were eliminated from further analysis. Results of exploratory factor analysis and Cronbach's α reliability analysis with the remaining items are shown in Table 1.

4.2. Validity analysis

Confirmatory factor analysis, maximum likelihood estimation in AMOS 4.0, was employed to verify discriminant validity and convergent validity of research constructs.

To test the fitness of the model, measures of (1) chi-square, (2) GFI(Goodness of Fit Index: $\geq .90$), (3) AGFI(Adjusted Goodness of Fit Index: $\geq .90$), (4) RMSR(Root Mean Square Residual: $\leq .50$), and (5) NFI(Normed Fit Index: $\geq .90$) were taken. Following the first factor analysis, a secondary confirmatory factor analysis was conducted only to reveal no additional items subject to deletion. Table 2 indicates the results of the confirmatory factor analysis.

Discriminant validity was examined through the correlation matrix of constructs. The constructs, consisting of multi-items, were respectively represented by a single standardized value of those items that revealed internal consistency in the reliability analysis for descriptive statistical analysis and correlation analysis.

As is shown in Table 4, the confidence interval of the

Table 2. Confirmatory Factor Analysis

	χ^2	ρ	GFI	AGFI	RSMR	NFI
Utilitarian Value of Internet Information Search	8.019	0.018	0.978	0.935	0.109	0.969
Hedonic Value of Internet Information Search	1.380	0.502	0.996	0.987	0.068	0.992
Benefits of Internet Shopping	3.250	0.071	0.990	0.941	0.071	0.981
Perceived Risk of Internet Shopping	2.524	0.283	0.993	0.978	0.059	0.988
Purchase Experience	5.084	0.079	0.986	0.957	0.074	0.989
Intention to Use the Internet for Information Search	7.749	0.021	0.979	0.936	0.139	0.969
Intention to Use the Internet for Purchase	12.684	0.002	0.961	0.884	0.190	0.962
Overall Goodness of Fit	156.676	0.085	0.933	0.900	0.078	0.930

Table 3. Descriptives

	Mean	S.D.
Utilitarian Value(ξ_1)	5.56	1.05
Hedonic Value(ξ_2)	4.83	1.15
Perceived Benefits(ξ_3)	4.65	1.13
Perceived Risk(ξ_4)	5.33	1.02
Purchase Experience(ξ_5)	4.33	1.12
Intention to Search(η_1)	5.30	1.17
Intention to Purchase(η_2)	4.14	1.29

coefficient ϕ (i.e., $\phi \pm 2$ s.e.) does not include 1.0, implying that the research constructs are not identical, and therefore, concluding that discriminant validity exists among the variables (Bagozzi and Yi 1991). The standardized loadings (λ) also proved to be statistically significant, confirming convergent validity of the variables.

Table 4. Correlation matrix

	ξ_1	ξ_2	ξ_3	ξ_4	ξ_5	η_1	η_2
Utilitarian Value(ξ_1)	1.000						
Hedonic Value(ξ_2)	.570** (.085)	1.000					
Perceived Benefits(ξ_3)	.273** (.086)	.384** (.097)	1.000				
Perceived Risk(ξ_4)	.293** (.067)	.180** (.064)	-.187* (.087)	1.000			
Purchase Experience (ξ_5)	.260** (.072)	.396** (.084)	.549** (.115)	-.162* (.073)	1.000		
Intention to Search(η_1)	.530** (.095)	.624** (.114)	.322** (.112)	.126 (.081)	.340** (.097)	1.000	
Intention to Purchase (η_2)	.220** (.087)	.445** (.107)	.662** (.151)	.287** (.094)	.624** (.127)	.434** (.121)	1.000

5. Results

Results of covariance structural modeling obtained for the theoretical model revealed a χ^2 of 156.676, GFI of 0.933, AGFI of 0.900, RSMR of 0.078, and NFI of 0.930. All relationships proposed by the theoretical model were significant except for the path(γ_{14}) from perceived risk of Internet shopping to intention to use the Internet to search for information.

Hypothesis 6, predicting a positive relationship between the intention to use the Internet for information search and the intention to use the Internet for purchase, was supported by results showing that the path between these two constructs was positive ($\beta_{11} = 0.480$) and significant ($t = 3.536$, $\rho < 0.01$). This result is consistent with previous research conducted by Shim et al.(2001).

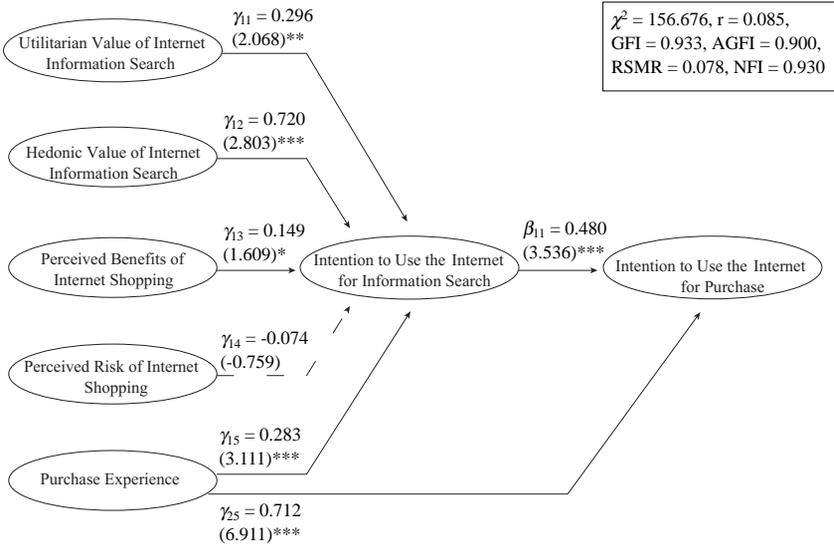
The proposed positive relationships between the utilitarian value of Internet information search and the intention to use the Internet for information search(H1), and between the hedonic value of Internet information search and intention to use the Internet for information search(H2) were also both supported (H1: $\gamma_{11} = 0.296$; $t = 2.068$, $\rho < 0.05$, H2: $\gamma_{12} = 0.720$, $t = 2.803$, ρ

Table 5. Results of Confirmatory Factor Analysis

Construct	Selected Questions	Path	λ (Std. Loadings)	S.E.	t value	p value
Utilitarian Value(ξ_1)	pv2	λ_{11}	0.648	-	-	-
	pv3	λ_{21}	0.770	.102	12.355	.000***
	pv5	λ_{31}	0.918	.101	9.660	.000***
Hedonic Value(ξ_2)	fv3	λ_{12}	0.683	-	-	-
	fv4	λ_{22}	0.748	.123	9.014	.000***
	fv6	λ_{32}	0.767	.128	8.732	.000***
Perceived Benefits(ξ_3)	b1	λ_{13}	0.662	-	-	-
	b2	λ_{23}	0.797	.305	6.427	.000***
	b3	λ_{34}	0.815	.298	6.482	.000***
Perceived Risk(ξ_4)	r5	λ_{14}	0.722	-	-	-
	r6	λ_{24}	0.849	.118	9.689	.000***
	r7	λ_{34}	0.695	.110	9.214	.000***
Purchase Experience(ξ_5)	ex1	λ_{15}	0.841	-	-	-
	ex2	λ_{25}	0.949	.064	17.673	.000***
	ex3	λ_{35}	0.854	.063	15.787	.000***
Intention to Search(η_1)	s2	λ_{16}	0.711	-	-	-
	s5	λ_{26}	0.643	.107	7.209	.000***
Intention to Purchase(η_2)	p2	λ_{17}	0.809	-	-	-
	p3	λ_{27}	0.846	.077	13.822	.000***
	p5	λ_{37}	0.833	.060	14.271	.000***

< 0.01). However, the relatively larger path coefficient for the latter relationship implies that the hedonic value of Internet navigation has a larger influence on online search intentions than the utilitarian value. Contrary to the conclusions of Park (2000)'s study, this result may have occurred due to the fact that the majority of subjects in our study were undergraduate or graduate students who had a high tendency to search the Internet for information just for "enjoyment."

Hypothesis 3, the positive effect of the perceived benefits of Internet shopping on Internet search intention, was only marginally supported($\gamma_{13} = 0.149$; $t = 1.669$, $p < 0.1$). While the study of Verhoef et al.(2001) proposed that the relative advantages of Internet shopping over traditional shopping have a



→ represents significant paths -> represents insignificant paths

*: $\rho < 0.1$, **: $\rho < 0.05$, ***: $\rho < 0.01$

() represents the t value

Figure 2. Structural Equation Model.

positive effect on consumer’s choice of the Internet as an alternative purchase channel, the benefits of electronic commerce(e.g. time efficiency and convenience) may not be highly perceived by our sample. The result may have to be tested further by using another sample.

The hypothesis that the risk of Internet shopping has a negative relationship with the intention to use the Internet for information search(H4) was not supported($\gamma_{14} = -0.784$; $t = -0.759$). This contradicts the findings of Miyazaki et al.(2001) who proposed that perceived risk of Internet shopping has a negative influence on purchase. The difference in results between this study and previous studies may be due to the fact that most of the antecedent studies on perceived risk of Internet shopping focus on its negative influence on purchase intention, while our study focuses on the negative relationship between the perceived risk of Internet shopping and the intention to use the Internet for information search, namely, using search intention

as a dependent variable.

As previously suggested by the research of Shim et al.(2001), the positive relationships between Internet purchase experience and intention to use the Internet for information search(H5a), and between Internet purchase experience and intention to use the Internet for purchase(H5b) were both found to be statistically significant(H5a: $\gamma_{15} = 0.283$; $t = 3.111$, $\rho < 0.01$, H5b: $\gamma_{25} = 0.712$; $t = 6.911$, $\rho < 0.01$). Therefore, it can be concluded that Internet purchase experience has both a direct and indirect influence on intention to purchase online.

6. Discussion and conclusions

Despite the continuous prosperity of the Internet and its impact on the growth of Internet shopping websites, the remaining gap between Internet information search and actual purchase and the significant loss of profit that businesses encounter resulting from this gap led us to begin this study. In addition to the relationships tested by Shim et al.(2001), the present study further investigates the relationships among utilitarian value of Internet information search, hedonic value of Internet information search, perceived benefits of Internet shopping, and perceived risk of Internet shopping with the intention to use the Internet for information search and the intention to use the Internet for purchase within a Korean context.

From the reexamination of the relationship between the intention to use the Internet for information search and the intention to use the Internet for purchase, we found that the former could be used as a main predictor of the latter. This finding supports previous theories which verify consumers' use of complex shopping strategies consisting of both search and behavior(Darden & Dorsch 1990; Klein 1998). Thus, it implies that it would be beneficial for companies to maintain a website with useful product information accessible to online consumers, which may increase the probability of actual purchase.

The findings that both utilitarian value and hedonic value perceived by consumers in Internet information searching have a positive influence on intention to search the Internet for

information and intention to use the Internet for purchase have implications for the construction of Internet shopping malls and the communications processes of online businesses. Specifically, the hedonic value of Internet information search being slightly more relevant than the utilitarian value in terms of the intention to use the Internet for information search implies that Internet shopping malls might be better off by focusing on the experiential elements of shopping for consumer appeal. The finding that online purchase experience has a positive effect on both search intention and purchase intention also implies that experiential marketing is important for e-retailers in building their marketing plans.

Finally, the greater the benefits of Internet shopping perceived by consumers are, the greater is the intention to use the Internet for information search. Thus, online marketers should stress the advantages of Internet shopping(e.g. time efficiency, accessibility, relatively lower prices, information comparability) directly or indirectly within the marketing communications process.

According to the findings, the hedonic value of online search affected online search intention most, followed by utilitarian value, purchase experience, and perceived benefits of Internet shopping. As was discussed above, this result has to be confirmed by subsequent studies using more diverse samples. However, we may argue that online consumers highly value hedonic value in searching information through the Internet.

7. Limitations and implications

The present study implies that those consumers with online shopping experience have greater intention to search online information, which positively affects intention to purchase online. Further study should research situations where search behavior and the subsequent purchase behavior are performed through different channels(i.e. information search performed in a traditional retail store followed by actual purchase performed online, and vice versa.). The comparison of the various combinations of situations might produce more fruitful results.

Future studies also need to include such stages as problem

identification, alternative evaluation, and post-purchase in the purchase decision-making processes in addition to the information search and purchase intention stages, which is the main focus of the present study. Another possible research area is to investigate the effect of other variables such as media attributes, consumer characteristics, product attributes(i.e., search, experience, credence goods), and search conditions as well as the five independent variables(i.e., utilitarian value of information search, hedonic value of information search, perceived benefits of Internet shopping, perceived risk of Internet shopping, purchase experience) employed in our research.

The present study also has a limitation in terms of the sample. Subjects were mainly either students or relatively young white-collar office workers residing in the metropolitan area of Seoul with prior online shopping experience. Further research should employ a more representative sample by including older consumers with substantial purchasing power.

References

- Ajzen, I. (1991), "The Theory of Planned Behavior," *Organizational Behavior and Human Decision Processes*, 50, 179-211.
- Ajzen, Icek and Martin Fishbein (1980), "Understanding Attitude and Predicting Social Behavior," Englewood Cliff, N.J, Prentice-Hall.
- Alba, Joseph, John Lynch, Barton Weitz, Chris Janiszewski, Richard Lutz, Alan Sawyer, and Stay Wood (1997), "Interactive Home Shopping: Consumer, Retailer, and Manufacturer Incentives to Participate in Electronic Marketplaces," *Journal of Marketing*, 61 (July), 38-53.
- Babin, Barry, Darden, and Griffinn (1994), "Work and/or Fun: Measuring Hedonic and Utilitarian Shopping Value," *Journal of Consumer Research*, 20(March), 644-656.
- Bagozzi, R. and Yi, Y. (1991), "Multitrait-Multimethod Matrices in Consumer Research," *Journal of Consumer Research*, 17(Mar), 426-439.
- Bauer, Raymond A. (1960), "Consumer Behavior as Risk Taking," in Robert S. Hancock (Eds.) *Dynamic Marketing for a Change World*, American Marketing Association: Chicago, IL, 389-398.
- Baumgartner, H. and J-B E. M. Steenkamp (1996), "Exploratory Consumer Buying Behavior: Conceptualization & Measurement,"

- International Journal of Research in Marketing*, 13, 121-137.
- Benjamin, Robert and Rolf Wigand (1995), "Electronic Markets and Virtual Value Chains on the Information Superhighway," *Sloan Management Review*, Winter, 62-72.
- Bloch, P. H., Sherrell, and N. M. Ridgway (1986), "Consumer Search: An Extended Framework," *Journal of Consumer Research*, 13, 119-126.
- Bloch, N. M. Ridgeway and D. L. Sherrell (1989), "Extending the Concept of Shopping: An Investigation of Browsing Behavior," *Journal of Academy of Marketing Science*, 17, 1, 13-21.
- Burke, Raymond R. (1997), "Do you see what I see? The Future of Virtual Shopping," *Journal of the Academy of Marketing Science*, 25, 4, 352-360.
- Carson, Stephen J., Joann J. Peck, and Terry L. Childers (1996), "Preliminary Results on the Determinants of Technology Assisted Shopping(TAS): A Model, Measure Development, and Validation," Proceedings of AMA Educator's Conference, American Marketing Association, Winter, 229-239.
- Darden, W. R. and Dorsch, M. J. (1990), "An action strategy approach to examining shopping behavior," *Journal of Business Research*, 21, 289-308.
- Darian, J. C. (1987), "In-home Shopping: Are There Consumer Segments?," *Journal of Retailing*, 63, 2, 163-186.
- Eastlick, M. A. (1996), "Consumer Intention to Adopt Interactive Teleshopping," *Marketing Science Institute Working Paper*(Report No. pp. 96-113), Cambridge, MA: Marketing Science Institute.
- Ecommercetimes.com and Active Media (2001), "Study: E-Commerce Nearly Doubled in 2000" [<http://www.ecommercetimes.com>].
- Engel, James F., Roger D. Blackwell, and Paul W. Miniard (1995), "Consumer Behavior," 8th Eds, The Dryden Press.
- Foley, Paul and Davis Sutton (1998), "Boom Time for Electronic Commerce-Rhetoric or Realty," *Business Horizons*, September-October, 21-30.
- Foss, C. L. and Bower, G. H. (1986), "Understanding actions in relation to goals," in N. E. Sharkey(Ed.), *Advances in Cognitive Science* 1, pp. 94-124, Chichester, England: Horwood.
- Gerbing, David A. and James C. Anderson (1988), "An Updated Paradigm for Scale Development Incorporating Unidimensionality and Its Assessment," *Journal of Marketing Research*, 25(May), 186-192.
- Gollwitzer, P. M. (1993), "Goal achievement: the role of intentions," *European Review of Social Psychology*, 4, 141-185.
- Hammond, McWilliam, and Diaz (1998), "Fun & Work on the Web: Differences in Attitudes Between Novices and Experienced Users,"

- Advances in Consumer Research*, 25, 372-378.
- Hirschman, and Holbrook (1982). "Hedonic Consumption: Emerging Concepts, Methods and Propositions," *Journal of Marketing*, 46, 92-101.
- Hoffman and Novak (1996), "Marketing in Hypermedia Computer-mediated Environments: Conceptual Foundations," *Journal of Marketing*, 60(July), 50-68.
- Kim, S. and Park, S. (1999), "A Study of Decision Factors for Purchase Intention at the Electronic Commerce," *Journal of Consumer Studies*, Korea, 10, 3, 45-66.
- Klein, L. R. (1998), "Evaluating the Potential of Interactive Media through New Lens: Search versus Experience Goods," *Journal of Business Research*, 41, 195-203.
- Liang, T.-P. and Huang, J.-S. (1998), "An Empirical Study on Consumer Acceptance of Products in Electronic Markets: A Transaction Cost Model," *Decision Support Systems*, 24, 29-43.
- Lin, Carolyn A. (1999), "Online-Service Adoption Likelihood," *Journal of Advertising Research*, 39, 2, 77-89.
- Miyazaki and Fernandez (2001), "Consumer Perceptions of Privacy and Security Risks for Online Shopping," *Journal of Consumer Affairs*, 35, 1, 27-44.
- Nelson, Philip J. (1981), "Consumer Information and Advertising," *Economics of Information*, M. Galatin and R. D. Leiter, eds., N. Nijhoff Publishers, Boston, MA, 42-77.
- Nelson, Philip J. (1976), "Economic Value of Advertising," *Advertising and Society*, Yale Brozen, ed., New York University Press, NY, 109-141.
- Nelson, Philip J. (1974), "Advertising as Information," *Journal of Political Economy*, 82, 4, 729-754.
- Nelson, Philip J. (1970), "Information and Consumer Behavior," *Journal of Political Economy*, 78, 2, 311-329.
- Novak, Hoffman, and Duhachek (2003), "The Influence of Goal-Directed and Experiential Activities on Online Flow Experiences," *Journal of Consumer Psychology*, 13, 1&2, 3-16.
- Novak, Hoffman, and Yung (1988), "Measuring the Flow Construct in Online Environments," Working Paper, Vanderbilt University.
- Nunnally, J. C. (1978), "Psychometric Theory," New York: McGraw-Hills
- O'Connor, Gina Colarelli and Bob O'Keefe (1997), "Viewing the Web as a Marketplace: The Case of Small Companies," *Decision Support System*, 21, 171-183.
- Orbell, S., Hodgkin, S. and Sheeran, P. (1997), "Implementation intentions and the theory of planned behavior," *Personality and Social Psychology Bulletin*, 25(September), 945-954.
- Park, Cheol (2000), "Internet Navigation Value and Internet Shopping

- Behavior," *Korea Marketing Review*, 15, 1, 143-162.
- Schwartz, Evan I. (1997), "Webeconomics," Broadway Books, NY.
- Seo & Kim (1999), "An Empirical Study in the Effects of Cost Advantage in Online Transaction: Consumers' Perception of Use of Internet Shopping Malls," Proceedings of Korean Academic Society of Business Administration, Spring Conference, 225-234.
- Shop.org and Boston Consulting Group (2000), "State of Online Retailing 3.0," Washington, D. C., National Retail Federation, [<http://www.shop.org>].
- Shim, Soyeon and Drake, M. F. (1990), "Consumer Intention to Utilize Electronic shopping," *Journal of Direct Marketing*, 4(Summer), 22-33.
- Shim, Mary Ann Eastlick, Sherry L. Lotz, and Patricia Warrington (2001), "An Online Prepurchase Intentions Model: The Role of Intention to Search," *Journal of Retailing*, 77, 397-416.
- Stigler, G. J. (1961), "The Economics of Information," *Journal of Political Economics*, 19(June), 213-225.
- Titus, P. A. and P. B. Everett (1995), "The Consumer Retail Search Process: A Conceptual Model and Research Agenda," *Journal of the Academy of Marketing Science*, Vol. 23(2), 106-119.
- U.S. Census Bureau (2003), Public Information Office [www.census.gov/www/current.html].
- Verhoef, Peter C. and Fred Langerak (2001), "Possible Determinants of Consumers' Adoption of Electronic Grocery Shopping in the Netherlands," *Journal of Retailing and Consumer Service*, 8, 275-285.
- Weber, K. and Roehl, W. S. (1999), "Profiling People Searching for and Purchasing Travel Products on the World Wide Web," *Journal of Travel Research*, 37(February), 291-298.
- Yoo, Changjo, Jonghee Park and Debbie MacInnis (1998), "Effect of Store Characteristics and In-Store Emotional on Store Attitude," *Journal of Business Research*, 42, 253-263.
- Yoo, Changjo and Chung, H. (2002), "Utilitarian Value and Hedonic Value of Emotional Experiences Obtained from Internet Shopping Malls: The Cause-and-Effect Relationships," Proceedings of Korean Academic Society of Business Administration, Summer Conference.