

# An Analysis of the Effects of Service and Marketing of 3C products on Consumer Behavior in Electronic Appliance Chain Stores and Discount Chain Shopping Malls

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**Abstract.** As 3C products (communication, consumer electronics, computer products) are the favorite of youth groups, this study treated college students as subjects, and conducted a questionnaire survey to investigate, compare and analyze young consumers' viewpoints about the service attitude, professional interpretation skill and maintenance services provided in discount chain shopping malls and electronic appliance chain stores, when purchasing 3C products.

**Keywords:** 3C products, Electric appliance chain stores, Discount chain store shopping mall, Service provider-customer relationship, Service attitude, Professional interpretation skill, Maintenance services

## 1. Introduction

Using the multi-store feature, chains systems expand the contact range between consumers, manufacturers and vendors, allowing consumers to purchase commodities in chain stores located in various places. The multi-store effect of the chain system removes the regional limitations in the original relationship between consumers, manufacturers and vendors. The original consumer-store owner relationship expands from the one to one relationship into a one-to-multiple relationship. Such interactions between consumers and the chains' headquarters, or the service personnel of the stores in the chain system, highlight the service provider - consumer relationship [1].

In the age of advanced information and knowledge, it has become necessary for students to own and use products for information technology communication, such as computers and home appliances. Students in Taiwan can buy 3C products from computer product stores, digital lifestyle shops, information product stores, media stores, home appliance stores, 3C products stores, electronic appliance chain stores and discount chain shopping malls. The chain stores attract young students for a variety of reasons. Students may have membership cards for electronic appliance chain stores and discount chain shopping malls that allow them to buy products at lower prices. They may also be attracted by the proximity of maintenance services, as well as the product diversity of chain stores.

## 2. Research Motives and Purposes

This study explored Taiwanese students' service perception of buying 3C products in chain stores, as well as the professional interpretation and after sales maintenance service of chain stores. It had the following purposes:

- An analysis of the industrial characteristics of discount chain shopping malls and chain appliance stores, and an analysis of the consumer - service provider relationship as applied to students.

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- Whether service providers' professional interpretation skills regarding 3C brand name products attract student consumers to make purchases.
- The perception of student consumers regarding the after-sales services of chain stores.

This study mainly discussed the reasons why consumers were satisfied or dissatisfied with the services provided by chain stores. It could be used to enable chain systems to more effectively improve customer service management through the understanding of student consumers. In addition, the research findings could provide marketing personnel with a reference for making more concrete and pragmatic strategies for marketing and after-sales service.

### **3. Literature Review**

Literature [2] proposed that consumer behavior refers to individual actions relating to obtaining and using economic goods and services, including the decision to take action and the decision-making process beforehand. Literature [3] indicated that consumers will search, buy, use, assess and dispose of products and services to satisfy their needs.

Literature [4] stated that, "the youth group's consumption style and the items they buy have been the way of their self-expression. Consumption is a channel of their exploration and self-definition; whether it is spent on tangible items or intangible services, it has become an approach to self-discovery and self-identity. New developments such as the increasing wealth, the improvement in education and the global free flow of real time information make modern young consumers a very unique consumer group, particularly in the Asia-Pacific region". This means huge business opportunities for enterprises and brands. It is estimated that the Asian elite consumption market will amount to 500 billion USD in 2016. It is believed that no enterprise will miss the huge business opportunities coming from such an emerging consumer group.

#### **3.1 Lifestyle and values of young consumers**

Lifestyle fundamentally changes with the times, and values change accordingly. Popular phenomena directly and rapidly reflect the values of consumers. Hence, popular trends can be predicted by observing and analyzing changes in consumer lifestyles. Due to the increasing income of modern consumers, lifestyle and content have been receiving more and more attention. The demands on commodities have changed from functional to the psychological needs. Hence, business opportunities can be grasped once the changing trends of consumers' daily lives are understood.

With an increasing national income, improving living standards, the popular use of credit cards and cash cards, loose loan policies and low interest rates, the new generation of young people have more disposable income and higher consumption capabilities. Driven by new values and a focus on a material life, their attitudes and tastes in products have changed considerably. In addition to the combination of functionality and beauty, they also demand 3C products for the expression of personal tastes and popular styles. A vibrant community that cannot be overlooked has come into being, due to their high consumption power. They will talk with their family and friends about popular 3C products, using them for the direct communication of emotions and ideas, and for the coordination of team activities. They move in this era of spiritual experience and satisfaction, consuming and enjoying the pleasure of a popular lifestyle.

#### **3.2 3C product-related professional interpretation skill and service quality**

Literature [5] pointed out that KASH (Knowledge, Attitude, Skills, and Habit) is an important marketing model that can be used to achieve good business performance. If applying the model to the sales persons for 3C products, it can be interpreted as a good service attitude, professional knowledge, and interpretation skills that generate service quality and help consumers develop the habit of frequent consumption. Sales personnel with professional interpretation skills allow consumers to feel confident about product quality and allow them to trust the service provider or store.

#### **3.3 The convenience of discount chain shopping malls and electronic appliance chain stores**

Discount chain shopping malls are places where people frequently buy daily necessities. Most of such shopping malls have electronic appliance departments that electronic products to consumers while they buy daily necessities. They can satisfy the consumer demand for buying everything at one visit, providing consumers with satisfactory service of the highest quality.

The convenience of electronic appliance stores lies in the diversity of 3C products. Higher product diversity can better satisfy consumers' demands for buying everything at one visit. However, the main reason to attract consumers is a large number of stores and a wide distribution of stores, as well as high traffic convenience and ease of purchase.

Chain stores attract students for a variety of reasons. Students may have membership cards for electronic appliance chain stores and discount chain shopping malls that allow them to buy products at lower prices. Students may also be attracted to the proximity of maintenance services, as well as with the product diversity of chain stores.

#### 4. Research Purposes

Literature [6] applied CA (content analysis) to conduct an empirical study, in the form of open questionnaire survey, on the consumer perceptions of three national chain stores: Sears, K-mart & Wards. The research findings suggested that the store image perspectives include specific store attributes, the overall store attributes, and the products. The layout of commodities, substantial attributes, advertising, promotion, the selection of commodities, service, the number of commodity lines, the credit system, after-sales service, location convenience, price, store reputation, the impression of the sales personnel, and the easy access to repair services were all concrete elements of the store image.

Literature [7] conducted a consumer questionnaire survey to investigate the concrete elements of store image. The research findings suggested that the store attribute perspectives include equipment convenience, service convenience, inconvenience of being crowded, a clean environment and a large shopping space, competitive prices and popular commodities.

In the information age, youths are the main consumer groups of 3C products. During the purchase process, the store's professional service, professional interpretation skill, and maintenance services all affect purchase intention. Using college students as subjects, this study conducted a comparative study of the purchase of 3C products in discount chain shopping malls and electronic appliance chain stores. The questionnaire used the perspectives of service attitude, professional interpretation skill, and maintenance services. The items were measured with a Likert 5-point scale, ranging from "strongly disagree" to "strongly agree". The questionnaire was handed out to students, and the collected feedback was summarized to measure the attitude of students.

#### 5. Results

The subjects were college students in northern Taiwan, and were selected without bias toward male or female subjects. The questionnaire was completed freestyle by the respondents. The subjects were composed of 65 males (34.57%) and 123 females (65.42%). The satisfaction comparison of discount chain shopping malls and electronic appliance chain stores is shown in Table 1.

Table 1 Satisfaction comparison of discount chain shopping malls and electronic appliance chain stores

Satisfaction level	Discount chain shopping mall		Electric appliance chain store		
	Very satisfied	Satisfied	Ok	Unsatisfied	Strongly unsatisfied
Professional service	13 (7%), 15 (8%)	78 (42%), 76 (41%)	87 (46%), 87 (46%)	10 (5%), 8 (4%)	0 (0%), 2 (1%)
Product explanation	11 (6%), 13 (7%)	70 (37%), 81 (43%)	93 (50%), 84 (45%)	12 (6%), 10 (5%)	2 (1%), 0 (0%)
Product repair	12 (6%), 14 (7%)	98 (52%), 73 (39%)	70 (38%), 82 (44%)	5 (3%), 10 (5%)	2 (1%), 0 (0%)

##### 5.1 The perspective of professional service

Discount chain shopping malls and electronic appliance chain stores had similar results, from the perspective of professional services. In terms of dissatisfaction or satisfaction, the gap between “very satisfied” and “satisfied” was extremely small. It was because the two are in the service industry and are well aware of the importance of professional service. Both types of stores have designated personnel to introduce commodities, which are rich in variety and have relevant auxiliary parts. Consumers will compare products and have more selective considerations about making purchases. A total of 5% of the respondents reported they were “unsatisfied” and “strongly unsatisfied” with the service attitude of personnel in electronic appliance stores, mainly because they had experienced poor attitudes of the service personnel in electronic appliance chain stores.

### **5.2 The product explanation perspective**

In terms of product explanations when purchasing 3C products, discount chain shopping malls scored lower (43%) than electronic appliance chain stores (50%). Chain stores had a higher score for consumer satisfaction regarding product explanation due to having more widely distributed small-sized stores, with more personnel and time for explanation. The dissatisfaction level in both cases was relatively lower.

### **5.3 The product repair perspective**

Regarding the satisfaction level of repair services, discount chain shopping malls scored higher (58%) than electronic appliance chain stores (46%), mainly because they are larger in size and have more repair and maintenance personnel to better win consumer satisfaction.

Students may select to buy 3C products while shopping for daily necessities. The quality of 3C products purchased in shopping malls is believed to be trustworthy, while the prices are “guaranteed low price, or the price difference is refunded” as claimed by the shopping mall. The products are believed to be stable in quality and low in price. In addition, the commodities are easy to purchase, as everything is clearly on display. The length of warranty is also the same as that of general electronic appliance stores. Another incentive is the accumulation of membership card points in exchange for gifts or discounts. Relatively, the consumer perceptions of electronic appliance chain stores are that they have specific personnel to introduce products that are rich in variety, and that they have a diversified range of relevant peripheral products at negotiable prices. Other attractions lie in price bidding, TV commercials, and other equivalents. A total of 5% of the respondents reported they were “unsatisfied” or “strongly unsatisfied”, mainly because they had experiences of buying poor-quality products at electronic appliance chain stores. They believed the electronic appliance stores should be more professional. However, the outcome of poor explanations of product functionality by salespeople led to their increasing level of dissatisfaction. Easy access to traffic, ease of purchase, and the ability to purchase at one visit were the other main incentives for young consumers to purchase 3C products at electronic appliance stores.

## **6. Conclusions and Contributions**

This study focused on the perceptions of young consumers regarding the chain system, in order to understand the service provider-consumer relationship from the perspectives of service attitude, professional interpretation skill, and maintenance services.

Students, with their relatively lower economic power, mainly consider price when purchasing commodities. Chain store owners attract students by the policy of refunding the price gap. Moreover, the general trust in product quality and the diversified commodities offered in chain stores, as well as the ease of purchase are also incentives to young consumers. Comparatively, consumer perceptions are that electronic appliance chain stores have specific personnel to introduce products, have a rich variety of products, a diversified range of relevant peripheral products at negotiable prices and allow price bidding. TV commercials also have an effect on consumers.

This study conducted a questionnaire survey of young consumers in northern Taiwan. It is recommended to expand the research scope for survey and analysis in the future, to get more objective and concrete data in follow-up studies.

## 7. References

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