

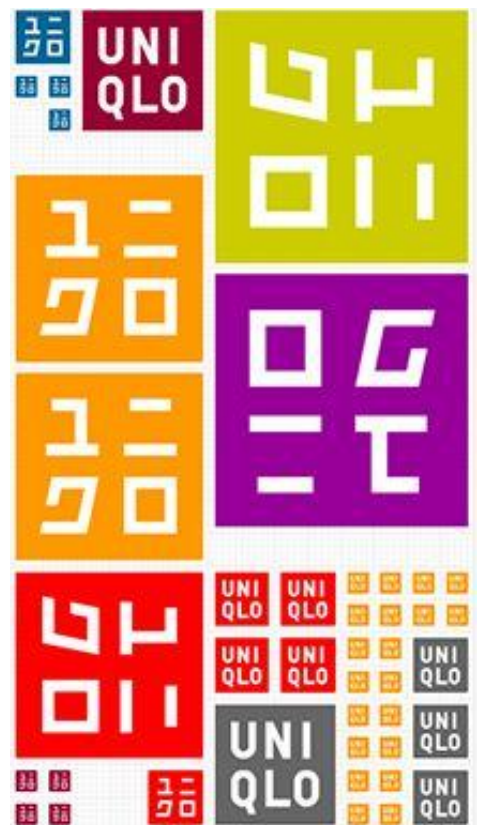


UNIQLO

CONSUMER BEHAVIOR PROJECT

By Dung Tran & Anh Nguyen

ONLINE APPAREL SHOPPING BEHAVIOR



85654 PEOPLE FROM 117 COUNTRIES HAVE
UPDATED THE GRID 549835 TIMES!

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EXECUTIVE SUMMARY

Uniqlo is a Japanese-based fashion company, which has more than 50-year history and is very well developed. It has retail stores in over 20 countries around the world and stays at number fourth of the largest retail stores in the world.

Uniqlo has the ambitious desires to become the world number 1 fashion retail with the plan of expanding to 200 stores in American by 2020. In order to achieve this goal, Uniqlo should consider all the possibilities to raise its awareness in 53 states of United States and all the channels to deliver its products to customers. Online shopping has been a rising channel for effective retailing of many products, among which is clothes.

This project dives into researching the online shopping behaviors in general and specifically to Uniqlo.





The research is based on the

- Theory of value framework with an emphasis on external influences and both hedonic and utilitarian values.
- Theory of consumer in situations: place shapes shopping activities.
- Theory of shopping value includes utilitarian value, hedonic value, and retail personality

Our assumption is as follows:

- Consumers in clothing industry prefer shopping in store.
- When consumers choose to shop online, return policy is very significant.
- Uniqlo's return policies are at disadvantage compared to its competitors.
- Marketing communications and promotions for loyal online customers are being insufficient.

The result is accomplished by 2 methods of research. One is an online survey with over 35 participants. The other is the direct interview with 6 people. The result has advocated our prior assumptions.

From these conclusions, we come up with recommendations for Uniqlo to further develop its brand and expedite their expansion.





COMPANY BACKGROUND

Uniqlo is a brand of casual wear designer, manufacturer, and retailer. It has retail stores in more than 20 countries. The company has been a wholly owned subsidiary of Fast Retailing Co., Ltd. since November 2005

The head quarter of Uniqlo is in Midtown, Minato, Tokyo, Japan. Chairman, president, and CEO is Tadashi Yanai. In 2008, the company has more than 30,000 employees all over the world.

FAST RETAILING USA, Inc

UNIQLO US

CEO: Shin Odake

Established: November 22, 2004

Location: New York, USA

100% consolidated subsidiary

Industry: Fashion & Retail

Products: Clothing

Brand History:

- March 1949, a Yamaguchi-based company, Ogori Shōji (which, until then, had been operating men's clothing shops called "Men's Shop OS") existed in Ube, Yamaguchi.
- In May 1985, they opened a unisex casual wear store in Fukuro-machi, Naka-ku, Hiroshima under the name "Unique Clothing Warehouse". It was at this time that the name "Uniqlo" was born, as a contraction of "unique clothing".
- April 1994, there were over 100 Uniqlo stores operating throughout Japan.
- November 2004, Fast Retailing USA, Inc is established in New York.
- November 2006, UNIQLO Soho New York Store.
- November 2013, 17 stores in USA in New York, New Jersey, San Francisco, and San Mateo.

Organization and major activities:

Uniqlo Co., Ltd. (pronounced "YOU-nee-klo" in English) is a Japanese casual wear designer, manufacturer and retailer.

The Company, originally a division of Fast Retailing Co., Ltd., has been a wholly owned subsidiary since November 2005, listed on the First Section of the Tokyo Stock Exchange.



Location:

There are 950 Uniqlo stores worldwide, and all but 136 are located in Japan, where Uniqlo has had a retail presence since the eighties. But over the last five years, the company has been opening new stores in cities like London, Paris, and Moscow every few months. Since the recession, most global apparel companies have posted stagnant sales figures (or worse), but Uniqlo's low-cost basics have allowed its parent company, Fast Retailing, to announce astounding numbers. In 2009, during one of the worst periods in the history of retailing, Uniqlo reported over \$7 billion in sales of more than 400 million items. Existing-store sales were up by more than 30 percent.

Uniqlo's Soho store opened in November 2006 as the company's largest. About 24,000 customers visit on a typical Saturday. One day, it sold more than 2,000 of a single style of fleece jackets. The Soho store is often the highest-grossing Uniqlo store worldwide and the company's only American presence, but that will change soon. Last month, in addition to reporting a net-income rise of another 55.7 percent, Uniqlo confirmed that it had signed a \$300 million, fifteen-year lease to build a second American store at 666 Fifth Avenue. It is the largest retail lease ever signed in New York.

Brand

Despite its low price tags, however, Uniqlo doesn't fall neatly into the category of deep discounter. Like the mass-fashion brands, it delivers a low-cost product that shares qualities of high-end retail. "Uniqlo is a bit of a different animal," says Luca Solca, who covers retail for Bernstein Research. "And what's different about Uniqlo is that they have chosen fabric, rather than fashion, as the area where they want to excel."

Uniqlo has sixteen *takumi*, or textile "masters," on staff, none with less than twenty years' experience. They specialize in areas like dyeing or sewing, and work with more than 70 factories, mostly in China. A typical order will be around a million units of denim, fleece, or cashmere—often all the material the supplier makes. The company further increases its buying power by offering a smaller selection of fabrics, across a more limited selection of clothes styles, than most other retailers.

Uniqlo disguises the limited variety of products it makes by offering them in almost every color imaginable. There are, for instance, 80 colors of polo shirts currently available on the floor. Most of those colors don't move very quickly—of the dozens of colors of cashmere sweaters available in the New York store last winter, the top sellers were black and white—but the wide spectrum serves as a helpful deception. (The same is true with T-shirts: Uniqlo currently has over a hundred different T-shirt designs for sale in Soho.)



Demographic of users: Everybody

Frequency of purchase/usage:

Usage: daily wear

Every seasonal product cycle (spring, summer, fall, winter)

Not following new trends, continue purchasing until the products wear out

Place of purchase:

- Online store
- Flagship store

Heavy-user profile:

Demographics

- Age: 18 - 26 years old
- Gender: Both male and female
- Education: Undergraduate and above
- Occupation: University Student
- Income Range: more than \$30,000
- Race & Ethnicity: All races
- Geographic Location: Urban area

Psychographics

- Perception: Recognize UNIQLO as top casual wear brand and believe that clothing is important element toward pleasant appearance
- Learning: Friends and family, newspapers, Internet, environmental factors
- Motivation & Needs: Casual wear that ensures high quality and nice design
- Attitude & Personality: Sensitive and passion in fashion trends
- Lifestyle: Casual, healthy and challenging



INDUSTRY BACKGROUND

APPAREL INDUSTRY

Definition:

All establishments producing clothing and fabricating products by cutting and sewing purchased woven or knit textile fabrics and related materials, such as leather, rubberized fabrics, plastics, and furs. This does not include knitting mills or custom tailors and dressmakers. The Apparel & Accessories industry consists of companies engaged in the manufacturing of clothing, such as men, women and children's clothing, uniforms, jackets, hats, socks, gloves, robes, hosiery and swim suits. The industry also includes accessories, such as handbags, attach cases, umbrellas, cosmetic bags, jewelry, watches, luggage, dog collars and leashes. The Apparel & Accessories industry excludes shoes, sneakers and slippers, classified in Footwear.

Size of category:

The U.S. apparel market is the largest in the world, comprising about 28 percent of the global total

- The US apparel retail industry is expected to generate total revenues of \$338.7bn in 2012, representing a compound annual growth rate (CAGR) of 2.9% between 2008 and 2012.
- The apparel manufacturing industry in the United States employed about 104,457 people in 2010; which in retrospect seems quite miniscule for being the largest global apparel market. However, one must remember that even though the majority of these apparel conglomerates are American based, many of them have their manufacturing plants in Asia. The United States imported about 9.74 units of apparel from China alone in 2011, a product value of approximately 29.4 billion U.S. dollars.
- The womenswear segment is expected to be the industry's most lucrative in 2012, with total revenues of \$175.0bn, equivalent to 51.7% of the industry's overall value.

Before the American Civil War (circa 1860), most clothing was made by tailors or by individuals or their family members at home. Ready-made or ready-to-wear apparel existed, but its variety was limited. Mainly coats and jackets (known as outerwear) and undergarments were purchased using predetermined sizes.



ONLINE SHOPPING INDUSTRY

Definition:

Online shopping or e-shopping is a form of electronic commerce which allows consumers to directly buy goods or service from a seller over the Internet using a web browser. Alternative names are: e-web-store, e-shop, e-store, Internet shop, web-shop, web-store, online store, online storefront and virtual store. Mobile commerce (or m-commerce) describes purchasing from an online retailer's mobile optimized online site or app.

History:

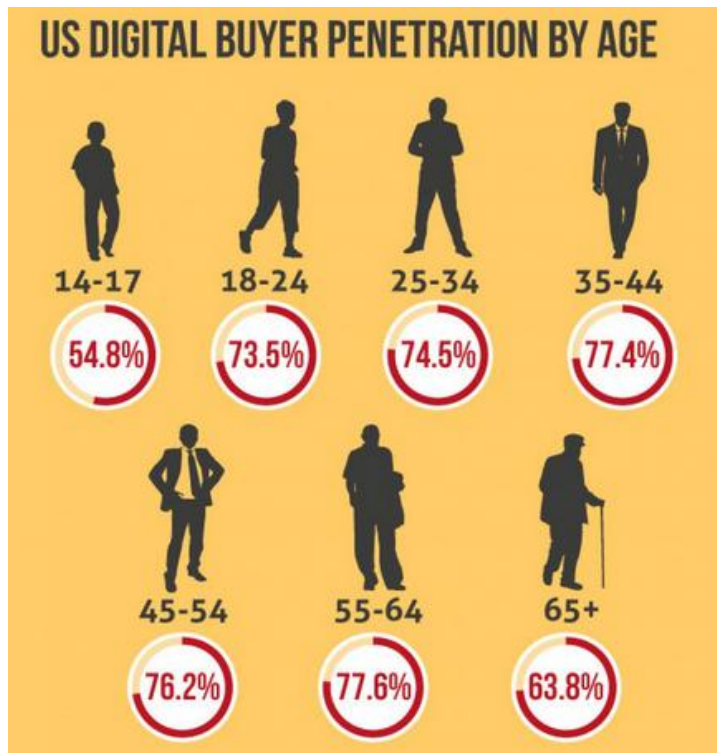
- English entrepreneur Michael Aldrich invented online shopping in 1979. His system connected a modified domestic TV to a real-time transaction processing computer via a domestic telephone line. He believed that videotex, the modified domestic TV technology with a simple menu-driven human-computer interface, was a 'new, universally applicable, participative communication medium — the first since the invention of the telephone. This enabled 'closed' corporate information systems to be opened to 'outside' correspondents not just for transaction processing but also for e-messaging and information retrieval and dissemination, later known as e-business.^[2] His definition of the new mass communications medium as 'participative' [interactive, many-to-many] was fundamentally different from the traditional definitions of mass communication and mass media and a precursor to the social networking on the Internet 25 years later.
- In March 1980 he went on to launch Redifon's Office Revolution, which allowed consumers, customers, agents, distributors, suppliers and service companies to be connected on-line to the corporate systems and allow business transactions to be completed electronically in real-time.
- During the 1980s he designed, manufactured, sold, installed, maintained and supported many online shopping systems, using videotex technology. These systems which also provided voice response and handprint processing pre-date the Internet and the World Wide Web, the IBM PC, and Microsoft MS-DOS, and were installed mainly in the UK by large corporations.
- The first World Wide Web server and browser, created by Tim Berners-Lee in 1990, opened for commercial use in 1991. Thereafter, subsequent technological innovations emerged in 1994: online banking, the opening of an online pizza shop by Pizza Hut,^[6] Netscape's SSL v2 encryption standard for secure data transfer, and Intershop's

first online shopping system. Immediately after, Amazon.com launched its online shopping site in 1995 and eBay was also introduced in 1995.

Trends and Statistics:



US RETAIL ECOMMERCE SALES BY PRODUCT CATEGORY





THEORY

CONSUMER VALUE FRAMEWORK is a consumer behavior theory illustrating factors that shape consumption-related behaviors and ultimately determine the value associated with consumption. These factors include internal influences, external influences, consumption process, relationship quality, and at the heart of the theory – value.

In this report, we will focus on examining Value, External Influences, and Internal Influences.

Value and its 2 basic types:

Value is the net worth a consumer obtains from an activity. From a marketing perspective, the relevant value is that received from activities involving interactions between consumers and the firm or its products. Value is what consumers ultimately pursue, because valuable actions address motivations that manifest themselves in needs and desires. In this sense, value captures how much gratification a consumer receives from consumption.

VALUE = WHAT YOU GET minus WHAT YOU GIVE

Utilitarian value: Value derived from a product that helps the consumer with some task.

A rational explanation can usually be given by the purchaser when utilitarian value is involved. In many cases, utilitarian value can be thought of as a means to an end. Value is provided because the object or activity allows something else good to happen or be accomplished.

Hedonic value: Value derived from the immediate gratification that comes from some activity.

The value is provided entirely by the actual experience and emotions associated with the consumption, not because some other end is or will be accomplished.

These two types are not mutually exclusive. One act of consumption can provide both utilitarian value and hedonic value.

Differences between utilitarian and hedonic values:

- Hedonic value is an end to itself rather than a means to an end.
- Hedonic value is very emotional and subjective in nature.



- When a consumer does something to obtain hedonic value, the action can sometimes be very difficult to explain objectively.

Internal influences: Things that go on inside of the mind and heart of the consumer.

Internal influences include the psychology of consumers and the personality of consumers.

External influences: Social and cultural aspects of life as a consumer.

External influences include social environment and situational influences. Social environment is elements that specifically deal with the way other people influence consumer decision making and value. Situational influences are things unique to a time or a place that can affect consumer decision making and the value received from consumption.

CONSUMER IN SITUATIONS – PLACE SHAPES SHOPPING ACTIVITIES

Many of the activities involved in the CVF and consumer behavior theory in general take place in the shopping process.

Shopping can be defined as the set of potentially value-producing consumer activities that directly increase the likelihood that something will be purchased. Shopping represents the inverse of marketing. Both marketing and shopping make purchase more likely, but one involves activities of marketing people and the other involves activities of shoppers.

There are 4 different types of shopping activities:

- **Acquisitional shopping:** Activities oriented toward a specific, intended purchase.
- **Epistemic shopping:** Activities oriented toward acquiring knowledge about products.
- **Experiential shopping:** Recreationally oriented activities designed to provide interest, excitement, relaxation, fun, social interaction, or some other desired feeling.
- **Impulsive shopping:** Spontaneous activities characterized by a diminished regard for consequences spontaneity, and a desire for immediate self-fulfillment.



SHOPPING VALUE

All shopping activities are aimed at one key result – value.

Personal shopping value, or PSV, is the overall subjective worth of a shopping activity considering all associated costs and benefits.

Utilitarian shopping value represents the worth obtained because some shopping task or job is completed successfully.

Hedonic shopping value represents the worth of an activity because the time spent doing the activity itself is personally gratifying.

Retail personality: way a retail store is defined in the mind of a shopper based on the combination of functional and affective qualities.

CURRENT STATUS THALTO DIVIDED FROM JAPAN. [CURRENT USER : 02 / 50] HELLO, THALTO. YOUR COLOR IS

UNIQLO_GRID

UNIQLO IS UNDER CONSTANT CHANGE. GET INVOLVED AND PLAY ON THE GRID. EXPERIMENT WITH THE LOGO AND SEE YOUR COMPOSITIONS AT UNIQLO STORES.

85454 PEOPLE FROM 117 COUNTRIES HAVE UPDATED THE GRID 5498835 TIMES!

INFORMATION HOW TO PLAY

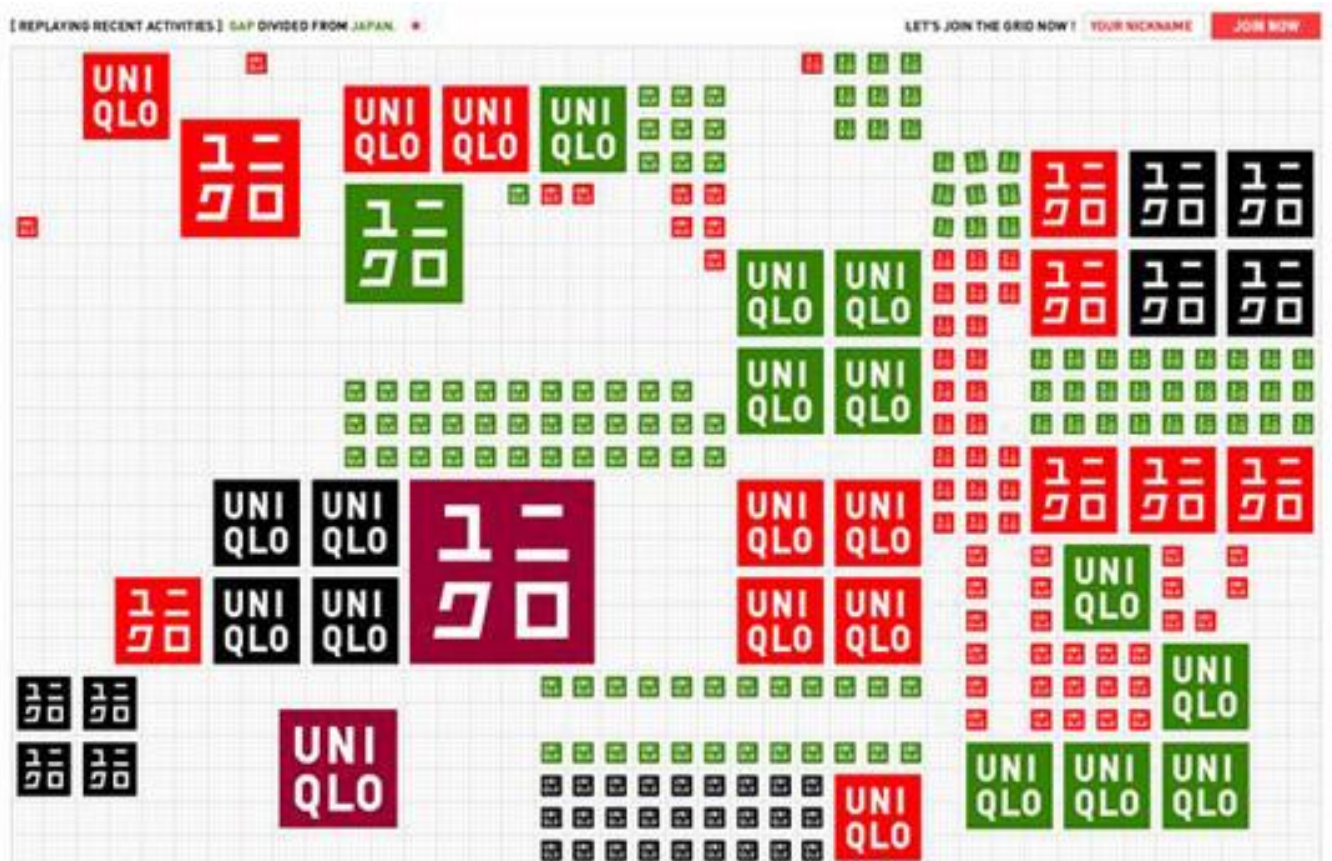


RESEARCH

Qualitative Research Methods: Personal interviews with 8 people (4 male and 4 female), each interview includes from 12 to 15 questions

Quantitative Research Methods: Surveys with 26 respondents

Details are included in the appendix.





ANALYSIS

HEDONIC VALUE

The personal shopping value (PSV) theory is the consequence of the Consumer Value Framework (CVF). Both the two theories state that the aggregate value consists of (shopping) utilitarian and shopping values. In other words, the Personal shopping value of the shopping activities for apparel (the overall subjective worth of the apparel shopping activity) consists of the utilitarian shopping value and the hedonic shopping value activity.

According to the survey results and the personal interviews, hedonic shopping value, the worth of an activity because the time spent doing the activity itself is personally gratifying, is significant in apparel shopping.

Both 4 female interviewees agree that they go shopping because they love the activity itself. For male respondents, 2 out of 4 agree so. Both 4 female respondents agree that they usually go shopping without planning, while there are only 2 male interviewees mention the similar incidents. Especially, 3 female respondents mention the positive feeling when they have a chance to window-shop, while 2 male respondents mention negative feelings in situations in which they go shopping for apparels but fail to find the satisfactory products.

Female apparel shoppers have a tendency to go shopping without having a list of the needed costumes in their minds, with more than 60% of female respondents select “No” when asked if they have an idea of what they need when going shopping for apparels. For male respondents, the rate is 35%. 70% of respondents, both male and female, agree that window shopping is not an uncommon habit. 80% of female survey respondents agree that shopping is a means to relax and reduce stress, while the rate for male survey respondents is 35%.

However, in both personal interviews and surveys, shopping for apparel is commonly listed as a leisure activity, along with electronic device, books, food, and music.

We can conclude that for apparel shopping, hedonic value is a significant factor, although hedonic value and utilitarian value are not mutually exclusive in this situation. The weight of hedonic value seems to be greater in female customers than male customers, and male customers tend to be greater oriented by utilitarian shopping value (the worth obtained because some shopping task or job is completed successfully). However, the results of both female and male respondents in the survey and interview confirm the hypothesis that hedonic value is a strong influence in apparel shopping.



EXTERNAL INFLUENCES AND CONSUMERS IN SITUATIONS

The hedonic value is provided entirely by the actual experience and emotions associated with the consumption, not because some other end is or will be accomplished. This means that external influences and theories of consumers in situations are of great importance.

Situational influences, one factor of external influences, are things unique to a time or a place that can affect consumer decision making and the value received from consumption.

Due to the fact that Uniqlo is still on its progress to expand stores throughout America, online store will determine a large portion of sales when Uniqlo stores are still unavailable in a lot of areas in America. The place factor in situational influences is clearly demonstrated by the theory of Consumers in Situations which states that place shapes shopping activities. In other words, there is a need to evaluate the impact of online store and its relating policies on Uniqlo revenues and profits.

There are 4 types of shopping activities:

- **Acquisitional shopping:** Activities oriented toward a specific, intended purchase.

For Uniqlo, the advantage of online store is the availability of sizes and design and the independence of living location. The disadvantage of online stores in areas where physical stores are unavailable is that customers do not have a chance to touch and try on the apparels. The surveys and interviews show that this is one of the most important activity when it comes to shopping for apparels. This weakness can stop customers from purchasing.

- **Epistemic shopping:** Activities oriented toward acquiring knowledge about products.

This is especially a weakness of online stores, when first-time purchasing customers have no knowledge of the products and fail to have a chance to “touch and try.” When customers but to acquire more knowledge of the new brands, in-store experience and the returning policies are both of utmost importance. This means that Uniqlo needs to implement excellent return policies and customer service for online customers.

- **Experiential shopping:** Recreationally oriented activities designed to provide interest, excitement, relaxation, fun, social interaction, or some other desired feeling.

Although the design of Uniqlo online store is exceptional, according to the survey results and interviews, online apparel shopping fail to serve the interest of experiential shopping.



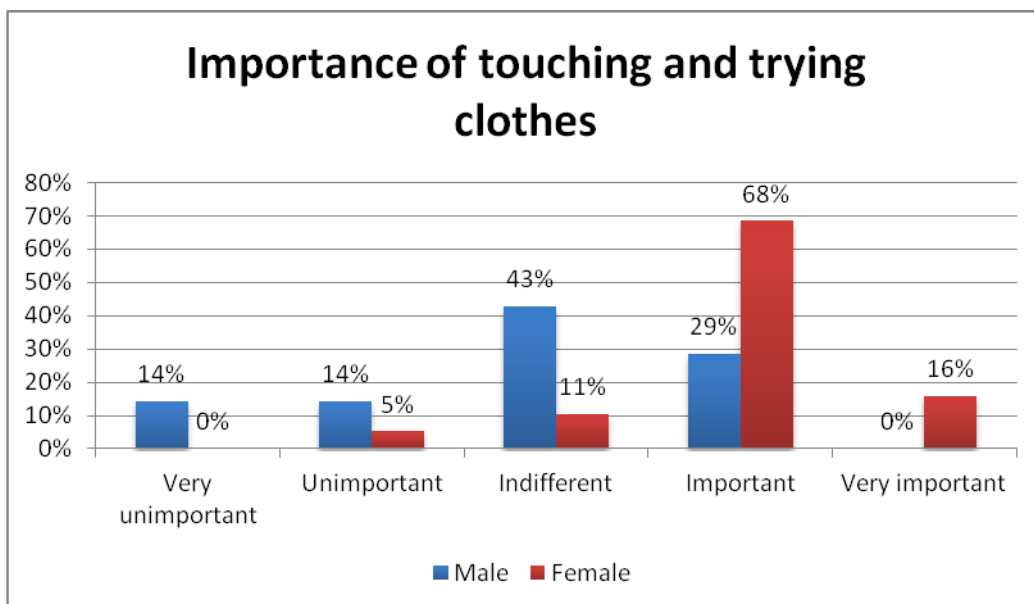
- Impulsive shopping: Spontaneous activities characterized by a diminished regard for consequences spontaneity, and a desire for immediate self-fulfillment.

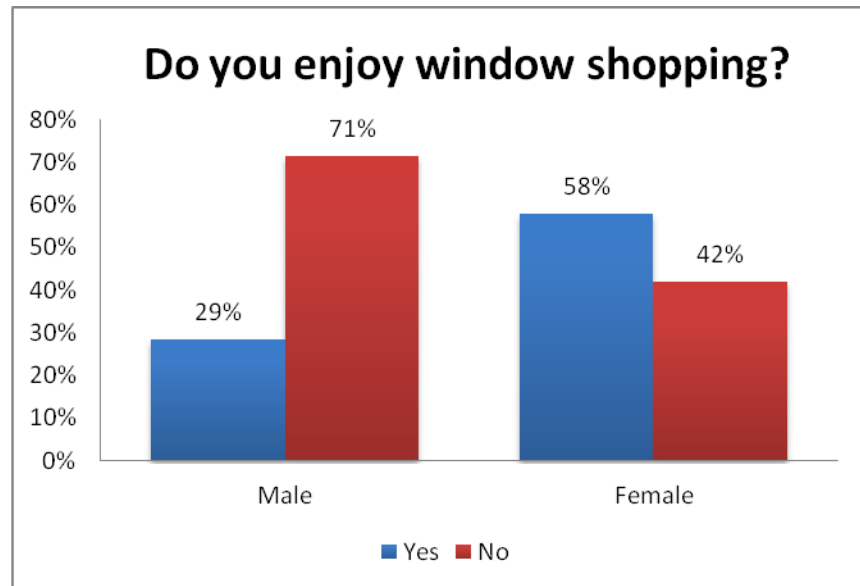
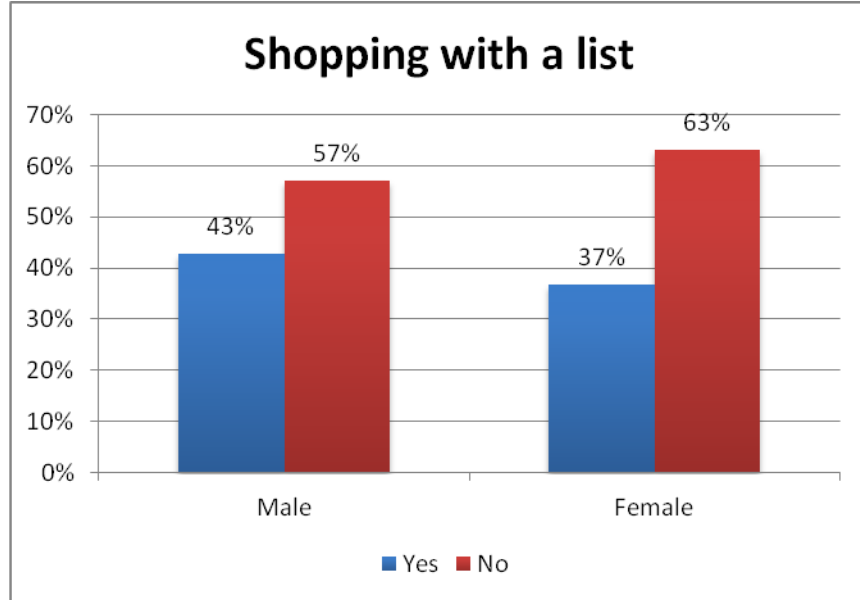
Without touching the products and the impulses created by physical stores, impulsive shopping is limited when it comes to online stores. Furthermore, the willing to conduct impulsive shopping of customers depends a lot on return policies.

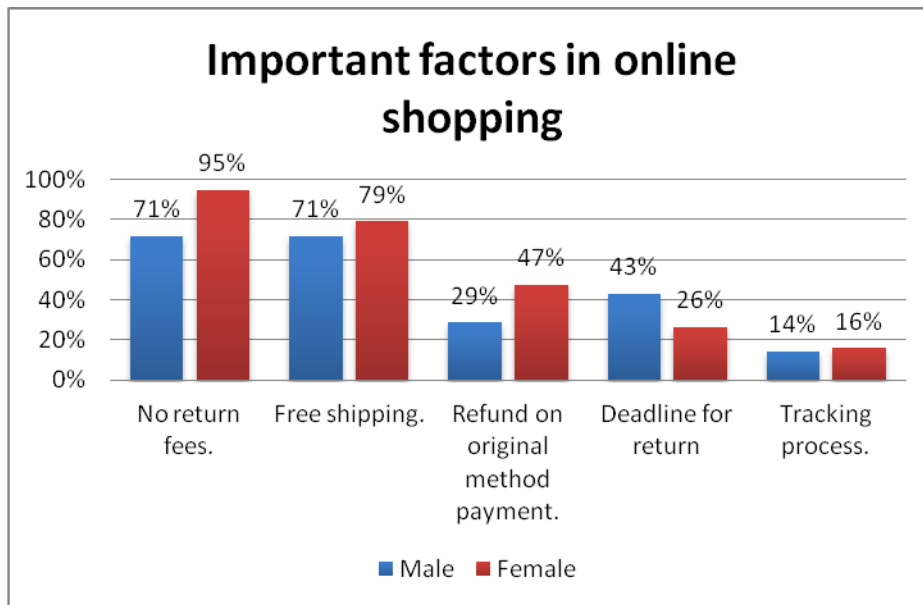
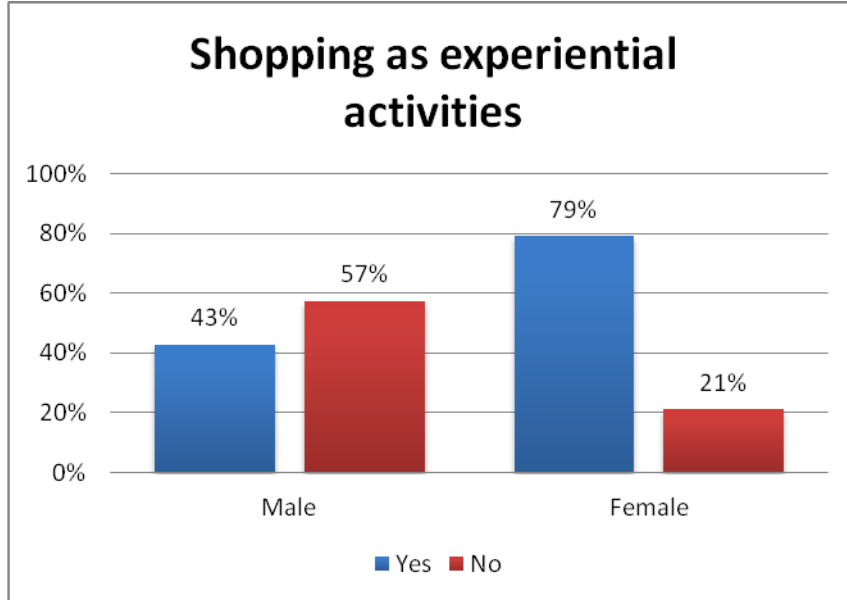
CONCLUSION

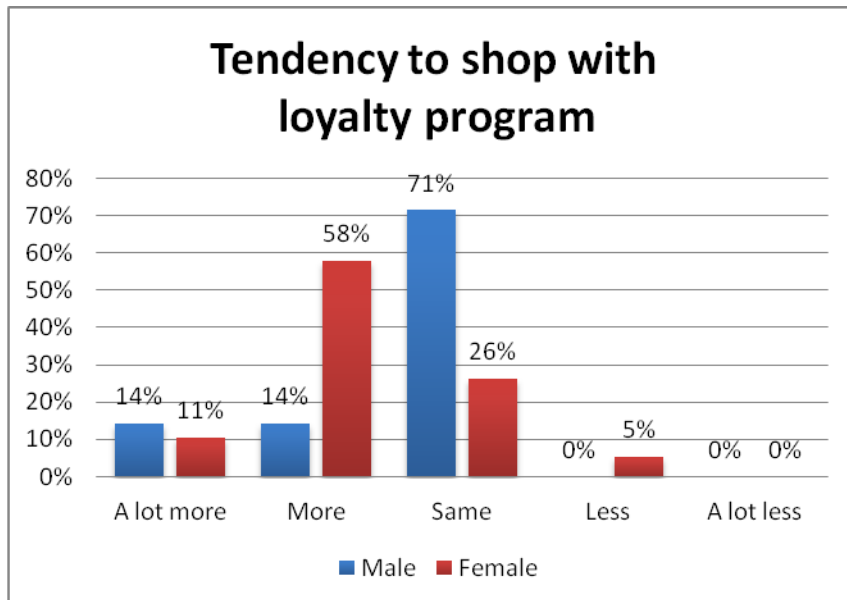
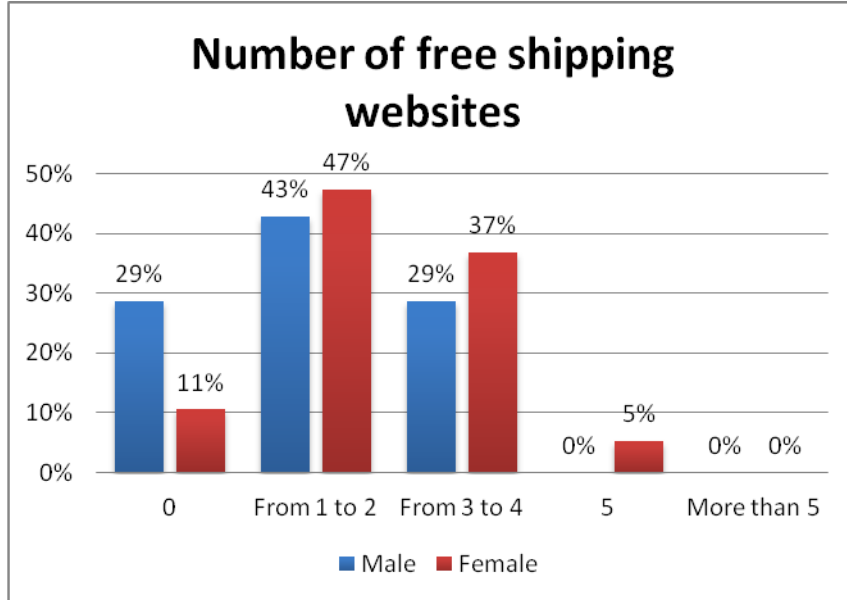
- Hedonic value has a strong impact on the aggregate value of apparel shopping activities.
- The availability of physical store is a significant factor in apparel shopping.
- Due to the unavailability of physical stores in many areas, Uniqlo online store is expected to raise a large portion of sales, and therefor needs special attentions.
- The disadvantages of online stores compare to physical stores lead to the consequence that Uniqlo needs to implement encouraging policies to promote online store sales.

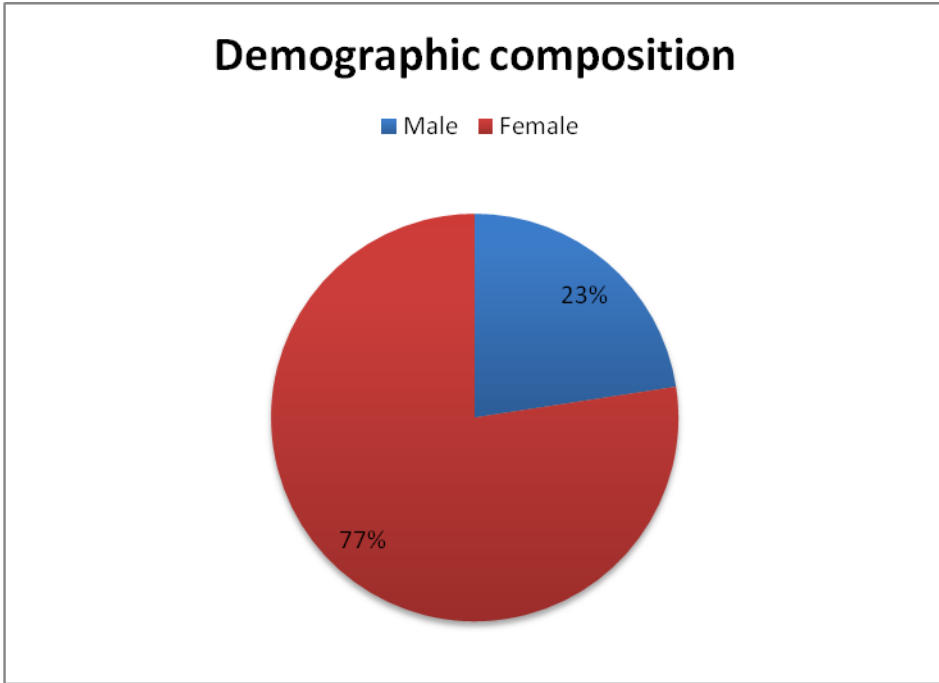
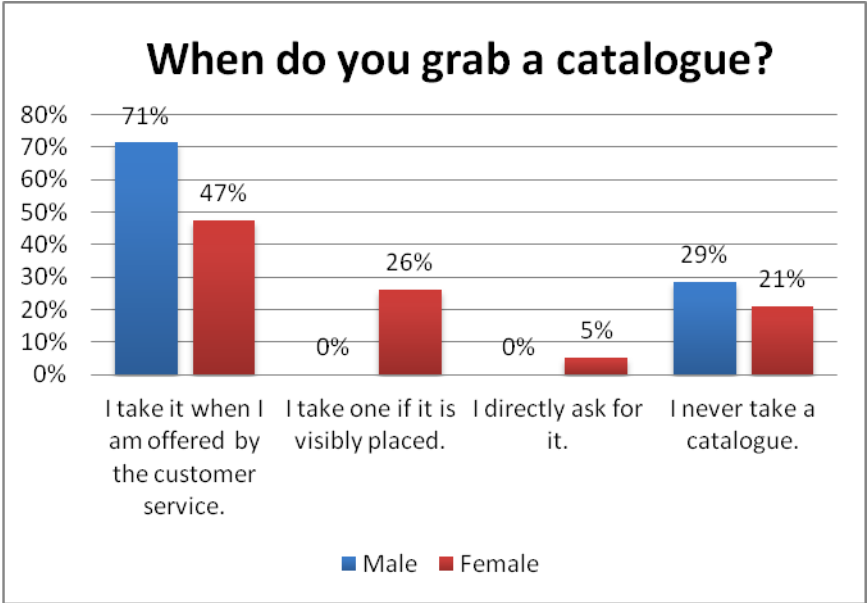
SURVEY ANALYSIS

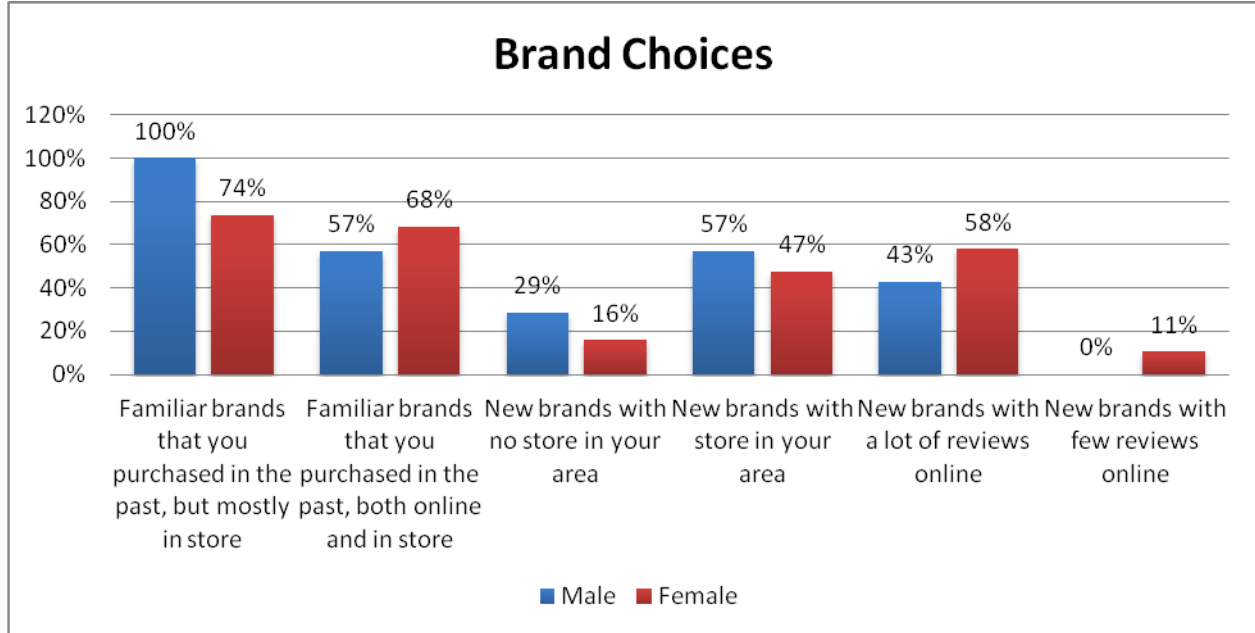












Our survey focuses on the online shopping habits of customers and what they consider important when shopping online. There are 10 questions in the survey, consisting of 9 questions on customer behaviors and 1 questions on demographics. The survey is answered by 26 participants, including 7 males and 19 females. Even though the scale of the survey is limited, it reflects the tendency of online shopping in the customer behaviors.

To begin with, we ask a question of importance of touching and trying on clothes when shopping. 43% of male show the indifference of touching and trying on clothes while majority of female (68%) consider this important. The result implies that the physical contact with clothes while shopping for apparel is influential, which online shopping does not offer.

Next, we ask several questions to identify the characteristics of shopping. Majority of both men and women go shopping for apparel without a list. While most women enjoy window shopping, just 29% of men do so. A high number of women (79%) also consider shopping as a way to relax and reduce stress, while only 43% of men thinks so. These numbers indicate that most of shopping activities is impulsive, unplanned and plays as an experiential activities for women.

We also identify the importance of some factor in online shopping such as free shipping, loyalty program, and catalogues. A considerably high number of participants think free shipping and no return free important while purchasing clothes online while other factors such as refunding and tracking progress is not very significant. However, most of people know only from 1 to 4 websites that offer free shipping. This means that customers really highly consider the customer service while not many website offer free shipping. Therefore, any website that offer free shipping will be more likely to have more loyal customers.



Most women most would buy more with a loyalty program while a loyalty program would not make a big difference for male customers. But once a consumer joins a loyalty program, they would not shop less, which means loyalty program is important in their shopping options.

Furthermore, majority of customers take the catalogue passively. Most of them never directly ask for a catalogue. This demonstrates that if the brand wants customers to approach new models and new arrivals, it must actively contact the customers since customers are inactive in collecting new information on this.

Finally, we ask on the preference of brand for apparel shopping. Male customers have strong tendency to shop in familiar physical stores while females are riskier when they want to try new brand and even new online brand. Even though majority of women still want to shop in physical stores, they would love to try new things online with high reviews.

Conclusion:

- Touching and trying on clothes is important in apparel shopping
- Shopping for apparel is an experiential activities to the majority of women
- Free shipping is highly considered in online shopping
- Loyalty programs play a certain role in keeping loyal customers
- Customers are not very active in approaching new information related to new models
- Women are riskier than men while shopping online





RECOMMENDATION

STORES

To compete with other players in the same price range, Uniqlo has to expand its store towards different areas within America. Since its strength as well as marketing strategy focuses on the functionality and the high quality of the materials, it's important that consumers have a chance to touch the fibers and try them on. Uniqlo may look very colorful on the website, but with basic clothing, it seems that people want to make sure how they feel when they wear them before purchasing.

RETURN POLICY

At the moment, Uniqlo does not offer free shipping for return products. Among their competitors, Zara does offer free shipping return. In addition, they also charge \$7 as a return fee. Almost none of their competitors charge a return fee. Considering the situation that they are just starting to expand their store locations in America, this will be a disadvantage. Except for some magnet cities in the East Coast (New York) and West Coast (Los Angeles and San Francisco), a lot of potential customers will not have a chance to try the real physical products before they purchase Uniqlo products for the first time. These include a lot of college students who obviously do not live in urban areas. My recommendation is that Uniqlo should stop charging return fees, or at least stop charging first-time purchasing customers.

FREE SAMPLES

Because a large portion of sales is focused on virtual shopping and stores are still unavailable in a lot of areas, both metropolitan, suburb and rural, Uniqlo should consider distributing free samples for 1st time purchasing customers (or 1st time using the product). Uniqlo may temporarily charge on customers credit cards a fee for receiving the sample, and return it once customers return the free samples. This policy gives customers a chance to touch and try on the clothes, as well as promoting trust in the relationship management.

LOYALTY PROGRAMS, ONLINE CREDITS, AND GIFT CARDS

To implement the free sample programs, Uniqlo will have to ask their virtual customers to register an official method of payment so that temporary fees can be charged.

Loyalty Programs with Award Credits should be implemented to promote repeat purchase. A large portions of Uniqlo sales depends on the casual and innerwear that people need to replace



seasonally and annually. That's why repeat purchase is of utmost importance. Although marketing strategies to attract new users should not be underestimated, due to the unique functions of Uniqlo products, existing customers and repeat purchases should be prioritized in the long term.

CATALOGUES

Along with online newsletter, Uniqlo should also distribute physical catalogues. Catalogue should be included in every package and should be sent directly and regularly to customers who purchased products in the past.



APPENDIX

Personal Interviews

Personal Interview with Linh Chu, 20 years old, female, international from Vietnam.

Do you often go shopping for apparels because you enjoy doing it without needing something specifically?

Yes, a lot of times. I go shopping as a leisure activity.

So it means that there are times you go shopping without planning?

Usually.

How do you feel if you can't buy anything even though you spent time browsing?

It doesn't really matter whether I purchase anything in the end. I enjoy window-shopping.

What product do you usually shop online?

I mostly buy shoes online since a normal retail store does not have many designs as I want. I also buy books and electronic devices.

Do you buy clothes online?

Sometimes. I do not prefer shopping clothes online since I want to try it on before I buy it

What website do you shop clothes online?

I look at Forever 21, H&M, and Zara

What do you expect in your shopping online?

I want free return since the things I shop may not match me, especially shoes.

Do you care about the website you shop online?

I don't really care since I have no problems with them.

Have you ever heard of Uniqlo?

Yes I did. It is popular in Asia. My mother bought me Uniqlo clothes when I was a kid.

Do you have any intention to shop Uniqlo online?

Not really. I don't wear them now so may be not.

Personal Interview with Nick Lewis, 21 years old, male, from Dallas



Do you often go shopping for apparels because you enjoy doing it without needing something specifically?

Of course not. I just go to the mall when I need something.

So it means that you never go shopping without planning?

Never.

How do you feel if you can't buy anything even though you spent time browsing?

It hardly happened to me. I always try to find the things that I need.

What products do you shop online?

Electronic devices like headphones. To be honest, I do not shop online very much.

Have you ever shopped clothes online?

No I haven't. But may be. It sounds more convenient than going to a store.

What brand of basic clothes do you usually wear?

I wear Hollister, Abercrombie and Fitch, and Nike.

What makes you choose a clothes brand?

Price and styles.

Have you ever heard of Uniqlo?

No I haven't.

(After showing Uniqlo website) Do you feel like shopping on this website?

It looks pretty nice. I may try.

Personal Interview with Michale Wang, 21 years old, male from San Francisco.

Do you often go shopping for apparels because you enjoy doing it without needing something specifically?

Yes, I just love going to the mall.

So it means that there are times you go shopping without planning?

Quite often.

How do you feel if you can't buy anything even though you spent time browsing?

That's ok. I love seeing people and stores. That's enough happiness.

How do you feel about window shopping?

It makes me happy.

What products do you shop online?



I buy electronic devices and clothes

When do you shop online?

When I need something that I cannot find in store

How often do you shop clothes online?

I am not very sure. May be once a month, when I need a new item

Do you consider the return policy important in online shopping?

I think it is quite important since shopping online is more risky than in store. Sometime I need to return because some of my pieces do not fit me.

Have you joined any loyalty program?

I did not remember. May be American Eagle.

How do you feel about loyalty program?

It does not mean that much to me. May be I did not shop that much.

Have you ever heard of Uniqlo?

Yes I did. There are some stores in San Francisco.

Did you ever visit their website?

Yes I did. There was an advertisement of Uniqlo and I clicked to see it.

Do you feel like shopping on their website?

I don't know. May be I would

Personal Interview with Stephanie Smith, 20 years old, female from Chicago

Do you often go shopping for apparels because you enjoy doing it without needing something specifically?

I used to live in downtown Chicago. I go shopping almost everyday.

So it means that there are times you go shopping without planning?

Usually.

How do you feel if you can't buy anything even though you spent time browsing?

Actually there are few times that I decide to purchase anything.

How do you feel about window-shopping?

I window-shop everyday.

What products do you shop online?



I bought many things online like shoes, clothes, phone covers, books, and other miscellaneous things like candles.

When do you shop online?

When I feel like to and when I have free time and money to shop.

How often do you shop clothes online?

I can hardly track it. Maybe once a week.

What part of return policy do you find importance?

I really like free return. I usually return a lot since I want to try them if they fits. And the sizes for clothes vary, you don't know if it really fits you.

Have you joined any loyalty program?

I have joined most of the brands I usually shop.

How do you feel about loyalty program?

I love the credit stores, especially not in sale time. I feel I am appreciated to be a loyal customer.

Have you ever heard of Uniqlo?

Yes I did. I visited the SoHo stores when I got to New Yorks

Did you ever visited their website?

Yes I have.

Do you feel like shopping on their website?

I may try but I never shop online here so it is risky for me.

Personal Interview with Christine Pham, 20 years old, female from Dallas.

Do you often go shopping for apparels because you enjoy doing it without needing something specifically?

Quite often. About half of the time I go shopping just because I feel like missing the mall.

So it means that there are times you go shopping without planning?

Yes.

How do you feel if you can't buy anything even though you spent time browsing?

I know I would be broke if I purchase whenever I go to the mall, but it's still uncomfortable.

How do you feel about window-shopping?

I would rather not to.

What products do you shop online?



I shop apparels and electric devices online. Sometimes I also buy books

What are the website do you shop online?

I shop mostly on Amazon, Macy's, and sometimes Zappos.

What do you like about them?

All of them have free returns and great customer service. Uhm, Macys have free shipping above \$50.

Do you always expect that you have free shipping both ways?

Sure. I mostly shop clothes with free return. You know sometimes clothes do not fit you.

What motivates you to shop online?

When I like some models that are not available in store. And it's convenience and very diverse for your to choose.

Are you interested in loyalty program like store credit?

Yeah sure. I try to collect them. It's a fun part of shopping

Have you heard of Uniqlo?

Yes I did. But I mostly shop online since there is no physical store in Dallas

How often do you shop online in Uniqlo?

Not very much. Only when they are in sale since it is only free shipping over \$75 or \$100.

Personal interview with Maria Mendoza, 22 years old, female from New York

Do you often go shopping for apparels because you enjoy doing it without needing something specifically?

Sometimes

So it means that there are times you go shopping without planning?

Perhaps half of the time I go shopping is unplanned.

How do you feel if you can't buy anything even though you spent time browsing?

It's really frustrating but it still happens a lot.

How do you feel about window-shopping?

I window-shop everyday.

What products do you shop online?

I usually buy books and clothes online.

What website do you usually shop?



Amazon and Zappos. Those are my favorite.

Why do you like them?

Because there are so many options there and they have great programs for free shipping.

How often do you shop clothes online?

I think may be once or twice a week. It depends

When do you shop clothes online?

I think when I feel like to, especially when there are sales and promotions.

What do you expect when shop online?

First of all, free shipping. That's very important to me. Second, I want to have good customer service so when I call them, I got answered.

How do you value credit store program?

I like some programs that provides me with advantages with every time I shop

Have you ever heard of Uniqlo?

Yes I did. I know about the Soho stores

Have you ever shopped Uniqlo online?

No I haven't since it does not have free shipping. It requires over \$75 for free shipping

Personal interview with Jerrick Hernandez, 22 years old, male from New York

Do you often go shopping for apparels because you enjoy doing it without needing something specifically?

I go shopping almost everyday to reduce stress.

So it means that there are times you go shopping without planning?

Usually. It's NYC so you go shopping whenever you feel like to.

How do you feel if you can't buy anything even though you spent time browsing?

Actually there are few times that I decide to purchase anything.

How do you feel about window-shopping?

It's a little bit feminine but I do it too.

What products do you shop online?

Mostly books and electronic device.

When do you shop online?

When I can't find any store in NYC. It's rare but it happens. I would rather touch things.



How often do you shop clothes online?

Almost never. I need to try them on.

What part of return policy do you find importance?

I just need in-store return. Original payment method is important too. I don't want gift cards.

Have you joined any loyalty program?

Yes I do.

How do you feel about loyalty program?

I shop more with brands I join their loyalty programs.

Have you ever heard of Uniqlo?

Yes I did. I visited the SoHo stores when I got to New Yorks

Did you ever visited their website?

Yes, I have.

Do you feel like shopping on their website?

It's unlikely that I will try.

Personal interview with Andy Smith, 25 years old, male from Plano

Do you often go shopping for apparels because you enjoy doing it without needing something specifically?

Never. I shop only when I know what I need.

How do you feel if you can't buy anything even though you spent time browsing?

It would be very disappointing.

How do you feel about window-shopping?

I would never do it.

What products do you shop online?

Mostly books and electronic device.

When do you shop online?

When I can't go to a store.

How often do you shop clothes online?

Sometimes when the brands I love don't have a store in DFW area.

What part of return policy do you find importance?



Their payment method and shipping policy.

Have you joined any loyalty program?

I join a lot.

How do you feel about loyalty program?

I shop more with brands I join their loyalty programs.

Have you ever heard of Uniqlo?

No I didn't.

Survey

1. When shopping for clothes, how important it is to directly touch and try on the costumes?
 - Very unimportant
 - Unimportant
 - Indifferent
 - Important
 - Very important
2. Do you usually go shopping apparel with a list?
 - Yes
 - No
3. Do you enjoy window shopping?
 - Yes
 - No
4. Do you consider shopping as a way to relax and reduce stress?
 - Yes
 - No
5. Which one of the following do you prefer in online shopping (please tick all that apply):



- No return fees.
 - Free shipping.
 - Refund on original method payment.
 - Deadline for return
 - Tracking process.
6. How many website that you shop online offer free return shipping?
- 0
 - 1-2
 - 3-4
 - 4-5
 - >5
7. Do you tend to buy more or less with brands that you join loyalty program?
- A lot more
 - More
 - Same
 - Less
 - A lot less
8. When you do you grab a catalogue?
- I take it when I am offered by the customer service.
 - I take one if it is visibly placed.
 - I directly ask for it.
 - I never take a catalogue.
9. In what situations would you like to shop? (Please tick all that apply)
- Familiar brands that you purchased in the past, but mostly in store



- Familiar brands that you purchased in the past, both online and in store
- New brands with no store in your area
- New brands with store in your area
- New brands with a lot of reviews online
- New brands with few reviews online

10. What is your sex?

- Male
- Female