

A Study on the Influence of Premiums in Clothing Purchase

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Abstract

The objectives of this study are to investigate consumer experiences with premiums, consumer preferences in premiums offered for clothing and the effect of premiums on clothing purchasing behaviors. A self-administered questionnaire survey was conducted to 610 men and women from ages 15 to 59 living in the Seoul metropolitan area from February 25 to March 9, 1999; 548 were used for the data analysis. Data was analyzed by descriptive statistics, t-test, ANOVA, chi-square analysis and Duncan's multiple range tests.

Significant differences were found among selected demographic groups in information sources used for premium offers, experiences of receiving premiums, purchasing experiences due to premium offers, preferences between discount and premiums, additional purchase intentions because of premiums, and the premiums' influences. The groups with purchase experiences or brand and stores selecting experiences due to premium, showed significant differences in premiums' influences and the satisfaction levels with premiums. Regarding preferences between discount and premiums, significant differences were found in premiums' influence on purchasing selected clothing items, additional purchasing intentions to get premiums and the satisfaction levels with premiums.

Key words : premiums, premiums' influence, additional purchasing intention due to premiums, preferences in premiums, demographic characteristics.

I. Introduction

As the fashion/apparel market becomes increasingly competitive, promotional activities play an important role in marketing to communicate with consumers on products or company and the overall goal is the increase sales and profit.

Premiums, one of the promotional activities, are the offer of some type of products or services either free or at a minimum change to induce consumer change in purchase be-

havior¹⁾.

Premium has been frequently used for fashion/apparel market and the amount of money spent for it is continually increasing in Korea. However, the frequent use of premiums may sometimes result in waste of money because of consumer dissatisfaction with premiums or products and/or damaging in brand image if they are used without adequate knowledges on products and consumers. Thus, research is needed on the effect of premiums on changing consumer purchasing behaviors. However, research on the mat-

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¹ James F. Engel, Martin R. Warshaw, and Thomas C. Kinner, *Promotional Strategy: Managing The Marketing Communication Process* (Homewood, IL: Richard D. Irwin, Inc, 1996), 6.

ter has been limited. Therefore, the present study aims to investigate consumer experiences with premiums, and to examine consumer preferences in premiums offered for clothing products and the influences of premiums on clothing purchasing behaviors.

II. Review of Literature

1. Sales Promotion

Promotion is communication undertaken to present a company and its products to the consumers. Engel, Warshaw, and Kinnear defined promotional strategy as a "controlled program of communication methods and materials designed to present a company and its products to prospective customers; to communicate need-satisfying attributes of products to facilitate sales and thus contribute to long-run profit performance."²⁾ The tools of promotion include advertising, personal selling, publicity and sales promotion³⁾.

Sales promotion is a part of promotional activities, other than personal selling, advertising and publicity that stimulate consumer purchasing and dealer effectiveness and various nonrecurrent selling efforts not in the ordinary routine. Sales promotion is effective for inducing short-run consumer change, but not in forming attitude or building positive images. Sales promotion can be used to differentiate from competitors⁴⁾. In fashion and apparel industry, sales promotion is often used to change consumer's purchasing behaviors and to increase consumer demands. The industry has become increasingly competitive among similar products and brands, and offering something extra to the consumer is often

used as a means of differentiation from competitive. Moreover, clothing is often subject to impulse buying. Thus, promotional activities play an important role in marketing clothing and fashion products. Some of the most common specific objectives of fashion promotion activities include the following: to introduce new products, to indicate depth, range, and variety of product assortments, to establish fashion authority and leadership, to present fashion information, to bring related products together, to present special merchandise offers, to present special price or conditions of sale, to introduce special theme or events, to attract new groups of customers, to render retailers useful instruction or demonstration on the optimum use of a product / to reach persons who influence the purchaser, to make known the organization, departments, or personal behind products, to identify and differentiate brands and institutions, to prevent substitution, and to build traffic⁵⁾.

Sales promotion is divided into trade promotion and consumer promotion⁶⁾. Trade promotion is a variety activities geared to motivate resellers and sales people, and includes dealer contest, trade coupons, dealer loader, trade deals for resellers, and supporting and motivational programs for sales people⁷⁾. Since this study mainly focused the consumer promotion, details on the trade discount was omitted here. Consumer promotion is activities directed toward the consumer, and main tools used include price incentives, sampling, couponing, contests and sweepstakes, and premiums. These activities often aim to stimulate consumer trial of the new product,

²⁾ James F. Engel, Martin R. Warshaw and Thomas C. Kinner, *op. cit.*, 6.

³⁾ Dong-Keun Yoo, *Promotion Management*, (Seoul: Mirae-kyungyoung, 1997) 17.

⁴⁾ Dong-Keun Yoo, *op. cit.*, 15.

⁵⁾ Arthur A. Winter and Sanelly Goodman, *Fashion and Advertising & Promotion*, (New York: Fairchild Publication, 1984) 101.

⁶⁾ John Burnett and Sandra Moriarty, Introduction to Marketing Communications: An Integrated Approach, *Promotional Strategy* trans. Hoon-Hyun Yoon and Yong-Gik Koh, (Seoul: Suk Jeong, 1998), 247.

⁷⁾ Dong-Keun Yoo, *op. cit.*, 433-434.

existing consumer to buy more products, and/or people using other brand or nonusers to switch to or consider the present brand for trial⁸.

Price incentives is a method of lowering price temporarily to encourage trial use of a new product or to stimulate demand for an existing product. This technique is effective for consumers with low brand loyalty and for relatively new brands. **Coupons** is a method of giving coupons to consumers which are redeemed at the retail store. The use of coupons enables the consumer to take advantage of a price deal and helps the manufacturers to specify the time frame for the promotion. **Sampling** is a physical distribution of a new product for giving consumers opportunities to experience the products or services for free or at low prices. It is an effective but expensive way to promote products. The ways of distribution include mail, house-to-house private delivery, distribution at point-of-purchase and inclusion in the package of another product. **Premiums** are the offer of a merchandise or service for free or at a minimum charge with a purchase of the present brand or product. Detailed information on premiums are reviewed in the next section. **Contest and sweepstakes** involve consumers in the manufacturer's advertising and merchandising activities by participating in games of skill or chance. A contest requires the participant's skill to create an idea, a concept or an end product. This method of sales promotion has become too competitive among department stores recently in Korea. Sweepstakes are games offering the participants an equal chance to win

a prize from an expensive list of rewards⁹.

Before practicing sales promotion, the conditions of the market should be examined to determine the techniques of sales promotion. Luick and Ziegler (1968) classified promotional tools in terms of objectives sought. When the goal is to introduce new products, they suggested the use of three types of tools: sampling, couponing and money refund. To increase sales of an existing product, price-off promotions, premiums and consumer contests were suggested¹⁰.

2. Premiums

A premium is the offer of some type of merchandise or service either free or at a bargain price to induce purchase of another product or service offering¹¹. The use of premiums and the amount of money spent for it has been increasing. The 1996 U.S. Industry report of promotion marketing showed that the profit from premiums was the highest among the methods of sales promotion and the amount was 20.8 billion dollars for 1995¹².

Using premium is usually effective in gaining short-run trial use and temporary sales increase. However, the trial doesn't guarantee repeat purchases unless the product offers distinctive advantage to the consumer.

For clothing and fashion products, premiums are used to increase or create consumer demand, or to inform new products to the consumer. A recent example of premiums used for clothing, a casual brand 'J-vim' presented a t-shirt to customers who bought three couple-looks¹³. GIORDANO also offered a t-shirt to customers who spent more than

⁸ Koo-Youn Oh, *Department Store Marketing*, (Seoul: Eulchi, 1993), 197-198.

⁹ John Burnett and Sandra Moriarty, *op. cit.*, 247-262.

¹⁰ John F. Luick and William Lee Ziegler, *Sales Promotion and Modern Merchandising*, (New York: McGraw Hill), 1968, 37-65.

¹¹ James F. Engel, Martin R. Warshaw and Thomas C. Kinner, *op. cit.*, 384.

¹² "1996 Industry Report" *Promo* (July 1996), 36.

¹³ "Apparel News", 18 January 1999, Advertising section, p.2.

¹⁴ "Apparel News", 13 July 1998, Advertising section, p.2.

50,000 won, and a beach-towel to those who spent more than 70,000 won¹⁴). Underwear brand ~Vivien' offered its new product as a premium¹⁵) and children's brand, 'INTER-CREW KIDS' gave out a sketch-book combined with a catalogue to all its customers¹⁶).

1) Categories of Consumer Premiums

There are three different categories of consumer premiums: direct premium, mail premium and self-liquidator. For mail premium, the offer is communicated to the consumer by media advertising, the requests for the free premiums are mailed to the manufacturer or to a premium redemption specialist, and premiums are delivered to the consumer. This process costs a lot of money. **Direct premium** is the offering of premiums to the consumer on the point-of-purchase. There are four different ways of direct premiums: store premium, in-packs premium, on-packs premium and container premium. The store premium is a merchandise or service offered at the point-of-purchase, separately from the product bought. For the in-packs premium, the premiums are packaged in the basic product in the factory for offering to the consumer. In the case of the on-packs premium, premiums are attached on the package of the basic product for the consumer. For the container premium, the product is packaged in the premium, the opposite to in-packs. **Self-liquidator**, the last type of consumer premiums, is the way to charge the consumer at a minimum rate to get premiums¹⁷).

2) The Effects of Premiums on Consumer Behaviors

Only limited research in terms of consumer

premiums has been conducted. In a study on the influences of premiums, Kim found that people with less purchase experiences were influenced by consumer premium offers when purchasing a car. As the lower the income levels of consumers, the higher influences of premiums offers are. Kim also reported that people were influenced greatly by low involvement product (coffee), while premiums were not effective with the purchase of high involvement product (car)¹⁸).

In another study, Lee investigated the effective sales promotion method with regards to involvement. He used low involvement (soft drinks) and high involvement merchandises (computer and records). For both high and low involvement merchandises, preference of price discount was higher than those of premiums. This indicated that the characteristics of the products affected the consumers' response toward sales-promotion and price cut in purchasing products provides the satisfaction of discount as well as the role of increasing the price-value when price cut in consumer purchasing¹⁹).

The use of consumer premiums has been increasing for fashion and apparel industries. Lately with an economic crisis, Korean consumers have tended to purchase clothing products less than before and premiums were used to stimulate consumers to purchase more. As economic conditions improve, premiums still seem to play an important role as a short-term promotional activity, and are attributed to the rapid increase in clothing expenditure in Korea.

In spite of the frequent use of premiums, some consumers have a negative image on premiums in that they often lead to unneces-

¹⁴ "Apparel News", 8 Jun 1998, Advertising section, p.2.

¹⁵ "Apparel News", 23 February 1998, Advertising section, p.2.

¹⁷ John Burnett and Sandra Moriarty, *op. cit.*, 259-260.

¹⁸ Young-Won Kim, *A Study on the Influences of Premiums*, (Seoul: Kook Min University, 1993), 38.

¹⁹ Joon-Ho Lee, *A Study on the Effective Sales Promotion Method*, (Seoul: Yonsei University, 1993), 41-45.

ary consumption and increase in the price of products. Moreover, the common belief is that consumer premiums aren't worthwhile. With these kinds of mixed feelings of consumers on premiums, the amount of money spent for them is increasing and this may sometimes result in waste of money. Thus, research on consumer premiums are needed with regards to their effects, especially for fashion and apparel products. However, research on the premiums has been limited. Therefore, the purposes of the present study were to investigate consumer experiences with premiums, and to examine consumer preferences in premiums offered for clothing products and the influences of premiums on clothing purchasing behaviors.

III. Research Method

1. Research Questions

1. Are there differences among groups with different demographic characteristics in
 - 1) information sources of premium offers,
 - 2) purchase experiences due to premium offers,
 - 3) preferences between price discount and premiums and
 - 4) premium's influences on additional purchase intentions of different clothing items?
2. Are there differences between the experienced and unexperienced to get premiums in
 - 1) premium's influences on purchase experiences of different clothing items and
 - 2) the satisfaction level with premiums and the clothing bought with the premiums?
3. Are there differences between the groups preferring price discount or premiums in
 - 1) premium's influences on purchase experiences of different clothing items and
 - 2) the satisfaction level with premiums and the clothing bought with the premiums?

2. Data Collection

- A. Self-administered questionnaire survey

was conducted for the present study. The survey was consisted of a pilot and the final test. The pilot test was done to 60 people and 50 were used for checking reliability, validity and clarity of the questionnaire.

By convenience sampling, the final questionnaire was distributed to 610 men and women from ages 15 to 59, living in the Seoul metropolitan area from February 25 to March 9, 1999; 548 were used for the data analysis.

3. Instruments

For this study, a preliminary questionnaire was developed and revised after conducting a pilot test. The final questionnaire consists of 3 parts: demographic variables, consumers' experiences with consumer premiums and consumers' purchase characteristics.

For demographic characteristics, 6 questions were included: age, sex, marital status, occupation, residence, income. Regarding consumer experiences with premiums, 4 questions were developed by the present researchers: experience of receiving premiums, received premium items the satisfaction after using premium, the satisfaction of purchased merchandise when premium receiving. The questions on satisfaction were asked on a 5-point scale which ranged from 1 (strongly dissatisfied) to 5 (strongly satisfied)

For consumers' purchase characteristics, 6 questions were included and asked on a 5-point scale; from 1 (strongly uninfluenced) to 5 (strongly influenced): the influence of premium offers on consumer purchasing six clothing items, the experience of selecting stores or brands because of premium offers, preferred premium item, information sources of premium offer, the preference between price discount and premium and the additional purchase intention because of premiums. The six clothing items were coat, suit, jacket, jeans, sweater /shirt and pant /skirt. The information sources of premium offer were newspaper, TV /radio, magazine, family /relatives, direct mail and friend.

4. Data Analysis

Data was analyzed by SPSS for Window (version 7.5). Descriptive statistics, t-test, ANOVA, chi-square analysis and Duncan's multiple range test were employed.

IV. Results and Discussion

1. Consumer Profile

Regarding age, approximately 26% of the respondents were in their 20's, while 50 and over were 13%. Almost an equal percentage was shown for the 10's (20.0%), the 30's (20.7%), and the 40's (19.30%). Over a half of the respondents were female (52.4%), and single (54.2%).

Regarding occupation, the subjects were consisted of students (38.69%), clerical worker (15.15%), housewives (13.5%), professionals (11.86%), manufacturers (2.74%), and the jobless (4.2%). The residential distribution of the subjects were Kangnam (24.13%), Kangbuk (55.58%), and others (20.29%). The income categories were consisted of under 1 million won (16.13%), 1~1.5 million won (19.81%), 1.5~2.0 million won (22.52%), 2~3 million won (26.41%) and over 3 million won (14.95%) of monthly salary.

With regards to the experience of receiving premiums, more than half of the respondents had experiences. Only 25% of subjects had experienced choice of brand or store because of consumer premium offer.

Regarding the information sources used for premium offer, respondent indicated leaflets (33.06%), newspapers (24.44%), magazines (17.25%) and TV/radio broadcasts (10.88%). The most frequently received consumer premium item by respondents was 'bags' and the items they wanted to receive were bags (17.83%), umbrellas (15.44%), fashion watches (13.42%), discount coupons (13.05%) and scarves (12.87%).

Respondents tended to be less satisfied with premiums received when purchasing clothing ($M=2.68$) and with the products bought when the premiums were given ($M=2.81$). This indicates that apparel /fashion industry needs to improve consumer satisfaction levels with products as well as premiums.

Regarding the preference to price discount or premium, most respondents (93.94%) preferred price discount to consumer premiums. This result was agreed with Lee's study in that respondents preferred price cuts to premiums for both low and high involvement²⁰. The reasons for preferring price discounts to premiums were paying less (50.49%), bad previous experience with premium (11.31%), and low usefulness of premiums (35.09%). Those who preferred premiums indicated that the reasons of the preferences were the attractiveness of premiums (40.63%), good feelings to get free gift (31.25%) and rarity of premiums (21.88%).

Over 70% of respondents answered negatively to the questions on whether they intended to make additional purchases to get premiums when shopping for clothing. This indicated that the premiums are not very effective tools to induce consumer change in purchasing behaviors.

In terms of the levels of a premium's influence on inducing consumer's purchase behaviors respondents showed the highest levels for overcoats, followed by suits, jeans and jackets in order.

2. Influence of premiums on Purchase behaviors

1) Information Sources of Consumer Premium Offers

Respondents reported information sources used to find about premium offers for clothing products in the following order: direct mail,

²⁰ Joon-Ho Lee, *op. cit.*, 41-45.

newspaper, magazines, TV/radio and others. Others included catalogues and internet.

The information sources used to find premium offers among groups determined by age, gender and marital status (Table 1).

Regarding age, the most frequently infor-

mation sources used for different age groups were magazine and TV/radio for teenagers and magazines for those in their twenties. Those who are in their thirties used newspaper the most followed by TV/radio, and half of the subjects in their forties got infor-

<Table 1> Chi-square analyses of demographics on the information sources

n(row%/column%)

		Newspaper	Magazine	TV/radio	Direct mail	Family / relatives	The others	Total
Age	10's	8 (8.1/6.7)	32 (32.3/38.1)	12 (12.1/22.6)	23 (23.2/14.3)	1 (1.0/5.9)	23 (23.2/43.4)	111 (100/20.3)
	20's	22 (16.5/18.5)	41 (30.8/48.8)	10 (7.5/18.9)	42 (31.6/26.1)	1 (0.8/5.9)	17 (12.8/32.1)	146 (100/27.3)
	30's	36 (35.3/30.3)	10 (9.8/11.9)	15 (14.7/28.3)	35 (34.3/21.7)	2 (2.0/11.8)	4 (3.9/7.5)	114 (100/20.9)
	40's	32 (34.4/26.9)	1 (1.1/1.2)	7 (7.5/13.2)	41 (44.1/25.5)	8 (8.6/47.1)	4 (4.3/7.5)	105 (100/19.1)
	50's	21 (35.0/17.6)	0 (0.0/0.0)	9 (15.0/17.0)	20 (33.3/12.4)	5 (8.3/29.4)	5 (8.3/9.4)	72 (100/12.3)
Total		119 (24.4/100)	84 (17.2/100)	53 (10.9/100)	161 (33.1/100)	17 (3.5/100)	53 (10.9/100)	548 (100/100)
χ^2		131.10*** df=4						
Gender	Male	69 (30.3/58.5)	31 (13.6/37.3)	26 (11.4/49.1)	64 (28.1/40.0)	13 (5.7/76.5)	25 (11.0/47.2)	259 (100/47.1)
	Female	49 (19.1/41.5)	52 (20.3/62.7)	27 (10.5/50.9)	96 (37.5/60.0)	4 (1.6/23.5)	28 (10.9/52.8)	287 (100/52.9)
Total		118 (24.4/100)	83 (17.1/100)	53 (11.0/100)	160 (33.1/100)	17 (3.5/100)	53 (11.0/100)	546 (100/100)
χ^2		18.50** df=1						
Marital Status	Married	69 (31.8/58.5)	16 (7.4/19.0)	27 (12.4/50.9)	79 (36.4/49.4)	15 (6.9/88.2)	11 (5.1/21.2)	148 (100/44.8)
	Single	49 (18.4/41.5)	68 (25.5/81.0)	26 (9.7/49.1)	81 (30.3/50.6)	2 (0.7/11.8)	41 (15.4/78.8)	298 (100/55.2)
Total		118 (24.4/100)	84 (17.4/100)	53 (11.0/100)	160 (33.1/100)	17 (3.5/100)	52 (10.7/100)	546 (100/100)
χ^2		58.33 *** df=1						

p<.01, *p<.001

mation from family/relatives the most and newspapers next. The fifty and over age group used family/relatives the most followed by newspaper in order.

Regarding the differences in age distribution per each source, newspapers were reported as the most frequently used source by the 30's and the 50's, magazines by teens and the 20's and direct mail by the 40's.

In terms of the influence of gender on information sources used, males used newspapers the most and direct mail second. Females reported direct mail as the most important sources followed by magazines. Regarding the gender differences in the degree of usage of each source, newspapers and family/relatives were most often used by males. Magazines and direct mail were reported as the main sources used by females. TV/radio showed similar usage rate by both sexes. In terms of influence of marital status on information sources used, both married and singles tended to use direct mail the most to get information about premium offers. Regarding the differences in the usage of each source by marital status, newspapers and family/relatives were the main sources by the married people while magazines were used by singles the most. TV/radio and direct mail were evenly used by both groups.

2) Purchase experience due to the premium offer

The experiences of receiving premiums when shopping clothing were tested in terms of age and significant differences were found (Table 2). For respondents in their 20's, 30's and teens, the experienced exceeded the unexperienced in number. However, there were more unexperienced among those in their 40's and 50's.

The purchase experiences due to the premium offers were tested across age groups and significant differences were found (Table 3). Those who were in their twenties showed the highest experience levels, followed by those in their 30's in purchasing clothing to get premiums, while people in their 50's showed the least experiences.

Gender and marital status also showed significant difference in the purchase experiences due to premium offer. Women and single people tended to buy goods more than expected due to premium offer than men and the married people. A similar result was found in the study of the effects of premiums on the consumer attitudes. He reported that significant differences were found among different age groups in the influences of premium offer on the consumer choices²¹.

<Table 2> Chi-square analysis of age groups on the premium experiences

	n(row% / column%)			
	Experienced	Not experienced	Total	χ^2
10's	66(60.0 / 20.7)	44(40.0 / 19.2)	110(100 / 20.1)	21.77*** df=4
20's	98(67.6 / 30.7)	47(32.4 / 20.5)	145(100 / 26.5)	
30's	75(65.8 / 23.5)	39(34.2 / 17.0)	114(100 / 20.80)	
40's	49(46.2 / 15.4)	57(53.8 / 24.9)	106(100 / 19.3)	
50's	31(42.5 / 9.7)	42(57.5 / 18.3)	73(100 / 13.3)	
Total	319(58.2 / 100)	229(41.8 / 100)	548(100 / 100)	

***p<.001

²¹ Young-Won Kim, *op. cit.*, 35.

<Table 3> Chi-square analyses of demographics on the purchasing experiences in means of premium
n(row% /column%)

		Experienced	Not experienced	Total
Age	10's	27(24.8 /19.9)	82(75.2 /20.1)	109(100 /20.0)
	20's	48(33.1 /35.3)	97(66.9 /23.8)	145(100 /26.7)
	30's	30(26.5 /22.1)	83(73.5 /20.3)	113(100 /20.8)
	40's	23(21.7 /16.9)	83(78.3 /20.3)	106(100 /20.8)
	50's	8(11.3 / 5.9)	63(88.7 /15.4)	71(100 /13.1)
Total		136(25.0 /100)	408(75.0 /100)	544(100 /100)
χ^2		12.98* df=4		
Gender	Male	134(51.5 /42.0)	126(48.5 /55.8)	260(100 /47.7)
	Female	185(64.9 /58.0)	100(35.1 /44.2)	285(100 /52.3)
Total		319(58.5 /100)	226(41.5 /100)	545(100 /100)
χ^2		10.02** df=1		
Marital Status	Married	128(51.4 /40.1)	121(48.6 /53.5)	249(100 /45.7)
	Single	191(64.5 /59.9)	105(35.5 /46.5)	296(100 /54.3)
Total		319(58.5 /100)	226(41.5 /100)	545(100 /100)
χ^2		9.59** df=1		

*p<.05, **p<.01

The differences in the degree of preference between price discount and premiums was tested among groups with different demographic characteristics (Table 4).

In terms of the degrees of preference, subjects in their 20's showed the highest preference level of price discounts to premiums than other age groups did, followed by the 30's, 40's, 10's, and 50's.

The percentage of preference in price discounts among groups were similar except the 50's. This reveals that most of the consumers regardless of age want to pay less when shopping for purchase clothing.

Those who preferred premiums were mainly teens and people in their 20's. They were small in number; however, the percentage of preference was much high than other groups, totalling 75% of people preferred premiums.

This showed that promotional strategies using premiums should focus on young consumers.

Differences in the extent of premium offer's influences on inducing the purchasing different clothing items were examined and significant differences were found among age groups in buying all clothing items used in this study, except jackets (Table 5). For coats, the 50's group was least influenced and was significantly different from other age groups. People in their 20's were most highly influenced. For the purchasing of suits, the highest level of influence by premiums was found by the 20's group and the least by the 50's group. People in their 50's were significantly different from the 40's, 20's and teens. For slacks /skirt and jeans, teens showed the highest levels of premiums' influence, and the

<Table 4> Chi-square analyses of demographics on the preference between price discount and premium
n(row% /column%)

		Discount	Consumer premium	Total
Age	10's	100(90.9 /19.5)	10(9.1 /30.3)	110(100 /20.2)
	20's	130(89.7 /25.4)	15(10.3 /45.5)	145(100 /26.6)
	30's	111(97.4 /21.7)	3(2.6 / 9.1)	114(100 /20.9)
	40's	103(98.1 /20.1)	2(1.9 / 6.1)	105(100 /19.3)
	50's	68(95.8 /13.3)	3(4.2 / 9.1)	71(100 /13.0)
Total		512(93.9 /100)	33(6.1 /100)	545(100 /100)
χ^2		12.42* df=4		
Gender	Male	249(96.1 /48.9)	10(3.9 /30.3)	259(100 /47.8)
	Female	260(91.9 /51.1)	23(8.1 /69.7)	283(100 /52.2)
Total		509(93.9 /100)	33(6.1 /100)	542(100 /100)
χ^2		15.59** df=1		
Marital Status	Married	239(96.8 /47.0)	8(3.2 /24.2)	247(100 /45.6)
	Single	270(91.5 /53.0)	25(8.5 /75.8)	295(100 /54.4)
Total		509(93.9 /100)	33(6.1 /100)	542(100 /100)
χ^2		6.45* df=1		

*p<.05, **p<.01

<Table 5> ANOVA of on the premiums' effect on purchasing clothing items

		Coat	Suit	Jacket	Slacks / Skirt	Jeans	Sweater / Shirt
Age	10's	2.65B	2.63B	2.45	2.53B	2.69B	2.48BC
	20's	2.76B	2.67B	2.47	2.50B	2.66B	2.51C
	30's	2.57B	2.43AB	2.34	2.09A	2.12A	2.06A
	40's	2.62B	2.55B	2.35	2.28AB	2.15A	2.18AB
	50's	2.25A	2.17A	2.21	2.16A	2.12A	2.32ABC
F-value		2.28*	2.70*	1.07	4.19**	8.48***	3.87**
Income (unit: Ten thousand)	Below100	2.88	2.74	2.65	2.59	2.53B	2.37AB
	100~150	2.55	2.44	2.32	2.20	2.15A	2.07A
	150~200	2.55	2.49	2.31	2.23	2.28AB	2.19A
	200~300	2.48	2.42	2.32	2.37	2.53B	2.56B
	over300	2.67	2.54	2.40	2.35	2.47AB	2.40AB
F-value		1.58	1.18	1.99	2.02	2.47*	3.58**

p<.01, *p<.001

ABC is the results of Duncan's multiple range test.

50's group and 30's group the least. For slacks/skirts, people in their 30's and 50's were similar in terms of the premiums' influence and showed significant differences with teens and the 20's group. For jeans, the groups of the 20's and teens were similar, and showed significant differences with other groups. The highest influence level of premiums for purchasing sweaters/shirts was reported by the 20's group and the least by the 30's group who were significantly different from the 20's group and teens.

In terms of income levels, significant differences were found in the premiums' influences on the purchase of jeans and sweaters/shirts. For jeans, the groups with income levels of the below 1 ten thousand won and 2~3 ten thousand won range showed the highest level were significant differences with the group of 1~1.5 ten thousand won income level. When purchasing sweaters/shirts, the most highly influenced group by premium offer was in the 2~3 ten thousand won income level, and the lowest was in the 1~1.5 ten thousand level.

The extent of a premium's influence on buying different clothing items was tested in terms of the experience due to the premium offer. Significant differences were found in buying all clothing items between the groups with and without experience (Table 6). The

experienced showed higher levels of premium offers influence on buying all clothing items.

This result was not consistent with that of Kim's study. Kim investigated premium effects on the purchasing of high and low involvement merchandise, and found that high involvement(car) was purchased regardless of a premium offer²².

The extent of a premium's influence on clothing purchasing was tested in terms of the preference between price discount and the premiums per each clothing item (Table 7). Significant differences were found only in purchasing coats and suits. Those who preferred premiums were more likely to be influenced by premium offers when shopping for a coat or suit.

The extent of a premium's influences were also tested for clothing items; in terms of the choice experience of brand/stores because of premium offers, all of the items showed significant differences. Respondents who had experiences in choosing their brand/store because of premium offers showed higher levels of a premium's influence for purchasing all of the items.

The satisfaction levels with the premiums and the products bought with the premiums after using them were examined in terms of the preference between price discount and premiums. Those who preferred premiums

<Table 6> t-Test analyses of purchase experiences on the premiums' influence on purchasing clothing items

		Coat	Suit	Jacket	Slacks/skirt	Jeans	Sweater/shirt
Experienced	M	2.74	2.64	2.50	2.42	2.50	2.42
	SD	1.13	1.09	0.9	0.99	1.1	1.07
Not Experienced	M	2.41	2.35	2.22	2.21	2.23	2.18
	SD	1.23	1.16	1.04	1.05	1.07	1.08
t-value		3.25***	2.94***	3.30***	2.35*	2.86***	2.48**

*p<.05, **p<.01, ***p<.001

²² Young-Won Kim, *op. cit.*, 37.

<Table 7> t-Test of the premiums' influence on purchasing clothing items /satisfaction on the preference between price discount and premium, and choice of shop /brand

		Preferring discount		Preferring consumer premium		t-Value	Experience to choose shop /brand		No experience to choose shop /brand		t-Value
		M	SD	M	SD		M	SD	M	SD	
Degree of purchase experiences premium	Coat	2.57	1.16	3.18	1.38	-2.91***	2.99	1.21	2.47	1.15	4.50***
	Suit	2.48	1.1	3.22	1.41	-3.65***	2.90	1.17	2.39	1.09	4.59***
	Jacket	2.37	0.96	2.52	1.00	-0.82	2.64	0.93	2.29	0.96	3.69***
	Slacks /skirt	2.32	1.03	2.48	0.94	-0.87	2.55	0.98	2.25	1.02	2.94***
	Jeans	2.38	1.11	2.61	0.93	-1.17	2.71	1.10	2.28	1.07	3.96***
	Sweater /shirt	2.31	1.09	2.52	0.87	-1.04	2.53	1.07	2.25	1.07	2.62**
The satisfaction level with premiums		2.65	0.85	3.04	0.89	-2.19*	2.85	0.86	2.60	0.84	2.63**
The satisfaction level with clothing bought with premiums		2.81	0.78	2.80	0.65	0.03	2.80	0.73	2.81	0.80	-0.08

p<.01, *p<.001.

<Table 8> Chi-square analysis of demographics on additional purchasing intention
n(row% /column%)

		Additional purchasing intention	No additional purchasing intention	Total
Age	10's	36(33.0 /22.2)	73(67.0 /19.1)	109(100 /20.0)
	20's	57(39.9 /35.2)	86(60.1 /22.5)	143(100 /26.3)
	30's	36(31.6 /22.2)	78(68.4 /20.4)	114(100 /21.0)
	40's	20(18.9 /12.3)	86(81.1 /22.5)	106(100 /19.5)
	50's	13(18.1 / 8.0)	59(81.9 /15.4)	72(100 /13.2)
Total		162(29.8 /100)	382(70.2 /100)	544(100 /100)
χ^2		18.44*** df=4		
Marital status	Married	60(24.2 /37.0)	188(75.8 /49.6)	248(100 /45.8)
	Single	102(34.8 /63.0)	191(65.2 /50.4)	293(100 /54.2)
Total		162(29.9 /100)	379(70.1 /100)	541(100 /100)
χ^2		11.67* df=1		

*p<.05, ***p<.001

<Table 9> t-Test analyses of clothing items on the additional purchasing

	Additional purchasing intention		No additional purchasing intention		t-Value
	M	SD	M	SD	
Coat	3.09	1.18	2.40	1.12	6.3***
Suit	3.02	1.14	2.32	1.05	6.83***
Jacket	2.72	0.93	2.24	0.95	5.37***
Slacks /skirt	2.57	1.04	2.23	0.99	3.51***
Jeans	2.64	1.18	2.28	1.04	3.44***
Sweater /shirt	2.55	1.18	2.22	1.01	3.25***

***p<.001

showed a significantly higher satisfaction level for premiums but not for the products bought with premiums. The satisfaction levels after using the premiums and the products purchased to get the premiums were also tested with regard to the experiences choosing brand/store to get premiums. Significant differences were found only in the after use satisfaction level with premiums.

The extent of additional purchase intention due to premium offers was tested in terms of demographic characteristics, and significant differences were found with regards to age and marital status. In terms of additional purchasing intentions because of premium, over 70% of all respondents didn't have additional purchasing intentions. In terms of age differences, subjects in their 10's, 20's, and 30's showed higher tendencies to purchase additionally because of a premium's influence than subjects in their 40's, 50's those in their. This indicated that offering premiums is effective for younger people, especially for 20's. Regarding marital status, singles were more likely to purchase additionally to get premiums.

The extent of a premium's influence on buying different clothing items were tested in terms of the intention to purchase additionally due to premium offers. Significant

differences were found in buying all clothing items between the groups with and without intention of additional purchases. The group with additional purchase intentions showed higher influence levels of premium offers for buying all clothing items than those without the intention.

V. Summary and Conclusions

The present study investigated the influence of premium offers on clothing purchase behaviors. The results of this study are summarized as follow:

- (1) The most important source used by the subjects was direct mail. The most important sources by age group were magazines for subjects in their twenties and teens, newspaper for thirties and forties, and family/relatives for fifties. Males tended to use newspapers while female used direct mail as information sources.
- (2) In the experiences of receiving premiums when shopping clothing, people in their 20's showed highest experience levels while people in their 40's and 50's showed the least experiences. Those who are in their twenties and single females tended to purchase more to get

premiums while premium offers were less effective for respondents in their fifties and married males.

- (3) Regarding preferences between price discount and premium, those in their 20's, single females showed the highest preference of price discounts and premiums than other groups.
- (4) Significant differences were found among age groups in the extent of a premium's influence on inducing consumers' purchasing of all clothing items except jackets. However, income groups showed significant differences in the effects of premiums only when shopping for jeans and sweaters/shirts. Regarding the satisfaction level with the premiums after the purchase, a higher satisfaction level was found for groups preferring premiums.
- (5) Younger respondents tended to purchase clothing additionally due to premium offers, while older people were less influenced by premium offers. Significant differences were found in the extent of the premiums' influence on purchasing behaviors of various clothing items, between groups with and without experiences in selecting brands/stores because of premium offer. Respondents with the brand/store selecting experiences because of premium offers were more influenced by the premium offers when shopping for all of the clothing items.

The results showed that consumers are influenced by premium offers to various extents. However, the satisfaction levels with the products offering premiums as well as premiums were below average. That indicates the apparel/fashion industry should carefully select premium items carefully after conducting research on the preferences on the premiums for the target markets. The brand or company images of the products may be hurt if consumers are dissatisfied with the

premiums received and/or the products bought due to premium offers. This study can be applied to develop promotional strategies when premiums are used.

The results of the present study should be generalized carefully since the sample included people in the Seoul metropolitan areas. Future studies may, therefore, draw a sample from diverse geographical backgrounds. Moreover, we recommend more comprehensive statements on the influences and preferences of premiums for clothing be included for further development of instrument used in this study.

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