

Consumer Dissatisfaction Regarding Imported Famous Brand Goods

- focused on age 20 - 30 female consumers -

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Abstract : This study provides references to reduce consumer dissatisfaction by identifying the level of consumer dissatisfaction after the purchase and use of imported famous brand goods. In addition, it was aimed to provide basic materials for consumer education programs that will induce the rational consumption of imported famous brand goods. The survey was conducted on females in their 20s and 30s. A total of 483 questionnaires were used for the analysis.

The results were as follows: (1) Consumer dissatisfaction with the purchase and use of imported famous brand goods showed a slightly higher level than the median and, (2) consumers had a lower level of consumer dissatisfaction when they had a higher ability to use internet information, greater financial stress, a higher educational level, and a greater availability of consumer education through newspapers and magazines. Additionally, consumers had a higher level of consumer dissatisfaction when they had greater holdings of imported famous brand goods, greater monthly income, and more experiences with overseas travel.

Key Words : internet information, consumer education, consumer dissatisfaction, imported famous brand goods

I. INTRODUCTION

The improved level of national income in Korea due to the achievement of rapid economic development since the 1990s and the all-out opening of the distribution market under the WTO regime has led to the rapid increase of imported brand goods. This phenomenon contributes to the increased consumption of famous brand goods and

services.

In keeping with this trend, the so-called “faddism of imported famous brand goods” has become rampant as high-class and high-priced goods flood into the market. This wave of imported famous brand goods may create on foster the over-consumption of these goods and derogate the development of individuals and society (<http://news.empas.com>, The Segye Times. 2002.

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It has been shown that imported famous brand goods still sell well even though the psychology of consumption has recently shrunk due to the downward sloping rate of economic growth in Korea. When we know that one bottle of 700ml of the highest-class imported whisky has sold for more than 12,000,000 won at a department store (<http://news.empas.com>, The Seoul Economic Daily, 2003. 9. 2.), it is obvious that the indiscriminate consumption of high-priced brand goods is continuing irrespective of current of business trends. These types of purchases can also cause problems because consumers use their credit cards to buy things they can't afford and consequently, contribute to the huge problem of bad debts and credit and crime.

Consumers often desire to purchase imported famous brand goods because of their famous brand names rather than an honest evaluation of the quality, design, and price of the goods. That is, they tend to purchase imported famous brand goods on account of their desire to flout their social status and differentiate themselves from the crowd. Consumers, however, often show dissatisfaction with major attributes when using imported famous brand goods because they purchase them for their exhibitionist elements rather than for practical functions related to the purchase and use of those goods. Consumers, especially show a high level of dissatisfaction due to improper after-the-fact management such as after-sale service which stems from the problem of quality when using imported famous brand goods (<http://news.empas.com>, Maeil Business Newspaper, 2003. 3. 17). It is anticipated that this consumer dissatisfaction will further increase as the market for imported famous

brand goods expands.

The consumption of imported famous brand goods, which had been consumed among a few particular social strata for years, has rapidly increased among the consumers in their 20s and 30s. Radios and newspapers have reported that the voice of anxiety has increased as the younger generation participates in this type of consumption but must work part-time jobs or organize fraternities to purchase them (Korea Consumer Protection Board, 2003).

Accordingly, this study was intended to reduce consumer dissatisfaction by measuring the level of consumer dissatisfaction after the purchase and use of imported famous brand goods and by identifying the variables influencing consumers' dissatisfaction for female consumers in their 20s and 30s who purchase and use imported famous brand goods. In addition, it was aimed to provide basic materials for consumer education programs that will induce the healthier consumption of imported famous brand goods.

II. REVIEW OF LITERATURE

1. Consumption Dissatisfaction with Imported Famous Brand Goods

The consumers is assessment of satisfaction or dissatisfaction after purchasing goods extends the width of their experiences and is store in their memory. It affects the way consumers choose goods or stores, and it helps them make useful decisions about goods they will purchase in the future (Ryu, 1997). In the definition of consumer

dissatisfaction, there are two views of evaluating consumer satisfaction or dissatisfaction on the basis of the qualitative level of the actual goods; one focuses on purchase decisions and the other focuses on the process of the purchase. Consumer dissatisfaction is the difference between the expectation towards a good and its actual performance (Ryu, 1997). This study defined consumer dissatisfaction as the consumers' feelings when they experience undesirable consumer problems in the process of purchasing and using imported famous brand goods. The measurement of consumer dissatisfaction is divided into the single dimension (Maddox, 1981) and double-structure dimension (Swan & Comes, 1976). This study chose the single dimension, the view that the reduction of dissatisfaction is the increase of satisfaction and that the consumer is satisfaction and dissatisfaction exist on the same line.

Lately, consumers have demonstrated many consumption-related complaints as the consumption of imported famous brand goods has expanded. According to Moon's (2003) study, consumers showed a low level of satisfaction with items relating to exchange and repair in the case of imported famous brand goods when compared to domestic designer brands. This implies that consumers are often dissatisfied with the after-sale service for imported famous brand goods.

Maeil Business Newspaper (<http://news.empas.com>, 2003. 3. 17.) shows that consumers have a high level of dissatisfaction because fashion business firms of imported famous brand goods focus only on the sale of their goods but do not engage in after-the-fact management such as after-

sale services and the like. Consumers have especially raised the issue concerning excessive after-sale service and the long service delivery period. It is prospected that the dispute over the repair of defects in goods will increase as the market for imported famous brand goods becomes more popular.

Consumer dissatisfaction reduces the level of the individual consumer's welfare and may give rise to social instability as the result of consumers' movement and expanded consumerism if it continues to accumulate (Huh, et al. 1997). Accordingly, it is necessary to identify and prevent consumers' complaints about imported famous brand goods for the purpose of protecting consumers' rights and interests and achieving rational consumption. This is important because as imported famous brand goods will continue to be gradually used by domestic consumers with the market - opening.

2. Related Variables

1) Socio-demographic variables

There were few studies focused on dissatisfaction with brand according to socio-economic variables, studies related dissatisfaction of general here.

Webster (1974) suggested that the older consumers had the higher level of satisfaction. The findings of Kennedy & Thitkell's (1983) study showed that consumers with the higher educational level had the higher level of consumer dissatisfaction.

In addition, Kim et al. (2002) suggested that the educational level and the income level were

positively related to consumer satisfaction. This means that the level of consumer satisfaction becomes lower if both the educational level and the income level are lower.

Only Moon (2003) and Lee (2001) have specifically studied dissatisfaction with imported famous brand according to socio-economic variables. According to Moon (2003), married women had the lower level of satisfaction when compared to their unmarried counterparts as consumers of imported famous brand goods.

In Lee's study (2001) on college women's purchase behavior of imported cosmetics, it was found that college women with experiences of overseas study engaged in more conspicuous consumption behavior than college women with no experiences of overseas study. In the long run, consumers' unreasonable conspicuous consumption behavior has an effect on their consumer dissatisfaction when they have had experiences with study in or traveling to foreign countries.

2) Purchase-related variables

Purchase-related variables include the current holdings of the imported famous brand goods and financial stress.

The variable of purchase experience is used for the proxy of the current holdings of the imported famous brand goods. Purchase experience means the repeated purchase of the same goods. Consumers with a high frequency of purchase and having more experiences with consumer-related problems (Gronhaug & Zaltman, 1981) would have the higher level of consumer dissatisfaction. Ryu (1997) showed that consumers with the greater experience of purchasing identical goods

had the higher level of consumer dissatisfaction. This suggests that consumers experienced consumer problems due to the experience of purchasing identical goods.

On the contrary, Moon (2003) showed that consumers with a high level of monthly average clothing expenses had the highest level of consumer satisfaction. Since financial stress refers to the situation of an insufficient amount of money needed to purchase goods (Engel, Blackwell & Kollat, 1986), it can increase the level of consumer dissatisfaction.

3) Consumer educational experience and the ability to use internet information

There is no study directly related to consumer educational experience and the ability to use internet information.

The occurrence of damage from a defect in goods or service forms the basis for consumer dissatisfaction, and the ability of the consumer to solve this problem is required to change the attitude from dissatisfaction to satisfaction. Among other things, consumer education would reduce the consumer's problem and the level of dissatisfaction; and, if consumers could get information by making free use of the internet in information-oriented society, it would lower consumer dissatisfaction.

III. THE PURPOSE OF THE RESEARCH

1. How does the consumer's ability to use internet information and the consumer's educational experience affect consumers who are

consuming imported famous brand goods?

2. How is consumer dissatisfaction for consumers who are consuming imported famous brand goods?

3. What factors have effects on consumer dissatisfaction with imported famous brand goods and how those effects are?

over the period between May 10 and May 30, 2003. A total of 500 questionnaires were distributed; 438 were returned and used for actual analysis.

The demographic characteristics of the respondents are shown in <Table 1>.

IV. RESEARCH METHODOLOGY

1. Respondents

To test these study questions, consumers' who were residents of Seoul and who were experienced in the purchasing and using imported famous brand goods that female consumers in their 20s and 30s buy, were selected to conduct the questionnaire survey. The survey was conducted

2. Measurement of variables

Socio-demographic variables included age, level of education, marital status, monthly income, and experience of overseas travel. Monthly income means the consumer's own monthly income.

Purchase-related variables include the holdings of imported famous brand goods and financial stress. The holdings of imported famous brand goods means the number of imported famous brand goods held by one consumer, and financial stress in purchasing imported famous brand goods

<Table 1> Demographic characteristics of respondents

N(%)=438(100.0)

Variable	Category	N(%)	Variable	Category	N(%)
Age	less than 30	232(53.0)	Monthly Income (unit:won)	zero	190(44.6)
	30 and more	206(47.0)		1-100	67(15.7)
	total	438(100)		101-200	120(28.2)
	M(SD)	28.91(5.68)		201 and more	49(11.5)
			total	426(100)	
			M(SD)	91.27(109.36)	
Level of education	less than 13 years	35(8.0)	Experience of overseas travel	Zero	152(34.9)
	13-14 years	108(24.6)		1-2 times	154(35.4)
	15-16 years	220(50.2)		3-4 times	57(13.1)
	17 years and more	75(17.1)		5 times and more	72(16.6)
	total	438(100)		total	435(100)
	M(SD)	15.61(2.23)		M(SD)	2.23(3.16)
Marital status	Married	144(32.9)			
	not married	294(67.1)			
	total	438(100)			

means the degree of financial insufficiency due to their purchase.

The ability to use internet information includes four items; proficiency in using the electronic bulletin, ease of information acquisition on the internet, ease of downloading information from the web, and familiarity with the useful website as needed (Yoo, 2000; Park & Lee, 2000). The respondents were asked to complete the questionnaire on the 5-point Likert scale.

The five items of consumer educational experience included consumer education through TV, newspapers and magazines, the internet, consumers' organizations and the consumer's educational at level school.

It was comprised of quality dissatisfaction, advertising · information dissatisfaction, price dissatisfaction, design · color · fashion dissatisfaction, after-sale service dissatisfaction. These classifications were based on the research of Ryu (1997) and Ryu & Kim (1999). It was made with 5 items.

To test the reliability of the above items, internal consistency reliability using Cronbach's α was examined <Table 2>.

<Table 2> Cronbach's α

Scale	Number of item	Cronbach's α
Ability to use internet information	4	.85
Consumer education experience	5	.83
Consumer dissatisfaction	5	.80

3. Analysis

The statistical methods used for analysis are frequency, percentage, mean, Pearson's correlation,

and multiple regression analysis, using the SPSS 10.0 programs.

V. ANALYSIS RESULTS

1. Ability to Use Internet Information and Consumer Educational Experience

The mean of the consumer's ability to use internet information was 14.29 (57.16/100), indicating a slightly higher level of consumer ability to use internet information than the median <Table 3>. The ease of information acquisition on the internet had the highest mean of 3.94. Respondents' familiarity with the useful website as needed had a mean of 3.35. This means the consumers of imported famous brand goods can have easy access to the Internet but actually experience difficulties making a speedy, accurate acquisition of the information needed.

The consumers of imported famous brand goods

<Table 3> Ability to use internet information

Ability to use internet information	M(SD)	Ranking
Proficiency in using the electronic bulletin	3.48(.89)	4
The ease of information acquisition on the Internet	3.94(.77)	1
The ease of downloading information from the web	3.51(.97)	2
Familiarity with the useful website as needed	3.35(.93)	3
Total ^{a)}	14.29(2.98)	

a) range: 4-20

<Table 4> Consumer educational experience

Consumer educational experience	M(SD)	Ranking
Consumer education on TV	2.62(.81)	2
Consumer education through newspapers and magazines	3.03(.77)	1
Consumer education over the internet	2.49(1.03)	3
Consumer education at the consumers' organization	1.87(.97)	5
Consumer education at the school	2.28(1.13)	4
Total ^{a)}	12.26(3.65)	

a) range: 5-25

showed a relatively high level of consumer educational experience at 12.26(49.04/100) <Table 4>. Among other things, consumer education through newspapers and magazines showed a mean of 3.03 which was followed by consumer education on TV with a mean of 2.62. In most cases, consumers of imported famous brand goods had their consumer education through mass media. On the other hand, consumer education at the consumers' organization showed a considerably low level at a mean of 1.87.

2. Consumer Dissatisfaction with Imported Famous Brand Goods

Respondents' consumer dissatisfaction with the purchase and use of imported famous brand goods showed a slightly higher level than the median at a mean of 16.11 (64.44/100) <Table 5>. Respondents showed the highest level of consumer dissatisfaction with price (3.30) which is one type of consumer dissatisfaction, followed by after-sale service dissatisfaction (3.16), advertising · information dissatisfaction (3.06), quality

<Table 5> Consumer dissatisfaction with imported famous brand goods

Consumer dissatisfaction	M(SD)	Ranking
Quality	2.71(.78)	4
Advertising · information	3.06(.52)	3
Price	3.30(.63)	1
Design · color · fashion	2.62(.82)	5
After-sale service	3.16(.51)	2
Total ^{a)}	16.11(3.28)	

a) range: 5-25

dissatisfaction (2.71), design · color · fashion dissatisfaction (2.62). It is thought that the reason for the respondents' high level of consumer dissatisfaction with price is the unreasonably swollen prices of famous brand goods. These prices are the result of recognition and the excessive distribution margin of importers. And it is thought that the reason for the respondents' high level of consumer dissatisfaction with after-sale service includes extremely high repair expenses, very long repair periods, and limited places for after-sale services.

3. Regression Analysis of Consumer Dissatisfaction with Imported Famous Brand Goods

An attempt was made to conduct multiple regression analysis in order to investigate the effect of independent variables on consumer dissatisfaction with imported famous brand goods. Correlation analysis was conducted between independent variables before multiple regression analysis was conducted. Since the correlational coefficient was below 0.5, their independence was confirmed. Since marital status was the variable of

nominal scale, it was made the dummy variable on the basis of unmarried status <Table 6>.

The ability to use Internet information ($\beta=-.24$) had the greatest effect on consumer dissatisfaction with imported famous brand goods, followed by the holdings of imported famous brand goods ($\beta=.23$), monthly income ($\beta=.21$), experience of overseas travel ($\beta=.20$), financial stress ($\beta=-.19$), level of education ($\beta=-.14$) and consumer education through newspapers and magazines ($\beta=-.12$). That is, consumers had a lower level of consumer dissatisfaction as they had a higher ability to use internet information, greater financial stress, higher educational level, and greater availability of consumer education through newspapers and magazines. On the other hand,

responding consumers had a higher level of consumer dissatisfaction when they had greater holdings of imported famous brand goods, greater monthly income, and more overseas traveling experiences.

24% of all variations of consumer dissatisfaction with imported famous brand goods were explained by those independent variables.

VI. DISCUSSIONS AND CONCLUSIONS

Based on the findings of this study, the following conclusions and suggestions were made.

1. Responding consumers showed a slightly

<Table 6> The Result of Regression Analysis on Consumer Dissatisfaction on Imported Famous Brand Goods

Variable	B(Parameter estimates)	β (Standardized coefficient)
Socio-demographic variables		
Age		
Level of education	-.21**	-.14
Marital status (unmarried=1)		
Monthly income	.01***	.21
Experience of overseas travel	.20***	.20
Purchase-related variables		
The holdings of imported famous brand goods	.09***	.23
Financial stress	-.23***	-.19
Variables of the ability to use internet information and consumer educational experience		
Ability to use internet information	-.27***	-.24
Consumer education on TV		
Consumer education through newspapers and magazines	-.51*	-.12
Consumer education over the Internet		
Consumer education at the consumers' organization		
Consumer education at the school		
Constants		18.90

*P<.05 **P<.01 ***P<.001

higher level of consumer dissatisfaction related to the purchase and use of imported famous brand goods than the median. This indicates that their level of consumer satisfaction was not high. Nevertheless, consumers have a preference for imported famous brand goods and show repeated purchase behavior. This occurs because they attach greater importance to exhibitionist and discriminative elements than the goods' attributes. They also showed a higher level of consumer dissatisfaction with price as well. Imported famous brand goods are, for the most part, more expensive than their domestic counterparts. Nevertheless, consumers purchased and user imported famous brand goods even when showing a high level of consumer dissatisfaction with their price. Consumers should, instead, choose imported famous brand goods by judging their quality, positive attributes, and appropriate prices, as well as their reputation. Seeing that responding consumers showed a high level of consumer dissatisfaction with after-sale service, consumers should obtain an accurate understanding of the contents related to after-sale service such as free repair conditions, repair period, repair place, and so forth when purchasing these products.

2. It was found that the ability to use internet information and to obtain consumer education through newspapers and magazines resulted in reducing consumer dissatisfaction. A high ability to use Internet information refers to the ability to acquire accurate information needed to choose goods speedily. Accordingly, computerized consumer education, including computer skills, is required to further improve the ability to use the Internet. In addition, mass media such as

newspapers, magazines, and the like are easily accessible to consumers, and the consumer education they provide can be thought to be greatly effective. Therefore, consumer education should be provided for and made accessible to consumers from all walks of life. Since consumers of imported famous brand goods, the object of investigation in this study, had a considerably lower level of consumer education experience than the median, it would seem necessary to expand and implement consumer education of this group to reduce consumer dissatisfaction.

3. Consumers are more likely to show that a higher level of consumer dissatisfaction as they held more imported famous brand goods. That is, the increased frequency of purchase led to a consequent and lasting consumer dissatisfaction. If consumers continue their unreasonable consumption behavior of purchasing and using imported famous brand goods while enduring consumer dissatisfaction, their actions can be viewed as the result of their lowering the level of welfare. Therefore, it is necessary to provide consumers with a diversity of consumer education that can induce them to engage in rational consumption behavior. It is also necessary to provide consumers with an education on how to make reasonable purchase decisions so that they will not purchase imported famous brand goods with no regard for the principal attributes of the goods. They should be instructed in comparing the superior attributes of diverse goods produced by foreign and domestic firms.

This study sought to identify consumer dissatisfaction with imported famous brand goods. Since the motive for purchasing imported famous

brand goods would differ from that for home-made goods, the cause for consumer dissatisfaction would show a different aspect. But this study conducted quantitative analysis alone and did not make an analysis of purchase incentive. Accordingly, a case study should be conducted in a subsequent study. This study was conducted for female consumers in their 20s and 30s alone, but it would be desirable to include male consumers, along with female consumers in a future study.

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