

## Qualitative Research on Cultural Center Customers' Shopping Behaviors and Image Building of the Department Store

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### Abstract

*Department store has actively expanded cultural center services by providing a series of educational courses in order to increase customer visits, enhance customer satisfaction, and ultimately increase sales. In this study, cultural center members' shopping behaviors and image building of the department store were explored through focus group interviews. Results generated from a total of 7 focus group interviews with female cultural center members in their 30's through 60's are as follows. First, the consumer group who attends courses for their own purpose is 45 to 55 year-old female customers who are actively involved in consumption at the department store for their own clothing, food and restaurant. They are not often engaged in impulsive either group shopping for clothing. They are satisfied with class quality compared to low tuition whereas dissatisfied with busy schedule of a lecture room and lack of special discount benefits for members. Second, the other consumer group who attends courses for their children is consumers in their 30's. They are charged in shopping for clothing for their husbands, children, and themselves. They are suffering time poverty due to nurturing their children, therefore, they want to shop more in the department store on the day of class. However, expensive kids-care facilities are barriers to do it. Convenience, familiarity and center of culture are important images of the department store, developed through frequent visits of these customers. Eight implications for marketing strategies were generated based on study results.*

*Key words : department store, cultural center, shopping behavior, image.*

### I. Preface

Consumers' lifestyles have changed with the income growth, the rise in the education level, changes in the social scene such as women's entrance into career and technology developments such as the spread of internet and the popularization of mobile communication due to the modern day economical growth. The change in the lifestyle had a large influence on the consumption-pattern and the shopping disposition. The consumers'

demand changed from quantitative consumption to qualitative consumption and goods focused to service focused and luxurization, diversification and convenience became the main value system of the consumers.

Modern day department stores are becoming important media that promote consumption and enable plentiful living environment. Their growth in quality and quantity are constantly deriving the diversification of the distribution structure, changes in the human behaviors and the physical environment changes in the sales space. The concept of

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the resting space as convenience feature for the customers is emphasized in department stores. Customers can shop while enjoying them and they provide public resting space available freely without cost and public cultural facilities as accompanying services such as exhibit halls, auditoriums, performance halls. These facilities have large influences on the image building of the entire department store and help securing returning customers in the long run, resulting in the increased sales. As qualities of goods becomes even, price levels similar and ensuring a differentiation of goods becomes difficult, department stores are trying to ensure the differentiation by increasing the ratio of various service cultural facilities and resting spaces instead of the sales function.<sup>1)</sup>

As the recognition of the function of department stores as a service space expands in addition to the function as a purchase location of goods, the importance of related attached services is being highlighted more. In order to actively respond to the fast changing distribution environment and survive the competitive times of economical growth and expanding customer desire, the department store industry is driving customer satisfaction management as the corporate survival strategy in the slow growth era. In the recent days when the customer satisfaction can be achieved by differentiation of goods and services but the differentiation of the goods is difficult to maintain in a long term, it is considered the shortcut to the customer satisfaction and customer loyalty improvement to increase the service strength through the attached service facilities.<sup>2)</sup>

Most department stores currently run cultural centers and such propagation of the cultural centers are being seen in the warehouse stores. In the case of recently opened warehouse store, 'Samsung

Homeplus Chochiwon', cultural center facilities are actively being expanded such as setting up the entire third floor as a cultural center and large specialty bookstore considering the lack of cultural space in the region.<sup>3)</sup>

A research concludes that the number of visits to a department store and the frequency of purchases increase as the use of attached service facilities such as the cultural centers increase and the increasing trend of the purchase frequency is observed highest in clothing goods.<sup>4)</sup> However, studies on the members of a cultural center which is one of the attached service facilities in a department store have been very limited. Previous studies on their shopping behaviors are also very limited and there were difficulties in a systematic research on them. Therefore, cultural center usage status, shopping behaviors in a department store and the image of department stores they have are studied by conducting qualitative research through a focus group interview with cultural center members and suggestions are made that are important references to establish customer marketing strategy based on them.

The research problems are as follows;

First, the cultural center usage status of the department store cultural center members is studied.

Second, the shopping behaviors of the department store cultural center members are studied.

Third, the image building of the department store cultural center members is studied.

## II. Theoretical Background

### 1. Changes in Distribution Environment of Domestic Department Stores and Definition of Cultural Center

Distribution business forms claiming to be ware-

1) Ji-Young Cho, "Study on The Effects of Customers' Experience and Satisfaction of Resting Place in The Department Store upon Their Shopping Satisfaction" (M.S. Thesis, Hongik University, 2006).

2) Kyu-Hcc Lee, "The Analysis of The Consumer Attitude for The Accessory Service Facilities of Department Store," *Dong Rim Management Review* Vol.10 (1994), pp.123-147.

3) Eun Kyoung Ko, "Home-plus, Opened the 67<sup>th</sup> Store in 15<sup>th</sup>," *Financial News* online available from <http://www.fnnews.com>

4) Sang-Chung Park, "A Study on Purchasing Form of Cultural Center Member of Department Store" (M.S. Thesis, Yeungnam University, 1996).

house stores are developing and various new forms of businesses are being introduced in Korea as GDP per capital enters \$20,000 range and 5 workdays per week spreads. According to the annual revenue forecast by distribution business status by Shinsegae Distribution Industry Research Center,<sup>5)</sup> department stores are expected to record the annual revenue of about 20 trillion and 400 billion KRW which is about 62% of the 2009 warehouse store revenue. This is only slightly different from the revenue of internet shopping media, 19 trillion and 900 billion KRW and their position in the distribution industry keeps shrinking. Department stores maintained the largest revenue at least in the clothes products but their outstanding position in the apparel distribution is being shaken due to the recent expansion of clothes product selections in warehouse stores, increase in clothes sales through internet open market and expansion of large shopping malls focused on clothes.

Therefore, department stores tried hard to maintain customers through developments of various customer services and utilized various attached service facilities in order to perform competitive customer influx strategies. Department stores tried hard to strengthen the role as cultural relaxing space in addition to the sales space and their positions were raised as the cultural space that lead customers' lives and culture and perform the function of suggesting new fashion trends and information.

Department store cultural centers are understood as private education facilities providing various lifetime education programs for customers or potential customers with the goal of utilizing spare time, developing personal talent, improving

life culture of the local residents, adult retraining and returning corporate profits to society. The first officially registered department store cultural center is "Lotte Cultural Center Jamsil" built in 1989. Department cultural centers run as recreational education programs for housewives, children and workers and has shown a rapid quantitative increase since being recognized as official lifetime education facilities in late 1980's.<sup>6)</sup> Department store cultural centers have four semesters annually by seasons and each semester runs three months. Educational courses are provided such as expert course, music, arts and crafts, dance, charming and health, cooking, literature, languages, computer and general subjects. Various forms of programs are occasionally opened and run in addition to the regular courses such as vacation courses, short term courses, Sunday courses, special lecture courses and free courses.<sup>7)</sup>

Almost all department stores run cultural centers and the customer pool using cultural centers increased largely that in case of L department store, 9,100 courses were opened and 110,000 members registered in all branches in 2008.<sup>8)</sup> Department stores are trying hard to induce additional spending such as product purchase during the store visit by giving the members attached facility discount privileges such as 10% discount in food court or privileges such as 3 hour free parking.<sup>9)</sup> As cultural center members strengthen familiarity by regular visits to the department store, it affects improvements of the image of the department store and it can be expected that the purchase desire will increase. Therefore, it will positively affect the outcome of the department store by effectively using the marketing strategies against the cultural center members.<sup>10)</sup>

5) Eun Jung Noh, *2009 Retail Industry Forecasting Report* (Seoul: Shinsegae Retail Industry Research Center, 2009).

6) Su-Hyun Park, "Current Status and Analysis of Culture Center Belonging to Department Stores in Daegu" (M.S. Thesis, Keimung University, 2006).

7) Su-Hyun Park, op. cit.

8) Sung Ki Jin, "Department Stores for Shopping + Culture," *Maekyung Newspaper* available from <http://news.mk.co.kr/newsRead.php?year=2009&no=180790>

9) Ji Young Kim, "Another Small University, Department Cultural Center," *MaeKyung Newspaper* available from <http://news.mk.co.kr/outside/view.php?year=2008&no=303602>

## 2. Shopping Behaviors of Department Center Cultural Center Members

Previous studies on department store utilization behaviors of department store cultural center members existed and the conclusions suggested the following. Firstly, according to data acquired by in-depth interviews with department store cultural center members,<sup>11)</sup> reasons going to department store cultural centers included to make friends, alleviate depression symptoms and to be up-to-date on the latest news and the merits of registering included that women can go freely, saving time by doing other chores such as shopping at the same time, excellent instructors and good environment and ease of associating due to similar education and living standard among the members.

Meanwhile, it is verified in the previous studies<sup>12)</sup> that the department store usage frequency and the purchase frequency increase as the usage level of department store attached service facilities increases. Essentially, respondents in a research on customers using department store cultural centers disclosed that the frequency and the shopping time increased after becoming the department store cultural center members.<sup>13)</sup> Considering the point that impulse purchases increase as department store dwell time increases,<sup>14)</sup> it can be expected that the group using cultural center services dwell in department stores longer and make impulse purchases more often. Especially, Park<sup>15)</sup> stated that interests in department stores increase

after taking department store cultural center courses, substantial purchases occur more frequently and such increases in the purchase frequencies occur most prominently in apparel products.

Convenience related to shopping was considered most important in factors considered in using department store attached services followed by atmosphere, price range and convenience in transportation.<sup>16)</sup> In the same research, utilizing spare-time while shopping is the most important reason for using department store attached services and it can be expected that more purchase opportunities will happen as visits to department stores increase due to high correlation between the department store visit frequencies and the attached service facilities usage.

An image of a department store is a series of beliefs, attitudes and impressions that an individual has towards that department store.<sup>17)</sup> It appears as a combined application of functional factors and psychological factors and has important effects on the patronage of the department store by customers.<sup>18)</sup> Though not a research result on cultural centers but in the case of sports centers with periodical sports programs, higher the degree of immersion in a sports center, higher the re-registration intent and the recommendation intent and positive images are built.<sup>19)</sup> Considering this result with the case of cultural center customers, it can be expected that long term registered customers will build stronger and more positive images

10) Sung-Ah Kim, "The Effect that Cultural Center Users' Attitudes Exert Influence on Outcome of Department Store" (M.S. Thesis, Seoul Women's University, 2004).

11) Myung-Hye Kim, "The Encounter of Consumer Culture and Housewives' Identity at the Culture Center of Department Store," *Korean Journal of Broadcasting* Vol.16 No.2 (2002), pp.7-40.

12) Su-Hyun Park, op. cit.; Kyu-Hee Lee, op. cit.

13) Sung-Ah Kim, Ibid.

14) Ji-Su Park, "In-store Behavior Types of Department Store Customers and Clothing Purchase Behaviors" (M.S. Thesis, Seoul National University, 1997).

15) Sang-Chung Park, op. cit.

16) Kyu-Hee Lee, op. cit.

17) J. E. Dutton, J. M. Dukerich and C. V. Harquail, "Organizational Images and Member Identification," *Administrative Science Quarterly* Vol.39 (1994), pp.239-263.

18) Sung-Ah Kim, op. cit.

19) Kyung-II Chung and Eui-Taek Kwak, "A Study on the Influence of Fitness Center's Relationship Marketing on The Customers' Satisfaction and Marketing Performance," *Korea Sport Research* Vol.16 No.6 (2005), pp.557-586.

of the department stores and reinforce the patronage behaviors based on them.

### III. Research Method

#### 1. Data Acquisition

It was determined that a qualitative research executing focus group interviews using unstructured questions was more suitable in the field such as department store usage status of cultural center customers where not many study results were accumulated, no systematic research model exists and collecting various opinions of consumers was necessary. Focus group interview method is used in exploratory studies on facts not discovered much previously and especially, it is a research method that draws in-depth responses by inducing mutual stimulation among the participants by performing interviews in groups sharing similarities.<sup>20)</sup> It was adopted as the data collection method for this study as it was suitable to acquire various points of view on the subject.

Interview subjects were selected through convenience sampling of individuals expressing want of participation after explaining the research contents to women over the age of 20 who are registered or whose child is registered in a cultural center. The interview was conducted at three department store cultural centers located in downtown Daegu between June 30<sup>th</sup>, 2008 and July 7<sup>th</sup>, 2008. Participants were recruited during a prior visit and the interviews were conducted at the scheduled time after making an appointment. With the cooperation from the department stores, the focus group interviews were conducted in vacant classrooms in the cultural centers before or after the cultural center courses.

Interviews were co-conducted by two researchers for cross check and the conversations during the interviews were recorded after acquiring agreements from the interviewees for the accurate preservation. After two to three minutes were spent sharing light refreshments and having casual

personal conversations before the interview began to increase familiarities among the participants, the focus group interview was conducted by answering freely to twelve interview questions following explanations on the research.

Interview conductor asked additional questions during the discussion when necessary and encouraged all participants to participate in the responses. Two to six people participated in a group and a short questionnaire on department store apparel shopping frequencies and demographical data was to be filled out after forty minutes to one hour of interview. Data acquisition was finished after orally asking and receiving the answer to verify whether there were any problems in comprehension level of the questions in interviews and questionnaires after responses were all complete.

#### 2. Composition of Interview Questions, Data Organization and Analysis

Question contents for the focus interview were created based on literatures and data collected through in-depth interviews with the D department store cultural center manager and individual interviews with five D department store cultural center members. They were comprised of questions about cultural center usage status (registered courses, usage period, reasons for usage, pros and cons), department store usage status (changes in department store shopping frequencies and behaviors before and after the registration in cultural centers, purchase categories during apparel shopping, whether impulse purchases are made, whether shopping is done accompanied by other members), building department store image (current images and satisfaction level of the department stores, whether there are changes in the images and satisfaction level of the department stores before and after the registration).

Researchers listened the recordings repeatedly and performed word-to-word transcript tasks after the interviews. Analyses were conducted by constant comparative analysis<sup>21)</sup> where analysts extruded,

20) T. L. Greenbaum, *The Handbook for Focus Group Research* (New York: Lexington Books, 1993).

21) B. Glaser and A. Strauss, *The Discovery of Grounded Theory* (Chicago, IL: Aldine, 1967).

classified, consolidated and organized the main concepts and contents while perusing the recorded data twice. Triangulation<sup>22)</sup> was used to exclude researchers' partiality and consistency was verified during interviews by having an assisting researcher as an observer in addition to a main researcher in all group interviews. Considering age, life cycle and consumption behavioral differences of the members registered in the courses for themselves and the members registered for

the children, the study results were separated in to these two groups and organized and analyzed.

## IV. Research Results

### 1. Characteristics of Respondents

Characteristics of the respondents are shown in <Table 1>. The majority of the 25 respondents were married women of ages between 32 and 67 and housewives or self-employed with relatively

<Table 1> Characteristics of Respondents

Focus Group	Number	Age (American Age)	Occupation	Marital Status	Highest Education Level	Cultural Center		
						Members Hip	Currently Registered Courses	Usage Period
FG1	A1	61	Full-time Housewife	Married	High School Graduate	Self	1	4 years
	A2	51	Self-employed	Married	Associate's Degree	Self	1	4 years
FG2	B1	60	Full-time Housewife	Married	High School Graduate	Self	1	5 years
	B2	67	Full-time Housewife	Married	High School Graduate	Self	1	5 years
FG3	C1	48	Full-time Housewife	Married	Associate's Degree	Self	1	6 months
	C2	35	Full-time Housewife	Married	Post-graduate School	Child	2	6 months
	C3	48	Service Position	Married	Bachelor's Degree	Self	2	3 months
	C4	48	Full-time Housewife	Married	Associate's Degree	Self	1	6 months
FG4	D1	45	Freelancer	Single	Bachelor's Degree	Self	2	6 months
	D2	62	Full-time Housewife	Married	High School Graduate	Self	2	2 years
	D3	59	Full-time Housewife	Married	High School Graduate	Self	2	10 years
	D4	55	Full-time Housewife	Married	High School Graduate	Self	2	8 years
	D5	52	Full-time Housewife	Married	High School Graduate	Self	2	10 years
	D6	53	Full-time Housewife	Married	Bachelor's Degree	Self	2	8 years
FG5	E1	33	Full-time Housewife	Married	Bachelor's Degree	Child	2	5 years
	E2	33	Full-time Housewife	Married	Associate's Degree	Child	1	1 year
	E3	38	Full-time Housewife	Married	Bachelor's Degree	Child	1	4 years
FG6	F1	33	Full-time Housewife	Married	Bachelor's Degree	Child	2	1 year
	F2	33	Full-time Housewife	Married	Associate's Degree	Child	2	1 year
	F3	35	Full-time Housewife	Married	Bachelor's Degree	Child	1	1 year 3 months
FG7	G1	32	Full-time Housewife	Married	Post-graduate School	Child	1	1 year 3 months
	G2	33	Full-time Housewife	Married	Bachelor's Degree	Child	1	3 months
	G3	35	Full-time Housewife	Married	Bachelor's Degree	Child	1	6 months
	G4	36	Full-time Housewife	Married	Bachelor's Degree	Child	1	9 months
	G5	33	Full-time Housewife	Married	Bachelor's Degree	Child	1	3 months

22) Y. S. Lincoln and E. Guba, *Naturalistic Inquiry* (Beverly Hills, CA: Sage Publications, 1985).

high spare time utilization. The selections of courses were varied. Older the subjects, more were taking courses considering self development or hobbies and younger groups under forties were taking courses for the children's education. Additionally, 40% of the respondents were long term members who used the cultural centers for 3-10 years. Total of seven focus groups were run and data were analyzed by separating the members taking a course themselves and respondents whose children are taking a course.

## **2. Cultural Center Usage Status of Department Store Cultural Center Customers**

### **1) Cultural Center Usage Status of Self Registered Members**

Most of the respondents taking courses themselves were housewives over forties, members in and past middle age with much spare time as the children grew up to a certain level (refer to Table 2). Reasons for going to cultural centers were hobby, self improvement and utilizing spare time and many were long term members taking pride in being department store cultural center members. They viewed the merits of the department store cultural centers to be excellent instructors, ease of parking, clean facilities, potential one-stop shopping and customer centered management system of the department stores. This shows well the merits of the cultural centers lined up with excellent instructors selected by the department stores and managed by the department stores with high credibility in customer service field. Additionally, merits such as convenience and saving time in parking, other facilities and shopping are preferred aspects to the cultural center programs provided by other facilities.

Demerits in the department store cultural centers included complaints on the classroom environment and the absence of additional discount privilege. In effectively utilizing idle spaces in department stores, dissatisfaction was reported due to the wrap up time being insufficient as the classrooms have to be vacated right after the classes were dismissed and uncomfortable environment

due to the insufficient ventilation. Though there are limits in space within department stores, such complaints are anticipated to be relieved with an extra multi-purpose room to use for hands-on subjects that require cleaning up. In addition, there are places where 10% discount privileges are provided in food court areas but to address the point that the most are regular customers in and past middle age and feel the discount privileges are inadequate compared to their large spending in the department store, issuing a periodic special coupons may be considered. Key responses are summarized in <Table 2>.

### **2) Cultural Center Usage Status of Members with Registered Children**

Most of children of members with registered Children were infants under average 4 years old and were mainly registered for musicgarten, Karl Witte and Eurhythmics. The main purpose of the registration is children's education and also to make friends for themselves and the children or exchange education information. Many responses noted that the department store cultural centers were being used as their credibility is higher compared to the cultural center programs run by other facilities (refer to Table 3).

The merits of using department store cultural centers were low price, appropriate class time and composition, convenient facilities and environment when accompanied by children, possibility of one-stop shopping and convenience of being near home. It has been confirmed that excellent course factors for price, convenient usage environment and time saving were mainly the biggest reasons. Especially, as the department stores were visited accompanied by young children, the merit of close location from home and children related convenience facilities such as rental strollers provided as a customer service by department stores and convenience of restroom usage were mentioned as the merits.

For demerits, there were complaints on difficulty of getting refund in case of a change in circumstances preventing the continuation of a course such as the children not adapting to classes

〈Table 2〉 Cultural Center Usage Status of Self Registered Members

Question Category	Response Category	Representative Response	Number of Responses	
Cultural Center Usage Status	Reason for Usage	Hobby and self improvement	I'm learning calligraphy and Hangul (Korean character) writing as a hobby after the retirement. (D5)	3
		Spare time utilization	It's convenient to have a lunch with a friend... and four hour flies by when I go work out on free days. (B1)	4
		Pride in being department store cultural center member	People going to cultural centers are different class... We think that in Donga Department Store Su-sung location, even the people not from Su-sung-ku are definitely considered to have the "level." (B1)	2
	Merits	Excellent instructors	Since they are department stores, they hire capable instructors. Outside, we don't know the actual competency ... don't know capability... here, we trust because the department stores select them. (A1)	4
		Ease of parking	There are many places I can work out but I come here because it is convenient to park and convenient in many ways here. (B1)	3
		Ease of parking	Trying to clean nicely, often changing to new equipment ... (B2)	2
		potential one-stop shopping	Everything is here, go to the supermarket to get some groceries... (B1)	8
		customer centered management system of the department stores	Since the department stores have customer first philosophy, our opinions are reflected... we have some power here... because it's customer centered... please do this, do that... 50-70% are accepted when suggestions are made... (B1)	4
	Demerits	Unavailability of classroom after class ends	I'm going to calligraphy class, and we have to clean up and such calmly after the classes but we are pressed have to leave as if being chased because of the next class. (D5)	3
		Classroom environment with insufficient ventilation	Because it's a department store, there are no windows and we are studying for ten years in this back room. That's for sure my complaint. (D3)	3
		Absence of discount privileges for cultural center members	There are discounts for the food court but there's not much of those during shopping... even with all the shopping we do... (D2)	7

\* The numbers of responses are the sum of corresponding responses to each category throughout the entire responses and can be larger than the total number of the respondents.

or illnesses. This is considered an area which can be resolved to a certain degree by increasing flexibility of the refund policies such as issuing refunds regardless of the cancelation timing by setting up a price per session.

In addition, many respondents with children expressed inconvenience of lack of children's playroom. Kids' Café and such exist for profit but less costly children's play facilities were wanted as the financial burden was too heavy to use



〈Table 3〉 Cultural Center Usage Status of Members with Registered Children

Question Category	Response Category	Representative Response	Number of Responses
Cultural Center Usage Status	Reason for Usage	Children's education Mainly taking English education and education for gifted children (F1) hoping that it will help private education... (G4)	6
		Meeting friends in same age group I'm not from Daegu but since it seemed easy to meet the mothers of my age group. (G1) I came so that he/she can come with their friends (G2)	2
		Exchanging education information Since the kids are similar, have conversation and share kids' education information (E2)	1
		Trust towards department store cultural centers Honestly, I come here because I think the department store cultural centers are better than others when it comes to the cultural centers. (F1)	7
	Merits	Low price Karl Witte or musicgarten is cheaper than outside private institutes. And 150,000 KRW for three months is not too much... (F3)	4
		Appropriate class time and composition It is good to come here as a play since the class is short enough for kids. (F2) they can do various things other than the school classes ... (E3)	2
		Convenient facilities and environment when accompanied by children Since I have a baby, restrooms or escalators... it's convenient to eat for a mom... cool in the summer and warm in the winter... (F2)	9
		Possibility of one-stop shopping I can do shopping and get groceries since everything is all together... (E2)	7
		Short distance from home It's close to home and in the walking distance... (E2)	4
	Demerits	Inadequate refund policies of registration fees If a child is sick or absent, they can delay two or three times a semester but it's a little unsatisfying that it's over if you don't show up... sometimes, things just fell apart after one or two classes and we didn't come at all. (G4)	3
		Lack of rest areas and play areas In a mother's perspective, there is no place for baby-sitting. There is a kids' café but I hope there was something like a playroom just for cultural center members. (C2)	8

\*\*\* The numbers of responses are the sum of corresponding responses to each category throughout the entire responses and can be larger than the total number of the respondents.

them constantly. Shopping will become more active if an easily accessible place to babysit children exists and it is suggested that it is necessary to

secure rest areas easily accessible for children considering previous researches showing that the revenue increases with better rest area.<sup>23)</sup>

### 3. Department Store Shopping Behaviors of Cultural Center Customers

#### 1) Department Store Shopping Behaviors of Self Registered Members

Self registered members mostly responded that the household spending increased after using cultural centers and especially, usages in food, clothes and restaurants were heavy. Time spent in the department store even after the cultural center classes was mostly long and window shopping or dining was done during the time. This is to verify once again the research results that show longer the time spent in the department stores, more the purchase increases.<sup>23)</sup> Main purchase items were their own clothes and food and it is responded that the impulse buys of clothes merchandises were not relatively high. They answered that they purchase regular priced or smaller sale items more often than promotional items or bargain items on

carts when it comes to clothes. This reflects the characteristic of having many respondents in and past middle age whose children are all grown up and they are the class that shops items they use themselves and has stable apparel consumption. As the age group went up, it was answered that impulse purchases were better controlled but the impulse purchases would often occur in food and bargain items. In addition, long term members often went shopping together in small groups but they mostly end in exchanges of opinions and the actual purchases were preferred to be done individually (refer to Table 4).

#### 2) Department Store Shopping Behaviors of Members with Registered Children

Many of the responses from the members with registered children were that the purchase intent increased due to repeated exposure to merchandise and the spending at department stores actually

〈Table 4〉 Department Store Shopping Behaviors of Self Registered Members

Question Category		Response Category	Representative Response	Number of Responses	
Department Store Usage Status	Department Store Usage Behavior	Status of Changes in Spending	Increase in spending at department stores	It seems like I buy at least one thing. Walking around, things catch your eye, necessities arise and you just happen to spend a lot. (D3)80% of the time I come here, I buy something. (A2)	7
		Reasons for Increase in Spending	Increase in purchase intent due to repeated exposure to merchandise	I would go up and down not by my choice as I use the cultural center and find something that looks good and I end up buying it. Seeing is wanting so I see it, I buy it. In fact, spending is a little too much. (B1)	4
			Increase in food court usage	Arriving a little past 11 and staying until about 4, spending does increase because of eating out and such after the cultural center. (A1) Food court offers 10% discount for those who go to the cultural center here. So people taking the courses together and the instructors would often eat and leave. (D4)	7

23) Ji-Young Cho, op. cit.

24) Ji-su Park, op. cit.

〈Table 4〉 Continued

Question Category		Response Category	Representative Response	Number of Responses	
Department Store Usage Status	Apparel Shopping Behavior	Main Purchase Items	Own clothes, food For me, the kids are all grown up and they buy their own clothes. I just need to buy something I need. (D5) As far as the food section, it's the best here. Items are classy... When you go to other places, it's only nice display but everything you need is all here. (D3)	5	
		Main Purchase Merchandise Price Range	Mainly purchase regular price items or sale priced regular items As I grow older, body and everything don't cooperate so I accessorize myself with clothes a bit... I buy high price items for clothes. Then I don't get tired of them as much. When you buy cheap ones, you get tired of them soon. (B2) For the price of two cheap ones, I buy one thing that I would wear... Then you don't have many clothes but it's meaty.	8	
	Impulse Purchases	Apparel Impulse Purchase	Not much impulse purchases in apparel I think impulse purchases decrease as you grow older. A while ago, once I pick up a piece of clothes I would buy it right away... (B2) Spending on clothes increase about 10 to 20 percent as women ponder more but I get to buy other things than clothes. (A2)	6	
		Other Merchandise Impulse Purchases	Impulse purchases in low price items such as food and miscellaneous goods I buy 20 to 30 percent more on things that I didn't have to buy... after buying, I give it to a friend if I don't find it useful for me... (B1) If I see something cheap while just browsing, it happens that I end up buying a bunch when I wasn't even thinking about it. (A1)	5	
	Group Shopping		Participating in small group shopping with friends	If you come here for 7 years together like us, you go shopping and have tea together... you should have someone to take a look at you in clothes... you have to ask... you know, women ponder and buy clothes... (A2)	5
			Group shopping around food court and food. Few group shopping for apparel.	In fact, it is difficult to get together after classes. We would eat and such but we don't go shopping for clothes.(D4)	4

\* The numbers of responses are the sum of corresponding responses to each category throughout the entire responses and can be larger than the total number of the respondents.

increased. It is shown that department store shopping mostly increased similar to the self registered members. They were responsible for the majority of the household spending as they were a customer group mainly in their thirties. Therefore, it was

shown that they were in charge of shopping all products necessary in the household other than products for themselves. Especially, the children's clothes and food section spending such as groceries were shown to be the main purchase items. Friend-

<Table 5> Department Store Shopping Behaviors of Members with Registered Children

Question Category		Response Category	Representative Response	Number of Responses
Department Store Usage Status	Department Store Usage Behavior	Status of Changes in Spending	Spending increased overall It did increase a little. Because I would look around when there is a sale... (F2) It seems like it increased two folds in average... It turns out that I go shopping during the kids' classes. (F3)	8
		Reasons for Increase in Spending	Increase in purchase intent due to repeated exposure to merchandise Even if I wasn't considering anything, it makes me consider when I see it and I end up buying a lot of clothes. (G2) Because I come here often and get to see many sales and such, I lose the idea that department stores are always expensive and figure out that I can make cheap and good buys with good picks... (G1)	6
			Increased employee familiarity Because I come here often, employees become familiar and I get to know more sales associates, I can't shop other places due to sympathy. (E2)	6
			Heavy usage of food courts I get to eat out more often, and eat and run other errands after the cultural center... I think I use the department food court a lot. (G4)	4
	Apparel Shopping Behavior	Main Purchase Items	Active purchases in children's clothes, husband's clothes and food. Purchases of their own clothes are relatively few. I buy baby's clothes the most. I think I buy it whenever necessary. (G3) Adults clothes need to be tried on but since there's no time, mostly children's clothes are purchased. (E1) I haven't done grocery shopping that much at department stores but I get to go grocery shopping once I came here... I think that increased grocery spending a little. (G1) Pricewise... considering cost of going to and fro... mart here isn't that much different than other marts... so I often use the food section. (E3) I always purchase shoes, bags and cosmetic products at department stores. (F1)	10

〈Table 5〉 Continued

Question Category		Response Category	Representative Response	Number of Responses
Department Store Usage Status	Apparel Shopping Behavior	Main Purchase Merchandise Price Range	High purchase ratio of children's clothes from merchandise on carts or sale. Purchasing from carts gives me joy of finding something from laid out stuff... (G1) It's a little too much to dress up your kid only in expensive clothes as they grow up so fast. I buy lots of clothes on carts when buying at department stores. (F1)	9
			Regular priced items are mainly purchased for husband's clothes All of my husband's clothes are purchased at department stores. Instead of the carts, I tend to shop only at the stores regardless of sales... but I don't buy often. (F3)	3
	Impulse Purchases	Apparel Impulse Purchase	Regardless of the merchandise categories, divided into the side making impulse purchase and the side controlling them I used to do a lot of impulse purchases when I was single but it turns out that I can control that well after getting married. (F2) If I need something, I would buy things on the way to the department store but it would be bought even if I hadn't come to the cultural center. I don't think I buy more things because I came to cultural center. (F2) It's not really necessary but it seems that I do impulse purchases if something is pretty. (G3)	6
		Other Merchandise Impulse Purchases	Impulse purchases mainly around low priced items I do buy unplanned things because of others' opinions, if the price is right... (E1)	7
	Group Shopping		Group shopping of mainly children's clothes and children's supplies Children's clothes are bought when in groups but I shop my things individually. (G1) I tend to shop in a group mainly for items my children need. (G2)	3
			Few group shopping in other merchandise categories While waiting, we would have the each other's kids looked after and buy something first but it is too inconvenient to go shopping together. (E3) I might browse in a group but when it comes to buying, I buy alone. When I shop in a group, we can't reach agreements easily and I end up having buyer's remorse on the things bought that way. (G3) For expensive items, I might browse in a group but for the purchase, I make the purchase alone. When shopping in a group, often times I can't buy things that I really wanted. (E2) I prefer to shop alone because I have to hurry up when I'm with someone else. (G4)	8

\* The numbers of responses are the sum of corresponding responses to each category throughout the entire responses and can be larger than the total number of the respondents.

liness among the cultural center members was on the good side but long term members were not many. It is shown that group shopping was not preferred due to the reasons such as not being able to stay at department stores for long accompanying children. However, it is identified that group shopping of mainly low priced items from children's clothes and children's supplies was relatively active. The opinions were evenly distributed that the impulse purchases increased and they can be controlled but more opinions were that they mainly increase. It is researched that the impulse purchases of low price products primarily on carts or on sale were relatively common due to the repeated exposure to these products (refer to Table 5).

Both groups expressed the same opinion that the spending generally increased and the department store usage increased by using the department store cultural centers. It is verifying once again the result of the previous research<sup>25)</sup> that the department store usage frequency and purchase frequency increased with the degree of usage of the department store attached service. Participation in impulse purchases was generally more common in the members with registered children, e.g. lower age group. It is identified that group shopping was more active among self registered long term

members.

#### 4. Images of Department Stores Perceived by Department Store Cultural Center Members

The differences in the opinions on the images of the department stores between the self registered members and the members with registered children were not significant. Images were established reflecting convenience, center of culture, service entity for local residents, friendliness and excellent facilities among which convenience and friendliness were most mentioned factors. This result comes evenly from the three largest department stores. It can be inferred that even though differences in the appearance or the level of luxurization due to brand selections exist, the result is shown due to the relief of psychological stress or intimidation, increase in familiar store associates and ease of identifying department store facilities through continuous repeated visits. It is found that friendliness and convenience are established as the important images for the customers using the cultural centers as the department stores are used for various purposes of convenient consumption as well as recreational activities within the active radii.

It is found that the loyalty to the cultural centers and the department stores increase in the

〈Table 6〉 Images of Department Stores Perceived by Self Registered Members

Question Category		Response Category	Representative Response	Number of Responses
Image Establishment	Department Store Image	Convenience	Such as considering the cultural center members to be allowed to park... (B1)	8
		Center of culture	When you come here, you can meet people, everything can be done. You can go to movies ... Location-wise, it's natural that it is the center of the community. (D6)	4
		Service entity for local residents	It tries to do something for local residents, like running bazaar... (B1)	2

\* The numbers of responses are the sum of corresponding responses to each category throughout the entire responses and can be larger than the total number of the respondents.

25) Ki Ahn Park and Hwang Hyoung Lee, "Advertising Effect of Department Store's Additional Services," *Advertising Research* Vol.4 (1993), pp.96-121.  
Kyu-Hee Lee, op. cit.

case of long term members over three years and the positive image went up as the loyalty increased. It is assessed that the familiarity is formed and the related images are established through numerous usages and contacts, rather than the images of the cultural centers being projected to the images of the department stores.

In light of the behavior intention theory,<sup>26)</sup> generally a consumer forms a belief towards the department store, after which a positive-negative attitude is formed around it and the purchase behavior follows afterwards. However, in case of the cultural center customers, it is found that the purchase behavior precedes the attitude formation due to the repeated visits and the frequent exposures to the products. That is, frequent exposures

connect to purchases and the positive images and attraction are formed after the repeated purchases.

In addition, while the members took the cultural courses, the efforts of the department stores for the community are highly regarded as the department stores are performing the role of educational entities. The images as service entities for the local residents and the center of culture were perceived. More members with registered children in younger age group responded that the images of the department stores changed more positively during the cultural center usage. Most were shown to have established positive images such as no changes were experienced as they already had good impressions. Overall, longer one uses the cultural centers, familiar images toward the depart-

<Table 7> Images of Department Stores Perceived by Members with Registered Children

Question Category		Response Category	Representative Response	Number of Responses
Image Establishment	Department Store Image	Convenience	First of all, it's close but it's better because the parking is convenient. Because of the free parking for the cultural center members, it is easy to run errands... (E1) After coming to the cultural center, you can say that I rarely go to other department stores. It's convenient knowing what's where as I come here often... (G1)	9
		Center of culture	It's really nice to have things normally hard to see exhibited in the department store, such as flower exhibition or teddy bear exhibition.	3
		Friendliness	As time goes by, course contents are good, stores look nice and it becomes more friendly. (G4) With children, you can't even dream about wearing makeup everyday and dressing up but I feel comfortable coming here as is. (E2) It became friendly. I come here as if casually going to a local grocery store. (E1)	7
		Excellent facilities	I think it's nice coming to Lotte after going to just Emart or Homever. Facilities are nicer ... (F2)	5

\* The numbers of responses are the sum of corresponding responses to each category throughout the entire responses and can be larger than the total number of the respondents.

26) M. Fishbein and I. Ajzen, *Beliefs, Attitude, Intention, and Behavior: An Introduction to Theory and Research* (Reading, MA: Addison-Wesley, 1975).

ment stores fixate to the positive images (refer to Table 6 and 7).

## V. Conclusion

The goal of the department store cultural center establishment is to return corporate profit to the society and to raise the image. Cultural center business by department stores which began with such goal was largely successful due to expansion of women's entrance into career and desires for educational and cultural programs. As department stores are for-profit corporations based on pursuit of profits of the corporations, it is effective to use the department cultural centers as a strategic tool to raise customers' satisfaction level, increase revenues and increase customers' loyalty from the marketing point of view.

To summarize the results, firstly in case of the department store cultural center self registered members, they are stable consumer class in ages 45 to 55 with grown up children, many of them are long term members, have strong loyalty towards the cultural centers and department stores, visit more than once a week with each visit lasting more than 4 to 5 hours in the department store, and active in purchasing their own clothes and using food courts. With their relatively high age group, ratio of impulse purchases of apparel products is on the low side and they prefer regular priced items and smaller sale items. Excellent qualities of the programs and friendly instructors were considered important, wrap-up spaces in addition to class time were required, issuing special discount coupons was desired as a consideration for loyal customers, and images were strongly perceived of convenience accumulated through the long patronage of the stores, as the center of culture and as an entity serving the local residents.

Next, in case of the members with the registered children, they were a consumer class mainly in their thirties, highly interested in education with children from infant to lower grade school students. The loyalty towards the department stores and the cultural centers were in the low side as many were short term members. The cultural centers

were selected for the reasons such as the short distance and the convenience of facilities when accompanied by the infants. They were a class responsible for the overall spending of the household such as clothes and food for all family members including the children and the husband. They had much purchase desire but are unable to stay at department stores for desired amount of time due to physical and time limitations from accompanying the children and could not actively go shopping to that level. They frequently made impulse purchases of children's clothes, children's supplies and bargain items. They had complaints on the absence of complimentary play area for children and the strict refund policies. The trend was shown to regard convenient and friendly images as being important.

Based on these results, the following marketing suggestions and strategies could be drawn (refer to Table 8). First, set up the carts selling program required materials for the hobby and culture programs close to the beginning of the programs to increase revenues and customer convenience.

Second, if an online community is created and activated into a space for exchanging information on courses, childcare and education to create influx of young consumer class into long term members and strengthen flow among customers, it is anticipated that it will assist in securing loyal customers by increasing their devotion to the department stores.

Third, efforts are required to extend the customers' store dwell time by allowing free parking for the loyal customers staying long periods of time to stay comfortably, enabling renting and returning strollers on the cultural center floors or increase children focused convenience facilities.

Fourth, by providing coupons or samples for special food items or food court new menus and collecting the opinion cards about them, it is expected that it will help strengthen customer devotion in the long term by raising pride as an entity making contributions to improving the department service and coexisting with the department stores through active customer participations while increasing the effects of offering special customer



〈Table 8〉 Marketing Strategies Drawn from Research Results

Group	Department Store Cultural Center Self Registered Members	Department Store Cultural Center Members with Registered Children	Strategies to Increase Customer Satisfaction and Increase Revenues
Consumer Group	Stable consumer class in ages 45 to 55 with grown up children	consumer class in their thirties interested in education with infants	-Package sales of class required materials -Activate online community targeting consumer class of young housewives
Characteristics	Many long term members. Strong loyalty towards cultural centers and department stores. Long dwell time at department stores.	Many short term members and convenience of department store regarded important	- Unlimited free parking service for long dwell time - Expand children focused convenience facilities, stroller rental/return on cultural center level
Main Purchase Items	Their own clothes, food and miscellaneous items. Actively using food court.	Clothes for themselves and family, food, miscellaneous items	-Provide opportunity for collecting opinions and monitoring by providing coupons for special food items, food court new menus or samples
Impulse Purchases	Low impulse purchases of clothes. Impulse purchases of mainly food and low price products.	Impulse purchases mainly in children's clothes and children's supplies, food and low price items	- Reduce level gap between children's level and cultural center level, set up carts for low price children's clothes, education supplies and toys on cultural center level
Group Shopping	Group shopping in small groups with long term members. Individual purchases are preferred in actual purchases.	Group shopping is unwanted other than for children's clothes and children's supplies	- low price special purchase promotions of children's supplies or children's books, gifts after spending predetermined amount on children's level stores
Satisfaction Factors	Excellent quality of course for price. Pride as department store cultural center.	Excellent quality of course for price. Pride as department store cultural center.	- Strengthen trust by providing instructor profiles, strengthen course evaluation/monitoring system
Dissatisfaction Factors	Classroom ventilation and lighting. Absence of wrap-up space outside class time. Inadequate special discounts.	Strict refund policies, absence of complimentary play facilities for children	- Develop educational play facilities - Use one classroom publicly as a prep and wrap-up room - Increase flexibility of refund policies - Increase discount rate for multiple and continuous program registrations
Dissatisfaction Factors	Convenience, center of culture, service entity for local residents	Convenience, center of culture, friendliness and excellent facilities	- Maintain and strengthen images of convenience, friendliness and attachment to region

discounts and monitoring new products and services.

Fifth, as customers with registered children frequently purchase children's clothes and supplies while being short on time, the distance between the cultural center level and children's level should be decreased and the carts for sales of low price items such as children's clothes, education supplies and toys should be set up on the cultural center level. Additionally, plans should be prepared to further activate purchases such as low price special purchase promotions of children's supplies or children's books or offering gifts after spending a predetermined amount on children's level stores.

Sixth, as the competitions among the cultural centers become fierce and the cultural center service offers from other distribution businesses become more active, foundation to strengthen customers' trust towards the programs need to be built by strengthening trust by providing the instructor profiles and strengthening online and offline course evaluation, opinion exchange and monitoring systems.

Seventh, current children's play facilities include pay-to-use kids' café but it does not differentiate itself from outside kids' cafés and it is difficult to create the environment for children to be immersed for a long period of time due to tight space and lack of ventilation. Therefore, it is thought to be helpful in increasing customer satisfaction and customers' store dwell time to develop children's play facilities providing simple task performing plays with educational subjects in the time slots or to sell kids' café coupon books for the cultural center members specially priced when purchased in ten or twenty tickets if the existing pay-for-use facilities are to be utilized.

Eighth, it will be also helpful for increasing the cultural center users' satisfaction to use one classroom as a prep and wrap-up room to offer a space available for the members to use publicly or increase the discount rates as a strategy when multiple course registrations or continuous registrations.

Lastly, it is verified that the purchases by the cultural center users are increasing due to the repeated exposures to products from continuous

visits and acquiring detailed information of the department store floors and the positive images centered around convenience and friendliness are established as the department stores are used more. For the cultural center members, it is found that using department stores is perceived as an everyday activity within an individual's radius of activities rather than a special outing and the image of convenience is strengthened and the loyalty is increased from the frequent visits.

Throughout this study, the cultural center members were main target market of the corresponding department store, female opinion leaders with mainly above average education, broadly use all facilities and services of the department store and the level of apparel purchase was on the high side. It is necessary to resolve complaint issues and expand the customer services at a personal dimension in order to maintain them as regular customers with loyalty.

In addition, it will be helpful for increasing customer satisfaction and improving customer devotion to effectively combine and utilize the active use of the customer database from the department store credit cards, offers of various benefits with product purchase at individual customer management level, mailing of periodicals, activating members community and utilizing them as monitoring personnel for new products and services with marketing strategies.

In this research, the cultural center members' usages of the department stores were studied based on qualitative data from the focus group interview research. The limit of this study is in the limitations of generalizing the results as the research subjects are limited to the three major department stores in Daegu region and the numbers of the focus group and the participants are small. In addition, care needs to be taken in the translation of the reaction to the department store cultural centers considering that the customers' characteristics exist based on the regional conditions. It is thought that deeper suggestions can be drawn if the customers from various forms of businesses are compared and analyzed in future studies.

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