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DIRECT MARKETING AND ASIAN AMERICAN
IN INLAND EMPIRE

A Thesis
Presented to the
Faculty of
California State University,
San Bernardino

In Partial Fulfillment
of the Requirements for the Degree
Master of Arts
in
Interdisciplinary Studies

by
Laura Louisa Hutabarat
December 2003

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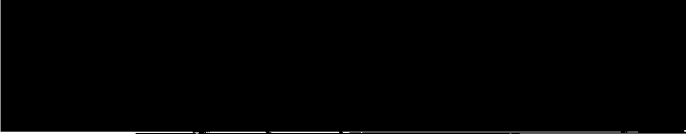
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ABSTRACT

The purpose of every direct marketing firm is to convey a company's message as competently as possible in order to attain a beneficial long-term relationship with their consumers.

Direct marketing practices are helpful to the persistence of brand-value and the establishment of ongoing relationships with customers. Hence, marketers need to scrutinize their practice to alter their approach in the course of privacy-sensitive methods and consumer-pull technologies, especially towards the Asian market.

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CHAPTER ONE

BACKGROUND

Introduction

For a long time, direct marketing was known as direct mail. Buyers began to purchase through direct mail, realizing the convenience of the concept. Today, through direct mail many of its practitioners are earning more revenue, resulting in a high turnover rate (Retzler, 1988). Through the accomplishment of direct mail, the birth of direct marketing has expanded the ability for marketers to reach more prospective buyers. Direct marketing has been utilized since the late 1800's by Aaron Montgomery Ward, but the term "direct marketing" did not come into use until the late 1960's (Kobs, 1988). During the 1970's, with economic strain and the subsequent reevaluation, direct marketing began to thrive. According to Ernan Roman, the author of the book "Integrated Direct Marketing", the growth of direct marketing was affected by the following events:

- Expansion of mass mailing capabilities.
- The introduction of computerized databases for marketing purposes.

- The growth of low-cost nationwide outbound telephone calling systems.
- Increase in median households income
- Increase in working women/wives
- Wider selection
- Debit card shopping
- Change in leisure time values, from shopping to more active forms of recreation (Roman, 1987).

Context of the Problem

Direct marketing is a growing form of sales that is becoming more acceptable by consumers. The foremost mistake in the direct marketing industry is providing misguided offers to prospective consumers. According to Freeman Gosden Jr., the author of the Direct Marketing Success, business can be seen from the 40-40-20 rules. It states that the offer is responsible for more of the success or failure (forty percent of either) than the whole creative area, which only accounts for twenty percent (p. 35). Therefore, a company's success or failure depends on future customers, and finding potential buyers is significant in order to succeed in the business world.

Consumers are exposed to countless direct marketing exposures every day such as; direct mail, catalogues,

telemarketing, home and Internet shopping. Word of mouth, shelf exposure and media exposure are also influences to try new products or services. Responding to different advertisements is another matter. Asian Americans, who are exposed to a variety of advertisements created by American companies, often turn to their own traditional means (Chin, 1995).

Asian buyers are more intrigued to purchase from companies that they are most familiar with. According to HPN Market Research, forty five percent of Asian consumers prefer heading for specialty stores for their everyday necessities. Compared to other ethnic groups, the Asian market is more subjected in choosing channels of distribution they already know.

For many Asian consumers, specialty stores satisfy their needs and wants. Even though products and services from unknown companies and their own traditional stores are similar, consumers prefer purchasing from channel of distributions they are familiar with. This is a result from the assurance and confidence they are gaining from sellers who share the same cultural background.

Purpose of the Project

As the fastest growing market in the United States, Asian Americans necessities should be recognized. There has been a tremendous increase in the Asian population from 6,908,638 in 1990 to 9,242,998 in 2000. Opportunities are open to businesses that want to create a niche in the Asian market (U.S. Census Bureau).

Len Fong, the managing director of Mosaica stated, "Although many companies have distinguished the presence and needs of Asian Americans in the States, however several of them did not know how to target the Asian market, due to their lack of knowledge in regards to Asian Americans behavior, attitudes, and preferences toward direct marketing."

According to the United States Census Bureau, Asian and Pacific Islanders have the most annual household income, followed by Caucasians, Hispanics and African Americans.

Table 1. Average Annual Income

	Average Annual Income
Asian/Pacific Islanders	\$55,521
Caucasians	\$45,904
Hispanics	\$33,447
African American	\$30,439

Source: 2000 United States Census Bureau

Given the growth of population and income of Asian Americans in the United States, targeting each individual within this target market is imperative. The purpose of this study is to observe, learn and understand the Asian markets' perceptions, participations, involvements and views toward direct marketing. This study will also assist in developing marketing and communication strategy, which relates to the following questions:

- 1) Will the message be understood by all ethnic backgrounds?
- 2) Will the illustrations be interpreted correctly in each language?
- 3) Is there a risk of causing offence on cultural or religious grounds?
- 4) Will the communication incite an immediate response from consumers in each of the ethnic targeted? (Direct Network, 1999).

Finally, to acknowledge the tactics and strategies that are significant in reaching out to this target market is also imperative. Creating a connection between consumers and marketers is viable to create a good relationship between buyers and sellers.

Significance of the Project

The significance of the project is to provide a new level of understanding between direct marketers and the Asian American market and to enhance relationships between both parties. In the search for an association among buyers and sellers, the message created by marketers must be modified in order to create the utmost impact.

Through secondary and primary researched collected for the purpose of this study, the significance, which focuses on targeting the Asian market, can be helpful in guiding marketer to attain this target market.

In reaching for the objectives that I have positioned, these are the following questions that this research seeks to answer:

Research Questions:

- 1) What is the awareness level of Direct Marketing among Asian Americans?
- 2) What are the attitudes of Asian Americans toward direct marketing?
- 3) What is the usage level of direct marketing among Asian Americans?
- 4) What is the typical profile of the Asian Americans likely to use direct marketing?

Awareness

The concept of awareness is important in targeting potential consumers, including the Asian market. Though many Asian Americans live a traditional lifestyle, such as going to stores for household necessities, many of them still find direct marketing helpful. Because of the success of direct marketing, the term and usage of the concept has grown tremendously. According to studies done by Dr. George R. Milne of University of Massachusetts, the level of awareness increases with age, income and education.

Marketing was established in the late 1960's to enhance convenience (Gosden, 1985). Its mission is to provide consumers with products and services that are easily accessible to them. For that reason, the emphasis of direct marketing is to provide consumers with more free time.

Attitudes

Attitudes from consumers are important in making direct marketing successful. According to Milne's studies, respondents were on average neutral about direct marketing. Based on the research that he conducted, sixty nine percent think of direct marketing as helpful as far

as saving time and convenience, as well as the ability to stimulate development of new products and services.

Consumers' attitudes and outlooks resulted from an approach strategy created by companies. In direct marketing, the consumers' attitude is based on the right of privacy. According to the results of the second annual opinion survey commissioned by the Office of the Privacy Commissioner for Personal Data (PCO), privacy continues to be rated a high priority social issue by the general public.

Confidentiality is also a critical concern in regards to privacy. Although many consumers feel that privacy is desirable, no one can escape from direct marketers. Despite one's race, age, social and educational status, one day each individual will have to encounter direct marketers.

As mentioned previously on the research done by Dr. Milne, more than half of the surveyed respondents consider direct marketing a nuisance. Yet, many of them employed direct marketing to fulfill their everyday necessities. With the tremendous growing population, Asian American markets are also one of the main targets of direct marketers. With the largest buying power, seeking this target is known to be beneficial (Strategic Buzz Inc.).

Privacy and confidentiality are sacred and important to Asian Americans. Therefore, although the Asian American market is relatively a new target, understanding their view has to be carefully considered and measured, due to the closed and private community attained by this market (Fong, 2003).

Asian markets are known to be state-of-the-art consumers. Culturally they are exceptionally old fashioned (Chin, 1995). Asian cultural conditioning stresses the importance of customs and traditions. They were taught to purchase from their own traditional means. From purchasing to socializing, Asian market are known to be culturally oriented. Because of the teaching and philosophy that was constructed since childhood, their attitudes and thoughts about their culture were strongly built. Therefore, to alter attitudes, ideas and notions that were accumulated into their mentality, to accept other form of purchasing is complex.

Attitude is important in pursuing consumers to purchase. Businesses need to understand three components of attitude. According to Peter and Olson, the authors of the book Consumer Behavior, these are the three components of attitude:

- 1) Cognitive component which resulted due to change by the introduction of new products and services.
- 2) Affective components which resulted in feelings and emotion reactions from the new products and services.
- 3) Behavioral component may be changed by inducing the person to try the new products and services by offering him/her a free sample.

Looking at the three components that each marketer is required to observe, it is essential for them to carefully study each component to acknowledge the attitude change process of consumers.

According to Fong, diverse Asian cultures also have conflicting attitudes toward direct marketing. The Asian American community varies from the Japanese, whom are second or third generation of English speakers, to the Vietnamese, who are moderately new immigrants to the States. The mixes of attitudes make it difficult to target important market segments. For example, Vietnamese find that using one's credit card for purchases is unnecessary because they came from a culture, where owing money is negative. Viewing different attitudes acquired from each ethnic group, direct marketers need to understand that

adapting to different thoughts is important because Asian American consumers are very culturally diverse.

The result of this project is to recognize attitudes of Asian American consumers concerning direct marketing.

Behavior

"Consumer behavior is dynamic because the thinking, feelings and actions of individual consumer, targeted consumer groups, and societies at large are constantly changing" (Peter & Olson, 1999).

To understand consumer behavior is the fundamental task in any business. Individuals with different ethnic backgrounds and cultures have a tendency to exhibit different behavior in various aspects such as, information exploration and purchasing behavior.

Behavior is a concept that is taken and viewed differently by separate ethnic groups. According to Peter and Olson, "By understanding the role of rituals in consumer behavior, marketers can devise rituals that help transfer important cultural meanings from products to the customer" (1999, p. 465). In the case of Asian American, purchases behavior is strongly influenced by culture characteristic. Their values and beliefs are the most sacred aspects that Asian Americans follow (Chin, 1995).

The Asian market behavior reflects greatly on ethnicity; however between generations are dissimilar. The older generations believe the visibility of a product is important, rather than seeing it on TV or any other forms of direct marketing. In addition, purchasing from someone they know is also significant in the buying process.

Considering the different behavior acquired from the Asian market, the intention of this study is to discover behaviors and outlooks of Asian consumers. By conducting a research regarding the subject, the ability to discover the difference between generations and how often they buy from direct marketing can be acknowledge to determine Asian consumer's purchase behavior toward direct marketing.

Limitations

Content Limitation

This study will be restricted to Asian Americans who reside in the Inland Empire areas. According to U.S. census, Asian represents four point eight percent of total 1,709,000 San Bernardino residents in the year of 2000.

Because of the time and budget limitation of this research, the ability to survey all Asian American residing in the San Bernardino areas are constrained. Another limitation that may limit the project would be the

ability to survey all ethnics groups equally. This limitation was set because each ethnic group has different needs and preference. Lastly, the English language written on the questionnaire may also constraints few participants from completing the survey due to unfamiliarity of the language.

Methodological Limitation

The Drawback/limitation of the quantitative method would be the single narrow concept that cannot direct all the applicable aspects of a broad concept (Coppedge, n.d.). The possibilities of data limitation and researchers' bias are also limitations that this study may have. "Researcher bias tends to result from selective observation and selective recording of information, and also from allowing one's personal views and perspectives to affect how data are interpreted and how the research is conducted" (Johnson, 1997).

Lastly, a drawback that may limit this research is the possibility of the existence of new issues after the research has been conducted. Because certain issues are only measured if they are known prior to the beginning of the survey, issues discovered after the survey is unattainable (Johnson, 1997).

The quantitative approach to research selected for the study contains advantages that can compensate for some limitation or weaknesses that quantitative research method has. For instance, its simplicity overcomes some limitation or weaknesses that quantitative research method encloses. Irrespective of its potential disadvantages, quantitative research methods remain the most appropriate for meeting the objectives of this research in assessing the relationships between direct marketing and Asian Americans.

Definition of Terms

The following is the official definition of Direct Marketing that has been assessed by Direct Marketing Association:

"Direct Marketing is an interactive system of marketing which uses one or more advertising media to effect measurable responses and/or transaction at any location."

According to Retzler, the following are definitions of forms of direct marketing used by direct marketers:

1) Direct mail

Direct mail is the most common use of direct marketing. The direct marketing book defines the

concept as placing ads in space or on electronic media to elicit a direct response. Some consumers perceive direct mail as junk mail, however, some households or businesses respond positively.

2) Catalogues

Another common use of direct marketing is catalogues. Catalogues provide the ability for the buyers to purchase many items at the same time. Catalogues come from different types of companies along with various forms, size, colors, and shapes.

3) Telemarketing

In today's technology based business environment, the telephone has become the face of the business. More companies contact their clients/consumer via the telephone than by any other means. Therefore, the importance of telemarketing in promoting their goods, marketers need to realize that their business image is reflected by the way in which the marketers handled the phone.

4) Home shopping

Home shopping is the newest method in direct marketing. Home shopping offers variety of product, including health, beauty and home

fashion. This method of direct marketing gives the ability for the buyer to purchase shown items on their home television set. Home shopping gives the ability for buyers to place an order by telephone and pay for it by using one's credit card (p.2-6).

5) Internet shopping

A process in which images or listings of goods and services are viewed remotely via electronic means, e.g., a vendor's Web Site, items are selected for purchase, and the transaction is completed electronically with a credit card or an established credit account.

Quantitative research method:

"Descriptions of quantitative research typically discern a cycle of successive phases of hypothesis formulation, data collection, analysis and interpretation; and using a deductive approach, quantitative research seeks to establish facts, make predictions, and test hypotheses that have already been stated" (Huysamen, 1997).

Chi Square (χ^2): nonparametric inferential statistic used to analyze nominal data and determine whether the sample's frequencies of responses resemble the frequencies found in the population.

CHAPTER TWO
REVIEW OF THE LITERATURE

Introduction

According to Roman, "direct marketing can be view as a special way of selling which invites buyers to respond to your advertising and enables you to measure that response, in this case the Asian Americans." Consumers throughout the world are now open to new opportunities to discover new ways to browse or purchase a product or service; whether it is through shop windows, shelves, the Internet, TV, telephone, direct mail, catalogues or home shopping.

Overview of Direct Marketing

The change of consumer perceptions towards purchase behavior, whether it is technological or a cultural point of view, the American market has shifted their values and beliefs (Roman, 1987). Utilizing direct marketing for purchases has shortened their shopping time and increased time for more important activities.

Consumer

As we are moving further in the 21st century, consumer-buying behavior has altered and adjusted. Women, who are known to be the designated shoppers in the

household, have shifted to convenience and simple ways of shopping. With more women entering the workplace, many of them have less time for traditional shopping (Gosden, 1985). In efforts to reach out for more relaxed time, consumers often turn to direct marketing to acquire products and services (Gosden, 1985).

It is a fact that customer acceptance to direct marketing is growing. Individuals have different interests and preferences in a product or service; therefore, to satisfy all customers is almost unattainable. According to the book *Direct Marketing*, the idea of direct marketing seems to be very practical, however, many of its practitioners fail because of the lack of understanding or finding the right customer for their company. After all, direct marketing is only used when the right audience is obtainable and accessible. Therefore it is important for any business to study the field before deciding to enter into the world of direct marketing (Gosden, 1985).

Direct Marketing and Ethnicity

The United States consists of many communities who share different cultural background and beliefs. Their faith in their ethnic background is very much valued by each community. Because of their strong beliefs in their

culture, direct marketers need to develop a marketing strategy that is appealing and eye-catching to different ethnic groups.

The United States, a country that consists of multicultural society, has a remarkable increase in buying power. According to research done by Selig Center for economic growth, Terry College of Business, University of Georgia, buying power within the minorities has greatly improved from 1990 to 2001.

Table 2. Buying Power

Buying power (\$mil)	1990	2001	chg.
African-American	308	572	86%
Hispanic	208	452	118%
Asian	113	254	125%

Source: University of Georgia

Looking at the increase of multicultural buying power, out of \$200 billion spent annually on consumer advertising; only \$1.5 billion is directed specifically to ethnic campaigns (Barclay, 2001).

According to Jana Barclay, the director of Strategic Alliances at AccuData America, to overcome the ethnicity difficulty, building marketing intimacy is significant to reach out to multicultural household. One of the examples of marketing intimacy that's functional would be direct

marketing. Direct marketing gives a prospect for marketers to be able to communicate closely and intimately. If necessary, the ability for marketers to use the native language of the target market can also be constructive and productive.

Along with marketing intimacy, direct marketers should consider an effective geography based marketing that is valuable to target each ethnic group. According to Barclay, different ethnic communities tend to cluster more in certain geographic areas to be closer to the people who share the same cultural background. For example, to target the top ten U.S. Hispanic market, marketer can reach forty five percent of the Hispanic population. With African American, the top 10 markets contain about thirty nine percent of the population, and lastly for Asians, sixty four point six percent (Barclay, 2001).

According to Lisa Roberts, principal, media director, direct marketing for advertising agency Publicis Dialog-US/Optimedia-US Publicis' worldwide headquarters is in Paris; marketers can make a lot of imprudent assumptions about ethnic groups, which are not inevitably accurate from market to market. The only effective approach to market to different ethnic groups is to get

into the market, learn about the culture and market with confidence and assurance.

Another subject that needs to be understood by direct marketers in reaching for multicultural consumers is the actual content and presentation of the message. Each group is different in various ways, for example, dialogues, background and beliefs. According to Roberts, in order to target consumer with Hispanic background, marketers need to realize and study the roots of their target market. People with Hispanic background come from various countries, such as Cuba, Puerto Rico, Mexico, El Salvador, and many more; therefore, the means of communication to target to the various Spanish roots differed. The same concept also applies to Asian Americans. Asian Americans consist of different ethnicity and roots, such as Chinese, Filipino, Korean, Vietnamese, Indonesian and many more.

"One key to sorting out the differences and avoiding faux pas to tap the power of local ethnic associations" (Roberts, 2001). The reliance of ethnic associations to provide the necessary information for marketers is considerable. To recognize the need and preference of the target market, connect and talk to the company's target ethnic market is valuable.

With the opportunity that can be provided by ethnic associations, conducting a marketing research regarding the target market is also important. According to Roman, market research is cost-effective to determine many key components in a strategic plan for market research, including:

- Proper target market
- Product positioning
- Perception of the company
- Perception on the competition
- Price sensitivity
- Media selection
- "Buying Triggers"

Since each ethnic group responded differently toward direct marketing, understanding each step of the market research procedure can very much help every company to reach for the right target market.

Finally, viewing the unfortunate gap that has not yet being filled by many direct marketers, opportunities are open to companies that want to focus on niche marketing with the help of market research (Sandy Wilson, national director of strategic alliance for AccuData America).

Asian Americans

Multiculturalism entails the recognition that in the United States different cultural groups exist throughout the country. Even though different ethnic groups are influenced by one another's culture, one cannot escape from his/her predominant culture. Therefore, it is fair to say that one's cultural background is the foundation that can never be diminished or influenced by other cultures (Chin, 1995).

Each individual is born in a culture, and with that comes the responsibility to act, react and behave according to what was taught. In the case of Asian Americans who are divided among many countries and mother languages, socializing among the same cultural background is desirable (Chin, 1995). Although some are familiar with the English language, speaking their own native language gives a sense of security and satisfaction. With the language, food, places to live, products and services are also important for ethnic groups. Each culture finds satisfaction in eating their own dishes, as well as utilizing products and services that they are familiar with.

Although they mainly turn to their own people in search for products or services, it is not impossible for

the "outsiders" to provide them with the necessities. Effective strategies need to be developed carefully before marketing to the Asian communities. For instance, a company needs to study the purchase habits of Asian Americans, as well as realizing the differences between nationalities (Barclay, 2001). Willingness to change marketing approaches to conquer the Asian Americans is just as important for businesses. The distribution, packaging, pricing, and communication skills need to be adjusted to reach out to Asian American communities.

In addition to effective strategies, understanding each culture is also significant because of differences within the market exist. Each segment of the market cannot be addressed the same way as they would another. Markets to Indonesian and Chinese groups require different marketing tactics. Because each segment has different backgrounds, politically and culturally, targeting each segment requires different marketing strategies as well as different communication skills. In other words, one cannot address one segment of that market in the exact same way as they would another (Fong, 2002).

The Growth of Asian Americans

Asian Americans represent the fastest growing segment of the U.S. population. To embrace diverse national

backgrounds and unique cultural heritage of Asian Americans, opportunities are open for businesses to offer an exceptional service or product that's relative to consumers' needs and interests. According to 2000 census Bureau, The Asian Americans population in the United States grew from 7.3 million in 1990 to 11.9 million in 2000, which represents four percent of the U.S. population. With the tremendous growth in the population, the median income for average Asian American households is \$45,460, and the growth in economic competency also rose one hundred twenty five percent to reach buying power of \$254 billion. Seeing the growth of Asian Americans population, a great opportunity for companies to create niche marketing is very significant. According to the study done by Strategic Buzz Corporation, marketing to Asian Americans is important to any business that is reaching for success for the following reasons:

- 1) According to the 2000 Census Bureau, Asian Americans are generally better educated.
- 2) Asian Americans are more likely to fall under upper income brackets than the average American.
- 3) According to the recent Census, Asian Americans had a median income of \$55,521 as compared to \$42,148 for all races.

With higher income, higher spending is likely to be expected. According to the researchers at the University of Georgia's Terry College of Business, Asian Americans have accounted for the fastest increase in buying power from 1990 to 2001. Looking at the advantages that Asian American obtains, marketing to these individuals is essential. In order to do so, understanding their need and preference is required to reach out to this target market.

Why Targeting Asian American

Marketing to Asian American gives the opportunity for companies to enhance their positions in the market place. With a rising growth in the Asian population, many marketers are still unaware that targeting this group can increase market shares for the company. According to studies done by many organizations, it shows that although the market is expanding tremendously, many companies are still blinded by the chance of opening or creating a new target market, because of languages and customs that are unfamiliar to many marketers. Although the Asian market is more inclined to respond to their own traditional means, with careful marketing strategies and communication skill, this is a highly target able and profitable market (Fong, 2002).

Internet as one of the tool of direct marketing can be used greatly to target the Asian market. According to Forrester Research Inc., Asian Americans have the highest spending of online purchases in the last quarter of 1999. With the highest spending of \$331 on online purchases, Asian Americans surpass the Caucasian, African and Hispanic Americans. It is fair to say that Internet can be used successfully to reach the Asian market.

Looking at the increase of Asian market buying power, it is fair to say that Asian Americans are known to be the ethnic category that are willing to adjust and learn ever changing market surroundings. They are open to purchase products and services from any company as long as they feel confident and secure.

Finally, looking at the growth of direct marketing in the U.S., it is fair to say that technological developments in the 21st century have much impact on the market; and in results, consumer inclination and liking of direct marketing have altered.

Profiles of Asian Americans Likely to use Direct Marketing

Direct marketing offers different necessities that are used by anyone, despite age, social class, education or ethnicity. Although many consumers find direct

marketing as an irritation, their products and services are being purchased successfully (Roman, 1988).

According to Len Fong, Asian Americans are the most restless ethnic group in the United States. Their longing to discover the most advanced techniques in products and services make them the most high-tech ethnic groups. Despite their modern lifestyle, they are still conservative and traditional. This market takes pleasure in acquiring from the most advanced technology devices, however, being acquainted with the seller is significant. The same purchase behavior also applies to new immigrants to the United States. Because of their language barriers and the lack of knowledge in American customs, the new migrants often seek their own traditional means to assist them with the necessities they need, such as products and services.

Young generations of Asian Americans are more open to discover the new approach of buying. Even though most of them grew up speaking their own native languages, they do not find difficulties communicating in English. They distinguish themselves as Americans; however, their Asian heritage is one thing they cannot be forgotten. They are also culturally oriented; their perspectives have tailored to the country that they live in. They are more open to

new ideas and unlike the older generations, they are already accustomed to deal with someone who does not come from the same cultural background.

Theory

Characteristics of culture from one ethnicity to another are different and unique and someone who comes from the same cultural background can only comprehend that. According to William B. Gudykunst and Yuko Matsumoto, "variables on which cultures can be different or similar that can be used to explain communication across cultures can be referred as dimensions of cultural variability, which consists of individualism and collectivism". They are used to explain the similarities and differences in communication across cultures now applied as communication theory that differentiate between various cultures (Gudykunst & Matsumoto).

Individualism possessed by American culture, values independence, self-interest, and sense of self-freedom along with the perceptions that one person's behavior influenced in very specific circumstances. In the individualistic culture, such as the United States, the university one attends generally influences his/her behavior only when they are at the university or at an

alumni event. The in-group only affects one's behavior in very specific circumstances, in this case peers (Gudykunst & Matsumoto).

Collectivist cultures, however, emphasize goals, needs and views of their surroundings rather than individual pleasure. Collectivist culture, possessed by many Asian cultures believes that behaviors he/she has learned throughout his/her childhood can affect various aspects of a person's life. In collectivist cultures, the university one attends influences his/her behavior throughout his/her adult lives. Therefore, in-group affects behavior he/she has had implanted reflects throughout one's lives (Gudykunst & Matsumoto).

Viewing from different beliefs possessed by different cultures, the ability for marketers in an individualistic culture to communicate to collectivist individuals residing in the individualistic society is a challenge. Asian culture values the significance of a hierarchical group obtaining strong influence by their surroundings across situations; therefore, resulted from the strong influence embedded, he/she will act upon behaviors implanted from their national heritage throughout his/her lives, in this case purchasing behavior. Strong identity and unity possessed by a collectivist society may very

well be an advantage or disadvantage for direct marketing practitioners, depending on how well a company knows its consumers.

"Customer loyalty and retention is really where the rubber meets the road! To successfully build loyalty takes a total commitment and hard work. I believe, more often than not, customers don't become loyal to a company's products; they become loyal to the company and the level of service they experience" (Gribber, 2003).

CHAPTER THREE

METHODOLOGY

Introduction

In order to comprehend the characteristics of each target market, a survey instrument was developed to obtain the necessary information. This chapter describes the research methods utilized and presents the major research findings as they pertain to the research objectives.

Design of Investigation

Based on the literature, the relationship between direct marketers and the Asian market is misguided. The lack of cultural understanding by marketers resulted in fear targeting towards the Asian market. In response to the value that each market has toward direct marketing, a survey in the form of questionnaire was developed to measure the consumption of direct marketing used by the Asian market. The questionnaire was directed to the hypothesis questions that were mentioned in the previous chapter.

The research was done quantitatively, which is described as a method based on quantitative measurement, standardization, and mathematical techniques (Sarantakos, 1993). With quantitative research, the variables have a

tendency to be defined more narrowly, which makes it more practical and viable to assemble data.

Questionnaire Design

The survey instrument used in this study consists of two main parts. The first part of the questionnaire explores the participant's familiarity and experience with direct marketing. The second part of the questionnaire consists of participant's identification, which will be used for cross tabulation and analysis only.

The questions for the study were obtained through the literature review. Dr. Nabil Razzouk, a marketing professor at California State University, San Bernardino evaluated the questionnaire and provided insight and assistance, which were employed in the final version of the questionnaire.

Population Served

Two hundred questionnaires were distributed throughout the Inland Empire area. Since this study focuses on Asian Americans in general, targeting the prospective areas where most Asian population resides was necessary. To target the older population of Asian Americans, visitations to Asian supermarkets located in the San Bernardino area were completed. To target the

younger generation of Asian Americans, the visitation of local colleges and universities around the area were conducted. To target all generations of Asian Americans, the visitation of local Asian restaurants was conducted. This was a convenience sample that included Asian Americans from all ages, genders and social classes. No attempt was made to randomize or to screen respondents other than qualifying them as Asian Americans.

Data Gathering

The survey was conducted in April of 2003. The First location targeted was supermarkets around the Inland Empire areas, such as Tung Hing, Hip Than and Che Lin. Respondents were approached as they exited the stores and were asked to participate in the survey. Because of language and time barriers, many of the potential participants declined to participate in the survey.

Visitation to colleges and universities around the Inland Empire area, such as San Bernardino Valley College, California State University-San Bernardino, Riverside Community College, and the University California-Riverside was a success. The sample that was completed at these colleges was random, by asking each Asian student exiting the libraries and cafeterias in April of 2003. Eighty

percent of the participants responded positively toward the survey. The other twenty percent, however, refused to assist in the completion of the survey, due to time limitations.

Finally, visitation to restaurants around the Inland Empire area, such as Pho Ha, Little Saigon, Pink Garden and Lotus Garden once again failed to significantly increase the number of respondents. Only forty percent of potential participants completed the survey. This was due to time and language barriers that prevented many potential respondents from participating.

While collecting the data, the language barrier was the biggest obstacle overall. This was especially true with the older generation of Asian consumers. Many of the potential participants refused to complete the survey, indicating that they were not familiar with the English language. In fact, a number of older respondents asked for assistance in completing the survey, because of the limitation in the language. Because of the language constraint, this study failed to obtain the opinions and views of few Asian consumers that may have purchased from direct marketing.

Data Analysis

The Statistical Package for the Social Sciences (SPSS) was designed to analyze data from surveys. The software package that permits data manipulation and analysis by a variety of statistical techniques is very useful and practical for the purpose of this study. Chi-square, which performs one of the main analysis formats used in the SPSS was used to investigate the nature and direction of the two variables in question; which leads to cross tabulations. Cross tabulation procedures are significant during the process of analyzing the data because it allows the study to cross tabs variables in conjunction with other variables.

Major Research Findings

Survey Results

1. Are you familiar with Direct Marketing?

49% of the respondents are familiar with direct marketing as opposed to 51% who are not. Further analysis showed no significant relationship in regards to familiarity between gender, age, and ethnicity.

2. Have you ever purchased anything from direct marketing?

From 200 survey participants, 72.5% have purchased from direct marketing as opposed to 27.5% who have not. Significant distinction appeared to be valid in regards to age ($p = .004$). The age groups of 25-34 attained the highest percentage of purchasing from direct marketing (83.8%). On the other hand, the ages of 65+ attained the highest percentage in never to have purchased from direct marketing (100%). Further analysis showed no significant relationship between gender and ethnicity.

3. Which of the following types of Direct Marketing have you ever used?

Table 3. Frequency for Question 3

	Yes	No	X
Direct Marketing	21.9% (32)	78.1% (114)	1.78
Telemarketing	11.6% (17)	88.4% (128)	1.89
Internet shopping	74.7% (109)	25.3% (37)	1.25
Catalogues	52.7% (77)	47.3% (69)	1.47
Home Shopping	26.9% (39)	73.1% (106)	1.73

Table 4. Significant Level for Question 3

	Gender	Age	Ethnicity
Direct mail	P = .537	P = .046	P = .077
Telemarketing	P = .230	P = .372	P = .273
Internet shopping	P = .029	P = .033	P = .498
Catalogues	P = .109	P = .349	P = .005
Home Shopping	P = .011	P = .649	P = .047

A significant relationship pertaining to the question appeared to be valid in relation to direct mail and age, telemarketing and age, gender and age, Internet shopping-catalogues and ethnicity, lastly, home shopping and gender.

Direct mail and age - The age groups of 35-55 attained the highest percentage of purchasing from direct mail (42.9). However, the age groups of 55-64 contained the highest percentage in never to have purchased from direct mail (100%).

Internet shopping and gender/age - Male buyers dominated the Internet shopping with 83.3%, in comparison to females with 67.5%. In regards to age, the age group of 18-24 encompasses habits of purchasing through the Internet with 84.2%, as opposed to the age group of 55-64 with only 50%.

Catalogues and ethnicity - Malaysian buyers mostly dominated catalogues with 83.3%. On the other hand,

Thai who participated in the survey never purchased through catalogues (100%).

Home shopping and gender - Female buyers mostly dominated home shopping with 35.4%, as opposed to males with a 16.7% chance in purchasing through home shopping.

For each of the statements below, please indicate the level of your agreement and disagreement by circling the letter or letters that best represent your response.

Table 5. Level of Agreement

	SD	D	N	A	SA	x
I enjoy shopping through direct marketing		6.1%	41.5%	39.5%	12.9%	3.59
		(9)	(61)	(58)	(19)	
Direct marketing helps me save money	2%	8.8%	34.7%	37.4%	17%	3.59
	(3)	(13)	(51)	(55)	(25)	
Direct marketing helps me save time	1.4%	2%	21.8%	46.9%	27.9%	3.98
	(2)	(3)	(32)	(69)	(41)	
Direct marketing is convenient for me		2%	25.2%	41.5%	31.3%	4.02
		(3)	(37)	(61)	(46)	
I consider direct marketing a nuisance	7.5%	23.1%	46.9%	13.6%	8.8%	2.93
	(11)	(34)	(69)	(20)	(13)	
From my most recent experienced, I am satisfied with direct marketing return policy	3.4%	8.8%	35.4%	40.8%	11.6%	3.48
	(5)	(13)	(52)	(60)	(17)	
I am satisfied with direct marketing security issues	1.4%	12.2%	35.4%	42.9%	8.2%	3.44
	(2)	(18)	(52)	(63)	(12)	
I find more selection of products through direct marketing	1.4%	10.2%	29.3%	43.5%	15.6%	3.62
	(2)	(15)	(43)	(64)	(23)	
As a whole, direct marketing is the best way to shop	4.1%	16.3%	43.5%	29.9%	6.1%	3.18
	(6)	(24)	(64)	(44)	(9)	

Note: () - # of participants

4. I enjoy shopping through direct marketing
In regard to the respondent's level of agreement in enjoyment, age ($P = .030$) and ethnicity ($P = .025$) are proven to be significant. The age category of 55-64 is believed to be the most disagreeing (28.6%) and neutral group category (57.1%). In the subject of ethnicity, Japanese (20%) attained the highest percentage in regards to disagreement level, as opposed to Malaysian who rated the highest in regards to agreement level of direct marketing (100%).
5. Direct marketing helps me save money
Regarding the respondent's level of agreement in the matter of saving money, the study indicated that a significant relationship between gender, age and ethnicity couldn't be concluded.
6. Direct marketing helps me save time
With regard to the respondent's level of agreement in the matter of time, this study cannot conclude a significant relationship between gender, age and ethnicity.
7. Direct marketing is convenient for me
A significant relationship was indicated to exist between age ($P = .018$) and ethnicity ($P = .012$);

however invalid in regards to gender. To support the precision of the results, the study shows that the age group of 55-64 attained the highest percentage in feeling neutral regarding convenience (85.7%), as opposed to other age groups that shared a similar agreement level regarding the statement above. Regarding ethnicity, Japanese attained the highest percentage in the disagreement (20%) and neutral (60%) levels.

8. I consider direct marketing a nuisance

The finding accumulated through cross tabulation indicated that a significant relationship was found to be valid in regards to age ($P = .009$) and ethnicity ($P = .024$). Slightly more than half of all participants within the age group of 55-64 (57.2%) disagree with the assumption that direct marketing is a nuisance, in comparison to all age groups who attained similar beliefs as far as disagreement level on the subject of nuisance. However, the age group of 18-24 attained the highest percentage (61%) in feeling neutral in the subject of nuisance. In regards to ethnicity, Japanese attained the highest percentage (80%) in

disagreeing with the statement above. On the other hand, Thai with 40% rated the highest in agreeing with the fact that direct marketing is a nuisance.

9. From my most recent experience, I am satisfied with direct marketing return policies

With regard to the respondent's level of agreement in the matter of return policies, this study indicated that a significant relationship between gender, age and ethnicity couldn't be concluded.

10. I am satisfied with direct marketing security issues

A significant relationship between security issues and direct marketing was found to be valid in regards to gender ($P = .035$); however, it proved to be invalid in regards to age and ethnicity. The finding signifies that males are more neutral (40%) and satisfied (48.8%) in the matter of security in comparison to females.

11. I find more selection of products through direct marketing

With regard to the respondent's level of agreement of selection of products, this study indicated that a significant relationship between gender, age and ethnicity couldn't be concluded.

12. As a whole, direct marketing is the best way to shop

A significant relationship between security issues and direct marketing found to be valid in regards to age ($P = .021$); however, proved to be invalid in regards to gender and ethnicity. The finding

Table 6. Level of Importance

	Not at all important	Unimportant	Somewhat important	Important	Very important	
	1	2	3	4	5	
Price of product purchased by direct marketing		3.4%	17.1%	36.3%	43.2%	4.19
		(5)	(25)	(53)	(63)	
Convenience of the shopping experience		2%	20.4%	44.2%	33.3%	4.09
		(3)	(30)	(65)	(49)	
Customer Service	2.7%	6.1%	17.7%	34%	39.5%	4.01
	(4)	(9)	(26)	(50)	(58)	
Time necessary to complete purchase		4.1%	15%	34.2%	36.7%	4.14
		(6)	(22)	(65)	(54)	
Security/privacy		2.7%	11.6%	21.8%	63.9%	4.47
		(4)	(17)	(32)	(94)	
Known merchants	.7%	4.8%	26.5%	36.1%	32%	3.94
	(1)	(7)	(39)	(53)	(47)	
Having the information in my native language	15%	11.6%	29.3%	29.3%	15%	3.18
	(22)	(17)	(43)	(43)	(22)	
Product visibility		3.4%	17%	35.4%	44.2%	4.20
		(5)	(25)	(52)	(65)	
Return Policy	.7%	.7%	10.2%	30.6%	57.8%	4.44
	(1)	(1)	(15)	(45)	(85)	
Convenient hours		4.8%	15%	40.1%	40.1%	4.16
		(7)	(22)	(59)	(59)	

Note: () - # of participants

signifies that with 57.1%, the age group of 55-64 proved to be the most neutral group category. However, with 47.6%, the age group of 35-55 attained the highest percentage in believing that direct marketing is the best way to shop.

When you are considering buying any merchandise or services through Direct Marketing, how important are the following attributes To You? Please circle the number that best represents the level of Importance you assign to each attribute.

13. Price of product purchased through direct marketing

With regard to the respondent's level of importance in the matter of wider selection of products, this study indicated that a significant relationship between gender, age and ethnicity couldn't be concluded.

14. Convenience of the shopping experience.

With regard to the respondent's level of importance in the matter of convenience, this study indicated that a significant relationship between gender, age and ethnicity couldn't be concluded.

15. Customer service

A significant relationship between customer service and direct marketing found to be valid in regards to age ($P = .050$); however, invalid in regards to gender and ethnicity. To support the statistical accuracy, the study has shown that

with 42.9%, the age group of 55-64 rated the highest in feeling neutral about the importance of customer service. However, with 83.4%, the age group of 25-34 rated the highest confirming the importance of customer service.

16. Time necessary to complete purchase

A significant relationship between time and direct marketing was found to be valid regarding gender ($P = .007$); however, proved to be invalid in regards to age and ethnicity. To support the precision of the significance, the study has ascertained that in the issue of time, more males (86.5%) believed in the importance of time, as opposed to females with 76.3%.

17. Security/privacy

A significant relationship between security/privacy issues and direct marketing was found to be valid in regards to gender ($P = .002$); however, invalid in regards to age and ethnicity. In the issue of gender, 95.8% of females believed in the importance of security/privacy, in comparison to males (76.2%).

18. Known merchants

With regard to the respondent's level of importance in the matter of known merchants, the study concluded that a significant relationship between gender, age and ethnicity couldn't be concluded.

19. Having the information in my native language

A significant relationship between the importance of native language and direct marketing was found to be valid in regards to ethnicity ($P = .005$); however, proved to be invalid in regards to age and gender. To support the precision of the significance, Malaysians proved to be the ethnic group with the highest percentage to consider the application of native language to be unimportant in the matter of direct marketing (66.7%).

20. Product visibility

A significant relationship between product visibility and direct marketing was found to be valid in regards to age ($P = .002$); however, proved to be invalid in regards to gender and ethnicity. To support the precision of the significance, the age group of 55-64 attained the highest percentage (42.9%) in feeling neutral,

opposed to other age group categories that shared similar beliefs in the issue of importance in product visibility.

21. Return Policy

A significant relationship between return policies and direct marketing was found to be valid in regards to gender ($P = .003$); however, proved to be invalid in regards to age and ethnicity. To support the precision of the significance, males, with 19.4%, feel neutral in regards to return policy, compared to females with only 2.5%.

22. Convenient hours

With regard to the respondent's level of importance in the matter of convenient hours, this study indicated that a significant relationship between gender, age and ethnicity couldn't be concluded.

Table 7. Level of Satisfaction

	Very Dissatisfied	Dissatisfied	Somewhat satisfied	Satisfied	Very satisfied	
	1	2	3	4	5	
Price of product purchased from direct marketing		4.1%	32%	40.8%	23.1%	3.83
		(6)	(47)	(60)	(34)	
Convenience of the shopping experience		2.7%	29.3%	45.6%	22.4%	3.88
		(4)	(43)	(67)	(33)	
Customer Service		4.1%	46.3%	29.9%	19.7%	3.65
		(6)	(68)	(44)	(29)	
Time necessary to complete purchase		4.8%	26.5%	50.3%	18.4%	3.82
		(7)	(39)	(74)	(27)	
Convenient hours		4.1%	22.4%	42.2%	31.3%	4.01
		(6)	(33)	(62)	(46)	
Known merchants	.7%	4.8%	34.7%	45.6%	14.3%	3.68
	(1)	(7)	(51)	(67)	(21)	
Having the information in my native language	2.7%	10.9%	44.9%	27.2%	14.3%	3.39
	(4)	(16)	(66)	(40)	(21)	
Security/Privacy		9.5%	25.2%	40.8%	24.5%	3.80
		(14)	(37)	(60)	(36)	
Product visibility	.7%	10.2%	36.1%	35.4%	17.7%	3.59
	(1)	(15)	(53)	(52)	(26)	
Return Policy	10.4%	8.2%	29.3%	42.9%	18.4%	3.68
	(2)	(12)	(43)	(63)	(27)	

Note: ()- number of participants

Reflecting on your most recent experience with Direct Marketing, please indicate the level of your Satisfaction or Dissatisfaction with each of the attributes below. Use the scale 1-5, 1 being very dissatisfied to 5 being very satisfied.

23. Price of product purchased from direct marketing
A significant relationship between return policy and direct marketing was found to be valid in regards to ethnicity ($P = .032$); however, invalid in regards to age and gender. To support the validation of the results, with 22.2% (dissatisfied) and 55.6% (neutral), Koreans rated the highest in comparison to other ethnic groups that participated in the study.

24. Convenience of the shopping experience
A significant relationship between return policy and direct marketing was found to be valid in regards to age ($P = .000$) and employment status ($P = .013$); however, proved to be invalid in regards to gender and ethnicity. To support the precision of the result, participants among the ages of 55-64 have the highest percentage in experiencing dissatisfaction (28.6%) and neutral (42.9%) on their most recent experience with direct marketing (28.6%). Therefore, it is fair to assume that this age category is the most dissatisfied among others, and also the most disinterested buyers when it comes to finding satisfaction through direct marketing. In the

subject of employment status, non-employed participants have a higher percentage of being neutral in regard to their satisfaction level with convenience (48.1%). Hence, the employed participant's intent to experience satisfaction in regard to the issue of convenience is achieved [76.6%].

25. Customer service

With regard to the respondent's level of satisfaction in the matter of customer service, this study indicated that a significant relationship between gender, age and ethnicity couldn't be concluded.

26. Time necessary to complete purchase

With regard to the respondent's level of satisfaction in the matter of time, this study indicated that a significant relationship between gender, age and ethnicity couldn't be concluded.

27. Convenient hours

A significant relationship between return policy and direct marketing was found to be valid in regard to employment status ($P = .027$); however, cannot be concluded in regard to gender, age and ethnicity. To support the precision of the result,

employed participants are more satisfied with convenient hours provided (80.8%), in comparison to non-employed participants (59.6%).

28. Known merchants.

With regard to the respondent's level of satisfaction in the matter of known merchants, this study indicated that a significant relationship between gender, age and ethnicity couldn't be concluded.

29. Having the information in my native language

A significant relationship between the use of native language and direct marketing was found to be valid in regard to ethnicity ($P = .006$); however, invalid in regard to gender and age. Thai and Taiwanese obtained the highest percentage of being the most unsatisfied respondents in regard to native language (33.3%). Japanese, with accuracy of 80%, are believed to be neutral in the issue of native language. Finally, with accuracy of 61.8%, Indonesians attained the highest percentage of being the most satisfied customers in relation to native language.

30. Security/Privacy

With regard to the respondent's level of satisfaction in the matter of known merchants, this study indicated that a significant relationship was found to be valid in regard to ethnicity ($P = .019$), however, invalid in regard to age and gender. To support the results collected through cross tabulation, Taiwanese were found to be the most neutral (50%) and dissatisfied consumers when it comes to security/privacy issues (25%), compared to other ethnic groups that shared similar beliefs in the issue of satisfaction.

31. Product visibility

With regard to the respondent's level of satisfaction in the matter of product visibility, this study indicated that a significant relationship between gender, age and ethnicity couldn't be concluded.

32. Return policy

With regard to the respondent's level of satisfaction in the matter of return policy, this study indicated that a significant relationship

between gender, age and ethnicity couldn't be concluded.

33. How long does it usually take you to place a direct marketing order?

Table 8. Frequency Table for Question 33

	Frequency	Percent
5-30 minutes	64	43.5%
30-50 minutes	44	29.9%
1-2 hours	30	20.4%
2 or more hours	9	6.1%

Note: 53 Participants did not comment on the given question

With regard to the respondent's purchase behavior in the matter of time, this study has indicated that a significant relationship between gender, ethnicity and age couldn't be concluded.

34. What time of the day do you usually shop from direct marketing?

Tabel 9. Frequency Table for Question 34

	Frequency	Percent	x
Morning	17	11.6%	2.56
Afternoon	31	21.1%	
Evening	99	67.3%	

Note: 53 participants did not comment on the given question

A significant relationship is valid in regard to marital status ($P = .009$). The separated participants had the highest percentage of purchasing during morning time (100%). The afternoon category mostly applies to married participants (31.4%). Lastly, the evening is most applicable to the single participants (72%). Further analysis of the study showed no significant relationship in regards to gender, age and ethnicity.

35. How often do you buy from direct marketing?

Tabel 10. Frequency Table for Question 35

	Frequency	Percent	x
Once a month	24	16.3%	2.88
More than once a month	28	19%	
Once a while	58	39.5%	
Once a year	16	10.9%	
More than once a year	20	13.6%	
Never	1	.7%	

Note: 53 participants did not answer the given question.

A significant relationship showed to be valid in regard to ethnic background ($P = .000$). Thai attained the highest percentage (33.3%) in the category of "once a month" shoppers. In the category of "more than once a month" Cambodians

attained the highest percentage (36.4%). In regard to "once a while" shoppers, Malaysians dominated the category with 83.3%. Lastly, "once a year" shoppers are mostly dominated by Laotians with 66.7%, in addition to "more than once a year" shoppers, which was mostly dominated by Japanese with 60%.

Further analysis showed no significant relationship in regards to gender and age.

36. Approximately, how much money do you spend every time you shop from direct marketing?

Tabel 11. Frequency Table for Question 36

	Frequency	Percent	x
Under \$100	87	59.2%	1.44
\$100-\$500	56	38.1%	
Over \$500	4	2.7%	

Note: 53 participants did not comment on the given question.

A significant relationship pertaining to the question is shown to be valid in regard to gender ($P = .001$) and income ($P = .047$). Females attained the highest percentage of buyers spending under \$100 with 72.5%. Males, on the other hand, attained the highest percentage of \$100-\$500 with 53.7% and over \$500 categories with 3%. In the

matter of income, participants whose annual income is less than \$10,000 spend under \$100 on single purchases (87.1%). Respondents who earn over \$60,000 annually have the highest percentage (55.6%) of purchasing \$100-\$500 on one single purchase. Lastly, respondents with annual income of \$50,000-\$59,000 have the highest percentage of purchasers that often exceed \$500 in a single direct marketing purchase (50%).

Further analysis showed no significant relationship in regards to age and ethnicity.

37. How many items do you usually buy from direct marketing at one time?

Tabel 12. Frequency Table for Question 37

	Frequency	Percent	x
1 item	58	39.5	1.69
2-4 items	77	52.4	
More than 4 items	12	8.2	

Note: 53 participants did not comment on the given question.

A significant relationship pertaining to the given question is valid in regard to age ($P = .032$).

Participants between the ages of 55-64 were intent to buy one item at a time (71.4%). However, more than half of participants within the age category

of 25-34 buy 2-4 items at one time (56.7%).

Lastly, with 23.8%, ages of 35-55 rated the highest in purchasing more than 4 items on one purchase.

Further analysis showed no significant relationship in regards to gender and ethnicity.

38. What kind of products are you likely to buy from direct marketing?

Tabel 13. Frequency Table for Question 38

	Frequency	Percent (yes)	x
Office supplies	21	14.3	1.86
Clothing	47	32.2	1.68
Sports equipment	22	15	1.85
Home equipment	29	19.7	1.80
Accessories	60	40.8	1.59
Others	68	46.3	1.54

Note: 53 Participants did not comment on the given question.

Following are products/services that was remark under "others"):

- Books
- Beauty products
- Products not found in retail stores
- Electronic
- DVDs
- Necessities

Pertaining to the given question, a significant relationship in regard to gender is found to be valid in the matter of clothing ($P = .007$), home equipment ($P = .016$) and others ($P = .020$). In the subject of clothing, females (41.8) exceed males (20.9%) in the buying power. In regard to home equipment, males, with 28.4%, exceed females, with 12.5%. Lastly, 56.7% of males exceed females with 37.5% in the others category.

A significant relationship in regard to ethnicity showed to be valid in the matter of clothing, sports equipment and accessories. In the subject of clothing, the Vietnamese are shown to be the biggest purchasers with 62.5%. Sports equipment, however, are most applicable to the Japanese with 40%. Lastly, in regards to accessories, with 66.7%, the Taiwanese rated to be the biggest purchasers of this category.

Further analysis showed no significant difference in regard to age.

Section B

39. Gender

Tabel 14. Frequency Table for Question 39

	Frequency	Percent	x
Male	89	44.5%	1.56
Female	111	55.5%	

40. Which of the following categories best represents your age group?

Tabel 15. Frequency Table for Question 40

	Frequency	Percent	x
18-24	81	40.7%	1.94
25-34	69	34.7%	
35-55	32	16.1%	
55-64	14	7%	
65+	3	1.5%	

41. Ethnic background

Tabel 16. Frequency Table for Question 41

	Frequency	Percentage	x
Chinese	19	10.1%	5.64
Thai	9	4.8%	
Filipino	36	19%	
Cambodian	20	10.6%	
Laos	13	6.9%	
Korean	10	5.3%	
Indonesian	27	14.3%	
Malaysian	7	3.7%	
Japanese	9	4.8%	
Taiwanese	15	7.9%	

42. Marital Status

Tabel 17. Frequency Table for Question 42

	Frequency	Percent	x
Single	136	68%	1.38
Married	56	28%	
Divorced	5	2.5%	
Separated	3	1.5	

43. Are you employed?

Tabel 18. Frequency Table for Question 43

	Frequency	Percent	x
Yes	126	63%	1.40
No	73	36.5%	

44. Total household income for 2002

Tabel 19. Frequency Table for Question 44

	Frequency	Percent	x
Less than \$10,000	38	19.3%	3.43
\$10,000-\$19,000	24	12.2%	
\$20,000-\$29,000	36	18.3%	
\$30,000-39,000	52	26.4%	
\$40,000-\$49,000	22	11.2%	
\$50,000-59,000	11	5.6%	
over \$60,000	14	7.1%	

CHAPTER FOUR

CONCLUSIONS AND RECOMMENDATIONS

Introduction

Direct Marketing perspectives of the study have conveyed personal views of Asian Americans toward the improved way of purchasing. The different outlook of each consumer toward direct marketing depended very much on his/her personal/cultural beliefs. Through the survey conducted for the purpose of this study, views acquired from Asian Americans have created new perceptions that reflect solely on the Asian consumers that reside in the Inland Empire.

To further explain the conclusion in regard to the study, limitation in relations to the survey unfortunately became visible after the completion of the survey. The next segment will be provided through recommendations pertaining to how direct marketing can enhance the application of existing marketing/communication theory and techniques.

Limitation

Reflected on the analysis that was conducted statistically, subsequent questions would have been valuable to be included in the survey instrument to

explore further into consumers' personal views toward direct marketing:

1. What is the highest level of education of each participant?
2. How long have each participant resided in United States?
3. Who usually makes the purchase decision in each household?
4. Has a direct marketing effort you've used contain your native language in advertising their product/services?

Conclusions

The conclusions extracted from the project follows:

Awareness

Extensive influence is needed to construct consumer paradigm. In regard to the concept, comprehending the meaning of the word itself is noteworthy in order to increase the familiarity level of the target market. In this case are the Asian American consumers residing in the Inland Empire.

According to the survey, awareness level within the Asian market has failed. The primary role of direct marketers is to acknowledge the existence of potential

consumers. This circumstance was mainly evidenced by marketers' lack of advertising and promoting in areas predominantly resided by Asian Americans.

As a result, lack of adaptation in regard to the direct marketing concept has been unsuccessful for half of Asian consumers participated in the survey. Chinese respondents proved to be the most knowledgeable consumer in regard to direct marketing, as opposed to Vietnamese, who rated last in awareness level of direct marketing. To support the assumption resulted from the study, low level awareness possessed by the Vietnamese is due to lack of opening up to new ways of purchasing. Chinese, however, proved to be very upscale in responding positively toward the modest way of shopping. Therefore, it is fair to say that for some Asian ethnicities, views on direct marketing are limited, which may be caused by unfamiliarity of the usefulness of direct marketing.

Attitude

Attitude is significantly valuable for consumers' insight in regard to direct marketing. According to the study done through the assistance of the survey, attitude gained from each participant reflected toward satisfaction. The Majority of survey participants thought of direct marketing as enjoyable and convenient in regards

to time, security, wider selection, best way to shop, and most of all in the matter of saving money.

Importance

Based on the study, respondent's views on the importance of various attributes mentioned on the survey questions are similar.

According to the analysis, a majority of the survey respondents believed every aspect included in direct marketing to be important. For example: convenience, customer service, time, security/privacy, known merchants, having the information in consumers' native language, product visibility, return policy and convenient hours.

Satisfaction

Satisfaction is essential in order to obtain repeat customers. By creating satisfactory atmospheres for its potential buyers, the ability to create a successful marketing approach is feasible. The result of the study has proven that the feeling of satisfaction has been experienced by the majority of Asian consumers participated in the study. For instance, a majority of respondents reported to be pleased in regard to attributes related to satisfaction; such as price, customer service, known merchants, convenience, time, convenience hours,

security/privacy, product visibility and the use of native language.

Usage Level

According to the results, most of survey respondents believe in shopping through direct marketing to be very helpful in regards to time. The result of the survey expressed that consumers prefer to purchase when they are at ease. Rather than going to a local shopping center, most people prefer to be relaxed and do their shopping in the comfort of their own house and on their own time. According to the survey, evening hours resulted in being the most popular time for buyers to purchase from direct marketing. In addition, transactions involving direct marketing are typically done during a short period of time, in this case, 5-30 minutes.

Recommendations

The main purpose for direct marketing is selling. Through phone, mail, Internet, television or catalogs, it ascertains time periods set in the course of a sales contact. Understanding different aspects to create a relationship between buyers and sellers is very important. Aspects such as effective communication skills,

advertising and promoting products to prospective buyers are significant in seeking success in the business world.

Each Asian culture attains diverse culture and norms that are best to be perceived with understanding and diligence. Targeting each culture pressures the marketers to create niche-marketing capabilities applicable for different ethnicities. Based on the literature review and study conducted, it is fair to assume that each culture perceived direct marketing differently and subjectively.

Awareness

According to literature review and result of the study collected, it is fair to assume that fundamental to a successful business is to create awareness and familiarity to increase a customer base and obtain repeat customers. Based on the disappointed familiarity result derived from the survey, it is evident to say that many direct marketing practitioners still maintain the assumption that promoting and advertising their product to enhance profitability can be achievable by ignoring the needs of different cultures. This strategy may reduce advertising and promotion cost, however ignorant assumption often results in failure for many direct marketing businesses.

According to CMO Consulting International, these are the process to determine buyers:

- Identify potential buyers (segment targeting)
- Once the system identifies potential buyers, performing one-to-one marketing is needed (cross/up selling or recommendation).

Identify potential buyers believed to have a significant meaning. Tailoring to individual needs is the core in identifying potential buyers. Each person from a variety of ethnicities may acquire different wants and desires.

Although seventy two point five percent of all participants have purchased from direct marketing, many of them are not familiar with the concept.

English is known to be the second language for many of survey respondents. However, if they were often exposed to direct marketing, they would understand the concept easily. Therefore, viewing from the results of the study, direct marketers still need to acknowledge the need in creating awareness, especially toward the Asian market.

Attitude

With the dramatic increase of working households, consumer's attitudes toward ways of shopping have shifted. As it was mentioned in the literature review, more

consumers are now searching for more leisure time, which resulted in an easier and convenient way of shopping. One of the ways to do so is through the usable and practical process of direct marketing. Although a majority of participants attained positive attitudes toward attributes asked, improving the service of attributes could be helpful to improve customer satisfaction; since customer demand can be a positive turnout for many ongoing direct marketing practitioners.

Usage Level

Each individual required a different use of direct marketing. Each participant in the survey acknowledged a preference of time, product and how much each is willing to spend from direct marketing. Although their usages are similar, each individual needs and preferences is significant in reaching out for their approval.

Profile

Older and younger generations perceived direct marketing differently. The older generation who was born believing in shopping the traditional way has a difficulty accepting the introduction of direct marketing. Especially for the Asian Americans, who do not believe in dealing with "outsiders". The study has shown that participants among the age of 35 and above attained the lowest

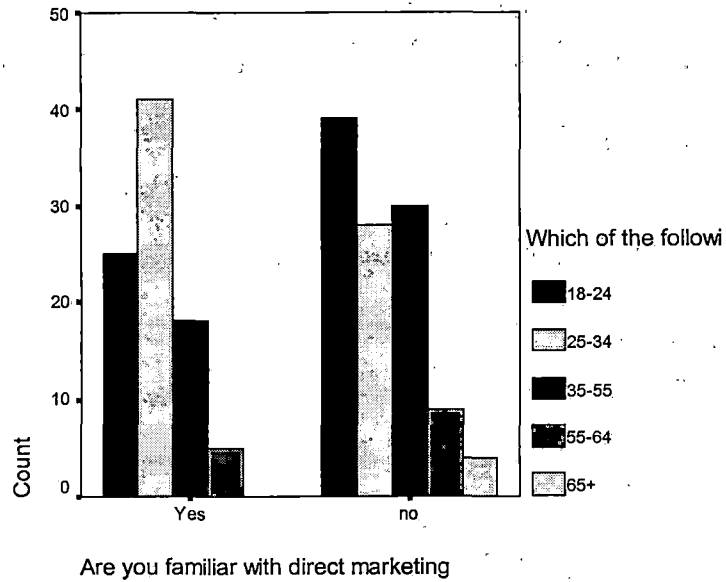
percentage of usage in comparison to participants among the ages of 34 and under.

To recognize the need of different generations is significant in order to succeed in the business world. As Catalog Age explains in the "21st-century customer" article, targeting different generations required different strategy and approach. Just as older generations were the first generation to grow up with television, the younger generation is the first group to grow up with computers. Their search in looking for more leisure time, according to the article, is different.

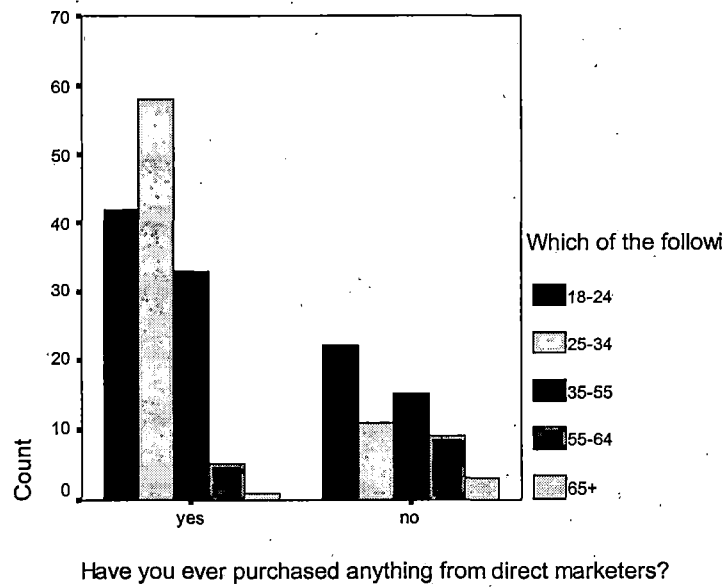
The older generation is intent to make use of direct mail, home shopping and catalogs; as opposed to younger generation, who often use the Internet in their dealing with direct marketing. Seeing the need and preference of different generations, it is significant for marketers to realize the preference of the potential consumers and match needs according to their like.

APPENDIX A
CHARTS OF SIGNIFICANCE

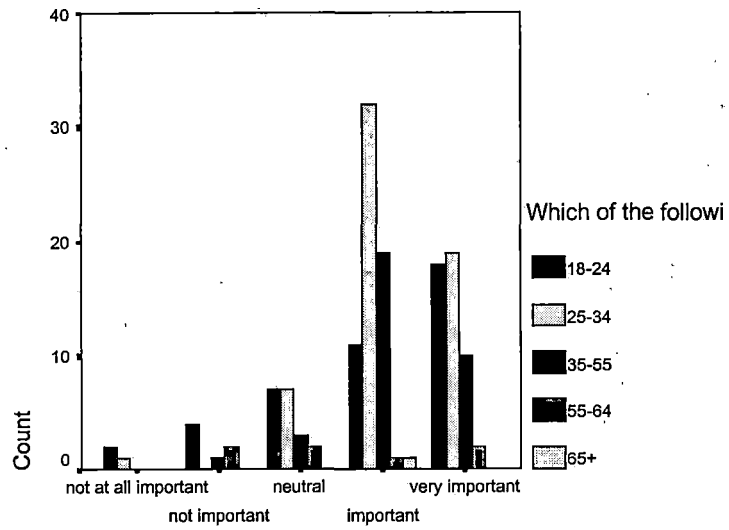
#1&Age



#2&Age

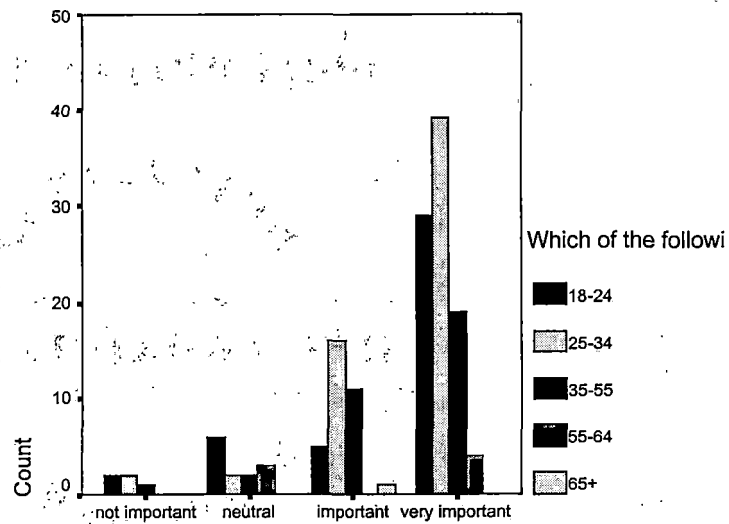


#15 & Age



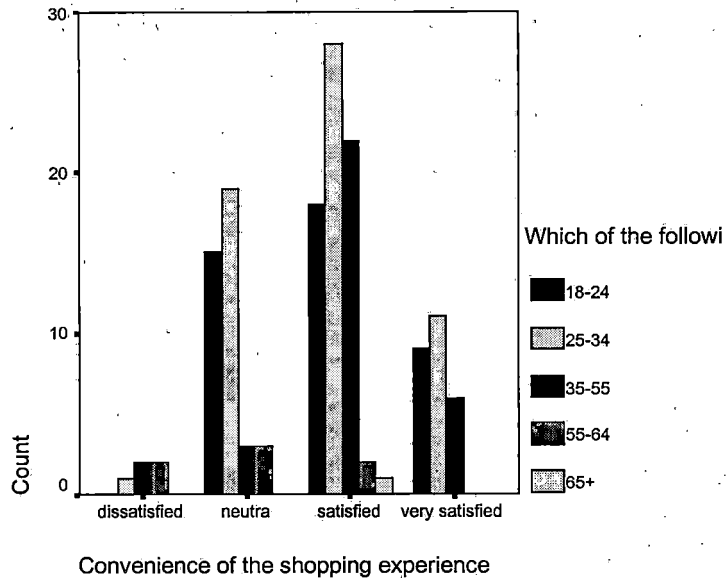
Customer service

#17 & age

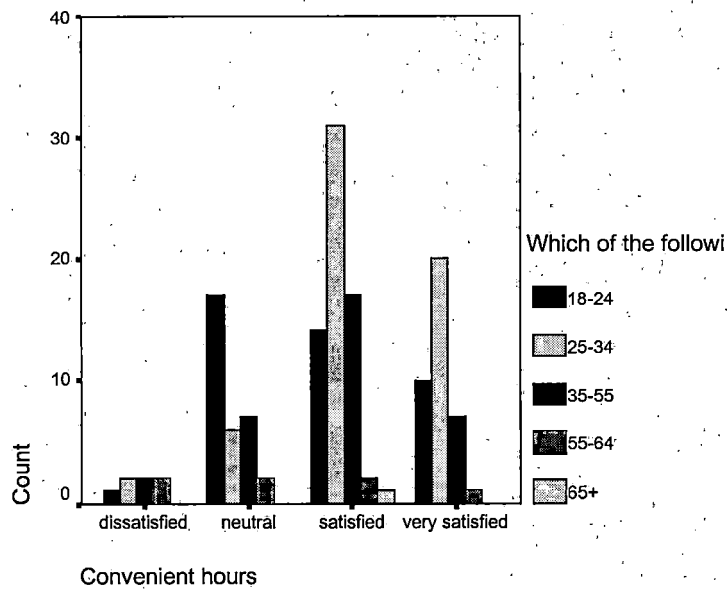


Security/privacy

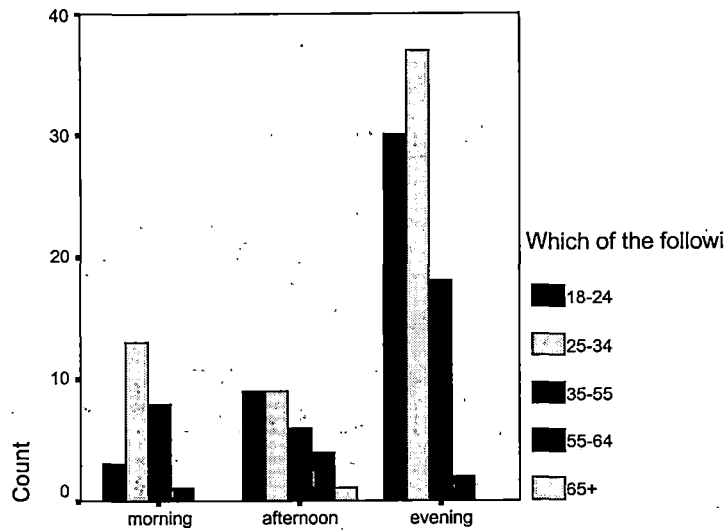
#24 & age



#27 & age

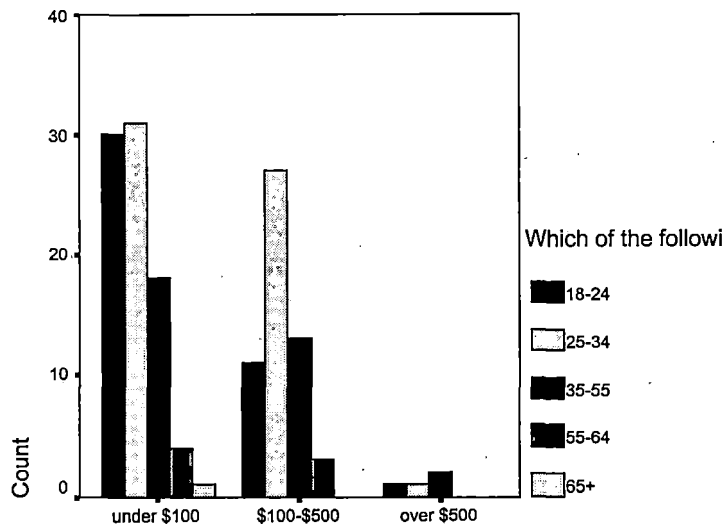


#34 & age



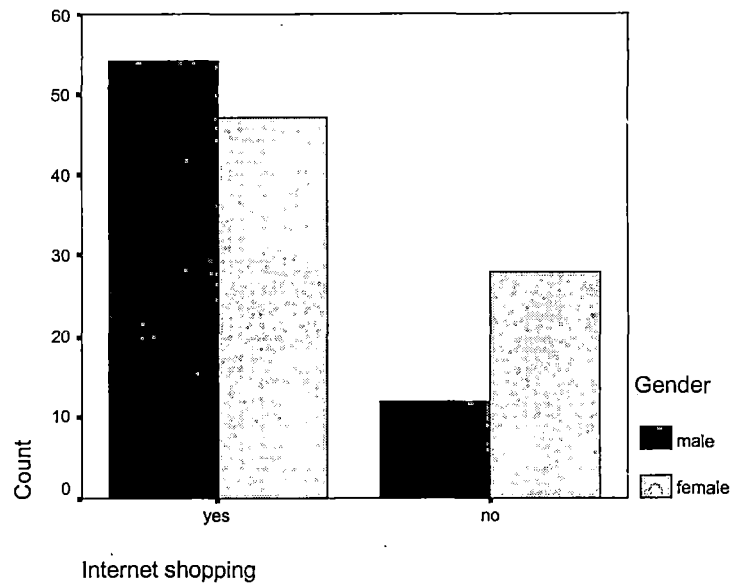
What time of the day do you usually shop from direct marketing

#36 & age

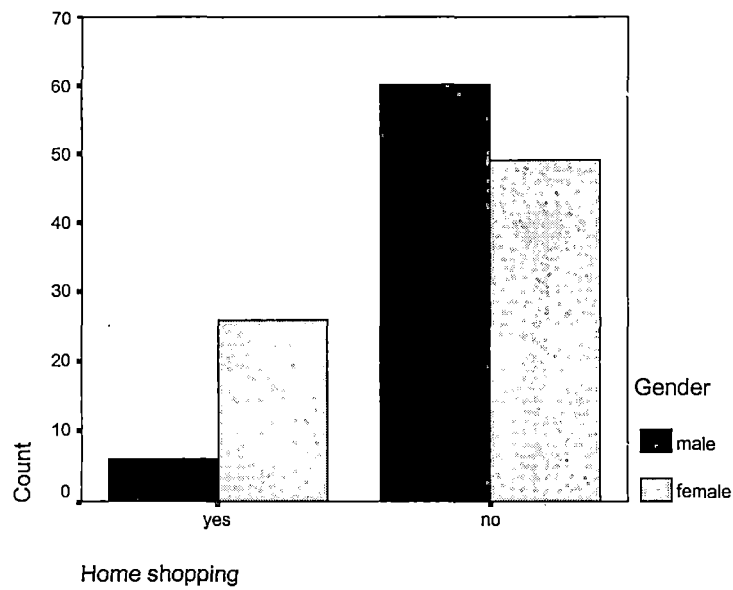


Approximately, how much money do you spend every time you sho

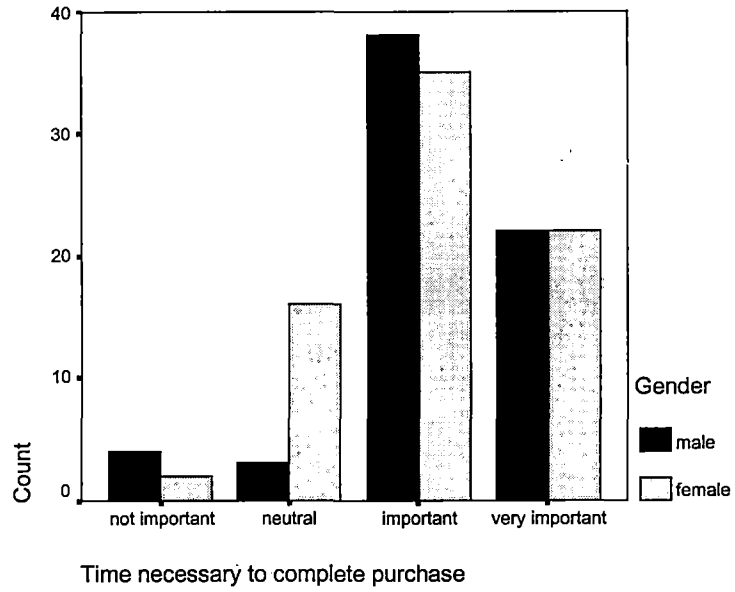
#3- Internet & gender



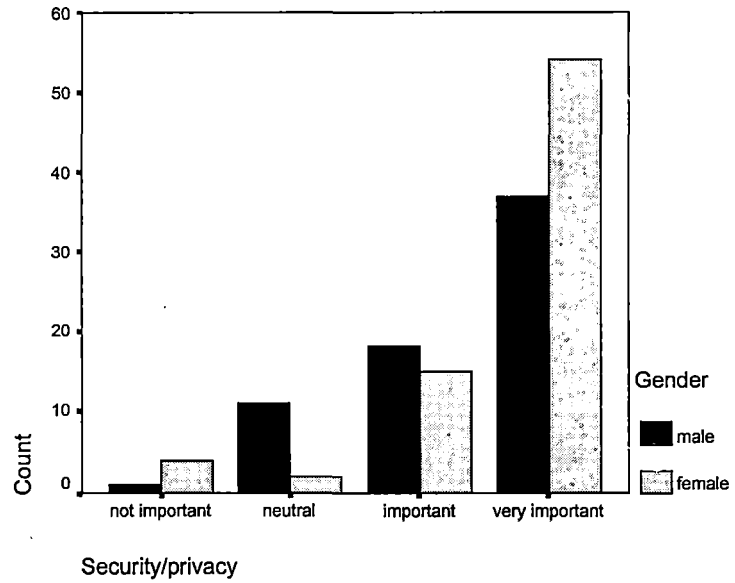
#3- Home shopping & gender



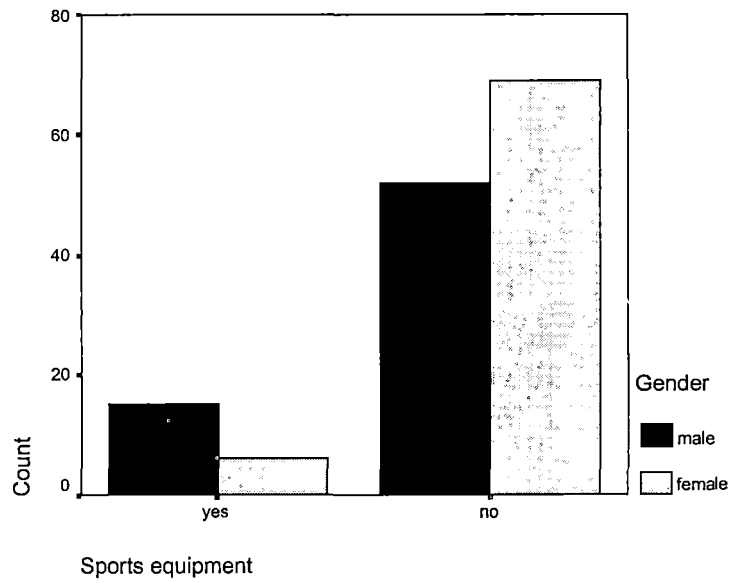
#16 & gender



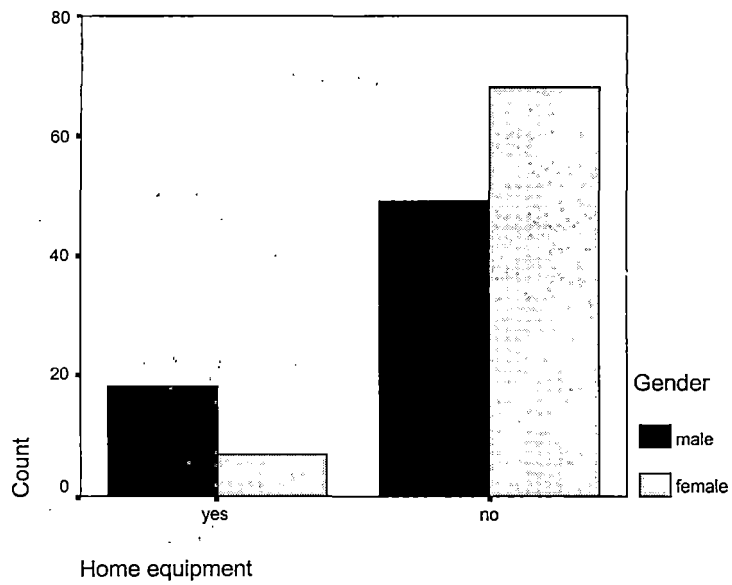
#17 & gender



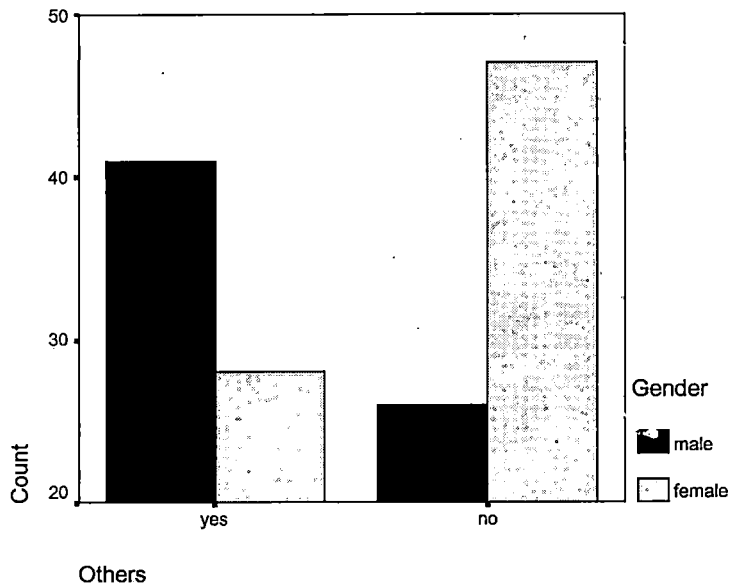
#38- sport equipment & gender



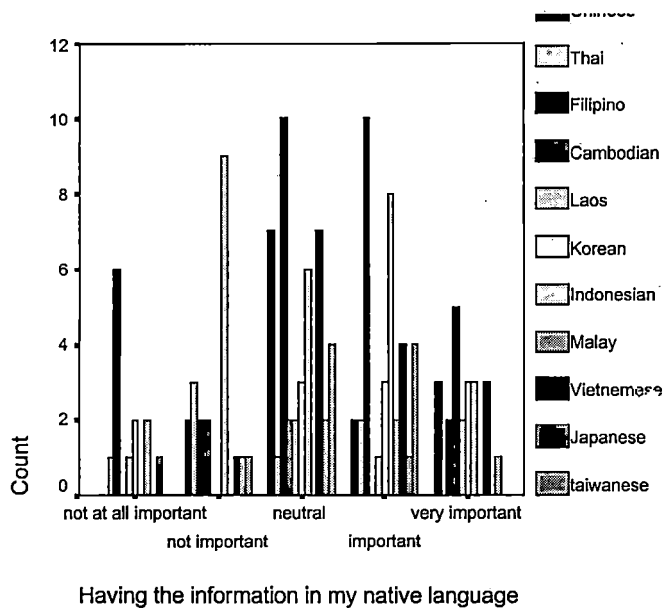
38- Home equipment & gender



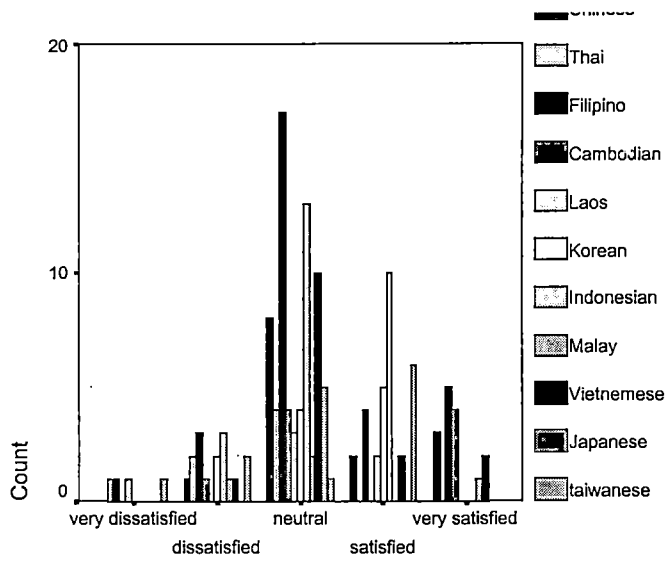
#38- others & gender



#19 & ethnic

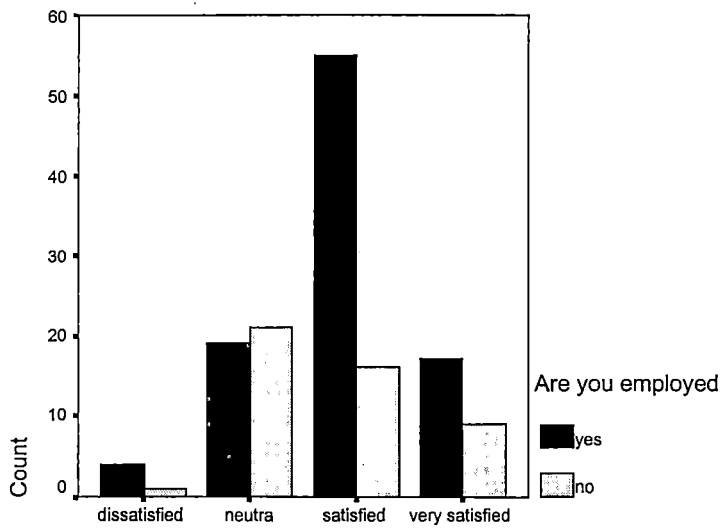


#29 & ethnic



Having the information in my native language

#24 & employment



Convenience of the shopping experience

APPENDIX B
QUESTIONNAIRE

Dear Participants:

The purpose of this survey is to learn about consumer attitude and behavior towards Direct Marketing. This questionnaire is based on your experience with direct marketing, which consists of direct mail, catalogues, telemarketing, home shopping and Internet shopping. Thank you for your time and assistance with the completion of this survey.

1. **Are you familiar with direct marketing?**

Yes _____ No _____

2. **Have you ever been involved purchased anything from direct marketers?**

Yes _____ No _____ (if no, please continue to section B)

3. **Which of the following types of Direct Marketing have you ever used?**

_____ Direct Mail _____ Catalogues
 _____ Telemarketing _____ Home Shopping
 _____ Internet Shopping

4. **For each of the statements below, please indicate the level of your agreement and disagreement by circling the letter or letters that best represent your response.**

Strongly Disagree Disagree Undecided Agree Strongly Agree
 SD D N A SA

Strongly disagree Strongly agree
 ↓ ↓

1. I enjoy shopping through direct marketersSD D N A SA
2. Direct marketing helps me save money.....SD D N A SA
3. Direct marketing helps me save timeSD D N A SA
4. Direct marketing is convenient for meSD D N A SA

Please turn page

5. I consider direct marketing a nuisanceSD D N A SA
6. From my most recent experienced, I am satisfied with direct marketing return policySD D N A SA
7. I am satisfied with direct marketing security issues.....SD D N A SA
8. I find more selection of products through direct marketing.....SD D N A SA
9. As a whole, direct marketing is the best way to shop.....SD D N A SA

5. When you are considering buying any merchandise or services through Direct Marketing, how important are the following attributes To You? Please circle the number that best represents the level of Importance you assign to each attribute.

Not at all important 1	Unimportant 2	Some what important 3	Important 4	Very Important 5
------------------------------	------------------	-----------------------------	----------------	---------------------

Attribute

- | | <i>Not at all
important</i>
↓ | | | | <i>Very
important</i>
↓ |
|---|--------------------------------------|---|---|---|--------------------------------|
| 1. Price of product purchased by direct marketing | 1 | 2 | 3 | 4 | 5 |
| 2. Convenience of the shopping experience | 1 | 2 | 3 | 4 | 5 |
| 3. Customer Service..... | 1 | 2 | 3 | 4 | 5 |
| 4. Time necessary to complete purchase | 1 | 2 | 3 | 4 | 5 |

Please turn page

- 5. Security/privacy.....1 2 3 4 5
- 6. Known merchants.....1 2 3 4 5
- 7. Having the information in my native language1 2 3 4 5
- 8. Product visibility.....1 2 3 4 5
- 9. Return Policy.....1 2 3 4 5
- 10. Convenient hours.....1 2 3 4 5

6. **Reflecting on your most recent experience with Direct Marketing, please indicate the level of your Satisfaction or Dissatisfaction with each of the attributes below. Use the scale 1-5, 1 being very dissatisfied to 5 being very satisfied.**

Very <u>dissatisfied</u>	<u>Dissatisfied</u>	Somewhat <u>satisfied</u>	<u>Satisfied</u>	Very <u>satisfied</u>
1	2	3	4	5

Attribute

- | | | | | |
|--|------------------------|---|---------------------------|-----|
| | Very
Satisfied
↓ | | Very
dissatisfied
↓ | |
| 1. Price of product purchased from direct marketing..... | 1 | 2 | 3 | 4 5 |
| 2. Convenience of the shopping experience | 1 | 2 | 3 | 4 5 |
| 3. Customer Service..... | 1 | 2 | 3 | 4 5 |
| 4. Time necessary to complete purchase | 1 | 2 | 3 | 4 5 |

Please turn page

5. Convenient hours.....1 2 3 4 5
6. Known merchants.....1 2 3 4 5
7. Having the information in my native language1 2 3 4 5
8. Security/Privacy.....1 2 3 4 5
9. Product visibility.....1 2 3 4 5
10. Return Policy1 2 3 4 5

7. How long does it usually take you to place a direct marketing order?

- 5-30 minutes 1-2 hours
- 30-50 minutes 2 or more hours

8. What time of the day do you usually shop from Direct Marketing?

- Morning Evening
- Afternoon

9. How often do you buy from Direct Marketing?

- Once a month Once a year
- More than once a month More than once a year
- Once a while Never

10. Approximately, how much money do you spend every time you shop from Direct Marketing?

- Under \$100 Over \$500
- \$100-\$500

11. How many items do you usually buy at one time?

- 1 item More than 4 items
- 2-4 items

Please turn page

**12. What kind of products are you likely to buy from Direct Marketing?
(Please check all that apply)**

- | | |
|---|---|
| <input type="checkbox"/> Office supplies | <input type="checkbox"/> Home equipment |
| <input type="checkbox"/> Clothing | <input type="checkbox"/> Accessories |
| <input type="checkbox"/> Sports equipment | <input type="checkbox"/> Others _____ |

Please turn page

SECTION B

The following data will be collected for STATISTICAL PURPOSE ONLY. The information you provide will be CONFIDENTIAL.

Please tell us about yourself:

1. Please check your gender

Male Female

2. Please check your age group

18-24 35-55 65+
 25-34 55-64

3. Please check your ethnic background

Caucasian Hispanic American
 African American Asian American
Please specify your nationality _____
 Others
Please specify your nationality _____

4. Please check your marital status

Single Divorced
 Married Separated

5. Are you employed?

Yes No

6. Please check on the line that best describes your annual household income

Less than \$10,000 \$30,000-\$39,000 over \$60,000
 \$10,000-\$19,000 \$40,000-\$49,000
 \$20,000-\$29,000 \$50,000-\$59,000

Thank you for your time

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