"Surprise Gift" Purchases of Small Electric Appliances: A Pilot Study

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"SURPRISE GIFT" PURCHASES OF SMALL ELECTRICAL APPLIANCES: A PILOT STUDY

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"SURPRISE GIFT" PURCHASES OF SMALL ELECTRICAL APPLIANCES: A PILOT STUDY

ABSTRACT (100 words)

Understanding decision-making processes for gifts is of strategic importance for companies selling small electrical appliances as gifts account for a large part of their sales. Among all gifts, the ones that are surprising are the most valued by recipients. However, research about decision-making processes involved in surprise gift purchases is lacking. This article shows, for example, that design and money back guarantees are more important for the purchase of surprise gifts than other gifts. The brand name, however, appears to be less important. Also, surprise gifts are more often bought on the spot, without extended information search (similar to impulse purchases).

Keywords: Surprise, gift purchase, small electrical appliances, decision-making process, panel data, logistic regression.

In the USA alone, consumers spend over $100 billion on gifts (Ruth, Otnes and Brunel, 1999). The implications and opportunities for many companies are obvious. In their attempts to generate higher levels of sales and profits, both manufacturers and retailers focus many of their marketing and sales activities on gift giving. Examples of such activities are the use of gift packaging, thematic promotions around Father's and Mother's Day, TV advertising, specific timing of introductions of new products, and longer retail opening hours in the period leading up to Christmas. Preparing for a gift season entails a number of choices. Retailers and manufacturers have to decide on, for example, the type of products/models to be promoted as a gift, the target segment, the type of channels through which the target customer will be reached, the messages, and type of information relevant to the buyer. Answering these questions effectively requires a solid insight into consumers' gift-giving behavior in the focal product category.

However, despite its undeniable managerial importance, gift giving has primarily been investigated from a consumer behavior/psychology (Belk, 1979; Belk and Coon, 1993), from a sociological (Caplow, 1982), and from an anthropological perspective (e.g., Mick and Demoss, 1990; Sherry, 1983), while much less attention has been paid to this phenomenon from a strategic marketing or managerial perspective. The studies by Heeler et al. (1978) and Parsons (2002) are among the few exceptions in this respect. Companies that are highly dependent on gift sales, however, have a clear need to understand the underlying mechanisms at play during the gift selection and purchase processes[1] if they are to develop more effective marketing and sales activities.

The present study focuses more specifically on the selection and purchase processes of a specific type of gift: surprise gifts. Surprise gifts are defined as unexpected gifts that are intended (from the giver point-of-view) to surprise the

recipient. The surprise can originate from the gift itself (e.g., the gift is not explicitly wished for by the recipient; s/he has no idea that s/he will receive this particular gift), but may also come from a gift given spontaneously without a specific occasion (e.g., the gift is given outside of 'traditional' gift-giving occasions), or in a relationship where gift exchange is not expected (e.g., the gift is received from a person from whom the recipient does not usually receive gifts) (Belk, 1996). The literature suggests that recipients especially appreciate surprise gifts. One could compare the search for surprise gifts with that of a grand treasure hunt; givers strive to find a gift out there that will truly surprise the recipient because they know it can potentially delight him/her. Belk (1996) contends that surprise, together with the appropriateness of the gift, is probably the most valued characteristic of gifts in individualistic Western cultures. In a similar vein, Ruffle (1999) argues that surprise is one of the emotions central to gift giving. Research further shows that unexpected gifts that surprise are especially valued by the recipient (Areni, Kiecker, and Palan, 1998; Mac Garth et al., 1993). For example, gifts selected from pre-established wedding lists are considered cold because they lack spontaneity (Otnes and Lowrey, 1993). Surprise is also one of the key characteristics of Belk's perfect gifts. Perfect gifts should entail sacrifice from the giver, be given with the sole aim of pleasing the recipient, be a luxury and uniquely appropriate to the recipient, *surprising*, and delightful (Belk, 1996). Despite their apparent importance among gift exchanges, the selection and purchase processes of surprise gifts has, however, not been studied as yet. This begs for more research as these processes may differ tremendously from that of other gifts because of the need for staging the unexpected.

Companies that better understand the selection and purchase processes of surprise gifts may gain a competitive advantage over competitors, and thereby increase their sales, by helping consumers in finding these gifts. For example, they

need to know whether there is a typical surprise gift purchaser at whom they should target their communication and how they should reach him/her; whether these types of gifts are bought at specific times of the year, in which case, they could concentrate their communication campaigns on these periods; whether some products are more likely to become a surprise gift than others, which will help in deciding which products to advertise and what attributes to emphasize; whether these surprise gifts are bought for particular types of receivers, which would help the sales person in better advising the gift purchaser and help to better design messages for advertising campaigns. Thus, with this article, we aim at exploring the following issues: what is most likely to be purchased as a surprise gift?, how is the purchase decision made (e.g., information search)?, and by who, when, and for whom are surprise gifts most likely to be purchased?

The product category that we investigate in this article is small electrical appliances, which is a major gift category. Together with clothing, toys, flowers, jewelry, sporting equipment, and china and dinnerware, they are ranked among the most popular gifts (Belk, 1979; Caplow, 1982; Jolibert and Fernandez-Moreno, 1983; Wagner and Garner, 1993).

Data used are GfK panel data from a representative sample of the German population. Most studies that have examined gift-giving issues have been conducted in the United States and used small convenience, non-representative samples of the population. In addition, many of these studies report results from *student* respondents. This strongly limits the generalizability of the results for the reason that students have less money and give less presents than other adults (Seong-Yeon Park, 1998). The only studies using a large representative panel of the population are the studies by Ryans (1977), Garner and Wagner (1991), and Wagner and Garner (1993) (The latter study replicates the analysis carried out by Garner and Wagner (1991) per product

category, i.e., toys, flowers, small electrical appliances). These studies investigated differences between gift versus non-gift purchases and/or differences between extra household versus within household gift purchases. The use of representative panel data from non-US consumers is thus an additional contribution of this paper.

1. SPECIFICITIES OF SURPRISE GIFTS

In section 2 we will formulate hypotheses that highlight differences in the selection and purchase process of surprise gifts compared to other gifts. These hypotheses are underpinned by at least one of three properties that are intensified for surprise gifts compared to other gifts. First, the purchase of surprise gifts will usually be driven by an experiential motivation. Second, this type of gift intensifies the recipient's pleasure. The latter two properties allow the giver to better show the emotional value of his/her relationship with the recipient. Third, surprise gifts tend to encompass higher social and financial risks. These properties are explained hereafter.

Wolfinbarger and Yale (1993) define three forms of motivation for interpersonal gifts: obligation of reciprocation (compliance with social norms), practical (provide practical assistance to recipients), and experiential. When the motivation is experiential, the giver enjoys the gift selection process and gives it a great deal of thought and effort. S/he also feels that gifts reflect his/her love and friendship for receivers. Givers driven by experiential motivations are more likely to select emotionally significant and individualized gifts for receivers (Goodwin, Smith, and Spiggle, 1990). The motivation underlying the hunt for surprise gifts is most likely experiential: because surprise gifts are highly valued by the recipient, purchasing such a gift is a way of showing that one cares about a person and wishes to please him/her. The literature further shows that surprise intensifies people's pleasure (Charlesworth 1969, Desai 1939, Mellers, Schwarz and Ritov, 1999). For example, Mellers, Schwarz and Ritov (1999) show that the pleasure of winning is more intense

when the result of a game is surprising. Thus, compared to other gifts, surprise gifts are particularly good at showing one's love or affection since they will amplify the pleasure experienced by the recipient when receiving the gift.

However, there is a flipside to the coin. Compared to other gifts, purchasing a surprise gift may be a delicate and risky affair because of the need for the 'unexpected'. Research has shown that gifts not only need to please the recipient (Belk, 1996), but also serve as a form of symbolic communication between the giver and the receiver (e.g., Belk, 1976). The choice of the right gift for conveying the message is thus of high importance as the giver runs the risk that the recipient misinterprets the meaning of the gift, which could jeopardize the giver-recipient relationship. The social risk, as defined by Jacoby and Kaplan (1972), is exacerbated for surprise gifts because the giver can usually not ask the recipient how s/he would feel about that particular gift without ruining the surprise. In addition, for surprise gifts, the financial risk should on average be larger than for other types of gifts as there is more uncertainty involved in the purchase decision; it is more difficult for the giver to know for sure whether the recipient will like the surprise gift or not (e.g., the giver cannot pick an item on a "wish list"). If the recipient does not like a surprise gift that was expensive, it is a waste of money.

2. HYPOTHESES

2.1. What is most likely to be purchased as a surprise gift?

Givers driven by experiential motivations tend to select emotionally significant and individualized gifts for receivers (Goodwin, Smith, and Spiggle, 1990). Household appliances that are for the benefit of the entire household (e.g., irons) may therefore be less likely to be chosen as a 'surprise gift' than appliances that are for the sole use of the recipient (e.g., male shaver). Some appliances may also be associated with disliked household chores and would therefore not be an adequate proof of the giver's

love. Thus, these appliances would be less likely to be selected as a surprise gift than, for example, appliances that evoke more positive connotations, or are more entertaining or fashionable. Hence:

H1. *Not all appliances purchased as a gift are equally suitable to be a surprise gift.*

In addition, Belk (1979) showed that givers look for different product characteristics on different occasions (e.g., Christmas gifts tend to be more fashionable than birthday or wedding gifts). It is expected that gift characteristics also correlate with gift situations. When buying an appliance from a 'wish list', it may be essential that the product be 'practical' and 'lasting'. However, when buying an appliance as a surprise gift, less functional criteria, such as 'design' might be more important. Design belongs to "mechanics" in Berry's (2002) typology of clues that enhance customer emotional experience (beyond the functionality of a product or service). Surprise gift givers – being driven by experiential motivations – are thus more likely to consider design as an important purchase criterion as it is likely to enhance the receiver's emotional experience.

H2. *Design will be a more important purchase criterion for surprise gifts than for other gifts.*

Moreover, as the social risk inherent to surprise gift purchases is likely to be high, we expect the brand name to be particularly important in the purchase decision-making. Research has suggested that many gifts are purchased on the strength of their brand name (Heeler et al., 1978; Laroche et al., 2000a). In addition, Campbell and Goodstein (2001) found that consumers prefer a well-known brand when the social risk is high. Product attributes such as brand name might thus relieve the social risk inherent in surprise gifts purchases. Hence:

H3. *Brand name will be a more important purchase criterion for surprise gifts than for other gifts.*

Another strategy to alleviate the perceived risk is to set a higher budget for the gift. Buying a more expensive gift is a social risk reduction strategy that can, for example, safeguard against consequences from appearing 'cheap' or as a cue to assess quality (Laroche et al, 2000a). However, this tactic leads to higher financial risk (i.e., it is a waste of money if the recipient does not like the gift). An alternative way of reducing both the social risk and the financial risk is, for example, to make sure that it is possible to invoke a money back guarantee. Hence:

H4. *The money back guarantee attached to the product will be a more important purchase criterion for surprise gifts than for other gifts. If not, surprise gifts will on average be cheaper than other gifts.*

2.2. Who is most likely to purchase a surprise gift?

Several studies indicate strong gender differences as far as gift giving is concerned. For example, women purchase gifts for more recipients, visit more stores, start their Christmas shopping earlier and undertake more shopping trips than men (Cleveland et al., 2003). Also, women are more involved in the task of shopping (Caplow, 1982; Cheal, 1986; Fisher and Arnold, 1990; Laroche et al., 2000b). Due to their broader knowledge of shopping and their more extensive experience with buying gifts for multiple recipients, women are more likely to know the tastes of their gift recipients and may, therefore, be more willing to take the risk of purchasing surprise gifts than men. Also, men seem to give more practical gifts than women (Caplow, 1982), which – as discussed for hypothesis 1 – are not likely to be suitable surprise gifts. Hence:

H5: *Compared to other gifts, women are more likely to buy surprise gifts than men.*

2.3. How are surprise gifts purchased?

Banks (1979) showed that most gift purchases are planned prior to entering the store. This could be explained by the fact that givers seek prior information from the gift recipient, such as information about the type of product, the brand, or even the precise model the recipient wishes (Otnes, Lowrey, and Kim, 1993). A study by Belk (1979) shows that the giver had received hints or was aware of the wishes of the recipient in one third of the gift purchases. Directly asking the recipient for a wish list is, however, not an adequate risk reduction strategy for surprise gifts as it would partially – if not totally – eliminate the element of surprise. Therefore we expect that surprise gift-givers will have a less clear idea of what to buy when they enter the shop. Thus:

> H6. *Compared to other gifts, givers are less likely to have a very precise idea of the exact product (feature, model) to be bought prior to entering the shop.*

Another strategy used by gift-shoppers to reduce the perceived risk is asking the gift-recipient to come along during the shopping trip (Laroche et al, 2000a). However, this, too, would at least partially eliminate the element of surprise. Hence:

> H7. *Compared to other gifts, givers are more likely to buy their surprise gift in absence of the recipient.*

Several studies report more extensive information search in the case of gift purchases compared to purchase for personal use (Banks, 1979). The extensiveness of information search for gifts, and ultimately the type of gift selected, is influenced by elements such as perceived risk and predetermined gift selection (e.g., possibility to rely on a wish list) (Laroche et al., 2000b; Parsons, 2002). In order to alleviate the risk of selecting a wrong gift, it is expected that surprise gifts require more and longer search efforts (use of formal and informal sources of information) than other gifts. To find inspiration for appealing surprise gifts, givers of surprise gifts will have to rely on various sources of information, this for the reason that they can neither rely on a wish

list nor directly ask the recipient. Banks (1979) showed that frequently only one store is visited for gift-purchases. Because we expect givers of surprise gifts to have less knowledge about what to buy than when buying other gifts (cf. H6), we also expect them to visit more stores to find inspiration:

H8. *Compared to other gifts, surprise gifts will be characterized by visits to a larger number of outlets (a), use of more information sources (b), and more time spent on searching for information (c).*

2.4. When are surprise gifts most likely to be purchased?

Surprise gifts being highly valued by the recipient, we expect that these types of gifts are most likely to be exchanged during the Christmas season since Christmas primarily conveys a message that is emotional in nature (love, affection, and esteem for the recipient) (Fisher and Arnold, 1990). Christmas gift shopping is thus likely to be guided by the urge to find presents that will be highly valued by the recipient. This is in accordance with Caplow (1984) who contends that Christmas gifts should be surprising in addition to demonstrating the giver's familiarity with the recipient's preferences and being scaled in economic value to the emotional value of the relationship. Hence:

H9. *Compared to other gifts, surprise gifts are most likely to be exchanged during the Christmas season.*

2.5. For whom are surprise gifts most likely to be purchased?

The emotional value of relationships tends to be higher for people within the giver's household than for people who do not belong to his/her household (i.e., extra household; see the discussion of scaling rules by Caplow (1984)). Gifts purchased for people within the household are thus more likely to reflect the giver's affection for the receiver. Due to the experiential motivation underlying a surprise gift, these gifts are

more likely to be bought for recipients within the household than outside of the household.

Furthermore, tastes and wishes are likely to be better understood for close relationships. This reduces the risk of purchasing the wrong gift (Laroche et al., 2000a) – and thereby of conveying the wrong message and jeopardizing the giver-recipient relationship – and should therefore further increase the likelihood of purchasing a surprise gift for a recipient within the household. Hence:

H10. *Compared to other gifts, surprise gifts are more likely to be bought for recipients within the household.*

3. METHODOLOGY

For testing the hypotheses formulated in the present study, we used representative data of the German population collected from the GfK consumer panel over a period of two years (2002 and 2003). Consumer panels represent an important means of understanding actual consumer behavior, as opposed to reported behavior by students, and thereby provide unique and additional insights into retail panel data, such as those generated by AC Nielsen or GfK (Wansink and Sudman, 2002). The GfK consumer panel in Germany consists of 20,000 households. The sample is representative of demographic variables of the German population. The panel members receive a questionnaire asking them what kind of durable products they acquired in the last month. For each durable product, the panel members are invited to fill out a full questionnaire and send it back to GfK. Questions relate to the different stages of the consumer decision-making process. Panel members receive a small incentive for participating in the panel (e.g., a small birthday gift).

The specific product categories that will be investigated in this study are electrical shavers, vacuum cleaners, hairdryers, and electric toothbrushes. From the 8,216 observations contained in the data set, 14% concern gifts. Thus, the sample

utilized to test the hypotheses includes 1,144 observations in total ($N_{electrical\ shaver}$ = 366; N_{iron} = 211; $N_{vacuum\ cleaner}$ = 71; $N_{hairdryer}$ = 160; $N_{electric\ toothbrush}$ = 336). Surprise gifts account for 648 observations.

Given that we aim at identifying specific factors that increase the likelihood that a product will be bought as a surprise gift or not, a logistic regression model will be used in order to test the hypotheses. The model is formalized as follows (Hair et al., 1998):

$$(1) \quad \log\left[\frac{\Pr ob(Surprise\_gift\_purchase)}{\Pr ob(Other\_gift\_purchase)}\right] = \alpha + \beta_1 x_1 + ... + \beta_i x_i + ... + \beta_k x_k + \text{error}$$

The dependant variable was measured with a dichotomous question: "Did you purchase PRODUCT X as a surprise gift? yes/no". This variable measures the intention of the giver to give a surprise gift, which is what is relevant for companies as it is related to the purchase process. It does not measure whether the recipient did indeed experience the gift as a surprise (which is out of the company's control).

Since several earlier studies have highlighted the influence of demographic variables, such as age, income, and family size and composition, on gift-purchase exchanges (Garner and Wagner, 1991; Parsons, 2002), these variables will be used as control variables in the model. This allows for a stronger test of our model. We will also control for the year of data collection. All independent variables are described in table 1.

4. RESULTS

The results of the logistic regression are summarized in Table 2. The model significantly explains the probability that the gift was bought as surprise gift (likelihood ratio $\chi^2(22)$ = 257.846, p < 0.001).[2] The results fully support hypotheses 1, 2, 4, 5, 7, 9, and 10. As expected, not all types of products (H1) are equally suitable to be offered as surprise gifts. The logistic regression model shows that irons are less

likely to be purchased as a surprise gift than other product categories. In addition, design is considered more important for the purchase of surprise gifts than the purchase of other gifts (H2). The data show that givers do not spend less money on surprise gifts than non-surprise gifts. However, corroborating H4, money back guarantee does seem to be a more important criterion for purchasing the product as a surprise gift than as a non-surprise gift (it is important to note, however, that, due to missing data, the sample size for that estimate is smaller. See note d under table 1). Consistent with our hypotheses, gift-givers predominantly buy surprise gifts for people within their household (H10) and females tend to buy surprise gifts more often than males (and than women together with a man) (H5). In addition, givers of surprise gifts are less likely to buy their gift in presence of the recipient than givers of non-surprise gifts (H7). Finally, the logistic regression model confirms (H9) that exchanging surprise gifts is most suitable around Christmas (note that 62 percent of all appliances offered for Christmas were surprise gifts).

Contrary to what was expected, no significant difference was found between surprise gifts and other gifts with respect to the extent to which givers had a precise idea of the features and model of the product prior to its purchase (H6) and the number of outlets visited for finding the gift (H8a). Thus H6 and H8a were not supported by our data.

Finally, data show totally unexpected, but very interesting, results for H3, H8b, and H8c. Coefficient estimates of the corresponding variables are significant but their sign is in the opposite direction of what was hypothesized. Contrary to what was expected, the brand name is less important for surprise gifts than other gifts (H3). Note, however, that the mean score for importance lies slightly above 4 (on a 7-point scale), which means that brand name is not unimportant, just relatively less important than for other types of gifts. Also, consumers do not engage in a longer information

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search process when it comes to purchasing surprise gifts (H8c). It seems that surprise gifts are actually bought more often on the spot, without prior information search, than other gifts. In other words surprise gift purchases seem to be some kind of impulse purchase. We re-estimated the model with a binary variable 'impulse purchase' (0: information search time > 0; 1: information search time $= 0$, i.e., impulse purchase) replacing the previous four dummy variables for information search. All the estimates remain substantively the same; 'impulse purchase' is highly significant, as expected (beta $= 0.6$, $p < 0.01$). This complementary analysis confirms previous conclusions. Furthermore, in a similar vein and in contrast to what was originally expected, givers seem to consult less sources of information for finding surprise gifts than other gifts (H8b). This is consistent with a typical impulse purchase.

5. DISCUSSION

Most hypotheses were supported by the data, and the greater part of those that were not supported revealed very interesting and unexpected findings.

Surprise gifts are more often Christmas gifts, purchased by women alone (not in presence of the recipient), for someone within the household. Givers are particularly influenced by the design in their selection procedure and by money back guarantees. We suggested that these results are driven by the type of motivation driving surprise gift purchases and/or the increased social and/or financial risks associated with surprise gift purchases. Further research should therefore investigate whether these are indeed the processes through which these effects occur.

Additionally, some electrical appliances seem to be considered as less appropriate for a surprise gift than others (irons in our sample). The underlying reasons that make a product suitable as a surprise gift should be investigated further. Possible justifications we suggested are related to the way some products are

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considered (e.g., for personal use or household use) or the kind of activities they are associated with. Household products associated with disliked chores for example, might not be as suitable as products for personal use associated with enjoyable activities (e.g., products associated with personal hygiene, skin care, etc.). We suggested, more specifically, that these results are driven by the type of motivation underlying the purchase of surprise gifts: experiential motivation. Whether this is indeed the case should, however, be further researched. Also, the distinction between hedonic versus utilitarian products might prove useful in further understanding criteria that make a product a potential surprise gift. We believe that the differences we found among products are likely to be even larger when other product categories are considered; for instance, luxury items such as cosmetics, audio appliances (CD players, etc.).

An interesting finding stemming from the present research was that brands have less importance when it comes to surprise gifts. This is an opportunity for less-known brands to boost their sales by increasing their share in surprise gifts. For top brands, this further entails that in order to increase their probability of being selected as a surprise gift, they cannot just rely on their brand name.

Finally, surprise gifts tend to be bought more often on the spot, without hardly any prior information search. This result was unexpected and begs further investigation. It could be that surprise gifts are both a surprise for the giver *and* the receiver. In other words, it could be that the giver is not planning on purchasing a surprise gift (or even a gift), nonetheless, once in the shop, the giver may see a nice product and decide to buy it as a surprise gift. S/he may thus get the idea of buying a surprise gift while s/he is in the shop. This should be investigated further. We did not find any significant difference with respect to the extent to which givers had a precise idea of the product prior to its purchase. This could be the consequence of one of our

unexpected findings. If surprise gifts are more likely to be bought impulsively, then consumers would decide on the spot which product to purchase and would not enter the shop with a clear idea of what they would want to buy. Since surprise gift purchases seem to be closely related to impulse purchases, variables such as trait impulsiveness (Eysenck and Eysenck, 1977) might be useful to include in further studies. It is worth noting that Weinberg and Bottwald (1982) showed that impulse buyers tend to exhibit greater feelings of amusement, delight, enthusiasm, and joy than other shoppers. These are typically the kind of emotions that one would expect to find among gift shoppers animated by an experiential motivation; motivation that we believe underlies surprise gift purchases.

6. MANAGERIAL IMPLICATIONS

Our results have direct implications for retailers and manufacturers. When promoting products, the emphasis should not be on the brand name specifically, but rather on the design and the money back guarantee. Similarly, lower prices will not attract surprise gift shoppers. Moreover, companies might find it more efficient to focus on the Christmas season as surprise gift purchases are mostly made during that season. Christmas gifts are purchased during a well-defined season, in contrast to birthday gifts for example, which are given throughout the year. This makes the marketers' task easier. In the literature, most attention has been paid to Christmas gifts because of their profitability for companies (e.g., Jolibert and Fernandez, 1983; Laroche et al., 2000a, b). Belk's study (1979) shows that Christmas and birthdays are the major gift-giving occasions, but Christmas is by far the most significant one (Laroche et al., 2000a). Retailers and manufacturers could thus adapt their "Christmas season" communication on the point of purchase by explicitly promoting their product/brand as a perfect surprise gift. Since surprise purchase tends to be impulsive, it is very important that the products that are suitable for being offered as a surprise gift

immediately catch the shopper's attention. Not all products should be promoted as perfect surprise gifts, however; a selection of products for personal use that are particularly associated with enjoyable activities would be the most appropriate. In addition, the sales force could be trained to spot the typical surprise gift shoppers and orient them towards the promoted "surprise gifts". Most often these will be women alone, not knowing before entering the shop what gift they want to buy.

7. NOTES

[1] These processes form the gestation stage as defined by J.F Sherry jr. (1983)'s model of consumer gift-giving. It starts with the gift selection and purchase process and ends with the actual purchase of the gift. The subsequent stages are the *presentation* during which the actual gift exchange takes place, and *reformulation* which includes gift evaluation and gift disposition. The latter two stages have less managerial relevance as they are beyond retailers' and manufacturers' control.

[2] The likelihood-ratio test compares the full model with 28 predictors (likelihood ratio $\chi^2(28) = 1{,}296.476$) with the model that only includes the constant and the control variables (6 predictors, likelihood ratio $\chi^2(6) = 1{,}554.322$).

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Table 1: Measures

Variables measured	Measurement	Descriptives

Product category:	Nominal: - Male shaver;
	          - Hair dryer;
	          - Dental care;
	          - Iron;
	          - Vacuum cleaner
	This variable was recoded with 4 dummy variables.
		32%
		14%
		29%
		19%
		6%

Importance of design	7-point Likert scale (1 = not important at all; 7 = very important) measuring the importance of the design in the choice of the product.	Mean = 4.1 S.D. = 2.1
Importance of brand	7-point scale (1 = not important at all; 7 = very important) measuring the importance of the brand in the choice of the product.	Mean=4.1 S.D.=2.4
Price of the product purchased	Ratio (price in euros).	Mean = 54.7 S.D. = 59.5
Money back guarantee	7-point scale (1 = not applicable at all; 7 = totally applicable) measuring the role of the money back guarantee in the purchase of the product.	Mean = 2.8 S.D. = 2.2

Gender of the purchaser:	Nominal: - Male purchaser;
	          - Female purchaser;
	          - Male and female purchased together.
	This variable was recoded with 2 dummy variables.
		33%
		64%
		3%

Idea of brand prior to purchase	Dichotomous: 0: No. 1: Yes.	67% 33%
Idea of model prior to purchase	3-point scale measuring to what extent the purchaser had an idea of the model prior to purchase. 1: I had hardly any idea as to the model/features; 2: I had a rough idea as to the model/features; 3: I had a precise idea as to the model/features.	Mean = 2.0 S.D. = .8
Purchaser was accompanied by the recipient while purchasing	Dichotomous: 0: No. 1: Yes.	85% 15%
Number of outlets visited before purchase	Ratio (#)	Mean = 1.5 S.D. = 1.3
Number of information sources used	Ratio (#)	Mean = 2.5 S.D. = 2.4

Length of Information search	Ordinal: - No time, because it was a spontaneous purchase',
	         - ±1-6 days;
	         - ±1-3 weeks;
	         - ±1-2 months;
	         - more than 2 months.
	This variable was recoded with 4 dummy variables.
		20%
		20%
		25%
		19%
		16%

Occasion for giving the gift	Nominal: - Christmas;
	          - Birthday;
	          - Other traditional occasions (Father's day, Mother's day, Valentine, …);
	          - No special occasion.
	This variable was recoded with 3 dummy variables.
		34%
		12%
		38%
		16%

Gift bought for a recipient within the household	Dichotomous: 0: No. 1: Yes.	37% 63%
Year of data collection	Ordinal: - 2002; - 2003. This variable was recoded with 1 dummy variable.	55% 45%
Size of the purchaser's household	Ordinal: - 2 people or less; - more than 2 people. This variable was recoded with 1 dummy variable.	48% 52%
Monthly income of the household [f]	Ordinal: - less than €2500; - €2500 or more. This variable was recoded with 1 dummy variable.	54% 46%
Children in the household	Dichotomous: 0: No. 1: Yes.	70% 30%
Age of head of household [f]	Ordinal: - up to 44 years old; - more than 44 years old. This variable was recoded with 1 dummy variable.	47% 53%
Age of purchaser	ratio	Mean = 45.6 S.D. = 16.3

Table 2: Parameter estimates

Variable		B	S.E.	Wald
Hair dryer [g]	(H1)	-.242	.243	.990
Dental care		.203	.200	1.032
Iron		-.537 [b]	.220	5.961
Vacuum cleaner		.265	.338	.611
Importance of design	(H2)	.080 [b]	.035	5.137
Importance of brand	(H3)	-.056 [b]	.036	2.412
Money back guarantee [d]	(H4)	.094 [b]	.043	4.843
Price of the product purchased	(H4)	.000	.002	.006
Female purchaser [h]	(H5)	.216 [c]	.147	2.154
Male + female together are the purchaser		.298	.539	.306
Idea of brand prior to purchase	(H6)	.153	.180	.721
Idea of model prior to purchase	(H6)	.030	.100	.087
Purchaser was accompanied by the recipient while purchasing	(H7)	2.869 [a]	.264	117.994
Number of outlets visited before purchase	(H8a)	-.062	.057	1.199
Number of information sources used [e]	(H8b)	-.077 [b]	.031	6.064
Up to one week information search [i]	(H8c)	-.541 [a]	.223	5.882
Up to 3 weeks information search		-.640 [a]	.222	8.321
Up to 2 months information search		-.573 [a]	.245	5.466
More than 2 months information search		-.379 [b]	.259	2.146
Birthday gift [j]	(H9)	-.272 [b]	.164	2.758
Gift for an occasion other than birthday & Xmas		-.489 [b]	.228	4.596
Gift for no special occasion		-.983 [a]	.219	20.222
Gift bought for a recipient within the household	(H10)	.483 [a]	.163	8.766
CONTROL VARIABLES	Year of data collection [k]	.241	.142	2.902
	Size of the purchaser's household [f, l]	-.015	.180	.007
	Monthly income of the household [f, m]	-.161	.145	1.236
	Children in the household	.275	.216	1.610
	Age of head of household [f, n]	-.082	.204	0.162
	Age of purchaser	.003	.007	0.163
Constant		-1.492	.583	6.549

[a] p-value < 0.01, [b] p-value < 0.05, [c] p-value < 0.075; all p-values are 1-tailed for directional hypotheses (i.e., H2, H3, H4, H5, H6, H7, H8, H9,H10), and two-tailed otherwise (i.e., control variables and H1).

[d] Due to the missing observations for this variable, the corresponding estimate is based on a limited dataset of 698 observations. The findings for the hypotheses remain substantively the same, except for the effect of gender (H5), which becomes non-significant (β = .188; p = .163), probably due to the smaller sample size.

[e] Includes sources as various as test reports, internet (opinion portal, best price agency, newsgroups, manufacturer's / retailer's homepage), manufacture's brochures, mail order catalogue, supplements/ads in newspapers or magazines, relatives/friends, POP, sales-person, customer service.

[f] Analyses were first run using the original categories contained in the dataset. These are for household: 1 person household, 2 people household, 3 people household, 4 people household, 5 or more people household; for income: up to 1249,]1249; 1499],]1499; 1749],]1749; 1999],]1999; 2249],]2249; 2499],]2499; 2749], $\geq$ 2750; and age of the head of the household: up to 19,]19; 24],]24; 29],]29; 34],]34; 39],]39; 44],]44; 49],]49; 54],]54; 59], $\geq$ 59. Since none of these variables were significant, and for the sake of parsimony, we split them into 2 categories using a median split (see table 1). The results are reported in the table. They are also non significant.

[g] Reference category = male shaver.

[h] Reference category = male purchaser.

[i] Reference category = no information search, spontaneous purchase.

[j] Reference category = Christmas gift.

[k] Reference category = 2002.

[l] Reference category = 2 people or less.

[m] Reference category = less than €2500.

[n] Reference category = up to 44.

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