

# UNIVERSITY OF MACAU

## FACULTY OF BUSINESS ADMINISTRATION

### ASSESSING THE SHOPPING EXPERIENCE AND SATISFACTION AMONG THE FREE INDIVIDUAL TRAVELLERS FROM MAINLAND CHINA IN MACAO

The logo of the University of Macau is a circular emblem. It features a central shield with a building and a book, flanked by two scrolls. The shield is topped with a crown. The circular border contains the text 'UNIVERSITY OF MACAU' at the top and '澳門大學' at the bottom. Inside the circle, below the shield, are the Chinese characters '仁義禮知信'.

CHU YEN NING, DESTINEE  
M-A 8-5731-1

Thesis presented to the  
Faculty of Business Administration  
University of Macau  
In partial fulfillment for granting the MBA degree

2010

## ABSTRACT

Previous studies have significant evidence that shopping has been an important role in tourist activities. A good shopping experience is therefore crucial to retain tourists as well as to arouse revisit intention. Thus, tourists' shopping satisfaction should definitely deserve major concerns. Since Macao ranked 21<sup>st</sup> in the number of tourist in the world (World Tourism Organization, 2006) and its economy depends majorly on tourism. A research investigating tourists' shopping satisfaction level is critical and crucial in order to retain more revisit tourists and to attract more new tourists.

The purpose of this research is to assess the shopping satisfaction and experiences of the Free Individual Travellers (FITs) from Mainland China, who are currently the major source of visitors in Macao. Specially, it aims to understand the FIT shoppers' perceptions of shopping experience in Macau and the attributes to shopping satisfaction in order to create a better shopping environment for FITs.

This research investigated effects of socio-demographic variables and different in travel patterns on tourists' spending expenditure, satisfaction level and shopping attributes which are important to FIT tourists. It explored whether different demographic groups would perceive diverse satisfaction level and of quality attributes at shops and overall shopping environment. This research also examined the possibility of bringing repeat visiting, expanding spending amount and lengthen the average stay of the FIT visitors by enhancing Macao's shopping facilities.

Based on previous research, a quantitative survey method by surveying the FITs through a structured questionnaire was used to obtain data in different shopping locations. “Performance-only” analysis model was adopted assess the satisfaction level of different shopping attributes among FITs. Among 31 shopping attributes, FITs were asked to rate the 6 most important shopping attributes.

The results reveals that the respondents are mostly satisfied with their shopping experience and the shopping attributes in Macao. Significant difference in level of satisfaction of certain shopping attributes was observed in relations to the respondents’ socio-demographic characteristics and the purpose as well as the length of visit. Respondents’ socio-demographic characteristics and travel purpose were also found to have significant difference in their shopping expenditure in Macao. Also, Price of goods was rated as the most important attributes among 31 attributes.

Policy makers and marketers are suggested to make changes and improvement on certain attributes which were important to and dissatisfactory for the FITs.

**Keywords:**

Tourists shopping; Mainland Chinese visitors; Free Individual Travellers, Consumer behavior; Shopping satisfaction & experience, Macao

## TABLE OF CONTENT

<b>ABSTRACT</b> .....	<b>i</b>
<b>ACKNOWLEDGEMENTS</b> .....	<b>iii</b>
<b>TABLE OF CONTENT</b> .....	<b>v</b>
<b>CHAPTER 1: INTRODUCTION</b> .....	<b>1</b>
1.1 Introduction .....	1
1.2 Research Background .....	1
1.3 Research Objective and Questions.....	4
1.4 Research Methodology .....	5
1.5 Significance of the Study.....	6
1.6 Structure of the Thesis .....	6
1.7 Conclusion .....	7
<b>CHAPTER 2: LITERATURE REVIEW</b> .....	<b>8</b>
2.1 Introduction.....	8
2.2 Tourism and Tourist Shopping .....	8
2.3 Tourists Shopping Satisfaction .....	9
2.4 Satisfaction Attributes.....	10
2.4.1 Store Attributes, Destination Attributes (overall environment attributes) and Service Attributes	
.....	13
2.5 Measurement of Satisfaction Level/ Satisfaction Models.....	15
2.5.1 Performance-only Conceptualization of Satisfaction .....	16
2.6 Shopping Characteristics of Chinese Tourists .....	17
2.7 Travellers Buying Behavior .....	20
2.7.1 Demographic Impact on Tourist Shopping.....	20
2.7.2 Impulse Buying Behavior.....	21
2.8 Conclusion .....	22
<b>CHAPTER 3: RESEACH METHOD</b> .....	<b>26</b>
3.1 Introduction.....	26
3.2 Research Instrument.....	26
3.3 Survey Questions .....	26

3.4	Validity and Reliability.....	29
3.5	Sample Selection and Survey Implementation.....	30
3.6	Data Analysis.....	31
3.7	Conclusion.....	31
<b>CHAPTER FOUR: RESEARCH FINDINGS.....</b>		<b>32</b>
4.1	Introduction.....	32
4.2	Demographic Profiles and Features of Travel of the Respondents.....	32
4.3	Shoppers' Shopping Preferences or Intention, Items bought and Reasons.....	35
4.3.1	Buying Behavior.....	37
4.4	Effects of Demographic Profile and Travel Pattern on Spending Pattern.....	39
4.4.1	Influence of "Purpose of Travel" on Shopping Expense Budget.....	39
4.4.2	Influence of "Length of Stay" on Shopping Expense Budget.....	41
4.4.3	Influence of "Occupation Group" on Shopping Expense Budget.....	42
4.4.4	Influence of "Gender" on Shopping Expense Budget.....	43
4.5	Satisfaction Level.....	44
4.6	Influence of Demographic Characteristics and Travel Patterns on Respondents' Satisfaction Level of Shopping Attributes.....	46
4.6.1	Influence of "Gender" on Satisfaction level.....	46
4.6.2	Influence of "Age" on Satisfaction level.....	50
4.6.3	Influence of "Place of Permanent Residence" on Satisfaction level.....	51
4.6.4	Influence of "Occupation" on Satisfaction Level.....	51
4.6.5	Influence of "Income Level" on Satisfaction level.....	54
4.6.6	Influence of "Purpose of Travel" on Satisfaction level.....	57
4.6.7	Influence of "frequency of Visit" on Satisfaction level.....	59
4.6.8	Influence of "Duration of Stay" on Satisfaction level.....	60
4.6.9	Correlation of Shopping Attributes with Respondents' Level of Satisfaction.....	60
4.7	The Important Shopping Attributes Perceived by FITs.....	63
4.8	Revisit Intentions, Increase of Spending Expenditure and Length of Stay.....	64
4.9	Conclusion.....	66
<b>CHAPTER 5: DISCUSSION AND CONCLUSION.....</b>		<b>67</b>
5.1	Discussion.....	67

5.2	Conclusions and Implications .....	74
5.3	Limitations .....	80
5.4	Further Research .....	81
<b>REFERENCES .....</b>		<b>82</b>
<b>APPENDIX.....</b>		<b>86</b>
I	Questionnaire (Chinese).....	86
II	Questionnaire (English) .....	86

### LIST OF FIGURES

Figure 1: Purpose of Visit .....	2
Figure 2: Per-Capita Spending and Per-Diem Spending of Visitors .....	3
Figure 3: Performance only Model .....	16
Figure 4: Framework.....	25
Figure 5: Mean Satisfaction Level by Gender (Scale: Product Attributes) .....	46
Figure 6: Mean Satisfaction Level by Gender (Scale: Service Attributes).....	47
Figure 7: Mean Satisfaction Level by Gender (Scale: Shop Attributes) .....	48
Figure 8: Mean Satisfaction Level by Gender (Scale: Environment Attributes).....	49
Figure 9: Respondents; perception of “Is Macao a Shopping Paradise” .....	66

### LIST OF TABLES

Table 1: Visitors Arrival by Place of Residence .....	4
Table 2: Summary of the Measurement Reliability (Cronbach's Alpha).....	29
Table 3: Sample Profile.....	34

Table 4: Descriptive Analysis on Shopping Intention, Item Bought.....	36
Table 5: Comparison of Impulse Buying (Shopping List Preparation) by Gender and Age Group.....	38
Table 6: Descriptive Analysis of Shopping Reasons.....	38
Table 7: Statement that Best Describes Tourists' Spending during This Trip.....	39
Table 8: Expected Shopping Expenses by Purpose of Visit.....	40
Table 9: Mean Difference of Expected Shopping Expenses By Purpose of Visit.....	40
Table 10: Expected Shopping Expenses by Length of stay.....	41
Table 11: Mean Difference of Expected Shopping Expenses By Length of Stay.....	41
Table 12: Expected Shopping Expenses by Occupation.....	42
Table 13: Mean Difference of Expected Shopping Expenses By Occupation.....	43
Table 14: Shopping Expense Budget by Occupation, Bonferroni (Post Hoc).....	43
Table 15: Comparison between Mean Differences of Expected Shopping Expenses by Gender.....	43
Table 16: Mean Satisfaction Level (5= very satisfied, 1= very dissatisfied).....	45
Table 17: Mean Difference of Satisfaction Level of Shopping Attributes between Genders.....	49
Table 18: Mean Difference of Satisfaction Level of Shopping Attributes by Age.....	50
Table 19: Comparison of Tourists' Mean Satisfaction Level of Shopping Attributes by Age.....	50
Table 20: Mean Difference of Satisfaction Level of Shopping Attributes by Permanent Residence.....	51
Table 21: Comparison of Tourists' Mean Satisfaction Level of Shopping Attributes by Permanent Residence...	51
Table 22: Mean Difference of Satisfaction Level of Shopping Attributes between Occupation Groups.....	52
Table 23: Mean Difference of Satisfaction Level of Shopping Attributes between Income Levels.....	54
Table 24: Mean Difference of Satisfaction Level of Shopping Attributes among Purposes of Trip.....	57
Table 25: Mean Difference of Satisfaction Level of Shopping Attributes by Frequency to Macao.....	59
Table 26: Mean Difference of Satisfaction Level of Shopping Attributes between Days of Stay.....	60
Table 27: Satisfaction with Shopping Attributes by Socio-Demographic and Travel Patterns.....	62
Table 28: Importance of Shopping Attributes.....	63
Table 29: Revisit Intention.....	64
Table 30: Spending Budgets in the Next Trip to Macao if the Dissatisfied Attributes Are Improved.....	64
Table 31: Intention of Staying Longer in the Next Trip to Macao and the Days Willing to Stay Longer if the Dissatisfied Attributes Are Improved.....	65
Table 32: Revisit Intentions if the Dissatisfied Attributes Are Improved.....	65