



CATÓLICA
LISBON
BUSINESS & ECONOMICS

Exploring the effect of online shopping motivations on purchase intention applied to cosmetics

Maria Constança Valente Machado Alves Morais

Dissertation written under the supervision of Professor Carolina
Afonso

Dissertation submitted in partial fulfilment of requirements for the MSc in
Management with Specialization in Strategy and Entrepreneurship, at the
Universidade Católica Portuguesa, January 2017.

Index

Acknowledgements	5
Abstract	6
Resumo	7
Chapter 1 - Introduction	8
1.1 Background	8
1.2 Problem Statement	9
1.3 Aim	9
1.4 Scope	10
1.5 Academic and Managerial Relevance	11
1.5.1 Academic Relevance	11
1.5.2 Managerial Relevance	11
1.6 Outline	12
Chapter 2 - Literature Review	13
2.1 The Cosmetics Industry	13
2.2 The emergence of e-Commerce	15
2.2.1 e-Commerce panorama in Portugal	16
2.2.2 eCommerce trends	18
2.4 Motivations to purchase online	20
2.4.1 Utilitarian motivations to purchase online	20
2.4.2 Hedonic motivations to purchase online	22
2.5 Online purchase intention	23
2.6 Conclusions	25
Chapter 3 – Methodology	27
3.1 Research approach	27
3.2 Research Instrument	28
3.2.1 Population and Sample	28
3.2.2 Questionnaire	28
3.3.3 Measures	29

Chapter 4 – Results Analysis.....	30
4.1 Preliminary Analysis	30
4.1.1 Data Collection and Analysis	30
4.1.2 Sample Characterization.....	30
4.1.3 Data screening - Univariate and Multivariate Outliers.....	31
4.1.4 Data Reliability.....	31
4.1.5 Principal Component Analysis.....	32
4.1.6 Correlation analysis.....	33
4.2 In-depth Analysis	33
Chapter 5 – Conclusions, limitations and further research.....	38
5.1 Conclusions	38
5.2 Limitations and further research.....	39
References	40
Appendices	46

Index of figures

Figure 1 – Number of Internet users and shoppers in Portugal, in millions	16
Figure 2 - Preferred method of payment of Portuguese when shopping online.....	16
Figure 3 - Presence of Portuguese companies online.....	17
Figure 4 - Number of devices per person in Portugal 2012-2015	17
Figure 5 – Conceptual Model.....	26
Figure 6 – Sample’s demographics	30
Figure 7 - Sample's family income.....	31

Index of Tables

Table 1 - Scale's reliability analysis	32
Table 2 – Pearson correlation.....	33
Table 3 - Regression Summary	35
Table 4 – Regression Summary	36

Acknowledgements

To my parents, who have always made everything in their hands to give their children the best possible education within the resources available.

To my friends that have supported me through all the ups and downs of my academic and personal life.

To Professor Carolina Afonso, without whom this thesis would not have been possible. Thank you for all the advice and patience along the way of building this project.

Abstract

Title: Exploring the effect of online shopping motivations on purchase intention applied to cosmetics

Author: Maria Constança Valente Machado Alves Morais

This thesis' aim is to explore the effect of online shopping motivations in the online purchase intention of cosmetics. A proposed conceptual model that helps to understand what are the main motivations that lead consumers to purchasing cosmetics online is presented. Specifically, this thesis research model proposal is about online cosmetics consumers' behavior considering their motivations and online purchase intention. The ultimate goal of this study is to understand what motivations are relevant for increasing online purchase intention of cosmetics by consumers.

In order to understand consumers' motivations and degree of online purchase intention, the previously developed studies about motivations and purchase intention (Dodds et al., 1991; Arnold et al., 2003; Martínez-López et al., 2014) were consulted and the scales were adapted to fit the present study research, applied to the Portuguese consumers.

A quantitative and exploratory study was conducted. For data collection, an online questionnaire was applied to 286 individuals. Results showed that online shopping motivations are a great predictor of online purchase intention. Also, findings showed that utilitarian motivations not only are a predictor of online shopping motivations of cosmetics, but also that availability of information, assortment and economic value were the dimensions among motivations that better explained online purchase intention.

This theoretical framework helps understanding consumer behavior towards online shopping and may be an important tool for managers and marketers to develop strategies with the most relevant motivations in mind.

Resumo

Título: Explorar os efeitos das motivações de compra na intenção de compra de cosméticos online

Autor: Maria Constança Valente Machado Alves Morais

O objetivo desta tese é explorar os efeitos das motivações de compra online na intenção de compra online de cosméticos. O modelo conceptual apresentado ajuda a compreender quais as principais motivações que levam os consumidores a comprar cosméticos pela internet. Mais especificamente, o modelo conceptual sobre comportamento do consumidor deste estudo tem em consideração as motivações de compra online dos consumidores e a sua intenção de compra.

Para compreender as motivações do consumidor e o seu grau de intenção de compra, estudos previamente desenvolvidos sobre o assunto foram adaptados e usados (Dodds et al., 1991; Arnold et al., 2003; Martínez-López et al., 2014) para o estudo que foi aplicado a consumidores portugueses.

Um estudo quantitativo e exploratório foi conduzido. Durante a recolha de dados, um questionário online foi preenchido na totalidade por 286 indivíduos. Os resultados obtidos mostraram que as motivações de compra online são uma ótima maneira de prever a intenção de compra online. Os resultados mostraram também que as motivações utilitárias são melhores a explicar as motivações de compra online e a intenção de compra online. A informação, a variedade e o valor económico foram as dimensões das motivações online que mais afetavam a intenção de compra online.

Este modelo ajuda-nos a perceber o comportamento dos consumidores no que toca a compras online e pode ser uma importante ferramenta para gestores e marketers desenvolverem estratégias direcionadas para as motivações que mais influenciam a intenção de compra.

Chapter 1 - Introduction

1.1 Background

Consumers are increasing their use of digital technology. This includes websites, social media and mobile apps to research products, make price comparisons, purchases and to leave feedback and reviews online. Forecasts reveal that 64% of physical store retail sales will be influenced by digital technology by the end of the year (Deloitte, 2016). As the number of Internet users increases, so do the opportunities for online shopping (Lee, 2006).

Traditionally, cosmetics are seen as a risky online purchase, due to the fact that on this product category, consumers feel the need to try the product (A.T Kearney, 2014). Thus, until recently it was not even cost efficient to purchase cosmetics online. Personal care products are now part of e-commerce revolution and consumers are already making fewer trips to physical stores to purchase cosmetics in favor of the online platform shopping process. Nevertheless, retailers are still putting their efforts in digital in order to enhance and improve the online shopping experience when purchasing cosmetics. (A.T. Kearney, 2014; eMarketer, 2015; Nielsen, 2014).

Although the percentage of cosmetic online sales is still low, compared to other product categories, it has been growing at fast pace throughout the world (A.T.Kearney, 2014).

According to Childers et al. (2001), e-commerce provides an opportunity for businesses to create an environment and purchase experience that cannot be offered in physical stores and this way increasing sales through online channels.

Motivations to pursue online shopping can be hedonic and utilitarian. The behavior of consumers with high utilitarian motivations to purchase is described as energetic, task-oriented and rational (Batra et al., 1991) whilst the behavior of consumers hedonic motivated are looking for multi-sensory experiences, fantasies and emotion when buying (Hirschman et al., 1982).

Although offline shopping is more often associated with experiential benefits than online, some online consumers also portray online shopping as enjoyable, fun and sociable explained by the fact that sometimes shoppers from a specific category or website share their opinions and thoughts (Close and Kukar-Kinney, 2010).

1.2 Problem Statement

The research problem of this thesis is to explore the effect of online shopping motivations on purchase intention. Firstly, an analysis about which set of motivations (hedonic or utilitarian) better help explaining the online purchase intention of cosmetics is assessed. Going more deeply, this research also studies the effect not only of the hedonic and utilitarian motivations on the purchase intention of cosmetics, but also which dimensions of these two different motivations' category, influence the most the purchase intention.

This industry is known for its struggle when it comes to electronic commerce. Along with the car industry, cosmetics are one of the “try before buy” industries. Consumers feel the need to touch, try and smell the products before purchasing them (Hsu and Lee, 2003).

This problem can be minimized if managers and marketers understand what motivations their consumers to purchase cosmetics online in order to adapt their strategies and convince them that the online channel is an important way of purchasing and facilitating the purchase process.

1.3 Aim

The aim of this study is to better understand the effect that motivations to purchase online might have on online purchase intention of cosmetics. Thus, this study focuses in understanding:

RQ1: Which hedonic motivations are more relevant to explain online shopping motivations of cosmetics?

RQ2: Which utilitarian motivations are more relevant to explain online shopping motivations of cosmetics?

RQ3: Which motivations (utilitarian or hedonic) are stronger to explain online shopping motivations?

RQ4: Do online shopping motivations influence purchase intention of cosmetics?

RQ5: Which motivations (utilitarian or hedonic) better help to explain purchase intention of cosmetics?

RQ6: Which dimensions of utilitarian and hedonic motivations better help to explain purchase intention of cosmetics?

1.4 Scope

This thesis is a quantitative and exploratory study focused on effect of motivations of consumers on the purchase intention of cosmetics through online platforms, applied to the Portuguese context.

Although men are increasing their purchase of cosmetics, it is still mainly the feminine consumers that purchase for themselves and for their male partners so this study is focused mainly in the women consumer motivations for purchasing cosmetics online.

1.5 Academic and Managerial Relevance

1.5.1 Academic Relevance

Academically, although there are several academic studies about motivations for purchasing, utilitarian and hedonic motivations vary not only in gender, but also according to the industries purchased. Research about utilitarian and hedonic motivations by product category and across different channels have been suggested by other studies (Yim et al., 2014; Irani et al., 2011; Lee et al., 2005). Moreover, the consumer behavior is rapidly changing which creates the need of continuously study this topic so that knowledge remains accurate (Ahmed, 2015).

This study contributes, therefore with new highlights about the relationship existent between online shopping motivations and the online purchase intention, specifically applied to the cosmetic industry and to the Portuguese context.

1.5.2 Managerial Relevance

When it comes to management and marketing, e-commerce companies are interested in understanding and adapting its marketing strategies according to the consumers' preferences (Ahmed, 2015). By understanding what drives consumers to purchase cosmetics, the strategies made according to that knowledge will be more effective than the ones made without considering online shopping motivations. As the global business to consumer e-commerce sales rise steadily throughout the year, especially in the cosmetics' industry, the more opportunities rise to e-commerce or omnichannel beauty companies. This year, e-commerce sales are expected to reach 1.92 trillion U.S. dollars and the global cosmetic market is expected to be \$675 billion in 2020 and is now a fast pace growing segment of the e-commerce industry (A.T.Kearney, 2014).

In the case of Portugal, 70% of Portuguese population uses internet daily (Google Consumer Barometer, 2015) and its e-commerce has been growing above the European average (E-commerce Foundation, 2015).

All these numbers represent new and better opportunities for managers to increase their sales through e-commerce, allied to a deeper knowledge about which motivations consumers use when purchasing cosmetics online.

To sum up, this study contributes with the possibility for marketers and managers to make use not only of the rising opportunities in e-commerce, but also of the deeper understanding of

what motivates consumers to purchase online in order to create more efficient and effective campaigns and strategies.

1.6 Outline

In the following chapter, a review of existing literature is presented about the cosmetics market, e-commerce and its evolution in Portugal, hedonic and utilitarian motivation to purchase online which finally influence in the online purchase intention.

The methodology used throughout this study is explained in chapter 3.

These research questions are explored in chapter 4 through quantitative tests using SPSS and then results are presented. The conclusions and limitations of this research are highlighted in chapter 5. Knowing of the limitations that the study might have, further research is suggested. The conclusions and limitations of this research are highlighted in chapter 6. Knowing of the limitations that the study might have further research is suggested.

Chapter 2 - Literature Review

2.1 The Cosmetics Industry

Cosmetics now play a role in consumers' everyday life due to the lifestyle improvement. Consumers have become more conscious about the use of cosmetics and the positive impact it has in their health and physical attributes (Allied Market Research, 2016; Joseph et al., 2013).

The major distribution channels of cosmetics are retail stores (supermarkets included), brand outlets and specialty stores. Online channels are now gaining popularity as a distribution channel (Allied Market Research, 2016).

The cosmetics industry is far from being only about makeup which value is only about 17% of the whole market. Skin care, perfumes, deodorants and hair care are also part of this multi-million industry (Statista, 2015).

As the disposable incomes rose in the past ten years, the change in climatic conditions which asks for higher demands of skin and sun care products and changing lifestyles have encouraged the growth of this industry (Allied Market Research, 2016; OECD 2015; Worldbank 2016).

While United States of America is the biggest market worldwide it is France that exports the highest volume of cosmetics. The economic crisis felt in the past years did not affect this industry as it continued to grow in the past decade at a rate of almost 5% (Allied Market Research, 2016; Statista 2016; L'Oreal Annual Report, 2015).

Currently, the increase of GDP after the recession of 2007-2009 has impacted positively in the cosmetics industry. As countries start recovering from the crisis, consumers see their disposable income rising which results in higher spending in personal luxury items and ultimately in the cosmetics market (Allied Market Research, 2016; Worldbank 2016).

The European cosmetics' industry is the most valuable one in the world. In 2015 the sales retail price valued 77 billion Euros (Cosmetics Europe, 2016).

2.1.1 Beauty and Digital

Digital communication is an enormous opportunity for the cosmetics and beauty market. It provides a new way of relationship between brands and their customers. Today, consumers are expecting personalized products and services that enhance the customer experience across

the multiple distribution channels (Forbes 2016; L'Oreal Annual Report, 2015). Currently, companies are offering online virtual experiences, as the number of consumers actually visiting the physical store diminishes, websites need to be equipped to fulfill the needs that used to be tackled in-store. Brands are now launching apps that enable consumers to try their products through augmented reality without the need of going to the store, overcoming one of the main disadvantages when purchasing cosmetics online. These apps are also a great tool for data collection on consumers' preferences and behaviors (Forbes, 2016; LaunchMetric, 2016). Some companies even use location services to offer discounts and services considering where the consumer is and his or hers preferences in the past (Forbes, 2016).

It has become mandatory for beauty companies to be present across the several social channels and always engaging with its customers. Managers are now investing in social media platforms as a form of cherishing and fostering the relationship with consumers (SAS HBR, 2010). Consumers that are fans and followers of brands' social media pages are usually more loyal to the company and more willing to receive information about it. Moreover, these consumers are stated to generate positive word of mouth and to be emotionally attached to the brand (Bagozzi and Dholakia, 2010). Nowadays, 40% of beauty brands are present on Instagram, a number that rises to 67% when considering the luxury segment. Online beauty videos content is one of the most important social media marketing channels (Statista, 2014). Digital marketing channels revolutionized the beauty and cosmetics industry and changed the rules of the market and how it is presented to the consumers (LaunchMetric, 2016).

2.2 The emergence of e-Commerce

e-Commerce (standing for electronic commerce) can be defined as any commercial transaction made in electronic format and describes the way in which transactions are made over electronic networks, in its majority through internet. This includes all the processes of supplying, buying and selling products, services and information through electronic means (Etemad, 2004; Liu et al., 2013). The aim of e-commerce is to reduce costs, shorten the lifecycles of products and improving the quality of service with faster customer feedback (Kalakota et al., 1997).

e-Commerce emerged during the 90's, with the development of internet and the deregulation of the financial markets. The increasing competition, especially in the mortgage industry, led to the creation and emergence of ecommerce and electronic payment systems.

Internet is an almost perfect market as information and comparisons can be made instantaneously, from any part of the globe. This advantage for consumers results in fierce competition amongst suppliers and decreased brand loyalty (Kuttner, 1998).

In 2016, global B2C e-commerce sales are expected to reach 1.92 trillion U.S. dollars (Statista, 2016)

Cosmetics, an industry that grew from the ability of touching, smelling and trying before purchasing in stores, is now a fast pace growing segment of the e-commerce industry. Convenience, wider product selection and ability to share and access others opinions has put e-commerce as an attractive alternative to purchasing cosmetics in store. Considering the speed at which apparel and accessories (another touch and feel product category) sales increased and are now one of the biggest categories in e-commerce it is believed that the same will happen with cosmetics (A.T.Kearney, 2014).

e-Commerce is now responsible for the majority of the growth in sales for many retailers, specially mature and traditional retailers. On the other hand, for companies' which sales in the physical store have declined during the crisis, e-commerce has helped rising the stabilizing the sales again. From the top 50 largest e-retailers, the large majority (39 companies) are omnichannel having a brick-a-mortar store and an online platform (Deloitte, 2016).

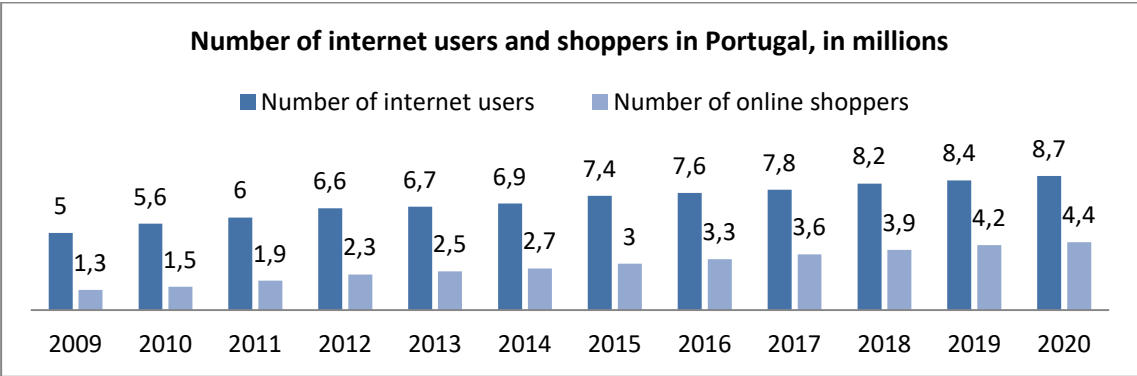
2.2.1 e-Commerce panorama in Portugal

Portugal e-commerce has been growing above the European average (E-commerce Foundation, 2015). Portugal e-commerce grew 15.7% in 2015 comparing with the previous year while the European’s average growth was only 13.3%. In Portugal, e-commerce was responsible for 3.3 billion Euros, an almost 38% increase since 2012 (2.4 billion).

Over 70% of the Portuguese people are internet users and this percentage is expected to grow until 85% by 2020.

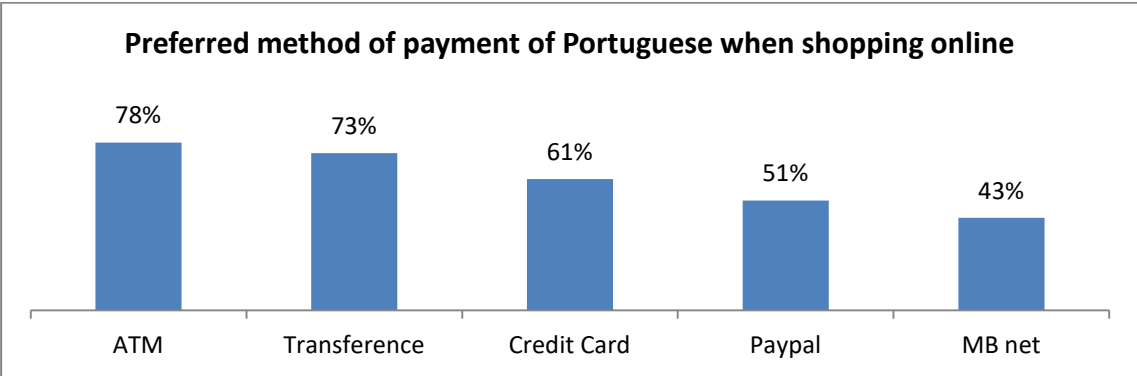
Among the internet users, 40% (3.5 million) are online shoppers. This number has increased more than 250% since 2009 and is expected to reach 4.4 million people by 2020 where 50% of the internet users in Portugal will shop online (Figure 1) (ACEPI, Economia Digital em Portugal, 2016; INE, 2015; IDC, 2015).

Figure 1 – Number of Internet users and shoppers in Portugal, in millions



The preferred method of payment (Figure 2) in business to consumers’ purchases is through ATM, not usually available in most online stores (INE and IDC, 2015).

Figure 2 - Preferred method of payment of Portuguese when shopping online



Although the rising number of internet users and buyers in Portugal, the number of companies that have an online presence is still low (32%) and the number decreases to 10% when considering the companies that own an online store (Figure 3) (ACEPI, Economia Digital em Portugal, 2015).

Figure 3 - Presence of Portuguese companies online

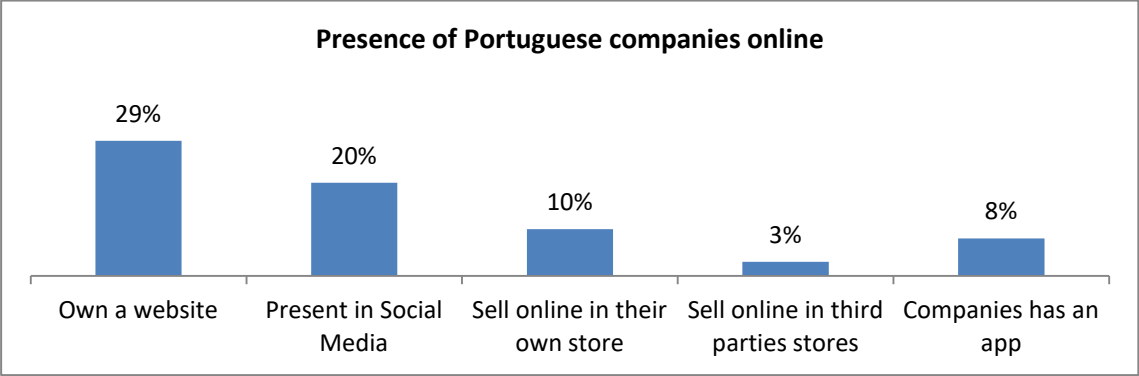
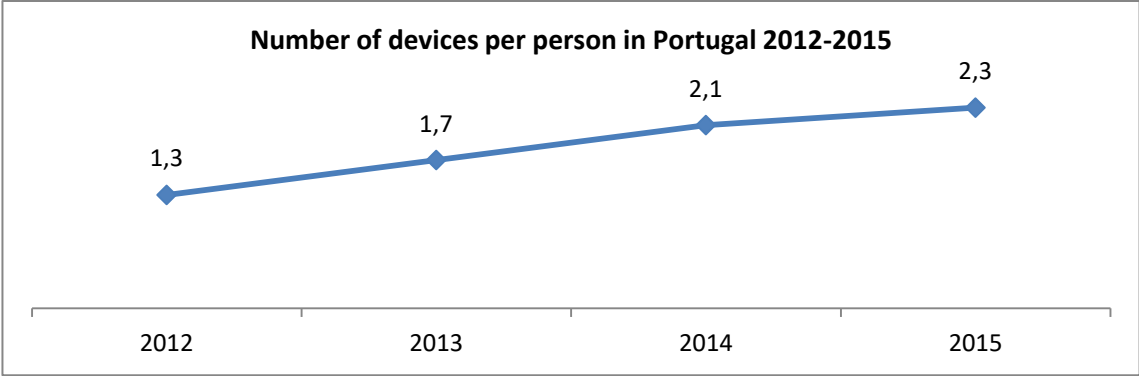


Figure 4 - Number of devices per person in Portugal 2012-2015



According to Google Consumer Barometer (2015), the number of devices per person has also been rising with 2.3 devices in 2015, a 35% growth since 2013 (Figure 4). Moreover, 6 out of 10 consumers are smartphone users. Smartphones are being used through the consumer journey and specially for seeking information.

When it comes to the cosmetics category, it happens frequently for consumers to search online and purchase offline. When purchasing hair care products, consumers 36% of consumers use internet to gather information but only 3% research and purchase online. When buying make-up, 8% of consumers research and buy online (Google Consumer Barometer, 2015). Euromonitor International statistics showed that e-commerce and m-commerce are growing the fastest among retail platforms in the world. In 2015, 6.4% of the beauty industry sales were made through online platforms.

2.2.2 eCommerce trends

2.2.2.1 Omnichannel

With consumers increasingly adopting online platforms to make purchases, physical stores are struggling to find ways to maintain and grow its sales. The fast shifts in the consumers' behavior are forcing companies to adopt the omnichannel strategy for their businesses. 85% of online shoppers go through several devices during its shopping journey, often finishing it in a different one from the one it started in. This creates a new shopping experience for consumers where online and offline shopping becomes a seamless experience. Moreover, multi-channel consumers are stated to shop more often and spend three times more than the single-channel shoppers. With this, physical owners are trying to expand their businesses to the online platforms and the online-stores players are seeking to establish physical store presence through partnerships and pop-up stores (Deloitte, 2016; EuroITGroup, 2016).

2.2.2.2 Payments options

Consumers now expect the ability of choosing how they pay for their goods and services when purchasing online. Different consumers have different payment preferences and, moreover, consumers may want to use different payments methods according to the purchase made.

In order to fulfill consumers' desires, brands should make efforts to accept several payments options instead of just accepting credit cards. Security is still a big concern for a lot of consumers that are still reluctant about online shopping and putting credit cards information online. Debit cards, PayPal and mobile payments should be available for the consumers to choose when purchasing online (EuroITGroup, 2016; Forbes, 2016).

2.2.2.3 m-Commerce

The fast research and convenience of mobile has made these devices the number one platform for researching information, making price comparisons, at any time with any internet connected device (SmartInsights, 2016). 15% of all e-commerce sales is now m-commerce, this means that 15% of e-sales are being made through mobile devices (McKinsey, 2014) and this percentage is suppose to grow to 45% by 2020 and reach \$284 billion in value (Business Insider Intelligence, 2015).

Amazon is a great example of a company that uses mobile commerce and develops strategies in order for it to be a positive experience for the consumers. With Amazon Prime, consumers

pay an annual membership and are able to enjoy free shipping and, in some place, deliveries at the same day of the purchase. Free video streaming is also added to the benefits of purchasing the annual membership. Of mobile shoppers in the United States, 55.78% state that the majority of their online purchases were made through Amazon (Mobile Strategies 360, 2016).

2.2.2.4 Faster shipping

While in the past online consumers were used to wait several weeks before receives their purchases, nowadays consumers are not that patient. Shipping time is now a big factor when consumers go shopping online.

This factor has made a lot of consumers to go through the consumer journey online but then to go purchase the product desired in physical stores as they are not willing to wait for delivery.

In order to fulfill consumers' needs, some brands have introduced strategies to minimize the shipping time of a product, having shipping times of only a couple hours in some geographical areas (EuroITGroup, 2016; Forbes, 2016).

2.4 Motivations to purchase online

The changes in the consumers' environment have shaped the consumer behavior (Schröder, 2008). Online platforms are being increasingly seen as a way of enhancing the customer relationship. In order to fully take advantage of this tool, e-retailers must analyze and understand the motivations of the consumers when buying online. Regarding cosmetics, e-retailers are using technology to turn "touch and feel" attributes of each product in "look and see" ones (Weitz, 2010). Consumer e-commerce is now mostly driven by price and convenience: a good deal on products that are delivered quickly (Ovum, 2016).

2.4.1 Utilitarian motivations to purchase online

Utilitarian consumers are concerned with making their purchases in an efficient and timely manner in order to achieve their goals. As utilitarian consumer behavior is goal-oriented and consumer search for features such as convenience and accessibility, selection, availability of information and lack of sociality. For these reasons these consumers show more interest in online shopping (Wolfenbarger and Gilly, 2001).

A benefit that is expected by utilitarian consumers when purchasing in online platforms is convenience. The online channel opens the opportunity of purchasing from any place as long as internet connection is available, is not limited to the physical stores' schedules and checkout time at rush hours is not a problem (Hofacker, 2001; Rohm et al., 2004).

People can shop from an international store faster than the time taken to arrive to a local physical store (Alba et al., 1997). These benefits are specially taken in consideration by people with time constraints (Beatty et al., 1987) and increases search efficiency eliminating several frustrations of the consumer such as traffic, parking, and checkout time at physical stores. Convenience also refers to the web site's simplicity, intuitiveness and the easiness of use that consumer perceive when purchasing online. A high percentage of consumers leave the website as they are not able to find their way through it (Schaffer, 2000).

Consumers that see the online channel as offering more convenience are more likely to consider it as useful and easy to use. These perceptions make the shopping process more appealing and the reduction of frustration reduces the shopping's psychological costs which makes the online shopping experience more enjoyable (Childers et al., 2001).

Convenience is the most is one of the most persuasive benefit of shopping online (Rohm et al., 2004), for the reasons stated above.

Online buyers have been found to be variety-seeking, having the need to have a broad scope of products when deciding to make a purchase (Donthly et al., 1999). This need should be fulfilled for them to purchase online again in the future. As online stores provide a wider product scope than physical stores, the probability of a consumer finding the product or service needed is higher, making the shopping process more efficient (Kim et al., 2003).

As consumers do not usually visit a physical store several times before purchasing a product or service, online shopping reduces the cost of acquiring information while it also raises the array of product alternatives at lower time cost (Newman et al., 1972; Bakos, 1991). These buyers can search for more and higher quality information about each product online. Good product information will benefit online shopping purchase intention as it makes indecisive consumers convinced there are making a highly informed decision (To et al., 2007). As in convenience, this helps specially consumers that feel they lack time in their lives and that do not want to spend a lot of time in their shopping process (Childers et al., 2001). Making information easily available for consumers is a key strategy to create a successful e-retail business (Sinioukov, 1999). There are several factors that may turn the website hard to use, from a consumer's perspective. Information may not be accessible where it was logically to be, it may be too hard to get it or it may not even be in the website (Cameron, 1999).

Monetary saving has been leading the consumers throughout the years and online has provided them the opportunity of comparing prices of several stores without leaving their homes (Soscia et al., 2010). Consumers are usually concerned about getting their needs fulfilled at the lower possible cost (Atchariyachanvanich et al., 2008).

Whilst offline shopping is more often associated with experimental benefits than online, some online consumers also portray online shopping as enjoyable, fun and sociable explained by the fact that sometimes shoppers from a specific category or website share their opinions and thoughts (Close and Kukar-Kinney, 2010).

Cosmetics' online shoppers score price as one of the most important features when buying online (A.T.Kearney, 2014).

When it comes to gender differences in utilitarian motivations, women give more importance to convenience and monetary savings when purchasing online (Ahmed, 2015; Liu et al., 2010).

Convenience, monetary savings, product offerings and availability of information are the most significant categories of utilitarian motivations (Chiu et al., 2014). The importance of convenience remarks the fact that experienced consumers see online shopping as an opportunity of buying anywhere at any time.

Studies have shown that price and convenience are believed to be the most important advantages in online shopping (Covaleski, 1997; Jarvenpaa and Todd, 1997; Koças, 2005; Lee et al., 1997).

2.4.2 Hedonic motivations to purchase online

Hedonic motivations for purchasing are related with multi-sensory images and emotional arousal and experiences when using products. These emotional and experimental aspects make the shopping experience pleasant, fun and enjoyable (Hirschman and Holbrook, 1982; Martínez-López et al., 2014).

Hedonic shoppers search for features such as involvement with product class, positive sociality, positive surprise and bargain hunting. Studies showed that hedonic motivations have a strong impact on the actions of online shoppers (Childers et al., 2001).

Hedonic value is subjective, changes with the personality and traits of the consumer and results in fun and playfulness when shopping (Holbrook et al., 1982). Hedonic shopping reflects, this way, the shopping's potential for entertainment and emotional arousal (Bellenger et al., 1976).

One of the hedonic shopping motivations is the adventure of shopping online. Adventure shopping is related to the way consumers shop to seek novelties and to have the stimulation needed to escape from boredom (McGuire, 1974). A high percentage of consumers were found to shop online as a way of changing their daily routine (Parsons, 2002) and also stated to go online shopping for the excitement and adventure of the shopping process. These consumers also described the shopping experience as thrilling and exciting. The adventure is explained by the potential entertainment and enjoyment from the experience itself rather than the achievement of the specific final goal (Hirschman et al., 1982).

Social shopping reflects the enjoyment of sharing the shopping experience with friends and family, socializing and bonding during the consumer journey. It is related with people's propensity to search for acceptance from interpersonal relationships. Consumers enjoy communicating with people that are similar to them and so the social benefits of shopping

online may have an important influence in the purchase intention (Dennis et al., 2009). Social interactions represent a more important role than before due to the higher social interaction capability that the online stores now provide with forums and reviews being made inside the companies' online store.

Gratification shopping is related to the shopping experiences done to reduce stress and tension, ultimately leading to pleasure. Not only is gratification a strong purchase influencer but also is a strong motive that increases the return intention in a specific online store (Parsons, 2002).

Idea shopping refers to a shopping motivation related with keeping up trends and fashions and also to keep up with new products and innovations that become available.

Some consumers driven by idea shopping may research and search for information about innovations and new fashion products to keep themselves informed instead of having the goal of purchasing (Bloch et al., 1989; Tauber, 1972).

Value shopping is based on looking for discounts, sales and bargains online. This motivation is based in a human conception of competitive achievers to which finding a bargain makes them feeling successful, dominant and overcoming a challenge (Arnold and Reynolds, 2003). A major advantage of shopping online and that has been stated before is the ability of comparing prices easily which helps every consumer that shops with the goal of searching for a bargain (Wolfenbarger and Gilly, 2001). Consumers can obtain hedonic benefits through the perception they are buying a bargain that increases excitement and sensory involvement (Babin et al., 1994).

Hedonic motivations are stated to be less important for online buyers. Even though, online retailers should not ignore hedonic motivations as some consumers describe online shopping as fun, stress releasing, and a way to keep with trends and innovations (Chiu et al., 2014).

2.5 Online purchase intention

Online purchase intention is defined by the plan to purchase in the future a certain good or service via the internet. It is the likelihood of purchasing a particular product that results from the interaction of the consumer with the brands, its perceptions and its motivations (Baker, 1998). Online purchase intention is an important indicator of an actual purchase and is used to measure this action of consumers (Kim et al., 2008; Lee et al., 2015; Pavlou, 2003).

Behavioral intentions are factors that understand how people are willing to make a certain behavior and behavior intentions also influence the prediction of a certain behavior (Azjen, 1991).

The theory of reasoned action has been used to predict someone's behavior according to its attitudes towards subjective norms and groups of influential people in his or hers life (Azjen et al., 1980). These subjective norms also influence electronic consumers' online purchase intention through the attitudes consumers in general have against online shopping (Hansen et al., 2004).

Online retailing is an important channel for many firms, having sustained its sales during the crisis thanks to it. As e-commerce becomes more and more competitive e-retailers are focusing their attention in motivating consumers to adopt online channels to purchase and repurchase its products (Chiu et al., 2014).

In order to increase online purchase intention, companies need to meet the desires and demands of the online consumers (Fortsythe et al., 2003). For this, it is important to deeply explore the effect of online motivations as a determinant of purchase intention and which dimensions of online motivations may have more influence in the purchase intention.

2.6 Conclusions

Consumers use cosmetics in their daily lives as they are aware of the confidence and health benefits of its usage (Joseph et al., 2013). Cosmetics include not only make-up, but also skin care, hair care, perfumes and others in its industry (Statista, 2015).

Although the main distributions channels of cosmetics are physical stores, online channels are gaining popularity amongst consumers (Allied Market Research, 2016).

This increase in online sales of cosmetics is only possible due to the emergence of the electronic commerce in the past years. What started as a way of escaping the deregulation of the financial markets is now an increasing trend and part of our daily lives. E-commerce turned internet in an almost perfect market and competition is fierce among electronic players (Kuttner, 1998).

Portuguese e-commerce is increasing more than the European average due to the increase in internet users and the number of devices per person. These numbers are believed to continue to increase reaching 4.4 million people purchasing online by 2020 (ACEPI, Economia Digital em Portugal, 2016; INE, 2015; IDC, 2015).

Consumer motivations to purchase online have both hedonic and utilitarian dimensions (Childers et al., 2001). The utilitarian consumers are focused on purchasing in the most efficient and timely manner to achieve their final goal of fulfilling their needs (Gilly and Wolfinbarger, 2001). On the other hand, hedonic consumers give importance to experiences and arousal when purchasing a product or service (Childers et al., 2002).

Several research questions are created to explore the effect that motivations may have on the online purchase intention of cosmetics. The following research questions are referred below in the conceptual model (Figure 5).

RQ1: Which hedonic motivations are more relevant to explain online shopping motivations of cosmetics?

RQ2: Which utilitarian motivations are more relevant to explain online shopping motivations of cosmetics?

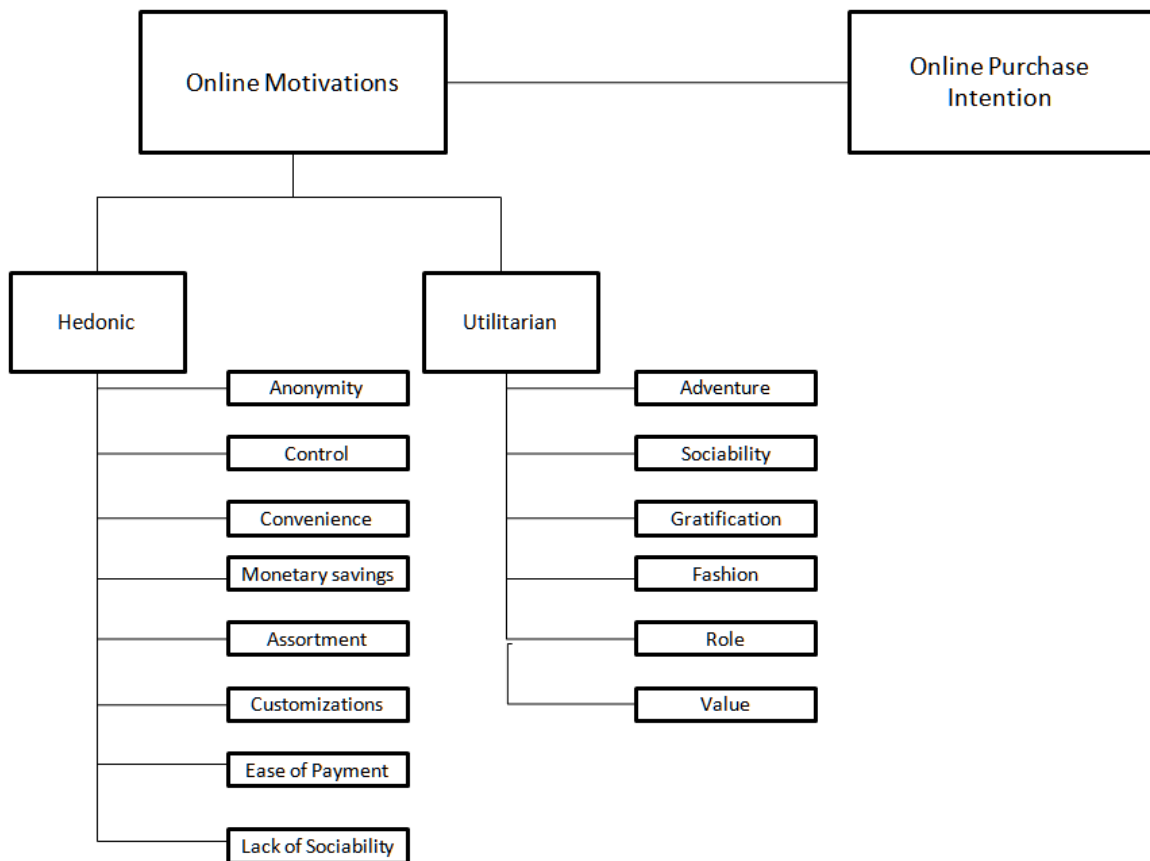
RQ3: Which motivations (utilitarian or hedonic) are stronger to explain online shopping motivations?

RQ4: Do online shopping motivations influence purchase intention of cosmetics?

RQ5: Which motivations (utilitarian or hedonic) better help to explain purchase intention of cosmetics?

RQ6: Which dimensions of utilitarian and hedonic motivations better help to explain purchase intention of cosmetics?

Figure 5 – Conceptual Model



Chapter 3 – Methodology

Throughout this chapter the methodology used to study and answer the hypothesis formed during the second chapter is explained.

3.1 Research approach

There are three methods that are usually used when performing a research.

Firstly, exploratory research is performed when a problem has not been previously studied thoroughly and thus is the initial investigation of a theoretical idea. It is focused on a new topic which is identified and described through the analysis of primary data, mostly collected through qualitative research such as focus groups and interviews. Its great advantage is that its flexibility available change during the study. In an exploratory research the researcher needs to be open to change its direction as results and data may appear (Saunders et al., 2009; Saunders et al., 2012).

Secondly, descriptive research's purpose is to study more deeply a problem that has already been studied before. This type of research allows researchers to explain in more detail previous research, understanding missing parts through generalizations of the relations between variables. It is important to have a clear view of the phenomena on which data will be collected. Secondary data is used to support this kind of research which is collected through quantitative research through methods such as questionnaires.

Finally, explanatory research is used with the aim of establishing causal relationships between variables that are the base of the problem being studied. In this approach, researchers formulate hypothesis through the use of theoretical information previously available and test them through quantitative research. Additionally, qualitative data collection may also be pursued (Saunders et al., 2009).

This research is an exploratory research which objectives are to understand the relationships between the hedonic and utilitarian motivations that lead to an online purchase intention, which dimensions of the motivations better explain purchase intention and which motivations affect the most the purchase intention. A quantitative study was adopted.

3.2 Research Instrument

3.2.1 Population and Sample

3.2.1.1 Population

Population is defined as the total people that share a specific series of characteristics and that are included the universe for the principle of the research problem (Malhotra, 1999). In this research the population is constituted by the Portuguese consumers, aged up 18 years, mainly female.

3.2.1.2 Sample

Sample is defined as subset of elements from the population of our study (Kumar, 2000).

The sample used for this study is a non-probabilistic convenience sample. This technique is based on data collection that is obtained through population elements that are conveniently available to participate in the research. In this method, the population that is firstly available is used for primary data collection without any other kind of requirements. This sampling technique is aimed to obtain convenient elements in a quick and inexpensive way (Malhotra, 2010; Saunders et al., 2012).

3.2.2 Questionnaire

For this research, an online, structured and self-administered questionnaire (Appendix 1) was applied in order to collect the information required for the study taking into account the data collection method previously chosen.

One of the priorities when making this questionnaire was to ensure the questions were as simple, clear and coherent as possible to avoid confusion and misleading meanings among respondents. Moreover, in order to follow some author's recommendations, efforts were made to ensure word attributes were as clear as possible, objective and not excessively long (DeVellis, 1991; Malhotra, 1999).

Before launch, the questionnaire was subject to a pre-test. This test before launching the questionnaire was fulfilled by 34 respondents and granted that the scales used would have good internal consistency. As the results during the pre-test were adequate, the questionnaire was launched definitively to be answered.

3.3.3 Measures

All the measures used in this study were adapted from previous studies. Respondents were to classify their position in each statement through a 7-point Likert scale in which 1 represents “strongly disagree” and 7 represents “strongly agree”. This scale requires each questioned person to indicate the degree of agreement or importance of each statement (Malhotra, 2006).

Hedonic Motivations Scale was measured by six items adapted from Arnold et al. (2003). The items were measured with a 7 point Likert Scale, in which 1 is “strongly disagree” and 7 is “strongly agree”.

Utilitarian Motivations Scales was measured by eight items adapted from Martínez-López et al. (2014). The items were measured with a 7 point Likert Scale, in which 1 is “strongly disagree” and 7 is “strongly agree”.

Scales for online purchase intention were adapted from Dodds et al. (1991).

The English questionnaire was translated to Portuguese as our study focus in Portugal. Efforts were made so that the translation did not jeopardize the conceptual comparability across languages.

Qualtrics (www.qualtrics.com), a professional questionnaire service, was used to create the online questionnaire and to secure anonymity and data protection.

The scales and items used can be consulted in the appendix 2.

Chapter 4 – Results Analysis

4.1 Preliminary Analysis

4.1.1 Data Collection and Analysis

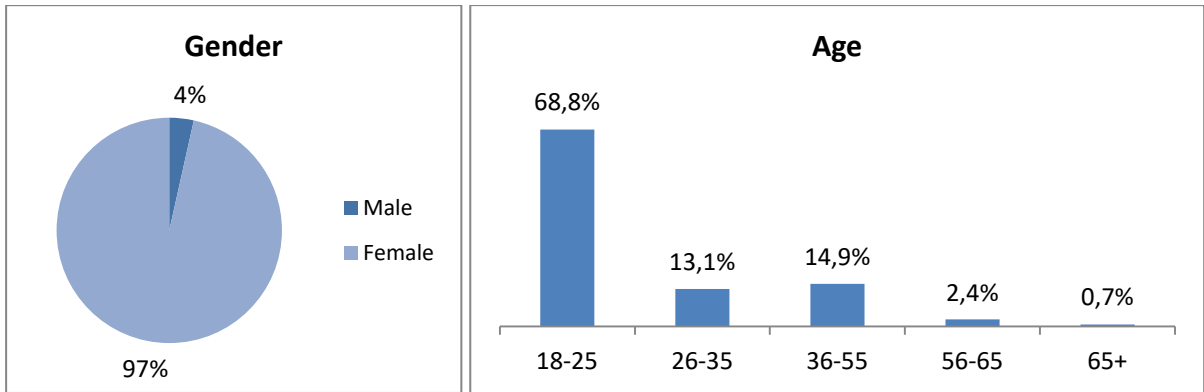
The questionnaire was opened by 483 people from which 327 started to answer it but only 286 fulfilled it until the end. The total sample has, therefore, 286 participants.

4.1.2 Sample Characterization

The final sample that participated in the questionnaire was made out of 96.5% females and only 3.5% of males. When it comes to age, the majority of the participants were young adults between 18 and 25 years old (68.8%), followed by participants between 36 and 55 (14.9%) and the group between 26 and 35 years old (13.1%). The rest of the participants were aged was between 55 and 65 (2.4%) and, finally, over 65 (0.7%).

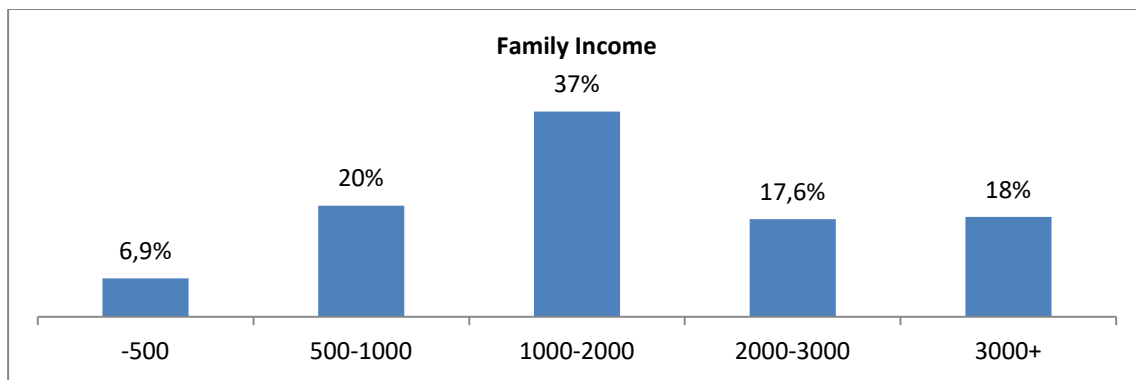
Figure 6 – Sample’s gender

Figure 7 – Sample’s age



The majority of the participants were Portuguese (98.6%), which was expected since the questionnaire was distributed in Portuguese. Regarding the monthly family income, the majority of the participants’ family income was between 1000€ and 2000€ (37%), followed by participants with family’s income between 500€-1000€ (20%), over 3000€ (18%) and between 2000€ and 3000€ (17.6%). Only 6.9% of respondents had a family income below 500€.

Figure 8 - Sample's family income



4.1.3 Data screening - Univariate and Multivariate Outliers

In order to improve the quality of our data before analyzing the results of the questionnaire, a data cleaning process was applied. This cleaning process consisted in an outlier analysis for univariate and multivariate outliers.

4.1.3.1 Univariate Outliers

This analysis helped me to identify the extreme cases and not common values for the 35 variables that were initially part of the dataset.

To check the presence of univariate outliers, I converted every score of the variable into standardized z-scores. The outliers were represented by all z-scores larger than 3.3 and smaller than -3.3, for a significance level of 5% ($\rho < 0.05$).

There were no univariate outliers that were analyzed afterwards with any multivariate outliers.

4.1.3.2 Multivariate Outliers

Multivariate outliers enable the identification of some respondents that presented an uncommon combination of values in more than one variable.

In order to fulfill this test, the Mahalanobis D^2 of each respondent was calculated. Afterwards the cumulative probability of the Mahalanobis D^2 was calculated to consider all the cumulative probabilities below 0.01 as outliers ($\rho < 0.01$). There were no outliers present in the sample and no multivariate outliers were identified in the sample.

4.1.4 Data Reliability

The Cronbach's alphas were assessed for each scale (Table 1). According to DeVellis (1991), Chronbach's alphas below 0.6 are not acceptable and between 0.65 and 0.7 are minimally acceptable. From 0.7 and 0.8, the Cronbach's alphas are considered to be good whereas

between 0.8 and 0.9 are very good. The table bellow shows that every scale had a very good Cronbach's alpha, with every scale above 0.9.

Table 1 - Scale's reliability analysis

Scale	Initial Number of items	Cronbach's α	Cronbach's α if items deleted	Number of items deleted	Final number of items
Hedonic Motivations	11	0.909	-	-	11
Utilitarian Motivations	18	0.922	-	-	18
Online Purchase Intention	3	0.948	-	-	3

4.1.5 Principal Component Analysis

Through SPSS 23.0 for Windows, thirty two items were analyzed. Firstly, the capability of our data for factor analysis was tested.

Principal component analysis was made to understand the ability of the indicators to properly measure the constructs previously presented. A principal component analysis with varimax rotation was performed with every dimension. All the dimensions were aggregated around the factor they were supposed to measure. The total variance explained is 63.61%. Concerning the sample size, Comrey and Lee (1992) defined a sample size of 100 elements as poor, 200 as fair and from 300 as good. Sample sizes of 500 are considered to be very good and from 1000 excellent. Hair et al. (2005) recommends a sample size above 200 with a minimum of 5 respondents for each parameter, considering more appropriated 10 respondents for parameter. As our sample size is 286 our data is, according to the authors, adequate for factor analysis.

The Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO) values are between 0 and 1. When its value is 0 it means that the summation of partial correlations is large relative to the summation of the correlations. On the other hand, if the KMO value is close to 1 it means that the patterns of correlations are compact thus the factor analysis will yield reliable factors. According to Kaiser (1974), KMO values are recommended to be accepted above 0.5. Hutcheson and Sofroniou (1999) understand that values between 0.5 and 0.7 are considered to

be normal, between 0.7 and 0.8 are good, between 0.8 and 0.9 are great while above 0.9 KMO values are considered to be superb.

The KMO value for this research was 0.924 which the result was really good.

The Barlett’s Test of Sphericity, another indicator of the strength of the relationships among variables, tests a null hypothesis that states that the correlation matrix is an identity matrix. This hypothesis should be rejected. Our results showed that the significance level was small enough to reject the null hypothesis with a significance value of 0 and a Chi-Square value of 7656.833. These results can be seen in appendix 3.

4.1.6 Correlation analysis

The Pearson Correlation was calculated to understand the relationship between variables. The results are presented in the table 2. Results show that all variables correlate significantly and are positive and highly correlated.

Table 2 – Pearson correlation

Scale	Pearson Correlation
Utilitarian Motivations - Hedonic Motivations	0.748**
Utilitarian Motivations - Online Purchase Intention	0.726**
Hedonic Motivations - Online Purchase Intention	0.607**
** Correlation is significant at the 0.01 level (2-tailed).	

New variables were created by grouping items according to the dimension they were supposed to measure. Statistics and reliability tests can be found in appendix 4.

4.2 In-depth Analysis

Throughout this subchapter, the research questions previously formulated were answered through the analysis of results of the data collected. For this, descriptive analysis (means and standard deviation) was performed in order to understand which hedonic and utilitarian motivations are stronger regarding online shopping motivations. All descriptive statistics can be found in appendix 4.

RSQ1: Which hedonic motivations are more relevant to explain online shopping motivations of cosmetics?

Results showed that, when it comes to hedonic motivations, consumers most relevant motivations among online shopping motivations are searching for discounts and bargains (value shopping) which presented a mean of 4.5 and fashion ($\bar{X} = 4.11$), the need to keep up with trends and innovative products.

RSQ2: Which utilitarian motivations are more relevant to explain online shopping motivations of cosmetics?

When it comes to utilitarian motivations, the dimensions that better explained online shopping motivations were availability of information ($\bar{X} = 4.88$), consumers consider that online information is the most updated and find valuable the amount of information available along with the easiness of gathering it. These made availability of information the dimension that presented the highest mean among utilitarian motivations. In second place was economic value ($\bar{X} = 4.72$) this states for the opportunity of comparing easily the prices of the different products, the savings that can be made through internet and the perception that through internet, less money is spent. Finally, convenience ($\bar{X} = 4.18$) was considered to be the third utilitarian dimension that better explained online shopping motivations. In this dimension things like the ability of purchasing from any place and at any time are the characteristics valued by consumers.

RSQ3: Which motivations - utilitarian or hedonic - are stronger to explain online shopping motivations?

Comparing utilitarian and hedonic motivations, utilitarian motivations' means ($\bar{X} = 4.05$) are higher than hedonics' ($\bar{X} = 3.75$) which answers to research question 3. This means that consumers use more utilitarian motivations for purchasing cosmetics through online platforms.

Finally, to understand the relationships between online shopping motivations and online purchase intention of cosmetics, several regressions were made.

Table 3 - Regression Summary

Dependent Variable: Online purchase intention			
Independent variables	Standardized betas	T	Significance
Utilitarian Motivations	0.614	10.119	0
Hedonic Motivations	0.144	2.357	0.019
Sig	0,000		
F	163,404		
R Square	0.537		

In the table above (Table 3) is observable that the model used is statistically significant ($\rho = 0.000$). When analyzing R^2 we can understand that 53.7% of online purchase intention is explained by utilitarian and hedonic motivations.

The variable utilitarian motivations ($\beta = 0.614$; $\rho = 0.000$) affects positively online purchase intention and is statistically significant. When analyzing hedonic motivations ($\beta = 0.144$; $\rho = 0.019$) an increase in hedonic motivations also affects positively online purchase intention when purchasing cosmetics and are statistically significant ($\rho < 0.05$).

RSQ4: Does online shopping motivations influence purchase intention of cosmetics?

Online shopping motivations significantly explain online purchase intention of cosmetics, explaining almost 54% of online purchase intention.

RSQ5: Which motivations - utilitarian or hedonic - better help to explain purchase intention of cosmetics?

Utilitarian motivations ($\beta = 0.614$) clearly explain better online purchase intention of cosmetics than hedonic motivations ($\beta = 0.144$).

Table 4 – Regression Summary

Dependent Variable: Online purchase intention			
Independent variables	Standardized betas	T	Significance
Desire to control	0.05	0.881	0.379
Convenience	0.311	4.978	0
Assortment	0.156	2.745	0.006
Economic Value	0.142	2.525	0.012
Availability of Information	-0.032	-0.6	0.549
Lack of sociability	0.076	1.627	0.105
Adventure shopping	0.117	2.002	0.046
Social shopping	-0.046	-0.832	0.406
Idea shopping	0.105	1.629	0.104
Value shopping	0.088	1.456	0.147
Sig	0,000		
F	37,414		
R Square	0.577		

In table 4, every dimension of online motivations was considered as independent variable. The R^2 value showed that 57.7% of online purchase intention is explained by these dimensions. The variables that positively affect the most online purchase intention are convenience ($\beta = 0.311$; $\rho = 0.000$), assortment ($\beta = 0.156$; $\rho = 0.006$) and economic value ($\beta = 0.142$; $\rho = 0.012$), and adventure shopping ($\beta = 0.117$; $\rho = 0.046$) all statistically significant ($\rho < 0.05$), these results answer to research question 6. The same does not happen with the other variables which have no statistical significance ($\rho > 0.05$): Desire to control ($\beta = 0.05$; $\rho = 0.379$), Availability of information ($\beta = -0.032$; $\rho = 0.549$), social shopping ($\beta = -0.046$; $\rho = 0.406$) and, finally, idea shopping ($\beta = 0.105$; $\rho = 0.104$).

The stronger dimension of online shopping motivations explaining online purchase intention of cosmetics is convenience ($\beta = 0.311$), consumers when making the decision to purchase online are motivated by the ability of purchasing where, when and how they want to. Secondly, online purchase intention is explained through the assortment ($\beta = 0.156$) available through online platforms comparing to physical stores. The wide selection of products and

brands makes this dimension of online motivations the second strongest one explaining online purchase intention. Finally, economic value comes in third ($\beta = 0.142$) in explaining online purchase intention of cosmetics.

Chapter 5 – Conclusions, limitations and further research

5.1 Conclusions

The hedonic motivations that better help explaining online shopping motivations of cosmetics are fashion ($\bar{X} = 4.11$) and value shopping ($\bar{X} = 4.50$). In utilitarian motivations the dimensions of economic value ($\bar{X} = 4.72$), availability of information ($\bar{X} = 4.88$) and convenience ($\bar{X} = 4.18$) scored the highest among the several dimensions. The higher the values for these dimensions, the higher are the motivations for purchasing online.

From the results analysis, it could be understood that the utilitarian motivations ($\bar{X} = 4.05$) are stronger explaining online motivations for purchasing than hedonic motivations ($\bar{X} = 3.75$).

To understand the influence of online motivations in online purchase intention of cosmetics a regression was made and the results showed that almost 54% of online purchase intention is explained by hedonic and utilitarian motivations. From these, the utilitarian motivations were found to be better in explaining online purchase intention of cosmetics than hedonic motivations.

All together, the dimensions that better help to explain online purchase intention of cosmetics are convenience, assortment, economic value and idea shopping.

Academically, although several studies about shopping motivations were previously made, results have been stated to differ according to consumers' gender and product category (Ahmed, 2015). A study about online purchase intention of cosmetics helps explaining shopping motivations for this specific product category. Results answer, this way, a need among the academic world.

The framework used throughout this study high in quality due to its high reliability and good fitting according to previous results. Moreover, there is a good internal consistence and a good correlation between variables.

The conclusions of this study are also interesting from the managerial perspective. Results showed that for online purchase of cosmetics, utilitarian motivations are more important to consumers. With these results, managers and marketers have the information required to make campaigns adapted to these motivations. Once they know which motivations affect the most

purchase intention, markets and managers can create strategies to enhance the convenience of its websites, and the wide assortment available. Moreover, online platforms allow managers to make online exclusive promotions to increase the effect of economic value on online purchase intention. By adapting the future strategies and campaigns, or even by segmenting the companies' strategies in online and offline campaigns, companies can make advantage of the knowledge about motivations to increase purchase intention. As motivations are a great tool to explain purchase intention (54% of purchase intention is explained by online shopping motivations), making use of these knowledge to create strategies is a great way of increasing sales.

5.2 Limitations and further research

Although results were good, some limitations occur in this study as the sample used in this study was a non-probabilistic convenience sample and so, results are not generalized. The majority of the sample individuals were students among 18 and 25 years old which are not representative of the whole population.

In the future, as this study is merely quantitative, it would be interesting to make a qualitative study using interviews and focus groups to understand other variables and have a greater richness and depth of the analysis. Moreover, an analysis of clusters would also be useful and interesting to understand the different segments that purchase cosmetics online and to adapt strategies to each specific segment.

Despite these limitations, this study had proven results to be useful and to help explaining online purchase intention of cosmetics, with motivations playing a significant role as a determinant. These results are far from being useful only the academia, having deepened the understanding of shopping motivations in another product category, but also to the managerial world as it offers an important understanding which motivations better help to explain online purchase intention of cosmetics.

References

- Ahmed, K. A., and Sathish, A. S. (2015). 'Unleashing the Utilitarian Motivations of Online Shopping among Indian Youth', *Mediterranean Journal of Social Sciences*, 6(2):391
- Ajzen, I., & Fishbein, M. (1980). *Understanding attitudes and predicting social behavior*. Englewood Cliffs, NJ: Prentice-Hall.
- Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, 50(2), 179–211. doi:10.1016/0749-5978(91)90020-T
- Alba, J., Lynch, J., Weitz, B., Janiszewski, C., Lutz, R., Sawyer, A., & Wood, S. (1997). Interactive home shopping: Consumer, retailer, and manufacturer incentives to participate in electronic marketplaces. *Journal of Marketing*, 61(3), 38. doi:10.2307/1251788
- Alshawi, S., Missi, F., & Irani, Z. (2011). Organisational, technical and data quality factors in CRM adoption — SMEs perspective. *Industrial Marketing Management*, 40(3), 376–383. doi:10.1016/j.indmarman.2010.08.006
- Arnold, M. J., & Reynolds, K. E. (2003). Hedonic shopping motivations. *Journal of Retailing*, 79(2), 77–95. doi:10.1016/s0022-4359(03)00007-1
- Atcharyachanvanich, K., Sonehara, N., & Okada, H. (2008). What are the benefits of continued purchasing through the Internet? A study of south Korean consumers. *Journal of Service Science and Management*, 01(01), 101–110. doi:10.4236/jssm.2008.11010
- Babin, B.J., Darden, W.R. and Griffin, M. (1994) 'Work and/or fun: Measuring Hedonic and utilitarian shopping value', *Articles*, 20(4), pp. 644–656
- Bakos, J. Y. (1991). A strategic analysis of electronic marketplaces. *MIS Quarterly*, 15(3), 295. doi:10.2307/249641
- Batra, R. and Ahtola, O. T. "Measuring the Hedonic and Utilitarian Sources of Consumer Attitudes," *Marketing Letters*, (2), April 1991, pp. 159-170
- Bellenger, D. N., Steinberg, E., & Stantoh, W. W. (1976). The congruence of store image and self image. *Journal of Retailing*, 52(1), 17–32
- Cameron, Michelle (1999). Content that works on the web, *Target Marketing*, 1 (November), 22–58

Childers, T. L., Carr, C. L., Peck, J., and Carson, S. (2002). 'Hedonic and utilitarian motivations for online retail shopping behaviour'. *Journal of retailing*, 77(4):511-535

Chiu, C.-M., Wang, E. T. G., Fang, Y.-H., & Huang, H.-Y. (2014). Understanding customers' repeat purchase intentions in B2C e-commerce: The roles of utilitarian value, hedonic value and perceived risk. , 24(1), . doi:http://dx..org/10.1111/j.1365-2575.2012.00407.x

Close, A. G., & Kukar-Kinney, M. (2010). Beyond buying: Motivations behind consumers' online shopping cart use. *Journal of Business Research*, 63(9-10), 986–992. doi:10.1016/j.jbusres.2009.01.022

Comrey, A. L., & Lee, H. B. (1992). *A first course in factor analysis* (2nd ed.). United States: Lawrence Erlbaum Associates.

DeVellis, R.F. (1991). *Scale development: Theory and applications*. Newbury Park: Sage Publications, Inc

Dodds, W. B., Monroe, K. B., & Grewal, D. (1991). Effects of price, brand, and store information on buyers' product evaluations. *Journal of Marketing Research*, 28(3), 307. doi:10.2307/3172866

Donthu, N. & Garcia, A. (1999) The internet shopper. *Journal of Advertising Research*, 39, 52–58

Etemad, H. (2004). E-commerce: The emergence of a field and its knowledge network. *International Journal of Technology Management*, 28(7/8), 776. doi:10.1504/ijtm.2004.005783

Forsythe, S. M., & Shi, B. (2003). Consumer patronage and risk perceptions in Internet shopping. *Journal of Business Research*, 56(11), 867–875. doi:10.1016/s0148-2963(01)00273-9

Hair, J.F., Black, W., Babin, B., Anderson, R.E., & Tatham, R.L. (2005). *Multivariate data analysis* (5th ed.). Upper Saddle River, NJ: Prentice Hall.

Hansen, B., Rose, J., & Tjørnehøj, G. (2004). Prescription, description, reflection: The shape of the software process improvement field. *International Journal of Information Management*, 24(6), 457–472. doi:10.1016/j.ijinfomgt.2004.08.007

- Hirschman, E. C., & Holbrook, M. B. (1982). Hedonic consumption: Emerging concepts, methods and propositions. *Journal of Marketing*, 46(3), 92. doi:10.2307/1251707
- Hofacker, C. F. 2001. *Internet Marketing* #rd edition. New York: John Wiley Sons, Inc
- Hsu,T.H. and Lee, M., 2003. The refinement of measuring consumer involvement - an empirical study. *Competitiveness Review: An International Business Journal*,13(1), pp.56-65
- Hutcheson, G. D., and Sofroniou, N. (1999). *The Multivariate Social Scientist: an introduction to generalized linear models*. Sage Publications
- Hsu,T.H. and Lee, M., 2003. The refinement of measuring consumer involvement - an empirical study. *Competitiveness Review: An International Business Journal*,13(1), pp.56-65
- Jarvenpaa, S. L., & Todd, P. A. (1996). Consumer reactions to electronic shopping on the world wide web. *International Journal of Electronic Commerce*, 1(2), 59–88. doi:10.1080/10864415.1996.11518283
- Kaiser, H.F. (1974). An index of factorial simplicity. *Psychometrika*, 39, 31-36.
- Kim, B.Y. (2008), Mediated Effects of Customer Orientation on Customer Relationship Management Performance. *International Journal of Hospitality and Tourism Administration*, 9(2), 192-218
- Kim, J., Suh, E., & Hwang, H. (2003). A model for evaluating the effectiveness of CRM using the balanced scorecard. *Journal of Interactive Marketing*, 17(2), 27-28
- Koças, C. (2005). A model of Internet pricing under price-comparison shopping. *International Journal of Electronic Commerce*, 10(1), 111–134.
- Kuttner, Robert (1998). The net: a market too perfect for profits, *BusinessWeek*, 3577 (May 11), 20
- Lee, J, & Lee, J (2015), 'How purchase intention consummates purchase behaviour: The stochastic nature of product valuation in electronic commerce', *Behaviour & Information Technology*, 34, 1, pp. 57-68
- Liu, Y., Chen, Y., Zhou, C. F., 2010. Determinants of Customer Purchase Intention in Electronic Service. Institute of Electrical and Electronics Engineers.

- Liu, W.-Y., Lin, C.-C., Lee, Y. S., & Deng, D.-J. (2013). On gender differences in consumer behavior for online financial transaction of cosmetics. *Mathematical and Computer Modelling*, 58(1-2), 238–253
- Malhotra, N K. (2010). *Marketing research: an applied orientation*. 6th ed. New Jersey: Pearson. p.80-396.
- Malhotra, Naresh K. *Introdução a pesquisa de marketing*. São Paulo: Pearson Prentice Hall, 2005
- Martínez-López, F. J., Pla-García, C., Gázquez-Abad, J. C., and Rodríguez-Ardura, I. (2014). ‘Utilitarian motivations in online consumption: Dimensional structure and scales’, *Electronic Commerce Research and Applications*, 13(3):188-204.
- McGuire, W. (1974) Psychological motives and communication gratification. In: *The Uses of Mass Communications: Current Perspectives on Gratification Research*, Blumler, J.F. & Katz, J. (eds), pp. 167–196. Sage, Beverly Hills, CA, USA.
- Merrilees, B., Jayawardhena, C., Tiu Wright, L., & Dennis, C. (2009). E-consumer behaviour. *European Journal of Marketing*, 43(9/10), 1121–1139. doi:10.1108/03090560910976393
- Newman, J. W., & Staelin, R. (1972). Prepurchase information seeking for new cars and major household appliances. *Journal of Marketing Research*, 9 (August), 249–257.
- Overby, J. W., & Lee, E.-J. (2006). The effects of utilitarian and hedonic online shopping value on consumer preference and intentions. *Journal of Business Research*, Saunders, M. N. K., Lewis, P., & Thornhill, A. (2012). *Research methods for business students (6th edition)* (6th ed.). Harlow, England: Financial Times Prentice Hall.
- Parsons, G.A. (2002) Non-functional motives for online shoppers: why we click. *The Journal of Consumer Marketing*, 19, 380–392.
- Pavlou, P.A. (2003) Consumer acceptance of electronic commerce: integrating trust and risk with the technology acceptance model. *International Journal of Electronic Commerce*, 7, 101–134
- Rohm, A.J. & Swaminathan, V. (2004) A typology of online shoppers based on shopping motivations. *Journal of Business Research*, 57, 748–757.

- Schaffer, Eric (2000). A better way for web design, *Information Week*, 784 (May 1), 194.
- Sinioukov, Tatyana (1999). Mastering the web by the book, *BookTech the Magazine* , 2 (March), 50–54
- Soscia, I., Girolamo, S. & Busacca, B. (2010) The effect of comparative advertising on consumer perceptions: similarity or differentiation? *Journal of Business and Psychology*, 25, 109–118.
- Tauber, E.M. (1972) Why do people shop? *Journal of Marketing*, 36, 46–49.
- To, P., Liao, C. & Lin, T. (2007) Shopping motivations on internet: a study based on utilitarian and hedonic value. *Technovation*, 27, 774–787.
- Wolfenbarger, M., & Gilly, M. C. (2001). Shopping online for freedom, control, and fun. *California Management Review*, 43(2), 34–55. doi:10.2307/41166074
- Yim, M. Y. C., Yoo, S. C., Sauer, P. L., and Seo, J. H. (2014). ‘Hedonic shopping motivation and co-shopper influence on utilitarian grocery shopping in superstores’, *Journal of the Academy of Marketing Science*, 42(5):528-544.
- Zhang, J., Farris, P. W., Irvin, J. W., Kushwaha, T., Steenburgh, T. J., & Weitz, B. A. (2010). Crafting integrated multichannel retailing strategies. *Journal of Interactive Marketing*, 24(2), 168–180. doi:10.1016/j.intmar.2010.02.002

Online References:

<http://www.sciencedirect.com/science/article/pii/S0022435901000653>

<http://digiday.com/brands/mobile-commerce-going-2016/>

<http://www.smartinsights.com/ecommerce/ecommerce-strategy/state-online-retail-2016-infographic/attachment/state-of-online-retail-2016/>

<http://www.smartinsights.com/ecommerce/ecommerce-strategy/top-ecommerce-trends-inform-2017-marketing-strategy/>

<http://www.forbes.com/sites/deborahweinswig/2016/07/28/beauty-shopping-augmented-with-new-mobile-apps/#ae4d401b0e2f>

<https://www.launchmetrics.com/resources/blog/digital-marketing-trends-beauty-industry>

<http://www.marktest.com/wap/a/n/id~1e7c.aspx>

<http://www.smartinsights.com/ecommerce/ecommerce-strategy/ecommerce-trends-watch-2016-infographic/>

http://tek.sapo.pt/noticias/internet/artigo/comercio_eletronico_em_portugal_cresce_acima_da_media_europeia-48308gxt.html

<https://www.emarketer.com/Article/Beauty-Beats-Drugstores-Ecommerce-Sales/1012686>

<http://www.marketsandmarkets.com/PressReleases/cosmetic-products.asp>

<http://www.nielsen.com/us/en/insights/news/2015/digitally-disrupting-the-habitual-shopping-routine.html>

<http://www.asendia.com/nn/know-how/health-beauty-a-glowing-e-commerce-opportunity/>

<http://ecommercenews.eu/infographic-ecommerce-contribution-in-europe/>

<http://www.forbes.com/sites/steveolenski/2015/12/29/the-evolution-of-ecommerce/#6a9ab72b28cf>

<https://www.cosmeticseurope.eu/cosmetics-industry/>

ACEPI - A economia digital num mundo global, Fevereiro 2016

Beauty and the E-commerce beast, A.T.Kearney, 2014

Google Consumer Barometer; Country Report – Portugal 2015

L’Oreal Annual Report 2015

Ovum - The Future of E-commerce: The Road to 2026

Appendices

Appendix 1 – Online Questionnaire

Motivations for online purchase of cosmetics

Os dados recolhidos neste questionário serão utilizados no âmbito de uma tese de mestrado pela Católica Lisbon School of Business and Economics, da Universidade Católica Portuguesa. O principal objectivo deste estudo é perceber o impacto das motivações online na intenção de compra de cosméticos. O seu contributo é extremamente importante para este estudo. Todos os dados recolhidos serão anónimos e confidenciais, e serão apenas utilizados no âmbito desta investigação académica. O questionário demora cerca de 5 minutos a ser preenchido. Muito obrigada pela sua colaboração.

Indique, por favor, numa escala de 1 a 7, em que 1 significa "Nada importante" e 7 significa "Extremamente importante", o quão importante é para si cada uma das afirmações quando compra cosméticos e produtos de beleza online:

- Posso comprar cosméticos / artigos de beleza sempre que quiser.
- Posso comprar cosméticos / artigos de beleza a partir de casa.
- Comprar cosméticos / artigos de beleza online é conveniente para mim.
- Tenho uma grande selecção de cosméticos / artigos de beleza online.
- Tenho uma grande selecção de marcas diferentes de cosméticos / artigos de beleza online.
- Tenho uma grande selecção de produtos de cosméticos / artigos de beleza online.
- Consigo arranjar facilmente informação sobre cosméticos / artigos de beleza online.
- A Internet dá-me muita informação sobre cosméticos / artigos de beleza.
- A informação obtida na Internet sobre cosméticos / artigos de beleza é a mais recente.
- Eu consigo evitar embaraço da loja física quando compro cosméticos / artigos de beleza online.
- Comprar cosméticos / artigos de beleza online faz com que não tenha que lidar com os auxiliares de loja.
- Comprar cosméticos / artigos de beleza online faz com que não tenha que socializar com ninguém para fazer a compra.
- Comprar cosméticos / artigos de beleza online faz com que poupe mais dinheiro.
- Posso facilmente comparar o preço de cosméticos / artigos de beleza pela Internet,
- Comprar cosméticos / artigos de beleza faz com que gaste menos dinheiro.

Indique, por favor, numa escala de 1 a 7, em que 1 significa "Nada importante" e 7 significa "Extremamente importante", o quão importante é para si cada uma das afirmações quando compra cosméticos e produtos de beleza online:

- A compra de cosméticos / artigos de beleza online é uma aventura.
- Acho que comprar cosméticos / artigos de beleza é estimulante.
- Comprar cosméticos / artigos de beleza online faz-me sentir que estou no meu próprio universo.
- Posso trocar informações sobre cosméticos / artigos de beleza com os meus amigos online.
- Posso desenvolver relações de amizade com outros compradores de cosméticos / artigos de beleza online.
- Posso acompanhar as tendências quando compro cosméticos / artigos de beleza online.
- Posso acompanhar as modas nos cosméticos / artigos de beleza quando compro online.
- Posso expor-me a novos artigos e produtos de cosméticos / artigos de beleza quando compro online.
- Gosto de procurar por descontos em cosméticos / artigos de beleza online.
- Gosto de procurar por pechinchas de cosméticos / artigos de beleza online.
- A maior parte das vezes, vou comprar cosméticos / artigos de beleza online quando estes estão em saldo.
- Quando compro cosméticos / artigos de beleza online sinto-me em controlo.
- Tenho todo o controlo sobre o processo de compra de cosméticos / artigos de beleza online.
- A Internet faz com que controle todo o meu processo de compra de cosméticos / artigos de beleza online.

Avalie, por favor, numa escala de 1 a 7, em que 1 significa "Nunca" e 7 significa "Sempre que possível", a medida em que cada uma das seguintes afirmações traduz melhor as opiniões relativamente à sua intenção de compra de cosméticos online.

- Vou comprar cosméticos/artigos de beleza através de um site.
- Vou comprar cosméticos/artigos de beleza através de um site no curto prazo.
- Vou voltar a adquirir cosméticos/artigos de beleza através de um site

Avalie, por favor, numa escala de 1 a 7, em que 1 significa "Nunca" e 7 significa "Sempre que possível", a medida em que cada uma das seguintes afirmações traduz melhor as opiniões relativamente à sua intenção de compra de cosméticos online.

- Eu pretendo comprar cosméticos / artigos de beleza online.
- É provável que compre cosméticos / artigos de beleza online.
- Tenho uma intenção alta de comprar cosméticos / artigos de beleza online.

Com que frequência faz compras online?

- Nunca
- Menos de uma vez por mês
- Uma vez por mês
- 2-3 vezes por mês
- Uma vez por semana
- 2-3 vezes por semana
- Diariamente

Com que frequência compra cosméticos e produtos de beleza?

- Nunca
- Menos de uma vez por mês
- Uma vez por mês
- 2-3 vezes por mês
- Uma vez por semana
- 2-3 vezes por semana
- Diariamente

Género

- Feminino
- Masculino

Idade

- 18-25
- 26-35
- 36-55
- 55-65
- 65+

Nacionalidade

- Portuguesa
- Outra

Rendimento mensal líquido do agregado familiar

- -500€
- 500€-1000€
- 1000€-2000€
- 2000€-3000€
- +3000€

Appendix 2 – Scales, Dimensions and Adaptations

Scale for hedonic motivations for purchasing online (Arnold et al.,2003)		
Items		
Variable	Original	Translation and Adaptation
Hedonic motivations for purchasing online	Online shopping is an adventure.	A compra de cosméticos / artigos de beleza online é uma aventura.
	I find online shopping stimulating.	Acho que comprar cosméticos / artigos de beleza é estimulante.
	Online shopping makes me feel like I am in my own universe.	Comprar cosméticos / artigos de beleza online faz-me sentir que estou no meu próprio universo.
	I can exchange information with friends online.	Posso trocar informações sobre cosméticos / artigos de beleza com os meus amigos online.
	I can develop friendship with other internet shoppers.	Posso desenvolver relações de amizade com outros compradores de cosméticos / artigos de beleza online.
	I can keep up with the trends.	Posso acompanhar as tendências quando compro cosméticos / artigos de beleza online.
	I can keep up with new fashion.	Posso acompanhar as modas nos cosméticos / artigos de beleza quando compro online.
	I can expose myself to new products.	Posso expor-me a novos artigos e produtos de cosméticos / artigos de beleza quando compro online.
	I enjoy looking for discounts online.	Gosto de procurar por descontos em cosméticos / artigos de beleza online.
	I enjoy hunting for bargains online.	Gosto de procurar por pechinchas de cosméticos / artigos de beleza online.
	Most part of times, I go online shopping when there are sales.	A maior parte das vezes, vou comprar cosméticos / artigos de beleza online

		quando estes estão em saldo.
Coding: 1- Not important at all, 2 - Not important, 3 - Little important, 4 - Neither not or very important, 5 - Important, 6 - Very important 7 - Extremely important		

Scale for utilitarian motivations for online purchasing (Martínez-López et al., 2014)		
Items		
Variable	Original	Translation and Adaptation
Utilitarian motivations for purchasing online	I can buy things whenever I want.	Posso comprar cosméticos / artigos de beleza sempre que quiser.
	I can buy things at home.	Posso comprar cosméticos / artigos de beleza a partir de casa.
	Online shopping is convenient for me.	Comprar cosméticos / artigos de beleza online é conveniente para mim.
	I can access wide selection online.	Tenho uma grande selecção de cosméticos / artigos de beleza online.
	I can access many brands online.	Tenho uma grande selecção de marcas diferentes de cosméticos / artigos de beleza online.
	I can access many products online.	Tenho uma grande selecção de produtos de cosméticos / artigos de beleza online.
	I can get information easily online	Consigo arranjar facilmente informação sobre cosméticos / artigos de beleza online.
	Internet provides a lot of information	A Internet dá-me muita informação sobre cosméticos / artigos de beleza.
	Information via internet is the newest.	A informação obtida na Internet sobre cosméticos / artigos de beleza é a mais recente.
	I can avoid embarrassment when I buy things online.	Eu consigo evitar embaraço da loja física quando compro cosméticos / artigos de beleza online.
	Online makes me free from sales staff.	Comprar cosméticos / artigos de beleza online faz com que não tenha que lidar com os auxiliares de loja.

	Online makes me free from social interaction.	Comprar cosméticos / artigos de beleza online faz com que não tenha que socializar com ninguém para fazer a compra.
	Online shopping can save money.	Comprar cosméticos / artigos de beleza online faz com que poupe mais dinheiro.
	I can compare price easily via internet.	Posso facilmente comparar o preço de cosméticos / artigos de beleza pela Internet,
	I spend less on internet	Comprar cosméticos / artigos de beleza faz com que gaste menos dinheiro.
	When shopping online I feel in control.	Quando compro cosméticos / artigos de beleza online sinto-me em controlo.
	I have control over my online shopping process.	Tenho todo o controlo sobre o processo de compra de cosméticos / artigos de beleza online.
	Internet enables me to control my own online shopping trip.	A Internet faz com que controle todo o meu processo de compra de cosméticos / artigos de beleza online.
Coding: 1 - Not important at all, 2 - Not important, 3 - Little important, 4 - Neither not or very important, 5 - Important, 6 - Very important 7 - Extremely important		

Scale for online purchase intention (Dodds et al., 1991)		
Items		
Variable	Original	Translation and Adaptation
Online Purchase Intention	I pretend to buy the product	Eu pretendo comprar cosméticos / artigos de beleza online.
	It is likely that I will buy the product	É provável que compre cosméticos / artigos de beleza online.
	I am willing to buy the product.	Tenho uma intenção alta de comprar cosméticos / artigos de beleza online.

Coding: 1 - Strongly disagree, 2 - Disagree, 3 - Somewhat disagree, 4 - Neither agree or disagree, 5 - Somewhat agree, 6 - Agree 7 - Strongly agree

Appendix 3 – KMO and Bartlett's Test

KMO and Bartlett's Test	
Kaiser-Meyer-Olkin Measure of Sampling Adequacy	0.924
Bartlett's Test of Sphericity:	
Approx. Chi-Square	7656.833
df	496
Sig.	0.000

Appendix 4 – Constructs and Dimensions (Descriptive and Reliability)

Hedonic Dimensions

Variable: Adventure Shopping				
Items	Average	Standard Deviation	Chronbach's α	Mean
Online shopping is an adventure.	3.38	1.577	0.77	3.46
I find online shopping stimulating.	3.91	1.742		
Online shopping makes me feel like I am in my own universe.	3.1	1.65		

Variable: Social Shopping				
Items	Average	Standard Deviation	Chronbach's α	Mean
I can develop friendship with other internet shoppers.	3.43	1.694	0.73	2.96
I can keep up with the trends.	2.48	1.59		

Variable: Idea Shopping				
Items	Average	Standard Deviation	Chronbach's α	Mean
I can keep up with the trends.	4.22	1.668	0.9	4.11
I can keep up with new fashion.	4.11	1.701		
I can expose myself to new products.	3.99	1.687		

Variable: Value Shopping				
---------------------------------	--	--	--	--

Items	Average	Standard Deviation	Chronbach's α	Mean
I enjoy looking for discounts online.	4.8	1.727	0.88	4.5
I enjoy hunting for bargains online.	4.25	1.855		
Most part of times, I go online shopping when there are sales.	4.44	1.872		

Utilitarian Dimensions

Variable: Convenience				
Items	Average	Standard Deviation	Chronbach's α	Mean
I can buy things whenever I want.	4.54	1.379	0.83	4.18
I can buy things at home.	4.26	1.595		
Online shopping is convenient for me.	3.73	1.636		

Variable: Assortment				
Items	Average	Standard Deviation	Chronbach's α	Mean
I can access wide selection online.	3.73	1.749	0.962	3.79
I can access many brands online.	3.84	1.781		
I can access many products online.	3.79	1.764		

Variable: Availability of information				
Items	Average	Standard Deviation	Chronbach's α	Mean
I can get information easily online	4.97	1.505	0.875	4.88
Internet provides a lot of information	4.99	1.466		
Information via internet is the newest.	4.69	1.42		

Variable: Lack of Sociability				
Items	Average	Standard Deviation	Chronbach's α	Mean
I can avoid embarrassment when	3.39	1.773	0.857	3.01

I buy things online.				
Online makes me free from sales staff.	3.08	1.83		
Online makes me free from social interaction.	2.56	1.68		

Variable: Economic Value				
Items	Average	Standard Deviation	Chronbach's α	Mean
Online shopping can save money.	4.58	1.658	0.838	4.72
I can compare price easily via internet.	5.23	1.456		
I spend less on internet	4.35	1.662		

Variable: Desire to control				
Items	Average	Standard Deviation	Chronbach's α	Mean
When shopping online I feel in control.	3.34	1.712	0.89	3.65
I have control over my online shopping process.	3.84	1.857		
Internet enables me to control my own online shopping trip.	3.77	1.755		