

**A**  
**Synopsis of PhD Thesis on**

**A Study on Consumer Behavior  
Towards Organized Apparel Retail Industry  
With Reference To Gujarat**

Submitted to  
**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**Ahmedabad**

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**February 2017**

## **a.Abstract**

Apparel, one of the basic necessities to cover the body has leaped to fashion and lifestyles with growing advancement in human civilization. The growing demand of apparel for clothing as well as fashion consciousness among various socio-economic background of population around the world and in India is linked with the success of the apparel retailing sector. The Apparel Industry reflects people's lifestyles and shows their social and economic status (Bhanot S, 2013). The growth in Indian organized retail since the beginning of the new millennium is led by chain stores like shoppers stop and lifestyle that are mainly fashion and apparel retailers (Prasad, 2014). Consumers' buying behavior has drawn a considerable attention of the earlier researchers. While reviewing the literature on buyer behavior as well as retail marketing, few studies has been found available that analyzes how consumer behavior functions in retail market. Considering the importance of the study in India, it was proposed to conduct the study with primary objective of consumer behavior towards organised apparel retail industries in the state of Gujarat having heterogenous population and the four cities selected namely, Ahmedabad, Surat, Vadodara and Rajkot for conducting the data collection.

Descriptive research design was adapted to interview total 600 consumers selected from the four cities (150 each) on the basis of convenience sampling method from various organized apparel retail shopping Malls and were interviewed personally using structured questionnaire. The objective based key findings of the research were, **1.** demographic factors such as gender, age, education and occupation show significant influences in the consumer buying behavior for apparels; **2.** the store attribute factors like price, quality and brand significantly influenced consumer behavior of both males and females. The visual merchandising elements however, could not affect consumers much while buying apparels. **3.** The promotional strategies like celebrity endorsement, end of season sale and festive promotions has significant impact on the consumer buying behavior for apparels from organized retail outlets. The study also revealed importance of price off as promotional scheme influencing decision making while buying apparel. The study will make a contribution towards a comprehensive understanding of the Indian organized apparel retail market.

## **b. Description on the state of the art of the topic**

One of the basic necessities of human being is apparel. This basic necessity to cover the body has leaped to fashion and lifestyles with growing advancement in human civilization. The growing demand of apparel for clothing as well as fashion consciousness among various socio-economic background of population around the world and in India is linked with the success of the apparel retailing sector. “Apparel is a highly symbolic product category due to its high visibility. The Apparel Industry reflects people’s lifestyles and shows their social and economic status” (Bhanot S, 2013).

Retailing has been one of the oldest trade practices in India. Traditional retailing practices include weekly fairs, kirana shops etc. fair price shops of public distribution system is a large retail network managed and controlled by the government. The onset of the twenty first century saw tremendous growth in organized and modern retail outlets. There have been many different formats that have come up in Indian retail scenario. These formats include department stores, hypermarkets, supermarkets, discount stores, boutiques etc. specialty stores is another format that has become popular. There are specialty stores for electronic and white goods, jewelry, footwear, and apparel. Apparel retailers have taken lead in this retail revolution. Apparel and fashion products are way different from other products. These products are characterized by short life cycles and high product turnover. The consumer buying behavior of apparel and fashion products is also different (Prasad, 2014).

Organized retail has been growing in India since the beginning of the new millennium. This growth in organized retail is facilitated by growth in the Indian economy spurred by the government of India policy of liberalization, privatization and globalization of Indian economy since early 1990s and subsequent rise in income levels and surplus money among Indian public. As a result Indians, especially middle and upper middle class are psychologically and economically ready to pamper the growth in organized retail. This growth in Indian organized retail is led by chain stores like shoppers stop and lifestyle that are largely fashion and apparel retailers (Prasad, 2014).

The Indian apparel retail is the fastest growing sector among other sectors of Indian market and is expected to sustain its growth in the coming years. According to the Indian Apparel Market Current Status and Future Outlook Report presented in the Indian Textile Summit, 2012, organized retail in India is estimated to grow five times to 150 bn by 2020. Also, among various segments in retail industry, the apparel dominated Indian organized retail, with 35 percent share (Sahni H, 2012).

The foreign retailers looking to successfully capitalize on India's impressive growth need to understand several driving attributes such as strong and distinct culture, population distribution, and local conditions, and risks that are indeed unique to India (Halepete Jaya and K.V. Seshadri Iyer, 2008). Noel Mark Noe (2008) in a study stated that the measurement process for consumer perceptions and judgments of strategic importance to apparel retailers like hedonic and utilitarian shopping behavior, as well as internal process benchmarks such as apparel brands' names, store signage, and textile preferences. Luna, David et al. (2001) and Jai-Ok, Kim et.al (2002) in their respective studies examined the relationship between cross-culture and consumer behavior.

Rajput, Namita, et al. (2012) in a research study found that there is a complete awareness of the branded apparels amongst females and their shopping behavior reflect that they buy these products occasionally. The study showed that the culture is shifting towards buying from the malls because of shopping experience the consumers get. It is observed in the study that Price, Fitting, Income Level of consumers are significant factors and some factors which are found to be insignificant are Status, Durability, and celebrity endorsement, hence can be ignored by the apparel retailers in their efforts to tap and capture the market. Raturi, Sushil and Vikram Parekh (2012), in a research found that quality, price, physical appearance and prestige of National Brand have significant relationship with purchase intention while the role of celebrity endorsement was found to be insignificant.

### **c. Definition of Problem**

Consumers' buying behavior has drawn a considerable attention of the earlier researchers. Its impact on designing marketing strategies also became the part of a sizeable number of studies. But, while reviewing the literature on buyer behavior as well as retail marketing, only

microscopic number of studies has been found available that analyzes how consumer behavior functions in retail market. Recurrent change in lifestyle also dictates a continuous variability in the fashion preference of consumers giving organized retailers a wide scope of opportunity to appear with newer fashion apparels. In view of the immense growth of apparel segment at such rapid pace, the proposed study is intended to keep confined only to the organized apparel retailing. Hence, the study will consider all these factors and will analyze its impact on the apparel purchase from organized retail stores.

Considering the importance of the study in India, it was proposed to conduct the study of consumer behavior towards organised apparel retail industries in the state of Gujarat. This state has heterogeneous population with diverse cultural, traditional, religious and economic background and the four cities selected namely, Ahmedabad, Surat, Vadodara and Rajkot for conducting the data collection are fasted growing cities of India.

## **d. Objective & Scope of Work**

The primary and specific objectives of the present research are as follows:

### **Primary Objective**

- ✓ To study the consumer behavior in organized apparel retail industry.

### **Specific Objectives**

1. To study the demographic factors influencing the consumer buying behavior for apparels of two segments i.e. Men's Segment and Women's Segment.
2. To identify the factors influencing the consumer behavior while selecting retail outlet.
3. To study the impact of promotional strategies affecting the consumer buying behavior for apparels.

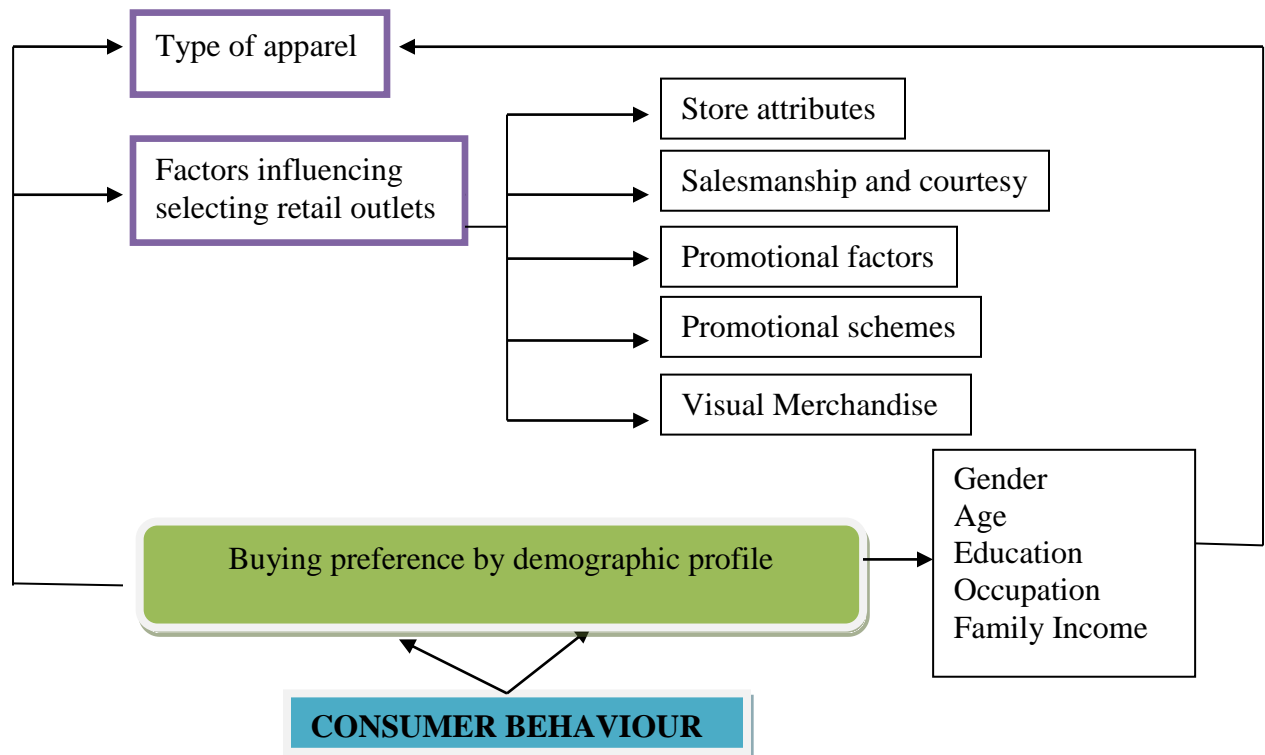
### **Scope and limitations of the research**

1. The scope of the study will be limited to apparel outlets in the four major cities namely, Ahmedabad, Surat, Vadodara and Rajkot of the Gujarat State.
2. The study would be limited only to Casual Wear and Formal Wear, both in Men and Women Segment.

3. Due to the difference in perception and attitude of the customers, variation in the actual achieved result may take place.
4. Consistent data from secondary sources may be available for few years only.

### e. Original Contribution by the Thesis

A theoretical framework of consumer behavior towards organized apparel retail stores has been developed (Figure 1) to understand the various factors influencing consumer buying behavior for apparels and selecting retail outlets.



**Figure 1: A framework of consumer behavior towards organized apparel retail stores**

This framework contributed in studying the consumer buying preference for apparel by gender and demographic profile and selecting retail outlets by gender. Gender wise buying behavior of the consumers will help the retailers to understand which factors influence males and females in order to make strategic plans to enhance the marketing plan in future.

## f. Methodology of Research, Results & Comparison

### RESEARCH METHODOLOGY

The methodology of the present research at a glance is shown in Table 1. The research design of the study is descriptive. Both quantitative and qualitative methods of social research design were used to conduct the study.

**Quantitative method:** A survey was conducted to interview the consumers using a structured questionnaire.

**Qualitative method:** In order to understand retail store officials' opinion about consumer's buying behavior, three apparel retail store officials were interviewed using qualitative method through an open ended guideline tool.

### Sampling design

At the first stage of the sampling design, four cities of Gujarat having heterogenous population with diverse cultural, religious and economic background was selected. The selected cities are fasted growing cities of India namely, Ahmedabad, Surat, Vadodara and Rajkot. At the second stage of the sampling, from each city, 150 consumers were selected on the basis of convenience sampling method from various organized apparel retail shopping Malls and were interviewed personally using structured questionnaire.

**Table 1 Methodology of the study at a glance**

Particulars	Consumer Survey
Target Population	Organized apparel retail sector consumers of selected cities of Gujarat State
Selected cities	Ahmedabad, Surat, Vadodara and Rajkot
Research Design	Descriptive research design
Sampling Unit	Individuals
Sample Size	600 Respondents
Citywise sample size	150 per city
Sampling Method	Convenience Sampling
Data Collection Method	Mall Intercept Method
Data Collection Instrument	Structured Questionnaire

### Data Sources

**Secondary Data:** The Secondary Data has been collected from various books, magazines, newspapers, journals, websites, etc.

**Primary and Secondary Data:** The Primary Data was collected by survey of consumers who shop in retail apparel outlets through Mall Intercept Method.

### **Tool for data collection**

Two types of tools one for quantitative survey and one for qualitative data collection were designed to conduct the study. Prior to the designing of the tools for quantitative data collection, various literature were reviewed. Following two types of tools were designed:

**Quantitative tool:** A close-ended consumer survey structured tool was designed to interview the consumers. Based on the objectives of the research, the questionnaire was designed. A five-point Likert-type scale was used in the questionnaire to measure each parameter contained within the composite variables. The tool was designed consisting of four parts. Part I consists frequency of retail store visit, type of apparel purchase, rating of store attributes and rating of salesmanship and courtesy. Part II consists of rating of promotional factors, ranking of promotional schemes and source of information about retail outlets. Part III consists of rating of statements on visual merchandising elements and Part IV consist of questions related to personal details of the respondents.

**Qualitative tool:** An open-ended guideline was designed to interview the apparel retail store officials.

### **Research hypothesis**

H1: Demographic factors such as gender, age, education, occupation and family income influences the consumer buying behavior for apparels from organized retail outlets.

H2: Store attribute factors such as Price, Quality, Brand and Location influences the consumer buying behavior for apparels from organized retail outlets.

H3: The promotional strategies have significant impact on the consumer buying behavior for apparels from organized retail outlets.

### **DATA CODING, ENTRY AND ANALYSIS**

The data analysis in this study was undertaken via Statistical Package for the Social Sciences (SPSS) IBM SPSS Statistics 20 version. Prior to data entry, coding of options specified in others was done. The primary data collected through questionnaire were entered in Excel sheet and was analysed based on the tabulation plan, which included the analysis techniques, such as

1. Frequency, percentage tables,
2. Weighted mean of Likert-type scale was used to analyse the data related to the scale questions.
3. Median was used to analyse the data related to ranking order questions.
4. Chi square test for hypothesis testing and finding relationship between the variables.

## **RESULTS OF THE STUDY**

### **Demographic profile of the respondents**

Total 600 respondents were interviewed out of which 54.7 percent were males and 45.3 percent were females. Average age of the respondents was 33.3 and highest percentage of them were graduates (44.2 percent). The highest percentage of the respondents was students (28.3 percent) and the median family income per annum was Rs.2,40,001/- to Rs.4,80,000/-.

### **Objective based key findings**

**Objective 1:** To study the demographic factors influencing the consumer buying behavior for apparels of two segments i.e. Men's Segment and Women's Segment.

Genderwise difference was observed in purchasing types of apparels from organized retail outlets by the consumers. Males preferred to purchase formal wear (39.9 percent) more than the female consumers (26.1 percent). Though most of the consumers preferred to purchase casual wear (78.0 percent), females preferred more (80.1 percent) than the males (76.2 percent). Demographic factors such as gender, age, education and occupation show significant influences in the consumer buying behavior for apparels. However, family income per annum had no significant influence in the consumer buying behavior for apparels. Hence hypothesis 1 has been accepted for demographic factors such as gender, age, education and occupation except family income, influences the consumer buying behavior for apparels from organized retail outlets.

**Table 2 Pearson Chi-Square of demographic profile versus buying of type of apparels**

Variables	Chi-Square Value	df	Significant Level (Asymp. Sig.(2-sided))	Hypothesis Accepted/ Rejected
Gender vs. buying of type of apparels	23.328	2	0.0000086**	Accepted
Age vs. buying of type of apparels	22.317	8	0.00436126**	Accepted
Education vs. buying of type of apparels	25.259	8	0.00140495**	Accepted
Occupation vs. buying of type of apparels	47.568	10	0.00001002**	Accepted
Family income per annum vs. buying of type of apparels	15.256	8	0.05435472	Rejected

\*\* Statistically significant at  $p < .05$

**Objective 2:** To identify the factors influencing the consumer behavior while selecting retail outlet namely Visual Merchandising, Price, Quality, Brand and Location.

The weighted mean of the Likart scale preference (1 as least preferred and 5 as most preferred) of store attributes while buying apparel from organized retail stores rated highest for product variety, irrespective of male and female preference (4.5), followed by availability of quality merchandise and trial room (4.4). The factors like price (3.9), brand (4.3) and convenient location (3.4) were preferred less. Table 3 shows that except location, statistically significant relationships were observed between gender and store attribute factors like price, quality and brand influencing the consumer behavior. Hence, hypothesis 2 has been accepted that factors such as Price, Quality and Brand but not Location influences the consumer buying behavior for apparels from organized retail outlets.

The visual merchandising elements (3.2) such as impulse buying (3.2), window display (3.6), influence of in-store form/mannequin display (3.3), floor merchandising (3.5) and promotional signage (3.4) however, could not positively affect consumers while buying apparels as the mean scaling were neutral. The important statements rated highest based on agreement on visual merchandising elements affecting preference while buying apparels was “When I see a good deal I tend to buy more than I intended to buy” (3.7), which was preferred over neutral.

**Objective 3:** To study the impact of promotional strategies affecting the consumer buying behavior for apparels.

The most important promotional strategy preferred by the consumers while buying apparels from organized retail outlets was festive promotions (Diwali, Christmas etc) with mean rating of 4.0. Table 5 shows that except loyalty card programme, the promotional strategies like celebrity endorsement, end of season sale and festive promotions has significant impact on the consumer buying behavior for apparels from organized retail outlets accepting hypothesis 3. Price off was ranked highest (median 2.0) by the consumers as the promotional scheme influencing decision making while buying apparel and it was statistically significant.

**Table 3 Pearson Chi-Square test for relationship between gender and store attribute factors influencing the consumer behavior like Price, Quality, Brand and Location**

	Variables	Chi-Square Value	df	Significant Level (Asymp. Sig.(2-sided))	Hypothesis accepted / rejected
1	Gender vs. price	31.277	4	0.00000269**	Accepted
2	Gender vs. quality	10.482	4	0.03304584**	Accepted
3	Gender vs. brand	20.825	4	0.000343**	Accepted
4	Gender vs. location	2.082	4	0.72067997	Rejected

\*\* Statistically significant at  $p < .05$ .

**Table 4 Pearson Chi-Square test for relationships between gender and Visual Merchandising elements affecting preference while buying apparels**

Gender vs. Visual Merchandising elements like	Chi-Square Value	df	Significant Level (Asymp. Sig.(2-sided))
Impulse Buying	13.551182*	4	0.008874
Window Display	28.104991*	4	0.000012
In-Store Form/Mannequin Display	21.044859*	4	0.000310
Floor Merchandising	15.464340*	4	0.003829
Promotional Signage	2.059202**	4	0.724871
Gender vs. total Visual Merchandise elements	12.097311*	4	0.016642

\* Statistically significant at  $p < .05$ .

\*\* Statistically insignificant at  $p < .05$ .

**Table 5 Pearson Chi-Square test for relationship between gender and promotional factors influencing the consumer behavior**

Gender vs. Promotional strategies	Chi-Square Value	df	Significant Level (Asymp. Sig.(2-sided))	Hypothesis accepted / rejected
Celebrity Endorsement	20.178	4	0.00046057**	Accepted
End of Season Sales	18.415	4	0.00102365**	Accepted
Festive Promotions (Diwali, Christmas etc)	33.533	4	0.000000**	Accepted
Loyalty card Programme	8.48	4	0.07549578	Rejected

*\*\* Statistically significant at  $p < .05$*

### **g. Achievements with respect to the Objectives**

The achievements (findings) with respect to objectives of the present research are notable as all the three objective based hypothesis tested were accepted except one factors in each objective.

The objective based hypothesis 1 has been accepted for demographic factors (except family income) such as gender, age, education and occupation, influences the consumer buying behavior for types of apparels from organized retail outlets.

Hypothesis 2, based on second objective has been accepted that factors such as Price, Quality and Brand but not Location influences the consumer buying behavior for apparels from organized retail outlets. The study also revealed that product variety was rated highest as store attribute preference. The visual merchandising elements however, could not affect consumers much while buying apparels.

Except loyalty card programme, the promotional strategies like celebrity endorsement, end of season sale and festive promotions has significant impact on the consumer buying behavior for apparels, accepting hypothesis 3 of third objective. Price off was also found to be an important promotional scheme influencing decision making while buying apparel.

### **h. Conclusion**

Considering significant importance of the objective of the study and based on notable key findings, the study will make a contribution towards a comprehensive understanding of the Indian organized apparel retail market. The study can be a great help to retail industries, academicians, business school students, researchers, etc. The findings from this study will improve the competitiveness levels of organized apparel retail industries and stores which will be beneficial for the consumers.

Since the important element of visual merchandising was not found to affect consumers much while buying apparels, retailers need to plan the strategies and make effort to improve visual

merchandising. The research findings will help the apparel retailers to understand the factors influencing the consumer buying behavior in order to enhance the marketing plan in future.

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