Market Analysis of Branded Apparel and Brand Stores

Dr. Subramaniam Seshan[1], Nilima Kanojiya[2]

[1]Associate Professor, Datta Meghe Institute of Management Studies, Nagpur, Maharashtra, India
[2]Alumni, Datta Meghe Institute of Management Studies, Nagpur, Maharashtra, India

Abstract: - **Brand is essentially the sum of all experiences related to the product, service, and companies that make and deliver the product. Brand perceptions are shaped by functional experiences (i.e. speed, quality, reliability, ease of use) as well as emotional experiences (i.e. make me feel better, improve my performance, make my life/job more gratifying or easier) the customer associates with the product and company.**

The apparel market in our country has undergone a transformational phase over the past few years due to growing number of working groups, changing fashion trends, increasing level of information, media exposure and entry of big brand names. Regular Consumer is not only confined to traditional tailored cloths, but now trying different brands of ready to wear and branded materials & apparels. Consumer expenditure on clothing in our country after the 1991 reforms has shown a consistent increase. It is projected that consumer expenditures on clothing will increase from 27 million USD in 2009 to 77 million USD in 2020 (Euro monitor, 2010).

SCOPE OF THE STUDY - **The scope of this study is limited to Nagpur city and the information will be collected from the urban population of city between the age group of 20-50 with respect to acceptance of branded apparels and brand stores for analyzing respective market. In this study, a qualitative approach was used to understand the why Nagpur is becoming retail and brand store hub with remarkable pace. Data collection took place in Nagpur city.**

Key words – **Brand, brand store, apparel market, consumers in our country.**

I. INTRODUCTION

Retailing has witnessed a rapid transformation from a mere kirana stores to huge stores in a sprawling place in the last decade. This is evident from the fact that shopping mall activity which was earlier only a part of the urban locality has started percolating down to rural parts of the country since India is predominantly encompassing rural population.

There is phenomenal development of retail space in major cities and towns with development plans being projected at 2000 new shopping malls by 2016. This has resulted in the regular consumer being exposed to a variety of retail formats leading to change in consumer buying behavior and since demonetization cashless transaction has resulted into increased footfalls in major malls of the country. In order to cater to the increasing complexity in the market place the retailer in Nagpur will need to know his customer and design a unique value proposition for his segment of shopping.

The ready-made garment market has undergone a transformational phase over the past few years due to growing number of middle class population, changing fashion trends, increasing level of information, media exposure and entry of big brand names from Western country. Regular Consumer is not only confined to traditional tailored cloths, but now trying different brands of ready to wear and branded materials as fashionable culture has taken over common people in a big way from the traditional clothing. Consumer expenditure on clothing after the 1991 reforms has shown a consistent increase. It is projected that consumer expenditures on clothing will increase from 27 million USD in 2009 to 77 million USD in 2020 (Euro monitor, 2010).

The country is witnessing a consumer mentality that is quickly maturing in its sophistication, and 58% of the population is between the ages of 20 – 64. Although this group is deeply rooted to culture and tradition, they are also curious about exploring the outside fashion. The rise in disposable incomes has led to a change in shopping trend and attitudes towards shopping in retail malls. Indian consumers when making a purchase decision considered price as an important parameter, but today these decisions are guided by the desire to look and feel good as the per capita income has increased. This increase in the urban population is expected to generate 80 percent of the country's GDP and lead to a six-fold increase in per capita income. To accommodate this urban growth, the country will need to build 1100 million squares miles of commercial and residential space, paving the way for brand stores and branded apparel.

II. ESTIMATING THE PROBLEM

Various factors have indicated the need of analysis of market of branded apparels and brand stores in Nagpur as the brand stores majors operating in metropolitan brand apparel segment have now started to diversify themselves in the vicinity of country in order to exploit the highly lucrative market. In this study, a qualitative approach was used to understand can Nagpur, the second capital of Maharashtra, be one among the retail and brand store hub as big brands are entering with remarkable pace. This study is an attempt to analyze consumer reactions to branded apparel and their awareness and acceptance toward it. Data collection took place in Nagpur city. This report is aimed to investigate the effect of brand on consumer buying behaviour. How much consumers are prepared to pay for branded products? and how important

they consider price? are few questions that need to be answered. To ascertain this comprehensive literature review on branding, brand loyalty, brand awareness, brand equity and brand perceptions, price sensitivity willingness to pay has been done.

Entry of International Brands in India

The first international brand in India was Bata, introduced in the country in the year 1931. After the economic reforms of the late 20th century many international brands entered into India. Table 1 highlights the brands that have since entered the country.

Brand	Entry Year	Country	Brand	Entry Year	Country
Bata	1931	Czech	Disney Footwear	2005	USA
Louis Phillippe	1989	UK	Christian Dior	2006	France
Adidas	1989	Germany	Promod	2006	France
Pepe Jeans	1989	Spain	Giordano	2006	Hong Kong
Van Heusen	1990	USA	Mango	2006	Spain
Allen Solly	1993	UK	Salvatore F.	2006	Italy
Pierre Cardin	1994	France	The Body Shop	2006	UK
Levi"s	1995	USA	Levi Strauss	2006	USA
Nike	1995	USA	Nautica	2006	USA
Lee	1995	USA	DKNY	2006	USA
Reebok	1995	USA	Guess	2006	USA
Lovable	1996	USA	Seven Jeans	2006	USA
Benetton	1998	Italy	Versace	2006	Italy
Marks & Spencer	2001	UK	Sisley	2007	Italy
Ralph Lauren	2001	USA	Armani	2008	Italy
Wrangler	2001	USA	Lerros	2008	Germany
Allen Solly	2001	UK	Diesel	2008	Italy
Louis Vuitton	2002	France	Harry Winston	2008	USA
Calvin Klein	2004	USA	C & J Clark	2010	UK
Tommy Hilfiger	2004	USA	Chicco	2010	Italy

Note: Table updated from Son (2007), Images Year Book (2009), and Saxena (2011)

Apparel Manufacturing - Shifting towards Asia

India's textile industry has opened up significantly with the removal of quota system hence apparel manufacturing is gradually shifting from Western countries to Asian countries on account of cost competitiveness and secondly with the advent of MAKE IN INDIA concept by our honourable Prime Minister self dependency has increased.

Consumer decision making process generally involves five stages:

A. Problem Recognition
B. Information Search
C. Alternatives Evaluation
D. Purchase Action
E. Post-Purchase Actions

III. LITERATURE REVIEW

Brands are considered as important information parameters and intangible attributes that represent comprehensive information. Brands recently are playing an important role in decision-making, wherein they help in the reduction of uncertainty and reduce confusion amongst consumers in making buying decision as they communicate quality. Brands also serve to reduce pre conceived risk and information costs, which leads to higher expected consumer utility. (**Auger et. al., 2010**)

Indian consumers between age 18 – 35 years develop strong relationships with brands, and especially brand dimensions like affective and socio-emotive attachments, self-connection, behavioural ties and supportive cognitive beliefs. **Sahay and Sharma (2010)**

One strong belief among consumers of the retail store brands in Nagpur is towards its popularity and growth is that it offers price advantage and product options so that consumers who buy particular store brands as a routine do not only become brand loyal but also store loyal. (**Batra and Sinha, 2000**)

IV. RESEARCH METHODOLOGY

In order to understand the methodology used to compile this Project, this is included in order to clarify how an effective methodological philosophy can do contribute to the successful production of a un-bias and critically Project, as well as comprehend the process underwent to reach the pertinent conclusion.

The research article also serves the purpose of justifying and authenticating the research procedures employed in order meet the set objectives and accomplishes the main question of this Project a qualitative study was carried out. Data for this study was collected by means of survey conducted in Nagpur city through random sampling method .The sample size was 100. The Questionnaire (shown in Annexure) was used mainly to test the hypothesis. The type of research was both exploratory as well as descriptive. Five point scales ranging from strongly agree to strongly disagree is being used as a basis of questions.

V. OBJECTIVES OF THE STUDY

1) To discover the mind set of market for branded apparels and non branded apparels.

2) To analyze the brand preferences of Nagpur residence with respect different factors namely age and occupation

3) To indentify the most preferred attributes responsible for buying branded cloths.

VI. SCOPE OF THE STUDY

The scope of this study is limited to Nagpur city and the information will be collected from the urban population of city between the age group of 20-50 with respect to acceptance of branded apparels and brand stores for analyzing respective market. In this study, a qualitative approach was used to understand the why Nagpur is becoming retail and brand store hub with remarkable pace. Data collection took place in Nagpur city.

VII. DATA COLLECTION

Primary data:

This data is collected through a well designed questionnaire. The questionnaire structure consists of 10 Questions focusing on consumer buying behaviour towards branded apparel and brand stores.

Secondary data:

The secondary data was collected from published sources such as pamphlets, annual reports, reports and internal records. The data includes reference from text books and relating to articles published in business details like economic times, business time etc.

Sample Design:

The factors that are intended to examine can be applied to and investigated at any population to analyse the market. The population for this research was people from Nagpur only. 150 questionnaires were distributed among which 100 were received. Sample selection is of random type.

Sample size:

Sample size is 100 customers.

Hypothesis

H01 – Separate departments of apparels makes shopping more convenient.

H1- Separate departments of apparels makes shopping difficult.

H02 – Customers generally buy expensive apparel for quality.

H2 - Customers don't spend on expensive apparel for quality.

H03 – Services must be better in brand store for comfort shopping.

H3 - Comfort shopping is not dependent on services available in the store.

H4– Promotional offer on big branded apparels increases their purchases.

H04 - Promotional offer on big branded apparels makes no changes in purchasing pattern.

H5 – The interiors of brand stores enriches shopping experience.

H05 - Interiors of brand stores does not make any impact on shopping experience.

H06 – Branded apparels is bought from brand stores for status

H6 - Branded apparels is not bought from brand stores for status.

VIII. DATA ANALYSIS AND INTERPRETATION

Demographic Detail and Interpretation

Table -1 Characteristic of Respondents

Variables and categories	N-100	%
Age		
Less than 25	47	50%
25-45	36	38%
More than 45	11	12%
Occupation		
Service	29	29%
Self Employed	17	17%
Student	39	39%
Housewives	15	15%

Interpretation:

Table 1 state that the maximum respondents were in the age group less than 25. Respondents in the age group of 45 were the least. Maximum respondents were from student class and their contribution was 39%.The least was from student category and it was only 15%.

How often you buy apparels?

Table 2 -Cross Tabulation –Relationship between occurrence of buying & Age

Buying \ Age	Frequently	Sometimes	Quite often	Never	Total
Less than 25	23	24	4	1	52
25-45	20	11	3	1	35
More than 45	6	4	2	0	12
Total	49	39	9	2	99

Interpretation-

Since the cross tabulation indicates that buying frequency for the age group **less than 25** is more i.e. 52.It can be concluded that this group is more inclined toward branded apparels. Also as the rate of buying is less among the group **more than 45 years i.e. 12**, it can be concluded that this group is reluctant to branded apparels.

Where do you shop for clothing?

The analysis says that 33% of the respondents prefer to buy branded apparels from Branded stores. Results also show that satisfactory percentage of respondents (33%) still considers local market for shopping.

Degree of preferences for branded apparel among you?

Interpretation –

Findings reveal that 72 % (44%+28%) of consumer mostly preferred branded apparels. There is huge demand of branded apparels in the city.

Do separate departments of apparels make your shopping more convenient?

H0 – Separate departments of apparels makes shopping more convenient.

H1 - Separate departments of apparels makes shopping difficult.

Tool Used	Arithmetic Mean, Standard Deviation, Standard Error
Data	Five point Likert Scale (Interval type)
Average	1.72
Standard Deviation	0.853749898
Standard Error	0.08537499
Lower Curve Value	2.83266502
Upper Curve Value	3.16733498
Null Hypothesis	Separate departments of apparels make shopping difficult.
Alternate hypothesis	Separate departments of apparels make shopping convenient
Result	Reject null Hypothesis

From the above findings researcher can easily conclude that the observed mean(1.72) does not lie between the lower curve value(2.83266502) and Upper Curve Value(3.16733498) hence the NULL hypothesis is rejected.

Would you like to spend more for quality?

Tool Used	Arithmetic Mean, Standard Deviation, Standard Error
Data	Five point Likert Scale (Interval type)
Average	1.47826087
Standard Deviation	0.670873809
Standard Error	0.067087381
Lower Curve Value	2.868508733
Upper Curve Value	3.131491267
Null Hypothesis	H0 - Customers don't spend on expensive apparel for quality.
Alternate hypothesis	H1 – Customers generally buy expensive apparel for quality.

Result	Reject null Hypothesis

From the above findings researcher can easily conclude that the observed mean(1.47826087) does not lie between the lower curve value(2.868508733) and Upper Curve Value(3.131491267) hence the NULL hypothesis is rejected

Do you think customer service provided at brand store, makes you're shopping easier?

Tool Used	Arithmetic Mean, Standard Deviation, Standard Error
Data	Five point Likert Scale (Interval type)
Average	2
Standard Deviation	1.142857143
Standard Error	0.114285714
Lower Curve Value	2.776
Upper Curve Value	3.224
Null Hypothesis	H0 -Comfort shopping is not dependent on services available in the store
Alternate hypothesis	H1- Services must be better in brand store for comfort shopping.
Result	Reject null Hypothesis

From the above findings researcher can easily conclude that the observed mean(2) does not lie between the lower curve value(2.776) and Upper Curve Value(3.224) hence the NULL hypothesis is rejected

Do promotional offer advertised by big brands attracts you?

Interpretation:

Tool Used	Arithmetic Mean, Standard Deviation, Standard Error
Data	Five point Likert Scale (Interval type)
Average	1.72
Standard Deviation	0.853749898
Standard Error	0.08537499
Lower Curve Value	2.83266502
Upper Curve Value	3.16733498
Null Hypothesis	Separate departments of apparels make shopping difficult.
Alternate hypothesis	Separate departments of apparels make shopping convenient
Result	Reject null Hypothesis

From the above findings researcher can easily conclude that the observed mean(1.72) does not lie between the lower curve value(2.83266502) and Upper Curve Value(3.16733498) hence the NULL hypothesis is rejected

Does store environment enrich your shopping experience?

Interpretation:

Tool Used	Arithmetic Mean, Standard Deviation, Standard Error
Data	Five point Likert Scale (Interval type)
Average	1.97
Standard Deviation	1.077361161
Standard Error	0.107736116
Lower Curve Value	2.788837212
Upper Curve Value	3.211162788
Null Hypothesis	H0-Interiors of brand stores does not make any impact on shopping experience
Alternate hypothesis	H1 - The interiors of brand stores enriches shopping experience..
Result	Reject null Hypothesis

From the above findings researcher can easily conclude that the observed mean(1.97) does not lie between the lower curve value(2.788837212) and Upper Curve Value(3.211162788) hence the NULL hypothesis is rejected

Brand is a Status symbol

Interpretation:

Tool Used	Arithmetic Mean, Standard Deviation, Standard Error
Data	Five point Likert Scale (Interval type)
Average	1.602941176
Standard Deviation	1.160798823
Standard Error	0.116079882
Lower Curve Value	2.772483431
Upper Curve Value	3.227516569
Null Hypothesis	H0 – Branded apparels is not bought from brand stores for status
Alternate hypothesis	H1 - Branded apparels is bought from brand stores for status
Result	Reject null Hypothesis

From the above findings researcher can easily conclude that the observed mean(1.602941176) does not lie between the lower curve value(2.772483431) and Upper Curve Value(3.227516569) hence the NULL hypothesis is rejected

IX. CONCLUSION

Market for branded apparels has demanding growth with change in mentality of the consumer giving preference to brand for buying apparels. The age group less than 25 is more inclined toward branded apparel and the age group more than 45 years is reluctant to branded apparels. Finding also reveals there is huge demand for banded apparels in Nagpur as most of the respondents mostly preferred brand for making a purchase.

Majority of consumers preferred to shop from the brand stores but the fact cannot be ignored that satisfactory percentage of consumers still consider local market as shopping destination

Brand awareness of Levis is stronger than other brands in option .It can be concluded that the marketing strategy of Levis has been successful to give the brand a strong recognition.

Consumers strongly agreed for separate departments, customer service, and store environment makes shopping for convenient and gives an enrichment shopping experience.

Advertisement by big brands rouses shopping urge, hence it can be concluded that it influences the purchase decision of consumer. Branding apparels helps the advertisers to provide catchy logos and advertisements.

Lastly, Brand is consider as status symbol

BIBLIOGRAPHY/REFERENCES

[1]. Ailwadi Kusum L & Kevin Lane Keller (2004), "Understanding retail branding: conceptual insight and research priorities" Journal of Retailing, 80, 331-42.
[2]. Baltas, G., & Doyle, P. (1998). An empirical analysis of private brand demand recognizing heterogeneous preferences and choice dynamics. The Journal of the Operational Research Society, 49(8), 790-798
[3]. Batra, R., &Sinha, I., (2000). Consumer level factors moderating the success of private label brands across product categories, Journal of Retailing, 76(2), 175-191
[4]. Collins A, Burt S (2003). Market Santions, Monitoring and vertical coordination with retailer manufacturer relationships: the case of retail brand suppliers, Eur. J. Mark. 37 (5/6): 668-689.
[5]. Hoch, Stephen J. and Shumeet Banerji (1993). "When Do Private Labels Succeed?" Sloan Management Review, 34(4), Summer, pp. 57-67.
[6]. Labeaga J, Lado N, Martos M (2007) Behavioral loyalty toward store brands, J. Retailing Consumer Serv. 1 (1): 1-10
[7]. Dr. Rajesh Kesari; Abhishek Kumar Srivastatava International Journal of Marketing, Financial Services & Management Research Vol.1 Issue 7, July 2012, ISSN 2277 3622
[8]. Veronica Liljandera, Pia Polsaa, and Allard van Riel , Journal of Retailing and Consumer Services,2009, Vol. 16, No 4, 281-290.
[9]. Sonal Kureshi, Vandana Sood , Abraham Koshy Working Paper No. (2007-08-02) August 2007
[10]. AC Nielsen, 2003. Europe, US still largest private label markets, but other regions
[11]. Seeing huge growth fuelled by retailer expansion. Canadian Corporate News,
[12]. September 2003.
[13]. Sandeep Kumar Machavolu, Shoppers Perception towards Store Brands of Reliance Retail, International Journal of Research in Commerce and Management, 62-65.
[14]. Marketing Management By-Philip Kotler.
[15]. Ms. Jaya Nema & Ms. Neha Bhopatkar , Presented at BM College of Management and Research, Indore
[16]. Consumer Markets in India –the next big thing?–KPMG report September 2005.
[17]. (www.kpmg.com)
[18]. SAHAY, A. & SHARMA, N., (2010, March). Brand Relationships and switching behavior for Highly Used Products in Young Consumers. Vikalpa, 35(1), pp.15-30.