# What are decision making styles for international apparel brands in a large emerging market?

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## Abstract

The main purpose of the paper is to identify consumer decision making styles based on Sproles & Kendall's (1986) framework in a large emerging market for international apparel brands. An online questionnaire-based survey with individual Indian consumers was conducted. The results of this study identify five consumer decision making styles among Indian consumers when selecting international apparel brands. The findings also suggest significant statistical differences between males and females for brand and quality consciousness as well as between occupational groups for brand loyalty. Men, when compared to women, are more conscious about both brand and quality when buying international brands and self-employed persons are more brand loyal than students. Practical implications of our findings for market segmentation and communications strategies are offered.

## Introduction

Retailers in emerging markets face a challenge of growing consumer preferences for international brands with strong brand images in developed countries. Intense competition in retailing industry urges retailers to find new ways how to increase their profits and returns of investment. To do so they need to know their consumers better. However, research on consumers in a large emerging market of India is sparse and retailers have little guidance as to how to segment their market, what communications strategy to employ and what kind of personalised experiences to offer to each consumer while in store.

It has been acknowledged that consumers make their purchasing decisions based on quality, comparing alternative offers in the market or brand loyalty (e.g., Sproles, 1983; Keoy et al., 2012). Those elements are a part of different consumer decision making styles. Knowing those styles retailers can profile their consumers, communicate relevant messages and customise in-store experience for individual consumers according to their preferred decision making style.

Previous research (e.g., Durvasula et al., 1993, Hiu et al., 2001, Tai, 2005 Bae & Miller, 2009; Zhou et al., 2010) in this field has identified a different number of relevant consumer decision-making styles in both developed (e.g., USA, Germany, UK, New Zealand) and developing (e.g., Korea, Malaysia, China) countries. Some consumer decision-making styles were reported to be different for males and females (e.g., Bae & Miller, 2009) have been confirmed across a number of countries. Our study aims to identify consumer decision

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making styles for international apparel brands and provide guidelines for retailers. To achieve our aim a simplified scale based on Sproles & Kendall's (1986) Consumer Styles Inventory was used as previous studies noted less relevant application of the original scale in developing markets (Lysonski et al., 1996) and the findings proved to be inconsistent among researchers who applied it across different markets.

## 1. Consumer Decision Making Styles

Consumer decision-making styles are defined as "a mental orientation characterizing a consumer's approach to make choices" (Sproles & Kendall, 1986:268). Sproles & Kendall (1986) developed the Consumer Styles Inventory to measure consumer decision-making styles. These authors identified eight approaches that consumers might take when making their purchase decisions. Those are as follows: a) perfectionism/high-quality consciousness, b) brand consciousness, c) novelty-fashion consciousness, d) recreational shopping consciousness, e) impulsiveness, f) confusion from over choice, g) habitual and brand-loyal shopping consciousness.

Previous research has utilized Sproles & Kendall's (1986) scale in different countries to identify consumer decision making styles but produced inconclusive results. For instance, five styles such as perfectionist, novelty-fashion conscious, recreational, price conscious and confused over choice styles were found in the context of China (Hiu et al., 2001). In addition to different decision-making styles, other studies also reported differences in those styles between females and males. For example, Bae & Miller (2009) study identified statistically significant differences between two genders for some of the consumer decision making styles in the context of the USA as well as Mitchell & Walsh (2004) reported gender differences in Germany.

## 2. Research Design

An emerging market of India has been chosen to study consumer decision making styles. India is the second largest country in the world by population. It has more than 150 million middle class consumers with an increasing purchasing power (Kumar et al, 2009) and therefore it is becoming an attractive market for retailers. Although branded retail comprises 3% of total retail market, it is expected to grow over the next few years (Dhanabhakyam & Shanthi, 2013) because of growing demand for well-known international brands in western countries (Euromonitor, 2012, 2014 a, b, c).

An online survey with 186 respondents was conducted to collect data for the study. The data were collected from respondents residing in the urban cities of India like New Delhi, Mumbai, Bangalore, Kolkata and Chennai as most of the international brand outlets are situated in the metropolitan cities and consumers living in these cities make the most consumption of international apparel brands. A questionnaire was developed for this study by adapting the Sproles & Kendall's (1986) scale for determining customer decision making styles in India. Two items from each of eight dimensions suggested by Sproles & Kendall (1986) were selected using a subjective judgement of one of the researchers. Six international

apparel brands were selected for the study: Guess, Zara, Mango, Calvin Klein, Tommy Hilfiger and Esprit.

The sample characteristics are presented in Table. When asked whether respondents wear international apparel brands, 93% of the respondents answered "yes". The 7% of respondents who did not wear international apparel brands indicated that due to high prices of these brands they couldn't afford them and few of them just preferred domestic brands to international brands because they believe that domestic brands provide higher quality.

Table 1. Sample description

| Title | Description | Percentage, % |
|---|---|---|
| Sample | Female | 44.6 |
| | Male | 55.4 |
| Age | 18-30 | 81.7 |
| | 31-40 | 12.9 |
| | 41-60 | 4.8 |
| | >60 | .5 |
| Education | Secondary & | 5.2 |
| | apprenticeship | 12.4 |
| | Professional qualification | 26.9 |
| | College or undergraduate | 53.8 |
| | Postgraduate or above | 1.6 |
| | Other | |
| Income | 0-Rs.30,000 | 29.6 |
| | Rs.30,001-Rs.60,000 | 18.3 |
| | Rs.60,001-Rs.90,000 | 12.9 |
| | Rs.90,001-Rs.1,20,000 | 12.4 |
| | >Rs.1,20,000 | 26.9 |
| Occupation | Student | 45.2 |
| | Business | 21.5 |
| | Professional | 19.4 |
| | Self-employed | 6.5 |
| | Housewife | 2.7 |
| | Other | 4.8 |

## 3. Findings

Our findings suggest five consumer decision making styles in the context of India: brand and quality conscious consumers, value for money & planned purchases, fashion, impulsive & recreational shopping, confused by over-choice consumers and brand loyalty. A principal component analysis (PCA) was utilised following a Varimax rotation (Hair et al., 2009) to support a meaningful interpretation of factors. We excluded one item from further analysis due to a lower than .30 loading on the factor (Hair et al., 2009). Our data has a reasonable share of variance as indicated by our results (Bartlet's test of sphericity is less than .5 (p<1%); Kaiser-Olkin-Meyer KMO is higher than .5 (KMO=.723). Five factors having

eigenvalues greater that one were derived from the PCA. Reliability analysis for the scale was also performed and the finding is acceptable (Cronbach alpha=.652) (Hair et al., 2009). Our simplified scale accounted for 64.33% of variance explained, thus the variance explained is relatively high and our five-factor solution appears to be adequate to understand consumer decision- making styles among Indian consumers.

Next, we tested gender differences for all consumer decision-making styles. Since our data is not normally distributed, we employed a range of non-parametric tests. We use Mann-Whitney-U test to examine the differences between male and female groups with regard to five different consumer decision-making styles. Our finding suggests that there is a difference between males and females ($p<.05$) with regard to "brand and quality consciousness". The test also indicates that males are more brand and quality conscious in India than females. In addition, we run a non-parametric Kruskal-Wallis statistical test to assess significant differences for each consumer decision-making style segmented by income, occupation and education. We found statistically significant difference for the "brand loyalty" for the occupational group ($p<.05$). Students and self-employed respondents are significantly different ($p<.01$) with regard to brand loyalty consumer decision-making style. We then performed a Tamhane post-hoc test to find out which occupational groups contained those significant differences. Self-employed persons are more brand loyal than students.

**Conclusions**

Our study identified five consumer decision making styles in the context of an emerging market for international apparel brands. The findings also suggest differences in gender in terms of decision making styles. Male consumers are more conscious about brand and quality of international apparel than female consumers. The results indicate differences in occupational status regarding brand loyalty consciousness. Self-employed consumers are more brand loyal than student consumers.

In this study, the findings have highlighted a number of implications. First, as brand consciousness and quality were important, retailers should clearly communicate the global standing of the brand of the international apparel in the market and make efforts to communicate its strong brand image in Indian market. Second, retailers should pay specific attention to the quality of the product of an international apparel brand since consumers expect international apparel brands to offer the highest quality products bearing in mind that male consumers are more brand and quality conscious than females. This finding implies that retailers may study gender differences more carefully before preparing their marketing communications strategies. Third, attention should be paid to creating as well as maintaining brand loyalty among specific groups of consumers by updating them with new offerings via emails, brochures and catalogues and by offering their premier consumers to enjoy the initial two days of price discount for their new offerings.

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