

A STUDY ON CONSUMER PREFERENCES TOWARDS INDIAN AND INTERNATIONAL RETAIL BRANDED APPAREL OUTLETS AT BENGALURU CITY

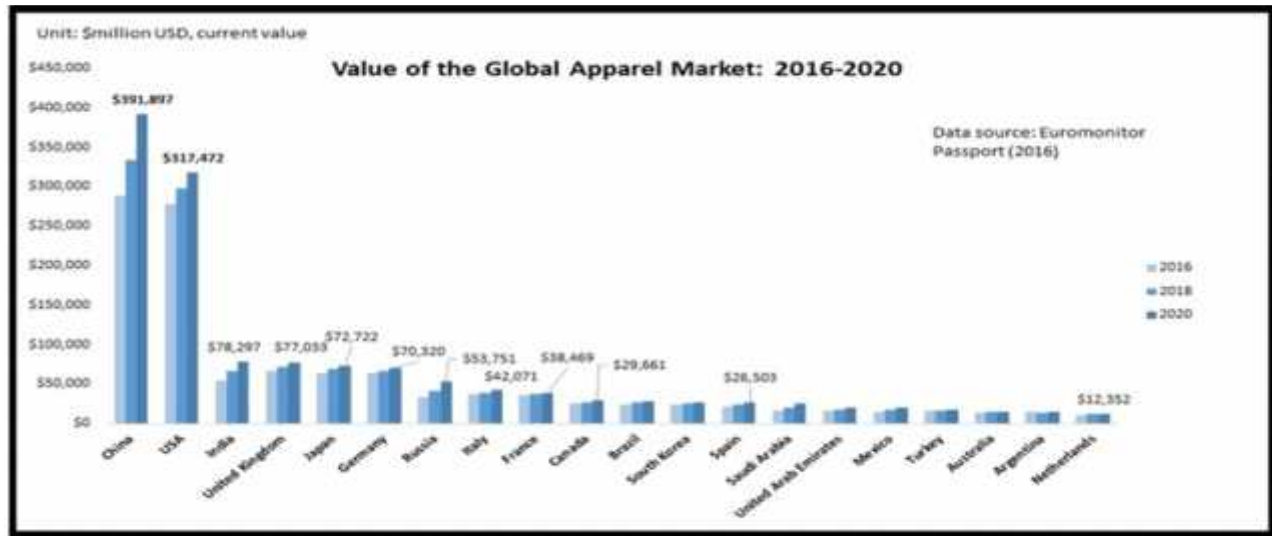
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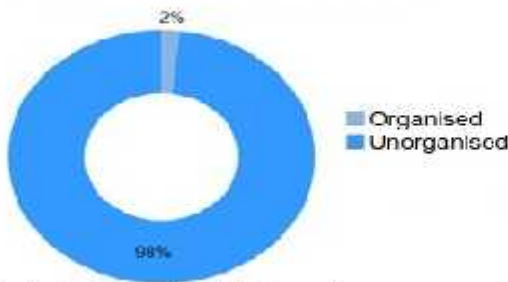
1. Introduction

The Indian retail market size is about US\$ 585 billion and is anticipated to grow at CAGR of 13% to attain US\$ 1080 billion by 2020. This expansion is basically accredited to the approaching the age of the Indian retail Industry, which has moved out all the way through major revolution over the last decade with a perceptible change towards organized retailing. Communicating exclusively on the Indian fashion accessories sector, the market was valued approximately US\$ 3 billion in 2013 and is anticipated to rise at a CAGR of 12 percent touching US\$ 6 billion by 2019. This development in the fashion accessories market can be contributed to different factors like:



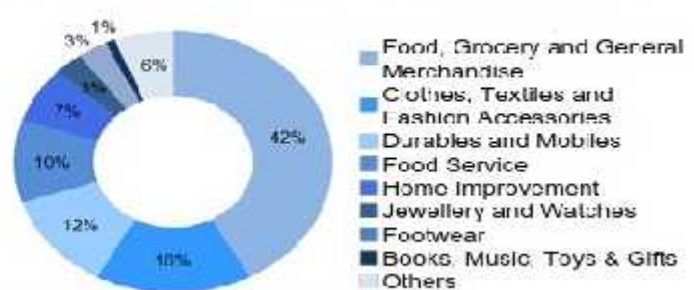
Source: <https://shenglufashion.wordpress.com/2016/06/20/global-apparel-and-footwear-industry-updated-in-june-2016/>

Indian retail Industry (2016)



Source: Indian Retail Report, TechSci Research

Shares in organised retail sector (2015)



Source: Indian Retail Report, TechSci Research

<https://www.ibef.org/industry/indian-consumer-market.aspx>

2. Need for the Study

In the era of consumer sovereignty where the customer is considered to be king his whims and fancies need to be fulfilled by the manufacturer and retailer to penetrate or deepened the market share. The rapid shift in the preferences of customer from tailor-made to ready to wear should drive growth in the Indian apparel industry. The customer prefers foreign brand apparels over Indian brand due to the availability of various choices and to portray the individuality with the social circles. The vivid interest in customer poses the challenges to the Indian brand apparel industry in the context of drawing the attention of customers; Consumers are readily adopting global luxury brands at a much faster pace.

3. Statement of the Problem

The purpose of the research is to analyze the customer preferences towards the apparels of Indian and foreign branded outlet. To understand customers need, want and desire towards particular branded apparels. The taste and preferences of the customers varies and they like to associate with the trend. The challenges faced by Indian apparel industry in comparison with International brand apparel and to analyze the strategies adopted by them. Indian consumers are attracted towards acquiring luxury brand and purchasing these brands has become a prestige symbol. This study analyses the impact of consumers need for uniqueness and fashion consciousness on branded apparel outlet.

4. Objectives

- To analyze the impact of demographic factors on consumer preferences towards Indian and International retail branded apparel outlet.
- To analyze the attributes that influence consumers to prefer International brand apparel outlet rather than Indian retail branded apparel outlet.

5. Research Methodology

5.1 Type of Research

Analytical Research & Problem Solving

Analytical approach stands applicable in all the stages of research. It helps in finding the root cause of the problem and it chooses the appropriate process to perform the analysis. The problem solving techniques are used in many disciplines, with different perspective and often with different terminologies.

Sources of data collection

5.2 Primary Data: The data obtained through first hand investigation, originally obtained through direct efforts of researcher through surveys, interview and direct observation. **Questionnaire, Observation, Interview**

5.3 Secondary Data: It is a type of quantitative data that has already been collected by someone else for different purposes. The records and data are from different sources that are originally collected for other research purposes.

Journal, Magazine, Web sources

5.4 Sample Population

The total population of the Bengaluru city around 8.5 million out of which around 30 lakhs are from the age group of 18 to 40 years. This population of 30 lakhs is considered as sample population.

5.6 Sampling Technique

The respondents are chosen from the Bengaluru Urban and are classified as Bangalore north, south, east and Anekal. **The Systematic random sampling technique adopted to choose the malls and convenience sampling method is adopted for selecting the respondents** through which responses will be collected and compiled for generalization.

Types of Malls classification,

1. A power centre- 250000 to 600000 sq ft
2. Regional center- 400000 to 800000 sq ft
3. Super regional malls – 800000 sq ft and above

Through regional center and super regional malls the retail branded apparel outlet are selected.

S. No	Mall Name	Bangalore Urban Division	Mall Type	Square Feet	Outlet Name
1	The Forum	East	Regional center	6,25,000	Park Avenue, Soch
2	Mantri Square	North	Super regional malls	17,00,000	FabIndia, Flying Machine
3	UB city	CBD (Central business district)	Super regional malls	10,00,000	Diesel
4	Park Square mall	East	Regional center	4,50,000	Levis, Manyavar
5	Orion mall	West	Super regional malls	8,50,0000	Fabindia, Zara
6	Royal Meenakshi Mall	South	Regional center	6,00,000	Van Heusen, BIBA
7	VR Bengaluru	East	Regional center	5,95,000	Wrangler, Neeru's (Indian Ethnic)
8	Phoenix market city	East	Super regional mall	29,00,000	GAP, Aurelia

5.7 Sample Size

The sample size is calculated on the basis of confidence interval of and confidence level. The confidence level chosen for the study is 0.95 and the confidence interval chosen for the study is 0.5.

$$\text{Sample size} = \frac{Z^2 (P) + (1-P)}{C^2}$$

Z-critical value is 1.96

Confidence level is 95%

P- Sample proportion is 0.05

$$\begin{aligned} \text{Sample size} &= \frac{1.96^2 (0.5) * (1-0.5)}{(0.05)^2} \\ &= 384.16 \end{aligned}$$

$$\text{Sample size} = \frac{SS}{1 + \frac{SS - 1}{pop}}$$

$$\begin{aligned} \text{Sample size} &= \frac{384.16}{1 + \frac{384.16 - 1}{3000000}} \\ &= 384.16 \end{aligned}$$

6. Pilot Study Reliability

Case Processing Summary			
		N	%
Cases	Valid	100	100.0
	Excluded ^a	0	.0
	Total	100	100.0

a. List wise deletion based on all variables in the procedure.

Reliability Statistics	
Cronbach's Alpha	N of Items
.953	80

The Pilot study was conducted with 100 respondents which show reliability of the sample with the help of Cronbach's Alpha test and the value is represented as 0.95.

7. Period of Study

The study is confined to period of three years i.e from April 2013 – April 2017 reviewing the relevant literature and conceptual framework took two(2) years of data collection from primary source took two (2) years, preparing the master table, data analysis and interpretation consumed about one year.

8. Hypothesis

Null Hypothesis

H₀₁: Demographic factors 'does not influence' consumer preferences towards Indian and International retail branded apparel outlet.

H₀₂: The consumer preference in choosing an International branded retail apparel outlet rather than Indian retail branded apparel outlet is not influenced by any attributes.

9. Scope of the Study

The study will help us to understand the consumer attitude of various clusters of people in Bengaluru. The consumers have become quality and price conscious which has made retailers to innovate and bring trends in the clothing retail sector. The sale of clothes according to the changing trends has created challenges to the designers and retailers. The strategies adopted for retailing in the form advertising and being sponsors for an event had created awareness among the consumers.

10. Limitation of the Study

- The research work has been confined to only Bengaluru Urban and thus the result may only be able to define this specific area under study.
- Primary source of data is the main source of gathering information; hence manipulation at the respondents end cannot be avoided.

11. Data Interpretation and Analysis

Table 11.1: Showing respondent's Gender

S. No	Respondents gender	No. of respondents	Percentage
1	Male	57	57%
2	Female	43	43%
Total		100	100

Analysis: The above table shows majority of the respondents are male that is 57% and female constitutes 43%.

Graph 11.1: Showing respondent's Gender



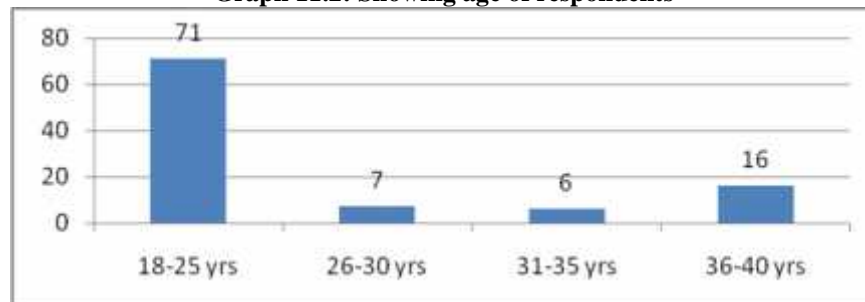
Interpretation: The graph shows majority of the respondents constitute to be male.

Table 11.2: Showing respondent's age

S. No	Respondents age	No. of respondents	Percentage
1	18-25 yrs	71	71%
2	26-30 yrs	07	7%
3	31-35 yrs	06	6%
4	36-40 yrs	16	16%
Total		100	100

Analysis: Majority of the respondents that is 18-25 yrs of age constitutes 71%, 16% of the respondents belongs to the age group of 36-40 yrs, 7% of respondents belongs to the age group of 26-30 yrs and 6% of the respondents belongs to the age group of 31-35 yrs.

Graph 11.2: Showing age of respondents



Interpretation: The graph shows majority of the respondents belong to the age group of 18-25 yrs and the next age group is 36-40 yrs.

Table 11.3: Showing Marital Status of Respondents

S. No	Respondents marital status	No. of respondents	Percentage
1	Single	76	76%
2	Married	24	24%
3	Separated/Divorced/Widow	0	0%
Total		100	100%

Analysis: 76% of the respondent's marital status is single and 24% of the respondent's marital status is married.

Graph 11.3: Showing the Marital Status of the Respondents



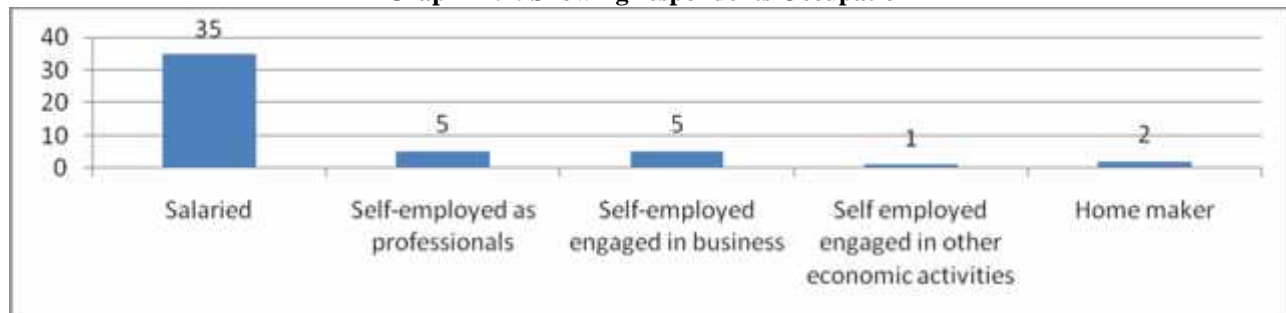
Interpretation: Majority of the respondents are single.

Table 11.4: Showing Respondents Occupation

S. No	Occupati on	No. of respondents	Percentage
1	Salaried	35	35%
2	Self-employed as professionals	05	5%
3	Self-employed engaged in business	05	5%
4	Self employed engaged in other economic activities	01	1%
5	Home maker	02	2%
6	Student	52	52%
TOTAL		100	100%

Analysis: 52% of the respondents are student, 35% of the respondents are salaried, 5% of the respondents are self employed as professionals, 5% of the self employed engaged in business, 2% of the respondents are Home maker, and 1% of the respondents are Self employed engaged in other economic activities.

Graph 11.4: Showing respondents Occupation



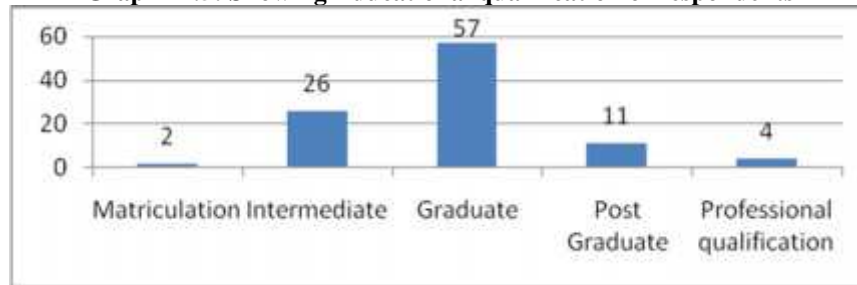
Interpretation: Majority of the respondents are salaried.

Table 11.5: Showing Educational qualification of respondents

S. No	Educational qualification	No. of respondents	Percentage
1	Matriculation	02	2%
2	Intermediate	26	26%
3	Graduate	57	57%
4	Post Graduate	11	11%
5	Professional qualification	04	4%
Total		100	100%

Analysis: 57% of the respondents are Graduate, 26% of the respondents are intermediate, 11% of the respondents are Post graduate, 4% of the respondents have Professional qualification and 2% of the respondents are Matriculation.

Graph 11.5: Showing Educational qualification of respondents



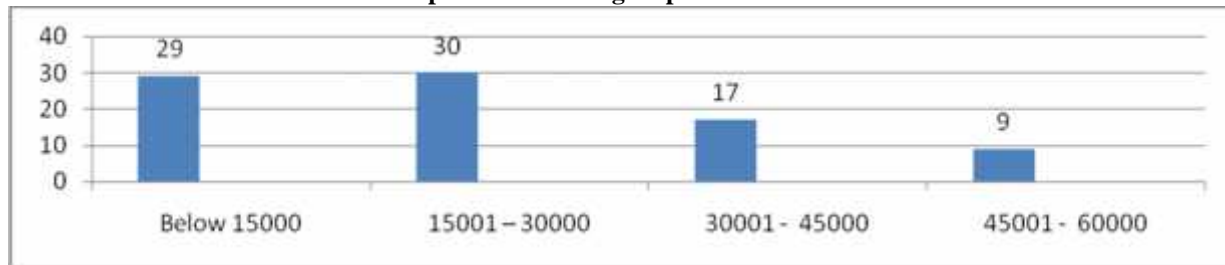
Interpretation: Majority of the respondents are graduate and second majority are intermediate.

Table 11.6: Showing Respondents Income

S. No	Monthly income	No. of respondents	Percentage
1	Below 15000	29	29%
2	15001 – 30000	30	30%
3	30001 - 45000	17	17%
4	45001 - 60000	09	09%
5	Above 60000	15	15%
Total		100	100

Analysis: 30% of the respondents falls in the income group 15001-30000, 29% of the respondents come under below 15000, 17% of the respondents comes under 30001-45000 income group, 15% of the respondents fall under Above 60000 income group and 9% of the respondents falls under 45001-60000 income group.

Graph 11.6: Showing respondents income



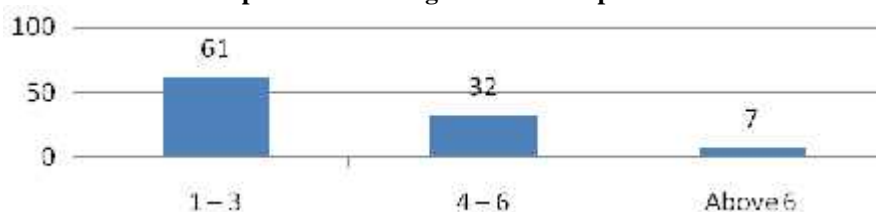
Interpretation: Majority of the respondents falls under the income group of 15001-30000.

Table 11.7: Showing number of dependents

S. No	No. of dependents	No. of respondents	Percentage
1	1 – 3	61	61%
2	4 – 6	32	32%
3	Above 6	07	07%
Total		100	100%

Analysis: 61% of the respondents have 1-3 dependents, 32% of the respondents have 4-6 dependents and 7% of the respondents have Above 6.

Graph 11.7: Showing number of dependents



Interpretation: Majority of the respondents have 1-3 dependents.

Linear Regression

H₀₁: Demographic factors 'does not influence' consumer preferences towards Indian and International retail branded apparel outlet.

H₀₂: The consumer preference in choosing an International branded retail apparel outlet rather than Indian retail branded apparel outlet is not influenced by any attributes.

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.229	2	.114	1.001	.371 ^a
	Residual	11.081	97	.114		
	Total	11.310	99			
a. Predictors: (Constant), Cloth fitting Indian Brand, Cloth fitting International Brand						
b. Dependent Variable: Gender						

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.393	.192		7.269	.000
	Cloth fitting International Brand	-.032	.038	-.086	-.849	.398
	Cloth fitting Indian Brand	-.035	.034	-.102	-1.004	.318
a. Dependent Variable: Gender						

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.089	2	.044	.072	.931 ^a
	Residual	59.701	97	.615		
	Total	59.790	99			
a. Predictors: (Constant), The clothes of all sizes are available in retail outlet Indian Brand, The clothes of all sizes are available in retail outlet International Brand						
b. Dependent Variable: Educational qualification						

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.089	2	.044	.072	.931 ^a
	Residual	59.701	97	.615		
	Total	59.790	99			
a. Predictors: (Constant), The clothes of all sizes are available in retail outlet Indian Brand, The clothes of all sizes are available in retail outlet International Brand						
b. Dependent Variable: Educational qualification						

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.876	.376		7.644	.000
	The clothes of all sizes are available in retail outlet International Brand	.029	.085	.037	.337	.737
	The clothes of all sizes are available in retail outlet Indian Brand	-.026	.089	-.033	-.296	.768
a. Dependent Variable: Educational qualification						

According to the above analysis the null hypothesis is rejected as Demographic variables has an impact on the cloth purchase preference of consumers on Indian and International retail branded apparel. The demographic variable influences the preference of consumer with regards to the purchase of Indian and International retail branded apparel.

11. Findings

- Majority of the respondents are male that is 57% and female constitutes 43%.
- Majority of the respondents that is 18-25 yrs of age constitutes 71%, 16% of the respondents belongs to the age group of 36-40 yrs, 7% of respondents belongs to the age group of 26-30 yrs and 6% of the respondents belongs to the age group of 31-35 yrs.
- 76% of the respondent's marital status is single and 24% of the respondent's marital status is married.
- 52% of the respondents are student, 35% of the respondents are salaried, 5% of the respondents are self employed as professionals, 5% of the self employed engaged in business, 2% of the respondents are Home maker, and 1% of the respondents are Self employed engaged in other economic activities.
- 57% of the respondents are Graduate, 26% of the respondents are intermediate, 11% of the respondents are Post graduate, 4% of the respondents have Professional qualification and 2% of the respondents are Matriculation.
- 30% of the respondents falls in the income group 15001-30000, 29% of the respondents come under below 15000, 17% of the respondents comes under 30001-45000 income group, 15% of the respondents fall under Above 60000 income group and 9% of the respondents falls under 45001-60000 income group.
- 61% of the respondents have 1-3 dependents, 32% of the respondents have 4-6 dependents and 7% of the respondents have Above 6.

12. Suggestion and Conclusion

Apparel industry is undergoing profound changes. The retail market has opened and the producer's control over the product market has increased. The challenge for the branded retail apparel outlet is to make the merchandise more appealing and attract the consumer through unique ambience. The Indian branded apparel retail outlets are suppose to have a huge paradigm shift due to invasion of International branded retail outlet. It is important to adapt international standard quality check for merchandise and service due to global scenario.

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