

A Study of Young Consumer Behaviour Towards Branded Apparel

(A Select Study of Delhi & NCR Region)

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Abstract - The purpose of this research paper is to deliberate upon the young consumer behaviour towards branded apparel in India which direct purchase frequency and expenditure spent on branded apparel based on demographic profile of the consumers of Delhi & NCR. The study is descriptive in nature evaluating whether young consumer buying behavior towards branded apparel is positive or not. The research shall involve gathering Primary as well as Secondary data. A structured questionnaire was formulated using likert scale, multiple grid, multiple choice questions administered to 200 young consumers (Age 20-34 Years) including both males and females varying from professional, businessman, student or job seekers. Samples were drawn through random and convenience sampling approach from different places of Delhi and NCR. The results were analysed based on demographic profile (work status, age, gender, education and income) which was the subject under study for this paper. Young people's marketplace is fast-moving and characterized by an increasingly sophisticated and brand-aware audience. What youth are thinking and doing offers ideas, insights and information on key issues across the whole youth market, from the initial stages to kids, tweenies, teenagers and young people up to the age of 34. It offers a depth and breadth of knowledge and valuable data that is unobtainable elsewhere. In this competitive era marketer must be fully aware about the customer what are they expecting from a brand, factors which push them to purchase a particular brand, their total outlay, shopping frequency etc to attain a competitive edge. This vital information can help the companies in better understanding customer needs & deliver them the products. Given the consumer's different and distinct personality traits in different location, the marketer should be able to identify these differences and its influence on the consumer buying behavior. The results show that both males and females have positive attitude towards buying of branded apparel. The major reason for buying branded apparel being want/desire, followed by need, social status and gifting purpose. Most of the consumers did not buy due to financial constraint which shows income level plays a significant role in deciding purchase of branded apparel. Family plays vital role followed by friends and peer group, also, young consumers are dynamic and keep experimenting with new brands, this shows their zeal to try new and different apparel brand. Majority of consumers in study who were students depend on parental income for making purchases, thus family plays crucial role which was also evident from the study. Thus, marketer's should devise attractive consumer strategies to bring more loyalty towards their brands in young consumers to avoid brand shifting.

Keywords: Branded Apparel, Brand awareness, Brand Loyalty, Consumer Behaviour.

I. INTRODUCTION

According to American Marketing Association, consumer behaviour can be defined as "the dynamic interaction of affect and cognition, behaviour, and environmental events by which human beings conduct the exchange aspects of their lives."

In a layman's language consumer behaviour deals with the buying behaviour of individuals. Consumer behaviour refers to the study of buying tendencies of consumers. An individual who goes for shopping does not necessarily end up buying products. For example: During festivals and occasions, the buying tendencies of consumers increase as compared to other months. In the same way during valentine week, individuals are often seen purchasing gifts for their partners.

Among the fastest growing industries in the world today is the fashion industry. Change is something that has remained constant in the fashion industry since time immemorial. The fashion industry in India currently is considered dynamic. Over the last few decades the fashion industry in India is experiencing a boom due to the ever increasing fashion consciousness among Indians. Be it the middle aged home maker, the funky college kid or the top notch everyone seems to have developed a fashion sense which is distinct and classy.

Besides, greater variety, arrival of new trends, and fashion consciousness are also fueling the demand for branded products in metropolitan and suburbs of India. According to a recent report published by RNCOS, the sales of branded apparels in India are expected to increase by 24% in the next few months. The shift from purchasing garments from unorganized to organized sectors is largely due to the influx of a number of exclusive retail outlets. This report has been collated talking into concern factors such as in depth analysis of consumer behavior, disposable income, retail format, foreign brands, and multi-brand stores. Top men clothing brands in India are:

1. Allen Solly 2. Arrow 3. Wrangler 4. Madura garments 5. Raymond apparel ltd 6. Pantaloon retail (India) ltd 7. Levi Strauss & co.

Apparels are a major part of fashion throughout the world. Indians really believe in the famous saying "clothes make a man". A person more often than not is judged by the way he/she is dressed. Apparels define the personality of a human being. It talks a lot about his/her education, personality and way of thinking. It is said that it is the massive Indian fashion consuming class that will set the global fashion industry in the next few years.

The boom in the Indian apparel industry is mainly due to factors like, rising incomes levels of Indians, liberal trade policies adopted by the government, and flexible investment policies on the apparel industry. Today most of the international brands have found their way into some of the best malls in the country. Brands like Mango, Armani and Diesel were unheard off in India till a few years back but today these brands are found in almost all Indian cities.

It is said that in the last ten years the fashion industry in India has moved from a very nascent stage to a full fledged booming industry. The value of the apparel market in India is estimated at around 20,000 crore. The branded apparel market's size is 5,000 crore which is a quarter of the total share. The apparel market in India is categorized into branded and non branded. The Top Apparel Brands in India are Madura Garments, Arvind Mills, Provogue Zodiac Clothing and Raymonds.

Apart from these brands India over the years has given birth to some of the finest designers who have become famous brands not only in the country but in the world. The introduction of a number of designers in the fashion industry has given a further boost to the Indian fashion industry. According to recent research conducted by the (FDCI) Fashion Design Council of India apparels created by designers in India is going to play a major role in the growth of the apparel industry in the next few years. Currently the Indian fashion designer industry stands at 180 crore and is expected to grow to 1,000 crore within the next decade.

II. LITERATURE REVIEW

Clothing is to form an integral part in the enactment of social encounters and also seen as a very important channel of non-verbal communication (noesjirwan & crawford, 1982). Clothing issued as a code, which allows messages to create an understanding, selectively (auty & elliott, 1998). They also define that opinions of brand users have difference for identical brands within a product category. One of the major components of brand knowledge is brand awareness, which is taken as the ability of a potential buyer to recognize or recall that a brand is a member of a certain product category (rossiter & percy, 1987 and aaker, 1991).

It is created by an increase in the acquaintance of the brands through repeated exposure, strong associations and consumption cues (keller, 2003). Brand knowledge defined as brand information that relates with the brand stored in a consumer memory. Brand knowledge can be categorized in two aspects: brand awareness and brand image (keller, 2004). Brand awareness is the strength of brand which is reflected by the identification of that brand under several conditions. It is a combination of recognition and recall performance. Brand image is consumers' perception about the brand. Thus, a consumer's decision to buy a product or service is the result of interplay of many forces or stimuli (kotler & armstrong, 2006). While other studies conducted on consumer behaviour can be cited as, Anderson & stephen, 1963; lichtenstein et al., 1993; auty & elliott, 1998; robertson, 2000; kim et al., 2002; grundey, 2006 and jairam, 2009. But there are not enough studies which considered location issue in respect of consumer attitude and branded apparels existing in fashion industry, except few.

III. NEED TO STUDY BEHAVIOUR OF YOUNG CONSUMERS TOWARDS BRANDED CLOTHES

Answer is that no long can we take our customers for granted. Market research is often needed to ensure that; we produce what customers really want; and not what we want. Study of consumer behaviour will help marketers in understanding behaviour of consumers towards branded apparel. Over the last few decades the fashion industry in India is experiencing a boom due to the ever increasing fashion consciousness among Indians. Following the entry of several new brands, the branded segment has grown at 25% annually. This represents a shift from unbranded to the branded segment which is mainly due to factors like, rising incomes levels of Indians, changing demographics, improvements in standard of living and increasing brand consciousness especially for young consumers in Delhi and NCR.

As members of a highly consumption-oriented society, teenagers have become increasingly aware of new products and brands. They are natural "triers" and spend hours shopping for themselves. In addition to their direct impact on the marketplace, youths have a secondary influence on many of the products and brands their parents choose. For example, research reveals that three out of four teens influence their parents' purchasing decisions. For major purchases, teens' highest influence occurs in the first stage of the decision-making process and is strongest for aesthetic considerations such as style, colour, and make of the product but weakest for decisions such as where and when to purchase and how much money to spend.

Teenagers often spend hours shopping, especially on weekends. The fact that they are doing more shopping may result in their spending more money in stores they go to. In addition, youths often have a great deal of authority in

store-selection decisions, which means that stores must attract them with an effective appeal. Although the popular belief is that young people buy products impulsively and are less rational than the market as a whole.

With the large growth in the number of families of two working parents, youths are doing more of the food shopping and other shopping for parents. For example, one study found that 80 percent of teenagers were "heavily involved" in family food shopping. How do youths spend their incomes? Both female and male teenagers spend most of their money on clothes, CD's, stereo equipment, entertainment, and travel. Young women spend most on cosmetics, followed by clothes and jewellery. Young men spend the most on sporting goods, cameras, CD's, stereo equipment, bicycles, shoes, jeans, musical instruments, and electronic games.

During the process of making their buying decision, to what extent are teens influenced by parents, friends, sales clerks, media, or other sources? For many product decisions, friends are the most significant influence. Nevertheless, parents are still an important factor affecting many buying decisions. The important point is that although peer pressure is quite strong, family influences are also significant. Thus, the marketer should know which group, parents or peers, has the most influence at any given time so they can plan their marketing strategies properly.

Another factor emphasizing the market importance of the youth is that this is the time when brand loyalties may be formed that could last well into adulthood. For example, a brand-loyalty study done by seventeen magazine found that at least 30 percent of adult women were using the same brands they first chose as teenagers. Translated into total market figures, the findings would mean, for instance, that 6,760,000 women still are using the same brand of cosmetics and 8,900,000 still are eating the same kind of packaged cheese that they first bought.

IV. BRANDED APPAREL INDUSTRY

If being fashionable or up to date with fashion has become the order of the day it is not only because of the ladies. Men who were not very dress conscious till a few decades back have suddenly become fashion conscious. Gone are the days of purchasing material and having it stitched from tailors. Today readymade garments have made their way into almost every male wardrobe. With the increasing fashion trends in the global scenario Indian men are also becoming increasingly stylish. Indian is home to numerous top men clothing brands that are both domestic and international.

Till a few years back the international men clothing brands did not think India to be a very prospective market. But over the years with the increase in the fashion consciousness among men in India forced the top

international men clothing brands to step into India. According to a report presented by an apparel manufacturing company currently the Indian men apparel industry is growing at a rapid rate of 14.90% annually.

The Indian rural market has played a major role in the boom of the men apparel industry in India. Due to the continuous changing perceptions of the youth regarding clothing in India most of the top retail giants and apparel manufacturers expect India to become one of the major drivers of the men apparel industry globally. The report has identified that gradual shifting of retail format in India from unorganized to organized sector and opening of exclusive discounted stores are resulting in high penetration of branded garments.

As fast fashion brands expand and online shopping gains momentum, the branded garments segment will grow to 48% of the overall readymade garments segment in 2019, from 35% in 2014, said a report from Edelweiss Broking Ltd on Tuesday. However, the pace of growth is expected to be moderate—from a compound annual growth rate (CAGR) of 15% between 2009 and 2014 to 10-12% between 2014 and 2019, said the report.

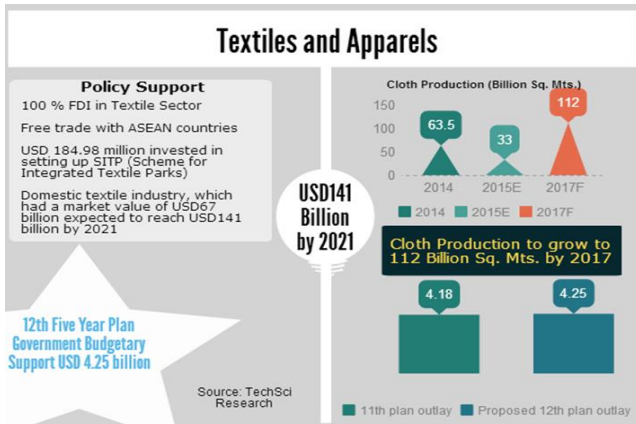
The moderation in growth will be seen across menswear and womenswear, it added. The men's apparel segment clocked an annual growth rate of 10% over 2010-2015 and is estimated to post 8% by 2020, growing from \$13 billion currently to \$19 billion. The women's apparel segment, which clocked a 9.5% CAGR over 2010-2015, is expected to post an 8.5% CAGR by 2020.

The readymade garments market is estimated at \$45 billion, of which the domestic market is around \$27 billion, while exports stand at \$18 billion. The Indian branded apparel industry is estimated to be \$10 billion in size and growing at 10-12% per annum, said the report. Between 2010-2011 and 2015-16, modern retail's share has increased from 7% to 16% and this is set to grow to 37% of the overall retail trade by 2021.

Even the online retailing market is expected to grow to \$44 billion by 2018 from \$13 billion in 2014, with apparel being one of the biggest beneficiaries, accounting for 31% of online retail. In the branded apparel segment, Madura Fashion and Lifestyle, a unit of Aditya Birla Group company Aditya Birla Nuvo Ltd, is the largest company, accounting for 40% of the revenue pool and 45% of the operating profit pool for 2014-15.

The other prominent trend for a boost to the branded apparel segment are changing consumer preferences, along with 'fast fashion'. Many new trends are apparent. For instance, the rising demand for readymade garments is replacing stitching of clothes. Also, price sensitivity has been replaced by quality, brand recall and aesthetics, said Khattar. A younger and fashion-conscious population,

higher comfort level in Western wear, entry of foreign brands and higher penetration of organised retailing are driving a preference for casual Western wear. The Indian middle class, traditionally less fashion and brand conscious, has become fashion savvy and developed strong brand loyalties.



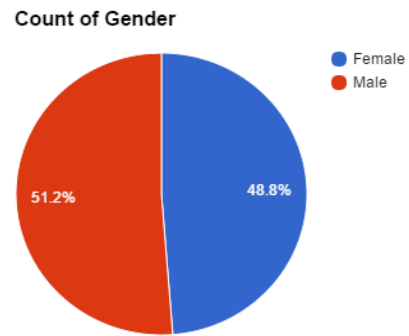
And, fast fashion, which implies quickly capturing the latest fashion and catwalk trends, replicating these in a retail format, has caught the fancy of consumers as well. “Fast fashion requires an efficient supply chain and quick & inexpensive designing and manufacturing. This philosophy of quick and outsourced manufacturing, replicating the latest designs at affordable prices, with a short shelf life, is used by some of the biggest and most successful international apparel brands such as H&M and Zara. As new products are launched every week, existing products have a short shelf life, inducing shoppers to visit stores often, generating higher volumes. As the inventory is fast moving, the need to discount products to clear out stock is low, keeping margins stable,” the report observes.

V. LIMITATIONS OF STUDY

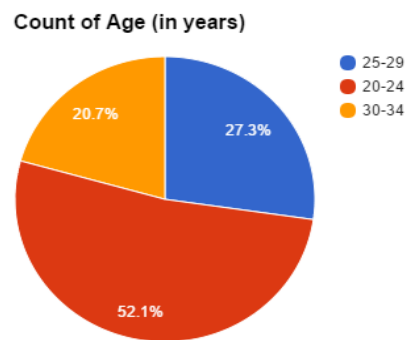
1. Study is restricted to Delhi and NCR
2. Response of respondents can be biased and subjective
3. Many respondents were not vocal in sharing their actual views
4. Due to time constraints the sample size was kept small and view of majority were not taken.

VI. DATA ANALYSIS AND CONCLUSION

1. Gender
2. Observation: The percentage responses received were 51.2% males and 48.8% females.
3. Conclusion: Shows that the analysis is representative of both the genders as their is insignificant difference in percentage of responses received.



4. Age

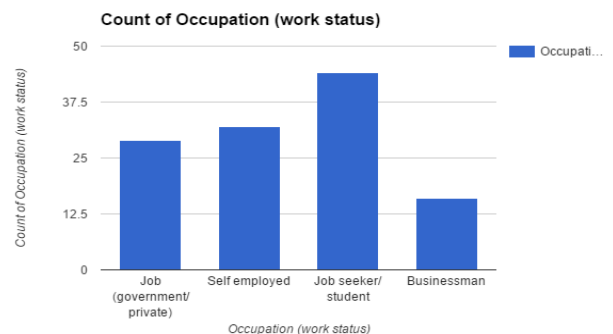


Observation: The results show that maximum response was received from age group 20-24 which is almost double the responses received from other age groups.

Conclusion: Shows young consumers especially age group 20-24 respond fast and quick as compared to other age groups. The consumers in age group are more dynamic and keep experimenting. They are mostly students or job seekers who are dependent on parental income for spending thus, family plays vital role in influencing their purchase behaviour.

5. Work Status

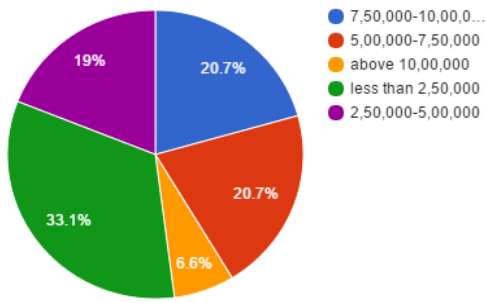
Observation: The majority of respondents were in the age group 20-24, who are either students or job seeker.



Conclusion: They depend on family for making purchase decision.

6. Income

Count of Annual Income (in rupees). If, dependent, then include family income

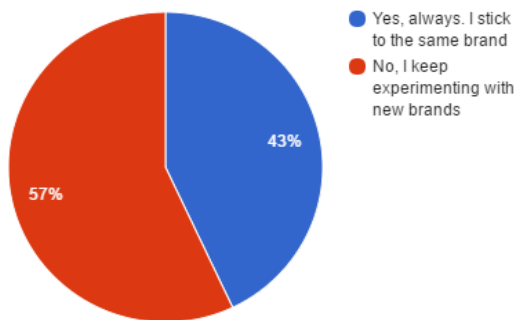


Observation: The number of consumers in study in income bracket above 10 lacs was only 6.6% and 33.1% in income less than 2,50,000.

Conclusion: Majority of consumers were students or job seekers as per above results due to which they don't have their own source of income.

7. Are customers loyal to the brand they buy

Count of Are you a loyal customer for the brands you buy?



Observation: The responses shows 43 % respondents agree to buy the same apparel brand and 57% believe in experimenting with new ones.

Conclusion: Since the majority of consumers believe in experimenting which possess a major challenge for the marketer to ensure brand loyalty of young consumers. He needs to devise attractive strategies to avoid brand shifting ranging from attractive pricing, to exclusive designs and more variety.

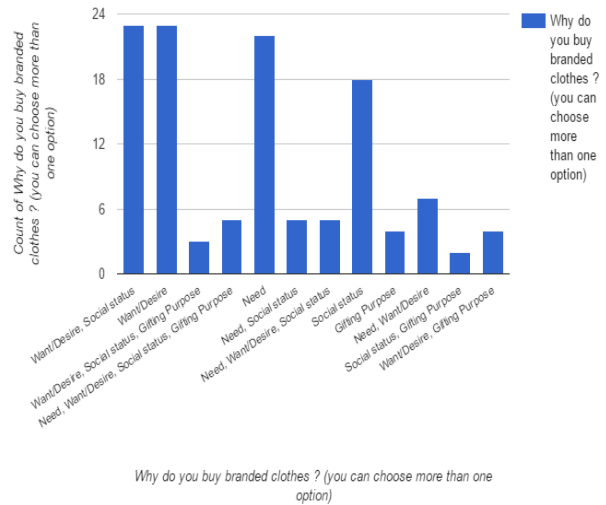
8. Why consumers buy branded clothes

Observation: Response shows wants and social status were the prime factors together for buying branded clothes. Followed by need and gifting purpose which was minimum.

Conclusion: Young consumers mostly spend for self consumption to satisfy their wants and desires and for social status in the society. Shows that young consumers have become more conscious about their looks and how they carry themselves in the society. Followed by need as

they move up in the crowd which necessitates them to buy branded clothes.

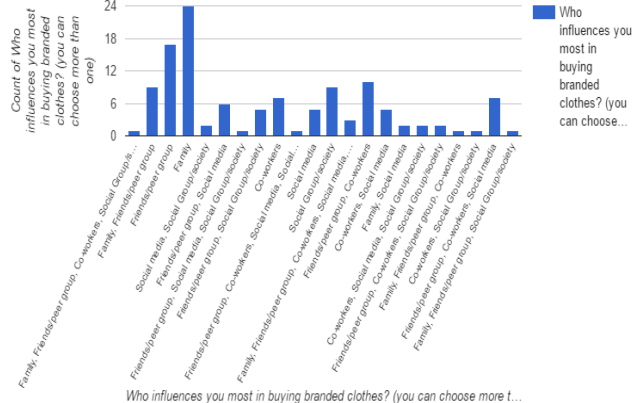
Count of Why do you buy branded clothes ? (you can choose more than one option)



9. Who influences you the most in buying branded clothes

Observation: The results shows family has maximum influence on buying behaviour, followed by friends, social group, co-workers and least affected by social media like advertising, campaigning, etc.

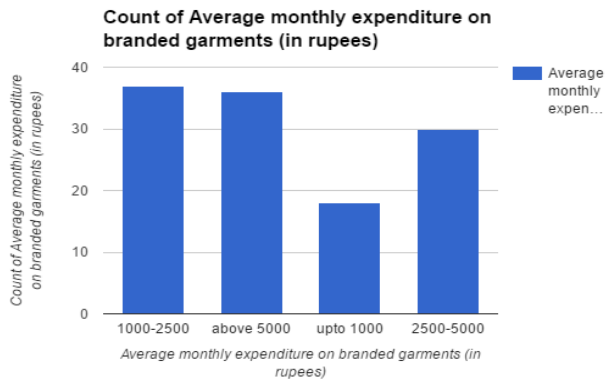
Count of Who influences you most in buying branded clothes? (you can choose more than one)



Conclusion: Family plays an important role shows that choice and preference of brands comes from relatives and parents, majorly because the respondents here were job seekers or students who were dependent on parental income for buying branded clothes. Then are the friends and social group or society to which we belong affects our buying behaviour towards brands. The least influenced by social media, shows that marketers need to devise attractive media tools to attract more young consumers towards brands or either stop wasting money on social media if it's ineffective in attracting young consumers. Thus, word of mouth publicity by family, friends plays much stronger role in deciding purchase behaviour as against social media like facebook, online shopping websites. It is again because

respondents here depend mostly on family income for spending or either they are backed by poor purchasing power.

10. Monthly Expenditure



Observation: The response shows that majority of respondents spend on an average above 1000 rupees per month on branded apparel. There are very few consumers who spend less than 1000 rupees per month on brands.

Results: Young consumers spend a significant portion of their income on brands, despite low income, which shows great scope for marketers who sell branded apparel. This is the growing sector as today's young consumers have become conscious about how they look. This ratio of income and amount spent on branded clothes makes it clear that young consumers market is having huge potential for growth for marketers.

11. Reason for not buying branded apparel

Observation: The major reason for not buying branded apparel is income constraint.



Conclusion: Since majority of respondents were either job seekers or students so they had financial constraint or no income for buying branded clothes. Branded apparel are linked to social status and prestige, these products are sold expensive as compared to local products. Thus people who are from high income group can afford it. Income constraint becomes the barrier for not buying branded clothes. There

are premium brands like Armani, Gucci, Fendi which people want to buy but, due to their high price and income constraint of the consumer it is out of their reach. However, if compared to percentage of income, then young consumers spend a huge percentage of their income on branded apparel. So, marketer must keep the price affordable so that even a consumer who has limited income source can buy it.

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