

Consumers Decision-Making Behavior towards Buying New Product in India

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Abstract

This paper explores young Indian consumers' decision-making behavior towards casual wear purchase in Uttar Pradesh. Specifically, it offers empirical results on the relationship between consumers' decision-making styles and clothing choice criteria towards buying casual wear. The Consumer Style Inventory (CSI), developed by Spores and Kendall (1986) for examining different consumer decision-making styles, was adapted in this study. A questionnaire survey was employed as the tool to collect primary data and the research instrument was administered to 161 University students in Lucknow, Kanpur and Gorakhpur in the Uttar Pradesh. Tin; results show that six decision-making styles (recreational and hedonistic consciousness, perfectionism consciousness, confused by over choice, habitual and brand loyalty, price and value consciousness, and brand and fashion consciousness) were found in the Uttar Pradesh.

Keywords: Decision-making behavior, Brand loyalty, Fashion, Price, Value, WTO, Choice, Recreational, Relationship, Buying Behaviour.

Introduction

Indian acceded to the World Trade Organization (WTO), and became one of the founder member. With the gradual removal of market access restrictions and the liberalization on the regulations of foreign investment in the apparel retailing sector that linked with WTO membership obligations, more and more foreign apparel retailers will be able to gain market entry into India, The youth market segment is believed to be one with good potential and a profitable market for them. The India apparel retail market is expected to become very competitive when no restriction on market access in equity, geographic area, number and form of establishment is imposed on foreign investors in 2005

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(HKTDC,2001a,HKTDC, 2001b) In view of the keen competition in the future apparel market in India, having a better understanding of fashion consumer buying behavior, especially decision-making behavior, and the critical evaluative criteria in apparel buying, will assist marketers to compete in this market.

In the past, investigations on consumer decision-making issues were mainly focused on the decision-making process. However, Bettman (1979) argues that consumers may sometimes typically rely on simple strategies, rather than going through a series of steps or processes rationally when they made purchase decisions. They may simply emphasize or analyze some typical dimensions or characteristics that are obvious and being conscious of (Sproles, 1985). In this regard, Sproles and Kendall (1986) pioneered to investigate consumer decision-making processes by profiling consumers into different decision-making styles. Such styles have recently been found to be highly correlated with some product characteristics (i.e. price, country of origin and brand) in Wickliffe's (1998) study. Since apparel's product attributes or critical characteristics can always determine its ultimate purchase acceptance or rejection by consumers (Sproles, 1979), they are often postulated by researchers as an important factor to be considered in the investigation of fashion consumers' buying behavior. However, the research into these evaluative criteria in connection with consumer decision-making styles in apparel buying in Uttar Pradesh is lacking. In order to enable international apparel marketers to better understand the behavior of Uttar Pradesh customers and to further sustain competitiveness in the marketplace, the purpose of this research is to explore the relationship between consumers' decision-making styles and clothing choice criteria towards casual wear purchase for young consumers in Uttar Pradesh.

Consumer Decision-Making Styles

Consumer decision-making styles are patterned, mental and cognitive orientations that consistently dominate a consumer's approach in making purchase choices (Sproles, 1985, Spores and Kendall, 1986). To conceptualize these styles, a model which composed of eight mental orientations ("perfectionism consciousness", "brand consciousness", "novelty and fashion consciousness", "recreational and hedonistic shopping consciousness", "price and value consciousness", "impulsive and careless consumer", "confused by over choice consumer" and "habitual and brand loyal consumer") of consumer decision-making behavior was established by Spores and Kendall (1986). In addition to the eight-factor consumer decision-making orientation model, the Consumer Style Inventory (CSI) which is used to measure consumer decision-making styles has also been developed on the basis of a sample of United States (U.S.) youngsters. This instrument has been applied to different cultures

in eight different countries, including the U.S. (Sproles, 1985, Sproles and Kendall, 1986, Lysonski et al., 1996), South Korea (Hafstorm et al., 1992), New Zealand (Durvasula et al., 1993, Lysonski et al., 1996), Greece, India (Lysonski et al., 1996), United Kingdom (Mitchell and Bates, 1998), China (Fan and Xiao, 1998, Hui et al., 1999, Hui et al., 2000) and Germany (Walsh et al., 2001).

There were eight orientations, same as Sproles (1986) findings, identified in Durvasula's (1993) research by using 210 university student samples in New Zealand. However, the factor of "price and value consciousness" was not found in Lysonski's (1996) New Zealand study. Lysonski (1996) identified three consumer decision-making orientations ("brand consciousness", "novelty-fashion consciousness" and "habitual and brand loyalty") are commonly found in two developed countries (USA and New Zealand) and two developing countries (Greece and India). In the study, the influences of the market environment, in particular the economic environment and market structure on consumer decision-making styles were suggested. Mitchell (1998) and Walsh (2001) had also applied the CSI in his study in the UK and German consumers respectively. Mitchell (1998) suggested that two additional styles ("Time-energy conserving" and "store loyal consumers"), in addition to Sproles's (1986) eight styles structure were identified with UK consumers, while only six out of these eight styles were identified in the study for Germans. They were "brand consciousness", "perfectionism", "recreation and hedonism consciousness", "confused by over choice", "careless and impulsiveness", and "novelty-fashion consciousness". In addition to these, "variety seeking" was a novel styles that found in Walsh's (2001) Germany study.

In addition to the studies conducted in the western countries, the CSI has also been administered to the consumers of South Uttar Pradesh. However, only five styles were found in South Uttar Pradesh and varied results were shown in Fan's (1998) and Hui's (1999 & 2000) studies on Uttar Pradesh consumers. In Hui's first study, student samples were used while adult samples were employed in the other studies. As all the studies on Uttar Pradesh consumers were conducted in Gorakhpur, the results can only be representative in the Southern part of Uttar Pradesh. Realizing that the consumers' clothing buying behaviour in Southern and Northern Uttar Pradesh are very different (HKTDC, 1999), a study to be conducted in different parts of Uttar Pradesh is desired. In light of the limitations in the previous studies, this study attempts to fill the gap by studying Uttar Pradesh consumers' decision-making styles in three different cities, including Lucknow, Kanpur and Gorakhpur.

1. Clothing Choice Criteria

Clothing choice criteria are defined as the intrinsic (inherent to the product) and extrinsic (product-related, but not part of the physical product) product attributes that associated with desired benefits or incurred costs as consumers make buying decision among clothing alternatives (Davis, 1985, Hatch and Roberts, 1985, Eckman et al, 1990, Hawkins et al., 1995, Forney et al., 1999). Intrinsic product attributes are those that cannot be changed without altering the physical characteristics of the product, while extrinsic ones are those that are exerted by manufacturers or retailers and do not form the component parts of the product. Different criteria may have varied importance in every consumer's mind. While consumers would assign high importance on the criteria that can really reflect their underlying characteristics and experiences. Since the critical characteristics of apparel can always determine its ultimate purchase acceptance or rejection by consumers (Sproles, 1979), the criteria that consumers use in clothing purchase decisions have long been regarded as an important issue for investigation in many previous consumer behavioral studies. Researchers have identified many product attributes and criteria that are critical for fashion consumers in clothing purchase, and basically all these can be summarized under intrinsic and extrinsic categories. Eckman et al. (1990) have summarized the criteria that influence consumers' evaluation of apparel products in 21 clothing related studies from 1971 to 1988 into 35 extrinsic and 52 intrinsic attributes (Table 1).

Table 1
Summary of Findings from 21 Studies of Clothing Choice Criteria

Extrinsic criteria	Extrinsic criteria
Price	Product composition
Brand	Style
Country of origin	Color / Design
Store; Store image	Fabric
Coordination with wardrobe	Appearance
Salesperson's evaluation	Fiber content
Department in store	Product performance
Approval of others	Care
Warranty	Fit / Sizing
	Durability
	Comfort
	Safety
	Color fastness
	Quality
	Construction / Workmanship
	Physical
	Fabric
	Sex appropriateness

In addition, some researchers also tried to investigate the importance of these attributes perceived by consumers in the same culture. In Zhang et al. (2002) study, the perceived importance on fifteen clothing product attributes, including fit, comfort, style, colour, workmanship, price, permeability, fabric softness, trendiness, durability, easy care, brand, fiber content, warmth and fabric thickness of Uttar Pradesh consumers were investigated by using 3,534 Uttar Pradesh samples in six cities of Uttar Pradesh (Rampur, Raebareli, Kanpur, Lucknow, Gorakhpur and Bareilly). Results found that fit, comfort, style, colour and workmanship were the most important attributes for Uttar Pradesh consumers in buying casual wears. Although there are many studies having investigated the clothing choice criteria, investigation on the relationship between these criteria and consumer decision-making behavior is still lacking. Thus, the aim of this study is to explore the relationship among them using the Uttar Pradesh Lucknow, Kanpur and Gorakhpur.

Methodology

Questionnaire survey was employed as the tool to collect primary information of consumers' decision-making styles and clothing choice criteria in Lucknow, Kanpur and Gorakhpur. A structured questionnaire which consists of 4 sections (general casual wear purchase behaviour, clothing choice criteria, consumer decision-making styles and personal information) was used as the data collection instrument in the survey. The first part included 7 questions concerning consumers' general buying behaviour towards casual wear; the second part contained 20 questions relating to clothing choice criteria; the third part comprised 38 questions which were adapted from the Sproles and Kendall's (1986) Consumer Style Inventory; and the last section consisted of 8 questions regarding the demographic characteristics of the respondents, such as age, gender, monthly personal and household income, number of sibling, birth order, residence city and length of residence in the city. The questionnaire was drafted in versions of English, traditional and simplified Hindi for easy comprehension.

Questionnaires were distributed to 180 male and female University students in Lucknow, Kanpur and Gorakhpur and 161 usable questionnaires were obtained during the academic semester (September to November 2012) to ensure time comparability. Before carrying out the fieldwork survey, a pilot test was conducted with 25 subjects in these cities in order to pretest the format and suitability of questions as set out in the questionnaire.

Analysis on young Indian consumers' Decision-Making Styles

Confirmatory Factor Analysis (CFA) was first performed with AMOS program for

testing the applicability and appropriateness of Sproles and Kendall’s 8-factor structured consumer decision-making style model in the current study. The results of the CFA disconfirmed the original structure of Sproles and Kendall’s model, as Goodness of Fit Index (GFI), Adjusted Goodness of Fit Index (AGFI), Root Mean Square Residual (RMR) and Comparative Fit Index (CFI) were all fall out of their critical values (Table 2). This indicated that there was a bad fit between the original 8 factors structured model and the data.

Table 2
Global Goodness of Fit Indices of Sproles and
Kendall’s 8-factored Consumer Decision-making Style Model

Fit indicators	Critical value	Results
Goodness of fit index (GFI)	> 0.9	0.683
Adjusted goodness of fit index (AGFI)	> 0.9	0.631
Root mean square residual (RMR)	< 0.05	0.125
Comparative fit index (CFI)	> 0.9	0.670

{Source: Eckman, M., Damhorst, M.L. and Kadolph, S.J. (1990) “Toward a model of the in-store purchase decision process: consumer use of criteria for evaluating women’s apparel”, *Clothing and Textiles Research Journal*, Vol. 8 (2), pp. 13-22)

Following the disconfirmation of Sproles and Kendall’s model structure, a principal component factor analysis with Varian rotations was then used to explore a new set of variables in consumer decision-making styles that would better fit the Uttar Pradesh data. The initial factor analysis resulted in six factors, accounting for 53.8% of the total variance. In order to arrive at a more meaningful and interpretable factor structure, 13 items which had factor loadings lower than 0.4 and high cross-loading on other factors were screened out (Chen et al., 2002). The remaining 25 items were subject to further factor analysis, and a six-factor solution which accounted for 65.3% of the total variance was obtained (Table 3). Among these six factors, five factors were found in line with the factors of Sproles and Kendall’s model, including perfectionism consciousness, recreational and hedonistic shopping consciousness, price and value consciousness, confused by over choice consumer, and habitual and brand loyal consumer. Brand consciousness and novelty and fashion consciousness which are found in Sproles and Kendall’s study were combined to form a new factor named “brand and fashion consciousness” in this study. Consumers with this style are more likely to purchase expensive international clothing brands and fashionable clothes.

In order to test the reliability of the items in each of these six factors, combat alpha

reliability tests were also conducted. The bench alpha for these six factors (0.78, 0.90, 0.62, 0.80, 0.80 and 0.82 respectively) were all higher than 0.6 and better than the result found in Sproles and Kendall's study.

Relationships between Consumer Decision-Making Styles and Clothing Choice Criteria

Exploratory factor analysis was first employed for testing the underlying structure of the twenty clothing choice criteria selected in this study, including adaptability to different occasions, brand, colour, colorfastness, comfort, country of origin, durability, easy for care, enhancement of self image, fashion ability, fibre content, fit, price, rarity, sex appropriateness, store image, style, uniqueness, ventilation and workmanship. The initial factor analysis resulted in five factors, accounting for 56.9% of the total variance. Four items (adaptability to different occasions, enhancement of self image, fibre content and workmanship) which had factor loadings lower than 0.4 and high cross-loading on other factors were deleted (Chen et al., 2002). The final retained 16 items were further analyzed, and a five-factor solution accounting for 61.5% of the total variance was obtained (Table 4). After inspecting and examining the items in each factor, different names were assigned to these five factors. They are product and self image related criteria, style and quality related criteria, durability and easy care, fit and sex appropriateness, and price.

Table 3
Factor Loadings of the 6-factor
Structure Consumer Decision-making Style Model

Item	Recreational & hedonistic	Brand & fashion	Perfectionism	Habitual & brand loyal	Confused by over choice	Price & value
I usually shop different brands to source a variety of choices when buying casual wears	0.59					
It is fun to buy new casual wears	0.78					
Buying casual wears is a pleasant activity for me	0.88					
I enjoy shopping casual wear	0.87					
Shopping is fun	0.86					
I usually purchase casual wears from reputable international clothing brands		0.76				

I usually purchase more expensive clothing brands		0.78				
The higher the price, the higher the quality of the casual wears		0.71				
Up-market department and specialty stores offer me the best casual wears		0.71				
The most well-known and advertised clothing brands are usually good choices to purchase casual wears		0.70				
I usually have one or more casual wears of the very newest or trendy styles		0.49				
Fashionable styling is very important to me		0.46				
Casual wears with the best quality are usually my choice			0.56			
When I want to buy casual wears, I try to get the best or perfect choice			0.69			
I consider a purchase of casual wears with much thoughts and care			0.68			
I use much time and effort to buy the best quality casual wears			0.75			
My standards and expectations on the quality of the casual wears I bought are very high			0.75			
I have favourite clothing brands that I buy for casual wears over and over				0.85		
I tend to stick to the clothing brands I like for buying casual wears				0.79		
I always go to the same store/stores to shop casual wears				0.79		
I often feel confused because there are many clothing brands to choose when buying casual wears					0.83	
The more clothing product information I learn, the harder it seems to choose the best					0.78	
It always confuses me when I have much information on different brands' casual wears					0.86	
I look carefully to find the casual wears with the best value for money						0.75
I carefully calculate how much I spend in shopping casual wears						0.82

Notes: Only factor loading of 0.4 or above are reported for the exploratory factor analysis.

Table 4
Factor Loadings of the 5-factor Structure Clothing Choice Criteria Model

Item	Product & self image related criteria	Style & quality related criteria	Durability and easy care	Fit and sex appropriate -ness	Price & value
Rarity	0.74				
Fashionability	0.71				
Uniqueness	0.69				
Store image	0.64				
Brand	0.62				
Country of origin	0.57				
Colour		0.71			
Colourfastness		0.61			
Comfort		0.60			
Ventilation		0.57			
Style		0.54			
Easy for care			0.86		
Durability			0.85		
Sex appropriateness				0.82	
Fit				0.62	
Price					0.84

In order to investigate the relationships between consumer decision-making styles and clothing choice criteria, multiple regression analysis with enter method was used. Empirical results are exhibited in Table 5. Collinearity tolerance in all the multiple regressions is quite high (larger than 0.9), indicating little concern for collinearity.

Table 5
Multiple Regression Results

Independent Variables	Standardized Coefficients (8)					
	Recreational & hedonistic shopping consciousness	Brand & fashion consciousness	Perfectionism consciousness	Habitual & brand loyal	Confused by over choice	Price & value consciousness
Product & self image related criteria	0.38*	0.47*	0.08	qiy***	-0.011	-0.03
Style & quality related criteria	0.21**	-0.14***	0.14****	0.18***	-0.021	0.12
Durability and easy care	0.10	-0.03	0.07	0.08	0.07	-0.05
Fit and sex appropriateness	0.04	0.04	-0.07	-0.06	0.1	0.06
Price	-0.15***	-0.06	0.09	0.23**	0.04	0.16***
R2	0.22	0.25	0.04	0.12	0.02	0.05
F value	8.89*	10.30*	1.37	4.22*	0.57	1.48

*Significant at the 0.001 level * Significant at the 0.01 level*

****Significant at the 0.05 level*

***Significant at the 0.1 level*

“Product and self image related criteria” and “Style and quality related criteria” both found to have positive affect on the “Recreational & hedonistic shopping consciousness”, “Brand & fashion consciousness” and “Habitual & brand loyal” orientations. “Style and quality related criteria” also negatively affects “Brand & fashion consciousness”. “Price” criteria is found to have negative impact on “Recreational & hedonistic shopping consciousness”, while it positively influences “Price & value consciousness” and “Habitual & brand loyal” orientations. No significant relationship was found between the remaining two clothing choice criteria factors (“durability and easy care” and “fit and sex appropriateness”) and consumer decision making styles.

Conclusion

This study has adapted the Consumer-Style-Inventory developed by Sproles and Kendall (1986), and identified a revised six-factor model to fit with the consumer decision-

making styles of the mainland Uttar Pradesh samples. Among these six variables, five factors of the Sproles and Kendall model were confirmed (recreational and hedonistic consciousness, perfectionism consciousness, confused by over choice, habitual and brand loyalty and price and value consciousness), with only one factor differed from those of their studies (brand and fashion consciousness). The relationships between these styles and twenty clothing choice criteria were investigated by using factor analysis and multiple regression. Five underlying factors, named product and self image related criteria, style and quality related criteria, durability and easy care, fit and sex appropriateness, and price, were identified among these 20 criteria. "Product and self image related criteria", "Style and quality related criteria" and "Price" criteria were found to positively and/or negatively affect some of the consumer decision-making styles, such as "recreational & hedonistic shopping consciousness", "brand & fashion consciousness", "habitual & brand loyalty" and "price & value consciousness".

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