

# A Study of Store Choice Behaviour of Consumer in Fashion Apparel in Nagpur City

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## ABSTRACT

*Retail sector in India has shown a soaring growth, with international players entering in the sector. Store choice has become a crucial subject for research. In light of this, the purpose of the present paper is to study the store choice criteria in the context of apparel retailing in Nagpur city. A sample of 100 retail consumers was drawn through convenient sampling technique. The researcher has used factor analysis and factor loading to identify four broad factors named as Store Accessibility and Convenience, Brand and Quality Conscious, Store Appeal, and In-store Customer Service. Mean score ranking technique was further used to compare the importance of these factors for the store choice behaviour and identified that brand and quality meant the most for store choice. Shopping behaviour differs according to the gender; for this reason, Mann Whitney U test was applied to test the differences in effect of these factors for store choice behaviour. Findings of the study may help the retailers of fashion apparels to make the right strategy related to store and merchandise to attract more customers to their stores.*

**Keywords:** Store Choice, Consumer Behavior, Fashion Apparel

## INTRODUCTION

The Indian retail industry has emerged as one of the most dynamic and fast-paced industries due to the entry of several new players. It accounts for over 10 percent of the country's Gross Domestic Product (GDP) and around 8 percent of the employment. India is the world's fifth-largest global destination in the retail space. India's retail market is expected to nearly double to US\$ 1 trillion by 2020 from US\$ 600 billion in 2015, driven by income growth, urbanisation and attitudinal shifts. While the overall retail market is expected to grow at 12 percent per annum, modern trade would expand twice as fast at 20 percent per annum and traditional trade at 10 percent.

Store choice is a decision that a shopper is very much involved with, therefore it is extremely significant for any player in retail industry to understand this behaviour of retail consumer to attract more number of shoppers to their store. With the kind of growth retail sector is witnessing and increase in number of players in the organised retail sector, choices for these retail consumers have grown. The shoppers are choosing a particular store to shop based on various aspects. These aspects can be classified as primary and image-based. These are the reasons which make the study of store choice behaviour imperative, although this topic has been studied by many scholars (Sinha, Banerjee,

& Uniyal, 2002; Mittal & Mittal, 2008; and many more) in Indian contexts.

Apparel is one of the basic necessities of human civilisation along with food, water and, shelter. The apparel industry reflects people's lifestyles and shows their social and economic status. The apparel and textile industry is India's second largest industry after IT Industry. At present, it is amongst the fastest growing industry segment and is also the second largest foreign exchange earner for the country. The apparel industry accounts for 26% of all Indian exports. The Indian government has targeted the apparel and textiles industry segments to reach \$50 billion by the year 2015.

One of the most interesting features of the apparel industry is that it migrates from high cost nations to the low cost nations. The growth of the domestic demand for clothing in India is linked with the success of the retailing sector. India presently has entered the second phase of growth and is witnessing a massive rise in the domestic demand. This is primarily due to the rise in the standard of living caused by the rise in the middle-income groups. In our present economic world of demand and supply, price and quality are the key factors which determine the success of any business. The key element here though, is the cost of labour. India and China have a comparative advantage in this industry though their vast labour forces and the relatively low cost of labour.

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## LITERATURE REVIEW

Store choice is classified in literature primarily as a cognitive process. Store choice behaviour of shoppers has been found to be similar to brand choice, the only difference being the importance of the spatial dimension. While brand choice is devoid of any geography, the choice of a store is very much influenced by location (Fotheringham, 1998; Meyer & Eagle, 1982). Leszczyc, Sinha, and Timmermans (2000) have shown that store choice is a dynamic decision and can be conceptualised as a problem of deciding when and where to shop. The first decision is the traditional store location choice problem. The second is the shopping trip incidence problem relating to the timing of shopping trips.

Dodge and Summer (1969) and Aaker and Jones (1971) found store choice to be dependent on socioeconomic background of consumers, their personality, and past purchase experience. Lumpkin, Greenberg, and Goldstucker (1985) found that elderly customers behave differently from younger ones in terms of the type of store patronised. The former group is less price-conscious and proximity of residence to store is not an important factor.

Prasad and Aryasri (2011:80) emphasise that store image is an important factor in two types of decisions relevant to developments in retail markets, namely, consumer decisions (where and when to shop) and retailer decisions (when, where and how to operate their stores). Price is one of the easily noticeable attributes and considerable work exists (Bell, Ho, & Tang, 2001; Freymann, 2002; Arnold, Oum, & Tigert, 1983) on how the price of store offerings affects the store choice. The role of store atmospherics, store ambience and store environment has also been studied as a part of store attributes. A number of studies (Kotler, 1973; Baker, Grewal, & Levy, 1992) have studied these and found important relation with consumer store choice. Yet another view of store choice gives more importance to the consumer side, and has looked at the consumer attributes, as well as the situational and tasks associated with shopping. So the store choice has been seen in the context of the risk reduction strategies of the shoppers (Mitchel & McGoldrick, 1996; Mitchell & Harris, 2005).

## OBJECTIVES OF THE STUDY

To study consumer behaviour in selection of store or store choice behaviour.

To study the factors which affect the buying behaviour of consumers in Nagpur for fashion apparels.

To study whether there is any influence of gender in store choice.

## RESEARCH METHODOLOGY

To fulfil the objective of this study, both primary and secondary data were collected. The approach of this study is quantitative in nature, as survey method is been used to collect the primary data. Secondary data was also collected through inter, magazines, journals, and books to study the topic in detail and to examine the previous studies in this area. Research design is found to be exploratory and descriptive.

### Population of the Study

The study is conducted at Nagpur City, Maharashtra.

### Sample Size

100 questionnaires were distributed for the primary data collection, but only 80 were found fit to be used for the analysis.

### Sampling Technique

Convenient sampling technique was used for this research, which was collected using Google forms.

### Tools used for Research

As the study is exploratory, so factor analysis was used to identify and categorise different factors. Mann Whitney test is used, to find the influence of gender on effect of factors which affect store choice behaviour.

## ANALYSIS

Shoppers choose the store based on several reasons. This study has identified 17 different factors, which were included in this study. Respondents were asked to rate the importance of these factors while choosing a particular store. The responses were analysed using factor analysis, this was to establish the relationship among themselves and categorise these parameters into four broad factors. Comparative analysis of mean scores was also used to test the importance of the factors relative to each other. In addition to factor analysis, Mann-Whitney U test was also undertaken to test for differences between identified dimensions of store choice and gender. The said analysis is done using SPSS version 20.0.

## RESULTS

**Table 1: Demographic Profile of Respondents**

Attribute	Particulars	Frequency	Percentage
Age Group	15-25	51	63.75
	25-40	22	27.50
	40-55	7	8.75
	55 and Above	0	0.00
Gender	Male	46	57.50
	Female	34	42.50
Occupation	Student	32	40.00
	Employed	36	45.00
	Business / Professional	12	15.00
Education:-	SSC / HSC	12	15.00
	Graduate / Diploma	32	40.00
	Post-graduate	32	40.00
	Doctorate	4	5.00
Family Income per Annum	Less than 2.5 lakh	28	35.00
	2.5 lakh to 5 lakh	40	50.00
	5 lakh to 8 lakh	8	10.00
	8 lakh and above	4	5.00

As give in Table 1, 63.75%, i.e. majority of the respondents of this study were youngsters aged between 15-25, and there were 57.5 % male and 42.5% female. 40% were students; 45% were employed; 50% of respondents had their family income between Rs. 2.5 lakh to Rs. 5 lakh.

### Factor Analysis

Main objective of this study was to find out various dimensions or factors which affect the selection of the store to shop the fashion apparels for the consumers in Nagpur. These broad factors were identified using factor analysis. Factor analysis is a data reduction tool, which removes redundancy or duplication from a set of correlated variables. It also helps to form and represents the correlated variables with a smaller set of derived value. Then factors are formed that are relatively independent of each other.

The study included 17 factors, on which respondents were asked to rate, that how much important is that factor for them while selecting the store for shopping. The researcher

has then applied factor analysis to identify underlying dimensions among a set of factors (Aaker, Kumar, & Day, 2007). Scale purification was conducted in which low factor loadings, cross-loadings, and low communalities were eliminated in order to improve “interpretability of the factor structure” (Malhotra, 2010). A minimum cut-off of 0.50 was used on the variable loadings.

The results of rotated component matrix, the factor loadings of each factor with value more than 0.50 were identified and grouped together and thus 4 broad factors were made, named as F1, F2, F3, and F4. Each of these factors has been explained in the next section, ‘Discussion and Analysis’. The rotated matrix with the factor loading and grouping of these variables are depicted in Table 2.

**Table 2: Rotated Factor Loading Matrix: Store Selection Criteria**

Item Code	Item description	F1	F2	F3	F4
A1	Payback card	.654	.210	.402	.256
A2	Distance from Home	.783	.267	.153	.106
A3	Parking Facility	.808	.015	.205	.337
A4	Previous Experiences	.606	.404	-.034	.049
A5	Graphics And Signage	.671	.215	.472	-.097
A6	No. of brands available	.099	.737	.179	.486
A7	Assortment	.391	.428	.084	.298
A8	Latest Collection	.256	.751	.237	.137
A9	Product Quality	.144	.816	.149	.187

Contd.

A10	Status Symbol	.330	<b>.671</b>	.345	-.097
A11	No. of Cash counters	-.081	-.071	<b>.653</b>	.550
A12	Appealing Window Display	.112	.247	<b>.736</b>	.084
A13	Product display in logical sequence	.253	.392	<b>.580</b>	.217
A14	Music/Lighting/Fixtures	.478	.220	<b>.544</b>	.211
A15	In Shop Promotions	.414	.163	<b>.729</b>	-.020
<b>Item Code</b>	<b>Item description</b>	<b>F1</b>	<b>F2</b>	<b>F3</b>	<b>F4</b>
A16	No. of Trial Rooms	.225	.158	.276	<b>.772</b>
A17	Customer Service Alteration/Exchange	.202	.369	-.058	<b>.667</b>
Eigen value		7.492	1.5556	1.406	<b>1.107</b>
Percentage of Value explained		44.069	9.152	8.268	<b>6.513</b>
Cumulative Percentage		44.069	53.221	61.489	<b>68.002</b>

The factor loadings and their sorting shown in Table 2 facilitated the researcher to identify four factors. These four factors are named as Store Accessibility and Convenience, Brand and Quality Conscious, Store Appeal, In Store-Customer Service. The total variance explained by the extracted factors is 68.002%, which indicates that the other 31.998% is accounted for by extraneous variables that do not constitute part of this study.

## DISCUSSION

### Factor 1: Store Accessibility and Convenience

Factor 1 consists of 5 sub factors, payback card, graphics and signage, distance, parking, and previous experience. This factor accounts for 44.062% of variance and hence affects the most for store choice. For a number of shoppers, convenience is crucial, the speed and ease with which consumers can make contact with retailers (finding the merchandise they seek quickly) powerfully influence their retail choice (Bianchi, 2009). The location of the store may be, in a few cases, important to make up their mind (Clodfelter, 2010; Kimani, Kagira, Kendi, Wawire, & Fourier, 2012; Huang, Oppewal & Mavondo, 2012). For example, consumers may decide on a store at shopping mall because of proximity with other stores. Time pressure and cost implication also impel consumers to seek accessible shopping. The closer the consumers are to a store, the greater the possibility to buy from that store (Prasad & Aryasri, 2011). Other conveniences at store like graphics and signage also play an important role, as these factors ease the customer's shopping and give a good experience of shopping and hence these experiences add up or multiply and become motivational factor for next shopping from the same store. Payback card although falls in different cadre of factor but it also makes convenient shopping and offer good discounts to the customers.

### Factor-2: Brand and Quality Conscious

This factor has five sub-factors, viz. no. of brands available, assortment, status symbol, product quality, and latest collection. The variance value for this factor is 9.152%. According to Collins-Dodd and Lindley (2003) retailers could easily improve their image by promoting or marketing exclusive brands with a high image which could also open up huge opportunities to differentiate themselves from other retailers. Retailers must ensure that they have a portfolio of national brands and the latest fashion. Fabric quality is also a very important attribute. Here also, retailers, to increase profitability and negate manufacturer brand loyalty driven store patronage, should eventually add private labels and unique apparel (such as branded ethnic wear).

### Factor 3: Store Atmospherics and Appeal

This factor includes five sub-factors in the study, viz. no. of cash counters, appealing window display, product display in logical sequence, music, lighting and fixtures, and in-shop promotions. The value of variance for this factor is 8.268%. In this study the sub-factors- no. of cash counters and product display in logical sequence depict store appeal, which may attract customer to shop from their store. In line with this view, Hyllegard, Ogle and Yan (2009) indicate that both in-store and out-of-store appeals have the potential of shaping the consumers purchase intentions. Jefkins (2000) suggests that retailers should implement in-store induced appeals which will present the most credible and persuasive selling message to the right prospects for the product or service at the lowest possible cost. A number of scholars (Du Preez *et al.*, 2001; Petermans & Van Ceempoel, 2010; Thenmozhi & Dhanapal, 2011) with their findings emphasize on store atmospherics and ambience, and verify that these features are influential determinants of store choice. In an earlier study by Moye and Giddings (2002) it was found that store atmospherics which include store interior (attractive, fashionable, stylish decorations, lightings, temperature) seem to have a positive direct influence on shopping behaviour in various clothing stores. Store design and decorations are also used as visual signals used to lure shoppers into stores. Baker *et al.* (2002) argue that since ambient factors have a social identity appeal, a pleasing atmosphere in the store, created by the right mix of ambient attributes, should influence perceptions of socially communicative products in the store, not so much intrinsically rewarding products.

### Factor 4: In-store Customer Service

This factor includes two sub-factors, viz. no. of trial rooms and customer service alteration/exchange. This factor emerged as the important determinants of research with a variance of 6.513.

## RELIABILITIES AND MEAN RANKING

To find out the importance of each factor, mean ranking was computed and their position in mean ranking is shown in Table 3.

**Table 3: Reliability and Mean Rankings**

Factors	Reliability Cronbach alpha	Variance	Mean	Position in Mean Rank
Factor 1 (Store Accessibility and atmospherics)	.856	.078	3.698	4
Factor 2 (Brand and Quality Conscious)	.845	.028	3.996	1
Factor 3 (Store Appeal)	.813	.007	3.840	3
Factor 4 (In-store Customer Service)	.609	.008	3.850	2

The mean score of the four dimensions were computed and it was found that the mean ranking of all the four factors lies between 3.5 to 4 on the likert scale of 5. Therefore, it can be concluded that all the factors range between more than average and near to important. When all the factors were compared with each other, it was observed that Factor 2, Brand and Quality Consciousness is the most important factor as the mean ranking of this factor is 3.996.

### Gender Differences for Selection of Store

To compare the effect of gender on preference of factors which affect the choice of store, Mann Whitney U test is used. It is used with two independent groups of the same sample when the dependent variable is either ordinal or continuous, but not normally distributed.

**Table 4: Gender differences for Selection of Store (Test Statistics<sup>a</sup>)**

	Factor 1	Factor 2	Factor 3	Factor 4
Mann-Whitney U	469.500	650.000	482.500	647.000
Wilcoxon W	1064.500	1245.000	1077.500	1242.000
Z	-3.053	-1.293	-2.927	-1.342
Asymp. Sig. (2-tailed)	.002	.196	.003	.180

a. Grouping Variable: gender

The Mann Whitney U test shows that males and females differ for Factor 1 and Factor 3, as P value is < .05 (p value = .002 and .003). Therefore, it can be concluded that gender does not significantly influence store choice among consumers. The researcher found that the results

of Mann Whitney U Test are in lines with the study of Birtwistle and Shearer (2001) and Gundala (2010) who too found that gender does not significantly influence store choice among consumers.

## CONCLUSIONS

The major conclusions of this paper are as follows:

- The factor analysis identified four key factors named as Store Accessibility and Convenience, Brand and Quality Conscious, Store Appeal, and In-store Customer Service.
- Further with the help of mean ranking, it was found that Brand and Quality Consciousness is the most important factor followed by In-store Customer Service, Store Appeal and Store Accessibility and Atmospherics although the difference between the mean score of the last three factors is very low.
- The study also attempted to find the influence of gender, and it was found that there is significant difference for the responses for store accessibility & atmospherics and store appeal. For the other two factors, it can be said that gender does not make difference of opinion for factors, brand & quality conscious and in-store customer service.

## MANAGERIAL IMPLICATIONS

After the considerable data analysis, the study proposes following suggestions that can be considered by retailers of fashion apparels. The four factors on which study has been conducted and mean ranking has been done, revealed the importance of all the factors. So, to increase the sales and footfalls to retail stores, proper consideration should be given to brand and quality, in-store customer service, store appeal, and store accessibility and atmospherics. As identified by mean score ranking, in-store customer service is very crucial, so proper care should be taken to have apt number of cash counters, trial rooms, and easier exchange and alteration policies. Further, retailers should also understand and consider male and female shoppers differently, as both of them behave differently and react in different way. The retailer is able to focus its resources on improving the particularly weak aspects of its layout & decor. Store atmospherics & layout should go with the brand image.

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