

“Factors Affecting Consumer Buying Behaviour of Millennial towards Apparel Brands”

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ABSTRACT: *Branded product plays a vital role in the global market especially in Indian markets. The country economic growth is rapidly changing and moreover people's life style, purchase behaviour and purchase power is consistently dynamic since globalization. This study explores the relationship among brand loyalty and other various elements such as price sensitivity, brand trust, customer satisfaction and customer relationship. In this research, we have used survey method and well defined questionnaire was prepared to collect the data from the respondents. There are 132 sets of survey questionnaires which were used for analysis out of 200 questionnaires which was sent for optioning responses. The instrument consisted of 29 questions distributed across all the dimensions considered for the study and the data was collected from the respondents across Karnataka. Next, the result of statistical analyses is analysed by using Statistical Package for the Social Sciences (SPSS) software. In order to test the hypotheses developed in this research, there are analyses conducted like Multiple Linear Regression, and analysis of Variance (ANOVA) Test. It was concluded that there is a huge impact of brand trust, customer perception and customer relationship on brand loyalty. The limitation of this research in the sample size and the sample frame. Future studies can be done on particular brand or product category.*

Keywords: Price sensitivity, Brand trust, Customer satisfaction, Customer perception, millennial, consumer behaviour

1. INTRODUCTION

Consumer behaviour is the study of how individual customers, groups or organizations select, buy, use, and dispose ideas, goods, and services to satisfy their needs and wants (Shifman, 2003). It denotes to the activities of the consumers in the bazaar and the fundamental reasons for those actions. Marketers presume that by understanding on what grounds the consumers buy particular goods and services, they will be able to determine—which products are desirable in the marketplace, which are archaic, and how best to present the goods to the consumers. The term millennial was initial presented by Neil Howe and William Strauss in their 1991 book Generations. It was devised to pronounce the generational cohort of people born between 1980 and 2000. One of the motives behind the name is the fact that the oldest millennials were graduating high school in the year 2000 (the beginning of the new millennium). Brand loyalty is defined as optimistic moods towards brand and commitment to purchase same product or service continually from the same brand, nevertheless of a contestant's actions or variations in environment. Price sensitivity is the degree to which the price of a product affects consumer procuring behaviours. Price sensitivity can be defined as being the extent to which demand changes when the cost of a product or service changes. Brand trust arises after consumers' evaluation of companies' offerings. If enterprises deliver beliefs of

wellbeing, trustworthiness and reliability about their brands to consumers, brand trust will be generated subsequently. It can be inferred that brand trust is formed and established by direct involvements of consumer via brands. Brand trust is regarded as lengthy procedure which can be befall by thought and contemplation of consumer know-hows. Customer satisfaction is a measure of by what means products and services supplied by firm meet or outshine customer expectancy. Customer satisfaction is defined as "the number of customers, or percentage of total customers, whose stated familiarity with a firm, its products, or its services (ratings) outdoes specified satisfaction goals". Customer satisfaction provides a prominent pointer of consumer purchase intents and trustworthiness. The relationship is measured by the degree of customer satisfaction through the buying cycle and following receipt of goods or services. Relationship is always conjoint or reciprocal, so it is important for both merchant and clienteles to stick to common guideline to attain better relationship among each other. There is lot of involvement of cost, efforts and time in striving developed relationships between the two parties but the outcome is always inevitable. In order to keep your customer happy there has to be a good relationship built which in turn helps you to keep that customer loyal towards to the brand. Without customer relationship no brand can survive as customers are the ones who help them get the business. There are 132 sets of survey questionnaires which were used for analysis out of 200 questionnaires which was sent for optioning responses. The instrument consisted of 29 questions distributed across all the dimensions considered for the study and the data was collected from the respondents across Karnataka. Next, the result of statistical analyses is analysed by using Statistical Package for the Social Sciences (SPSS) software. In order to test the hypotheses developed in this research, there are analyses conducted like Multiple Linear Regression, and analysis of Variance (ANOVA) Test. It was concluded that there is a huge impact of brand trust, customer perception and customer relationship on brand loyalty. The limitation of this research in the sample size and the sample frame. Future studies can be done on particular brand or product category.

2. LITERATURE REVIEW

Customer relationship helps businesses build a relationship with their customers that, in turn, create loyalty and customer retention (Smith et al. 1997). It helps to bridge the gap between the company and the customer. Positive customer associations contribute companies further intuition into their customer's difficulties since it crafts an open channel of communication for conveying customer opinion. This leads to improved individual collaborations with customers which builds up trust over time and influences their buying decisions. Loyalty is defined as repeated purchases of particular products or services during a certain period of time. Consumers often develop relationships with the brands they purchase (Fournier, 1998). It has become common to describe this brand loyalty as having two dimensions— repurchase frequency and attitudinal commitment (Aaker, 1991, chapter. 2). Together they form one of the most sought after goals of marketing management because loyalty is a major component of brand equity and yields many appropriate magnitudes such as lower customer withholding costs. Numerous researchers have deliberated brand loyalty, however relatively little studies emphasis specifically on the relationships between brand loyalty and the variables. In-particular, the relationship among brand loyalty and price sensitivity is very imperative to understanding why consumers vary in how much they will pay. Price epitomizes the amount of money that consumers must give-up to acquire a product. Afterwards, consumers are sensitive to how much they have to give up relative to how much they have. In most cases, price represents the amount of money that consumers must give up to acquire a product. Differences in disposable income yield the widely observed income effect: other things being equal, consumers are willing to spend more if they have more to spend (demand for normal goods increases when income increases). "people who have more money also spend more

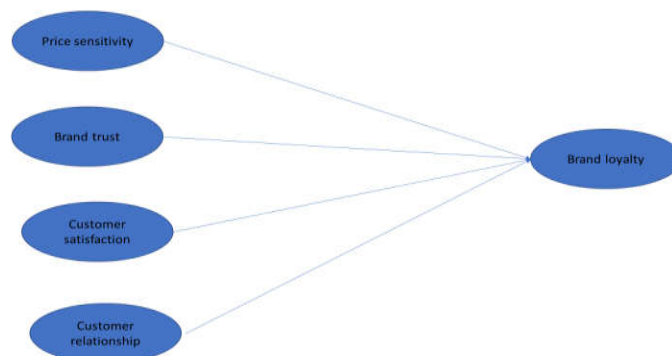
money” (Wilkie ,1994). The process by which an individual attributes a trust image to the brand is based on his/her experience with that brand. Hence, as an experience attribute it will be influenced by the consumer’s evaluation of any direct (e.g. trial, usage, satisfaction in the consumption) and indirect contact (advertising, word of mouth, brand reputation) with the brand (Keller, 1993 & Krishnan, 1996). The consideration of trust in the brand domain derives some significant and stimulating implications. Brand trust represents the recognition that brand value can be created and developed with the management of some aspects that go beyond consumer’s satisfaction with the functional performance of the product and its attributes. Brand value, a function of existing relationship between consumer and brand, trust being most important ingredients in this relationship. Customer satisfaction (CS) is as fundamental to the marketing concept as the notion of satisfying the needs and desires of consumers (Spreng et al, 1996). The generally held description of customer satisfaction among researchers focuses on the consumer’s overall judgment, including service features, the service product, sales personnel, or other situational variables. Customer satisfaction results when customers either confirm their pre-purchase expectations for a purchased service or positively disconfirm (exceed) their expectations regarding purchased services, resulting in some level of post purchase affect toward the experience (Cardozo, 1965). Often times it can be tough to express whether your customers are truthfully happy with your business or not. Having strong customer relations can act as your insurance policy for preventing these unidentified customers from churning without warning model.

3. RESEARCH METHODOLOGY

The objective of the paper is to determine the effect of price sensitivity and brand trust on brand loyalty and to analyse the effect the consumer satisfaction and consumer relationship on brand loyalty. Hypothesis considered for the study are H1: There is a relationship between Price Sensitivity and brand loyalty. H2: There is a relationship between Brand trust and brand loyalty.H3: There is a relationship between Customer satisfaction and brand loyalty.H4: There is a relationship between Customer relationship and brand loyalty. Data was collected through survey using a structured questionnaire having 29 questions covering all the factors along with the demographics. Totally 132 samples were collected form millennia. Data were collected from targeted population of Karnataka from post graduate students. Questionnaires were mailed over to them with a request for completing the survey. The questionnaire had the dimensions of demographics such as age, gender, to which area they belong to and income level. The methodology was based on the development of a self-administered questionnaire using a computed sample size. The study is descriptive in nature. The study is based on primary data collected through survey research. The study was undertaken to explore consumer perceptions on branded clothes after understanding the need of the same through a literature survey. It was seen that there is a need to explore the research objective of understanding the consumer perceptions on branded clothes amongst millennials, as this group of consumers are the major buyers of branded clothes. It was felt that there is an intense need to understand the perception on branding clothing in this group of people in Karnataka. Research instrument, the questionnaire was designed by considering the independent variables such as price sensitivity, brand trust, customer satisfaction and customer relationship. Price sensitivity has 4 items, brand trust has 5 items, customer satisfaction has 4 items and customer relationship has 6 items. Dependent variable is brand loyalty with 6 items. Demographics considered were age, gender, to which area they belong to and family income. All the variables are measured with 5-point Liker scale (1=strongly disagree, 5=strongly agree). The tests conducted for the study are Factor analysis, KMO Bartlett’s test for sample adequacy, rotated component matrix for establishing grouping of variables for regression, Reliability Test to establish reliability for the variables,

Regression / ANOVAs test to prove significance of the relationship between dependent and independent variables of the study. Sample size for the study was 132 respondents. Conceptual model was developed and statistical analysis were carried out to test the model fitment.

CONCEPTUAL MODEL



4. ANALYSIS

FACTOR ANALYSIS

Factor Analysis is a commonly used data/ variable reduction technique. This multivariate statistical technique is used for three primary reasons

FACTOR ANALYSIS OF INDEPENDENT VARIABLE

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.844
Bartlett's Test of Sphericity	Approx. Chi-Square	530.752
	Df	45
	Sig.	0

Table 1. Factor analysis of independent variable

KMO test measures sampling adequacy for each variable. High values (close to 1.0) normally point to that a factor analysis may be useful with your data. If the value is less than 0.50, the outcomes of the factor analysis perhaps won't be very suitable. The sampling size to be acceptable the KMO value ought to be greater than 0.5. From the table 1, the value of KMO for independent variables is 0.844, Stating it is acceptable. Bartlett's test of Sphericity tests hypothesis whether correlation matrix is an identity matrix, which would indicate that your variables are unrelated and therefore unsuitable for structure detection. Small values (less than 0.05) of the significance level indicate that a factor analysis may be useful with your data. From above table it is observed that the significance of Bartlett's Test of Sphericity is 0.00 which states that the factor analysis may be useful with our data.

Rotated Component Matrix		Component			
		1	2	3	4

My brand offers me recommendations and advice on how to make the most of its product.	0.83			
The brand's service centre/outlet helps me to solve any problem I could have with the product.	0.83			
I believe the brand's offerings are satisfying the durability it claims to provide.	0.76			
My brand Offers me new trends of clothing	0.76			
I have trust on my brand	0.72			
I believe I did the right thing when I chose this brand store.	0.71			
Even if this store would be more difficult to reach, I would still keep buying there.		0.85		
I am willing 'to go the extra mile' to remain a customer of this store.		0.84		
It keeps me updated about the new arrivals.			0.94	
I am less willing to buy clothing if I think that it will be high in price.				0.98

Table2. Rotated Component Matrix

The intention of rotation is to reduce the number factors on which the variables under investigation have high loadings. Rotation does not alter anything but helps in doing the interpretation of the analysis easier. The 19 items of 4 variables are taken into factor analysis using screen plot, resulting to table 2. The table 2 demonstrates that the 19 items is condensed to 10 items grouped in 4 under different variables suppressed by the value 100.

Factor analysis of dependent variable

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy		.559
Bartlett's Test of Sphericity	Approx. Chi-Square	67.949
	Df	6
	Sig.	.000

Table 3. Factor analysis of dependent variable

KMO test measures sampling adequacy for each variable. High values (close to 1.0) generally specify that a factor analysis may be valuable with your data. If the value is less than 0.50, the outcomes of the factor analysis maybe won't be very useful. The sampling size to be adequate the KMO value should be greater than 0.5. From table 3, the value of KMO for independent variables is 0.559, Stating it is acceptable. Bartlett's test of Sphericity tests the hypothesis that correlation matrix is an identity matrix, which indicates that variables are unrelated and therefore unsuitable for structure detection. Small values (less than 0.05) of the significance level indicate that a factor analysis may be useful with your data. From table 3, it is observed that the significance of Bartlett's Test of Sphericity is 0.00 which states that the factor analysis may be useful with our data.

Rotated Component Matrix

Rotated Component Matrix		
	Component	
	1	2
I consider myself to be loyal to specific brands of clothing.	0.872	
If my preferred brand of an item of clothing were not available at the store, I would shop at other stores until I find my brand.	0.751	
I would likely recommend this brand to my friends or colleague.	0.675	
When another brand of clothing is on sale, I generally purchase it rather than my usual brand.		0.983

Table 4. Rotated Component Matrix

The process of rotation is to reduce the number factors on which the variables under investigation have high loadings. Rotation does not change anything but makes the interpretation of the analysis easier. The 6 items of 1 variable are taken into factor

analysis using the scree plot. Resulting to a table above. The above table shows the 6 items is condensed to 4 items grouped in 2 under 1 different variables suppressed by the value 100. Reliability analysis refers to the fact that a scale steadily reflects the construct which is being measured. Cronbach's alpha is a measure of internal consistency, that is, how closely related a set of items are as a group. It is considered to be a measure of scale reliability. Cronbach's alpha is the most common measure of internal consistency ("reliability"). It is most frequently used when you have multiple Likert questions in an instrument/questionnaire that form a scale and to determine if the scale is reliable. Reliability analysis refers to the fact that a scale steadily reflects the construct it is measuring. Reliability coefficient of 0.60 or higher is considered "acceptable" in most social science research situations.

Factors	Cronbach's alpha	No. of items	Results
Brand trust	0.885	6	Valid
Customer relationship	0.728	2	Valid
Brand loyalty	0.657	3	Valid

Table 5. Reliability analysis

Regression is a statistical measurement used in finance, investing, and other disciplines that endeavours to determine the strength of the relationship between one dependent variable (usually denoted by Y) and a series of other changing variables (known as independent variables).

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	45.738	4	11.434	17.032	.000b
	Residual	85.262	127	0.671		
	Total	131	131			

Table 6. Anova

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		Beta	Std. Error	Beta		
1	(Constant)	4.7	0.071		0	1
	Brand trust	0.431	0.072	0.431	6.018	0
	Customer relation	0.352	0.072	0.352	4.911	0
	Customer satisfaction	0.159	0.072	0.159	2.225	0.028
	Price sensitivity	-0.121	0.072	-0.121	1.686	0.094

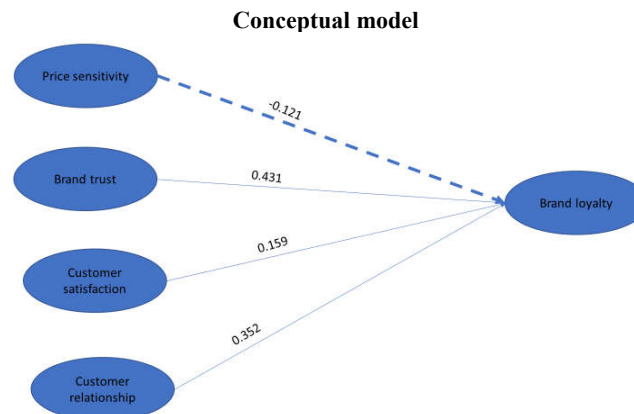
Table 7. Coefficients

From the table 7, it is evident that the Brand trust has a 100% significance value and beta value is 0.431. Customer relation has a 100% significance value and beta value is 0.352. Customer satisfaction has a 99.72% significance value and beta value is.159. Price sensitivity has a negative beta value that is -121.

5. RESULTS AND DISCUSSION

According the study and the result of analysis, it is found that the hypothesis considered for the study has evolved with the following insights. The hypothesis H1 is not acceptable from the analysis since the variable, price sensitivity has no significance and has negative effect on brand loyalty. The hypothesis H2 is acceptable from the analysis since the variable, brand trust has a significance and positive effect on brand loyalty. The hypothesis H3 is acceptable from the analysis since the variable, customer satisfaction has significance and positive effect on brand loyalty. The hypothesis H4 is acceptable from the analysis since the variable, customer relationship has significance and positive effect on brand loyalty. The outcome of the study has brought out the relationship among the

variables considered for the study and the conceptual model and their relationship is as shown in the diagram.



Price sensitivity has a negative effect on brand loyalty. We can see that people are not willing to pay a high price for a brand and are not willing to pay more to try out new type of clothing. They are comfortable with the price they pay for their brands and want to stick on to that. Brand trust has a positive effect on brand loyalty. The brand offers products of good quality and the customers are happy and satisfied with the quality that has been provided to them. The problems are resolved as soon as possible which makes the customer happy and stay loyal to that brand. There is significance between customer satisfaction and brand loyalty as customers are really satisfied with the brands they purchase. They are happy about the decisions made as their needs are fulfilled by that brand. Customers are updated about the new arrivals which gives them a sense of belongingness to that brand. There is a positive effect between customer relationship and brand loyalty. This shows that loyalty of a brand can be built only if there is a good customer relationship maintained. It even tells that customers are willing to go an extra mile in order to go to their regular store and buy it. Customers are happy about the efforts put in by the brand store to fulfil their needs.

6. CONCLUSION AND SUGGESTION

From the study it can be concluded that there is a huge impact of brand trust, customer perception and customer relationship on brand loyalty. It tells us about the various buying patterns of the millennials and their purchasing patterns as well. This study will help in understanding and analyzing the customers on the basis of their purchase, choice of brands and customer relationship. It will help the researchers know how this set of people react to certain aspects while buying a particular brand. Suggestions that can be given from the research is that the brands should build a strong trust among the customers as it influences brand loyalty the most. The next major influencer for brand loyalty is customer relationship. This means that there has to be a strong rapport and a good relationship built with the customer in order to make sure they are loyal towards a brand. The next influencer for brand loyalty is customer satisfaction. Only when a customer is satisfied with the purchase the brand loyalty increases. Thus these above suggestions will help us to understand the customers better.

7. LIMITATION AND FUTURE SCOPE

Given the quantitative nature of the study using limited sample size, generalization of the findings might be inappropriate. The sample size that is collected is relatively less and study of more sample size and different set of respondents before concluding on the results is required for a better understanding of the study in an overall manner, as well the study is a cross sectional study which also proves to be a limitation of the study. If the study was a longitudinal study it would have given a broader perspective through continual understanding of consumer behaviour over a period of time. Improved results could be found if the results

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