Profiling of Consumer Decision Making Styles among organized apparel outlets

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The retail report of 2015 revealed that, 43% of shoppers would like to do shopping in-store due to the immediate delivery of the product and 69% of shoppers would like to pay on the same day. As there are disparities in purchasing decision and expectations among consumers researchers opined that understanding consumer decision making as a complex process. Hence, the phenomenon of integrated universal market place was successful in getting the attention of number researchers to study the behaviour of consumers and their decision making styles. The profiling of consumer decision making was done by using the eight characteristics of consumer style inventory i.e. perfectionism, brand, novelty-fashion consciousness, recreational and hedonistic shopping, price and value for money, impulsiveness, confused from over choice, habitual and brand-loyal characteristics for profiling consumer decision making styles, which was helpful for diagnosing and educating consumers for financial management and purchasing decisions. The disparities in gender signifies that, males are not perfectionist, novelty fashion consciousness, confused by over choice when compared to females, where as female qualifies all the eight factors of consumer style inventory. It encourages the researcher to conduct study on gender detailed consumer style inventory as an exploratory work apart from the variables that replicates one gender direction high than on another gender. Hence in our quantitative study, we would like to empirically validate the consumer style inventory using eight factor model among organized apparel outlets of Vellore district.

Keywords: Consumer Style Inventory, purchasing decisions, financial management, consumer decision making.

1. Introduction

With an increase trend in urbanization, consumers preferring for products and services are in a very high range and due to this effect retail sector slowly finding its path to become a boom industry in the economy. As per the report released by FICCI in 2015 India lacks in the growth of the retail sector when compared to any other countries. This scenario evolved with the concept of consumer decision making style which is said to be complex phenomenon and it has gained considerable interests among researchers, practioners, and educators to provide the consumer requirement[1]. The decision making styles is measured by the scale developed by[2] using Consumer Style Inventory, which consists of eight factors namely,

- Perfectionism or High-Quality consciousness
- Brand consciousness
- Novelty-fashion consciousness
- Recreational and hedonistic shopping consciousness
- Price or value consciousness
- Impulsiveness
- Confused by over choice
- Habitual or brand-loyal consumers

Based on these eight mental characteristics of consumers, consumers are profiled by their decision making style and it is prominent for the marketers, advertisement and consumer specialists in formulating their marketing strategies. These eight styles are categorized into utilitarian shopping style which encompasses impulsiveness, price and value consciousness, confused by over choice, quality consciousness where as remaining four styles falls into hedonic shopping style which consists of recreational and hedonistic shopping consciousness, habitual/brand loyalty, brand consciousness, novelty and fashion consciousness[3].

2. Literature review

A moderate number of research studies have determined the applicability of decision making styles of consumers across different geographical regions globally. The decision making styles significantly differs from one consumer to another consumer especially in purchasing of apparels. An attempt has been made to examine the applicability of decision making styles of consumers in purchasing of apparels in organized apparel outlets of Vellore city. The study also determined whether consumers are purchasing apparels for utilitarian purpose or for hedonic purpose across male and females. The author found novelty, recreational and perfectionist style is common in both U.S and New Zealand. All the eight styles are considered to be appropriate for the study[4]. There is an important association between gender and novelty, recreational, confused by over choice and brand conscious Turkish consumers styles which is considerably greater in females rather than males and carries a higher reliability values[5]. The researcher found price consciousness factor is impinged by unmarried persons. In this study, demographic variables such as gender, age, monthly income, marital status and education is said to be negatively associated with variety seeking, confused by over choice, novelty, price and quality consciousness styles. Among all these styles age is said to have an impact on recreational shopping[6]. The author conducted study in Indian context where six factors out of 8 consisting of 24 items were taken and additional factor named shopping avoidance time factor was added to the study which is not fully applicable in India. There exists a resemblance and disparities in both constructs and variables in results with India and Korea, New Zealand, China, Malaysia etc[7]. In online decision making styles the findings revealed that high quality, novelty fashion, brand consciousness, price consciousness, portability, website content, website interface consciousness is important for predicting online consumer decision making styles. This study adopts unit regression method to measure correctness of the factor scores in determining O-consumer decision making styles[8].

3. Methodology

The objective of espousing descriptive research is to analyze the phenomenon that is happening in particular places and time. Hence the study employed descriptive type of research. Vellore has many organized apparel outlets for both the gender. The researcher has selected only those consumers who purchases apparels in organized outlets of Vellore city. The researcher arrived at a sample size of 290 consumers who visits and purchases apparels in organized outlets. The sample size is derived by the formula:

$$n = (z\sigma / d)^2$$

Where
n   value at a particular level of confidence
σ   standard deviation of the population
d   difference between population mean and sample mean.

As it is hard to compute population mean and standard deviation, the researcher used convenience sampling method for the study. The consumers who are ready to respond were selected as sample for the study. As this study is purely empirical in nature, the researcher has collected the data by administering the questionnaire to those consumers who purchases apparels in organized apparel outlets of Vellore city. The researcher designed the questionnaire by adopting the

questions from previous study. Part I consists of demographic details of respondents that entails the respondents to provide information such as gender, age, educational qualification, occupation, and annual income of respondents. Part II consists of 42 items measuring consumer decision making styles that were adopted from previous study[2]. In order to examine the differences between males and females decision making styles, a t-test was performed to determine the purpose. To determine the applicability of Consumer style inventory developed by the author[2], Exploratory Factor Analysis is performed to measure construct validity where Confirmatory Factor Analysis is performed to confirm the model of Consumer decision making styles. The factor solution is obtained from Principal Component Analysis with Varimax Rotation to assess the construct validity. The items with more significant cross loadings and the items that weigh more the primary factor are removed[9]. The EFA was repeated until there is no cross loadings exists and the items that have good reliable variance are recorded. The eigen values for all the 25 items are greater than one measures the adequacy of the factor solution[10]. Then the Confirmatory Factor Analysis is employed to determine the factors and items that are more applicable to the study. A total of 8 factors with 25 items have good variance and are taken for the analysis to test the construct validity.

4. Research Findings

4. 1. Respondents demographic characteristics

The demographic detail of the respondent reveals that 53.8% of respondents were female and 46.2% males. 33.4% of consumers were in the age group of 19-25 years. As younger generation are more shopaholic, 60% of respondents were unmarried. A major percentage of consumers who were surveyed hold an undergraduate degree (54.8%). 30.3% of respondents possess a private job and had an annual income of less than 20000 per month (32.1%).

## 4. 2. Impact of gender on decision making styles of consumers

The decision making styles of consumers differs significantly when it concerns about gender perspective. To determine this, the t-test is performed to analyse the difference between males and females consumer decision making styles and this study also aims to find out the differences in each style and utilitarian and hedonic styles. The results of t-test shows that there exist a significant difference in their high quality consciousness style ($p=0.028$, $p<0.05$) with respect to gender and it is also agreed that both the genders possess equally high-quality consciousness style. Brand consciousness style is also said to have a significant difference ($p=0.008$, $p<0.05$) between both the genders and it is agreed that, this style is equally important for gender category. Styles like novelty-fashion ($p=0.160$, $p>0.05$), recreational ($p=0.146$, $p>0.05$), price consciousness ($p=0.785$, $p>0.05$), impulsiveness ($p=0.109$, $p>0.05$), confused by over choice ($p=0.104$, $p>0.05$), habitual or brand loyal consumers ($p=0.244$, $p>0.05$) possess no significant difference between both the genders and it is also agreed that both the genders possess all these styles except recreational and hedonistic shopping which many males and females disagree and does not consider shopping to be one of the most enjoyable activity. It is also found that, utilitarian ($p=0.399$, $p>0.05$) and hedonic shopping style ($p=0.211$, $p>0.05$) has no significant difference with respect to gender category.

4. 3. Applicability of Utilitarian decision making styles of consumers

Chi-Square=132.56, df=71, P-value=0.00001, RMSEA=0.055
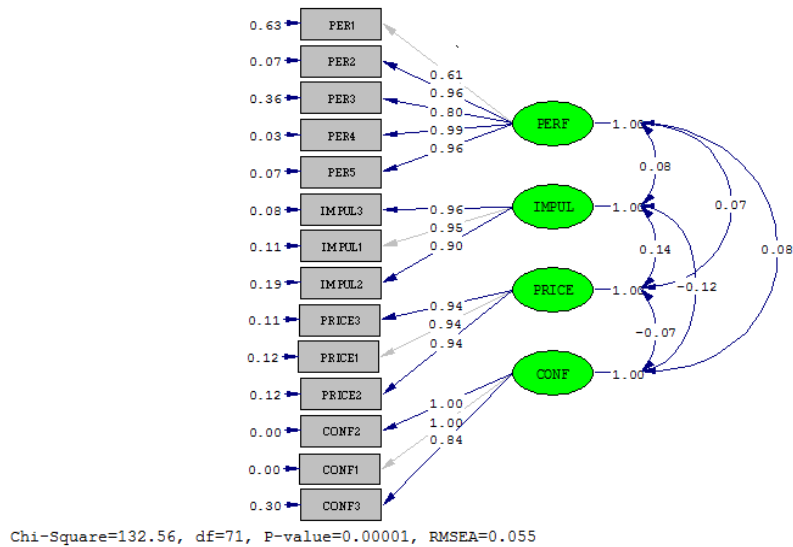
The Confirmatory Factor Analysis with four factors measuring the overall utilitarian decision making styles exhibits an acceptable fit indices with chi-square= 1.867, GFI= 0.94, RMSEA= 0.055. The utilitarian decision making styles consists of four factors which measures the decision making styles of consumers who used to shop for the usage purpose. All items loaded significantly on the factors with good model fit having the values of GFI=0.94, AGFI=0.91 and RMSEA=0.055. In this model it states that, consumers are more quality conscious in terms of price and they also confused with overloaded information. And also the consumers who are impulsive in their shopping styles used to make their purchasing decision based on the price. All these aspects influence the purchasing decision when buying quality apparels. So the consumers are more quality conscious, price conscious, impulsive and confused by over choice and they also give more importance to the usage point of view.

5. 3. Applicability of Hedonic decision making styles of consumers

Chi-Square=69.16, df=38, P-value=0.00148, RMSEA=0.053
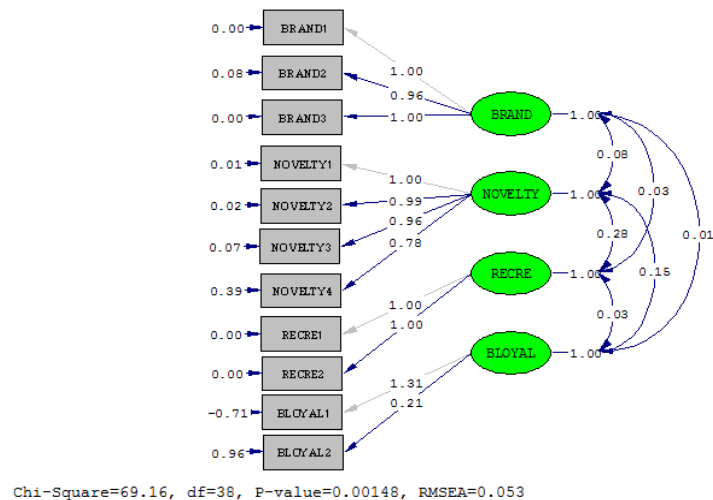
The Confirmatory Factor Analysis with four factors measuring the overall hedonic decision making styles shows an acceptable fit indices with chi-square= 1.82, GFI= 0.96, RMSEA= 0.053. The hedonic consumer decision making styles consists of four factors which measures the decision making styles of consumers who used to do shopping in order to gain pleasure. All items loaded significantly on the factors and it is said to have a excellent model fit with GFI=0.96, AGFI=0.93

and RMSEA=0.053 and it states that, consumers who are more brand conscious are more loyal and stick to the brand whenever they make purchase decision. These brand conscious consumers enjoy doing shopping and they gain pleasure from shopping experiences. Consumers who are more fashionable are more loyal to the brand. They look for fashionable apparel from the same brand which they make the purchase.

5. Conclusion

This study is an attempt to investigate decision making styles of consumers in Vellore district and the impact of gender differences on those styles. As far as consumers are concerned, it is found out from the study that, except perfectionism and brand consciousness, other styles do not have any impact on the gender which is in line with past studies[11, 12]. Future studies can also determine the differences of socio demographic variables such as age, income, occupation on utilitarian and hedonic styles. As far as applicability of Consumer Style Inventory is concerned, all eight factors are found to be significant for the study and styles such as perfectionism, impulsiveness, confused by over choice, price consciousness are found to be significant for utilitarian shopping styles and brand consciousness, recreational, habitual or brand loyal consumers, novelty-fashion consciousness are found to be significant for hedonic shopping styles which is in line with past studies[13, 4]. Further studies can test this model in other product categories and in other parts of the population with the large sample size.

As retail industry is in the booming stage, it is important for each and every marketer to understand the attitude and behaviour of consumers in gaining insights about their decision making styles in purchasing the apparels. As many of the male and female consumers do not update their wardrobes during sales periods, marketers should take effort on doing advertisement about the offers and discounts due to the consumers who are price conscious in their purchasing decision. Profiling and identifying gender oriented styles, consumers possessing utilitarian and hedonic styles would help marketers to target and concentrate on the segments with more focussed marketing strategies.

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