GENERAL PERCEPTION OF CUSTOMERS IN APPAREL MARKET AND THEIR SATISFACTION TOWARDS MARKS & SPENCER APPARELS

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- Marks & Spencer INDIA Overview
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- Data Collection Methodology
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- SWOT Analysis and Recommendations

COMPANY'S OVERVIEW

• Marks & Spencer (also known as M&S) is a major British multinational retailer headquartered in the City of Westminster, London.

- It specializes in the selling of clothing, footwear, home products and luxury food products.
- Marks and Spencer is the UK's largest clothing retailer by value and have market-leading positions in Womenswear, Lingerie, Kidswear and Menswear.

• Other than UK, the brand has its outlets in France, Czech Republic, Turkey, Hong Kong, China, India, Russia, UAE, Singapore and Greece.

MARKS AND SPENCER INDIA

- Marks and Spencer Reliance India Pvt Ltd is a joint venture between Marks and Spencer plc (UK) and Reliance Retail.
- Presently, the retail store has 58 outlets across 27 cities here, the largest outside the UK.
- M & S deals mostly in Apparels in Indian market.
- It is planning to expand its market with in Reliance Retail India even more, and expects to continue opening 10 new stores annually.
- M&S also plans to grow its online reach across the country via fashion platforms Myntra and AJIO.

OBJECTIVES OF THE STUDY

1

To group the apparel customers into different segments on the basis of various attributes they consider while shopping.

2

To identify the major players of the industry based on awareness level and To assess the brand awareness of Marks & Spencer Apparels.

3

To analyze the customer satisfaction level of M&S on the basis of various factors and then analyzed these factors segment-wise

4

To suggest possible strategies that can help M&S Apparels to improve sales.

DATA COLLECTION METHODOLOGY

The methodology adopted for collecting data and sample design is given below:

<u>Title of the study</u>: General perception of customers in Apparel market and their satisfaction towards Marks & Spencer Apparels.

Research design: Descriptive research.

Sample plan under the survey:

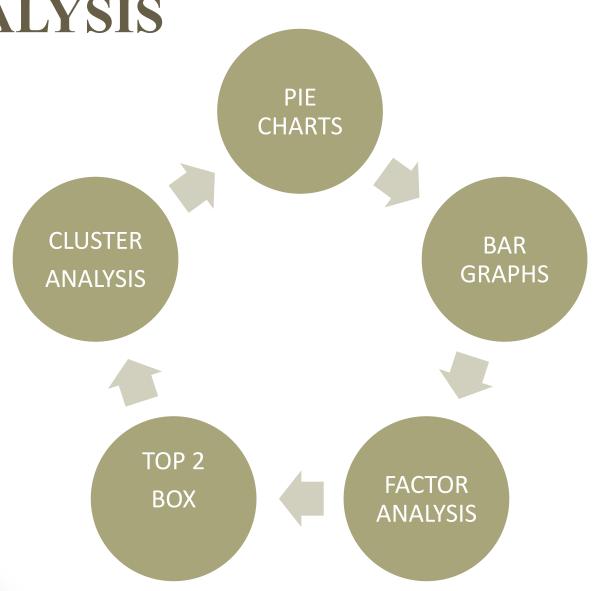
- **Sample size:** 200 respondents.
- **Sample area:** Delhi and NCR.
- **♦ Sampling time frame:** 29TH March, 2016 20TH April, 2016.

Data collected from:

- **Primary:** mainly through questionnaires.
- **Secondary:** websites, journals, company brochures, etc.

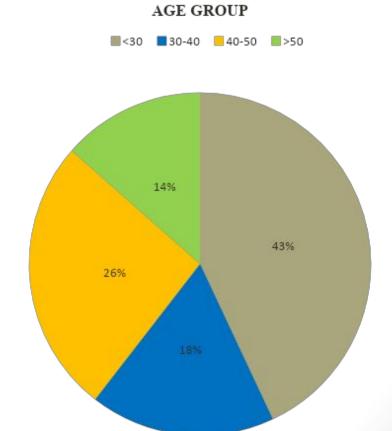
Sampling technique: Simple Random sampling.

INTERPRETATION AND ANALYSIS



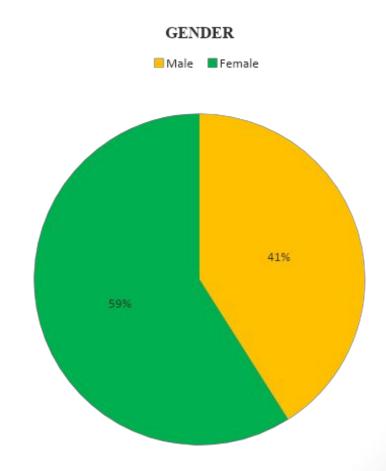
AGE GROUP

AGE GROUP	FREQUENCY
<30	86
30-40	35
40-50	52
>50	27
Total	200



GENDER

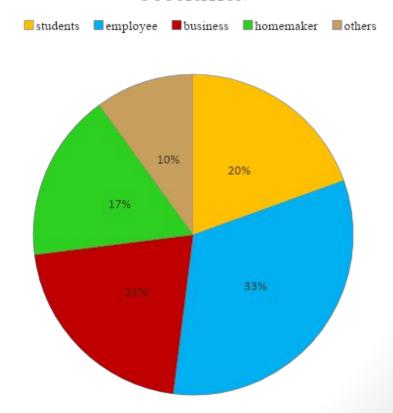
GENDER	FREQUENCY
Female	118
Male	82
Total	200



OCCUPATION

OCCUPATION	FREQUENCY
Student	39
Employee	65
Business	42
Homemaker	34
Others	20
Total	200

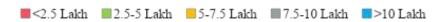


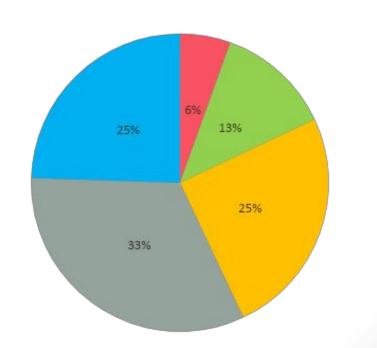


INCOME

INCOME	FREQUENCY
GROUP	
<2.5 lakh	11
2.5-5 lakh	25
5-7.5 lakh	50
7.5-10 lakh	65
>10 lakh	49
Total	200



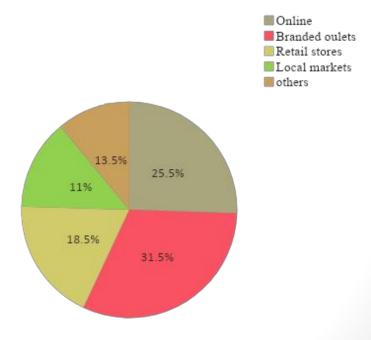




PURCHASE MODE

MODE	FREQUENCY
Online	51
Branded	63
showrooms	03
Retail stores	37
Local market	22
Others	27
Total	200

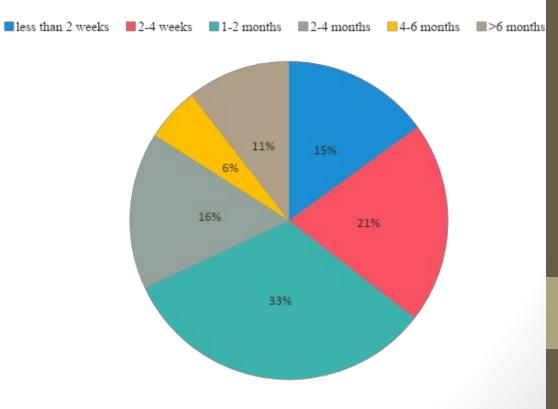
PURCHASE MODE



RECENCY OF PURCHASE

Apparel last purchased	FREQUENCY
1-2 weeks	30
2-4 weeks	41
1-2 months	65
2-4 months	32
4-6 months	11
>6 months	21
Total	200

RECENCY OF PURCHASE

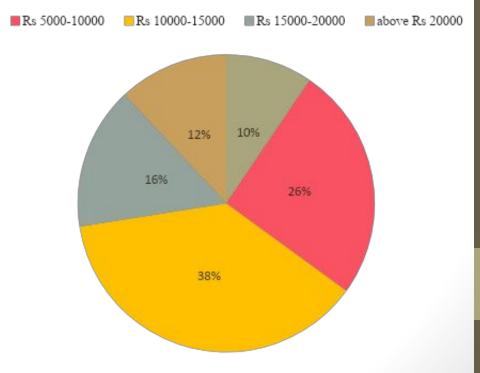


MONEY SPENT ON APPAREL SHOPPING(LAST 12 MONTHS)

Money spent	FREQUENCY
< 5000	19
5000-10000	51
10000-15000	75
15000-20000	31
>20000	24
Total	200

Rs 5000

AVERAGE MONEY SPENT



CLUSTER ANALYSIS

Now we would like to understand your preferences and habits regarding shopping. For each of the following statements, please indicate how much do you agree or disagree with each of them using the scale below.*					
1-strongly disagree 2-disagree 3-neutral	4-agree	2	5-strongly		-
I am willing to spend extra time shopping for clothes in	1	2	3	4	5
order to find the cheapest deals and save money					
I choose the most expensive brands because they show	1	2	3	4	5
others that I have good taste					
I would like to be able to buy all my clothes in one store	1	2	3	4	5
I don't care how fashionable it is - I won't wear	1	2	3	4	5
something that is uncomfortable, e.g., heels that					
hurt, dress that pinches at					
	1	2	3	4	5
My style is influenced by celebrities or people I see on					
TV or in magazines	1	2	3	1	_
I wear clothing and footwear I like, regardless of the	1	2	3	4	5
current fashion					
The most important thing is that other people notice	1	2	3	4	5
what I'm wearing and think I look good					
Shopping for clothes is a chore - I avoid it when I can	1	2	3	4	5
I always try the latest fashion, even if I'm not sure it	1	2	3	4	5
will suit me best					
	1	2	3	4	5
I often choose to buy my clothes in stores for which I					
have vouchers or coupons	1	2	3	4	5
I only buy clothes to replace items that have worn out		2	3		
When buying clothes, I always choose the best quality	1	2	3	4	5
products, even if it means I can only afford to buy fewer					
items					

The finer details on clothing and footwear, such as fabric, stitching and finish, are important to me	1	2	3	4	5
I like to be helped and advised by sales people in store	1	2	3	4	5
The brand name of the clothes I wear is important to me	1	2	3	4	5
I am often worried about choosing clothes that	1	2	3	4	5
reflect my age					
don't					

Number of Cases in each Cluster			
CLUSTER 1	58		
2	33		
3	36		
4	46		
5	27		
Total	200		
Missing	0		

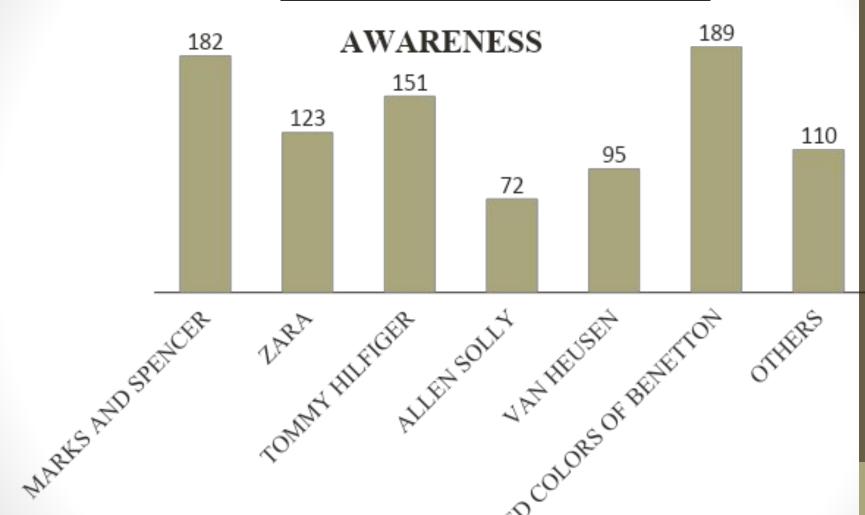
K MEANS CLUSTERING

- All 200 respondents are segmented into clusters based on their responses to these attributnal questions using k means.
- K came out to be 5 and the segments are non-overlapping, independent and actionable.
- The clusters are profiled using Top 2 box approach.

TOP 2 BOX APPROACH

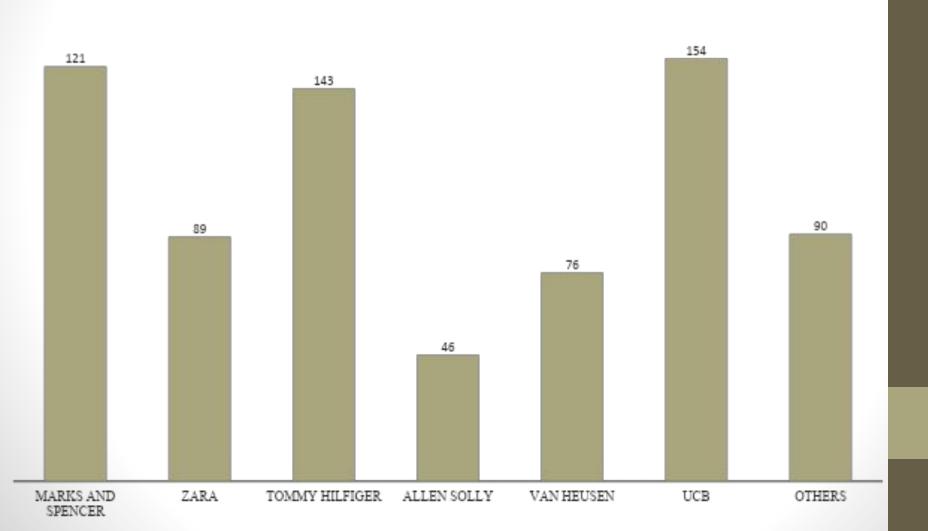
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	ohics,T	se	etic	ort	ch
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	ashiona	er	ppe	ker	er
	ble	S	rs	S	S
I am willing to spend extra time shopping for clothes in order to find the cheapest deals and save					
money	<mark>69</mark>	13	30	12	25
I choose the most expensive brands because they show others that I have good taste					
	23	12	9	7	<mark>51</mark>
I would like to be able to buy all my clothes in one store	22	16	46	28	<mark>48</mark>
I don't care how fashionable it is - I won't wear something that is uncomfortable, e.g., heels that					
hurt, dress that pinches at	35	77	78	84	41
My style is influenced by celebrities or people I see on TV or in magazines					
	51	11	10	9	<mark>53</mark>
I wear clothing and footwear I like, regardless of the current fashion					
	30	<mark>61</mark>	76	69	45
The most important thing is that other people notice what I'm wearing and think I look good					
	<mark>61</mark>	20	16	23	<mark>62</mark>
Shopping for clothes is a chore - I avoid it when I can	11	13	61	39	34
I always try the latest fashion, even if I'm not sure it will suit me best					
	31	9	5	10	<mark>51</mark>
I often choose to buy my clothes in stores for which I have vouchers or coupons					
	<mark>63</mark>	14	21	13	33
I only buy clothes to replace items that have worn out	12	15	56	27	38
When buying clothes, I always choose the best quality products, even if it means I can only afford to	12	- 10			
buy fewer items	39	<mark>67</mark>	16	23	35
The finer details on clothing and footwear, such as fabric, stitching and finish, are important to me		<u> </u>	13		

AWARENESS ABOUT APPAREL BRANDS



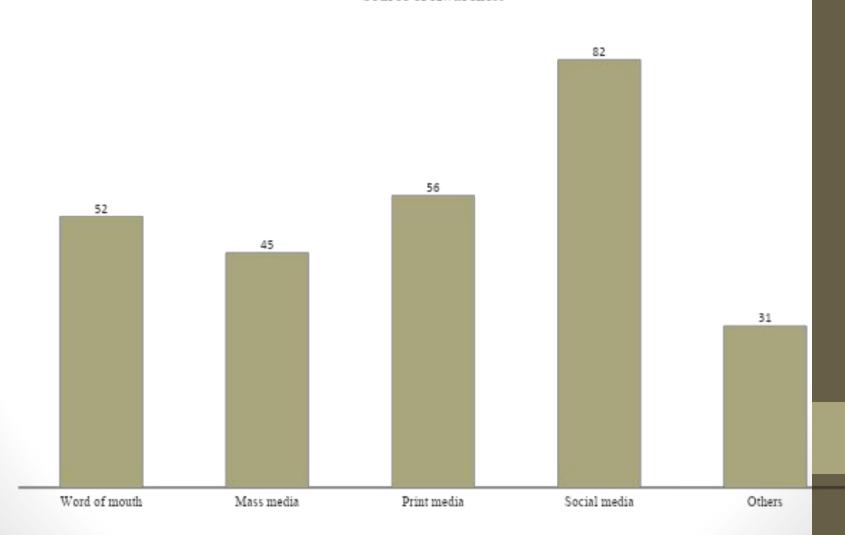
BRAND POSSESSION

BRANDS POSSESSED BY SHOPPERS



SOURCE OF AWARENESS ABOUT M&S <u>APPARELS</u>

Source of Awareness



Factor Analysis for M&S customers

Factor analysis was carried for satisfaction level of respondents who were M&S customers. The total number of such respondents were 102.

<u>Question</u>: Based on the following attributes, how satisfied are you, with the subscription of **Outlook magazines?** Mark on a scale of 1 to 5, where,

1 is Least Satisfied. 2 is Less Satisfied. 3 is Somewhat Satisfied.

4 is Satisfied. 5 is Highly Satisfied.

ATTRIBUTES		
Price	Style	
Quality	Comfort	
Brand	Availability	
Technology driven payment	Colour	
Promotion via celebrity	Advertisements	
Discounts/Offers	Assisstance by salesman	
Variety	Welcoming atmosphere	
Durability	Well behaved staff	
Trendy/Fashionable		

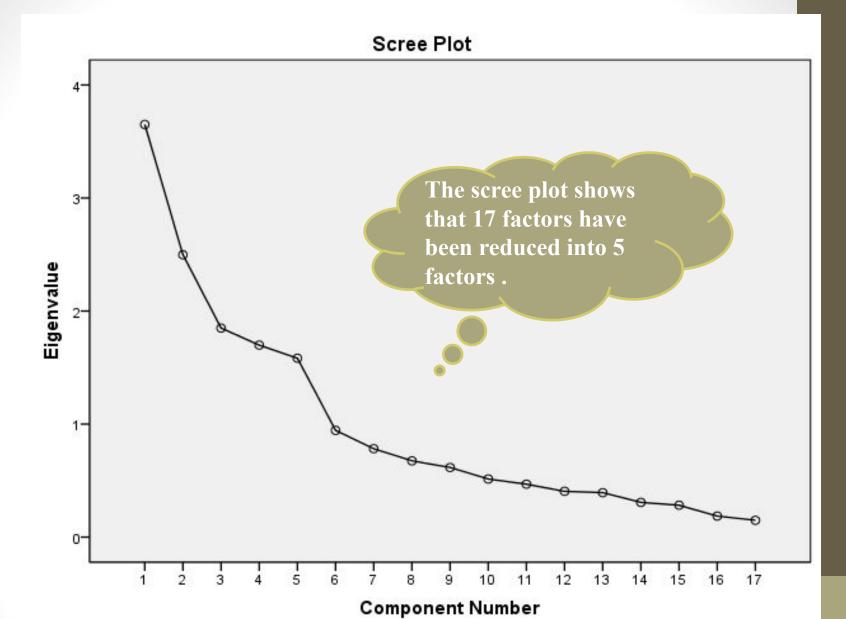
FACTOR ANALYSIS

As KMO value is 0.677>0.5, so factor analysis is appropriate to apply.

КМО	0	
Kaiser-Meyer-Olkin Measure of Sa	.677	
	Approx. Chi-Square	1282
Bartlett's Test of Sphericity	Df	136
	Sig.	.000

Total	Variance	Lvn	lained
IUtai	variance	LAD	Iaiiicu

	Init	ial Eigenvalu	es	Extraction Sums of Squared Loadings		Rotation Sums of Squared Loading		ed Loadings	
		% of	Cumulativ		% of	Cumulative			
Component	Total	Variance	e %	Total	Variance	%	Total	% of Variance	Cumulative %
1	3.650	21.471	21.471	3.650	21.471	21.471	2.726	16.035	16.035
2	2.498	14.693	36.164	2.498	14.693	36.164	2.488	14.633	30.668
3	1.849	10.877	47.041	1.849	10.877	47.041	2.379	13.996	44.663
4	1.698	9.991	57.032	1.698	9.991	57.032	1.950	11.469	56.132
5	1.582	9.308	66.340	1.582	9.308	66.340	1.735	10.207	66.340
6	.944	5.553	71.893						
7	.782	4.601	76.494				Y		
8	.675	3.970	80.463						
9	.616	3.624	84.087			are 5 facto			
10	.514	3.024	87.111	(lues greate of variance			
11	.468	2.755	89.866		that ho	w much of	the total		
12	.405	2.382	92.248			iability car ed for each			
13	.393	2.314	94.562			ry scales or			
14	.307	1.807	96.369						
15	.282	1.661	98.030						
16	.186	1.094	99.124						
17	.149	.876	100.000						
Extraction Met	thod: Principa	al Componen	t Analysis.						



Rotated Component Matrix ^a						
		Component				
	1	2	3	4	5	
price	.095	.197	.058	035	.827	
quality of apparel	.106	.178	.879	.077	.027	
brand image	.866	.048	.129	.081	069	
promotion via celebrity	.648	.000	.084	.178	.123	
discounts/offers	.071	.090	084	.003	.887	
variety	.182	.092	.019	.747	004	
durability	.255	.016	.809	012	036	
trendy/fashionable	.903	035	.198	.012	.020	
style	.778	.000	004	020	.109	
comfort	.058	.002	.847	.100	.041	
availability	.032	.064	.090	.772	.026	
colour	.002	.072	.045	.814	.026	
advertisements	.022	392	.169	.192	.458	
assistance by salesman	.018	.806	.035	.170	.056	
technology driven payment	.026	.817	050	.018	.068	
welcoming atmosphere	079	.478	.325	.075	.094	
well behaved staff	.035	.830	.116	.068	.029	

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 5 iterations.

Factor 1: <u>BRAND/FASHION</u> <u>CONSCIOUSNESS</u>

ATTRIBUTE	MEAN	FACTOR LOADING
BRAND IMAGE	4.16	.866
TRENDY/FASHION	4.1	.903
ABLE		
PROMOTION	3.97	.648
VIA CELEBRITY		
STYLE	3.9	.778



Factor 2:CUSTOMER SERVICE

ATTRIBUTE	MEAN	FACTOR LOADING
ASSISSTANCE BY SALESMAN	4.25	.806
TECHNOLOGY DRIVEN PAYMENT	3.9	.817
WELL BEHAVED STAFF	4.21	.830
WELCOMING ATMOSPHERE	4.09	.478



FACTOR 3: QUALITY CONSCIOUSNESS

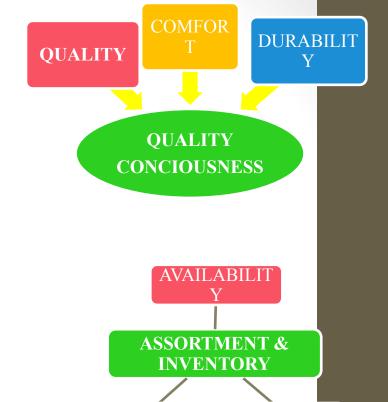
ATTRIBUTE	MEAN	FACTOR LOADING
	A 1	0.70
QUALITY	4.1	.879
COMFORT	4.3	.809
DURABILITY	4.0	.847

FACTOR 4: ASSORTMENT & INVENTORY

ATTRIBUTE	MEAN	FACTOR LOADING
VARIETY	2.1	.747
AVAILABILITY	2.6	.772
COLOUR	2.96	.814

FACTOR 5:PRICE SENSITIVE

ATTRIBUTE	MEAN	FACTOR
		LOADING
PRICE	2.7	.827
DISCOUNT/OFFERS	2.3	.887
ADVERTISEMENT	2.9	.458
	·	·





VARIETY

COLOUR

ANALYSING SATISFACTION OF CUSTOMERS FROM FACTORS OF M&S APPARELS(SEGMENT WISE)

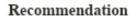
ANALYSING SATISFACTION OF CUSTOMERS FROM FACTORS OF M&S APPARELS CLUSTER WISE:

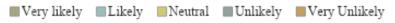
- Out of the sample size of 200,102 people came out to be Marks and Spencer users.
- We have applied the top box approach to find out which factors of Marks and Spencer Apparel satisfies majorly which set of people.

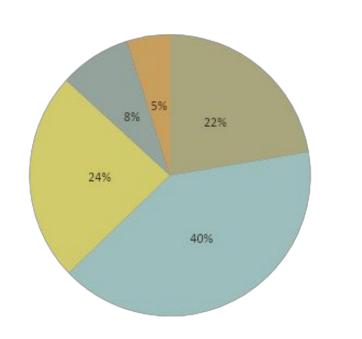
			CLUSTERS			_
BRAND/FASHION	Atrributes	SHOPOHOL IC,TRENDY ,FASHIONA BLE		APATHETIC SHOPPER	COMFORT SEEKER	STATUS CHASERS
FACTOR 1	BRAND IMAGE	<mark>45</mark>	15	12	36	<mark>45</mark>
BRAND/FASHION	TRENDY/FASHIONABLE	<mark>71</mark>	9	34	11	29
CONSCIOUSNESS	PROMOTION VIA CELEBRITY	50	32	8	21	37
	STYLE	28	21	22	29	41
FACTOR 2	ASSISSTANCE BY SALESMAN	71	41	<mark>40</mark>	50	<mark>59</mark>
CUSTOMER SERVICE	TECHNOLOGY DRIVEN PAYMENT	32	59	29	42	34
	WELL BEHAVED STAFF	<mark>62</mark>	45	35	64	41
	WELCOMING ATMOSPHERE	<mark>45</mark>	68	<mark>62</mark>	31	<mark>53</mark>
FACTOR 3	QUALITY	<mark>73</mark>	 <mark>66</mark>		61	<mark>72</mark>
QUALITY CONSCIOUSNESS	DURABILITY	27	34	<mark>35</mark>	39	<mark>45</mark>
	COMFORT	<mark>59</mark>	<mark>49</mark>	29	52	27
FACTOR 4	VARIETY	19	13	12	13	33
ASSORTMENT AND	AVAILABILTY	<mark>36</mark>	31	<mark>41</mark>	30	28
INVENTORY	COLOR	8	19	28	22	9
FACTOR 5	PRICE	<mark>45</mark>	31	11	24	28
PRICE SENSITIVE	DISCOUNT/OFFERS	6	9	13	7	10
	ADVERTISEMENTS	15	12	35	12	3 <u>5</u>

RECOMMEND M&S APPARELS TO OTHERS

RESPONSE	FREQUENCY
Very Likely	16
Likely	41
Neutral	29
Unlikely	10
Very likely	6
Total	102







SWOT Analysis	
	1. It is one of the most powerful retail brand with a top of the mind recall
	2. M&S's products are perceives as "value for money" due to quality, convenience and wide range of products.
	3. They have their own branded labels
	4. It has over 1000+ stores present across 40 countries
	5. Over 80,000 employees form a part of the workforce globally
Strengths	6. M&S has high reputation for focusing on customer service. This is one of the most important methods to make a good relationship between customers and M&S.
	1. Strong competition from other retail brands means limited market share
Weaknesses	2. Being a popular brand, they need to protect their brand from misuse of fake imitation products
	1. M&S can develop their website
	2. They can introduce new market segments that offer more profit
Opportunities	3. There are future opportunities in expanding their brand into China & India.
	1. Other retail stores are a threat due to their discounted prices
	2. M&S being a global retailer means they are exposed to different political facts in countries they
	work in.
Threats	3. Govt policies for retail stores

RECCOMENDATIONS

Product:

- Introduce new set of lines in apparels to target a larger audience.
- Maintain adequate inventory and assortment to fulfill its existing customers needs

Price:

- Lower down their current prices because already the competitors have a low price as price still remains higher priority for most of the customers.
- Offer discounts and coupons time to time to attract the customers.

Place:

- Improve market existence i.e outlet should be increased in numbers in malls and supermarkets etc to reach to a wider range of customers.
- Ensure good online dealings by different online merchants that might help to increase the scope for buying the product.

Promotion:

 Promotion through television and internet are most effective, thus our main focus should be on television and internet.

THANK YOU!