WHY DO MEN PREFER TO PURCHASE FORMAL SHOES FROM BRANDED OUTLETS?

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ABSTRACT

Though, the Indian consumers are highly discerning but still the footwear retail industry of the country is bifurcated into organised and the unorganized sectors. Presently, only 50% of men purchase from the organised outlets. The Indian consumer market is younger when compared to the markets in the developed nations, which comprises more of older consumers presently and therefore the retail markets have become more saturated. Further with growing fashion consciousness along with increased disposable income among India's urban middle class this trend is likely to change in the near future. Therefore many foreign brands have already started establishing themselves in India namely, Aldo, Bally, Clarks, Ecco, Florshiem, etc. It is time for the manufacturers to revisit their existing strategies. The present study aims to segment the consumers based on their activities, interest and opinions and correlates them with their expectations towards brands. For the purpose of the study factor analysis has been used to segment into different components. Correlation technique has been used to establish a relationship between the components and brand expectation. It is found that the consumers belonging to different components differed in their expectations.

Key words: Footwear, Brands, Consumers, Expectations, Strategies

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Introduction:

The footwear industry is susceptible to certain vital issues namely, market volatility due to frequent changes in fashion, diverse market, competition from innumerable manufacturers both from the organised and unorganized sector and the dissimilar buying habits of the customers. Currently the footwear market is dominated by the men's segment at 50%. Design is the key for creating competitive advantage for the retailers and wholesalers (Tesfom et al, 2004). As the consumers both in the domestic and international markets continue to become more sophisticated and demanding, it becomes inevitable for the manufacturers to develop quick response strategies (Marcia et al, 2001). There is a need for appropriate footwear as they are more than just shoes Troy (2000). Shoes give identity and image and are also a symbol of status.

Organised sector is categorized by the retail formats that pay their Income Tax, Sales Tax etc constituting 37.2% of the total footwear retail sector. Excusive retail outlets that may be either exclusive stores or multi-brand stores that are owned by large corporate houses, public or private companies come under the organised category. The retail formats like pavement vendors, hand carts, small stores which can be either privately held or partnership which do not pay their income tax or sales tax come under the category of unorganized sector which constitutes 62.2% of the total footwear retail in India. Further the Indian consumers are also becoming more brand conscious. Many foreign brands have already started establishing themselves in India namely, Ferragammo, Hush Puppies, Lee cooper, Lloyd, Marks & Spencer, Nike, Nine West, New Balance, Reebok, Rockport, Stacy Adams, Tod's, Geox and Louis Vuitton. Similarly domestic brands are also moving beyond national boundaries namely, Red Tape, Bata, Liberty, Khadims, Lakhani, Metro and Action shoes.

Purpose of the Study:

With the revolution taking place in the distribution system through entry of super markets, shopping malls, chain stores etc in the metros, small cities and towns the potential for lifestyle products have increased drastically (S L Rao, 2000). With the change in the lifestyle patterns among the people especially the youth, this product has also undergone a tremendous transition in terms of its character. Further, urbanization, favorable patterns of demography, increase in income levels and double income instances, media proliferation and the desire to look good has changed the perception of consumers towards the different brands that are available in the market. With increasing globalization there is stiff competition between the multinational, national and the unorganized players to expand their market. Most of the footwear brands have exclusive retail outlets and account for about 55 percent of the footwear market while multi-brand retail outlets account for about 30 percent. With customers preferring to purchase footwear along with clothes, most of the retailers are re-working on their channel strategies. Online shoe shopping is also a fast emerging segment and currently accounts for about 8 percent of the footwear purchase of the overall industry and is expected to reach nearly 20 percent by 2015.

Statement of the problem:

In the organised sector**,** men's footwear accounts for almost half of the total market. Therefore it is clear that only 50% - 55% of the sales take place in the organized sector even in the men's sector. There is no organised retailing that has a national presence in this sector. The anomaly exists due to the fact that the manufacturers and retailers have failed to understand the fine nuances of their customers be it men or women. The profile of the Indian consumer has changed. Though footwear is considered as lifestyle enhancement product, the manufacturers and retailers have failed to understand this. Still the traditional segmentation patterns are followed in this industry, which include materials used for construction of the footwear, usage patterns and demographics.

Also there are innumerable literatures that focus on trade policies followed in the footwear market in international countries, treatment of workers in the footwear industry, therapeutic use of footwear, supply chain patterns etc but there are hardly any study that explores the consumer behaviour towards brand perception and their association towards the footwear preferences. Behavioral segmentation though has been used in many other products like apparels, insurance, real estate etc., but not in the footwear sector. The present study is an attempt to fill the gap. This sector is a highly promising one with less knowledge about its customers.

Objectives: From the problems stated above the objectives have been derived as under:

- To profile the consumers into different clusters based on their activities, interest and opinions

- To examine the differences that exists in the brand preferences towards the formal footwear attributes according to the consumers' behavioural patterns.

Study Area:

The study was conducted in Bangalore being the capital of Karnataka and a fast emerging metropolitan city. Further it is the third most populous city and stands fifth in the urban population. As on 2011 the total population of the city stood at 8,425,970. Geographically the city is divided into 5 regions namely East, West, North, South and Central Bangalore. Bangalore has only 41% of local population and the rest of them belong to other states and countries especially from Europe. Hence, it is vivid that Bangalore has a population with diverse profiles. Therefore the city of Bangalore has been selected for the study purposively.

Sample Respondents

The respondents for the study include men between the age group of 20 – 55 yrs and between the income classes of Rs 12000 to Rs 200000 per month. Further the aim of the present study is to investigate the association between the behaviors of the consumers across genders towards the various footwear attributes of different brands. The respondents were drawn randomly from the various strata of East, West, North, South and Central Bangalore. 500 men respondents were selected from each stratum totaling to 2500 men. Out of the total respondents only 2074 men qualified for the study as the responses furnished by the rest of them was incomplete hence were eliminated.

Survey Instrument

Primary data was collected through distribution of questionnaires. The questionnaire comprised of two sections. Section I includes 50 statements (Mitchell, A. 1983, Anderson, W.T. and Golden, L. 1984; Hanspal et al, 1999; Hanspal et al, 2000) that would help in profiling the customers into behavioural clusters based on the activities they normally engage in their day to day life, interests and opinions on certain common issues. These statements were to be rated in a 7 point likert scale. Section II comprised of their demographic details and the attributes they expect their formal footwear to possess according to different brands. These attributes were arrived after an exploratory study. The exploratory study was conducted to a group of 20 members. The group members comprised of consumers who belonged to different age groups. They were asked to list the attributes they generally preferred their footwear to possess. These attributes were also to be rated in a 7 point likert scale. The instrument so constructed was pre-tested on thirty respondents to find out if the questions framed had sufficient clarity. Then based on their suggestions the final instrument was constructed and administered.

Analysis:

For profiling the respondents on the basis of their behaviour, factor analysis was employed on the 50 AIO statements. Initially inorder to test the reliability of these AIO statements, Cronbach's alpha score was computed. The Cronbach's alpha on 50 AIO statements revealed a score of 0.803 showing that the statements were reliable enough for further analysis. Also Kaiser-Mayo-Olkin (KMO) Test was conducted to measure the adequacy of sample size. The test generated a score of 0.694. Thus KMO test also proved that the samples were adequate enough to conduct factor analysis. On employing factor analysis 11 factors that constitutes 52% of the variance was considered for the study. Further for authentication Scree plot was also read. Only those factors that constituted Eigen value above 1 were considered as principal component analysis was employed. Varimax rotation was used to extract the factors with factor loadings greater than +/- 0.30.

Table 1: Components with total and cumulative variance

	Initial Eigen values		
Components	**Total**	**% of Variance**	**Cumulative %**
1	5.81	11.63	11.63
2	3.20	6.40	18.03
3	3.07	6.13	24.16
4	2.46	4.92	29.09
5	1.98	3.96	33.04
6	1.87	3.74	36.78
7	1.68	3.36	40.14
8	1.56	3.11	43.25
9	1.40	2.80	46.06
10	1.39	2.79	48.85
11	1.34	2.69	51.54

As Varimax rotation was utilized, those statements which had a factor loading of 0.3 and above was assigned to the respective component. Further case wise regression scores were considered to classify each individual to the respective components. The 11 components that were extracted include Stylistic, Confident, Cautious shoppers, Traditional, Relaxed, Optimistic, Strivers, Systematic, Dominant, Spiritual and diet conscious, Stay Trim (See Table 2). It should be noted that the components have been named according to the variable (Statement) with higher rotated factor loadings.

Table 2: Statements with Rotated Factor Loadings and assignment to respective components

Components	Rotated Factor Loadings
Component 1: Stylistic	
I like to spend a year in a foreign country	0.72
I have one or more outfits that are of very latest style	0.72
I pay cash for everything I buy	0.68
I enjoy stylistic dresses	0.65
The most important of life is to dress smartly	0.58
I am fashionable in the eyes of others	0.58
Component 2: Confident	
I have more self confidence than most people	0.77
As far as possible after marriage nuclear family is better	0.74
I am more independent than most people	0.71
I have a lot of personal ability	0.64
Component 3: Cautious Shoppers	
I visit many shops before I finalise my sales	0.81
I am active in all social functions	0.64
I check the prices even for small items	0.61
I watch advertisements for announcements of sales	0.56
One should bargain before a purchase	0.40
I prefer my friends to spend when I am out on a party	0.37
Component 4: Traditional	

Women are dependents and need men's protection	0.73
A women should not work if her husband does not like her to work	0.72
Looking after the house is primarily a woman's responsibility	0.59
In the evenings, it is better to stay at home	0.53
Component 5: Relaxed	
I drink soft drinks several times in a week	0.76
I spend a lot of time with friends talking about brands and products	0.70
I participate in sports activities	-0.53
One should have own credit/debit cards	0.43
Component 6: Optimistic	
Think I will have more money to spend next year	0.83
I want to take a trip around the world	0.77
Component 7: Strivers	
Doing nothing makes me feel uncomfortable	0.77
I will take some courses to brighten my future	0.45
Component 8: Systematic	
One should always keep the house neat and clean	0.66
One must save for the rainy day	0.63
A distinctive living attracts me	0.52
Component 9: Dominant	
Friends often come to me for advice	0.66
Giving dowry in marriage is a tradition and cannot be done away	0.54
I would go for a walk than sit idle	0.52
I can be considered a leader	0.39
Component 10: Spiritual, Diet conscious and Socialising	
I eat only home food	0.59
Spiritual values are important than material things	0.58
I can mingle with strangers easily	0.50
Component 11: Stay Trim (6%)	
I skip breakfast regularly	0.77
I like to watch games than any other entertainment channels	0.71

Source: Primary

For the purpose of the study the variables (AIO statements) with high factor loadings in the each component has been considered.

The attributes considered for studying the perception towards the brands include Quality, Services offered, Variety, Durability, Brand image and convenient location of the store

Perceptions of men towards branded formal shoes:

Correlation technique was employed to study the association between the different attributes the consumers expect in the footwear brands.

Table 3: Correlation between the Lifestyle components and brand attributes

Variables	Quality	Service	Variety	Durability	Brand Image	Price	Convenient Location
Stylistic N = 192	-.245**	-.210**	-.341**	-.143*	-.18**	-.170*	.398*
Confident N=253	.020	-.115	-.142*	.322**	.019	-.068	-.233**
Cautious buyers N = 224	.245**	.062	-.173**	-.055	-.125	-.29**	-.205**
Protectionist N = 219	.285**	.404**	.198**	.327**	.362**	.159*	.379**
Unhealthy N = 191	.186*	.512**	.193**	.173*	.632**	-.078	-.081
Optimistic N = 101	-.060	.102	-.042	-.039	.156	-.155	-.172
Active N = 102	.129	.113	.668**	.703**	-.070	.241*	-.003
Systematic N= 134	-.127	-.065	-.150	-.096	-.117	-.060	-.090
Opinion Leaders N = 207	.029	.015	.061	.039	.105	.132	.215**
Fitness Conscious N = 122	-.282**	-.051	-.055	-.110	.461**	.356**	.004
Stay Trim N = 116	-.066	.004	.052	-.075	.140	.127	.353**

** Significant at 1%, * Significant at 5%

Inferences

From the Table above it can be observed that the stylistic men preferred to purchase the brand that was available at convenient locations. They never bothered about quality, service, variety, durability, brand image or price. The confident men preferred to purchase the brand that offered them durability and did not bother about the location and variety. The buyers who would visit as many shops and then finalise their sales would purchase a brand only if they convinced about the quality. They were not worried about the variety, price or convenient location of the store. The protectionist men preferred all the attributes to be present in their brands. The consumers who always kept themselves active and busy purchased brands that had wide varieties, durable and to a certain extent price was also very important for them. The men who considered themselves as opinion leaders purchased those brands that were available at convenient locations. The fitness conscious consumers purchased those brands based on the image and price.

Conclusion:

. The study highlights a strong relationship between behaviour and its impact on the product choice. Footwear manufacturers in recent years along with the powerful new role that retail is playing, driven in part by surging consumer demand from entirely new mid-market youth segments associated with the country's IT-BPO boom is all poised to new heights. Therefore it is essential for the manufacturers to understand the fine nuances of the consumers and segment their markets accordingly.

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