

A Study on Customer Preference and Brand Awareness of Max Fashion

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ABSTRACT

Retail industry, being the fifth largest in the world, is one of the sunrise sectors with huge growth potential and accounts for 14-15% of the country's GDP. Comprising of organized and unorganized sectors. Indian retail industry is one of the fastest growing industries in India, especially over the last few years. The recent announcement by the Indian government with Foreign Direct Investment (FDI) in retail, especially allowing 100% FDI in single brands and multi-brand FDI has created positive sentiments in the retail sector. MAX is the international value fashion brand of the Dubai based Landmark Group. The brand was launched in the UAE in May 2004 with a unique concept of delivering international fashion & value to the discerning shopper. This study is on Max to find out whether MAX fashion is popular as a brand and the reasons why consumers prefer these products or not. The paper will guide the retailers to promote the MAX Fashion and MAX products in the market.

Keywords: Consumer preference, MAX Fashion, Brand, Customer and Quality.

I. Introduction:

There has been a long standing interest from marketers to understand how consumers give preferences towards a specific brand. Brand preference is closely related to brand choice that can help consumer in decision making and activate brand purchase. Knowing the pattern of consumer preferences across the population is a critical input for designing and developing innovative marketing strategies. It also uncovers the heterogeneity of consumer choices leading to efficient market segmentation strategies.

The Concept of Brand Preference:

The notion of preference has been considered in different disciplines such as economists, psychologists, sociology. However there is no commonly agreed definition of preference among these disciplines. For example, economists believe that preferences are exogenous, stable, and known with adequate precision and are revealed through choice behaviour. The economic view of preference had been criticised for assuming that preferences are stable and endogenous. An individual's preferences are not stable and can be endogenous or exogenous. In marketing literature, the word preference means the Desirability or choice of an alternative. Preferences are above all behavioural tendencies. Brand preference is defined variously as the consumer's predispositions toward a brand that varies depending on the salient Beliefs that are activated at a given time; the consumer biasness toward a certain brand; the extent to which a consumer favours one brand over another. For this study a working definition for brand preference is offered: "the biased behavioural tendencies reflecting the consumer's predisposition toward a brand". Moreover there is difference between brand preference and brand loyalty. Brand preference represents the attitudinal brand loyalty excluding the action of repeat purchasing; the brand-oriented attitudinal loyalty. The main theme is that the first three decision-making phases of brand loyalty constitute the focal of brand preference. Thus, brand preference is related to brand loyalty; however, brand loyalty is more consistent depicted by the long term repeated purchasing behaviour.

Literatures Review:

The Marketing Science Institute (Leuthesser 1988)

Behaviours on the part of the brand's consumers, channel members, and parent Corporation permits the brand to earn greater volume or greater margins that it would without the brand name and that gives a strong, sustainable, and differentiated advantage over competitors

Aaker (1991)

The value consumer associate with a brand, as reflected in Journal and in International Refereed Research Journal dimensions of brand awareness, brand associations, perceived quality, brand loyalty and other brand asset.

Swait et al (1993)

The consumer has valuation of the brand in a market with the differentiated brands relative to a market with no brand differentiation. Brand at as a signal regarding the nature of product and service quality and reliability and image.

Kamakura & Russell 1993 (Lassaret al.1995)

Customer based brand equity occurs when the consumer is familiar with the brand and holds some favourable, and strong brand associations in the memory.

Keller 1993

Brand knowledge is the full set of brand associations linked to the brand in long term consumer memory.

Lassar et al.(1995)

The consumer preference of the overall superiority of a product carrying the brand name when compared to other brands.

Aaker (1996)

Brand equity is: (1) Loyalty, (2) customer satisfaction based, (3) perceived comparative quality, (4) perceived brand leadership, (5) perceived brand value (brand's functional benefits), (6) brand personality, (7) consumers perception of organization (trusted admired or credible), (8) perceived differentiation to competing brands, (9) brand awareness (recognition & recall).

Retail industry, being the fifth largest in the world, is one of the sunrise sectors with huge growth potential and accounts for 14-15% of the country's GDP. Comprising of organized and unorganized sectors, Indian retail industry is one of the fastest growing industries in India, especially over the last few years. According to the Global Retail Development Index 2012, India ranks fifth among the top 30 emerging markets for retail. The recent announcement by the Indian government with Foreign Direct Investment (FDI) in retail, especially allowing 100% FDI in single brands and multibrand FDI has created positive sentiments in the retail sector

Retail industry in India can be classified into two broad categories-organized retail and unorganized retail.

1. **Organized retail**- Those traders/retailers who are licensed for trading activities and registered to pay taxes to the government.

2. **Unorganized retail**- It consists of unorganized small shops- conventional Kirana shops, general stores, corner shops among various other small retail outlets- but remain to be the radiating force of Indian retail industry.

Some sectors that occupy a prominent position with the retail industry are:

Apparel retail: Everybody understands the impact of fashion and textiles on the Environment. Almost \$ 19.5 billion were spent on online apparel shopping in the year

2009 and increasing since then.

Fashion & Lifestyle Retail: In India the vast middle class and its almost untapped retail industry are the key attractive forces for global retail giants wanting to enter into newer markets, which in turn will help the retail to grow faster.

Food & Beverage Retail: Backed by huge potential and changing lifestyles, the food and beverage retail market is growing at a robust 30-35 per cent per year.

Pharmaceutical Retail: Driven by therapies like anti-diabetic, vitamin, anti-infective and dermatology, it accounted for a robust 15% growth in 2011.

E-commerce or E-tailing-the next big revolution: With the advent of e-commerce in the retail industry, retail stores are facing stiff competition from e-stores. The rising demand for e-shopping has led to a new debate cropping up in the world.

Factors driving growth are:

- Emergence of nuclear families
- Falling real estate prices
- Growing trend of double-income households
- Increase in disposable income and customer aspiration
- Increase in expenditure for luxury items
- Large working population
- Low share of organized retailing
- Growing liberalization of the FDI policy in the past decade.

MAX is the international value fashion brand of the Dubai based Landmark Group. The brand was launched in the UAE in May 2004 with a unique concept of delivering international fashion & value to the discerning shopper.

Max was introduced in India with its 1st store in Indore in 2006 offering apparel, footwear & accessories for the entire family; for women, men, children including a fashionable range for infants. With a great range of western & ethnic wear for the young shopper, it makes a perfect shopping destination for people for all age groups. At MAX, shoppers can expect the latest in international fashion from around the globe & an excellent range to choose from; all of this offered at great prices in a world class shopping environment. Max retails its own label merchandise of in house designs and planned colour palettes for the season. Every season it introduces a fresh collection of international designs specially customized to the Indian

market.. Today, MAX is the largest value fashion brand in the Middle East with over 200 stores across 15 countries.

The Landmark Group, founded in 1973 with a single store in Bahrain has grown into one of the largest retail conglomerates in the Middle East and is expanding rapidly in India. It currently operates over 900 stores. In addition to its retail sector, the Group has also diversified into leisure, food, hotels and electronics and has created a comprehensive infrastructure including its own logistics and distribution division, to support its retail operations and other businesses. The Landmark Group will always strive to grow with its consumers. In the process it will provide products and services that are:

- Great value for money
- Fashionable & contemporary
- On par with global standards

In order to ensure consistent customer satisfaction, the Group will ensure that the brand and shop level experience across all its brands and outlets, in all the markets it operates in, is not only inviting but offers the highest degree of customer satisfaction. This will reflect not only in the way the Group conducts its business but equally in all its communications with its employees, business partners, associates and consumers The Landmark group has expanded exponentially across 12 countries with retail staff strength of 20,000 & a turnover of Rs.14500 cores. The highlights of the Landmark Group are its product & constant innovation.

II. The Scope and Objective of study:

The scope of the study is confined to consumer from nearby Mangalore.

The respondents were the households by taking that they are the right persons to provide reliable data for the present study. The findings of the study can be applied to whole organization. From this study the consumer's preference and their problems using the max Products can be identified. The study helps to know the consumer satisfaction and their opinion using max products.

The Main objective of the study are:

To understand the consumption pattern.

To find out whether MAX fashion is popular as a brand.

To find out the reasons why consumers prefer MAX products or not.

To study the attitudes of the retailers towards MAX fashion and MAX products.

To take suggestions from retailers to promote the MAX Fashion and MAX products in the market.

III. Research Methodology:

Data collection:

This study for the paper was accomplished by conducting systematic primary data analysis. The secondary data was also considered for the study. Primary data was collected Primary data collected through survey method choosing the respondents randomly.

Sampling plan:

The customers will be interviewed or asked to fill up the questionnaire at customer service desk and cashiering counter The respondents, i.e. the customers at max are stratified according to certain parameters such as their age gender. The sample size would be around 100 customers. This involves converting raw data into useful information. It involves tabulation of data, using statistical measures on them for developing Frequency distribution and calculating the averages and dispersions.

IV. Data Analysis And Interpretation:

Analysis of Customers who prefer Max product

Table 1.1 Showing Customers who prefer Max product

Are you purchasing max product		
Attributes	Frequency	Percentage
Yes	29	58
No	21	42
Total	50	100

Customers who prefer Max product

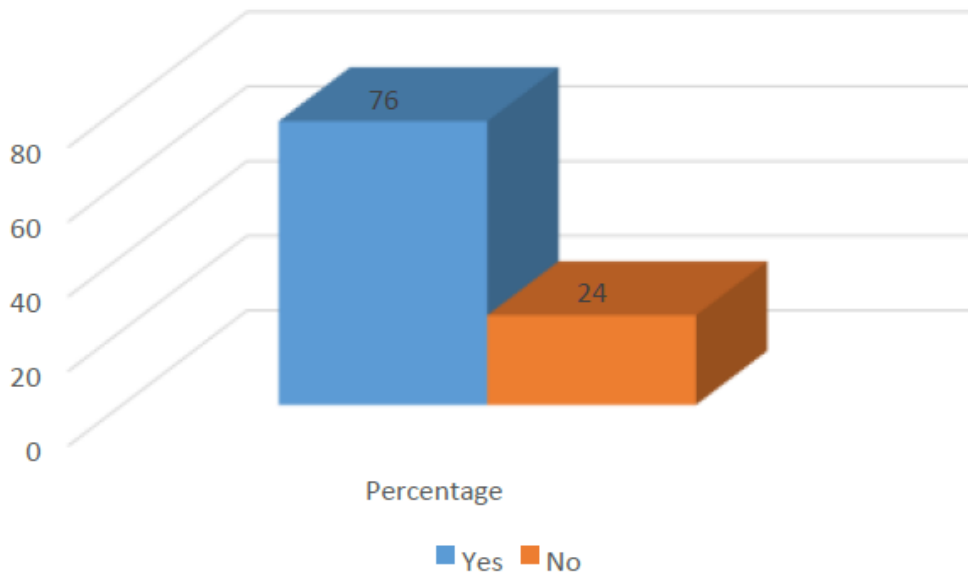


Chart 1.1 Showing customers who preferred Max product

Interpretation:

From the above graph, 76% of respondents prefer Max Fashion products and 24% of respondents do not prefer Max Fashion

Analysis of customers brand preference in Max Fashion.

Table 1.2 Showing customers brand preference in Max Fashion

Which brand of dress you are purchasing.		
Attributes	Frequency	Percentage
Bossini	6	12
Kappa	15	30
Oxemberg	12	24
Max	17	34
Total	50	100

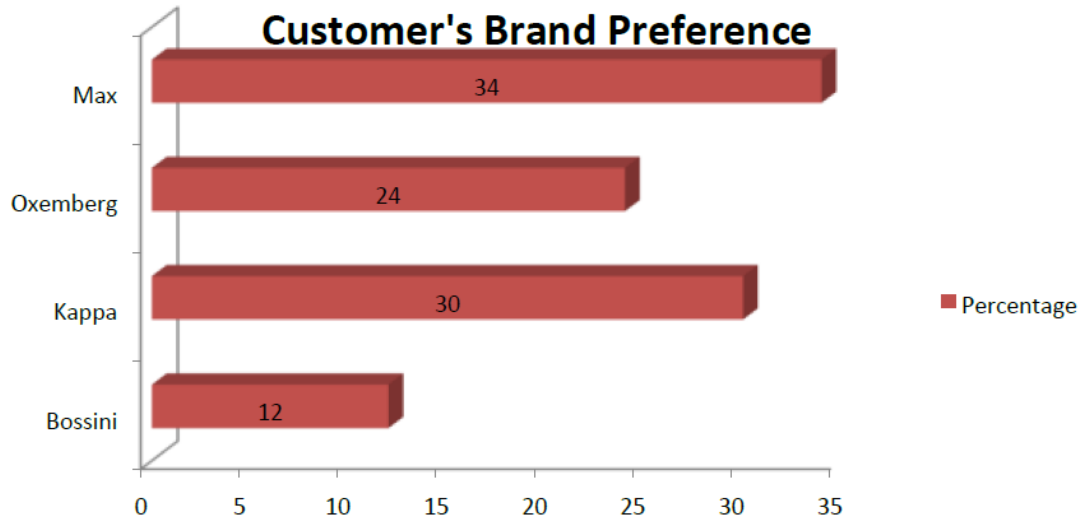


Chart 1.2 Showing customers brand preference in Max Fashion

Interpretation: From the survey, I have found that Max brands are preferred more by the respondents. The next major brand preferred by customers is Kappa and Oxemberg. However only 12% of respondents prefer Bossini.

V. Findings:

Majority of respondent prefer max products.

Most of the customers brand preference is towards Max because of quality and value.

Majority of the customers use Max brand from very long time.

Majority of the customers know max fashion through newspaper.

Customers choose max product on the basis of price and quality.

Majority of the costumers do not face problems in purchasing Max products.

Customers prefer brand Max even if the price is increased because of its quality.

Costumers are highly satisfied with Max brand.

As mentioned above the main customers of Max fashion are middle income and few high income groups.

VI. Suggestion:

Max should concentrate more on improving the quality of their products. The competitor's maintain good quality products, good ambience, neat arrangement of items, products variety,

good products, good range of products and discounts. All these are the competitor's strategy for why customers go to other outlets and Max has to concentrate on these strategies to serve customers in a better way.

Since there are youth who visit the store more and people with high income. Max should make available of more branded clothes and products with high quality.

Proper training should be given to cashiers to avoid any rush at the cash counters. The study found that fashions @ max has few apparel brands compared to its Competitors. It was found that sales representative's do not have the product knowledge.

VII. Conclusion:

To conclude this study on Max Fashion India will give the analysis of the customer brand preference in today's retail industry changes very fast and the retail industry is one of the competitive industry. Although there are many competitors for max, it still serves customer in a better and efficient way so that the customer are satisfied with the good products for low price. The study was basically to know why customer goes to other retail outlets and what attracts them to go there. So the questionnaire was designed in such a way that the customers tell that what attracts them to other outlets and customers were co-operative to share their thoughts and views. Based on the answers given by customers a conclusion can be made that even there are many competitors to max store. The customers think that max serves customer in a good way. Though there are few drawbacks like the quality of the products. Price updating in computer, variety of products but still when I consider the overall result customer are satisfied with the services provided by max The max is doing well in the retail industry. The company needs to overcome its weakness to be a strong contender in the retail market. The company has a very bright future in the days to come. The Brand can really grow strong in this competitive world and make a mark in Retail Industry.

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