

Consumer decision making in fast fashion marketing essay



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The purpose of this study is to investigate the influence of fast fashion on consumers' buying behaviour and their decision making using a case study of Zara. The study will focus on brand personality, brand positioning, and the consumer buyer behaviour as well as the decision-making process. What is fast fashion? Why is fast fashion currently so loved by everyone and how does the consumption of fast fashion affect consumers' purchasing behaviour. The objective of this research is to enhance consumer consumption in the fast fashion industry, by exploring consumers' preferences and choices. Moreover, this research will also seek to understand the potential of the fast fashion industry and how it can expand into new areas. As well as consumers' purchasing behaviour, how the fast fashion industry can increase its market share and get a competitive advantage will also be considered.

1. 2 Industry background

Zara is a subsidiary company which is part of Inditex in Spain. It is an apparel brand and is the exclusive brand of apparel for the retail chain of the ZARA brand. Zara was established in 1975 and is a clothing company which is ranked the world's third and first in Spain. Currently it has 917 stores in 62 countries. Because of the excellent designs provided by the brand designers at cheaper prices, Zara is loved by young teenagers across the world. Zara can be said to an alternative to the fashion industry, because of its concept of fast fashion among designer clothes and high street fashion. With fast fashion apparel a mainstream format in the clothing industry, the Zara brand is highly regarded. As the leading brand in the fast fashion industry, Zara has

become a model of a profitable brand. The Zara brand is growing fast in the fashion industry, and was one of 100 world's most valuable brands in 2005.

Many young fashionable people commonly describe the image of Zara as having first-class image, second-rate products and third-rate prices. Their approach to fashion has been described as “creativity, quality design and rapid turnaround to adjust to changing market demands which has allowed Zara to expand internationally at a fast pace and has generated an excellent public response to Zara's retailers' collections” (Inditex, 2010).

1. 3 Research layout

Chapter 1 provides the introduction, which includes the aims and objectives of the project, background information about the case study on Zara and the research layout.

Chapter 2 will concentrate on a literature review of past studies, which will mainly focus on fast fashion and consumer buying behaviour. This chapter will also describe the theories, classification, models and trends relevant to consumer buying behaviour in the fast fashion industry.

Chapter 3 will outline the research methodology, such as the type of study and the type of research strategy implemented.

Chapter 4 describes the research findings including further analysis and discussion. Whether fast fashion such as that provided by Zara will have a big impact on consumer buyer behaviour is shown and how far fast fashion can progress will be considered.

Chapter 5 provides the conclusions and recommendations from this study. An explanation of what has been achieved, what happens now, and what might happen in the future, as well as the implications for the Zara Company in the future will all be described.

2. Literature Review

2.1 The definition of Fast Fashion

Fast Fashion has been explored within the context of supply chain management (Ko and Kincade, 1997; Fiorito et al., 1995, 1998; Sohal et al., 1998; Perry and Sohal, 2000; Guercini, 2001; Azuma, 2002; Mattila et al., 2002; Birtwistle et al., 2003; Lee and Kincade, 2003). According to Barnes and Lea-Greenwood, (2006, p259) “ fast fashion is a business strategy which aims to speed up the processes involved in the buying cycle and the lead times for getting new fashion products into stores, in order to satisfy consumer demand at its peak.” Saren (2006) has pointed out that fast fashion refers to the time scale that exists between the emergence of a new fashion trend and the time it takes for a company to respond to that trend by having the product available in the market for sale. A commitment to fast fashion puts considerable strain on an organization. It requires that they are totally up to date with consumer trends and developments as these emerge, and that they be fully prepared to respond to these developments with new product ranges in advance of their competition (Saren, M, 2006). Kotler and Armstrong (2010) state that a company that implements fast fashion can recognize and respond to fashion trends very quickly, create products that

mirror these trends, and get those products onto the shelves much faster and more frequently than the industry norm.

2. 1. 1 The characteristics of Fast Fashion

In recent years, fast fashion has risen rapidly to become the new bright spot in the world's clothing market. Fast fashion is a term used to describe clothing collections which are based on the most recent fashion trends presented at Fashion Week in both the spring and the autumn of every year (Muran, L, 2007). One of the biggest retail success stories of the past decade has been the phenomenal rise of fast fashion, a shopping trend spurred by rapidly changing styles and the ready availability of cheap brands (Barrie, L, 2010). The characteristics of fast fashion are 'fast' and 'fashion', by capturing fashion quickly, launching new fashion designs quickly, and product updates quickly at a lower price to meet consumers' demand for access to fashion, and the resulting growth in the fast fashion industry "seems to be phenomenal" (Singhal, 2010). The reason that fast fashion has grown to occupy the market is due to its main characteristics which are that compared with traditional clothing brands, the product development of fast fashion into the market is short with a flow which does not create trends, it provides seasonal designs rather than going further with the design, and it focuses on breadth rather than the depth of products and frequently has new products entering into the market. Fast fashion can also be regarded as the inevitable backlash of consumers against the homogenization of the retail industry (Mya, F, 2006). Fast fashion has become an evolving retail trend that has store chains filling their racks with new, 'gotta-have-it' merchandise (Erin, W, 2004), and is aimed specifically at the culture of rapid purchasing <https://assignbuster.com/consumer-decision-making-in-fast-fashion-marketing-essay/>

and disposal (Fast Fashion, 2007). However fast fashion may be moving too fast making it impossible for customers to keep up (Wilson, E and Barbaro, M, 2006). As everything is getting faster, which includes fashions, Robin Anson (2010) has argued that there are still a few things that influence fast fashion, he reports that “ fast fashion can’t happen without facilitators, while low prices might encourage more purchases, to get low prices you need low labour costs, low raw material costs, and high productivity – but the quality must still be good.” According to Lovejoy (2007), the characteristics of fast fashion are the emphasis on speed and fashion where quality is secondary; the full cycle from the concept to store is streamlined; quick daily and weekly decisions are being made that lead to a continuous flow of products; with quick replenishment and an emphasis on reacting to the consumers requirements. Hines (2004, p 89-90) has also identified a number of characteristics of fast fashion, which again include the fast store throughput time which in turn attracts increased footfall through more frequent store visits, replenishment lead times cease to be an issue because the retail organisations operating in the fast fashion sector do not replenish but rather move on to something new, and hence fast fashion is essentially new fashion.

2. 2 The roles of brand

According to Clifton and Simmons (2003, p6) “ branding needs to start with a clear point of view on what an organisation should be about and how it will deliver sustainable competitive advantage; then it is about organising all product, service and corporate operations to deliver that.” A brand is a name in every consumer’s mind (Mooij, 1998) and it is characterised by a <https://assignbuster.com/consumer-decision-making-in-fast-fashion-marketing-essay/>

noticeable name or symbol which can differentiate the goods and services from its rivals (Aaker, 1991; Keller, 1998). A brand may contain variations of the following: a name, letters, numbers, a symbol, a signature, a shape, a slogan, a colour, and a particular typeface (Clifton and Simmons, 2003).

Feldwick (2002) has suggested that brands become associated with certain types of people, with certain occasions or emotional values. Kapferer (1992) has pointed out that brands can become part of a strategy aimed at differentiating supply, where companies seek to fulfil the expectations of a specific group of customers better. These can provide an ideal combination of attributes which are tangible and intangible, practical and symbolic, visible and invisible. Kapferer (1992) also shows that a brand tells why products exist, where they come from, and where they are going.

Cowley (1992) has stated the most successful brands continually improve or update their products to remain competitive, or to meet change market requirements. The evidence shows that beliefs about a brand can actually affect the perceptions of the characteristics of a physical product. Cowley (1992) has also shown that clothes are one of the most obvious social signs of conformity or non-conformity with a particular group, a phenomenon which of course exists separately from brands. Chernatony and McDonald (1998) point out that the purpose of branding is to facilitate an organisation's task of getting and maintaining a loyal customer base in a cost-effective manner and to achieve the highest possible returns on an investment. Researchers agree that these factors apply very much in the case of Zara, where loyal customers repeatedly buy their products and are also willing to support them in a long-term relationship, as Zara is based on

fashion but at a price that is not high. The characteristics of brands can be set at four different levels, these are: generic, expected, augmented, and potential (Chernatony and McDonald, 1998).

Stobart (1994) proposes that the importance of brands exists at three different levels, firstly, they serve as a focus for consumer loyalties and therefore can be developed into assets which generate steady and reliable streams of cash flow. Secondly, the brand serves to capture the promotional investment put into it. Finally, brands can be of critical strategic importance to their owners. In general, brands enable manufacturers to communicate directly with their consumers regardless of the actions of the middleman. Although a brand is very important, it is essential for consumers. Stobart (1994) has also commented that brands allow consumers to shop with confidence in what is an increasingly complex world. The brand offers the consumer a guarantee of quality, value, and potential product satisfaction, and as long as the brand keeps its part of the bargain the consumer will continue to support it.

2. 3 Brand Personality

According to Aaker (1996) a brand personality can be defined as the set of human characteristics associated with a given brand, consumers usually interact with brands as if they were people, especially when the brands are attached to such meaningful products as clothes. In dealing with people, the 'personality' describes the ways in which we anticipate an individual will behave in particular circumstances (Feldwick, 2002). In general, if a brand does not have a humanity symbol or a meaning, then it is likely that it will

lose its personality. Brand personality is the brand of human performance and an important part of brand identity, it has a unique brand of personalised features and characteristics, and it can bring a powerful brand association and rich connotation of the brand. The personality of a brand is developed to enhance the appeal of a brand to consumers (Gelder, 2003). Van Auken (2002) suggests that each brand should choose an intended personality based upon its aspirations and the current perceptions of its customers. Product-related characteristics can be primary drivers of a brand personality (Aaker, 1996), and the attributes of the product will always be influenced by the brand personality. The main reason for using brand personality is that it can help to increase the understanding of people's perceptions and attitudes towards the brand, which can help in guiding communication efforts and creating brand equity (Aaker, 1996).

From the point of view of the competitive market, the reason why the fast fashion industry business like Zara is favoured by its consumers is because of the operational model that is implemented in accordance with the fast fashion brand that provides a rich diverse range of products and improves the selection of products available to the consumers. And on the other hand, Zara provides much cheaper products compared to those in the slow fashion market. Currently, the basic strategies that are necessary to achieve fast fashion are: more variety, small batches, networking and informatisation etc.

2. 4 Brand positioning

Ries and Trout (1981) were the first to coin the term ' positioning. This term has nothing to do with products, services or organisations, but instead

focuses on the ability to command a position in consumers' minds, distinct from the competition. Kapferer (1997) considers positioning as a way of emphasizing the distinctive characteristics of a brand that make it different from its competitors and appealing to the public. Gelder (2003) defines brand positioning as a way of demonstrating a brand's advantage over and differentiating it from its competition. Brand positioning is a rather functional affair, with an emphasis on product and service features, benefits, usage, value and ability to solve problems for consumers. Aaker (1996) defines brand position as a part of a brand identity and value proposition that is to be actively communicated to the target audience and that demonstrates an advantage over competing brands.

For a clothing brand like Zara, brand positioning is very important. The positioning for Zara in the fashion industry is based on 'affordable fast fashion' and so it positions itself as a universal consumer market. Zara has become a world-class brand, but the success of Zara is not simply due to relying on named designers that create classical or popular products, instead there is a close relationship between Zara's brand positioning and "fast fashion." Through a rapid imitation strategy, emphasis on the fast design, fast production, and quick sales and with a fast response to market demand Zara is a representative of fast fashion. Zara's target audiences are between the ages of 20-35, because these consumers are more sensitive to fashion, but do not have the resources to buy designer brands. Therefore, in order to meet its consumers' demands Zara has created a fast fashion model and this has led to great success in the market.

2. 5 Consumer buying behaviour

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According to Mowen and Minor (1998) consumer behaviour is the study of buying units and the exchange processes involved in acquiring, consuming, and the disposing of goods, services, experiences, and ideas. It is important for a company to understand its consumers and their consumption and particularly those factors that assist consumers in their purchase decision making. Peter, Olson, & Grunert, (1999) have defined consumer behaviour as “ the dynamic interaction of affect and cognition, behaviour, and the environment by which human beings conduct the exchange aspects of their lives.” In other words, consumer behaviour incorporates the feelings of consumers, what they think, and how they react towards a product or service. Consumer behaviour is dynamic because consumers change and evolve over time (Peter, J. P., Olson, J. C. & Grunert, K. G 1999). Blackwell et al. (2006) have defined consumer behaviour as the activities that people undertake when obtaining, consuming, and disposing of products and services. Consumer purchasing behaviour of consumers includes their personal or family life that occurs during the decision-making process when buying goods. Consumer buying behaviour is complex, and purchasing behaviour is generated by its internal and external factors that influence each other to promote interactions.

2. 5. 1 The Consumer Decision Process Model

According to Blackwell et al. (2006) the consumer decision process (CDP) model “ represents a road map of consumers’ minds that marketers and managers can use to help guide product mix, communication, and sales strategies.” This model defines seven steps that consumers undertake when making their decisions in order to satisfy their wants and needs. These seven <https://assignbuster.com/consumer-decision-making-in-fast-fashion-marketing-essay/>

steps are described as recognition, search for information, pre-purchase, purchase, consumption, post-consumption evaluation, and divestment (Blackwell et al., 2006). The goal of creating this model was to analyse how the individual sorts through facts and influences to make logical and consistent decisions (Blackwell et al., 2006). These seven steps are described in more detail below:

Stage one is need recognition, which occurs when an individual senses a difference between what the consumer perceives to be the ideal and the actual state of affairs (Blackwell et al., 2006). First of all, consumers recognise that they have needs, this is the beginning of the decision-making process, and these needs may be caused by functional and the psychological needs. Since many factors can stimulate an awareness of needs, companies can through advertising inspire consumers' needs for new products, so that they subsequently give up those old products or those products that are no longer competitive in the market.

Stage two is the search for information. As mentioned by Solomon et al. (2006), the information search is the process by which a consumer surveys their environment for appropriate data to make a reasonable decision. The information search may be internal and external. Internal is from the memory, while external is the information which comes from environmental influences and individual differences. The environmental influences can include culture, social class, family or friends. Particularly in the case of friends and family, people will get knowledge and information about a certain product and a significant portion of consumers prefer to accept other

people's advice as a guide to their own shopping. Individual differences include attitudes, personality, values and lifestyle.

Stage three is the pre-purchase evaluation of alternatives. At this stage, consumers are trying to identify alternatives based on their decisions such as what their opinions are and what is best for them. After collecting information, consumers will evaluate a variety of products, and the composition of these will be based on rational and emotional components. Consumers often judge a brand by attributes such as quantity, size, quality and price. At the pre-purchase stage, consumers often have to take into account many factors. Therefore, if a firm can understand the important evaluation factors of their consumers, through promotions such as lowering the price or providing some special offers, then it is possible to obtain more consumers and obtain competitive advantages.

Stage four is the purchase, as Blackwell et al. (2006) states, there are two phases as part of the consumer decision-making process, the first phase is when consumers choosing the type of retailer, such as through catalogues, Internet or direct sales. The second phase is the in-store choice, which is influenced by salespersons, product displays, electronic media, and point-of-purchase (POP) advertising. Alternatively, after the consumers have undertaken product evaluation, they make the decision about which products to buy, and then undertake the buying action. However, this is often the attitudes that will influence by other and some unexpected factors. For example because of the consumer evaluation and the decision-making process the purchase decision may be cancelled at this time, and then the consumer purchase decision-making process will stop.

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Stage five consumption, stage six post-consumption evaluation, and stage seven divestment, all occur at the post-purchase stage. After purchasing the product, the decision-making process still has not been terminated, because during the initial process of using the product, consumers will look back and measure to see whether there are any problems or whether they are dissatisfied with the product. Blackwell et al. (2006) state that post-evaluation is a sense of satisfaction or dissatisfaction. Satisfaction occurs when the consumers' expectations are matched by the perceived performance of the product. Dissatisfaction occurs when experiences and performance fall short of expectations. Divestment considers the consumers' disposal, recycling for environmental concerns and firms remarketing.

2. 6 Hypothesis

The purpose of this research study is to investigate the influence of fast fashion on consumers' buying behaviour and their decision making using a case study of Zara, focused particularly on brand personality, brand positioning and consumer buying behaviour as well as the decision-making process. The objective of this research is to enhance consumer consumption in the fast fashion industry, by exploring consumer preferences and choices. Moreover, this research will also try to understand the potential of the fast fashion industry and how it can expand into new areas. As well as understanding through consumer purchasing behaviour, how the fast fashion industry can increase its market share and gain a competitive advantage will be considered.

This study will examine the following hypotheses:

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Ho Brand personality and positioning will have an effect on consumer buying behaviour

H1 Brand personality and positioning will not affect consumer buying behaviour

H2 How are consumer decision-making processes influenced by fast fashion?

3. Methodology

3. 1 Research purpose and hypothesis

As described in Chapter 1, the purpose of this research study is to investigate the influence of fast fashion on consumer buying behaviour and their decision making using a case study of Zara, examining particularly brand personality, brand positioning, and consumer buyer behaviour as well as the decision-making process. What is fast fashion? Why is fast fashion so loved by so many customers and how the consumption of fast fashion affects consumer buying behaviour will be considered in this study.

The objective of this research is to identify methods to enhance consumer consumption in the fast fashion industry, by exploring consumers' preferences and choices. Moreover, this research will also identify the potential of the fast fashion industry and how it may expand into new areas. As well as through consumer purchasing behaviour, how the fast fashion industry increases its market share and obtains a competitive advantage will also be discussed.

The study hypotheses are:

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Ho Brand personality and positioning will have an effect on consumer buying behaviour

H1 Brand personality and positioning will not affect consumer buying behaviour

H2 How are consumer decision-making processes influenced by fast fashion?

3. 1. 1 Exploratory study

This research is considered to be an exploratory study, Robson (2002) describes an exploratory study as that implemented to find out ' what is happening and to search for new insights and to ask questions to assess phenomena in a new light.' Kinnrar (1996) has described that exploratory research is often used as part of an examination which requires low costs and a short time. It is suitable during the identification of the definition and a problem. Exploratory research tends to determine the information which is not perfectly understood by the researcher about a specific area, and is perfect for the researcher who does not have an understanding about the topic or relevant theory. Also when it is quite hard to identify the direction of the research in a specific area, exploratory research can be used to understand the phenomenon or problem, and is able to access initial impressions and perceptions that provide a basis for future in-depth research and direction. The basic purpose of exploratory research is to provide some information to help the researcher to know and understand the problems faced and to define the nature of the problem and to have a better understanding of the environment for some small group activities. At this stage, the needed information is often inaccurate, and the research process <https://assignbuster.com/consumer-decision-making-in-fast-fashion-marketing-essay/>

is often very flexible and non-structured. As for fast fashion, this researcher believes that it is a new area which has been growing significantly in recent years, however most people do not understand what exactly fast fashion is, or its trends and characteristics. And so the key questions are how Zara's brand personality and brand positioning has led them to become leaders in the fast fashion market, and how does this affect consumer buying behaviour and their decision-making process when thinking about Zara.

3. 2 Form of Research

3. 2. 1 Phenomenological approach

The phenomenological approach is also known as interpretivism. As Blumberg, et al., (2008) describes, the basic role of the phenomenological approach is to create a community which has a known meaning by people and then research which is determined by the researcher's interests. Bryman et al., (2007) has found that phenomenology is an investigation between the researcher and the social world sharing a vision in social science, which is different from other natural sciences. And it is also about how each person sees and feels the world around them. The aim of the phenomenological approach is to understand human behaviour (Harvey et al., 2005). The original method of using phenomenological ideas in social sciences was first proposed by Alfred Schutz (1899-1959). He pointed out that:

The world of nature as explored by the natural scientist does not 'mean' anything to molecules, atoms and electrons. But the observational field of the social scientist-social reality-has a specific meaning and relevance

structure for the beings living, acting, and thinking within it. By a series of
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common-sense constructs they have pre-selected and pre-interpreted this world which they experience as the reality of their daily lives. It is these thought objectives of theirs which determine their behaviour by motivating it. The thought objects constructed by the social scientist, in order to grasp this social reality, have to be founded upon the thought objects constructed by the common sense thinking of men (and women), living their daily life within the social world. (Schutz 1962: 59)

3. 2. 2 Inductive Research

Saunders (2007) describes inductive research as when theories are proposed that follow the examination of data rather than with deduction. And the induction research approach is about building theory (Saunders, 2007). As Blumberg et al., (2008) states, sometimes inductive research does not have the same relationship between reasons and the conclusion. This research will be implemented using the inductive research approach, because the inductive approach is about the collection of qualitative data. Inductive research refers to many individual cases which have been obtained from a more general rule. This approach is implemented through data which has been collected, then deeply analyzed, before reaching a general conclusion. The inductive approach is from the specific to the general, and its advantage is that it embodies the fundamental in many things, and it can represent many things in common.

3. 3 Research Strategy

3. 3. 1 Grounded theory

Grounded theory is one of the important models used by researchers to carry out their research. Grounded theory is a typical inductive approach which can be used to explain behaviour. It is considered to be an exploratory research approach in which theory is developed from data. Grounded theory emphasises data being used to enhance theory through in-depth analysis, in order to gradually form a theoretical framework. This can be an inductive process, concentrating on data from the bottom to up. Grounded theory depends on information, and provides a close link to the case study. This is because based on the selection of case study, the selection and data collection will then have better follow-up analysis. Generally, the grounded theory method of data collection and analysis occur together, that is, the researcher should follow the process as a guide and constantly review the data, and then continuously adjust the direction of the ongoing supplementary information. Moreover, the grounded theory method requires that the researcher collect the data, analyse the data, supply the information and adjust the specific direction or focus at the same time. This means that the researchers' definition of the field cannot be too narrow in the first place, and its overall control and dynamic flexibility are particularly important.

3. 3. 2 Time Horizon

The research is considered to be a cross-sectional study, as this type of study considers a particular phenomenon at a particular time, this type of approach is often used with qualitative methods. As Malhotra (2009) has stated, a cross-sectional study engages in information collection just once from any types of population. The advantages of a cross-sectional study are that

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3. 4Methods of Research

3. 4. 1 Secondary data

Secondary research is used when a research project has been started, as Hair et al. (2007) have stated “ the data used for research that was not gathered directly and purposefully for the project under consideration are termed secondary data.” Secondary data may include both quantitative and qualitative data; also it can be used in both descriptive and explanatory research purposes (Saunders, et al. 2003). Secondary data is obtained based on a specific purpose according to the original researcher’s requirements, and incorporates the collation of a variety of readily available information (secondary data), such as reports, documents, databases, main journals, and from websites. The three main types of secondary data are documentary data, survey-based data and the multiple source data which is based on the combination of documentary and survey-based data.

The purpose of this research is to establish how fast fashion has impacted on consumers’ purchasing behaviour and their decision-making, and therefore the background theory is needed in order to define what fast fashion is, how fast fashion brands use positioning, and the theory of consumer buying behaviour as well as examining the model of the decision-making process.

The main reference used in this study has been “ Research Methods for Business Students” by Saunders, et al. (2007). A database of fashion journals will allow the researcher to identify useful websites and the authors that have contributed to this research topic. The reason for utilising secondary data is because it is easier to obtain, cheap, and quick to access. While

secondary data cannot be used as a specific research to answer all of the research questions, it is still useful in many ways as it can help to define problems better and to identify ways in which they can be solved. Malhotra (2009) has explored the advantage of using secondary data findings that it can enhance our understanding through the use of different sources of media and advertising. However, the disadvantages of using secondary data are the relevance and accuracy of the information obtained may not be sufficient to meet the needs of the research. And the nature of the