

Consumer behaviour in fashion industry



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David Holloway had always been rather rebellious and he continued to be so during his time studying fashion. However, he produced annual collections which stunned his teachers with their inventiveness and attention to detail. During his time at college David developed his skill as a tailor, so in his leaving collection (2005), the output was not only inventive, it was also technically very well made. David was employed by a major fashion house and spent two years producing ground-breaking designs, elevating the house from the simply sophisticated to the cutting edge of fashion. David was in demand on the UK fashion scene. He was runner up in the “ Fashion Designer of the Year” competition in 2007, having been the winner of Best New Fashion Designer of the Year” in 2006, but as he was often said “ awards don’t necessarily put money in the till.

Freeway fashion ltd designed and manufactured David Holloway’s designs for sale at a range of specialist high and retail outlets and also created designs for more mid market outlets on a commission basis. The 2008/2009 revenue year had been difficult for freeway fashion ltd. No new ideas were seen in the offerings at the spring 2010 collection and sales were static.

In spite of having scarce time, information, and resources, I have tried my best to fulfill all the requirements of the report and sought to apply my knowledge of Consumer behavior as a process.

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Problem statement:

Based on information it is possible to acquire, draw up a picture of fashion clothing market (both male and female) in a country of your choice. Some of the general areas you might consider include:

- What is fashion and how is it manifested in the clothing market?
- What are the consumer motivations for being and staying in fashion?
- Why is fashion important in people's lives?

Introduction:

Fashion is always changed by social and cultural attitude, place, time etc. Fashion designers design fashion by considering customers needs, current situation and a wide range of colors, patterns, and styles.[1]Here is a complete picture of clothing market in Bangladesh.

Fashion:

- Fashion a general term for a currently popular style or practice especially in clothing. Fashion clothes express a person who is he or she what he or she value.
- Fashion is always changing slightly elusive, extreme, and seductive. It has the power to change an image and create a social statement. [2]The fashion industry is the product of modern age.
- From the designers perspective the key was keeping in tune with all dynamic changes happening in the market and then translating those into required products when the customer acknowledge.
- Ancient Bengali fashion garments generally used unstitch although Bengali knew regarding sewing. Bangladeshi female wears traditional

clothing such as sari. There are various styles of fashion clothing available in Bangladeshi market.

- The fashion market of Bangladesh is witnessing strong growth owing to a young population, an increase in disposable incomes, which is leading to increase in consumption and thus the rapid growth in organisation retail.

Characteristics to manifest fashion in clothing market:

Clothing is one of the codes for reading society. Selecting the right clothes is the first and foremost step in creating an overall style statement. The fashion magazines and the fashion shows are of great help determining what is chosen or not.[3]

Fashion is manifested by constant change in form where the function remains constant. In clothing market, fashion is always change by consumers buying motivation factors and decision making process.

In Bangladesh, the fashion clothing is manifested by the different ways of thinking, social groups, and motivation factors etc. the culture of fashion is inextricably linked to a place or social senses to a community and in clothing market. Fashion is concerned, time and space matter. The fashion market is apposite for exploring the problem posed by market behaviour as it relates to creativity. The fashion industry is manifested in several ways. The external sociological factors have influences on customer such as family, friends, neighbor, other informal and noncommercial sources, social class and cultural and subcultural memberships.

Demographic characteristics will affect both the type of clothing that individuals will consume fashion:[4]

Age: this remains one of the main determinants of people's buying behaviour despite social changes which have taken place, such as the slump in "teenage fashion.'

Gender: also an important factor affecting a person's choice of clothing, gender remains important since there are very few genuinely unisex fashion item – even jeans are advertised as either feminine or masculine.

Occupation: clothing can be chosen to reflect one's professional status and choice of buying.

Economics circumstances

Social class

Consumer motivation:

Consumer motivation is an internal state that derives person to choose and buy products or services which fulfill conscious and unconscious desire or needs. The fulfillment of those demands can then motivate them to make a repeat purchase or to find different goods and services to better fulfillment those desires.[5]

In Bangladesh, the fashion clothing market depends on how necessary a purchase is to an individual his motivational levels may vary from low to high. Motivational factors include familiarity with purchase, status factors and overall expense and value.

The hierarchy of needs of Maslow (1970) provides a framework within which to explore the role that fashion plays in driving and motivating.

Maslow's hierarchy of needs

- Physiological needs:

Physiological needs are those required to sustain life. These is prompt the purchase of a winter coat in winter season by a person. This model may appear slightly out dated in today's fashion society continually consumers are finding it easier to satisfy this lower level need leading to greater emphasis being placed upon how they are viewed in fashion society.

- Safety needs:

These relate to both physical and emotional safety, although this may in general be a minor issue for fashion marketers. Some purchases will involve a high level of safety consciousness, such as taking into account the flammability of children nightwear. Here consumers feels to purchase good clothes.

- Social groups:

Consumer social needs includes love, affection, belonging and acceptance from:

- Groups
- Family
- Roles and status

Social needs can exert a powerful influence on fashion purchase, as is exemplified by the complex issues involved in the teenage purchase of T-shirts.[6]

Esteem needs:

This implies the need for recognition from others. Prestige or the wish to enhance consumer's reputation is a motivating force across the whole fashion spectrum, from street fashion to haute couture.[7]

Need for self-actualisation:

This is often interpreted as the expression of creativity or some type of spiritual fulfillment. The fashion consumers can be observed by this motivational force at work in both the creative dresser. Consumer maintains the high

- Image enhancement
- Social uniqueness

Importance of fashion in people's lives:

Fashion seems to be ubiquitous and a permanent dimension of human behaviour. Fashion is new delight for consumer. Fashion is something which is special we deal with everyday. Clothes create a wordless means of communication that we all understand.[8]

Express personality: Fashion is a way by which consumers can express their personality. So it is easier to judge and realize others personality by the help of fashion.

Social uniqueness: people always seek to be unique. It is easier to express or act uniquely if one strongly maintain own fashion avoided criticism.

Image enhancement: fashion is important because it allows consumers to project the image that they want others to see. Consumer can enhance their beauty by wearing fashion clothes.

Spread culture: Fashion play an important part in our culture. In Bangladesh, women think of saris – sari is not only worn in Bangladesh these days but others countries such as Mexico and African people love to wear saris to get the feel of Indian subcontinent culture.

Increasing confident: Fashion is required to make the consumer feel the best. When somebody wears fashionable clothes that fit his or her properly and it can add a boost of confidence.

Position in society: fashion is required to make position the consumer in his or her society. Fashion clothes increases the social status of a consumer who wears fashionable clothes.

Fashion has become a part of our life. Nobody can remain untouched without fashion. People must have some idea and kind of fashion to show their existence in present society. It is very important at all the time and no one can't think or stay without fashion whoever is conscious.

Task 2

Problem statement:

- What is the role of celebrity and peer pressure in the adoption of fashion clothing?

- What are the stimuli for purchase?
- What is the role played by the mass media?

Adoption of fashion: fashion adoption is an important concept in the fashion industry. Fashion is defines as a style of clothes or behaviour in the latest style. Fashion adoption is not related to age, education or marital status, i. e. demographic variables, but is corrected with fashion purchasing, magazine, readership, and frequency of shopping for clothes.

Role of celebrities in the adoption of fashion clothing:

Celebrities have greatly influenced consumers in this decade. International stars like Medona, Beyonce and Sara Jessica Parker have become more influential role models for customers.

Celebrities provide role models by which people can judge themselves and can be used as images to which they can aspire.[9]

Brand awareness: celebrities create brand awareness among consumers and peoples life style.

Fashion image: fashion image relates consumers' perception about fashion's favorable, unique, and strong related associated that fashion products might benefit from. Celebrities help consumers for enhancing their images.

In fashion, consumers follow a certain norm in order to get the majority style of trends. Celebrities take place the eye of the world updating on what fashion they have adopted.

New trend: latest fashion trends are always started on what fashion clothes are worn by the celebrities and models.

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Enhance uniqueness: celebrities always have their own identity in creating their own style of fashion. So consumers try to make self uniqueness learning the celebrities life.

Role of peer pressure in the adoption of fashion clothing:

Peer is generally acknowledged siblings or friend.[10] They are some people that an individual keep in mind when making a purchase. Peer groups are important because they inform and make individuals aware of specific products and brand for adopting fashion.

- Peer influence on the attitudes, thoughts, and actions of an individual.
- Peer influence on products purchase decision.
- Encouraging the person to change their attitude and help to get the new fashion.
- Peer pressure is probably the strongest influence on adolescent brand choices which is symbolic good for clothes and adoption fashion.[11]

Stimuli

Stimuli: Stimuli are events in environment that influence behaviour.

[12] Consumer buying behaviour is influenced by numerous factors. Decision making questions such as what, why, how, where and when consumers buy are influenced by three major conditions.

Stimuli for purchase are a mechanism to bring into entropy the four different images of self defined by Freud. Freud's theory of personality is based on the idea that much of consumer behaviour in fashion is determined by forces outside awareness. Personality stereotypes may change overtime.[13] There

are three levels of awareness: conscious mind, preconscious mind, subconscious mind.[14]

- The id:

The id is the Freudian structure of personality that consists of unconscious nature.[15]This id is conceptualized as a warehouse of primitive and impulsive drives.

Here consumer has no real perception reality and seeks to satisfy his or her needs.

- The super ego:

The super ego is conceptualized as the individual's internal expression of society's moral and ethical codes of conduct. In this stage the individuals satisfies needs in a socially acceptable fashion.

- The ego:

The ego is a consumer's conscious control. The ego is based on the reality principle.[16]The ego functions in the conscious, preconscious, and unconscious mind.

Freud's personality theory of consumer personality believe that customer drives are largely unconscious and that consumers are primarily unaware of their true reasons for buying fashion products what they buy.

- The role of mass media:

The mass media, including all types of TV channels, radio, paper, newspaper always play a vital role in our modern fashion life. They have changed our life very much.

- Mass media affects consumer's fashion by showing celebrities fashion life, fashion shows etc
- Mass media have a great contribution to shape consumer's ways of thinking.
- Mass media increases our awareness about fashion by when we watch on TV, radio.

Task 3

Problem statement:

Fashionable products often have difficulty remaining fashionable. This question addresses:

- How do fashion based companies deal with changing customer profiles for their products?
- Who are the innovators and early users of fashion products?
- Explain the role of COO (country of origin) effect in relation to fashion design and outsourced manufacturing?
- What influence does reference group theory have on the possession and brand fashion goods?

Ways to deal with changing profile customer:

Fashion based companies need to deal with their changing profile customer for their existing and new products. These companies should consider ways

to grow the fashion market via existing and new products, in existing and new markets.

Market penetration: (existing market and existing product)

This strategy is seeking a larger market share in a market in which organisation has already offerings.[17]

Attracting buyers of competing offerings(fashionable product)

Stimulating fashion product trial among potential customers

Product

Existing new

Fashion Market penetration

Fashion Product development

Fashion Market development

Fashion Diversification Existing

Market

New

Fig: 4P's of marketing mix

Product development: (existing market ands and new product)

Fashion companies create new offering for existing fashion markets.

Product augmentation- enhances the value to customer of existing fashion clothes.

Product line extension- broad the existing line of offering by adding different trend, sizes, forms, colors etc.

Fashion market development : (new market, existing product)

Fashion companies are introducing its existing offerings to customers than other those that the fashion company is currently serving.

Carefully consider competitor strengths and weakness and competitor relation potential

Modification of the basic offering

Change in sales effort and advertising

Diversification: (new market, new offering)

Fashion companies can develop of offerings new and introduce those offerings to new customers not previously served by these organisations.

Growing trend in recent years.

Fashion companies also include following factors to deal with customers:

Branding:

Positioning is how a product appears in relation to other products in market.

[18]Brand can be positioned against competitor's brand.

Observational research:

It is a social research technique that involves the direct observation in natural setting. It is very flexible to researchers because they can change their approach whenever they want. Fashion based company can deal with this strategy by researching the actual wants and needs of customer.[19]

CRM (Customer relationship management):

CRM strategy helps the fashion based companies improve the profitability of their interaction with customers. To succeed with CRM companies need to match products and campaigns to prospects and customers life cycle.

Fashion companies can gather customer data by CRM

Market analysis:

Fashion companies should analyse the market by following dimension:

Market size

Market growth rate

Market profitability

Distribution channel

Trend

Key factor success

Decision:

Fashion based company always need to deal with present customer and also they want to cope the new customer or competitor customer. to increase the

customer growth rate, company should make perfect strategy for staying core customer and changing fashion image of organisation.

Innovators of fashion products:

Innovators are early users of fashion products. The adoption process begins with a tiny numbers of visionary, imaginative innovations. They are the first individual to adopt an innovation.

Innovators are:[20]

- Willing to take risk
- Youngest in age
- Have the highest social status
- Have great financial lucidity
- Social
- Closest contact to scientific sources
- More cosmopolitan
- More self confident
- Better educated
- More active outside of their community, etc.

Early users of fashion products:

Early users are the second fastest category of individuals who adopt fashion products.

Early users are:

- Younger in age
- Higher social class or status

- Well educated
- Socially forward than late adopters
- Reliant on group norms and values than innovators.
- More likely to be opinion leaders because of their close affiliation groups.

Country of Origin:

Country of origin is the country of manufacture, production or growth where products comes from.[21]

Role of COO effect in fashion design:

Differentiating products from the competitors[22]

Impact on consumers' quality perceptions of products: brand image, brand personality, brand associations, communication messages – influence the perception of customers about the quality of a brand.[23]

Preference for and willingness to buy products

Effect of affinity and animosity toward the country of origin: country associations do lead to customer bias. Such bias is based on the image of the country in customer's minds. Economy, technology, wealth index, regulatory mechanisms, government, business history of any country makes up the image of a country on the customer's mind.

Consumers' product evaluations and choice: The very reason a company indulges in branding is to assist customers in making purchase decisions by providing cues on quality, credibility and value about a product.

Effect of country-of-association

Consumers' state of familiarity about the product: As the COO information is available, consumers will view it as relevant information and deliberately use it in their evaluation of products.

Whether fashion clothing is considered as luxury good to the consumers**Exert its influence on product judgment.[24]****Role of Country of Origin (COO) in outsourced manufacturing:**

Decrease in production costs[25]

Flexibility

Technological advantages

Use of advanced skills

Global competition

Reference group theory:

A reference group is group of people (or even one person) which provides a point of comparison or reference for the consumer in the formation of values and attitudes, which in turn affect buying behaviour.[26]

Reference-group theory asserts that people's self-evaluations are determined not only by their objective position but also by their standing relative to specific persons with whom they compare. Because an individual's self-evaluations can rise or fall depending on which group he

looks to when making comparative judgments, specifying the conditions under which people select one or another comparative reference-group would appear to be vital to a more complete elaboration of reference-group theory.[27]

Influences of reference group theory on the possession and brand of fashion goods:

Reference group influence has been treated as a multinational construct based on the assumption that influence can occur for different motivational reasons. The two types of social influence systems are:

Normative social influence: it is the desire to conform to the expectations of another person or group.[28]

Informational social influence: it is an influence to accept information obtained from another as evidence about reality.[29]

Influences of reference group theory are:

- Influence on marketing studies
- Influence on the attitudes of those individuals who apply it as a reference point for evaluating their own fashion.[30]
- Influence on consumers evaluation, aspirations, or behavior[31]
- Influence on product selection, brand evaluation and choice, brand loyalty, and perceptions of product quality.
- Reference groups can be critical source of brand meaning. Consumers use reference group as a source of information for adopting fashion.

- Consumers may form self brand connections to the brands used by reference groups to which they belong.
- Consumer may avoid associations derived from groups to which reference groups do not belong.

Task 4

Problem statement:

- Based on where Freeway Fashions are positioned in the market, what forms of market research would you recommend they use in order to stay up to date with cutting edge fashion trends?
- How you would derive your customer sample frame(s) and what might they be asked? How would you deal with trade and retail opinion?
- What forms of additional non customer research would you recommend to the company? Should Delphi method type research techniques be consider?

Research method for freeway fashion Ltd:

Freeway fashion ltd was born in September 2007. freeway fashion designed and manufactured David Holloway's designs for sale at a range of specialist high and retail outlets and also created designs for mid market outlets on a commission basis. The economic regression began to affect the fashion industry and David's second year was no lucrative as first years. The two reasons for declined the profit are – people were more careful in their purchase and David's design was attracting only a different types of people.

From the above evaluation of positioned market of Freeway Fashion Ltd, I have to recommend following research method for this fashion company to

stay up to date with cutting edge fashion trends. Consumer researchers today use two different types of research methodology:

Quantitative research:

It is descriptive in nature and is used to by researchers to understand the effects of various promotional inputs on the consumer, thus enabling researchers to predict the consumer behaviour.[32]Freeway fashion ltd enable to predict the consumer demand by using quantitative research method. This method consists of:

- experiments,
- survey techniques,
- and observation

Qualitative method:

Qualitative research method includes depth interview, focus group, metaphor analysis, collage research and projective techniques. Freeway fashion ltd administer this techniques by highly trained interviewer. This method helps to find out new ideas, develop promotional strategy.[34]

The major steps in the consumer market research include[35]

Define the objectives of research: it is first and difficult step for Freeway Fashion ltd to carefully design the objective. Objectives help to define the type and level of information needed.[36]

- To segment the market for Freeway Fashion ltd offerings

- To assess consumers attitude towards this organisation services and quality

Collecting secondary data: secondary data includes both external and internal data. It can be obtained cheaply. Freeway fashion ltd should collect the data from buyer and also from external fashion consumer market.

The sources of secondary data:

- Internal sources
- Governmental sources
- Periodicals, magazines, books
- Commercial data

Designing primary research: if Freeway fashion ltd needs descriptive information then it undertakes quantitative method.

If this organisation needs new ideas such as positioning or repositioning of fashion clothing then it undertakes qualitative research.[]