Global Journal of Enterprise Information System

Factors Influencing Preferences in Purchasing International Footwear Brand

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Abstract

Footwear industry is growing in India along with the increasing level of awareness about International and National brands amid customers. Many studies undertaken to understand the major attribute contributing towards the purchase decision. This study aim for identifying the attributes among the customers at South Delhi and compare the difference amid style, color, material, foot wear brand, comfort of product, durability of product life, service extended by retailer and warranty on product attributes for international brand and their influence on purchase decision. Further, the study undertaken to establish the relationship, if there is any exists between customers differentiated by gender in reference to these factors.

Keywords: Brand Attributes, Customer Preference, Footwear Industry, Purchasing

(**Date of Acceptance:** 05-01-2015; **Plagiarism Check Date:** 11-01-2015; **Peer Reviewed by Three editors blindly:** 30-01-2015; **Reviewer's Comment send to author:** 21-02-2015; **Comment Incorporated and Revert by Author:** 25-03-2015; **Send for CRC:** 27-03-2015)

1. Introduction

Greater number of the crowning footwear brands in India from transoceanic product brands, preferred by Indian customers is Reebok, Nike and Adidas etc. In a study, it was anticipated that the Indian footwear industry will grow to high magnitude of INR 38,500 crore in 2015[22], as common people are showing high levels of awareness about the footwear fashion.A large number of stores are being opened on a yearly basis and leaders are clearly the Bata, Liberty and Louis Philippe. The few leading players in the footwear industry are

1.1 Reebok

Reebok is leading athletic footwear and apparel brand. The company was founded in 1895 and later on become subsidiary company of Adidas in 2005[9]. Reebok is also sponsored sports kits to cricket team participating in popular Indian Premium League (IPL) as reported by indiantelevision.com (April 2012).

1.2 Nike

Nike is a US multinational company and one of the world's largest suppliers of athletic shoes and apparel. Nike is reported as most valuable sports brand by Forbes in 2014[19]. Nike is official sponsor of kit to Indian Cricket team[18].

1.3 Adidas

Adidas is a German multinational company. Adidas is ranked as the largest sportswear manufacturing company in Europe and the second biggest in the world, after Nike[5]. Adidas has signed legend Sachin Tendulkar in 2006 for a record amount to be their brand ambassador[7].

1.4 Liberty

Liberty Shoes Limited is an Indian footwear manufacturing company. It has presence in 25 countries including France, Germany, and Italy. Few select famous brands of Liberty are Coolers, Gliders, Foot fun, Force 10.

1.5 Woodland

Aero Group own the Woodland brand and being in operation since 1960. Woodland is the first of its kind to introduce biodegradable shoes (Hindustan Times, 2011).

1.6 Bata

Bata's head office is located at Switzerland, it has production facilities in 26 countries and offices India is the biggest maker and retailer of shoes in the country and belongs to the Bata Shoe Organization. It manufactures all kinds of foot wears. Its best seller products are Sandals, Closed shoes, Chappals, Sports shoes etc.

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2. Indian Footwear Industry

Indian footwear industry is fast growing at CAGR of about 15 percent. Associated Chambers of Commerce and Industry of India (ASSOCHAM)[6] reported that domestic market of footwear is influenced by increasing disposable income of Indian middle class segment. Mathur[16] referred the report of ASSOCHAM and stated that China is the largest importer of Shoes in India. China accounts for more than 60% of total imports of footwear. According to the report, the Indian footwear industry is largely represented by unorganized sector; almost 70 % production is coming from unorganized sector, while only 30% production is contributed to organized sector.

Forbes India had published a report in 2011, according to the report, the India market today is where the China was standing 15 years ago, with growing market. The projection of India footwear market is shown in Figure 1

3. Literature Review

Ruto et al,[21] affirm that consumption and preference decisions are directed by the benefits that is derived from the quality of a good. Akpoyomare et al,[1] observed that consumers often relate attributes to consequences of purchasing or consuming products. Belch & Belch[4] stated that merchandisers discriminate their product from competitors based on specific quality parameter. The study was carried out to investigate factors affects International Brand Footwear purchase decision making.

Factors that affect the decision making include various attributes: style pattern, color of footwear, material used, brand, and comfort by product use, durability of product, service and warranty given. Das G. (2014) examined factors that Indian consumers' prefers for their purchase decisions toward retailers. The results reflected that consumers' positive attitude toward retailers influences purchase decisions. Alcántara et al,[2] studied consumers preferences and stated that their perception about products strongly influence product's acceptance.

Khare A. (2011) researched small city consumers to understand their mall shopping style. Statistical methods and factorial analysis method used to analyze the data. As per the analysis report, gender of consumers and their age group are important factors in determining their attitude towards purchasing decision. In addition, the mall attributes such as provisions, layout, services provided, diversity of stores, and entertainment facilities also impact positively on decision making and to be considered while planning malls in smaller cities as they have an effect on consumers' buying style and actions. McBain[17] studied at Ethiopia and made and inter-product comparison between projects of least-cost for Ethiopian prices. Wang et al,[24] observed customers at China and their decision making styles. Unique lifestyle of consumer directly relates to his preference for buying imported brands. Jung & Sung[14] conducted a study to observe and compare the customer based brand equity of apparel products. Students from American college displayed higher awareness of brand and brand quality than those for South Koreans in the USA and Korea. Ismail et al,[13] conducted a study at Karachi to determine the factors that affect the consumer preferences for global brands in comparison to local ones. They conclude that Price and Quality are the most important factors that influence consumer preference and impact their purchase intention. Kiong et al,[15] studied Malaysian consumers to identify the consumer preferences for choosing international fashion brands. This study stated country-of-origin is an important factor that contributes highest among other the consumer preferences followed by perceived quality, promotion, lifestyle etc. Thus, it becomes apparent that there are many factors affects the purchase intention of customer, when it comes to international brand concerning foot wear. A study was conducted on customers reaching various malls at South Delhi, India to understand the major factors which influence the purchase intentions of international footwear's.

Figure 1. The footwear market in India.

4. Data Collection

The data was collected by using questionnaire to check the preference of Indian consumer towards the International Footwear Brands. The questionnaire was designed to check the factors based on Style, Color, Material, Brand, Comfort, Durability, Service and Warranty.

The questionnaire was distributed through internet in Delhi and personally distributed and collected from the customers visiting malls at South Delhi. The sample size is 60. People from different work groups, gender, age groups were contacted though personal meeting and through internet. The total response received from personal meeting was 42, while from the data collected internet was were 29. Many of the responses collected didn't provide the complete information and finally 24 data collected through internet and 36 data collected from personal interaction were used for further analysis.

5. Methodology

Data was analyzed through SPSS. Factor analysis method used to catch the appropriate factors reflected by the data obtained. Descriptive analysis used for frequency and percentage to examine the profile of the respondents. Factor analysis and 2 sample t test conducted to gain insight of significant factors and their relationship in reference to male and female customers.

6. Data Analysis

The gender analysis shows that 60% of the respondents surveyed were female, while 40% respondents were male. Almost half of the customer surveyed, i.e. 53% belong to the age group 20 – 25, 40 % belong to 25 – 30 and only 7% belong to 30+.

Bartlett's test of Sphericity and Kaiser – Olkin (KMO) test carried out to ascetain the suitability of data for factor analysis. Data output between 0.5 to 1.0 of KMO indicates that the factor analysis is appropriate, while output figure below 0.5 indicates that the factor analysis may not be appropriate. In this study, the value of KMO is 0.764 and Bartlett's test of sphericity is 0.000 as shown in Table 1. This indicates that the data's are appropriate for factor analysis.

The communalities value are shown in Table 2, all the values are more than 0.5 and acceptable for factor analysis.

In this study, factor analysis carried out with factor extraction process. All the factors having eigen value more than 1 have been considered as significant, while all the factors having eigen value less than 1 were considered as insignificant factors. Table 3 shows the total variance explained.

Table 1. KMO and Bartlett's Test

Kaiser-Meyer-Olkin	Measure of Sampling Adequacy.	.764
Bartlett's Test of Sphericity	Approx. Chi-Square	213.979
	df	28
	Sig.	.000

Table 2. Communalities

	Initial	Extraction
Style	1.000	.630
Color	1.000	.694
Material	1.000	.592
Brand	1.000	.621
Comfort	1.000	.622
Durability	1.000	.680
Service	1.000	.700
Warranty	1.000	.641

Extraction Method: Principal Component Analysis.

Table 3. Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.130	51.624	51.624	4.130	51.624	51.624	2.901	36.262	36.262
2	1.050	13.122	64.746	1.050	13.122	64.746	2.279	28.484	64.746
3	.830	10.380	75.126						
4	.616	7.694	82.820						
5	.536	6.696	89.516						
6	.428	5.352	94.868						
7	.228	2.846	97.714						
8	.183	2.286	100.000						

Extraction Method: Principal Component Analysis.

Thus two components cumulative showed 64.746 of explained variation. These two factors have Eigen value more than 1, while for other components, the Eigen value is less than 1.

Figure 1 show the scree plot of these components.

These component are further treated for rotation using Principal component extraction method. The Table 4 show the rotated component matrix

Further, for components Comfort, Durability, Color, Style and Brand two sample t test carried out to know if there is any significant difference appears if compared between male and female customers.

Based on the above findings, the hypothesis made is:

Hypothesis 1 : Gender Vs Comfort

H0: There is no significant difference between male and female preference towards component Comfort towards purchasing international brand footwear.

H1: There is a significant difference between male and female preference towards component Comfort towards purchasing international brand footwear.

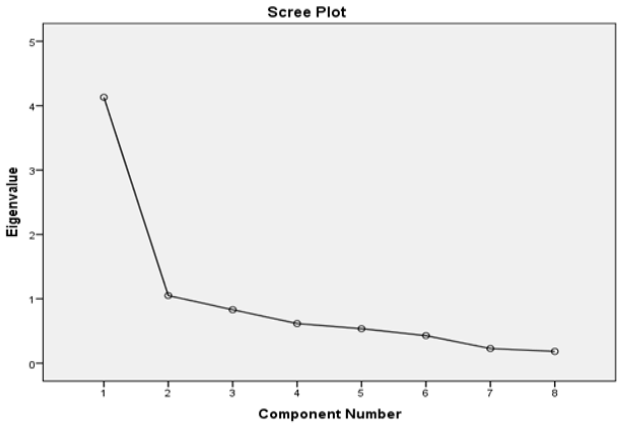

Figure 1. Scree Plot.

Table 4. Rotated Component Matrix[a]

	Component	
	1	2
Comfort	.784	
Durability	.759	
Color	.730	
Style	.718	
Brand	.662	
Warranty		.800
Service		.748
Material		.713

Extraction Method: Princ ipal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

For the component Comfort, the 2 sample t test is given in Table 5.

The mean value for male is 4.275 and standard deviation is 0.64, while the mean value for female is 4.1 and standard deviation is 0.968. The p value is 0.406, which infers that for 5% and 10% significance level, the difference between male and female for brand is insignificant.

Figure 2 shows the boxplot diagram for component comfort for male and female customers.

For the component Durability, the 2 sample t test is given in Table 6.

Hypothesis 2 : Gender Vs Durability

H0: There is no significant difference between male and female preference towards component Durability towards purchasing international brand footwear.

Table 5. Two-Sample T-Test and CI: Comfort - M, Comfort-F

Two-sample T for Comfort - M vs Comfort-F
N Mean StDev SE Mean
Comfort - M 40 4.275 0.640 0.10
Comfort-F 20 4.100 0.968 0.22
Difference = mu (Comfort - M) - mu (Comfort-F)
Estimate for difference: 0.175000
95% CI for difference: (-0.243328, 0.593328)
T-Test of difference = 0 (vs not =): T-Value = 0.84 P-Value = 0.406 DF = 58
Both use Pooled StDev = 0.7631

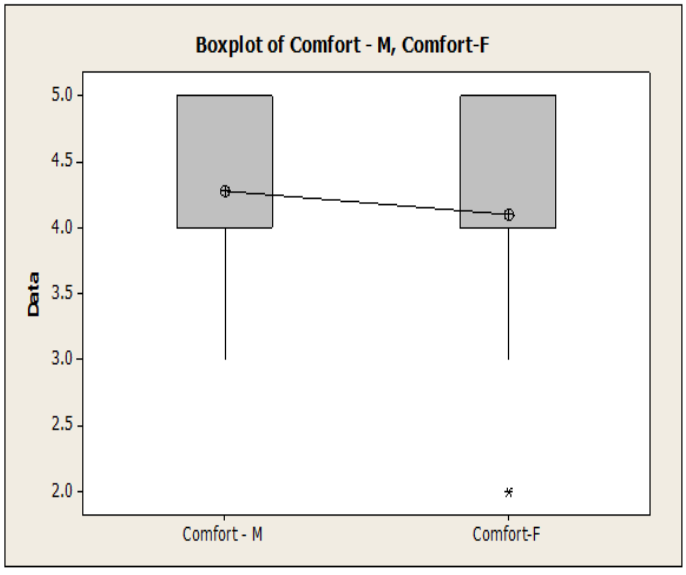

Figure 2. Boxplot of Comfort – Male and Female Customers.

Table 6. Two-Sample T-Test and CI: Durability - M, Durability - F

Two-sample T for Duarability - M vs Durability – F
N Mean StDev SE Mean
Duarability - M 40 3.850 0.893 0.14
Durability - F 20 3.75 1.12 0.25
Difference = mu (Duarability - M) - mu (Durability - F)
Estimate for difference: 0.100000
95% CI for difference: (-0.433099, 0.633099)
T-Test of difference = 0 (vs not =): T-Value = 0.38 P-Value = 0.709 DF = 58
Both use Pooled StDev = 0.9725

H1: There is a significant difference between male and female preference towards component Durability towards purchasing international brand footwear.

For the component Durability, the 2 sample t test is given in Table 5.

The mean value for male is 3.85 and standard deviation is 0.893, while the mean value for female is 3.75 and standard deviation is 1.12. The p value is 0.709, which infers that for 5% and 10% significance level, the difference between male and female for brand is insignificant.

Figure 3 shows the boxplot diagram for component Durability for male and female customers.

Hypothesis 3 : Gender Vs Color

H0: There is no significant difference between male and female preference towards component Color towards purchasing international brand footwear.

H1: There is a significant difference between male and female preference towards component Color towards purchasing international brand footwear.

For the component Color, the 2 sample t test is given in Table 7.

The mean value for male is 3.925 and standard deviation is 0.917, while the mean value for female is 3.7 and standard deviation is 1.3. The p value is 0.441, which infers that for 5% and 10% significance level, the difference between male and female for brand is insignificant.

Figure 4 shows the boxplot diagram for component Color for male and female customers.

Hypothesis 4 : Gender Vs Style

H0: There is no significant difference between male and female preference towards component Style towards purchasing international brand footwear.

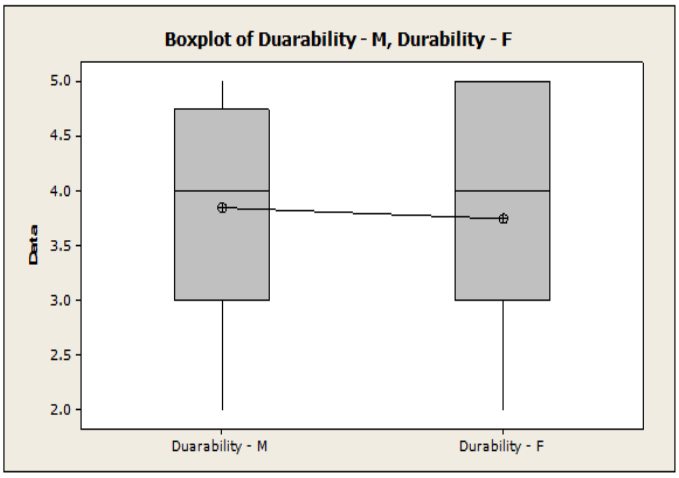

Figure 3. Boxplot of Durability for Male and Female.

Table 7. Two-Sample T-Test and CI: Color - M, Color - F

Two-sample T for Color - M vs Color – F
N Mean StDev SE Mean
Color - M 40 3.925 0.917 0.14
Color - F 20 3.70 1.30 0.29
Difference = mu (Color - M) - mu (Color - F)
Estimate for difference: 0.225000
95% CI for difference: (-0.355220, 0.805220)
T-Test of difference = 0 (vs not =): T-Value = 0.78 P-Value = 0.441 DF = 58
Both use Pooled StDev = 1.0584

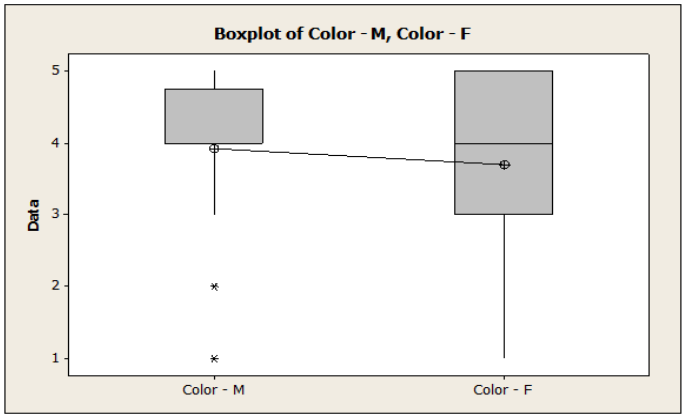

Figure 4. Boxplot of Color for Male and Female.

H1: There is a significant difference between male and female preference towards component Style towards purchasing international brand footwear.

For the component Style, the 2 sample t test is given in Table 8.

The mean value for Style factor for males is 4.05 and standard deviation of 0.749, while for female the mean value is 3.6 and

Table 8. Two-Sample T-Test and CI: Style - M, Style - F

Two-sample T for Style - M vs Style – F
N Mean StDev SE Mean
Style - M 40 4.050 0.749 0.12
Style - F 20 3.600 0.883 0.20
Difference = mu (Style - M) - mu (Style - F)
Estimate for difference: 0.450000
95% CI for difference: (0.013934, 0.886066)
T-Test of difference = 0 (vs not =): T-Value = 2.07 P-Value = 0.043 DF = 58
Both use Pooled StDev = 0.7955

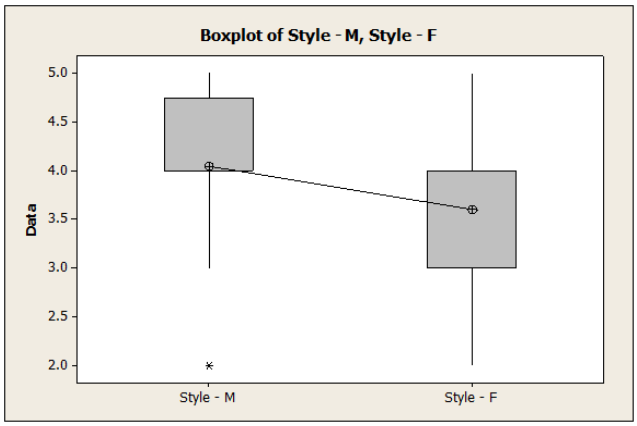

Figure 5. Boxplot of Style for Male and Female.

standard deviation is 0.883. The p value of t – test of difference **is 0.043**, which is less than 0.05.Thus, there is a significant difference between male and female customers.

Figure 5 represents the boxplot of style for male and female customers

Hypothesis 4 : Gender Vs Brand

H0: There is no significant difference between male and female preference towards component Brand towards purchasing international brand footwear.

H1: There is a significant difference between male and female preference towards component Brand towards purchasing international brand footwear.

For the component Brand, the 2 sample t test is given in Table 9.

The mean value for male is 4.1 and standard deviation is 0.744, while the mean value for female is 3.75 and standard deviation is 0.639. The p value is 0.078, which infers that for 5% significance level, the difference between male and female for brand is insignificant, but for 10% of significance level, this difference is significant.

Table 9. Two-Sample T-Test and CI: Brand - M, Brand- F

Two-sample T for Brand - M vs Brand- F
N Mean StDev SE Mean
Brand - M 40 4.100 0.744 0.12
Brand- F 20 3.750 0.639 0.14
Difference = mu (Brand - M) - mu (Brand- F)
Estimate for difference: 0.350000
95% CI for difference: (-0.039963, 0.739963)
T-Test of difference = 0 (vs not =): T-Value = 1.80 P-Value = 0.078 DF = 58
Both use Pooled StDev = 0.7114

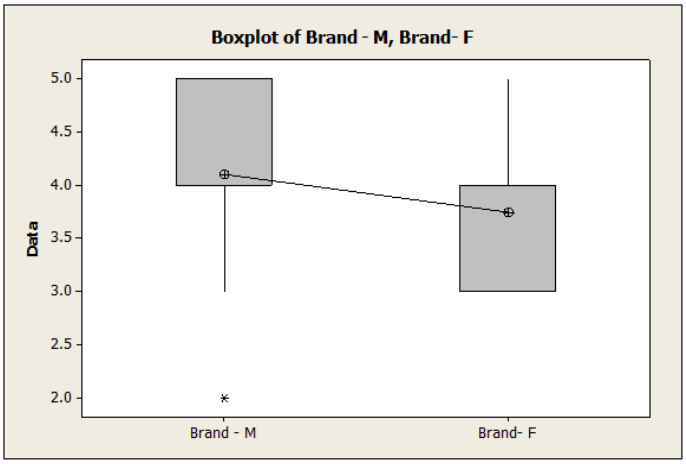

Figure 6. Boxplot of Brand for male and female customers.

Figure 6 shows the boxplot diagram for factor brand for male and female customers.

7. Conclusion and Future Scope of Work

As the data analysis suggest, for Indian customers, the components Comfort, Durability, Color, Style and Brand matters in influencing the decision making process, when it counts for foot wear purchase. Among these components, for style, male and female are showing significant difference, thus there need to explore further on various aspects of style components, to help the business house to understand the contributing factors. The study was limited to South Delhi customers, in future, more studies can be conducted to explore similar aspects in bigger canvas.

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Citation:

Sharad Chaturvedi
"Factors Influencing Preferences in Purchasing International Footwear Brand",
Global Journal of Enterprise Information System. Volume-7, Issue-2, April-June, 2015. (www.gjeis.org)

Conflict of Interest:

Author of a Paper had no conflict neither financially nor academically.