Consumer’s Multichannel Buying Behavior within the Value Clothing Market: An Analysis on Primark

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Abstract:
The aim of the research is to examine the multichannel buying behavior of consumers (women) within the value market. It will be tried to analyze, whether consumer’s shopping behavior is online or offline or it has become multichannel in the value clothing market. Primary research has been completed by content analysis and questionnaire. The primary research has found that, consumers are researching through online, in-store, catalogues, social media pages before going to clothing shopping and they are doing it for value retailers as well. Consumers do online shopping because of easy access, time saving whereas in-store because of touch and feel, size and fit issues problem. Primark as one of the successful value retailers are doing well in the value clothing sectors, but still some recommendations will be offered for continuing the market growth and adapt with future attacks from other retailers.

Keywords:  Multichannel, Online and Offline shopping, Buying Behavior, Value Retailers

1. INTRODUCTION

UK value clothing market is outperforming the total clothing market and it was predicted that value clothing market will grow by 27.6% in the five years to 2012 with extra £2.46bn spending on value clothing. Fast fashion trends have encouraged consumers, particularly young shoppers to invest more in high volumes of low value clothing, forcing the value retailers to range development and space expansion. Extra 2.4 million consumers are adding to the growth of the value market and it is 59.0% of the total UK (Verdict, 2012). Despite which channel is used, consumers expect a constant shopping experience of high level. In recent times, consumers are shopping more from cross-channel and multichannel retailing is empowering consumers to take the benefits. Consumers are savvy in terms of internet shopping and they use it for researching price and product information, before purchasing from in-store or online. It is found that nearly half of consumers use internet for getting the best deals offered (Verdict, 2009) and low disposable income is influencing to use internet for comparison (Mintel, 2012). The popularity and trust on ecommerce is one of the factors for regular purchasing via the internet (Mintel, 2012). In 2012, online retail sales increased by 14% which was £50bn which indicates the opportunities available to this presence online (Guardian news and media limited, 2013). Online clothing sales growth attracts the value retailers to have transaction website where the retailers with non-transactional website predicts the competition (Verdict, 2007). Therefore, this study will find out, consumers shopping behaviour in terms of online and offline in the value market. The study will follow both qualitative research and collect secondary and primary information. Questionnaire will be distributed for data collection.

1.1 RESEARCH OBJECTIVES

To examine the multichannel buying behavior of consumers (women) within the value market, the research objectives are identified as follows:

- Explore the channel buying process of consumers in the value market
- Examine and compare value clothing market success
- Analyze consumer perceptions and buying behavior with regards to shopping online and offline
- Explore the need of value retailers to become multichannel

2.0 LITERATURE REVIEW
The value clothing market has seen rapid market growth and an increase in share compared to other clothing sectors (Verdict, 2012). In the total clothing market, the value market has started to do better as it is a younger sector than other established sectors (Verdict, 2010). It is also found that, over half of the total UK population visits value retail shops, suggesting that there is significant consumer interest in the value market (Verdict, 2012).

Electronic retailing is growing in size and importance because of the increased numbers of consumers buying online, and the apparel market is getting most of the online purchases (Hoffman and Novak, 1996). Moreover, consumers are using different channels, such as online, in-store or multichannel, to buy from value retailers (PWC, 2012). Furthermore, among the total UK population, 42% of women made online purchases last year compared to males (Verdict, 2012). Therefore, an analysis of literature based on this topic is necessary to; identify consumers’ channel buying processes from value retailers, and provide value retailers with a clear understanding to improve service and target more customers.

2.1 JUSTIFICATION OF CHOOSING VALUE CLOTHING MARKET

The value clothing market has gained 10 years of remarkable expansion where, for more than 15 years, it has outperformed the total UK clothing market. The recession has benefitted value clothing retailers, where many consumers have started to buy cheaper garments because of restricted disposable income. The result was that more than 2.4 million consumers visited value retailers in 2010, which grew to 30.1 million consumers in 2011, representing 59.0% of the total UK population (Verdict, 2012). In addition, the fast fashion trend has motivated consumers, particularly young shoppers, to buy high volumes of low value clothing, which also positively impacted on the range development and space expansion of value retailers. It was predicted that the value market will grow by £2.46bn to £11.38bn, from 2007 to 2012 which represents 29.2% of the total clothing expenditure in the UK; also, the number of value clothing shoppers is larger than the clothing shopper (see figure 1)(Verdict, 2012).
2.2 CONSUMERS SEGMENTATION AND FASHION

One widely used source is Experian’s Mosaic UK consumer classification, which provides accurate insights into the demographics, lifestyles and behavior of individuals and households in the UK. There are 67 types and 15 groups of consumers, according to the recent version of Mosaic UK. Among them group H, called New Homemakers, represent 5.91% of UK households (types 34-37) who depend on the internet for searching information about products or services. This group is often influenced by viral marketing and love text messaging, rather than by direct mail (Experian, 2009).

Among the other groups, I is called the Ex-Council Community, and represents 8.67% of UK households (Types 38-41). This group tends to be practical and enterprising rather than well-educated. They are cautious, careful savers, who prefer to do home shopping and mail orders rather than online purchasing (Experian, 2009). However, Experian fashion segments have used psychographic segmentation and have segmented the UK population on an individual basis based on fashion purchasing behavior (Experian, 2010). According to Experian fashion segments, type 1 of group A, are young urban women with a confident style and mid-range spending habits; 23.64% of the group use the internet for purchasing fashion wear, 32.85% for researching clothing and 17.90% for researching footwear. The percentages of those in the group buying fashion from value retailers are; Matalan 20.06%, Primark 5.88%, and H&M 6.33%. In addition, Type 2 of group A, are middle-aged women who prefer a practical, inexpensive style and 16.45% purchase fashion wear online, 27.27% research clothing online, and 13.55% research footwear online. Therefore, it can be said that there is a difference among consumer shopping behavior that is a reflection of demographics, lifestyles, attitudes towards fashion, shopping, purchasing influences, practicality, and style preferences (Experian, 2010).

2.3 CONSUMERS BUYING DECISION PROCESS

Consumer decisions include choices regarding whether to purchase, what to purchase, from whom to purchase, when to purchase, and how to pay for it. According to different authors, there are different stages in the consumer buying decision process where retailers try to influence customers by following the steps to encourage purchase (REF).

The AIDA model (see figure 2) which stands for (awareness, interests, desire, action) is followed by marketers first to generate awareness about their products through advertising on TV, billboards, websites, radio, and so forth. Then they aim to raise the desire in the consumer’s mind for the products, and encourage them to come to the shop or website to make a purchase.
Although there are different models of consumer decision making processes, it can be argued that consumers do not follow such processes systematically when making a final decision; instead, they can change their decision process. In recent times the options of multichannel retailing, such as store, catalogue, mobile, and website, has motivated customers to first collect information, then compare through different channels and then transact and receive the products (see figure 3).

In figure 3, it can be seen that consumers research and conduct comparisons between catalogues, mobiles and websites, and then transact through website towards store, and then receive the products from the store. Lastly, consumers use stores, catalogues and mobile applications to conduct some after sales activities. Therefore, this suggests that consumers’ purchase journeys are different than the previously analyzed decision making processes, and they now incorporate help from online sources; the process is therefore becoming mix of online and offline.

**2.4 CONSUMERS PERCEPTION AND BUYING BEHAVIOR WITH REGARDS TO SHOPPING ONLINE AND OFFLINE**

In the UK, 21 million people have internet access, which is 83% of the total UK population and this number is still growing (BBC, 2013). People are buying groceries, books, music, and games through online shopping (Experain, 2011). However, there is a forecast that 94% of e-retailing is coming at the expense of existing channels where half came from catalogue shopping, and half from high street retailers (BCSC, 2001).
In the UK, consumers’ shopping behaviors have become more sophisticated. They are going in-store, shopping in spaces that are nicely decorated malls, like the Trafford Centre, the Arndale shopping centre, and the flagship stores of fashion companies where consumers can search for products, spend time, shopping, and go for a meal. However, people are also going for online shopping, as many fashion companies offer online purchasing, home delivery, and click and collect, and they also connect with social media pages, blogs and so forth. Consumers are given so many choices that it has made them more powerful in their decision-making - they want the best products within their budgets.

E-Commerce continues to grow in the UK, where 73% of the population has daily access to the internet and 83% access the internet at home (Is preview, 2013). According to Mintel’s consumer research, in 2012, it was found that the percentage of internet users who had bought clothing online was nearly 74%, which is 9 percentages more than in January 2011 (Mintel, 2012).

Consumers’ shopping behavior can be really difficult to understand in relation to specific products, in that there is often a variation in their behavior and purchasing decision. Furthermore, it is found that there are differences between the sexes in e-shopping behavior compared with traditional shopping. For example 77 percent of US women before buying in store, browse online, whereas only 54 percent of men do this. Men are found to be more definite in shopping than women (Lindquist and Kaufman-Scarborough, 2000). There is a tendency among UK clothing consumers to browse first then purchase from stores or browse and purchase both from online, and so on. The scenario is that browsed and bought in-store is the most frequent choice consumers are making in all sections, including women swear, women’s outerwear, menswear, kid swear and so forth (See figure 4) and in 2011 women are found to represent the majority of online shoppers at 51.1% as opposed to males at 48.9% (See figure 5).

![Figure 4: how consumers made their most recent clothing purchase (Mintel, 2012).](http://www.ijmsbr.com)
3.0 RESEARCH DESIGN

It is a ‘framework’ for undertaking marketing research program which includes the details of the necessary steps to collect information and to solve marketing research problem or to get outcome of the problem (Malhotra and Birks, 2003). According to Creswell (2009) research designs are research planning that contains decisions from broad category to detailed data collection methods and analysis.

As the aim of the study is to find out consumers behavior with online and offline shopping from value fashion retailers, therefore exploratory research will help to identify relevant courses of action or gain additional insights with the hope that further research is necessary to get more detailed information (Malhotra and Birks, 2003 and Zikmund et al., 2009).

3.1 SOURCES OF DATA

Among the research objectives, to explore the channel buying process of consumers in the value market can be answered through secondary research. Secondary data will be collected from published material, journal articles, statistical data, and online databases and so on.

Then to analyze consumer perceptions and buying behavior with regards to shopping online and offline online questionnaire to be distributed among respondents to understand consumer’s perceptions regarding shopping online and offline. Available literature and other published material are being consulted, including catalogues, promotional material and journalism, and extensive Internet searches.

3.2 SAMPLING AND DATA COLLECTION

For collecting data an online survey would be conducted where the sampling frame is UK residing women connected through linked in and facebook social media sites and they will be asked to take part in the survey as
they are geographically dispersed so simple random sampling would be the best techniques. The sampling size is good with over a few hundred and here samples are easily accessible (Saunders et al., 2012: 272).

4.0 FINDINGS AND DISCUSSION

Though there are differences in consumers shopping behavior in terms of different demographics, lifestyle (Experian, no date) where each has own style of shopping. It is found in secondary research that consumers do research before going to shopping and 32.85% young urban women are found to research clothing online before shopping (Experian, 2010). Consumers mix online, in-store catalogue, mobile or website to finish a purchase process.

It is said in secondary research that consumers, both men and women made their most recent clothing purchase through browsing online and then bought in-store. But it was found that women are more likely to browse and buy online compared to men in clothing purchasing (Figure 4). Primary research has found that, 70% of women prefer in-store purchasing, 23% prefer both online and in-store purchasing where only 7% prefer online purchasing (see figure 6). Though, it is said in secondary research, that women are making more online purchasing, but primary research says different things, where women are doing more in-store purchasing.

Schoenbachler and Gordon (2002) stated that, there are five factors such as perceived risk, past direct marketing experience, motivation to buy from a channel, product category and website design that manipulate consumers to choose single or multiple channels. The online survey has found that 22% consumers (women), prefer in-store shopping because they can feel and touch the product (see figure 7) where 30% women prefer online shopping because of easy access (see figure 8).

Figure 6: Preferred method for clothing purchasing
Consumers prefer in-store shopping because of tactile input where they can see, try, feel the products (Citrin et al., 2006 and Cho, 2004). In Primary survey 70% women have chosen in-store shopping, which means that, consumers are doing more in-store purchasing compared to other channel buying process (Figure 6).

According to Mintel research (2012) women prefer, visiting shops than online purchasing because of fun and entertainment. Online survey results has identified, instant buy and delivery, feel and touch of the product as the important things for in-store purchasing (see figure 7).

Though online shopping has increased with innovative technologies, still consumers (women) prefer in-store shopping for the tactile input; it is also evident that the chosen method of purchase to a degree is dependent of the type of clothing product being purchased.

Lindstrom (2001) stated that, it is difficult to succeed being only online, or only offline, rather every company should mix online with offline. Retailers following multichannel strategies such as click & collect kiosks in-store, m-commerce, social media, blogs, pinterest and so forth have increased their sales from 49% to 59% (Experian, 2011). A multichannel approach can capture busy customers and facilitated customer (Verdict, 2012). Consumers also use different channels, as a way to get fashion ideas, where in primary research, 28% use online, 34% in-stores, 10% catalogues, 15% use social media to get fashion ideas.

The primary research has been completed on Primark as in secondary research, they are found to operate quite competitively from other retailers (see figure 1). Primark is seen to have a greater market share than other retailers and it has the most in-store purchasing compared to other retailers. In case of Primark, 48% women are satisfied and 43% are very satisfied about the price, where 40% are neutral about the quality, and about environment respondents are seen to choose between dissatisfied to neutral and it ranges from 28% to 30% (see table 1).
Table 1: rating on various items after clothing shopping from Primark in-store

<table>
<thead>
<tr>
<th></th>
<th>Very dissatisfied</th>
<th>Dissatisfied</th>
<th>Neutral</th>
<th>Satisfied</th>
<th>Very satisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>0%</td>
<td>0%</td>
<td>9%</td>
<td>48%</td>
<td>43%</td>
</tr>
<tr>
<td>Quality</td>
<td>2%</td>
<td>27%</td>
<td>40%</td>
<td>25%</td>
<td>6%</td>
</tr>
<tr>
<td>Environment</td>
<td>11%</td>
<td>28%</td>
<td>30%</td>
<td>26%</td>
<td>5%</td>
</tr>
<tr>
<td>My style</td>
<td>5%</td>
<td>13%</td>
<td>43%</td>
<td>32%</td>
<td>7%</td>
</tr>
<tr>
<td>Customer Service</td>
<td>5%</td>
<td>25%</td>
<td>35%</td>
<td>18%</td>
<td>17%</td>
</tr>
<tr>
<td>Convenience</td>
<td>0%</td>
<td>5%</td>
<td>37%</td>
<td>43%</td>
<td>15%</td>
</tr>
</tbody>
</table>

It can be summarized that, consumers are doing research before to in-store purchasing and they mix all the channels to make a final purchasing decision. Primark is only better in price. Consumers prefer in-store purchasing because of size and fit issues and touch and feel of the products whereas easy access, time saving tools are the reasons for preferring online purchasing. Consumers also use social media to get fashion ideas and latest trends information. Securities, privacy, getting wrong products are some of the reasons that deter consumers for online purchasing. In addition, Primark as a store only retailer has achieved a better perception in terms of price, but when it comes to quality, environment they are lag behind.

5.0 CONCLUSION

Depending on the products, women have different channel choice of purchasing where women prefer most in-store shopping when it comes clothing shopping. In terms of value fashion retailers, most of the women are seen to shop from value market in the analyzed results and 59% of the total UK population is found to shop from value retailers (Verdict, 2012). At the time of multichannel retailing, women, are seen to mix their buying decision process with online, in-store, catalogue, social media, mobile. Both secondary and primary research has explored that, women are starting with online searching to find their desired products and if they find, then they buy either from in-store; or buy online, collect from in-store, or buy from mobile optimized application. Though secondary research has identified convenience, wide reach, unlimited opening hours, access to a greater product range, time saving tools, enough choices, quick decision and instant purchase, as are the choices of online purchasing but in reality, they are making in-store purchasing because of touch and feel; fit of the products. In case of Primark, though they are seen to make a good business with only in-store purchasing because of not having any choices. In reality the fact is, only 25% are satisfied with the quality, 26% are satisfied with the environment and 48% are satisfied with the price of Primark. It shows that, price is the only thing that consumers like about Primark but consumers are not happy with customer service and queue (see table 1). Primark, in future might face a hard competition from other fashion brand. Therefore, Primark should adopt more than one channel to compete within the value market. Though, it is hard for Primark to be multichannel and manage their vast ranges of clothing offering within the low price ranges, a further study can
be undertaken to investigate, how Primark can manage multichannel strategies, within their lower margin and low priced offered products.

6.0 REFERENCES


