

Influences of fashion marketing on consumer demand: A Study of NCR

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SUBJECT TO BE PUBLISH UNDER: MANAGEMENT

**(Published in Indian Journal Of Applied Research, Vol.4, Issue 5, May 2014, pg. 323-327
ISSN 2249-555X)**

ABSTRACT:

Fashion marketing is the entire process of research, planning, promoting, and distributing the raw materials, apparel and accessories, which consumer want to buy. It involves everyone in the fashion industry and occurs throughout the entire channel of distribution. Marketing is the power behind the product development, production, distribution, retailing, and promotion of fibers, fabrics, leather, furs, trims, apparel and accessory.

Fashion marketing begins and ends with the consumer. This paper discusses the effect of consumer demand on marketing. It is a blend of consumer group, demographic and psychographic trends, and helps explain how the target markets are defined. This paper also discusses the focus areas like the economic, global and technological influences on consumers and concludes with the topic of marketing chain.

Key Words: Fashion Marketing, Consumer demand, Consumer group, Marketing trends

INTRODUCTION

Fashion Marketing

Fashion marketing is the strategic art of pushing product. Market research launches a marketing strategy, answering those must-know questions such as ‘target market’ and ‘customer needs and wants,’ and a Fashion Marketer then uses that information to develop a marketing program with coordinated elements such as advertising, special events, public and media relations, videos and social media, as well as written articles and materials. Increasing sales is the ultimate goal.

Fashion marketing is much the same as product marketing. Integrating brand into the product is something always popular in the fashion world for many popular retail fashion wares. Basically fashion marketing is marketing to either fashion conscious consumers or to distribution channels such as retail franchises and so forth.

Consumer Demand: The history of fashion industry in India is an economy that is growing eventually. There were times in the past that there was more demand of fashion products than made and provided. Such instances gave power to the manufacturers. Gradually the competition increased and consumers had more choices. Consumers then and now have the income to influence the fashion market by their buying decisions. Being a price conscious market, India always demanded cheaper products, constant availability, convenience and pleasant shopping experience. As a result from demand push the market focus shifted to demand pull¹.

Fashion firms have also been spending on mass advertising in order to create demand. The ultimate aim of any firm behind advertising is to create a “brand” that is preferred over other brands. Being a populous country not every advertising source impacts the consumers the desired way. If the public is not ready for it or is tired the impact can go negative too.

Consumer Group: Traditionally, society was divided by income class. In society like such only the wealthiest could afford to buy fashionable clothes. But! The current times have changed. Almost all clothing is mass produced and almost everyone can enjoy fashion.

Demographic: Market research companies, manufacturers and retailers try to understand consumer needs by studying information about society. Market researches do sophisticated demographic and psychographic studies to classify the population into consumer groups or market segments based on age, lifestyle, living area, educational and ethnic backgrounds and so on. Demographics are statistical studies of measurable population characteristics such as birth rate, age distribution, and income.

Gray market: Born before 1945 and now more than 65 years old, is the most neglected market by fashion. Whereas the ground research reality is that this particular segment is the second fastest growing. The people of this age segment tend to feel 10-15 years younger of how old they are. Studies have showed and proved that the purchasing power lies in the hands of this group more than any other group.

Generation X: People born between 1965 and 1979 are referred to as generation X. This consumer group is very fashion conscious and spends on fashion too. Now in their phase of “family” this group still is fashion conscious.

Generation Y: This consumer group began with the year 1980. They are also called echo-boomers. Advertising, television shows, websites and magazines were created initially specifically for this market.

Generation Z: Born in early 2000s, this generation is exposed to every media source possible. Internet is used by them the most. Considering the generation Y, this generation is very well

adapted to the use of smart phones, computers, etc. Convincing them to buy is very challenging as their options are very open and vast.

Ethnic diversity: India as a whole is diverse in terms of cultures and traditions. The four major metropolitan cities like Delhi, Mumbai, Kolkata and Chennai are having very diverse cultures. Henceforth the market too is very diverse. In a way this is very difficult for a fashion house to provide for a particular niche.

Psychographic: A mix of psychological, sociological and anthropological factors gives result to psychographic factors for fashion. manufacturers and retailers often turn to psychographics to further segment and analyze consumer groups and their fashion preferences.

Other psychographic trends

- Community: considering the soap series on general entertainment channels representing diverse cultures, people have started connecting to their respective communities.
- Travel: change in the work profile of many professionals, people are opting for clothes that are wrinkle free and packable.
- Family first: gradually people have started spending not on just fashion but on household things as well.
- Work at home: many Indians are trying to start either a business of their own or work from home than going to an office.
- Computers and internet: online shopping is taking grip slowly
- Cocooning: people have started to prefer to stay away from any crime and malpractice. They prefer to stay at home, have leisure time and value their privacy.
- Overwhelmed consumers: stressed consumers have busy schedules. They are overwhelmed with too many choices of merchandise available.

Working woman: If looked deep in to the statistical results we might find that working women spend about 35% of their earnings on apparels than non-working women. The busy working woman tends to shop less often and favor catalogues and convenience, one stop shopping, which has aided the growth of certain catalogues, websites and super stores.

Target Marketing

Textile and apparel producers and retailers use demographic and psychographic information in an effort to understand the buying habits and preferences of each market segment. They also use direct customer contact in stores, informal interviews, surveys, consumer focus groups, and point-of-sale data analysis to define their target market, the group of consumers that they want to reach.

Objectives

- To study the economic influence on consumer demand and fashion marketing.
- To study the global influence on fashion marketing.
- To study the technological influence on fashion marketing
- To draw the steps involved in fashion marketing chain.
- To summarize & analyses the collected data under various category.

Research Methodology:

Study falls under ‘descriptive research’ which is undertaken basically to understand insights and ideas. This kind of research will be helpful to illuminate the concepts in a better manner. Over a period of time, it will be helpful to make the problems much more familiar. The study is too broad due to its diversity. It deals with reasons for the increase in strategic overlook of corporate sector on intensive fashion marketing with consumer preferences.

The research based upon the secondary data followed by primary data, by studying the related literatures, journals-research papers and internet etc. on fashion marketing and consumer demand, the data have been collected from NCR Region from Shopping Malls and students/employees of some renowned organizations through the questionnaire.

Sampling method was simple random method has been applied for collection of data from Malls of NCR Region such as GVM Mall Noida, Ambience Mall New Delhi, Pomegrade Mall New Delhi, Shoppers Stop New Delhi were Mall Visitors either they are buyer or they have come for entertainment (As per their availability), Employees of renowned organizations such as Airtel Noida, PVN Group New Delhi and Students of Delhi University, Delhi

Total Sample size has been taken i.e. 200 respondents/sample units from the various malls & renowned organization of NCR. Sample units was well dispersed on the basis of their gender, age group.

Data collection Instruments was Questionnaire based.

Geographical area was major malls and organization situated in the widely spreads locations i.e. Noida and New Delhi etc.

ECONOMIC INFLUENCES ON CONSUMER DEMAND AND FASHION MARKETING

Consumer spending, the state of the economy, the international money market and labor costs have an effect on fashion marketing.

Consumer spending: The amount of money consumers spend on fashion depends on their income. Incomes can further be divided into three parts:

- Personal income- it is the gross income
- Disposable income- personal income – taxes
- Discretionary income- it is the money available to be spent or saved.

Labor costs: Higher salaries and improved standard of living has also increased the costs at which labor is available. The rising costs have also increased the cost of the clothes. An aspect of it can be seen as how the USA is outsourcing its jobs to third world countries.

Recession: Recession is one more important aspect that affects the purchasing power of an individual.

Forex market: The rupee value in recent times has been going down. This creates constraints and hindrances in the way of people who are fashion conscious.

GLOBAL INFLUENCES ON FASHION MARKETING

A major trend in fashion marketing is globalization. World trade in apparels and accessories is growing despite high tariffs and drastic currency fluctuations. For instance, a gown may be designed in New York of Italian fabric, made in Bangladesh, and distributed to retail stores all over the world. Retailers too are expanding globally like BIBA.

Imports: Imports are the goods that are brought in from other countries to our country. The people who import goods are actually called manufacturers or retailers, acting as importers. For cotton, silk and jute the country targeted the most is India. There are three types of imports in the context of apparel and fashion:-

- Imported fashion merchandise
- Imported fabrics
- Imported apparel or accessory production²

Balance of trade

The balance of trade is the difference in value between a country's exports and imports. Ideally the export and import should be equal. Lately a good news for India is that the USA has been importing more than the exports.

World Trade Organization³

The World Trade Organization (WTO), which governs worldwide trade, is located in Geneva. This organization has got 124 countries as its members and this together account for about 90% of the merchandise market. the basic functions of WTO are :-

- To promote liberalization and world trade.
- Set environmental standards
- Set labor standards
- Protect intellectual property
- Resolve disputes between countries

TECHNOLOGICAL INFLUENCES ON FASHION MARKETING⁴

Changes in technology, such as communications, information gathering, and production, have a great effect on the marketing of fashion.

Communication⁵

The development of modern communications has a huge impact on the fashion industry. Communications that previously took place over a period of weeks or days now happen instantly. Communication as latest provides the information as soon as possible. **B2B & B2C**

Communication can happen through a number of ways:

Computers: fashion industry executives can communicate with their clients over the computers, laptops via satellite

Intranet: as the name suggests it is for the corporate to use internally. For instance a ladies jacket designed in India as per the USA requirements and the details attached to the same can be used by the company / fashion house for internal information usage.

Internet: as for the example mentioned above we can understand the same point here also. If the design/ final layout has to be sent for approval to the USA client, internet is a good source.

Video: when we talk of Video here we have to talk about SKYPE. With the help of video conferences people sitting far off can come closer.

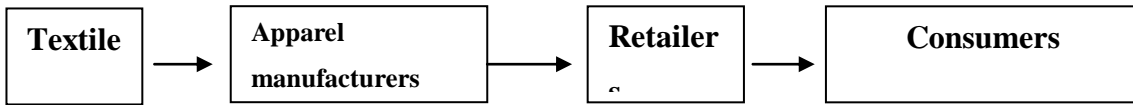
Fax: with the help of facsimile machine the designs or the creative brief can be sent or may be the design layout can be sent to anyone around the globe in seconds.

Telephone: it is an essential tool for teleshopping or information gathering.

Web sites- we all know that even small firms can advertise globally. Websites like Jabong.com, myntra.com, flipkart.com, snapdeal.com, yebhi.com, etc are a good example for the same.

FASHION MARKETING CHAIN

The traditional chain of marketing:



This particular chain of marketing is slowly disappearing. Initially the textile was produced in the form of yarns and fibers. They were sold to the apparel makers. Apparel makers then made garments out of the provided by the textile producer. These garments were then sold to the retailers and retailers sold them to the final consumer. Another example of traditional chain of marketing can be seen below:



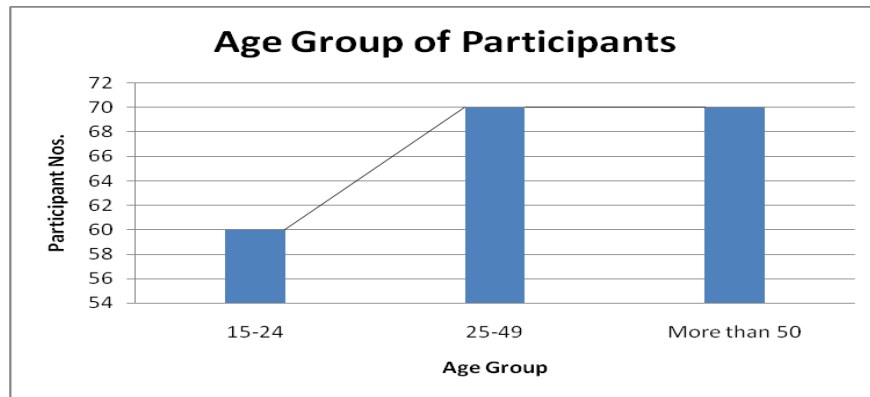
Vertical integration

It is the term used by the companies who have their own, the ones mentioned above except the consumers i.e. Fibers, Yarns, Fabrics, Apparels and accessories and retailers. This way the usage of middlemen is avoided and everything is managed internally.

For instance Raymond has got its own fibers, yarns, and garment production. Then post making the clothes, & send it to their own retailers for sale.

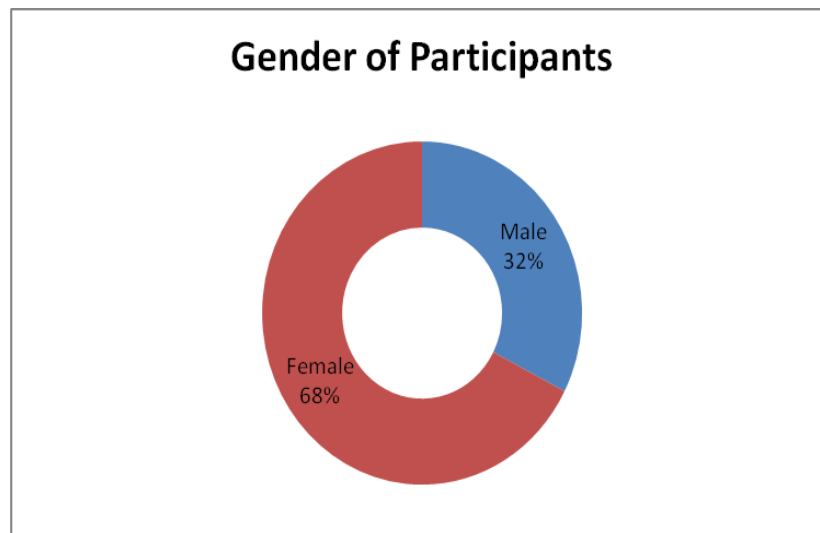
ANALYSIS BASED ON PRIMARY DATA

Graph-1; Age Group of Participants



As per above graph-1; The age bracket from 15-24 shopped less as compared with than the other age brackets. Whether 25 and 50 years and above shopped equally.

Graph-2; Gender of Participants



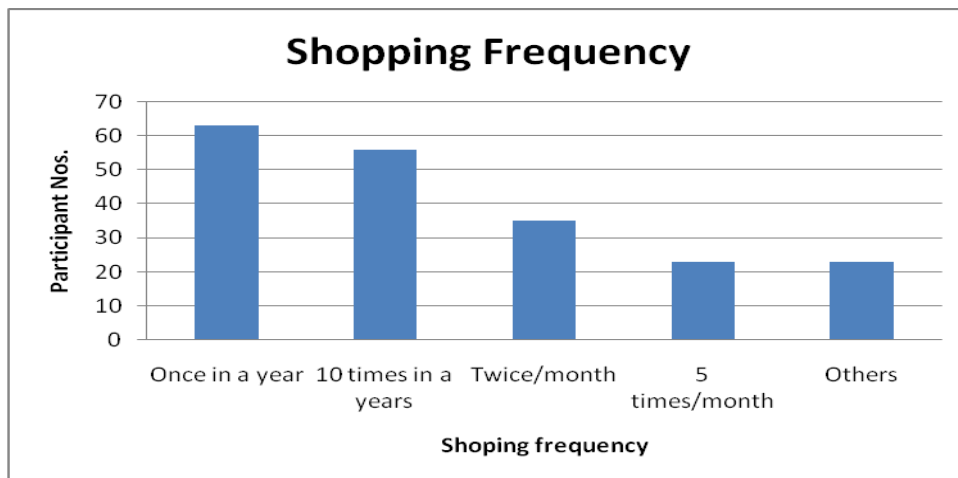
As per Graph -2; out of 200, 68% are females. Only 32% males were registered to have come out shopping.

Graph-3; Source of Fashion Inspiration



As per Graph-3; Family is the major source of influence that inspires the person to buy particular types of things. In the same survey it got noted that each shop tries to catch the consumer in its own unique way i.e. Adidas and Nike try and go color specific and special. The latest ladies' dress fashion 'Anarkali' has been coming in many different forms that it's almost a hit amongst the female consumers, mostly due to its attractive designs. Celebrities and people around do not influence the buying decision.

Graph-4: Shopping Frequency



As per Graph-4; Maximum consumers shopped once in a year. This was basically the set of consumers who are professionally inclined and busy with their professional lives. Ten times in

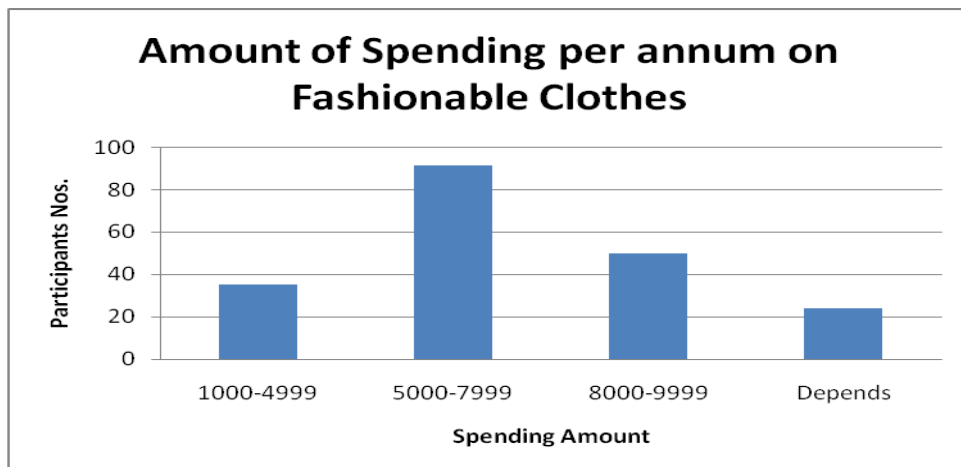
year was the set of consumers who were mostly females. They went shopping for festivals or if there was a wedding in the family. Least were the consumers who went shopping for garments five times in a month. This is basically the genre of low age consumers may be students who shopped for friends or for themselves.

Graph-5; Preferred Season for Shopping



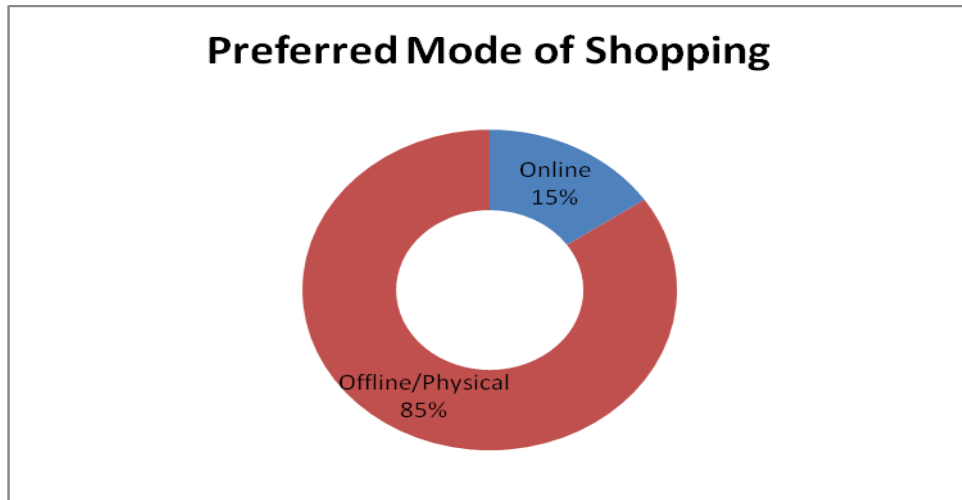
As per graph-5; Maximum number of consumers surveyed preferred no weather to shop. Spring was preferred the least and summer and winter are equally preferred.

Graph-6; Amount of Spending per annum on Fashionable Clothes



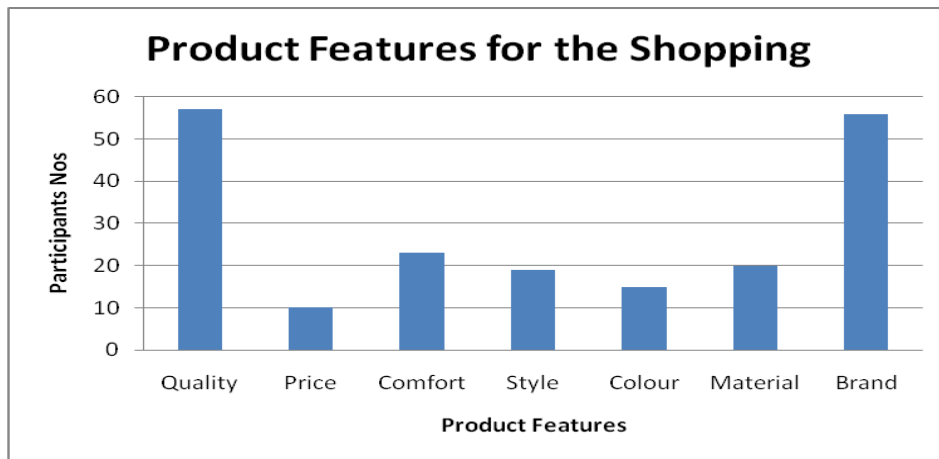
As per graph-6; Maximum number of consumers spent less than around Rs.8000/- in a year on fashionable clothes. This was the section of the society which was mostly working women with kids and they preferred shopping for kids & family.

Graph-7; Preferred Mode of Shopping



As per Graph-7: out of 200, only 15% rely over online shopping, whereas 85% respondents are rely to observe the product then they will take decision to purchase the product.

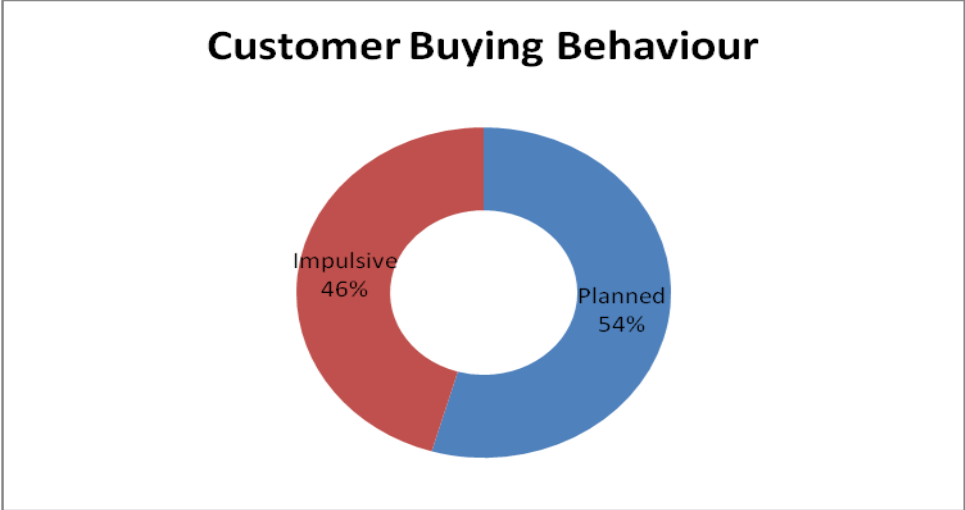
Graph-8; Preferred Product Features for the Shopping



As per Graph-8; The preferred product features for shopping have been quality and brand conscious. Comfort was the option preferred for stitched clothes. Material and style came later as

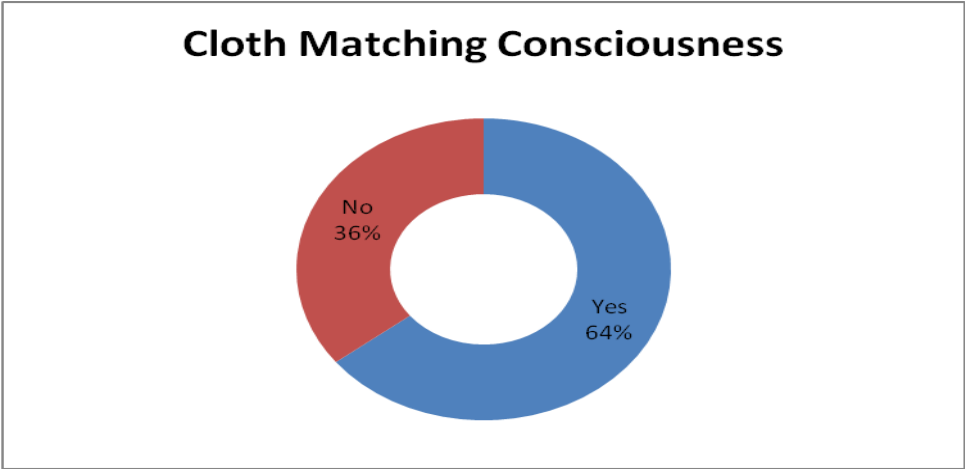
there was certain set of consumers who was very fashion pro. They were keen on trying fashion irrespective of season and fit.

Graph-9; Consumer Buying Behaviors



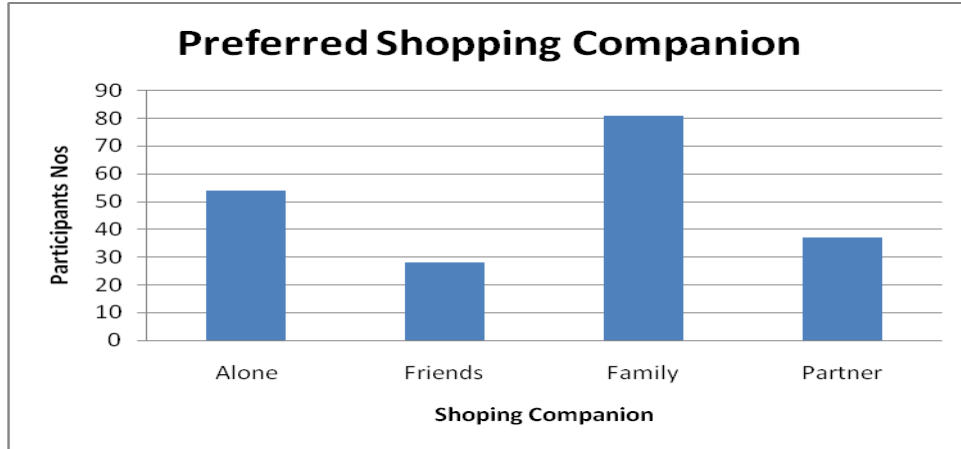
As per Graph-9; India is a price conscious market and majority of them went shopping planned manner.. Only 46% are impulsive buyer.

Graph-10; Clothes Matching Consciousness



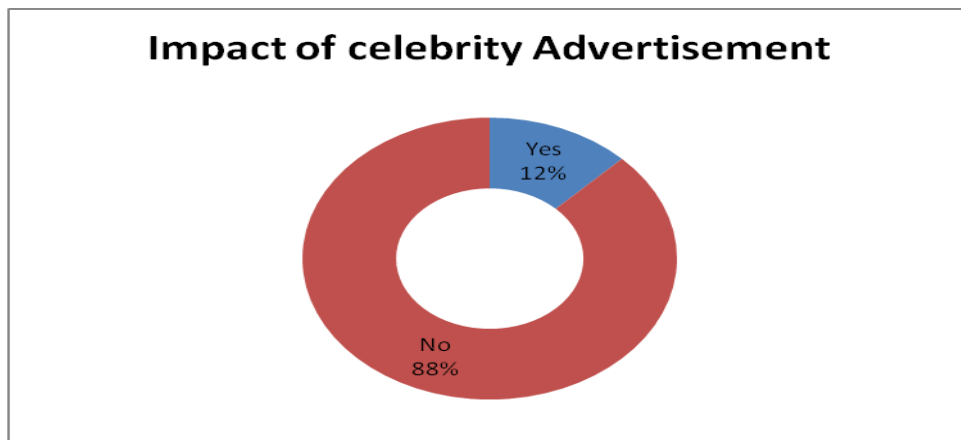
As per graph-10; It was surprising to know that males were more matching conscious than females. Ladies have been opting for the thought of mix and match (typical of fabindia and khadi style).

Graph-11; Preferred Companion during the Shopping



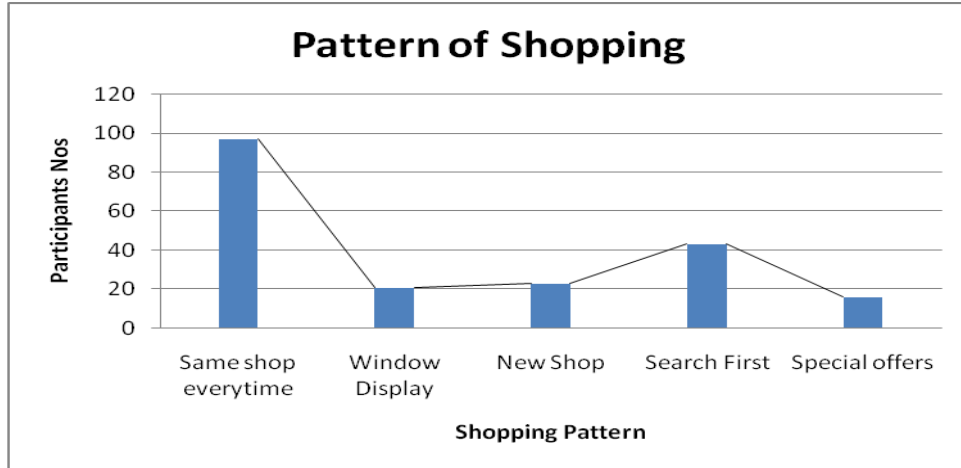
As per graph-11; Majority of the consumers preferred to go with their families for shopping. Then was the section of the consumers who preferred shopping alone. The ones who preferred to shop alone were either males or ladies above 50 years of age. Going with friends were the consumers who shopped while they bunked their classes i.e. students.

Graph-12; Impact of Celebrity Advertisement over Shopping



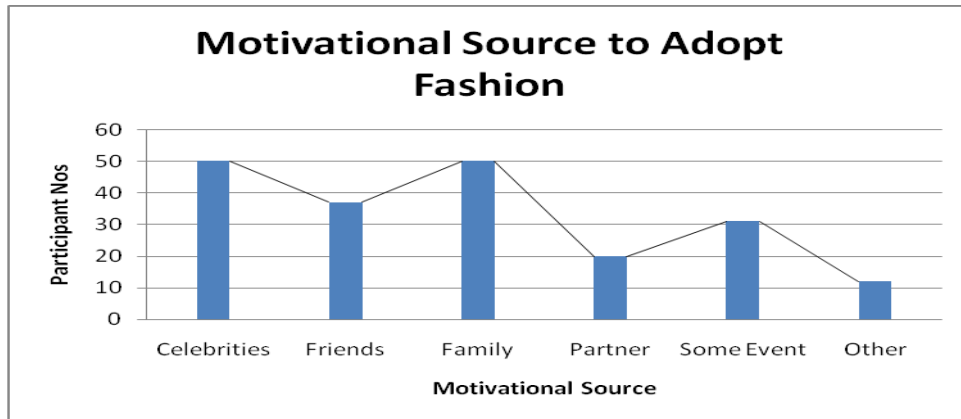
As per graph-12; Maximum number of consumers were not very label conscious. for ex- Celina Jaitely for Jashn sarees, Amitabh Bachchan for Reid and Tailor or any other such names, consumers today have a mind of their own. It's very difficult to tap the consumer on the name of Celebrity.

Graph-13; Consumer Shopping Pattern



As per Graph-13; Majority of the consumers preferred shopping from the same shop than opting for others. Then come the ones who searched first and then preferred to invest. Least was the ones who shopped for clothes/fashion when there were special offers.

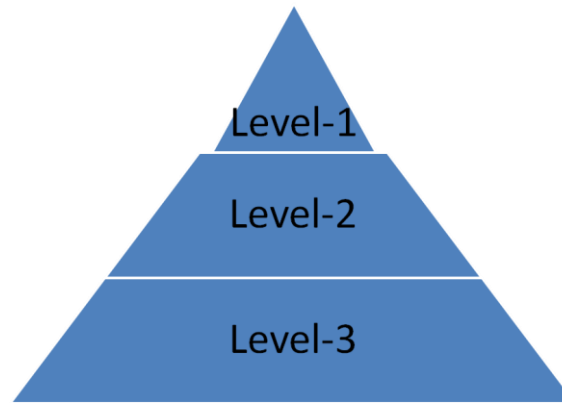
Graph-14; Source of Motivation to adopt New Fashion



As per graph-14; Celebrities and family are the two main sources that motivate a consumer to adopt new fashion. Friends and some event motivated slightly lower than the celebs and family. Least number of consumers confessed to buying fashion because of their partner.

CONCLUSION

When we talk about Fashion and its marketing the shape is almost like that a pyramid.



The levels are as follows⁶

Level-1; It is the point where come feature like HAUTE COUTURE. It is that genre where the garments are made as and how demanded and asked for. This constitutes customers like Mrs. Jaya Bachchan, Neeta Ambani, Tina Ambani and many others. Another feature of this level is handicraft product.

Level-2; It is the level of mostly ‘demand push’. It is the genre where the clothes are made and kept for people to pick and choose. For example-Levi’s and Diesel showrooms. The products in there are undoubtedly expensive for an average Indian pocket. Yet the products are made and sold.

Level-3; This is the main level from where maximum business is made. Items like the following:

- Belts Handbags Socks
- Sandals Caps Watches
- Perfumes Key chains Earrings/ wrist bands
- Many more like such

Ongoing pattern, when consumers had to buy what was being sold. It is actually true that Consumer is the king. Consumer who makes a brand and help it grow. So such the fashion marketing is done so that consumer buy it, it's more of level 3 the most.

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