Purchasing Behavior: Ethnocentric or Polycentric

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Abstract

The research paper aimed to ascertain the pattern of purchase intentions among Pakistani students towards foreign apparel brands. The selected variable affecting any consumer behavior perceived quality, status, emotional influence were judged through questionnaire and then the results were put through the regression analysis. Regression analysis revealed that Pakistan's university student's openness to normative influence had positive impact on brand consciousness. Brand consciousness had positive impact on perceived quality of international apparel brands & emotional value that these brands generate. Both perceived quality of international apparel brands and emotional value that they generate had significant impact on purchase intention.

Introduction

The retail market in developed countries of the world is at the mature stage (Berner et al., 2001). Intense competition & sluggish population growth is motivating leading apparel brands of the world to enter in new markets and attract new customers (Steen Kamp & Hofstede, 2002). The emergence of economies (china, India etc) with strong middle class is impelling these apparel firms' to ensure their presence in such economies ((Dickson et al., 2004).

Economic growth & emerging young customers who have brand & fashion awareness (Morton, 2002; Bryck, 2003) in Asian markets such as China, India, Japan & South Korea have attracted attention from multinational apparel firms. The consumers in these countries are witnessing many brands in their market. As a consequence they are more

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sensitive to brands as to what it offers, what it speaks to them and how it addresses their needs (Anholt, 2000).

The consumer decision to buy a particular brand is effected by different factors. Aside from functional benefits, he/she may choose a particular brand to express his/her personality, social status, affiliation or to fulfill his/her desire for newness (Kim et al., 2008). Searching for information is a key stage of a consumer's decision-making process that may include search for internal & external environment.

Internal information will be gathered from past experience or prior exposure to advertisement. External information may be collected from sources such as reference groups (e.g. peers, family members) and/or marketplace (Blackwell et al., 2001). Both internal and external information will reduce perceived risk and thus search behavior (Moorthy et al, 1997). The assessment of an apparel item is an important step in the decision-making process. It includes aspects such as the judgment of quality of the item but may also include aesthetics (De Kleark & Lubebe, 2006).

Understanding what consumers want and developing targeted strategies may be one of the biggest challenges for multinational apparel firms.

Objective of the Study

This paper aims to study factors affecting Pakistan's university students' purchase intention towards foreign apparel brands. Consumers' brand perceptions may be driven by their unparalleled needs and brand knowledge derived from personal experience (Keller, 2001). Young customers have a desire to bolster their image and to look "cool". The outcomes of this research will allow the foreign apparel firms to better

understand Pakistan's market and will help them to adopt effective strategies for Pakistan's apparel market.

Pakistan's Consumer market

Pakistan's per capita income is 1000 $ annually and is the eighth most populous country in the world (Asian Development Bank, 2002). Its has highest per capita income in the whole south asian region ((Asian Development Bank, 2002).

Pakistan has consumption-oriented society and people tend to spend more on rituals and social engagements (Burki & Muhammad, 2008). Thus it can be inferred that in order to show their status and style, Pakistani consumers spend considerable amount of money on their clothing. Thus it is a lucrative market for multinational apparel firms.

Significance of the Study

Pakistan is a developing country and is considered as one of emerging economies of the world after China, Russia & India. It bears all the Hallmarks of the consumers in developing countries. As more & more foreign apparel Retailers are coming to Pakistan, they are faced with tough competition from national and other foreign fashion brands. The findings of this paper will serve as a guide to such foreign apparel retailers who have limited knowledge of Pakistan's apparel consumer. This will help them to formulate marketing strategies to gain from Pakistan's apparel markets. This paper will also help National apparel producers to reflect on their marketing strategies and compete effectively in the cutthroat competition that exists in apparel industry.

Literature Review & Hypothesis Development

Purchase decisions are effected by the group influence when it comes to the selection of brands for identical products, group cohesiveness plays a decisive role in the selection of brand (Witt & Bruce, 1972). Along side group cohesiveness, the member's information about the brand used by other group members also effect decision to quit the existing brand and purchase the brand used by other group members (Witt 1969). Thus greater the consumer's orientation with the group members, greater will be its impact that he/she will show inclination towards a specific brand used by the group members (Moschis 1976). However the decisions of a group member regarding products that is low in visibility, perceived risk, complexity & high in testability is not effected by group influence (Ford and Ellis 1980). As Pakistan is a collectivist society (Burki & Muhammad, 2008) it can be easily inferred that the individual choices regarding brands are greatly affected by the group he is associated with. This has led us to our first hypothesis;

H$_1$: Normative influence has a positive impact on brand consciousness

The American marketing association defines brand as "a name, term, design, symbol or any other characteristic that makes the selling of good or service different from the goods & services of other sellers". When making purchases the consumer perceives brands as the sign of quality (Vranesevic & stancec 2003). Also price of the brand is considered as the indicator of its quality (Sjolander 1992). Earlier studies have proved the fact that brand name is closely linked with qualities followed by other factors such as price & retailer reputation (Agarwal & Teas, 2002). The perceived brand origin has significant impact on the brand image (Thakor & Lavack 2003). Some brands closely link

themselves with their origin in order to enhance their image and to project themselves as symbol of quality (Thakor & Lavack 2003). Also the country of manufacture had no impact on product quality evaluations when country of corporate ownership was also present (Thakor & Lavack 2003). High professed quality is said to drive a consumer to choose one brand above rival brands (Yoo et al., 2000). The consumer's perception of quality from brands directs us to reveal our following hypothesis;

H$_2$: Pakistani students who have higher level of brand consciousness will perceive a foreign apparel brand to have higher quality

Perceived benefits are a combination of different product dimensions (tangible or intangible; extrinsic and intrinsic ;), available in relation to buy and use of the product (Snoj et al. 2004). Emotional value is the benefit which one gets by experiencing something new or different(Lee et al., 2006). The products & brands may provide other benefits such as fun & enjoyable experience that generate emotional values for the consumers (Holbrook, 1986). Consumer perceives foreign brands to be more superior in all aspects to the national brands (Iyer and Kalita, 1997; Kinra, 2006). This has enabled us to formulate our next hypothesis;

H$_3$: Pakistani students who have higher level of brand consciousness will perceive a foreign apparel brand to have higher emotional value

The level of quality and emotional value are theoretically related (Babin et al., 1994). Some authors use perceived quality and perceived value interchangeably (Snoj et al. 2004). Thus perceived quality will also bring emotional value to consumers. This has led us to frame the next hypothesis:

H₄: Pakistan's University students who perceive a foreign apparel brand to have higher quality also will perceive it to have higher emotional value.

As discussed in the out set the consumer who perceives the product to be of higher quality will buy that product in assessment to a product of lower quality (Vranesevic & stancec 2003). The brands that are linked with the high quality will be purchased by the consumers (Snoj et all). The consumer's implied perception of quality from the brand supersedes its price when he is making purchase decision (Dodds et al., 1991). This has led us to following Hypothesis;

H₅: Pakistan's University students who perceive a foreign apparel brand to have higher quality will have a higher purchase intention toward the brand.

Agarwal & Teas (2000) has quoted Szybillo and Jacoby (1974) that consumer is likely to give more importance to emotional value derived from a product than perceived quality of that product. Also, Dodds et al. (1991) are of the opinion that there is positive impact of emotional value on consumer's purchase intention. As customer expects high emotional benefit from foreign apparel brand ((Iyer and Kalita, 1997; Kinra, 2006) therefore they will purchase that brand to satisfy their emotional needs from the product. This has led us to the following hypothesis;

H₆: Pakistan's University students who perceive a foreign apparel brand to have higher emotional value will have a higher purchase intention toward the brand.

Theoretical Framework
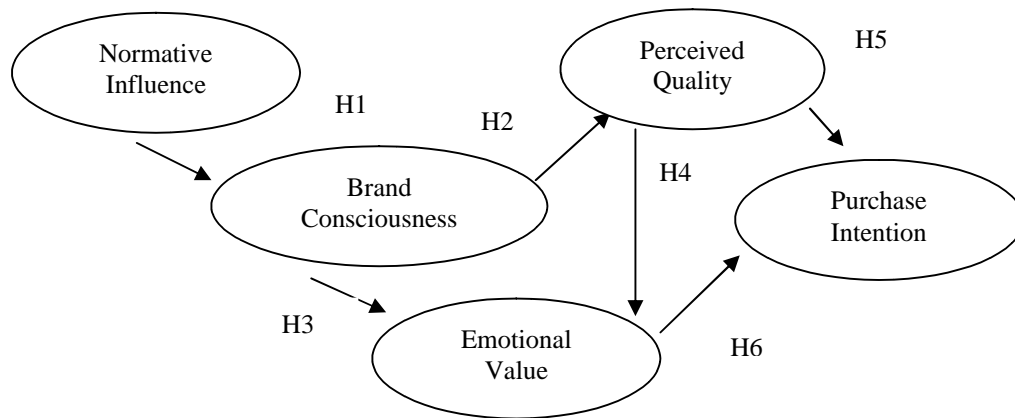
Variables

The model explains purchase intention in terms of different variables i-e Normative Influence, Brand Consciousness, Perceived Quality & Emotional Value. The independent variables are interrelated to each other. Normative influence impact purchase intention through brand consciousness, Perceived quality & emotional value.

Methods

Sample

The sample comprised of students enrolled at two universities in major cities of Pakistan i-e Islamabad & Rawalpindi. A total of 315 participants completed self administered questionnaire during scheduled classes. The average age of the respondents was 22 years & majority (90.8%) aged below 25 years. Among 315 participants, 201 participants (63.8%) were male and 114 participants (36.2%) were female. Table 1 summarizes the demographics of the sample.

Table 1: Demographical characteristics of respondents in Percentage

Variables	Frequencies	Per cent
Gender		
Male	201	63.8%
Female	114	36.2%
Age		
Less than 25	286	90.8%
25-45	22	7%
Above 45	7	2.2%
Education		
Graduation	278	88.3%
Post Graduation	16	5.1%
MS/ M.Phill	21	6.7%

Measures

The measures comprised of general consumer variables (i-e Normative Influence & Brand consciousness) & brand specific variables (i-e Perceived quality, Emotional Value & Purchase Intention). The scale items used to measure the construct in the study were taken from previous studies. Each item in the scale was rated on five point scale anchored by "Strongly Disagree" (1) and "Strongly Agree) (5).

Scale items for normative influence were adopted from Bearden et all (1989); Brand Consciousness, from Shim & Kotsiopulos (1993); Perceived quality from Dodds et all (1991); & emotional value from Sweeney & Souter (2001). The scale items for purchase intention were taken from Lee et all (2006).

One page questionnaire was administered and on average it took about five minutes for an individual to exercise his judgment on the

items. On the whole the questionnaire was easy to understand and jargon was avoided. However validity of scale was not compromised.

The questionnaire comprised of five constructs measured by eighteen items. The construct "Normative Influence" was measured by six items, "Brand Consciousness" by two items, "Perceived Quality" by three items, "Emotional Value" & "Purchase Intention" by four and two Items respectively. Only those items were selected that were relevant to our study and had highest factor leading in previous studies. The reliability of the questionnaire was tested by using cronbach's alpha. Table 2 provides the description & Cronbach's Alpha for the variables in the study.

It can be observed from the table that Cronbach's Alpha for scale measuring constructs of Normative influence, Consumer Confidence, Brand Consciousness, Perceived Quality, Emotional Value & purchase Intention are .60, .52, .76, .82 & .59 respectively. Thus it can be inferred that reliability statistics is satisfactory.

Table 2: Variables & their measures (Cronbach's Alpha)

Constructs	*Items*	*Cronbach's Alpha*
Normative influence	By buying the same brands as my friends, I achieve a sense of belonging I buy the latest fashion when I am sure my friends like them If other people see me using a product, I buy the brand they expect me to buy I like to know what brands make a good impression on others I achieve a sense of belonging by buying the same brands that others purchase If I want to be like someone, I try to buy same brands that they buy	0.604
Brand-consciousness	It is important to buy well-known Clothing brands	0.52

	I try to stick to certain brands I pay attention to brand name	
Perceived quality	I consider international apparel brands to be reliable I consider international apparel brands to be durable I consider international apparel brands to be of high quality	0.76
Emotional Value	Using International apparel brands make me feel good Using International apparel brands give me pleasure International apparel brand make me want to use it Feel comfortable using International apparel brands.	0.82
Purchase Intention	I intend to buy International apparel brands frequently I plan to buy International apparel brands more often	0.59

Results

Hypothesis Testing

The objective of this paper was to understand purchase intention in terms of different variables like Normative Influence, Consumer Confidence, Brand Consciousness, Perceived Quality & Emotional Value. The Hypotheses developed in literature review are tested using Regression Analysis at 95% Confidence Interval. Table 3 summarizes the results for the developed hypothesis.

Table 3: Standardized coefficients and t-statistics for the structural model

Hypothesis	Structural Path	β	Standard Error	t-values	Sig (2- tailed)
H_1	NI→BC	.326	.064	6.096**	.000

H_2	BC→PQ	.326	.062	6.106**	.000
H_3	BC→EV	.375	.059	7.154**	.000
H_4	PQ→EV	.518	.047	10.79****	.000
H_5	PQ→PI	.417	.050	8.121***	.000
H_6	EV→PI	.5	.049	10.26****	.000

Note: *NI: Normative Influence, BC: Brand Consciousness, CC: Consumer Confidence,   PQ: Perceived Quality, EV: Emotional Value, PI: Purchase Intention*

In case of H_1, the *t-value* is 6.096>2, p<.05 which posits that Normative influence has significant impact on Brand Consciousness. Hence it validates our first hypothesis.

In case of H_2 , H_3 ,H_4, H_5 & H_6 the *t-values* are 6.106, 7.154, 10.79, 8.121 & 10.26 respectively. Highly significant *t-values* purports that relationships hypothesized are true & valid.

Correlation Analysis

Table 4 summarizes the correlation analysis of variables involved in the study.

Table 4: Correlation Analysis

	NI	BC	PQ	EV	PI
NI	1	.326	.217	.356	.203
BC	.326	1	.326	.375	.317
PQ	.217	.326	1	.518	.417
EV	.356	.375	.518	1	.500
PI	.203	.317	.417	.500	1

Note: *NI: Normative Influence, BC: Brand Consciousness, CC: Consumer Confidence,   PQ: Perceived Quality, EV: Emotional Value, PI: Purchase Intention*

As its evident from the above table that all the variables are significantly correlated with each other. The table posits that emotional value has high association with purchase intention. Also perceived quality has significant association with emotional value.

Discussion:

The study shows that Pakistan's University Students' Normative Influence, Confidence, Brand Consciousness, Perceived Quality & Emotional Value are direct & Indirect Factors of Purchase Intention.

Significant impact of NI on BC indicates that Pakistan's University Students' susceptibility for Normative Influence & Brand Consciousness suggests that they are likely to buy well known clothing brand to come up to expectations of others or relate to a group.

The significant impact of Brand Consciousness on Perceived quality (t-value= 6.106>2, p<.05) buttress the fact that Pakistan's University Students' perceive international apparel brands to be of high quality. As Perceived Quality has significant impact on Purchase intention, it can be easily inferred that Pakistan's University Students' who perceive international apparel brand to be of high quality are likely to purchase foreign apparel brands.

Also Brand consciousness has significant impact on Emotional Value. This indicates that Pakistan's University Students' feel good when they use international apparel brands. As Emotional value has significant impact on purchase intention, we can posit that Pakistan's University Students' believe that foreign apparel brands provide high emotional value and thus are likely to purchase foreign apparel brands.

Thus it can be concluded that Normative Influence, Brand Consciousness, Perceived Quality and emotional value are antecedents of

Pakistan's University Students' purchase intention towards foreign apparel brands.

Conclusion & Future Implications:

The study provides valuable information to foreign apparel brands who want to enter Pakistan's apparel market. The study posits that Normative Influence has positive impact on purchase intention through brand consciousness, perceived quality and emotional value. This signifies that foreign apparel brands must formulate their marketing strategy by focusing on Quality and Emotional aspects of their brands. Their advertisement campaign must communicate that their products have standardized quality and one will feel good by using their products. The advertisements should be emotionally appealing and the products should be endorsed by reference groups or celebrities who are popular among youth. Also it is essential that they should make their image in such a way that their brand becomes symbol of confidence. They can appreciate their sales by guarantying standard quality at prices that are reasonable.

This research studies the factors effecting purchase intention of one segment of the society i.e. Students. Thus its findings cannot be generalized to the whole society. Future research may take into account all segments of the society such as children, professionals etc. Also cross culture studies are recommended to compare different countries of the world and their attitudes towards global brands. This research study factors effecting purchase intention towards apparel brands, future studies may be conducted for other consumer products.

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