CHAPTER VIII
SUMMARY AND CONCLUSION

India though a barefooted country until half century ago is known for its traditional craft of footwear making. Some of the traditional footwear created by village craftsmen include leather chappals in Kohlapur, embroidered Juttis in Jodhpur, Indo-Tibetan felt boots in Sikkim and vegetable fibre shoes in Ladakh. It was only in the year 2001 the Government of India de-reserved the leather sector. The Indian Footwear sector is a promising one with tremendous opportunity for growth both in the international and domestic market. With low production cost, abundant supply of raw material, evolving retail system, buying patterns and huge consumption market, this sector is poised to grow to great heights.

Prior to the World War 1, the scenario in the global footwear industry was completely different. The developed countries like US and UK dominated the footwear exports. But later on due to non-availability of low cost labour lead to the surge of footwear production among the developing countries especially the Asian countries. Therefore large exporters became large importers of footwear.

The export of footwear has increased tremendously for the past four decades. From 119.72 million US $ during the year 1981-1982 the footwear exports has increased to 2011.27 million US $ during the year 2011 – 2012. Though India accounts of 14% of the global annual footwear production but still negligible proportion of it is exported as the consumption from the domestic market is very high.

But this market is highly fragmented. The unorganized sector dominates the industry posing a threat to the organised players. Around 50 – 55% of the men’s footwear purchases takes place in the organised sector and for women it is only around 10 – 20%. But still the footwear retail sector is expected to grow at a compound annual growth rate of 15% and likely to earn Rs 38,700 crores of earnings by 2015. But with growing fashion consciousness along with increased disposable income among India’s urban
middle class this trend is likely to change in the near future. Further the Indian consumers are also becoming more brand conscious. The Indian consumer market is younger when compared to the markets in the developed nations, which comprises more of older consumers presently and therefore the retail markets have become more saturated. Therefore many foreign brands have already started establishing themselves in India namely, Aldo, Bally, Clarks, Ecco, Florshiem, Ferragammo, Hush Puppies, Lee cooper, Lloyd, Marks & Spencer, Nike, Nine West, New Balance, Reebok, Rockport, Stacy Adams, Tod’s, Geox and Louis Vuitton. Similarly domestic brands are also moving beyond national boundaries namely, Red Tape, Bata, Liberty, Khadims, Lakhani, Metro and Action shoes.

Most of the footwear brands have exclusive retail outlets and account for about 55 percent of the footwear market while multi-brand retail outlets account for about 30 percent. With customers preferring to purchase footwear along with clothes, most of the retailers are re-working on their channel strategies. Online shoe shopping is also a fast emerging segment and currently accounts for about 8 percent of the footwear purchase of the overall industry and is expected to reach nearly 20 percent by 2015.

The key players in the footwear industry include Bata India Ltd., and Liberty Shoes Ltd. The major footwear clusters in India are Chennai, Ranipet, Ambur in Tamil Nadu, Mumbai in Maharashtra, Kanpur in U.P., Jalandhar in Punjab, Agra, Delhi, Karnal, Ludhiana, Sonepat, Faridabad, Pune, Kolkata, Calicut and Ernakulam. About 1.10 million are engaged in the footwear manufacturing industry. More than sixty international brands are sourced from India. Most of these brands are manufactured in Agra, Kanpur or Chennai clusters. Besides, the Government of India has also established dedicated footwear complex and footwear component parts proximate to the footwear clusters. Further there has been healthy collaboration from the European countries like Italy, Spain and Portugal.

The Indian consumer markets are growing and changing rapidly in terms of its nature and composition. With the revolution taking place in the distribution system through entry of super markets, shopping malls, chain stores etc in the metros, small cities and towns the
potential for lifestyle products have increased drastically. With the change in the lifestyle patterns among the people especially the youth, this product has also undergone a tremendous transition in terms of its character. Though Indians have not been the ones to spend on items like footwear, for the past two decades there has been a tremendous change in the buying habits of the consumers. It all started with the New Economic policy passed in the year 1991, which opened doors for multinational corporations. This led to urbanization, favorable patterns of demography, increase in income levels and double income instances, media proliferation and the desire to look good. Therefore the consumers became more aware of the different varieties of products that are produced and marketed all over the globe. India’s population is no longer a liability but an asset to the marketers especially for the consumer market. There is plethora of opportunities still untapped in the footwear sector.

Though footwear is considered as lifestyle enhancement product, the manufacturers and retailers have failed to understand this. Still the traditional segmentation patterns are followed in this industry, which include materials used for construction of the footwear, usage patterns and demographics. It becomes evitable that the manufacturers and retailers have to re-work on their segmentation strategies in order to understand the fine nuances of the consumers.

The study was conducted city of Bangalore purposively as it comprises of diverse population. The respondents include 2074 males and 2365 females. Eleven factors were extracted from the male and female category that constituted 52% and 53% of the variance respectively were considered for the study. The factors were named according to the higher factor loadings in each of the extracted components. For the male category the 11 factors were named as Stylistic, Confident, Cautious shoppers, Traditional, Relaxed, Optimistic, Strivers, Systematic, Dominant, Spiritual and Stay Trim. For the female category the 11 factors were named as Stylistic, Traditional, Cautious shoppers, Independent, Systematic, Health Conscious, Social and diet conscious, Carefree, Money savers, Sociable and Dominant. It was observed through the ANOVA test that significant differences existed among the consumers in these factors in their preferences towards the footwear attributes. Multiple Regression analysis was performed in order to observe the
association between the independent variables (AIO statements) and the dependent variable (Footwear Attributes). The Beta value and the t – value were read in order to understand the significant associations.

A brief discussion on the highest preferences of men in the formal and casual footwear is presented in this paragraph. Six variables (AIO statements) were loaded in component 1. Out of which five variables qualified for study due to multicollinearity. Therefore the five types of consumers in this component include Budgeted spenders, stylistic, smart dressers, foreign settlers and fashionables. It was observed that the Budgeted spenders preferred more of branded shoes for formal wear and preferred more of posture enhancement for casual wear. The stylistic consumers were more store conscious. They preferred to purchase formal wear from the store that had good ambiences and casual wear from the store that sold more amenities. The smart dressers preferred their formal shoes to coordinate with the colour of their attire and their casual shoes to be more comfortable. The consumers who preferred to settle abroad preferred to wear formal shoes that enhanced their postures while they preferred elegance in casual shoes. The fashionables preferred elegant formal shoes and were concerned about the salesmen’s behaviour when they purchased casual shoes. Four variables (AIO statements) were loaded in this component 2. The four types of consumers in this category include Nuclear Family oriented, Confident, Independent and Skilled. The consumers who preferred to live in nuclear family were bound to wear casual footwear that offered them more comfort. The confident consumers purchased formal shoes based on brands and they preferred to purchase casual shoes after consultation with their family members. The independent consumers preferred to wear formal shoes with coordinated colours. They exhibited a brand conscious behaviour towards casual shoes. The skilled consumers who perceived that they had lot of personal ability never consult their family in the purchase of formal shoes. They preferred to purchase casual shoes from specialized stores. The component 3 comprised of three types of consumers namely social, cautious shoppers and price conscious. The social consumers who is very active in all the social functions preferred to purchase formal shoes from the outlets that sold other amenities as well and casual shoes with coordinated colours. The cautious shoppers who visit many shops
before they finalised their sales preferred to wear formal shoes that were comfortable and casual shoes with standard colours. The price conscious consumers preferred to wear formal shoes that were elegant and casual shoes with coordinated colours. The component 4 includes dominating, protectionist, egotistic and conservative. The dominating types preferred to purchase formal shoes on the basis of brand and casual shoes on the basis of comfort. The protectionist also purchased formal and casual wear on the basis of brand. The Egotistic consumers purchased formal shoes primarily after consultation with their friends and the casual shoes were purchased from the outlets that sold other amenities as well. The conservative consumers were very family oriented. They consulted their family members for the purchase of both formal and casual footwear. The component 5 include four types of consumers namely, Practical, Brand Analyst, Unhealthy lifestyle and Nonplayful. The practical consumers preferred to purchase shoes from specialized store. The brand analysts were highly influenced by the behaviour of the salesmen. The consumers who lead unhealthy lifestyle preferred to purchase formal shoes from the outlets that had better ambiances and the casual shoes from the specialized outlets. The consumers who generally do not participate in sports activities preferred to purchase unbranded formal shoes and casual shoes from the outlets that sold other amenities as well. In component 6, due to multicollinearity only one variable qualified for the study. Therefore there was only type of consumer i.e., the globe trippers who were passionate about touring around the world. They preferred to purchase formal shoes from the store that sold other amenities and the casual shoes from the store that had better ambiances. The two types of consumers namely active and hard working were found in component 7. The active consumers were colour conscious. They preferred to purchase formal and casual shoes with coordinated colours. The hard working consumers preferred to purchase formal shoes from specialized store and preferred casual shoes that were more comfortable. There were three types of consumers in component 8 that included, men who preferred to keep their house neat and clean, men who were attracted towards a distinctive lifestyle and men who were very cautious about saving money. The first category preferred formal shoes that were elegant and casual shoes that would enhance their postures. The second category preferred to purchase formal shoes from the outlets that had better ambiances and casual shoes that were unbranded. The
cautious men who were very particular about saving money preferred branded footwear. The component 9 included conventional consumers who primarily preferred formal shoes that were comfortable and preferred to purchase casual shoes that had better ambiences. The opinion leaders and the Stay fit type of consumers in this category were very brand conscious. Component 10 comprised of three types of consumers in this category, the spiritual, diet conscious and socialising. The spiritual consumers took their purchase decision based on the behaviour of the salesmen. The diet conscious consumers were highly brand conscious ad the socialising ones preferred formal shoes that were elegant and the casual shoes that were primarily comfortable for them. Component 11 comprised of two types of consumers namely stay trim, the men who often skipped their breakfast and the Sports Viewers, the men who preferred to watch sports than any other channels. The stay trim preferred to purchase formal shoes from the outlets, where the salesmen treated them well. They preferred to wear casual shoes that were more elegant. The sports viewers preferred to wear footwear that was primarily comfortable.

A brief discussion on the highest preferences of the women consumers for formal and casual shoes (based on the highest Beta value and significant t-value) in each of the factors extracted is discussed in this paragraph. Five types of consumers were included in the component 1 namely, Materialistic, Budgeted, Trendy, Stylish, Smart dressers and Fashionables. The materialistic consumers preferred to purchase formal shoes from specialized stores and were completely against taking their friends opinions in case of casual footwear. The budgeted consumers who always preferred to pay cash than use credit cards preferred to consult their friends before they purchased their footwear. The trendy consumers strongly felt that the salesmen behaviour in the store was highly unimportant to decide a purchase. The stylish consumers preferred formal shoes that were primarily comfortable and preferred to purchase from the store that had good ambiences. They were brand conscious in case of casual shoes and preferred to purchase them from the outlets that had better ambiences. The smart dressers preferred unbranded shoes that were not elegant. The fashionable consumers preferred formal shoes that were comfortable and preferred to purchase from the store with good ambiences. They preferred casual shoes with coordinated colours. There were five types of consumers in
component 2. The conventional consumers preferred formal shoes that does not enhance their postures and preferred to purchase casual shoes from the outlets that sold other amenities as well. The timid consumers preferred to purchase shoes from specialized stores. The dependents preferred to purchase formal shoes from the store with good ambiances and casual shoes at the advice of their friends. The responsible consumers preferred to purchase formal shoes that were branded and felt that there was no necessity for friends’ advice. The conservative consumers preferred to purchase formal shoes at specialized stores and they were also uninfluenced by friends. There were three types of consumers in component 3. The social and the cautious shoppers consulted their friends and then took a purchase decision. The thrifty consumers preferred to purchase formal shoes with colour coordination and casual shoes from the outlets which sold other amenities as well. There were three types of consumers in component 4. The consumers who preferred to live in nuclear family were brand conscious with the formal shoes and they purchased casual shoes after taking their family’s opinions. The consumers with high self confidence felt that it was necessary to consult the family on purchase decisions relating to footwear. The skilled consumers preferred to purchase formal footwear from store that had good ambiances and that sold other amenities. They also preferred to purchase casual shoes from the outlets where the salesmen behaved politely. The component 5 comprised of three types of consumers. The consumers who meticulously kept their house neat and clean purchased formal and casual shoes that were unbranded. The opinion leaders consulted their friends and purchased their formal shoes. They purchased casual shoes primarily on the basis of comfort. The active consumers preferred to purchase formal shoes from the store that sold other amenities as well. They also preferred to purchase casual shoes from the outlet that had good ambiances. There were three types of consumers in component 6. The health conscious consumers are very colour conscious. They preferred to wear footwear with coordinated colours. The women who participate in sports preferred to purchase branded footwear from the outlets that have good ambiances. The consumers who generally averse to bargain prefer to purchase footwear with their friends and they also preferred those footwear that would enhance their postures. There were three types of consumers in component 7. The women who lead an unscheduled lifestyle normally preferred formal shoes that were branded and
preferred to purchase casual shoes from specialized outlets. The career oriented primarily preferred their shoes to be comfortable and preferred to purchase from outlets that had good ambiances. The fitness conscious consumers preferred unbranded formal shoes and ambiances were not a concern for casual shoes. There were two types of consumers in component 8. The revels who loved to party with lot of music purchased formal footwear primarily on the basis of comfort and next it should be branded. They preferred their casual shoes to be with coordinated colours. The optimistic women preferred branded formal shoes and coordinated colours for their casuals. There were two types of consumers in this component 9. The frugal consumers who always checked their balances periodically generally purchased formal shoes that were branded with the consent of the family. They felt that ambience was not important for casual shoes but the consent of the family was essential. The consumers who always thought of saving money generally preferred to purchase unbranded shoes. Due to multicollinearity only one variable qualified for analysis in component 10. The social consumers normally preferred to purchase formal shoes with the consent of family and friends. They purchased casual shoes from the outlets that had sold other amenities also. Due to multicollinearity only one variable qualified for analysis in component 11. The dominant women preferred to purchase formal shoes from specialized stores. They also strongly felt that for purchase of causal shoes neither ambiances nor family’s opinion was required.

Though consumers purchased branded and unbranded shoes their perceptions varied. They had their own reason to choose between the branded and unbranded shoes. In the present study it has been observed that men generally purchased branded shoes unlike women. Correlation technique was employed to seek association between the variable (AIO statements) that had higher factor loadings in the respective component with the brand attributes that include quality, service, variety, durability, brand image, price and convenient location.

The perception of men towards formal footwear brands is discussed in this paragraph. It was found that the consumers who were keen on following the latest style purchased brands that were available at convenient locations. The consumers who had more self confidence purchased brands which they felt would be durable. The consumers who visit
many shops before they finalise their sales looked for quality. The protectionist purchased brands that had good image, offered better services, available at convenient location, good quality, variety and to some extent price. The consumers who generally were not health conscious purchased footwear on the basis of brand image and the services offered. They also perceived the brand to be of good quality and durable. The active consumers perceived their brand to be durable. They also felt that there are more varieties and to a certain extent felt that the price was also reasonable. The opinion leaders purchased on the basis of convenient location. The fitness conscious thought that their brand had good image and the price was reasonable. The stay trim preferred to purchase on the basis of convenient location.

The perception of men towards casual footwear brands is discussed in this paragraph. The stylistic men purchased brands that were available at convenient locations. The confident men also purchased casuals that were available at convenient locations and perceived that their brand was of good quality and had good image. The cautious buyers believed in quality of their brand. The protectionist felt that the brand had reasonable price and was of good quality. The consumers who lead an unhealthy lifestyle purchased brands on the basis of price, brand image, convenient location and durability. The optimistic consumers also purchased on the basis of price, location, durability and service. The active consumers purchased branded casual shoes based on durability, services offered, variety and quality. The systematic men purchased on the basis of price and quality. The opinion leaders purchased on the basis of brand image and location. The fitness conscious purchased on the basis of brand image and to a certain extent variety. The stay trim purchased on the basis of variety, brand image and price.

As the women’s footwear market is highly fragmented the present study focuses on the women’s purchase of formal footwear that are branded and unbranded as well. But not much fragmentation was noticed in the formal footwear purchase. As per the study only small proportion of the formal footwear purchase took place in the unorganized sector. But still an attempt has been made to study the unorganized sector as well.
The Perception of women towards branded formal footwear is discussed in this paragraph. The trendy consumers purchased branded shoes as they felt that they were available at convenient locations at reasonable prices. The dependents and systematic women felt that the branded ones are durable. The cautious buyers felt that the prices were reasonable. The women who participate in sports are likely to purchase brands that had good brand image and located at convenient places. The carefree women purchased on the basis of brand image and felt that the footwear would be of good quality and durable. The consumers who lead a unhealthy lifestyle preferred to purchase brands that are available at convenient locations. The opinion leaders perceived their brands to be durable and also felt that it had good image. Furthermore they purchased due to availability of varieties, reasonable price and good quality.

Perception of women towards unbranded formal footwear is discussed in this paragraph. The trendy and independent consumers primarily purchased unbranded footwear as they felt that there are more varieties available at reasonable prices. The dependents felt that they were available at convenient locations. The cautious buyers felt that there are more varieties and are also durable. The systematic consumers felt that there were more varieties to choose from. The sports women felt that quality and variety was food. The socialising women felt they were durable and available at reasonable prices. The opinion leaders felt that the prices were reasonable.

The perception of women towards branded casual footwear is discussed in this paragraph. The trendy consumers preferred to purchase branded shoes due to price. The cautious buyers also purchased branded ones due to price and since they were available at convenient locations. The Independent and carefree consumers felt that they were available at convenient locations. The women who actively participate in sports purchased due to brand image and durability. The socialising consumers purchased due to quality, services offered, variety, price and availability at convenient locations. The consumers who were keen on saving money purchased branded casual shoes as they felt that they were good quality, durable and available at good locations. The opinion leaders thought that the branded ones are good in quality, durability and available at convenient locations at reasonable prices.
The perception of women towards unbranded casual footwear is discussed in this paragraph. The trendy consumers preferred to purchase unbranded shoes due to varieties and availability at convenient locations. The cautious buyers and sports women felt that the varieties were available at reasonable prices and convenient locations. The Independent consumers felt that the prices were reasonable and available at convenient locations. The systematic thought the quality was good. The socialising and carefree consumers felt that the prices were reasonable. The opinion leaders felt that prices were reasonable.

Therefore it can be observed that the footwear market is a market with tremendous opportunities but still an untapped sector. Applying new segmentation and positioning strategies can help the manufacturers and retailers to understand the fine nuances of the consumers not only domestically but also in the international market.