CHAPTER 1

INTRODUCTION AND DESIGN OF THE STUDY

1.1 INTRODUCTION

In Emerging Economy, India is one of the fastest growing countries in the globe. The GDP of India is expanding at 7.5 per cent annually and the potential for further growth is forecasted to be 12 per cent (Prahalad, 2007). In 2005, India’s gross domestic product was US$690 billion (more than $3 trillion in PPP terms) which was comparable to that of USA (Biswas, 2006). This rise in GDP, a high-growth rate, along with the increasing spending power of Indians, is leading to the phenomenon of consumerism. The Indian retail market is going through a revolution. Increasing urban demographics, rapid development of shopping malls, emerging breed of brand conscious consumers, and various influences from the western world are changing the face of the Indian retail industry. Investment in the retail sector is estimated at US$400-500 million in 2006 and it is estimated to grow to US$4 billion by the end of 2010 (The Economist, 2006). Market studies indicate a rapid growth in organized retailing from 2 per cent of the total retail industry to a substantial 20 per cent by the end of the decade (Financial Wire, 2006)

1.1.1 Retail Outlets in India

India has the highest density of retail outlets in the wide world with more than 15 million outlets as compared to 900,000 in America, a comparatively enormous size and scale. While the size of the Indian market was always attractive to foreign retailers, protectionism in the Indian retail industry had created a significant barrier to enter the market. The Indian retail industry grew to be dominated by approximately 12 million “mom and pop” stores providing employment to about 21 million Indians (Rao, 2006). Currently, these small stores make up 95 per cent of retail sales in the country.
However, this face of retailing is fast changing. The Indian Government is taking steps to open up the Indian economy through the process of deregulation. New rules for foreign direct investment (FDI) allow single brand retailers to enter the retail arena as local joint ventures with up to a 51 per cent scale. Wholesale cash and carry operations can also be set up by foreign multinational companies.

With new policies encouraging foreign investment and increasing the number of foreign retailers in India, local retail chains have responded both offensively and defensively. Having seen the retail opportunity, several Indian retailers have started to position. Shopper’s stop, Pantaloon, Westside, Globus, Big Bazaar, and Lifestyle are some of the examples of local Indian retailers. Many local conglomerates have announced significant growth and investment plans in the ongoing retail boom making the competition stiffer (RVG vision, 2006). On the other end, some of these local companies have set up lobbies to oppose FDI to protect local retailers (Marketing Week, 2006). Foreign investors are likely to have a series of challenges to face before they can establish themselves in the Indian setup.

India is a complex market with great diversity. The country has 23 official languages with over 1,000 dialects. Strong traditional values prevail among all classes of population with modern values wrapped around the traditional core. Consumers in India have varied beliefs with respect to family values, marriage, and money. This context demands products that cater to diverse needs that satisfy the global, glocal, and local consumer segments. Global consumers are the one who want products from all over the world, glocal consumers want global products at local prices, and local consumers are only interested in local products (Khanna and Palepu, 2006). Company’s products to have the right mix to meet the requirements have been successful and extracted benefits from the growing Indian market (Gopal and Srinivasan, 2006).
1.1.2 Indian Retailers

The organized sector in the retail trade is only 3 per cent but is expected to reach 10 per cent by 2010. At present, the retail market in India is at $210 billion and is growing at a rate of five per cent annually. Out of the 10 million square feet of retail space, 97 per cent is controlled by mom and pop shops. Organized retail in the form of malls is on a rise in India. Currently, there are about 158 malls in India which are expected to rise to 600 by 2010 (Perella, 2006).

With the new FDI policy threatening to increase competition for the domestic retail chains, the activity level in the retail sector from local Indian companies has increased substantially. Reliance Industries, the largest private sector company in India, has launched a grocery chain store with an investment of $5.5 billion. Pantaloon, another local retail chain plans to invest $1 billion to increase their size by eight times by 2010 (Yee, 2006). Innovative models, where retailers are asking existing mom and pop stores to become affiliated to a specific brand are being deployed successfully (The Economic, 2006a, b).

1.1.3 Indian Consumers

Saving for the long-term has always been a high priority for the Indian consumer. A changing landscape in India has changed spending habits. Recently, life’s pleasures have gained importance among consumers, and are on a par with saving for children’s education. The new Indian consumer is definitely more materialistic. The Indian consumer base’s needs include global, glocal, and local products (Khanna and Palepu, 2006). While there is a growing demand for luxury goods and international brands, these consumers are not only enamored by products from foreign retailers, but also by local goods provided by the Indian retailers (Gopal and Srinivasan, 2006). The exposure to American television shows the family residing in the USA has exposed Indian consumers to various foreign brands (Kavilanz, 2007).
In the world which is mainly composed of an aging population, 54 per cent of Indian population is below 25 years of age. Nearly, 30 million Indians have a disposable income of more than US$30,000. This number is expected to rise at an average of 8.5 per cent per year until 2015 (Biswas, 2006). Overall, six million of the Indian population is considered to be in the ‘rich’ category as they spend US$28 billion every year (Biswas, 2006). There has been a growth not only in the number of nuclear families, but also in the number of working-women.

Also, the growth in the information technology and IT enabled services industry is significantly driving consumerism in urban India. The industries employ approximately 700,000 professionals directly and about 2.5 million indirectly through support and enabling services, in Tier one cities in India such as Mumbai, Delhi, Chennai, Kolkata, Bangalore and Hyderabad.

Along with significant increases in salaries, these changes have increased the consumer spending on apparel significantly. Apparel is now the second largest consumption category in malls (Apparel retail: Labeling the Indian Market, 2006).

There is now a new interest in designer products. An increasing number of designers and fashion shows in India collaborate with this aspect of Indian consumer well. While women have always been the leaders in adopting fashion in India, there is now an increased interest in fashion among Indian men (Biswas, 2006).

The increased spending on clothing may be driven by the new comfort level with the use of credit cards. The number of credit card users in India is 17 million has been increasing 30-32 per cent annually. About 45 per cent of the credit card spending is contributed by shopping for clothing, jewelry, and eating out (Apparel retail: labeling the Indian Market”, 2006). A survey by A.C.Nielsen showed that 22 per cent Indians shopped once a week and 32 per
cent shopped once a month for pleasure. About 20 per cent of Indians preferred shopping for textile and apparel over food. In comparison, internationally, only 28 per cent respondents went shopping for entertainment while 26 per cent did not (‘RVG vision’, 2006). In every way, the Indian consumer is ready for new retail formats, new brands and new price points.

1.2 NEED FOR THE STUDY

India is one of the largest and highly fragmented retail markets in the globe with the highest retail outlets in the world crossing over 12 million unorganized players accounting five per cent of market share. The contribution of organized and unorganized retail outlets in clothing textile is 16.39 and 83.61 per cent respectively. As a result of improvement in income dynamics, favorable demographics and spending patterns India has witnessed an unprecedented consumption. The attritional shift of the Indian consumer in terms of ‘choice preference’, ‘value for money’ and the emergence of organized retail formats have transformed the face of retailing in India.

Increase in disposable income of the Indian middle class, growth in private consumer spending, growing working women population, adoption of nuclear family culture, baby boomer effect, growth in urban population, plastic money becoming a greater pie of credit, internet driving awareness and online purchases, increasing technology are the demand side drivers in the apparel retail market in India. The retailers or supply-side drivers are increased investment in retail, Tier II & III cities to fuel future growth of modern retail, shortened supply chain benefits consumer.

Unless the retailers understood the needs of the consumers in the market, they can’t survive in their trade. It is highly imperative to analyze their strength, weaknesses, opportunities and threats to them initially. It is equally important to examine the consumers’ behaviour in their retail market. The success of their business highly rest on how the retailers cope with the need of
their consumers in dynamic world. In order to provide some basic tips to the retailers, the present study has made an attempt to examine the retailers and consumers’ view on the apparel retailing in Tamil Nadu.

1.3 STATEMENT OF THE PROBLEM

India has undergone considerable social and economic change in recent years, creating a strong consumer market. The Indian economy is booming, with an average Gross Domestic Product growth rate of 4.5 per cent (UNICEF, 2010) and is expected to be the world’s third largest economy after the USA and China by 2050 (Dadush and Stanul, 2009). The market size, growth prospects and consumer affluence and readiness are considered to determine the retail apparel index. India falls within the top five countries (Kearney, 2006). Indian Government has followed foreign direct investment in almost all sectors of the economy (Nagaraj, 2003). In 2006, relaxed versions of FDI policies were introduced in the retail sector, allowing 51 per cent ownership in retail trade of single brand retailing and 100 per cent ownership for wholesale trade of cash and carry products (Doc., 2006). Accordingly, it is estimated that the Indian retail industry will grow with a business of $590 billion in 2011-12 whereas in apparel retail, it is estimated to $39.4 billion by 2013 (Data monitor, 2009).

The swelling middle class in the apparel market (Sengupta, 2008), changing demand among them (Bhardwaj, et al., 2005), demographic and geographical diversity in apparel demand (Batra and Niehm, 2009) and the western style among consumers (Fernandez et al., 2000) in the apparel market increase the scope of hike in the market. At the same time, the consumers are comparing service quality of the domestic retailers at par with the foreign retailers. They are becoming highly educated to evaluate the marketing strategies and practices adopted by all retailers in the apparel market. The Indian consumers expect a standardized retail service quality from their retailers. The domestic retailers are struggling to survive in the apparel market.
because of their lack in capital resources, the brand diversity, and lack of supply chains and logistics. The large retailers are eating the small retailers in the apparel retailing gradually. Now it is the time to understand the problem of small and domestic retailers how to tackle the problem in apparel retail market.

1.3.1 Related Review of Previous Studies

Stephen (2010) mentioned that while issues generate within the literature may be discerned in instances of strategic alliance in the fashion industry, industry-specific factors, especially competency in marketing, branding and retailing, impact on the motives for alliance, partner selection and alliance implementation and alliance.

Kay (2006) specified that the fashion industry is characterized by intense and dynamic competition, as a result of which participants are obliged to develop innovative structures and processes supporting market growth, maintaining competitive advantage, and exploiting new product sectors and consumers.

Elmuti and Kathawala (2001) summarized that senior management commitment, similar management philosophies, effective management teams, frequent performance feedback, clearly defined and shared goals, meticulous planning and effective communication are critical for alliance performance.

Brothers et al., (1995) proposed an effective means for the selection of appropriate partners based on four criteria: Complementary skills, co-operative cultures, compatible goals, and commensurate levels of risks.

Jeya and Iyer (2008) found that foreign retailers looking to successfully capitalize on India’s impressive growth need to understand several driving attributes such as strong and distinct culture, population distribution, and local conditions and risks that are indeed unique to Indian apparel retailing.
Mehta (2005) mentioned that competitive prices and ability to produce high–fashion garments are the two main factors help India still remain competitive in the global arena for exports. There are several problems in garments exports. These are high duties on imported raw materials, poor infrastructure, a cumbersome legal aspects and bureaucracy.

Kavilanz (2007) revealed that India allows single brand retailers to own 51 per cent of their business operation in India. The well known foreign retailers have a great advantage in ownership of brands and can easily consider internationalizing their brands by opening stores in India.

Akhouri (2007) pointed out that there is rapid improvement in technology adapted by retailers in India but in terms of sophistication–it seems to be far behind as compared to mature foreign retailers. The use of technology is limited to in-store, merchandizing, financing and accounting.

Christopher et al., (2004) identified a number of significant changes that have impacted upon supply chain operations; these include short product life cycles, high levels of impulse buying and high volatility of demand coupled with low predictability of demand.

Birtwistle et al., (2003) suggested that it is of greatest benefit for clothing products with a high fashion content for which time is a key dimension of desirability and that also have associated with them a high level of demand unpredictability.

Jin (2004) posits that a balance between global and local sourcing may be the test route to achieving supply chain agility and simultaneous cost management, with emphasis being placed upon domestic suppliers where demand is high volatile and unpredictable.
Waller et al., (2000) related the supply chain management and manufacturing of apparels. The fabrication is deferred as much as is practicable until the point of purchase by the consumer, allowing for modification of customization in accord with demand.

Bhutta and Hug (2002) mentioned that the changing dynamism of fashion retailing and the desire for, both cost and flexibility has by necessity promoted a need for closer relationship, characterized by co-operation and communication between suppliers and buyers.

Forza and Vinelli (2000) agree with the value of close-to-market supply structures adds that this may be better suited to international rather than national fashion retailers. Regardless of proximity between retailer and supply chain, the greatest argument for quick response is that it is driven by market requirements.

Amine and Najona (2011) revealed a hybridization of shopping practices where the consumers transpose some values and shopping behaviour inherited from the traditional trade into the modern distribution stores. They also showed differences between global and local retail banners laying on their perceived images, store attendance and shopping practices which reflect their contrasted positioning strategies.

Amine et al., (2005) mentioned that the existence of expectations not met by the local traditional offer facilitates the consumer support for the modern retailing formats. The openness has contributed to the cultural permeability to the consumption values favored by the west with the gradual increase in the level of education in these countries.

Fliser (2001) found that the functions of modern retail are no longer limited to economic, logistical, financial, commercial, marketing and political aspects. It has much more non-economic nature incense that the new retail formats are viewed as places of social interactions, discoveries, experiments, ownership and self expression and even for relaxation and strolling entertainment.
Goldman et al., (2002) pointed out that while supermarkets have captured a good number of customers, some of them continue to use the traditional channel for past of their purchases. The adoption of selective choice of retail format by consumers is very common in emerging economics depending on the financial resources, the format image the type of product, the context of usage, the emergency of needs, etc.

Iwanow et al., (2005) found that despite consumers focusing a high level of ownership of ethical issues, results reveal that factors such as price, quality and style have a greater influence on their apparel purchase behaviour than their concerns about the ethical practices of the supplier.

Adams (2002) revealed that both governments and consumers have challenged apparel retailers and their labor practices with the result that the adoption and implementation of ethical trading principles now appears to be integral to an organizations’ overall marketing strategy.

Behrman (2001) identified that companies face constant pressure from both the marketing and advertising community to achieve differentiation, with the result that socially responsible behaviour is likely to be considered more as a good commercial opportunity.

Wing and Taylor (2000) mentioned that 12 per cent of the respondents deemed the reputation of the brand as a key determinant, compared to only six per cent of respondents’ apparel purchase being affected by knowing where the product was manufactured.

Batra and Niehu (2009) revealed that foreign retailers can also benefit from Indian’s sound technical skills for store operations and backend processes such as inventory management.
Fernandez et al., (2000) studies consumer readiness to buy ready-to-wear clothing, willingness to shop in a modern retail format, and willingness to pay for added value. They found, that these factors are the highest for sports wear followed by men’s apparel, and are lowest in women apparel. The higher level of consumer readiness and popularity of foreign sports brands such as Nike, Reebok and Adidas even in tier three cities such as Patiala.

Srivastava (2008) showed that for middle class consumers, both price and value are important decision entries when shopping, indicating a shift from the heavily price oriented purchase behaviour common in the past. Increasingly, the apparel store selection of middle class consumers is influenced by factors such as product design and quality.

Lilian et al., (2010) examined the attitude of middle-aged women towards a gendered dress code and its influence on the choice of dress. They found that most women held conservative attitudes, and their choice of dress was largely influenced by conservative ideas of a gendered dress code which is based on the Zimbabwean culture.

Berns (2007) mentioned that the kind of gendered dress is based on Islam and restricts women to the choice of dress which is gendered. It shows the womanhood or manhood of the individuals. In most societies, families strive to preserve their beliefs, which are din most cases based on religion.

Hines and Bruce (2002) stated that market research on the clothing needs of the clientele enables industrialists to produce goods required by the consumers. Information about the attitudes of this segment of the population enables fashion marketers to follow a fashion trend which is easy to sell and which accommodates the time between cultural needs.
Dray (2004) found that attitudes of the Swiss people towards a business dress code was seen in formal and conservative styles which emphasize dressing modestly and non showing off media and acculturation usually clash with conservation.

Devadas and Manohar (2011) revealed that the migrated consumers consider shopping conscious, enjoy urban shopping environment, price and quality conscious, and compare different shops when buying. They want shopping to be recreational, price worthy, perfect and buyers oriented. They are unhappy with poor shopping environment, if any.

Kim J., Stoel (2001) mentioned that the social capital theory is the evidence that the consumers’ level of satisfaction with reciprocity was a significant determinant of rural consumer level of shopping with local retailers. Overall the study revealed that community has a significant indirect effect on shopping behaviour.

Home (2002) identified that the factors that have an impact on the store choice of rural consumers and to identify the three different homogeneous buyer groups: supermarket consumer, rural store loyalists and price conscious consumers on the basis of consumers shopping orientation.

Shukla (2004) addressed that product usage and related satisfaction has very moderate impact on brand switching behaviour. Also that there does not exist a simple relationship between product satisfaction, involvement and brand switch; rather different facets of the customer’s involvement have different influences on brand switch.

Anbanandan et al., (2009) measured the extent of collaboration between apparel retailers and manufacture in the Indian Retail Industry. They found that the collaboration index is positively associated with operational performance.
Even though there are some previous studies related to retailing, there is no exclusive study on retailing of apparels and the study which incorporate both retailers’ and consumers’ view on apparel retailing. Hence the present study has made an attempt to fill up the research gap with the proposed research model.

1.3.2 Proposed Research Model

The proposed research model is presented in the following Figure 1.1.

![Proposed Research Model Diagram](image)

Figure 1.1
1.4 OBJECTIVES OF THE STUDY

Based on the proposed research model, the research objective of the study is confined to the following:

i) To exhibit the profile of the retailers in apparel market;

ii) To analyze the marketing practices and strategies implemented by the retailers;

iii) To examine the problems, challenges and opportunities in apparel retailing;

iv) To evaluate the impact of marketing strategies and practices on marketing performance among the retailers;

v) To exhibit the profile of the consumers in apparel retailing;

vi) To examine the consumer behaviour and store choice behaviour among the consumers;

vii) To analyze the retail service quality in apparel retailing; and

viii) To evaluate the linkage between retail service quality, consumer satisfaction and consumer loyalty in apparel retailing.

1.5 METHODOLOGY

Research is a careful investigation, an inquiry, especially through search, for new facts in any branch of knowledge (Dictionary, 1952). The research methodology enlightens the methods to be followed in research activities starting from investigation to presentation. Research methodology includes research design, location of research, sampling procedure, operationalization and measurement of variables, methods of data collection, frame work of analysis and limitation.
1.6 RESEARCH DESIGN

Research design is the arrangement of conditions for collection and analysis of data, in a manner, that aims to combine relevance to the research purpose, with economy in procedure (Clarie and Others, 1962).

In the present study, descriptive research design was followed. Singh (1980) defined descriptive research as a design to explain the characteristics of the variables as it is. In the present study, it is related to the marketing of apparels as per the view of retailers and consumers. It is based on predetermined objectives and methodology. In the process of study the objectives are predetermined. The methodology has been designed to fulfill the objectives for the study. Since the present study examines the casual relationship between the implementation of marketing practices and strategies in apparel market and the marketers’ performance, it is in diagnostic nature. Hence the applied research design is descriptive and diagnostic in nature.

1.7 DATA COLLECTION

Since the present study is based on primary data, two different Questionnaires were prepared to collect the data from the consumers and retailers in apparel market.

1.7.1 Construct Development

The present study is highly based on primary data. The data were collected through the constructed questionnaires. Two different questionnaires were prepared for retailers and consumers. The questionnaire for retailers consists of five important parts. The first part includes the profile of retailers whereas the second part covers the marketing strategies and practices in apparel retailing. The third part of the questionnaire includes the problems in retailing whereas the fourth part consists of variables related to challenges and opportunities in apparel retailing. The final part covers the marketers’ performance.
The questionnaire for consumers consists of five important parts. The first part covers the profile of the consumers whereas the second part includes the clothing and store choice behaviour among the consumers. The third part of the questionnaire includes the decision making style whereas the fourth part covers the retail service quality in apparel retailing. The final part includes the consumer satisfaction and consumer loyalty.

A pilot study was conducted among the 20 retailers at Chennai and 40 consumers at Chennai in order to get the feedback on the questionnaire. Based on the feedback of the questionnaires, certain modification, addition and deletions were carried out. The final drafts of the questionnaire were prepared to collect the data from the retailers and consumers.

1.8 SAMPLING PROCEDURE

The purposive sampling procedure has been adopted to identify the sampled retailers and consumers included in the present study. In total 10 each apparel retailers were selected purposively from district head quarters of Tamil Nadu. The sampled retailers came to 320 retailers. The questionnaires were sent by post to the sampled retailers. The response rate on the questionnaire was only 67.81 per cent. Hence the included retailers for the present study came to 217.

From 217 retailers, 5 each consumers’ address had been collected. The questionnaire had been sent by post to the consumers. The response rate among the consumers is only 39.35 per cent. Hence the included sampled consumers for the present study came to 427 consumers.
Map showing 32 Districts location of Tamil Nadu

Figure 1.2
1.9 FRAME WORK OF ANALYSIS

For analyzing the data collected during the investigation, the following statistical values were used according to the relevance of its application.

1.9.1 T-test

In order to test the significant difference between the means among male and female entrepreneurs, the ‘t’-test is applied as shown below:

$$t = \frac{\bar{X}_1 - \bar{X}_2}{\sqrt{\frac{(n_1 - 1) \sigma^2_1 + (n_2 - 1) \sigma^2_2}{n_1 + n_2}}} \times \frac{1}{\sqrt{\frac{1}{n_1} + \frac{1}{n_2}}}$$

with degree of freedom = \((n_1 + n_2 - 2)\)

Where

- \(t\) - t-statistics
- \(\bar{X}_1\) - Mean of the First Sample
- \(\bar{X}_2\) - Mean of the Second Sample
- \(\sigma^2_1\) - Variance in the group I
- \(\sigma^2_2\) - Variance in the group II
- \(n_1\) - Number of respondents in group I
- \(n_2\) - Number of respondents in group II

In the present study, the ‘t’-test had been administered to find out the significant difference between two means.
1.9.2 One-way Analysis of Variance

The one way analysis of variance, i.e. ANOVA had been applied in the present study. This analysis is applied when the variables are in internal scale and the number of group in the sample is more than 29. In order to find out the significant difference among the group of samples regarding, a particular variable, the ‘F’ statistics had been computed through the ANOVA.

\[
F \text{ statistics} = \frac{\text{Variance between groups}}{\text{Variance within groups}}
\]

It was compared with the table value of ‘F’.

In the present study, one way analysis of variance has been used to find out the association between the profile of the retailers and their view on various aspects of marketing of apparels; and also the association between the profile of consumers and their view on various aspects related to consumer behaviour and retail service quality and consumer’s loyalty.

1.9.3 Reliability Test

The reliability of the variables included in each concept developed in the present study has been tested by the Cronbach alpha. The minimum threshold of Cronbach alpha is 0.50 (Nunnally, 1978).

1.9.4 Exploratory Factor Analysis (EFA)

Exploratory Factor Analysis identifies common dimensions of factors from the observed variables that link together the seemingly unrelated variables and provides insight into the underlying structure of the data. Varimax rotation is one of the most popular methods used in the study to simplify the factor structure by maximizing the variance of a column of the pattern matrix.

The common factors themselves are expressed as linear combinations of the observed variables (Nalini, 2006).
1.9.5 **Factor Model**

Factor score = $w_{r1}x_1 + w_{r2}x_2 + \ldots w_{rk}x_k$

Whereas $F_i$ = estimate of $i_{th}$ factor

$W_{ri}$ - Weight or factor coefficient

$X_i$ - Variables and

$k$ - No. of variables included

In the present study, the exploratory factor analysis is used to narrate the variables into factors related to so many aspects related to marketing and consumer behaviour in apparel industry.

1.9.6 **Confirmatory Factor Analysis (CFA)**

The multivariate statistical technique which is applied to find out the interdependence of the variables, its reliability and validity of the variables in each construct. (Fornel and Sacrcker, 1981).

In the present study, the CFA had been used to test the reliability and validity of various variables included in each constructs related to marketing of apparels, consumer behaviour in apparel market, retail service quality, consumers’ satisfaction and consumers loyalty.

1.9.7 **Multi Discriminant Analysis (MDA)**

The multi discriminant analysis is used where the dependent variables are in a nominal scale and the independent variables are in an internal scale (Malhota, 2003). In the present study, a multi discriminant analysis had been followed to identify the discriminant marketing aspects among the small, medium and large retailers; and the discriminant consumer behaviour, retail service quality factors among the three groups of consumers.
1.9.8 Multiple Regression Analysis

When a variable is dependent on more than one independent variable, the multiple regression analysis has been executed to find out the impact of independent variables on the dependent variable. The important condition is that all the dependent and independent variables are in interval scale. The fitted regression model is

\[ Y = a + b_1x_1 + b_2x_2 + \ldots + b_nx_n + e \]

Whereas

- \( Y \) - Dependent variables
- \( x_1, x_2, x_3, \ldots, x_n \) - Independent variable
- \( b_1, b_2, b_3, \ldots, b_n \) - Regression coefficient of independent variables
- \( a \) - Constant and
- \( e \) - Error term

In the present study, the multiple regression analysis was used to measure the impact of various marketing aspects on the marketers’ performance; and the impact of retail service quality on the consumer satisfaction.

1.9.9 Structural Equation Modeling (SEM)

The Structural Equation Models consists of two parts: a measurement model and a structural model. The structural model deals with the relationship between Latent variables while the measurement model describes the relationship between our measured variables and latent variables (Chin, 1998). The AMOS statistical package (Evangelos et al., 2006) was used to apply the SEM in the present study. The SEM was administered to examine the direct and indirect effect of retail service quality on consumer loyalty.
1.10 LIMITATION OF THE STUDY

The present study is subjected with the following limitations:

1. The scope of the study is limited to Tamil Nadu State only.

2. No scientific sampling procedure has been followed to determine the sample size and distribution of samples in the population.

3. The descriptive variables used in the present study are converted into quantitative variables with the help of five point Likert scaling technique.

4. The variables related to marketing, consumer behaviour, retail service quality and online banking, consumer satisfaction and loyalty have been drawn from the review of previous studies.

5. The linear relationship between the dependent and independent variables have been assumed.

1.11 CHAPTERIZATION

For a neat and clear presentation the present study is classified into five chapters.

The first chapter includes Introduction, Apparel Retailing in India, Need for the study, Statement of the problem, Related Reviews, Research gap, Proposed Research Model, Objectives of the Study, Methodology, Limitations and Chapterization.

The second chapter explains the definition variables included to measure each concept included in the present study.

The third chapter discusses the profile of the retailers and their view on the implementation of marketing strategies and policies, problems, challenges and opportunities in apparel marketing, marketers’ performance, the linkage
between the implementation of marketing strategies and policies on the marketer’s performance, and the discriminant marketing aspects among the small, medium and large retailers.

The fourth chapter examines the profile of the consumers and the consumers’ view on factors leading to purchase apparels, store choice behaviour, consumer decision making styles, retail service quality, consumer satisfaction, consumer loyalty and the direct and indirect effect of retail service quality on consumer loyalty.

The fifth chapter explains the summary of findings, conclusions, policy implications and scope for future research.