Role of Involvement and Loyalty in Predicting Buyer’s Purchase Intention towards Private Apparel Brand Extensions

K. Sadasivan, C. Samudhra Rajakumar, and R. Rajinikanth

Abstract—This paper examines the relationship between involvement, brand loyalty and consumer’s willingness to buy the extension products from private stores that sells apparels. The results that emerge from the study are (i) Involvement plays a significant role in the decision making for apparels and influence the brand loyalty. (ii) Consumer’s evaluation towards the extension from apparel store brands is influenced by relevance and similarity. Further, the outcome also indicates that consumer’s reaction towards the extension product category (non-durable or durable) is influenced by brand association.

Index Terms—Extension, Involvement, Loyalty, Private store brand.

I. INTRODUCTION

Branding is the process by which companies distinguish their products from their competitors [1]. Powerful brands are the assets of any firm and they serve as arsenals in their armory to fight in the battle of grabbing more share. Private brands are products that are developed by retailers and available for sale only through their branches. Private brands proliferated in a number of product categories and garnered market share by challenging the established brands. Private brands help retailers gain higher margins; add diversity to the product line; differentiated offering; help to negotiate with established manufacturers; and to develop strong loyal customers.

Brand extension is a marketing strategy in which a firm manufactures and markets a product with a well established same parent brand name but in a different product category [2]. Brand extensions become the guiding spirits of product planners and have been a subject of increasing interest and scholarly investigation for marketing educators [3]. Research on brand extension focus on how consumers perceive and evaluate extensions.

Major companies with established brand depend increasingly on their ability to leverage brand equity by launching new products using established brand names. One factor that is most directly related to brand preference is consumer involvement in a specific product category [4]. Consumer’s involvement in products was believed to moderate considerably their reactions to marketing and advertising stimuli [5]. Involvement has an impact on whether the purchase process consists of formal search (and evaluation) or is more habitual. Low involvement purchasing tends to be habitual whereas high involvement requires planning.

Brand loyalty interacted with product involvement. Repeat purchase behavior for a high involvement product was an indicator of brand loyalty, whereas repeat purchase for a low involvement product imply habitual purchase [6]. Customer loyalty, as driven by customer satisfaction, involves a commitment on the part of the customer to make a sustained investment in an ongoing relationship with a brand or company [3]. Customer loyalty is reflected by a combination of attitudes (intention to buy again and/or buy additional products or services from the same company, willingness to recommend the company to others, commitment to the company demonstrated by a resistance to switching to a competitor) and behaviors (repeat purchasing).

This paper aims to examine the role of involvement in predicting brand choice of private store brand apparels and its influence on the loyalty attitude of the buyers. Our study also focuses on finding out consumer’s intension to purchase the extended products of private store apparel brands.

Private store brands

First developed by Sainsbury in the U.K. in 1869, initially private store brands often sacrificed quality to offer low cost and appealed to lower-income consumers. However, due to higher consumer acceptance and retailers willingness, private brands globally account for approximately thirty percent of total sales and are available at price less than forty per cent compared to national brands. The range of private brands varies from apparel to health, beauty to furnishings and durables to food. Research in United States of America indicate, private brands contribute fifteen percent of total sale; while in Canada and Europe, private brands account for twenty five percent to fifty percent of sales revenue [7].

Indian consumers are yet to realize the benefits of organized retailing [8]. The origin of organized retailing in India began with the establishment of Spencer’s departmental private about one hundred and forty eight years ago, in the year 1863. Overall organized retail in India is estimated to have four per cent share and is expected to grow at 25-30 per cent in coming years. In India, Private brands presently contribute to a turnover of rupees seven hundred crores [7] consisting of food and apparel products.
II. LITERATURE REVIEW

Consumer Involvement in Purchasing

Shopping for apparels involve making decisions about one’s appearance and was part of an overall life pattern that reflected attitudes towards stores and fashion as well as complex values and interests such as aesthetics and materialism [7]. Because of the multisensory imagery involved in apparel, it was a consume product that was capable of stimulating considerable mental activity [8].

Consumer’s involvement in products was believed to moderate considerably their reactions to marketing and advertising stimuli [9]. Involvement could stem from one or from a combination of the five following antecedents: interest, perceived risk, (with two sub components, importance and probability), the rewarding nature of the product (pleasure value) and the perceived ability of brand choice to express one’s status, one’s personality or identity (sign value) [10].

Similarity between brands was more likely to create confusion when attention and product involvement was low [11]. Depending on their level of involvement, individual consumers differed in the extent of their decision process and their search for information.

The later reflected concern with a specific situation such as purchase occasion or selection. The former, stemming from the individual, reflected a general and permanent concern with the product class. Enduring involvement derived from the perception that the product was related to centrally held values [5] those defining one’s identity and one’s ego.

Brand Loyalty

Brand loyalty can being either behavioral or attitudinal [12]. The behavioral approach was that customers were loyal as long as they continue to buy and use a good or service [12], [13]. The strongest evidence of customer loyalty was the percentage of customers who were enthusiastic enough to refer a friend or colleague to a particular good and/or service [11]. The attitudinal approach was that customers felt a sense of belonging or commitment to the good or service. The concept of loyalty has both behavioral and attitudinal dimensions [14].

The behavior approach included criteria such as repeat purchase, share-of-wallet, and word of mouth referrals, whereas the attitudinal approach consisted of criteria like commitment, trust or emotional attachment. The link between attitude and behavior is that the stronger the attitudinal commitment, the more likely consumers were to remain loyal thus the use of an attitudinal measure would also indicate the behavioral dimension of loyalty [15].

Brand Extension

The use of the established core brand name on the new brand extension product provides a signal to the consumer about the qualities or characteristics of the new product. [16]. Extending brands can be profitable especially when they exploit marketing efficiencies such as lower new product introduction cost. Brand extension strategies are advantageous because they reduce the costs of brand name introduction and enhance the probability of success in new category [17]. Considering low costs and high success chances, more than 80 percent of firms opt for brand extension as a way to secure more market share in this competitive environment [11]. Brand extensions are also an alternative who do not use the parent brand product but who may try the extension product [18]. Proliferation of brand extension is mainly due to the facts that they promote marketing efficiencies, strengthen the current brands and reduce the risk of failure. Although brand extensions aid in generating consumer acceptance for a new product by linking the new product with the known brand or company brand name, they also risk in harming the equity which has been built up within the company or core brand name [19]. An inappropriate brand extension could create damaging associations which may be very difficult for a company to overcome [16].

Understanding the factors that affect brand’s extension success has prompted much empirical research [6]. Such work provides important insights into factors that may influence consumers’ brand extension evaluation in terms of their attitudes towards the extension product. Since a brand can be considered as a category of products with some similar attributes, people’s attitude towards brand extension is determined by the categorization results. Researchers suggested that the success of brand extension depends on the perception of how well the extension products resemble the original brand in consumers’ brand cognitive process [9].

Brand Association

A brand whose image is mainly based on brand unique abstract association like style, status and prestige may be more extendible than one with strong association with specific functional aspects like convenience, durable, reliable etc., [3]. A more prominent parent brand attribute association plays a major role than for parent brand affect in extension attitude formation [20]. The authors stressed that for making an extension proposal successful, the product attribute association and image need to be linked in the consumers mind. Extension attitude influences brand image whereas initial brand association and perceived fit are able to strengthen consumer attitude [20].

III. OBJECTIVES

1. To examine the relationship between antecedents of involvement and brand choice of apparel products from private stores.
2. To find out whether product involvement influences brand loyalty
3. To understand consumers’ reaction towards the extended products of private store brands

IV. RESEARCH METHODOLOGY

Selection of Study Area

Chennai unlike other metros of India is traditional with cosmopolitan outlook setting with the advent of high industrial growth. This study focuses on men’s apparels only.

Two private stores, Big Bazaar and Pantaloons, that sell
men’s apparel under their own brand names have been chosen for this study. To understand how consumers would react, when these two store brands are extended into new product categories, extension products need to be identified. A free association test was conducted to identify the brand association of these store names. Based on the association identified, relevant extension products are shortlisted with the help of a pretest, where the data were collected from 50 students. The brand names, association and their extension are shown in the Table I.

<table>
<thead>
<tr>
<th>TABLE I: PROPOSED EXTENSIONS</th>
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<tbody>
<tr>
<td>Name</td>
</tr>
<tr>
<td>Pantaloons</td>
</tr>
<tr>
<td>Life style</td>
</tr>
</tbody>
</table>

Instruments used

Involvement has been analysed by five dimensions and is measured by adopting Consumer Involvement Profile scale [4]. Quester and Lim in 2003 addressed the measurement of loyalty issue by developing a scale, which encompassed the three components of attitude (cognitive, affective and conative). The same scale has been used in this study. Factors influencing selection of private store brands are measured by 14 items. Consumers’ evaluation towards the brand extension was measured by 6 items, comprising of similarity, fit, transferability, affect, difficulty and confidence.

Validity and Reliability

Validity of the instrument is ensured after extensive literature study and discussion with managers and experts from Industry. Reliability is measured with help of Cronbach’s alpha statistic. The Cronbach’s alpha values range from .80 to .85 indicating that the data is suitable for confirmatory purpose.

Main study

Mall-intercept method was used to gather data from the target respondents. Students who have made purchase of men’s apparel in these stores were approached and sought their cooperation in collecting their opinion. Those who are unwilling to interact were not compelled and for those who provided their opinion a gift voucher of that store for rupees one hundred was given as a token of appreciation. A sample of 50 students from each store was collected which leads to a total sample of 100 respondents.

V. ANALYSIS AND DISCUSSION

To examine the relationship between antecedents of involvement and brand choice, Consumer Involvement Profile (CIP) developed by Kapferer and Laurent [21] has been used in this study. This scale measured involvement through five of its antecedents: interest, pleasure, sign, risk importance and risk probability. Respondents’ opinions are recorded in a 16 Likert – type, five point statements and the data were subjected to factor analysis. (Rotation converged in 5 iterations). It has been established the consumers’ involvement with the apparel products considerably influences their judgment on brand selection. The result of factor analysis is obtained by principle component analysis with varimax rotation method [22]. The rotated component matrix shows the extraction of four factors. All items have factor loading greater than 0.5 with the exception of one item the ‘risk importance’, the loading of which is 0.326. The four factor solution emerged for branded apparel shows that ‘interest’ and ‘pleasure’ items merged in factor 1, while distinct factors emerged for ‘risk probability’, ‘sign’ and ‘risk importance’. Only two out of three items are included in the last factor, i.e, ‘risk importance’.

The items of ‘interest’ and ‘pleasure’ have loadings of 0.816, 0.790, 0.737, .725, 0.719 and 0.705 on factor 1. The merging of these two antecedents of involvement in a single factor is similar [4], [22]. Consumers seem to have higher degree of interest in apparels as they fulfill the basic need of any human being. The respondents exhibited interest in buying private store brands because they feel joy when making the brand choice. The color combination, latest designs, and desire to wear fashionable garments are the reasons for more interest. Since the respondents are students, they derive pleasure in shopping of one their favorite products. That is why the hedonic value of the product is also high. Hence ‘interest’ and ‘pleasure’ have merged and emerged as the most significant factor.

Consumers say that the subjective probability of making a poor choice is also important while buying a ready to wear apparel. Hence, ‘risk probability’ has emerged as the next important factor. Choosing a design has become extremely difficult due to the following reasons: availability of different styles, frequent launching of new designs, varying quality of fabrics, durability and ambiguity in comparing the color and features. Consequently respondents attached importance to the perceived probability of making a wrong choice.

‘Sign’ items are loaded clearly on factor 3. Consumers buy apparels of private store brands for various reasons such as comparatively economical, trust on the store name and the kind of relationship the store maintains. Besides, an individual’s affluence level and profession/occupation can be identified (to some extent) just by looking at the brand they wear. People project their social status and feel pride while wearing a popular branded garment. The ‘prestige’ aspect related to private store brands are less when compared to national brands. Hence, they attached less importance to the ‘sign’ value of the product – the degree to which the product expresses the person’s self/personality.

The fourth factor is loaded by two items of ‘risk importance’. The perceived importance of potential negative consequences associated with poor views of respondents is not significant and hence is extracted as the last factor. The respondents feel that it does not matter if they make a mistake in buying a particular store brand and they are not irritated also. One possible explanation could be the absence of strong/clear cut product differentiation among different private store brands. Furthermore the respondents might have felt that even if they commit a mistake in the brand selection, it can easily be disposed without much difficulty (because they are cheaper) and subsequently buy apparel from another store.

To accomplish the objective of examining whether product involvement influences brand loyalty, multiple
regression has been used. The four dimensions of involvement obtained through factor analysis are treated as independent variables, whereas brand loyalty is used as a dependent variable. Brand loyalty scale developed by Quester and Lim (2003) is used in this study. Table II summarizes the results of regression analysis.

### TABLE II: REGRESSION ANALYSIS OF INVOLVEMENT AND BRAND LOYALTY

<table>
<thead>
<tr>
<th>Variable</th>
<th>Unstandardized coefficients</th>
<th>Standardized coefficients</th>
<th>t</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>3.416</td>
<td>0.021</td>
<td>162.471</td>
</tr>
<tr>
<td>Interest and pleasure</td>
<td>0.402</td>
<td>0.021</td>
<td>0.624</td>
</tr>
<tr>
<td>Risk probability</td>
<td>6.494E-02</td>
<td>0.021</td>
<td>1.01</td>
</tr>
<tr>
<td>Sign</td>
<td>0.129</td>
<td>0.021</td>
<td>0.21</td>
</tr>
<tr>
<td>Risk importance</td>
<td>-6.17E-02</td>
<td>0.021</td>
<td>-0.96</td>
</tr>
</tbody>
</table>

*significant at 5% level; **significant at 1% level; Dependent Variable: brand loyalty (R² Value = 0.670, Adjusted R² Value = 0.39, F= 100.064)

Based on the results we ascertain that involvement is clearly not the only determinant factor of brand loyalty, (61 percent of variations in brand loyalty are still not explained) but appears to play a significant role, regardless of the involvement of consumers with apparels from private stores.

An examination of t-values shows that ‘Interest and Pleasure’ (t=19.09), ‘Risk Probability’ (t=3.08), and ‘Sign’ (t=6.13) contributed significantly to the prediction of brand loyalty, while ‘Risk Importance’ (t=0.93) has a negative and non-significant relationship with brand loyalty. Results of this study do not support the findings reported by Quester and Lim (2003), where, ‘Interest and Pleasure’ and ‘Sign’ are found to be the significant influencers of brand loyalty for sports shoes. It appears that respondents’ perceived probability of risk associated with a wrong choice of private store brand is critical. Hence, ‘risk probability’ has a significant relationship with brand loyalty. The negative standardized beta coefficient of ‘risk importance’ implies that as and when consumers’ perceived importance of potential negative consequences linked with making a poor selection decrease, the tendency of being loyal increases.

Next, to understand consumers’ reaction towards the extended products of private store brands, multiple regression is attempted to find out the influence of transferability, difficulty, confidence, relevance, and similarity on purchase intention of the consumers. Table III shows outcome of the regression analysis carried out individually for Pantaloon and Life Style. Both the regressions are significant with F-values 123 and 108 respectively.

### TABLE III: SUMMARIZED RESULTS (CO-EFFICIENTS) OF MULTIPLE REGRESSION ANALYSIS BETWEEN PURCHASE INTENTION AND OTHER INDEPENDENT VARIABLES

<table>
<thead>
<tr>
<th>Brand Extension</th>
<th>R²</th>
<th>T</th>
<th>D</th>
<th>C</th>
<th>R</th>
<th>Af</th>
<th>Sim</th>
<th>F-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pantaloon Sun glasses</td>
<td>0.592</td>
<td>0.21</td>
<td>0.31</td>
<td>0.45</td>
<td>0.33</td>
<td>Sig</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Life Style Face cream</td>
<td>0.508</td>
<td>0.21</td>
<td>0.36</td>
<td>0.42</td>
<td>0.29</td>
<td>Sig</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The co-efficients whose t-values are significant are only shown. (P < 0.005)

### Variables used

- T = Transferability;
- D = Difficulty;
- C = Confidence
- R = Relevance;
- Af = Affect;
- Sim = Similarity

In the case of Pantaloon, the contribution of four significant variables, namely difficulty, confidence, relevance, and similarity, is 59.2 percent in explaining the variation in purchase intention. This is confirmed through R² value of 0.592. Among these independent variables, relevance (co-efficient=0.45) is the most contributing dimension lending to purchase intention followed by similarity (co-efficient=0.33) and confidence (co-efficient=0.31). The T value of difficulty (2.96) shows that respondents feel that it would be really difficult for Pantaloon to manufacture sun glasses. This result is further strengthened by the outcome that the respondents expressed that Pantaloon do not have technology and hence can not transfer the technology to produce sunglasses. This is quite acceptable that the line of business of Pantaloon is different from the product proposed to be launched. Hence the variable, transferability was attached with non-significant t-value. Similarly, affect, another dimension that influences the success of brand extension, has also emerged as a non-significant dimension with t-value of 1.09. This provides an indication that respondents are unlikely to like Pantaloon to diversify into sunglasses.

However, the remaining variables offer a positive direction as the students felt that it is highly relevant for Pantaloon to sell sunglasses. The underlying reason could be that the association of Pantaloon is fashion, and obviously the students would have felt that the same attribute can be transferred to the extended product also. Since the factor relevance emerged as the dominating dimension, it is logical that similarity also found to be a significant influencer of purchase intention. The respondents’ opinion that the image of the mother brand and the extended product category are similar and hence reacted positively to this dimension. However it is interesting to note that another dimension, confidence, has a positive impact on the dependent variable. But the learning is different. The respondents want to convey that it is difficult for Pantaloon to manufacture and establish this new product along with the existing product line. This means that higher the power of this dimension, lower would be the purchase intention.

While probing into the outcome of results for Life Style, the contribution of four variables, namely confidence, relevance, affect and similarity, is 50.8 percent in clearing up the variation in purchase intention. With in these independent variables, affect (co-efficient=0.42) is the most causative dimension of purchase intention followed by relevance (co-efficient=0.33) and similarity (co-efficient=0.29). The t value of confidence (2.86) shows that respondents have enough confidence about the extension idea of Life Style into Face cream market. This result is strongly supported by the outcome that the respondents expressed that Life Style can bring logical relevance in producing Face cream. In the extension of Lifestyle brand, ‘transferability’ is one among the two variables which was fond of with non-significant t-value. Another variable which shows a non-significant dimension with a t-value of 1.17 is ‘difficulty’. This offers an indication that respondents are showing their unwillingness towards the extension of Life style brand into Face cream. Anyway, the remaining variables provide a positive picture, as the students felt that
they would like (affect) the face cream product launched under Life style brand name. The fundamental motive could be that the association of Life Style is ‘Soft’, and in fact the students would have shown their strong faith about the transferability. In view of the fact that the factor affect emerged as the dominating dimension, it is common-sensical that relevance also found to be a significant influencer of purchase intention. Another variable which shows positive impact on the dependent variable is confidence. By the erudition part of this analysis we found that it is not so difficult for Life Style to establish this brand extension along with mother brand. This means that the purchase intention could be provoked by only logical brand extension.

VI. MANAGERIAL IMPLICATIONS AND FUTURE RESEARCH

The outcome of the factor analysis offers another worthy point for the corporate. The importance of risk associated with a wrong choice is not at all considered by the users of apparels of private store brands. This might be due to the fact that the price is much cheaper when compared to the national or multinational brands. This finding strengthens the point that low price of the products prevents it from being perceived as status symbol. But the issue is, can the private store brand increase and match the price at par with the multinational brands and by doing so, do not they lose their advantage of being economical? Further research in this direction may generate more information. Another useful input that the brand managers can gain from the results of regression analysis is that respondents’ interest in patronizing the private brand. This shows that the consumers are willing to support the local brands provided they are positioned in the right platform. Developing emotional attachment would do the magic of getting loyal customers. Hence, future research should focus on finding the loyalty behavior of users towards various categories of private store brands.

The results of the regression analysis provide fruitful insights to brand executives to make the extension proposals successful. Especially for stores that sell apparels, consumer look for relevance between the core brand name and extension product category. Managers can also note that whether the extension is into non-durable or durable is not a prime aspect that influences consumer’s judgments. The purchase intention of consumers are favorable only if the ‘association’ of the parent brand is logically leveraged to introduce new products.

Women’s apparel private brand and children’s apparel private brands can be considered for future research as men visit retail outlets predominantly with spouse and children. Consumer involvement needs further exploration though it has appeared as a variable of brand choice.

VII. CONCLUSION

The store brands seek an opportunity to deliver a value plus product thereby satisfying the ego needs of the customers. Choice preference being the buzz of customers, retailers are offering a plethora of merchandise with well lit ambience located at convenient places, fulfilling the functional and emotional needs of customers. Ever rising aspirations of customers have sent signals in the market that they are looking forward for quality product, innovativeness, product width, attractive promotional schemes and competitive pricing from the retailers.

It is concluded that consumers’ level of involvement with the product they intend to buy helps them to make appropriate brand choice and subsequently influence their loyalty attitude. Brand association plays a pivotal role in influencing the purchase intention of consumers for extension proposals.

REFERENCES


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