The Brand Name Effect of Consumer's Evaluation on Intrinsic Attributes: A Case Study of Clothing Market

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Abstract : The purpose of this study was primarily to examine various variables influencing consumer purchasing behavior on perceived product quality, value toward product including brand loyalty, price, consumer's willingness to pay for the product, and their expenditure patterns in Korean apparel market.

Factor analysis was used to evaluate the credibility of dependent variables, and T-test was used to compare the effect of brand label, country of origin, brand effect between Korean and U.S, and jacket price and quality on consumer characteristics. Discriminated analysis was used to find the effective variables influencing the two reference group differences when they evaluated Korean and U.S. labeled and non-labeled apparel products. Multiple Regression analysis was used to examine the effects of consumer characteristics on perceived quality, perceived value, perceived price, and their willingness to buy.

The results of this study also provides useful information of consumer purchasing behavior on U.S. branded apparel which may or already launched the Korean fashion merchandizing market.

Key Words: Intrinsic Attributes, Consumer Variables, Factor and Discriminant Analysis

I. Introduction

Marketers need to define their target audience and make informed marketing/media decisions. To this purpose, demographic and psychographic characteristics have been widely used as a reliable market segmentation tool. Additionally, consumer psychological variables have been recognized as important factors that influence consumer behavior. Despite the recognized usefulness of

psychological variables analysis in marketing, few studies have investigated the consumer's psychological characteristics with respect to consumer behavior, especially on clothing expenditures.

Most clothing expenditure studies are concerned with verifying the relationship between demographics and clothing expenditures (Hager & Bryant, 1977) The lack of research on the effect of various consumer variables on clothing

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expenditures has hindered the understanding of clothing behavior because consumers' various characteristics do influence their decision making. Therefore, there is a need to identify underlying consumer variables influencing Korean clothing expenditures so that international and domestic marketers will be able to develop effective marketing strategies.

The purpose of this study is to examine various variables that may influence Korean clothing expenditures. Specifically, the importance of this study may be found in its attempt to investigate the effectiveness of various variables on the consumer including their demographics on clothing expenditures. Also, the notable scarcity in the literature of studies which have investigated the effects of consumers' various characteristics on clothing expenditures makes this study a worthwhile contribution. Furthermore, this study may provide important retailing implications based on its understanding of consumer's clothing behavior and how this behavior relates to clothing purchases.

II. Literature Review

Previous studies on clothing expenditures have generally investigated the effect of demographic variables (e.g., income, education, sex, occupation, race, age, residential location) on consumer's spending on clothes. The results of these studies has been generally inconsistent. However, income has been found to play a major role in explaining the variations of clothing expenditures (Dardis *et al.*, 1981; Ryan, 1966). In addition, the stage in the family life cycle and the family's socio-economic

status are significant determinants of convenienceoriented consumers. However, annual family income alone is not sufficient to explain convenience orientation. The clothes shopping orientation of the elderly differs from that of younger consumers (Lumpkin & Greenberg, 1982). Income has been shown to be a significant variable in shopping orientation. For example, the level of discretionary income influenced whether the consumer was more likely to be an economizing shopper. Income was also found to be a significant influence on the types of store patronized and method of payment chosen (Darden & Howell, 1987).

Consumer variables such as clothing involvement, perceived risk, fashion leadership, shopping enjoyment, and functional benefits sought have been found to influence consumer purchase behavior (Thomas et al., 1991;). They have found that involvement is an important mediator of consumer behavior. Involvement is recognized as a major variable influencing consumer behavior. The studies related to fashion leadership have focused on the identification of the characteristics of fashion leaders (Summer, 1970; Shrank & Gilmore, 1973). Fashion leaders tend to be more interested in clothing, to use more information sources, and to have higher levels of socioeconomic status. Furthurmore, since clothing is often used to define one's social self, a number of researchers have pursued the relationship between public self-consciousness and clothing variables (interests, attitudes). Several researchers have utilized the self-consciousness and social anxiety scale which was developed by Fenigstein, Scheier, and Buss (1975) to investigate the

relationships among fashion interest, opinion leadership, and self-consciousness.

Hansen and Deutscher (1977-78) have investigated the relationship between store attributes and patronage behavior and found that a store's attributes attributes affected the consumer's retail store selection. While brand choice behavior may be of ultimate interest to the manufacturers of consumer goods, it does little to explicate the situation of retailers (Howell, 1979). Generally, a store's reputation for carrying good brands seems to be the factor inducement that attracts shoppers. Consumers first choose stores in which to shop without considering the brands they carry. Then brand comparisons are made between those that are carried by the store (or stores) that are visited on the particular shopping trip.

In the present study, we introduce the self-concept of clothing as dependent variable similar to perceived quality, perceived price, and value. Miller, Davis and Roword (1982) have reported a positive correlation between public self-consciousness and five clothing variables: fashion leadership, clothing interests, clothing conformity, self-perception of fashionability, and actual fashionability.

III. Methodology

Mall intercept surveys of consumers were used to collect data on various aspects of consumers. The sample selected for this analysis consisted of the 400 Korean females who living in Seoul, the capital of Korea. The data was obtained from questionnaires, which focused on the individual's

attitudes and interests related to clothing behavior. The survey was conducted from April 10, 2002, to April 30, 2002.

1. Development of Instrument

The instrument was developed with the objective of measuring the relationships among several independent variables: clothing involvement, perceived risk, fashion leadership, shopping enjoyment, functional benefit sought, consumer demographics, and clothing expenditures.

2. Statistical Analysis

Factor analysis was used to evaluate the credibility of dependent variables, and T-test was used to examine the effect of brand label, country of origin, brand effect for the two countries, and jacket price and quantity on consumer variables. Discriminated analysis was used to find the effective variables influencing the two groups' differences when they evaluated Korean and U.S. labeled and non-labeled apparel products. Finally, regression analysis was used to examine the effects of consumer variables and demographic variables on perceived quality, perceived value, perceived price, and the willingness to buy.

IV. Results

1. Reliability of Factors of Clothing Orientation

< Table 1> shows the result of the factor analysis

<Table 1> Reliability of the Clothing Orientation Scale

Factors of Clothing Orientation	Cronbach's Alpha	Factors of Clothing Orientation	Cronbach's Alpha
Factor 1: Clothing Involvement	0.71	Factor 6: Benefit Sought 2	0.62
People form their opinions from me		I prefer functional clothes.	
and my clothing.		Comfort is more important than fashion.	
Clothing lets me express myself.		Factor 7: Perceived Price	0.64
You can tell a lot about a person by clothing.		The jacket is a good buy for the price.	
Factor 2: Brand Royalty	0.76	I would buy the jacket at this price today.	
I purchase the same brand.		The price of the jacket is appropriate.	
I purchase the same brands.		If I wanted this kind of jacket, I would buy.	
Factor 3: Fashion Leadership	0.79	Factor 8: Perceived Quality	0.78
I am a fashion leader.	,	Overall workmanship is good.	
I am the first to wear a new style.		Textile quality is good.	
I purchase the newest style.	!	Quality is good.	
Factor 4: Shopping Enjoyment	0.68	Factor 9: Perceived Value	0.83
I like shopping.	:	I would be satisfied if I bought this jacket.	
I shop during my free time.		Quality of jacket is good for the price.	
Factor 5: Benefit Sought 1	0.83	Price and quality combination are good.	
Self-respect is raised by clothing.		Factor 10: Willingness to Buy	0.67
Wearing clothes is good for self-respect.		Probability of purchasing a jacket is high.	
Name brands represents social status.		Probability of purchasing this jacket is high.	
Wearing name brands raises self-esteem.			
I wear clothes to attract opposite sex.			
I wear clothes to look better.			
It is important to be in fashion.			
I try to stay fashionable.			

<Table 2> The product evaluation differences: brand label

=	Me		
Variables		Jacket without brand label	T- test
Intrinsic attributes	4,74	4.09	4.80**
Perceived price	3.13	2.80	1.87
Perceived value	3.64	3.18	2.74**
Willingness to buy	3.38	3.01	1.97*

<Table 3> The product evaluation differences: country of origin

	Me		
Variables	Jacket made inU.S	Jacket made in Korea	T- test
Intrinsic attributes	4,47	4.29	1.27
Perceived price	2.97	2.93	0.22
Perceived value	3.39	3.39	0.01
Willingness to buy	3.23	3.12	0.21

including the reliability of dependent variables. The Alpha level fell between 0.62 to 0.83 and most dependent variables fit the appropriate credential area.

<Table 2> shows the brand effect on apparel product evaluation overall except perceived price. It reveals that Korean consumers do not use the brand label as a product cue when they determine the value of a product. For brand effect, we combine Korean and U.S. jacket at the same time. The analysis result of separate brand effect for each jacket from two different countries are presented in <Table 3>.

2. Product evaluation of differences: T-test

The authors assumed that consumers might evaluate the product differently when they knew the country where the brand name of jacket originated. However, the results of <Table 2> show that Korean consumers did not evaluate clothing differently just because they knew the specific brand and its origins. At this time we combine all U.S. jacket(with and without label) and compare with all Korean jacket(with and without label). In conclusion, consumers use product cue usage, as brand itself but they do not estimate the apparel

differently whether it is labeled U.S. or Korean. According to the previous studies related product evaluation, Mexican consumers prefer especially U.S. brand to domestic brand. However, consumers in Korea do not distinguish the evaluation of apparel product not because of U.S. and Korean, but because existence of brand label itself.

We show the brand effect by the country originating the brand label in <Table 4>. For the U.S. jacket, it was clear that consumer evaluated it at a higher lavel than the unlabeled jacket. The brand effect appeared on all four-product evaluations. On the other hand, with the exception of intrinsic attributes, the brand effect did not appeare on the product evaluation for the Korean jacket. Whether Korean jacket was labeled or not, consumers were likely to evaluate the jacket at the same level. Consumers scored higher on four evaluation standards when they realized the jacket had a U.S. brand name. The brand effect was absolutely clear on the U.S. jacket.

3. Effect of jacket price and quality on consumer variables for the two countries

We divided our respondents into two consumer groups according to how much they would usually

Variables	U.S Jacket/Means		T-test	Korean Jacket/Means		Ttoat
variables	with label	without label	1-test	With label	Without label	T-test
Intrinsic attributes	4.78	4.16	3.27**	4.69	4.02	3.41**
Perceived price	3.30	2.64	2.73**	2.89	2.96	-0.26
Perceived value	3.75	3.03	3.07**	3.47	3.33	0.60
Willingness to buy	3.53	2.94	2.27*	3.16	3.08	0.28

<Table 4> The product evaluation differences: brand effect for two countries

<Table 5> The effect of jacket price on consumer variables

	Me		
Variables	Low price	High price	T- test
	(<300000)	(>300000)	
Clothing involvement	4.72	5.17	-2.37*
Brand royalty	4.15	4.97	-3.39**
Fashion leadership	3.70	4.55	-3.03**
Shopping enjoyment	4.60	5.08	-2.14*
Benefit sought 1	3.88	4.64	-3.64**
Benefit sought2	5.13	5.20	-0.25

<Table 6> The effect of jacket quantity/purchases on consumer variables

	Me		
Variables	Less then	More than	T- test
	three per year	three per year	
Clothing involvement	4.63	4.94	-2.32*
Brand loyalty	4.06	4.46	-2.31*
Fashion leadership	3.60	4.03	-2.58
Shopping enjoyment	4.45	4.89	-2.84**
Benefit sought 1	3.80	4.17	-2.95**
Benefit sought 2	5.26	5.04	-1.53

pay for a jacket and tested the differences of consumer variables by each group. Consumers with high price purchase behavior were more likely to show brand loyalty, clothing involvement, and fashion leadership. They were also more likely to enjoy shopping, to buy clothes for their self-esteem, and to perceive clothes as a sign of social status (benefit sought1).

We divided consumer groups by the quantity of jackets they purchased per year. Consumers who purchased more than three jackets purchased per year are more likely to be involved in clothing and attached to brand loyalty. They also show fashion leadership, enjoy shopping more, and seek more

benefit sought 1 (social status, self-esteem, and so on) from their clothing purchases.

4. The variables affecting differences of the two countries: discriminated analysis

In <Tables 7, 8, 9>, and <Tables 10>, the discriminated analysis shows that for the U.S. versus Korean brands that intrinsic attributes, brand loyalty, benefit sought and income were the variables most significantly affected the two groups' differences. The significant variables that distinguish the two different groups appear as the tables show.

In <Table 7> and <Table 8>, intrinsic attributes,

<Table 7> Discriminated analysis 1: U.S. versus Korean brand

Wilk's lamda (U-statistics) and Univariate F ratio Class: U.S. versus Korean with labeled Method: Stepwise discriminated analysis

Variable	Wilks' lamda	F	Significance
Intrinsic attributes	.94498	23.11	.0001
Brand loyalty	.93312	5.03	.0001
Benefit sought 1	.92408	3.87	.0001
Income	.91674	3.15	.0001

<Table 8> Discriminant analysis 1: U.S. versus Korean with both brands labeled or not

Wilk's lamda(U-statistics) and Univariate F ratio Class: U.S. versus Korean with labeled Method: Stepwise discriminant analysis

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Variable	Wilks' lamda	F	Significance		
Income	.98706	5.20	.0231		
Brand royalty	.97644	4.31	.0089		
Intrinsic attributes	.97113	2.16	.0089		

<Table 9> Discriminated analysis 1: price of jacket

Wilk's lamda (U-statistics) and Univariate F ratio Class: U.S. versus Korean with labeled Method: Stepwise discriminated analysis

Variable	Wilks' lamda	F	Significance
Benefit sought 1	.95386	19.20	.0001
Perceived price	.93126	9.61	.0001
Brand royalty	.91611	6.53	.0001
Intrinsic attributes	.90963	2.81	.0001

<Table 10> Discriminated analysis 1: quantity of jackets

Wilk's lamda(U-statistics) and Univariate F ratio Class: U.S. versus Korean with labeled Method: Stepwise discriminated analysiss

Variable	Wilks' lamda	F	Significance
Benefit sought 1	.97847	8.73	.0033
Benefit sought 2	.97004	3.44	.0024
Brand loyalty	.95952	4.33	.0010
Income	.95050	3.73	.0005
Shopping enjoyment	.94519	2.21	.0005

brand loyalty, benefit sought 1 and income are indicators that divide the two groups, U.S. and Korean with brand. And with the exception of benefit-sought 1, the three variables also indicate the division between the two groups without brand. In <Table 9> and <Table 10>, variables appeared to affect the price of jacket, and quantity of jackets divided into the two groups, U.S. and Korean labeled.

5. The effects of demographic and consumer variables on perceived quality, value, price and willingness to pay: regression analysis

From <Table 11> to <Table 14>, the stepwise

regression was conducted to investigate the effect of each independent variable. For instance, as Table shows, intrinsic attributes are significantly affected to perceived quality and intrinsic attributes; perceived price is affected by perceived value. <Table 11> shows that only intrinsic attributes have positive effects on perceived quality.

<Table 11> Regression analysis 1: dependent=perceived quality

Stepwise model Variables	Regression Coefficient (all variables	Standard Error	T-value (Significance
independent	left at .15 level)		level)
Intercept	0.6996	0.2934	5.69(.0182)
Intrinsic attributes	0.8182	0.0435	353.69(.0001)
newage 3*	0. 2389	0. 1441	2. 75(.0993)
Clothing involvement	0.0741	0.0480	2.39(.1243)
R square		0.7064	

^{*} dummy variables: newage1 (20-30yrs), newage2 (30-40yrs), newage3 (40-50yrs), newage4 (50-60yrs) and omitted variable is newage2

<Table 12> Regression analysis 1: dependent=perceived value

Stepwise	Regression		T-value
model	Coefficient	Standard	(Significance
Variables	(all variables	Error	level)
independent	left at .15 level)		icvery
Intercept	-0.0914	0.5529	0.03(.8688)
Brand(U.S.vs Korean)	-0.2927	0.1626	3.24(.0737)
Intrinsic attributes	0. 2768	0.0649	18.19(.0001)
Perceived price	0.5907	0.0514	131.88(.0001)
Shopping enjoyment	0.0687	0.0465	2.19(.1410)
Benefit sought2	0.0887	0.0560	2.51(.1149)
Salary	0.2753	0.1567	3.09(.0808)
R square		0.6853	

<Table 13> Regression analysis 1: dependent=perceived price

Stepwise model	Regression Coefficient	Standard	T-value
Variables	(all variables	Error	(Significance
independent	left at .15 level)		level)
Intercept	0.5566	0.6207	0.80(.3712)
Intrinsic attributes	0.7003	0.0758	85.31(.0001)
Fashion leadership	0.2578	0.0748	11.87(0001)
Shopping enjoyment	-0.1761	0.0734	5.75(0.0176)
Benefit sought 2	-0.1813	0.0825	4.82(0.0295)
Newage3	0.3808	0.2521	2.28(0.1329)
newage4	1.1916	0.5957	4.00(0.0471)
R square		0.4127	

<Table 14> Regression analysis 1: dependent=willingness to buy

Stepwise model	Regression Coefficient	Standard	T-value
Variables	(all variables	Error	(Significance level)
independent	left at .15 level)		level)
Intercept	0.2163	0.4456	0.24(.6282)
Intrinsic attributes	0.2953	0.0860	11.77(.0008)
Perceived value	0. 6287	0.0761	68.24(0.0001)
Fashion leadership	0.2324	0.0760	9.34(0.0026)
Benefit sought 1	-0.3321	0.1053	9.94(0.0019)
Newage3	0.4418	0.2236	3.91(0.0498)
R square	,	0.5965	

In <Table 12>, intrinsic attributes and perceived price had positive effects on perceived value. Other consumer variables are not significantly related to the perceived value.

In <Table 13>, perceived price is affected positively by intrinsic attributes, fashion leadership, shopping enjoyment, benefit sought 2 and newage4. For the perceived price, both consumer variables and demographic variables

have significant effects. The omitted variable for age group was 20-30 years.

In <Table 14> shows that the willingness to buy as a dependent variable was affected positively by intrinsic attributes, perceived value, fashion leadership, benefit sought 1, newage3.

The independent variables explains almost 60% of the variation of dependent variable, which means highly predicted by independent variables. As a comparison of the omitted group (20-30yrs), newage3 has a positive effect on the willingness to buy.

V. Conclusion

The present study extends research on the perception of quality by investigating the effects of an intrinsic cue (physical appearance) and two extrinsic cues (price and brand name) on the perception of apparel quality among consumers in Korea. Although there is a considerable body of research on perceived quality and cue usage among consumers in the U.S., little has been done to determine its applicability to foreign markets. Further, this research examines the links between product attribute cues, perceived quality, value and the willingness to buy as well as the mediating effects of selected consumer variables on these links in an international market. We introduce the Extended Conceptualization Model by Dodds, Monroe, and Grewal (1991) to examine the impact of price, brand name, and physical appearance, and mediating consumer variables, Korean consumers' product evaluations.

Department store intercept surveys of consumers

in three locations around the KangNam area--Han Yang, New Coa, Hyundai in Seoul, were used to collect data on consumer cue usage and product evaluations. A 2 (brand name) × 2 (labeling condition) × 2 (price levels) factorial research design was used; that is, two identical U.S. Ann Klein brand jackets (with and without a label) and two identical Korean brand jackets (with and without a label) were shown at each of two price levels. The results of the study show that for the U.S. brand and the Korean brand, the consumers' evaluations of the jackets' intrinsic attributes were affected by the brand label. Similarly, for factors related to intensive buy, there was a difference between jacket with a label and without a label for both the U.S. and Korean brands. For U.S. brand consumers' willingness to pay the jacket is different by with or without label but there is no difference of willingness to buy for Korean brand whether it is labeled or not. In conclusion, for the U.S. brand, Korean consumers' perception of intrinsic attributes, intensive purchase behavior, and willingness to buy were variables that were affected by the product label, these did not Korean brand. When consumers perceived the quality of the product, the brand effect was significantly related to their product evaluation for both the Korean and U.S. brands. However, when they actually purchased a jacket, the brand effect for the U.S. brand was more influential.

The results of this study are useful to further establish the generalizing ability of the conceptual model with international markets. It also provides a base of consumer behavior information for U.S. firms who want to successfully penetrate the Korean market.

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