

Determinant Extrinsic Cues in Purchase of Jeans

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Abstract:

The present study attempted a) to understand the purchase basket of young urban youngsters and b) identify key determinants of jeans purchase for this segment of consumers. A survey of young adult Indian college students identified that apparel was a key component of their market basket. The results of the second survey indicate that price, trial-rooms availability and favourable returns policy were key determinants of purchase of jeans.

Keywords: Jeans, cues, young consumers.

1.1 Introduction:

Consumers have limited resources in terms of discretionary income which they can use to purchase a basket of goods. They may purchase food to eat, spend it on travel, entertainment or shop clothes, etc with it. Given different personal financial constraints in terms of personal budgets or pocket money and varied perceptions to saving and materialism, the young urban India youth may buy different products. This market basket has undergone a major change and internet has facilitated e-commerce whereby, multitude of products that were not available for purchase earlier are now, increasingly easily available at reasonable prices. At the click of a mouse or swish of the finger-tips, thanks to computers and smart-phones, these products can be purchases at convenience of time and place. The delivery is done to their place.

The first objective of the whole study (Study 1) was to identify the key products young adult urban Indian consumers buy. For the purpose of the study a young adult was defined as over 18 and less than 30 years of age. This is in line with similar demarcations (18-32 years) made by Kanitkar and Gotpagar (1989) and Bose and Ponnamp (2011). The second objective of this work (Study 2) is identify the extrinsic cues that are most relevant for the purchase of jeans-wear, hereafter referred to as 'jeans' as commonly referred to by the respondent group. Cues are informational stimuli (Olson and Jacoby, 1972) that aid in the evaluations of a product offering by consumers. Any product can be considered as a bundle of benefits

outlined by the attributes - extrinsic and intrinsic, as communicated by the marketer (Teas and Agarwal, 2000). This distinction between intrinsic and extrinsic cues is important (Szybillo and Jacoby, 1974). The authors provide that an intrinsic cue is one that is inherently a part of the product. Thus, it is physically in the product and to modify the cue one has to physically change the product. For example, colour, shape and size of the product are intrinsic cues and if we change the colour, shape or size of the product, it would physically modify the product. They define extrinsic cue as a cue that is not inherently part of the physical product and can be changed remotely without any physical modification of the product. For example, price is an extrinsic cue. It can be changed (reduced, increased) without physically altering the product. Identifying which cues are relevant or important for purchase consideration of a product is important as then these may be emphasized upon or focused upon by the marketer (Rao and Monroe, 1988). An added emphasis on extrinsic cues in the given study is because it provides marketers more leeway to change the cue when offering products to prospective buyers.

1.2 Study 1:

The study was conducted on a student sample. Students of post-graduate course of a large South Indian university were asked to list down products they had bought in the last one year and those that they considered buying in the next six months. Twenty-nine students participated voluntarily in the survey. Their responses were noted and tabulated. It was ascertained that their ages were in the range 18-30 years. Product names that were synonyms (e.g. flip-flop and slippers), or were similar in nature were clubbed together (e.g. shoes, sandals, slippers as footwear).

The results indicated that the market basket was varied and ranged numerous products. The collective basket contained the following items (in alphabetic order): accessories (including jewellery), apparel (including shirts, t-shirts, jeans, shorts, etc), bag-pack (including laptop carry case), bag (including purse and wallet), bed-sheet, belt, birthday items (including card, cake and related gift), books (including novels), cab services, camera, car sheet cover, charger, clock, cookware (including kettle, boiler, cutlery), cosmetics, disk drive (including pen drive), energy drink, eyewear (includes spectacles, eyeglasses, lenses and sunglasses), food items (including groceries), sports goods (football, badminton racquets, cricket guard), gym gloves, handkerchief, headphone (including earphones), health foods (including chyawanprash), hotel reservations, joystick, laptop accessories (including sleeves, stickers, skins), lenses

solution, medicine, memory cards, mobile phone, mobile phone cover (including case), mobile stand, mouse, mouse-pad, photo-frame, power-bank, rain cover for bag, rakhi, recharge, rechargeable batteries, shaving foam, shorts, speakers, thermometer, travel tickets, trimmer (including shaver, grooming gadgets), video games (including cds), watch, water bottle, water purifier, wi fi-router and yoga mat.

Frequency counts of these items indicate that apparel (clothes), footwear and mobile phones were the most frequently bought products across the young respondent group.

Table 1 – Frequency table for Relevant Cues

| S# | Cues | Frequency |
|----|---------------------------|-----------|
| 1 | Discounts | 30 |
| 2 | cash-backs | 16 |
| 3 | Style | 39 |
| 4 | Price | 37 |
| 5 | Comfort | 38 |
| 6 | fit / size | 36 |
| 7 | Features | 15 |
| 8 | trial (room) | 39 |
| 9 | returns / exchange policy | 26 |
| 10 | Colour | 37 |
| 11 | Fabric | 32 |
| 12 | brand name | 32 |
| 13 | store name | 16 |
| 14 | Alterations | 23 |

1.3 Study 2:

The objective of the second study was to identify the extrinsic cues most relevant for the purchase of jeans-wear, hereafter referred to as 'jeans' as commonly referred to by the respondent group.

Consumers may use more than one cue for evaluating marketers' offerings. As consumers use both extrinsic and intrinsic cues for evaluating a product offering, a mix of both types, were initially identified. The choice of identifying extrinsic cue determinants can be attributed to the fact that such cues provides easier and inexpensive means of manipulation with minimal resources (Purohit

and Srivastava, 2001) without changing the product itself. Thus, such cues provide immediate opportunities for marketers to take advantage of favourable evaluation with minimal cost (Roggeveen et al., 2014). Example of such a cue is price. It can be changed without making any changes to the physical product itself. It can be modified by marketers with more ease and with least amount of cost. The changes are also reflected in the marketplace rather quickly. For prospective buyers price besides signaling quality aids in ascertaining an offers' value.

As seen from results of study 1 above, apparel is a frequent product category choice for purchase by young urban consumers. As jeans is apparel worn by both the genders alike, and appeals to the young consumer base, the choice of product category considered was jeans. Based on past literature (e.g. Jin et al., 2008) key cues were identified and listed out these were (in alphabetical order): alteration facility, brand, cash-backs, colour, comfort, discounts, fabric, fit / size, price, features (special attributes), returns / exchange policy, store name, style and trial (room) availability. Thirty nine students of a graduate program, all aged between 18-30 years were recruited for this study. They listed out all the cues they thought were relevant to them when considering purchasing a pair of jeans. It was ascertained that these respondents have owned / have worn jeans in the past six months.

Based on the frequency count of relevant cues outlined by the respondents, key extrinsic cue determinants for purchase of jeans were identified. These are, in the order of frequency of occurrence across the respondent group, as follows: trial room availability, price, brand name, discounts, returns / exchange policy, alterations, cash backs, and store name (see Table 1 for details).

1.5 Implications and Conclusion:

Results of first study provide that today's youth is ready to splurge on clothes, footwear and mobile phone. Further materialistic values could be explored in this regard.

A brand name is not something that is easily changeable as it is a high scope cue and would require enormous time and other resources to gain any benefit from changes to it. Therefore, other cues may be made more favourable to enhance evaluations and increase purchase likelihood. Thus, trial rooms should be ample and easily accessible, price should be reasonable, discounts and cash-backs should be provided to increase sales volumes. Besides, an easy returns / exchange policy should be in place to facilitate consumers and also provide alteration facility at the outset itself. These changes would go a long way in satisfying consumers and providing them greater value.

Making the jeans available at stores with favourable image would also help in this regard (Roggeveen et al., 2014).

Burgess and Steenkamp (2006) posit the view that research in emerging markets will aid in advancing both marketing practice and marketing science. They believe that such markets (like India) can act as natural laboratories to test theories developed in the Western world. Thus, this academic work can aid in that direction. This work is also relevant to managers because if they understand which combination of cues to put out there and offer to consumers, especially in the context of jeans for young adult urban consumers, it will lead to highly favourable evaluations by such consumers. This may well then considerably impact the firm's sales and profits in positive way. Further research could look into how consistency of these cues along one or more dimensions can impact evaluations and purchase intentions among the youth.

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