INFLUENCE OF PRODUCT AND PLACE FACTORS ON CONSUMER BUYING BEHAVIOR IN FORMAL FOOTWEAR SECTOR

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ABSTRACT
Indian Leather Industry holds a place of prominence in Indian economy because of its huge potential for economic growth, employment generation and export. Footwear Industry is a part of Indian leather Industry. It has got its place of prominence in the domestic market as well as exports. This study tires to identify the influence of product and place factors on consumer buying behaviour in formal footwear sector.

Data was collected from 256 respondents in Bangalore through a survey administrated questionnaire. The objective of the study is to identify the factors and to identify the most influential variables under each factor. The other objective is to determine whether the importance assigned to each factors vary across gender and income. The questionnaire tries to capture the buying behavior based on the choice of factors. It also carries questions like purchase frequency, price that the customer is willing to pay, etc. The questionnaire captures 17 variables, 10 under product factors and 7 under place factor. The impact of these variables on purchase frequency and price that the customer is willing to pay is analyzed.

The study identifies the most important factor for consumers under product and place factors. Comfort is the factor which is more important for the customers followed by quality, durability, and brand. Place factors are not much important to consumers compared to the product factors. Convenience is the most influential factor under place. Male customers are found to prefer branded products and Female customers give more importance to the style of the footwear. Male customers are ready to pay more for branded product and product which are comfortable and they are not a frequent purchaser. Female customers purchase frequently because they give more importance to the design and color of the footwear.

The study will be highly useful for the shoe making companies and formal footwear stores in Bangalore. Identification of the factors will help the shoe-making companies to tailor their marketing and manufacturing strategies to take advantage of these influences in a way that will satisfy both the consumers and marketers. This study can also help the companies to clearly understand the consumer behavior, so that they can formulate effective strategies and help develop the company and the industry at large.

Key Words: Formal Footwear, Product Factors, Place Factors, Consumer Buying.

INTRODUCTION

Background of the Study
The footwear industry is an important segment of the leather industry in India. It contributes a major part of the income of Indian leather industry. China is the largest producer of footwear. India ranks second among the footwear producing countries only next to china. Footwear industry is a labor intensive sector in India. The world's major production is in ladies footwear but India produces more gents' footwear than ladies footwear. The demand for footwear is growing day by day and there is a huge market in India for the manufacturers. This study helps the manufacturers to identify the changing needs and demands of Indian customers in footwear sector and to identify the importance given by the customers to each of the product and place factors.

Purpose of the Study
The purpose of the study is to identify the importance given to various factors by the customers while purchasing a pair of formal footwear. The study measures different aspects of consumer buying behavior. The purpose of the

study is to identify the factors which customers give more importance and the purchase frequency and price paid by the customers based on these factors. The study also analyses how consumer behaviour varies between gender and income groups. The main purpose of the study is to help the manufactures and small stores in Bangalore to understand what exactly is the customer looking for and the buying behaviour of the customers.

Conceptual Framework
Consumer spending in India can be classified into regular spends and lifestyle spends. Regular spending includes the basic necessities of life while lifestyle spending includes spending on a computer, internet, car, cell phone etc. Individual buyers take different factors into consideration while purchasing any commodity, which is a necessity. The probable factors can be classified into four groups- Product, price, promotion and place. This study attempts to analyze product and place factors influencing the purchase decision of formal footwear in Bangalore.

Marketing Mix Strategy
Kotler (2003) identified the marketing mix is the set of selling tools for helping companies to aim the target customers in marketing. The most well-known marketing strategy tools are the 4 Ps model. McCarthy and Perreault (1994) suggested the 4 Ps models that the marketing strategy encompasses four factors, such as Product, Price, Promotion, and Place.

Product
A product as defined by Armstrong and Kotler (2006), is anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want or need. Product is the core of the marketing mix strategy where retailers can offer unique attributes that differentiates their product from their competitors. Product is characterized by quality, brand, design, durability, packaging, comfort, etc.

Place
Place factor can be defined as a set of interdependent organizations that caters to the process of making a product available to the consumers. The strategy of place needs effective distribution of the firm's products among the channels of marketing like wholesalers or retailers. An organization should pay attention to place decisions, because of the importance of the product and consumption occurring at the same time and at the same place; a place that provides all information of customer, competition, promotion action, and marketing task. It should pay attention to how it can deliver the product at the right time and at the right place, and which channel should be used to deliver the product.

Consumer Behaviour
This represents the processes by which individuals search for, select, purchase, use, and dispose of goods and services, in satisfaction of their needs and wants. In other words, consumer behaviour is a set of dynamic decision-making processes that encompass the purchase and use of products. Consumer behaviour in this study is measured through the importance given to each factors, the price that the customer is willing to pay and the frequency of purchase by the customer.

REVIEW OF LITERATURE
Consumer behaviour is the study of how individuals spend their available resources on consumption-related items. It includes the study of what they buy, why they buy it, when they buy it, where they buy it, how often they buy it, and how often they use it. (Schiffman & Kanuk, 1996).

Saha, Dey, & Bhattacharya (2010) in their study "Factors affecting consumer buying behaviour of shoes in Kolkata" tries to identify various factors in the marketing mix that influences the buying behaviour of customers in Kolkata. In this study they identify factors under 4 major heads- product, price, promotion and place. Sub-variables were identified under each of the factor. Some of the other variables used in this study include brand,

discounts, price, display, location, sales person influence, etc. the study was attempting to analyze the relative importance to all these variables by the customers. Some of the major findings from the study are- Quality and durability are the most important factor under product factors. Under price paid by the customers value for money was the most influential factor. Customers tend to prefer stores were several models are available. In promotion consumers give more importance to the after sale services. The paper helps the companies in Kolkata to clearly understand the consumer behaviour so that they can formulate effective strategies and help develop the company and industry at large. Another study in the similar field which was reviewed for the research is "The external factors that influences Taiwanese students shoe purchase intention". This study was based on 6 external factors which include brand, price, promotion, style, durability and comfort. The purpose of this study was to investigate the external factors that influence Taiwanese college students. The result of multiple regression analysis indicated that the customer prefer comfort and style more than any other factor. The result of one way anova revealed that only brand shows significant difference between both the genders and grade level. The study also provides various recommendations to the shoe manufactures in Taiwan. The study concludes that comfort and style factors are the most influential factors for Taiwanese college students shoe purchase intention. (Chen, 2008)

Another article reviewed for the research is "Service quality as a mediator of the relationship between marketing mix and consumer loyalty". There are 3 factors studied under this- Marketing mix, Service quality and customer loyalty. 14 sub variables were identified under marketing mix, 21 under service quality and 3 under customer loyalty. The results revealed that there is a strong and statistically significant relationship between overall marketing mix and overall customer loyalty and a positive relationship between overall service quality and overall customer loyalty. The result also suggested that there is no mediation effect of service quality between the perception of marketing mix and consumer loyalty. (Hu, 2009)

Review was also done on the article titled "Mature customer selection of Apparel and footwear brands in department stores". There were different variables under each heads of the study. The study seeks to examine mature customers motives in selection of apparel and footwear brands and reasons for patronizing department stores. Difference in brand choice motives are assessed among age cohort groups within the mature consumer segment as well as mature consumer segments defined by various socio demographic and lifestyle factors. The results shows the older consumer not only differ from their younger counterparts but are also heterogeneous when it comes to reasons for choosing specific brands and department stores. Price reduction and special sales drive the majority of mature consumers brand selection. (Moschis, Ferguson, & Zhu, 2011)

Cengiz and Yayala (2007) did their research on effect of marketing mix on positive word of mouth communication. There were sub variables under each p. The project identified 7 factors contributing towards the pervasiveness of word of mouth. The study identifies certain things that the companies should consider to build a positive word of mouth communication. The key for positive word of mouth communication is the delivery of excellent services. The study also suggests that the organization should concentrate on building effective marketing mix so that it can impact spreading of positive word of mouth communication. Another study reviewed for the study is "Factors influencing purchase of Apparels and Footwear from organized retail outlet". Through the study a rank of factors which the customers think more important were style, quality, variety, price, appeal, brand name and referral group.

Review was also done on an article titled "Brand attitude and image congruence among teenagers" The study says that there is no significant difference between situations in terms of pre experimental familiarity with the brands pre experimental attitudes, age and gender. There were 2 different situations in the study. Samples were chosen for each situation. In both the situations brand have successfully influenced the subject attitude and the influence to choose. (Gi & Ali, 2009)

Another article reviewed was "Information sources for college students Athletic shoe purchasing". The study revealed that the overall peers were the most influential and frequently mentioned information source for college students. The finding is consistent with previous studies. Consumer may decide not to buy a product if they fell

that the product is not consistent with their own perception of themselves as members of particular society. The study found that the information source did not significantly differ between genders and income sources for athletic shoe purchases. One possible explanation is that athletic shoes are not gender related product. (Yoh & Pitts, 2005).

RESEARCH METHODOLOGY

Research Problem
To understand the influence of place and product factors on consumer buying behaviour in formal footwear sector.
1. What are the factors under place variables that influence a consumer in purchasing a particular brand of formal footwear?
2. What product features does the consumer considers while purchasing formal footwear?

Objectives
1. To determine the place factors influencing the buying behaviour of formal footwear.
2. To determine the product factors influencing the buying behaviour of formal footwear.

Variables
The study considers only 2 elements under the marketing mix- Product and place factors.

Product factors
The sub-variables under product factors are
1. Brand
2. Durability
3. Design
4. Quality
5. Product warranty
6. Repairability
7. Material used
8. Packaging
9. Comfort
10. Color

Place factors
The sub-variables under place factors are
1. Location of the store
2. Convenience to the customers
3. Store atmosphere and décor
4. Stores which only sell formal footwear
5. Well known store
6. Easy layout
7. Display

Hypothesis
Hypothesis 1
H0: Product factors do not influence frequency of purchase.
H1: Product factors influence frequency of purchase.
Hypothesis 2
H0: place factors do not influence frequency of purchase.
H1: Place factors do influence frequency of purchase.

Design of the Study
The study attempts to identify the factors under place and product mix which influences the consumer buying behavior in formal footwear sector. Around 17 sub-variables are identified under the 2 factors- 10 sub-variables under product factor and 7 sub-variables under place factor. The study attempts to identify the most influential factor under each head and the relative importance given to each factors by the customers who wants to purchase new formal footwear. The research will be conducted only in Bangalore.

Research Instrument
A questionaire is designed which captures the product and place variables that influence formal footwear purchase decision. The questionnaire also captures demographic variables in the study. Survey method of data collection is used. Likert scale with rating from 1 to 5 was used in the questionnaire. To collect the primary data the questionnaire is used. Through administration of questionnaire the study tries to analyze the importance given to each factors while purchasing new footwear.

Sampling Methodology
Non probabilistic sampling will be used for this research. Data is collected through surveyor administrated questionnaires. It is collected from consumers in the order of their arrival and convenient sampling is used for the purpose of data collection. Data is collected from the consumers who came to buy a new pair of formal footwear in the showroom as and when they arrive at the showroom. There will be no probabilistic methods followed for data collection. Respondents will be selected on the basis of their accessibility and on the basis of convenience or by a purposive personal judgment.

Population Sample Frame
The target group consists of those who want to purchase a formal footwear as well as customer who have already purchased pair formal footwear.
Sampling element in this research are individual consumers who are living in Bangalore. The sample group includes males and females with age above 18years.

Sampling Unit
Individuals purchasing formal footwear based on place and product factors.

Statistical Tools
All the analysis will be done using Excel and IBM SPSS19.0. The main test that will be used for the analysis of the data is Reliability test for testing the reliability of the scale that has been used in the survey. Multiple regression analysis is done to investigate the effect of the independent variables- brand, price, style, durability, comfort, etc. on consumer buying behaviour of formal footwear.

DATA ANALYSIS AND INTERPRETATION
Reliability testing
Before starting the analysis the reliability of the scale has to be tested. Test was conducted on 68 samples which is more than 20% of the sample size for the study.
Table1: Reliability Test- Case Processing Summary

		N	%
Cases	Valid	68	100.0
	Excluded^a	0	.0
	Total	68	100.0

Source: Primary data

Table 2: Reliability Statistics

Cronbach's Alpha	N of Items
.832	16

Source: Primary data

he Cronbach's Alpha value is .832 which is more than .7. So the scale used for analysis in the questionnaire is reliable.

Factor Analysis

Factor analysis was done in order to identify and group the variables in to common factors. Factor analysis is done for both product and place factors together in order to identify common factors.

Table 5.5: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.766
Bartlett's Test of Sphericity	Approx. Chi-Square	1512.728
	df	136
	Sig.	.000

Source: Primary data

KMO and Bartlett's test show that the sampling adequacy is 0.766 > 0.50. This means that the sampling adequacy is fine for factor analysis. Sig.=0.000 < 0.05, hence factor analysis is significant.

Table 5.6: Rotation sum of square loadingg

Compon ent	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulativ e %	Total	% of Variance	Cumulative %
1	4.951	29.126	29.126	2.584	15.199	15.199
2	2.071	12.182	41.307	2.353	13.842	29.040
3	1.345	7.910	49.217	2.132	12.539	41.579
4	1.202	7.072	56.289	2.005	11.792	53.371
5	1.085	6.382	62.672	1.581	9.300	62.672
6	.955	5.619	68.290			
7	.867	5.100	73.391			
8	.831	4.888	78.279			
9	.654	3.845	82.124			
10	.582	3.426	85.550			
11	.529	3.113	88.662			
12	.451	2.654	91.317			
13	.376	2.209	93.526			
14	.337	1.980	95.506			
15	.306	1.800	97.307			

| 16 | .245 | 1.440 | 98.746 | | | |
| 17 | .213 | 1.254 | 100.000 | | | |

This table identifies 5 factors which is a combination of both product and place factors. It says that the 5 factors identified explain 62.67 % of the variance (data contained in the variables) of the sample.

Table 5.7: Rotated component matrix

	Component				
	1	2	3	4	5
Branded Footwear					.760
Product_Design		.503			
Product_Quality		.712			
Product_Durability	.562	.615			
Product_Warranty	.707				
Product_Repairability	.812				
Product_Material	.627				
Product_Package			.557		
Product_Comfort		.758			
Product_Color					.502
Place_Location				.890	
Place_Convenience				.865	
Place_Display			.565		
Place_Decor			.781		
Place_Wellknown			.619		
Place_Layout					
Place_onlyformal					.606

Source: Primary data

Rotated component matrix identifies 5 major components under product and place factor. Component 1 includes durability, warranty, reparability and material. This can be generally classified into durability component. 2nd component includes design, quality and comfort.3rd component includes package, display, well known store and décor. This can be called as aesthetic factor. 4th component includes location and convenience. Brand, colour and stores which sell only formal footwear comes under the 5th component.

Testing of Hypothesis
Hypothesis 1
        H0: Product factors do not influence frequency of purchase.
        H1: Product factors influence frequency of purchase.

Table 5.11 Chi-Square test- Product factors and frequency of purchasing

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	284.749a	92	.001
Likelihood Ratio	244.905	92	.001
Linear-by-Linear Association	6.594	1	.010
N of Valid Cases	256		

Source: Primary data

P value is less than .05 so we can reject H0. So product factor influence the purchase frequency of formal footwear.

Hypothesis 2
   H0: place factors do not influence frequency of purchase.
   H1: Place factors do influence frequency of purchase.

Table 5.14 Correlation- Place factor and frequency

		Freequency
Freequency	Pearson Correlation	1
	Sig. (2 tailed)	
	N	256
Place_Location	Pearson Correlation	-.481
	Sig. (2-tailed)	.004
	N	256
Place_Convenience	Pearson Correlation	-.349
	Sig. (2-tailed)	.269
	N	256
Place_Display	Pearson Correlation	.139*
	Sig. (2 tailed)	.026
	N	256
Place_Decor	Pearson Correlation	-.074
	Sig. (2-tailed)	.241
	N	256
Place_Wellknown	Pearson Correlation	.071
	Sig. (2-tailed)	.257
	N	256
Place_Layout	Pearson Correlation	.153*
	Sig. (2-tailed)	.014
	N	256
Place_only formal	Pearson Correlation	.002
	Sig. (2-tailed)	.969
	N	256

Source: Primary data

From this table it is clear that place location and convenience have a negative correlation. That means customers preferring location and convenience factor will be purchasing frequently.

P value is less than .05 so H0 is rejected. This means that Place factors do influence the purchase frequency of formal footwear.

FINDINGS, CONCLUSION AND SUGGESTIONS
Findings

The findings of the study will reveal that product and place factors have significant impact on purchase frequency. Findings on Importance of various factors for consumers are:

- The most important product factor for customers of formal footwear is comfort followed by Quality, Durability and Brand.
- Product factors also influence frequency of purchasing. Customers who are preferring style will be purchasing frequently.
- Place factors also influence frequency of purchasing. The study shows that customers preferring location and convenience advantage usually purchase frequently.

CONCLUSION
The study will be useful for the shoe manufactures in identifying the consumer preferences and consumer buying behaviour. This study was done to find out various factors under place and product factors which influence consumer buying behaviour. Consumer buying behaviour was measured through the frequency of purchase. The study also identified 5 most important factor which is a combination of both place and product factor through factor analysis. Customers give more importance to product factors than the place factors. In product factors comfort, quality, durability and brand are the most important four factors for the consumers. The study shows that the customer is least bothered about the location factor rather they are ready to spend more time and money to get a suitable, comfortable and quality product.

SUGGESTIONS
This study will be useful for the shoe manufacturers and the footwear stores to get to know their customer needs and requirement. They need to focus on the product and place factors identified in this study to satisfy their customers so that they revisit the store.

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