Effective Factors in Changing the Buying Behavior of Iranian Apparel Consumers

Shara Aghajanian* and Arega Ebrahimi

Abstract- Given the slogan for Iranian years 1397 and 1398 “supports the national production” and “production boom”, the impact of Iranian consumers buying behavior in their country’s economy has become an important issue. In this research, the Hacoupian Clothing Corporation has been selected as our case study to investigate this issue in the Iranian apparel industry. First, the effective variables and factors in changing the consumer buying behavior are identified by exploratory factor analysis method. Second, the impact of these variables and factors are analyzed on the Iranian apparel consumption by confirmatory factor analysis method and finally, a comprehensive model is presented to promote Iranian domestic consumption. Research findings reveal five prioritized effective factors that are changing consumer buying behavior toward Iranian apparel consumption. These factors are: 1. identity factors, 2. product differentiation, 3. consumer orientation, 4. marketing techniques, and 5. consumer relationship channels.

Keywords: iranian goods, consumer behavior, apparel industry, domestic consumption, factor analysis

I. INTRODUCTION

Globalization has transformed the world into a small village [1]. In this process by introducing foreign goods, people are sharing their preferences, aspirations, lifestyles, and culture [1-3]. This trend has brought convergence to consumer tastes towards specific products [4].

In developing countries, consumer buying behavior toward foreign products has become positive [5] and unfortunately, they have negative buying behavior toward their domestic products [1-3,6]. Persuading consumers to buy their domestic products to reduce the country’s dependencies toward foreign goods is an important issue [7].

Consumers are the main capital of companies and different factors could have affected consumer buying behavior [8]. If organizations do not know how their consumers are behaving, they won’t be able to take appropriate action to satisfy their needs [9].

Nowadays, firms are facing some issues to sell apparel products; some of these issues are related to the decision-makers at the policy-level. As an example, Iranian apparel industries are exposed to unequal competition with their foreign competitors. They are hardly challenging with illegal imports and this makes lots of problems for domestic firms to set competitive prices for their goods. Furthermore, there are issues related to domestic firms that include low product quality and low product variation. These are the main reasons that Iranian consumers are using foreign labeled products. Meanwhile, some of the products that are made in Iran are qualified and can compete with their foreign competitors in an equal condition. In this case, neither the consumer’s attitude toward domestic products is positive, nor the rate of buying Iranian products is comparable to their foreign competitors [5].

Given the slogan for Iranian years, 1397 and 1398 “supports of the national production” and “production boom”, the impact of Iranian consumers buying behavior in their country’s economy has become an important issue. Therefore, this research is aimed to identify effective variables and factors in changing consumer buying behavior and analyze their effects on Iranian apparel consumption;

We will help the firm’s managers and related policy-makers to make better decisions about Iranian apparel consumption.

To do this, a structural equation model is presented to provide appropriate strategies to change consumer buying behavior toward Iranian apparel consumption.

Therefore, the research questions will be as follows:
1- What are the effective variables and factors in changing of consumers’ buying behavior?
2- Are these factors affecting Iranian apparel consumption?
The rest of this paper is set as mentioned below:

The literature review is provided to investigate the consumer behavior and its effective variables in changing of buying behavior. Then, the research methodology following the results and conclusion is described to make a consensus about the research findings.

II. LITERATURE REVIEW

A. Consumer Behavior

Consumer behavior is the study of consumers and the processes they choose, use and dispose of products and services. Consumer behavior incorporates ideas from several sciences, including psychology, biology, chemistry, and economics [10].

According to Hawkes (2006), consumer behavior is generally defined by the final decision of the consumer to acquire, consume and get rid of goods and services. Consumer behavior involves three activities including acquisition (the person obtaining an offer), consuming (using goods or services), and getting rid of goods (disposing of the goods or changing the offer). Dell Hawkins (2006) pointed out that external factors (culture, reference groups, and family) and internal factors (perception, learning, memory, and attitude) are influencing consumer behavior and it is a dynamic process that may change over time based on the feelings, beliefs, and experiences [11].

Understanding consumer behavior is an opportunity for businesses to predict their demand and find a better way to serve the customer [12]. Bafandeh and Danaei evaluated the individual preferences and behavior in the choice of domestic and foreign products in complex social systems; they recommended investigating the preferences of consumers at Iranian apparel industries [5].

B. Effective Variables in Changing of Buying Behavior

Some researchers have investigated the effect of branding on consumer buying behavior. Sheena and Nwodo examined the effect of branding on consumer buying behavior among the Textile Ghana Fabric industries. Three aspects of brand equity, notably brand awareness, brand loyalty, and brand image were identified as effective factors on consumers buying behavior [13]. Tabatabai and Nabi found the same result at Kaleh cooperation as [14].

WOM marketing is another effective factor that grabs researchers’ attention. Word of mouth marketing is affecting consumers buying behavior in the network of communication. Consumers who don’t have any information about the products found this method quite useful [5]. Word of mouth is known as one-to-one verbal contact, which contains a source of information about a product or service. Such communication when turns on electronic media becomes an electronic word of mouth communication.

Sharif and Ahmad’s research reveal that message source credibility, message appeal and brand equity have significant positive effects on consumers’ purchase intention, whereas the mediating variable electronic WOM marketing has also a significant positive indirect effect on consumers’ purchase intention [15].

Consumer behavior is influenced by social factors. These social factors consist of small groups, family members, and consumer social status or position. Each person is communicating with others in small or large groups. Reference groups are directly or indirectly influencing the buying behavior of the individuals [16]. Social marketing is focused on enabling, encouraging and supporting behavioral changes among target audiences and mass media are tools to provide consumers with the information needed that helps to build a buying behavior.

According to Schiffman and Kanuk (2010), consumers, who do not have direct contact with the product, are more influenced by the message of advertisement in comparison with those consumers who have the experience of using the same product [17].

Cultural factors moderate many aspects of consumer impulsive buying behavior. Kacen and Lee’s analyses show that both regional level factors and individual cultural difference factors systematically influence impulsive purchasing behavior [18].

Promotions have become a very important weapon for clothing companies. Promotion roles are to make the market known and recognize the uniqueness of the clothing company itself. Many researchers are trying to find promotional tools and strategies to influence the buying behavior of consumers [19,20].

Finally, innovation is a game-changer in changing behavior. It plays a significant role in changing habits and improving the living standard of consumers. In this era of stiff competition, innovation is letting the cooperation to have a competitive advantage [21].

In this section, we describe the effective variables in changing the buying behavior. Although many scholars have investigated the buying behavior effective variables, there wasn’t any frame work considering consumer buying behavior and analyzing their impact on domestic consumption.

Therefore, the nature of this study is exploratory, and literature review is utilized to identify the effective buying behavior variables. Table I show the list of thirty effective variables that we have initially found from the literature review. Furthermore, we have explored the framework.
of effective factors in changing the consumer buying behavior, and have analyzed their impact on Iranian apparel consumption, and the most effective factors and variables are prioritized making better decision-making solutions to promote Iranian domestic apparel.

III. RESEARCH METHODOLOGY

A. The Case Study

The Hacoupian clothing industry is one of the largest designers and manufacturers in the apparel industry of Iran. The Hacoupian clothing industry has long been thinking of designing and creating beauty because contemporary buyers are interested in customizing their clothing with an artistic sense. Along with caring for the artistic aspect, the quality of goods has not gone away. The Hacoupian clothing industry uses natural fibers in clothing production. Garments made from natural fibers, such as wool and cotton, while sustaining the environment and protecting individual health bring also comfort and luxury to the consumer. These continuous efforts have made the company the first holder of the quality management license in Iran and to receive more than twenty international awards in different fields such as commercial prestige, quality, standards, and best trade name in the Iranian clothing industry. Hacoupian clothing industry has established a modern customer-oriented scientific discipline in the garment industry and maintains continuous communication with customers through the delivery of seasonal catalogs, gifts and different facilities throughout the year. Hacoupian clothing industry strives to meet the demands of buyers and owns 24 exclusive stores and more than 400,000 subscribers all over the country. The Hacoupian’s mission is to design, produce, and supply the best of clothing and encouraging customers to buy domestic products. Hacoupian company competes with the first-class garments of the world in terms of quality and pricing and has positioned itself as a global company in the field of design and production of garments.

B. Sample Size

Simple random sampling has been used to select the sample. Therefore, each member of the community has an equal chance to be selected. To determine the quantities of the sample at the EFA stage, we have used $50 < n < 100$ formula. This formula is considered ten times of items (variables) as the sample size [22]. A literature review is implemented to have initially explored thirty changing consumer buying behavior variables (Table I).

We distribute a yes/no questionnaire to ten elites of the apparel industry. Twenty-five variables were accepted as an input to the EFA stage. Also, according to the formula $(5 \phi < n < 10 \phi)$, 250 samples were considered at the first stage of this research. This research is done in two stages.

C. The First Stage

In the first stage, regarding the first question and the exploratory nature of the research, we identified the effective variables and factors of consumer buying behavior. 250 questionnaires were distributed among the customers of eight Hacoupian clothing stores to identify the effective variables and factors of consumer buying behavior (the first questionnaire). Exploratory factor analysis (EFA) is conducted on extracted data from the first questionnaire by SPSS software. EFA examines all pairwise relationships between individual variables (e.g., Items on a scale) and seeks to extract latent factors from the measured variables which have not yet been theoretically explored. If the factor structure is not confirmed, EFA could be utilized to determine what the factor structure will look like according to the participant responses [23]. Therefore, we proposed EFA to theoretically explore the conceptual

<table>
<thead>
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<th>No.</th>
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<td>The resisting economy</td>
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<td>4</td>
<td>Persuasion</td>
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<td>6</td>
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</tr>
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<td>Culture</td>
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<td>Reference group</td>
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<td>Local product availability</td>
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<td>Customization</td>
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<td>22</td>
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<td>Virtual channels</td>
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<td>Recession</td>
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<td>30</td>
<td>Information interaction time</td>
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</table>
model.

The reliability of this stage was analyzed by Cronbach’s alpha. It was revealed 77% at the end of the first stage.

Finally, the research hypotheses were formulated based on five effective factors in changing consumer buying behavior and 15 accepted variables from a total of 25 variables of the questionnaire.

**D. The Second Stage**

In the second stage, regarding the second question of the research, the extracted hypothesis must be tested, if any of these 15 accepted variables are affecting its related factors and similarly if the five factors are affecting Iranian apparel consumption. Therefore, the confirmatory factor analysis (CFA) is utilized at this stage to test the EFA hypothesis that a relationship between the observed variables and their underlying latent constructs exist [24].

The second questionnaire was developed with hypotheses, and 250 questionnaires were distributed again among eight Hacoupian stores to analyze the effect of accepted factors on Iranian apparel consumption.

The reliability was revealed at 74%. Finally, the structural equation model of consumer buying behavior’s changing impacts on Iranian apparel consumption was built by using AMOS software.

**IV. THE ANALYSIS OF RESULTS**

**A. Identifying the Initial Effective Variables of Consumer Buying Behavior**

We have studied previous literature to find effective variables in changing consumer buying behavior. Thirty variables were derived at this stage (Table I).

After conducting a yes/no survey with the ten apparel marketing experts, 25 variables were accepted from 30 initial explored variables as an input to EFA.

**B. Descriptive Statistics**

At both stages of this research, a questionnaire was distributed to 250 consumers of the Hacoupian clothing industry. These questionnaires were distributed in the eight stores of Hacoupian clothing in Tehran.

In the first stage, 196 samples were men and 54 samples were women. The age of respondents was from 21 to 57 by the approximately average of 39. About the education degree of the respondents, 32 samples were holding a diploma, 178 samples were holding a Bachelor’s degree and 40 samples were higher than Bachelor.

In the second stage, 203 samples were men and 47 were women. The age of respondents was from 23 to 62 by the approximately average of 43. About the education degree of the respondents, 37 samples were holding a diploma,

**TABLE II**

<table>
<thead>
<tr>
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<td>25</td>
<td>Consumer satisfaction</td>
<td>VAR00025</td>
<td>1.000</td>
<td>0.541</td>
</tr>
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</table>

Extraction method: principal component analysis

167 samples were holders of a Bachelor’s degree and 46 samples were higher than Bachelor.

**C. The First Stage: Identifying Effective Variables and Factors in Changing Consumer Buying Behavior**

Answering the first question of the research, we distributed 250 questionnaires (the first questionnaire) at eight stores in Hacoupian clothing industry to identify effective factors in changing consumer buying behavior; SPSS software was utilized to analyze the data. Communalities analysis (Table II) revealed four variables (Persuasion, Income, personal experience, and direct marketing) were below 0.5. Therefore, they were omitted and 21 variables remained.

The sampling adequacy test is reported in Table III. The KMO value is more than 0.7 and Bartlett’s test with a sig.
A value less than 0.05 is accepted.

After the EFA according to the rotated component matrix (Table IV), from 21 variables, 15 variables were able to affect their related factors.
Therefore, fifteen effective variables were identified in changing consumer buying behavior.

According to the rotated component matrix, 15 variables are categorized into five factors.

We have named these five factors by using the expert panel and literature review (Table V).

As the type of this research is exploratory, the research hypotheses are made at the end of the first stage as follows:

Hypotheses 1: Product differentiation is an effective factor in changing consumer buying behavior toward Iranian apparel consumption.

Hypotheses 2: Marketing techniques is an effective factor in changing consumer buying behavior toward Iranian apparel consumption.

Hypotheses 3: Consumer orientation is an effective factor in changing consumer buying behavior toward Iranian apparel consumption.

Hypotheses 4: Identity is an effective factor in changing consumer buying behavior toward Iranian apparel consumption.

Hypotheses 5: Consumer relationship is an effective factor in changing consumer buying behavior toward Iranian apparel consumption.

D. Second Stage: Building the Model of Effective Factors in changing Consumer Buying Behavior Toward Iranian apparel consumption.

Hypotheses 3: Consumer orientation is an effective factor in changing consumer buying behavior toward Iranian apparel consumption.

Hypotheses 4: Identity is an effective factor in changing consumer buying behavior toward Iranian apparel consumption.

Hypotheses 5: Consumer relationship is an effective factor in changing consumer buying behavior toward Iranian apparel consumption.

D. Second Stage: Building the Model of Effective Factors in changing Consumer Buying Behavior Toward Iranian apparel consumption.

![Fig. 1. The general structural equation model of effective factors in changing the consumer buying behavior toward Iranian apparel consumption (standard coefficients).]
Apparel Consumption

Answering the second question of the research, we distributed 250 questionnaires (the second questionnaire) to examine effects of the five factors in changing consumer buying behavior toward Iranian apparel consumption. In this stage, KMO test was 0.76 (Table VI).

CFA is done by using AMOS. The model is confirmed using criteria as shown in Table VII.

The structural equation model for effective factors in changing of consumer buying behavior toward Iranian apparel consumption is shown in Fig. 1. The structural equation model is derived from AMOS.

The factors and its variables are prioritized (Table VIII). Based on the Table VIII five factors (identified, product differentiation consumer orientation, marketing techniques, and consumer relationship channel) have the highest impact on changing consumer buying behavior towards the Iranian apparel industry.

V. CONCLUSION

Changing consumer buying behavior toward domestic products is an important issue. Since it can help to persuade the consumer to buy domestic goods. This will reduce the economical dependencies in the country toward foreign products. Although many scholars have investigated consumer buying behavior, there weren’t any framework considering changing consumer buying behavior and analyzing their impact on domestic consumption. We want to answer two questions in this research as follows:

1- What are the effective variables and factors in changing of consumers’ buying behavior?

2- Are these factors affecting Iranian apparel consumption?

Answering the first question of the research, since there wasn’t any confirmed theoretical framework related to changing consumer buying behavior toward domestic products. We have initially found effective variables from the literature review then we have identified the effective factors in changing consumer buying behavior by EFA and to answer the second question, the impact of these factors in changing consumer buying behavior toward Iranian apparel consumption is investigated by using CFA and AMOS software. The result has shown that identity factor (culture, reference group, and nationalism), product differentiation factor (improved product features, innovation and branding), consumer orientation factor (price, available local products, and consumer satisfaction) marketing techniques factor (WOM marketing, social marketing, and sales promotion), and consumer relationship channels factor (retailer, after sell service, and mass media), have the highest impact on changing consumer buying behavior towards Iranian apparel consumption. The comprehensive model presented in this study can be considered as a scientific method to...
promote Iranian domestic consumption.

The statistical population of the research was from eight stores of Hacoupian clothing in Tehran. Therefore, more caution is needed to interpret and generalize the results to other industries. In the future, the findings of this research could be tested in other industries. Therefore, we could build a generalized framework.

Our research also makes some empirical suggestions for the apparel industry leaders in developing countries. The final confirmed framework could be utilized to enhance consumer buying behavior’s decision-making process by considering its impact on Iranian apparel consumption. Furthermore, findings reveal identity as the most important factor of the research. We are recommending further researches to investigate this factor and its variables’ effects on domestic buying behavior. The way cultural variables can improve the identity of a country is very important at both policy and company levels. Reference group as the second variable should be involved in companies’ marketing strategy. Product differentiation factor and its variables could give the companies some clues to bring the difference to their products and brands that their consumer needs.

REFERENCES


