

**A STUDY OF CONSUMER BEHAVIOUR IN OMNI-  
CHANNEL OF RETAILING FOCUSING APPAREL  
INDUSTRY WITH SPECIAL REFERENCE TO  
UTTAR PRADESH**

**Abstract of  
Thesis**

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# *Abstract*

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**Keywords: Omni-channel Retailing, Apparel Industry, Consumer Behaviour, Online Shopping, Offline Shopping**

## **1. Introduction**

Omnichannel(OC) retailing is a business model which delivers a seamless consumer experience through various channels, such as mobile devices, laptops, brick and mortar retail stores, etc. Multiple channels join hands to provide shoppers a smooth pathway from one platform to another to ease their shopping experience. OC retailing has been beneficial both for the buyer and the seller, because it not only brings the customer to the seller but also brings the shops to the customer. OC has been a game changer because it works in favour of both the involved parties. According to Harvard Business Review, almost 73% customers use multiple channels while making their purchase decision. 44% of B2C customers and 58% of B2B customers admit that they often research online about a product before going to a store, even while in the store they compare prices and options online, says a report published in The State of Commerce Experience, 2021. Customers tend to gather all the necessary information from a variety of sources before making a purchase decision and this magical power has only been possible due to OC of retailing.

Rapid urbanisation was driven by industrialization which gave birth to departmental stores. Then came automobiles which enabled people to quickly move around from one place to another, the concept of shopping malls came into place and the retail sector transformed during the nineteenth century. All these developments sure brought a change in the retail sector but did not kill any of the previous formats, they rather transformed and reshaped into a better retailing landscape adding to its value. Later came the God of all things, 'Internet', which changed and redefined the consumer experience altogether. Due to the continuous development of technology and rising digital platforms, a large number of retailers turned towards online platforms to gain the first-mover advantage. The conventional retailer who only shopped from separate retail stores, moved towards a completely seamless shopping experience called the

‘Omnichannel experience’. This new environment gave the consumers the advantage to alter between e-commerce, brick and mortar stores and m-commerce platforms.

### **1.1 Reasons that led retailers to become Omni-Channel**

The continuous urge to get first mover advantage and perform better than the competition gives scope of getting creative. Earlier it began with retail stores, then came the supermarkets and malls that brought customers in bulk because the concept was extremely attractive and convenient. You just had to go to one particular building and you would find all kind of stores that you might or might not be planning to visit, but the concept of window shopping will eventually lure you in and you might make a purchase. Big banners, discounted deals and beautiful presentation are another means of luring the customer in. Sometimes the customer goes to the mall to buy X item and ends up buying Y or even X+Y and that’s the beauty of supermarkets and malls.

Later when e-commerce emerged, shopping experience diversified. Retailers were now not just limited to stores and malls, they were online with their businesses at the convenience of your hands, in your mobile phones and laptops. The competition is cut-throat online, because for every product there are numerous websites and applications and with the depleting attention span of customers due to social media, there needs to be continuous flashing of sale, discounted pricing, the immense need to be better than the other and make loyal paying customers. Businesses like Zivame and Nykaa were limited to e-commerce and were doing immensely well too. But something changed in the retail environment and the next big thing was omni-channel. The above mentioned stores were now not just online but also in brick-and-mortar format. On the other hand, clothing brands like Zara and H&M had to increase their online presence as well, though they were big names when it came to physical apparel stores.

### **1.2 Rationale of the Study**

Omni-Channel Retailing is one of the most relevant practice in current marketing scenario. Diving deep down into its role and effect on the shopping experience of consumers was something that intrigued me personally being an avid shopper. This was precisely the reason for selecting this as my topic of research as well. I have been shopping offline through various stores all my life but from past six-seven

years the mode of my shopping has gradually shifted towards online platforms. This shift has a number of reasons which have been discussed in this thesis thoroughly and this personal shift has been the motivation for me to have a closer look on this topic to get a better understanding of what changed. While reading literature on this topic I came across different studies that mentioned about Omni-Channel Retailing which made me realise that in case of apparels the shift is not definite, it is rather indecisive and goes to-and-fro between both online and offline modes of shopping. In order to get to a conclusion of who is winning the race between both the mediums this study explores whether there exists a winner or both the modes are equally necessary individually and work best if they exist together.

### **1.3 Research Objectives**

This study had delineated three objectives for this research as stated below.

1. To study the conceptual overview of consumer behaviour and omni-channel of retailing.
2. To conduct a comparative study of behaviour of consumers in offline and online mode of apparel retailing.
3. To study the impact of apparel industry on national economy.

## **2. Research Methodology:**

### **2.1 Research Design**

The present study is descriptive as well diagnostic in nature. First, it tries to study the conceptual overview of consumer behavior and omni-channel of retailing which may be stated as descriptive part of the study. Secondly, the study tries to analyse the behavior of consumers in offline, online and omni channel modes of apparel retailing, this purpose requires diagnosis of consumer behavior employing various statistical tools. The overall research methodology or design can be covered into following four broad categories:

1. Research Type and Approach
2. Data Collection & Questionnaire Design
3. Sampling Techniques

#### 4. Data Analysis and Statistical Tools

### **2.2 Research Type and Approach**

As mentioned the research design or research type is mainly descriptive and diagnostic in nature. Descriptive research calls for stating the current state of affairs to study the conceptual overview of consumer behavior and omni-channel of retailing and also to determine the impact the apparel industry on national economy through survey of secondary data. The diagnostic study involves testing of hypothesis to achieve objective two. To test the hypothesis mainly the quantitative data is collected and analysed therefore employing quantitative research approach.

### **2.3 Data Collection**

The nature of the study requires both secondary and primary data. The secondary data and primary data is collected from the below mentioned sources.

#### **2.3.1 Secondary Data –**

Secondary data is the data which was collected by earlier researchers for their own different purpose. When this data is processed and published this becomes available for other researchers to include in their studies. Secondary data was collected from both published and unpublished sources. The main sources for the secondary data were existing literature explored through various internet resources and visiting various libraries, various research papers, research reports, thesis and other publications. The other sources were trade journals related to online shopping of apparels, books and magazines related to e-commerce, publications of the governments, various publications of foreign governments or of international bodies and their subsidiary organizations, various articles in newspapers, reports and publications of various associations connected with to e-commerce and online retailing, various researches and reports prepared by research scholars, universities, economists, etc. in different fields, some public records and statistics, historical documents, and other sources of published information. The sources of unpublished data were data available with scholars and research workers, trade associations and other public/ private individuals and organizations.

### **2.3.2 Primary Data –**

Primary data is the data which is collected by researcher for the first time for a specific purpose. This data is then processed and the findings are analysed to create some new knowledge to be published. In this study primary data is required to determine the behavior of the consumers in offline, online and omni channel mode of apparel purchase. Primarily it is required to associate several behavioral dimensions to offline, online and omni channel mode of apparel retailing. Primary data is collected through ‘survey’ of consumers involved in offline, online and omni channel mode of apparel purchase. The survey was performed through a questionnaire designed for the specific purpose of this study. The designed questionnaire was having two sections. The first section consists of queries related to the demographic profile of the consumers. This section also recorded some purchase behavior of the consumers. This first section recorded the following variable:

1. Gender
2. Age Group
3. Education Group
4. Employment Type
5. Income Group
6. Omni Channel Awareness Level
7. Omni Channel Purchase Decision
8. Apparel Purchase Frequency
9. Apparel Purchase Channel Preference

Second section in the questionnaire consisted of the statements to observe the behavioral dimensions related to retailing characteristics of offline, online and omni channel mode of apparel retailing. This study has identified ten retailing characteristics to study consumer behavior in offline and online mode of retailing. These retailing characteristics were common to offline and online mode of retailing since the behavior of the consumers is to be compared across these two modes. Each of the below characteristics is observed through a statement representing the behavioral dimension related to the characteristic. Although the retailing characteristics were common to offline and online mode the statements were different for both the modes as behavioral dimension related to each characteristic will be different for offline and online mode.

### Offline and Online Retailing Characteristics and Related Statements

SN	Identified Retailing Characteristics	Offline Retailing Behavioral Dimension Statement	Online Retailing Behavioral Dimension Statement
1	Convenience	Going to a store to buy clothes is convenient.	Online shopping for apparels is extremely convenient.
2	Trial Experience	Retail stores have trial rooms that make the process of buying the right fit easier.	The trial of clothes can be done at the convenience of our homes.
3	Tangibility Experience	The experience of touching and feeling the fabric before buying excites me.	The experience of touch and feeling is absent in online shopping which makes it less attractive.
4	Unmatchable Shopping Experience	Shopping for clothes from a retail shop is an unmatchable experience.	The online payment and home delivery system makes shopping unmatchable experience
5	Ease of Return	It's easy to return and replace clothes if bought from an offline retail store.	7 days/ 15 days or 30 days return and exchange policy makes return and replacement easy during online shopping.
6	Decision Making	The sales associate help in buying the right product which makes shopping easier.	Sharing the product information with others and taking their opinion before purchasing has made online decision making easy.
7	Financial Security	Financial transaction during store shopping provides a great sense of security.	Financial transaction during online shopping provides a great sense of security.
8	Store/Website Choice	Going to a store is specific, the choices are limited and comparison with other stores can take a lot of time and effort.	Online shopping Increases the choices exponentially because of the numerous retailing applications.
9	Geographical Limit	Store shopping limits the search for the perfect outfit to a single store, mall or city.	Online shopping gives access to stores all around the world without any limits.
10	Price Economy	The occasional discounts and offers in stores make it easy on the pockets.	The continuous sales and promotional activities make online shopping easy on the pockets.

To analyse the omni channel retailing ten different characteristics were identified. These characteristics were also observed through statements representing the

behavioral dimension related to the characteristic. The identified characteristics and related statements are shown in the below table.

### Omnichannel Retailing Characteristics and Related Statements

SN	Omni Channel Characteristics	Omni Channel Behavioral Dimension	Omni Channel Behavioral Dimension Statement
1	Retailing Experience	Overall Better Retailing Experience Perception	Online shopping along with presence of nearby store enhances overall retailing experience
2	Customer Support	Overall Better Customer Support Perception	The customer support is enhanced by presence of stores along with the retail application.
3	Return & Exchange	Overall Better Return & Exchange Perception	It's more convenient to return and exchange an omni channel bought product than online/offline one.
4	Future Offers	Overall Better Offers for Future Perception	The store credit and website purchase points add up to give better offers in future purchases.
5	Options & Trial	Overall Better Options & Trial Perception	Omni channel retailing combines benefits of store trials with unlimited online choice.
6	Blended Surfing	Surfing Online Before Store Visit	I like checking online before going to the store
7	Blended Buying	Selecting Online, Pick-up and Payment Offline	I shop online and pick-up from the store to pay cash up front.
8	Premium Readiness	Readiness to Pay Premium for Better Retailing Experience	I am ready to pay a little premium for omnipresence retailing experience.
9	Omni Channel Satisfaction	Satisfaction with Omni Channel Retailing Services	I am satisfied with shopping experience with omni present retail format.
10	Loyalty Intentions	Re-purchase Intentions with Omni Channel Retail Format	Better overall retailing experience motivates me to buy again from the same omnipresent platform

### 2.4 Sampling Technique

This section covers the sampling technique and related aspects of population of the study, sampling unit, sample size and actual data collection. The general population of the study includes all the consumers of apparels either through offline, online or omni

channel mode of retailing. Owing to infinite size of the population, it is practically not possible to cover each and every online customer. The concept of sampling is employed to survey a homogenous group of customers so that the data could be analysed and the results could be generalized. The data has been collected from people residing in Uttar Pradesh only. The major cities covered are Lucknow, Gautam Buddha Nagar, Kanpur, Prayagraj, Raibareili, Varanasi, Agra, Ghaziabad, Aligarh and Unnao. Since Uttar Pradesh is a huge state, I had to select a few cities that would be ideal for the kind of data sample I required for the best results. These cities were not only accessible for me but also are few of the big cities of the state with the kind of urban population that would resonate with the topic of my research. As far as the sampling unit is concerned it includes the individual consumer purchasing the apparels through a mix of offline, online or omni channel mode of retailing. The decided sample size for the study was 250+ consumers. In consumer studies involving Likert Type scale, the thumb Rule is to employ a sample size of 5-10 times the number of instruments or statements employed is considered a good sample size. In this study 30 statements were employed so a sample size of 150-300 would be good enough. Therefore, a planned sample size of 250+ was sought.

The next aspect is of sampling technique employed to select the respondents. Primarily Non-Probabilistic sampling design was employed to select and survey the respondents. This sampling technique was chosen because of two reasons – non availability of the sampling frame in India and the financial and time constraints. The major non probabilistic sampling techniques are Purposive and Convenience Sampling and both of these techniques were employed. The individuals were approached either personally or survey was sent online asking whether they purchase the apparels in mix modes. The information was collected through the questionnaire if the individuals were fit to fill the survey.

This exercise was performed as per the convenience of the researcher and the respondents belonged to the researcher's university, shopping mall, various offices, and colleges, and wherever there was a possibility of finding the apparel consumers. In the data collection process more than 300 questionnaires were distributed personally or through some contact and it was sent online to more than 600 e-mails. Continuous follow up yielded a total of 310 responses and after the initial processing and data cleaning only 282 responses were considered fit for further analysis.

## **2.5 Data Analysis Tools and Techniques**

The data collected through the questionnaire survey was entered into SPSS and an initial processing of the data was performed employing the descriptive analysis tools of frequency distribution. During the initial processing any unwanted value entered by mistake was removed, cases with missed were identified and removed. After data cleaning a final sample of 282 was prepared and considered for final analysis. Data analysis was performed using SPSS and Excel. The research methods employed to conduct the study were selected and applied as per the requirement. As mentioned above objective one and three were conceptual in nature and were accomplished through collecting and analyzing secondary data. Primarily data analysis was performed to accomplish objective two of the study. The data analysis was performed in two major parts – descriptive analysis and inferential analysis which is discussed in the below sections.

### **2.5.1 Descriptive Analysis –**

This objective was related to the exploration and description of the demographic profile of the customers purchasing apparels online. To describe and explore the demographic details of the customers various tools like frequency distribution, percentage, cumulative frequency, tabular representation of data, pie charts, bar and column charts were applied. The first section of the questionnaire having the demographic and some behavioral aspects was analysed for its descriptive properties employing the tools of frequency distribution, percentage, cumulative percentage. The descriptive were graphically represented through pie charts and bar charts. The descriptive tools were used to determine the overall profile of the respondent representing the profile of consumers purchasing apparels through a mix mode of offline, online and omni channel retail.

### **2.5.2 Inferential Analysis –**

The second section of the questionnaire was analysed inferentially to study the behavior of consumers in offline, online and omni channel mode of apparel retailing. The consumer behavior in three modes of retailing is done through identifying the retailing characteristics related to offline, online and omni channel mode of retailing. The retailing characteristics are aspects for which the behavior of the consumers in

respective mode of retailing is to be analysed. These characteristics are converted into the behavioral dimensions through the psychographic instruments or statements. Alternatively, it may be stated that each of the behavioral dimensions was captured through a statement representing offline, online or omni channel apparel retailing characteristic. Consequently, the ten identified characteristics for offline and online mode are recorded through respective 10-10 statements as shown in section 3.4.2. Similarly, the ten identified characteristics for omni channel mode are recorded through 10 statements as shown in section 3.4.2. These statements or variables, representing the behavioural dimension were rated by respondents on the basis of degree of their agreement or disagreement with the statement. Originally, the statements (henceforth variables) were recorded on five-point ratings of '1, 2, 3, 4 and 5' denoting 'strongly disagree, disagree, neutral, agree and strongly agree' respectively.

The comparison of behavior of consumers in offline and online mode of apparel retailing is done in two steps. In the first step, it was established whether or not the particular behavioral dimension is associated with offline, online and omni channel retailing, and in the second step the established offline and online retailing behavioral dimension is compared. To statistically establish whether or not the respective dimension is associated significantly with offline, online and omni channel mode of apparel retailing, the statistical analysis is done employing '*One Sample Chi Square Test of Equal Occurrences*'. Since each dimension consisted of two variables, one for offline and the other for online, a separate inferential analysis is done on each variable.

The inferential analysis performed employing One Sample Chi Square test will establish essentially whether or not the particular characteristic or behavioral dimension is significantly associated with the respective type of retailing (offline, online or omni channel retailing). As mentioned earlier, each behavioral dimension is measured through a set of statements rated on various degrees of agreement or disagreement; however this test requires only categorical responses or only the pure categories representing either agreement, neutrality or disagreement. To convert the observed scale into categorical responses, the first two separate responses representing disagreement – the 'strongly disagree' category and 'disagree' category was merged to form a pure category of 'disagreement'. The next response of 'neutral' is itself categorical in nature hence this category it is left unchanged. The last two separate responses representing agreement – the 'agree' category and 'strongly agree' category

was merged to form a pure category of ‘agreement’. Following this exercise, each of the statements has three response categories of ‘disagreement, neutral and disagreement’, implying that now the respondents will have three categories of responses – either the respondent will ‘disagree’ with the statement, or the respondent will have a ‘neutral’ opinion about the statement, or the respondent will ‘agree’ with the statement.

Interpretation of the responses yields that ‘disagreement’ with the statement means that the particular characteristic (behavioral dimension) in question is not associated with the type of retailing (offline and online) in question. The neutral opinion means the respondent is not sure whether the particular characteristic is associated or not. And the response of ‘agreement’ with the statement means that the particular characteristic (behavioral dimension) in question is associated with the type of retailing (offline, online or omni channel retailing) in question. Once the merging of responses is done there can be four possibilities:

- i. Majority of the respondents ‘disagree’ with the statement, if substantially (significantly) more number of respondents ‘disagree’ then it may be concluded that statement is ‘untrue’ and the retailing characteristic is not associated with type of retailing in question.
- ii. Majority of the respondents have ‘neutral’ opinion about the statement, if substantially more number of respondents are neutral then it may be concluded that the respondents have neutral opinion about the retailing characteristic and they are not sure whether the retailing characteristic is associated or not with type of retailing in question.
- iii. Majority of the respondents ‘agree’ with the statement, if substantially (significantly) more number of respondents ‘agree’ then it may be concluded that statement is ‘true’ and the retailing characteristic is associated with type of retailing in question.
- iv. And if the incident of the three categories of ‘disagreement, neutrality & agreement’ is equal, it implies that it cannot be concluded whether the statement is true or not and it cannot be inferred with the observed data that whether the retailing characteristic is associated or not with type of retailing in question.

These four possibilities are tested by '*Chi Square Test of Equal Occurrences*'. This statistical tool essentially tests the null hypothesis that all the categories occur with equal probability against the alternate that all the categories do not occur with equal probability. In the present study these categories are 'disagreement, neutrality and agreement' with the statement. In the context of retailing characteristic related to behavioural dimension the generic null and alternate hypothesis for these categories.

H<sub>0</sub>: All the three categories – 'disagreement, neutrality and agreement' related to retailing characteristic occur with equal probability.

- Hence it cannot be concluded that the statement is 'true or not' and it cannot be inferred whether the retailing characteristic is associated or not with type of retailing in question.

H<sub>A</sub>: All the three categories – 'disagreement, neutrality and agreement' related to retailing characteristic do not occur with equal probability.

- Hence it may be concluded that the statement is 'true or not' and it may be inferred whether the retailing characteristic is associated or not depending upon the frequency of occurrence of the specific category.

These null and alternate hypotheses formulated are generic for the retailing characteristics. As stated above, this study has identified ten retailing characteristic related to behavioural dimensions in each of the offline and online mode of apparel retailing. The characteristics in each of the offline, online or omni channel retailing mode are analysed separately, first the analysis is done for offline and online mode followed by analysis for omni channel mode.

### **3. Results and Findings**

#### **3.1 Conceptual Framework of Consumer Behaviour and Omni-Channel Retailing**

The first objective of the study can be best explained by looking into the concept behind turning retail businesses the omni-channel way and its effect on the consumers. Following are few major reasons that led the retailers to become omni-channel:

- **Change is Constant:**

Nobody can deny that in order to retain customers and survive in the competitive market, retailers need to constantly change their strategy. A format that works now may not work a few years later, the only thing that's constant is change. Also, when rest of the market is changing, you just cannot hold back as a retailer or a business owner.

The current market situation demands being omni-channel to thrive. Specifically in the apparel industry, there has been a boom in online stores. Digitalisation has given platform to numerous home-grown brands to reach customers all over the world. Covid-19 has also been a major reason for this shift, when stores had to be closed offline due to severe lockdowns, a lot of business found their audience online and survived in tough times, some even prospered and reached new height by going online.

To summarize this, there is always going to something new, if retailers don't adapt to it, there are hundreds of businesses to take their place that accepted the change and moved on with it.

- **Market diversification:**

Only being omni-channel can truly diversify the market for retailers. If a retailer is simply a store owner, he can attract customers of that particular area. If he opens multiple stores at different locations, the customers are still limited to that particular city or country. Also, that requires a lot of capital and manpower which may not be possible for a small or medium scale retailer. Now if the same retailer opens an online store along with a established brick-and mortar store format, the opportunities are endless. The website can be accessible to whichever part of the world the retailer wants to exist in. The reach increases drastically.

There is no denying that online stores require capital too, especially if it's an apparel store the product advertising needs to be on point. It requires proper models and photoshoots for the product to be visually aesthetic, plus the added cost of shipping and packaging, which is usually incurred by the buyer, but it increases the cost of the product, which is usually unpleasant for the customer. Though, making online presence is a difficult and expensive process and requires a lot of technical assistance it still is cheaper than expanding business by opening another store.

- **Technological advancement:**

The way digitalisation has emerged in our country and now almost more than half of the population has a mobile phone and internet access, the power is in the hands of the consumer. The retailer has to provide what the customer demands. No one would have imagined a few years back that instead of going to a restaurant to eat, the food could be delivered within a few minutes to your home. The groceries now get delivered in as fast as 10 minutes, you can imagine the bar being set so high. Apparel industry is expected to hop on this technologically rich wagon because customers won't settle for anything less.

- **Market competition:**

In today's day and age when new businesses are emerging every day on both online and offline platforms, there is a strong need to keep up with the competition that comes towards the way of retailers. If the rest of the market is embracing OC retailing no one can shy away from it, because it boils down to survival of the brand. The market competition is now not just limited to the brands of home country, it spreads on a global level. A lot of international brands have stores in our country with equal presence online giving Indian brands a run for their money. OC bridges the gap and gives retailers equal opportunity to thrive, so why would no retailer turn towards it.

- **Globalisation:**

The market is so wide that it does not stop at man-made borders. There sure are taxes and rules for imports and exports in every country but trade has been simplified for economy to flourish. India is a hub for a lot of International brands for example Michael Kors, Coach, Bottega Veneta, Gucci, Armani, Versace etc. All these brands have apparel sections and are hugely popular among the urban youth. They have stores in metropolitan states of the country and are also present online through their individual websites and other websites like Tata Cliq Luxury, Ajio Luxe, Farfetch, Darveys etc. They are flourishing on both the platforms. I personally have seen huge queues in front of the Gucci and Michael Kors stores, which was a bit shocking for me, because those brands are extremely expensive but still have managed to create a niche market for themselves. This just proves that no matter what your target audience is if you have made your place in the OC retail environment and are providing the customers what

they need, in terms of product or the after-sale service, you will become a profit making business.

- **Customers demand better service:**

The current market is so cut-throat that a brand can only survive if they have an additional advantage over the other. Especially in the apparel industry, presentation is primary. These days customers will only visit your store, if you have X factor, a potential buyer will check the website or mobile application, see a model wearing a dress, check the measurements, material and description, do a price comparison on different websites, see whether the product can be exchanged or returned, read about the after-sale services and only then will buy from you or end up visiting your retail store.

Since there are numerous options available in the market on different platforms, consumers are spoilt for choices, they can only become recurring customers if the brand treats them well, because to be honest, apparel industry is a kind of industry where every brand is selling something similar, if a consumer does not have an emotional involvement with your brand, it's easy for him to take his business elsewhere. Therefore, in order to retain customers and keep them coming for more, stores need to be innovative and treat customers as the King they are. This includes great after-sale services, quick returns and exchanges, faster deliveries and superb grievance redressal.

- **Buying behaviour of customers has changed:**

Retailers need to be OC because the buying behaviour of customers has drastically changed with time. Customers are now expecting an entire experience while shopping. They might visit your store and buy from the website when its sale season, or do entirely opposite of it. Shopping has become so convenient now that it is spread through a number of platforms and all the platforms are interlinked that it's difficult to judge what a customer will eventually choose. In order to be relevant, a retailer has to understand the right platform for their target customer group by proper research so that they are able to satisfy the customers and at the same time earn maximum profits with minimum investments.

- **Increasing profits:**

In order to constantly increase profits retailers need to expand their businesses which has now become easier due to the rise of OC. Before e-commerce, expansion only meant either increasing the size of the retail store, or increasing the number of retail stores. But e-commerce has opened up the market to unimaginable lengths that only sky is the limit. If a retailer has an already flourishing business and the right resources than no one can stop him from creating an empire for himself by expanding not just physically but also over the internet that can give him a global name and recognition and skyrocketing profits.

- **Shopping is not just limited to buying anymore:**

Retailers need to understand that customers now have numerous choices both online and offline, they are no longer looking to just make a purchase, they are looking for a lavish experience. Any brand that treats them well and makes them wanted will have their business. Attention of a customer can be retained only if the product you are selling is of class apart quality and you are offering them the service that makes them feel like home. Every part of the shopping experience needs to be hassle free. Often we hear through word-of-mouth that the service of a particular brand is bad, even though their product is superior than the competition, customer will hesitate from buying through them, because customer will only invest their time and money on a brand that cares about them.

### **3.2 Impact of Apparel Industry on National Economy**

The third objective of the study can be best described in terms of recent data that depicts the growth of the country both domestic and global through Apparel Industry. Current report of Invest India shows the following numbers with regards to apparel industry, this helps in better understanding of its impact on the national economy.

- India is one of the largest producers of Apparels and Textiles in the world.
- 2% of the country's GDP comprises of the contribution from domestic apparel and textile industry. The output value stands at 7%.

- In 2020-21, the share of apparel, textile and handicrafts in India's total exports was 11.4%.
- India holds 4% share of the total global trade in apparel and textiles.
- India is one of the largest producers of cotton and jute in the world, second largest producer of silk and holds a whopping share of producing 95% of the world's handwoven fabric.
- Technical textiles segment is estimated at 16 billion dollars which is approximately 6% of the global market.
- This industry is the second largest employer in the country and provides employment to 45 million people directly and 100 million people in allied industries.
- There was a 54% and 67% growth in export of cotton textiles during financial year 2021-22 over 2020-21 and 2019-20, respectively.
- Seven mega textile parks have been planned to double the industry size to \$190 bn by 2025-26.
- India has a share of 5% of the global trade in textiles and apparels.

### **3.2.1 Role of Indian Apparel and Textile Industry in the Economy**

Apparel industry plays a significant role in the economy. The Indian apparel industry is one of the largest and most important sectors in the economy in terms of output, foreign exchange earnings and employment in India. It contributes 20 per cent of industrial production, 9 per cent of excise collections, 18 per cent of employment in industrial sector, nearly 20 per cent to the country's total export earnings and 4 per cent to the GDP. The sector employs nearly 35 million people and is the second highest employer in the country. The textile sector also has a direct link with the rural economy and performance of major fibre crops and crafts such as cotton, wool, silk, handicrafts and handlooms, which employ millions of farmers and crafts persons in rural and semi-urban areas. It has been estimated that one out of every six households in the country depends directly or indirectly on this sector. India has several advantages in the apparel sector, including abundant availability of raw material and labour. It is the second

largest player in the world cotton trade. It has the largest cotton acreage, of about nine million hectares and is the third largest producer of cotton fibre in the world. It ranks fourth in terms of staple fibre production and fourth in polyester yarn production. The apparel industry is also labour intensive, thus India has an advantage.

### **3.3 Comparative study of behaviour of consumers in offline and online mode of apparel retailing**

The second objective of this study has been achieved through sample collection and testing and the findings of the same are as under.

#### **3.3.1 Findings from Demographic Analysis**

- It was found that the sample consists of 57.45% of male respondents whereas the 42.55% of the respondents were female. Males form majority of the sample however the female count was also quite considerable. The total sample size of 282 respondents has good representation of both males and females.
- It was found that a quarter i.e. 25% of the respondents were in age group 14-18 years, 37% were in 18-25 years age groups, 20% of the respondents were in 25-35 years of age group whereas 25% of respondents were having age of 35 years or above.
- It was found that the sample consists of 5.3% of the respondents having education level below HSC, 12.8% having education level of HSC or intermediate, 44.3% of the respondents were graduates while 25.5% were post graduates, whereas 12.1% respondents were either scholars or PhDs. It was found that majority of the apparel buyers were either UG or PG, while the representation of other education level was also considerable.
- It was found that 8.5% of the respondents were self-employed, 52.8% belonged to the salaried class whereas 38.7% were unemployed. It was found that majority of the apparel buyers were salaried class followed by unemployed group, these unemployed group were mostly students.
- It was found that 39% of the respondents that had no income were mostly students, respondents having income of less than Rs. 10,000 were 11% of the

sample, 14.5% of the respondents were in income group of Rs. 10-25,000, 12.5% of the respondents were in income group of Rs. 25-40,000, 13.8% of the respondents were in income group of Rs. 40-50,000, whereas about 10% were having an income of more than Rs. 50,000.

### **3.3.2 Findings from Purchase Behaviour Analysis**

- It was found that 63% of the respondents who were already aware of the omni channel format of retailing while 37% of the respondents learnt about the omni channel through the survey. Majority of customers already knew about omni channel format of retailing.
- It was found that 56.4% of the respondents had purchased through omni channel retail formats at least once while 43.6% of the respondents never purchased through omni channel retail formats. Majority of customers who already knew about omni channel format of retailing purchased at least once through omni channel retail format.
- With regards to purchase frequency, it was found that 13% of the respondents purchase once a month, 30% of the respondents purchase once in 3 months, 38% of the respondents buy apparels once in 6 months, whereas 19% of the respondents purchase apparels once in a year. In conclusion majority of the customers buy once either in 3 or 6 months.
- It was found 45.7% of the respondents prefer to buy apparels from stores, 33.3% of the respondents prefer to buy apparels only from online channels while about 21% of the respondents juggle between online-offline platforms and buy apparels from omni channel retail formats.

### **3.3.3 Findings from Comparative Study of Consumer Behaviour Analysis in Offline and Online Apparel Retailing**

In order to determine a comparative data between offline and online mode of retailing, ten behavioural characteristics were identified and were tested individually on a scale of Agreement, Neutrality and Disagreement for both online and offline modes of retailing. The findings for each of the ten characteristics identified in a consumer are as under:

- When **Convenience** was tested it was found that significantly more number of consumers have the perception that Online Retailing is convenient whereas Purchasing from Stores is not convenient.
- When **Trial Experience** was tested it was found that significantly more number of consumers have the perception that Store Trial Experience makes the process of buying fit easier whereas trial of the purchased apparel at home during Online Purchasing is not convenient and ideal to buy the right fit.
- When **Tangibility Experience** was tested it was found that significantly more number of consumers have the perception that the Tangibility Experience during Store purchase excites them while it is conspicuously absent in Online Shopping making it less attractive.
- When **Shopping Experience** was tested it was found that significantly more number of consumers have the perception that online payment and home delivery makes Online Shopping an Unmatchable Experience while purchase from retail shop is not an Unmatchable experience as that of Online Purchase.
- When **Ease of Return** was tested it was found that significantly more number of consumers have the perception that the return and replacement of store bought items is easy while return and replacement of items purchased online is not that easy irrespective of various return and exchange policies of online retailers. This was contrary to my personal belief because I personally felt the opposite.
- When **Ease of Decision Making** was tested it was found that significantly more number of consumers have the perception that the assistance provided by sales associate during Store Purchase help in buying decisions whereas in Online Shopping the information sharing and opinion seeking does not help to make decision easy.
- When **Financial Security** was tested it was found that significantly more number of consumers have the perception that cash or card transaction provides a great sense of financial security when done personally while financial

transactions during Online Purchase does not provide the sense of financial security due to increasing cyber frauds.

- When **Store/Website Choice** was tested it was found that significantly more number of consumers have the perception that there are exponential choices of websites for online shopping while store purchase is specific, the choices are limited and comparison with other stores can take a lot of time and effort.
- When **Geographical Limit** was tested it was found that significantly more number of consumers have the perception that store purchase limits the choice of store, mall or city whereas online shopping provides access to stores all around the world without any limits.
- When **Price Economy** was tested it was found that significantly more number of consumers have the perception that store purchase limits the choice of store, mall or city whereas online shopping provides access to stores all around the world without any limits.

### **3.3.4 Findings from Consumer Behaviour Analysis in Omni-Channel Apparel Retailing**

In order to determine consumer behaviour in Omni-Channel Retail scenario ten characteristics were identified and one statement for each of them was formulated to record the responses of the consumers based on their perception towards it. The findings for each of the characteristic is as under:

- When **Experience** was tested it was found that overall better retailing experience is associated with omni channel mode of apparel retailing. There is a sense of ease and smoothness in shopping experience when customers have a choice of medium and cross-channelling is also available.
- When **Customer Support** was tested it was found that better Customer Support is associated with omni channel mode of apparel retailing. This implies that significantly more number of respondents have the perception that Customer Support is enhanced by presence of stores along with the retail shopping application.

- When **Ease of Return and Exchange** was tested it was found that better Return & Exchange is associated with omni channel mode of apparel retailing. This implies that significantly more number of respondents have the perception that Return & Exchange is comfortable when customers have access to do so in whichever medium convenient to them.
- When **Future Offer Availability** was tested it was found that respondents had a mixed response towards this characteristic, therefore it cannot be concluded for sure that whether consumers believe that store credits and website points have any significant effect on their future purchases or not.
- When **Options and Trial Frequency** was tested it was found that consumers do not associate in-store trials with unlimited online choices, it can be concluded that while apparel shopping a lot of respondents do not mix channels as much as the brands would like them to. This implies that significantly more number of respondents do not have the perception that omni-channel retailing combines benefits of store trials with unlimited online choice.
- When **Blended Surfing Frequency** was tested it was found that it cannot be concluded whether Blended Surfing is associated or not with omni channel retailing. This implies that on the basis of observed data it could not be concluded whether or not the customers check online before going to the store.
- When **Blended Buying Frequency** was tested it was found that significantly more number of customers surf and select online and prefer to pay and pick-up the product from the store because it gives them a sense of double assurance, tangibility and financial security as they do not require to use online payment mode.
- When **Premium Payment Readiness** was tested it was found that significantly more number of customers are ready to pay a little premium amount for omnipresence retailing experience. For example, customers would not mind paying extra delivery cost for a product that they bought online could be delivered to them same day from the nearest store that the brand has.

- When **Satisfaction** was tested it was found that significantly more number of customers are satisfied with shopping experience of omni-present retail format.
- When **Loyalty Intentions Frequency** was tested it was found that better overall retailing experience motivates significantly more number of customers to buy again from the same omnipresent platform.

## **4. Future Suggestions and Limitations**

### **4.1 Suggestions based on findings**

Based on the findings of the research following are the suggestions that shall be incorporated by the Apparel Industry for the enhancement of the consumer buying experience.

- There is scope for generating more awareness about omni-channel mediums by the companies, so that more and more people know about how convenient and hassle-free they can make their shopping experience. A lot of apparel shoppers still depend on brick and mortar stores just because they are not even aware that the same stuff is available online as well, sometimes probably at cheaper rates.
- The Retailers need to advertise more about multiple channels of purchasing their product and the benefits associated with them individually in order to generate interest in consumers by incorporating special offers, gift cards, store credit etc. Doing this will not only bring in more customers but also will increase consumer's faith in the company and make the consumers feel privileged.
- Since clothes are something that require proper trial before purchasing them, retailers need to make the Trail of Apparels a smoother experience both in offline and online purchases. Long queues in stores because of lesser number of trial rooms hamper the trial experience. Trial in homes is on the one side convenient but on the other side the whole return and replace process is quite frustrating at times. One of the special mentions here is Myntra's Try and Buy feature wherein the delivery agent will wait for you to try the product and instantly return

the product if you don't like it, but I don't know anyone who uses this feature because its mostly not feasible. Another example is Caratlane which offers a similar facility but since they don't sell clothes but jewellery, this model really works for them. Apparel Industries need to find more such methods that enhance consumer's experience but are actually feasible as well.

- One of the most shocking findings of my study was in Ease of Return category where online and offline ease of return was compared and the respondents founds returning in stores easier than online purchase return. It was contrary to my personal experience and belief. This clearly shows that online bought product's return process is not that smooth for shoppers as I believed it to be. The suggestion here is for the companies to thoroughly work on their after-sale services as rigorously as they do while selling the product. Better complaint redressal and faster resolutions is something that a consumer desires from any retailer.
- In case of ease of decision making while making online purchase, my suggestion is to work on the application and create features that make sharing the product in any of the chatting apps easier. This feature already exists in most apps but a step further would be to create chat feature within the app that lets consumers create groups and interact about a certain product with friends and family then and there, so that the decision making is easier and quicker. Another suggestion here would be incorporating Artificial Intelligence (AI) or a bot that helps and suggests similar products that exist in a consumer's wishlist which makes decision-making easier by narrowing the options.
- Another major issue that consumers face is the fear of using online payment methods while purchasing. Government is already promoting citizens to go cashless as much as possible but anti-theft policies, end-to-end encryption and safer payment gateways is something that needs more polishing. Online transaction frauds happen in abundance in our country and in order for consumers to gain trust in this payment system stricter policies need to be put in place.

- Last suggestion that the findings of the study point towards is simply treating consumers as the King they are. Consumer satisfaction is and always should be the ultimate goal of any company. No business should ever forget that and always push themselves harder towards making the shopping process as smooth and hassle free as possible from the beginning till the end.

#### **4.2 Limitations Of The Study**

The limitations of this study are as under:

- The respondents of the study were only from major cities of Uttar Pradesh. This limits the scope of the findings to the place where sample is collected therefore restricting the generality of conclusions of the study to the place where sample is being collected.
- Financial limitations of the researcher and paucity of overall resources was also a key constraint for this research.
- The other major limitation was Time. Since this research is purely academic in nature, a set time frame was stipulated to complete the study leading to conduction of the study under various constraints.
- The method or tool used to collect the data was in the form of ‘Structured Questionnaire’. The responses may suffer from personal bias limiting the validity of conclusions for the whole population and therefore affecting the reliability of the findings.
- Due to the sample size being limited because of limited time and the research being for educational and career advancement purposes, this research work is representation of a very few people considering the population of our country.
- There are many other aspects of Omni-Channel Retailing that are emerging every day, with platforms like Virtual reality, Metaverse, Drone delivery etc. the omni-channel has a lot of future possibilities, this study focuses on a limited part of this concept and there exists a lot of scope for research in the future.