FACTORS THAT AFFECT BUYING DECISIONS OF CUSTOMERS IN RETAIL CLOTHING INDUSTRY

BY

M.M. AU

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EXECUTIVE SUMMARY

In financial downturn competition for ones' disposable income intensifies as consumption patterns change due to limited buying power. Customers are forced to change their lifestyles as the fight against impulsive buying and luxurious spending is diminished and suppressed by the need to focus mainly on essential or basic items. Job losses also spiral as companies continually face the challenge to keep the costs down which results in a situation where firms are unable to hold on to their staff. But in Lesotho, Chinese shops particularly clothing retailers seem to be defying the odds and flourishing at an alarming pace yet Chinese products are synonymous with poor quality. So the question is, are these Chinese products most affordable during these hard times?

The purpose of this study was to determine the factors that affect buying decisions of customers in the retail clothing industry with a sample of 51 respondents aged 25 to 50 towards their buying decisions with regard to clothing. The data were collected using mall intercepts with a structured questionnaire. The subjects of the study were 32 male and 19 female respondents.

A few questions were put forward and results were mostly supported. Descriptive analysis, was employed to answer the research questions on the similarities and differences among the variables. The results showed that buying clothes during financial crises is competing with basic items like food as people divert most of their money to food items. The results further showed that most of the factors are relevant in terms of swaying customers buying decisions to a certain direction. Price and prestige were very important although price had different meanings to different individuals.

The aim was also to reveal critical elements that guide respondents' buying decisions. Cheap prices which favour Chinese clothing retails, image of the store and approval by others were articulated as most relevant guiding elements. Availability (convenience) and good service from clothing retail shops revealed that there was little difference with the other elements in terms of guiding decisions. Chinese shops were rated lowest in terms of overall service delivery while non-Chinese were highest. The frequency of buying clothes was high which implied that low quality clothes were the mostly bought items. The recommendations for improvement have been indicated and suggestions for further research.

DECLARATION

I, Maritse Matthews Au, hereby declare that this research thesis is my own original work, that all reference sources have been accurately reported and acknowledged, and that this document has not previously, in its entirety or in part, been submitted to any University in order to obtain an academic qualification.

MARITSE MATTHEWS AU

Signed at Mafikeng Campus (North-West University) in the Republic of South Africa

On the 19 day November 2010.

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CHAPTER 1

INTRODUCTION AND ORIENTATION TO THE STUDY

1.1 INTRODUCTION

The rules of the retail market have recently changed. Pronounced and significant shifts in demographics, attitudes and values have fragmented the marketplace. This has created a world of extremes as consumers are diverting a greater share of disposable income to non-retail areas (Myers and Lumbers, 2008:297). Consumers now want products and services that meet their individual needs, preferences, smarter, more price conscious, more demanding and less forgiving, as a result they are approached by many more competitors with equal or better offers (Kotler, 2000:72). They are willing to pay premium prices for products that matter to them personally, but demand rock-bottom prices for basic goods (Kotler 2000:72). Thus, today's savvy customers have far greater expectations of the shopping experience than those of the past. So how can retailers deliver a satisfying experience? Kotler (2000:72) argues that it is no longer enough to satisfy customers, one has to delight them. Retailers have to focus on developing an integrated view of their target customers. This can be done through creating an experience that is convenient and adaptive to accommodate changing expectations; and providing a flexible product/service offering. This customer-centric approach (Kotler, 2003:273) starts with a much better understanding of modern shoppers and how their needs are evolving. This chapter aims at introducing the topic and its background, objectives of the study and the approach that is going to be used in this study.

1.2 STATEMENT OF PROBLEM

Lesotho, like many countries in the world has been hit hard by the global economic meltdown which has prompted households and businesses to revise their budgets downwards, reducing their demand for consumer goods (Central Bank of Lesotho Economic Review, 2009:1).This has impacted negatively on the buying patterns of consumers around the globe as companies scale down their operations resulting in more job losses (Central Bank of Lesotho Economic Review, 2009:4). This condition has forced consumers to cut down on their purchases. Purchases of basic items are also affected as production costs increase and retail prices spiral in response to the former. Many Third World economies have neglected their local markets by shifting to export markets which have greater purchasing power Chitpan (2005:15). Phau and Leng (2007:71) indicate that purchasing of apparel in most cases is done to satisfy basic needs and various wants of the consumers, which indicate status, identity, self-concept, self-esteem and give individuals a way to impress others. The trend is that foreign brands are much preferred than locally manufactured brands. Most of the merchandise sold in Maseru is foreign including merchandise from China which according to Phau and Leng (2007:85) seems to receive less popularity in most of the continents. But contrary, Chinese retailers in Maseru seem to be flourishing. The question one could raise is what causes Basotho to buy from Chinese shops? Is it cheap enough to mitigate the pressure exerted by the financial meltdown or what? This study, therefore intends to investigate factors that affect buying decisions of consumers in Chinese shops.

1.3 BACKGROUND OF THE CLOTHING CONSUMER IN MASERU DISTRICT

Recently from 1997, many shops that were owned by South African chain stores were closed due to political instability in Lesotho. In place of these, there has been an influx of many Chinese chops in Maseru. Chinese goods are known to be very popular for their poor quality all over the world. This being the case, consumers in Lesotho, particularly in Maseru where the study is concentrating are virtually left with 90% of Chinese owned retails. However, a few South African clothing retailers are still operational and it is believed that they offer quality merchandise compared to the Chinese retailers.

United Nations Regional Information Networks (2008:1) confirms that 'Chinese presence in Lesotho is not a new phenomenon. For more than a decade, immigrants from mainland China, Taiwan and Hong Kong have fuelled Lesotho's economy, as apparel manufacturers from Asia were drawn by tax incentives and rent discounts in Lesotho. Today these textile factories are the country's biggest employers, providing more than 40,000 jobs. People who came to run these factories have brought their members to Lesotho. At present it is estimated that 5,000 Chinese now live (United Nations Regional Information Networks 2008:1). Many have set up general stores stocked with low-cost, imported goods, even in the most remote rural villages of Lesotho. Backed by a formidable supply and distribution network with direct ties to China, these shops often force local retailers out of business. So, while ethnic Chinese make up less than 5 percent of the country's population of 2 million, they have become the country's most successful business community.

1.5 OBJECTIVES OF THE STUDY

- To find out the factors influencing the purchasing decisions in the retail clothing industry in Maseru.
- To identify critical elements guiding consumers when engaged in buying

decisions.

- To investigate on service delivery and how it affects the purchasing decisions of consumers.

1.6 SCOPE OF THE STUDY

- The boundaries for this survey will be the working people who earn medium and high income and who shop in Maseru.
- The study is conducted in the urban area of Maseru. Therefore, the findings may only be relevant in the Maseru urban area.
- The non-probability sample is used, thus the findings may not be projecting true characteristics of the population.
- This study is undertaken by the student as part of a learning exercise and may not be suitable for application in a business environment.
- The sample size is restricted by budget and time constraints, thus the results may not be projecting true characteristics of the population.

1.7 IMPORTANCE OF THE STUDY

1.7.1 Importance to Society

The study will highlight the areas or marketing gaps that exist in the retail clothing industry for potential investors in Lesotho. By gaining an insight into how consumers recognize needs and how they go through the purchasing process, retailers can correctly direct their market offering, stimulate needs and provide information in the right stages of the purchasing process. When producers understand what consumers need and how to satisfy consumer needs, the economy would work more effectively since there would be no gaps in production and inappropriate items would not be produced.

1.7.2 Importance to Science

It is envisaged that this study will contribute in the area of science by providing deeper understanding and appreciation of the marketing gaps that exist in the retail clothing industry. It might even reveal new methods, techniques and approaches for dealing with area problems in this industry.

1.8 RESEARCH OUTLINE

The study is divided into five chapters, which include, the introductory chapter, chapter 2, which is reviewing the literature relating to consumer buying behaviour. In chapter 3 research methodology is comprehensively dealt with and chapter 4 provides a detailed chronology of results obtained from the consumer buying behaviour in the clothing industry and analysis of the results in terms of the literature presented in chapter 2. Chapter 5 contains discussion of the results while chapter 6 contains conclusion and recommendations for further study.

CHAPTER 2

LITERATURE REVIEW

2.1 INTRODUCTION

This chapter introduces, highlights and reviews empirical researches which put into perspective the views relevant to consumer buying behaviour in the clothing retail. The chapter further reviews the importance of consumer buying behaviour, the purchasing and consumption behaviour in this financial crisis situation. The efforts will be to explore several avenues in relation to how consumers use goods and the meanings that are assigned to those goods. Szmigin (2003:40) suggests that consumers today, as never before, define their self-identity and indeed their social or group identity through their possessions, the meanings attached to them and their messaging roles. This will form the basis for this study.

2.2 THEORETICAL FRAMEWORK OF THE STUDY

According to Szmigin (2003:40) consumers define their self-identity and their social or group through their possessions, the meanings attached to them and their messaging. In shopping environment, consumers not only evaluate merchandise quality but also consider service quality, Laroche, Teng, Michon, and Chebat (2005:157). This indicates that consumers engage in transactional activities with the hope that whatever is transacted will help identify and communicate to others their positive image or 'differentiate themselves and present their own unique identity to the world', (Szmigin 2003:41). Solomon (2007:14) reiterates this by saying that people often buy products not for what they do, but for what they mean.

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2.3 THE ROLE OF COMPETITION

Boyd, Walker, and Larreche (1998:71) agree that the intensity of competition has increased resulting in vast array of new and higher quality products, services and the aggressive pricing practices of many companies. Cant, Brink, and Brijball (2006:15) also concur that the differences between competitors are shrinking in terms of product quality. This makes it much more difficult for companies to meet customer needs. Today's rapidly changing marketing environment is compelling service firms to seek more creative and flexible means for dealing with competition (Chen, Shi, and Dong 2007:11).

2.4 THE ROLE OF ECONOMIC CONDITIONS

McKenzie and Schargrodsky (2005:1) argue that although households may not be able to prevent a fall in total expenditure during these times, they adjust the basket of goods purchased in order to reduce the fall in food expenditure. Then the question is what happens to other basic needs particularly clothing? Households are likely to reduce purchases of other items like semi-durable items in order to increase amounts directed to food purchasing. As a result of economic crisis, a consumer faces daily challenges related to his financial and material safety, increase of unemployment, fluctuations in consumer prices, restrictions in loan accessing, and fluctuations in currency exchange rate. All these affect the consumer attitude in the consumption and purchasing process (Aliqah and Al-rfou 2010:618). The meaning derived from these challenges is that during economic meltdown times the overall lifestyles of consumers change in an effort to adjust to the prevailing situation. Consumers are likely to change their buying behaviour in an attempt to re-adjust and complement their coping strategies. Furthermore, McKenzie and Schargrodsky 2005:2) contest that consumers are also likely to reduce the quality of products purchased. As indicated that semi-durable items are likely to experience a significant fall, clothes are therefore likely to fall under the category of the low-quality purchases as well.

2.5 CONSUMER BUYING DECISIONS

Shiffman and Kanuk (2004:547) describe decision as the selection of an option from two or more alternatives. Strydom, Jooste and Cant (2002:72) argue that consumer buyer decision making varies with the type of purchase decision and distinguishes four types of purchase decisions based on the degree of buyer involvement and the degree of differences among brands. Kotler (2000:205) identified several steps that the consumer goes through before engaging in buying decisions. On the other hand, Kwan, Yeung and Au (2004:1) contest that consumers may rely on simple strategies, rather than going through a series of steps or processes rationally when they make purchase decisions. Karjaluoto, Karvonen, Kesti, Koivumaki, Manninen, Pakola, Ristola, and Salo (2005:64) express that consumer decision making process is usually guided by already formed preferences for a particular alternative. This means that consumers are likely to make the choice between alternatives based on limited information search and without detailed evaluation of the other alternatives.

The empirical studies as proved by many researchers have shown that even though the buying decision process exists, it is not often that consumers engage it fully. But it is still very important to go through the stages which consumers experience. Chitpan (2005:16) identifies the stages as need recognition, information search, evaluation of alternatives, purchase decisions, and post purchase behaviour.

2.5.1 Problem recognition

Chitpan (2005:17) argues that problem recognition occurs when the consumer perceives a difference between what the consumer has and what the very same consumer would like to have. This can be awakened by information on past experiences stored in the memory of the consumer, basic motives or cues from reference groups.

2.5.2 Information search

Solomon (2007:308) defines information search as the process by which the consumer surveys the environment for appropriate data to make a reasonable decision.
Chitpan (2005:19) indicates that the amount of effort the consumer directs towards searching depends on such factors as:-

- The importance of satisfying the need,
- Familiarity with available solutions and
- The amount of time available to search.

Information search can come from many sources depending on how much information is already there. Family, friends, celebrity endorsements, recommendations, memory, past experiences, handling, trying, examining, salespersons, in-store displays, newspapers, radio, product placement and television are all possible sources of information for guiding consumer decisions as identified by Wright (2006:28).

2.5.3 Assessment of alternatives

Chitpan (2005:20) acknowledges that consumer's search efforts may result in a set of options from which a choice can be made. The consumer goes through two levels where he/she will create a set of possible solutions to his/her needs and evaluate particular products within each solution. Wright (2006:28) identifies price, value brand as some of the factors that will help the consumer make decisions.

2.5.4 Purchase decisions

Purchase as shown by Chitpan (2005:21) is the fourth stage of consumer buying process which has to address issues like 1) whether to buy, 2) when to buy, 3) what to buy, 4) where to buy, 5) and how to pay. The most important issue is that the feelings of others can greatly influence the decisions. Chitpan (2005:21) also adds that even in this stage, purchase intentions and decisions are likely to be influenced by:-

- The attitude of others and
- Whether the consumer intends to comply with other's wishes.

At this stage it is crucial that the task is made as easy for the consumer to act. Wright (2006:28) reiterates that complications such as unhelpful staff, improperly functioning systems, delays and lack of stock can scare off the consumer and destroy all the work that has gone on before. In the clothing industry, Solomon (2007:352) indicates that it is very important to remember the customer's size and even what was sold to them last time. The decision will normally lead the consumer to decide which product or brand to purchase from which dealer, at what price and probably when to engage in that kind of transaction.

2.5.5 Post purchase behaviour

It is natural that after purchasing, the consumer will always experience some level of satisfaction or dissatisfaction and this is supported by Wright (2006:28) who states that it is common for consumers to experience some concerns after making a purchase depending on the importance and the value of the decision. This arises from a concept that is known as 'cognitive dissonance'. The consumer, having bought a product, may feel that it does not live up to their expectations or that maybe an alternative would have been preferred, Chitpan (2005:23). In situations like these, the consumer may not engage in immediate repurchase of the product but is likely to switch brands in pursuit of satisfaction.

2.5.6 Criteria used to choose clothes

'Clothing choice criteria are defined as the intrinsic (inherent to the product) and extrinsic (product-related, but not part of the physical product) product attributes that are associated with desired benefits or incurred costs as consumers make buying decision among clothing alternatives' (Kwan, Yeung and Au, 2004:3) and they further argue that the decisions consumers make regarding their choices have a positive relationship such as, product and self image, style and quality, durability, easy care, and the price.

2.6 FACTORS INFLUENCING CONSUMER DECISIONS

2.6.1 Level of service

Customer service is defined by Brink and Berndt (2006:48) as the totality of what the organisation does to add value to its products and services in the eyes of the consumer. On the other hand Lucas (2005:23) expresses that service is the manner in which the staff treat the customers and each other as they deliver company's products/services or deliverables. Furthermore, Lucas (2005:4) points out that customer service is the ability of knowledgeable, capable, and enthusiastic employees to deliver products and services to their internal and external customers in a manner that satisfies, identified and unidentified needs and ultimately results in positive word-of-mouth publicity and return business. Kotler (2000:455) indicates that if retailer clerks look bored, cannot answer simple questions or are visiting each other while customers are waiting for help, customers will think twice about doing business again with the seller.

2.6.2 Individual factors influencing consumer buying decisions

Even though there are factors that affect consumers as individuals, Mourali, Laroche and Pons (2007:164-165) contend that consumers expect others to evaluate their choice decisions, which might lead them to make choices different from the ones they would have made in the absence of public scrutiny.

2.6.3 Group factors influencing consumer buying decisions

Mourali, Laroche and Pons (2007:165) conclude that in the presence of others, a consumer has to balance his or her individual goals with group goals, which may lead to different choice decisions and less personal satisfaction. But at the same time, the group may cause some discontent during the buying decisions and this is highlighted once again by Mourali, Laroche and Pons (2007:165) that the presence of others leads

to more embarrassment when purchasing an embarrassing product because the concern is what others will say.

2.6.4 The role and composition of the family

Penman and McNeill (2008:155) agree that individuals are conditioned to consume in a particular way due to the influence of factors such as lifestyle, upbringing and family structure. In the case of upbringing and family structure, Myers and Lumbers (2008:296) agree that shopping is not just about buying necessities, but it is an important means of socialisation. It is also seen as a way to spend leisure time with friends and family. Regardless of the way it is approached, families are complex institutions and the complexity within the families is not simply about the number of people in the family but the types of relationships and the way in which these are managed, (Tinson, Nancarrow and Brace, 2008:46). The influence of certain individuals within the family is very crucial in terms of how buying decisions are made and this is emphasised by Tinson, Nancarrow and Brace (2008:46) that some individuals within the family have more influence on decision making regardless of family type or gender role preference.

2.6.5 Time as a factor

Szmigin (2003:102) indicates that the importance of time in understanding the behaviour of consumers cannot be underestimated. This is true because the more time one has, is the more one can shop around which in turn has implications on the price. Foxall, Goldsmith and Brown (2003:184) agree that pre-Christmas shopping often differs in style, content and place from that at other times of the year. When consumers are under time pressure, they truncate their external search processes, relying more on memory and experience. They are also likely to reduce the consideration given to evaluating alternative brands, and to make more impulse purchases. Solomon (2007:370) agrees that time is an important resource that often determines how much effort and search will go into decision.

2.6.6 Store image

Foxall, Goldsmith and Brown (2003:69) show that various facets of a store or other business contribute to its image as projected by management and, as perceived by its customers. They identify five factors as location, design, product assortment, services and personnel each of which contributing to the consumer's overall perception of the store they buy from.

2.6.7 Price

Wright (2006:14) reveals that price will always have its emotive and functional content as the relationship between price and perceived value interplay in people's minds when choosing particular products. The price of the product greatly influences the buyer's decision whether to buy or not. And again, the purchasing of apparel in most cases is done to satisfy basic needs and various wants of the consumers, which signal status, expression of identity, self-concept, self-esteem and gives individuals a way to impress others as Phau and Leng (2007:71) emphasize.

2.6.8 The role of the sales-staff

Solomon (2007:361) highlights that one of the most important in-store factors is the salesperson due to the exchange process that has to happen. In this interaction, each participant gives something to the other and hopes to receive something in return. Employees therefore become the voice and face of the organization. It is not enough that they be trained to provide quality service, but they know what to do and how to do it. It is also essential that they have the requisite authority to make decisions regarding customer satisfaction. This is one of the arguments for employee empowerment since the employees act as an interface between the customers and the organization. Kumar, Smart, Maddern, and Maull (2008:177) agree that there is a relationship between employee satisfaction, service quality and customer satisfaction.

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2.6.9 Convenience

Consumer buying behaviour can be influenced by several factors. In the consumer market, buying behaviours are not easy to predict or analyse due to the ever changing consumer tastes and preferences. If the product provides convenience through its use and easy availability, the consumer is more likely to purchase it.

2.6.10 Consumer protection legislation

Wright (2006:472) shows that in the relationship between the organisation and consumers, the organisation is always in the better position to manipulate consumer behaviour in the marketplace. This calls for constant government supervision, setting up of overseeing bodies and where necessary, the imposition of protective laws, rules and legislation. Wright (2006:472) argues that consumers too must take full responsibility of their own actions since too much legislation interfere with the smooth and successful running of the marketplace. However due to the imperfection in the marketplace, (Wright 2006:473) states that governments have to enact laws and regulations to guard against the use of the power of large organisations in a way that distort the buyer/seller relationship to the detriment of the consumer. In Lesotho there are no consumer protection policies to redress the situation in cases where consumers are exposed to unscrupulous behaviour of market players. But it must be mentioned that in the Department of Trade, there is a Consumer Protection Section that deals with issues pertaining to consumers' welfare in Lesotho. The Department is also mandated to deal with consumer education in order to sensitise consumers about their rights, privileges, obligations and responsibilities (Ministry of Trade and Industry 2008:2). The department also trains staff in Chinese so that communication between them and Chinese retailers could be smooth and any cases raised by customers could be dealt with.

Governments normally provide a platform in the form of protective legislation and regulation as consumers need information and education to enable them to make wise buying decisions. Increasingly, government policy-makers and consumer advocates

recognize that they cannot protect consumers against every possible market abuse and that the consumer's best defence is better product knowledge. Today, many state and local agencies offer consumer education programmes and disseminate consumer information to help fight unscrupulous business practices.

Government should develop or encourage the development of general consumer education and information programmes, bearing in mind the cultural traditions of the people concerned. The aim of such programmes should be to enable people to act as discriminating consumers capable of making an informed choice of goods and services, and conscious of their rights and responsibilities.

2.6.11 The level of education

Consumers today are not only more highly educated than in the past, but also well informed about price, quality, value of products and services. Consumers are armed with knowledge about what they should receive for their money, and they can make it extremely difficult for unscrupulous business people to prosper or survive, Lucas (2005:17). Lucas (2005:377) indicates that buying power is likely to be reduced significantly when people attain a lower level of education. This is further supported by Chitpan (2006:12) who states that education influences what one can purchase by partially determining one's occupation and income. It also influences how one thinks, makes buying decisions and relates to others but those with limited education are generally at a disadvantage not only at earning income but also in spending it wisely.

2.6.12 Reasons for shopping

Myers and Lumbers (2008:296) feel that shopping is not just about buying necessities, but that it is an important means of socialisation. This is particularly applicable for those living alone, but more importantly, shopping is seen as a way to spend leisure time with friends and family even those who do needs targeted shopping trips, see social aspect of shopping as a major benefit. Given this statement, Myers and Lumbers (2008:297)

express that shopping areas therefore, need to be made more appealing, so that consumers can enjoy spending leisure time in such areas.

2.6.13 Frequency of buying clothes

According to McKenzie and Schargrodsky (2005:2) during the period of financial crisis the frequency of household purchase, the stores at which these purchases are made, and the quality of items purchased changes. McKenzie and Schargrodsky (2005:2) content that during financial meltdown the search for lower prices increases significantly as one of the mitigating efforts to the reduced disposable incomes while the actual 'buying is less'. This is further reiterated by Aliqah and Al-rfou 2010:622) that consumers having realized the financial crisis, and its impacts, and adapt by adjusting their behaviour, so they turn to inexpensive substitute goods, and switch from buying luxury to essential goods, buying small quantities of goods rather than buying huge quantities contest.

2.7 CONCLUSION

Although consumers behave in certain ways depending on the prevailing circumstances, they tend to buy products that define their own unique identity to the world. There are many factors which contribute to consumer decision making and behaviour in certain unpredictable ways. The environment plays a significant role in shaping and directing the behaviour of the consumers. During unfavourable economic conditions, many jobs are lost and this deprives consumers to fully access their needs and wants.

Consumers engage in re-purchase situations if the retailer offered or exceeded the consumer's expectations in terms of service delivery. This element brings into picture the role of the front staff as they interact with consumers. Dedicated, skilled and empowered front staff has to ensure that consumers are retained in business. It has also emerged that consumers attach time to most of their shopping activities as this plays a significant role in terms of buying decision-making. Consumers also place a lot

of attention on the image of the store they want to engage with.
The level of education plays critical role in determining how the consumer reaches certain decisions. Due to the amount of information available in the marketplace, the consumers should make use of it in order to make informed decisions in relation to product quality, price and the value for money. Consumers are also able to make informed choices and avoid being manipulated in the market place

It has also emerged that there are both individual and group factors that play a major role in shaping how consumers behave in the marketplace. In many situations, consumers buy what their group reference will approve of regardless of whether it satisfies the consumer and sometimes this is done even though it might not mean satisfaction of the side of the consumer. It is also stated that consumers inherit buying patterns from their family members. Big families (households) however behave differently from small ones when buying clothes. There are those factors like income, lifestyle, personality, education and age amongst others that will always influence the behaviour of the consumer in the marketplace.

The process that the consumer undergoes before making buying decisions was also looked into. The process involves many factors although the consumer may decide not to follow all steps before making decisions. However consideration of the item to be purchased, when it is needed and how much information the consumer has already is paramount in guiding the decisions.

The aim of this study was to investigate and assess the factors that play a critical role in informing consumer buying decisions in the retail clothing industry in Maseru although the literature was limited. The study also intended to identify specific issues that the consumers take into consideration before choosing which retailer to engage with and also to look at the level of service delivery and how it affects their overall decisions.

The next chapter will look into the design and methodology of this research study. It will clarify sampling methods and the population from which a sample of the study will be drawn from and data collection instruments, analysis tools and budget involved.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 INTRODUCTION

In this chapter the guidelines for the research are set out as a blueprint for the study. It also gives details of the approach to be used. It also briefly identifies and describes the population from which a sample will be drawn, sample size, elements, extent and the analysis tools to be used.

3.2 RESEARCH DESIGN

This study followed a conclusive cross-sectional quantitative study. This one time-measurement was a good tool to use to assess the buying behaviour of customers during financial meltdown. It was very advantageous in collecting data on attitudes and behaviour and it further revealed and generated possibilities for future researches.

3.2.1 Elements

The sample elements were made up of males and females who were between the ages of twenty five and fifty years. They were supposed to be earning a minimum salary of M1000 per month and above.

3.2.3 Extent

Population from which the sample was drawn was made up of individuals who buy clothes in Maseru in the following areas: Bus stop; City centre; and Cathedral area. The bus stop is predominantly Chinese shops while a mixture of Chinese and non-Chinese shops are found in Cathedral and City centre. It was on these grounds that the study was concentrating on the said areas as this was where the identified population shops.

3.2.4 Time

The research activities were scheduled in such a way that they did not interfere or clash with the incumbent daily work activities and below is the envisaged time table of activities.

Interviews	Data Cleaning, Capturing & Analysis	Draft Report	Final Report
25 – 30 July 2010	30 July– 15 August 2010	10 October 2010	31 October 2010

The budget for all activities was estimated around M1500 and was borne by the student undertaking the study.

3.2.5 Sampling method

In this study, a sample was used as opposed to population for the following reasons:-

- Practical considerations such as costs involved,
- The amount of data collection and analysis will not be cumbersome with the sample,
- Time constraints also warrant a sample to be opted as opposed to the population.

Non-probability sampling method wass opted for in this study. Webb (2002:56) describes non-probability sampling as a technique in which the chances of selection are not known, therefore the ability to generalize about a population, based on the results of the sample are much reduced. Therefore, a non-probability sampling which relies on personal judgement of the researcher rather than a chance to select the respondents will be used when gathering data. Therefore, a judgment sampling was used to carry out the survey which Webb (2002:56) indicates as a technique used to ensure that the sample is more representative than it is with convenient sampling.

3.2.6 Population

The population for this study was made up of people who buy clothes in the following areas:-

- Bus stop area
- Down town

Bus stop area is dominated by Chinese shops, while down town area is a combination of the Chinese and non-Chinese retail clothing shops.

3.2.7 Sample size

Sudman and Blair (1998:334) define a sample as a subset of a larger population. The sample size is made up of 60 respondents who are males and females aged between twenty five and fifty years. It was comprised of individuals who earn a salary at the end of the month.

3.3 DATA COLLECTION AND ANALYSIS

Data collection methods used included among others interviews, questionnaires, and observational techniques as shown by Rakotsoane and Rakotsoane (2006:17). In this study, structured questionnaires were used to intercept customers in the Maseru city centre (bus stop and down town) to provide primary data. Secondary data consists of existing information which Chigozirim and Mazdarani (2008:18) say can be collected from external sources such as documentation, archival records, magazines, and internet. Secondary data collection is beneficial as it saves time and money. According to Chigozirim and Mazdarani (2008:16) another major advantage of collecting secondary data is that it gives a general idea on how to conduct the research and the best method to be used.

The data collected was analyzed using descriptive analysis. The software that was used to analyse the data were SPSS and MS Excel. But before any of the two computer software could be used, data cleaning, coding and capturing was performed.

3.3.1 Structure of data collection instruments

The first part introduced the interviewer to the respondent stating full names and producing identification where the respondent required such proof. After introducing the purpose of the interview, the interviewer indicated the duration of the interview to the respondent.

The second part of the questionnaire is mainly qualifying the respondents in order to filter those who can and cannot participate fully in the interviews. The third part deals with the buying patterns of the respondent and how these buying patterns are affected as consumers engage in purchasing decisions.

The last part of the questionnaire dealt with demographics issues. This part was done at the end when rapport had been established with the respondent due to its sensitivity. The structure also included issues of confidentiality, and the respondents' liberty to stop the interview.

3.3.2 Pilot study

The pre-test was conducted to assess the quality, face validity and content validity of the measurement items in the questionnaire. The most critical element in this pilot study was to interview respondents who represented the characteristics identified in the population. This important part of the thesis was conducted with the aim to make the questionnaire simple and understandable to the respondents and to make it a comprehensive tool to collect required data. Depending on the results obtained from the pilot study, some necessary modifications were made.

3.4 LIMITATIONS OF THE STUDY

The number of participants was expected to be around 60 respondents but the actual respondents were 51, and based on this small sample, the findings and conclusions of this study could not be generalized to a larger population. Also the amount and quality of information was limited, so it cannot be used to draw general conclusions.

3.5 POTENTIAL SOURCES OF ERROR

Firstly, the error is minimized when direct correspondence exists between the number system and the marketing fact being measured. Therefore it was quite important that all the numbers given in the questionnaire accurately represented the characteristics being measured and nothing else.

3.5.1 Short-term characteristics of the respondent

This was eliminated as the letter of consent given to the respondents prior to the interviews clearly stated and gave liberty to decline participation in the exercise in case respondents were not feeling ready. The short-term factors include all the situations like fatigue, health state and the mood that would influence the responses. The letter of consent (Annexure 1A) also stated that the interview would last for twenty minutes which was a very reasonable time.

3.5.2 Situational factors of the respondents

It was taken into consideration that all the interviews were conducted by one interviewer to reduce any variations that might be encountered if the interviews were conducted by than one interviewer. The respondent selection errors were not entirely eliminated due to the sampling method used. This had given the interviewer all the power to decide who participated in the study. This however had the potential to result into bias as the interviewer might be tempted to select those individuals who looked friendly and

appeared easy to interview. But this was never the case although the interviewer still judged who should take part in the interviews due to vigilance maintained.

Close-ended questions were opted for in order to eliminate errors, such as failure to record the respondents' verbatim and possibility of wrong answers due to respondents' memory lapses. The interviews were conducted in both Sesotho and English which might also posed some discrepancies in translation. The refusals were eliminated by placing sensitive/demographic questions at the end of the questionnaire since the interviewer had built credibility and rapport with the respondents. The use of close-ended questions help-guided the respondents to recall cases that had the potential to be forgotten easily.

3.6 DATA ANALYSIS

Since the researcher has a better understanding of the SPSS package, simple descriptive analysis did not pose any threat. Capturing the data was also not a problem.

3.7 CONCLUSION

The main purpose of this chapter was to give details and procedures of how the study was conducted. Above all, it set parameters of the units that were involved in the research and the scope for the study. It is a set of advances that makes up the master plan specifying the methods and procedures for collecting and analyzing the needed information. The next chapter focused on presentation of the results after the field work had been completed.

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CHAPTER 4

PRESENTATION OF RESULTS

4.1 INTRODUCTION

This chapter aims at explaining how the results are presented. As it was initially articulated in the methodology, descriptive analysis, excel and graphs are going to be used to analyze the data. Mall intercepts were used to collect data and the analysis is mainly descriptive (cross-tabulations, frequencies and graphs). The analysis focuses on the demographic factors that might have influence on the how customers make buying decisions. Also the main research questions are briefly discussed.

4.2 DEMOGRAPHIC PROFILE OF RESPONDENTS

Figure 4.1: GENDER DISTRIBUTION

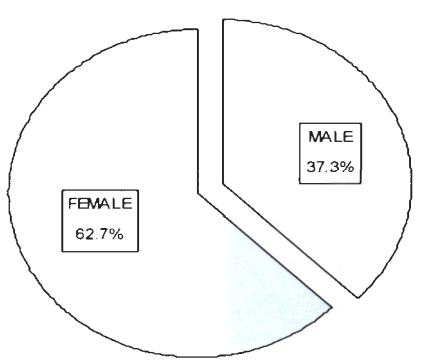
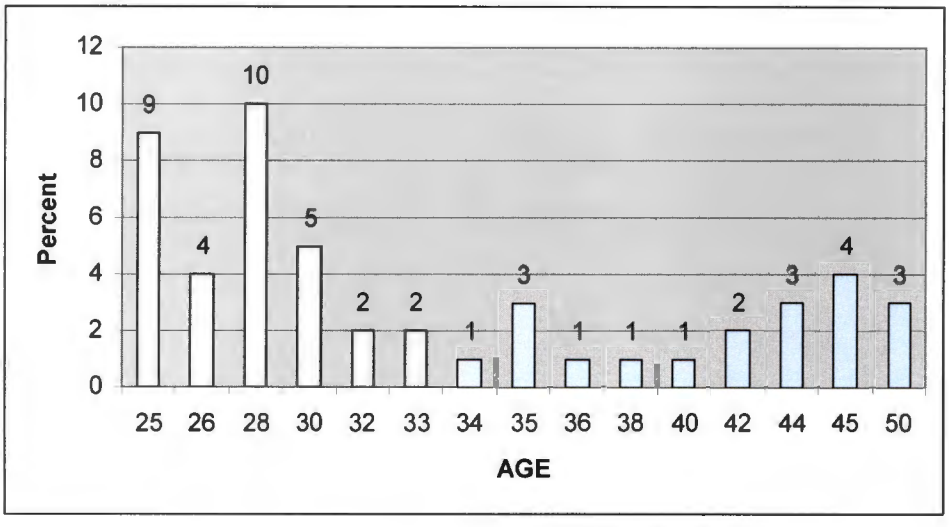


Figure 4.1 indicates that the majority of the respondents were females, constituting 62.7 (32) percent while males accounted for 37.4 (19) percent.

Figure 4.2: AGES OF THE RESPONDENTS



The highest numbers in terms of ages of the respondents were 19 and 17 with 10 and 9 percent of respondents respectively. The graph further shows that the ages 30, 26 and 45 were also the highest scorers following the two ages previously indicated, obtaining 5 (9) and 4 (7) percent in their order. The other ages scored between 1 and 3 percent.

Figure 4.3: MARIATAL STATUS OF THE RESPONDENTS

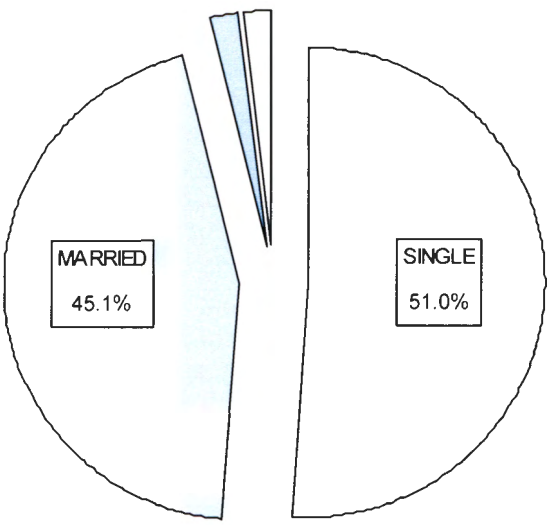


Figure 4.3 indicates that among the 51 respondents, 51 (26) percent were single individuals while married respondents constituted 45.1 (23) percent. The remaining 3.9 percent comprised those who were separated (2.2) percent and divorced (1.9) percent.

Figure 4.4: EDUCATIONAL BACKGROUND OF THE RESPODENTS

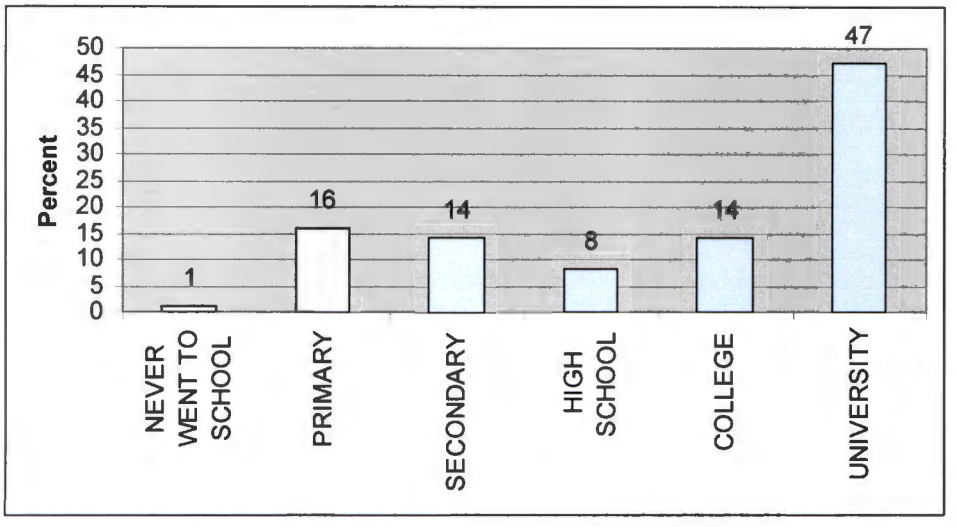
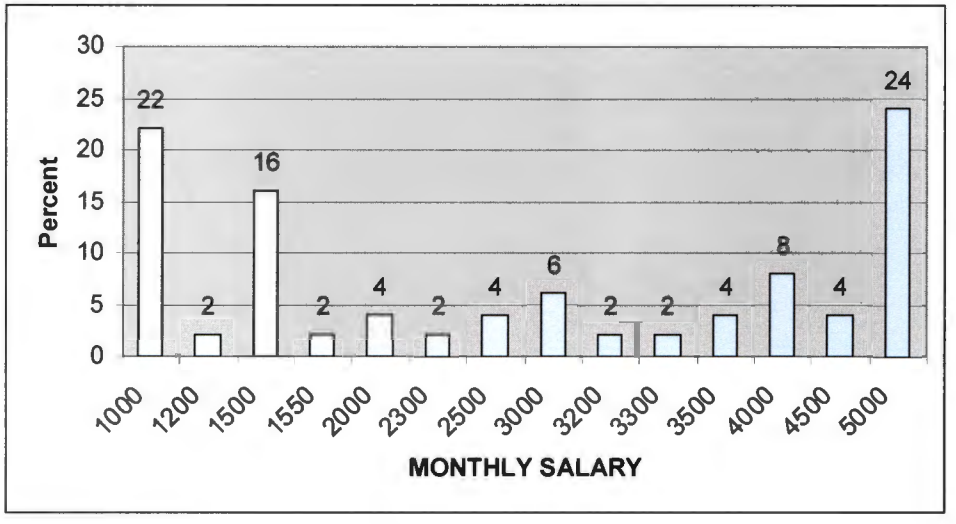


Figure 4.4 depicts that the highest percentage 47 (24) of the respondents had obtained university Degree qualifications. The second highest percentage was 16 (8) percent representing those who had attained only primary education. Both college and secondary respondents made accounted for 14 (7) percent each. High school made up 8 (4) percent with the remaining percent going to those who never really went to school.

Figure 4.5: MONTHLY SALARIES OF THE RESPONDENTS



It is reflected in figure 4.5 that 24 percent of the respondents were earning around five thousand Maloti (M5000) while 22 percent were earning one thousand Maloti (M1000). Respondents constituting 16 percent were taking home one thousand five hundred Maloti (M1500) as their pay cheque. The other percentages remained under 10 percent for the other salaries and among those, 8 percent were earning M4000. The other 6 percent earned salaries totaling M3000 per month. The other categories constituting 4 percent were earning M2000, M2500, M3500 and M4500, which were decent salaries. The last category constituting 2 percent earned M1200, M1550, M2300, M3200 and M3300.

Figure 4.6: RESIDENTIAL AREAS OF THE RESPONDENTS

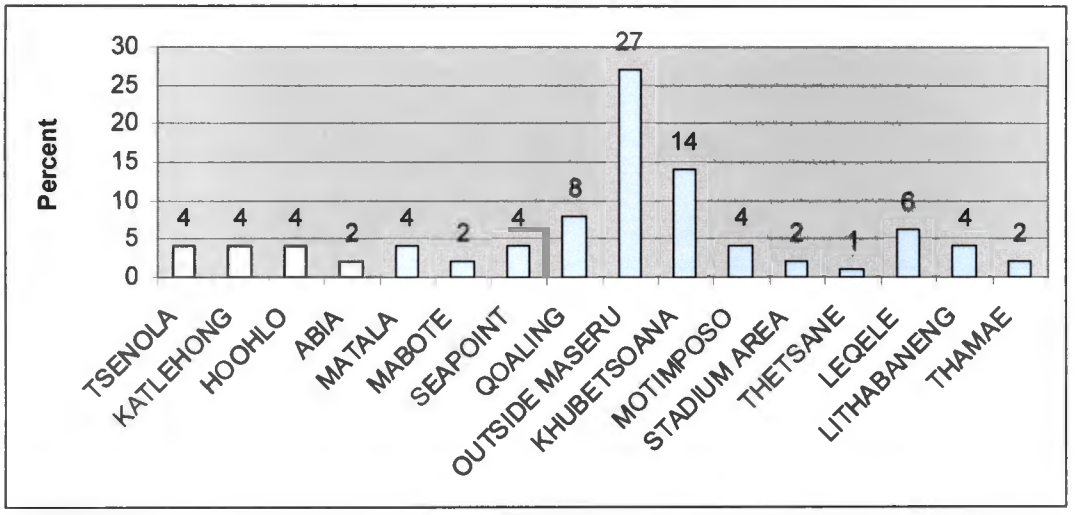


Figure 4.6 indicates that the highest percentage of the respondents (27 percent) was coming outside Maseru. The second popular site of residence was Khubetsoana in the northern part of Maseru which gained 14 percent of the respondents. Thetsane was the last residential area that scored double figures (10 percent) but the rest of the areas were below 10 percent.

4.3 FACTORS INFLUENCING PURCHASE DECISIONS IN THE RETAIL CLOTHING INDUSTRY IN MASERU.

Table 4.1: FACTORS INFLUENCING PURCHASE DECISIONS

Factors	Frequency	Valid Percent	Cumulative Percent
CONVENIENCE	6	11.8	11.8
PRICES	17	33.3	45.1
VARIETY	7	13.7	58.8
PRESTIGE	11	21.6	80.4
AFFORDABILITY	10	19.6	100.0
Total	51	100.0	

Table 4.1 shows that 33.3 percent (17) of the respondents were influenced by prices, while the second highest number of respondents (11) making 21.6 percent fell in the category that was influenced by prestige. The third highest number of respondents (10), (19.6 percent) was enticed by the affordability of clothes they want to purchase. The other 13.7 percent (7) looked for variety before they engaged in any purchasing decisions while the remaining 11.8 percent (6) reached decisions based on the convenience they get.

4.4 CRITICAL ELEMENTS GUIDING CONSUMERS WHEN ENGAGED IN BUYING DECISIONS.

Table 4.2: CRITICAL ELEMENTS GUIDING CONSUMERS

Gender	Approval From Others	Image of the store	Cheap prices	Good service	Easy availability
Male	26.3%	18.8%	31.6%	15.8%	10.5%
Female	15.6%	25.0%	21.9%	18.8%	18.8%

As observed from the Table 4.2, 31.6 (6) percent of males identified cheap prices as the most critical element that influences their decisions when they shop for clothes. Females constituting 25 (8) percent identified the image of the store as the most critical element to consider before engaging with a clothing shop. The other 26.3 (5) percent of males are enticed to engage with clothing shops that offer what is approved by those close to them. On the other side, 21.9 (7) percent of females identified cheap clothing items as the most relevant and critical element that will ensure their happiness in engaging with clothing shops.

4.5 THE EFFECT OF THE LEVEL OF SERVICE DELIVERY ON RESPONDENTS' DECISIONS.

One of the critical elements that guide customers' decisions is the level of service delivery. Respondents were asked to rate the level of service delivery offered by Chinese shops.

Table 4.3: RESPONSES OF CUSTOMERS WHO BUY FROM CHINESE SHOPS.

If you buy from Chinese, how is the service when you compare?

Service Rating	Frequency	Percent	Cumulative Percent
BEST	10	19.6	19.6
AVERAGE	10	19.6	39.2
POOR	12	23.5	62.7
WORST	19	37.3	100.0
Total	51	100.0	

Table 4.3 indicates that, 37.3 (19) percent of the respondents felt that the service that the Chinese shops offered was the worst service. Further 23.5 (12) percent of the respondents described their encounter with the Chinese shops as frustrating experience. Those who were positive about the service received from the Chinese shops constituted a mere 19.6 (10) percent of the respondents while the same 19.6 (10) percentage felt that Chinese shops offer average service.

As indicated in the table 4.3, 60.8 (31) percent of those who purchased from the Chinese shops thought that the service level was unfavourable when they describe their encounters. The respondents who were partially happy with the level of service that they were offered from the Chinese shops constituted 39.2 (20) percent.

It can then be concluded that Chinese clothing retail shops are unable to meet the expectations of the customers. This conclusion points to the front line staff mostly as contented by (2.6.1) that if the employees do not care about customers then their customers will describe the service as unfavourable and will not repeat the purchase.

Table 4.4: RESPONSES OF CUSTOMERS BUY FROM NON CHINESE SHOPS

If you buy from non Chinese, how is the service when you compare?

Service Rating	Frequency	Valid Percent	Cumulative Percent
BEST	41	80.4	80.4
AVERAGE	7	13.7	94.1
POOR	2	3.9	98.0
WORST	1	2.0	100.0
Total	51	100.0	

It is depicted in Table 4.4 that 80.4 (41) percent of the respondents who buy from non Chinese shops thought that non Chinese shops met and exceeded their expectations in terms of service delivery. The other insignificant percentage 5.9 (3) had the feeling that non Chinese shops offer poor service delivery.

As for those who purchased in non-Chinese shops, the highest percentage 94.1 (48) of the respondents rated the service highest which safely concludes that non Chinese shop offer great and enticing experience for the customers. This highlights the commitment of the front line staff in the non Chinese shops.

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5.6 RESPONDENTS' FREQUENCY OF PUCHASE.

The respondents were asked to indicate the number of times that they purchased clothes.

Table 4.5 RESPONSES ON THE FREQUENCY OF THE PURCAHSE OF CLOTHES.

Times clothes bought	Frequency	Valid Percent	Cumulative Percent
1	3	5.9	5.9
2	7	13.7	19.6
3	4	7.8	27.5
4	11	21.6	49.0
5	26	51.0	100
Total	100	100	

Table 4.5 indicates the frequency at which respondents bought clothes paying attention to the behaviour during financial meltdown. Table 4.5 shows that 51 (21) percent of the respondents shopped five times a year, while the second highest category constituting 21.6 (11) percent purchased clothes four times a year. The others who purchase clothes twice a year make 13.7 (7) percent of respondents while the remaining 7.8 (4) and 5.9 (3) percent purchased clothes three times and one time respectively.

5.7 THE KINDS OF CLOTHES BOUGHT AND THE FREQUENCY AT WHICH THEY WERE PURCHASED.

Table 4.6: RESPONSES ON CLOTHES PURCHASED AND THE FREQUENCY.

Clothes	Times Clothes bought				
	2	2	1	2	8
Formal	13.3%	13.3%	6.7%	13.3%	53.3%
Casual	0%	16.7%	8.3%	20.8%	54.2%
Sports	8.3%	8.3%	8.3%	33.3%	41.7%

In Table 4.6 the results show that casual clothes were bought frequently (five times in year) which constitute 54.2 percent. The second highest percentage of about 53.3 percent indicated that they bought formal clothes five times a year. Those who bought sporting clothes made 41.7 percent and went back to the shops five times.

4.8 SUMMARY OF THE RESULTS

The demographic profile of the respondents indicates that more females were interviewed as opposed to their male counterparts. The ages that scored highest were 28 and 25 with most of the respondents falling just below 35 years of age. The marital status of the respondents indicated that just over half of the respondents were still single individuals. Educational background of the respondents showed that 47 percent of the respondents were having good qualifications as over thirty (30) respondents had university and college qualifications. In terms of salaries, most of the respondents were earning decent salaries comparable to their educational qualifications except 32 percent of the respondents who were earning below two thousand Maloti (M2000). The sample further revealed that it was made up of the respondents mainly from Maseru and its surroundings while others came from outside Maseru but was buying their clothes from within Maseru.

Although all the factors influencing purchasing decisions seemed to be relevant to the respondents in some way, prices and prestige appeared to be most common factors that had greatest potential to influence the buying decisions. Once again, the critical elements that helped to guide the customers when engaged in buying decisions were all relevant but 'cheap prices' and 'approval from others' were most relevant among the males. On the other hand, 'image of the store' and cheap prices ranked highest as the most relevant elements particularly for the females.

In terms of service delivery, there was a strong dissatisfaction among the respondents who purchased from the Chinese clothing retail shops as it was indicated that Chinese shops offered frustrating experience while non-Chinese clothing retail shops were tipped to offer most rewarding experience. The annual frequency at which clothes were bought was very high especially for casual clothes.

CHAPTER 5

DISCUSSION OF THE RESULTS

5.1 INTRODUCTION

This Chapter provides an insight into the overall results as presented in the foregoing Chapter. This insight will be discussed and explained in reference to the information gathered and what has been raised by the literature review. It will also allow for conclusions to be drawn regarding the research questions

5.2 DEMOGRAPHIC PROFILE OF RESPONDENTS

5.1 Gender distribution

From figure 5.1, it can be concluded that the interviews were a little bit skewed to the females as more than half of the respondents were females. This was not initially planned, it was a mere coincidence. It was influenced by the fact that the interviewer used personal judgment to decide if one fell within the specified parameters therefore such a person qualified to participate. At the same time, the female respondents were more approachable than male respondents hence this obvious skewness. But also, there is a valid argument that maybe females like shopping which resulted in the majority of them being at the shopping place at the right time.

5.2.2 Ages of the respondents

A conclusion drawn from figure 5.2 is that most of the respondents were aged between 25 and 30 years while those aged between 40 and 50 consituted the second highest proportion. The assumption raised in the prior discusion about gender distribution indicated that more females were interviewed as opposed to males. If that assumption

stands, then a conclusion would be reached that females like to go shopping while still at their low ages.

5.2.3 Marital status of the respondents

It is apparent from figure 5.3, that just above half of the respondents were single, while the second highest proportion fell to those who were married. These two sets of respondents behaved differently with regard to shopping endeavours. The married couples spent money on basic items for the family which included clothes depending on which stage of the family life cycle the couple is at emphasis (2.6.4). On the other side, single respondents spent money on themselves and the dominant items they purchased would include those that define them like clothes.

5.2.4 Educational background of the respodents

As observed figure 5.4, majority of the respondents had attained higher level of education like university degrees or college qualifications which meant that the possibility of good salaries was high. The rest of others were having low qualifications. Low qualifications were likely to affect their earnings as well as their overall spending. But with the majority of the respondents being single, then it would make sense to conclude that their spending potential was still high. There is also a contention that education influences how one thinks, makes buying decisions and relates to others but those with limited education are generally at a disadvantage not only at earning high income but also in spending it widely.

5.2.5 Monthly salaries of the respondents

As previously indicated most of the respondents have obtained college and university qualifications. It is clearly now reflected here in figure 5.5, that the salaries earned by the majority were decent salaries in the region of three thousand to five thousand Maloti (M3000-M5000). But on the other end, others were earning a paltry one thousand Maloti (M1000) probably as a reflection of their qualifications. This also affected their spending pattern particularly those already in family set-ups. They were likely to spend their disposable income on basic needs that would include clothes. The situation of diverting money on other important purchases becomes even more challenging if one has already moved into the next stages of the family life cycle. This is further emphasized by Penman and McNeill (2008:156) who indicate that the urge to buy and consume often competes with the practical necessity to delay the immediate gratification of non-essential buying indulgences.

5.2.6 Residential areas of the respondents

In figure 5.6, it can be observed that the highest single percentage 27 of the respondents came from outside Maseru but did their shopping in Maseru. The rest of other respondents were from within Maseru, although they came from different surrounding areas and locations, and they formed the second biggest portion combined. The implication here is that for a person who comes from within Maseru proximity time for shopping is abundant compared to that of a customer from outside Maseru who will always try to beat time when doing shopping. It was indicated in (2.10) that time, in many shopping situations plays a significant role in determining how long one shops around to compare prices.

5.3 FACTORS INFLUENCING THE PURCHASING DECISIONS IN THE RETAIL CLOTHING INDUSTRY IN MASERU.

5.3.1 Price and Prestige

The purpose of the investigation was to find out factors that serve as a basis for influencing consumers' decisions to buy or not. As indicated in table 5.1, price and prestige seem to be very high as the most relevant factors to influence respondents' decisions as indicated in (2.6.7). This was reinforced by the observation of (2.12) that the decisions consumers make regarding their choices have a positive relationship like, product and self image, style and quality, durability and easy care and the price. This price issue is evidently articulated in (2.12) in that price of the product greatly influences the buyer's decision whether to buy or not to buy.

But it must be mentioned here that those who advanced price as their main factor, were having a mixed reaction in terms of what price really meant to them. The mixture contained those who looked for low prices and those who attach higher prices to status.

5.3.2 Affordability

The other factor was affordability, which somehow had a relationship with price although in certain situations price had a different connotation. Affordability and price shoppers could also be classified as those who earned the minimum of one thousand Maloti (M1000) and were less educated. This is very true as it was earlier indicated that level of education and salary have a positive correlation. Again, it is further emphasized in (2.18) that during financial crisis the search for low priced items including clothes intensifies.

5.3.3 Variety

Variety could apply to those who have enough disposable income and even to those whose earnings are limited. This means they can opt for substitute products which may still provide same utility. It is also a double-edged scenario as it is applicable to those who have enough disposable incomes. This means broader selections to meet different tastes and preferences. Respondents who were looking for variety were looking in terms of substitutes due to limited disposable income and more depth in terms of broader selection.

5.3.4 Convenience

The respondents who sought convenience (purchasing clothes without exerting too much effort) were mainly consumers who came from outside Maseru, perhaps due to time factor. This time factor, which was earlier (2.10) pronounced as a critical factor has different implications in terms of how buyers use it. The implication is that the lesser the time to do shopping, the lesser the time to spend looking for more alternatives.

5.4 CRITICAL ELEMENTS GUIDING CONSUMERS WHEN ENGAGED IN BUYING DECISIONS.

Having explored these elements in the literature, it was imperative that the respondents should be allowed to identify those critical elements that had the ability to sway their decisions when shopping for clothing. It has been observed that only three were very high on the customers' list, namely cheap prices, image of the shops and approval by others observed from table 5.5. Easy availability and good service still featured although comparably the percentages were not significantly different from the rest of the other elements. These percentages might have been affected by the sample size which was severely affected by both limited time and financial constraints.

5.5 THE EFFECT OF THE LEVEL OF SERVICE DELIVERY ON RESPONDENTS' BUYING DECISIONS.

5.5.1 Responses of customers who buy from Chinese retailers

The conclusion drawn from table 5.6 is that a very high percentage of respondents who buy from the Chinese shops felt that the level of service was the worst. So the question is whether the frontline staff is competent enough to excite the customers? Also the element of staff empowerment crops up here, whether Chinese empower their employees in order to create job satisfaction amongst the employees. In essence, the Chinese employees were closely supervised by the shop owners which created an element of mistrust between the employer and the employees. The staff was overworked and were paid meagre salaries at the end of the month. Surely that builds some kind of resentment towards the work and it infiltrates down to the daily performance of jobs. However, this requires empirical information to prove it. The other issue which was equally important was the training element, which was lacking in the Chinese shops. Training plays an important role in terms of executing ones' duties to the desired level. If training lacks then the consequences surpass training costs as it ensures good handling of customers who are the blood life of any business.

5.5.2 Responses of customers who do not buy from Chinese retailers

The conclusion drawn from table 5.7 is that the majority of the respondents, particularly those who buy clothes from non-Chinese shops were happy with the kind of service they got from non-Chinese clothing retail shops. The second largest percentage (13.7) expressed that the service was average. There were fewer respondents (5.9 percent) that thought the level of service was not satisfactory in non-Chinese retail clothing shops. It can be safely attested here that staff plays an important role in making the customers' shopping enjoyable and also in enticing them to make final buying decisions. The staff in these establishments were not closely supervised, do not work extended hours without proper pay and exploitation is very minimal.

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5.6 FREQUENCY OF PURCHASING CLOTHES

The table depicted in table 5.8 indicates that most of the respondents were buying clothes five times a year. Those who went back four times constituted just over 21 percent. The increase in shopping frequency occurs through consumers spending more time shopping for low-quality products at stores traditionally used more by the poor. The literature review revealed that this scenario is normal in financially difficult situations as consumers buy low quality products. Therefore, the increased frequency is a true indication that the respondents purchased low quality products which did not last long enough. These low quality products are synonymous with the Chinese shops as indicated also in (1.2) and it is therefore normal that the frequency at which clothes are bought increases as low quality clothes wear out quickly, triggering often repeat purchases.

5.7 TYPES OF CLOTHES BOUGHT AND THE FREQUENCY

As depicted in table 5.9, the most frequently bought clothes were casual clothes although in terms of percentages was not significantly different from formal clothes. This behaviour was also picked up in the previous discussions that formal clothes appear to be classified by Etzel, Walker and Stanton 1997:195) as specialty goods which are not frequently bought items.

5.8 CONCLUSION

The sample size was mainly composed of females than males, with the average age of thirty. The sample further revealed that the bigger portion of it was made up single respondents, which meant more disposable incomes to spend on themselves. The majority of the respondents had attained higher education which in many situations ensured greater job opportunities and decent salaries. Furthermore, this meant that the buying decisions were informed decisions. It is also worth noting that there were those respondents who had low qualifications or perhaps none which had the potential to affect their buying power particularly during hard times. Higher salaries registered were

a good testimony that positively correlated with good qualifications and this meant greater potential in clothes purchasing even during the current financial meltdown. The paltry salaries for those with inferior qualifications meant increased competition for their low salaries. The locations of the respondents determined time for shopping for those who were not from Maseru and its surroundings while time was not been a big issue for those in the Maseru vicinity.

Price and prestige were very important and relevant in assisting respondents to make their decisions when buying clothes. The notion that price and quality are synonymous were partly applicable in this regard, as those who thought that price was a determining factor were actually those looking for lower prices as well as those who thought the higher the price the better the quality.

As far as the critical elements were concerned, two extremes were revealed. The respondents who thought that cheap prices, image of the store and approval by others were critical made a bigger portion although it was not significantly different from those who considered easy availability and good service. But most of the respondents who purchased from Chinese clothing retail shops thought that service in Chinese shops was appalling while those who buy from non Chinese retail clothing shops thought the service was good. Frequency of buying clothes was to reveal whether the quality of clothes the respondents were buying was good or poor. It came out that the frequency was at its highest which indicated that the quality of clothes were probably of low quality. This finding emphasized that it was typical of Chinese (1.2) to sell low quality clothes. The analysis also revealed that during tough financial times it is normal for increased shopping frequency as people try to search for low prices for products with the same utility. The study further revealed that casual clothes were the mostly bought items although percentage wise, but it was not significantly different from formal clothes. Formal clothes are classified as specialty items by (Etzel, Walker and Stanton 1997:195) therefore are not bought as frequently as other unbranded clothes. The next Chapter will introduce conclusion and recommendations of the study.

CHAPTER 6

CONCLUSIONS AND RECOMMENDATIONS

6.1 INTRODUCTION

This Chapter aims to summarize and provide conclusions of the findings by articulating differences drawn during the entire exercise as compared to other published materials. It will further provide recommendations to the stakeholders that must be persuaded to provide enticing atmosphere in their retail shops aimed at improving their businesses. In addition, it will deal with several suggestions that might need further research in order to gain more insight into the behaviour of customers.

6.2 CONCLUSIONS OF THE STUDY

The main aim of the study was to investigate the factors that affect purchasing decisions of consumers during the current financial meltdown in Lesotho in the clothing retail industry. The aim was achieved as the empirical study shows that during hard times, people buy cheaper products that still provide same utility. The Chinese retail clothing shops seem to receive less global popularity since they make low-quality priced items.

It was also discovered that the respondents' ability to make purchasing decisions was likely to be influenced by price and prestige. This further reinforced the theoretical framework that, decisions consumers make regarding their choices have a positive relationship like, product and self image, style and quality, and price. But it was discovered that price seemed to be multidimensional as it was associated with quality but at the other end, low prices enticed the other respondents to make purchasing decisions.

The critical elements that seemed to guide the respondents as they engaged in buying decisions were identified as cheap prices, image of the shop, approval by others, easy availability of products and good service. Although the differences were not significant, it was discovered that cheap prices, image of the shop and approval by others were popular amongst the respondents. The cheap prices were favouring Chinese shops while approval by others and image of the store were favouring non Chinese retailers. But during times like downturn, cheap prices are like to be more favourable as compared to other elements.

The level of service was also critically addressed. The empirical data showed that Chinese retailers were offering poor service while the opposite was true for the non Chinese retailers. But regardless of this, low prices were always the influencing factor during these hard times.

The other variables were also used to further refine the findings. The frequency of purchasing clothes was another aspect that showed a high turnover which implied that the clothes bought were of low quality. The level of education was high but increased number of buys showed that informed decisions were not made hence frequent buying by the respondents.

6.3 RECOMMENDATIONS AND SUGGESTIONS FOR FURTHER RESEARCH

It has been discovered in the empirical study that low priced clothes were purchased from the Chinese retailers which puts a lot of strain on the consumers' disposable income as frequency of buying clothes spiraled due to the poor quality of clothes purchased. It is therefore recommended that the enforcement of consumer protection rights be intensified in order to protect consumers from this exploitation. The study further revealed that Chinese clothing retailers offer poor service compared to their counterparts, it is strongly recommended that the benchmark set by non-Chinese clothing retailers in terms of service delivery be used to upgrade the standard found in Chinese shops.

Further studies could be commissioned using a more representative sample of the population to explore the differences in the service delivery comparing Chinese and non Chinese clothing retail shops. Although the main research questions were generally met, some weaknesses (the confinement of the analysis to descriptive analysis only) still exist and a more scientific approach (inference analysis) is encouraged that will assist in drawing more decisive conclusions.

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LETTER OF CONSENT: ANNEXURE 1A

Lancers Road
House 124C
Maseru West

09 September, 2010

FACTORS THAT AFFECT BUYING DECISIONS OF CUSTOMERS IN THE RETAIL CLOTHING INDUSTRY WITH FOCUS ON CHINESE SHOPS

Dear Participant,

I am currently undertaking a research project that aims to investigate the factors that affect buying decisions of customers in the retail clothing industry with focus on Chinese shops.

Would you agree to be interviewed for the study? The interview will take approximately 20 minutes to complete. Participation is voluntary and you are free to withdraw from the study at any time. The information you give here will be used only for research purposes, and your identity and individual answers will be kept totally confidential. In case you need any further clarity, feel free to contact my Supervisor (Dr. Mpooa from Lerotholi Polytechnic) or Program Manager (Mr. Mpete from North-West University).

Your assistance in this regard will be highly appreciated.

M.M. Au

+266 62 00 99 77

Please complete the following as confirmation of your willingness to participate in this research:

I,.....have adequately discussed the study with the researcher, understand that I may withdraw from it at any time without giving reasons and voluntarily agree to participate.

Signature.....

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Date.....

ANNEXURE 1

Figure 5.1 Gender distribution

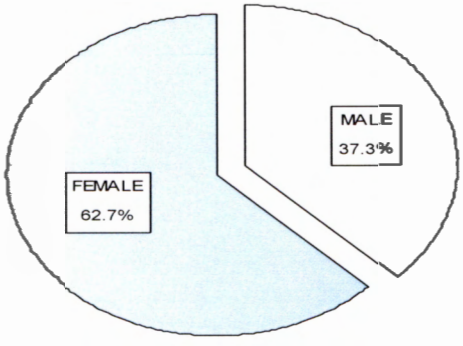


Figure 5.2 Ages of the respondents

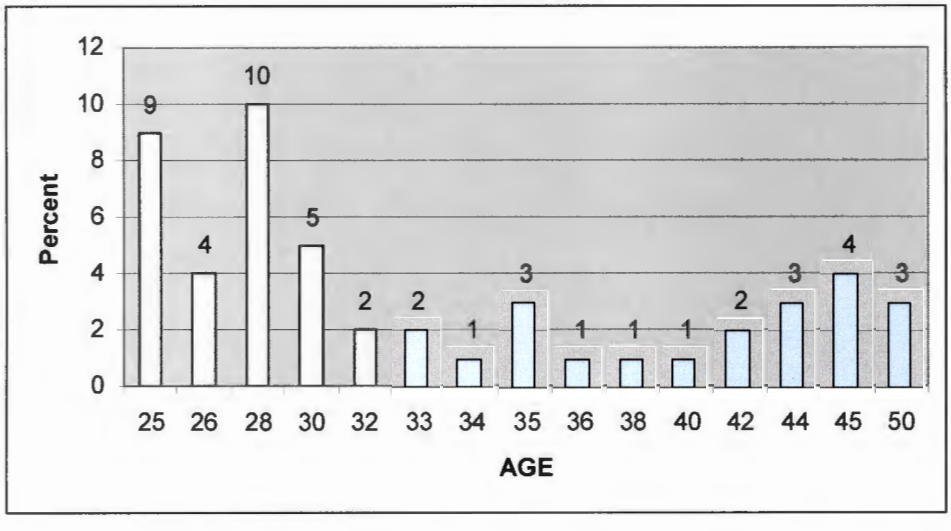


Figure 5.3 Mariatal status of the respondents

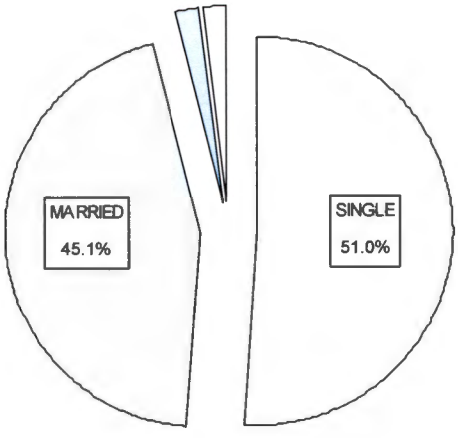


Figure 5.4 Educational background of the respodents

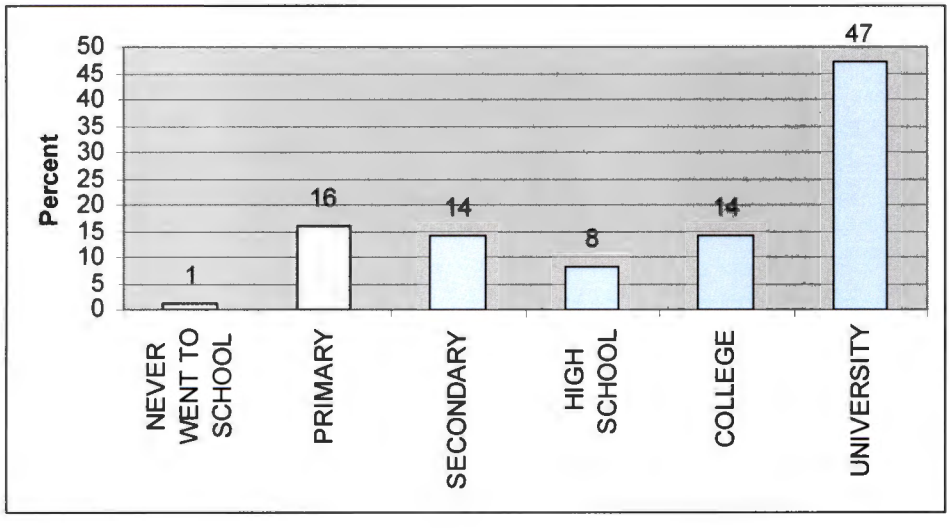


Figure 5.5 Monthly salaries of the respondents

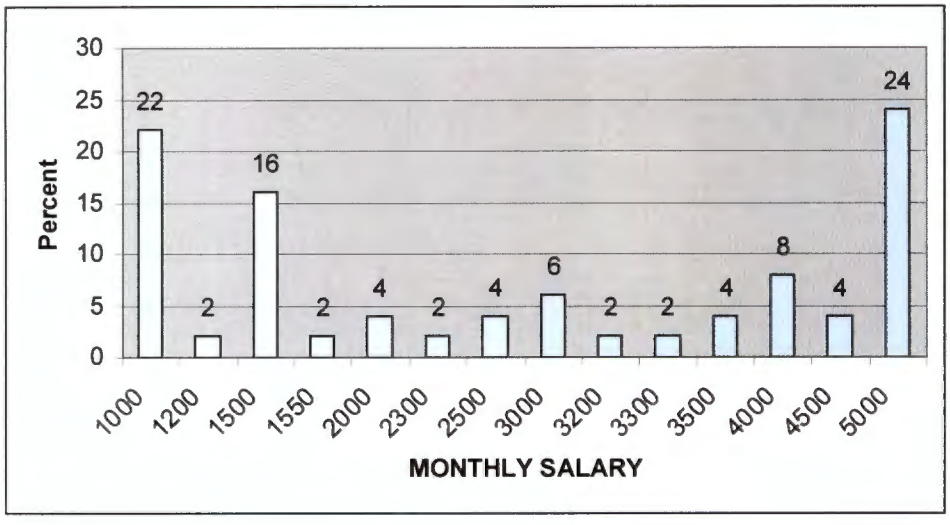


Figure 5.6 Residential areas of the respondents

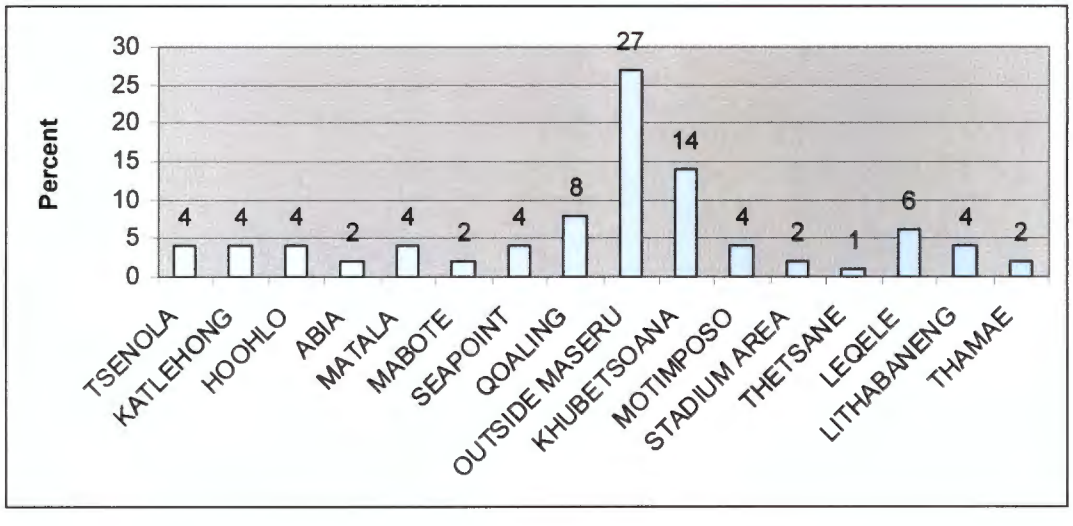


Table 5.1 FACTORS INFLUENCING THE PURCHASING DECISIONS IN THE RETAIL CLOTHING INDUSTRY IN MASERU.

Factors	Frequency	Valid Percent	Cumulative Percent
CONVENIENCE	6	11.8	11.8
PRICES	17	33.3	45.1
VARIETY	7	13.7	58.8
PRESTIGE	11	21.6	80.4
AFFORDABILITY	10	19.6	100.0
Total	51	100.0	

Table 5.2 CRITICAL ELEMENTS GUIDING THEM WHEN ENGAGE IN BUYING DECISIONS.

Gender	Approval From Others	Image of the store	Cheap prices	Good service	Easy availability
Male	26.3%	18.8%	31.6%	15.8%	10.5%
Female	15.6%	25.0%	21.9%	18.8%	18.8%

Table 5.3 LEVEL OF SERVICE DELIVERY AND HOW IT AFFECTS THEIR DECISIONS.

5.3.1 RESPONSES OF CUSTOMERS BUYING FROM CHINESE

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	BEST	10	19.6	19.6	19.6
	AVERAGE	10	19.6	19.6	39.2
	POOR	12	23.5	23.5	62.7
	WORST	19	37.3	37.3	100.0
	Total	51	100.0	100.0	

Table 5.3.2 RESPONSES OF CUSTOMERS NOT BUYING FROM CHINESE

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	BEST	41	80.4	80.4	80.4
	AVERAGE	7	13.7	13.7	94.1
	POOR	2	3.9	3.9	98.0
	WORST	1	2.0	2.0	100.0
	Total	51	100.0	100.0	

Table 5.4 HOW FREQUENT DOES THE BUYING OCCUR?

Times clothes bought	Frequency	Valid Percent	Cumulative Percent
1	3	5.9	5.9
2	7	13.7	19.6
3	4	7.8	27.5
4	11	21.6	49.0
5	26	51.0	100
Total	100	100	

Table 5.5 THE KIND OF CLOTHES BOUGHT AND FREQUENCY AT WHICH THEY WERE BOUGHT.

Gender	Approval From Others	Image of the store	Cheap prices	Good service	Easy availability
Male	26.3%	18.8%	31.6%	15.8%	10.5%
Female	15.6%	25.0%	21.9%	18.8%	18.8%

DATA COLLECTION INSTRUMENT

Hello, my name is Maritse Au, an MBA student at North West University and I am doing a study on factors that affect consumer buying decisions in the retail clothing industry with a focus on Chinese shops. This is collected for the purpose of providing the researcher with statistical information and will only be used for that purpose alone and will take approximately 20 minutes of your time if you decide to be interviewed. You are free to decide to leave the interview at anytime of the interview.

1 Have you bought any clothes in the last three months?

Yes ☐ (if yes, go to Q4)
No ☐ (if no, go to Q2)

2 Do you have any plans to buy clothes in the next month?

Yes ☐ (if yes, go to Q4)
No ☐ (if no, terminate the interview)

☐

Other.....

3 What kind of clothes did/will you buy?

Formal ☐
Casual ☐
Sports ☐
Other.....

4 Where do you normally buy clothes?

Lesotho ☐ (go to Q5.1)
RSA ☐ (go to Q5.2)
Lesotho & RSA ☐

4.1 Where do you like to shop?

Bus Stop ☐
Down Town ☐
Bus Stop & Down Town ☐

4.2 Why do you purchase clothes in RSA?

Convenience	□	
Prices	□	Elaborate
Variety	□	
Prestige	□	
Affordability	□	

Other .....

5 Tell me, how many times do buy clothes in a year?

Once	□ (if yes, go to Q8)
Twice	□ (if yes, go to Q7)
Three times	□ (if yes, go to Q7)
Four times	□ (if yes, go to Q7)
Five times	□

Other .....

6 Why do you do it more than once in a year?

Clothes worn out	□
Just for pleasure	□
Enough Money to buy	□

7 What factors do you look for when you decide to purchase clothes?

Convenience	□	
Prices	□	Elaborate
Variety	□	
Prestige	□	
Affordability	□	

Other .....

8 When you go shop for clothes, how often do you change shops?

Never	go to Q13
Once	go to Q10
Twice	go to Q10
More often	go to Q10
All the time	go to Q10

9 When you change, do you go to Chinese or non Chinese shops?

Chinese	□
Non Chinese	□

10 Why do you prefer to change shops?

Price Shopper	□
Lack of Variety	□
Rude Personnel	□

Other.....

11 If you happen to buy from both Chinese and non Chinese shops, how is the service when you compare?

Chinese	**Non Chinese**
Best	Best
Average	Average
Poor	Poor
Worst	Worst

12 How critical are the following element in terms of influencing your decisions to buy from any clothing retail shop? Please choose one.

Cheap Prices	□
Image of store	□
Approval by others	□
Easy Availability	□
Good Service	□

13 Sex Do not ask!!!

Male	□
Female	□

14 Can you tell me the age category that you fall in as I read age categories to you?

25-30	□
31-35	□
36-40	□
41-45	□
46-50	□
50+	□

15 Marital Status?

Single	□
Married	□
Divorced	□
Separated	□
Widowed	□

16 What is the level of education have you attained?

Secondary	□
High School	□
College	□
University	□
Other	_____

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17 Are you employed?

Yes ☐
No ☐

18 Research shows that people with monthly income like to go shopping. Can you indicate as I read salary categories here which one you fall in?

M1000-M1500☐
M1501-M2000☐
M2001-M2500☐
M2501-M3000☐
M3001-M3500☐
M3501-M4000☐
M4001-M4500☐
M4501-M5000☐
M5001+ ☐

19 Where are you staying?

Seoli ☐
Qoaling ☐
Khubetsoana ☐
Motimposo ☐
Stadium Area☐
Thetsane ☐
Leqele ☐
Lithabaneng ☐
Thamae ☐
Tsenola ☐
Maseru East ☐
Maseru West ☐
Katlehong ☐
Hoohlo ☐
Abia ☐
Matala ☐
Mabote ☐
Khubelu ☐
SeaPoint ☐
Moshoeshoe II ☐
Other .....

Those were all my questions, thank you very much.