

## **CONSUMER BEHAVIOR TOWARDS CLOTHING PRODUCTS OF GARCO 10 - A CASE STUDY AT LONG BIEN DISTRICT**

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### **ABSTRACT**

The general objective of the study was to reveal real consumer behavior towards clothing products of GARCO 10 at Long Bien district. The research used the primary data collected from the survey of 120 customers in 2013. The survey indicated that the largest number of consumers buying clothing products for themselves when their cloths are old. They usually purchased at company's stores and products that they prefer most were shirts and khaki pants. Buying frequency of the respondents was low with 1-2 times per year. The level of satisfaction of consumers are inclined towards sale staff, durability, design and price of the products. The EFA analysis showed that consumer behavior is affected largely by 6 factor groups, namely price, reputation and identity, sales staff, inference group, store facilities, product quality, and body fit. Among the variables included in the regression model, the product quality affected most; and male customers have higher potential of buying GARCO 10's clothing than female customers. Finally, the study proposed some suggestions related to developing high quality clothing products, diversifying range of products, and improving price policy in order to help the company attract more customers and then increase its sales.

Key words: consume behavior, clothing products, GARCO 10, exploratory factor analysis (EFA)

### **Hành vi người tiêu dùng đối với sản phẩm may mặc của Công ty may 10**

#### **TÓM TẮT**

Mục tiêu tổng quát của bài viết là tìm hiểu hành vi người tiêu dùng đối với sản phẩm may mặc của Công ty May 10 trên địa bàn quận Long Biên. Các kết quả nghiên cứu chủ yếu dựa trên số liệu sơ cấp được thu thập qua phỏng vấn 120 khách hàng ở năm 2013. Kết quả điều tra cho thấy rằng phần lớn khách hàng mua sản phẩm may mặc cho bản thân sử dụng, khi các quần áo của họ bị cũ. Họ thường mua tại các cửa hàng của công ty, sản phẩm họ thích mua nhất là áo sơ mi và quần kaki. Tần suất mua của khách hàng cũng không nhiều, chủ yếu là 1-2 lần trong năm. Khách hàng tương đối thỏa mãn với các yếu tố liên quan đến nhân viên bán hàng; độ bền, kiểu dáng và giá bán của các sản phẩm may mặc. Phân tích nhân tố khám phá cho thấy hành vi mua của người tiêu dùng bị ảnh hưởng bởi 6 nhóm nhân tố chính là: giá bán, uy tín và vẻ bề ngoài của sản phẩm, nhân viên bán hàng, nhóm tham khảo, tiện nghi của cửa hàng bán sản phẩm, và sự phù hợp với cơ thể. Trong các biến số được đưa vào mô hình ước lượng, biến chất lượng sản phẩm có ảnh hưởng lớn nhất đến dự định mua của người tiêu dùng, khách hàng nam giới có nhiều khả năng sẽ mua sản phẩm may mặc của công ty hơn so với khách hàng nữ. Cuối cùng, bài viết đưa ra một số đề xuất liên quan đến phát triển các sản phẩm may mặc chất lượng cao, đa dạng hóa chủng loại sản phẩm và hoàn thiện chính sách giá nhằm giúp công ty thu hút thêm khách hàng và từ đó tăng lượng bán.

Từ khóa: hành vi người tiêu dùng, sản phẩm may mặc, công ty May 10, phân tích nhân tố khám phá

## 1. INTRODUCTION

### 1.1. Statement of the problems

Businesses in the market economy are facing the stiff competition law; firms may be rejected if do not define for themselves the proper business strategies in each phase. A product with good design and affordable price does not mean that consumers will buy immediately. They must know information about the businesses providing those products and services, the reasons they should buy this company's products rather than other companies' ones. To encourage consumers to buy products and services, businesses need to understand the attitude and behavior, specifically the factors that affect consumer purchasing behavior, and then formulate sales strategies in accordance with their own situations. When understanding customers, businesses will create good relationships with customers, and then increase their sales revenues.

Garment Corporation 10 (GARCO 10) is one of the leading operations of the Vietnam Textile - Garment industry. In the recent years, due to the difficulties in exporting but increased domestic demand for clothing products in domestic markets with about 90 million people (Khanh Vu and Lan Anh, 2013), the company has restructured business operations and paid attention to development of the domestic market. In the initial steps, the company has emphasized on development of the Northern market, especially in Hanoi. This is a potential market with the high population as well as high demand for clothing. However, Hanoi has a wide range of domestic and foreign fashion clothing brands making it a tough competition environment. Additionally, consumer's preference and demand have been changing remarkably. Therefore, assessing consumers' behavior towards the clothing products of GARCO 10 as well as the factors affecting the behavior to meet customers' need might help the company increase its selling output. Moreover, GARCO 10 is based in Long Bien District which is geographically convenient and

there exist several large industrial zones and residential centers of Hanoi, GARCO 10 has opportunities to be widely known by consumers and to improve market share.

### 1.2. Study objectives

The objectives of the study were to reveal consumer behavior towards clothing products of GARCO 10 at Long Bien district, and to analyze key factors affecting on that behavior and then, propose some recommendations to promote the clothing consumption of the company.

## 2. METHODOLOGY

### 2.1. Data collection

The study mainly uses primary data collected from the survey in 2013. A sample of 120 consumers who purchased GARCO 10 clothing products at GARCO 10's stores, agents, and supermarkets at Long Bien district were directly interviewed. Convenience sampling method was used to select interviewees.

In addition to general information of the interviewed customers, the questionnaire contained questions with many choices to record their buying behavior. Likert scale was applied to identify the customers' evaluation, wherein, the scale ranging from 1 (no affect) to 5 (major affect) was used to know how factors affect buying-decision of customers towards the GARCO 10's clothing products.

### 2.2. Data analysis

Descriptive statistics with contingency tables, diagrams and charts was used as the principle method to achieve the study objectives. In addition, the study assessed the reliability of scales by Cronbach's coefficient alpha. This is a measure of internal consistency or how closely related a set of items are. Unsatisfactory observation variables or scales in survey were eliminated. Variables that item-total correlation coefficient below 0.3 was crossed out, and the standard scale was Cronbach's alpha greater than or equal 0.6 (Peterson, 1994).

**Table 1. Variables affect consumers' buying decision towards clothing products of GARCO 10**

Factor	Variable	Explain	Factor	Variable	Explain
Price	X <sub>1</sub>	Reasonable price	Company's reputation	X <sub>14</sub>	Widely-known & high assessment of brand
	X <sub>2</sub>	Stable price		X <sub>15</sub>	Good product commitment
	X <sub>3</sub>	Price is given clearly	Sale promotion	X <sub>16</sub>	Regular promotion
Physical fitness	X <sub>4</sub>	Body shape		X <sub>17</sub>	Attractive promotion
Inference group	X <sub>5</sub>	Comfort and usefulness	Identity	X <sub>18</sub>	Style
	X <sub>6</sub>	Relatives, friends recommend		X <sub>19</sub>	Color
	X <sub>7</sub>	Used consumers' comment	Product quality	X <sub>20</sub>	High durability
Sales staff	X <sub>8</sub>	Sales staffs know well about product & fashion		X <sub>21</sub>	Standard seam
	X <sub>9</sub>	Sales staffs are willing to listen to & answer		X <sub>22</sub>	Anti-creasy
Store facilities	X <sub>10</sub>	Sales staff makes comfortable feeling		X <sub>23</sub>	Good elasticity
	X <sub>11</sub>	Products display			
	X <sub>12</sub>	Changing room, mirror, light			
	X <sub>13</sub>	Convenient shop place			

After Cronbach's alpha meets requirements, exploratory factor analysis (EFA) was used to determine criteria that consumers concern when buying the clothing products of the GARCO 10. Theoretically, EFA is often used to identify a small number of factors that explain most of the variance embedded in a large number of variables. The variables that have factor loadings are less than 0.5 in the EFA will continue to be excluded. Factor extraction method used in this study was principal components with Varimax rotation and stop point when eigenvalue equals 1 for scale. Scale is accepted when the sum of extracted variance equals to or greater than 50% (Hair *et al.*, 1995). Variables firstly used in the study are shown in Table 1. A total of 23 variables grouped in 9 factors (or groups) which effect on the consumer's purchasing decision for clothing products of GARCO 10 were considered. The five-level Likert scale ranging from 1 to 5 was used to measure those variables.

Furthermore, the study also used multiple regression analysis to estimate influence level of factors (independent variables) to buying

intention of consumers (dependent variable) according to the following function:

$$Y = \beta_0 + \beta_1 F_1 + \beta_2 F_2 + \dots + \beta_j F_j + \beta_{j+1} D + u$$

Where Y is the dependent variable (buying intention of consumer),  $\beta_j$  and  $\beta_{j+1}$  are estimated coefficients,  $F_j$  is the independent variable which is identified after an application of EFA, D is the dummy variable denoted for gender, and u is the stochastic error term.

### 3. RESULTS AND DISCUSSION

#### 3.1. Consumer behavior towards clothing products of GARCO 10 at Long Bien district

##### 3.1.1. Characteristics of the interviewed customers

According to the survey, men are predominant purchasers of the company's garment products, namely 66.4% that is approximately 2 times higher than female consumers. The main reasons of the difference may be that a majority of GARCO 10 garments are for male consumers and they tend to buy products for themselves.

**Table 2. General information of the interviewed customers**

Indicator	Percentage	Indicator	Percentage
<i>1. Age distribution</i>	<i>100.0</i>	<i>3. Occupation distribution</i>	<i>100.0</i>
Less than 25 years old	6.4	Businessmen	30.4
From 25 to 34 years old	26.4	Office staff	28
From 35 to 50 years old	47.2	State employee	26.4
Greater than 50 years old	20.0	Students	3.9
<i>2. Education distribution</i>	<i>100.0</i>	Other	11.3
High school	11.8	<i>4. Income distribution</i>	<i>100.0</i>
Intermediate & college	36.2	Less than 5 mill./month	46.4
University and post graduate	47.6	From 5 to 10 mill./month	44.0
Others	4.4	Greater than 10 mill./month	9.6

Source: Survey, 2013

Customers' age distribution showed that dominant group was between 35 and 50 years old with 47.2% of the respondents, followed by 25-34 years and over 50 years old groups (26.4% and 20%, respectively) (Table 2). That is reasonable with the target customer groups of the company. Customers with university and college education accounted for the highest proportion, 47.6% and 36.2%, respectively.

When looking at occupation distribution, the majority of the respondents were businessmen, office staff and state employees with 30.4%, 28% and 26.4%, respectively. Income distributions of the respondents were especially collected in the low-middle income group less than VND5 million per month and middle-income groups from 5 to 10 million VND per month with 90.4%.

### **3.1.2. Consumer behavior towards clothing products of GARCO 10**

According to Blackwell *et al.* (2001), consumer behavior is a complex pattern and sophisticated understanding for marketing researches, but simply defined as study of psychological, social and physical actions when people buy, use and dispose products, services ideas, and practices. He also showed that consumer behavior process starts with a need recognition and end up with divestment. Therefore, the paper explored the consumer behavior at three stages, namely pre-purchase, purchase and post-purchase.

#### *a. Consumer behavior at the pre-purchase stage*

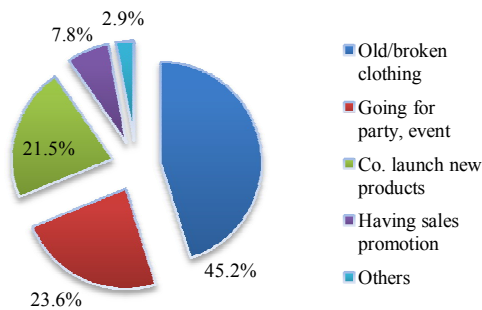
##### *\* Need recognition*

The majority (45.2%) of the respondents purchased new clothing products when their cloths are getting old. When customers going for party or special event and the company launches new products with 23.6%, 21.5%, respectively. Sales promotion was not really attractive to customers, it accounted for only 7.8%. Thus, GARCO 10 should boost its new product's designs as well as various forms of sales promotion to gain more customers' attention.

More than half of the respondents (56.9%) purchased clothing products for themselves. This is followed by 23.7% of the respondents buying for relatives. About 19% of the total interviewers used the company's clothing products for gifts (Figure 2).

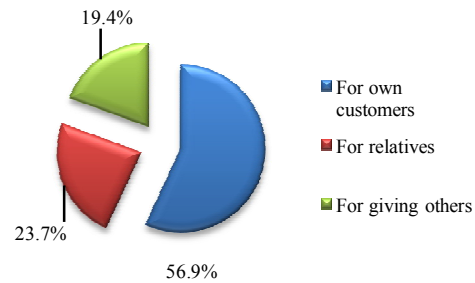
##### *\* Information search*

There were varieties of information sources consumers get to know the clothing products of GARCO 10 (Fig. 3). About 31.5% of the respondents declared that the main information sources they knew about products of the company are their own experiences and suggestions of relatives and friends. It means that the company has created the significant trust in the mind of consumers over years.



Source: Survey 2013

**Figure 1. Consumers' need of using clothing Products**



Source: Survey 2013

**Figure 2. Consumers' purpose of buying clothing products**

Information sources such as magazine, paper, and company's stores, agents were known by fewer consumers (Fig. 3). The other information channels like internet and festival and exhibition that help consumers access to clothing products of the company account for a minority, 9.3% and 2.1% respectively. This suggests that the company should improve its reputation, train professional selling skills for its sales staff to communicate effectively with customers about its products and services.

#### *b. Consumer behavior at the buying stage*

The most important information that a company wishes to know is what main factors effecting customers' buying decision are.

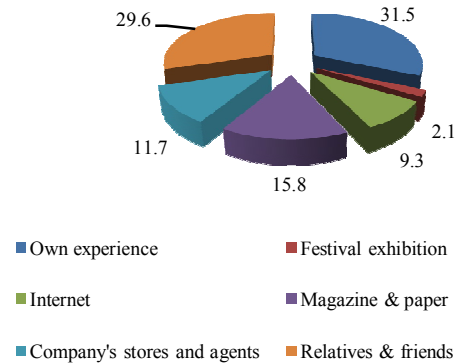
Because of its importance, this content was explored in details in the next section. Some other characteristics of consumer's behavior at the stage of purchase are expressed in Table 3.

72.6% of the total interviewed consumers choose the company's stores to buy clothing products. They reckoned that it ensures quality of products and makes them comfortable while shopping. Almost 26% of the respondents bought at agents or supermarkets. Only 1.6% of the respondents bought products at other places, especially at fairs when the company participated. This indicates an important role of the company's store system with respect to improvement of its sales.

**Table 3. Consumer behavior at the stage of purchase**

Indicator	Percentage	Indicator	Percentage
<i>1. Shopping places chosen</i>	<i>100.0</i>	<i>3. Clothing products chosen</i>	<i>100</i>
- Company's stores	72.6	Shirts	57
- Agents and supermarkets	25.8	Khaki pants	21
- Others	1.6	Trousers	12
<i>2. Buying frequency</i>	<i>100</i>	Veston	6
From 1 to 2 times	58	Jacket	4
From 3 to 4 times	39		
Greater than 5 times	3		

Source: Survey, 2013



Source: Survey 2013

**Figure 3. Sources of information for the GARCO10's clothing products**

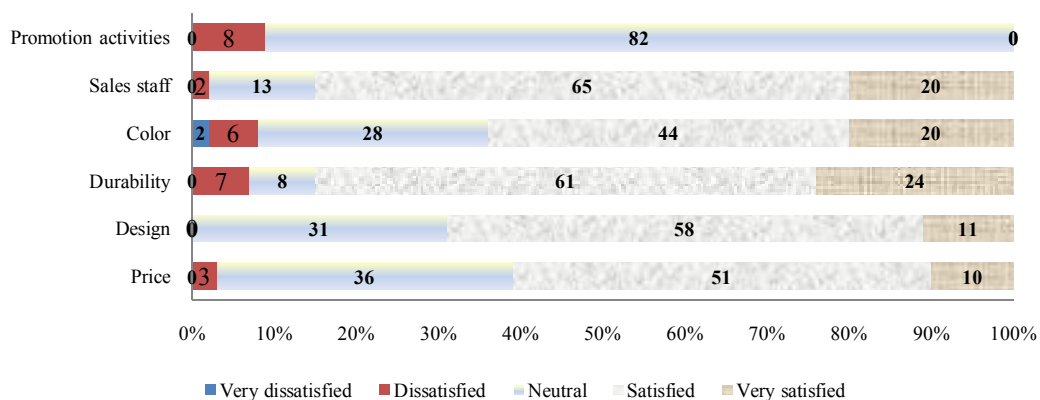
58% of the surveyed respondents bought clothing products of the company 1 - 2 times per year and 39% of the sample purchased 3-4 times per year.

Among company's products, shirts were the product group most favored by the respondents (57%), followed by Khaki pants (21%), and trousers (12%). Veston and Jacket accounted for a very small portion, only 6% and 4%, respectively.

#### c. Consumer behavior after buying

\* Satisfactory level of consumers

Generally, customers satisfied towards sales staff of the company, color, durability, design and price of the company's products, with 65%, 44%, 61%, 58% and 51%, respectively (Figure 5). However, in regard to promotion activities, there were 82% of the respondents were neutral. This illustrates that promotion activities were not really appealing and paid attention by consumers. Thus, the company should be aware of effectiveness of these activities and have reasonable marketing strategies so as to attract customers and compete with other competitors.



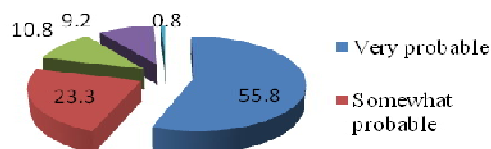
Source: Survey 2013

**Figure 5. Satisfactory level of consumers towards some factors**

In addition, the survey results also indicated that approximately 83% of the interviewed customers are willing to recommend to others about clothing products of GARCO 10. They may be good marketers for the company.

*\* Buying intention*

The majority (79%) of the respondents intended to buy clothing products of GARCO 10 in the future (Fig. 6), of which 66% of the respondents answered that they are very affordable. Only 10% of the respondents did not have buying intention. This implies that the company's clothing products have good impression in the customers' mind.



Source: Survey, 2013

**Figure 6. Buying intention of consumers towards clothing products of GARCO 10**

### 3.2. An analysis of factors affecting consumers' buying decision towards clothing products of GARCO 10

In this section, exploratory factor analysis (EFA) and multiple regression analysis were used to explore influential level of factors toward buying decision of consumers. The variables used are shown in Table 1.

#### 3.2.1. Assessing the reliability of scale by Cronbach's coefficient alpha

Cronbach's Alpha test for 23 variables grouped into 9 factors was performed through SPSS software. The results showed that an exception for  $X_{23}$ , 22 remaining variables met the standard requirements (i.e. the item-total correlation coefficients are greater than 0.3 and the Cronbach's alphas are equal or greater than 0.6). The variable  $X_{23}$  which had the item-total

correlation coefficient of 0.132 was omitted. The scale of the product quality component was retested and three remaining variables satisfied the requirements of Alpha reliability. Thus, a total of 22 variables were appropriate to be used in EFA.

#### 3.2.2. Exploratory factor analysis

##### a. KMO and Bartlett's test

KMO (0.605) and Bartlett's test revealed statistical significance at 0.001 level, indicating that EFA is consistent.

##### b. Factor extraction and rotation

Factor analysis with 22 observed variables was included according to the eigenvalue standard. Seven factors that had the eigenvalue of 1,254 and the sum of extracted variance being 73.84% were extracted.

Based on the rotated component matrix in EFA, the loading factors of all variables are greater than 0.5, so they were used for EFA method.

##### c. Naming the factors

From the EFA results, 22 variables were divided into 7 factor groups: Factor 1 was named "Price" including  $X_{17}$ ,  $X_2$ ,  $X_1$ ,  $X_3$ ,  $X_{16}$ ; Factor 2 named "Reputation and identity" includes  $X_{14}$ ,  $X_{18}$ ,  $X_{19}$ ,  $X_{15}$ ; Factor 3 - "Sales staff" consists  $X_9$ ,  $X_{10}$  and  $X_8$ ; Factor 4 - "Inference group" includes  $X_6$  and  $X_7$ ; Factor 5 named "Store facilities" consists  $X_{13}$ ,  $X_{11}$  and  $X_{12}$ ; Factor 6 - "Product quality" includes  $X_{22}$ ,  $X_{20}$  and  $X_{21}$ ; and Factor 7 called "Physical fitness" consists  $X_4$  and  $X_5$ .

##### d. Factor interpretation and application

After the factors were named, the component score coefficients were calculated to determine which variables have large effect on them. The results are shown in Table 4.

As shown in the table, variables in each factor were directly proportional. For example, the Price factor all 5 variables ( $X_1$ ,  $X_2$ ,  $X_3$ ,  $X_4$ ,  $X_{16}$  and  $X_{17}$ ) had positive signs. It means that if these variables are highly evaluated, the price factor will have more effect. Among price variables, variable  $X_1$  (Reasonable price) affected most

because of the largest score coefficient (0.375). This may be explained by the fact that buyers often compared between paid cost and received value when buying a product. Furthermore, they also considered prices of other brands. Sales promotion and added value or incentive were two components considered by consumers in their shopping. Thus, GARCO 10 should set prices so as to be consistent with quality of products as well as compete with other fashion brands in market. On the other hand, depending on production and business situation, the company applies various forms of sales promotions to attract more familiar and potential consumers.

In the Factor 2 “Reputation and identity” variable  $X_{14}$  (Widely-known and high assessment of brand) affected most. With other variables held constant, this factor increased by 0.537 for every extra unit of  $X_{14}$ . In fact, brand is a powerful tool to attract more consumers to buy particular products, especially clothing. To raise the sale volume, the company can enhance promotion activities and introduce widely its brand image. In addition, identity plays a strong influence on consumer behavior in clothing. It contributes to reflect their personality. Thus, design of products should be based on features of targeted consumers.

**Table 4. Component Score Coefficient Matrix**

Variable	Factors						
	Price	Reputation & identity	Sales staff	Inference group	Store facility	Product quality	Physical fitness
$X_1$	.375						
$X_2$	.372						
$X_3$	.299						
$X_4$							.353
$X_5$							.325
$X_6$				.289			
$X_7$				.256			
$X_8$			.368				
$X_9$			.359				
$X_{10}$			.335				
$X_{11}$					.403		
$X_{12}$					.393		
$X_{13}$					.411		
$X_{14}$		.537					
$X_{15}$		.275					
$X_{16}$	.326						
$X_{17}$	.338						
$X_{18}$		.282					
$X_{19}$		.491					
$X_{120}$						.399	
$X_{21}$						.322	
$X_{22}$						.320	

Extraction Method: Principal Component Analysis.  
Rotation Method: Varimax with Kaiser Normalization.

Source: Survey 2013 and calculated by SPSS software



For factor 3 “Sales staff”, variable  $X_8$  (Sales staff know well about products and fashion) affected most. Major tasks of sales staff are delivering products and solving customers’ problems. They directly contact customers, identify their needs and help them make a purchasing decision. Thus, the company should continue training and improving professional level in order to give customers the best services as well as good image in their mind.

Factor 4 “Inference group” was mainly impacted by 2 variables,  $X_6$  and  $X_7$ , of which variable  $X_6$  (Relatives, friends recommend) had greater influence (0.289). Information influence involves the use of certain influential to help assess the merits of a given product or service. The opinions of such individuals often legitimize the purchase of a certain product. Thus, the company should focus on building brand image and satisfy consumers’ need that using products to attract more consumers, especially potential consumers.

For factor 5 “Store facilities”, variable  $X_{13}$  (Convenient shopping place) affected most. The factor of store facilities is important for shoppers to decide in buying the garments. It can be a basis for consumer to evaluate the products. Thus, besides investing in infrastructure for stores, the company should be aware of stores’ locations to distribute its products to consumers.

With the largest score coefficient (0.399), variable  $X_{20}$  (High durability) affects most on factor 6 (Product quality). Quality of clothing is considered as the main factors affecting consumers’ buying decision. So, the company should improve quality of its clothing products such as material, seam and characters.

Factor 7 “Physical fitness” was mainly impacted by variables  $X_4$  and  $X_5$ ; in which variable  $X_4$  (Body shape) has greater influence. Body shape is a remarkable factor for customers’ decision to buy a product. Product comfort is also an important attribute, as consumers wish comfortable products to satisfy certain specific needs. Thus, the company

should ensure that the garments have appropriate fit for consumers and features are balanced to their body.

### 3.2.3. Multiple regression analysis

From EFA results, there were 7 factors that consumers concern when buying clothing products of the company. Multiple regression analysis was used to analyze the factors (independent variables) affecting buying intention of consumers (dependent variable). Besides, a dummy variable denoted gender was added. It is equal 1 if the respondent is male and 0 if the respondent is female. The specific model is expressed as follows:

$$Y = \beta_0 + \beta_1 F_1 + \beta_2 F_2 + \beta_3 F_3 + \beta_4 F_4 + \beta_5 F_5 + \beta_6 F_6 + \beta_7 F_7 + \beta_8 D + u$$

Where Y is buying intention of consumers,  $F_1$  is “Price”,  $F_2$  expresses “Reputation and identity”,  $F_3$  is “Sales staff”,  $F_4$  stands for “Inference group”,  $F_5$  is “Store facilities”,  $F_6$  expresses “Product quality”,  $F_7$  is “Physical fitness”, and D is a dummy variable. Finally,  $\beta_i$  are parameters to be estimated.

The estimated results of the model by OLS method are illustrated in table 5. The regression was of poor fit ( $R^2_{adj} = 42,5\%$ ) but the overall relationship was significant ( $F_{8, 111} = 12.869$ ,  $p < 0.001$ ). Moreover, the sample was cross-sectional so the result may be acceptable (According to Studenmund and Cassidy, if the sample is cross-sectional, an  $R^2$  of 0.5 might be considered a good fit). Among the independent variables, variables of  $F_1$ ,  $F_2$ ,  $F_4$ ,  $F_6$ ,  $F_7$  and D had statistically significant impacts on buying intention of consumers towards the clothing products of the company at the 0.01 and 0.05 levels. Positive regression coefficients revealed that the dependent variable and the independent variables are directly proportional. Basing on the values of standardized coefficients we can see that variable  $F_6$  (product quality) with the beta of 0.569 has the highest influence to the buying intention of consumers, followed by variable  $F_7$  (Physical fitness). If increasing customer’s evaluation level on

**Table 5. Results of OLS estimation**

Variable	Unstandardized Coefficient		Standardized Coefficient (Beta)	t
	B	Std. Error		
(Constant)	3.221	.218		33.852**
F <sub>1</sub>	.176	.082	.204	3.175*
F <sub>2</sub>	.193	.082	.237	4.228**
F <sub>3</sub>	.052	.082	.059	1.024
F <sub>4</sub>	.158	.071	.161	2.843*
F <sub>5</sub>	-.024	.249	-.005	-.525
F <sub>6</sub>	.327	.067	.596	18.342**
F <sub>7</sub>	.249	.067	.262	3.694**
D	.238	.067	.250	3.570**
Adjusted R <sup>2</sup> = 0.425		Overall F=12.869	Sig. <0.001	

Note: \*\* and \* indicate statistical significance at the 0.01 and 0.05 level, respectively

Source: Survey 2013 & calculated by SPSS software

product quality by 1 unit, buying intention of consumers will increase 0.327 unit and inversely (suppose that other variables are constant). The other variables can be explained similarly. The unstandardized coefficient of variable D (gender) is 0.238, which is positively significant at the 0.01 level. This implies that male customers have higher potential of buying the GARCO 10's clothing than female customers.

### 3.3. Some recommendations for improving the sales of GARCO 10's clothing products

Based on the above results and the respondents' opinions, some solutions suggested to help the company improve its sales are shown as follows.

#### 3.3.1. Developing high quality clothing products

High quality product is one of the factors that consumers know about confirmed brand of GARCO 10 over years. It also effects largest to customers' buying decision. Consequently, the company needs to develop quality assurance systems in all stages of its production process. In addition, the company should consecutively train and enhance professional skills of employees. Short training courses about solving

technical problems and operating machines are necessary to ensure the product quality. Moreover, the company also raises budget that commends and rewards the innovations of workers.

#### 3.3.2. Diversifying and innovating the range of clothing products

Besides its strength in male clothing products, the company should build strategies of product development for women. Currently, product series for this object are relatively limited. For each targeted customer group, products need varying design, color, style, body shape ... so as to increase range of choices for customers. Moreover, it is important for the company to innovate clothing products keeping up with fashion trends and consumers' preferences. Some series of products are complained that they are out-of-date and repeated. Thus innovation can be appealing to both loyal consumers and new consumers.

#### 3.3.3. Improving the price policies

Price has a significant effect on customer behavior towards the company's products, so along with clear and stable prices, GARCO 10 should concern prices to each kind of product. The majority of consumers at Long Bien district

is of low-middle and middle income level. Thus when pricing products, the company needs to give competitive price levels while ensuring quality of products for these groups so that the company can compete with the similar products of other brands in the market. On the other hand, for relative high income group, the company supplies high quality products with higher prices that meet the demand of these consumers.

### **3.3.4. Boosting the promotion activities**

Currently, promotion activities at GARCO 10 are not highly appealing to consumers at Long Bien district. The company needs to assess the effectiveness of each advertising channel and chooses different methods to suit each period. After promotion activities, the company should evaluate the results through feedback from customers.

## **4. CONCLUSIONS**

The study on consumers' behavior towards the GARCO 10's clothing products indicated that the largest number of the consumers bought clothing products for themselves when their cloths are old. The main information resources that respondents knew about the products of the company are their own experiences and suggestions of relatives and, friends. They usually purchased at company's stores, and products that they preferred most are shirts and khaki pants. Buying frequency of respondents was not so high with chiefly 1-2 times per year. The satisfactory levels of consumers were relatively high towards sales staff, color, durability, design and price of the products except promotion activities. Many of the surveyed consumers intended to continue

buying products of the company, and they are willing to recommend these products for other people.

Based on the results of EFA analysis, this study points out that consumer behavior was affected by 6 factor groups, namely price, reputation and identity, sales staff, inference group, store facilities, product quality, and physical fitness. . Among the variables analyzed product quality affected most, while the inference group affected least. Gender also had statistically significant impact; specifically, male customers had higher potential of buying the GARCO 10's clothing than female customers.

Lastly, the study proposes some suggestions about developing high quality clothing products, diversifying and innovating range of products, improving price policies along with enhancing the promotion activities so as to help the company attract more customers and then increase its sales.

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