ABSTRACT

HUFFMAN, MEGAN MICHELLE. Today's apparel retail purchase environment: A comparison of retail associates' perceptions with consumers' attitudes and opinions. (Under the direction of Dr. Nancy Cassill and Dr. Michelle Jones.)

The purpose of the research is to determine the level of disconnect between retail associates and consumers through a comparison of perceptions, attitudes, and opinions of evaluative criteria within the apparel retail purchase environment. Specifically, the research examines the influence of store displays, retail associate product knowledge, retailer return policies, and product attributes on consumers' purchase decision process as described by the research framework, the Consumer Decision Process by Blackwell, Miniard, and Engel (2001). The study provides marketing implications to retailers allowing them to a) adapt marketing mixes and tailor competitive strategies to retain their current target market and b) to better shape training programs in order for retail associates to more accurately meet the needs and demands of consumers, thus leading to a higher level of satisfaction and loyalty.

A two-phase methodology is used to collect qualitative perceptions from forty retail associates followed by the collection of quantitative attitudes and opinions of 800 consumers in three different retail channels, department, national chain, and specialty. Data was analyzed using analysis of variance, chi-square analysis, and paired t-tests. Results from the two phases were compared in order to determine similarities and/or differences between retail associates and consumers, as well as to validate or refute previous literature. Similarities in opinions were found in the influence of return policies on consumers' purchase decisions. Whereas, differences in opinions were found in the influence of store displays, retail associate product knowledge and importance of product attributes when making a purchase decision.

TODAY'S APPAREL RETAIL PURCHASE ENVIRONMENT: A COMPARISON OF RETAIL ASSOCIATES' PERCEPTIONS WITH CONSUMERS' ATTITUDES AND OPINIONS

by
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BIOGRAPHY

Megan Michelle Huffman was born in Hickory, North Carolina on March 7, 1982. She is the daughter of the late Gerald Michael Huffman and Dianne Huffman and has one older sister, Amber. In Hickory, she graduated from St. Stephens High School in May 2000. Following high-school graduation, she continued her education at North Carolina State University with the College of Textiles. While at North Carolina State, she was a member of Zeta Tau Alpha Sorority, Sigma Tau Sigma Honor Textile Fraternity, and Delta Kappa Phi Textile Fraternity. In May 2004, Megan graduated Magna Cum Laude with a Bachelor of Science in Textile and Apparel Management.

Following her undergraduate degree, she began to pursue her graduate degree, also at North Carolina State University. While completing the requirements for her graduate degree, Megan earned the Charles Livingood teaching assistant award. She also interned at Cotton Incorporated during the summer of 2004 and 2005 with the Strategic Planning division while in graduate school. Megan plans to complete the requirements to earn her Master of Science in Textile Management and Technology in May 2006 and looks forward to a career in the apparel industry, more specifically consumer marketing and market research.

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CHAPTER I

INTRODUCTION

The only thing constant in the US apparel industry is change. As a new era emerges, retailers find themselves adapting to the new consumer-driven market. With decreasing labor costs, the increase in off-shore sourcing, and a six-year decline in the consumer price index for apparel, retailers are changing their strategies in order to remain competitive within the apparel marketplace (Driscoll, 2005). Retailers that once held the largest market share have succumbed to those who tailor marketing mixes to target core consumer segments. In addition, consumers have more choices with increased levels of competition, consumers are demanding more, and consumer segments are becoming more fragmented thus requiring products tailored to their needs (Darian, Pucci, & Wiman, 2001; Sharma, 2001).

More choices exist for consumers in types of retail concepts, type of store or channel, and specific retailers (Blackwell, Miniard, & Engel, 2001). The large number of retailers and changes in consumer buying habits has caused the apparel retail market to become overstored, especially the department and specialty channels (Johnson, 2005). More simply, consumer spending is not at the level of demand to support the increasing number of retailers and shopping centers. With the increase in retail store choices, retailer reliance on single product lines and narrow market segmentation leads to failure within the industry (Driscoll, 2005). Therefore, retailers look to new innovative products and new consumer segments to compete. However, the success of new products is partly dependent on positioning within the mind of the consumer. The retailer must offer a product that is differentiated from similar products, thus establishing a relative advantage of value to the consumer.

Differentiation is often established through marketing mixes. Many retailers are adding service and segmentation to the traditional product, price, promotion, and placement of the marketing mix (Moore & Fairhurst, 2003). Because of the increase of new products to the apparel market, product differentiation is difficult. Retailers look to other factors within the mix, such as service, to establish competitive advantages. Luxury retailers, such as Nordstrom and Neiman Marcus, succeed by using service as a primary differentiating factor to attract customers. Does competition exist between products and service in the mind of consumers?

With the increase of competition in the apparel retail market, understanding the retail environment and the influences within the retail environment are becoming more important. In addition to *products* and *retail services*, it is important to recognize the *human factors* within the environment, retail associates and consumers. The relationship between these two groups of people defines the retail environment and helps to identify retailer opportunities and consumer demands within the market. How well does the retail associate know their consumer?

Past research from Cotton Incorporated describes a "perception gap" between the retail associate and consumer through statistical data collected from Cotton Incorporated's Lifestyle Monitor™, an attitudinal consumer survey. Statistics show that the consumer continually discounts the influences and opinions of the retail associate at the purchasing stage as a useful source of clothing ideas (*Comparison*, 2005; *Habitual*, 2005). In both gender categories, salespeople are ranked eighth out of nine as a source of ideas. With less importance on the retail associate in the purchase environment, a disconnect between retail associates' perceptions and consumers' attitudes and opinions may exist.

Diverse research focusing on the perceptual relationship between the retailer and consumer exists, with most recent research from 1994 (Fortenberry, 1986; Jolson & Spath, 1973; Westbrook, 1981; Williams, 1994). However, there are no studies that compare the perceptual relationship from a most recent 2005 perspective, given global retail competitiveness and changes in the consumer market. Earlier studies, which examined the most important factors when purchasing to the consumer, disagree with the existence of a disconnect between retail associates and consumers (Jolson & Spath, 1973; Westbrook, 1981). However, studies from Williams (1994) and Fortenberry (1986) prove that the relationship between retail associates and consumers is gradually becoming less accurate and less influential, as supported by the Lifestyle Monitor. How have opinions of retail associates changed from being the most influential to one of the least? Williams, who focused on retail executives, found that consumers and executives rate important factors of retail satisfaction differently with meaningful differences on items relating to convenience, as well as the greater influence of store-based service cues over product-based cues. Thus, a greater importance is given to service as a means of retailer differentiation, as previously mentioned. Likewise, Fortenberry focuses on the importance of service in the retail environment. While customer preferences and retail managers' perceptions differed, the overall expectation of service was found to be dependent on price, store type, size of purchase, and situation (Fortenberry, 1986).

The variables and characteristics within the retail environment examined in past research can be depicted in the Purchase Decision Process by Blackwell et al. (2001), as shown in Figure 1. The framework describes the evaluative criteria which influence a consumer's purchase decision. More specifically, the Purchase Decision Process illustrates the relationship between individual characteristics, purchase characteristics and criteria used to evaluate competition within the retail market. While supporting recent research and Lifestyle Monitor, Blackwell et al. agree that consumers continually discount sales associates with respect to influences; therefore, retail associates are considered as evaluative criteria that influence the consumer's choice of retail store.

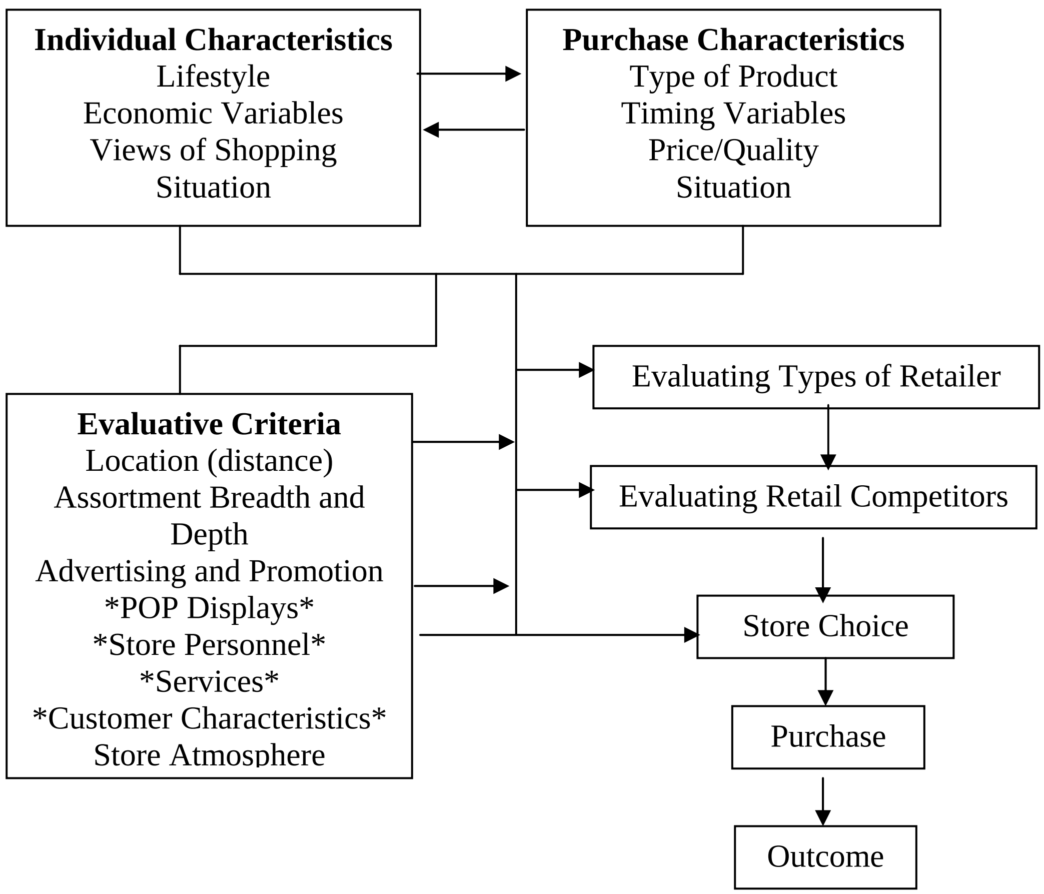

***Figure 1*. The purchase decision process.**

Source: *Consumer Behavior* (p.131), by R.D. Blackwell, P.W. Miniard, and J. F. Engel, 2001, Ohio: South-Western. Copyright 2001 by Thomson Learning. Reprinted with permission of South-Western, a division of Thomson Learning: www.thomsonrights.com. *Denotes evaluative criteria examined in current research. See Appendix F for copyright permission.

Furthermore, the framework supports categorization of characteristics and factors into products and retail services, comparable to Williams's (1994) and Westbrook's (1981) research. Blackwell et al. (2001) studied the characteristics related to the product by examining type of product, price, and quality as purchase characteristics as well as product assortment as evaluative criteria. Similarly, the retail store is evaluated by displays, store personnel, and store services. These characteristics are denoted with an asterisk in Figure 1.

According to Blackwell et al.'s (2001) Purchase Decision Process, a consumer matches the following evaluative criteria with individual characteristics and purchase characteristics: location, assortment breadth and depth, price, advertising and promotion, POP displays, store personnel, services, customer characteristics, and store atmosphere. This research will use this conceptual framework to focus on the accuracy of retail associate perceptions compared to consumers' attitudes and opinions of store displays, store personnel, return services, and product characteristics within the 2005 apparel retail purchase environment.

Purpose of Research

The purpose of this study is to determine the level of disconnect between retail associates and consumers through a comparison of perceptions, attitudes, and opinions of evaluative criteria within the apparel retail purchase environment. Figure 2 depicts the study's conceptual research model which integrates the research purpose and objectives with framework attributes and past literature on the topic. Specific research objectives of this study include a two-phase approach from the perspectives of retail associates (Phase I) and consumers (Phase II).

Phase I: Retail Associates

1. To explore retail associates' knowledge and perceptions on:

    a. Training

    b. Typical customer behavior

    c. Understanding customer returns

    d. Quality issues

    e. Product characteristics and issues

2. To analyze the responses of retail associates and extract key themes to better describe the purchase decision process.

Phase II: Consumers

3. To determine the accuracy of retail associates' perceptions by surveying consumers on evaluative criteria used during the purchase decision process.

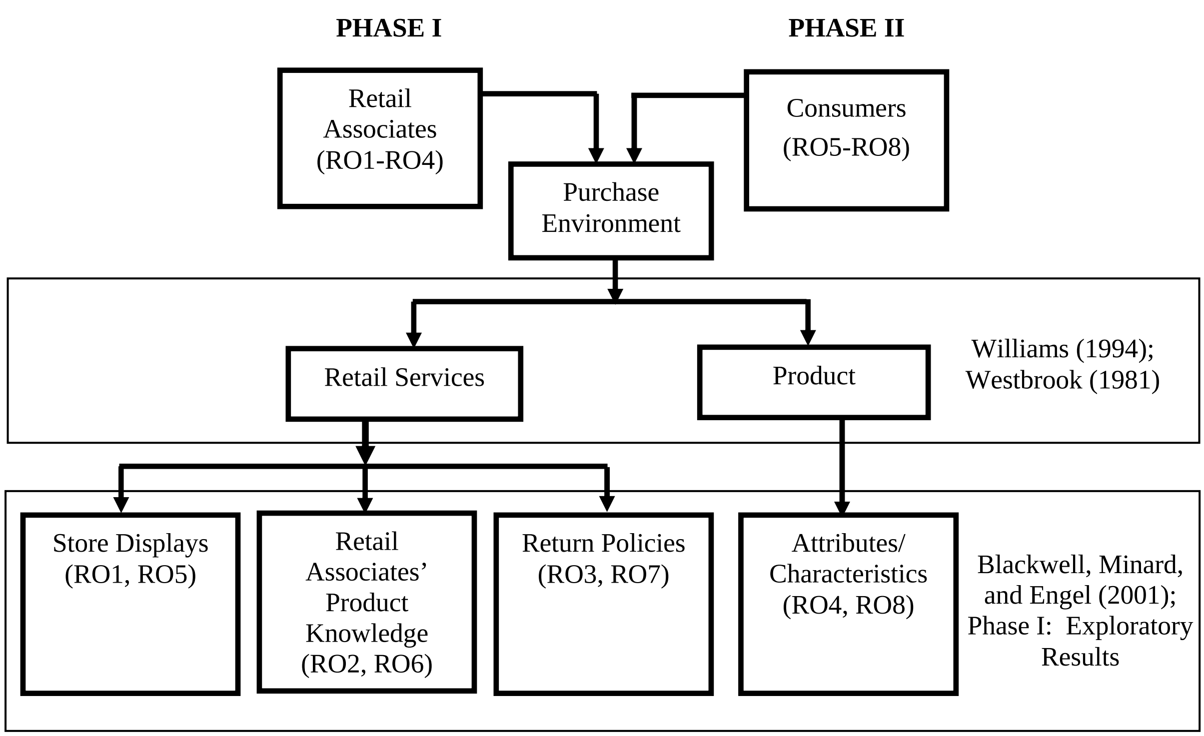

***Figure 2*. Conceptual research model.**
Source: Author (Huffman, 2006)

Research Objectives

Phase I

Specific objectives related to Phase I key themes from the perspective of retail associates include:

RO1: To explore the influence of store displays on consumers' purchase decisions.

RO2: To explore the influence of retail associates' product knowledge on the purchase environment.

RO3: To explore the opinions of retail return policies in the purchase environment.

RO4: To explore product attributes that influence consumers' purchase decisions.

Phase II

Specific objectives related to Phase I key themes from the perspective of consumers include:

RO5: To determine the influence of store displays on consumers' purchase decisions.

RO6: To determine the influence of retail associates' product knowledge on consumers' purchase decision process.

RO7: To determine the influence of retail return policies on consumers' purchase decision process.

RO8: To determine the product attributes that influence consumers' purchase decisions.

Significance of the Study

This study provides insights into the relationship between retail associates and consumers in the apparel retail market, thus providing valuable information for apparel retail corporations. First, the results of this study are significant to retailers' marketing and consumer insight departments of retailers because the research assesses the accuracy of retail associates' perceptions of consumers compared to the attitudes and opinions of consumers. The consumer knowledge gained enables retailers to better adapt their marketing mix and tailor competitive strategies to retain their current target market. It is also important for retail executives, who develop and implement these marketing strategies (Williams, 1994).

Second, it provides valuable information to human resource departments to better shape training programs in order for retail associates to more accurately meet the needs and demands of each individual consumer. In addition, better trained, more knowledgeable retail associates may prove to be more valuable by becoming more highly influential in the mind of the consumer, thus addressing the overall problem of the study. Ultimately, the adaptation of training programs and individualized selling techniques lead to a higher level of customer satisfaction and loyalty, as well as profitable measures for the retailer.

Limitations of the Study

There are several limitations within the study. Because a small sample of retail associates was interviewed, only key themes that could be generalized among the sample were extracted. In addition, the mass retail channel was not included in the study; therefore it is difficult to generalize results for the entire apparel market. However, the increase of cross-shopping may allow insights into the mass channel consumer. A large number of specialty retail associates were interviewed compared to the department store and national chain channels. Thus, limitations exist in the information collected from the department store and national chain retail associates when comparing information across and within channels. Finally, the home product category was omitted from the sample after the pre-test. However, the retail associate interviewed was still included in the total forty interviews because the company, consumer, and product knowledge demonstrated by the associate proved to be outstanding and offered great insight into that particular retail store.

Additional limitations exist in the comparison of results from two different data collection methods. The questions were worded differently and the nature of the answers was quite different. Qualitative answers from Phase I were open-ended and retail associate respondents were only probed when necessary, leaving room for researcher interpretation and assumption. Because consumer respondents in Phase II were given the multiple answers to choose from, quantitative answers were more precise and left little room for researcher interpretation.

Conceptual Definitions

Attitude-The likes and dislikes of a consumer that determine behavioral intentions (Blackwell et al, 2001).

Chain store-Several retail outlets that are commonly controlled and have central buying, selling, and merchandising (Kotler & Armstrong, 2001).

Competitive advantage-An edge that one organization has over another, such as better products, lower prices, customer relationships, sales and marketing promotions (Nykamp, 2001).

Customer service-“The identifiable, but sometimes intangible, activities undertaken by a retailer in conjunction with the basic goods and services it sells,” including but not limited to credit, complaints, returns handling, special sales, and mail and phone orders (Berman & Evans, 2004).

Department store-A retail outlet that carries a variety of product lines in clothing, home furnishings, and household products, which are operated as separate departments and run by separate buyers within the store (Kotler & Armstrong, 2001).

Evaluative criteria-The influences used to evaluate retail stores that best meet consumers’ needs depending on the type of purchase (Blackwell et al., 2001).

Opinion-A thought, belief, or feeling about something (Blackwell et al, 2001).

Perception-The way people select and interpret information to form a meaningful understanding of the subject at hand (Kotler & Armstrong, 2001).

POP Display-In store displays that give customers an idea of store atmosphere, products, and promotions (Berman & Evans, 2004).

Product-cues-attributes and characteristics related directly to the apparel item itself, such as breadth and depth of assortment, brand, quality, and durability (Westbrook, 1981; Williams, 1994).

Product knowledge-The information possessed by retail associates and consumers about products (Blackwell et al., 2001).

Purchase decisions-A consumer’s choice to actually buy a product (Kotler & Armstrong, 2001).

Retail associate (also known as salesperson)-Individuals acting for a company to sell the product or service a consumer (Kotler & Armstrong, 2001).

Return policy-A service offered by a retail store in terms of returning products which affects store image (Blackwell et al., 2001).

Segmentation-Dividing consumers into groups, or segments, based on similarities and differences in needs, characteristics, and behaviors (Kotler & Armstrong, 2001).

Service-cues-Aspects of retailer organization and environment, such as store personnel, displays, returning, ease of movement in store, and store atmosphere (Westbrook, 1981; Williams, 1994).

Specialty store-A retail store that carries a specialized, narrow product line but offers depth within the line (Kotler & Armstrong, 2001).

CHAPTER II

LITERATURE REVIEW

The review of literature further describes the framework used to structure the research. In addition, an overview of past literature surrounding the comparison of retailers' and consumers' perceptions used to strengthen the research is explored. An overview of today's apparel retail environment is also presented in relation to retail channels, consumer segmentation, consumer spending, and future marketing strategies.

Conceptual Framework

Blackwell, Miniard and Engel (2001) have completed extensive research in understanding and predicting consumer behavior. As mentioned, consumers' demand of choices and differentiation has created an increased level of competition and importance of knowing how the customer thinks, acts, and most importantly, how they buy. Furthermore, retailers have to "analyze and understand the minds of the end users of every product that is made and every service that is offered in order to formulate strategies to keep existing customers and entice new ones" (Blackwell et al., 2001, p. 70). Blackwell et al. developed two processes that capture the behavior of consumers during the decision process and during the purchase process. Although the latter model is the conceptual framework for this research, it is important to understand the decision process as well.

The Consumer Decision Process

The original Consumer Decision Process model was developed in 1968 with several revisions since that time. A revised model serves as the framework for many consumer behavior and marketing texts and research studies (Blackwell et al., 2001). The most recent model revised in 2001 developed by Blackwell et al. (2001) depicts a roadmap of the consumers' minds through the following seven stages: (1) Need Recognition (2) Search for Information (3) Pre-Purchase Evaluation of Alternatives (4) Purchase (5) Consumption (6) Post-Consumption Evaluation and (7) Divestment, as shown in Appendix A. In theory, the sequential stages ending with the purchase outcome and divestment lead back to need recognition to purchase.

More specifically, the detailed version of each stage illustrates the forces and influences that affect the consumer, such as environmental influences and individual differences (Blackwell et al., 2001). Similar to demographic and psychographic variables, a consumer's culture, attitude, and lifestyle influence their need or want of a new product, the search and evaluation of retailer and product, the purchase of the product, the use of the product, and the evaluation of satisfaction from use of the product, as depicted by the Consumer Decision Process Model. While the Consumer Decision Process Model depicts the steps taken by the consumer, a framework detailing the characteristics that influence consumers to purchase is more appropriate for the current research.

The Purchase Decision Process

The Purchase Decision Process is the fourth stage of the Consumer Decision Process and will be the model component used in the study. As shown in Figure 3, the Purchase

Decision Process depicts the interaction between individual and purchase characteristics and their association with criteria used to evaluate retailers and store choice (Blackwell et al., 2001). Evaluative criteria refer to the characteristics and influences used to evaluate retailers in terms of purchase type. The current research focuses on the evaluative criteria denoted by an asterisk in Figure 3.

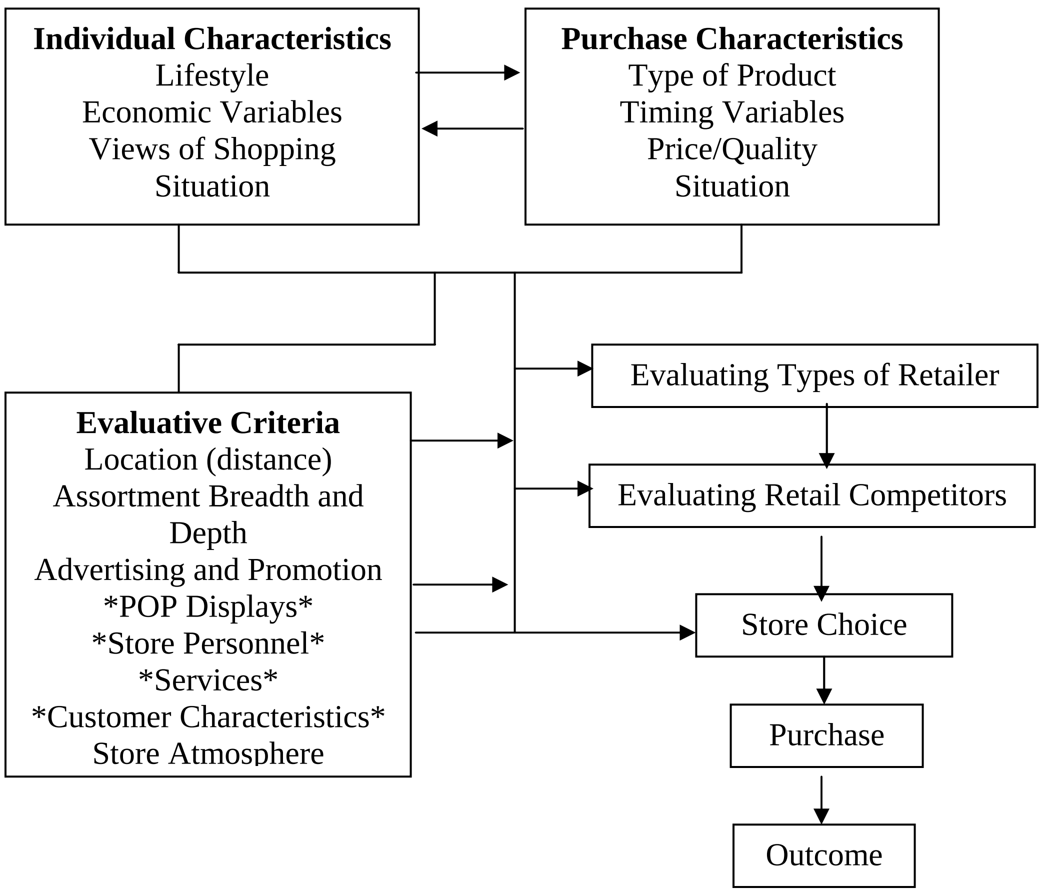

***Figure 3*. The purchase decision process.**

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Blackwell et al.'s (2001) Purchase Decision Process outlines the steps taken by the consumer when making a purchase decision, from retailer evaluation to outcome. Within stage four, the process identifies five steps that a consumer goes through when purchasing: evaluating types of retailers, evaluating retail competitors, store choice, purchase, and outcome. Leading up to the purchase decision, a consumer must evaluate different types of retailers, retail competitors, and choose the store in which they will purchase. However, a consumer may not go through each step with every purchase. Past outcome experiences and store images may influence which store they choose to patronize (Blackwell et al., 2001)

Within the Purchase Decision Process, there are combinations of factors that influence consumer decisions: individual characteristics, purchase characteristics, and evaluative criteria. The interactions between individual and purchase characteristics directly influence the evaluative criteria, as well as the stages within the decision process. In addition, the criteria evaluated by the consumer have a direct relationship to the purchase process stages of retail evaluation, competitor evaluation, and store choice. The current research concentrates on the evaluative criteria that directly affect the purchase decision.

There are two human factors present in the Purchase Decision Process. First, the retail associate, who also has a direct effect on the purchase decision as an evaluative criteria, works closely with the consumer gaining perceptions of consumers' preferences and attitudes towards purchasing. Examples of retail associates include store managers, assistant store managers, department managers, shift leaders, sales associates, and customer service associates who interact with consumers in the retail environment. Second, the consumer, the center of the Purchase Decision Process, forms attitudes and opinions toward the evaluative criteria thus making an informed decision to purchase hoping for the most satisfactory outcome. Both of these human factors, retail associates and consumers, impact the purchase decision environment.

Once a purchase is made in step four of the Purchase Decision Process, the final step evaluated is the outcome of the purchase decision. Blackwell et al.'s (2001) Consumer Decision Process Model, previously discussed, examines the post-purchase consumer in more detail. After the product is consumed, a post-consumption evaluation is made of satisfaction or dissatisfaction. Thus, the satisfaction of a product translates to customer satisfaction, and ultimately has a direct effect on the next purchase decision. As previously stated, the consumer may not use every stage of the Purchase Decision Process. For example, a consumer is more likely to return to the store where a highly satisfied previous purchase was made, thus skipping the evaluation of retailers and competition within the market.

Related Literature

Relationship: Retail Associates and Consumers

Literature on the influences within the retail environment and the relationship between consumers and retail associates exist. The most concentrated factor within the retail environment is the study of personal selling and salesperson performance concerning a variety of non-apparel related products (Lambert, Marmorstein, & Sharma, 1990; Sharma, 2001; Weitz, Sujan, H., & Sujan, M., 1986). Although the attributes and performance of salespersons were widely studied, research in highly technical industries noted that salespersons were not influential to the sale because they had little product knowledge (Darian et al., 2001; Fletcher, 1987). Research on consumer segmentation, influences within the retail environment, and attributes important to store choice represents the remainder of past literature (Mattson, 1982; McClure & Ryans, Jr., 1968, Sharma & Levy, 1995).

In addition to the afore mentioned research, past research has studied the relationship between retail associates and consumers beginning in 1973. More specifically, research has examined the perceptions and opinions of retail executives, managers, and associates to attitudes and opinions of consumers in the apparel retail environment (Williams, 1994; Fortenberry, 1986; Jolson & Spath, 1973). Westbrook (1981) also contributes results supporting the current research, as well as offering structure to the conceptual research model and depth to the research framework. Table 1 presents a compilation of the most significant past research including research purposes, variables, methodologies, results, and limitations.

Table 1

Research Contributions to Study

Author	Purpose	Variables Studied	Methodologies	Results	Limitations
Williams (1994)	• To determine the specific attributes that affect retail satisfaction across store types and the differences between retail executives and consumers.	• Sales associates • Store Image • Store Policies • Value • Assortment • Visual appeal • Store Design	• Similar questionnaires were answered via mail from 323 consumers and 201 retail executives. • Factor analysis, analysis of variance, and t-tests.	• Customers and retail executives perceive importance of satisfaction attributes differently. • Attributes of satisfaction are not store type specific for consumers. • Store cues more significantly influence satisfaction than product cues.	• Respondents were retail executives who do not work closely with the consumer; therefore, are not a good representation of retailer accuracy of consumer perceptions.
Fortenberry (1986)	To investigate sales personnel training and consumer preferences regarding sales service. • Service preferences related to type of store • Sales service effects on store loyalty	• Knowledge of consumer • Preferences for service • Price • Employee knowledge • Convenience • Situational sales service • Merchandise selection • Fashion	• Different questionnaires were answered by a sample of management and 148 consumers. • Frequency and percentage distributions, correlation analysis, cross tabs, and chi-square analysis.	• Service is dependent on price, purchase type, store type, and situation. • No correlation between consumer respondents and shopping considerations for service. • Consumers' preferences for service and important factors when shopping conflicted with managements' perceptions.	• Concentrated on stores in the Dallas Metropolitan area. • Respondents were retail management whom train store personnel. • Most research gained from management on initial training and interaction with sales personnel.
Westbrook (1981)	• To identify retailer-related experiences that cause consumer (dis) satisfaction. • To explain differences in retail satisfaction by different retailer-related experiences.	• Store personnel • Store environment • Merchandising policies • Service orientation • Product/service • Value/price relationship • Special sales	• In-home interviews using questionnaire with 206 adult females who shop in department stores in Tucson, Arizona. • Use of multivariate factor analysis and multiple regression of factor scores	• Consumer experiences can be categorized by experiences relating to the store and by the consumption of the products themselves. • Influential components are satisfaction with store personnel, sales, and products/services.	• Respondent group of female, department store shoppers in Tucson is not representative of the US population. • The opinions of consumers were studied, with no comparison to retail associates.

Table 1 Continued

Research Contributions to Study

Author	Purpose	Variables Studied	Methodologies	Results	Limitations
Jolson and Spath (1973)	• To compare and determine how customers and retailers rank the factors that influence where consumers shop. • To determine the relationship and fulfillment of consumer needs.	• Price/value • Quality • Salesclerk service • Variety and assortment • Guarantee, exchange, and adjustment policies • Customer habit, routine • Convenience factors • Store atmosphere • Merchandise displays	• Questionnaire was given to 420 consumers. • Questionnaire to eight largest retailers in Baltimore mall. • Factors of patronage analyzed using rank order and Spearman coefficient of rank correlation.	• Price/value, store specialization, quality, salesclerk service, store location are the most important factors to customers. • Retailers are moderately aware of factors important to consumers. • Little correlation between retailer understanding and customer fulfillment, although women's apparel shop is an exception.	• Consumer respondents were mall shoppers in Baltimore. • Retailer respondents were owners or managers at stores which carry a wide variety of products and all were not apparel retailers.

Source: Compiled by Author (Huffman, 2006)

Table 1 summarizes past research contributions on the relationship between retail associates and consumers in terms of similarities and differences among results. Similarities exist in the categorization of overall themes as store-based cues and product-based cues as well as retail satisfaction and service expectations dependency on situation and purchase type. Differences can be seen in the level of agreement between retail associates, or executives, and consumers on influences and perceptions in the purchase environment. Jolson and Spath (1973) and Westbrook (1981) noted that salespersons are important to consumers' purchases and accurately fulfill consumers' needs. Where as, Williams (1994) and Fortenberry (1986) cited a difference in perceived importance of attributes between retail associates and consumers.

Past literature and personal experience confirm that the apparel industry is quite different from the generic retail industry in that the apparel industry is less sophisticated, perhaps less complicated. Consumer expectations are dependent on product category and the shopping situation which are considered as individual and purchase characteristics in the framework. While individual and purchase characteristics are more descriptive of the consumer, the evaluative characteristics are important retailer attributes that are calculated by the consumer. These attributes determine the success of retailers, although the weight given to each one depends on the previously discussed factors (Blackwell et al., 2001). Therefore in theory, a modification of Blackwell et al.'s model to reflect the apparel industry and the respective weight of the examined evaluative criteria is necessary to realistically describe the consumers purchase decision process for apparel.

Retail Associates' Product Knowledge

The overall retail industry offers a diverse product assortment causing consumers to have varying expectations of retail associates, including the apparel industry. Furthermore, the overall retail industry encompasses more complex products, such as electronics, automobiles, and chemical products, where consumers have higher expectations of retailers (Darian et al, 2001; Fletcher, 1987; Lambert et al,1990). It is likely that consumers shopping for these products expect a higher level of knowledge from retail associates because of their own lack of knowledge and difficulty to understand the technical properties of the products.

Jolson and Spath (1973) studied less sophisticated retail stores, such as a gift shop, department store, drug store, hardware store, jewelry store, shoe store, super market, and women's apparel shop, and found expected results as consumers ranked salesclerk service as the fourth most important factor of retailer patronage. However, the correlation between the retailers and consumers as well as the fulfillment of consumers' needs, which directly correlated to the understanding of the consumers' patronage motives, was the highest for the women's apparel shop (Jolson & Spath, 1973). In other words, the apparel shop retailer recognizes the likes and dislikes of their customers better than the retail stores in question. An explanation of the factor rankings and high correlation between the two groups could be related to the consumer expectations of the retail store type and the nature of products. The actual knowledge and helpfulness of retail associates meets the expectations of the consumers in apparel retail stores. While the consumer does not expect much from the retail associate, the retail associate does not offer much service or knowledge to the consumer.

Retailer Return Policies

Return policies in the apparel industry are often directly related to convenience for the customer, as research shows that the ease of returning purchases was ranked the highest of importance from the consumer perspective, but quite different from the retail executive point of view (Williams, 1994). Unlike retail associates' product knowledge, an argument can be made that retail return policies should be given more weight as an evaluative criteria within the apparel industry, which prove to be a differentiating factor among retailers. Nordstrom, who many label as number one in customer service, offers a high level of convenience in their non-existent return policy, thereby differentiating them from other retailers. Nordstrom achieves its number one ranking by acting on their promise to the customer, unlike other retail stores. They do this by empowering retail associates to make return decisions that benefit the customer, not the company, thus, honoring their money-back guarantee policy (Spector & McCarthy, 2000).

However, while Nordstrom claims that most customers are fair and honest, other disagreeing apparel retailers have taken steps toward tracking returns and changing policies to eliminate dishonest consumers who are beginning to take advantage of lenient return policies (Chandler, 2005). Retailer profits are also affected by the lenient policies and the reported high return rates of 13.0% and 10.6% for department and specialty stores in 2003, respectively (Kang, 2004). Return Exchange's Verify-1®, a software used to track consumers' return and exchange history, is now being used by many apparel retailers to track returns by collecting return specifics and personal consumer information (Bowers, 2005). Once specifics are collected, the software accepts or rejects the return based on retailer specifications. Return Exchange notes that only about 1% of consumer behavior is considered fraud, but still costing the retail industry about $16 billion annually (Bowers, 2005). Other companies, such as Sears, are changing the time limit on return policies to combat the fraudulent behavior. Sears, whom in the past used a satisfaction guarantee, has shortened the time limit on returns to ninety days, which shoppers still consider generous (Albright, 2005). In addition, Sears has completed market research studies finding that 70% and 92% of returns are exchanges made within thirty days and ninety days, respectively (Albright, 2005). How will the return-tracking software and stricter time limits on returns influence consumer purchase decisions? Research notes that 85% of consumers would shop elsewhere if a retailer made returns inconvenient or difficult (Chandler, 2005).

Retail Store Displays

Before the shopping experience begins, perceptions of retail stores and the image portrayed by the retailer are positioned in the mind of the consumer through eight different areas: advertising, location, exterior design, signs, word-of-mouth, previous visits, approach, and display windows (Blackwell et al., 2001; Weishar, 1992). The current research focuses on store displays as an evaluative criteria in consumers' purchase decisions, specifically referring to the visual merchandising and displays within a retail store that are visible to the customer, including window displays, shopper-friendly layouts, informative point-of purchase materials, and product presentation (MacDonald, 1993). While Jolson and Spath (1973) noted that merchandise displays are not very influential when choosing a retailer, additional research examines the influences of store displays on purchasing.

Cotton Incorporated tracks these influences through their Lifestyle Monitor survey, in comparison to personal influences, salespeople, and advertising media. Retail associates' influence as a source of clothing ideas continues to decrease over time. Seventeen percent and 14% of women and men, respectively, get clothing ideas from salespeople (*Comparison*, 2005; *Habitual*, 2005). The influence of salespeople has declined as a source of clothing ideas, a similar trend is seen in the influence of store displays. This decrease can be attributed to the migration towards the mass channel and the increase of Internet shopping.

The influence of store displays on retail choice, purchasing, and retailer satisfaction is contradictory. Research shows that store displays attribute to overall retail store image. Whereas consumers are not highly influenced by store displays, they are more influenced by store displays than other factors, such as sales personnel. Store displays influence consumers' store choice and purchasing decisions, while minimally contributing to the satisfaction of apparel purchasing. Williams's (1994) comparison of consumers' and retail executives' opinions rated the importance of satisfaction on good displays. While results were similar between the two groups, good displays ranked as little importance of satisfaction when purchasing apparel clothing (Williams, 1994). Therefore, in a practical sense, store displays should be more heavily weighted than sales personnel and, perhaps, less weighted than return policies in respect to Blackwell et al.'s (2001) framework.

Product Attributes

While Blackwell et al.'s (2001) Purchase Decision Process theoretically depicts the overall retail environment, it is more practical for research purposes to look specifically at the apparel industry and how the evaluative criteria investigated are weighted in consumers' apparel purchase decisions. While apparel is less sophisticated than other products in the retail industry, different attributes are weighted with more or less importance, such as product-based cues. As prices and sophistication decrease, retail services, such as retail associates' product knowledge, return policies, and store displays, becomes less important compared to product attributes. Product attributes such as style, price, quality of clothing, and assortment are among important product attributes to consumers, with the most important being the value/price relationship (Fortenberry, 1986; Jolson & Spath, 1973; Westbrook, 1981; Williams, 1995). Realistically, the simplicity of the products within the industry causes consumers to expect less from retailers. Thus, the current research explores the influences within the apparel industry from a more realistic, practical approach versus a theoretical approach. While the framework and past literature gives concrete support to the research, the close association with industry guides the research design and data collection from realistic industry practices.

Today's Apparel Retail Environment

In today's consumer-driven apparel retail market, identifying and understanding the consumer strengthens apparel retailers in terms of marketing strategies and product mixes. Retailers look to a combination of different elements within the marketing mix to compete for consumer attention and loyalty, such as customer service capability, store image differentiation, external market level knowledge, and promotional capability (Moore & Fairhurst, 2003). While previous literature discussed customer service and image differentiation among apparel retailers, the following literature describes the external apparel market knowledge in terms of current market trends, consumers, and retail competition within the market. Due to the nature of the research, it is fitting to describe the external market from the retail perspective as well as the consumer perspective in terms of size, segmentation, spending, and future strategies within the market.

Apparel Retail Industry Overview

The US apparel industry is one of the most prominent industries in the United States. As the second largest industry in terms of businesses and employees, overall retail industry sales were approximately $4.056 trillion in 2004, an increase of 8% from the previous year (*Retail*, 2005). However as previously discussed, an adaptation of the research framework tailored to consumer decisions in the apparel industry would better illustrate the less sophisticated, or complex, industry, excluding the more sophisticated automobiles, as well as food and gasoline which are included in overall sales within the retail industry. In 2004, the apparel market totaled $172.8 billion in sales, a 4.1% increase from the previous year (Driscoll, 2005).

There are several traditional retail channels, as shown in Figure 4, that define the US apparel market such as the specialty, department, national chain, mass merchant, and off-price channels. Additional channels that are becoming more popular are nonstore retail channels, which include direct mail, catalogs, telephone, home TV, home and office parties, door-to-door, vending machines, and online service such as the Internet (Kotler & Armstrong, 2001). While apparel Internet sales only accounted for about 6% of total apparel sales in 2004, the potential and expectation of further growth leaves retailers searching for ways to get more consumers into stores (Driscoll, 2005). With the evolution of Internet retailing and interactive marketing strategies, less traditional retail types have stolen market share, such as the category killers, showcase stores, and super merchandisers, including Bed

Bath & Beyond, Dick's Sporting Goods, and new additions to Nike's retail outlets (*Retail*, 2005).

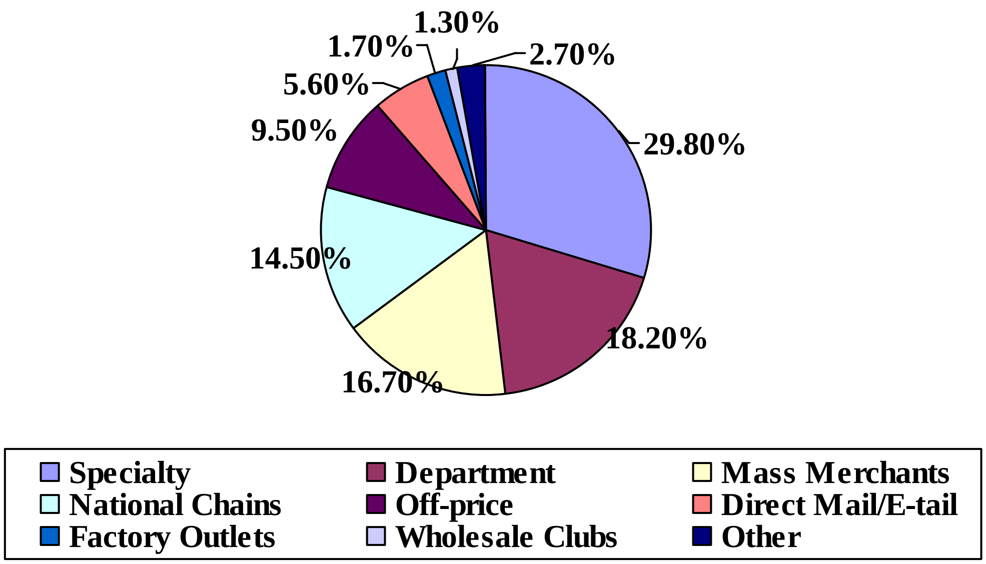

Figure 4. **Retail channel share of total apparel market.**

Source: "Standard & Poor's Industry Surveys: Apparel & Footwear" by Marie Driscoll, 2005, New York: McGraw-Hill Companies. Copyright 2005 by Standard & Poor's. Data adapted into Figure.

Within each channel, retailers can be categorized by nonexclusive categories of products that they carry as womenswear, menswear, and childrenswear. Among the different product categories, womenswear is by far the largest in size, representing over half of the apparel market (Figure 5). The increase in total apparel sales can be attributed to all three product categories with the largest increase in menswear sales. From 2003 to 2004, womenswear and menswear increased 4.9% and 5.4% in sales, respectively (Driscoll, 2005). However, little growth was seen in the childrenswear product category.

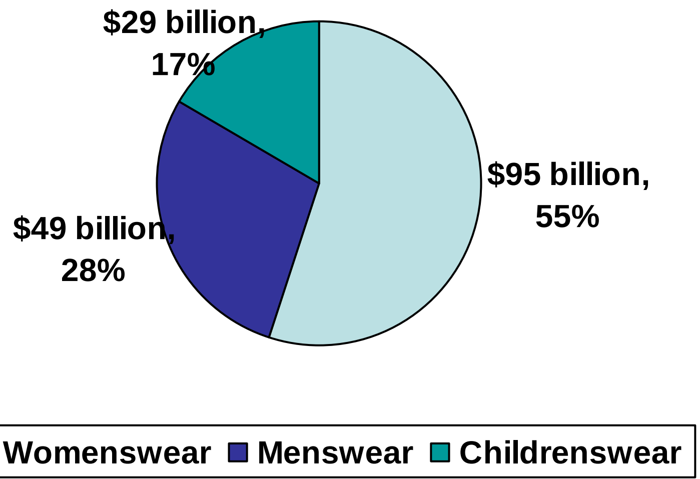

***Figure 5*. Product category sales distribution in apparel market.**

Source: "Standard & Poor's Industry Surveys: Apparel & Footwear" by Marie Driscoll, 2005, New York: McGraw-Hill Companies. Copyright 2005 by Standard & Poor's. Data adapted into Figure.

The amount of consumers and retail associates in the apparel industry also contribute to the size and importance of understanding market trends because almost every person within the United States purchases clothing at some time or another. In addition, retail associates are consumers themselves. The US Census Bureau (2005) predicts the occupation of retail salespersons to have a 15% job growth between 2002 and 2012, to 4,672,000 persons in 2012. Current surveys report an annual average of 831,000 salespersons employed in clothing and accessory stores and 2,396,000 employed in department and discount stores in 2004 (US Department of Labor, 2004).

Consumer Segmentation

Because the apparel industry is so large, it is difficult to competitively target all consumers. Consumer segmentation allows retailers to target smaller segments of consumers based on similarities and differences that influence their shopping behaviors. Thus, consumers are divided into segments based on nonexclusive demographic and psychographic variables. Demographic variables include age, gender, income, education, occupation, and ethnicity; where as, psychographic variables are based on social class, lifestyle, and personality (Kotler & Armstrong, 2001). As competition increases and more products enter the market, consumer segments are becoming more fragmented and more defined in terms of the discussed variables. In addition, they are becoming narrower, more motivated, and more powerful by demanding differentiated niche products that specifically target their lifestyles (Huff, 2005).

The most significant consumer segments in today's apparel market, in terms of demographics and psychographics, are Generation Y, also referred to as Tweens, the 35-and older-women, the plus-size consumer, and the Hispanic consumer (Blackwell et al., 2001; Driscoll, 2005; *Understanding*, 2002). However, Generation Y spending is beginning to decrease from $200 billion as their loyalty changes from fashionable brand name apparel to consumer electronics such as mp3 players (Driscoll, 2005). Many companies have taken advantage of the middle aged women consumer segment by tailoring product offerings to meet their specific lifestyle. A most recent example, Gap Inc. opened Forth & Towne, a new retail segment that targets the more mature woman. In addition, many retailers and private brands are making additions to current lines to capitalize on the increasing plus-size population, which is one of the fastest growing markets representing $21.7 billion in sales of women's plus sizes and men's big and tall (Driscoll, 2005). Along with age and size, the Hispanic consumer segment is becoming an important spending power among consumers. Hispanics, when compared to African-Americans, Asians, and Caucasians, have seen an increase in household income, an increase in love for apparel, and spend the second highest amount on clothing expenditures (*Understanding*, 2002).

As consumer segments become more fragmented, they become more sophisticated, more individualistic, and shopping is more situational (Berman & Evans, 2004). Although products within the apparel market are considered less sophisticated, as previously discussed, consumers still maintain a certain level of expectation across the industry in respect to fashion, service, and retailer differentiation. Consumers can be segmented before they enter the store and by their behavior while in the store. Before selling apparel, retail associates must know the consumer they are trying to sell to. While shopping, consumers can be segmented by retail associates according to their shopping attitudes, behaviors, needs, lifestyles, as well as defining characteristics based on shopping habits such as price, time, need, quality, and shopping companion (Berman & Evans, 2004; Blackwell et al, 2001; *Point*, 2005; Sharma & Levy, 1995). Retail associates often categorize consumers as sale-rounders, innovators, gift-seekers, browsers, stackers, opinion seekers, and mall rats (*Point*, 2005; Sharma & Levy, 1995).

Consumer Spending and Shopping Behavior

As consumer segments emerge through demographic lifestyles, attitudes, beliefs, needs and wants of consumer segments become even more important in developing marketing strategies. Consumers’ needs and desires define the relationship between demographic lifestyles and consumers’ attitudes and behaviors of shopping (Berman & Evans, 2004). Consumers’ shopping behavior is often based on the changing environment around them in terms of economy, prices, and discretionary income. While the economy continues to improve, the price of apparel continues to decline thus contributing to the success of mass merchants. The Consumer Price Index (CPI) for apparel, which has continued to decrease since 1999, decreased approximately 0.2% in 2004 to a reading of 118.8 (Driscoll, 2005). The low apparel prices caused an increase in spending over the last few years; however, consumers are still not spending as much on apparel as in previous years, shown by lower apparel sales since the sales peaked in 2001. In 2004, clothing represented 4.0% of consumers' total expenditures, down from 4.9% in 1995, a loss of $324 billion (*Generational*, 2005). However, research from Cotton Incorporated attributes the decrease in apparel purchasing to the overflowing closets and wardrobe saturation due to lower apparel prices (*Generational*, 2005).

Consumers' discretionary income purchases are also changing. Apparel products that were once important to consumers are less important and continue to decline in popularity with age as discretionary income increases (*Today's*, 2003). For example, the Baby Boomer consumer segment is one of the largest consumer segments in the apparel market. However, as they age, retirement plans and education funds for their children become more important than clothing. Along with changing incomes, consumer confidence also impacts consumer spending on apparel. Due to terrorist attacks and natural hurricane disasters, consumer confidence outlook is pessimistic (Driscoll, 2005).

Consumers' attitudes toward shopping are quite different than in the past. Not only are consumers not spending as much on apparel, they do not like to shop as much as in the past, they are not as loyal to brands, and they are becoming more price conscious (Berman & Evans, 2004; *Today's*, 2003). The decrease in brand loyalty and the importance of price is seen in the increase of cross-shopping, thus causing increased competition within channels as well as among channels. Consumers are saving money on basic apparel and other products by shopping at mass merchants, such as Target, and rewarding themselves by purchasing more expensive items at specialty or department stores like Nordstrom. The cross-shopping trend causes increased competition among retailers thus causing them to reevaluate market strategies that influence consumer purchase decisions.

Future Apparel Retail Market

The changing consumer landscape requires changes in the retail landscape as well. As mentioned, the shifts in discretionary shopping among products, consumer confidence, and clothing expenditures have led to increased spending in other product categories and shifts to the mass merchant, where they can get more for less in the same store (*Generational*, 2005). Therefore, in order for the apparel market to compete against other industries and for retailers to survive new competition among channels, the traditional channel strategy that once defined the apparel market must change. As shown in Figure 6, the classic channel strategy, which was once successful, is to start at the high-end specialty and department stores, where retailers are educated specialists with larger margins, and move to the mass channel which has already proven their success through low prices, high volume and low margins (Stanek, 2005). However, it is difficult to compete in the mass channel with Wal-Mart, the largest retailer in the world. Differentiation exists in the reverse end of the pyramid. The current high-end specialty and department stores are now lifestyle oriented and fragmented to adapt to the increase of fragmented consumer segments (Stanek, 2005).

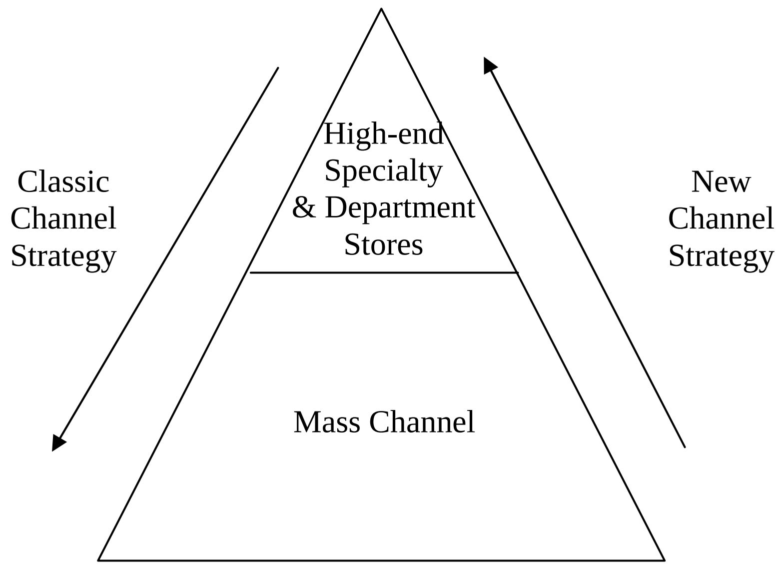

***Figure 6*. The apparel market's changing channel strategy.**

Source: "Brands Battle Back" by Dan Stanek, 2005, 2005 Strategic Outlook Conference, p.8. Copyright 2005 by Retail Forward, Inc.

While new channel strategies point toward high-end specialty stores and department stores, it is still necessary for these channels to change as the consumer changes. Although specialty retailers are defined by concentrating on a specific target market, many retailers are branching out to new customer segments and adapting products lines to specifically target the new segments through new sizes and styles (Huff, 2004). In addition, department stores are repositioning and combining their strategies to maintain market share through mergers, such as May and Federated Department stores. However, major consumer complaints of large department store mergers are the loss of touch with consumers' needs and wants, poor locations as anchor stores in malls, and decentralized registers, which make finding retail associates difficult (*Retail*, 2004).

In order to combat negative complaints, department stores and national chains, which are very similar in product mixes and store formats, are targeting consumers' needs and demands for fashion and specialty products with the development of private labels, an area in which the specialty channel was stealing market share. Looking at the apparel industry in general, small private brands and private-label account for 70% of apparel, where as the remaining 30% is national brands, such as VF Corporation, Sara Lee, Philips Van Heusen, and Jones Apparel Group (Driscoll, 2005). In the national chain channel, private brand examples include Daisy Fuentes for Kohl's and Bisou Bisou for JCPenney. However, national chains are often characterized with lower price ranges and lower quality merchandise than department stores.

Private brands have changed the retail landscape significantly and will continue to thrive under the right market conditions with a combination of high retailer concentration within the channels, increasing consumer fragments and sophistication coupled with low brand loyalty, and low category innovation and brand investment (Whitfield, 2005). However, there is also much competition among private brands as the number has been drastically increasing among all channels. This increase can be seen in the more prominent percentage split of market share between private and national brands, as discussed. In 2003, the split between private and national brands was much more closely divided at 49% and 51% of market share in apparel sales, respectively (Whitfield, 2005). Therefore, retailers must maximize the differentiation among their respective private brands. Strategies for optimizing private brands within marketing mixes include: opening price points, tiered offers, filling assortment voids, niche offers, horizontal, "umbrella" brands, and celebrity-endorsed and designed brands (Whitfield, 2005). Using these strategies, retailers can competitively position themselves against other retailers in the minds of the consumer, thus influencing the consumers' purchase decision process.

Summary

Blackwell et al.'s (2001) Purchase Decision Process, stage four of the Consumer Decision Process, acts as the conceptual framework for the research. The framework depicts the interaction between individual and purchase characteristics and their association with evaluative criteria. Using the evaluative criteria, consumers evaluate retailers, retail competitors, and choose a store in which to purchase. Research concentrates on the human factors, retail associates and consumers, which exist within the purchase environment and the purchase decision process by evaluating their perceptions on store displays, store personnel, retail services such as return policies, and product attributes.

While research on the relationships between retail associates and consumers exists, there is a void of research in the 2005 apparel environment, which is constantly changing in order to meet demands of consumer segments. The apparel market, totaling $172.8 billion in 2004 sales, continues to grow in terms retail channels, competition between these channels, and product line offerings (Driscoll, 2005). The consumer is becoming more powerful through demographic, psychographic, and lifestyle segmentation. Consumer spending and shopping behavior has changed drastically due to the economy, lower apparel prices, and shifts in discretionary income. Thus, consumers are becoming more price-conscious and continue to cross shop across and within retail channels, becoming less loyal to brands.

Therefore, the changing consumer landscape has caused a shift in channel strategies, with more concentration on high-end specialty and department stores in the future environment. In addition, retailers must reevaluate all product and marketing strategies to remain competitive within the retail environment, such as optimizing private brands, targeting more consumer segments, and expanding product lines and assortments to target overlooked consumers. Most importantly, retailers must positively position themselves in the minds of consumers.

CHAPTER III

RESEARCH METHODOLGY

Purpose of Research

The purpose of this study is to determine the level of disconnect between retail associates and consumers through a comparison of perceptions, attitudes, and opinions of evaluative criteria within the apparel retail purchase environment. Specific research objectives of this study include a two phase approach from the perspectives of retail associates (Phase I) and consumers (Phase II).

Phase I: Retail Associates

1. To explore retail associates' knowledge and perceptions on:
    a. Training
    b. Typical customer behavior
    c. Understanding customer returns
    d. Quality Issues
    e. Product characteristics and issues
2. To analyze the responses of retail associates and extract key themes to better describe the purchase decision process.

Phase II: Consumers

3. To determine the accuracy of retail associates' perceptions by surveying consumers on evaluative criteria used during the purchase decision process.

Research Objectives

Phase I

Specific objectives related to Phase I key themes from the perspective of retail associates include:

RO1: To explore the influence of store displays on consumers' purchase decisions.

RO2: To explore the influence of retail associates' product knowledge on the purchase environment.

RO3: To explore the opinions of retail return policies in the purchase environment.

RO4: To explore product attributes that influence consumers' purchase decisions.

Phase II

Specific objectives related to Phase I key themes from the perspective of consumers include:

RO5: To determine the influence of store displays on consumers' purchase decisions.

RO6: To determine the influence of retail associates' product knowledge on consumers' purchase decision process.

RO7: To determine the influence of retail return policies on consumers' purchase decision process.

RO8: To determine the product attributes that influence consumers' purchase decisions.

Research Design

The research design for this study consisted of two phases, as shown in Figure 7. Phase I was conducted using an exploratory research design to collect qualitative and quantitative data to explore the perceptions of retail associates through in-depth interviews. Phase II utilizes the qualitative data collected in Phase I to develop a quantitative, descriptive survey to measure the attitudes of consumers. The timeline from research design to data collection and analysis for Phase I and Phase II can be found in Appendix B.

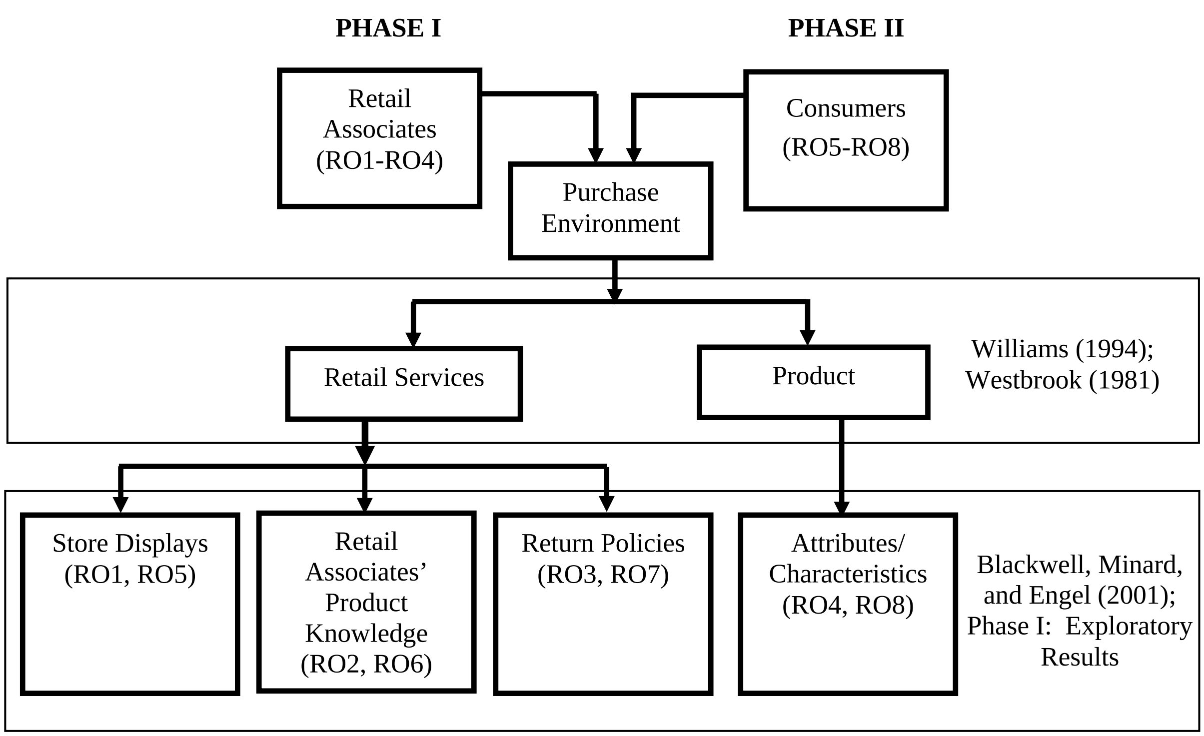

Figure 7. **Conceptual research model.**

Source: Author (Huffman, 2006)

Phase I: Exploratory Research

The exploratory research collected in Phase I was accomplished using Cunningham Research during Summer 2005. Data collection was completed through a mall intercept setting which recruited forty retail associates to participate in in-depth, qualitative interviews. The respondent interviews lasted from forty-five minutes to one hour in length and were conducted in three cities across the United States. The research design for Phase I began by developing objectives and reviewing relevant literature. Due to the exploratory nature of the research, the sample of respondents was selected followed by the development of research instruments, including a screener, questionnaire, and moderators guide. Once the instruments were developed a pre-test interviewing four retail associates was conducted, modifications were made, and Phase I was completed in the field.

Sample Selection

The sample selection of retail associates included several variables: location, retail stores, product category, and associate position. Once recruitment of the retail associates began, recruitment requests were flexible in order to fill the interview schedule. The interviews were conducted in a market research mall facility, owned and operated by Cunningham Research, who also recruited the retail respondents. The city selection included: Charlotte, NC, Los Angeles, CA, and Freehold, NJ. These three locations were chosen for several reasons. First, the facilities were available for two full days of interviews. Second, they well represented the US apparel market by interviewing respondents on the west coast and the east coast. Due to budget constraints and resources used by Cunningham Research, the three locations selected were the most appropriate.

Within the three cities, twenty seven different retail stores in three different retail channels were selected. The retail channels chosen to explore include: department stores, national chains, and specialty store channels. Mass channel retailers were not included because their level of customer interaction did not meet the minimum requirements. All retail stores selected have multiple locations across the United States and compete in a variety of product categories: womenswear/menswear, womenswear, menswear, childrenswear, and home. In addition to product category, job titles and descriptions of associates within retail stores were taken into account. Every retail associates' job title had to relate to a manager or a sales associate. Stock associates and supervisors did not qualify. Table 2 describes sample selection for Phase 1, specific to the retail channel, the retail store, product category and the number of respondents from each store.

Table 2

Phase I Sample Selection

Retail Channel	Retail Store	Product Category	# of Retail Associates
Specialty	abercrombie	Childrenswear/Womenswear/Menswear	1
Specialty	Abercrombie & Fitch	Womenswear/Menswear	1
Specialty	American Eagle	Womenswear/Menswear	1
Specialty	Ann Taylor	Womenswear	2
Specialty	baby GAP/GAP KIDS	Childrenswear	3
Specialty	Banana Republic	Womenswear/Menswear	1
Department	Belk	Menswear	2
Department	Dillard’s	Home	1
Specialty	Eddie Bauer	Womenswear/Menswear	1
Specialty	Express (Men)	Menswear	1
Specialty	GAP	Womenswear/Menswear	2
Specialty	Gymboree	Childrenswear	1
Specialty	Hollister	Womenswear/Menswear	1
Chain	JCPenney	Childrenswear/Womenswear/Menswear	3
Chain	Kohl’s	Menswear	1
Specialty	Lane Bryant	Womenswear	2
Specialty	Limited Too	Childrenswear	2
Specialty	Lucky Brand Jeans	Womenswear/Menswear	1
Department	Macy’s	Womenswear/Menswear	2
Department	Nordstrom	Womenswear/Menswear	2
Specialty	Old Navy	Womenswear/Menswear	1
Specialty	PACSUN	Womenswear/Menswear	1
Specialty	Petite Sophisticate	Womenswear	1
Chain	Sears	Womenswear/Menswear	2
Specialty	The Children’s Place	Childrenswear	1
Specialty	The Limited	Womenswear	1
Specialty	Wet Seal	Womenswear	2

Source: Adapted from *Point of Purchase Interviews: An Inside Look From Retail Associates*, 2005, Cotton Incorporated.

When selecting retail associates to participate in Phase I, five qualifications were established. All retail associates had to meet the following five of the criteria to qualify:

1. Must have at least one year of experience in current position.
2. Must work a minimum 30 hours a week.
3. Daily work routine must allow interaction with customers at least 50% of time.
4. No competitive affiliations.
5. No market research surveys in past 6 months.

The first three qualifications were the most important. Retail associates had to be employed with the retailer for at least one year with a minimum work week of thirty hours in order for the retail associate to have adequate, trustworthy knowledge of daily activities, corporate training programs, product knowledge, and consumers. In addition, retail associates have to spend at least 50% of their time interacting with their customer thus allowing them to accurately describe different customer types and consumer perceptions. Qualifications four and five are standard qualifications used in the market research field. Lastly, recruiters were asked to randomly recruit retail associates in each demographic group according to age and race.

Instrument Development

Data were collected for Phase I using three instruments: screener, questionnaire, and moderator's guide (Appendix C). The screener guide was used to assess demographics and qualifications of respondents, previously discussed. The last question in the screener was a small essay question requiring the respondent to describe one aspect of customer service that should be changed. This question was important because it tested the retail associates' ability to articulate and describe their opinions.

A questionnaire, consisting of eleven questions, was developed to obtain quantitative data on specific topics such as daily activities, training history, customer preparedness, selling techniques, and customer behaviors. Each respondent was asked to fill out the questionnaire prior to the in-depth interview. However, due to time constraints and question difficulty, the data collected was not in useable format (incorrect rank order, unanswered questions).

The main instrument developed was the moderator's guide. Keeping Phase I research objectives in mind, topics and related questions were formulated to guide discussion during the interview. In addition, a specific amount of time was allotted to each section and the most important questions were highlighted, as shown in Table 3. Since the questionnaire was qualitative in nature, the interview tone was very conversational and not all questions were asked nor answered. In addition, several sections in the moderator's guide contributed to proprietary information for Cotton Incorporated and will not be shared during this research. The nonproprietary topics of discussion, allotted time, and questions of importance can be found in the following table. The final fifteen minutes of the in-depth interview were dedicated to proprietary information and are not included in the table. The complete moderator's guide, with the exception of the proprietary information mentioned, can be found in Appendix C.

Table 3

Development of Qualitative Moderator's Guide

Main Topic	Allotted Time	Purpose	Important Questions
Big Picture	5 minutes	To get to know the respondent and his/her everyday life as a retail manager/sales associate.	• Describe your work environment? Tell me about the products, the atmosphere, the type of customers who shop there? • Why do you think customers shop in your store?
Training	5 minutes	To understand how and to what extent the respondent has been trained to do their job.	• How were you trained/prepared for you job? • Do you gain information from other sales associates? • How knowledgeable are you about the products in your department/store?
Your Typical Customer	10 minutes	To understand the typical customer, define customer needs and customer segments.	• What type of customer can you influence the most/ the least? • How often do customers ask for you opinion on a product? • Are customers influenced by in-store and window displays?
Understanding Customer Returns	15 minutes	To understand retail return policies, practices, customer reasons for returns, and attitudes towards returns.	• What is the return policy of your store? • What makes the customer not forgive the store? • In your opinion, what are the top reasons for customer returns?
Quality	10 minutes	To explore the issues of quality in products that are offered, purchased, and returned.	• Do you think customers perceive certain brands and/or stores to have better/poorer quality? Price point? • Do customers complain about product quality?
Proprietary Questions	15 minutes	To explore proprietary issues to benefit research at Cotton Incorporated	

Pretest

The pre-test was conducted using 10% of the survey respondents, or four retail associates. This number of retail associates was chosen for several reasons. First, time and facility availability only allowed for four, one-hour interviews. Second, four interviews allowed for an equal representation of managers and sales associates as well as product categories.

The retail associates completed the pre-test in the same manner and format that the retail associates completed the interview in the field. They were recruited and screened by Cunningham Research, answered the questionnaire, and proceeded to the interview where they answered the questions asked from the moderator's guide. Following the four pre-test interviews, minor changes were made to the questionnaire. Retail associates who completed the pre-test had some difficultly answering the questionnaire in the given amount of time. Therefore, the questions that posed difficulty were revised for simplicity.

Data Collection

Phase I data were collected over a two week time period during Summer 2005 in three cities throughout the United States, as shown in Table 4. Within each city, data collection lasted 2 days, with five to seven interviews scheduled each day. The total number of respondents in each city is unequal due to no-shows, false representation, and recruitment errors in Los Angeles, CA. Additional respondents were recruited for Charlotte, NC to account for the errors.

Table 4

Data Collection Statistics

Date of Data Collection	Location	Number of Respondents
June 17-18, 2005	Los Angeles, CA	10 respondents
June 20-21, 2005	Freehold, NJ	12 respondents
June 27-28, 2005	Charlotte, NC	14 respondents

Data were collected manually and electronically through audio and visual recording devices. Each retail associate was interviewed by two interviewers. One interviewer ran the interview using the moderator’s guide as a guideline for discussion and the second interviewer took hand-written notes of the interview. At the end of the forty-five minute to one hour time period, the second interviewer interjected with additional questions that may have been missed or of particular interest. Each interview was video taped using a DVD camcorder and audio taped using a hand held recorder. All respondents were aware of the electronic recording and video taping. They were asked to sign a waver to allow the use of the data recorded.

Data Analysis

Once the in-depth, qualitative interviews were complete, the audio and video tapes were categorized by retail associate, reviewed, and additional observations were noted. Overall key themes that continuously occurred throughout the interviews and could be generalized across the population were developed. Specific notes were listed for each key theme, including general statements and specific quotes across retail channel as well as within retail channel. In random order, the following are the key themes that arose:

1. Customers are influenced by store displays to come into the store and purchase.
2. Retail associates' product knowledge is uniquely dependent on retail store.

3. Retail associates want stricter return policies by shortening the time limit for returning.
4. Customers are most concerned with style and fit when purchasing.

Phase II: Descriptive Research

Phase II collects quantitative, descriptive research to describe and identify the attitudes, opinions, and perceptions of consumers in the apparel retail market. This research design also allows for the comparison of perceptions and key themes explored in Phase I to the opinions described in Phase II. Phase II was conducted by surveying a sample of 800 respondents through a quantitative questionnaire administered via the Internet by Bellomy Research. Questions were developed based on key themes established in Phase I and the research objectives for Phase II. Once the survey was designed, a "slow start" in the field began the study in order to assure understanding of question wording. Then, the responses were evaluated and modifications were made where necessary. Once changes were made to the questionnaire the study was sent to the field for complete data collection. The designed questionnaire addresses research objectives six through eight.

Research objective five was analyzed and evaluated using data collected from Lifestyle Monitor. Lifestyle Monitor collects attitudinal and behavioral consumer data through telephone interviews with over 47,000 consumers in the last ten years. More specifically, the Lifestyle Monitor has evaluated the influence of store displays from the perspective of consumers by tracking questions over time. Therefore, the researcher analyzed research objective five using Lifestyle Monitor data.

Sample Selection

Although the sample selected is not entirely representative of the population, the sample is representative of the "shopping" population within the retail channels explored in Phase I. The sample selection was based on five criteria and respondents were recruited to meet specific demographic quota. Respondent qualification requirements were based on requirements similar to Phase I and Lifestyle Monitor to allow for comparison of data collected. Respondents must meet the following criteria in order to participate:

1. No market research in past 6 months and no competitive affiliations.
2. Must shop in at least one of the following retail channels: department, national chain, and specialty.
3. Must shop frequently in one or more of the stores listed in Table 5.
4. Must be between the ages of 18-54.
5. Must have made a return within the past year.

Table 5

Retail Stores for Phase II Sample

Abercrombie	Eddie Bauer	Limited Too
Abercrombie & Fitch	Express	Lucky Brand Jeans
American Eagle	GAP	Macy's
Ann Taylor	Gymboree	Nordstrom
Baby GAP/GAP KIDS	Hollister	Old Navy
Banana Republic	JCPenney	PACSUN
Belk	Kohl's	Petite Sophisticate
The Children's Place	Lane Bryant	Sears
Dillard's	The Limited	Wet Seal

Respondent criteria two and three require respondents to shop in department, national chain, or specialty stores because only retail associates from these three channels were interviewed in Phase I. In addition, respondents must shop for apparel in the stores listed within these channels (Table 5). In order to strengthen the sample of retail stores, the retailers listed were analyzed though The NPD Group's AccuPanel[SM]. AccuPanel collects shopping behaviors and tracks specific product attributes purchased of approximately 12,000 consumers over the age of thirteen in ten different product categories ranging from bras and underwear to dresses. However, they do not track shoppers in retail stores specific to the childrenswear product category. The panel of respondents, which is 54% women and 46% men, is tracked over time thus allowing data to be projected to census data.

The retailers listed accounted for 35.2% of unit sales of apparel in 2004 and seven of the retailers listed, JCPenney, Kohl's, Old Navy, Sears, Gap, Dillard's, Macy's, are ranked within the top ten apparel retailers according to unit sales within 2004 (AccuPanel, 2004). The top ten retailers accounted for 45.5% of total apparel sales (AccuPanel, 2004). The remaining three retailers in the top ten are mass merchant retailers. In addition, the percentage of consumers who shopped in these retail stores in 2004 was analyzed using AccuPanel data (Table 6). Where applicable, percentages are a compilation of shoppers who shopped in one or more channel provided by the retailer such as retail store, retail outlet, catalog, and Internet.

Table 6

Percentage of Consumers Shopping in Phase I Retail Stores in 2004

Retail Store	**% Consumers Who Shopped in 2004**
abercrombie*	
Abercrombie & Fitch	2.5%
American Eagle	5.1%
Ann Taylor	1.4%
baby GAP/GAP KIDS*	
Banana Republic	3.0%
Belk	1.6%
Dillard’s	5.9%
Eddie Bauer	2.6%
Express	4.8%
Express Men	0.15%
GAP	11.0%
Gymboree*	
Hollister	1.2%
JCPenney	23.6%
Kohl’s	17.0%
Lane Bryant	3.9%
Limited Too	0.1%
Lucky Brand Jeans	0.14%
Macy’s	7.2%
Nordstrom	2.2%
Old Navy	15.9%
PACSUN	1.5%
Petite Sophisticate	0.24%
Sears	12.3%
The Children’s Place*	
The Limited	1.3%
Wet Seal	1.0%

Source: Percentages from (AccuPanel, 2005)
Note. NPD AccuPanel does not track sales specific to childrenswear retailers, as denoted by an asterisk*.

The large age range chosen is due to the target market of retail stores and the data sources used to address the overall research objectives. Cotton Incorporated’s Lifestyle Monitor uses the age range of 18 years to 54 years of age when collecting consumer attitudes. Therefore, the current research will use the same age range. The maximum age limit of 54 years old also accommodates target shoppers for childrenswear, shoppers at Ann Taylor, Petite Sophisticate, and department and national chain stores. For analysis purposes, one-third of the respondents were recruited according to each of the following age groups: 18-30 years old, 31-42 years old, and 43-54 years old. The last criterion requires that the respondent has made a return in the past six months, due to the nature of questions regarding return policies.

In respect to demographic stratification, the original gender split of the sample was requested to be 60% female / 40% male. This split was chosen for several reasons. First, the womenswear market is by far the largest within the apparel industry and women often do the majority of the apparel shopping within the household. Second, the gender percentages are consistent with the product category respondents in Phase I. Third, Lifestyle Monitor uses a similar gender split. However, it was difficult to recruit male respondents who had the appropriate number of returns and who shopped in the appropriate channel. Therefore, the gender quota was set at 80% female / 20% male (Table 7). The final gender split is representative of the shopping population within the United States. In addition to gender and age, quotas were also set for retail channels most frequently shopped and number of returns within the past six months. As data collection progressed, quotas were adjusted to recruit a balanced sample at a cost within the budget (Table 7). Other demographic variables, ethnicity, income, and education are completely random.

Table 7

Phase II Sample Quota Description and Changes

Instrument Number	Quota	Pre-Data Collection %	Pre-Data Collection Group	Post-Data Collection %	Post-Data Collection Group	Reason for Changes in Quota
S1	Age	33.3% 33.3% 33.3%	18-30 years 31-42 years 43-54 years	33.3% 33.3% 33.3%	18-30 years 31-42 years 43-54 years	No change.
S2	Gender	60% 40%	Female Male	80% 20%	Female Male	Difficulty recruiting males that returned more than 4 times within the past six months to department and specialty channels. Changed to 80/20 to recruit a sample that is more representative of the shopping population.
Q1	Retail Channel most frequently shopped	33.3% 33.3% 33.3%	Department National Chain Specialty	30% 40% 30%	Department Nat. Chain Specialty	National chain channel was the first group to fill. Because retail channel is important to the study, minimal changes were made to the channel quota. Rather, changes were made in gender and number of returns.
Q4	Number of returns within the past 6 months	At least 30%	More than 4 returns	50% 50%	Below median (2) returns (454) Above median (3) returns (346)	It was most difficult to recruit respondents that had returned more than 4 times in the last six months, especially males. Therefore, quotas were set around the median number of returns (XX). During the last day of data collection, the grouping of more than 2 returns still lacked 84 people where as the less than 4 grouping was complete. Therefore, the decision was made to let the remainder of respondents fall out in terms of number of returns.

The sample size was determined using a practical business approach versus using a theoretical equation. Based on the research budget from Cotton Incorporated, a sample size of 800 respondents was selected. The respondent sample was recruited by Bellomy Research using a database from an undisclosed Internet service provider. Service providers used by Bellomy Research include e-rewards, Survey Direct, Greenfield, Global Market Insite (GMI), AOL, Survey Sampling Inc., and Survey Spree. Respondents had previously agreed, through the service provider, to participate in market research survey panels by answering a series of preliminary screening questions. The service providers used continuously re-screen panel respondents to assure quality samples, which total approximately 37,300,000 respondents worldwide or approximately 28% of the US adult population. Once the respondent passes through the necessary screening procedures, they enter the Bellomy Research server though an emailed link where they complete the questionnaire. Each respondent is coded by an identification number, which is linked to the pre-screened demographic questions. No additional personal information is known, therefore respondent confidentiality is maintained. Incentives to complete research surveys are provided by the Internet service provider and are embedded in the cost to Bellomy Research. Therefore, no incentives were directly provided by the researcher. Internal Review Board (IRB) approval can be found in Appendix F.

Instrument Development

To recruit a representative sample, screening questions were developed to address the previously stated sample criteria and to collect demographic data for the sample. Question S1 through question S4, which will be screened for by the Internet service provider, addresses respondent age, gender, occupation, and past research experience. Question one through question six collect information regarding retail channel, retail store, as well as frequency of purchasing and returning apparel. Questions seven through twenty-seven address research objectives for Phase II in terms of retail associates' product knowledge, retailer return policies, and product characteristics. Finally, the remaining three questions collect additional demographic information. Table 8 correlates the research objectives to their respective survey questions and the level of data. The complete questionnaire, which takes approximately twelve to fifteen minutes to complete, can be found in Appendix D.

Table 8

Correlation of Research Objectives and Instrument Items

Research Objective	Key Themes Phase I	Instrument Item	Level of Data	Contributions to Question Selection and Wording
(Internet Service Provider Screen)		S1	Interval	
		S2	Nominal	
		S3	Nominal	
		S4	Nominal	
(Screen)		1	Nominal	
		2	Nominal	
		3	Nominal	
		4	Open	
		5	Nominal	
		6	Open	
RO6	2	7	Ordinal	Phase I, Literature
		8	Ordinal	Phase I
		9	Ordinal	Phase I
		10	Ordinal	Phase I
		11	Ordinal	Blackwell, Miniard, & Engel (2001)
RO7	3	12	Nominal	Phase I
		13	Nominal	Phase I
		14	Nominal	Phase I
		15	Nominal	Phase I
		16	Nominal	Phase I, Lifestyle Monitor
		17	Interval	Lifestyle Monitor
		18	Interval	Phase I
		19	Interval	
		20	Interval	Literature
		21	Ordinal	Phase I, Literature
RO8	4	22	Ordinal	Phase I, Lifestyle Monitor
		23	Interval	
		24	Interval	
		25	Nominal	Phase I
		26	Nominal	Phase I
		27	Nominal	Phase I
(Additional Demographics)		28	Ordinal	
		29	Interval	
		30	Nominal	

Data Collection

Once the electronic program was tested and approved internally and externally by the researcher, data collection was collected over a two week period from November 28, 2005 to December 11, 2005 and managed by Bellomy Research. In lieu of a pre-test, field collection began with a "slow start" by electronically administering the questionnaire to 10% of the sample size, or 80 respondents on November 28, 2005. Following the "slow start," responses were internally studied to assure that questions were understandable and easy to answer. After necessary modifications were made, the questionnaire was electronically administered at a speed to meet the total number of required respondents within a given amount of time.

Data Analysis

Following the survey instrument design, banner points for data analysis were listed. Full data was compiled by Bellomy Research relative to the assigned banner labels (Table 9) from December 8 to December 11. Data was received for analysis on December 12, 2005. Once the data for the banner was received, preliminary analysis of the data was completed in order to better understand the data.

Table 9

Banner Points for Data Analysis

Instrument Question	Banner Point	Banner Point Defined
	Total	All 800 respondents
S2	Male	Gender
S2	Female	Gender
Q1	Department store channel	Most frequently shopped channel
Q1	Specialty store channel	Most frequently shopped channel
Q1	National chain channel	Most frequently shopped channel
S1	18-30 years old	Age
S1	31-42 years old	Age
S1	43-54 years old	Age
Q4	Frequent level of returns	4+ returns within the last 6 months
Q4	Average level of returns	3 returns within the last 6 months
Q4	Medium level of returns	2 returns within the last 6 months
Q4	Low level of returns	1 return within the last 6 months
Q6	Frequent shopping activity	Shop 4+ times a month
Q6	Average shopping activity	Shop 2-3 times a month
Q6	Low shopping activity	Shop 0-1 time a month
Q25, Q26	Fashion/style conscious	Choose fashion over fit AND price
Q25, Q27	Fit conscious	Choose fit over fashion AND price
Q26, Q27	Price conscious	Choose price over fit AND fashion

Data was analyzed and organized according to Phase II research objectives (RO5-RO8). Analysis was completed using descriptive statistics, analysis of variance and chi-square contingency tables. Confidence testing was completed at a 95% confidence level. Therefore, p-values of less than 0.05 are considered significant. In addition, research objective six uses a paired difference t-test to analyze significant differences in expected versus actual retail associate product knowledge. The paired t-test assumes that the population is normally distributed with a directional, one-sided alternative hypothesis that expected level of retail associate product knowledge is greater than actual level of retail associate product knowledge. Finally, results were summarized after each objective and compared to the perceptions of retail associates from Phase I.

Operational Definitions

Customer service-The actions taken by the retailer and/or retail associates to assure customer satisfaction and meet all consumer needs.

Evaluative Criteria-Attributes, characteristics, and influences which persuade consumers' decision to purchase.

Product knowledge-The insights and interpretations of all characteristics associated with the apparel product such as style, fit, fiber, fabric, features, benefits, care, laundering, assortment, price, and construction.

Purchase decision-The choice a consumer makes when deciding to buy or not to buy an apparel product.

Purchase environment-The atmosphere, characteristics, and influences surrounding the consumer at the time of purchase or the time when a decision towards purchase is being made.

Retail associate-Individuals acting for a company to sell the product or service a consumer, such as store managers, assistant store managers, department managers, shift leaders, sales associates, and customer service associates.

Return policy-A set of rules or guidelines provided and followed by the retail store in terms of product returns due to dissatisfaction.

Store displays-All displays within a retail store that are visible to the customer including but not limited to window displays and mannequins.

CHAPTER IV

RESULTS

Phase 1: Exploratory Research

Sample Description

The sample for Phase I consisted of forty retail associates from three cities across the US, representing twenty-seven different retailers in three different retail channels. Using the qualifications previously described, the sample for Phase I can be described by retail channel, product category, job title, and number of years of experience (Table 10). Retail associates worked predominately within the specialty channel in the womenswear product category, most with one to two years of experience. In general, Phase I respondents were Caucasian, under 25 years of age, and college graduates. The associates were recruited by Cunningham Research in a mall-intercept setting. Each interview lasted forty-five minutes to one hour and was recorded in written format, audio, and video taped, with the associate's consent.

Table 10

Phase I Sample Description

Descriptor	**Category**	**Percentage**	**Number of Respondents**
Retail Channel	Department	18.0%	7
	National Chain	15.0%	6
	Specialty	67.0%	27
Product Category	Womenswear	30.0%	12
	Menswear	20.0%	8
	Womenswear/Menswear	27.5%	11
	Childrenswear	20.0%	8
	Home [a]	2.5%	1
Job Title	Sales Associate	52.5%	21
	Manager	47.5%	19
Number of Years of Experience	1-2 years	40.0%	16
	2-3 years	10.0%	4
	3-4 years	20.0%	8
	4-5 years	10.0%	4
	5+ years	20.0%	8
Age [b]	Under 25	42.5%	17
	25-34	30.0%	12
	35-44	10.0%	4
	45 or older	17.5%	7
Education [b]	High School	25.0%	10
	Some College	32.5%	13
	College Graduate	40.0%	16
	Post Graduate	2.5%	1
Ethnicity [b]	African American	12.5%	5
	Asian	5.0%	2
	Caucasian	70.0%	28
	Hispanic/Asian	2.5%	1
	Hispanic	7.5%	3
	Middle Eastern	2.5%	1

[a] The home product category was excluded from the study following the pre-test.
[b] Age, education, and ethnicity were not used in recruiting Phase I sample, only for sample description purposes.

Channel Results

Tables 11, 12, and 13 summarize the qualitative interviews in terms of department, national chain, and specialty retail channels, respectively. Comments given describe retail associates' opinions and perceptions on interview topics from the Moderator's Guide (Appendix C) relative to the four research objectives for Phase I. While most comments are general, specific quotes from the retail associates' are included in order to give the reader a better understanding of the situation. General comments given were not necessarily mentioned by every retail associate within the retail channel, but by a few respondents.

As learned in Phase I, most retail associates' opinions are directly influenced by corporate culture, although many had worked at several retailers, thus formulating opinions and perceptions in different retail environments and channels. A retailer's corporate culture determines the organizational structure of the company, training programs, customer service philosophy, as well as visual merchandising and marketing (*Point*, 2005). Corporate culture also influences retail associates' product knowledge. Therefore, within each channel, several retailers stood out as exceptions to the rule, both positively and negatively.

Table 11

Department Store Channel: In-depth Interview Results (n=7)

Interview Topic (Appendix C)	**Research Objective**	**Summary of Retail Associates' Comments**
Your Typical Customer	To explore the influence of store displays on consumers' purchase decisions. (RO1)	• Consumers are influenced to buy apparel by the displays, which are very good. • Often customers enter the store to purchase an outfit on display, buy it, and leave. • Trend tables that show seasonal colors and products are very influential. • Store displays are more influential to younger consumers, who are trendy and buy a variety of styles. • Mannequins that show standard outfits are not as influential as TV monitors, which can show off more things. • Flyers are very influential, too.
Training	To explore the influence of retail associates' product knowledge on the purchase environment. (RO2)	• Somewhat to very knowledgeable about products and brands, mostly learned from vendors, specialists, vendor fairs, and seminars. • Good product training, would like additional training on tailoring to customers. • Learn product knowledge from each other.
Understanding Customer Returns	To explore the opinions about retail return policies in the purchase environment. (RO3)	• Changes in return limits to 180 days, which customers often complain about. • One retailer does not have a return policy. • Can return damaged items. • Does not require receipt, can be looked up with credit card system. • Retail associates' are not required to ask for a return reason. • Retail associates' want stricter policy on returns. • Common return reasons: shrinking, fell apart, didn't like, spouse didn't like. • Overall, returns are not a problem for the store, but some customers complain about being turned away. • Return policy is often used as a selling point. • A bad experience with store personnel may cause a customer to not return to the store, compared to a bad experience with products in the store and store policies.
Your Typical Customer	To explore product attributes that influence consumers' purchase decisions. (RO4)	• Most concerned with price-"most people watch the price." • Certain brands are perceived to have better quality, also influenced by country of origin. • Ask for opinions on fit and sizing. • Customers look for something comfortable. • Customers are "not concerned with price if they like the fit and style."

Note. Comments listed are opinions of retail associates' from Belk (2), Nordstrom (2), Macy's (2), and Dillard's.

Table 12

National Chain Channel: In-depth Interview Results (n=6)

Interview Topic (Appendix C)	**Research Objective**	**Summary of Retail Associates' Comments**
Your Typical Customer	To explore the influence of store displays on consumers' purchase decisions. (RO1)	• Store displays bring customers into the store. • Customers ask about outfits on mannequins (and posters). • Customers sometimes enter the store to buy an outfit on display, buy it, and leave. • Displays influence customers to buy-"definitely". • Some fixtures need to be better placed.
Training	To explore the influence of retail associates' product knowledge on the purchase environment. (RO2)	• Very knowledgeable about products in the store from experience and putting items out on the floor. • Knowledge learned from vendors. • Knowledgeable about products because they too are consumers. • Mostly help customers at the register. • Most products are "pretty self explanatory."
Understanding Customer Returns	To explore the opinions about retail return policies in the purchase environment. (RO3)	• Some retailers have unlimited return policies, others have a 30 day limit. • Some retailers record reasons for returns. • Most common return reasons: changed mind, fit, exchange for another size, defective, didn't like, shrink (certain brands shrink more than others). • Damages can be returned with receipt. • Must have tags and receipt. • Returns are not a problem, but some people are not honest. • Returns are completed at a separate register from purchases. • A customer will not return if they have poor customer service-#1.
Your Typical Customer	To explore product attributes that influence consumers' purchase decisions. (RO4)	• Many customers are price sensitive and concerned with quality and size (especially in children's clothing.) • Customers are concerned with country of origin because apparel made in different countries fits differently. • Concerned with brand (men's), fashion (younger consumers), and size (mothers). • Certain brand names have better quality than others.

Note. Comments listed are opinions of retail associates' from JCPenney (3), Kohl's, and Sears (2).

Table 13

Specialty Store Channel: In-depth Interview Results (n=27)

Interview Topic (Appendix C)	**Research Objective**	**Summary of Retail Associates' Comments**
Your Typical Customer	To explore the influence of store displays on consumers' purchase decisions. (RO1)	• "Shows style, it's what pulls people into the store." • People sometimes (15%) come in looking for a specific outfit on display, buy it, and leave. • Displayed items are sold through and replaced on mannequins. • "Store displays allow them to add more pieces and to accessorize." • Marketing is becoming more interactive and kid-friendly. • Product line themes on display cause customers to buy the whole line. • The presentation is important-cuffs, wrinkles, belts. • "It is the first thing customers see, they must POP."
Training	To explore the influence of retail associates' product knowledge on the purchase environment. (RO2)	• Very knowledgeable, but customers don't ask for product knowledge. "The product sells itself." • Ask for help from other associates, especially across gender product lines. • "Learn job, on the job." • "People expect to be serviced" and we offer great customer service. • Very knowledge about styles, washes, and overall assortment through store meetings and role playing. • "Use to know more, now they listen to the customer."
Understanding Customer Returns	To explore the opinions about retail return policies in the purchase environment. (RO3)	• Policies allow returns with or without receipt, in no time limit, damaged or worn • Associates want to shorten the time limit for returns. • Common return reasons: quality, fit, changed mind, parent or child doesn't like, buyers remorse, shrunk • Many customers aren't honest about returns. • Return policies are "very open, even up to 10 years old." • Can return items with no receipt that have been worn. • Only a few retailers record reasons for returns and rarely, if ever, refuse a return. • Although overall satisfied with service, many will not return if they have to wait in line. • "It would be beneficial to know why the product was returned in order to make the product better." • Use Verifone to record returns and track chronic returners. • "If a customer complains enough, they will let you return it." • "Our return policy is ridiculous." • "Don't have a return policy, we keep people happy, they keep coming back."
Your Typical Customer	To explore product attributes that influence consumers' purchase decisions. (RO4)	• Concerned with if they are able to return the item. • Style, size, fit, color, trends, quality, brand • Coordinating outfits • Price, care and laundering, especially in children's clothing. • Certain brands are perceived to have higher quality. • Concern with whether the item will shrink.

Note. Retail associate comments listed are from the following specialty retailers: Abercrombie & Fitch, abercrombie, American Eagle, Ann Taylor (2), Banana Republic, Children's Place, Eddie Bauer, Express Men, GAP (2), Baby GAP, GAP Kids (2), Gymboree, Hollister, Lane Bryant (2), Limited, Limited Too (2), Lucky Brand, Old Navy, PACSUN, Petite Sophisticate, Wet Seal (2).

Research Objective Results

The results of each channel were analyzed and generalized in relation to each research objective:

RO1: To explore the influence of store displays on consumers' purchase decisions.

Key Findings:

- Store displays bring consumers into the store.
- Consumers often ask for items on display.
- Store displays show the retailer's style and present coordinating outfits.
- Store displays influence all consumers, especially younger consumers.
- From the perspective of retail associates, younger consumers are influenced more than older consumers by store displays.

From retail associates' perspectives, store and window displays greatly influence consumers' decisions to purchase. They are "the first thing that the customer sees; if they don't POP, they will go to another store." In addition to bringing customers into the store, they influence customers to buy entire outfits on the mannequins or just a few pieces. Overall, visual displays promote wardrobing and give the customer ideas about how to wear the clothing, from "practical to inspirational." In a practical sense, retailers present the outfit in a "dramatic way, because it is more effective. Wrinkle the jeans at the bottom to make it look like something you can wear and not just an outfit hanging on a mannequin." On the contrary, some retailers display inspirational outfits that describe the newest trends within the store. One retail associate gives an example referring to a mannequin that was dressed in eight tank tops, "it was very sharp, but no one in their right mind is going to buy eight tank tops...but that's really what is was all about--the t-shirts and the tank tops."

RO2: To explore the influence of retail associates' product knowledge on the purchase environment.

Key Findings:

- Retail associates rate themselves as somewhat to very knowledgeable in terms of products within their retail store.
- Overall, specialty channel retail associates have a higher level of product knowledge than department and national chain retail associates.
- Overall, consumers do not ask for product knowledge, with few exceptions on coordinating outfits and product assortment.
- Most retail associates' product knowledge is learned from listening to customers, being a consumer themselves, and experience on the job.

In order to better understand the level of product knowledge, retail associates were given a Likert scale instrument and asked to quantify their product knowledge and their associates product knowledge (5=Very knowledgeable, 4=Somewhat knowledgeable, 3=Neither knowledgeable nor unknowledgeable, 2=Somewhat unknowledgeable, 1=Not at all knowledgeable). Not surprisingly, the majority of respondents rated themselves and their associates as somewhat knowledgeable (4) or very knowledgeable (5). However, researcher interpretation disagreed. Table 14 classifies retailers' product knowledge and customer service based on the ratings given by retail associates and the researchers' opinions following the hour-long interview. Associates were classified as high, medium, and low based on researchers' subjective assessment of product knowledge (style, fit, fiber, fabric, features, benefits, care, laundering, assortment, price, and construction) and levels of customer service when compared to other retail associates from different retail stores.

Table 14

Retail Store Classification by Product Knowledge and Customer Service

	High	Medium	Low
Product Knowledge	Ann Taylor Baby Gap/Gap Kids Banana Republic Eddie Bauer Express Men Gap Lane Bryant The Limited Lucky Brand Jeans PACSUN Petite Sophisticate Wet Seal	American Eagle Abercrombie & Fitch Belk Children's Place Dillard's Hollister Limited Too Macy's Nordstrom Old Navy Sears	abercrombie Gymboree JC Penney Kohl's
Customer Service	Ann Taylor Baby Gap/Gap Kids Banana Republic Eddie Bauer Gap Lucky Brand Jeans Nordstrom	American Eagle Belk Express Men Lane Bryant The Limited Limited Too Macy's Old Navy PACSUN Petite Sophisticate Wet Seal	abercrombie Abercrombie & Fitch Children's Place Dillard's Gymboree Hollister JC Penney Kohl's Sears

Source: Adapted from *Point of Purchase Interviews: An Inside Look From Retail Associates*, 2005, Cotton Incorporated.

As depicted in Figure 8, retailers with high product knowledge are all within the specialty channel. Those with medium and low product knowledge are among all three retail channels explored. Perhaps, retail associates measured their level of product knowledge based on how they were trained (corporate culture) and what the customer shopping in their store is most concerned with when purchasing (RO4).

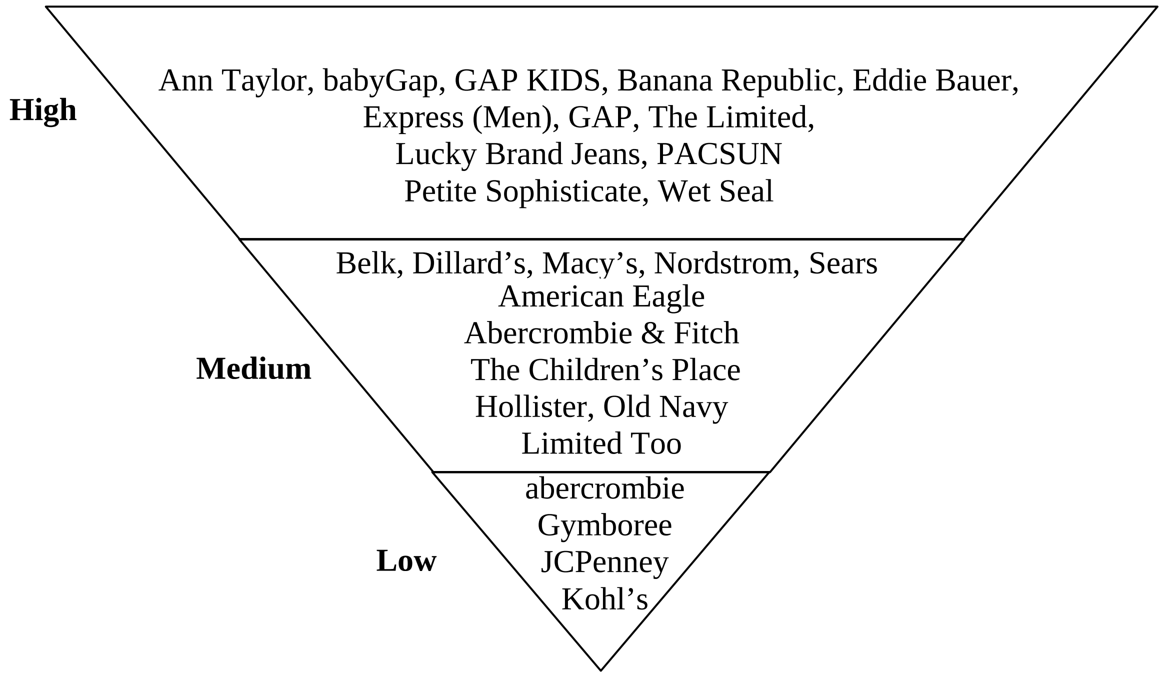

***Figure 8*. Inverted pyramid of product knowledge: Retail associate product knowledge by retail store, respectively.**

Source: *Point of Purchase Interviews: An Inside Look From Retail Associates*, 2005, Cotton Incorporated.

RO3: To explore the opinions about retail return policies in the purchase environment.

Key Findings:

- Generally, retail associates agree that return policies are too lenient by allowing untimely returns, returns of worn items, and returns of apparel items with no receipt.
- Retail associates would like to see shorter time limits for return policies.
- Many dishonest consumers have caused retailers to implement new return tracking software.

- Although many retailers do not record the reason for returns, retail associates noted fit, fell apart, changed mind, damaged, color and quality as some of the most common reasons for returns.
- Store personnel have more influence on a customer than product and policy. A bad experience with store personnel would cause a customer to not return to the retail store.

Retail associates had strong opinions on return policies in their store and the effects of policies on the purchase environment. Overall, return policies are very lenient, allowing returns for almost anything, worn, damaged, with no receipt, with no tags, and even for an extended amount of time such as one or two years after purchase. Retail associates noted how many dishonest customers take advantage of the lenient return policies and there is nothing the associates can do to stop the situation. Many noted that they do not ask why customers are returning the items, they simply just complete the return transaction. "If a customer complains enough, if they go to the regional or district manager level, they are going to let them return it and they will probably give them a $25 gift card for the inconvenience and trouble and to keep them as a customer."

While many retailers were more lenient than the posted policies, other retailers do not post a return policy or do not have a return policy, such as Nordstrom who "does anything to adjust and meet the needs of the customer." However, retail associates also noted many return policies are changing by implementing return tracking software to minimize profit loss due to excessive returns and an increase in fraudulent customers. Retailers like Express operate returns through VeriFone Return Exchange, a program that monitors all return transactions and patterns to identify fraudulent and/or abusive customers (*Point*, 2005). The system records customer name, address, driver's license number and expiration, and birth date. If the return is denied, the retail associate is notified by printing out a receipt with a phone number for the customer to call to find out the reason for refusal. Although most companies do not track returns, retail associates stated their opinions on the most common reasons for returns (Table 15).

Table 15

Most Common Reasons for Returning Apparel

	Specialty Channel	Department and National Chain Channel
1	Fit	Fit
2	Damaged	Fell Apart
3	Color	Changed Mind
4	Quality	Price
5	Changed Mind	Color

Source: *Point of Purchase Interviews: An Inside Look From Retail Associates*, 2005, Cotton Incorporated.

Many retailers listen to their customers through retail associates or return tracking systems. However, tracking systems are not commonly used by retailers. Retail associates noted that returns determine merchandise recalls, in which retailers often pull products from the store for quality reasons. In addition, returns help retailers make changes to future lines and sizing. For example, Limited Too and Petite Sophisticate made positive changes to pant length to fit their customers. Lane Bryant also installed body scanners to learn more about the sizing of their customers to tailor their clothes to fit their needs.

Retail associates were asked which of the following had more influence on a customer and would cause them to not return to the store: product (RO4), policy (RO3), or personnel (RO2). Overall, store personnel are the most important of the three P's: product, policy, and personnel (*Point*, 2005; Table 16). While most retailers claim to have good quality, they occasionally receive complaints but ultimately satisfy the customer. Therefore, if a customer has good customer service from store personnel, they will return to the store. However, "when a customer experiences bad customer service, they tell 10 people."

Table 16

Influence of Store Product, Store Policies, and Store Personnel

Store Product	Store Policy	Store Personnel
• Most retailers claim to have high quality products. • Occasionally, retailers receive complaints on quality. • Retailers stand behind their products with their return policies. • Customers will return to the store if they receive a bad product.	• Policies are lenient. • Customers rarely complain about store policies. • Retail associates feel that customers are satisfied with store return policies. • Customers will return to the store because their policies cause them to leave happy.	• Retail associates mentioned situations when they were ignored as a consumer. • Managers urge associates to help customers and not ignore them. • Retail associates agree that customers will not return if they have a bad experience with store personnel.

Source: *Point of Purchase Interviews: An Inside Look From Retail Associates*, 2005, Cotton Incorporated.

RO4: To explore product attributes that influence consumers' purchase decisions.

Key Findings:

- The most important product attributes are a function of channel, store, occasion, as well as consumer type.

- Overall, consumers are most concerned with fit, style, price, sales promotions, and quality.
- In the specialty channel, retail associate product knowledge is consistent with the following attributes, which consumers find highly important: style/fashion, price, features, brand name.
- In the department and national chain channels, retail associate product knowledge is consistent with the following attributes which consumers find highly important: price and sales promotions.
- All channels would benefit from additional knowledge of fit and product benefits, as these product attributes are highly important to consumers.

The most important product attributes when purchasing are dependent on channel, store, occasion, as well as customer types which were defined by characteristics or motivators. Characteristics of customer types, as described by retail associates, include: price, time, need, quantity, and companion (*Point*, 2005). For example, men and women shop and purchase differently, customers in a hurry are less likely to be concerned with fit because they may not have the time to try on the item, and some consumers are most concerned with price and go straight to the sale rounder, termed "sale rounder laggard" (*Point, 2005*).

Overall, consumers are most concerned with the following product attributes: fit, style/fashion, features, benefits, price, sales promotions, and quality. In addition, the importance of these attributes increases or decreases based on retail channel. Also, it is a preconceived notion that a consumer knows what to expect before they enter the store, not only in terms of product attributes within the store, but also retail associate customer service and product knowledge. Table 17 and 18 compare the level of product knowledge of attributes with the importance to consumers within the specialty and department store channels, respectively.

Table 17

Retail Associate Knowledge of Product Attributes and the Respective Importance to Customers within the Specialty Channel

<table>
<tr><td rowspan="5">Importance to Customer</td><td>High</td><td></td><td>• Fit
• Sales promotions
• Benefits</td><td>• Style/fashion
• Price
• Features
• Brand name</td></tr>
<tr><td>Medium</td><td></td><td>• Quality
• Care/laundering</td><td>• Assortment</td></tr>
<tr><td>Low</td><td>• Fiber/fabric
• Garment construction
• Country of origin</td><td></td><td></td></tr>
<tr><td></td><td>Low</td><td>Medium</td><td>High</td></tr>
<tr><td colspan="4">Specialty Channel Retail Associate Product Knowledge</td></tr>
</table>

Source: *Point of Purchase Interviews: An Inside Look From Retail Associates*, 2005, Cotton Incorporated.

In the specialty channel, style/fashion, price, features, and brand name are highly important. As shown, these product attributes correspond to a high level of retail associates' product knowledge. Also important to the specialty channel consumer is fit, sales promotions, and benefits of the product, which retail associates have medium knowledge. The mismatch of importance to product knowledge leaves room for improvement for retailers and retail associates. In other words, the increased knowledge of these product attributes, fit, promotions, and benefits could be highly beneficial to the retailer in terms of sales and customer loyalty.

Table 18

Retail Associate Knowledge of Product Attributes and the Respective Importance to Customers within Department and National Chain Channels

Importance to Customer	High	• Fit • Quality • Benefits		• Price • Sales promotions
	Medium	• Features	• Style/fashion • Brand name • Assortment • Care/laundering	
	Low	• Fiber/fabric • Garment construction • Country of origin		
		Low	Medium	High
	Department and National Chain Channels Retail Associate Product Knowledge			

Note. Because many similarities were seen between department and national chain stores in Phase I, they are considered the same.

Source: *Point of Purchase Interviews: An Inside Look From Retail Associates*, 2005, Cotton Incorporated.

In terms of the department and national chain channels, price and sales promotions are highly important to customers and correspond with the high level of product knowledge of retail associates. However, retailers would benefit greatly from an increased knowledge of fit, quality, and benefits of the product. These product attributes are highly important to the department and national chain customer but the retail associate has low knowledge of these attributes.

Phase II: Descriptive Research

Sample Description

The research sample for Phase II consisted of 800 United States consumers who shop in department, national chain, and specialty channels. In order to recruit a sample representative of the shopping population, comparable to Phase I, respondents were recruited according to sample quotas. Similar to Lifestyle Monitor, sample quotas were set in terms of consumer demographics as well as to target consumers who purchase the majority of their apparel in the retail stores interviewed in Phase I. Table 19 presents the respondents' demographic profile in terms of age, gender, retail channel shopped, number of returns within the last six months, education, income, and ethnicity. Phase II sample was 80% female / 20% male with one-third of the respondents falling in one of three age groups from ages 18 to 54 years of age and at least half of respondents returning three or more times within the last six months. In addition, Phase II respondents were primarily Caucasian with some college or a college degree making a wide variety of annual household incomes with approximately one-third of respondents reporting $75,000 and over. Respondents can be further described by the retail store most frequently shopped and by the retail store where most apparel is purchased (Table 20).

The sample was recruited through Bellomy Research using a database from Internet service providers such as e-rewards, Survey Direct, Greenfield, Global Market Insite (GMI), AOL, Survey Sampling Inc., and Survey Spree. Sample quotas were monitored through Bellomy Research and the Internet service provider through preliminary screening (S1-S4).

Table 19

Phase II Sample and Quota Description

Descriptor	Category	Percentage	Number of Respondents
Age	18-30	33.3%	267
	31-42	33.3%	266
	43-54	33.3%	267
Gender	Female	80%	640
	Male	20%	160
Retail Channel shopped	Department	30%	240
	National Chain	40%	320
	Specialty	30%	240
# of Returns	Below median(2)	Approx. 50%	454
	Above median (3+)	Approx. 50%	346
Education*	Some high school or less	1.0%	8
	High school graduate	13.3%	106
	Some college	35.3%	282
	College graduate	38.6%	309
	Postgraduate/PhD	11.8%	94
Income*	Under $25,000	6.4%	51
	$25,000-$34,999	8.5%	68
	$35,000-$44,999	11.5%	92
	$45,000-$54,999	13.3%	106
	$55,000-$64,999	12.3%	98
	$65,000-$74,999	10.8%	86
	$75,000 and over	35.3%	282
Ethnic Background*	Caucasian	83.6%	669
	African-American	4.5%	36
	Hispanic	4.6%	37
	Asian	4.5%	36
	Mixed	1.8%	14
	Native American	0.1%	1

Note. Descriptors denoted with an asterisk* were not included in the quota for Phase II sample. Although extremely minimal in number, respondents were allowed to refuse to answer these questions.

Table 20

Retail Stores Shopped by Phase II Sample

Retail Store Frequently Shopped (Q5)		Single Retail Store Where Most Clothes are Bought (Q5a)	
Store	**Percentage**	**Store**	**Percentage**
Old Navy	50.9%	Kohl's	20.8%
Kohl's	48.3%	JCPenney	12.9%
JCPenney	44.1%	Macy's	12.0%
GAP	36.5%	Old Navy	11.9%
Macy's	33.0%	GAP	6.8%
Sears	25.6%	Dillard's	5.9%
Nordstrom	18.9%	Lane Bryant	5.5%
Dillard's	18.5%	Nordstrom	4.4%
American Eagle	17.1%	Sears	3.4%
Banana Republic	16.6%	Banana Republic	3.3%
The Children's Place	14.9%	American Eagle	2.6%
Baby GAP/GAP KIDS	14.6%	Ann Taylor	1.8%
The Limited	14.5%	Belk	1.8%
Abercrombie & Fitch	12.8%	Abercrombie & Fitch	1.6%
Lane Bryant	12.4%	Express (Men)	1.1%
Ann Taylor	10.0%	The Limited	1.1%
Eddie Bauer	9.9%	Eddie Bauer	0.6%
Hollister	8.8%	Baby GAP/GAP KIDS	0.5%
PACSUN	7.6%	PACSUN	0.5%
Belk	7.3%	Petite Sophisticate	0.5%
Express (Men)	6.6%	Wet Seal	0.4%
Gymboree	6.3%	The Children's Place	0.3%
Limited Too	6.0%	Hollister	0.3%
Wet Seal	5.5%	Abercrombie	0.1%
abercrombie	5.1%	Gymboree	0.1%
Lucky Brand Jeans	4.5%	Lucky Brand Jeans	0.1%
Petite Sophisticate	3.5%	Limited Too	0%

Note. Total sample size is 800 respondents.

RO5: To determine the influence of store displays on consumers' purchase decisions.

Key Findings:

- Although fluctuating over the past ten years, *store displays* as a source of clothing ideas for consumers decreased and leveled since 2002 and now influence about 45% of consumer respondents.
- Store displays as a source of clothing ideas are significantly different in terms of channel, age, gender, times shopped per month, and purchase type.
- Store displays are a source of clothing ideas for 44% of department store consumers, 49% in the national chains, and 55% of specialty store consumers.
- Females are more likely to use store displays as a source of clothing ideas than males.
- Consumers aged 25-34 are more likely to use store displays as a source of clothing ideas than consumers aged 16-24 and 35-55.
- Consumers who use store displays as a source of clothing ideas shop an average of twice a month.
- Impulse purchasers are more likely to use store displays as a source of clothing ideas when compared to planned purchasers.
- Store displays do not influence consumers' retail store choice.

Chi-square analysis of 2005 Lifestyle Monitor data was used to determine the influence of store displays on consumers' purchase decisions. Sources of clothing ideas were evaluated over an eleven year time period, from 1994 to2005 by 48,994 consumers, showing a predictable wave effect in sources used over time (Figure 9). Second to *items already owned or liked*, *store displays or window shopping* is a source of clothing ideas for approximately half of the respondents. However, the percentage of consumers who are influenced by store displays has decreased and leveled since 2002, similar to other sources. *Salespeople* as a source of clothing ideas, while ranked eighth out of ten sources, also slightly declined.

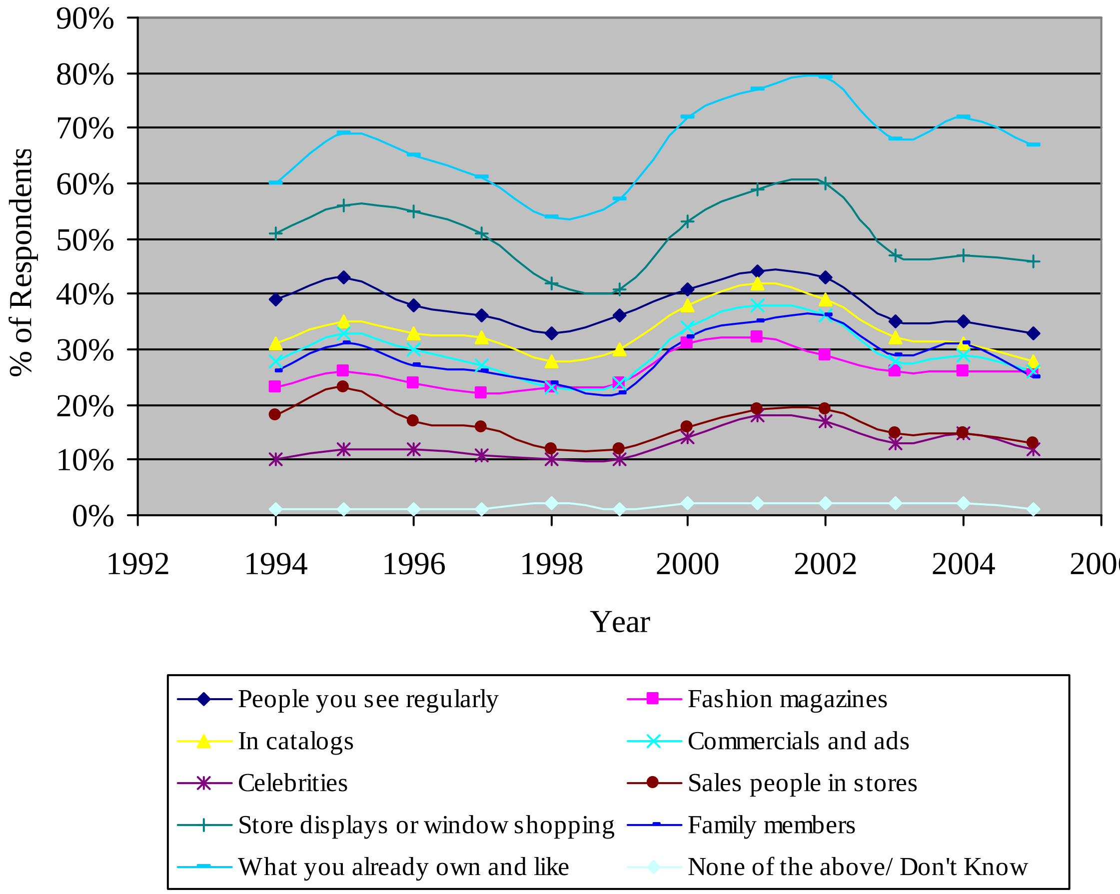

Figure 9. **Sources of clothing ideas over time.**

In addition, sources of clothing ideas for consumers in 2005 were also evaluated by retail channel (store type) most frequently shopped, gender, as well as purchase type (planned versus impulse) and frequency. Significant differences exist in terms of store type most frequently shopped when considering the three retail channels discussed throughout the research, department, national chain, and specialty channels, ($p<0.0001$; Table 21) as well as the additional six store types given in Lifestyle Monitor: mass merchants, catalogs, off price, factory outlets, warehouse clubs, internet, and boutiques (chi-square stat=318.364; df=108; p-value<0.0001). In all three retail channels, *what you already like or own* and *store displays* are among the most common sources used for clothing ideas. Also graphically depicted in Figure 10, a higher percentage of specialty channel respondents use each of the nine sources for clothing ideas when compared to department and national chain channel respondents. In terms of store displays, 55% of specialty channel respondents use store displays and window shopping as a source of clothing ideas, compared to the department (44%) and national chain (49%) channels.

Table 21

Contingency Table for Sources of Clothing Ideas and Retail Channel (2005)

	Department Channel (n=1068)	National Chain Channel (n=875)	Specialty Channel (n=631)	Total (n=2574) [a]
People you see regularly	345 32%	288 33%	284 45%	917 36%
Fashion Magazines	331 31%	198 23%	241 38%	770 30%
In catalogs	284 27%	256 29%	201 32%	741 29%
Commercials and ads	260 24%	220 24%	216 34%	696 27%
Celebrities	134 13%	76 9%	140 22%	350 14%
Sales people in stores	152 14%	107 12%	107 17%	366 14%
Store displays and window shopping	*471* *44%*	*426* *49%*	*344* *55%*	*1241* *48%*
Family members	230 22%	235 27%	193 31%	658 26%
What you already own and like	645 60%	599 68%	444 70%	1688 66%
None of the above/Don't Know	15 1%	6 1%	3 0%	24 1%

Chi-square stat=71.954; df=18; $p<0.001$

[a]Not all retail channels (store types) given in the Lifestyle Monitor are presented in order to be consistent with the current research, thus reducing total sample size answering *sources used for clothing ideas* from 4043 respondents to 2574 respondents.

Note. Percentages are given in terms of the independent variable, retail channel. Also, respondents are allowed multiple responses when asked about *sources of clothing ideas*, therefore total percentages for columns are not given. The *total* column gives the total number and percentage of consumers who use each source for clothing ideas, thus totaling the three retail channels displayed across rows.

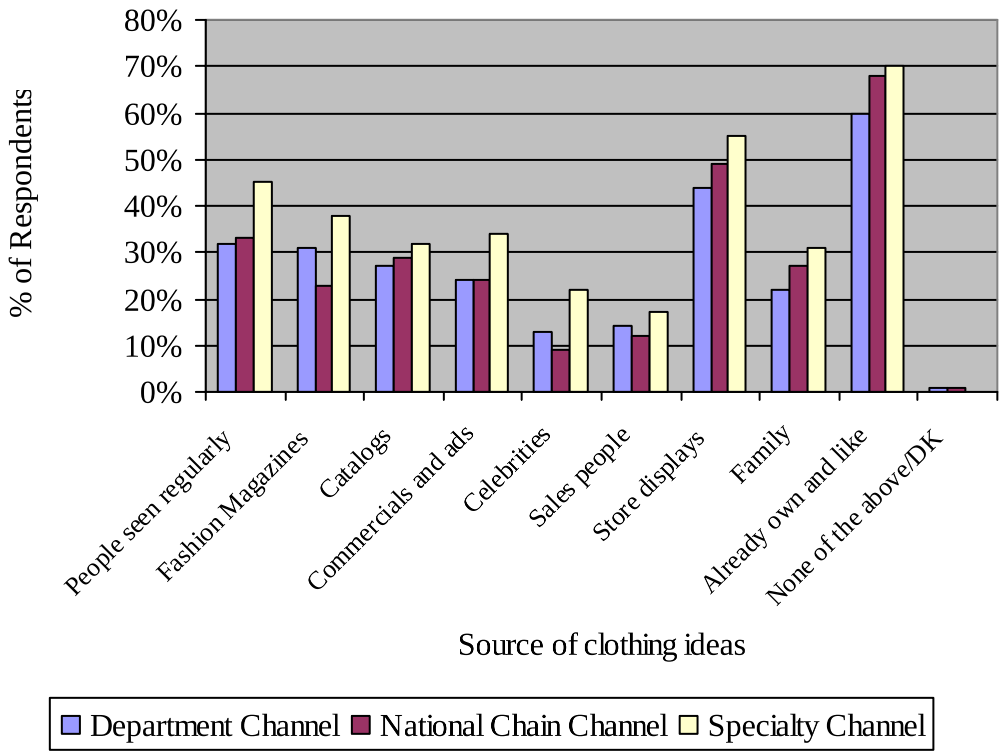

Figure 10. **Source of clothing ideas in terms of retail channel (2005).**

Significant differences also exist among gender (p<0.0001; Table 22). More females (52%) use *store displays and window shopping* as a source of clothing ideas when compared to males (38%). In addition, a higher percentage of females use eight out of the nine sources when compared to the percentage of males, with the exception being clothing *that they already own or like*, as depicted in Figure 11.

Table 22

Contingency Table for Sources of Clothing Ideas and Gender (2005)

	Male (n=1620)	Female (n=2423)	Total (n=4043)
People you see regularly	513 32%	826 34%	1339 33%
Fashion Magazines	283 17%	786 32%	1069 26%
In catalogs	312 19%	826 34%	1138 28%
Commercials and ads	368 23%	671 28%	1039 26%
Celebrities	164 10%	323 13%	487 12%
Sales people in stores	187 12%	353 15%	540 13%
Store displays and window shopping	*619* *38%*	*1255* *52%*	*1874* *46%*
Family members	429 26%	597 25%	1026 25%
What you already own and like	1138 70%	1575 65%	2713 67%
None of the above/Don't Know	27 2%	26 1%	53 1%

Chi-square stat=152.505; df=9; $p<0.001$

Note. Percentages are given in terms of the independent variable, gender. Also, respondents are allowed multiple responses when asked about *sources of clothing ideas*, therefore total percentages for columns are not given. The *total* column gives the total number and percentage of consumers, male and female, who use each source for clothing ideas across rows.

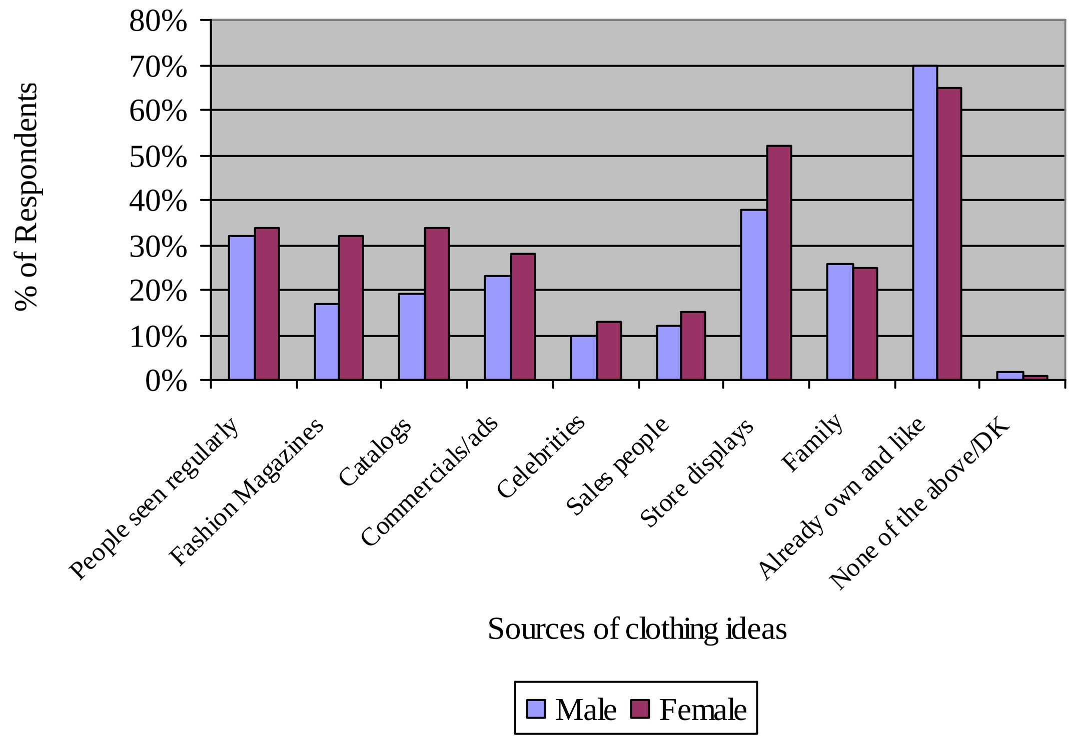

Figure 11. **Sources of clothing ideas in terms of gender (2005).**

In addition to gender, significant differences are seen in ages. Chi-square analysis was completed on the age ranges most closely related to the research ($p<0.0001$; Table 23) as well as those presented in Lifestyle Monitor banners which include consumers aged 56-70 (Chi-square stat=164.384; df=18; $p<0.0001$), with significant differences existing in both analyses. Consumers between the ages of 25-34 use *store displays* as a source of clothing ideas more than consumers aged 16-24 (42%) and 35-55 (47%), as depicted in Figure 12.

Table 23

Contingency Table for Sources of Clothing Ideas and Age (2005)

	Ages 16-24 (n=1086)	Age 25-34 (n=1085)	Age 35-55 (n=1457)	Total (n=3628)[a]
People you see regularly	426 39%	396 36%	415 28%	1237 34%
Fashion Magazines	356 33%	317 29%	317 22%	990 27%
In catalogs	286 26%	288 27%	432 30%	1006 28%
Commercials and ads	317 29%	315 29%	331 23%	963 27%
Celebrities	229 21%	155 14%	84 6%	468 13%
Sales people in stores	161 15%	151 14%	176 12%	488 13%
Store displays and window shopping	*459* *42%*	*549* *51%*	*691* *47%*	*1699* *47%*
Family members	296 27%	281 26%	364 25%	941 26%
What you already own and like	732 67%	691 64%	985 68%	2408 66%
None of the above/Don't Know	11 1%	15 1%	21 1%	47 1%

Chi-square stat=152.505; df=9; p<0.001

[a]Ages 56-70 are not included due to Phase II sample ages, reducing total sample size answering *sources used for clothing ideas* from 4043 respondents to 3638 respondents.

Note. Percentages are given in terms of the independent variable, age. Also, respondents are allowed multiple responses when asked about *sources of clothing ideas*, therefore total percentages for columns are not given. The *total* column gives the total number and percentage of consumers who use each source for clothing ideas, thus totaling the three age groups displayed across rows.

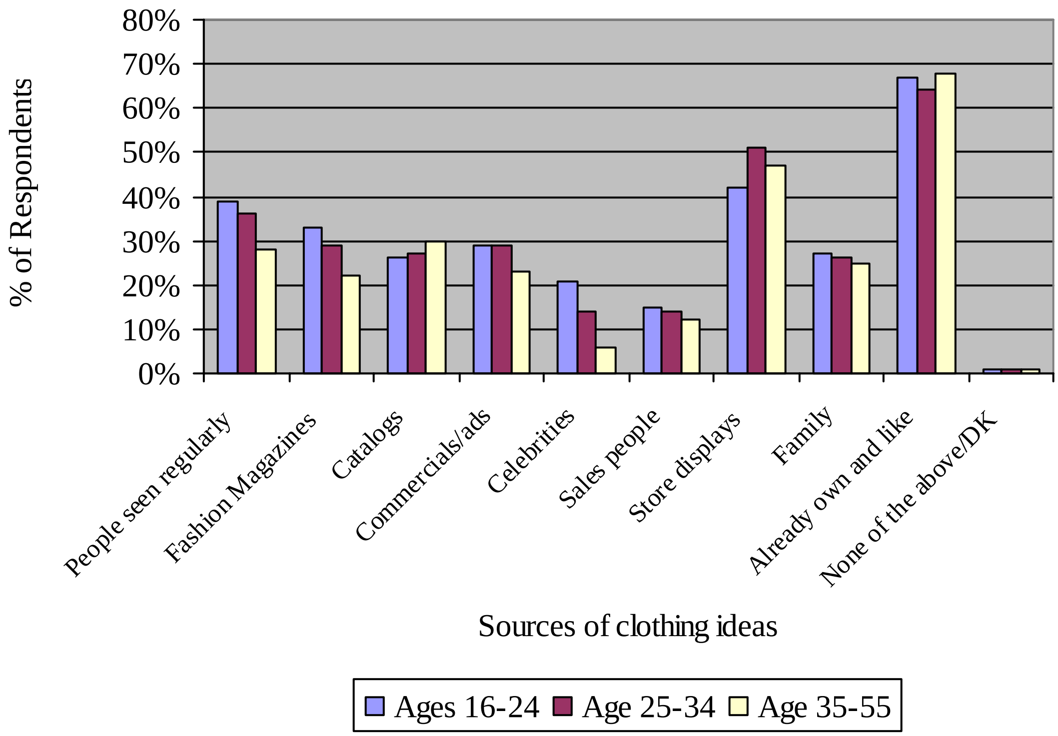

Figure 12. **Sources of clothing ideas in terms of age (2005).**

Finally, sources of clothing ideas were evaluated by frequency of shopping as well as planned and impulse purchasing. Overall, respondents who use *store displays* as a source of clothing ideas shop an average of 2.05 times a month. In addition, as the number of times shopped a month increases, the total percentage of consumers who use store displays as a source increases. However, when analyzing the percentage of consumers who use store displays as a source of clothing ideas at a specific number of shopping trips a month, most respondents only shop 2 or less times a month.

The source of clothing ideas among planned and impulse purchasers is significantly different ($p<0.0001$; Table 24). While a higher number of respondents who answered the question tend to be planned purchasers, a larger percentage of impulse purchasers use each criterion as source of clothing ideas, with the likely exception of *what is already owned and liked*. Also not surprising, impulse purchasers (50%) are more likely to use *store displays* and as a source of clothing ideas when compared to planned purchasers (44%); however, many consumers (42%) didn't know or refused to answer on the influence of *store displays* as a source of clothing ideas. As shown in Figure 13, the percentage of impulse purchasers influenced by eight of the nine sources for clothing ideas is higher when compared to planned purchasers, with the exception of *what they already own and like,* which is a source of clothing ideas for a greater percentage of planned purchasers.

While *store displays* are influential as a source of clothing ideas, *store displays* do not influence consumers' retail store choice. Although evaluated with a different sample, *store displays* were ranked seventh out of eight in importance of evaluative criteria when choosing a retail store. Overall, they are somewhat important ($\bar{x}=3.52$) to store choice. Evaluative criteria are further discussed with the next research objective.

Table 24

Contingency Table for Sources of Clothing Ideas and Purchase Type (2005)

	Planned (n=2383)	Impulse (n=1535)	Don't Know/Refused (n=125)	Total (n=4043)
People you see regularly	748 31%	554 36%	37 30%	1339 33%
Fashion Magazines	550 23%	482 31%	37 30%	1069 26%
In catalogs	638 27%	465 30%	35 28%	1138 28%
Commercials and ads	549 23%	456 30%	34 27%	1039 26%
Celebrities	207 9%	264 17%	16 13%	487 12%
Sales people in stores	280 12%	245 17%	15 12%	540 13%
Store displays and window shopping	*1046* *44%*	*775* *50%*	*53* *42%*	*1874* *46%*
Family members	581 24%	416 27%	29 23%	1026 25%
What you already own and like	1619 68%	1017 66%	77 62%	2713 67%
None of the above/Don't Know	31 1%	17 1%	5 4%	53 1%

Chi-square stat=76.517; df=18; p<0.001

Note. Percentages are given in terms of the independent variable, purchase type (planned or impulse). Also respondents are allowed multiple responses when asked about *sources of clothing ideas*, therefore total columns percentages are not given. The *total* column gives the total number and percentage of consumers who use each source for clothing ideas across rows.

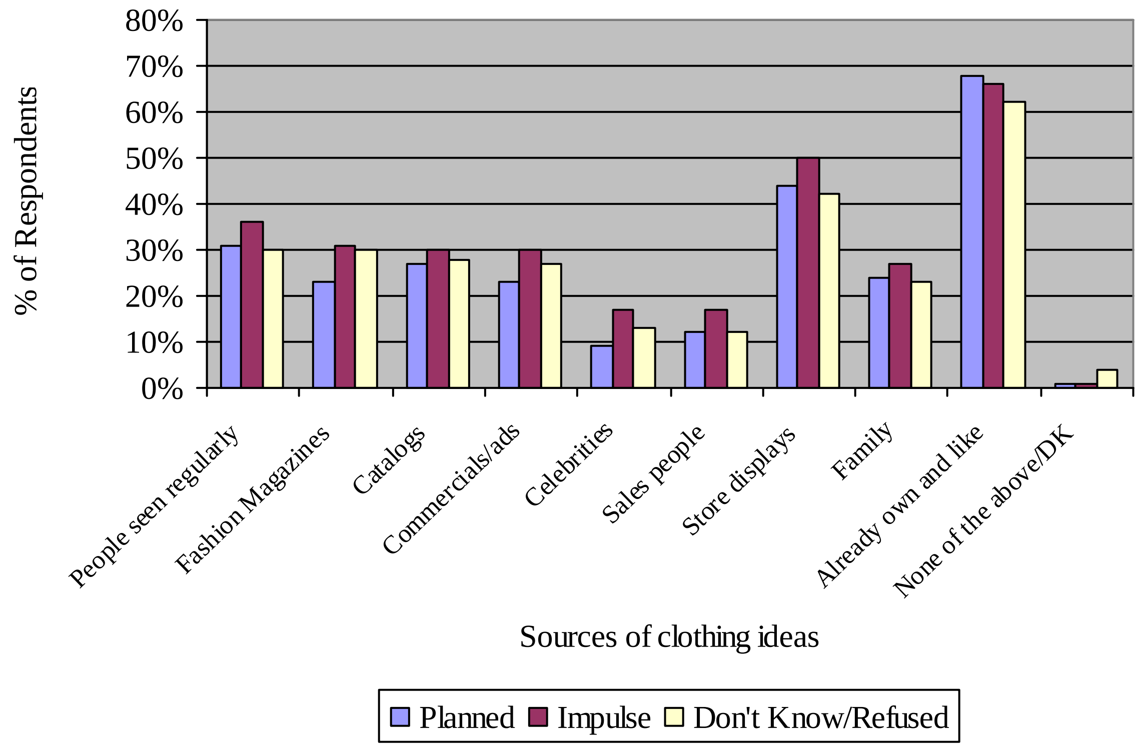

Figure 13. **Sources of clothing ideas in terms of type of purchase (2005).**

RO6: To determine the influence of retail associates' product knowledge on consumers' purchase decision process.

Key Findings:

- No significant differences exist in overall product knowledge across or within channels; however, similarities emerge between the department and specialty channels.
- Consumers' expected level of product knowledge is significantly higher than the actual product knowledge of retail associates in all ten product attributes analyzed.

- *Knowledgeable about products* is somewhat important to consumers when purchasing and ranked seventh out of nine salesperson characteristics.
- Significant differences exist in gender for the importance of product knowledge, whereas no significant differences exist by channel and age.
- Store personnel, services offered, and store displays were not among the most important evaluative criteria which influence store choice.
- Significant differences exist in store personnel and store services as evaluative criteria when choosing a store among retail channel and age, with the highest importance in the department channel and the older consumer, aged 49-54 years old.

Analysis of variance was completed to determine how overall retail associates' product knowledge differs across retail channels and within retail channels (Q8). Across the three retail channels--department, national chain, and specialty--no significant difference was found in retail associate product knowledge (F=2.334; p=0.098; Appendix E). While significant differences between these channels did not exist in terms of overall product knowledge, Table 25 provides a summary of means in terms of retail associates product knowledge as evaluated by channel. Evidence suggests that retail associates' product knowledge in the department store channel and specialty store channel are somewhat similar. In addition, retail associate product knowledge does not differ significantly among stores within each retail channel, as p-values through analysis of variance were greater than 0.05.

Table 25

Overall Retail Associate Product Knowledge by Retail Channel

	Total	Department	National Chain	Specialty
Mean[a]	3.90	3.92	3.81	3.98
Std. Dev.	0.95	0.98	0.95	0.91
Std. Error	0.033	0.063	0.053	0.058

[a]Likert Scale: 5=Very knowledgeable, 4=Somewhat knowledgeable, 3=Neither knowledgeable, nor unknowledgeable, 2=Not very knowledgeable, 1=No knowledge
Note. Chi-square analysis indicates that department store respondents (27.1%) and specialty store respondents (26.7%), who rated retail associate product knowledge as very knowledgeable, were significantly different than national chain respondents (19.1%).

Actual and Expected Product Knowledge of Retail Associates

Further analysis was conducted regarding product knowledge including actual versus expected retail associate product knowledge (Q9, Q10). While overall product knowledge of retail associates in all channels is somewhat knowledgeable ($\bar{x}$ =3.90), Phase I results confirmed that differences exist in the actual level of retail associate product knowledge and the consumers expected level of retail associate product knowledge. Figure 14 presents the gap in product knowledge (actual-expected) by product attribute. The largest difference in actual versus expected product knowledge is in quality, fit, and benefits of product. Likewise, the smallest gap between actual and expected product knowledge is in the product attributes of color and style.

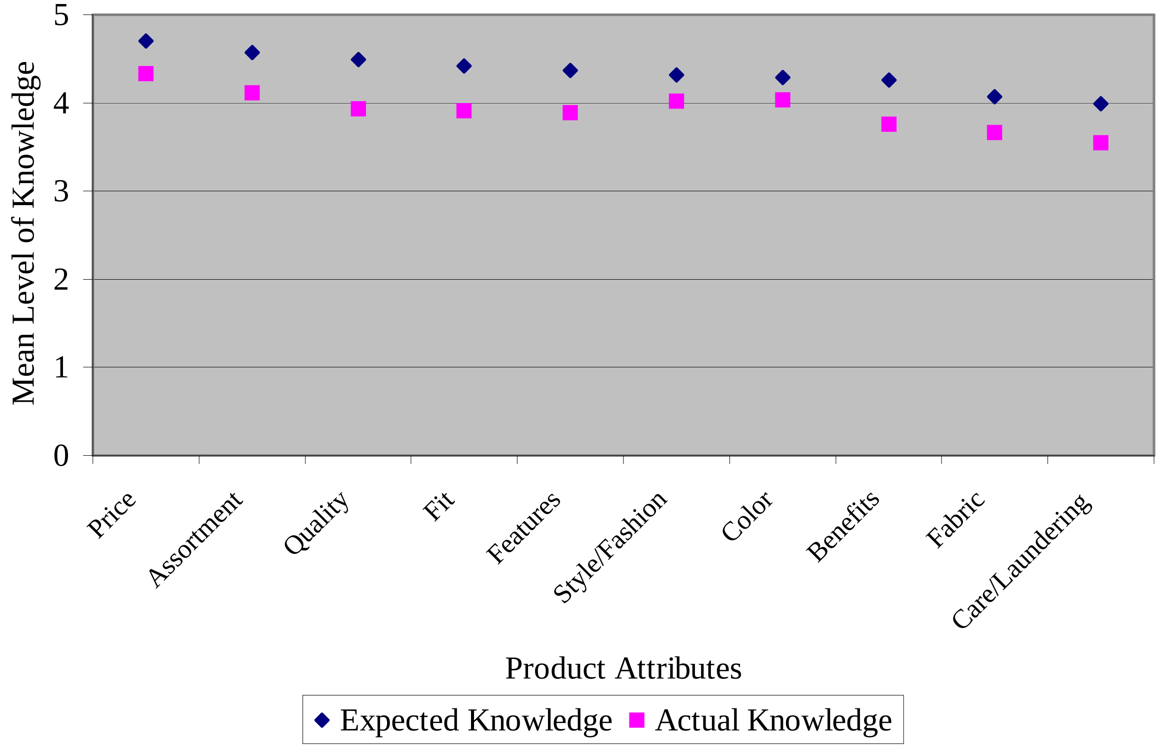

***Figure 14*. Gap analysis (actual-expected) of retail associates' knowledge of product attributes.**

Moreover, actual and expected product knowledge of ten different product attributes were examined using a t-test for paired differences. Table 26 presents results from paired differences in terms of actual and expected knowledge for the ten product attributes. For all product attributes, the expected level of product knowledge is significantly higher than the actual level of product knowledge. In addition, individual paired t-tests were completed for each channel, department, national chain and specialty, in terms of all ten product attributes. The expected level of product knowledge was significantly different from the actual level of product knowledge among all channels with all product attributes, with the exception of care and laundering in the specialty channel (t=1.131; p=0.259). When comparing the mean frequencies of the differences between actual and expected product knowledge of retail associates within each retail channel, the department store channel associate is more likely to meet consumer expectations and, although a small percentage, the specialty channel is more likely to exceed expectations than the department and national chain channels.

Table 26

Results: Paired t-test for Two Sample Means of Actual and Expected Knowledge

Product Attribute		**Expected**	**Actual**	**T-Stat**	**P-value**[a]
Product Assortment	Mean	4.596	4.184	11.632	<0.0001
	Variance	0.459	0.871		
Benefits of Product	Mean	4.290	3.946	8.026	<0.0001
	Variance	0.669	1.275		
Care and Laundering	Mean	4.028	3.825	4.156	<0.0001
	Variance	0.888	1.569		
Color	Mean	4.328	4.146	4.968	<0.0001
	Variance	0.624	0.926		
Fabric	Mean	4.101	3.854	5.546	<0.0001
	Variance	0.757	1.339		
Features	Mean	4.401	4.021	9.693	<0.0001
	Variance	0.551	1.075		
Fit	Mean	4.443	4.045	10.133	<0.0001
	Variance	0.570	1.127		
Price	Mean	4.731	4.391	10.783	<0.0001
	Variance	0.347	0.669		
Quality	Mean	4.518	4.053	12.454	<0.0001
	Variance	0.518	1.044		
Style/Fashion	Mean	4.356	4.138	5.821	<0.0001
	Variance	0.590	1.022		

[a] The p-value given is based on a directional, one-sided alternative hypothesis that expected level of retail associate product knowledge is greater than actual level of retail associate product knowledge; df=799.

Note. Sample Items (Scale: 5=Very knowledgeable, 4=Somewhat knowledgeable, 3=A little knowledge, 2=Not very knowledgeable, 1=No knowledge)

Actual: The level of product knowledge, for each product attribute, that salespeople actually have in the retail store that respondents most frequently shop.

Expected: The level of product knowledge, for each product attribute, that is expected from salespeople by consumers in the retail store most frequently shopped.

Importance of Product Knowledge

In order to determine the importance of retail associates' product knowledge to the sample, respondents were asked to rate several salesperson characteristics in the store where they purchase the majority of their apparel (Q7; Table 27). *Knowledgeable about products* was seventh out of nine characteristics with a mean importance rating of 4.46.

Table 27

Mean Importance Ratings of Retail Salesperson Characteristics

Characteristic	Mean Importance Rating
Respectfulness of customer	4.74
Honesty	4.67
Willingness to help	4.59
Friendliness	4.58
Availability to help	4.53
Knowledgeable about products	*4.46*
Appearance (neat, professional)	4.33
Fashion style/image	3.94

Likert Scale: 5=Very important, 4=Somewhat important, 3=Neither important nor unimportant, 2= Somewhat unimportant, 1=Not at all important
Sample Item: How important are each of the characteristics when approaching a salesperson in the store where you purchase the majority of your apparel?

Analysis of variance was also completed to test significance of knowledge as an important attribute for retail associates in terms of channel, age, and gender (Table 28). Results indicated that knowledge as an important attribute of retail associates is significantly different among gender ($F=6.144$; $p=0.013$), with females regarding retail associates' product knowledge as more important than males.

Table 28

ANOVA Results for Importance of Retail Associates' Product Knowledge by Gender

Source	df	SS	MS	F-Stat	P-value
Treatments	1	3.380	3.380	6.144	0.013
Error	798	439	0.550		
Total	799	442.380			

Gender	n	Mean	Std. Error
Female	640	4.488	0.028
Male	160	4.325	0.070

In terms of channel, product knowledge as an important attribute for retail associates is most important in the department store channel ($\bar{x}$=4.488), followed by the national chain channel ($\bar{x}$=4.444) and the specialty channel ($\bar{x}$=4.438), although not significantly different (F=0.331; p=0.718; Appendix E). In addition, there were no significant differences among age (F=1.457; p=0.202; Appendix E), although 62.9% of consumers of age 43 to 54 rated *knowledgeable about products* as very important (chi-square analysis described older consumers, between the age of 43-54 significantly different from 53.6% of younger consumers aged 18-30).

Evaluative Criteria

Consumers use evaluative criteria to assess different types of retailers, retail competitors, and choice of retail store (Blackwell et al., 2001). Therefore, respondents were asked to rate the importance of each evaluative criteria through a Likert scale (5=Very important, 1=Not at all important; Q11). Results indicated that *variety of products* and *location of the store* are more important than the evaluative criteria examined by the research, *store personnel, store services*, and *store displays* (Table 29).

Table 29

Mean Importance Ratings of Evaluative Criteria Which Influence Store Choice

Evaluative Criteria	Mean Importance Rating
Variety of products sold in the stores	4.39
The location of the store	4.22
Store Atmosphere	4.12
Store personnel	*4.08*
Advertisements and promotions for the store	3.96
Services offered by the store	*3.95*
Displays such as in-store signs and window displays	*3.52*
Customers who shop in the store	3.06

Likert Scale: 5=Very important, 4=Somewhat important, 3=Neither important nor unimportant, 2=Somewhat unimportant, 1=Not at all important
Sample item: How important are the following characteristics when choosing a store to shop in?

Analysis of variance was used to evaluate the importance of *store personnel*, *store services*, and *store displays* to consumers when choosing a store in terms of channel, age, and gender. Significant differences were found with *store personnel* and *store services*. *Store personnel*, as an evaluative criterion in choosing a store, is more important in the department and national chain channels than the specialty channel (Table 30). In addition, *store personnel* as an evaluative criterion becomes more important as age increases (Table 31).

Table 30

ANOVA Results for Importance of Store Personnel and Retail Channel

Source	df	SS	MS	F-Stat	P-value
Treatments	2	8.297	4.148	7.305	0.001
Error	797	452.583	0.568		
Total	799	460.880			

Retail Channel	n	Mean	Std. Error
Department	240	4.158	0.049
National chain	320	4.138	0.039
Specialty	240	3.925	0.053

Table 31

ANOVA Results for Importance of Store Personnel and Age

Source	df	SS	MS	F-Stat	P-value
Treatments	5	16.910	3.382	6.049	<0.0001
Error	794	443.970	0.559		
Total	799	460.880			

Age group	n	Mean	Std. Error
18-24 years	108	3.787	0.090
25-30 years	159	4.044	0.063
31-36 years	124	4.008	0.065
37-42 years	142	4.127	0.052
43-48 years	150	4.187	0.056
49-54 years	117	4.282	0.069

Similarly, significant differences exist among channel and age, when evaluating *store services* as evaluative criteria in store choice (Table 32). Consumers shopping in the department channel find *store services* more important than those shopping in the national chain and specialty channels. Perhaps, department stores are held at a higher standard due to their size and additional services offered within the store such as coffee shops, beauty salons, and restaurants. In addition, the older consumer finds *store services* as an evaluative criterion when choosing a store to be more important than younger consumers (Table 33). Similar to importance of *store personnel*, older consumers seek additional help and service from retailers and store personnel.

Table 32

ANOVA Results for Importance of Store Services and Retail Channel

Source	df	SS	MS	F-Stat	P-value
Treatments	2	9.261	4.630	8.377	0.0003
Error	797	440.534	0.553		
Total	799	449.795			

Retail Channel	n	Mean	Std. Error
Department	240	4.050	0.049
National chain	320	3.991	0.039
Specialty	240	3.788	0.053

Table 33

ANOVA Results for Importance of Store Services and Age

Source	df	SS	MS	F-Stat	P-value
Treatments	5	6.534	1.307	2.341	0.040
Error	794	443.261	0.558		
Total	799	449.795			

Age group	n	Mean	Std. Error
18-24 years	108	3.833	0.090
25-30 years	159	3.943	0.063
31-36 years	124	3.927	0.065
37-42 years	142	3.873	0.052
43-48 years	150	3.973	0.056
49-54 years	117	4.138	0.069

RO7: To determine the influence of retail return policies on consumers' purchase decision process.

Key Findings:

- The majority (84%) of respondents know the overall return policy of the retail store where they most frequently shop.
- Overall, respondents *sometimes* consider the return policy before purchasing..
- Respondents who consider the return policy are significantly different by age and level of returns. As age increases and number of returns increases, consumers are more likely to consider the policy before purchasing.
- Overall, one to three months is an adequate time limit for returns.

- Significant differences exist for length of time it takes to return apparel among independent variables; older consumers, national chain consumers, and low returners are more likely to return apparel items more quickly.
- As price of the apparel item increases, the length of time after purchasing that it takes to return the item decreases.
- Significant differences exist in the primary reasons for returns by gender and level of returns.
- Overall, the most common reasons for returns are *fit, changed mind*, and *damaged*.
- Overall, return policies have little influence on consumers' purchase decision process.

Due to the negative opinions of return policies from retail associates in Phase I research, the influence of return policies on consumers' purchase decisions became increasingly important. Therefore, consumers were questioned on their knowledge of return policies where they shop most frequently (Q12-Q15), how return policies influences their returns in terms of purchasing (Q17), length of time it takes to return an apparel item (Q19, Q20), and the reasons for returning the item (Q16, Q18). Overall, 84% of respondents know the return policy of the store they most frequently shop; however, the percentage decreases when the consumer is questioned about specific details such as time limits, receipts, and damages (Table 34).

Table 34

Overall Consumer Knowledge of Return Policies at the Retail Store Most Frequently Shopped

	Yes	No	Don't Know
Know the return policy.	83.6%	10.3%	6.1%
Know the time limit on the return policy.	68.8%	20.6%	10.6%
Required to have a receipt when returning apparel.	61.3%	30.8%	7.9%
Return policy allows for returns of damaged items.	58.2%	9.7%	32.0%

Since a large majority of respondents know the return policy of the retail store where they most frequently shop for apparel, the frequency of considering the return policy *before* purchasing was evaluated using a five-point Likert scale (5=Always, 1=Never) with independent variables of channel, gender, age, and level of returns. When purchasing apparel, consumers who consider the return policy before purchasing are significantly different by age ($F=2.995$; $p=0.011$; Table 35) and by level of returns ($F=2.583$; $p=0.002$; Table 36).

Table 35

ANOVA Results for Consideration of Return Policy Before Purchasing and Age

Source	df	SS	MS	F-Stat	P-value
Treatments	5	17.191	3.438	2.995	0.011
Error	794	911.498	1.148		
Total	799	928.689			

Age group	n	Mean	Std. Error
18-24 years	108	2.815	0.109
25-30 years	159	3.013	0.087
31-36 years	124	3.000	0.090
37-42 years	142	2.986	0.088
43-48 years	150	3.287	0.082
49-54 years	117	3.171	0.108

Note: Chi-square analysis indicated that respondents in the 43-54 year old age group (37.1%) who always or often consider the return policy before purchasing are significantly different from respondents in the youngest age group of 18-30 years old (28.8%).

Table 36

ANOVA Results for Consideration of Return Policy Before Purchasing and Level of Returns

Source	df	SS	MS	F-Stat	P-value
Treatments	12	35.231	2.936	2.583	0.002
Error	786	893.455	1.137		
Total	798	928.686			

Number of returns in last 6 months	n	Mean	Std. Error
1 (Low)[a]	197	2.756	0.072
2 (Medium) [a]	257	3.097	0.067
3 (Average) [a]	154	3.175	0.087
4 (Frequent) [a]	51	3.078	0.148
5	51	3.157	0.171
6	31	3.516	0.171
7	2	3.500	0.185
8	10	3.200	0.500
10	27	3.407	0.291
12	7	2.714	0.474
15	7	2.714	0.474
25	3	2.667	0.333
30	2	4.000	1.000

[a]As defined through chi-square tables, low=1 return within the last six months, medium=2 returns within the last six months, average=3 returns within last six months, frequent=4 or more returns within last six months. Respondents within these groupings were recruited to meet sample quotas of 50% below 2, the median number of returns, and 50% above 3 returns.

Note. Chi-square analysis indicated that frequent returners (39.1%) who returned apparel more than four times in the past six months and always or often consider the return policy before purchasing is significantly different from low returners who returned apparel one time within the last six months (20.3%).

Consumers shopping at department stores ($\bar{x}$ =3.125) and females ($\bar{x}$ =3.10) *sometimes* consider the return policy before purchasing. However, the frequency of considering the return policy before purchasing is not significantly different among channels and gender (Appendix E). In general, consumers *sometime*s ($\bar{x}$ =3.05) consider the return policy before purchasing an apparel item for themselves.

Time Limits of Return Policies

Retail associates (Phase I) were asked in Phase I what aspect of customer service they would change. A significant amount of responses were to shorten the time limit for returns because consumers took advantage of lenient return policies by returning items one to two years after the purchase date. Therefore, consumers were asked their opinions about an adequate time limit for returns (Q19) and how long it takes them to return an apparel product, which was evaluated at five different price ranges (less than $25, $26-$50, $51-$75, $76-$100, and over $100; Q20).

Overall, consumers felt that one month (43.4%) to three months (32.1%) was an adequate time limit for returns. A small percentage of 6% felt there should be no time limit when returning apparel. Few differences can be seen in terms of gender, channel, age, and level of returns. However, in terms of channel, respondents who most frequently shop in the national chain channel are quicker to return than those in the department and specialty chain channels. Figure 15 shows the adequate time limit for returns in terms of age.

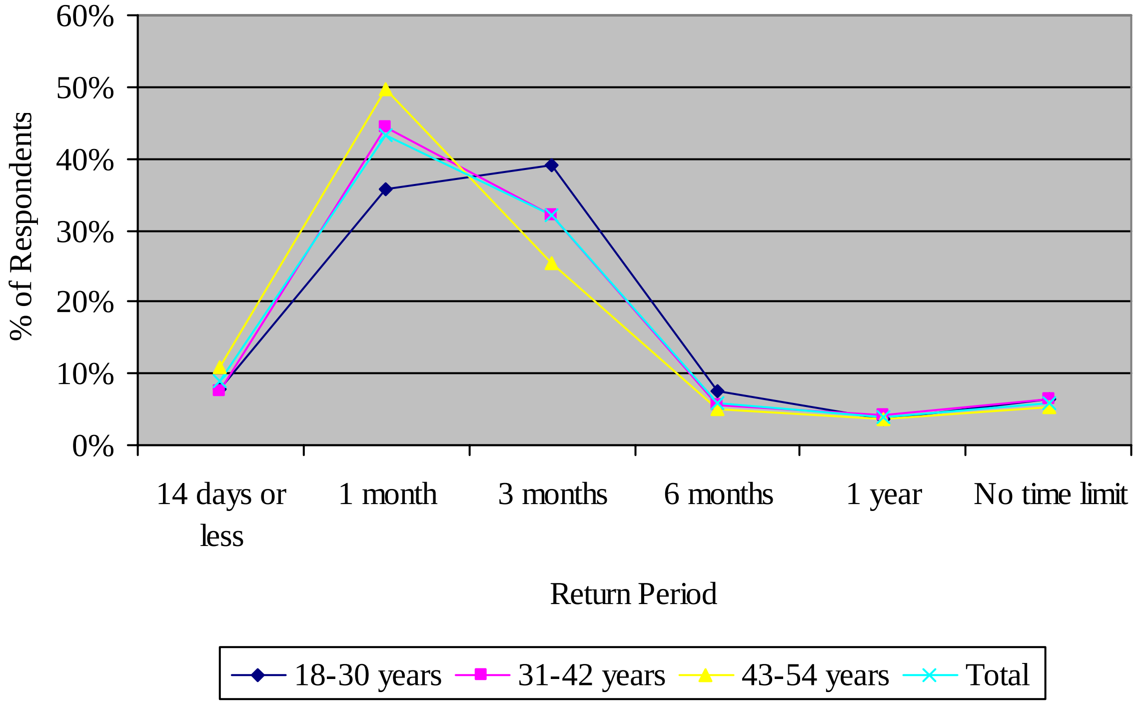

Figure 15. **Adequate time limit for apparel returns in terms of age group.**

Note. Chi-square analysis indicated that 43-54 year old consumers (49.8%) and 31-42 year old consumers (44.4%) are significantly different than 18-30 year olds (35.6%) who think 1 month is an adequate time limit. In addition, the youngest age group, 18-30 year olds, (39%) agree that 3 months is an adequate time limit, which is significantly different from the oldest age group, 43-54 year olds (25.5%).

Not surprisingly, those consumers who return frequently (four or more times within the last six months) agree that a longer time limit of three months or more is adequate, which is significantly different from low returners who have returned once in the last six months. As shown in Figure 16, a higher percentage of frequent returners believe an adequate amount of time to return apparel is overall longer than those who are medium or low returners (returning two or less times in the last six months). Average returners believe that six months is an appropriate amount of time to return apparel items.

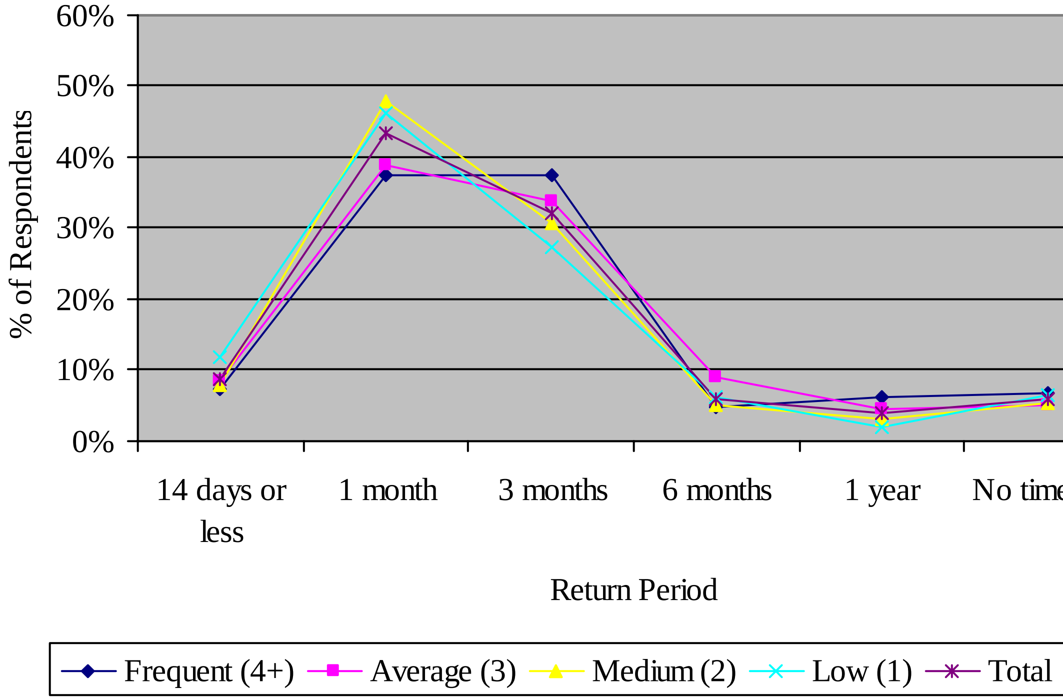

***Figure 16*. Adequate time limit for apparel returns in terms of level of returns.**

The length of time after purchasing apparel that it takes to return an apparel product when not satisfied was also evaluated in relation to price (Figure 17). As price increases, the amount of time taken to return the apparel item decreases. For example, respondents indicated that with an apparel item costing over $100, the percentage of respondents who would return the product within 14 days increases about 20% when compared to time limits for returning products that cost less than $25.

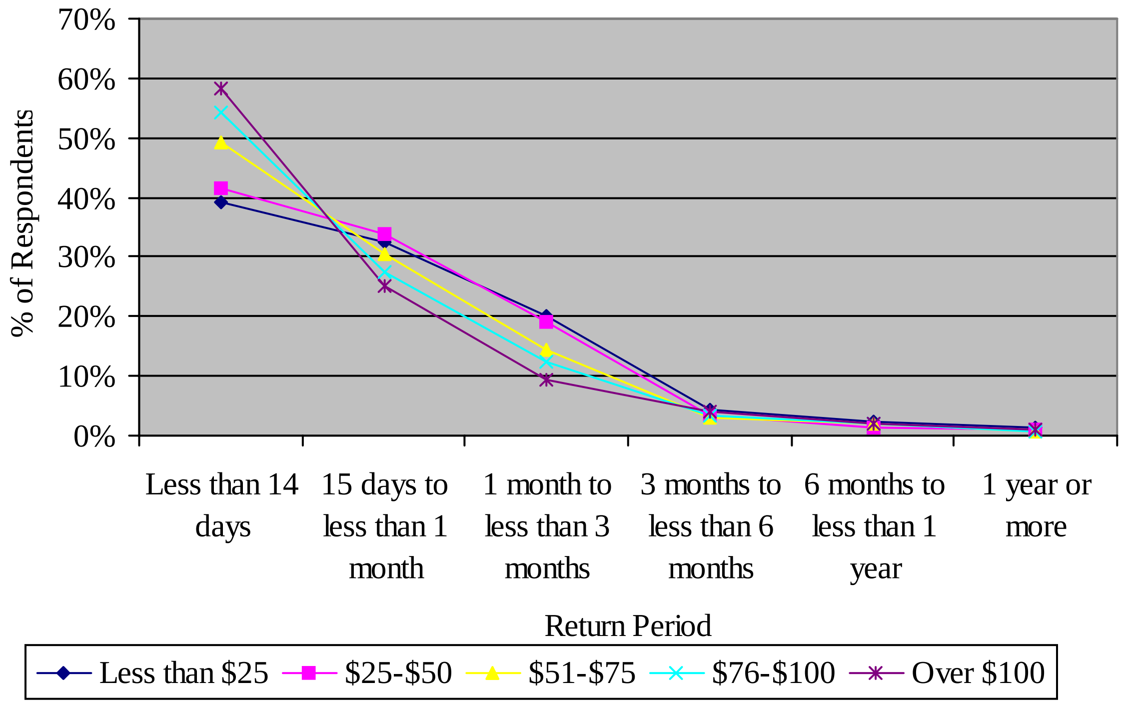

***Figure 17*. Length of time taken to return apparel in relation to price.**

Significant differences exist in retail channel, age, and level of returns at all price ranges (no significant differences among gender). Most noteworthy, similarities accrued between consumers who shop department and specialty channels versus the national chain channel regarding percentages of respondents who would return in less than 14 days at all price ranges. Regardless of price, national chain shoppers return quicker than department and specialty channel shoppers. In addition to channel, consumers between the ages of 43-54 years old are more likely to return quicker than respondents in the 18-30 year old group as well as the 32-42 year old group in all price ranges. In terms of level of returns, low returners who have returned apparel once within the last six months return quicker than respondents in the medium, average, and frequent return groupings (return more than once in the last six months).

Reasons for Returning Apparel

While most consumers return apparel items within three months of purchase, regardless of the price, it is important to determine how often consumers are asked why the apparel item is being returned (Q18) and the most common reasons for returns in each retail channel (Q16). The frequency of a consumer being asked why they are returning the apparel item was measured on a five-point Likert scale (5=Always, 1=Never). In general, consumers are *sometimes* asked ($\bar{x}$ =3.70) why they are returning an apparel item they purchased for themselves. No significant differences exist among channel, age, gender, and level of returns. However, 64.4% of older consumers, ages 43-54 years old, who are *always* or *often* asked why they are returning an item is significantly different than the 54.7% of 18-30 year olds.

Contingency tables and chi-square analysis were used to analyze respondents' primary reasons for returning their last apparel item. Similar to Phase I, *fit* (60.5%) and *changed mind* (22.5%) were among the most common reasons, with similar results in terms of ranking among retail channels, age, gender, and level of returns. Although, significant differences did not exist among retail channel, older consumers, ages 43-54, are significantly more likely to return because of *size/fit* than younger consumers between the ages of 18-30. Furthermore, 18-30 year olds are significantly more likely to choose *changed mind* as a primary reason for return when compared to the older age group.

The chi-square analysis indicated significant differences among primary reasons for returns by gender (Table 37). Female consumers, 1.4%, are significantly different from 0% of men who chose *style* as the primary reason for returning their last apparel item. In addition, a higher percentage of males returned their last apparel item due to *price* and *quality*.

Table 37

Contingency Results of Primary Reason for Returning Apparel by Gender

Primary Reason	Female	Male	Total
Care/laundering	4 (0.625%)	3 (1.875%)	7 (0.875%)
Changed Mind	145 (22.660%)	35 (21.880%)	180 (22.500%)
Color	14 (2.188%)	5 (3.125%)	19 (2.375%)
Damaged	35 (5.469%)	11 (6.875%)	46 (5.750%)
Fabric	5 (0.7813%)	2 (1.250%)	7 (0.875%)
Fit	382 (59.690%)	88 (55.000%)	470 (58.750%)
Price	10 (1.563%)	7 (4.375%)	17 (2.125%)
Quality/fell apart	11 (1.719%)	8 (5.000%)	19 (2.375%)
Style/fashion	*9 (1.406%)*	0 (0.000%)	9 (1.125%)
Other	0 (0.000%)	1 (0.625%)	1 (0.125%)
Other-specify	25 (3.906%)	0 (0.000%)	25 (3.125%)
Total	640 (100%)	160 (100%)	800 (100%)

Chi-square stat=27.102; df=10; p=0.003
Note. Percentages are given in terms of the independent variable, gender, male and female.

In addition to gender, significant differences existed in primary reasons for returning apparel among the independent variable, level of returns (Table 38). Low returners (9.6%) is significantly different from the average (3.9%) and medium returners (3.9%) who also returned their last apparel item because of damages. Also noteworthy, frequent returners who returned due to *price* was significantly different when compared to average and medium returners who returned their last item for the same reason.

Table 38

Contingency Results of Primary Reason for Returning Apparel by Level of Returns

	Low Returner (1)	Medium Returner (2)	Average Returner (3)	Frequent Returner (4+)
Care/laundering	2 (1.015%)	0 (0.000%)	1 (0.649%)	*4 (2.100%)*
Changed Mind	43 (21.830%)	58 (22.570%)	29 (18.830%)	50 (26.000%)
Color	3 (1.523%)	6 (2.335%)	5 (3.247%)	5 (2.600%)
Damaged	*19 (9.645%)*	10 (3.891%)	6 (3.896%)	11 (5.700%)
Fabric	1 (0.508%)	2 (0.778%)	2 (1.299%)	2 (1.000%)
Fit	117 (59.390%)	156 (60.700%)	*96 (62.340%)*	104 (54.200%)
Price	4 (2.030%)	1 (0.389%)	2 (1.299%)	*10 (5.200%)*
Quality/fell apart	4 (2.030%)	*11 (4.280%)*	3 (1.948%)	1 (0.500%)
Style/fashion	1 (0.508%)	3 (1.167%)	2 (1.299%)	3 (1.600%)
Other	0 (0.000%)	0 (0.000%)	1 (0.649%)	0 (0.00%)
Other-specify	3 (1.523%)	10 (3.891%)	7 (4.545%)	2 (1.000%)
Total	197 (100%)	257 (100%)	154 (100%)	192 (100%)

Chi-square stat=192.633; df=130; p=0.003

Note. Percentages are given in terms of the independent variable, level of returns.

Overall, return policies have little influence on consumers' purchase decisions as the majority of respondents *sometimes* consider the return policy before purchasing and are *sometimes* asked why they are returning. The majority of consumers feel that three months or less is an adequate time limit for returns and most return within this amount of time no matter the price of the apparel item. As can be expected, consumers are more likely to return a higher priced item more quickly than a lower priced item. When asked if they would like more days to return apparel items, only about 1/3 of respondents strongly or somewhat agreed. Respondents strongly agreed or somewhat agreed that the return policy where they frequently shop is fair (76.5%) and when in comparison to other stores, the return policy where they frequently shop is generous (53.4%).

RO8: To determine the product attributes that influence consumers' purchase decisions.

Key Findings:

- Overall, *fit*, *comfort*, and *quality* were the most important product attributes when purchasing apparel.
- Significant differences exist in product attribute importance among retail channel and age.
- *Brand name* is important to department and specialty consumers, *style* is important to specialty consumers, and *comfort* is important to national chain consumers.

- Overall, *price* had little impact on the most important attributes, with *fit* still being the most important, followed by *price* and *comfort*. As price increased, the importance of *brand name/designer* increased.
- *Country of origin* and *brand name* were listed as the least important product attributes in all price ranges.
- When comparing *fashion*, *fit*, and *price*, consumers would rather buy *clothing that fits the best*, than *clothing that is more fashionable*, followed by *clothing that is cheaper*.

The most influential product attributes were examined in terms of channel, age, and gender. The importance of product attributes when purchasing apparel was evaluated on a five-point Likert scale (5=Very important, 1=Not at all important; Q22) and the single most important as well as least important product attributes were evaluated at five different price ranges (Q23, Q24). Because *fit, fashion,* and *price* were the three most common product attributes discussed by respondents in Phase I, consumers quantitatively compared the attributes in terms of channel and results were analyzed through a chi-square analysis (Q25, Q26, Q27).

Importance of Product Attributes When Purchasing

In terms of importance of product attribute when purchasing apparel, *fit* received the highest mean rating, followed by *comfort* and *quality*. Phase II results proved differences among channels, but more specifically similarities between the department and specialty store channels (Table 39). While all three channels regard *fit* as the most important product attribute, respondents within the national chain channel find *comfort* and *price* to be more important than the respondents in the department store and specialty channels. Department store respondents find quality to be more important than comfort, also different from the national chain and specialty channel respondents.

Table 39

Summary of Mean Importance Rating of Product Attributes when Purchasing Apparel

Product Attributes	Overall Mean Importance	Department Channel Mean Importance	National Chain Channel Mean Importance	Specialty Channel Mean Importance
Fit	*4.83*	*4.78*	*4.88*	*4.80*
Comfort	4.70	4.63	4.80	4.62
Quality	4.62	*4.69*	4.62	4.55
Price	4.57	4.47	*4.67*	4.53
Durability	4.43	4.40	4.48	4.38
Color	4.42	4.43	4.42	4.42
Style/fashion	4.28	4.39	4.10	4.42
Fabric	4.25	4.30	4.22	4.23
Brand name	3.32	3.62	2.94	3.52
Country of origin	2.91	3.06	2.95	2.71

Scale: 5=Very important, 4=Somewhat important, 3=Neither important nor unimportant, 2=Somewhat unimportant, 1=Not at all important

As shown in Table 40, significant differences exist among retail channels in terms of seven out of ten product attributes examined: *brand name, comfort, country of origin, fit, price, quality, and style/fashion*. For the three variables with the highest significance ($p<0.0001$), *brand name* is significantly more important to department store and specialty channels versus national chain respondents. Likewise, *style/fashion* is significantly more important to 93.8% of specialty channel consumers than 89.2% and 85% of consumers in the department and national chain channels, respectively. Lastly, *comfort* is most important to national chain consumers.

Table 40

ANOVA Summary for Importance of Product Attributes by Retail Channel

Product Attribute	df	F-stat	p-value
Brand name/designer	2	32.999	<0.0001
Color	2	0.048	0.953
Comfort	2	10.501	<0.0001
Country of origin	2	5.246	0.006
Durability	2	1.743	0.176
Fabric	2	0.759	0.469
Fit	2	3.946	0.020
Price	2	7.431	0.001
Quality	2	3.166	0.043
Style/fashion	2	14.425	<0.0001

In addition to channel, there were significant differences in the importance of product attributes among age groups, 18-30 year old, 31-42 years old, and 43-54 years old. In general, the older age group of 43-54 year olds rate product attributes to be of greater importance than the younger age groups. Of the ten product attributes, significant differences exist among eight with respect to age: *brand name, color, comfort, country of origin, durability, fabric, fit,* and *quality* (Table 41). Interestingly, *price* and *style/fashion* are not significantly different among ages. Although, consumers ages 18-30 years old find *style/fashion* to be very important (51%) which is significantly more than consumers aged 31-42 years old (36.8%) and consumers aged 43-54 years old (42.7%).

Table 41

ANOVA Summary for Importance of Product Attributes by Age

Product Attribute	df	F-stat	p-value
Brand name/designer	5	2.881	0.014
Color	5	2.419	0.034
Comfort	5	6.782	<0.0001
Country of origin	5	8.965	<0.0001
Durability	5	4.263	0.001
Fabric	5	5.504	<0.0001
Fit	5	4.179	0.001
Price	5	0.714	0.613
Quality	5	5.586	<0.0001
Style/fashion	5	1.246	0.285

Consumers of all ages find price to be important, which could be attributed to several reasons such as the economy, the increase of spending on electronics, lifestyles, retirements, education, and declining outlook of the consumer price index for apparel. The older consumer holds physical properties to be more important than aesthetic properties of apparel. Whereas, younger consumers hold *style*, and *brand name* to be more important.

In addition to measuring the importance of product attributes when purchasing apparel, each product attribute was evaluated in terms of price (Q23). Overall, *price* had little impact on the most important attributes, which is supported by the previous results when consumers were asked to rate the importance of *price* when purchasing an apparel item. In all price ranges, *fit* was the single most important product characteristic, followed by *price* and *comfort* (Appendix E). Visually depicted in Figure 18, as price increases, the importance of *fit* decreases and *brand name/designer* increases.

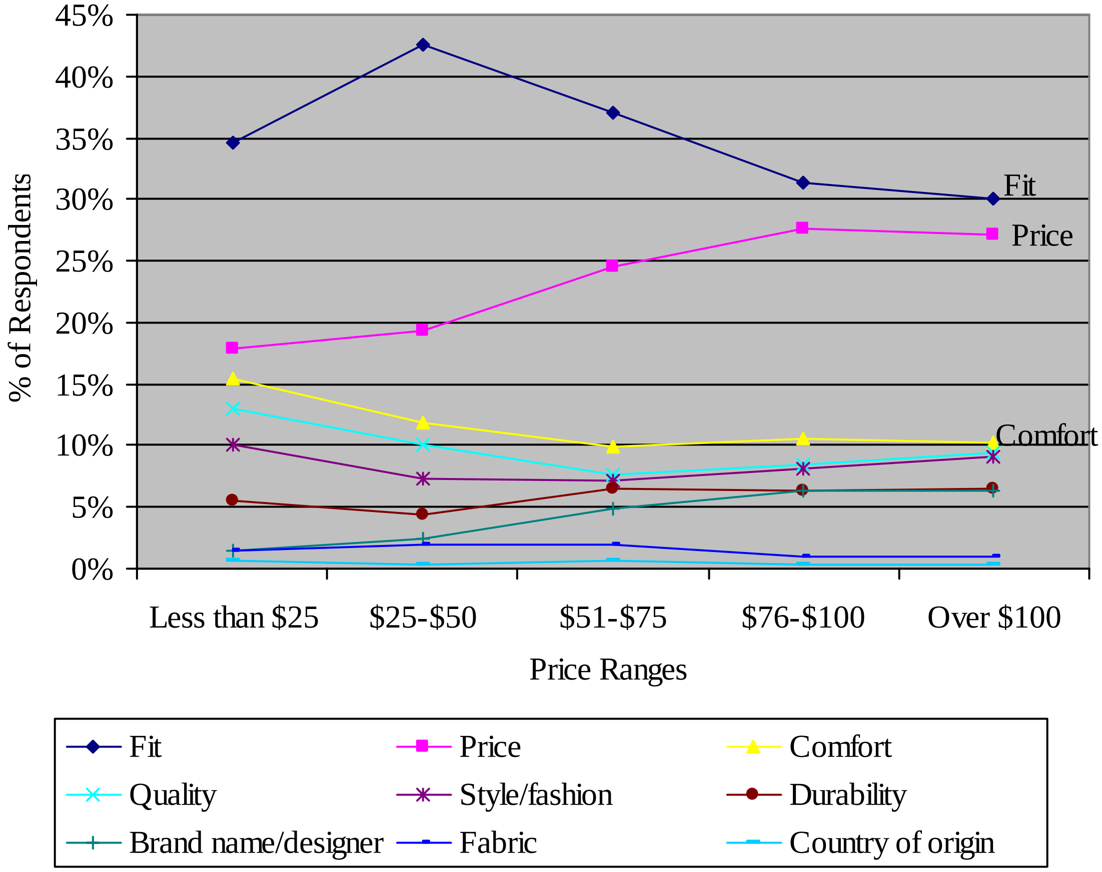

Figure 18. **Single most important product characteristic when purchasing apparel by price.**

In terms of channel, significant differences exist with the most important product attribute among all five price ranges (less than $25, $25-$50, $51-$75, $76-$100, and over $100). When purchasing apparel costing *less than $25*, national chain respondents (40.6%) who chose *fit* as the most important product attribute is significantly different than the department store respondents (29.6%) and specialty store (31.7%) respondents who also chose *fit*. In addition, similarities can be seen among the department and specialty channels with significant differences in *style/fashion* versus the national chain channel at the same price range.

As price increases, significant differences are seen in *fit, comfort*, and *style/fashion* in the \$25-\$50 price range. Most significant is the importance of *fit* between the national chain and department store channels and *comfort* between the national chain and specialty channel. Significant differences continue to exist between the \$51-\$75 and \$76-\$100 price ranges. While *fit* continues to be the most important product attribute, *style/fashion* and *brand name* become more important. Significant differences are seen in *style/fashion* between specialty and national chain channels as well as *brand name* with specialty channels versus department and national chain channels. Similarly, the highest price range, over \$100, shows an increasing importance of *brand name* and similar significant differences with the specialty channel.

In addition to evaluating the most important product attributes at different price ranges, the least important product attributes were evaluated at the same price ranges (Q24). Those attributes noted as the least important are *country of origin* and *brand name*, with little deviation from the previously discussed results. In comparison to the other product attributes listed, *comfort, durability, fabric, fit, price, quality,* and *style*, over 80% of respondents combined listed *country of origin* and *brand name* as the least important product attributes. As price increased, the frequency of *country of origin* levels and the frequency of *brand name* decreases, becoming slightly more important, as depicted in Figure 19.

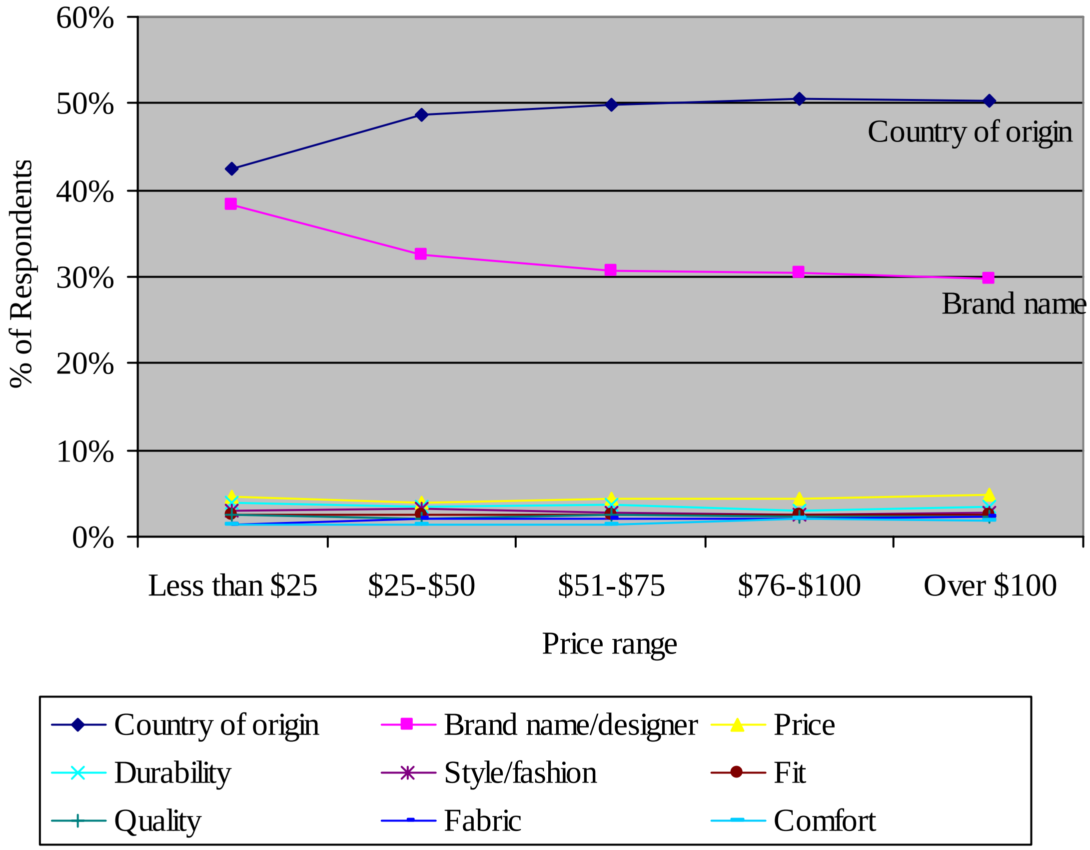

***Figure 19*. Single least important product characteristics when purchasing apparel by price.**

Fashion, Fit, or Price

Phase I results qualitatively suggested that consumers were most concerned with *fashion*, *fit*, and *price* when purchasing apparel. Therefore, consumers were asked to quantitatively choose one product attribute over the other by comparing *fit to fashion* (Q25), *fashion to price* (Q26), and *fit to price* (Q27). Contingency tables and chi-square analysis were used to determine significant differences among the three product attributes. Significant differences were seen when consumers chose *fit and fashion* compared to *fashion* *and price* (Table 42) and *fit and price* (Table 43). The majority of respondents (57%) prefer to buy *clothing that fits the best* and that is the *most stylish or fashionable* (Table 42).

Table 42

Contingency Results for Fit and Fashion Conscious Consumer Compared to Fashionable and Price Conscious Consumer

	Clothing that is more fashionable or stylish	Clothing that is cheaper	Total
Clothing that fits the best	451 (61.87%) (88.43%) (56.38%)	278 (38.13%) (95.86%) (34.75%)	729 (100.00%) (91.13%) (91.13%)
Clothing that is more fashionable or stylish	59 (83.1%) (11.57%) (7.375%)	12 (16.9%) (4.138%) (1.5%)	71 (100.00%) (8.875%) (8.875%)
Total	510 (63.75%) (100.00%) (63.75%)	290 (36.25%) (100.00%) (36.25%)	800 (100.00%) (100.00%) (100.00%)

Chi-square statistic=12.622; df=1; p=0.0004
Note. Following each cell count, row percentages, column percentages, and total percentages are given, respectively.

Similar results can be seen when *price* is compared directly to *fashion*. Significant differences exist between consumers who would rather buy *clothing that is more fashionable and fits the best* over *clothing that fits and is cheaper* or *fashionable and cheaper* (Table 43). With 66% and 34% of fit conscious consumers choosing *clothing that is more stylish* than *cheaper*, respectively, results show that when compared to *fashion* and *fit*, *price* is of least importance.

Table 43

Contingency Table for Fit and Fashion Conscious Consumer in Comparison to Price Conscious Consumer

	Clothing that fits the best	Clothing that is cheaper	Total
Clothing that is more fashionable or stylish	494 (96.86%) (66.49%) (61.75%)	16 (3.137%) (28.07%) (2%)	510 (100.00%) (63.75%) (63.75%)
Clothing that is cheaper	249 (85.86%) (33.51%) (31.13%)	41 (14.14%) (71.93%) (5.125%)	290 (100.00%) (36.25%) (36.25%)
Total	743 (92.88%) (100.00%) (92.88%)	57 (7.125%) (100.00%) (7.125%)	800 (100.00%) (100.00%) (100.00%)

Chi-square statistic=33.809; df=1; p<0.0001
Note. Following each cell count, row percentages, column percentages, and total percentages are given, respectively.

Similarly, when price is cross-referenced with only fit, no significant differences exist (Chi-square statistic=2.021; df=1; p=0.155; Appendix E). Therefore, Phase II consumers would rather buy *clothing that fits the best*, followed by *clothing that is fashionable*, and finally *clothing that is cheaper*. In addition, preferences among the three attributes were analyzed in terms of retail channels. Significant differences exist among all three channels when comparing respondents. Table 44 provides a summary of significant differences in each channel through each product attribute, *fashion*, *fit*, and *price*.

Table 44

Chi-square Summary of Consumer Preferences of Fit, Fashion, and Price by Retail Channel

	Q25-Q26 Fit over fashion Fashion over price	Q25-Q27 Fit over fashion Fit over price	Q26-Q27 Fashion over price Fit over price
Department Channel	Chi-square=3.438 P-value=0.064	Chi-square=0.016 P-value=0.899	*Chi-square=22.360* *P-value<0.0001*
National chain channel	Chi-square=0.718 P-value=0.397	*Chi-square=8.642* *P-value=0.003*	*Chi-square=3.928* *P-value=0.048*
Specialty channel	*Chi-square=8.012* *P-value=0.005*	Chi-square=0.003 P-value=0.957	*Chi-square=16.604* *P-value<0.0001*

Note. Chi-square statistics were calculated using 1 degree of freedom. Significant differences, as shown with p-values of less than 0.05, are italicized.

In terms of *fit over fashion* and *fashion over price*, the specialty channel is significantly different than the department and national chain channels. As supported by previous results, consumers who shop in the specialty channel are more fashion conscious (p=0.005), whereas national chain consumers are more fit conscious. As shown, when comparing *fit to fashion* and *fit to price*, the national chain channel is significantly different than the department and specialty channels (p=0.003). Lastly, significant differences exist in all three channels when comparing *fashion over price* and *fit over price*. While *price* is the least important of the three attributes, differences exist in the choice of *fashion* and *fit*.

Results Summary: A Comparison of Phase I and Phase II

Following the analysis of Phase I and Phase II, results from the two phases were compared in order to determine similarities and/or differences between retail associates' perceptions and consumers' attitudes and opinions, as well as to validate or refute previous literature on the research. Earlier studies, which examined important factors when purchasing, refute a disconnect between retail associates and consumers (Jolson & Spath, 1973; Westbrook, 1981). However, Williams (1994) and Fortenberry (1986) prove that the relationship between retail associates and consumers is less accurate and less influential. Similarities in opinions were found in the influence of return policies on consumers' purchase decisions. Whereas, differences in opinions were found in the influence of store displays, retail associate product knowledge and importance of product attributes when making a purchase decision.

Finding 1: Differences exists between retail associates and consumers on the influence of store displays on consumers' purchase decisions.

Retail associates and consumers agreed that store displays influence consumers' purchase decisions and clothing ideas, but disagree that store displays influence consumers' choice of retail store as an evaluative criteria. From the retail associate perspective, store displays attract consumers' attention and ultimately bring them into the store. However, consumers' ranked store displays as little to somewhat important as an evaluative criteria when choosing a store to shop, ranked seventh out of the eight criteria evaluated.

Furthermore, this finding validates past research from Jolson and Spath (1973) who also noted that store displays are not very influential when choosing a retailer.

While not influential when choosing a retail store, store displays are influential when purchasing apparel. Retail associates and consumers agree that consumers are influenced to purchase specific outfits that are on display. As a source of clothing ideas, store displays were ranked second out of nine sources, thus influencing about 45% of consumers as a source of clothing ideas. While the majority of consumers are not influenced by store displays, consumers are more influenced by store displays than other factors, such as retail associates. Past literature also notes that displays ranked as little importance to satisfaction when purchasing apparel (Williams, 1994).

In terms of independent variables, the influence of store displays holds true especially for the specialty channel, from retail associate and consumer perspectives. In addition to the specialty channel, retail associates and consumers disagree that store displays are more influential among younger consumers, with mention of children from retail associates. From the Lifestyle Monitor consumer perspective, respondents aged 25-34 are most likely to use store displays as a source of clothing ideas, followed by 35-55 year olds, and 16-24 year olds. Table 45 compares the influences of store displays between Phase I and Phase II in more detail.

Table 45

A Comparison of the Influence of Store Displays between Phases

Phase I: Exploratory Research (Retail Associates)	Phase II: Descriptive Research (Consumers)
• Overall, specialty channel retail associates' noted that people often come in to buy entire outfits on the mannequins and they often have to re-wardrobe them.	• Store displays are a source of clothing ideas for 44% of department store consumers, 49% in the national chains, and 55% of specialty store consumers.
• While females often shop with males as noted by retail associates, no influence from store displays can be generalized across gender.	• Females (52%) are more likely to use store displays as a source of clothing idea than males (38%).
• Store displays are influential among younger consumers, especially children.	• Consumers aged 25-34 (51%) are more likely to use store displays as a source of clothing ideas than consumers aged 16-24 (42%) and 35-55 (47%).
• No difference between impulse and planned purchasers could be generalized.	• Impulse purchasers (50%) are more likely to use store displays as a source of clothing ideas when compared to planned purchasers (44%).

Finding 2: Differences exist between retail associates and consumers on the influence and importance of retail associate product knowledge on consumers' purchase decision.

Retail associate product knowledge does not influence consumers' purchase decisions and is not influential on consumers' store choice. Consumers rated *knowledgeable about products* as a somewhat important salesperson attribute, but not as important as six other attributes evaluated. In regards to salespeople as a source of clothing ideas, consumers ranked salespeople eighth out of ten sources, in percentage of consumers. Thus, retail associates have little impact on consumers' purchase decisions due to their lack of knowledge, validating past research which ranked salesclerk as the fourth most important factor of retail patronage (Jolson & Spath, 1973).

Research by Jolson and Spath (1973) also noted that while salespersons were less important, consumers' needs were being fulfilled, suggesting that consumers' expectations of salespeople were not very high. The current research refutes this finding as retail associates rated themselves as overall very or somewhat knowledgeable and consumers rated retail associates in the retail store most frequently shopped as little or somewhat knowledgeable. A disconnect exists between retail associates and consumers in expectations of retail associates' product knowledge. Retail associates and past literature noted that consumers do not expect much product knowledge from retail associates; whereas, consumers rated their expected level of product knowledge to be significantly higher than the actual product knowledge of retail associates in the retail store where they most frequently shop.

Retail associates from the specialty channel displayed a higher level of product knowledge during the in-depth interview when compared to retail associates from the national chain and department store channel. However, consumers' opinions of retail associate product knowledge were not specific to the specialty channel, although the specialty channel had the highest mean importance rating when compared. The consumer perspective of retail associate product knowledge was also not specific to product attributes, as all product attributes evaluated showed significant differences between actual versus expected retail associate product knowledge. Table 46 lists the similarities and differences among the influence of retail associates' product knowledge from retail associates' perspectives compared to consumers' attitudes and opinions.

Table 46

A Comparison of the Influence of Retail Associates' Product Knowledge between Phases

Phase I Exploratory Research (Retail Associates)	Phase II Descriptive Research (Consumers)
• Rated themselves as very or somewhat knowledgeable.	• Rated retail associates as a little knowledgeable or somewhat knowledgeable ($\bar{x}$=3.90).
• Similarities in retail associate knowledge between department and national chain channels.	• Similarities in retail associate knowledge between department and specialty in terms of mean level of knowledge.
• Significant differences across channels. • Specialty channel has highest level of product knowledge	• No significant differences across channels • Specialty channel has highest product knowledge ($\bar{x}$=3.98)
• Knowledge differs by retail store within each channel	• No difference between knowledge by retail store within channel.
• Consumers do not expect much retail associate product knowledge.	• Expected retail associate product knowledge is significantly higher than actual product knowledge among all product attributes examined. • Product knowledge is a somewhat important ($\bar{x}$=4.46) salesperson characteristic, although seventh out of the nine characteristics.
• When entering a retail store, consumers have prior knowledge of retailer style (specialty), as well as prices and store promotions (department and national chain) which influence their purchase decisions and choice of retail store.	• Evaluative criteria researched, store personnel, were neutral to somewhat important when choosing a retail store to shop. • Significant differences exist in store personnel among channel and age, with the highest importance in the department store channel and the older consumer, ages 49-54 years old.

Note: Likert Scale: 5=Very important; 1=Not at all important
5=Very knowledgeable; 1=Not very knowledgeable

Evaluative criteria, as listed in the Consumer Decision Process by Blackwell, Miniard, and Engel (2001), was evaluated in order to determine the importance of store personnel in consumers' choice of retail store to patron. In order of most important to least important, the following evaluative criteria are used when choosing a retail store: variety of products sold in store, location of store, store atmosphere, store personnel, advertisements and promotions for the store, services offered by the store, displays such as in-store signs and window displays, and customers who shop in the store.

While consumers' rated store personnel as somewhat important, store personnel is more important than other criteria evaluated in the research, services, and displays. The low importance rating and ranking when compared to the other evaluative criteria listed by Blackwell, Miniard, and Engel (2001) show the differences in using salespeople as a criterion for choosing a retail store to shop versus salespeople as a source of clothing ideas (Finding 1). The lack of influence of store personnel as a criterion for choosing an apparel store is validated by findings from Jolson & Spath (1973).

Finding 3: Similarities exist between retail associates and consumers on the influence of return policies on consumers' purchase decisions.

Overall, retail associates and consumers agree that return policies are lenient, with the majority of consumers agreeing that return polices at the retail store where they most frequently shop are fair and generous. Furthermore, retail associates believe that return policies should become stricter by shortening the time limit for returning apparel. Surprisingly, consumers agree, with most feeling one to three months is an adequate amount of time to return. This finding is supported by research and implementation of shorter time limits on return policies by Sears, who completed market research finding that 70% and 92% of returns are exchanges made within thirty days and ninety days, respectively (Albright, 2005). Therefore, customers would not be highly influenced by shortened return policies, which would also combat fraudulent return behavior.

Return policies do not influence consumers' purchase decisions, as they are only *sometimes* considered before purchasing, perhaps because the consumer is aware of the leniency of the policies. Retail associates agree that they rarely get complaints or questions about their return policies. In terms of the reasons for returns, retail associates and consumers also agree that consumers are rarely asked why they are returning apparel items and the reasons for returns are rarely recorded by the retailer. Retail associates, consumers, and past research from Lifestyle Monitor agree that fit is the most common reason for returning. Lifestyle Monitor reported that 62% of consumers return because of *fit*, 24% return apparel because they *didn't like the way it looked*, and 16% returned because of *poor quality* such as fading or shrinking (*Point*, 2005).

Age is a notable influence on the opinions of retail return policies. Older consumers are more likely to consider the return policy before purchasing and are quicker to return, when compared to the younger consumers ages 18-42. In addition, significant differences exist among age and channel when evaluating services as a criterion for choosing a retail store. Services were somewhat important to store choice, and ranked sixth out of eight evaluative criteria. Opinions of return policies in terms of additional independent variables are further described in Table 47.

Table 47

A Comparison of the Influence of Retailer Return Policies between Phases

Phase I: Exploratory Research (Retail Associates)	Phase II: Descriptive Research (Consumers)
• Return policies are very lenient by allowing consumers to return worn or damaged items with no receipt or tags at an extended amount of time.	• Consumers sometimes consider return policies before purchasing apparel.
• Retail associates rarely get complaints regarding their return policies.	• Overall, consumers sometimes ($\bar{x}$ =3.05) consider the return policy before purchasing. • Significant differences exist among age and level of returns. Older consumers (37.1%) are more likely to consider than youngest consumers (28.8%). Frequent returners (4+) (39.1%) are more likely to consider the return policy before low returners (less than 1) (20.3%).
• Retail associates would like to see shortened time limits on retailer return policies.	• Consumers felt that one month (43.4%) to three months (32.1%) was an adequate time limit for returns. • National chain consumers and older consumers (43-54 years old) are quicker returners. • Frequent (4+) returners believe an adequate amount of time to return apparel is overall longer than medium (2) or low (1) returners. Average (3) returners believe six months is an adequate time limit. • As price of the apparel item increases, the amount of time taken to return the apparel item decreases. • Only approximately 1/3 of respondents strongly agreed or somewhat agreed that they would like more days to return apparel items.
• Retail associates rarely ask why the item is being returned.	• Consumers are sometimes asked why they are returning apparel ($\bar{x}$ =3.70) • No significant differences exist among channel, age, gender, and level of returns.
• Few retailers record the reasons for returns. Some retailers have implemented new return tracking software. • Consumers most common reasons for returns are fit, fell apart, changed mind, price, and color.	• Consumers' primary reason for returning their last apparel item was fit and changed mind. • Significant differences exist with gender and level of returns.

Note: Likert Scale: 5=Always; 1=Never

Finding 4: Differences exists between retail associates and consumers on the product attributes that influence consumers' purchase decisions.

The importance of product attributes depends on channel, store, occasion, as well as customer type. Similarities exist between retail associates and consumers in terms of important product attributes: fit, style, quality, and price. Specifically, consumers ranked fit, comfort, and quality, followed by price to be the most important product attributes when purchasing. Thus, somewhat refuting past literature which noted style, price, quality of clothing, and assortment to be important attributes, with the value/price relationship being the most important product attribute to consumers (Fortenberry, 1986; Jolson & Spath; Westbrook, 1981; Williams, 1995).

The importance of product attributes is significantly different across independent variables, according to retail associates and consumers. From the consumer perspective, similarities exists between the department and specialty channels; whereas retail associates' perceptions from Phase I described similarities among product attributes within the department and national chain channels. The largest disconnect being the importance of style/fashion. Retail associates' perceptions described department and national chain channels to be more concerned with quality and prices. Whereas, department store consumers' noted that they are more concerned with fashion. National chain consumers also ranked comfort and price to be significantly more important than department and specialty consumers.

Price had little difference on the overall rankings of product attributes in terms of importance. However, when evaluating each product attribute at each price range, fit became less important and brand name became more important as price increased, from the perspective of consumers. While also mentioning the importance of fit, retail associates thought price and sales promotions were important to consumers. Price also had little influence on the least important product attribute of country of origin.

Age influences the importance of product attributes as well. In general, 43-54 year olds rate product attributes to be of higher importance than younger age groups with significant differences in eight of the ten product attributes. Surprisingly, no significant differences exist among price and style/fashion. Although, younger consumers are significantly more concerned with style/fashion than older consumers, ages 31-54. Perhaps, older consumers are more concerned with physical properties, such as quality. The importance of other product attributes is noted in Table 48.

Table 48

A Comparison of the Influence of Product Attributes between Phases

Phase I: Exploratory Research (Retail Associates)	Phase II: Descriptive Research (Consumers)
• Overall, consumers are most concerned with fit, style/fashion, features, benefits, price, sales promotions, and quality.	• The most important product attributes were fit ($\bar{x}$=4.83), comfort ($\bar{x}$=4.70), and quality ($\bar{x}$=4.62).
• Similarities among department and national chain channels.	• Similarities among department and specialty channels in mean levels of importance.
• Style/fashion and brand name are more important to specialty channel consumers than department and national chain consumers. • Quality is more important to department and national chain consumers.	• National chain channel finds price and comfort of higher importance than department and specialty channels. • Department store consumers find quality to be more important than comfort. • Significant differences across channels with the following attributes: brand name, comfort, country of origin, fit, price, quality, and style.
• Retail associates did not make generalized conclusions on the importance of product attributes by age.	• Significant differences in terms of age with the following attributes: brand name, color, comfort, country of origin, durability, fabric, fit, and quality. • Older consumers find physical properties, such as quality and durability, to be more important; whereas the younger consumer is more concerned with style and brand name.
• Price and sales promotions are highly important to consumers in all three channels.	• Overall, price of the apparel item has little impact on the ranking of importance of product attributes. • As price increases, the importance of fit decreases as brand name/designer increases. • In all price ranges, country of origin and brand name are the least important product attributes, although brand name slightly increases in importance as price increases.
• Consumers are most concerned with fashion, fit, and price.	• When comparing the three product attributes, consumers would rather by *clothing that fits the best*, then *clothing that is fashionable*, and finally *clothing that is cheaper*. • Significant differences exist in all three retail channels when comparing *fashion over price* and *fit over price*; thus *price* is often disregarded.

Note: Likert Scale: 5=Very important; 1=Not at all important

The Purchase Decision Process

The conceptual framework used to support the research outlines the steps taken by the consumer when making a purchase decision, from retailer evaluation to outcome. Within Blackwell, Miniard, and Engel's (2001) Purchase Decision Process, the interactions between individual and purchase characteristics directly influence the evaluative criteria, as well as the stages within the decision process. In addition, the criteria evaluated by the consumer have a direct relationship to the purchase process stages of retailer evaluation, competitor evaluation, and store choice.

Therefore, current research concentrated on the importance of the following evaluative criteria that directly affect the purchase decision (as denoted by the asterisk in Figure 20): store displays, retail associate product knowledge, retailer return policies and services, and product attributes. In addition to the four evaluative criteria that were examined in detail through Phase I and Phase II, the importance of all evaluative criteria was rated on a Likert scale (5=Very Important, 1=Not at all important) by consumers in Phase II. The outcome is shown in Figure 20 by designating the importance of each criterion on consumers' decision process as well as by numbering the criteria listed.

Because not all criteria were examined in detail, limitations exist in the adapted framework model (Figure 20). The research determined that some criteria were not important to store choice, but influenced purchase decisions and clothing ideas, such as store displays. Thus, the most accurate model would account for this additional influence, as shown with the dashed arrow. However because not all criteria were evaluated at this detail, it is difficult to further adapt the model to accurately show the weighted importance of each criteria. Future research is needed to further examine variety of products, location of the store, advertisements and promotions, and customers who shop in the store.

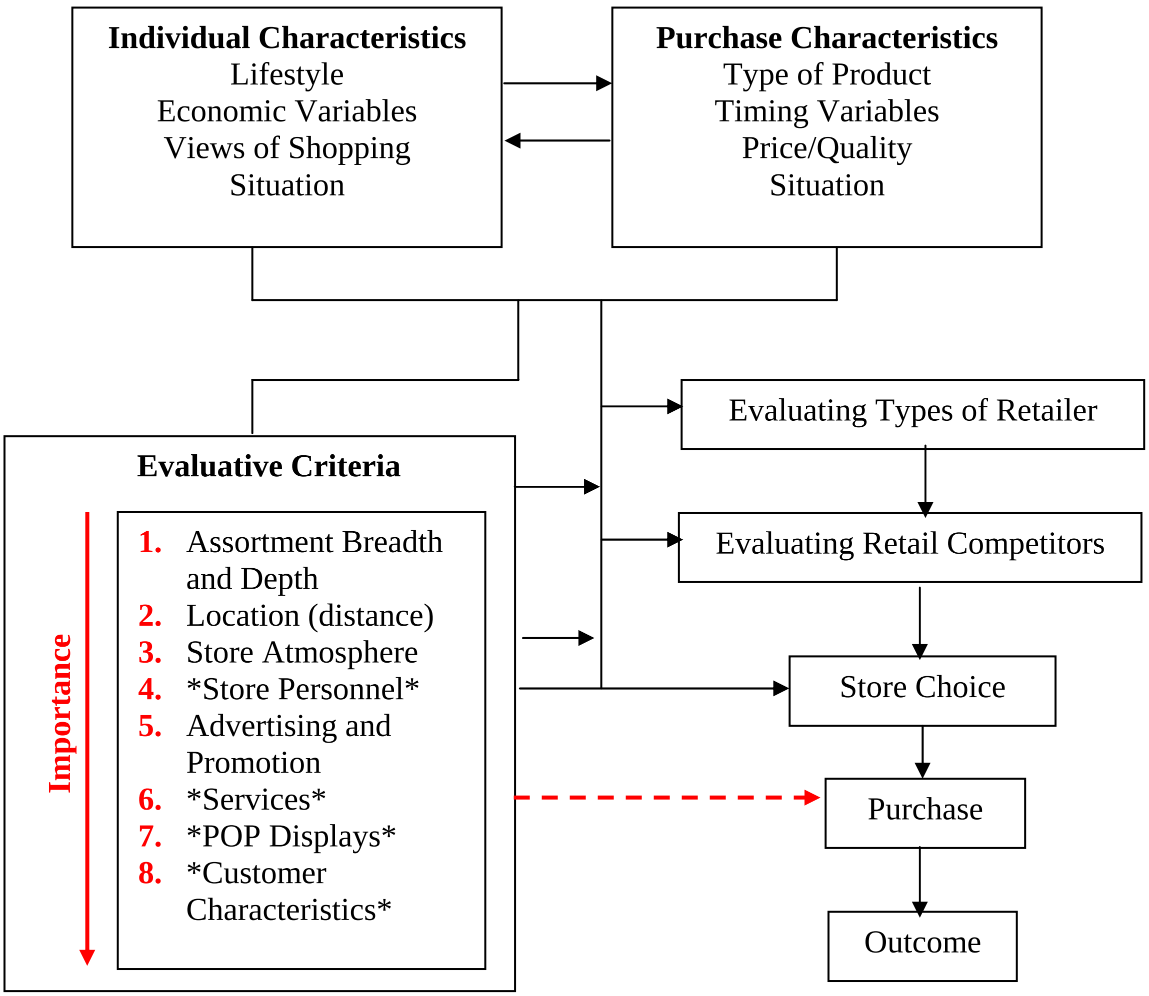

***Figure 20*. The purchase decision process, adapted with importance of evaluative criteria.**

Source: Adapted by Huffman (2005) from *Consumer Behavior* (p.131), by R.D. Blackwell, P.W. Miniard, and J. F. Engel, 2001, Ohio: South-Western. Copyright 2001 by Thomson Learning.

CHAPTER 5

SUMMARY, CONCLUSIONS, RECOMMENDATIONS

Summary

The purpose of this research was to determine the level of disconnect between retail associates and consumers through a comparison of perceptions, attitudes, and opinions of evaluative criteria within the apparel retail purchase environment. Insights into the relationship between retail associates and consumers provides valuable information for apparel retailers to adapt and better target consumers in the changing United States apparel market through training programs, product lines, and marketing strategies. Specifically, the research examines the influence of store displays, retail associate product knowledge, retailer return policies, and product attributes on consumers' purchase decision process as described by Blackwell, Miniard, and Engel's (2001) Purchase Decision Process.

The Purchase Decision Process by Blackwell, Miniard, and Engel (2001) provided a conceptual framework to the study by describing the evaluative criteria which influence a consumer's purchase decision. Furthermore, the conceptual framework defines and illustrates the relationship among these criteria and individual characteristics and purchase characteristics used to evaluate types of retailers as well as competition within the retail market. Ultimately, the Purchase Decision Process depicts the roadmap consumers use when choosing a store in which to purchase apparel (Blackwell et al, 2001). Consumers match the following evaluative criteria with individual characteristics and purchase characteristics:

location, assortment breadth and depth, price, advertising and promotion, POP displays, store personnel, services, customer characteristics, and store atmosphere.

The methodology of the study consisted of two phases. Phase I was exploratory in nature was completed during the Summer of 2005 through in-depth interviews of forty retail associates from three retail channels, twenty-seven different retail stores, and three cities across the United States. Each interview was conducted using a moderator's guide and lasted approximately forty-five minutes to one hour in length, with each interview being audio and video recorded with the permission of the respondent. Perceptions and opinions were gathered on customers, product knowledge, return policies, as well as product issues and attributes. Key themes were concluded from Phase I which guided the research design and implementation of Phase II.

Phase II surveyed 800 consumer respondents on their attitudes and opinions of evaluative criteria and the influence on consumers' purchase decisions. Bellomy Research, partnering with an Internet Service Provider, was used to recruit the research sample. Sample criteria included males and females, ages of 18-55, shopping in department, specialty, and national chain channels, as well as the twenty-seven retailers from Phase I. In addition, respondents must have returned apparel within the last six months and made an apparel purchase within the last six months. Respondents who qualified for the study completed the thirty question survey online.

Following the completion of Phase II, results were analyzed using descriptive statistics, analysis of variance, chi-square contingency tables, and a paired difference t-test. Confidence testing was completed at a 95% confidence level. Therefore, p-values of less than 0.05 are considered significant. In addition, research objective five was analyzed using

Lifestyle Monitor data from Cotton Incorporated (with data over a ten year time period), where chi-square analysis was completed as well. Finally, consumer results were summarized in terms of each objective and compared to the perceptions of retail associates from Phase I.

Summary of Results

Similarities and differences were found in evaluative criteria, *store displays, retail associate product knowledge, retailer return policies*, and *product attributes*, among retail associates' perceptions and consumer opinions which led to marketing implications for retailers and the US apparel market. Similarities in opinions were found in the influence of *return policies*. Whereas, differences in perceptions and opinions exist with the influence of *store displays*, *retail associate product knowledge* and *product attributes*. In addition, past research was validated as well as refuted through these findings.

Disconnects between Retail Associates and Consumers

Overall, store displays influence consumers' purchase decisions by influencing the apparel that they buy, but they do not influence their choice of retail store, a disagreement between retail associates and consumers. Store displays are one of the highest ranked sources for clothing ideas for consumers and are especially influential to specialty store consumers, female consumers between the ages of 25-34, and impulse purchasers. However, they are among the lowest ranked evaluative criteria used when choosing a store.

Differences exist among the influence of retail associates' product knowledge. Retail associates, while rating themselves as very knowledgeable, believe that product knowledge is not important to the consumer. Consumers rated overall retail associate product knowledge in the store where they most frequently shop as little to somewhat knowledgeable. As a salesperson characteristic, *knowledgeable about products* was somewhat to very important and ranked sixth out of eight. Furthermore, there were significant differences in product knowledge expected by consumers and the actual level of knowledge by retail associates, in all of the following ten attributes: product assortment, benefits of product, care and laundering, color, fabric, features, fit, price, quality, and style/fashion. Store personnel was also rated as a somewhat important criterion when choosing a retail store, more important than displays.

Retail associate and consumers also disagree on product attributes that influence consumers' purchase decisions, with significant differences shown among retail channel and age. Overall, fit, comfort, and quality were the three most important product attributes and country of origin was the least important product attribute. The largest disconnect between retail associates and consumers centered on the important of style/fashion among department store consumers. Retail associates noted that consumers shop in national chain and department stores because of price and promotions; whereas consumers felt that style/fashion was important when shopping at department stores and specialty stores. Older consumers rated comfort, durability, and quality to be important, whereas younger consumers are more concerned with brand name and style. Out of the ten product attributes evaluated with reference to age, significant differences were not found in price and style/fashion.

Connections between Retail Associates and Consumers

Retail associates and consumers agreed on the influences of one out of the four evaluative criteria examined—return policies. Retail associates and consumers agree that return policies are lenient, rarely cause problems, and are only sometimes considered before purchasing, thus having little effect on consumers' purchase decisions. Furthermore, retail associates desperately want unlimited return policies shortened and consumers agree that one to three months would be an adequate amount of time to return apparel items. Only about 6% of consumer respondents believe that return policies should not have a time limit. Results also noted that older consumers as well as national chain consumers are more likely to consider the return policy before purchasing and return more quickly.

Conclusions

1. Research validated the conceptual framework by Blackwell, Miniard, and Engel (2001), in terms of evaluative criteria and the influence on consumers' purchase decisions with the most important criteria being: variety of products sold in the stores, location of the store, store atmosphere, store personnel, advertisements and promotions for the store, displays such as in-store signs and window displays, and customers who shop in the store.

Store Displays

2. Store displays are influential to the consumers' purchase decision as a source of clothing ideas causing consumers to buy clothing that is displayed.
3. Consumers do not consider store displays as an evaluative criterion when choosing a retail store.

4. Store displays are especially influential among females, consumers ages 25-34, consumers who shop about twice a month, and impulse purchasers.

Retail Associate Product Knowledge

5. Retail associates and consumers disagree with the overall level of retail associates' product knowledge.
6. Overall, retail associates' product knowledge is not influential on consumers' purchase decisions, although it is somewhat important.
7. While retail associates suggest differences across and within retail channels in retail associate product knowledge, no differences exist from the consumer point of view.
8. Expected retail associate product knowledge is significantly higher than the actual level of retail associate product knowledge from the consumer perspective.

Retailer Return Policies

9. Return policies have little influence on consumers' purchase decisions because they are only sometimes considered before purchasing.
10. Retail associates and consumers agree that retailer return policies are lenient.
11. Retail associates and consumers agree that a shortened time limit for returns is adequate.
12. Older consumers are more likely to consider the return policy before purchasing and are quicker to return than younger consumers.
13. Retailers rarely ask why apparel items are being returned and rarely record the reasons for returning.

Product Attributes

14. Consumers' purchase decisions are most influenced by fit, comfort, and quality.
15. Consumers' purchase decisions are least influenced by country of origin.

16. Price of the apparel item has little impact on the overall importance rankings of product attributes.
17. When comparing the three attributes of fit, fashion, and price, consumers are most concerned with fit, over fashion and price.

Recommendations

Industry

1. Retailers should further evaluate the return policy in terms of retaining loyal customers and the influence on profits prior to shortening the time limits on return policies.
2. Following further analysis, retailers should shorten time limits because consumers feel that one to three months is an adequate amount of time to return an apparel item.
3. Retailers should emphasize consistently asking why consumers return apparel and begin tracking specific return information in order to limit questionable returns and, more importantly, to better tailor product lines to meet consumers' needs.
4. In addition to analyzing retail associate and consumer comments regarding fit, retailers should complete further research into their target customers' body types, clothing styles, and fit preferences in order to meet consumer needs, using body scanning and Size USA databases for example.
5. Retailers could benefit by implementing training programs that increase retail associate product knowledge with concentration on product fit.

6. Because fit is the most important product attribute and is also the most common reason for returning, retailers could offer marketing guides specific to fit to meet the needs of consumers and their desire for clothing that fits the best.
7. Marketing teams should put more emphasis on store displays with the use of interactive marketing tools and eye-catching color and designs in order to attract consumers.
8. In addition to store displays, retailers should focus on alternate forms of advertising to influence consumers' retail store choice such as Internet advertising and advertising of products in the store (which was the most important evaluative criteria.)
9. In addition to product knowledge, retailers should train retail associates on interpersonal skills in order to retain customers, who noted they would not return to the store if they had a bad experience with the retail associate.

Future Research

10. Future research could be conducted on the evaluative criteria not examined in order to analyze and assign weights of importance to the criteria within the Purchase Decision Process by Blackwell, Miniard, and Engel (2001). Potential criteria to further evaluate include: variety of products sold in the store, location of the store, store atmosphere, advertisements and promotions for the store, and customers who shop in the store.
11. Future research could include additional retail channels, such as the mass merchant channel, thus providing a more detailed picture of the US apparel market.
12. Research conducted using a wider variety of retail stores (more than 27 retailers) as well as a more consistent number among all channels would give a more complete understanding of retailers within each channel, as well as across channels.

13. Additional qualitative interviews with several (3 or more) respondents per retail store could provide a more concrete illustration of the retailer; thus results could be more confidently generalized.
14. Further research could test the changes recommended by this research, such as the influence of limited return policies on customer satisfaction and retail sales; and the influence of interactive store displays on consumers' store choice.
15. While this research concentrates on less sophisticated apparel, future research could examine influences within the apparel market on consumers' decision process for more sophisticated apparel such as wrinkle resistant and stain resistant apparel as well as nonwovens.
16. Further research could examine the level of predictability in the sources of clothing ideas over time and the correlation to consumer confidence levels.

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APPENDIX A: CONSUMER DECISION PROCESS

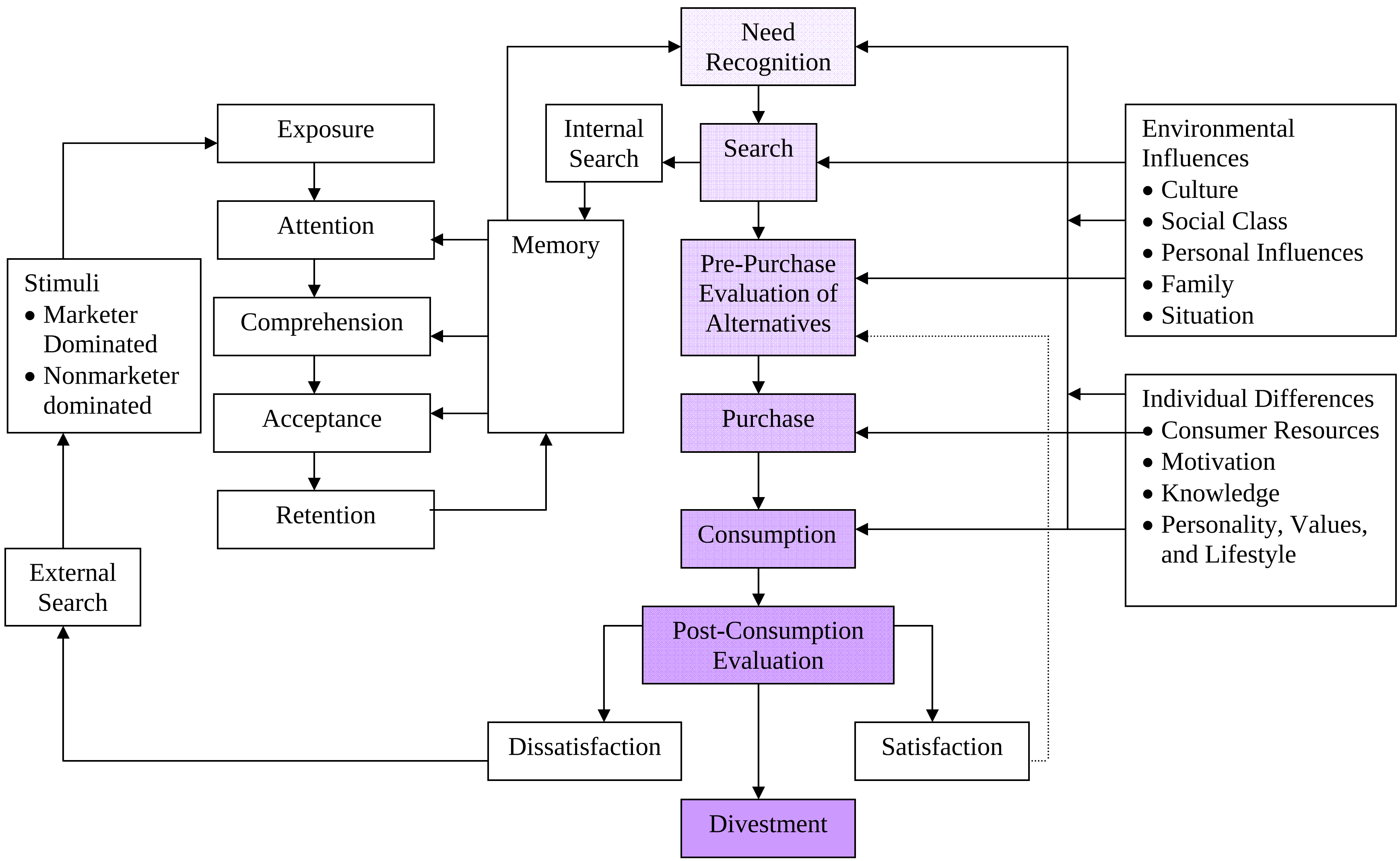

***Figure A*: Consumer decision process model.**
Source: *Consumer Behavior* (p.83), by R.D. Blackwell, P.W. Miniard, and J. F. Engel, 2001, Ohio: South-Western. Copyright 2001 by Thomson Learning.

APPENDIX B: RESEARCH TIMELINE

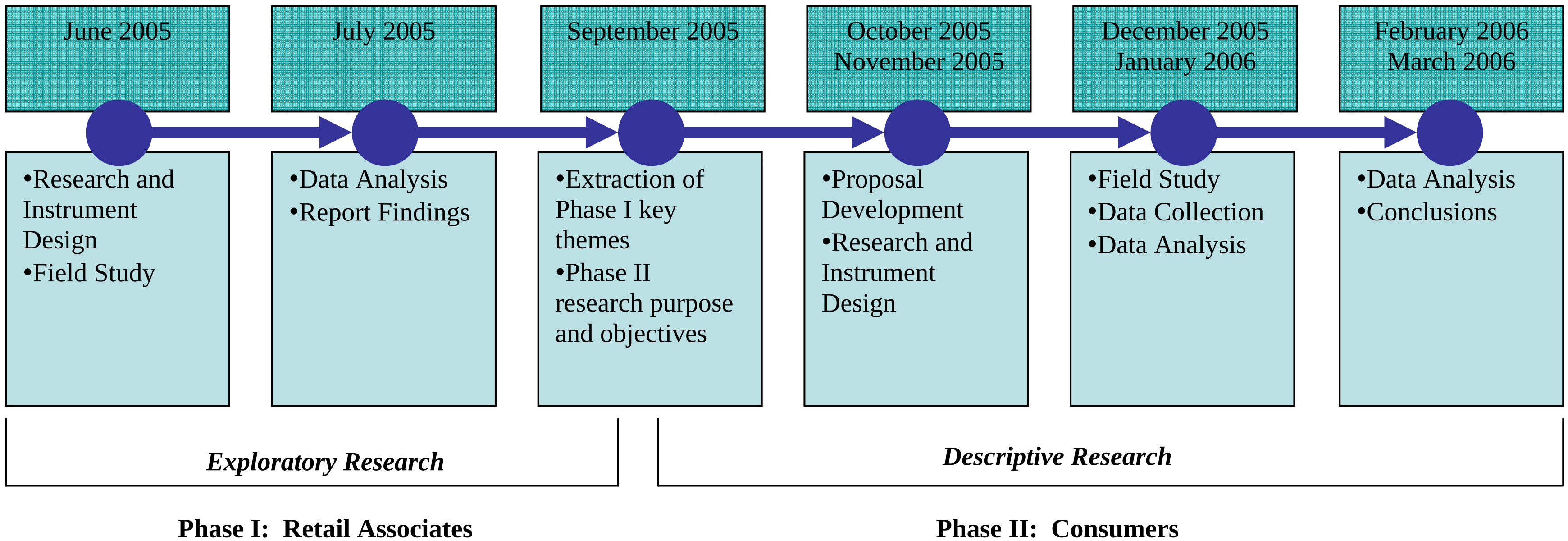

***Figure B:* Research design timeline.**

Source: Author (Huffman, 2006)

APPENDIX C: PHASE I RESEARCH INSTRUMENTS

APPENDIX C1: Phase I Screener

Name: ___________________________________	**Date: ________________________**
Address:__________________________________	**Recruiter:_____________________**
City/State: _______________________________________	

Hello, I'm __________________ from ____________________, a marketing research company. We're conducting a study in your area with a select group of people to discuss various consumer products and services and would like your opinion. May I ask you a few questions?

Yes – willing to participate	[ ]	CONTINUE
No – declined to participate	[T]	THANK AND TERMINATE

[RECORD GENDER –DO NOT ASK]:

Male	[ ]
Female	[ ]

1. First, do you or does anyone in your family, or a close friend, work in any of the following occupations?

Marketing, Marketing Research, Advertising	[T] THANK AND TERMINATE
Magazine, Newspaper, Radio or Television	[T] THANK AND TERMINATE

2. We are always interested in talking to people that like to express their views and opinions about consumer products and services. When was the last time you participated in a market research discussion? **[DO NOT READ LIST.]**

Within the last 6 months	[T] THANK AND TERMINATE
Over 6 months ago	[ ] GO TO **Q3**
Never	[ ] SKIP TO **Q4**

3. What was the topic of that discussion?__________________________________ **RECORD RESPONSE. THANK AND TERMINATE IF TOPIC WAS CLOTHING, FASHION, GARMENT CARE, CONSUMER BUYING BEHAVIOR (PURCHASING AND RETURNS)**

4. For classification purposes, what is your exact age? ________ **[RECORD EXACT RESPONSE]**

Under 25	[ ]
25-34	[ ]
35-44	[ ]
45 or older	[ ]

5. What is the last level of education that you have completed?

Some high school	[ ]
High school graduate	[ ]
Some college	[ ]
College graduate	[ ]
Postgraduate/PhD	[ ]

6. We want to make sure that we include all different types of people in our survey. Please tell me which of these categories best corresponds with your ethnic background:

Caucasian	[ ]
African-American	[ ]
Hispanic	[ ]
Asian	[ ]
Other (Specify) ___________	[ ]

7. Where do you work? ____

8. Which of the following categories best describes your job title?

General/District Manager	[ ]
Store Manager	[ ]
Assistant Store Manager	[ ]
Department/Area Manager	[ ]
Shift Leader	[ ]
Sales Associate	[ ]
Stock Associate	[ ]
Customer Service Associate/Manager	[ ]

9. How long have you been working with your current employer? __________ **RECORD ONLY, DO NOT READ LIST**

Less than 1 year	[T] THANK & TERMINATE
1 year-2 years	[ ]
3 years-4 years	[ ]
4 years-5 years	[ ]
5 years or more	[ ]

10. On average, how many hours do you work per week? **RECORD ONLY, DO NOT READ LIST**

Under 30 hours	[T] THANK & TERMINATE
30 - under 35 hours	[ ]
35 - under 40 hours	[ ]
40 hours or more	[ ]

11. Does your daily work routine allow you to interact with customers?

________ Yes

________ No [THANK & TERMINATE?]

12. What percentage of your time do you spend with the customer? _______________

MUST BE MORE THAN 50%, IF NOT THANK & TERMINATE

13. Tell me how you interact with customers in your store? **DO NOT READ LIST. CHECK ALL THAT APPLY.**

Assist with finding product (size, location, style, color, fit)	[ ]
Assist with fitting rooms	[ ]
Suggest additional product(s)	[ ]
Answer product questions	[ ]
Return/exchange product(s)	[ ]
Stocking merchandise	[ ]
Complete purchase transactions	[ ]
Other___________________________	[ ]

MUST CHECK AT LEAST THREE. SELECTION MUST INCLUDE RETURN/EXCHANGE PRODUCT(S). IF NOT THANK AND TERMINATE.

14. What products do you work with on a daily basis? **CHECK ALL THAT APPLY.**

Apparel (Menswear)	[ ]	**Must select at least one from this section**
Apparel (Womenswear)	[ ]	
Apparel (Childrenswear)	[ ]	
Home textiles/furnishings	[ ]	
Hosiery	[ ]	
Non-apparel accessories (e.g. belts, sunglasses, umbrellas, handbags, wallets)	[T] THANK & TERMINATE	**If these are the only types selected, Thank and Terminate**
Perishable food products	[T] THANK & TERMINATE	
Cosmetics/Beauty/Jewelry	[T] THANK & TERMINATE	
Electronics	[T] THANK & TERMINATE	
Fine china/home appliances	[T] THANK & TERMINATE	
Footwear	[T] THANK & TERMINATE	

15. What are the primary reasons customers return merchandise? **DO NOT READ LIST. CHECK ALL THAT APPLY.**

Quality	[ ]
Fiber Content	[ ]
Fit	[ ]
Fabric	[ ]
Fashion/Style	[ ]
Price	[ ]
Packaging	[ ]
Customer Satisfaction	[ ]
Other______________________________	[ ]
None of the above/Don't know	[T] THANK & TERMINATE

16. If could you change/modify one aspect of customer service at your job, what changes would you make?

____
____
____
____

INTERVIEWER: This question tests how articulate the respondent is and how willing they are to describe his/her feelings and opinions. Please record verbatim responses. Respondents should be able to describe their ideas clearly and to speak about it for at least one minute. Probe for details, but TERMINATE if respondent is prone to one-word answers, too shy to answer; seems reluctant, cranky or impatient answering, or does not speak clearly.

Thank you for you participation. Would you be willing to participate in a 45 minute to 1 hour long discussion about your experiences and interactions with customers? Your views and opinions are confidential and will not be shared with your employer.

_____ ACCEPTED

_____ DECLINED

APPENDIX C2: Phase I Questionnaire

Name: ___________________________________ Employer: _____________________________
Job Title: ________________________ Department (If applicable): _______________________

Thank you for coming to talk to us today. We are glad you are here and we look forward to speaking with you. But first, we would like you to take a few minutes and answer the following questions.

1. What percentage of your time is spent among the following activities? Please assign a percentage to each activity, with the total percentage equaling 100%.

Activity	**Percentage**
Administrative (example: paperwork, office duties)	%
Cashiering	%
Customer service (example: complaints, questions, assistance)	%
Down time (example: between projects, no customers in store)	%
Employee management (example: scheduling, payroll, assigning duties)	%
Inventory management (example: receiving shipments, restocking)	%
Pricing/Markdowns	%
Sales	%
Training	%
Visual merchandising (example: floor changes, mannequins, putting up signage)	%
Other (write)____	_________%
Total	**100 %**

2. How many hours of formal training did you have prior to starting your job?

None	[ ]	**SKIP TO QUESTION 7**
Less than 1 day	[ ]	
1-10 hours	[ ]	
11-20 hours	[ ]	
21-30	[ ]	
31-40	[ ]	
Over 40 hours	[ ]	

3. How many work hours per month are devoted to ongoing formal training?

None	[ ]
1-3 hours	[ ]
4-8 hours	[ ]
9-40 hours	[ ]
Over 40 hours	[ ]

4. Please indicate the training methods used by your company. **Check all that apply.**

Computer based/online	[ ]
Person to person (example: with manager or other associates)	[ ]
Presentations	[ ]
Role play	[ ]
Video	[ ]
Written materials	[ ]
Other______________________	[ ]

5. Using the scale below, please rate the overall usefulness of your training. Please circle a number between 1 and 5, with 1-*not useful* and 5-*very useful.*

1	2	3	4	5
Not useful		Neutral/Don't Know		Very Useful

6. When customers enter your store, how prepared are you to answer questions on the following topics. Please circle a number between 1 and 5, with 1-*not very prepared* and 5-*very prepared.*

	Not very prepared	**Somewhat unprepared**	**Neither unprepared or prepared**	**Somewhat prepared**	**Very prepared**
Assortment/styles	1	2	3	4	5
Brand name/designer/manufacturer	1	2	3	4	5
Care/laundering	1	2	3	4	5
Color/pattern	1	2	3	4	5
Fashion/trends	1	2	3	4	5
Fiber/fabric	1	2	3	4	5
Fit	1	2	3	4	5
Garment construction	1	2	3	4	5
Price	1	2	3	4	5
Product features and benefits	1	2	3	4	5
Quality	1	2	3	4	5
Return/exchange policy	1	2	3	4	5
Store promotions (example: coupons, discounts)	1	2	3	4	5
Other_____________________	1	2	3	4	5

7. Please complete the sentence by checking the most appropriate box for each item.

When I am selling a product, I talk to the customer about…..

	Always	**Usually**	**Sometimes**	**Never**
Assortment/styles	[ ]	[ ]	[ ]	[ ]
Brand name/designer/manufacturer	[ ]	[ ]	[ ]	[ ]
Care/laundering	[ ]	[ ]	[ ]	[ ]
Color/pattern	[ ]	[ ]	[ ]	[ ]
Comfort	[ ]	[ ]	[ ]	[ ]
Durability	[ ]	[ ]	[ ]	[ ]
Features and benefits	[ ]	[ ]	[ ]	[ ]
Fashion/trends	[ ]	[ ]	[ ]	[ ]
Fiber/fabric	[ ]	[ ]	[ ]	[ ]
Fit	[ ]	[ ]	[ ]	[ ]
Garment construction	[ ]	[ ]	[ ]	[ ]
Price	[ ]	[ ]	[ ]	[ ]
Quality	[ ]	[ ]	[ ]	[ ]
Return/exchange policy	[ ]	[ ]	[ ]	[ ]
Store promotions (example: coupons, discounts)	[ ]	[ ]	[ ]	[ ]
Other ___________________________________	[ ]	[ ]	[ ]	[ ]

8. What is most important to customers when purchasing APPAREL? Please rank the factors below. Assign a number between 1 and 10, with 1-*least important* and 10-*most important*.

	RANK
Assortment/styles	
Brand name/designer	
Care/laundering	
Color/pattern	
Comfort	
Country of origin (example: Made in USA)	
Durability	
Fashion/trends	
Fiber/fabric	
Fit	
Price	
Quality	
Return/exchange policy	
Store promotions (example: coupons, discounts)	
Other ____________________________	

9. What are the five most common reasons a customer returns a product? Choose the five most common reasons and assign a number between 1 and 5, with 1-*least common* and 5-*most common.* **Please place the letter of the reason next to numbers in the box below.**

A.	Care/laundering
B.	Changed mind
C.	Color/pattern
D.	Damaged
E.	Fell apart
F.	Fiber/fabric
G.	Fit
H.	Price
I.	Quality
J.	Other ____

1. ______
2. ______
3. ______
4. ______
5. ______

10. Please indicate the services available for customers to express their complaints, concerns and comments. **Check all that apply.**

Customer service desk in-store	[ ]
Customer service telephone line	[ ]
In-store customer surveys/comment boxes	[ ]
Online survey	[ ]
Other____________________________	[ ]

11. How many different fibers/fabrics can you name? Please list them in the space provided below.

______________________	______________________	______________________
______________________	______________________	______________________
______________________	______________________	______________________
______________________	______________________	______________________

Thank you. We would like to remind you that your answers and opinions will remain confidential.

APPENDIX C3: Phase I Moderator's Guide

Overall Research Objective: To assess the primary reasons for customer returns with specific focus on quality, and to understand the knowledge level of retail managers and sales associates regarding product and fiber.

Introduction:
Hi, how are you, my name is _________ and this is __________. Thank you so much for agreeing to talk with us today. We are from a consumer research organization, and our purpose here today is to learn more about your typical day as a retail sales associate/ manager and your customers. We would like to assure you that we do not work for a competitor company. This interview is going to be videotaped and voice recorded to help us write a report later. Please feel free to stop us at any time if there is a question we ask that seems confusing. Also if you have any questions for us, please feel free to ask.

Big Picture: (5 minutes)
To get to know the respondent and his/her everyday life as a retail manager/sales associate.

- Describe workplace, department, products, brands.
- What is your job title? How long have you been w/the company? At the same job?
- Describe a typical work day/week.
- How satisfied are with your job?
- What do you like most/least about your job?
- Describe your work environment? Tell me about the products, the atmosphere, the type of customers who shop there? Why do you think customers shop in your store?
- – What does your store have to offer compared to your competitors?
- – Probe: gender, age and demographics of customers
- Do you think your work environment is typical of a _________ store?
- Describe the turnover in your store? How often do sales associates/managers come and go?

Training: (5 minutes)
To understand how and to what extent the respondent has been trained to do their job.

- **How were you trained/prepared for you job?**
- – What topics were you trained on?
- – If needed probe: product, policies, sales, service, etc.
- – If manager, how do you train your sales associates?
- – Probe: method, length
- What training method was most effective?
- Does your company provide ongoing training?
- – If so how much, how often?
- – If you have questions, who do you ask?
- **Do you gain information from other sales associates?**
- – Informal information circulated on the sales floor.
- **How knowledgeable are you about the products in your department/store?**

Your Typical Customer: (10 Minutes)
To understand the typical customer, define customer needs and customer segments.

***Could ask respondent to reflect on experiences with customers in past day or week*

- How closely do you work with customers? (i.e. spend time helping customers on floor, personal selling, in back room, fitting rooms)
- Explain what you do when a customer walks into your store? Entrance to exit
– Are incentives offered for good customer service and/or selling? Commission, contests, competition between associates
- Do customers typically come into the store looking for a particular item, or do you help the customer with their purchasing decision?
- **What type of customer can you influence the most/ the least?**
– Describe the customer-impulse/planned, with friends/alone, male/female, fashionista/fashion-needy
- **How often do customers ask for you opinion on a product?**
– Style, fashion, fit, color, etc.
- **Are customers influenced by in-store and window displays?**
– If so, how are they influenced?
– Are store displays mandated by corporate?
– What could be done to make them better?
– How often do customers walk in looking for an item that is displayed, buy it and turn around and leave?
- How do you educate customers about your products?
– What type of education do you provide?
- What are customers most concerned with when purchasing?
– Probe: quality, fit, shrinkage, brand name, price, country of origin, fabric, fiber content, care/laundering instructions, fashion/trend
- Do your customers talk about comparison shopping? (i.e. shop several retailers before deciding what to buy)
– What are they comparing?
– Probe: price, quality, style/fashion

Understanding Customer Returns: (15 minutes)
To understand retail return policies, practices, and more importantly, customer reasons for returns, and attitudes towards returns.

- **What is the return policy of your store?**
– Probe: exchange, merchandise credit, day limit, defective, damaged, worn, stained, etc.
– Is the policy posted in store? on back of receipt?
– How does your store deal with returns that are defective? damaged? worn? stained?
- How does your return policy compare to your competitors return policy?
- Do customers complain about the return policy?
– If so, what do they complain about?
– **What makes the customer not forgive the store? Focus: PRODUCT, POLICY, PERSONNEL**
– Do you ever have to make any return policy exceptions?
- Does your store keep a record customer returns?
– Specifically, are returns due to quality defects tracked?

- On average how many returns do you typically process in a day?
- Does your store set yearly/monthly/daily return goals?
- – Percentage? Dollar amount?
- In your opinion, are returns a significant problem for your store?
- – Does your store limit customer returns?
- – Have you ever refused a return? Why?
- – Refusal due to excessive number of returns, dollar amount of returns, and date.
- Can customers return online purchases to your store?
- – If yes, how many (percentage/dollar) of your returns are purchased online?
- – If no, does this tend to cause problems for customers?
- Overall, what product is most frequently returned? (i.e. certain products within department or entire store)
- Who tends to return more, women or men?
- **In your opinion, what are the top reasons for customer returns?**
- – Can you estimate the percentage of returns due to quality? (i.e. fade, shrunk, fell apart)
- – If not quality, probe: fit, price, fashion, fiber, preference/changed mind, didn't try on before purchasing, garment care (iron, dry clean)

Quality Issues: (10 minutes)
To explore the issues of quality in products that are offered, purchased, and returned.

- What does the word quality mean to you?
- **Do you think customers perceive certain brands and/or stores to have better/poorer quality? Price point?**
- How would you describe the quality of the products sold in your store?
- Do you like the quality of product offered at your store?
- Did you shop there before you worked there? Do you wear the clothes now?
- – Do you actually purchase the clothes you wear from the store or only when there is a employee promotion or incentive?
- Has quality changed since you were hired? Last 5 years?
- – If so in what way?
- **Do customers complain about product quality?**
- – What kinds of quality issues? i.e. color, assembly, fabric, fading, shrinking?
- – How do you deal with customer complaints regarding product quality?

Proprietary Topics/Issues: (15 minutes)

THANKS!!

APPENDIX D: PHASE II RESEARCH INSTRUMENTS

PHASE II QUESTIONNAIRE

SCREENER

[SCREEN FOR AGE / GENDER / OCCUPATION / PAST RESEARCH EXPERIENCE ON SAMPLE PROVIDER SITE]

S.1 What is your age? (Select One)

Under 18	[ ] THANK & TERMINATE	
18-24	[ ]	Quota: ~1/3 18-30 years old
25-30	[ ]	
31-36	[ ]	Quota: ~1/3 31-42 years old
37-42	[ ]	
43-48	[ ]	Quota: ~1/3 43-54 years old
49-54	[ ]	
55 or older	[ ] THANK & TERMINATE	

S.2 What is your gender?

Female	[ ]	(60%)
Male	[ ]	(40%)

S.3 Do you or does anyone in your family, or a close friend, work in any of the following occupations?

Marketing, Marketing Research, Advertising	[T] THANK AND TERMINATE
Magazine, Newspaper, Radio or Television	[T] THANK AND TERMINATE
No	

S.4 We are interested in getting the views and opinions from people about various consumer products and activities. In the past six months, have you participated in a market research study for any of the following products or activities…? **[ROTATE LIST EXCEPT "NONE OF THE ABOVE"]**

Soft drinks or beverages	
Clothing or fashion	[T] THANK AND TERMINATE
Automobiles or trucks	
Shopping and product returns	[T] THANK AND TERMINATE
None of the above	

1) In which type of retail stores do you shop **MOST OFTEN**? **[ACCEPT ONLY ONE RESPONSE] [QUOTA – 1/3 OF RESPONDENTS IN EACH CELL]**

Department stores such as Dillard's, Macy's, Nordstrom, etc.	[ ] (~33%)
National chains such as Kohl's, JC Penney, Sears, etc.	[ ] (~33%)
Specialty stores such as The GAP, Limited, Banana Republic, etc.	[ ] (~33%)
Mass merchandisers such as Wal-Mart, K-Mart, and Target	[ ] THANK & TERMINATE
Other stores	[ ] THANK & TERMINATE

2) Have you purchased any clothing or apparel within the past six months?

Yes [ ]
No [ ] THANK & TERMINATE

3) Have you returned any clothing or apparel within past six months?

Yes [ ]
No [ ] THANK & TERMINATE

4) How many clothing or apparel returns have you made for yourself in the past 6 months? **[NEED A MINIMUM AT LEAST 30% OF RESPONDENTS (240) TO HAVE <u>MORE THAN 4 RETURNS IN THE PAST 6 MONTHS</u>]**

_____________ Number of clothing or apparel returns in past 6 months

5) In which of the following stores do you FREQUENTLY shop? Select all that apply. **[CHECK ALL THAT APPLY / RESPONDENT MUST SHOP IN ONE OR MORE OF THE STORES LISTED]**

[ ] abercrombie	[ ] Hollister	[ ] The Children's Place
[ ] Abercrombie & Fitch	[ ] JCPenney	[ ] The Limited
[ ] American Eagle	[ ] Kohl's	[ ] Wet Seal
[ ] Ann Taylor	[ ] Lane Bryant	
[ ] baby GAP/GAP KIDS	[ ] Limited Too	
[ ] Banana Republic	[ ] Lucky Brand Jeans	
[ ] Belk	[ ] Macy's	
[ ] Dillard's	[ ] Nordstrom	
[ ] Eddie Bauer	[ ] Old Navy	
[ ] Express (Men)	[ ] PACSUN	
[ ] GAP	[ ] Petite Sophisticate	
[ ] Gymboree	[ ] Sears	[ ] None of these stores

5a) Which ONE store do you tend to buy most of your clothes from? **[ACCEPT ONLY ONE RESPONSE / MUST BE ONE OF THE STORES LISTED; OTHERWISE TERMINATE]**

[ ] abercrombie
[ ] Abercrombie & Fitch
[ ] American Eagle
[ ] Ann Taylor
[ ] baby GAP/GAP KIDS
[ ] Banana Republic
[ ] Belk
[ ] Dillard's
[ ] Eddie Bauer
[ ] Express (Men)
[ ] GAP
[ ] Gymboree
[ ] Hollister
[ ] JCPenney
[ ] Kohl's
[ ] Lane Bryant
[ ] Limited Too
[ ] Lucky Brand Jeans
[ ] Macy's
[ ] Nordstrom
[ ] Old Navy
[ ] PACSUN
[ ] Petite Sophisticate
[ ] Sears
[ ] The Children's Place
[ ] The Limited
[ ] Wet Seal
[ ] None of these stores

6) How many times per month do you shop for clothes for yourself and others? If less than once a month, enter 0. **[DO NOT ACCEPT RANGES]**

_____________ Number of times you shop per month

QUESTIONNAIRE

Please consider the retail store where you shop most frequently and purchase most of your clothing and apparel for yourself when answering the following questions.

7. How important are each of the following characteristics when approaching a salesperson in the store where you purchase the majority of your apparel? Please select one answer for each characteristic.

	Not at all Important	Somewhat Unimportant	Neither Important nor Unimportant	Somewhat Important	Very Important
Appearance (neat, professional)	[ ]	[ ]	[ ]	[ ]	[ ]
Availability to help	[ ]	[ ]	[ ]	[ ]	[ ]
Friendliness	[ ]	[ ]	[ ]	[ ]	[ ]
Honesty	[ ]	[ ]	[ ]	[ ]	[ ]
Knowledgeable about products	[ ]	[ ]	[ ]	[ ]	[ ]
Respectfulness of customer	[ ]	[ ]	[ ]	[ ]	[ ]
Fashion style/image	[ ]	[ ]	[ ]	[ ]	[ ]
Willingness to help	[ ]	[ ]	[ ]	[ ]	[ ]

8. How would you rate the OVERALL product knowledge of the salespeople in the retail store where you purchase the majority of your apparel? **[ACCEPT ONLY ONE RESPONSE]**

[ ] Very Unknowledgeable	[ ] Somewhat Unknowledgeable	[ ] Neither	[ ] Somewhat Knowledgeable	[ ] Very Knowledgeable

9. For each of the following product attributes, what level of knowledge do you EXPECT from the salespeople in the retail store that you shop most frequently? Please select one answer for each product attribute.

	No Knowledge	Not Very Knowledgeable	A Little Knowledge	Somewhat Knowledgeable	Very Knowledgeable	Don't Know
Product assortment	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Benefits of product	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Care and laundering	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Color	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Fabric	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Features	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Fit	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Price	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Quality	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Style Fashion	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]

10. For each of the following product attributes, what level of product knowledge do the salespeople ACTUALLY HAVE in the retail store that you shop most frequently? Please select one answer for each product attribute.

	No Knowledge	Not Very Much Knowledge	A Little Knowledge	Somewhat Knowledgeable	Very Knowledgeable	Don't Know
Product assortment	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Benefits of product	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Care and laundering	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Color	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Fabric	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Features	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Fit	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Price	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Quality	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Style Fashion	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]

11. How important are the following characteristics when CHOOSING A STORE TO SHOP IN? Please select one answer for each characteristic.

	Not at all Important	Somewhat Unimportant	Neither Important nor Unimportant	Somewhat Important	Very Important
The location of the store	[ ]	[ ]	[ ]	[ ]	[ ]
Variety of products sold in the store	[ ]	[ ]	[ ]	[ ]	[ ]
Advertisements and promotions for the store	[ ]	[ ]	[ ]	[ ]	[ ]
Displays such as in-store signs and window displays	[ ]	[ ]	[ ]	[ ]	[ ]
Store personnel	[ ]	[ ]	[ ]	[ ]	[ ]
Services offered by the store	[ ]	[ ]	[ ]	[ ]	[ ]
Customers who shop in the store	[ ]	[ ]	[ ]	[ ]	[ ]
Store Atmosphere	[ ]	[ ]	[ ]	[ ]	[ ]

12. Do you know what the return policy is at the store you shop most frequently?

[ ] Yes
[ ] No **SKIP TO Q.16**
[ ] Don't Know

13. Do you know the time limit on the return policy at the store you shop most frequently?

[ ] Yes
[ ] No
[ ] Don't Know

14. Are you required to have a receipt when returning items at the store you shop most frequently?

[ ] Yes
[ ] No
[ ] Don't Know

15. Does the return policy of the store where you most frequently shop for apparel allow for the return of damaged items?

[ ] Yes
[ ] No
[ ] Don't Know

16. Why did you return your last apparel item? Please select the ONE choice that best describes the reason for return.

[ ] Care/laundering issues
[ ] Changed mind
[ ] Color/pattern
[ ] Damaged
[ ] Fabric
[ ] Fit
[ ] Price
[ ] Quality/Fell Apart
[ ] Style/Fashion
[ ] I already wore it
Other ____________________

17. When purchasing an apparel item for yourself, how often do you consider the return policy before purchasing? **[ACCEPT ONLY ONE RESPONSE]**

[ ]	[ ]	[ ]	[ ]	[ ]
Never	Rarely	Sometimes	Often	Always

18. When returning an apparel item for yourself, how often are you asked why you are returning the item? **[ACCEPT ONLY ONE RESPONSE]**

[ ]	[ ]	[ ]	[ ]	[ ]
Never	Rarely	Sometimes	Often	Always

19. In your mind, what is an adequate time limit for returns? **[ACCEPT ONLY ONE RESPONSE]**

[ ] 14 days or less
[ ] 1 month
[ ] 3 months
[ ] 6 months
[ ] 1 year
[ ] No time limit

20. For each price category shown below, how long after you purchase apparel for yourself does it usually take you to return the product if you are not satisfied? [ACCEPT ONLY ONE RESPONSE PER PRICE CATEGORY]

Price of Apparel Item	Less than 14 days	15 days to less than 1 month	1 month to less than 3 months	3 months to less than 6 months	6 months to less than 1 year	1 year or more
Less than $25	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
$25 to $50	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
$51 to $75	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
$76 to $100	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Over $100	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]

21. Please indicate your agreement on how well each of the following statements describe the return policy at the store you most frequently shop for apparel. Please select one answer for each statement.

	Strongly Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Strongly Agree
Their return policy is fair	[ ]	[ ]	[ ]	[ ]	[ ]
I wish I had more days to return an item	[ ]	[ ]	[ ]	[ ]	[ ]
I wish that I did not have to always have my receipt	[ ]	[ ]	[ ]	[ ]	[ ]
Compared to other stores, I think their return policy is generous	[ ]	[ ]	[ ]	[ ]	[ ]

22. Now shifting your focus to your apparel purchases, how important are each the following product attributes when purchasing apparel for yourself? Please select one answer for each attribute.

	Not at all Important	Somewhat Unimportant	Neither Important nor Unimportant	Somewhat Important	Very Important
Brand name/designer	[ ]	[ ]	[ ]	[ ]	[ ]
Color	[ ]	[ ]	[ ]	[ ]	[ ]
Comfort	[ ]	[ ]	[ ]	[ ]	[ ]
Country of origin	[ ]	[ ]	[ ]	[ ]	[ ]
Durability	[ ]	[ ]	[ ]	[ ]	[ ]
Fabric	[ ]	[ ]	[ ]	[ ]	[ ]
Fit	[ ]	[ ]	[ ]	[ ]	[ ]
Price	[ ]	[ ]	[ ]	[ ]	[ ]
Quality	[ ]	[ ]	[ ]	[ ]	[ ]
Style/fashion	[ ]	[ ]	[ ]	[ ]	[ ]

23. What is the single MOST important product characteristic when purchasing apparel for yourself in each of the following price ranges? Please select one characteristic per price range.

Price of Apparel Item	Brand name / designer	Comfort	Country of origin	Durability	Fabric	Fit	Price	Quality	Style / fashion
Less than $25	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
$25 to $50	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
$51 to $75	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
$76 to $100	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Over $100	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]

24. What is the single LEAST important product characteristic when purchasing apparel for yourself in each of the following price ranges? Please select one characteristic per price range.

Price of Apparel Item	Brand name / designer	Comfort	Country of origin	Durability	Fabric	Fit	Price	Quality	Style / fashion
Less than $25	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
$25 to $50	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
$51 to $75	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
$76 to $100	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Over $100	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]

25. When purchasing apparel for yourself, would you rather buy clothing that fits the best or clothing that is the most fashionable or stylish?

[ ] Clothing that fits the best
[ ] Clothing that is the most fashionable or stylish

26. When purchasing apparel for yourself, would you rather buy clothing that is more fashionable or stylish or clothing that is cheaper?

[ ] Clothing that is more fashionable or stylish
[ ] Clothing that is cheaper

27. When purchasing apparel for yourself, would you rather buy clothing that fits the best or clothing that is cheaper?

[ ] Clothing that fits the best
[ ] Clothing that is cheaper

Now, a few final questions for classification purposes.

28. What is the highest level of education that you have completed? **[ACCEPT ONLY ONE RESPONSE / ALLOW RESPONDENT NOT TO ANSWER THIS QUESTION BUT DO NOT SHOW "REFUSED"]**

Some high school or less	[ ]
High school graduate	[ ]
Some college	[ ]
College graduate	[ ]
Postgraduate/PhD	[ ]

29. Which group below best describes your total annual household income? **[ACCEPT ONLY ONE RESPONSE / ALLOW RESPONDENT NOT TO ANSWER THIS QUESTION BUT DO NOT SHOW "REFUSED"]**

Under $25,000	[ ]
$25,000-$34,999	[ ]
$35,000-$44,999	[ ]
$45,000-$54,999	[ ]
$55,000-$64,999	[ ]
$65,000-$74,999	[ ]
$75,000 and over	[ ]

30. Which of these categories best describes your ethnic background? **[ACCEPT ONLY ONE RESPONSE / ALLOW RESPONDENT NOT TO ANSWER THIS QUESTION BUT DO NOT SHOW "REFUSED"]**

Caucasian or White	[ ]
African-American or Black	[ ]
Hispanic	[ ]
Asian	[ ]
Other (Specify) ___________	[ ]

Those are all our questions. Thank you for your participation!

APPENDIX E: PHASE II RESULTS

Table E1

ANOVA Results of Overall Retail Associate Product Knowledge by Channel

Source	df	SS	MS	F-Stat	P-value
Treatments	2	4.163	2.0817	2.333	0.098
Error	797	711.017	0.892		
Total	799	715.180			

Retail Channel	n	Mean	Std. Error
Department	240	3.197	0.063
National chain	320	3.813	0.053
Specialty	240	3.983	0.058

Table E2

ANOVA Results for Importance of Product Knowledge as a Retail Associate Attribute By Channel

Source	df	SS	MS	F-Stat	P-value
Treatments	2	0.368	0.184	0.331	0.718
Error	797	442.013	0.555		
Total	799	442.380			

Retail Channel	n	Mean	Std. Error
Department	240	4.488	0.047
National chain	320	4.444	0.039
Specialty	240	4.438	0.053

Table E3

ANOVA Results for Importance of Product Knowledge as a Retail Associate Attribute By Age

Source	df	SS	MS	F-Stat	P-value
Treatments	5	4.021	0.804	1.457	0.202
Error	794	438.359	0.552		
Total	799	442.380			

Age	n	Mean	Std. Error
18-24 years	108	4.417	0.083
25-30 years	159	4.340	0.063
31-36 years	124	4.484	0.063
37-42 years	142	4.444	0.056
43-48 years	150	4.520	0.059
49-54 years	117	4.547	0.065

Table E4

ANOVA Results for Consideration of Return Policy before Purchasing by Retail Channel

Source	df	SS	MS	F-Stat	P-value
Treatments	2	2.409	1.204	1.036	0.355
Error	797	926.280	1.162		
Total	799	928.689			

Retail Channel	n	Mean	Std. Error
Department	240	3.125	0.069
National chain	320	3.053	0.061
Specialty	240	2.983	0.069

Table E5

ANOVA Results for Consideration of Return Policy before by Gender

Source	df	SS	MS	F-Stat	P-value
Treatments	1	1.445	1.445	1.244	0.265
Error	798	927.244	1.162		
Total	799	928.689			

Gender	n	Mean	Std. Error
Female	640	3.075	0.043
Male	160	2.969	0.086

Table E6

Single Most Important Product Characteristics When Purchasing Apparel by Price (Figure 18)

	Less than $25	$25-$50	$51-$75	$76-$100	Over $100
Fit	34.6%	42.6%	37.0%	31.3%	30.0%
Price	17.8%	19.3%	24.5%	27.6%	27.1%
Comfort	15.4%	11.8%	9.9%	10.5%	10.3%
Quality	13.0%	10.0%	7.6%	8.4%	9.5%
Style/fashion	10.1%	7.3%	7.1%	8.1%	9.1%
Durability	5.5%	4.4%	6.5%	6.4%	6.5%
Brand name/designer	1.5%	2.4%	4.8%	6.4%	6.3%
Fabric	1.5%	2.0%	2.0%	1.0%	0.9%
Country of origin	0.6%	0.4%	0.6%	0.4%	0.4%

Table E7

Single Least Important Product Characteristics When Purchasing Apparel by Price (Figure 19)

	Less than $25	$25-$50	$51-$75	$76-$100	Over $100
Country of origin	42.4%	48.8%	49.9%	50.6%	50.4%
Brand name/designer	38.3%	32.5%	30.8%	30.5%	29.8%
Price	4.6%	4.0%	4.4%	4.3%	4.8%
Durability	3.9%	3.5%	3.8%	3.1%	3.4%
Style/fashion	3.1%	3.3%	2.8%	2.6%	2.8%
Fit	2.5%	2.5%	2.6%	2.5%	2.6%
Quality	2.5%	2.0%	2.5%	2.3%	2.3%
Fabric	1.5%	2.0%	2.0%	2.1%	2.3%
Comfort	1.3%	1.5%	1.4%	2.0%	1.9%

Table E8

Contingency Results for Fit Conscious Consumer in Comparison to Price

	Clothing that fits the best	Clothing that is cheaper	Total
Clothing that fits the best	680 (93.28%) (91.520%) (85.000%)	49 (6.722%) (85.960%) (6.125%)	729 (100.000%) (91.130%) (91.130%)
Clothing that is cheaper	63 (88.730%) (8.479%) (7.875%)	8 (11.270%) (14.040%) (1.000%)	71 (100.000%) (8.875%) (8.875%)
Total	743 (92.880%) (100.000%) (92.880%)	57 (7.125%) (100.000%) (7.125%)	800 (100.000%) (100.000%) (100.000%)

Chi-square stat=2.021; df=1; P=value=0.155

Note. Following each cell count, row percentages, column percentages, and total percentages are given, respectively.

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11/02/2005

Megan M Huffman
North Carolina State University
Textile and Apparel Technology and Management
2401 Research Drive Box 8301
Raleigh, NC 27695

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Specific material: Figure 5.2, Purchase Decision as thesis framework, page 131
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Sincerely,
Marcelene Davis

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Sponsored Programs and Regulatory Compliance
Campus Box 751
1 Leazar Hall
Raleigh, NC 27695-7514

919.515.7200
919.515.7721 (fax)

From: Debra A. Paxton, Regulatory Compliance Administrator
North Carolina State University
Institutional Review Board

Date: December 13, 2005

Project Title: Today's apparel retail purchase environment: A comparison of retail associates' perceptions with consumers' attitudes and opinions

IRB#: 277-05-12

Dear Ms. Huffman:

The research proposal named above has received administrative review and has been approved as exempt from the policy as outlined in the Code of Federal Regulations (Exemption: 46.101.b. 2). Provided that the only participation of the subjects is as described in the proposal narrative, this project is exempt from further review.

NOTE:

1. This committee complies with requirements found in Title 45 part 46 of The Code of Federal Regulations.
For NCSU projects, the Assurance Number is: M1263; the IRB Number is: 01XM.

2. Review de novo of this proposal is necessary if any significant alterations/additions are made.

Please provide your faculty sponsor with a copy of this letter. Thank you.

Sincerely,

Debra Paxton
NCSU IRB