

Making sense of the market: An exploration of apparel consumption practices of the Russian consumer

By: Elena Karpova, Nancy Nelson-Hodges, and William Tullar

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Abstract:

Purpose – The purpose of this study is to examine and interpret post-socialist consumer experiences in relation to clothing consumption practices when consumers shop, acquire, and wear clothing and other fashion-related products.

Design/methodology/approach – The in-depth interview was the primary data collection tool. Data collection was conducted during summer 2004 in St Petersburg, Russia. College students formed the sample for the study. In total, 17 students (four males and 13 females) were interviewed. The hermeneutic approach was used to interpret the meanings of the participant lived experiences.

Findings – In comparison to consumers in an established market-based economy, consumers in this post-socialist market have unique perceptions of clothing attributes (quality, brand name, country of origin, retail channel) critical for buying decisions. Overall, appearance and clothing play a special role in the emerging Russian market as they help construct and communicate new identities more than any other product category.

Research implications – Identified challenges of the Russian apparel market indicate opportunities for domestic and foreign apparel businesses. The meanings Russian consumers attach to clothing attributes can be used to develop product positioning and promotional strategies. Discussed implications of the research findings can be extended to other post-socialist emerging markets.

Originality/value – This study explored how Russian consumers have adjusted to the new economic reality after almost fifteen years of transition from a socialist to a capitalist society from the perspective of the consumer. Whereas previous research findings were confirmed, the present study provides rationale for perceived importance of quality and unimportance of brand name in the Russian apparel market.

Keyword(s): Apparel; Consumer behaviour; Market economy; Consumerism; Russia.

Article:

Prior to the dissolution of the Soviet Union in 1991, the world had yet to witness a developed industrial country in transition from a command economy into a market economy. A necessary requirement for a functioning marketing economy is the consumers, who are willing and able to exercise effective choice (Ennew *et al.*, 1993). In a centrally-planned economy, the marketplace and, therefore, consumers did not exist, at least as they are understood within the Western world (Ennew *et al.*, 1993; Money and Colton, 2000). The emergence of a new consumer is critical for Eastern European transition economies. However, little is known about these consumers (Manrai *et al.*, 2001; Raju, 1995), specifically, about their attitudes and behaviors related to clothing consumption. This study aims to examine how post-socialist consumers in this emerging market have adjusted to the new economic reality after almost fifteen years of transition from a socialist to a capitalist society.

The Russian market was selected as the focus for this research for several reasons. First, in comparison with other Eastern European economies, the Russian Federation represents the largest market with 144 million consumers (World Bank, 2004). Second, Russia was under the Communist regime for a longer period of time than other countries, and as a result, a centrally-planned economy was deeply entrenched in the society. Finally, since the country opened its doors to the rest of the world in the early 1990s, this market has experienced a boom in consumerism (Belton, 2002; Manrai *et al.*, 2001). Consumer spending has been climbing rapidly, turning Russia into the fastest-growing market for many multinationals such as Procter & Gamble, Nestle, L'Oreal, and Ikea (Belton, 2002). Expenditures on clothing in this market constitute an impressive proportion of the overall volume of purchased goods – roughly 20 percent (Parshukova, 2003). In addition, the Russian textile and apparel market, where imported products account for more than 70 percent, is far from being saturated (Euromonitor, 2003; Parshukova, 2003).

Background

Evolution of the Russian consumer

Within the centrally-planned economy, when the state owned all businesses and controlled the entire production and distribution chain, consumer preferences were irrelevant and there was no pressure on managers to meet the market needs (Ennew *et al.*, 1993). Shortages of most basic goods made Soviet consumers cash rich and possession poor (Shama, 1992). In the early 1990s, when the state withdrew from the planning and management process, the whole country stopped functioning. This abrupt shift toward a market economy resulted in a drastic increase in inflation that peaked at 1,353 percent, in a society that before had never experienced recession or unemployment (Phillips, 2000). The purchasing power of the population reduced sharply (Euromonitor, 2003). All these happened very rapidly within what used to be a stable and predictable social system and had an enormous impact on the Russian consumer (Shama, 1992).

During the mid-1990s, the Russian economy began to show slow but stable growth. Even though consumers were facing unfamiliar practices of emerging market economy, unenforced legislation, and unpredictable price and currency fluctuations (Treadwell and Pridemore, 2004), they began to appreciate what the new reality had to offer (Griffin *et al.*, 2000). One indication of the improving standard of living was increase in retail sales (Euromonitor, 2003). However, in

August of 1998, the national currency dropped from 6 rubles to 24 rubles for \$1 overnight, wiping out everyone's life savings. In the early 2000s, Russia's recovery is translating into a second wave of consumer activity (Belton, 2002). As a result, today Russians are more optimistic about future life prospects (Business Eastern Europe, 2003). Yet, Russian wages and salaries are quite low by Western standards. In 2004, the average wage was approximately \$250 per month (RosBusinessConsulting, 2005).

Clothing consumption

Constructing a socialist society, the communist regime isolated more than 200 million people living in the USSR from the rest of the world to prevent Soviet citizens from being exposed to and therefore “corrupted” by capitalist consumption practices (Crowley and Reid, 2000). During the Soviet era, the Russian apparel industry produced uniform-style clothing. The state regulated the number of each and every clothing item to be produced by a particular factory, controlling sizes, price points, and retail outlets in which the goods had to be sold. Clothing items were basic and could hardly communicate any information about an individual (Argenbright, 1999). Indeed, “if there were only one style of shoe available, [and] all women wore that shoe, regardless of whether it was comfortable or flattering” (Treadwell and Pridemore, 2004, p. 454), one could not use dress to differentiate and express personal preferences.

Russian consumers' inability to exercise choice in appearance during the Soviet era explains why they became pre-occupied with clothing in the 1990s (Argenbright, 1999), when the demand for Western merchandise led to a shopping revolution (Manrai *et al.*, 2001). As a result of an open market, expenditures on clothing between 1997 and 2001 increased almost 500 percent (Euromonitor, 2003). Even in less affluent provinces of Siberia and Ural, consumers were becoming “fashionable, style-conscious, and interested in quality” (Singer, 2002, p. 13). Argenbright (1999, p. 95) points out that Russians were increasingly buying “goods that not only satisfy basic needs but also help people present themselves as they wish to be seen”).

Shopping patterns

During Soviet times, the consumer's primary shopping objective was to obtain as much as possible of what little was available. In a study by Griffin *et al.* (2000, p. 36), the socialist shopping experience was aptly described by one consumer: “I learned what every single child living under communism had to learn, that you can't find everything you need all the time, and most likely you can't ever find anything”. An influx of foreign goods in the early 1990s caused shock in the market (Levinson, 1999). Myriad unfamiliar products, brands, and companies were competing for consumer attention. Lack of objective information, such as Consumer Reports, made it more difficult for the consumers to navigate the sea of choices.

At the beginning of transition period, a study by Leonidou (1992) reported that the frequency of apparel purchases in Russia was quite low: 39 percent of consumers bought a new clothing item or a pair of shoes two to three times a year; 27 percent purchased a new outfit once a year, whereas 14 percent purchased every two to three years. Only 10 percent acquired a new item at least once a month. The author reported that when planning to buy clothing or shoes, in 37 percent of the families studied, husbands and wives tended to make the decision together. The apparel product category had the highest rate of joint buying decisions (Leonidou, 1992), surpassing even larger purchases like electronic goods and appliances, indicating the perceived

importance of investing money in clothing, and, ultimately, in one's appearance for the Russian consumer.

Quality and price. Several studies reported that Russians preferred products that had value, even if the price was higher (Euromonitor, 2003; Huddleston *et al.*, 2000; Leonidou, 1992; Shershneva, 1997). For instance, Shama (1992) found that even though resources were scarce, whenever possible many Russian consumers tried to reduce risk by purchasing higher quality goods. In line with that, Leonidou (1992) reported that for 70 percent of Russian consumers, quality of clothing was the most important factor. The author argued that this quality-conscious behavior was not consistent with the skyrocketing prices and shortages in the market. Despite the limited resources of the majority of the population, price was important for only 44 percent of the consumers. In the same vein, Huddleston *et al.* (2000) concluded that although most Russian consumers are price sensitive, they demand high quality, thereby setting up unrealistic expectations.

Country of origin and brand name. In socialist Russia, consumers experienced products at their most basic level (Levinson, 1999). Russian brands, with the exception of very few food items like chocolate or alcoholic beverages, did not exist. In the early 1990s, foreign brand awareness was very low. At that time, Russian consumers were able to recognize no more than 100 out of 400 global brands, receiving the lowest rating among other former socialist Eastern European countries (Ettenson, 1993). However, by the middle of the 1990s, the Russian elite were becoming sophisticated shoppers (Singer, 1997). And by 2002, the majority of urban consumers were familiar with most global brands (Singer, 2002)[1].

Leonidou (1992) reported a gap in the importance of country of origin (40%) and brand name (16 percent). A study by Ettenson (1993) supported these findings, indicating that Eastern European consumers placed significantly higher importance on the country of origin of the product than its brand name. The author also concluded that consumers preferred imported goods to domestically made ones. To explain Russian consumers' predisposition to foreign-made products, it was suggested that Russians prefer Western goods because they are perceived as being better quality, not because they are Western (Business Eastern Europe, 1998). After the 1998 financial crisis, however, many consumers had to switch from purchasing desirable foreign products to Russian-made goods that were significantly less expensive (Euromonitor, 2003).

The previous research on Russian consumer practices and attitudes is limited to quantitative approaches (Ettenson, 1993; Huddleston *et al.*, 2000; Leonidou, 1992; Manrai *et al.*, 2001; Shama, 1992; Shershneva, 1997) and does not provide an understanding of the issues from the consumer perspective. To examine and interpret Russian consumers' attitudes and behaviors toward apparel consumption within the context of their daily experiences is the goal of this study. The purpose of this research is to explore post-socialist consumer experiences in relation to everyday clothing consumption when they shop, acquire, and wear clothing and other fashion-related products. More specifically, this study investigates the challenges of the Russian apparel market from the consumer perspective; examines consumer decision-making process when they shop for clothing; and explores the importance Russian consumers attach to clothing consumption.

Methodology

An exploratory study was developed and implemented to address the gap in knowledge that exists regarding apparel consumers in Russia. A qualitative methodology was employed because it allowed tapping the participants' own perspective (Denzin and Lincoln, 1994; Deshpande, 1983). The in-depth interview was selected as the primary data collection tool because it permits a focus on participant's own expression of experience, and at the same time, provides an opportunity for the researcher to ask additional questions and clarify meanings of the responses (McCracken, 1988). For the purposes of this study, in-depth interviews were conducted in Russia and occurred in Russian.

College students formed the sample for the study. Data collection was conducted during summer 2004 at three major universities in St Petersburg, Russia. When the research project was introduced, 17 students (four males and 13 females, aged between 20 and 35) volunteered to participate in the study and were interviewed. Younger consumers are known to more readily accept change in consumption practices (Rogers, 2003), and they represent the future of the Russian market, and therefore are of critical interest from a business perspective. In addition, it has been established that young Russian consumers are more interested in their appearance and tend to spend more on clothing and accessories than other segments of the market (Euromonitor, 2003).

To ensure a systematic approach to the data collection process, the interviewer followed an outline, containing fifteen open-ended questions. Every question was followed by a number of probes. For example, the first question asked participants to talk about their last apparel shopping experience. The probes associated with it were: "When and where did you go? Why did you go to that place? Is it where you usually go?" The meanings the interviewees attach to their own and others' clothing and appearance, the difficulties they experience during apparel shopping, as well as the emotions these topics evoke, were all important to getting at the heart of their perspective as consumers. The interviews were audio-taped with the permission of the participants and lasted on average 45 minutes. The interviews were transcribed with simultaneous development of notations and then translated from Russian into English. To ensure the correct meanings of the translation, two native Russian speaking graduate students were asked to review the transcribed copies in English and in Russian. Their suggestions were incorporated into the final version of the text.

The interview texts were then interpreted for significant themes that could be used to describe participants' clothing consumption practices. Multiple exposures to the text before the actual analysis stage, as a result of transcribing, translating, and assessing the meanings, facilitated an in-depth understanding of the data. The hermeneutic approach was used to interpret the meanings of the participant's lived experiences (Denzin and Lincoln, 1994; Van Manen, 1990). This methodological framework allows the significant issues to be culled from the data itself through an iterative part-to-whole process of interpretation. Each interview was analyzed individually in constant relation to the whole data set. The stages of the analysis process were structured as suggested by Spiggle (1994). Three topical areas emerged from this interpretation process, including: Choices and challenges in the marketplace; The decision-making process; and Clothing as non-verbal communication. According to hermeneutical interpretive methodology,

each topical area consisted of several themes to further explore in depth the meanings of those consumer experiences that surfaced during the interviews (Van Manen, 1990).

Analysis and interpretation

Choices and challenges in the marketplace

Overall, participants indicated a high level of dissatisfaction with the choices available to them in the Russian marketplace today. Each participant shared strategies used to cope with the challenges and to achieve some degree of satisfaction with their apparel purchases[2].

Two ends of the spectrum. Participants view the entire Russian apparel market as consisting of two distinctive ends, with almost nothing in the middle. On one end, there is very expensive, high quality, stylish apparel. On the other end is inexpensive, low quality apparel:

I: If there's clothing that I like, then, with almost no exception, it's way too expensive.

VE: You can't afford what you like. The quality is not always good.

According to the narratives, a lack of moderately priced, quality apparel is the major problem in the Russian market. In line with the idea that there is no middle ground in the marketplace, participants expressed disappointment with poor product assortment. As a result, they were not able to buy what they wanted most of the time. For example, one female participant shared her adventure of trying to purchase a pair of white pants for two summer seasons:

O: I was looking for a pair of white linen pants ... Even last summer I wanted to buy pants like that, but could not find anything.

A number of respondents noted that limited range of sizes available in the market made it even more difficult for them to purchase a new item:

M: I have a problem with the sizes. Jeans that fit me in the hips and waist are always too long. I have to cut them almost in half.

AL: I have a really hard time finding shoes. My size is 40 [9 in USA]. I needed a pair of simple black shoes. I couldn't find my size!

Many size categories such as petite, plus, or tall do not exist in the Russian apparel market. Moreover, there is no segmentation of size by age, such as juniors and misses categories in the USA. Typically, more fashion forward apparel targeted to younger consumers is produced in smaller sizes (up to size 8), while more conservative styles are offered in larger sizes. This creates an additional challenge for larger than "standard" young consumers to find garments that have the junior look:

K: They make the clothing for young people in the sizes up to 48 [8]. And if your size is larger, you just have to go to another store [that targets older women].

Shopping strategies. Participants shared different strategies they used to address these challenges. Those who can afford prefer to shop for apparel abroad. Several participants claimed that they could purchase similar clothing in European countries significantly cheaper than in Russia:

E: I often go to Germany and mostly buy clothes there. First of all, they have more choices. Second, the lines are real, not fake. Then, the prices: the same item there would be two-three times cheaper than in St Petersburg.

VE: I know how much the same clothing costs in Europe. We drove to Finland to do shopping. Then we were in Czech Republic during a sale season. In Russia, prices are *much* higher. All participants but one who shopped abroad reported traveling to European countries, which is explained by the geographical location of St Petersburg. Only one student, whose hometown is in the far eastern region of Russia, prefers to go to China:

I: I rarely buy clothing here [in Russia]. I know that it's easier to save some money and go shopping in China, because I can buy what I want there.

Participants preferred purchasing clothing outside the country not only because they believe that apparel is overpriced in the Russian market, but also because other markets offer greater choices and a guarantee of acquiring “real”, not counterfeit goods.

Poor assortment, limited sizes, and high prices create a situation wherein planned shopping is difficult to accomplish. To adjust, most of the participants, both male and female, reported engaging in impulse shopping. Interviewees explained that they would like to do planned shopping, but from their experiences they realized that most of the time it is a tedious and often impossible task, so instead they have settled for buying on impulse:

AL: I try to do planned shopping, but when you are planning to buy something then you are never going to find what you want.

LA: It was spontaneous. I never do planned shopping, ever.

The fact that in the Russian market consumers are expected to pay by cash may appear to be a barrier to impulse shopping. However, shoppers can leave a security deposit with the shop assistant and bring the rest of the cash later:

O: I left 200 rubles [\$7] as a deposit, because I didn't have enough money with me but I wanted this swimsuit. Next day I brought the rest of the money and got it.

This is a fairly risky procedure, however, as typically records of this financial transaction are not kept, and therefore the customer relies solely on the sales associate's honesty and memory.

The decision-making process

It is important to know *why* consumers choose to purchase an outfit from a range of available choices. In other words, to understand what factors they consider as important (or unimportant) when selecting a garment. This decision-making process is very complex and difficult to understand as it can be affected by numerous factors and is not always rational. The following themes reveal the key factors important to consumers in the Russian apparel marketplace today.

It's all about quality. Apparel quality seems to be an overarching factor in making purchasing decision. For instance, one male participant uses a famous Russian proverb to help convey how important quality was when he was shopping for a pair of running shoes:

SE: The most important [factor] was quality. I know from my own experience that ... A miser [stingy person] pays twice.

Interpretation of the narratives reveals a clear connection made by the participants between quality of clothing and social status. This association explains why Russian consumers perceive it to be a critical factor when they shop for clothing:

E: You can tell from just looking at the clothing his financial status, social status, and position [pauses] at least roughly.

In order to evaluate quality, participants reported employing various clothing attributes. Some of them use brand or manufacturer's name, others check for country of origin label, and still others believe that retail channel should be the primary factor to consider when assessing quality.

Retail channel. When discussing apparel retail formats, the participants readily differentiated between at least two distinct channels: open-air street markets and stores. All of the participants believe that clothing sold in the street markets is of considerably lower quality than that sold in stores. Some interviewees were able to discuss differences in price level and other clothing attributes:

N: When I bought my bathing suit [at a store], I stopped at a market to see what was there, and I was terrified! [Laughs] The color, the styles were more or less ok, but the quality! Yes, they were three-four times cheaper but the quality was horrible!

Whereas others acknowledged that evaluating garment quality is a subjective process. Yet, they had no doubt that they could easily differentiate market clothing from store clothing:

Y: Clothing from street markets [pauses], I don't even know how it's different, but it is. Just looking at it, you'll know that it's from a street market.

Overall, participants had a negative attitude toward shopping for clothing in street markets. And even though some of them acknowledged that buying a garment in a store was not necessarily a warranty of a better quality, they still preferred shopping in a nicer environment and were ready to pay for it:

AL: I don't shop in street markets, because the quality is very poor there. When you buy a garment in a store, you pay more, but it is worth it. You don't feel bad, like, you overpaid, because it's good stuff.

Only two out of 17 total respondents admitted that they buy their clothing in street markets.

Brand name. None of the participants mentioned brand name when they discussed their recent apparel shopping experiences. When prompted, most of them declared that they did not pay any attention to the labels. Several interviewees reported that they use brand and/or company name only to help them evaluate garment quality[3]:

VA: Yes, I look at the labels. For me it's quality warranty.

N: I knew that I had to pay for the quality and the company name, which defines the quality. And that it is worth it.

One reason for the low importance of brands appears to stem from the prevalence of counterfeit apparel sold in the Russian market. In a recent poll, Russian consumers reported that they encountered counterfeit clothing and footwear more often than any other product category (CIPR, 2003). This situation results in very little, if any brand value. In Russia, it is typical for a garment to not only be labeled with a fake brand name, but also a false country or origin:

E: Even though you see branded clothing sold in a nice store that costs a fortune, there's no guarantee that it's not fake, I'm telling you.

O: All clothing I buy is imported: mostly, from China or Turkey. Well, some items are labeled Made in France or Made in Italy, but I don't believe it, of course.

Country of origin. Despite the likelihood of a false label, several participants indicated that they use country of origin in assessing the quality of a garment. Because less expensive clothing produced in China or Turkey is usually sold in street markets, some interviewees who disregard this retail channel as appropriate for shopping also placed more importance on the country of origin:

AL: Country of origin is important. In China, they make poor quality clothing.

SI: China or Italy – there's a huge difference! What are you talking about? There are good companies, more sophisticated, like, from Italy. Of course clothing from Italy is much nicer [pauses] in overall quality.

Interview participants expressed different attitudes towards Russian-made clothing. Roughly half of them stressed that they enjoyed shopping in specialty stores that carry clothing lines produced by Russian companies. They appeared to be satisfied with the styles and quality. The range of Russian-made products bought by the participants was very broad, from bathing suits, to blouses,

skirts, and overcoats. The main advantages the respondents see in Russian-made clothing are unique styles in limited quantities and reasonable prices:

Y: I try to buy unique things. That's why I like these stores for young people because they produce their lines in small quantities.

On the other hand, several respondents believe that Russian apparel companies are not capable of producing clothing for young, fashion-forward consumers. As one female participant stated, the domestic industry could only satisfy demand of less fashion-conscious, middle-age women:

O: Russian-made clothing? Maybe, some knit garments for middle-aged women. Russian clothing for young people? Made in St Petersburg? I can't think of any example.

Price. In trading off between quality and price, participants took different approaches. Naturally, those who had limited amounts of money to spend opted for lower-priced goods that tend to be of lower quality. This strategy enables the consumers to renew their wardrobe more frequently:

M: It could be perfect quality, but then it will be way too expensive! Because I'm not going to have this outfit forever, I'd rather replace it sooner.

Clearly, participants who adopted this strategy – more clothing for the money – are striving for more wardrobe variety. As one female student explained, she can only buy a new pair of jeans when the old ones *need* to be replaced:

AN: Cheaper clothing needs to be replaced faster. On the other hand, if you bought a nice pair of jeans, you'll have them for a longer period, but then you'll be tired of them and won't have any excuse to buy a new pair because you still can wear the old one.

On the other hand, the majority of participants preferred buying fewer items, but of high quality:

SI: I'd rather get a really nice and expensive item, than buying several that are just okay.

AL: I'd rather buy something higher quality and more expensive ... Yes, fewer but more expensive and higher quality items.

The gender factor. Most of the female participants reported that their boyfriend/husband's opinion about the clothing they acquire played a critical role in the decision process. For some of them, their partners' influence occurs in the form of joint decision making:

O: My boyfriend, he buys his own clothing and tries to influence me. I like his taste and how he sees things. I can't see clothing the way he does, and he knows what suits me.

For others, the influence was so strong that they felt they had to comply with their partners' tastes and clothing preferences:

AN: If he [boyfriend] doesn't like my outfit, he'll keep telling me that. And I'll be constantly in a negative situation.

M: Right now I'm in such a situation that I have to hold myself back. If I could, I would be dressing as I like. Then I would be expressing my personality. That would be ME ... [But] my boyfriend, he doesn't like the way I used to dress before.

One explanation that may shed light on the reason why male partners have such influence on women's clothing choices can be found in the interview narratives. A number of female participants indicated a trend whereby young women date “sponsors”, or boyfriends who pay for all the woman's purchases, including clothing, shoes, and accessories[4]:

AL: Many girls are dating sponsors, who pay for everything.

N: I have to make my own money to buy clothes for myself. And other girls, usually, [pauses] they have their boyfriends or sponsors to pay for their clothes and stuff like that.

One female respondent shared her own experience and reasons why she used to shop with her ex-boyfriend:

VE: I used to shop with my boyfriend before we broke up because he was paying for it [laughs].

Clothing as non-verbal communication

When discussing apparel shopping experiences, none of the participants expressed positive emotions, rather, they appeared to view the process as tedious, time consuming, and unpredictable. Nonetheless, all of them regarded it as an important activity. It is obvious from the narratives that interviewees invested considerable amounts of time and effort to find clothing items they wanted. Males were not an exception:

SE: I stopped and shopped at several stores, compared the prices. I never buy shoes from the first stop.

E: I was shopping for three weeks or so, but couldn't find the shoes I wanted. So, I had to drive to one of the expensive stores to buy what I wanted.

Such devotion to the shopping process indicates the perceived importance of clothing. All participants agreed that clothing, as part of overall appearance, is critical for them individually as well as for Russian consumers as a whole:

SE: It's *very* important. It's always been very important, it's important now, and it'll always be. Moreover, several adult students who have traveled a lot and had a chance to compare clothing consumption practices in Russia with those in other countries believe that Russians place greater emphasis on how they look and in many cases this results in an obsession:

E: In Russia it's very important. Probably, in Russia it's important more than anywhere else. It's distorted here [pauses]. In Russia, people dress differently. They pay more attention to what you wear than anywhere else. That I know for sure.

R: It's sort of an epidemic now. Let's say, how can I recognize Russian women in Berlin: they have over-decorated sunglasses, she hardly makes it on her high heels, she's over dressed up. The narratives offer two possible reasons why consumers in contemporary Russia are so conscious about how they look and, subsequently, the clothing they purchase and wear. These reasons are the need for uniqueness and to communicate status.

I'm not like everyone else ... All female participants stated that they used clothing to differentiate themselves from others. In order to do that, they strive to purchase unique outfits:

M: I stop there on my way home because sometime they have non-standard, not ordinary clothing.

SI: Something not ordinary, something that not everyone would have.

In trying to reach the same goal, several participants took a somewhat different approach. Instead of looking for unique clothing, they avoided buying clothing that everyone else is wearing or likely to wear in the future:

Y: Sometimes I see an outfit I like, but then the second thought is that tomorrow everyone will be wearing that, and I don't buy it.

High-quality, nice clothing means money. All of the participants indicated that they routinely use clothing to form an opinion about people they meet. All respondents but one stated that they could easily draw conclusions about one's financial and social status simply by observing his/her outfit:

SE: Of course I evaluate how expensive clothing is. It doesn't have to be very loud, but I can always tell if it's a high quality, nice outfit, which means money.

VA: Financial situation. You can tell that. It's obvious [pauses]. Some clothing is good, more expensive ... You can always notice such clothing.

Being aware of the role the appearance has in positioning an individual in the society, interviewees shared their experiences when people would purposefully acquire better quality, more expensive garments to thereby construct a certain image that communicates higher status:

N: Some girls buy more expensive, high quality clothing just to show that their status is higher than it actually is.

AL: I know a guy whose income is \$500 [a month]. He can spend all the money for clothes. He can get shoes for 10,000 rubles [\$330] and a jacket for 5,000 rubles [\$170]. Then, when you meet him and look at what he's wearing, you'll think that he's well off. But the reality is that he spent everything to the last penny.

Clearly the importance of apparel for communicating status – whether real or ideal – is a critical factor, and according to the participants, one that drives apparel consumption in Russia today.

Conclusions and implications

The topic of consumer attitudes toward apparel consumption is typically understood via a Western perspective; however, simply applying what is known from research conducted within long-time market economies to other regions of the world can be misleading. Consumers in Eastern Europe and other emerging markets have unique perceptions of companies and products and as a result place different importance on product attributes when making a buying decision (Raju, 1995). The latest overview of the Russian fashion arena in the *Financial Times* indicated an increasing consumer power and growing interest on the part of Western fashion companies to venture into the market (Treacy, 2005). Consumption in Russia is expected to double by 2011 (Parshukova, 2003), exploding demand for better quality clothing and other fashion-related goods. To date, little research has been done on the Russian consumer (Durvasula *et al.*, 1997; Manrai *et al.*, 2001; Money and Colton, 2000). Lack of knowledge about the needs and wants of this consumer can create difficulties for companies, and foreign firms may be at a disadvantage in competing with local companies that possess intuitive knowledge about Russian consumers' preferences and consumption motivations.

Taking into account that Russian consumers' attitudes toward apparel consumption are understudied, this research explored how these post-socialist shoppers who do not have points of reference typical for long-time market economies make choices among wide range of products and brands that recently became available to them. The present study investigated what clothing attributes Russian consumers perceive as important when they purchase apparel and other related products. Overall, it was found that Russian consumers tend to use the same attributes as shoppers in established market economies (Hsu and Burns, 2002). However, the importance they place on them is different. Employing qualitative approach allowed understanding why the participants placed more emphasis on some attributes than others, as well as the meanings they attached to them.

This study supported previous observations that young Russian consumers place a great importance on clothing as part of the overall appearance (Argenbright, 1999; Euromonitor, 2003; Levinson, 1999). A relatively low average income and underdeveloped banking system translates into an inability to afford larger purchases such as cars or houses for the majority of population (Belton, 2002). Therefore, when compared to Western consumers, Russians are limited to product categories that can be consumed publicly. Clothing plays a unique role in helping consumers assume and communicate their new roles and identities within a transitioning socio-economic context. The participants reported using clothing to differentiate themselves from others and to communicate their social status, either real or ideal. The ability to exercise free choice when creating one's own appearance is still relatively new in the Russian marketplace, making the consumer decision-making process both exciting and challenging.

Confirming previous research findings (Huddleston *et al.*, 2000; Leonidou, 1992), this study showed that Russian consumers view quality as a critical factor when purchasing clothing, but it also suggested an explanation why quality is so important in this post-socialist market. It was

found that Russian consumers evaluate quality based primarily on social benefits (e.g. look good to others) as opposed to Western consumers, for whom economic benefits (e.g. durability) are equally important (Hines and O'Neal, 1995; Zeithaml, 1988). Participants reported that they associate better quality apparel with higher socio-economic status. The unique position of clothing for Russian consumers as a means to create and communicate one's identity coupled with the association between better quality clothing and higher position in the social hierarchy explains the perceived importance of quality in the buying decision process.

Similar to the Western consumers, retail format, country of origin, company and brand name influenced how the research participants perceived overall apparel quality (Sternquist and Davis, 1986; Zeithaml, 1988). Even though price is often viewed as one of the primary factors to determine product quality (Zeithaml, 1988), it was not found to be the case with the Russian consumers. Overall, participants expressed more positive attitudes toward apparel sold in stores than that sold in street markets. Market clothing is perceived as low quality and, subsequently, low status. Moreover, the association between low-quality apparel sold in street markets and clothing made in China is likely to be the reason for the negative attitude expressed by the majority of the participants toward all Chinese made clothing.

Previous studies showed that Western consumers (Hsu and Burns, 2002; Zeithaml, 1988) as well as consumers in some Eastern European countries (Rojšek, 2000) rely on brand name when evaluating quality and selecting products. In this study, even though several participants stated that they look at the labels, none of them indicated that brand name influenced their buying decisions. This suggests that the concept of brand name is underdeveloped in Russia. Even though consumers might recognize foreign brand names (Singer, 2002), they do not necessarily place the same value on them as do consumers in the Western countries. This is particularly the case within apparel market, where wide spread of counterfeits is likely to undermine the value of brand names.

This study provided insights on perceived importance of clothing attributes that are critical for marketers (quality, company and brand name, retail channel, and country of origin). This knowledge can be used to develop product positioning and promotional strategies. The finding that Russian men impose a serious influence on their female partners' clothing choices could have important implications for marketing strategies tailored to the Russian market, and specifically that of fashion-related female products advertised to male consumers. Moreover, the present research has important implications not only for understanding how to market to the Russian consumer, but also for those in other post-socialist markets, in that consumers in these transition economies also have gone through an adjustment to a new market economy, and therefore may have similar attitudes toward apparel consumption. This could be explored within further research.

This research identified major challenges faced by consumers within the Russian apparel market. The absence of moderately priced, quality apparel in the market indicates an opportunity for apparel businesses to address the needs of the growing Russian middle class. Russian consumers' obsession with clothing and the development of the banking system create potential for on-line retailers in this under-served apparel market. E-shopping could significantly expand consumer choices and reduce time and effort consumers are currently investing in shopping in order to find

the items they want. Future research could address how this market could be served by internet-based shopping. Expansion of US retail chains such as Gap or Express to satisfy the Russian consumer demand for fashion-forward apparel also appears to be quite promising. These retail chains could offer more variety and an expanded range of sizes filling in shortcomings of the Russian apparel market. Further research might also focus on older consumers, as well as consumers in areas of Russia that are less cosmopolitan than St Petersburg, as both would shed light on the Russian consumer as well as provide a foundation for understanding the diverse consumer needs within this burgeoning marketplace.

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