



A Cross-National Analysis of Intrinsic and Extrinsic Cues' Preferences of Premium Denim Products : A Case of Levi's and other Premium / Luxury Denim Brands

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ABSTRACT

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Accepted: 01Oct2022 Published: 30 Oct2022 This study has been conducted to investigate the Premium Denim brands' intrinsic and extrinsic product cues which are significant for consumers when they want to shop for their favourite denim brands. The brands which are included in this study are Levi's, Calvin Klein, Diesel, Armani and Gap. This research is a cross-national study and data are collected from India and European countries like Italy, Malta, UK, Poland, Sweden, Serbia etc. For intrinsic cues study we have taken products' quality, fabric, color, fitting and uniqueness whereas for extrinsic cues we have taken pricing cues preferences, distribution channel preferences and promotional tools influences on Indian and European consumers.

Design/Methodology/ Approach

Online questionnaires link were shared through emails, whatsapp and linkedin and paper questionnaires were distributed to friends, universities students and to other people in India to collect responses from them. Students of "University of Ca'foscari, Venice, Italy" were met several times during lunch break and informed about research questionnaire. The google forms of questionnaire were sent to the university students and other respondents of European countries through emails and linked in.

Hypotheses for intrinsic and extrinsic cues were developed and data analysis was conducted by SPSS statistical analyses.

Originality/Value

There are very few research papers written on both intrinsic and extrinsic cues and with an in- depth empirical research. Some scholars have written research papers on intrinsic cues and extrinsic cues separately. This study is an in-depth and comprehensive investigation of cross-national research on premium denim products' intrinsic and extrinsic cues and its statistically significant preferences

and influence differences between India and European countries' consumers. **Keywords**: Product Cues, India, Denim Products, Premium Denims, Cross-National Study, Intrinsic Cues, And Extrinsic Cues.

Findings

This research analysis indicates that there is a statistically significant difference between Indian and European consumers' preferences for "Fabric" and "Fit" of denim product cue. Uniqueness and Color are the most rated product cues among all intrinsic cues by both Indian and European consumers but their differences between these two groups are not significant. Quality was the fifth in preference by both Indian and European consumers and the differences in preference are not statistically significant.

For Pricing cues, both group consumers rated "Payment Terms" (like EMI) the first preference while Premium pricing got the second rating , discounted price received third and Offers got fourth preference . All the options of pricing cues preferences were not statistically significant different between Indian and European consumers.

In case of distribution channel preferences, European consumers rated retail chain/ super market channel as most preferred channel for shopping premium brands while Indian preferred online shopping as their most preferred channel. Exclusive stores ranked second by European consumers while Indians ranked it third preference. There were statistically significant differences between Indian and European consumers' preferences.

I. INTRODUCTION

Indian Clothing Market & Denims

Government favorable policies and focus is leading to growth in the textile and clothing industry. In the financial year 2015, foreign direct investment (FDI) in the textile sector increased to US\$1587.8 million in comparison to US\$1424.9 million in the FY 2014.Through Technology Up gradation Fund Scheme (TUFS), government is encouraging investment in the textile sector. Free Trade agreement with ASEAN countries and proposed agreement with European Union will also boostexports.

Textile plays a major role in Indian economy and contributes 14% to Industrial production and 4% to GDP. Textile industry accounts for nearly 13% of total exports. In 2015, ready garments were the largest contributor to the total textile and apparel exports fromIndia.

Cotton and man-made textiles were also major contributors with shares of 31% and 16%, respectively.

Denim & its History

India is the second largest producer of Cotton in the World after China and Textile is the oldest sector in India. Currently Cotton market is valued at US\$ 102 billion and accounts for 14% of India's total exports as in 2018.

Textile industry also includes Indian Denim industry which is growing significantly over the years.

Denim & its Types

Denim is made from strong Cotton fabric using Twill weave and this twill weave creates a subtle diagonal ribbing pattern. This cotton twill weave fabric has warp faced in which the weft passes under two or more warp threads. The warp threads are more prominent on the right side. The diagonal ribbing distinguishes Denim from cotton duck.

The Denim predecessor known as Dungaree produced in India for hundreds of years and Denim itself was

first produced in French city of Nimes and thus named as "Serge de Nimes" meaning Serge from Nimes. The word Denim is an English expression of De Nimes.

The Denims are often indigo dyed in which warp thread is dyed and weft thread is left white. As a result of the warp faced twill weaving, one side of the textile is dominated by blue warp threads and other side is dominated by the white weft thread. This is the reason blue jeans to be white on the inside.

Earlier Denim cloths were used by ranch hands and farmers and later used by California (USA) gold miners. During World War II Denim jeans were declared as "essential commodities" due to its durability.

In 1853, a Bavarian immigrant "Levi Strauss" and Nevada tailor "Jacob Davis" created the first pair of Jeans which is used as a tough miner's cloth and Levi's Strauss & Co. was founded. Earlier Levi used a brown tent cloth for making trousers with no belt loops and back pockets. Later Strauss switched to Denims (twill made in Southern France) and dyed it in uniform indigo. By 1860, this blue Denim pants were regular wear for miners, farmers and cattleman throughout the western countries. By 1873, Levi Strauss name got patented and by riveting the critical seams the Denim pants made stronger.

These Denim pants nicknamed "jeans" after the city Genoa of Italy.

During 1940s Denims became fashionable items and icon for youth culture. By 1950s, due to television programs & films Jeans became the symbol of teenage rebellion.

Based on Price, product quality, Brand image and Country of origin there are 4 distinct segments in Denim industry;

Economy: These include private labels, unbranded denim items that are priced at lower end and usually sold through departmental stores and mixed retailers. **Standard:** These included branded products targeted for the mass market. Labels under this category can differ from market to market for instance Lee, Levi's,

Gap, and Wrangler may be considered Standard in the USA, the EU but may be in premium segment in low income country.

Premium: Better product quality, brand name, higher price and positioning in the premium range enable brands to be classified as Premium Denim. However the classification is variable according to per capita income of the country and position of brands in that market. G-star Raw, DIESEL are generally considered Premium brand Denim. A price of US\$ 75 got tagged with the Premium Denims.

Luxury/ Super Premium: These are fashion and status symbol. These are sold under designer labels at high end boutiques to maintain its exclusivity. The brands include in this lists are Giorgio Armani, 7 For All Mankind, J brand, True religion, Acne Studios. Any fashion Jeans beyond US\$ 250 come under Super premium as written by Dr. P.R. Roy (Dr P R Roy is a PhD in textiles from the University of Manchester, United Kingdom and a former Group Chief Executive (Textiles) of Arvind Mills Ltd., based in Ahmedabad, India).

DIESEL Jeans was a global leader in the segment of Super Premium Jeans in the beginning of 1990s. Till 2007 Premium Jeans continued its growth but during global recession in 2008 the US Denim hit hard and Western European countries showed its strong strength and showed its appreciable growth year to year.

In 2013, US Denim export of Super premium Jeans adversely affected as the EU imposed additional import duty on US made Jeans, in spite of that LA,USA made Tag remain popular and continued interest in EU Denim fans for True Religion, J Brand, & 7 For All Mankind like bestsellers.

In the beginning of the millennium, Cone Mills, USA which was a leading Denim fabric manufacturer and original supplier of Levi's 501 Jeans ,was under a higher pressure for survival now bounced back through sustainability and brought age old Selvedge Denim as a Super Premium Denim.

Besides established Super Premium Denim brands some more like Denim Lounge, D-bar, Destination Denim, Swedish Cult "Nudie Jeans", MiH (Made in Heaven) have shown their presence felt in this category.

Super Premium Japanese Denim brands "Benzak" .now being produced in Europe .is meeting expectations of European buyers.

Product Cues and Literature Review

When a product is to be judged, it can be done through various aspects of product's features or dimensions. Product attributes include both tangible and intangible characteristics. Tangible characteristics are colour, size, weight, design etc. whereas intangible characteristics include properties like quality, price, and aesthetics.

When we talk about apparel, the attributes like fit, fabric, quality, colour, design, weight of the fabric, uniqueness represent apparel's intrinsic cue. The attributes which is not the part of product itself like price, distribution, packaging, brand, promotion, represent product's extrinsic cue. Olson and Jacoby (1972) stated that Product has various characteristics or collection of attributes which are called as "Cues" and are used to create an impression about the specific product by the consumers.

Ahmed *et al.* (2004) mentioned that product cues are described as catalysts that play informational role before product consumption.

Aqueveque (2006) that when consumers develop evaluation of product quality they use both intrinsic cue and extrinsic cue.

In case of denim products, the intrinsic cue and extrinsic cue of products are as follows:

Intrinsic Cues

Olsen 1977, Olsen & Jacoby, 1972 stated that intrinsic quality cues are those characteristics of a product which cannot be changed without changing the product itself. These intrinsic quality cues are physiological characteristics and related to technical specifications.

The intrinsic cues of clothing are inherent characteristics like Quality, fabric; colour, fit, design, uniqueness etc. and these properties cannot be experienced without physical verification of the product.

Intrinsic cues are inherent characteristics to the physical composition of the product and it is concrete characteristics such as fabric, fit, color and style. Any alterations of these cues will change the physical appearance of a product (Hines and Swinker, 2001; Olson and Jacoby, 1972)

Lennon and Fairhurst (1994) and Rahman et al. (2010) stated that intrinsic cues are supposed to be more important than extrinsic cues as they are generally considered authentic indicators of quality.

In 1999, Forsythe et al. stated that there is enough evidence that for assessing the quality of product, consumers usually use intrinsic cues.

Design

Design plays an important role to link technological factor and market innovation. Many luxury and premium products have created huge market due to its unique designs and style.

In denim industries many Italian brands like Giorgio Armani, DIESEL, Versace, Dolce and Gabbana, Gucci, Dsquared2 and American brands like True Religion, Calvin Klein, Levi's have established themselves due to their unique design and style.

Choice of design varies from country to country. Yamini and kanchisa (1955) did a research to find out differences in consumer preferences related to basic characteristics which define product design. They found out that Japanese and Korean people have similar tastes, the preferences between United States citizens and French people are also same.

The companies concern is to introduce a product which must meet local needs and technological requirements and does not involve higher development costs.

Color

The interpretation of color is a complex thing; consumers of different countries interpret colors

differently.

Keegan, W.J. & Green, M.C. (2008) in Global Marketing states that in many countries, White coloris associated with symbol of purity but in many Asian countries its color of death and bad luck , in Ivory Coast, color Dark Red symbolizes death and witchcraft.

Color Grey, signals a low cost product for Chinese and Korean people but Purple signals an expensive product. For American these two colors symbolize complete opposite meaning.

Yellow flowers signals death or disrespect for Mexican people. (Cateora&Graham, 1998).

In 1991, Jacobs, Keown, Worthley and Ghymn did a in-depth research on this topic and pointed out that during positioning of a product it is necessary to carefully analyze the symbolic content of the color.

Most of the denim products like Jeans, Shirts, Jackets are blue colored. Some more colors are also used to dye denim. Levi's jeans are made in Blue, Indigo and in black shades. Sometimes Levi's also launches White Jeans. Diesel brands produce its jeans in Black/Dark grey, Dark blue, Light blue, Medium blue and in White. Calvin Klein jeans and other denim products are available in Blue, black and white shades. Armani Jeans are available in Blue, Indigo Blue, Silver Denim, Black, Gray, White and Beige Colours. Gap denims are made in Black, Blue ,Grey, Green, White and Beige colours.

In 2015, Osmud Rahman did a qualitative research on denim Jeans, its product cues, body type and appropriate use and found out that dark colored denim jeans is associated with being formal, classy, elegant and sophisticated. It also stated that for many consumers color and style is supposed to be important to create a desirable public image for a specific social situation.

Quality

Quality is an intrinsic cue of products which has an important connection with marketing strategy conceptualization, developing a product or service, planning distribution, pricing and communications.

It may be possible that a product which is considered a high quality product in one country may be considered an average quality or low quality product in other country which has same consumer behaviour. It depends on the positioning of product.

Quality is a relatively more significant clothing evaluative cue for Chinese consumers than for Canadian consumers (Osmud Rahman et al., 2017).

Kawabata and Rabolt conducted a research in 1991 among American and Japanese consumers and found that the clothing interest is deeply impacted by the quality aspects of the clothes.

Cook (2010) and Ruban (2002) stated that creation of customers' interest depends on how they perceive the quality of the products.

Fabric

Fabric is the most important intrinsic cue in clothing .Denim products quality depends on the fabric, weight of product and type of other threads which are mixed in denim to make it more comfortable, stretchable and durable.

Weight of denim is measured in Ounce per square yard and higher the ounces mean the fabric is heavier. The weight of denim denotes the durability of fabric and how it feels when one wears it.

Denim products' quality also depends on its stitching quality, fabric treatment like wash, raw denim, pre shrunk denim etc.

Kadolf*et al.* in 1993 found that Fabric is an important evaluation criterion for aesthetic appearance, tactile qualities and overall appeal but when compared with "Comfort" it plays relatively less important role.

Fabric is the most important compositional feature in judging quality of socks, construction for shirts and men's suits and appearance for sweaters (Kathryn L. Hatch and Jeanne A. Roberts, 1985)

Fit

Fit is a most important intrinsic cue which plays an important role during selection of denim products. Premium and luxury brands make denim jeans in various fits and consumers have option to choose among the various fits, in unorganized sectors Jeans

and other denim products are made as per the fashion running at that time.

Workman and Lentz (2000) defined Fit as the way a garment conforms to the human body.

Osmud Rahman, Benjamin C.M. Fung and Zhimin Chen (2017) found in their research that for Chinese and Canadian consumers, "Fit" is relatively more significant clothing evaluative role than many other product cues.

Metje et al.(2008) and Rahman (2011) state that Fit , Fabric and Comfort are closely related. Rahman in 2009 and 2011 pointed out that these 3 cues are positively correlated.



Levi's Mens Fit

Uniqueness

Kumar et al. in 2009 stated that people who want to present themselves different from others always use clothing products to show their social image and unique selves.

Lynn and Harris (1997) stated that people who have higher desire for dissimilarity from others also have higher need for uniqueness.

Workman and Kidd in 2000 stated that clothing selection is a uniqueness-seeking behavior.

Cham, T.H., Ng., C.K.Y., Lim Y.M. and Cheng B.L.(2018) conducted a study in Malaysia on generation Y consumers and found that among these generation Y consumers need for uniqueness and self concept have a significant positive influence on clothing interest.

Extrinsic Cues

Extrinsic cues are those properties that are not part of the product itself instead they are related to the product like Price, packaging, distribution, promotion, brand etc.

Extrinsic cues are plays an important role when consumers want to make decision about purchasing of products without having any information and experiencing intrinsic cues. Most of the intrinsic cues can be experienced only when consumers are at stores and can feel it.

Hines and Swinker (2001) stated that extrinsic cues are those attributes which can be changed without any change in product's appearance or physical structure like price, brand name and country of origin. Aayed Qasem ,RohaizatBaharun& Ammar Yassin (2016) found out that in case of high- involvement products , for brand quality indicators consumers use 3 way extrinsic cues-interaction such as country of origin, brand name and price rather than individual cue to enhance the behavioral intention.

Price

Alpert, Wilson & Elliott in 1993 stated Price as a quality indicator and Price signaling factor was pushed up as an important factor in price. The price of a product should indicate the quality and consumers' perceived value.

When companies enter in the international market they set their product pricing policy as per their need. If companies target is to get the maximum sales volumes in short period they go for penetration price and product cost set low to generate the maximum sales.

Premium and luxury brands always go for "Skimming Pricing" and set its product price high enough.

Most of the premium denim brands like DIESEL, Armani, Calvin Klein, True Religion, Levi's (Premium range) have set its prices higher and positioned itself premium and luxury.



Calvin Klein discount sale

Osmud Rahman, Benjamin C. M. Fung, and Zhimin Chen (2017) found in their study that consumers are concerned about the product price when they shop for clothing regardless of economic inequality between nations (study done between China and Canadian consumers).

Zeithamal (1988) states that when consumers do not have enough information about intrinsic cues, Price is considered as an important extrinsic cue, also in the absence of any other cue except Price, consumers consider Price as an important cue.

There is believe that consumers think that the quality products are expensive while lower quality products are less expensive on the basis of price consumers tend to categorize products (Acebro'n and Dopica,2000; Kardes, Cronley, Kellaris, and Posavac,2004).

Place (Distribution)

Products which are specialty products adopt Selective distribution channel and sold through selective company owned outlets.



Levi's Concept Stores at Campo San Luca Venice, Italy

For premium and luxury products, companies opt for Exclusive distribution system and very few limited companies owned outlets are opened to maintain products exclusitivity and image. All designers and luxury brands adapt the exclusive distribution strategy.

Denim brands like Levi's , GAP have adapted Selective distribution strategy while designers and luxury brands like Armani, DIESEL, Calvin Klein have gone for exclusive distribution with limited number of company owned showrooms.

Promotion

Promotion attracts consumers and helps them, also entice and compel them to buy the products.

Companies apply various communications techniques to reach, inform and attract consumers.

The integrated marketing communications (IMC) includes advertising, public relations, sales promotion, personal selling, direct selling etc. Integration of these elements makes promotional mix.

Through promotion companies create a medium to start conversation with target consumers. The function of promotion is to grab customer's attention and convey them information about the products so that they can get motivated to purchase the products. Promotion aims to increase sales by raising awareness about the products by using different communication mediums and also to stimulate brand loyalty among customers.



Discount sale at Levi's Stores Venice

Brand Name

Brand is a name, image, design, symbol, term or combination of two or all which can differentiate the companies' product or service from others. It helps to differentiate a product or service from its competitors. Brand signals a product or service quality standard.

In denim industries, DIESEL, Armani, True Religion, Versace, Calvin Klein are the brands which have successfully established themselves as luxurious brands and customers who buy these brands are loyal and do not care about the pricing of the products. Levi's has positioned itself as a premium brand and enjoys largest brand share of the jeans market. In Levi Strauss total sales, Levi's brand contribution was 87% in 2019.

Cham, T.H., Ng., C.K.Y., Lim Y.M. and Cheng B.L.(2018) found in their research that Brand name is a significant predictors of clothing interest of the generation Y consumers of Malaysia.



Excerpted from designyourway.net

Besnik FETAI*, Nora SADIKU-DUSHI, Raman ISMAILI (2017) researched the impact of extrinsic cues on purchase decision for food product and found that the Brand name has significantly positive impact on consumers purchase decision.

Rowley(2004) mentioned that Brand name provides consumers much information about the product like the product is 'durable', 'comfortable', 'reliable' and 'fashionable'.

Erdem and Swait (1998) stated that brand name acts as a signal of quality and reduces consumers' confusion.

Country of Origin

Country of Origin is also an extrinsic cue which affects the consumers purchasing decision process.

The definition of "Luxury" also involves the condition that the products should be produced in its head quarter, where the company is born. Giorgio Armani's products are made in Italy where as its other brands like Armani Exchange's products are being sourced from different countries. DIESEL Jeans' designer and luxury segments are produced in Italy. Levi's premium range "Made & Crafted", Levi's X Super Mario 501, Levi's X JUSTIN Timber Lake range are produced in its head quarter the USA.

'Samli' and in 2001 1995 'Keegan Schlegelmilch' established a connection between particular countries and specific product types for which those product types are seen as typical or ethnical. Like in case of denim Italy is seen as "Birth place" as Genoa city of Italy is origin of denims and the USA is considered as a birth place of Jeans in fashion. Levi's is popular as an originator of Jeans and that is why people relate Jeans to the USA but Genoa(Italy) is a birth place of denims and most of designer and luxury brands are from Italy like Diesel, Giorgio Armani . People do not relate jeans to Germany instead "Automobiles" are seen as typical and ethnical to Germany.

Earlier research (Heisey, 1990; Rahman *et al.*, 2010) shows that country of origin does not play important

role and influence the consumers' perception towards apparel products.

As per Cordell (1991); Cui *et al.* (2004) for evaluating high-end or luxury goods and durable goods, country of origin is supposed to be an important or frequently chosen cue.

Besnik FETAI*, Nora SADIKU-DUSHI, Raman ISMAILI (2017) researched the impact of extrinsic cues on purchase decision for food product and found that the Country of Origin is deemed as most important extrinsic cue when multiple cues are presented to the customers.

Objective of the Study

The various objectives of this study were:

- (1) Which intrinsic cues influence most at first to buy customers their favorite denims/Jeans?
- (2) To examine the difference of product evaluative cue choices between Indian and European consumers when they buy their premium denims.
- (3) To investigate the extrinsic cues which influence both Indian and European consumers to buy their favorite denims?
- (4) Which communication channels influence Indian and European consumers to buy their favorite premium denims?

Hypotheses

Intrinsic Cues

The following hypotheses for intrinsic cues preference were developed:

- H1. Fabric is the relatively most important clothing evaluative product cue than many other cues for both Indian and European customers.
- H2. Uniqueness plays an important product cue role for European consumers than for Indian consumers.
- H 3: Fabric cue is more important for European consumers than for Indian consumers.
- H 4: Color is more important for Indian consumers than Europeans.
- H 5: Fit is more important cue for Indian consumers than European consumers.

- H6. Fabric and quality are strongly co related in both India and European country.
- H7. Quality is the most important product cue than color for both Indian and European consumers.

Extrinsic Cues

The following hypotheses for extrinsic cues preference were developed:

Pricing Cues Preference

- H8. Price (discounted) is more important extrinsic product cue for Indians than European consumers.
- H9. Consumers of both India and European countries prefer to buy their denim products when there is a Price offer going on.
- H10. Consumers prefer to buy less products when there is a premium pricing.
- H11. Consumers from both geography prefer to opt for "Payment Terms" like EMI for shopping their premium and luxury denims.

Distribution Channel Preference

- H12. European consumers prefer to buy more from Retail chain/supermarket than Indian consumers.
- H13. Consumers from both India and European countries choose to buy from Exclusive stores.
- H14. Online shopping is preferred by Indian consumers more than the European consumers.

Promotional Tools Impact

- H15. Indian consumers are more influenced by Film actors/ celebrity endorsement of brand which entice them to buy their premium denims than European consumers.
- H16. European consumers are more influenced by TV/ Internet advertisements than Indian consumers when they make decision to buy their premium denims.
- H17. Newspaper/ magazines advertisements play more important role to influence more than any other promotional tool for both Indian and European consumers.
- H18. Indian consumers are more influenced by Friends opinion while shopping for Premium Denims than European consumers.

Research Methodology

Quantitative research method will be used for Hypothesis testing and quantitative research method is best suited for finding the relationship between independent and dependent variables (Hopkins, 2008).

Data Collection

To collect responses from all age group and from different demography, paper survey and online survey were conducted; questionnaires were distributed through LinkedIn, Whatsapp, Face Book and emails. Data were collected primarily through convenience sampling and total 350 questionnaires were distributed in India, out of which 245 were received and 10 responses were eliminated due to outliers. The response rate in India was 67%.

In Europe, most of the respondents were from "Ca'Foscari University Of Venice", Italy. The students were asked to provide their emails and they were briefed during lunch hours about the questionnaires. Other participants were contacted personally or through Linkedin and whatsapp. Total 300 questionnaires were distributed out of which 230 were received and 215 were sorted out by eliminating responses which had outliers. The response rate in European countries was 77%.

To understand the differences of products attributes, store ambience and display arrangements, short visits of many stores of Premium brands were planned and visited exclusive stores of Levi's, Diesel, Calvin Klein, Armani and Gap in metro cities Delhi, Mumbai, Chandigarh, Raipur of India and exclusive store of all premium denim brands in Venice, Italy and in Malta.

Questionnaire Survey

A 5 point Likert Scale type questionnaire (most preferred to least preferred and from most significant to least significant factor) is developed to collect consumers responses for their preferences and significant factors.

There are 4 sections in the questionnaire. The first part covers the questions of Products' Intrinsic cues and ask consumers to rate their most significant to least significant attributes (Cues) which they inspect or search while purchasing the premium and luxury denim products. The 5 attributes are Quality, Fabric, Color, Fit and Uniqueness. Consumers of both Indian and European countries were asked to rate the 5 attributes.

The second, third and fourth parts collect information from consumers about preferences of Extrinsic cues of denim products, they choose while shopping for premium and luxury denim brands.

The second part is about Pricing cues where consumers have been asked to rate their preferences for Premium, discounted, Offers and payment terms pricing cues. Here payment terms mean EMI or any relaxation on full payment of products.

Third part of questionnaire is about distribution channel preferences people choose to buy their premium products from. Consumers have been asked to rate their preferences from first preferred to least preferred options. There are 4 options Exclusive Stores, Multi Brand Stores, Online Shopping and Retail Chain/Super Market. Consumers need to rate from first to least preferred options.

The fourth and last part represents Promotional/advertising tools which influence consumers most. The options include TV/ Internet Advertisement, Newspaper/Magazine Ad, Films/Celebrities endorsements and Word of mouth.

Analysis

Through Descriptive & inferential statistics, SPSS statistical analyses were used for descriptive and inferential statistics.

Independent Samples T Test was used to determine statistically significant differences between Indian and European consumers' preferences for Denims' intrinsic and extrinsic cues Measurement model is adapted from "Osmud Rahman (2017) and "Benjamin C.M. Fung" (2017)'s research paper "A cross-national study of apparel consumer preferences and the role of product-evaluative cues".

Pilot Study A pilot study was done to test the reliability and suitability of questionnaires with 30 respondents' data. The Cronbach's Alpha was .866

which is a good enough reliability level (Konting et al, 2009)

Descriptive Analysis:

Participants' Demographic Profile

		Table I			
INDIA		% E	UROPE	%	
Frequency (n=2	235)			Frequency (n=215)	
Gender					
Male	184	7	8.3	86	40.0
Female	51	2	1.7	129	60.0
Age					
Less than 25	36	1:	5.3	144	67.0
26-35	69	2	9.4	63	29.3
36-45	67	2	8.5	6	2.8
46-55	56	2:	3.8	2	0.9
Above 55	07	0	3.0	-	-
Education					
HSSC	04		8.1	1	0.5
Graduate Student	19		1.7	79	36.7
Graduate	80	3-	4.0	76	35.3
Post Graduate	121	5	1.5	56	26.0
PhD	11		4.7	3	1.4
Occupation					
Student	40	1	7.0	152	70.7
Intern	-		-	13	6.0
Research Scholars	-		-	3	1.4
IT Specialist	18	,	7.6	2	0.9
Engineer	29	1:	2.3	1	0.5
Professionals	64	2	7.2	26	12.1
Marketing Executive	-		-	4	1.9
Managers	-		-	1	.5
Doctors	4		1.7	4	1.9
Professors/Teachers	13		5.5	4	1.9
Secretary	1		0.5	-	-
Businessmen	43		8.3	2	0.9
Actor	1		0.4	-	-
Govt. Service	21		8.9	-	-
Home Maker	2		0.9	-	-
Unemployed	-		-	2	0.9
Marital Status					
Single	91	3	8.7	156	72.6
Married	144		1.3	16	7.4
In a relationship	=	•		_	

Favourite Denim Brand

LEVI'S	174	74.0	154	71.6
CALVIN KLEIN	23	9.8	21	9.8
DIESEL	12	5.1	25	11.6
ARMANI	05	2.1	12	5.6
GAP	21	8.9	03	1.4

Income

			Country						
India			Europe						
Income Range (INR)		%	Income Range Average (Euro 27,000)		%				
15,000-25,000	28	11.9	Average	30	14.0				
26,000 -35,000	36	15.3	Above Average	62	28.8				
36,000-45,000	37	15.7	Below Average	69	32.1				
46,000-55,000	33	14.0	Affluent	02	0.9				
55,000 and Above	94	40.0	Prefer not to mention	28	13.0				
Student	03	1.3	Not applicable	24	11.2				
Unemployed	04	1.7							

Findings

We asked consumers about their favourite brand among 5 denim brands,Levi's, DIESEL, Calvin Klein, Armani and GAP. 71.6% consumers chose Levi's while DIESEL brand was chosen by 11.6% consumers. Calvin Klein stood in 3rd preferred brand with 9.8% consumers. Armani consumers were 5.6% in total sample and GAP was chosen by 1.4% consumers.

The consumers demographic profile are as follows:

The Indian respondents are predominantly male (78.3%) while female respondents are 21.7% whereas in European countries female respondents predominate (60%) and male respondents' share is 40%. The majority of Indian respondents (58%) are in the age group of 26-45 while 23.8 % are above 55 years of age and 15.3 % are below 25 years old while 2.9% respondents are above 55. 67% European respondents are below 25 years of age as most of the respondents are students. 29.3% European respondents are in between 26 to 35 years of age and 3.7% are in between 36 to 55 years old.

51.5% Indian respondents are post graduate, 34% are graduated and 4.7% are PhD, rest 9.8 % have completed their higher secondary and are graduate students now.

Majority of European students (36.7%) are graduate students at present, 35.3 % have graduated and 26% have got post graduation degree. 1.4% European respondents are PhD while 0.5% is only HSSC passed.

In Indian respondents group 47.1% are Engineers, IT Specialist and professionals like marketing managers, Sales executives, lawyers, consultants, Chartered accountants etc., 18.3 % are businessmen while 17% are students. 17.6% Indian respondents are Professors/teachers, doctors, in government job, secretary and actor and home maker.

Majority of European respondents are students and they share 70.7% of total respondents, 14.5% are professionals like marketing managers; accountants etc., 1.5% are engineers and IT Specialist. Doctors and professors share 3.8% of total respondents, research scholars and intern shares 7.7% while 0.9% is businessmen and 0.9% is unemployed.

61.3% Indian respondents are married while 38.7% are unmarried. As most of the European respondents are students, 72.6% respondents are single, 20% are in relationship and 7.4% are married.

Average income in India is around INR 1,00,000 per year, 40% of Indian respondents are earning INR 55,000 and above per month which much high above average income, 29.7% are earning in between INR 36,000-55,000 per month while 15.3% are earning in between INR 26,000 -35,000 and 11.9% are in between INR 15,000-25,000. 3% Indian respondents are students and unemployed.

Average income in European countries is Euro 27,000 per year and 28.8% of respondents are earning above average, 32.1% are below average while 14% respondents earn average salary, 0.9% is affluent while 13% respondents did not share their income level. 11.2% European respondents are either studying or not earning. As most of the respondents are students, they are earning through part time jobs and have mentioned the salary they were getting at that time.

Inferential Analysis: SPSS Analyses Product Intrinsic Cues Analysi

Table II

	IN	IDIA			EUROPE							
	M	SD	N	M	SD	N	Mean Differen	ce t	df	Sig 2 tailed		
QUALITY	2.01	1.054	235	1.93	1.039	215	121, .268	0.745	448	.457		
FABRIC		1.108	235		1.044		801,401			.000		
COLOR	3.70	1.197	235	3.56	1.113	215	075, .354	1.276	448	.203		
FIT	2.48	1.199	235	2.03	1.156	215	.235, .671	4.078	448	.000		
UNIQUE	4.05	1.391	235	4.12	1.231	215	314, .175	-0.559	448	.576		
-NESS												

Findings

An independent sample T test is conducted to compare the "Quality" attribute significance level between the Indian and European consumers. There are differences (t(448)=.745,p=.457) in the scores with mean score for India (M=2.01 SD =1.054) is higher than Europe (M=1.93, SD=1.039).

As the p value is greater than .05(p=.457) hence the difference is insignificant and Null hypothesis is accepted. Therefore there are not any Statistically significant "Quality preference" differences between European and Indian consumers.

Regarding the "Color" cue, result shows that the Indian consumers (M=3.70, SD=1.197) give more importance to the Color than European consumers (M=3.56, SD=1.113). According to the result of t-test (t= 1.276, df =448, p=.203) analysis, no Statistically significant "Color" cue preference differences are found between European and Indian consumers, hence null hypothesis is accepted and H4 is not supported.

According to the result of t-test analysis, no statistically significant "Quality preference" differences between European and Indian consumers are found and "Color cue" differences are also not Statically significant different between European and Indian consumers therefore the alternate **hypothesis H 7** "Quality is the most important product cue than color for both Indian and European consumers" is **not supported.**

Based on the t-test result, it is observed that there are statistically **significant** mean differences in "Fabric" product cue between the Indian and European respondents (t = 5.905, df = 448, p = .000). The European consumers (M = 3.36, SD = 1.044) are relatively more concerned with "Fabric" cue than Indian consumers (M = 2.76, SD = 1.108) hence null hypothesis is rejected and H3 is supported.

The result also shows that Fabric is the relatively most important Statistically significant Denimevaluative product cue than many other intrinsic cues for both Indian and European customers hence **H** 1 is supported

The result of the t-test analysis also indicates that there are statistically significant differences in "Fit" product cue preferences between the Indian and European consumers (t=4.078, df =448, p= .000).Indian consumers are more concerned with Fit (M= 2.48, SD = 1.199) than European consumers (M= 2.03, SD = 1.156) hence null hypothesis is rejected and alternate hypothesis **H** 5 is supported.

Result shows that though the "Uniqueness" cue is the most important among all intrinsic cues for both Indian (M=4.05, SD =1.391) and European (M=4.12, SD=1.231) consumers .The result of t-test (t=0.559, df=448, p=0.576) analysis shows that there are no Statistically significant "Uniqueness cue" preference differences between Indian and European consumers hence null hypothesis is accepted **and**

H 2 is not supported.

Correlation Tests for Fabric and Quality

Table III	
	r
Table III	

Country		Fabric	Quality	N	
Europe	Fabric	1	r= .155*, p =.023	215	
	Quality	r=.155*, p=.023	1		

Note: p < .05 = Significant

Correlation coefficient for Fabric and Quality cues based on 95% Statistical significance

Table	IV
I anic	T 4

Country		Fabric	Quality	N
India	Fabric	1	r= .009, p =.0890	235
	Quality	r=.009, p=.890	1	

Note: p > .05 = Not Significant

Correlation coefficient for Fabric and Quality cues based on 95% Statistical significance

Table III and IV show the Correlation tests for Fabric and Quality between the European and Indian consumers' samples. For the European consumers (TableIII) Fabric is Significantly positively related to Quality (r = .155*, p = .023) whereas in case of Indian consumers (TableIV) correlation coefficient is not significant between Fabric and Quality (r = .009, p = .0890) therefore **H 6 is partially supported.**

Conclusion of Intrinsic Cues Analysis

From the t-test result we can say that both European and Indian consumers are not concerned with the Quality cue when they go for Premium and luxury denims purchase as the brand value and brand trust are high enough to get influenced.

Color is also not a significant cue for both the European and Indian consumers, reason behind this may be due to the fact that the product is Denim jeans and mostly it comes in Blue and Black shades and as we know the Blue Jeans is a second name for Denim pants and other denim products.

For both the European and Indian consumers, Uniqueness is not a significant cue and they are satisfied with the Fits they are getting from their favourite premium brands.

Fabric is positively and significantly correlated with Quality so the European consumers who rate Fabric as a significant cue also know that they get good quality fabric from their favourite premium denim brands. Indian consumers are more influenced with the brand name and they trust that if the brand is premium the Fabric and Quality have to be premium. Color is the second most preferred cue after Uniqueness for both the European and Indian consumers but both cues are not statistically significant.

Product Extrinsic Cues Analysis

Pricing Preference Analysis

	Table V											
	INDIA EUROPE											
	M	SD	N	M	SD	N	Mean D	ifference	t	df	Sig.(2-tailed)	
PREMIUM	2.76	1.217	235	2.83	1.076	215	283	.142	655	448	.513	
DISCOUNT	1.83	.771	235	1.75	.814	215	071	.223	1.021	448	.308	
OFFERS	1.95	.810	235	1.87	.750	215	066	.224	1.073	448	.284	
PAYMENT	3.46	.735	235	3.54	.688	215	.217	.048	-1.258	448	.209	
TERMS												

The Price evaluative analysis is done by t-test and it is found that the "Premium Pricing" cue is the second most important cue for the both the European(M=2.83, SD=1.076) and Indian (M=2.76, SD=1.217) consumers. The result of t-test (t=.655, df=448. P=0.513) analysis indicates that no Statistically significant "Premium price" differences are there between European and Indian consumers preferences when it comes to premium pricing. Hence **H 10** is not supported

As shown in **table**, both European (M=1.75, SD=.814) and Indian (M=1.83, SD=.771) consumers rated "Discount" as the least important cue among all Price evaluating cues. According to the result of t-test analysis (t=1.021, df=448, p=0.308), no Statistically significant "Discount" cue differences between European and Indian consumers are found hence null hypothesis is accepted and **H8** is not supported.

As result indicates "Offers" cue is the second least preferred cue by both Indian (M=1.95, SD= 1.87) and European (M=1,87, SD= .750) consumers. The t-test (t=1.073.df =448, p= 0.284) result shows that there is no statically significant "Offers" cue preference differences between European and Indian consumers. Hence **H 9 is** not supported.

"Payment Terms" like EMI on products' price, is most rated Price evaluative cue by both Indian (M=3.46, SD = .735) and European (M=3.54, SD = .688) consumers. The t-test (t=1.258, df=448, p= 0.209) analysis found that no Statistically significant "Payment Terms" cue preference differences between European and Indian consumers are there. Hence **H 11 is** not supported.

Conclusion: The above analysis and results signals that for Premium and luxury denims Price is not a statistically significant factor and consumers do not concern more about discount, offers and payment terms.

Stores (Distribution) Preference Analysis

Table VI

					1 au	IC VI				
	INDIA			EUR	OPE					
	M	SD	N	M	SD	N	Mean Differen	ice t	df	Sig.(2-tailed)
Exclusive Stores	1.89	1.028	235	2.07	1.003	215	364 , .013	-1.833	448	.047
Multi Brand Stores	1.90	.820	235	1.83	.799	215	081 , .221	.913	448	.362
Online Shopping	3.21	.970	235	2.47	.970	215	.568 , .929	8.167	448	.000
Retail Chain /SuperMarke		.926	235	3.64	.695	215	789 ,486	-8.280	448	.000

Stores preference analysis is conducted through t-test and it is found that the "Exclusive Stores" is the third preference for both Indian (M=1.89, SD=1.028) and European consumers (M=2.07, SD=1.003). Based on the t-test result, there are statistically significant mean differences in "Exclusive Stores" evaluative cue between the Indian and European consumers (t=1.833, t=448, t=1.848). European consumers (t=1.89, t=1.89) give more preference to Exclusive stores than Indian consumers (t=1.89, t=1.89). Therefore H13 is supported.

T-test result shows Indian consumers (M=1.90, SD=.820) give higher rating/preference to the Multi Brand Stores than European consumers (M=1.83, SD=.799). According to the result of t-test analysis (t= .913, df = 448, p =0.362) no Statistically significant "Multi brand Stores" preference differences between Indian and European consumers are found.

Online Shopping is the first most preferred distribution cue by Indian consumers (M=3.21, SD=.970) and it is the second most preferred cue by European consumers (M=2.47, SD=.970). The t-test analysis (t=8.167, df=448, p=.000) observed that there is Statistically significant "Online Shopping" cue preference differences between Indian and European consumers therefore null hypothesis is rejected and **H 14 is supported.**

The result of the t-test analysis also indicates that there are statistically significant differences in "Retail Chain/Super Market" distribution cue preference between the Indian and European consumers (t = 8.280, df =448, p= .000). European consumers (M = 3.64, SD = .695) prefer shopping through retail chain more than the Indian consumers (M = 3.00, SD = .926). The difference is Statistically significant so the null hypothesis is rejected and **H 12 is supported.**

Conclusion: European consumers prefer to shop in Exclusive stores and through retail chain/Super Market more than the Indian consumers. Indian consumers' first preference is online shopping as the E-commerce site amazon, Myntra, ,Ajio, luxury.tatacliq and brand owned sites are very popular in India. Retail chain like The Collective, The White Crow, Shoppers Stop which sell Premium and luxury Denim brands are established only in metro politian cities and states capitals so they are not accessible for people living in other cities. These research data are collected during Covid-19 period (2020 -2022) so the online shopping may be rated more by the Indian consumers.

Promotion Preferences Analysis

Tab	le V	ИI

						• •				
	IN	NDIA			EUROPE	Ξ				
	M	SD	N	M	SD	N	Mean Difference	t	df	Sig.(2-tailed)
TV/Internet Advertisement	2.07	.951	235	2.20	1.079	215	321, .057	-1.375	448	.170
News Paper/ Magazine Ad	2.66	.916	235	2.96	.893	215	462 ,126	-3.445	448	.001
Films/Celebrity Endorsement	2.54	1.122	235	2.65	1.154	215	321 , .100	-1.032	448	.303
Friends Influence me	2.79	1.309	235	2.19	1.154	215	.373 , .829	5.173	448	.000

An Independent sample t-test analysis was conducted to measure the differences between European and Indian consumers' "Promotion preferences" for their favourite premium and luxury denim brands. **Table VII** shows that the European consumers (M =2.20, SD =1.079) are influenced by advertisement on Television and internet more than the Indian consumers (M = 2.07, SD = .951). According to the result of t-test analysis (t =1.375, df =448, p =.170, no Statistically significant "TV/Internet Advertisement" preference differences between European and Indian consumers are found. Thus **H 16** is not supported.

The t-test result analysis also indicates that the European consumers (M = 2.96, SD = .893) are more influenced by Newspaper/ Magazine Ad than the Indian consumers (.M= 2.66, SD = .916). The t-test analysis (t= 3.445, df= 448, p=.001) suggests that there are Statistically significant "Newspaper/ Magazine Ad influence" differences between European and Indian consumers hence null hypothesis is rejected. European consumers has given the highest rating to Newspapers/Magazine Ad than any other promotional tools while Indian consumers has chosen this as the second highest medium of promotion hence **H 17 is partially** supported.

The result shows that the European consumers (M=2.65, SD=1.154) are more influenced by Celebrities and Film stars endorsements than Indian consumers (M=2.54, SD=1.122). According to

the t-test analysis (t= 1.032, df =448, p=.303), no Statistically significant differences are found between Indian and European consumers. **H15 is not supported.**

Based on the t-test result, it is observed that there are statistically **significant** mean differences between the Indian and European respondents ($\mathbf{t} = 5.173$, $\mathbf{df} = 448$, $\mathbf{p} = .000$) in "Friends Influence me" option of promotional tool. The Indian consumers (M=2.79 SD = 1.309) are more influenced by "Friends" opinion while buying Premium Denim brands than European consumers (M=2.19. SD = 1.154) and as it is Statistically significant hence null hypothesis is rejected and **H 18** is supported

Conclusion

Hypothesis

Print media (Newspaper/magazine advertisement) has got major influence on European consumers and it has got the second most influence on Indian consumers. Indians are more influenced by Friends' opinion on Brand preference than European consumers. Advertisement on Television and Internet influences European and Indian consumers both but there are not significantly differences in the impact of these promotional tools on these two group, same is the case when we analyze Celebrity/ Films stars endorsement's impact on brands. No significantly differences found between these two groups on impact of Celebrity/ Films stars endorsement.

Hypothesis Testing Summary(Intrinsic & Extrinsic cues) Table VIII

H1. Fabric is the relatively most important clothing-evaluative product cue

I merie is the remarkery mass importants executing evaluative product one	- PP
other than many other cues for both Indian and European customers.	
H2. Uniqueness plays an important product cue role for European consumers	Not Supported
than for Indian consumers.	
H3. Fabric cue is more important for European consumers than for Indian consumers	mers. Supported
H 4.Color is more important for Indian consumers than Europeans.	Not Supported
H 5. Fit is more important cue for Indian consumers than European consumers.	Supported
H6. Fabric and quality are strongly co related in both India and European Par	rtially Supported
countries.	
H 7.Quality is the most important product cue than color for both Indian and	Not Supported
European consumers.	
H8. Price (discounted) is more important extrinsic product cue for Indians	Not Supported
than European consumers.	
H9. Consumers of both India and European countries prefer to buy	Not Supported
their denim products when there is a Price offer going on.	
H10. Consumers prefer to buy less products when there is a premium pricing.	Not Supported

Result

Supported

H11. Consumers from both countries prefer to opt for 'Payment Terms'Not Supported like EMI for shopping their premium and luxury denims.

H12.European consumers prefer to buy more from Retail chain / Supported

supermarket than Indian consumers.

H13. Consumers from both India and European countries choose Supported

to buy from exclusive stores.

H14. Online shopping is preferred by Indian consumers more than the European consumers.

H15. Indian consumer are more influenced by Film actors/ celebrity
Not Supported endorsement of brand which entice them to buy their premium denims than European consumers.

H16. European consumers are more influenced by TV/ Internet advertisements than Indian consumers when they make decision to buy their premium denims.

H18. Indian consumers are more influenced by Friends opinion while

Shopping for Premium Denims than European consumers.

Limitation and Future Research

As other studies have limitation this study has too some limitations. The majority of European respondents (67%) were below 25 years of age and were students (70.7%) or intern/research scholars (7.4%). They were dependent on parents or doing part time jobs or receiving scholarships. On the other hand 81.7% Indian respondents were in the age group of 26-55 years and 86 % of Indian respondents were employed or businessmen. More research among different countries should be conducted to increase the reliability. The research was conducted during Covid-19 pandemic so the data from different could not be easily collected. demography

Notwithstanding this study is an in-depth and comprehensive research on denims' intrinsic and extrinsic cues preferences and the research contribute to the existing literature by its empirical analysis and findings.

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