Growth of Small Brands: A Perspective of Indian Clothing Industry

Naveen Arora[1]

[1]*Research Scholar, National Institute of Technology, Durgapur. Email: naveenarora_80@yahoo.com*

ABSTRACT

Apparels, being one of the basic needs and a symbol of status and lifestyle is an important product category in consumer retail. With increase in population and improvement in macro and micro-economic indicators of India, demand for branded goods and services has also increased significantly. Besides economic factors; globalization, penetration of Information and Communication Technology (ICT) and development of e-commerce have also contributed in growing demand for branded products. Clothing and apparel industry has also been experiencing growth in demand for ready to wear branded garments. Recognizing this opportunity, many entrepreneurs launched their own apparel brands with limited investments, regional reach and fewer sub-categories. Though the number of small brands launched in past twenty years was too high, only a few of those brands could manage to grow. This paper aims to study the factors which helped small brands of apparels to grow. Secondary data has been collected from journals, published papers, articles and magazines to explore the topic, while primary data has been collected from channel partners of apparel brands. A structured questionnaire has been used to collect data. Questions related to customer satisfaction, perceived quality, price, training and sales support to channel partners, terms and conditions of sales and payments, types of distribution channels being used and replenishment policies have been asked. Considering the categorical nature of data, cross-tabulation has been used for analysis. It has been observed that availability, customers' perception of quality, durability, price, support to channel partners and carefully designed sales promotions influence growth of branded apparels. Results, findings and recommendations of the study can be helpful to entrepreneurs, managers, strategist and academicians to understand the branded apparel market.

Keywords: Apparels, Growth, Small brands, Factors.

1. INTRODUCTION

In recent years, India has undergone significant socio-economic transformation due to expansion in income and rising trends of stable middle class. These rising classes are the potential customers for

branded products. Brands must have characteristics that could impress potential customers and make them purchase the product. In the world of fast changing markets, growth in terms of revenues, market share and profitability is becoming more crucial for marketers of branded products. Marketers, which are small in terms of investments and have limited resources, find it more challenging to sustain and grow in competitive market. However, effective marketing strategies can help even small companies and their brands to grow. Indian apparel and clothing industry has also experienced emergence of significant number of small brands because of growing opportunities due to improved macro-economic factors. This sector is also experiencing rapid growth in demand for ready made and branded garments. Recognizing this trend, many Indian firms entered into the business of manufacturing and marketing of ready-to-wear branded clothing. Besides big firms, which have significant investments in plants, machinery, promotions and distribution, small firms also introduced their own brands. As a result, Indian clothing market has been inundated with a number of brands. While many Indian firms entered into this business, many foreign companies also introduced their brands in India as a result of liberalization, privatization and globalization. Some of foreign companies also made significant investments in establishing plants in India. As a result, the challenges for marketers of small brands of apparels also intensified. Out of all those small brands, only a few could manage to grow in terms of sales. Some of these companies also attracted investments from public through Initial Public Offers (IPOs). Evidently, marketing and brand building strategies are one of the most important factors in growth. Growth of any brand is not a short-term process; it takes extensive efforts and a holistic approach to business to achieve growth. For the long-term success of a brand, positive perceptions of quality and emotional value play a very important role (Yoo, Donthu and Lee, 2000). On the other hand, as expectations for improved financial performance increase, managers emphasize on short-term results rather than long-term returns. This establishes a gap between the vision of the company and its strategies to achieve desired goals. Nowadays, consumers in developing countries like India are very much familiar with global brands even before the brands actually enter the market. Consumers tend to be more loyal for global/big brands as compared to the small homegrown brands because of perception of quality and social benefits. As the impact of the variables like technology, import, sunk cost and growth in previous period is different for small firms and large firms (Jamali and Nor, 2012) it is important to study the strategies and factors, which are helpful in growth of small brands of apparels.

The objective of this paper is to analyze the factors that are helpful for small brands to grow in competitive apparel market. Paper also aims to determine the influence of different marketing variables on sales. It also identifies preferred mode of distribution, investments by channel partners and terms of business with channel partners for marketers of brands, which have experienced growth.

2. LITERATURE REVIEW

Power and Hauge (2006) suggested that branded apparels are highly vulnerable to rapid consumer changes because of difference in construction and reception of their meanings and its radical reinterpretation by consumers. Branding is a relatively holistic approach which includes how industries are organized, competition among firms and the economic geography of how an industry looks and works. Besides tangible factors, branding focuses on many intangible factors for growth. Alden, Steenkamp and Batra (1999) argued that with improvement in the quality of national brands, consumers tend to prefer them over international brands and this could help in growth of national brands. Halttu (2009) established that

along with other activities, keeping all communication consistent, maintaining good corporate image and collecting and analyzing feedback are important for the growth of small businesses. Roll (2006) asserted that for growth the marketers should ensure that all the elements of marketing mix are in line with its brand identity. It includes the quality of products, appropriateness and completeness of distribution channels and price of the products. Temporal (2000) also suggested that powerful brands provide long-term growth, higher sustainable profits and higher sales volumes among others. Esquivias, Knox and Visser (2013) discovered that a right combination of quality and price, customer service, design and performance are the factors important for achieving positive customer advocacy. Customer advocacy has been found to have significant role in growth. Pandit and Tejani (2011) concluded that in apparel segment marketers need to concentrate on growth in long run.

Cui and Lui (2001) argued that in China, the brands, which have good quality and have acquired prestigious certifications, have gained popularity among consumers. Prices are also found to be one of the important factors and have crucial role in growth. As firms increase their market coverage and scale of operations, they need to have measures for strict cost control and improved workforce efficiency. Smith and Amos (2004) found advertising, quality and customer perceived value among the other key factors responsible for competitiveness and growth in market share. Quality and advertising are also important in improving brand image. Hoch, Montgomery and Park (2002) concluded that improvement in quality of products and market spending and better distribution network are the characteristics that might explain uptrend in small or private-label brands. Abraham-Murali and Littrell (1995) also established that product quality, which includes factors like fabric and garment construction, care and style, plays significant role in framing customers' preferences in apparels.

Slotegraaf and Pauwels (2006) suggested that if promotional efforts are supported by displays and are passed through by retailers, they might facilitate the growth and revitalization of small brands. Cui and Lui (2001) also found that carefully planned promotional strategies are important for growth of branded products. Vyas (2007) established that sales promotion activities like discount on MRP (Maximum Retail Price), free units, coupons and others affect consumers' buying behavior and motivate them to purchase now rather than to purchase in future. Sales promotion also helps to switch customers from other brands, move excess inventory, enhance store image, create a price image and increase footfall. Familmaleki, Aghighi and Hamidi (2015) concluded that sales promotion helps to induce trial purchase and enhances the value perception of the product resulting in higher customer satisfaction. Fiorese, Martin-Lipton and Verwest (2014) concluded that consistently broader and deeper sales promotion activities do not necessarily help in increasing sales; in fact excessive promotions might have negative impact on the firm's net profits. Blattberg, Robert and Neslin (1990) also found that manufacturers avoid excessive use of sales promotion as they fear that it might erode brand loyalty and image. Persson (1995) suggested that sales promotion activities result in increase in sales of branded products. Holmberg (1992) established that extensive use of sales promotion activities mean that deal-sales represents higher share of total sales and this might have negative impact on firm's profits. Chiang (1991) explained increase in sales of brands as a result of sales promotion activities. It was also determined that promotional offerings have positive impact on purchase quantity. Helsen, Kristiaan and Schmittlein (1993) established that sales promotion reduces the time interval between two purchases and thus has positive impact on sales. Bucklin, Randolph and Lattin (1991) concluded that sales promotion enhances opportunistic buying by customers i.e. purchasing by those customers who had not planned to purchase before entering the store.

Almquist and Dor-Ner (2012) found that for new brands advertising to promote awareness could have substantial value while frequent replenishment of products and responding to customer feedback are also important in apparel and clothing segment. Duncan (2002) suggested that use of varied media for communication and use of multiple channels for distribution (company-owned stores, retailers, online stores, telephone and mail) have synergetic effects. Hsu and Liu (2000) established that highly brand loyal customers have tended to show increase in purchase with increase in level of advertising. Ghodeswar (2008) also concluded that creatively executed advertising and communication helps the marketer to break the clutter, achieve growth and build strong impact in target market.

Fader and Schmittlein (1993) established the importance of availability and proposed that retail availability might be a key component in repeat purchase of branded products. An important finding by Keller and Lehmann (2005) pertaining to the availability and promotion of brands suggests use of multiple channels for distribution. Greater availability positively affects customers' perception of a brand and it is perceived that if the brand is widely carried and displayed, it must be good. Strong brands have lower price elasticity and higher advertising elasticity. Emphasizing on the need of company-owned stores, exclusive and franchise stores, Rossiter. John and Percy (1987) concluded that a manufacturer wants a customer to purchase its brand from any store while the retailer is satisfied if customer purchases any brand from its store.

Richardson (1996) established that as demand for clothing and apparels is highly volatile and fashionable products have shorter life cycles, they need efficient supply chain. Walters (2003) suggested that for apparels, the level of inventory with channel partners needs to be optimum. Low level of inventory results sales lost while excess inventory results overstock and than sales of remaining stock at significant markdown. Giri and Rai (2003) concluded that in garment industry, there is a need for appropriate supply chain according to the size of company, its operational needs, customer focus, type of offerings and target customer group. Abernathy, Volpe and Weil (2006) also established that frequent replenishment of stock is important for fashion products. Chan and Chan (2010) explained that with increase in demand for fast fashion in clothing, customers expect broader variety and frequent design changes.

Frayne and Geringer (2000) observed improvement in performance of sales persons who participated in training. This performance improvement included higher sales, higher motivation, better rating by managers and higher self-efficacy. Mabey and Ramirez (2005) explained relationship between financial performance of the organizations and employees training. Aguinis and Kraiger (2009) also concluded that training has significant role in enhancing salespersons productivity, customer satisfaction, employees' motivation and overall financial performance of the firm.

Economic and social environment of any nation is largely influenced by inclusive growth with indiscriminating opportunities to all the sections of the society. This results in reducing the gap between the affluent class and the aspirant class of business and industry by encouraging start ups and helping them to grow. These new entrepreneurs and start ups might have a good vision, but sometimes they cannot procure enough information and suggestions from business consultants and other sources. Clothing being one of the most important and prominent consumer products, a large number of established and new firms are striving to grow in this competitive market. Though a large population in India still cannot afford to buy expensive branded apparels, there is dearth of enough researches focusing on small brands of apparels in India. In this context, it is important to analyze the strategies which could be helpful for small brands of apparels to achieve growth and success in long run.

3. RESEARCH METHODOLOGY

To explore and analyze various aspects growth of small brands of apparels, a comprehensive study has been conducted from July 2015 to May 2016. Exploratory research has been conducted through research papers, articles, quality magazines and articles features on growth of small brands and apparel industry. Brands which have evolved during last twenty years, had regional presence or limited product categories, low investments in plant (up to Indian Rupees five crore) and promotions at the time of inception have been considered for the study. Keller and Lehmann (2005) suggested that sales can be used as a determinant to evaluate effectiveness of marketing program as the primary payoff from customers thoughts, feelings and perceptions is the purchase they make. So, increase in net sales has been considered as a determinant to represent growth for apparel brands. Prowess (A Centre for Monitoring Indian Economy software) has been used to acquire authentic historical data related to net sales, year of inception and investments of marketers of Indian apparel brands. For this study, four marketers of small brands have been chosen from the list of qualified brands on the basis of availability of channel partners for study. Structured interview has been used to collect primary data from forty eight channel partners (Dealers, distributors, multi-brand retailers, exclusive stores, franchise outlets etc.) of chosen brands of apparels. For this, a questionnaire has been used, in which, questions related to channel partners' perception of marketer's sales team support, promotion support, sales promotion activities, employees' training, investments, replenishment policies, designs, supply chain, customer perception of quality, price, durability and satisfaction have been asked. Considering the categorical nature of data, and sales being dependent on other factors, cross-tabulation has been used to determine the association between sales and other factors. Table 39.1 exhibits construction of scale and different indicators along with the question no in the questionnaire.

Table 39.1
Indicators and Constructs

Construct	Number of Indicators	Questions	Source
Customer satisfaction	1	3	Anderson and Sullivan, 1993
Customers' feedback considered	1	4	Developed by authors
Sales team support	1	5	Developed by authors
Quality, price and design	3	8, 9, 10	Esquivias, Knox and Visser, 2013
Advertising and promotions	1	7	Smith and Amos, 2004
Stock replenishment	1	6	Abernathy, Volpe and Weil, 2006
Supply chain efficiency	1	6, 15	Richardson, 1996
Sales persons' training	1	5, 17	Frayne and Geringer, 2000

Hypotheses

Hypotheses have been developed to establish relationship between sales (which has been used as a parameter for growth) and other observed variables.

Hypothesis 1:

$H^{0\ Customer\ Satisfaction}$: There is no association between sales and customer satisfaction.

Hypothesis 2:

$H^{0\ Feedback\ Considered}$: There is no association between sales and customer feedback taken into consideration.

Hypothesis 3:

H^{0} Sales Team Support : There is no association between sales and support of company's sales team to the channel partners.

Hypothesis 4:

H^{0} Replenishment Frequency : There is no association between sales and frequency of replenishment of stock.

Hypothesis 5:

H^{0} Ads Promotions : There is no association between sales and ads and promotions.

Hypothesis 6:

H^{0} Quality : There is no association between sales and quality of apparels.

Hypothesis 7:

H^{0} Designs : There is no association between sales and designs of apparels.

Hypothesis 8:

H^{0} Price Perception : There is no association between sales and customers' perception of price of apparels.

Hypothesis 9:

H^{0} Sales Team Training : There is no association between sales and training of channels partners' sales team.

Hypothesis 10:

H^{0} Unsold Stock Return : There is no association between sales and proportion of returned unsold stock.

Analysis

In different hypotheses, the probability values of chi square have been considered to establish association between sales and observed variables.

Hypothesis 1: Table 39.2 shows the results of Chi square test for association between sales and customer satisfaction.

Table 39.2
Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	14.588[a]	3	.002
Likelihood Ratio	17.121	3	.001
Linear-by-Linear Association	.944	1	.331
N of Valid Cases	48		

[a]4 cells (50.0%) have expected count less than 5. The minimum expected count is .29.

H^{0} $^{Customer\ Satisfaction}$: Pearson Chi square probability value .002 is less than significance level 0.05, so null hypothesis of no association is rejected

Hypothesis 2: Table 39.3 exhibits the results of Chi square test for association between sales and customer feedback taken into consideration.

Table 39.3
Chi-Square Tests

	Value	*df*	*Asymp. Sig. (2-sided)*
Pearson Chi-Square	10.524^{a}	9	.000
Likelihood Ratio	7.269	9	.609
Linear-by-Linear Association	.025	1	.873
N of Valid Cases	48		

^{a}12 cells (75.0%) have expected count less than 5. The minimum expected count is .02.

H^{0} $^{Feedback\ Considered}$: Pearson Chi square probability value .000 is less than significance level 0.05, so null hypothesis of no association is rejected.

Hypothesis 3: The results of Chi square test for association between sales and sales team support to the channel partners are shown in Table 39.4.

Table 39.4
Chi-Square Tests

	Value	*df*	*Asymp. Sig. (2-sided)*
Pearson Chi-Square	7.613^{a}	9	.004
Likelihood Ratio	8.588	9	.476
Linear-by-Linear Association	2.425	1	.119
N of Valid Cases	48		

^{a}12 cells (75.0%) have expected count less than 5. The minimum expected count is .02.

H^{0} $^{Sales\ Team\ Support}$: Null hypothesis of no association is rejected as Pearson Chi square probability value .004 is less than significance level 0.05

Hypothesis 4: Table 39.5 shows the results of Chi square test for association between sales and the frequency of stock replenishment.

Table 39.5
Chi-Square Tests

	Value	*df*	*Asymp. Sig. (2-sided)*
Pearson Chi-Square	20.914^{a}	6	.002
Likelihood Ratio	19.437	6	.003
Linear-by-Linear Association	1.974	1	.160
N of Valid Cases	48		

^{a}8 cells (66.7%) have expected count less than 5. The minimum expected count is .02.

$H^{0 \text{ Replenishment Frequency}}$: Probability value of Pearson Chi square is .002, which is less than significance level .05. Null hypothesis of no association is rejected.

Hypothesis 5: Table 39.6 exhibits the results of Chi square test for association between sales and ads and promotions.

Table 39.6
Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	12.334[a]	12	.009
Likelihood Ratio	12.249	12	.426
Linear-by-Linear Association	.003	1	.955
N of Valid Cases	48		

[a]16 cells (80.0%) have expected count less than 5. The minimum expected count is .02.

$H^{0 \text{ Ads Promotions}}$: Pearson Chi square probability value .009 is less than significance level 0.05, so null hypothesis of no association is rejected.

Hypothesis 6: The results of Chi square test for association between sales and quality of apparels is exhibited in Table 39.7.

Table 39.7
Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	11.880[a]	9	.000
Likelihood Ratio	8.415	9	.493
Linear-by-Linear Association	.003	1	.953
N of Valid Cases	48		

[a]12 cells (75.0%) have expected count less than 5. The minimum expected count is .02.

$H^{0 \text{ Quality}}$: Pearson Chi square probability value .000 is less than significance level 0.05, so null hypothesis of no association is rejected

Hypothesis 7: Table 39.8 shows the results of Chi square test for association between sales and the designs of the apparels.

Table 39.8
Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.766[a]	3	.002
Likelihood Ratio	1.056	3	.788
Linear-by-Linear Association	.622	1	.430
N of Valid Cases	48		

[a]4 cells (50.0%) have expected count less than 5. The minimum expected count is .29.

$H^{0\ Designs}$: Probability value of Pearson Chi square .002 is less than the significance level 0.05. Null hypothesis of no association is rejected.

Hypothesis 8: Table 39.9 exhibits the results of Chi square test for association between sales and customers' perception of reasonable price.

Table 39.9
Chi-Square Tests

	Value	*df*	*Asymp. Sig. (2-sided)*
Pearson Chi-Square	12.607[a]	9	.001
Likelihood Ratio	9.932	9	.356
Linear-by-Linear Association	.001	1	.982
N of Valid Cases	48		

[a]13 cells (81.3%) have expected count less than 5. The minimum expected count is .06.

$H^{0\ Price\ Perception}$: Pearson Chi square probability value .001 is less than the significance level 0.05, so null hypothesis of no association is rejected.

Hypothesis 9: The results of Chi square test for association between sales and training to sales team of channel partners are exhibited in Table 39.10.

Table 39.10
Chi-Square Tests

	Value	*df*	*Asymp. Sig. (2-sided)*
Pearson Chi-Square	14.758[a]	12	.000
Likelihood Ratio	11.403	12	.495
Linear-by-Linear Association	3.699	1	.054
N of Valid Cases	48		

[a]16 cells (80.0%) have expected count less than 5. The minimum expected count is .06.

$H^{0\ Sales\ Team\ Training}$: Probability value of Pearson Chi square .000 is less than the significance level 0.05. Null hypothesis of no association is rejected.

Hypothesis 10: Table 39.11 exhibits the results of Chi square test for association between sales and proportion of returned unsold stock.

Table 39.11
Chi-Square Tests

	Value	*df*	*Asymp. Sig. (2-sided)*
Pearson Chi-Square	35.437[a]	15	.002
Likelihood Ratio	24.212	15	.062
Linear-by-Linear Association	5.036	1	.025
N of Valid Cases	48		

[a]20 cells (83.3%) have expected count less than 5. The minimum expected count is .02.

H^0 Unsold Stock Return : Null hypothesis of no association is rejected as probability value of Pearson Chi square .002 is than the significance level 0.05.

Distribution Channels: Analysis of frequency tables shows that among the studied brands, all the marketers use multi-channel approach of distribution. While company-owned stores are preferred by only 31% of the respondents, franchise option is more popular and used by 71% of respondents. All the studied brands use multi-brand stores and online stores for making products available to the customers.

Security deposit and payment terms: Table 12 exhibits the details of amount of security deposit by channel partners with the marketers while table 12 shows the terms and conditions of payment by channel partners to the marketers.

Table 39.12
Amount of security deposit

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Upto 5,00,000	2	4.2	4.2	4.2
	5,00,001 to 10,00,000	12	25.0	25.0	29.2
	15,00,001 to 20,00,000	1	2.1	2.1	31.2
	More than 20,00,000	2	4.2	4.2	35.4
	None	31	64.6	64.6	100.0
	Total	48	100.0	100.0	

Among the interviewed channel partners, most of the respondents have not deposited security money with the marketers.

Table 39.13 shows channel partners' payment terms with marketers.

Table 39.13
Terms of payment with the company

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Advance payment	13	27.1	27.1	27.1
	Payment on arrival of stock	7	14.6	14.6	41.7
	One month credit	17	35.4	35.4	77.1
	Credit for more than a month	6	12.5	12.5	89.6
	Sales amount deposited in company's account	4	8.3	8.3	97.9
	Others	1	2.1	2.1	100.0
	Total	48	100.0	100.0	

Analysis of frequency table shows that marketers prefer providing channel partners with one-month credit while advance payment option is also popular in apparel industry.

Transportation: Courier is the most preferred medium of transportation, used by approximately 90% of the respondents. Use of air cargo and trucks is also exercised by some marketers. Marketers of all the studied brands pay freight for transportation of goods.

Promotional Offers: Discount on MRP (Maximum Retail Price) is the most common tool for promotion by 85% of the studied brands, while most of the marketers (83%) carry out promotional offers 3-4 months a year.

Investments by channel partners: About 48% of the interviewed channel partners have invested more than Indian Rupees 8 Lacs up to Indian Rupees 10 Lacs in the products of brands being studied, while around 33% have Indian Rupees 5 Lacs up to Indian Rupees 8 Lacs as investments. Table 39.14 exhibits frequency distribution of different options related to the proportion of investments by dealers and marketers.

Table 39.14
Proportion of investment by dealer and company

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Dealer only	14	29.2	29.2	29.2
	80(D):20(C)	7	14.6	14.6	43.8
	70(D):30(C)	9	18.8	18.8	62.5
	60(D):40(C)	2	4.2	4.2	66.7
	50:50	6	12.5	12.5	79.2
	Company only	8	16.7	16.7	95.8
	Any other condition	2	4.2	4.2	100.0
	Total	48	100.0	100.0	

In around 29% of the cases 'dealers only' are responsible for investments in products, while other options are also exercised.

Average monthly turnover of brands under consideration with different channel partners is exhibited in Table 39.15.

Table 39.15
Average monthly turnover

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Upto 50,000	1	2.1	2.1	2.1
	50,001 to 1,00,000	16	33.3	33.3	35.4
	1,00,001 to 1,50,000	11	22.9	22.9	58.3
	1,50,001 to 2,50,000	13	27.1	27.1	85.4
	More than 2,50,000	7	14.6	14.6	100.0
	Total	48	100.0	100.0	

As shown in Table 39.15, around 33% of the channel partners admitted to have a monthly turnover between ₹ fifty thousand to one Lac, while 27% have between 1.5 Lacs to 2.5 Lacs and around 23% of the respondents stated that the monthly turnover is between 1 Lac to 1.5 Lacs.

Unsold stock returns: Frequency distribution of proportion of unsold stock returned by the dealers to the marketers is exhibited in Table 39.16.

Table 39.16
Proportion of unsold stock returned

		Frequency	*Percent*	*Valid Percent*	*Cumulative Percent*
Valid	None	2	4.2	4.2	4.2
	Around 10%	3	6.2	6.2	10.4
	Around 20%	2	4.2	4.2	14.6
	Around 30%	25	52.1	52.1	66.7
	Around 40%	1	2.1	2.1	68.8
	50% or more	15	31.2	31.2	100.0
	Total	48	100.0	100.0	

4. FINDINGS

It has been observed that sales of apparels is influenced by factors like customers' perception of price, durability, quality, ads and promotions, sales promotions and frequent replenishment of stock at store. Growth in sales is also observed in apparel brands that take into consideration feedback provided by the customers and offer trendy and fashionable products. Marketers' sales team support and training to the employees of channel partners also play important role in increasing sales. All the four studied brands which have experienced growth, have been using multiple channels (online stores, multi-brand stores, franchise stores and company-owned stores) for making products available to the customers. This helps them to reach multiple customer segments and enhance brand image. As marketers get financial support from franchise store in the form of security deposit and cost of store operations are borne by franchise-owner, franchise stores are preferred by marketers over company-owned stores. It is observed that the average monthly turnover for most of the apparels brands under consideration vary depending on location of the store, variety offered and other related factors. An important finding shows that in most of the cases, 30% or more of unsold stock is retuned by channel partners to the marketers. This confirms earlier findings that emphasizes on the need for efficient inventory management (Richardson, 1996). Importance of holistic support to the channel partners has been described through the fact that most of the marketers pay all freights for transportation of goods. As efficient supply chain is one of the key differentiation factors in clothing sector, courier services are the most preferred means of transportation. Realizing its pros and cons, marketers of studied brands use sales promotion very carefully and mostly offer discounts on MRP (Maximum Retail Price) for 3-4 months a year. Depending on variety and turnover, investment amount vary from dealer to dealer and in most cases dealers only are responsible for all the investments in stock.

5. CONCLUSION

Competitive business environment and rapidly changing consumers' buying behavior and preferences pose strong challenges for marketers in achieving growth and sustaining it. While apparel industry provides marketers with tremendous opportunities, understanding of variables, which could help marketers to achieve their goals, is significant. The study explores various variables and attributes that are important. These variable and attributes have helped marketers of small brands of apparels grow and sustain their market position. It is derived that sales, which could be considered as an indicator for growth, has association with different variables like price, design, customer satisfaction, quality, promotions and stock replenishment.

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