

INDIAN CONSUMER PURCHASE BEHAVIOR
OF FOREIGN BRAND JEANS

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CHAPTER I

INTRODUCTION

Background

Emerging Indian Market

India, one of the world's fastest-growing economies (Gupta, 2005), is the largest market in the developing world after China (Sethi, Datta, Wise, & Naidu, 1990). India's economy has grown by six percent annually since 1991 (Grimes, 2007). With a population of over one billion, India is a significant potential market for U.S. exporters who offer the right products, services, and commitment (U.S. Department of Commerce, 2005). Even conservative predictions indicate that India's Gross Domestic Product (GDP) will rank among the world's top five in 2025 (Sinha, 2005).

India's market potential is greater than many countries in Western Europe (Bandyopadhyay, 2001). The size of India's market, its location, the availability of significant natural resources, and its highly intelligent and skilled people will make India an attractive priority for global business (Banks & Natarajan, 1995). India was the 12th largest economy in the world in 2003 and the fourth largest in purchasing power parity (PPP) terms in 2003 (U.S. Department of Commerce, 2005). A well-educated middle class of 150 to 200 million, a strong industrial base, and a highly skilled workforce emphasize the market potential of India (Pysarchik, Chung & Plank, 1999).

Undoubtedly, India will increasingly become a serious player in the development of Asian and world markets (Banks & Natarajan, 1995). India is especially an important market for the U.S. In 2005, the economic growth of India – with a GDP of US\$690 billion (more than US\$3 trillion in PPP terms) – exceeded that of the U.S. (Biswas, 2006). The total trade between the U.S. and India was \$21.66 billion, and U.S. exports to India increased to \$6.1 billion, a 22.4% increase from the previous year, 2004. Also, according to the U.S. Department of Commerce (2005), U.S. imports from India in 2004 totaled \$15.56 billion, a 19.2% increase from the previous year, 2003. In addition, India's disposable income is expected to rise an average of 8.5% per year until 2015 (Biswas, 2006). In summary, India is a significant market for the U.S. and is a salient competitor of other world markets.

The apparel industry is one of India's largest sectors. By 2015 the apparel retail sector is expected to grow into a \$64 billion enterprise from its current \$10 billion (Hasan, Issar, Ojha, & Singh, 2006). Growing consumer income and consumption needs are fueling Indian consumers' desires for clothing and apparel ("Indian retail – case study," 2006). The importance of the Indian market and growing Indian consumer demand is such that many U.S. apparel companies, such as Ralph Lauren, Nike, Levi, etc., are doing business in the Indian market (Moreau & Mazumdar, 2007). Other leading companies in the world also plan to do business in India ("Indian retail: The Indian retail bazaar," 2006).

Indian Culture

Like many Asian cultures, such as China, Japan, and Korea, Indian society has reflected certain characteristics of collectivism. The basic cultural orientation of India is rooted in Buddhism, Vedantic and Yogic psychology, derivative epic, and Pauranic literature (Chakraborty, 1991). Hofstede (2001) found that India is considered to have a coexistence of collectivist and individualist cultures, and its power distance score is high. These cultural characteristics are clearly in contrast to the U.S., which portrays individualism and small power distance.

The Indian caste system has deep historical roots with the tradition dating back 3,000 years. This system is a hierarchical structure that divided the population initially into four (and later into five) mutually exclusive, exhaustive, hereditary, and occupation-specific varnas (translated into English as castes) (Deshpande, 2000). This hierarchy dictates all aspects of a person's existence (Pick & Dayaram, 2006). The caste system has been a method of exercising and maintaining social control, as well as a way of dividing labor (Pick & Dayaram, 2006). At the bottom of Indian society, caste discrimination has limited access to education and jobs, and attitudes rooted in this ancient tradition have been slow to change within the population (Sengupta, 2006).

Hinduism is also a significant characteristic of Indian society. A religion rooted in India, Hinduism focuses on self-improvement with the general aim of attaining personal and spiritual experiences (Kumar & Sethi, 2005). With 82% of the population practicing Hinduism, the religion provides a common basis for the Indian culture (Maxwell, 2001).

Consumers in India

Indian consumerism is developing quickly. The country's consumers have moved from price consideration to a desire for design and quality. That is, they now have a willingness to experiment with mainstream fashion (Biswas, 2006). This growth of consumerism is leading to a demand for luxury goods, cosmopolitan fashions, and international brands.

The growing income and demand of Indian consumers is also leading to an increase in consumer consumption. India's urban population will reach 85 million over the next 10 years, becoming second only to China (Biswas, 2006). Young urban families have both spending power and the desire to spend up to 2.5 times more than rural households (Biswas, 2006). India's consumer demand is increasing three to five times faster than its economy, a feature of an aspiring middle class that is young, vibrant, and growing.

Indeed, one of the characteristics of India is its young population. Seventy percent of India's citizens are less than 36 years old, and the country holds 20% of the world's population under the age of 24 (Sinha, 2005). The young generations of India have been raised in the post liberalization era of fast growth and underlying optimism (Bharadwaj, Swaroop, & Vittal, 2005) and are more confident about the future. Following their increasing incomes, these characteristics of young Indians have an effect on the product categories and brands they select (Bharadwaj et al., 2005).

The growth of India's middle class is also significant. Approximately 150 million people now comprise the middle-class market in India. This market segment and its disposable income will grow as India's wealth increases. Deregulation of the economy makes it easier for foreign businesses to access this market segment (Banks & Natarajan,

1995). Therefore, a fast growing demand, increasing income, increasing consumption, young consumers, and a huge middle class make India a significant market for U.S. apparel companies. However, it is important for U.S. companies to understand Indian consumer attitudes toward U.S. apparel.

The Theory of Reasoned Action

The theory of reasoned action is one of the most frequently used models to predict consumer behavior (Choo, Chung, & Pysarchik, 2004). This theory is viewed as the most persistent treatment of the attitude-behavior intention relationship (Ajzen & Fishbein, 1980; Fishbein, 1963, 1980). The theory of reasoned action is also widely known as the Fishbein behavioral intention model. This model explains that behavioral intention is the best predictor of behavior and that behavioral intention is predicted by a combination of attitude (personal component) and subjective norm (social component) (Fishbein, 1980). The Fishbein behavioral intention model is well known to consumer researchers. It has been used to study many areas, including online, apparel, coupon usage, addictive, leisure, career, and patient behaviors (e.g., Bledsoe, 2006; Bosnjak, Obermeier, & Tuten, 2006; Kang, Hahn, Fortin, Hyun, & Eom, 2006).

This widely accepted model, however, was not enough to explain behavioral intention. Thus, the Fishbein behavioral intention model was modified by Ajzen (1991) and Lee (1990). Ajzen's (1991) theory of planned behavior is an extension of the theory of reasoned behavior made necessary by the original model's limitation in dealing with behaviors over which people have incomplete volitional control. Ajzen (1991) added perceived behavioral control to provide a useful tool to predict a wide range of behaviors.

Perceived behavioral control refers to the perceived ease or difficulty of performing the behavior, and it is assumed to reflect past experience as well as anticipated impediments and obstacles.

Lee (1990) assumed that Fishbein's behavioral intention model was more appropriate to Western cultures, such as the U.S. and European countries, than to Confucian countries (i.e., China, Korea, etc). Therefore, Lee (1990) proposed a modified Fishbein behavioral intention model in which face saving and group conformity replaced the subjective norms in Fishbein's model. The modified Fishbein model was found to better predict consumer purchase behaviors in Confucian cultures (Lee, 1990).

According to Lee, the main difference between Western culture and Confucian culture is the dimension of individualism versus collectivism (1990). The contrast on this dimension of collectivism and individualism involves two aspects – face saving and group conformity. “Face” is an important concept among people in Confucian cultures, and it has a pervasive influence on relationships between people (Yau, 1986). Therefore, face saving is a concept of central importance among people in Confucian cultures (Lee, 1990), and it is the effort to maintain the individual's reputation in interpersonal relations (Chung & Pysarchik, 2000). Lee (1990) explained that “the ‘group conformity’ concept, which is the collectivistic nature of Confucian society, is reflected in its family and kinship system. For people of this society, a primary concern is how to protect and enhance their private family and kinship interest” (Lee, 1990, p. 30). Group conformity is defined as “a change in beliefs or actions based on real or perceived group pressures” (Blackwell, Miniard, & Engel, 2006, p. 399). Conformity is the effort not to break harmony with others and to maintain strong relationships among family members and

peers and within kinship systems in the collectivist nature of Confucian society. It also is an effort to be in harmony with others and to conform to interpersonal relations (Lee, 1990).

Problems

This study identifies research gaps in the extant literature. First, despite its huge population and growth potential, India has only recently gained the attention of consumer behavior scholars (Brokaw & Lakshman, 1995; Choo et al., 2004; Pysarchik et al., 1999; Sarin & Kapur, 1990). If businesses are to expand into this lucrative market, it is important to know Indian consumer behaviors toward U.S. apparel.

Second, limited clothing research related to Indian consumers exists, even though multinational apparel brands operate in the Indian market and Indian consumers have increased purchasing power with regards to buying foreign brand apparel. Only a little consumer research has been conducted in India, and it focused on the food industry (Choo et al., 2004).

Third, while the theory of reasoned action model has been used to study some countries, such as the U. S. (Chung & Pysarchik, 2000; Kwak, Jaju, & Larsen, 2006; Lee & Green, 1991; Summers, Belleau, & Xu, 2006), China (Singh, Fassott, Zhao, & Boughton, 2006), and South Korea (Kwak et al., 2006; Lee, 1990; Lee & Green, 1991), it has not been used to explain Indian consumer behaviors.

Last, an unstudied area of consumer behavior is the relationship between intention and actual purchase. While Fishbein's behavioral intention model posits that behavioral intention best predicts behavior, it is unclear whether that relationship is

always true. Most research related to Fishbein's behavioral intention model has focused on the relationships between intention and attitudes, subjective norm, and perceived behavioral control. It is difficult to find a study that includes the relationship between purchase intention and actual purchase within the content of behavioral intention models.

Purpose of the Study

Acknowledging the voids identified above, this study aims to address them. Two existing models, Ajzen's (1991) theory of planned behavior and Lee's (1990) modified Fishbein behavior intention model, form the theoretical framework to analyze Indian consumers' actual purchase behaviors of foreign brand jeans. This study chose denim jeans as they are one of the first foreign products to be imported into a country (McCracken, 1986; Tse, Belk, & Zhou, 1989). The study posits that Indian consumer purchase behavior can be best described in a complete framework comprised of face saving, group conformity, attitudes, subjective norm, perceived behavioral control, intention, and actual purchase. Therefore, the purpose of this study is to test Indian consumers' purchase behaviors of foreign brand jeans using the proposed research framework. The developed research model will be used to predict, explain, and influence Indian consumers' intentions, as well as actual purchase behaviors, of foreign brand jeans.

Significance of the Study

This study will examine the Indian consumer purchase behavior of foreign brand jeans using behavioral intention models. It will produce an empirical study of integrated Ajzen (1991) and Lee (1990) models, as well as refine the model for Indian consumers.

Findings of this study will determine which factors are important in explaining Indian consumers' purchase decisions of foreign brand jeans. Findings will also attempt to determine whether a gap exists between intention and action among Indian consumers. Thus, foreign brand companies can use the results of this study to design effective marketing strategies for the Indian market and similar developing countries.

Hypotheses

H1a: There will be no relationship between *face saving* and *attitude* toward foreign brand jeans.

H1b: There will be no relationship between *face saving* and *purchase intention* of foreign brand jeans.

H2a: There will be no relationship between *group conformity* and *attitude* toward foreign brand jeans.

H2b: There will be no relationship between *group conformity* and *purchase intention* of foreign brand jeans.

H3: There will be a positive relationship between *attitude* and *purchase intention* of foreign brand jeans.

H4: There will be a positive relationship between *subjective norm* and *purchase intention* of foreign brand jeans.

H5: There will be a positive relationship between *perceived behavioral control* and *purchase intention* of foreign brand jeans.

H6: There will be no relationship between *purchase intention* and *the actual purchase* of foreign brand jeans.

Definitions

Face saving is a concept of central importance among people in Confucian cultures (Lee, 1990). It is the effort to maintain the individual's reputation in interpersonal relations (Chung & Pysarchik, 2000).

Group conformity is defined as “a change in beliefs or actions based on real or perceived group pressures” (Blackwell et al., 2006, p. 399). It is the effort not to break harmony with others and to maintain strong relationships among family members and peers and within kinship systems in the collectivist nature of Confucian society (Lee, 1990).

Attitude is an individual's positive or negative feeling about performing the target behavior (Fishbein & Ajzen, 1975).

Subjective norm is a person's perception of how others think he or she should behave, and his or her motivation to comply with the expectations of these referents (Fishbein & Ajzen, 1975).

Perceived behavioral control is the perceived ease or difficulty of performing the behavior (Ajzen, 1991).

Purchase intention represents motivational components of a behavior (Shim, Eastlick, Lotz, & Warrington, 2001), and is the plan to buy products for future.

Power distance indicates the degree of unequally distributed power in a society (Hofstede, 2001).

Note: In this study, we define *foreign brand jeans* as being imported from developed or economically advanced countries.

Limitations

This study's sample will be collected in one particular area of India (i.e., Bangalore) and will represent a certain demographic group (i.e., college students). Therefore, the study results may vary from behavior in different parts of India and with different demographic backgrounds.

Outline of Work

This thesis will consist of five chapters. Chapter One provides an introduction to the problem area, the problem as it is acknowledged in previous literature, a statement of the purpose of the research, discussion of terms used in the study, and the limitations inherent in the research design. Chapter Two offers an overview of the existing literature on 1) the Indian market, 2) Indian culture, 3) Indian consumers, and 4) behavior intention models (the theory of reasoned action, the theory of planned behavior, and Lee's modified model). This chapter also develops the conceptual framework that underlies the study and offers the hypotheses to be tested. Chapter Three describes the research method, the nature of the sample, and the design of the study. Chapter Four presents the results of the measurement model using confirmatory factor analysis, structural equation model analysis, and testing of the research hypotheses. Chapter Five summarizes the findings of the research model. In addition, based on these findings, it provides conclusions, implications, limitations, and recommendations for future study.

CHAPTER II

REVIEW OF LITERATURE

This section is composed of three parts. It introduces 1) India's market, culture, and consumers; 2) behavioral intention models; and 3) the model development for this study.

India

Indian society is the most stratified society in the world. In addition to huge income disparities, caste, religious, and community differences are deeply engraved into everyday social relations (Gupta, 2005). This section will introduce the market potential of India, a highly diversified Indian culture, and Indian consumer behavior.

1. Indian Market

India is the largest market in the developing world after China (Sethi et al., 1990). Its potential market size and fast economic growth will help it become one of the richest countries in the world.

1-1. Rising Indian Market

India is on the verge of overtaking Japan to become the third-largest economy in the world (Mishra, 2006). Even conservative predictions state that India will rank among the

world's top five economies by GDP in 2025, up from tenth today (Sinha, 2005). In addition, during the next few decades, India will likely surpass China as the world's most populous country. Therefore, multinational consumer goods companies seeking faster growth must begin to focus on the Indian subcontinent (Bharadwaj et al., 2005).

India has focused on foreign capital, so its investment climate is improving. Since 1991, India has attracted \$30 billion in foreign capital, and inflows have doubled since 1995 (Sinha, 2005). The U.S. is one of the largest investors in India. Foreign direct investment (FDI) from the U.S. is expected to exceed US\$1 billion by the end of 2006 (IBEF,

http://www.ibef.org/artdispview.aspx?in=31&art_id=15163&cat_id=436&page=2).

Liberalization has made India a hotbed for private equity, and portfolio investment is increasing at an annualized rate of more than \$10 billion (Sinha, 2005).

Indian consumer change is also vigorous. Significant growth is occurring in the middle class, income is rising, and the need for spending is increasing. India's National Council for Applied Economic Research (NCAER) estimates that the nation's middle class population currently comprises about 17 million households – 90 million people – with annual earnings ranging between \$4,500 and \$22,000 (Hasan et al., 2006). An additional 287 million people could be termed as 'aspirers' or those that hope to join the middle class in the near term (Hasan et al., 2006). According to NCAER data, the 81 million households of aspirers earn a minimum of \$4,500 per year (Bose, Mukherjee, Varadarajan, Sachitanand, & Srivastava, 2006). Rising incomes, particularly in lower and middle-income households, are impacting retail growth in India as these groups tend to spend more on upgrading and diversifying their lifestyles, eating out and moving on to

processed and convenience foods (Hasan et al., 2006). Accordingly, global executives have recognized India's potential as a consumer market (Sinha, 2005). The country's strong economy, a mushrooming middle class, and a young earning population is further spurred by a rapid rise in the proportion of working women in India (Hasan et al., 2006).

1-2. Apparel Retailing in India

The apparel industry is one of India's largest foreign exchange earners, accounting for nearly 16% of the country's total exports. Estimates state that India has approximately 30,000 readymade garment manufacturing units and around three million people working in the industry (Indiamart,

<http://apparel.indiamart.com/lib/garments/indian07251998.html>).

The organized retail sector is targeting high-income and urban customers. With the growth of malls, multiplexes, and supermarkets, consumers are treated to a completely different shopping experience ("India retail: reality check," 2007). Only 3% of India's overall retail is in the organized retail sector (CPIM, http://www.cpim.org/statement/2007/05302007_regulating%20organised%20sector%20in%20retail%20trade.htm). India's urban clothing market accounts for \$3.5 billion, offering the country's second-largest opportunity for organized retailers after the food and grocery retail sector (Fernandes, Gadi, Khanna, Mitra, & Narayanswamy, 2000). As an example, an estimated 40-50% of the Indian working woman's salary is spent on apparel and footwear (Hasan et al., 2006).

While organized retailing is currently only 3%, its growth potential is high. The Indian organized retail sector is expected to grow from its current \$10 billion to a \$64 billion enterprise by 2015. With the retail pie continuing to expand on the backs of rising disposable incomes and spending power, both domestic retailers and foreign players are expected to capitalize on the latent potential in the Indian marketplace (Hasan et al., 2006). Many foreign apparel brands from the U.S., France, Italy, the UK, etc. are available in India. Table 1 shows the launched foreign brands by entry year. As the table shows, the U.S. is the country that exports the largest number of foreign apparel brands to India, followed by Italy.

Brand name denim jeans are now widely accepted by Indian consumers. The jeans market started to take shape with the arrival of foreign labels (“Company & Industry: India,” 1996). Among foreign brand jeans, U.S. Levi Strauss, one of the most successful jean brands in the world, entered the Indian market in 1994, which was relatively early (“Levi Strauss hangs in,” 1998). Levi operates in the premium segment of the Indian jeans market, with its prices exceeding Rs 1,500 (US\$36) per pair, compared to Rs 700 (US\$17) for India’s domestic jeans. India’s jeans market has produced 24 million pieces annually, with the growth rate 10 to 12%, including premium jeans priced above Rs 999 (Kurian, 2005). Levi’s share in the jeans market is about 20%, but the jeans market is growing rapidly (“Levi Strauss hangs in,” 1998). Currently, Levi’s jeans are sold in 75 original stores, department stores, and stores that sell a variety of brand-name lines (Kurian, 2005). Levi jeans are sold in 62 Indian cities (IBEF, <http://www.ibef.org/download/Consumption.pdf>).

Table 1. Foreign Brands Launched in India

Brand	Entry Year	Country	Brand	Entry Year	Country
Adidas	1989	Germany	Bossini	2005	Hong Kong
Pierre Cardin	1994	France	Christian Dior	2006	France
Levi	1994	USA	Promod	2006	France
Nike	1995	USA	Giordano	2006	Hong Kong
Lee	1995	USA	Mango	2006	Spain
Reebok	1995	USA	Zara	2006	Spain
Benetton	1998	Italy	Nautica	2006	USA
Ermenegildo Zegna	1999	Italy	Guess	2006	USA
Van Heusen	2000	USA	DKNY	2006	USA
Marks & Spencer	2001	UK	Seven Jeans	2006	USA
Ralph Lauren	2001	USA	Versace	2006	Italy
Wrangler	2001	USA	Fendi	2006	Italy
Allen Solly	2001	UK	Dolce and Gabanna	2007	Italy
Louis Vuitton	2002	France	Armani	2007	Italy
Hugo Boss	2003	Germany	Gucci	2007	Italy
Daks Simpson	2004	UK	Diesel	2007	Italy
Bvulgari	2004	Italy	Sisley	2007	Italy
Mexx	2004	Netherlands	Banana Republic	2007	USA
Calvin Klein	2004	USA	Gap	2007	USA
Tommy Hilfiger	2004	USA	Kipling	2007	Belgium
La Senza	2004	Canada	FCUK	2007	UK
Channel	2005	France	Jimmy Choo	2007	UK
Esprit	2005	Hong Kong	Canali		Italy

Note: This table was developed by the author based on Brand Strategy, http://www.imagesfashion.com/back/profile/jun03_1_profile.html; IBEF, www.ibef.org; Moreau & Mazumdar, (2007); and “Indian retail: The Indian retail bazaar,” (2006).

2. Indian Culture

Hofstede defines culture as “the collective programming of the mind that distinguishes the members of one group or category of people from another” (Kumar & Sethi, 2005). Therefore, culture affects the ways in which people think and resolve conflicts in their everyday lives (Kumar & Sethi, 2005). In the following paragraphs, Indian culture will be

explained in terms of Hofstede's cultural dimensions and Hall's high and low context. Two primary cultural characteristics of India, Hinduism and the caste system, will be discussed later.

2-1. Hofstede's Cultural Dimensions

Hofstede (2001) specified four dimensions to explain cultural differences of countries: individualism/collectivism, power distance, uncertainty avoidance, and masculine/feminism.

Hofstede's individualism/collectivism dimension identifies the role of an individual and the group in a society. Individualism/collectivism compares cultures in which ties between individuals are loose with societies wherein people are integrated into strong interconnected groups (Kwak et al., 2006). While India has traditionally been characterized as collectivistic (Neelankavil, Mathur, & Zhang, 2000; Nelson & Devanathan, 2006), coexistence of individualism and collectivism in India is well evidenced in research literature (Hofstede, 2001; Kumar & Sethi, 2005).

Evidence of collectivism is found in Indian names, which often include parts of parental names, place of origin, or mythological characters implying connectivity with ancestors, the physical environment, and even the world of gods and goddesses (Sinha, 2005). India is characterized by vertical collectivism as opposed to horizontal collectivism (Kumar & Sethi, 2005). Horizontal collectivism emphasizes the sameness among individuals, while vertical collectivism stresses maintaining the integrity of the hierarchical order. Indians have been willing to accept incorrect orders because they were

unwilling to challenge their superiors. Thus, the “Sir Culture” is deeply embedded in the Indian society (Kumar & Sethi, 2005).

India also has evidence of individualism in its culture. Some scholars maintain that Indians behave in a collectivistic manner when they interact with members of their family, but they behave in an individualistic manner when interacting with non-family members. One interesting insight is that the Indians may use collectivistic behavior to attain individual goals and individualistic behavior to pursue collectivistic goals (Kumar & Sethi, 2005).

Hofstede’s cultural dimension of power distance indicates the degree of unequally distributed power in a society. In cultures of high power distance, dependence is expected and paternalism is the norm. Conversely, in a culture of low power distance, people are considered independent and equal. As a result, individuals in a lower power distance culture are more likely to trust each other. According to Hofstede’s (2001) study, India has a high power distance (Kwak et al., 2006).

The uncertainty avoidance dimension of Hofstede’s (2001) study indicates the extent to which members of a community feel threatened by uncertain or unknown situations. People from low uncertainty avoidance cultures are more favorably disposed toward products from different cultures than are people from high uncertainty avoidance cultures (Kumar & Sethi, 2005). Hofstede (2001) found that India has lower uncertainty avoidance.

The masculine/feminine dimension of Hofstede’s study indicates that masculine cultures are characterized by assertiveness, valuing achievement and abhorring failure, while feminine societies favor nurturing roles, interdependence between people, and

caring for others. Hofstede (2001) found that India has the masculine dimension. Thus, Indians are likely to express their opinions and argue with one another (Kumar & Sethi, 2005).

In summary, according to Hofstede's cultural dimensions, India has a coexistence of individualism and collectivism, high power distance, weak uncertainty avoidance, and the masculine dimension. Uncertainty avoidance and the masculine/feminine dimension of Hofstede's cultural dimensions are the same between India and the U.S. However, India is clearly contrasted with the U.S. in two of Hofstede's dimensions: individualism /collectivism and power distance. As indicated in Figure 1, the U.S. has a small power distance and individualism. However, India has a large power distance and a coexistence of individualism and collectivism. Therefore, research findings from the U.S. cannot be applied adequately to India.

2-2. Hall's High and Low Context Cultures

Hall (1984) classified countries according to two dimensions, high versus low context. The degree to which a message is communicated directly through explicit communication or indirectly through non-verbal or implicit communication characterizes high- or low-context communication, which varies across cultures (Hall, 1984).

Indian communication is generally characterized as a high context culture. Indians represent a group-explicit, non-verbal style, meaning that the message is communicated explicitly but through non-verbal communications (Nelson & Devanathan, 2006). In contrast, the U.S. is characterized as a low context culture in which individuals prefer verbal communication (Hall, 1984). That is, communication is through words. Therefore,

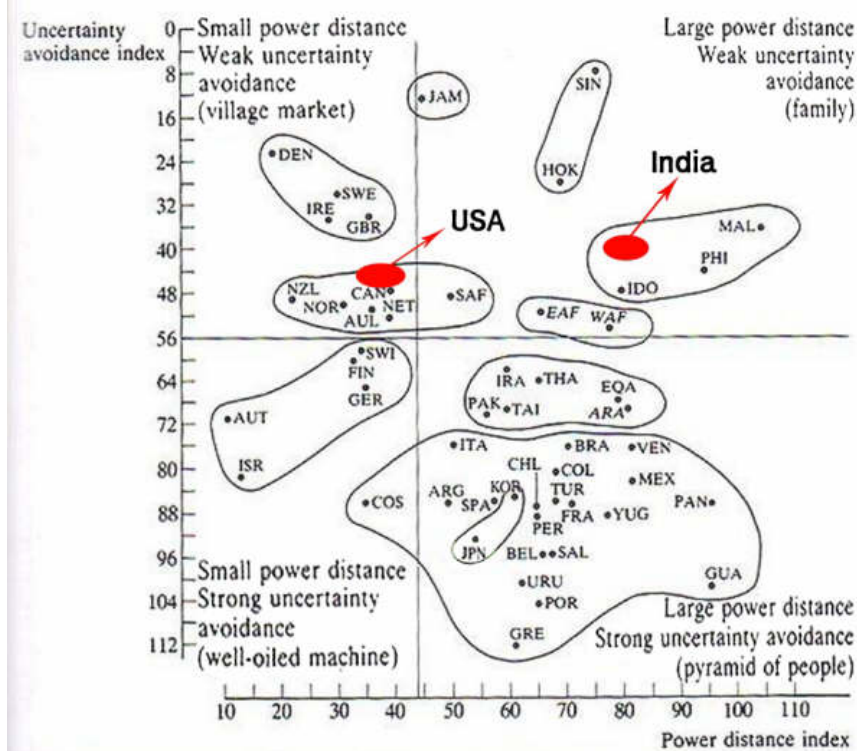
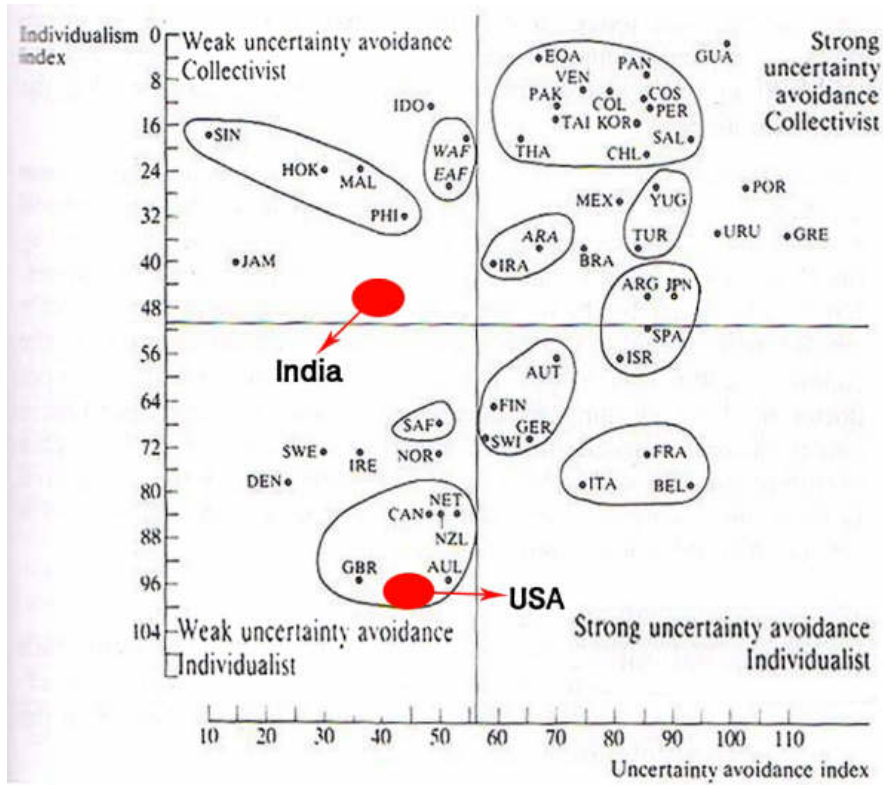


Figure 1. India and the U.S. as related to Hofstede's Cultural Dimensions.

the U.S. and India have totally opposite context cultures (U.S. low and India high), which indicates that research findings from the U.S. cannot be applied to India.

2-3. Hinduism

Of the world's major religions, Hinduism, Buddhism, Sikhism, and Jainism were born in India. According to the Census of 2001, 80.5% of the India population was Hindu, 13.4% Muslim, 2.3% Christian, 1.9% Sikh, 0.8% Buddhist, 0.4% Jains, and 0.6% others (Prasad, 2006). Therefore, Hinduism serves as the fundamental keystone in Indian culture. The primary principles of Hinduism continue to shape Indian thought and behavior (Kumar & Sethi, 2005).

Hinduism is the most ancient of the world's major religions (Bullis, 1997) and originated on the Indian subcontinent (Kumar & Sethi, 2005). The term "Hinduism" was first used by the British in the nineteenth century to describe the beliefs/values of individuals who were neither Christian nor Muslim. With its foundations in the Vedic civilization, it has no known founder, being itself a conglomerate of diverse beliefs and traditions. It has approximately a billion adherents, of whom about 890 million live in India, placing it as the world's third largest religion after Christianity and Islam. Other countries with large Hindu populations include Nepal, Sri Lanka, Bangladesh, Indonesia, and Malaysia (Kumar & Sethi, 2005).

Hinduism originates from the ancient Vedic tradition and other indigenous beliefs, incorporated over time. Prominent themes in Hinduism include *Dharma* (ethics and duties), *Samsara* (rebirth), *Karma* (right action), and *Moksha* (liberation from the cycle of *samsara*). Buddhism, Jainism, and Sikhism share traits with Hinduism because

these three religions originated in India and focus on self-improvement with the general aim of attaining personal (first hand) spiritual experiences. They, along with Hinduism, are collectively known as Dharmic religions (Kumar & Sethi, 2005).

Central to Hinduism is the doctrine of the transmigration of souls and the doctrine of *Karma*. *Karma* is the fundamental law of cause and effect by which the deeds in one's present life are rewarded or punished in the next life (Bullis, 1997). Hindus believe that all experiences in life contribute to the knowledge of the soul. As the soul evolves and gains knowledge, it may reach salvation, at which point the cycle of birth, death, and rebirth ceases (Bullis, 1997). Therefore, Hinduism influences the behavior and life of Indian consumers and sets Indian consumers apart from U.S. consumers.

2-4. Caste System

The caste system in India represents a hierarchical order of the society and stands in opposition to the norm of social equality (Kumar & Sethi, 2005). The caste system is a socially comprehensive, hierarchical system that stratifies the society. The system originated more than 3,000 years ago, and probably no aspect of Indian society has attracted greater attention than the caste system (Kumar & Sethi, 2005). This system has influenced social, economic, political, ritual, and religious aspects of life in India for centuries (Velayudhan, 2002).

The caste system consists of four broad castes, or varnas: *Brahman* (priests), *Kshatriya* (warriors), *Vaishya* (merchants), and *Shudra* (workers), as well as hundreds of subcastes or *jatis* (Kumar & Sethi, 2005). Each group in this hierarchical system has an important role to play in promoting the well-being of the society and has a specific

economic position assigned to it (Velayudhan, 2002). Moreover, each group has its own behavioral norms defining acceptable and unacceptable behavior (Kumar & Sethi, 2005).

The role of the caste in modern India, however, has changed. The country's economic base is no longer the village and the agricultural economy of a century ago (Velayudhan, 2002), and in the urban domain, the caste has less importance (Kumar & Sethi, 2005). In addition, because the caste is found only in India, it has become less important. However, the caste system still has an influence on Indian consumer behavior. With this uniqueness, Indian consumer behavior may be different from consumer behavior in such countries as the U.S. and China.

In summary, India is a highly culturally diversified country (Maxwell, 2001). The complexity of the Indian culture, which originates from the basic beliefs of Hinduism, has been subject to a number of influences (Kumar & Sethi, 2005). Thus, this complexity of the Indian culture may influence Indians' lives, acts, thoughts, and consumption behaviors.

3. Indian Consumers

The average Indian consumer is young, of the affluent middle class, and materialistic (Hasan et al., 2006). In addition, India's consumer demand is increasing three to five times faster than its economy. The following section introduces the overall characteristics of emerging Indian consumers and their attitudes toward foreign brands.

3-1. Characteristics of Indian Consumers

Indian consumers have shifted substantially toward consumerism, particularly over the past decade (Gopal & Srinivasan, 2006). The Indian middle class is larger than its counterpart in Western Europe, so it is attractive to multinational corporations (Nicholls, Roslow, Dubish, & Comer, 1996). Rising salaries, low interest rates, and new malls have made shopping the favorite pastime of India's burgeoning middle class (Bellman, 2005). A growing middle class provides the prospect for substantial sales (Kaye, 1989). Indian consumer demand is growing fast, and the middle class is a catalyst for demand. Members of the middle class, who once bought apparel and groceries from small and cluttered neighborhood market shops, now realize the joys of visiting swanky malls that have redefined freedom to shop and entertain (Hasan et al., 2006). To cater to this growing group of consumers, many U.S. apparel companies, such as Ralph Lauren, Banana Republic, Nike, Lee, Levi, etc., are doing business in the Indian market (Moreau & Mazumdar, 2007).

India's consumers are also young. Seventy percent of India's citizens are less than 36 years old, and the country is home to 20% of the world's population under the age of 24 (Sinha, 2005). Young Indian urbanites are willing to drive Ford cars, brush with Colgate toothpaste, wear Levi's jeans, and dance to hip-hop music (Wonacott & Terhune, 2006). These consumers also increasingly demand foreign brands (Bharadwaj et al., 2005).

Indians are becoming more materialistic. Indians have been stereotyped as deeply spiritual people who reject materialistic values, but this stereotype no longer reflects reality. For example, almost half of India's urban population had adopted a "work hard and get rich" mentality (Gopal & Srinivasan, 2006).

3-2. Indian Consumers' Attitudes Toward Foreign Brands

For more than four decades, India had socialistic economic policies, focusing on self-reliance in the consumer goods sector (Banks & Natarajan, 1995). In the late 1980s, however, the Indian government began taking steps to liberalize the economy and ease restrictions on imported goods. Although a wholly-owned retail sector is still banned, foreign players now operate exclusive branded stores with 51% FDI (Hasan, et al., 2006). Buying brand-name clothes was virtually unheard of in the 1980s because the import of consumer goods was severely restricted until 1991. However, due to the release of regulations, the Indian market has opened to many global companies and it has affected Indian marketplace change. Today, the Indian market is flooded with imported products from many countries widening the range of brands available for consumer consideration (Kinra, 2006). Imported products now compete with numerous traditional Indian brands (Bandyopadhyay, 2001). Due to Indian consumers' admiration for foreign brands, the country is one of the fastest growing luxury goods market in the world (IBEF, <http://www.ibef.org/PrintThisArticle.aspx?artid=14318&pgno=1&totalpage=1>).

Foreign brands that have successfully ventured into the Indian marketplace include Louis Vuitton Moet Hennessy, Marks & Spencer, Mango, and Versace. The imports that entered India "created a powerful image among the upper middle class that foreign goods were exotic, showy and better than Indian-made products" (Bullis, 1997, p. 64). The interest in foreign brands among Indian consumers has increased every year, thus India is becoming an increasingly attractive market for Western firms. Indians, especially middle class and young generations, have a more positive attitude toward

brands, particularly toward foreign brands (Maxwell, 2001). Empirical research has found that Indian consumer preference toward foreign brand goods, such as food (Choo et al., 2004; Pysarchik et al., 1999) and apparel (Jin, Chansarkar, & Kondap, 2006), is extremely positive.

Behavioral Intention Models

Fishbein's (1980) behavioral intention model (i.e., the theory of reasoned action) provides a general explanation for the relationships between attitude and behavior by using variables of belief, attitude, subjective norm, and behavioral intention. Ajzen (1991) provided a theory of planned behavior by adding perceived behavioral control to the model. In addition, Lee's (1990) modified model replaced subjective norm with face saving and group conformity to analyze consumers in Confucian cultures.

1. The Theory of Reasoned Action

To explain the relationships among behavior, intention, attitude, and norms, Fishbein and Ajzen (1975) proposed that behavioral intention (BI) leads to behavior (B), and that behavioral intention (BI) is determined by the consumer's attitudes toward purchasing or using a brand (A_{act}) and by a normative value or subjective norm (SN). In other words, a person's performance of a specified behavior is determined by his or her behavioral intention to perform the behavior, and behavioral intention is jointly determined by the person's attitudes and subjective norms (Lu, Lai, & Cheng, 2007).

Attitude toward behavior is defined as "an individual's positive or negative feeling about performing the target behavior" (Fishbein & Ajzen, 1975, p. 216). A

person's attitude towards a behavior is determined by his or her salient beliefs and evaluations (Lu et al., 2007). Lee and Green (1991) described the personal attitude toward the behavior as the person's judgment of being in favor of or against performing the behavior. Attitude toward the act (Aact) is a function of the perceived consequences people associated with the behavior (B) and the evaluation of those consequences (Lee & Green, 1991). Similarly, Choo et al. (2004) refer to attitudes toward the behavior to determine whether the person is in favor of or against engaging in the behavior.

Subjective norm refers to "a person's perception that most people who are important to him or her think he or she should or should not perform the behavior in question" (Fishbein & Ajzen, 1975, p. 302). An individual's subjective norm is determined by a multiplicative function of his or her normative beliefs and motivation to comply with perceived expectations (Lu et al., 2007). The subject norm is the person's perception of the social pressure to perform the behavior in question. That is, the subjective norm (SN) is represented as a function of beliefs about the expectations of important referent others (NB) and his/her motivations to comply with these referents (MC) (Lee & Green, 1991). These shared beliefs and expectations represent the salient values of a society (Singh et al., 2006).

The basic paradigm of the Fishbein behavior intention model is that behavior is affected by behavioral intentions (BI) that are affected by attitude (Aact) and subjective norm (SN). Figure 2 presents Fishbein's behavioral intention model, which is the theory of reasoned action model.

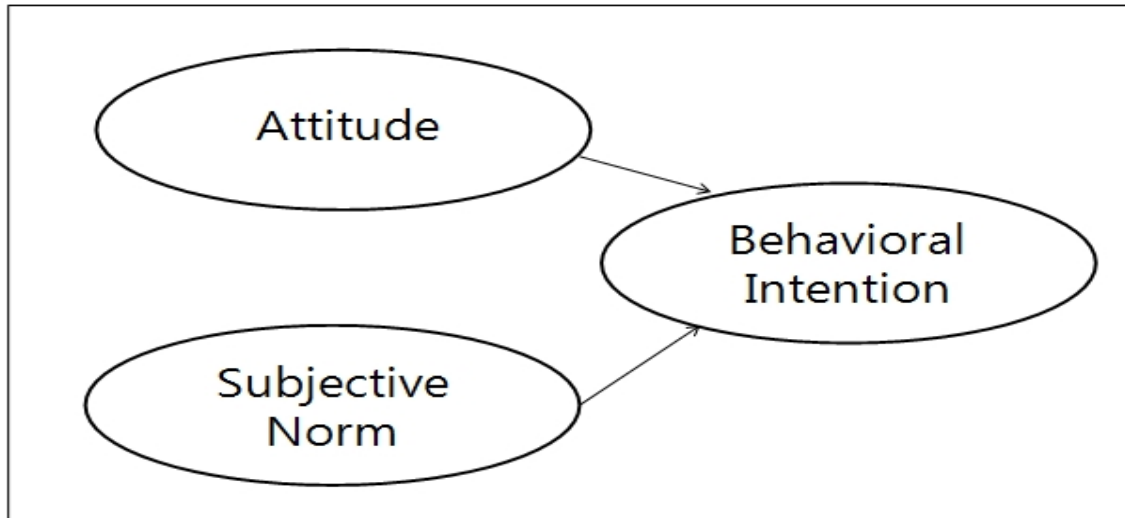


Figure 2. The Theory of Reasoned Action model.

Table 2. Summary of Selected Studies Using the Fishbein Behavioral Intention Model

Area	Independent variable	Author and Year
Online	Online bidding	Bosnjak et al. (2006)
Coupon	Use of e-coupons	Kang et al. (2006)
	Use of coupons	Bagozzi, Baumgartner, & Yi (1992), Shimp & Kavas (1984)
Apparel	Controversial luxury apparel goods	Summers et al. (2006)
	Purchase of clothing items	Miniard & Cohen (1981) (1983)
Consumer goods	Toothpaste	Ryan (1982)
	Usage of condoms	Otis, Godin, & Lamber (In press)
Addictive behavior	Drinking problems	Schlegel, d'Averna, Zanna, DeCourville, & Manske (1990)
	Smoking cessation behavior	Bledsoe (2006)
Leisure	Leisure behavior	Ajzen & Driver (1992)
	Exercise, studying, and dating behaviors	Bentler & Speckart (1981)
Donation	Donation of blood	Burnkrant & Page (1982)
Job and Career	Job application decision	Van Hooft, Born, Taris, & Flier (2006)
	Career choice	Giles & Rea (1999), Strader & Katz (1990)
	Women's career behavior	Vincent, Peplau, & Hill (1998)
	Intention to switch from a full time job to a part time job	Van Vianen & Nieuwland (1985)
Health	Physician intention to prescribe emergency contraception	Sable, Schwartz, Kelly, Lisbon, & Hall (2006)
	Patient compliance during orthodontic treatment	Bos, Hoogstraten, & Prah-Andersen (2005)

The Fishbein model has been widely studied in consumer behavior and social psychology, examining such as topics as online bidding (Bosnjak et al., 2006), coupon usage (Kang et al., 2006; Bagozzi, Baumgartner, & Yi, 1992), apparel goods (Summers et al., 2006), and addictive behavior (Bledsoe, 2006). Table 2 shows selected studies that have used the Fishbein behavioral intention model.

2. The Theory of Planned Behavior

The theory of planned behavior, introduced by Ajzen (1991), is an extension of the theory of reasoned behavior made necessary by the original model's limitation in dealing with behaviors over which people have incomplete volitional control (Ajzen, 1991). The theory of planned behavior adds one more variable, perceived behavioral control, to the two existing determinants of intention, attitude toward the behavior and subject norm.

The theory of planned behavior differs primarily from the theory of reasoned action in its addition of perceived behavioral control. The theory of planned behavior places the construct of self-efficacy belief or perceived behavioral control within a more general framework of the relations among beliefs, attitudes, intentions, and behavior (Ajzen, 1991).

The degree of perceived behavioral control refers to an individual's perceptions of the presence or absence of the requisite resources or opportunities necessary for performing a behavior (Ajzen & Madden, 1986; Chau & Hu, 2001). Perceived behavioral control includes control beliefs, or the belief that the required resources and opportunities are available to carry out the behavior, and perceived facilitation, or the assessment of the importance of those resources to successfully complete the behavior (Wiethoff, 2004).

Perceived behavioral control has two dimensions: an internal factor and an external factor. The internal factor refers to the extent of confidence that a person has in his/her ability to perform a certain behavior, which is grounded in one's self-efficacy (Bandura, 1997). The external factor refers to resource constraints. These constraints are facilitating conditions available to an individual - such as money, time, or technology - that are required to perform a behavior (Taylor & Todd, 1995a).

According to the theory of planned behavior, perceived behavioral control, together with behavioral intention, can be used directly to predict behavioral achievement. However, perceived behavioral control may not be particularly realistic when a person has relatively little information about the behavior, when requirements or available resources have changed, or when new and unfamiliar elements have entered into the situation (Ajzen, 1991).

A central factor in the theory of planned behavior is the individual's intention to perform a given behavior. Intentions are assumed to capture the motivational factors that influence a behavior (Ajzen, 1991). Behaviors are more likely to result from intention when people believe they have the resources to perform the behavior and believe they are likely to be successful in performing the behavior.

The theory of planned behavior has been used in many applications to explain consumer behavior of investment (East, 1993) and for the study of consumer choice of food products (Bredahl, 2001; Bredahl & Grunert, 1997; Connor, 1993; Dennison & Shepherd, 1995; Povey, Conner, Sparks, James, & Shepherd, 2000; Scholderer & Grunert, 2001; Thompson & Thompson, 1996). Concerning Internet-related behavior, the theory

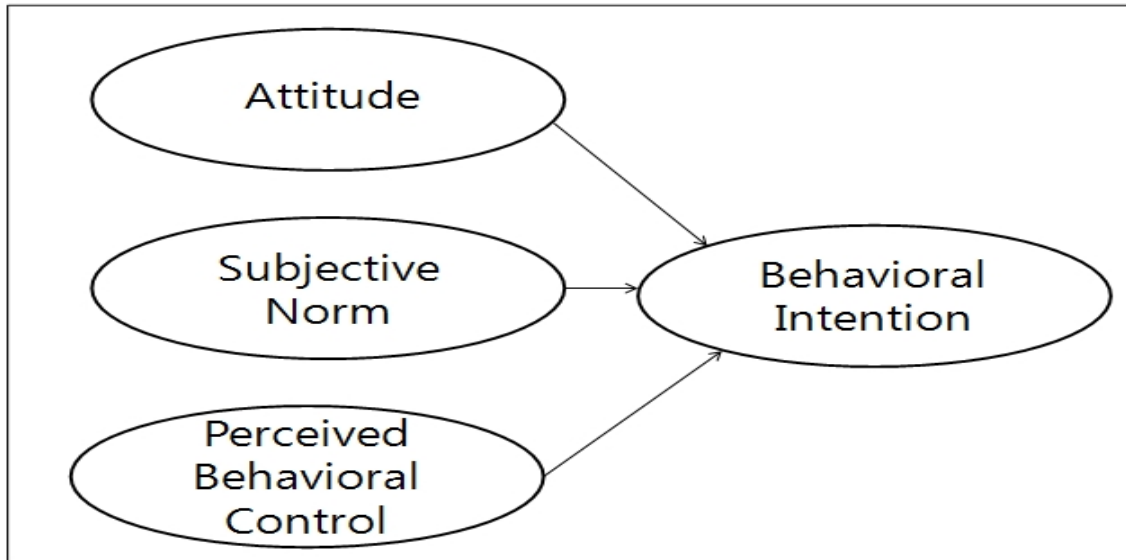


Figure 3. The Theory of Planned Behavior.

has been used to explain intentions to search the Internet for product information (Shim et al., 2001; Taylor & Todd, 1995a), to learn using the Internet (Klobas & Clyde, 2000), to explain the adoption of virtual banking (Liao, Shao, Wang, & Chen, 1999), to identify factors that influence the intention to use internet stock trading (Gopi & Ramayah, 2007), and as a framework for investigating the suitability of different products for Internet shopping (Vijayasathy, 2002). The theory of planned behavior is illustrated by Figure 3.

3. Lee's Modified Fishbein Behavioral Intention Model

Lee (1990) modified Fishbein's behavioral intention model to make it applicable to Confucian cultures in countries such as China, Japan, and Korea. In modifying the model, Lee (1990) substituted face saving and group conformity for the subjective norms. Furthermore, Lee (1990) added a causal relationship between the social-influence factor (i.e., face saving and group conformity) and personal attitudes, while Fishbein and Ajzen (1975) assumed there was no linkage between the two. According to Lee (1990), the SN

component fails to capture the “behavioral impetus or social pressure” of referent opinions in Confucian societies. To more fully account for this collectivist force, he replaced SN with group conformity and face saving constructs.

In Confucian societies, such as in China and Korea, family is the fundamental place in which a person learns core values such as filial piety, respect for elders, and proper social behaviors. Family is also where social harmony and relatedness happens for the family that bridges the individual to society (Lee, 2004). Therefore, group conformity emphasizes relationships among family and peers and within pressure group members in the collectivist nature of Confucian culture (Lee, 1990).

Face highly motivates an Oriental to act in accordance with one’s social position. “Face” is a concept of central importance among people in Confucian cultures, and it has a pervasive influence on their interpersonal relationships (Yau, 1986). The face concept is particularly salient for people of a Confucian culture and is claimed to be a key to explaining much of their behavior (Redding & Ng, 1983; Stover, 1974).

Face is lost when an act or performance is below the level considered acceptable or when some important expectations associated with one’s social position are not satisfactorily met (Ho, 1977). Moreover, the possibility of losing face may arise from how an individual is expected to act or to be treated by other members in his or her group. Thus, interpersonal behavior in a Confucian culture will be determined by its effect on others and on the individual’s reputation, dignity, and integrity. People in a Confucian culture are always under strong constraints to act to meet the expectations of others so as to maintain face (Chung & Pysarchik, 2000). Thus, face pressure is “more like a personal norm,” capturing personal perceptions of living up to the standards of

one's position. SN fails to account for this personal moral aspect of decision making, since it only measures perceptions of the salient referent's opinions.

Chung and Pysarchik's (2000) study used Lee's modified Fishbein model to examine the predictors of Korean consumer behavior intention to buy imported and domestic products. The results indicated positive relationships between Korean consumer attitude toward a product and purchase intention and between attitude and intention to buy either domestic or imported products. One significant finding was that face saving and group conformity had a weaker influence on attitude than on purchase intention.

Lee (1990) found that his modified Fishbein behavioral intention model improved the performance of the Fishbein behavioral intention model in explaining Confucian societies, such as Korean consumer behavioral intention of purchasing sneakers. Figure 4 presents Lee's modified Fishbein behavioral intention model.

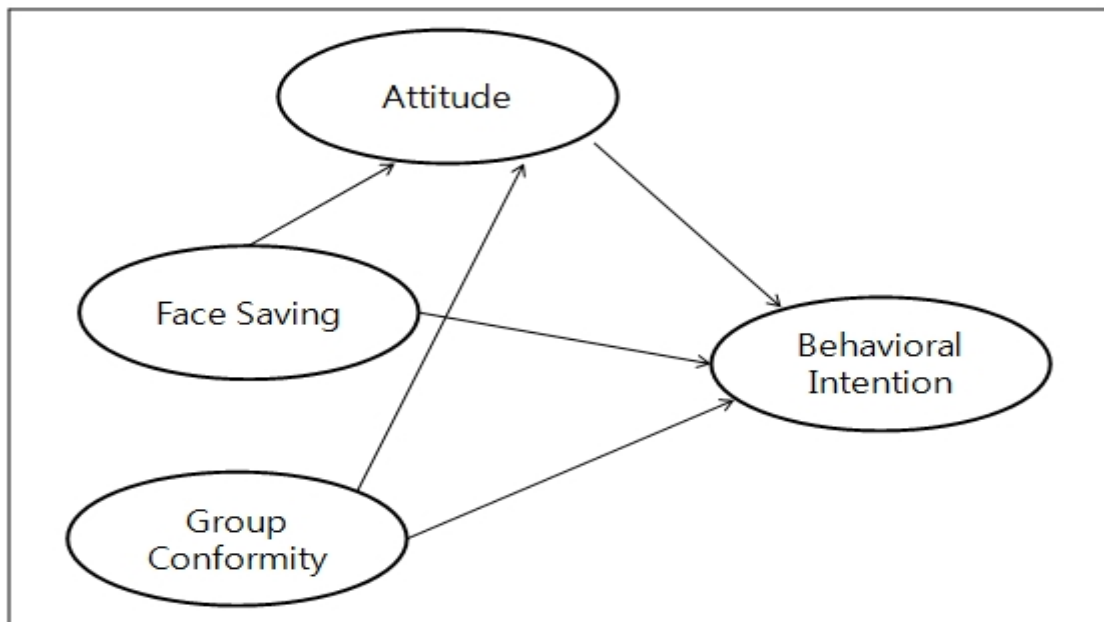


Figure 4. Lee's Modified Fishbein Behavioral Intention model.

Figure 5 shows the two behavioral intention models, the theory of planned behavioral model and Lee’s modified Fishbein behavioral intention model, to help explain how the two models differ from one another.

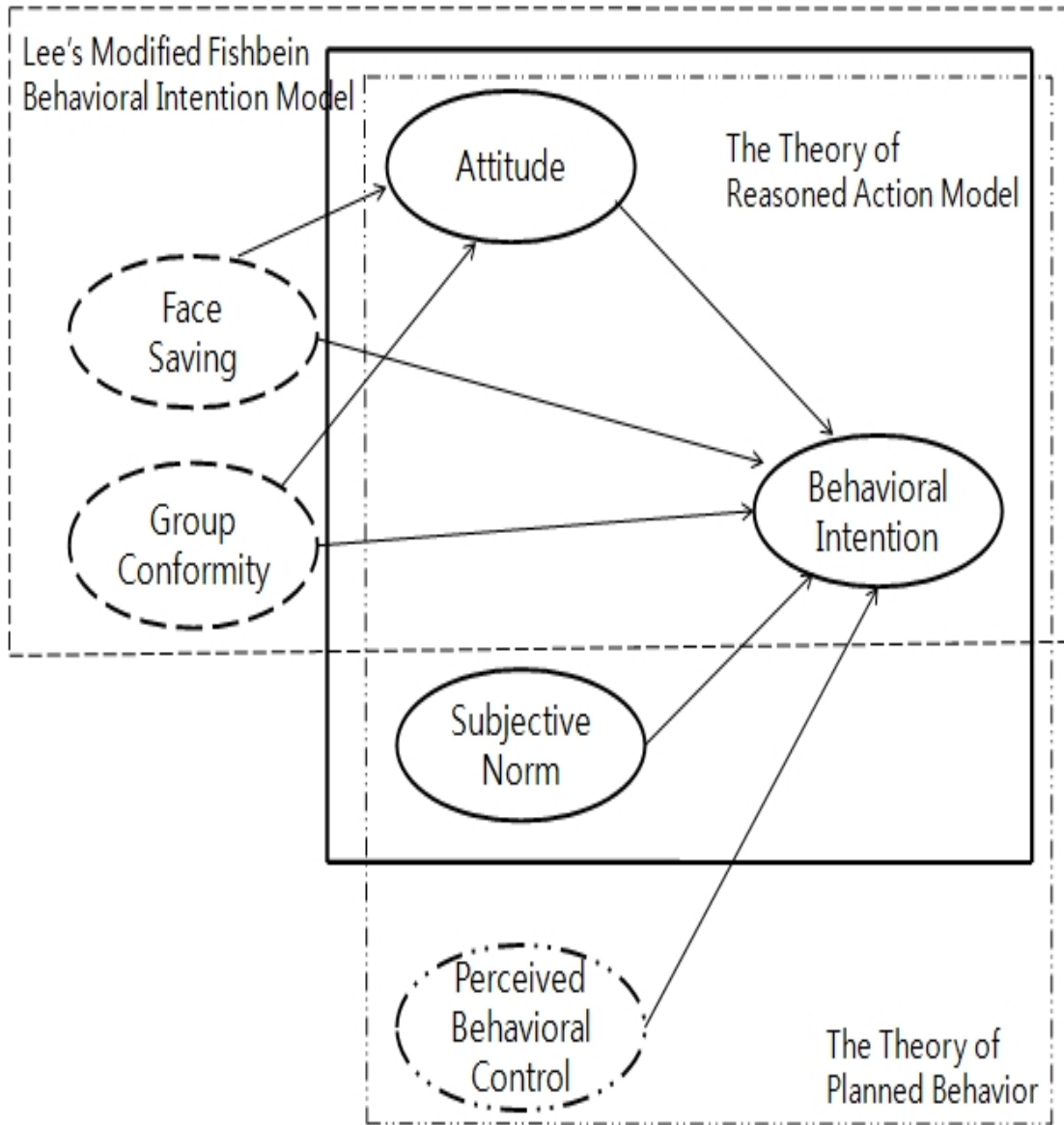


Figure 5. Combined Three of Behavioral Intention Models.

Note: → indicates “The theory of reasoned action”
 ---> indicates “Lee’s modified Fishbein behavioral intention”
 ···-> indicates “The theory of planned behavior”

Model Development

1. The Proposed Model

Based on the literature review, this study proposes a comprehensive framework and six hypotheses. The framework is proposed based on two models: Lee's (1990) modified Fishbein behavioral intention model and Ajzen's (1991) theory of planned behavior. This study also includes actual purchase to enhance the predictability of behavioral intentions of consumers in India.

The study framework posits that both face saving and group conformity affect attitude toward foreign brand jeans and purchase intention. Attitude, subjective norm, and perceived behavioral control affect purchase intention, which leads to actual purchase of foreign brand jeans. Figure 6 identifies the hypotheses that lead to the modified Indian consumer purchase behavior model.

2. Hypotheses

2-1. Effect of Face Saving on Attitude and Purchase Intention

Face saving and group conformity were initially added to Fishbein's model by Lee (1990) to explain the purchase intention of consumers in a Confucian culture. Lee's (1990) study results proved that the modified Fishbein model worked well for the Korean sample. Subsequently, Lee's (1990) model was found to fit well in other Confucian cultures, such as China, Japan, and Hong Kong (Lee, 1990; Lee & Green, 1991).

Chung and Pysarchik (2000) empirically tested Lee's (1990) modified Fishbein behavior model to explain Korean consumer purchase intention for imported products.

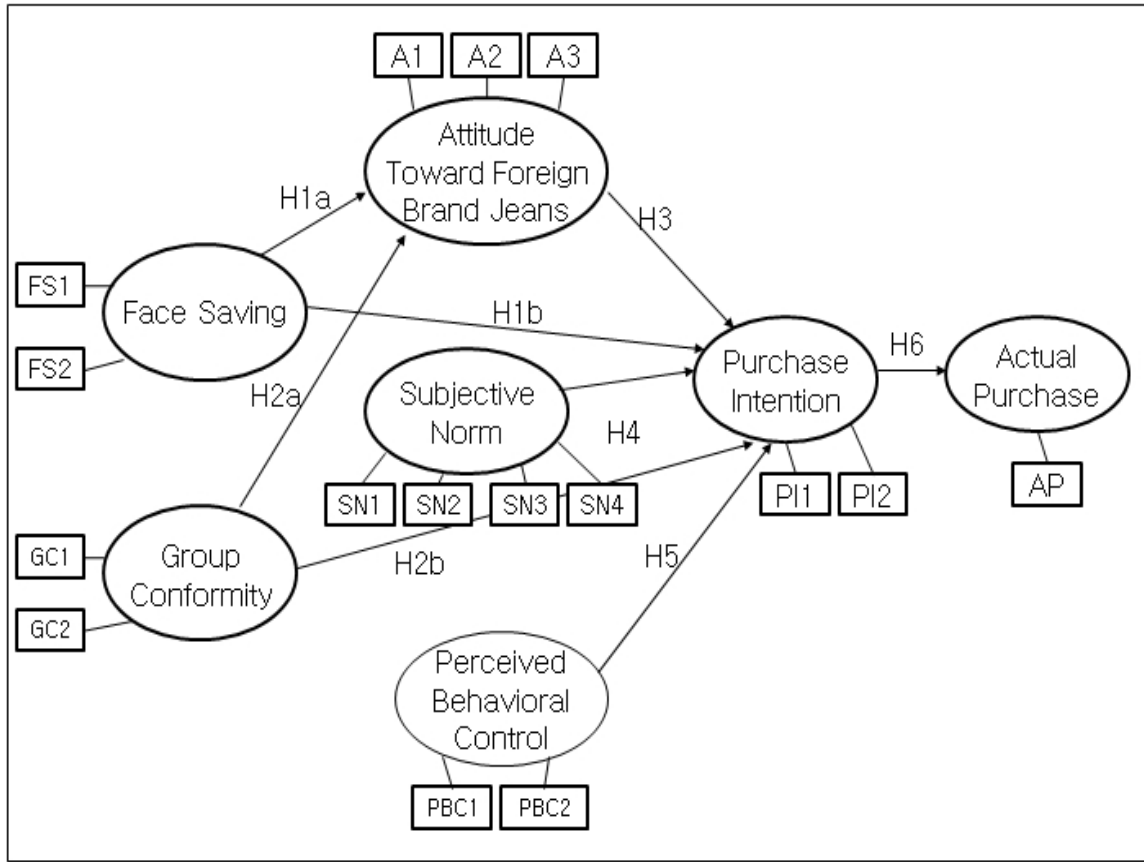


Figure 6. The proposed model for Indian consumer purchase behavior of foreign brand jeans.

Chung and Pysarchik's (2000) study showed that face saving is related to Korean consumer attitude and the intention to buy domestic products.

In addition, group conformity was proposed as a predictor of attitudes and behavioral intention in Chung and Pysarchik's (2000) study. Again, study results found relationships between group conformity and both attitude and behavioral intention to buy domestic products. Therefore, face saving and group conformity are concepts useful in explaining consumer behavior in Confucian cultures.

According to Hofstede (2001), Confucian society represents collectivism, large power distance, and strong uncertainty avoidance. However, India belongs to weak

uncertainty avoidance (Hofstede, 2001). It is located near the middle on the collectivism/individualism continuum, indicating the coexistence of collectivism and individualism. A Japanese anthropologist, Chie Nakane, stated that Indians are very logical and noted that their thinking is more similar to Westerners than it is to East Asians (Kumar & Sethi, 2005). Therefore, Indians possess traits that set them far apart from the model of the “Confucian gentleman” that is so revered in Asia (Kumar & Sethi, 2005).

This study posits that face saving, the core component of Confucian culture, has no significant effect on Indian consumers due to the coexistence of individualism and collectivism in India. Indians often behave in an individualistic manner when interacting with non-family members, regardless of others’ opinions (Kumar & Sethi, 2005). Thus, they are likely to prefer to express uniqueness and preference rather than following others’ opinions. Purchasing foreign brand jeans deems to be a personal choice. Therefore, face saving will not be a factor to influence attitude and intention toward foreign brand jeans.

H1a: There will be no relationship between face saving and attitude toward foreign brand jeans.

H1b: There will be no relationship between face saving and purchase intention of foreign brand jeans.

2-2. Effect of Group Conformity on Attitude and Purchase Intention

Regarding impact of group conformity on attitude toward foreign goods, this study postulates no relationship between the two concepts. Group conformity is related to collectivism because collectivism is associated with a greater emphasis on interpersonal

harmony and less emphasis on individual opinions (Chen, Triandis, Kim, Carnevale, de Dreu, Gelfand et al., 2001; Hofstede, 2001). Group conformity is low in an individualistic culture because individualism shuns group conformity, which signals a lack of individuality, and individualism encourages the questioning of authority rather than obedience (Matsumoto, Kudoh, & Takeuchi, 1996). In terms of group conformity, Indian culture is close to Western culture (Kumar & Sethi, 2005). Bass and Klaus (1975) found that Indian managers demonstrate lower conformity to group influence than do managers in other countries. India's group conformity level is below average, even lower than West Germany and Spain. Therefore, it is expected that group conformity does not influence Indian consumer attitude and intention to buy foreign brand goods.

H2a: There will be no relationship between the level of group conformity and attitude toward foreign brand jeans.

H2b: There will be no relationship between the level of group conformity and purchase intention of foreign brand jeans.

2-3. Effects of Attitude and Subjective Norm on Purchase Intention

The relationship between both attitude and subjective norm and purchase intention are salient outcomes of Fishbein's behavior intention model, and significant research supports the positive effect of attitude and subjective norm on intention. These results are confirmed in many settings, regardless of country and product. For example, in retail settings attitudinal factors and subjective norms have been tested and shown to be significant predictors of retail patronage intentions (Shim et al., 2001). Evans, Christiansen, and Gill (1996) demonstrated that both attitude toward shopping and

subjective norm had a significant effect on shopping center patronage intentions. In the context of electronic shopping, attitudinal and normative components accounted for almost one-third of the variation in intention to purchase apparel (Shim & Drake, 1990). Shim et al.'s (2001) proposed positive relationship between attitude toward Internet shopping and intent to use the Internet for information search was supported. Zhang, Prybutok, and Strutton (2007) found that consumer subjective norms are directly related to purchase intentions when consumers engage in Internet-based marketing transactions.

The impact of attitude and subjective norm on intention is also supported in many countries, including the U.S. (Shimp & Kavas, 1984; Summers et al., 2006), Korea (Lee, 1990; Lee & Green, 1991), China (Shen, Dickson, Lennon, Montalto, & Zhang, 2003), and Germany (Bosnjak et al., 2006). The relationship is also proved in a variety of product categories: food (Bredahl, 2001; Connor, 1993), adoption of virtual banking (Liao et al., 1999), and athletic shoes (Lee, 1990; Malhotra & McCort, 2001).

In the Indian consumer context, Choo et al. (2004) found that attitude had varying effects on intention to buy food. The relationship varied by consumers' innovativeness. That is, the relationship was proved for the high innovator group, but not for the low innovator group. However, the effect of subjective norm on intention was positive for both the low and high innovator groups.

Indian culture has been characterized as patriarchal by some researchers, and there is little variation in strong patriarchal social norms and highly stratified groups (Brokaw & Lakshman, 1995). In addition, the joint family, a dominant family form in India, is characterized by large family numbers with a male/elder dominance (Terpstra & Sarathy, 1997). Thus, for an Indian, the primary loyalty and commitment lie with the

family rather than with the work or organization (Kumar & Sethi, 2005). This leads to the logical assumption that strong subjective norm will affect intention.

The above prior findings suggest that the effects of attitude and subjective norm on intention are robust in many products and countries. Also, India's strong family ties provide firm support to the relationship between subjective norm and intention to buy foreign brand jeans. Therefore, the same relationship is proposed for Indian consumers in purchasing foreign brand jeans.

H3: There will be a positive relationship between attitude and purchase intention of foreign brand jeans.

H4: There will be a positive relationship between subjective norm and purchase intention of foreign brand jeans.

2-4. Effect of Perceived Behavioral Control on Purchase Intention

The perceived behavioral control concept was first introduced in Ajzen's (1991) study. His research revealed that perceived behavioral control can account for a considerable proportion of variance in behavior. The importance of perceived behavioral control is well evidenced in prior studies. Posthuma and Dworkin (2000) found that perceived behavioral control was a key concept in their research that integrated the theory of planned behavior, control theory, organizational justice theories, and decision making into a single framework. Substantial studies have discovered a positive relationship between perceived behavioral control and behavior intention in various areas. For example, Taylor and Todd (1995b) found that perceived behavioral control is positively associated with intention of innovation adoption.

In Internet settings, various studies have evidenced a positive relationship between perceived behavioral control and intention. Lim and Dubinsky (2005) found a positive relationship between perceived behavioral control and intention on the Internet. In the context of e-coupon usage behavior, Kang et al. (2006) also found a positive relationship between perceived behavioral control and intention. In Shim et al.'s (2001) study, significant and positive path coefficients were observed between perceived behavioral control and intent to use the Internet for information searching.

Even though many studies exist that show a significant result between perceived behavioral control and behavior intention, little research exists for Indian consumers. However, this study proposes that perceived behavioral control will lead to a positive result on intention to buy foreign brand jeans in India. Because perceived behavioral control is related to the individual condition, such as time, money, resources, etc., it is expected to vary little by culture and country. Thus, a positive link between perceived behavioral control and purchase intention is hypothesized.

H5: There will be a positive relationship between perceived behavioral control and purchase intention of foreign brand jeans.

2-5. Effect of Purchase Intention on Actual Purchase

Over the last few decades, the relationship between purchase intention and actual purchase behavior (Young, DeSarbo, & Morwitz, 1998) has been studied for both durable goods (Adams, 1974; Granbois & Summers, 1975; McNeil, 1974; Pickering & Isherwood, 1974) and nondurable goods (Gormley, 1974; Taylor, Houlahan, & Gabriel, 1975).

The relationship between purchase intention and actual purchase has generally proven to be positive and significant, but some researchers have noticed that the strength of the relationship varies. Juster (1966) indicated that of the respondents who claimed they would buy a car in the next six months, only 50% actually purchased. Jamieson and Bass (1989) found similar results in a different marketing setting.

Although intention is often used as a proxy for actual purchase, intention may not directly lead to actual purchase. Young et al. (1998) indicated that a measurement error in measuring intention, behavior change between the time intent, systematic biases, the effect of respondent characteristics, and the effect of measuring intention on behavior all cause imperfect measures of behavior.

In addition, some evidence suggests that a wide gap exists between Indian consumer thoughts and actions (Kumar & Sethi, 2005). In other words, the degree to which an individual's thoughts and actions agree may vary among Indian consumers (Kumar & Sethi, 2005).

Maxwell (2001) found that middle-class Indians, like Americans, are becoming more willing to spend money. However, contrasting desires exist for India consumers. While they may be becoming more Western in their desire to consume (Furnham, Kirkcaldy, & Lynn, 1994), there is also evidence that they are remaining Indian in their desire not to spend (Furnham et al., 1994; Nelson & Devanathan, 2006). The hedonistic desire to consume is opposite to the puritanical desire to economize (Maxwell, 2001). Hence, even though Indians have significant desires to buy goods, they may not actually purchase the products.

Therefore, the wide gap between Indian consumers' thoughts and actions and the ambivalence between an unquenchable desire for consumption and the puritanical desire to economize lead us to posit no relationship between purchase intention and actual purchase behavior for Indian consumers.

H6: There will be no relationship between purchase intention and the actual purchase of foreign brand jeans.

CHAPTER III

METHODOLOGY

This section introduces the method used in this study. The method consists of three parts: 1) data collection, 2) development of the survey instrument, and 3) data analysis. The data collection section provides general information on how, when, and the amount of data that was collected for this study. The instrument section explains how each construct in the proposed model was measured, and the data analysis section explains the methodology used to analyze hypotheses and results.

Data Collection

The data for this study were collected via a questionnaire survey. Jeans were selected for this study because this product is worn by college students all over the world, including in India (DeLong Bao, Wu, Chao, & Li, 2004; DeLong LaBat, Nelson, Koh, & Kim, 2002; Wu & DeLong, 2006). Moreover, jeans are commonly worn by both men and women of all ages for a variety of activities (DeLong et al., 2002). The respondents chosen for this study were Indian college students age 18 and above. College students were selected as respondents in this research because they are the primary target of the jeans market and this group is more homogeneous across countries than are other groups. At four universities, students were asked to fill out questionnaires during class periods with professor permission. Each survey took approximately 15-20 minutes.

Researchers obtained 243 data sets from Indian college students in Bangalore, India, in fall 2007. Of the 243 data sets, 33 were eliminated because of high missing data. Therefore, 210 usable data sets were entered into the data analyses.

Development of Survey Instrument

The survey questionnaire developed for the study consisted of eight sections. The first section measured actual purchase. Respondents were asked to write down the total number of jeans they had and to specify the names of their foreign brand and domestic jeans.

In the second section, respondents were asked to indicate the *importance* of eight jean attributes of foreign brand jeans (e.g., how important a well-known brand is to you when you choose a foreign brand of jeans). All items were measured by a seven-point Likert scale (1=least important, 7=extremely important or 1=strongly disagree, 7=strongly agree) based on Shim et al. (2001).

In the third section, respondents were asked to indicate their *belief* toward eight jean attributes of foreign brand jeans (e.g., how a well-known brand of foreign jeans would provide for you). All items were measured on a seven-point Likert scale (1=strongly disagree, 7=strongly agree) based on Shim et al. (2001). To measure attitude toward foreign brand jeans, the attributes from sections two were multiplied with the attributes from section three based on Shim et al. (2001). In other words, each item from section two was multiplied with its matching from section three (*importance * belief*) to measure attitude.

In the fourth section, four items were adopted from Shim et al. (2001) to measure subjective norm. Having been used in the Fishbein model, these measures are established and the reliabilities are well known in the literature. All items were measured on a seven-point Likert scale (1=least important, 7=extremely important). The questions asked respondents to specify how much a referent's approval is important in the purchase of foreign brand jeans. A referent was defined as an important friend, parent, sibling, or peer/colleague.

Perceived behavioral control and purchase intention were measured in the fifth section with items adopted from Shim et al. (2001). Perceived behavioral control was measured with two items: "It is very easy for me to choose a pair of jeans among many brands" and "I have the resources (i.e., time and money) to buy a pair of foreign jeans." Purchase intention was measured with the following items: "I will buy a pair of foreign brand jeans in the near future" and "Whenever I need to buy a pair of jeans, it is very likely that I will purchase a foreign brand." The items were measured on a seven-point Likert scale (1=strongly disagree, 7=strongly agree).

Two items that measure face saving comprised the sixth section. One item, which is widely used by other researchers, is adapted from Lee (1990); the other is adapted from Chung and Pysarchik (2000). Face saving was measured by the following items: "My decision to buy a foreign brand of jeans would be influenced by whether owning it would hurt my reputation with the people who are important to me" and "My decision to buy a foreign brand of jeans would be influenced by whether I feel ashamed when people who are important to me see me owning this product." Each of these items were measured on a seven-point Likert scale (1=strongly disagree, 7=strongly agree).

In the seventh section, to measure group conformity, two items were adapted from Lee (1990) and Chung and Pysarchik (2000). The items were “I feel that most people around me expect me to comply with their decisions regarding a particular brand of jeans” and “My decision to buy a brand of jeans would be influenced by whether owning it would make me fit in with other people.” These items were measured on a seven-point Likert scale (1=strongly disagree, 7=strongly agree).

In the final section, demographic information was asked. Gender, age, annual household income, monthly pocket money, and average monthly spending on clothing were gathered. Table 3 summarizes the items included in the survey instrument, and a copy of the questionnaire is included in Appendix A.

Table 3. Summary of Items in the Survey Instrument

Part	Measurement	Number of items	Items	Reference
1	Actual Purchase	2	<ul style="list-style-type: none"> · How many pairs of denim jeans do you have in your wardrobe? · Please list the name(s) of foreign brand jeans you have. 	Developed by the researcher
2	Importance of Jean Attributes	8	<p>How important is each attribute to you when you choose a pair of foreign brand jeans?</p> <ul style="list-style-type: none"> · Well known brand, Comfort, Price, Fit · Durability, Latest fashion, Country of origin, Quality 	Shim et al. (2001)
3	Belief Toward Foreign Brand Jean Attributes	8	<p>How a foreign brand jean would provide for you the following items?</p> <ul style="list-style-type: none"> · Well known brand, Comfort, Price, Fit · Durability, Latest fashion, Country of origin, Quality 	Shim et al. (2001)
4	Subjective Norm	4	<p>How important is the below person's approval for your purchase of foreign brand jeans?</p> <ul style="list-style-type: none"> · Important friends · Parents · Siblings · Peers/colleagues 	Shim et al. (2001)
5	Perceived Behavioral Control	2	<ul style="list-style-type: none"> · It is very easy for me to choose a pair of foreign jeans among many brands. · I have the resources (i.e., time and money) to buy a pair of foreign jeans. 	Shim et al. (2001)
	Purchase Intention	2	<ul style="list-style-type: none"> · I will buy a pair of foreign brand jeans in the near future. · Whenever I need to buy a pair of jeans, it is very likely that I will purchase a foreign brand. 	Shim et al. (2001)
6	Face Saving	2	<ul style="list-style-type: none"> · My decision to buy a foreign brand of jeans would be influenced by whether owning it would hurt my reputation with the people who are important to me. · My decision to buy a foreign brand of jeans would be influenced by whether I feel ashamed when people who are important to me see me owning this product. 	Lee (1990), Chung & Pysarchik (2000)
7	Group Conformity	2	<ul style="list-style-type: none"> · I feel that most people around me expect me to comply with their decisions regarding a particular brand of jeans. · My decision to buy a brand of jeans would be influenced by whether owning it would make me fit in with other people. 	Lee (1990), Chung & Pysarchik (2000)
8	Demographic Information	5	<ul style="list-style-type: none"> · Gender · Age · Annual household income · Monthly pocket money · Average monthly spending on clothing 	Developed by the researcher

Descriptive Statistics

To analyze respondents' demographic information, SPSS 15.0 was used. Descriptive Statistics were employed to describe respondents' demographic characteristics such as number of jeans that respondents have, gender, age, annual household income, average monthly pocket money, and average monthly spending on clothing. Table 4 presents the demographic characteristics of the respondents and their jean purchase behaviors. The mean and standard deviation of each construct are listed in Table 5.

Sixty-five percent of the respondents were male. The mean age of the respondents was 21.7 years ($SD=2.67$). The annual household income of respondents was evenly distributed from below 10,000Rs to 60,001Rs above (i.e., from approximately US\$250 to US\$1,500). The average monthly pocket money of respondents was 6007Rs (i.e., US\$150), and the average monthly spending on clothing of respondents was 1,792Rs (i.e., US\$45). On average, the respondents had five pairs of jeans.

Table 4. Demographic Characteristics of the Sample and Jean Purchase Behaviors

n=210

	Items	Frequency	Percentage
Gender	Male	134	65%
	Female	72	35%
Age	18-20	77	37.9%
	21-23	83	40.8%
	24-27	36	17.7%
	28-30	7	3.5%
Annual income*	Below 10,000Rs (Below US\$248.76)	13	7.1%
	10,001Rs to 20,000Rs (US\$248.77 to US\$ 495.51)	30	16.4%
	20,001Rs to 30,000Rs (US\$497.52 to US\$746.27)	26	14.2%
	30,001Rs to 40,000Rs (US\$ 746.28 to US\$995.02)	25	13.7%
	40,001Rs to 50,000Rs (US\$995.03 to US\$1,243.78)	21	11.5%
	50,001Rs to 60,000Rs (US\$1,243.79 to US\$1,492.54)	27	14.8%
	60,001Rs above (US\$ 1,492.55 above)	41	22.4%
Monthly pocket money*	100Rs to 1000Rs (US\$2.49 to US\$24.88)	15	8.0%
	1001Rs to 2500Rs (US\$24.89 to US\$62.19)	30	16.2%
	25001Rs to 5000Rs (US\$62.20 to US\$124.38)	64	40.3%
	5001Rs to 7500Rs (US\$124.39 to US\$186.57)	32	19.0%
	7501Rs to 10,000Rs (US\$186.58 to US\$248.76)	29	14.2%
	10,001Rs to 20,000Rs (US\$248.77 to US\$497.51)	10	5.3%
	20,000Rs to 55,050Rs (US\$497.51 to US\$1,369.40)	3	1.5%
Monthly spending on clothing*	100Rs to 500Rs (US\$2.49 to US\$12.44)	32	16.2%
	550Rs to 1000Rs (US\$12.45 to US\$24.88)	66	33.5%
	1200Rs to 1800Rs (US\$24.89 to US\$44.78)	33	16.8%
	2000Rs to 3000Rs (US\$44.79 to US\$74.63)	45	22.9%
	3500Rs to 5000Rs (US\$74.64 to US\$124.38)	13	6.6%
	6500Rs to 8500Rs (US\$124.39 to US\$211.44)	5	2.5%
	15,000Rs to 16,000Rs (US\$211.45 to US\$398.00)	2	1.0%
Number of jeans	0	2	1.0%
	1	10	4.8%
	2	24	11.5%
	3	24	11.5%
	4	38	18.2%
	5	32	15.3%
	6	30	14.4%
	7	12	5.7%
	8 to 10	24	11.4%
	11 to 15	9	4.4%
	16 to 35	4	1.9%

*Based on currency rates on Thursday, September 20, 2007, (US \$1= 40.2Rs) Indian Rupees were converted to US\$.

Table 5. Mean and Standard Deviation of the Variables*

Variable	Item	Mean	Standard Deviation
Actual Purchase	Number of Jeans	5.4	3.95
Attitude	Well Known Brand	3.68	2.21
	Comfort	4.82	1.98
	Price	3.39	2.02
	Fit	4.88	1.99
	Durability	4.31	1.94
	Latest Fashion	3.80	2.07
	Country of Origin	2.44	1.98
	Quality	5.23	1.85
Subjective Norm	Friends	4.58	2.09
	Parents	4.37	2.01
	Siblings	4.16	2.04
	Colleagues	4.62	2.04
Perceived Behavioral Control	Easy to Pick	4.16	2.13
	Resources	4.55	1.82
Purchase Intention	Buy it Future	4.91	1.85
	Buy it Needed	4.52	1.96
Face Saving	Reputation	3.33	2.13
	Ashamed	3.19	2.04
Group Conformity	Expect	3.36	1.94
	Influenced	3.69	1.94

*All constructs were measured on a seven-point Likert scale, except actual purchase.

CHAPTER IV

FINDINGS

This chapter presents the results of the measurement model using confirmatory factor analysis, structural equation modeling, and testing of the research hypotheses. Before testing the measurement model and structural equation modeling, discriminant validity toward normative influence factors and confirmatory factor analysis on attitude were performed. Structural equation modeling (SEM) was performed using LISREL 8.8 (Jöreskog & Sörbom, 2006). The covariance matrix used for SEM is included in Appendices B and C.

Discriminant Validity Toward Normative Influences

Discriminant Validity (DV) is the extent to which a construct is truly distinct from other constructs (Hair, Black, Babin, Anderson, & Tatham, 2006). Thus, high discriminant validity affords evidence that a construct is unique and captures some phenomena that other measures do not.

The proposed model included measures of three normative influence (i.e., social influence) factors: face saving (FS), group conformity (GC), and subjective norm (SN). At issue was whether these three factors were assessing distinct constructs or that they represented alternative ways of assessing the same construct. To test whether the three normative influence factors have unique dimensions or are associated with others, the

discriminant validity of the three constructs were assessed through a confirmatory factor analysis using LISREL 8.8 (Jöreskog & Sörbom, 2006). Table 6 presents the results. When testing discriminant validity, the following items must first be assessed: the average of the variance extracted (VE) of the first and second constructs and PHI squared. If the average of VE is larger than PHI squared, it means the two constructs are significantly distinct from one another. However, if PHI squared is larger than the average of VE, the two constructs are considered to be similar concepts and it is difficult to distinguish between them. As shown in Table 6, the average of SN-FS VE is larger than PHI squared (average of SN-FS VE=0.54 > PHI²=0.09). Also, the average of SN-GC VE is larger than PHI squared (average of SN-GC VE=0.37 > PHI²=0.14). However, the average of FS-GC VE is less than PHI squared (average of FS-GC=0.56 < PHI²=0.98). These results indicate that subjective norm and face saving, as well as subjective norm and group conformity, are significantly distinct from one another, but face saving and group conformity were found to be one construct. VE of face saving is .73 and VE of group conformity is .39, indicating poor measurement of group conformity (construct reliability for group conformity= .56, construct reliability for face saving= .84). Considering the results of VE of face saving and group conformity, we decided to remove the group conformity construct from this research model.

Table 6. The Results of Discriminant Validity

	VE of first construct	VE of second construct	AVE	PHI*PHI	PHI
SN-FS ¹	0.35	0.73	0.54	0.09	0.3
SN-GC	0.35	0.39	0.37	0.14	0.37
FS-GC	0.73	0.39	0.56	0.98	0.99

¹ In this case first VE is SN, second VE is FS

Variance Extracted (VE) of SN, FS, and GC is 0.35, 0.73, and 0.39, respectively.

$$VE = \frac{\sum_{i=1}^n \lambda_i^2}{n}$$

Confirmatory Factor Analysis on Attitude Toward Foreign Brand Jeans

Confirmatory factor analysis (CFA) was suggested as a more precise method to test the unidimensionality and validity of the measurements compared to exploratory factor analysis and item-total correlations (Gerbing & Anderson, 1988). Therefore, we first performed CFA for the multiple items measuring attitude toward foreign brand jeans.

Before we performed CFA on attitude, though, we computed importance and belief to assess attitude toward foreign brand jeans. According to Shim et al. (2001), each item in the formula is computed (i.e., $A = e_i b_i$), where A represents attitude, e_i represents the importance assigned each attribute, and b_i represents the belief toward foreign brand jeans. Therefore, each item in the two sections (section two and section three) was multiplied to measure attitude toward foreign brand jeans. We classified the attitude attributes into three groups: attitude toward price, attitude toward intrinsic cues, and attitude toward extrinsic cues. Generally, price is considered an extrinsic cue in research literature (Eckman, Damhorst, & Kadolph, 1990). However, this study viewed price as a separate dimension because of its importance in Indian consumers' purchase decision

(Kazmin & Tait, 1999; Suramya & Veena, 2006). The results for CFA on attitude are presented in Table 7.

Many researchers use multiple measures to assess the fit of SEM. A number of indices are used to determine if the fit of data to the model is adequate. Goodness of Fit Index (GFI) can be loosely considered to be a measure of the proportion of variance and covariance that the proposed model is able to explain (Raykov & Marcoulides, 2006). Another commonly used measure is Comparative Fit Index (CFI). CFI represents the relative improvement in fit of the hypothesized model over the null model (Hair et al., 2006). The CFI value lies between 0 and 1.0, and the larger value of CFI indicates higher levels of goodness-of-fit. CFI is preferred to GFI because CFI is least affected by sample size (Fan, Thompson, & Wang, 1999). The commonly recommended values of GFI and CFI are 0.90 or higher (Kelloway, 1995). Root Mean Square Error of Approximation (RMSEA) with values below 0.10 indicates a reasonable fit to the data. Values below 0.08 indicate a good fit to the data, and values below 0.05 indicate a very good fit to the data (Kelloway, 1995; Shin, Collier, & Wilson, 2000). The fit indices of confirmatory factor analysis on attitude showed $\chi^2(18)=34.60$, $p=.01$, CFI=0.97, GFI=0.95, RMSEA=0.07, providing a good fit to the data. Therefore, the three dimensions of CFA for attitude toward foreign brand jeans were summed. For future analysis, the mean of each dimension was summed as an indicator of attitude toward foreign brand jeans.

Table 7. The Results of Confirmatory Factor Analysis on Attitude Toward Foreign Brand Jeans

Indicators	Factor Loading	t-Value
Attitude Toward Price Price	1.00	-
Attitude Toward Intrinsic Cues		
Comfort	0.81	14.07
Fit	0.76	12.31
Quality	0.74	10.93
Durability	0.63	9.22
Attitude Toward Extrinsic Cues		
Well-known brand	0.61	7.21
Latest fashion	0.50	5.95
Country of origin	0.21	2.35

$\chi^2=34.60$, $df=18$, (p-value=.01), CFI=.97, GFI=.95, AGFI=.9, SRMR=.054, RMSEA=.07

Structural Equation Modeling

A two-stage structural equation modeling approach was used for the data analysis. In the first stage, the measurement model was tested using confirmatory factor analysis (CFA). This step is required before testing the structural model to demonstrate adequate model fit and to ensure a satisfactory level of measure reliability and validity for the underlying variables and their respective factors in the model. In the second stage, the structural model and hypotheses were tested using SEM.

Measurement Model Analysis

CFA was performed to examine the relationship between the indicators and their respective latent variables using LISREL 8.8 (Jöreskog & Sörbom, 2006). Relationships

between the constructs and their latent variables were specified in the measurement model.

The initial CFA results indicated a poor fit ($\chi^2=152.47$, $df=84$, (p-value=.00), CFI=.95, GFI=.85, AGFI=.76, SRMR=.09, RMSEA=.06, CR for PBC=.25). A closer examination of the construct reliability (CR) revealed an undesirable CR for perceived behavioral control (PBC). This lower value of CR for PBC might occur because the two measurement items contradict one another. PBC was measured by two items: “It is very easy for me to choose a pair of jeans among many brands” and “I have the resources (i.e., time and money) to buy a pair of foreign jeans” These items showed low internal consistency, which led to the low CR value. Therefore, we choose one item (i.e., I have the resources (i.e., time and money) to buy a pair of foreign jeans) that we deemed to be more representative of the PBC construct in and Indian context and deleted the other item. After deleting the one item of PBC, a second CFA was performed.

Table 8 presents the results of the second CFA for our measurement model. According to the table, the Chi-square to df ratio = 1.84, which is less than the commonly recommended value of 3.0 for practical research. CFI = 0.96 is greater than the recommended value of 0.90, and RMSEA = 0.06, which is less than the recommended value of 0.08, indicating a good fit. In addition, all indicators explained a relevant construct and provided unidimensionality and validity of the measurement. Construct reliability values ranged from .58 to 1.00, indicating internal consistency of the measurement model.

Table 8. The Results of the Measurement Model

Latent	Indicator	CSS	t-Value	CR
Face Saving	Whether owning it would hurt my reputation with the people who are important to me.	1.08	3.69	0.89
	Whether I feel ashamed when people who are important to me see me owning this product.	0.67	3.02	
Attitude	Intrinsic (quality, comfort, fit, durability)	0.53	6.03	0.65
	Extrinsic (latest fashion, country of origin, well-known brand)	0.71	5.69	
	Price	0.62	6.36	
Purchase Intention	I will buy a pair of foreign brand jeans in the near future.	0.70	3.13	0.58
	Whenever I need to buy a pair of jeans, it is very likely that I will purchase a foreign brand.	0.58	2.92	
Subjective Norm	How important is the below person's approval for your purchase of foreign brand jeans.			0.68
	Important friends	0.62	3.35	
	Parents	0.42	2.13	
	Siblings	0.60	3.39	
	Peers/Colleagues	0.70	4.07	
Perceived ¹ Behavioral Control	I have the resources (i.e., time and money) to buy a pair of foreign jeans.	1.00	-	-
Actual ¹ Purchase	How many pairs of denim jeans do you have in your wardrobe?	1.00	-	-

$\chi^2=95.86$, $df=52$, (p-value=.00), CFI=.96, GFI=.88, AGFI=.79, SRMR=.08, RMSEA=.06

¹: t-Value and CR for perceived behavioral control and actual purchase cannot be computed as they were set to 1.

CSS: Completely Standardized Solution

$$CR \text{ (Construct Reliability)} = \frac{(\sum_i^p \lambda_{ij})^2}{(\sum_i^p \lambda_{ij})^2 + \sum_i^p V(\delta_i)}$$

λ_{ij} is the loading of the i th variable on the j th construct.

$V(\delta_i)$ is the error variance for the i th variable.

p is the number of indicators of the j th construct.

Structural Equation Modeling

The primary merit of structural equation modeling is the ability to estimate a complete model incorporating both measurement and structural considerations. Structural equation modeling simultaneously assesses the relationships among the constructs included in the research model.

Table 9 shows the result of the fit indices for the structural model where $\chi^2=133.74$, $df=58$, and the Chi-square to df ratio = 2.31, which is less than the commonly recommended value 3.0. RMSEA=0.079, which is less than the recommended value of 0.08. CFI=0.93, which is greater than the recommended value of 0.90. However, GFI=0.85, which is less than the recommended value of 0.90. GFI is sensitive to sample size, so CFI has been recommended in the literature (Kline, 1998). Thus, the overall fit indices of the model are good. As this model is acceptable, the proposed hypotheses were tested.

Table 9. Fit Evaluation of the Structural Model

Fit Indices for the Measurement Model	Value
Chi-square/degree of freedom	2.31
Root Mean Squared Error of Approximation (RMSEA)	0.079
Goodness-of-fit Index (GFI)	0.85
Comparative Fit Index (CFI)	0.93

Table 10. The Results of Structural Equation Modeling

Paths in the Structural Model	Standardized Parameter Estimates	t-Value	Proposed Hypothesis	Interpretation of Results
H1a: Face Saving → Attitude	0.04	0.53	No relationship	Supported
H1b: Face Saving → Purchase Intention	0.10	0.84	No relationship	Supported
H3: Attitude → Purchase Intention	0.67	3.47	Positive	Supported
H4: Subjective Norm → Purchase Intention	0.22	0.80	Positive	Not supported
H5: Perceived Behavioral Intention → Purchase Intention	0.47	2.56	Positive	Supported
H6: Purchase Intention → Actual Purchase	-0.02	-0.09	No relationship	Supported

Testing of Research Hypotheses

Table 10 and Figure 7 present the results of structural equation modeling with standardized solutions. Among the six hypotheses proposed, five were supported in the structural equation modeling analysis (Table 10). Each hypothesis is discussed in detail below.

Hypotheses H1a and H1b

H1a, which stated there is no relationship between face saving and attitude toward foreign brand jeans, was supported. The path in the model between face saving and

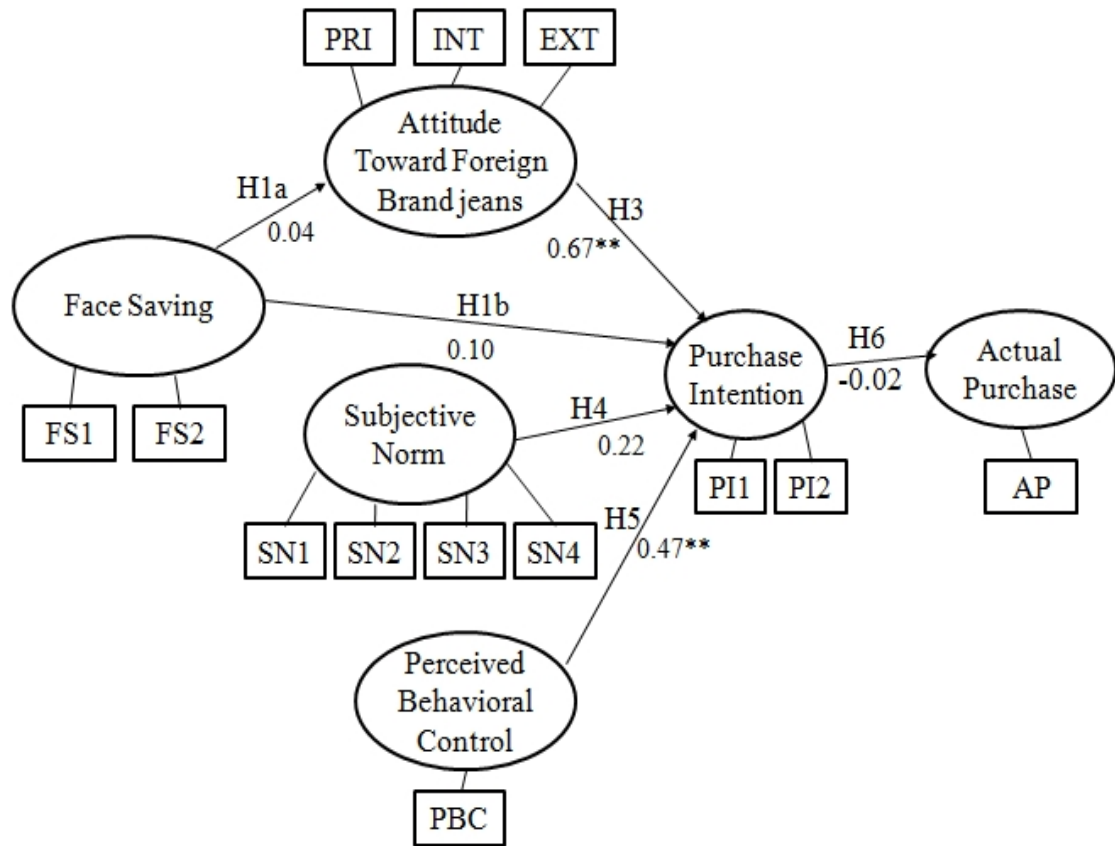


Figure 7. Structural Model and the Research Hypotheses.

**Parameter estimates are statistically significant at $p < .00$.

All other parameters are not statistically significant at $p < .00$.

attitude is positive but not statistically significant at $p < 0.00$ (path coefficient = 0.04, t -value = 0.53), accepting H1a.

Hypothesis H1b states there will be no relationship between face saving and purchase intention to buy foreign brand jeans. The path in the model between face saving and purchase intention is positive but not statistically significant at $p < 0.00$ (path coefficient = 0.10, t -value = 0.84). Therefore, H1b was supported.

Hypothesis H3

Hypothesis H3, which states there is a positive relationship between attitude and purchase intention, was supported. The path in the model between attitude and purchase intention is positive and statistically significant at $p < 0.00$ (path coefficient = 0.67, t-value = 3.47). Therefore, H3 was supported.

Hypothesis H4

Hypothesis H4 proposed a positive effect of subjective norm on purchase intention. The path in the model between subjective norm and purchase intention is positive but not statistically significant at $p < 0.00$ (path coefficient = 0.22, t-value = 0.80). Thus, there is no statistically significant evidence in the data to support the relationship in H4 and it was rejected.

Hypothesis H5

Hypothesis H5 states there is a positive relationship between perceived behavioral control and purchase intention to buy foreign brand jeans. The path in the model between perceived behavioral control and purchase intention is positive and statistically significant at $p < 0.00$ (path coefficient = 0.47, t-value = 2.56), so H5 was supported.

Hypothesis H6

Hypothesis H6, stating there is no relationship between purchase intention and the actual purchase of foreign brand jeans, was supported. The path in the model between purchase intention and actual purchase is negative and not statistically significant at $p < 0.00$ (path coefficient = -0.02, t-value = -0.09). Therefore, H6 was supported.

CHAPTER V

DISCUSSION AND CONCLUSION

This chapter summarizes the findings regarding Indian consumer purchase behavior of foreign brand jeans. Based on these findings, conclusions, implications, limitations, and recommendations for future research will be discussed.

Summary

The study was performed to test Indian consumers' purchase behaviors of foreign brand jeans incorporating two behavioral intention models: Ajzen's (1991) theory of planned behavior and Lee's (1990) modified Fishbein behavior intention model. A conceptual research model was developed based on the two theories and on an extensive literature review. The proposed structural model was based on the hypotheses that there are positive relationships between attitude (H3), subjective norm (H4), and perceived behavioral control (H5) and purchase intention. In addition, the model hypothesized no relationship between face saving (H1) and group conformity (H2) and purchase intention, as well as no relationship between purchase intention and actual purchase (H6). The sample of 243 data sets was collected from four Indian universities, and from the sample, 210 usable data sets were entered into the structural equation models. To analyze the research hypotheses, two methods were used. SPSS 15.0 was used to analyze

respondents' demographic information and LISREL 8.8 was used to test the proposed hypotheses. Of the six hypotheses proposed, five were supported in the structural equation modeling analysis. Overall, attitude and perceived behavioral control had a positive effect on purchase intention. However, no relationships were found between face saving and subjective norm and purchase intention, and between purchase intention and actual purchase, as hypothesized.

Discussion of the Findings

Between the two factors (attitude and perceived behavioral control) found to influence purchase intention, attitude showed a greater influence on purchase intention ($\beta=0.67$, $p<.00$). This result supports Hansen, Jensen, and Solgaard (2004) who found that consumers' attitude toward online grocery shopping were the most important predictor of online grocery behavioral intentions. Consistent with previous research, this finding supported the theory of reasoned action and the theory of planned behavior, which both predict that attitude determines behavior intention. The positive relationship between attitude and purchase intention found in this study is consistent with many previous studies. In the research of Choo et al. (2004), the positive linkage between attitude and intention was found for the high innovator group in India. The same significant positive relationship between attitude and purchase intention for apparel made in the United States was found among Chinese consumers (Shen et al., 2003). Respondents' attitudes toward American alligator leather products had a significant influence on their purchase intentions (Xu, Summers, & Belleau, 2004). Intention to use on-line shopping (Lin, in press; Shim & Drake, 1990; Shim et al., 2001; Vijayasathy,

2004) was strongly influenced by attitude toward on-line shopping. As we predicted, this hypothesis was confirmed in this research, as it has been in many previous studies, regardless of country, product, and settings.

Perceived behavioral control was found to be the second most significant factor influencing respondent purchase intention in the proposed model ($\beta=0.47$, $p<.00$). The impact of perceived behavioral control on purchase intention was a significant result of Ajzen's study and has been supported in many previous studies. Therefore, this finding supported previous studies (Kang et al., 2006; Lim & Dubinsky, 2005; Shim et al., 2001; Taylor & Todd, 1995b) that tested the relationship between perceived behavioral control and purchase intention. The finding also corresponds to Posthuma and Dworkin (2000), who found perceived behavioral control was a key concept in their integrated framework.

The relationship between subjective norm and purchase intention of foreign brand jeans was not supported in this study, even though subjective norm was a significant factor in Fishbein's behavioral model. This particular understanding has been confirmed in most previous studies, irrespective of country (e.g., Summers et al., 2006; Zhang et al., 2007; Xu et al., 2004), product (e.g., Bredahl, 2001; Choo et al., 2004; Malhotra & McCort, 2001), and research setting (e.g., Evans et al., 1996; Shim et al., 2001). However, a few recent studies of developing countries found insignificant connection between subjective norm and purchase intention (i.e., Lin, in press; Shen et al., 2003; Wang, 2006).

As predicted, face saving had no impact on purchase intention. We anticipated no relationship because India is located in the middle on the collectivism/individualism continuum (Hofstede, 2001). That is, India displays characteristics of both collectivism and individualism. Face saving has been suggested as a strong influence of purchase

intention in collectivism culture (Lee, 1999; Shim et al., 2001); however, the social influence factor (face saving) did not impact on Indian consumers' purchase intentions of foreign brand jeans. Another social influence factor, subjective norm, was shown not to influence purchase intention in this study, either. These results showed that normative influences (i.e., face saving, group conformity, and subjective norm) are less likely to work in India. Face saving can be noted more in Confucian culture and subjective norm has been well accepted in Western culture. However, the influence of those two normative factors (face saving and subjective norm) on purchase intention was not supported in the student data collected from Indian colleges for this study. Considering that India is a rapidly developing country and many foreign companies have emerged in its market, the result is not completely surprising. Furthermore, India's economy and middle class income are rapidly increasing. Because of this economic improvement, personal resources may be a more of an important factor than normative influence in India. In other words, at least within the college student data of this research, attitude toward foreign brand apparel and perceived behavioral control have more effect on Indian consumers rather than do normative influences. However, we do not know how these two factors affect other income levels, age groups, etc. among Indian consumers. Thus, further studies are needed to address these issues.

As hypothesized, no relationship between purchase intention and actual purchase was identified in the structural equation modeling analysis. While many studies have supported that purchase intention influenced actual purchase (Adams, 1974; Gormley, 1974; Lin, in press; McNeil, 1974; Young et al., 1998), this particular study showed a contrasting result. This may be due to the discrepancy between an Indian consumer's

thoughts and actions (Kumar & Sethi, 2005). Considering the positive influence of perceived behavioral control on purchase intention, perceived behavioral control may influence actual purchase as a moderator between purchase intention and actual purchase. Perceived behavioral control refers to personal resources, such as time and money. Among the Indian consumers, perceived behavioral control may lead to actual purchase as a moderator, rather than influencing actual purchase through a mediating role of purchase intention. This suggestion merits further study.

Implications

An analysis of this study revealed meaningful findings. These findings provided valuable implications for foreign brand companies that plan to enter Indian markets, as well as for companies already doing business in the country. Implications for managerial practitioners and academic researchers are discussed below.

Academic Implications

This study contributes to the literature in that it attempted to integrate two behavioral intention models to study Indian consumer purchase behavior regarding foreign brand jeans. While the theory of planned behavior and Lee's modified Fishbein model have been used widely to predict consumer behavior, no studies were found in an extensive literature search that used the combined models to explore Indian consumers. In addition, despite its large population and growth potential, India has only gained little attention from consumer behavior researchers. Therefore, this study provided new theoretical

insight into the understanding of Indian consumers by integrating two behavioral intention models.

The second significance of this study was the identification of the relative importance among the factors in the study. In previous studies, face saving and group conformity were emphasized when explaining Confucian cultures, and subjective norm was a significant factor of Western culture. However, this study discovered that attitude and perceived behavioral control were more important factors than the normative influences for influencing purchase intention. Thus, this study contributed to the literature by identifying the relative importance among factors in the proposed research model.

Finally, the results provided empirical evidence that no relationship between purchase intention and actual purchase is present among Indian consumers. Previous studies questioned the influence of purchase intention on actual purchase (Kumar & Sethi, 2005; Nelson & Devanatha, 2006; Young et al., 1998). This study empirically found that a gap exists between purchase intention and actual purchase among Indian college students. While this finding is tentative, it contributes initial empirical support to the literature.

Managerial Implications

Based on the results of this study, the following suggestions can be made to the foreign brand companies wishing to expand into the Indian market or other similar emerging markets. First, according to the results of this study, attitude is the most important factor to determine purchase intention. Thus, to build positive attitudes toward foreign brand jeans, a company should focus on promotions through various media such as catalogs,

movies, celebrities, magazines, TV shows, and internet advertising programs. These kinds of media are the most significant in determining a positive relationship with consumers' purchase intentions among American consumers (Xu, 2000). In India, print advertising is found to be the most popular media (Terpstra & Sarathy, 1997), so this promotion method is recommended. Meanwhile, foreign brand companies can try other marketing strategies on potential consumers. In order to maintain and enhance positive attitudes, companies need to focus on increasing the familiarity of their products because familiarity has been shown to increase favorable attitudes (Chung & Pysarchik, 2000). Indian consumers have moved from price consideration to a desire for design and quality of clothing (Biwas, 2006). Therefore, foreign brand companies should emphasize the utilitarian aspects of products, such as product design, quality, durability, etc. to encourage positive attitudes in Indian consumers.

Second, perceived behavioral control was one of the most significant factors of Indian consumer purchase behavior of foreign brand jeans. Therefore, foreign brand companies need to carefully consider the importance of consumers' perceived behavioral control. Companies need to take a more efficient approach to assess consumer perceived behavioral control, as well. Perceived behavioral control has two dimensions, an internal factor and an external factor. The internal factor refers to the extent of confidence that a person has in his/her ability to perform a certain behavior (Bandura, 1997). When considering an internal factor, a foreign brand company would like Indian consumers to purchase its brand with full confidence. One of the ways to enlarge consumer confidence is to increase opportunities to try outfits, such as "test-drives." To accomplish this, the companies could invite public contributions of personal experiences of trial clothing,

perform comparisons with competitive products, and evaluate product information. The external factor refers to resource constraints such as money, time, or technology (Taylor & Todd, 1995a). Regarding an external factor, a company needs to pay the most attention to its pricing strategy. That is to say, foreign brand companies need to consider competitors' pricing strategies in order to maintain competitive prices. Even though the internal aspect of perceived behavioral control was deleted in this study, companies may consider this strategy after verifying the role of internal factors in future study.

Lastly, as hypothesized, there was no relationship established between purchase intention and actual purchase in this study. Before launching a product, a company generally analyzes consumer behavior, purchase intention, or consumer responses to new products. Purchase intention has been used often as a proxy variable for actual purchase in applied marketing research (Young et al., 1998). However, following the result of this study, a company entering the Indian market should consider the relationship between purchase intention and actual purchase thoughtfully and should not rely solely on general marketing research. The company needs to carefully study to avoid the bias of the relationship between purchase intention and actual purchase.

Limitations and Future Studies

A particular limitation of this study was that the respondents were all from one city and represented only one specific demographic group of India. Thus, the results might vary if this study was repeated in different cities or with different demographic segments. In terms of further research, therefore, researchers should consider expanding the study focus to different areas and different populations.

Second, this study used only one perceived behavioral control item when analyzing the proposed model. Further research should use refined measurements to determine specific effects on perceived behavioral control and purchase intention toward foreign brand jeans.

Third, factors might moderate the relationship between purchase intention and actual purchase, but this study did not consider a moderator factor. Perceived behavioral control could be one of the factors. Thus, in a future study, researchers might consider including moderator factors to accurately anticipate Indian consumers' actual purchases.

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APPENDICES

APPENDIX A
QUESTIONNAIRE

Dear Participants,

We are conducting a research study of shoppers in India. Your participation is absolutely voluntary. During the survey you may choose to stop participating at any time. Your responses will be anonymous; data will be combined and analyzed as a whole unit. Your individual responses will be totally unidentifiable in this combined format. There are no known risks associated with this project which are greater than those ordinarily encountered in daily life.

If you have any questions, please contact Dr. ByoungHo Jin (405-744-9255, b.jin@okstate.edu). If you have questions regarding your rights as a participant, you may contact Dr. Sue Jacobs, the Institutional Review Board (IRB) Chair at Oklahoma State University at 405-744-1676. Your participation in the study will be greatly appreciated.

Oklahoma State Univ. Dept. Design, Housing & Merchandising
ByoungHo Jin, Ph.D. Associate Professor

Part I. Jean Buying Behavior

1. **How many pairs of denim jeans** do you have in your wardrobe? _____

2. Among them, please **list the name and number of foreign brand jean and domestic brand jean** you have.

<u>Name of Foreign Brand Jean</u>	<u>How many</u>	<u>Name of Domestic Brand Jean</u>	<u>How many</u>
<i>(If you have one Levi's jean, then put as below)</i>			
Example: Levi's	1		
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Part II. Please indicate how important each attribute is to you when you choose a jean.

<i>Importance of jean attributes</i>	<i>Least important</i>							<i>Extremely Important</i>
Well known brand	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Comfort	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Price	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Fit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Durability	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Latest fashion	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Country of origin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Quality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Part III. Please indicate how a foreign brand jean would provide for you in terms of following attributes.

<i>Belief toward foreign brand jean attributes</i>	<i>Strongly Disagree</i>							<i>Strongly Agree</i>
Well known brand	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Comfort	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Price	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Fit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Durability	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Latest fashion	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Country of origin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Quality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Part IV. Please indicate how important the below person's approval for your purchase of foreign brand jean.

<i>Referents</i>	<i>Least important</i>							<i>Extremely important</i>
Important friends (i.e., opposite sex)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Parents	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Siblings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Peers/Colleagues	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Part V. Please indicate the extent to which you agree or disagree with each of the following.

	<i>Strongly Disagree</i>							<i>Strongly Agree</i>
It is very easy for me to choose a jean among many brands.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have resources (i.e., time and money) to buy a pair of foreign jean.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I will buy a foreign brand jean in near future.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Whenever I need to buy a pair of jean, it is very likely that I will purchase a foreign brand jean.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Part VI. Please indicate the extent to which you agree or disagree with each of the following.

<i>My decision to buy a foreign brand jean would be influenced by</i>	<i>Strongly Disagree</i>							<i>Strongly Agree</i>
Whether owning it would hurt my reputation with the people who are important to me.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Whether I feel ashamed when people who are important to me see me owning this product.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Part VII. Please indicate the extent to which you agree or disagree with each of the following.

	<i>Strongly Disagree</i>							<i>Strongly Agree</i>
I feel that most people around me expect me to comply with their decision to buy a jean.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
My decision to buy a jean would be influenced by whether owning it would make me fit in with other people.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Part VIII. We request general demographic information to help with our analysis. It will not be used to identify the source of responses.

What is your gender? _____ Female _____ Male

What is your age? _____

What is your household's monthly income range?
(Please add all income sources in your household)

- _____ Below Rs 10,000
- _____ Rs 10,001 to Rs 20,000
- _____ Rs 20,001 to Rs 30,001
- _____ Rs 30,001 to Rs 40,000
- _____ Rs 40,001 to Rs 50,000
- _____ Rs 50,001 to Rs 60,000
- _____ Rs 60,001 and above

What is your monthly pocket money (i.e., monthly allowance from your parents)?
(If you have separate income by working part-time, please add it to the allowance)

Rs _____

How much do you spend on clothing per month on average? Rs _____

Thank you again for your participation for this survey.

APPENDIX B
LISREL OUTPUT FOR CONFIRMATORY FACTOR ANALYSIS
ON ATTITUDE TOWARD FOREIGN BRAND JEANS

DATE: 9/17/2007
TIME: 22:23

L I S R E L 8.80

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The following lines were read from file E:#Thesis#Data#LISREL#Att3Var.sp1:

Title: CFA on Attitude Three variables
ni = 8
observed variables: Quality Comfort Fit Durability Price Latest Origin Wellknown
covariance matrix from file: Att3Var.cov
asymptotic covariance matrix from file: Att3Var.acm
sample size: 210
latent variables: Intrinsic Extrinsic Symbol
equation: Quality=Intrinsic
equation: Comfort=Intrinsic
equation: Fit=Intrinsic
equation: Durability=Intrinsic
equation: Price=Symbol
equation: Latest=Extrinsic
equation: Origin=Extrinsic
equation: Wellknown=Extrinsic
admissibility check = off
iterations = 2000
lisrel output: ss sc mi rs
path diagram
end of problem

CFA on Attitude Three variables

Covariance Matrix

	<u>Quality</u>	<u>Comfort</u>	<u>Fit</u>	<u>Durabili</u>	<u>Price</u>	<u>Latest</u>
Quality	166.32					
Comfort	108.07	186.56				
Fit	92.36	121.14	189.26			
Durabili	88.49	84.70	85.50	176.99		
Price	50.83	58.38	75.51	73.64	197.07	
Latest	59.22	53.86	48.79	45.23	38.87	207.30
Origin	21.03	-1.29	-3.64	14.20	21.46	54.96
Wellknow	66.64	88.10	69.23	55.70	33.59	59.29

Covariance Matrix

	<u>Origin</u>	<u>Wellknow</u>
Origin	197.95	
Wellknow	26.48	235.93

CFA on Attitude Three variables

Parameter Specifications

LAMBDA-X

	<u>Intrinsi</u>	<u>Extrinsi</u>	<u>Symbol</u>
Quality	1	0	0
Comfort	2	0	0
Fit	3	0	0
Durabili	4	0	0
Price	0	0	5
Latest	0	6	0
Origin	0	7	0
Wellknow	0	8	0

PHI

	<u>Intrinsi</u>	<u>Extrinsi</u>	<u>Symbol</u>
Intrinsi	0		
Extrinsi	9	0	
Symbol	10	11	0

THETA-DELTA

<u>Quality</u>	<u>Comfort</u>	<u>Fit</u>	<u>Durabili</u>	<u>Price</u>	<u>Latest</u>
12	13	14	15	16	17

THETA-DELTA

<u>Origin</u>	<u>Wellknow</u>
18	19

CFA on Attitude Three variables

LISREL Estimates(Intermediate Solution)

LAMBDA-X

	<u>Intrinsi</u>	<u>Extrinsi</u>	<u>Symbol</u>
Quality	-2186.55	--	--
Comfort	3998.02	--	--
Fit	-1212.86	--	--
Durabili	-1247.54	--	--
Price	--	--	15.58
Latest	--	1548.68	--
Origin	--	1237.67	--
Wellknow	--	-1723.91	--

PHI

	<u>Intrinsi</u>	<u>Extrinsi</u>	<u>Symbol</u>
Intrinsi	1.00		
Extrinsi	31.19	1.00	
Symbol	0.10	0.06	1.00

THETA-DELTA

<u>Quality</u>	<u>Comfort</u>	<u>Fit</u>	<u>Durabili</u>	<u>Price</u>	<u>Latest</u>
*****				0.08	*****

THETA-DELTA

<u>Origin</u>	<u>Wellknow</u>
84111298.70	*****

LX was written to file E:\#Thesis#Data#LISREL#DUMP

PH was written to file E:\#Thesis#Data#LISREL#DUMP

TD was written to file E:\#Thesis#Data#LISREL#DUMP

Goodness of Fit Statistics

Degrees of Freedom = 17
 Minimum Fit Function Chi-Square = 18672.07 (P = 0.0)
 Normal Theory Weighted Least Squares Chi-Square = 731.59 (P = 0.0)
 Satorra-Bentler Scaled Chi-Square = 44702700.61 (P = 0.0)
 Chi-Square Corrected for Non-Normality = 81257877905076.69 (P = 0.0)
 Estimated Non-centrality Parameter (NCP) = 44702683.61
 90 Percent Confidence Interval for NCP = (0.0 ; 0.0)

Minimum Fit Function Value = 89.34
 Population Discrepancy Function Value (FO) = 213888.44
 90 Percent Confidence Interval for FO = (0.0 ; 0.0)
 Root Mean Square Error of Approximation (RMSEA) = 112.17
 90 Percent Confidence Interval for RMSEA = (0.0 ; 0.0)
 P-Value for Test of Close Fit (RMSEA < 0.05) = 0.00

Expected Cross-Validation Index (ECVI) = 213888.70
 90 Percent Confidence Interval for ECVI = (0.26 ; 0.26)
 ECVI for Saturated Model = 0.34
 ECVI for Independence Model = 3.34

Chi-Square for Independence Model with 28 Degrees of Freedom = 681.73
 Independence AIC = 697.73
 Model AIC = 44702738.61
 Saturated AIC = 72.00
 Independence CAIC = 732.50
 Model CAIC = 44702821.20
 Saturated CAIC = 228.50

Normed Fit Index (NFI) = -65571.79
 Non-Normed Fit Index (NNFI) = -112627.09
 Parsimony Normed Fit Index (PNFI) = -39811.45
 Comparative Fit Index (CFI) = 0.0
 Incremental Fit Index (IFI) = -67248.76
 Relative Fit Index (RFI) = -108001.25

Critical N (CN) = 1.00

Root Mean Square Residual (RMR) = 238303760.09
 Standardized RMR = 0.47
 Goodness of Fit Index (GFI) = -7.34
 Adjusted Goodness of Fit Index (AGFI) = -16.65
 Parsimony Goodness of Fit Index (PGFI) = -3.46

CFA on Attitude Three variables

Fitted Covariance Matrix

	<u>Quality</u>	<u>Comfort</u>	<u>Fit</u>	<u>Durabili</u>	<u>Price</u>	<u>Latest</u>
Quality*****						
Comfort-8741868.42*****						
Fit 2651982.99-4849037.12*****						
Durabili 2727803.10-4987670.94 1513088.26*****						
Price -3303.47 6040.25 -1832.40 -1884.79					242.84	
Latest*****					1547.84*****	
Origin*****					1236.99	1916753.71
Wellknow*****				65215784.7067080301.92	-1722.97	-2669792.47

Fitted Covariance Matrix

	Origin	Wellknow
Origin	85643119.60	
Wellknow	-2133630.35	*****

Fitted Residuals

	Quality	Comfort	Fit	Durabili	Price	Latest
Quality	*****					
Comfort	8741976.49	*****				
Fit	-2651890.64	4849158.26	*****			
Durabili	-2727714.62	4987755.64	-1513002.76	*****		
Price	3354.30	-5981.87	1907.91	1958.43	-45.77	
Latest	*****	58586859.50	60261851.00	-1508.97	*****	
Origin	84409319.26	*****	46821087.81	48159719.17	-1215.54	-1916698.75
Wellknow	*****	*****	*****	*****	1756.56	2669851.76

Fitted Residuals

	Origin	Wellknow
Origin	*****	
Wellknow	2133656.84	*****

Summary Statistics for Fitted Residuals

Smallest Fitted Residual = *****
 Median Fitted Residual = *****
 Largest Fitted Residual = *****

Stemleaf Plot

```

- 7|7
- 6|8
- 5|52
- 4|5
- 3|
- 2|2
- 1|952
- 0|97700000000000000000
  0|155668
    1|1
    2|1
    
```

CFA on Attitude Three variables

Standardized Solution

LAMBDA-X

	<u>Intrinsi</u>	<u>Extrinsi</u>	<u>Symbol</u>
Quality	-2186.55	- -	- -
Comfort	3998.02	- -	- -
Fit	-1212.86	- -	- -
Durabili	-1247.54	- -	- -
Price	- -	- -	15.58
Latest	- -	1548.68	- -
Origin	- -	1237.67	- -
Wellknow	- -	-1723.91	- -

PHI

	<u>Intrinsi</u>	<u>Extrinsi</u>	<u>Symbol</u>
Intrinsi	1.00		
Extrinsi	31.19	1.00	
Symbol	0.10	0.06	1.00

CFA on Attitude Three variables

Completely Standardized Solution

LAMBDA-X

	<u>Intrinsi</u>	<u>Extrinsi</u>	<u>Symbol</u>
Quality	-0.08	- -	- -
Comfort	0.14	- -	- -
Fit	-0.06	- -	- -
Durabili	-0.08	- -	- -
Price	- -	- -	1.00
Latest	- -	0.07	- -
Origin	- -	0.13	- -
Wellknow	- -	-0.08	- -

PHI

	<u>Intrinsi</u>	<u>Extrinsi</u>	<u>Symbol</u>
Intrinsi	1.00		
Extrinsi	31.19	1.00	
Symbol	0.10	0.06	1.00

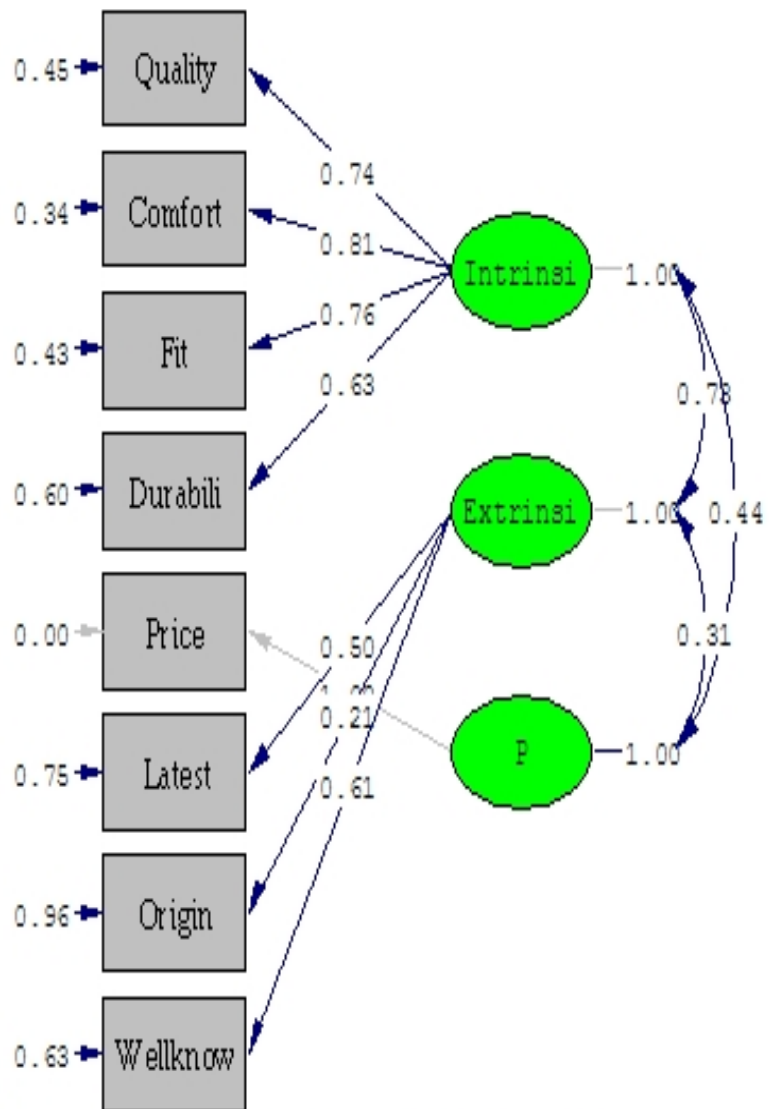
THETA-DELTA

<u>Quality</u>	<u>Comfort</u>	<u>Fit</u>	<u>Durabili</u>	<u>Price</u>	<u>Latest</u>
0.99	0.98	1.00	0.99	0.00	1.00

THETA-DELTA

<u>Origin</u>	<u>Wellknow</u>
0.98	0.99

Time used: 0.070 Seconds



Chi-Square=34.60, df=18, P-value=0.01061, RMSEA=0.066

APPENDIX C
LISREL OUTPUT FOR PATH ANALYSIS

DATE: 9/27/2007
TIME: 16:29

L I S R E L 8.80

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The following lines were read from file E:\Thesis\Data\LISREL\Indiaex_GCPBC1.LS8:

Title: India testing model ex GC and PBC1
ni = 13
observed variables: Purchase SNf SNp SNs SNc PBC2 PI1 PI2 FS1 FS2 AttP AttInt AttExt
covariance matrix from file: Indiaex_GCPBC1.cov
asymptotic covariance matrix from file: Indiaex_GCPBC1.acm
sample size: 210
latent variables: AP SN PBC PI FS ATT
equation: Purchase=1*AP
let the error variance of Purchase equal 0
equation: SNf=SN
equation: SNp=SN
equation: SNs=SN
equation: SNc=SN
equation: PBC2=1+PBC
let the error variance of PBC2 equal 0
equation: PI1=PI
equation: PI2=PI
equation: FS1=FS
equation: FS2=FS
equation: AttP=ATT
equation: AttInt=ATT
equation: AttExt=ATT
equation: ATT=FS

```

equation: PI=FS ATT SN PBC
equation: AP=PI
admissibility check = off
iterations = 2000
lisrel output: ss sc mi rs
path diagram
end of problem

```

India testing model ex GC and PBC1

Covariance Matrix

	Purchase	PI1	PI2	AttP	AttInt	AttExt
Purchase	16.71					
PI1	0.06	6.93				
PI2	1.26	2.77	6.64			
AttP	-10.05	10.06	5.32	199.30		
AttInt	-3.07	12.79	7.22	67.98	118.56	
AttExt	-1.71	8.92	8.65	26.98	36.12	59.60
SNf	1.08	3.08	1.80	15.09	14.88	9.53
SNp	-1.01	0.74	0.93	7.93	3.81	2.83
SNs	0.49	1.95	2.35	9.97	7.72	6.81
SNc	1.38	5.02	2.53	13.47	14.18	10.65
PBC2	0.34	2.23	1.95	0.72	4.27	4.98
FS1	-2.31	1.13	2.29	1.88	-4.41	9.08
FS2	-0.76	-0.40	1.22	1.34	-6.04	3.41

Covariance Matrix

	SNf	SNp	SNs	SNc	PBC2	FS1
SNf	14.82					
SNp	1.68	3.78				
SNs	3.59	3.39	13.81			
SNc	8.83	1.47	7.98	22.27		
PBC2	1.49	0.45	1.94	2.17	3.82	
FS1	2.77	1.62	2.90	3.58	1.20	14.81
FS2	0.84	1.32	1.36	1.04	0.79	7.17

Covariance Matrix

	FS2
FS2	6.56

eq

India testing model ex GC and PBC1

Parameter Specifications

LAMBDA-Y

	AP	PI	ATT
	-----	-----	-----
Purchase	0	0	0
PI1	0	0	0
PI2	0	1	0
AttP	0	0	0
AttInt	0	0	2
AttExt	0	0	3

LAMBDA-X

	SN	PBC	FS
	-----	-----	-----
SNf	4	0	0
SNp	5	0	0
SNs	6	0	0
SNc	7	0	0
PBC2	0	0	0
FS1	0	0	8
FS2	0	0	9

BETA

	AP	PI	ATT
	-----	-----	-----
AP	0	10	0
PI	0	0	11
ATT	0	0	0

GAMMA

	SN	PBC	FS
	-----	-----	-----
AP	0	0	0
PI	12	13	14
ATT	0	0	15

PHI

	SN	PBC	FS
	-----	-----	-----
SN	0		

PBC	16	17				
FS	18	19	0			
PSI						
	AP	PI	ATT			
	-----	-----	-----			
	20	21	22			
THETA-EPS						
	Purchase	PI1	PI2	AttP	AttInt	AttExt
	-----	-----	-----	-----	-----	-----
	0	23	24	25	26	27
THETA-DELTA						
	SNf	SNp	SNs	SNc	PBC2	FS1
	-----	-----	-----	-----	-----	-----
	28	29	30	31	0	32
THETA-DELTA						
	FS2					

	33					

India testing model ex GC and PBC1

Number of Iterations = 22

LISREL Estimates (Robust Maximum Likelihood)

LAMBDA-Y			
	AP	PI	ATT
	-----	-----	-----
Purchase	1.00	--	--
PI1	--	1.71	--
PI2	--	1.33	--
		(0.39)	
		3.37	
AttP	--	--	7.41
AttInt	--	--	8.24
			(1.67)
			4.93

AttExt	--	--	7.33 4.51 (0.75) 5.99
--------	----	----	--------------------------------

LAMBDA-X

	SN	PBC	FS
	-----	-----	-----
SNf	2.14 (0.81)	--	--
	2.64		
SNp	0.83 (0.42)	--	--
	2.00		
SNs	2.42 (0.59)	--	--
	4.10		
SNc	3.33 (0.91)	--	--
	3.67		
PBC2	--	1.00	--
FS1	--	--	4.35 (1.51)
			2.89
FS2	--	--	1.65 (0.68) 2.43

BETA

	AP	PI	ATT
	-----	-----	-----
AP	--	-0.07 (0.83)	--
		-0.09	
PI	--	--	0.67 (0.18)
			3.74
ATT	--	--	--

GAMMA

	SN	PBC	FS
	-----	-----	-----
AP	--	--	--
PI	0.22 (0.27)	0.24 (0.09)	0.10 (0.11)
	0.80	2.56	0.84

ATT	0.00	1.00	0.07
	--	--	0.04
			(0.08)
			0.53

Covariance Matrix of ETA and KSI

	AP	PI	ATT	SN	PBC	FS
AP	16.71					
PI	-0.07	1.00				
ATT	-0.05	0.68	1.00			
SN	-0.03	0.42	0.01	1.00		
PBC	-0.08	1.09	0.01	0.69	3.82	
FS	-0.02	0.24	0.04	0.27	0.23	1.00

PHI

	SN	PBC	FS
SN	1.00		
PBC	0.69	3.82	
	(0.48)	(1.20)	
	1.45	3.19	
FS	0.27	0.23	1.00
	(0.17)	(0.26)	
	1.58	0.89	

PSI

Note: This matrix is diagonal.

AP	PI	ATT
16.71	0.17	1.00
(4.73)	(0.32)	(0.26)
3.53	0.53	3.88

Squared Multiple Correlations for Structural Equations

AP	PI	ATT
0.00	0.83	0.00

Squared Multiple Correlations for Reduced Form

AP	PI	ATT
0.00	0.38	0.00

Reduced Form

	SN	PBC	FS
AP	-0.02 (0.18)	-0.02 (0.20)	-0.01 (0.11)
PI	-0.09 0.22 (0.27)	-0.09 0.24 (0.09)	-0.09 0.13 (0.12)
ATT	0.80 --	2.56 --	1.01 0.04 (0.08) 0.53

THETA-EPS

Purchase	PI1	PI2	AttP	AttInt	AttExt
--	3.39 (0.76)	4.50 (0.56)	144.45 (18.54)	50.65 (16.53)	39.23 (6.29)
	4.44	8.00	7.79	3.06	6.23

Squared Multiple Correlations for Y - Variables

Purchase	PI1	PI2	AttP	AttInt	AttExt
1.00	0.46	0.28	0.28	0.57	0.34

THETA-DELTA

SNf	SNp	SNs	SNc	PBC2	FS1
10.24 (1.38)	3.10 (0.42)	7.93 (1.25)	11.16 (2.36)	--	-4.14 (13.57)
7.44	7.38	6.32	4.72		-0.31

THETA-DELTA

FS2
3.84 (1.92) 2.01

Squared Multiple Correlations for X - Variables

SNf	SNp	SNs	SNc	PBC2	FS1
0.31	0.18	0.43	0.50	1.00	1.28

Squared Multiple Correlations for X - Variables

FS2
0.41

Goodness of Fit Statistics

Degrees of Freedom = 58
 Minimum Fit Function Chi-Square = 252.35 (P = 0.0)
 Normal Theory Weighted Least Squares Chi-Square = 234.95 (P = 0.0)
 Satorra-Bentler Scaled Chi-Square = 133.74 (P = 0.00)
 Chi-Square Corrected for Non-Normality = 368.21 (P = 0.0)
 Estimated Non-centrality Parameter (NCP) = 75.74
 90 Percent Confidence Interval for NCP = (45.86 ; 113.34)

Minimum Fit Function Value = 1.21
 Population Discrepancy Function Value (FO) = 0.36
 90 Percent Confidence Interval for FO = (0.22 ; 0.54)
 Root Mean Square Error of Approximation (RMSEA) = 0.079
 90 Percent Confidence Interval for RMSEA = (0.062 ; 0.097)
 P-Value for Test of Close Fit (RMSEA < 0.05) = 0.0043

Expected Cross-Validation Index (ECVI) = 0.96
 90 Percent Confidence Interval for ECVI = (0.81 ; 1.14)
 ECVI for Saturated Model = 0.87
 ECVI for Independence Model = 5.46

Chi-Square for Independence Model with 78 Degrees of Freedom = 1115.63
 Independence AIC = 1141.63
 Model AIC = 199.74
 Saturated AIC = 182.00
 Independence CAIC = 1198.15
 Model CAIC = 343.19
 Saturated CAIC = 577.59

Normed Fit Index (NFI) = 0.88
 Non-Normed Fit Index (NNFI) = 0.90
 Parsimony Normed Fit Index (PNFI) = 0.65
 Comparative Fit Index (CFI) = 0.93
 Incremental Fit Index (IFI) = 0.93

Incremental Fit Index (IFI) = 0.93
 Relative Fit Index (RFI) = 0.84

Critical N (CN) = 135.32

Root Mean Square Residual (RMR) = 4.40
 Standardized RMR = 0.13
 Goodness of Fit Index (GFI) = 0.85
 Adjusted Goodness of Fit Index (AGFI) = 0.77
 Parsimony Goodness of Fit Index (PGFI) = 0.54

India testing model ex GC and PBC1

Fitted Covariance Matrix

	Purchase	PI1	PI2	AttP	AttInt	AttExt
Purchase	16.71					
PI1	-0.13	6.31				
PI2	-0.10	2.27	6.26			
AttP	-0.37	8.58	6.69	199.30		
AttInt	-0.41	9.55	7.44	61.03	118.56	
AttExt	-0.22	5.23	4.07	33.42	37.19	59.60
SNf	-0.07	1.53	1.19	0.19	0.21	0.11
SNp	-0.03	0.59	0.46	0.07	0.08	0.04
SNs	-0.07	1.73	1.35	0.21	0.24	0.13
SNc	-0.10	2.38	1.85	0.29	0.32	0.18
PBC2	-0.08	1.86	1.45	0.07	0.08	0.05
FS1	-0.08	1.79	1.39	1.40	1.55	0.85
FS2	-0.03	0.68	0.53	0.53	0.59	0.32

Fitted Covariance Matrix

	SNf	SNp	SNs	SNc	PBC2	FS1
SNf	14.82					
SNp	1.77	3.78				
SNs	5.18	2.01	13.81			
SNc	7.13	2.76	8.08	22.27		
PBC2	1.49	0.58	1.68	2.32	3.82	
FS1	2.54	0.98	2.88	3.96	1.02	14.81
FS2	0.96	0.37	1.09	1.50	0.38	7.18

Fitted Covariance Matrix

	FS2
FS2	6.56

Fitted Residuals

	Purchase	PI1	PI2	AttP	AttInt	AttExt
Purchase	0.00					
PI1	0.18	0.62				
PI2	1.35	0.50	0.38			
AttP	-9.68	1.48	-1.37	0.00		
AttInt	-2.66	3.24	-0.22	6.95	0.00	
AttExt	-1.49	3.69	4.57	-6.44	-1.07	0.00
SNf	1.14	1.56	0.61	14.90	14.67	9.42
SNp	-0.98	0.14	0.47	7.86	3.73	2.78
SNs	0.57	0.22	1.00	9.76	7.48	6.68
SNc	1.48	2.64	0.68	13.18	13.86	10.48
PBC2	0.42	0.37	0.50	0.65	4.18	4.94
FS1	-2.24	-0.66	0.90	0.48	-5.97	8.22
FS2	-0.73	-1.08	0.69	0.81	-6.63	3.08

Fitted Residuals

	SNf	SNp	SNs	SNc	PBC2	FS1
SNf	0.00					
SNp	-0.09	0.00				
SNs	-1.59	1.38	0.00			
SNc	1.70	-1.29	-0.10	0.00		
PBC2	0.00	-0.13	0.26	-0.15	0.00	
FS1	0.23	0.64	0.02	-0.38	0.18	0.00
FS2	-0.12	0.95	0.27	-0.45	0.41	-0.01

Fitted Residuals

	FS2
FS2	0.00

Summary Statistics for Fitted Residuals

Smallest Fitted Residual = -9.68
 Median Fitted Residual = 0.38
 Largest Fitted Residual = 14.90

Stemleaf Plot

```

- 8|7
- 6|640
- 4|
- 2|72
- 0|654311077542211110000000000000
  0|122223344445555666667789001445567
  2|681277
  4|269
  6|7059
  8|248
 10|5
 12|29
 14|79

```

Standardized Residuals

	Purchase	PI1	PI2	AttP	AttInt	AttExt
Purchase	0.00					
PI1	0.10	0.26				
PI2	1.29	0.30	0.22			
AttP	-2.54	0.32	-0.31	--		
AttInt	-0.59	0.78	-0.06	2.63	0.00	
AttExt	-0.56	1.42	2.18	-1.46	-0.29	--
SNf	0.70	0.66	0.30	2.51	2.59	2.53
SNp	-1.04	0.13	0.48	2.70	1.50	1.58
SNs	0.49	0.12	0.58	1.86	1.66	2.28
SNc	0.91	0.89	0.28	1.74	2.09	2.36
PBC2	0.55	0.26	0.41	0.17	1.41	2.69
FS1	-1.61	-0.48	0.70	0.13	-2.52	4.51
FS2	-1.02	-1.24	0.77	0.29	-3.58	2.25

Standardized Residuals

	SNf	SNp	SNs	SNc	PBC2	FS1
SNf	0.00					
SNp	-0.06	0.00				
SNs	-0.66	1.06	0.00			
SNc	0.44	-0.81	-0.03	0.00		
PBC2	0.00	-0.18	0.19	-0.08	0.00	
FS1	0.13	0.70	0.01	-0.18	0.19	--
FS2	-0.10	1.57	0.26	-0.34	0.60	-0.02

Standardized Residuals

FS2

FS2 - -

Summary Statistics for Standardized Residuals

Smallest Standardized Residual = -3.58
Median Standardized Residual = 0.22
Largest Standardized Residual = 4.51

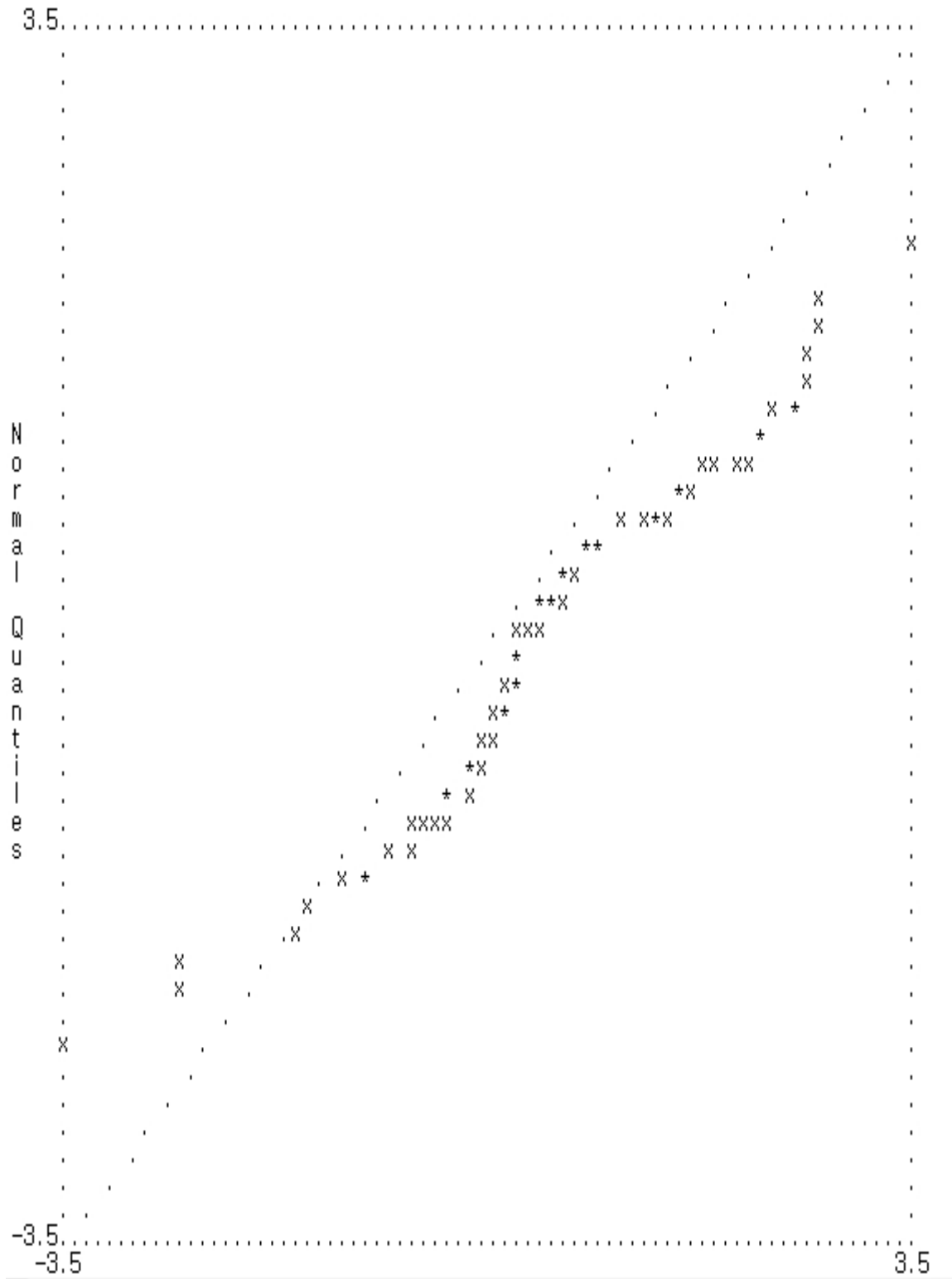
Stemleaf Plot

- 3|6
- 2|55
- 1|65200
- 0|8766533322111100000000000000
0|111112222333333333445556677778899
1|1344566779
2|12334556677
3|
4|5

Largest Negative Standardized Residuals
Residual for FS2 and AttInt -3.58
Largest Positive Standardized Residuals
Residual for AttInt and AttP 2.63
Residual for SNf and AttInt 2.59
Residual for SNp and AttP 2.70
Residual for PBC2 and AttExt 2.69
Residual for FS1 and AttExt 4.51

India testing model ex GC and PBC1

Qplot of Standardized Residuals



Standardized Residuals

India testing model ex GC and PBC1

Modification Indices and Expected Change

Modification Indices for LAMBDA-Y

	AP	PI	ATT
	-----	-----	-----
Purchase	--	--	--
PI1	0.36	--	--
PI2	7.01	--	--
AttP	6.49	0.64	--
AttInt	0.26	--	--
AttExt	0.06	30.93	--

Expected Change for LAMBDA-Y

	AP	PI	ATT
	-----	-----	-----
Purchase	--	--	--
PI1	0.03	--	--
PI2	0.11	--	--
AttP	-0.57	-1.05	--
AttInt	-0.10	--	--
AttExt	-0.03	4.25	--

Standardized Expected Change for LAMBDA-Y

	AP	PI	ATT
	-----	-----	-----
Purchase	--	--	--
PI1	0.12	--	--
PI2	0.45	--	--
AttP	-2.33	-1.05	--
AttInt	-0.40	--	--
AttExt	-0.12	4.25	--

Completely Standardized Expected Change for LAMBDA-Y

	AP	PI	ATT
	-----	-----	-----
Purchase	--	--	--
PI1	0.05	--	--
PI2	0.18	--	--
AttP	-0.16	-0.07	--

AttInt	-0.04	--	--
AttExt	-0.02	0.55	--

Modification Indices for LAMBDA-X

	SN	PBC	FS
	-----	-----	-----
SNf	--	--	0.38
SNp	--	--	1.02
SNs	--	--	0.16
SNc	--	--	1.99
PBC2	--	--	--
FS1	--	--	--
FS2	--	--	--

Expected Change for LAMBDA-X

	SN	PBC	FS
	-----	-----	-----
SNf	--	--	0.21
SNp	--	--	0.17
SNs	--	--	-0.16
SNc	--	--	-1.01
PBC2	--	--	--
FS1	--	--	--
FS2	--	--	--

Standardized Expected Change for LAMBDA-X

	SN	PBC	FS
	-----	-----	-----
SNf	--	--	0.21
SNp	--	--	0.17
SNs	--	--	-0.16
SNc	--	--	-1.01
PBC2	--	--	--
FS1	--	--	--
FS2	--	--	--

Completely Standardized Expected Change for LAMBDA-X

	SN	PBC	FS
	-----	-----	-----
SNf	--	--	0.05
SNp	--	--	0.09
SNs	--	--	-0.04
SNc	--	--	-0.21
PBC2	--	--	--

FS1	--	--	--
FS2	--	--	--

Modification Indices for BETA

	AP	PI	ATT
	-----	-----	-----
AP	--	--	--
PI	24.57	--	--
ATT	--	--	--

Expected Change for BETA

	AP	PI	ATT
	-----	-----	-----
AP	--	--	--
PI	0.23	--	--
ATT	--	--	--

Standardized Expected Change for BETA

	AP	PI	ATT
	-----	-----	-----
AP	--	--	--
PI	0.06	--	--
ATT	--	--	--

Modification Indices for GAMMA

	SN	PBC	FS
	-----	-----	-----
AP	--	--	10.13
PI	--	--	--
ATT	236.75	24.23	--

Expected Change for GAMMA

	SN	PBC	FS
	-----	-----	-----
AP	--	--	-1.06
PI	--	--	--
ATT	3.80	0.29	--

Standardized Expected Change for GAMMA

	SN	PBC	FS
	-----	-----	-----
AP	--	--	-0.26

PI	--	--	--
ATT	3.80	0.57	--

No Non-Zero Modification Indices for PHI

Modification Indices for PSI

	AP	PI	ATT
	-----	-----	-----
AP	--		
PI	23.61	--	
ATT	--	--	--

Expected Change for PSI

	AP	PI	ATT
	-----	-----	-----
AP	--		
PI	3.69	--	
ATT	--	--	--

Standardized Expected Change for PSI

	AP	PI	ATT
	-----	-----	-----
AP	--		
PI	0.90	--	
ATT	--	--	--

Modification Indices for THETA-EPS

	Purchase	PI1	PI2	AttP	AttInt	AttExt
	-----	-----	-----	-----	-----	-----
Purchase	--					
PI1	0.36	--				
PI2	7.04	--	--			
AttP	6.54	0.03	1.69	--		
AttInt	0.25	--	675.09	26.62	--	
AttExt	0.03	0.07	10.93	8.27	--	--

Expected Change for THETA-EPS

	Purchase	PI1	PI2	AttP	AttInt	AttExt
	-----	-----	-----	-----	-----	-----
Purchase	--					
PI1	0.47	--				
PI2	1.84	--	--			
AttP	-9.55	-0.46	-2.93	--		

AttInt	-1.62	--	-488.73	134.05	--	
AttExt	-0.37	-0.65	4.28	-34.83	--	--

Completely Standardized Expected Change for THETA-EPS

	<u>Purchase</u>	<u>PI1</u>	<u>PI2</u>	<u>AttP</u>	<u>AttInt</u>	<u>AttExt</u>
Purchase	--					
PI1	0.05	--				
PI2	0.18	--	--			
AttP	-0.17	-0.01	-0.08	--		
AttInt	-0.04	--	-17.93	0.87	--	
AttExt	-0.01	-0.03	0.22	-0.32	--	--

Modification Indices for THETA-DELTA-EPS

	<u>Purchase</u>	<u>PI1</u>	<u>PI2</u>	<u>AttP</u>	<u>AttInt</u>	<u>AttExt</u>
SNf	0.98	0.09	1.57	1.60	6.39	0.43
SNp	5.31	1.96	0.55	8.87	0.00	0.02
SNs	0.07	8.15	1.25	0.74	0.06	0.04
SNc	1.50	23.68	2.17	0.07	0.75	0.00
PBC2	0.04	--	--	3.25	2.55	5.81
FS1	5.98	--	0.01	2.08	3.21	8.04
FS2	0.71	142.06	4.09	3.32	5.54	0.24

Expected Change for THETA-DELTA-EPS

	<u>Purchase</u>	<u>PI1</u>	<u>PI2</u>	<u>AttP</u>	<u>AttInt</u>	<u>AttExt</u>
SNf	0.96	0.16	-0.70	3.80	5.43	1.05
SNp	-1.18	-0.38	0.21	4.75	0.02	-0.13
SNs	0.23	-1.60	0.59	2.40	0.51	0.31
SNc	1.36	4.10	-1.02	-0.90	2.20	-0.07
PBC2	-0.19	--	--	-2.90	2.49	2.19
FS1	-1.82	--	0.08	-3.36	-3.49	3.58
FS2	0.42	-12.50	0.69	2.81	-2.60	0.40

Completely Standardized Expected Change for THETA-DELTA-EPS

	<u>Purchase</u>	<u>PI1</u>	<u>PI2</u>	<u>AttP</u>	<u>AttInt</u>	<u>AttExt</u>
SNf	0.06	0.02	-0.07	0.07	0.13	0.04
SNp	-0.15	-0.08	0.04	0.17	0.00	-0.01
SNs	0.02	-0.17	0.06	0.05	0.01	0.01
SNc	0.07	0.35	-0.09	-0.01	0.04	0.00
PBC2	-0.02	--	--	-0.11	0.12	0.15
FS1	-0.12	--	0.01	-0.06	-0.08	0.12

FS2	0.04	-1.94	0.11	0.08	-0.09	0.02
-----	------	-------	------	------	-------	------

Modification Indices for THETA-DELTA

	SNf	SNp	SNs	SNc	PBC2	FS1
	-----	-----	-----	-----	-----	-----
SNf	--					
SNp	0.13	--				
SNs	144.54	146.16	--			
SNc	--	50.50	--	--		
PBC2	0.06	0.13	3.13	2.84	--	
FS1	0.66	1.36	0.27	0.06	--	--
FS2	1.02	9.51	0.47	4.60	3.59	--

Modification Indices for THETA-DELTA

	FS2

FS2	--

Expected Change for THETA-DELTA

	SNf	SNp	SNs	SNc	PBC2	FS1
	-----	-----	-----	-----	-----	-----
SNf	--					
SNp	-0.23	--				
SNs	-35.25	12.46	--			
SNc	--	-6.47	--	--		
PBC2	0.11	-0.08	0.90	-1.15	--	
FS1	0.57	-0.39	-0.43	0.33	--	--
FS2	-0.48	0.72	0.37	-1.98	0.41	--

Expected Change for THETA-DELTA

	FS2

FS2	--

Completely Standardized Expected Change for THETA-DELTA

	SNf	SNp	SNs	SNc	PBC2	FS1
	-----	-----	-----	-----	-----	-----
SNf	--					
SNp	-0.03	--				
SNs	-2.46	1.72	--			
SNc	--	-0.70	--	--		
PBC2	0.01	-0.02	0.12	-0.12	--	
FS1	0.04	-0.05	-0.03	0.02	--	--

FS2 -0.05 0.14 0.04 -0.16 0.08 - -

Completely Standardized Expected Change for THETA-DELTA

 FS2

 FS2 - -

Maximum Modification Index is 675.09 for Element (5, 3) of THETA-EPS

India testing model ex GC and PBC1

Standardized Solution

LAMBDA-Y

	AP	PI	ATT
	-----	-----	-----
Purchase	4.09	- -	- -
PI1	- -	1.71	- -
PI2	- -	1.33	- -
AttP	- -	- -	7.41
AttInt	- -	- -	8.24
AttExt	- -	- -	4.51

LAMBDA-X

	SN	PBC	FS
	-----	-----	-----
SNf	2.14	- -	- -
SNp	0.83	- -	- -
SNs	2.42	- -	- -
SNc	3.33	- -	- -
PBC2	- -	1.95	- -
FS1	- -	- -	4.35
FS2	- -	- -	1.65

BETA

	AP	PI	ATT
	-----	-----	-----
AP	- -	-0.02	- -
PI	- -	- -	0.67
ATT	- -	- -	- -

GAMMA

	SN	PBC	FS
AP	--	--	--
PI	0.22	0.47	0.10
ATT	--	--	0.04

Correlation Matrix of ETA and KSI

	AP	PI	ATT	SN	PBC	FS
AP	1.00					
PI	-0.02	1.00				
ATT	-0.01	0.68	1.00			
SN	-0.01	0.42	0.01	1.00		
PBC	-0.01	0.56	0.01	0.36	1.00	
FS	0.00	0.24	0.04	0.27	0.12	1.00

PSI

Note: This matrix is diagonal.

	AP	PI	ATT
	1.00	0.17	1.00

Regression Matrix ETA on KSI (Standardized)

	SN	PBC	FS
AP	0.00	-0.01	0.00
PI	0.22	0.47	0.13
ATT	--	--	0.04

India testing model ex GC and PBC1

Completely Standardized Solution

LAMBDA-Y

	AP	PI	ATT
Purchase	1.00	--	--
PI1	--	0.68	--
PI2	--	0.53	--
AttP	--	--	0.52
AttInt	--	--	0.76
AttExt	--	--	0.58

LAMBDA-X

	SN	PBC	FS
SNf	0.56	--	--
SNp	0.43	--	--
SNs	0.65	--	--
SNc	0.71	--	--
PBC2	--	1.00	--
FS1	--	--	1.13
FS2	--	--	0.64

BETA

	AP	PI	ATT
AP	--	-0.02	--
PI	--	--	0.67
ATT	--	--	--

GAMMA

	SN	PBC	FS
AP	--	--	--
PI	0.22	0.47	0.10
ATT	--	--	0.04

Correlation Matrix of ETA and KSI

	AP	PI	ATT	SN	PBC	FS
AP	1.00					
PI	-0.02	1.00				
ATT	-0.01	0.68	1.00			
SN	-0.01	0.42	0.01	1.00		
PBC	-0.01	0.56	0.01	0.36	1.00	
FS	0.00	0.24	0.04	0.27	0.12	1.00

PSI

Note: This matrix is diagonal.

	AP	PI	ATT
	1.00	0.17	1.00

THETA-EPS

Purchase	PI1	PI2	AttP	AttInt	AttExt
--	0.54	0.72	0.72	0.43	0.66

THETA-DELTA

SNf	SNp	SNs	SNc	PBC2	FS1
0.69	0.82	0.57	0.50	--	-0.28

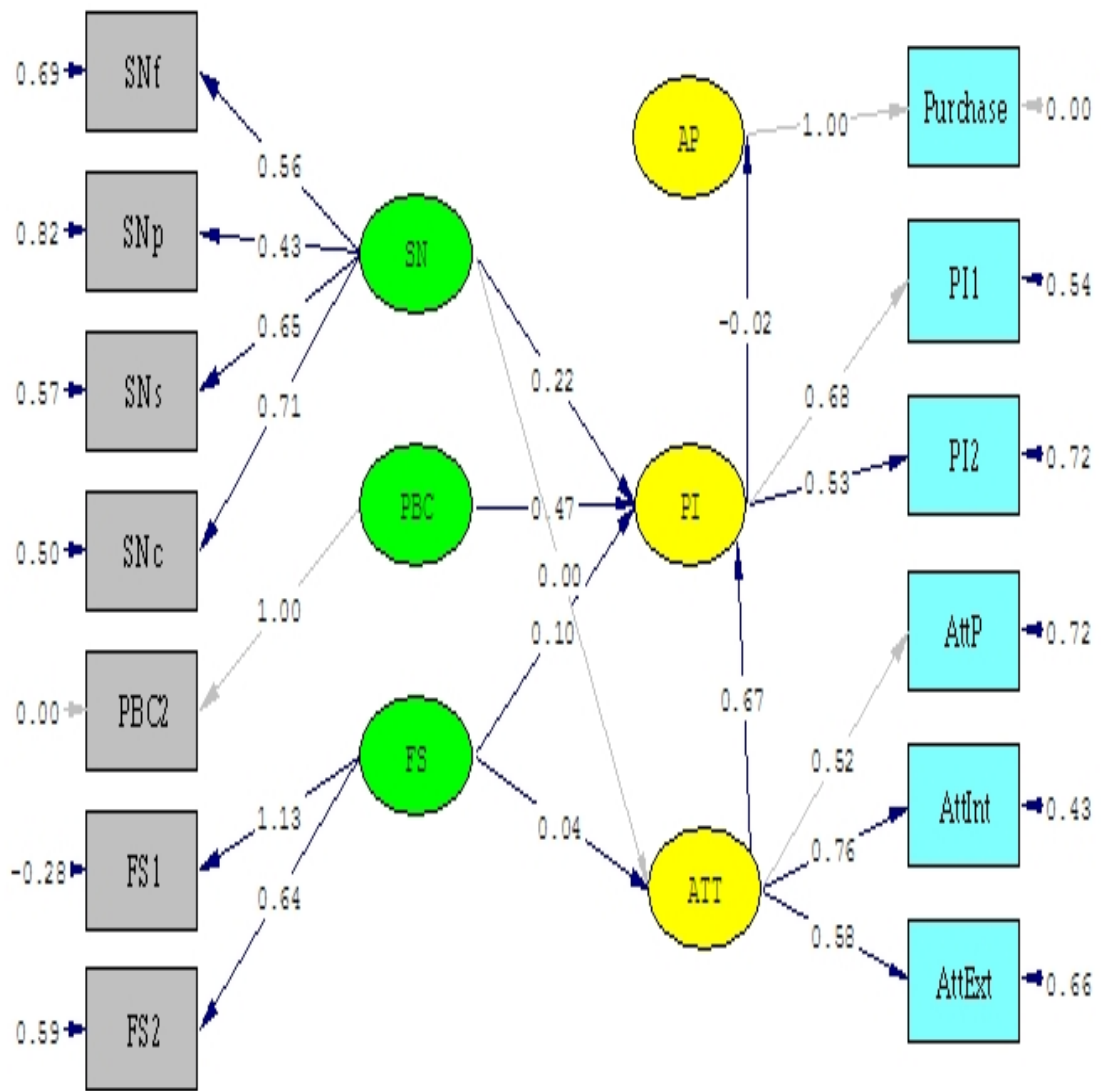
THETA-DELTA

FS2
0.59

Regression Matrix ETA on KSI (Standardized)

	SN	PBC	FS
AP	0.00	-0.01	0.00
PI	0.22	0.47	0.13
ATT	--	--	0.04

Time used: 0.471 Seconds



Chi-Square=133.74, df=58, P-value=0.00000, RMSEA=0.079

APPENDIX D
OKLAHOMA STATE UNIVERSITY
INSTITUTIONAL REVIEW BOARD APPROVAL

Oklahoma State University Institutional Review Board

Date: Thursday, May 31, 2007
IRB Application No: HE0737
Proposal Title: Building U.S. Competitiveness in Natural-Fiber and Related Industries by Preparing Students and Small Business Leaders for Global Markets
Reviewed and Processed as: Exempt

Status Recommended by Reviewer(s): Approved Protocol Expires: 5/30/2008

Principal Investigator(s)

Byoungho Jin	Glenn Muske
431 HES	135 HES
Stillwater, OK 74078	Stillwater, OK 74078

The IRB application referenced above has been approved. It is the judgment of the reviewers that the rights and welfare of individuals who may be asked to participate in this study will be respected, and that the research will be conducted in a manner consistent with the IRB requirements as outlined in section 45 CFR 46.

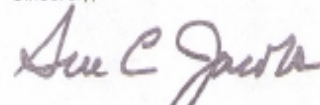
- The final versions of any printed recruitment, consent and assent documents bearing the IRB approval stamp are attached to this letter. These are the versions that must be used during the study.

As Principal Investigator, it is your responsibility to do the following:

1. Conduct this study exactly as it has been approved. Any modifications to the research protocol must be submitted with the appropriate signatures for IRB approval.
2. Submit a request for continuation if the study extends beyond the approval period of one calendar year. This continuation must receive IRB review and approval before the research can continue.
3. Report any adverse events to the IRB Chair promptly. Adverse events are those which are unanticipated and impact the subjects during the course of this research; and
4. Notify the IRB office in writing when your research project is complete.

Please note that approved protocols are subject to monitoring by the IRB and that the IRB office has the authority to inspect research records associated with this protocol at any time. If you have questions about the IRB procedures or need any assistance from the Board, please contact Beth McTernan in 219 Cordell North (phone: 405-744-5700, beth.mcternan@okstate.edu).

Sincerely,



Sue C. Jacobs, Chair
Institutional Review Board



May 14, 2007

Dear Participants,

This survey is to understand factors related to international consumers' clothing purchase. In order to understand differing importance of various consumer variables, your participation is essential. The questionnaire will take 20-25 minutes. The results of this research will only be used for academic purposes, not for commercial purposes.

Your responses will be kept anonymous; data will be combined and analyzed as a whole unit. Your individual responses will be totally unidentifiable in this combined format. None of your information will be matched with your responses in reporting the results of the survey. Demographic information is requested for statistical purposes but will not be used to identify you in any way.

After the survey is completed, the completed questionnaires will be stored confidentially in researcher's locked cabinet for three years and only the researchers can access the questionnaires.

Your participation is absolutely voluntary, and you may choose to stop participating at any time. You may decline to answer any questions you choose; however, since your answers are so critical to this project, we hope you complete all parts of the questionnaire. There are no known risks associated with this project which are greater than those ordinarily encountered in daily life

If you have questions about your rights as a research volunteer, you may contact Dr. Sue C. Jacobs, IRB Chair, 219 Cordell North, Stillwater, OK 74078, 405-744-1676 or irb@okstate.edu.

I would be most happy to answer any questions you might have. Please call, email or write me at the phone numbers and addresses listed below.

Thank you for your assistance.

Sincerely,

A handwritten signature in cursive script that reads "Byoungho Jin".

Byoungho Jin, Ph. D.
Associate Professor
431 HES
Oklahoma State University
Stillwater, OK 74078
Tel: (405) 744-5035
b.jin@okstate.edu

VITA

JUNGHWA SON

Candidate for the Degree of

Master of Science

Thesis: INDIAN CONSUMER PURCHASE BEHAVIOR OF FOREIGN BRAND
JEANS

Major Field: Apparel Merchandising

Biographical:

Personal Data: Born in Busan, Korea, on January 9, 1979

Education:

Received Bachelor of Science degree in Distribution Management from Dong-Eui University, Busan, Korea, in February 2001. Received the Master of Science degree in Distribution Management from Dong-Eui University, Busan, Korea, in February 2003. Completed the requirements for the Master of Science degree in Apparel Merchandising at Oklahoma State University, Stillwater, Oklahoma, in December 2007.

Experience:

Employed by Dong-Eui University, Department of Distribution Management, as a graduate assistant from spring 2001 to fall 2002. Employed by Oklahoma State University, Department of Design, Housing and Merchandising as a graduate research assistant in spring 2005 and as a graduate assistant from fall 2007 to present.

Professional Memberships:

International Textile and Apparel Association

Name: Junghwa Son

Date of Degree: December, 2007

Institution: Oklahoma State University

Location: Stillwater, Oklahoma

Title of Study: INDIAN CONSUMER PURCHASE BEHAVIOR OF FOREIGN
BRAND JEANS

Pages in Study: 129

Candidate for the Degree of Master of Science

Major Field: Apparel Merchandising

Scope and Method of Study:

The purpose of this study was to test Indian consumers' purchase behaviors of foreign brand jeans using the proposed research framework. Two existing models form the theoretical framework to analyze Indian consumers' actual purchase behaviors of foreign brand jeans. To analyze the proposed research hypotheses, SPSS 15.0 and structural equation modeling (SEM) using LISREL 8.8 were used.

Findings and Conclusions:

Of the six hypotheses proposed, five were supported in the structural equation modeling analysis. Overall, attitude and perceived behavioral control had a positive effect on purchase intention. However, no relationship was found between face saving and subjective norm or between face saving and purchase intention. Also, no relationship was found between purchase intention and actual purchase, as hypothesized.

ADVISER'S APPROVAL: _____

