

impression management which are evangelizing and justifying. Three practices linked with brand use are grooming, customizing and commoditizing. Courtouis (2009) concentrated on motivation and emphasized on escapist function and personal function in addition to information, entertainment and social functions. The 2011 study by Heinonen was the first study that combined all consumer social media activities in one framework and also came up with sub-activities under the main activities, Heinonen (2011) argued that organisations and marketers can use consumers' online activities to develop their own social media activities and he examined these activities in different dimensions, he categorized entertainment, social connection and information under consumer motivation in other words these activities are what motivates consumers to be active on social media, Heinonen (2011) highlighted three practices under consumer input namely; consumption, participation and production.

Kim *et al.* (2012) highlighted entertainment, interaction, customization, trendiness and word of mouth as major marketing activities that brands carry out online. The research was conducted using Louis Vuitton's official website as a sample, the brand's social media marketing activities was measured with the most commonly used social media which is Facebook and twitter, twenty-five measurement items were developed from Kim (2010) research on the perceived activities of online fashion brands.

Table 3-1, shows similarities between consumers and brands online activities highlighted by different researchers, information, entertainment, customizing and interaction are the most common activities among all the activities, although perceived online activities has been categorized by different researchers in different ways, Heinonen (2012) approached online activities from the consumers point of view and proposed that marketing managers should build their online marketing activities around consumers online activities. Kim (2012) approached their study from the brands' point of view and highlighted five different online activities performed by brands. This study is a blend between Heinonen (2012); Shao (2009); De Valck *et al.* (2009); Courtouis *et al.* (2009); Kim *et al.* (2012) and Godey *et al.* (2016).

Table 3-1: Perceived Social Media Online Activities for both consumer and Clothing Brands

Shao Study (2009)	DeValcke et al. (2009)	Courtois et al. (2009)	Schau et al (2009)	Heinonen (2011)	Kim et al. (2012)	This Study
Consumption of information and entertainment		Brand Use	Community Engagement	Consumer Motivation	Consumer Input	
	Entertainment	Grooming	Staking	Entertainment	Consumption	Entertainment
		Commodi tizing	Milestoning	Social Connection	Participation	Interaction
Participation in social interaction and comm development	Social Function		Governing	Information	Production	Interaction
Production of self expression and self actualization	Information	Customizi ng	Badging		Word of Mouth	Customization
					Customiza tion	Trendiness
						Trendiness

The following sub-segment will discuss the proposed categories of perceived online marketing activities of clothing retailers that are counted to be relevant and important to online clothing retailers.

3.2.1 Entertainment

According to Agichtein *et al.* (2008), entertainment is the result of the fun and play emerging from the social media experience. The first type of perceived online activities majorly carried out by clothing retailers identified in this study is entertainment. Just like traditional media and entertainment, consumers can go to user-generated sites such as Facebook, Instagram, Twitter to consume content such as video clips, blogs, pictures and music. Previous research has revealed that there are two major motives why consumers go online for media consumption, namely; information seeking and entertainment (Shao, 2009). Compared with information entertainment is more important in prompting individuals' use of media. YouTube for example has most its channel come from entertainment-related segments such as sports, music, comedy, film and animation. However, businesses are making use of this social media including clothing retailers to entertain their consumers. Clothing retailers have now come up with entertaining advertisement clips on their social media page for consumers' amusement and enjoyment. From the hedonic point of view, social media users are pleasure seekers who are being entertained and amused (Manthiou, Chiang & Tang, 2013). Different studies have presented entertainment as a strong motivation for social media use (Park *et al.*, 2009, Shao, 2009). Park *et al.* (2009) argues to some extent that entertainment drives social media interaction. Social media users see entertainment as an opportunity to relax and as a means of escape (Courtois *et al.*, 2009). This study uses survey to find out whether consumers find their clothing retailers' social fun and interesting and to measure entertainment.

3.2.2 Interaction

According to Beatty (1988), Interaction is defined as the extent to which late messages in an order of communication exchanges link to previous messages and their references are made to previous messages. Godey *et al.* (2016) defined interaction as the information sharing and opinion exchange with others on social media. Daugherty, Eastin and Bright (2008) found out that social interaction is a crucial motivator for creating user-generated content both for firms and the content that consumer generates themselves. Heinonen (2011) highlighted interaction as major consumer motivation for social media use. Muntinga *et al.*, (2011) explained social interaction as social media users who

contributes to brand-related social media platforms for the purpose of meeting people of like minds, interaction and to exchange ideas about particular product/brands. Zhu and Chen (2015) split social media users into two major groups (profile based and content based) subjected to the nature of the connection and interaction. Profile-based users' major reason for connection is because they are interested in the user behind the profile. The topics for discussion are associated with the members and the main reason is to inspire social media users to connect with that specific topic while content-based social media focus on the comment of the content posted, the major reason is for the users to connect with the particular content a profile makes available on their social media page (e.g. on Facebook, Twitter, Instagram, YouTube) because they are fond of it. Gallagher and Ransbotham (2010) highlighted that social media-based customer discussion is more active than ever and this study developed a 3-M framework (megaphone, magnet, monitor) where the mega phone signifies organisation-to-customer communication, the magnet signifies customer-to-organisation communication and the monitor signifies customer-to-customer interaction. Firms therefore needs to post unique content that will foster discussion and support with practical matters in order to encourage interaction. Manthiou *et al.* (2013), stated that creating relationship can increase credibility and affinity. This study hereby defines interaction as the sharing of information and judgement or belief with others.

3.2.3 Customization

In terms of customization Schmenner (1986) describes the level of customization as the degree to which a service is tailored to satisfy an individual's ultimate need. By personalizing their social media site, clothing brands can customize and convey individuality, building stronger brand affinity and loyalty (Martin & Todorov, 2010). In the social media world, customization demotes posting message for intended audience. There are two types of posts, depending on how customized the brand wants the message to be: a customized message and a broadcast. A customized message is posted to target small audience (e.g. Facebook posts). A broadcast message is sent out to target anyone who is interested (e.g. Twitter tweets).

3.2.4 Trendiness

Social media is known for providing latest news and hot topics for discussion (Naaman, Becker, & Gravano, 2011) and they are core product channel as well. Consumers often prefer to obtain information from social media as social media is

perceived by them to be trust worthy in terms of information they get from them rather than corporate-sponsored information through traditional promotional activities (Vollmer and Precourt, 2008 & Mangold and Faulds, 2009). Trendy information on social media includes four sub-motivations: Surveillance, pre-purchase information, inspiration and knowledge (Muntinga et al, 2011). Surveillance is explained as careful watching and staying updated about one's social environment. Knowledge as described by Muntinga *et al.* (2011) is the brand-related information that consumers get from other consumers' knowledge and proficiency in order to know more about a particular product or brand. Pre-purchase information entails reading product reviews before buying a particular product in order to make a well-deserving buying decision and finally, inspiration involves consumers following brand-related information to obtain new ideas and this brand-related information serves as inspiration for consumers. For example, consumers check for updates on their clothing retailer's social media page to get a fresh idea on what to wear. In view of the above information, this study defines trendiness as the dissemination of the latest in fashion (leading fashion) and up-to-date information by clothing retailers.

3.2.5 Word of Mouth

Word-of-mouth (WOM) can be explained as online consumer-to-consumer interaction about their brands (Muntinga et al., 2011). Research revealed that people end to put more value and relevance on customers rather on the marketer-generated sources of information on the web (Gruen, Osmonbekov & Czaplewski, 2006). Social media is a platform for eWOM because consumer generate self-content and broadcast brand-related information to their friends, peers, and some of their contacts with any constraints (Kim & Ko, 2012 and Vollmer & Precourt, 2008). Jasen, Sobel, Chowdury and Zhang (2009) study identified that the WOM activity regarding brands on Twitter highlighted that consumers' posts produced information spreading processes which include sentiments, opinions and branding comments.

Chu and Kim (2011) outlined and divided the use of eWOM on social media into three perspectives: opinion seeking, opinion giving and opinion passing. Consumers with high opinion seeking behaviour tend to search and rely on the information and advice from other consumers when making a purchasing decision. Consumers with a high level of opinion-giving behaviour who are also called opinion leaders, have substantial control on consumer attitude and behaviour. Lastly, online message forwarding is a specific attribute of eWOM that speeds up the flow of information hence this study refers WOM as the

extent to which consumers pass information on social media, upload content on social media.

3.3 Customer Satisfaction

Customer Satisfaction is an affective state with positive feelings (Cronin *et al.*, 2000) because of a total experience with their product/service provider. Boulding *et al.* (1993) and Andreassen (2000) have focused more on transaction specific measure of satisfaction. The transaction specific satisfaction involves customer particular satisfaction experience towards each transaction with their provider. Johnson *et al.* (1991) focused on cumulative satisfaction in their studies which refers to overall customer rating based on all encounters and experiences with their provider. In addition, cumulative satisfaction can be viewed as the overall satisfaction from all previous specific transactions. Cumulative customer satisfaction is an evaluation based on overall shopping/consumption experience which is sometimes viewed as the cumulative of various transaction specific satisfactions) with the product/service over a period of time (Fornell *et al.*, 1996; Johnson *et al.*, 1991; Anderson *et al.*, 1994), is discovered to be more useful than transaction-specific consumer satisfaction in envisaging customer behaviour (Rust and Oliver, 1994). This study therefore focuses on cumulative customer satisfaction. Ranaweera and Prabhu (2003) explained customer satisfaction as the assessment of an emotion and stated that the higher the satisfaction the higher the level of retention. Morgan and Hunt (1994) also argue that customer retention is the intention of customer to repurchase from a product/service provider hence this study defines customer retention as the customer intention to repurchase a product and customer satisfaction is one of the factors that will be used to measure customer retention in this study and thus, the following hypotheses is proposed:

H₁: Social Media Marketing Activities (SMMAs) have a positive and direct influence on customer retention.

3.4 Consumer Attitude

In terms of consumer attitude, Fishbein and Ajzen (1975) study defined attitude as “a learned predisposition to respond in a consistently favourable or unfavourable manner with respect to a given object”. They Fishbein and Ajzen (1975) categorised attitude into three different parts namely; 1) attitude is learned from past experiences; 2) attitude influences action; and 3) the action towards an object are constantly favourable or not. The object of an attitude varies, it could be a person, firm, action towards other

aspects of the world and action towards event and the object in this study is a customer's attitude towards social media marketing activities of their clothing brands. Based on the discussion, the following hypothesis is proposed:

H₂: Social Media Marketing Activities has a direct and positive relationship on Consumer Attitude.

H₃ Consumer Attitude has a moderation effect on the relationship between Social Media Marketing Activities (SMMAs) and Customer Retention.

3.5 Customer Retention

As defined by Morgan and Hunt (1994) "customer retention is the intention of customer to repurchase from a product/service provider" hence this study defines customer retention as the customers' intention to repurchase a particular product as many times as possible. Social Media marketing activities helps create interaction between the organisation and the consumer and as argued by Richard (1996) that a customer that engages in other words get involved in conversations even though not satisfied might still repurchase compare to a customer who's not involved. Although satisfied customers might still switch to another brand but the importance social media marketing is to keep communication at its best level between the organisation and the consumers or prospective customers so consumer will find it difficult to switch to another brand. Therefore, this study proposes to find out if customer retention will have a mediating relationship between social media marketing activities of clothing retailers and consumer attitude towards social media and the firm's activities. Based on this discussion, the following hypotheses has been proposed:

H₄: Customer Retention has a moderating effect on the relationship between Social Media Marketing Activities and Consumer Attitude.

H₅: Customer Retention has a direct and positive effect on Consumer Attitude.

3.6 Customer Trust

Garbarino and Johnson (1999) highlighted that trust has a substantial positive effect on customer retention. Ranaweera and Prabhu (2003) explained trust as existing in a relationship when one party has assurance in the integrity and reliability of another party. The study further highlighted that satisfaction alone is inadequate to build a long-term relationship and commitment to a single product/service provider. Richard (1996) argued that it is not enough to satisfy customers that even though organisations manage

to satisfy their customers appropriately, they might not be able to retain them. Due to switching cost, once trust has been built between both parties, the likelihood of each party ending the relationship decreases (Ranaweera and Prabhu, 2003). Gounaris (2003) discovered that trust is a major factor in any type of association between consumers and the existing product/service providers. The more the customer trust in their product/service provider, there's some huge chances of customer remaining in the relationship. Based on the discussion, the following hypothesis is proposed:

H₆: Consumer Attitude has a direct and positive effect on Customer Retention.

3.7 Proposed conceptual Framework

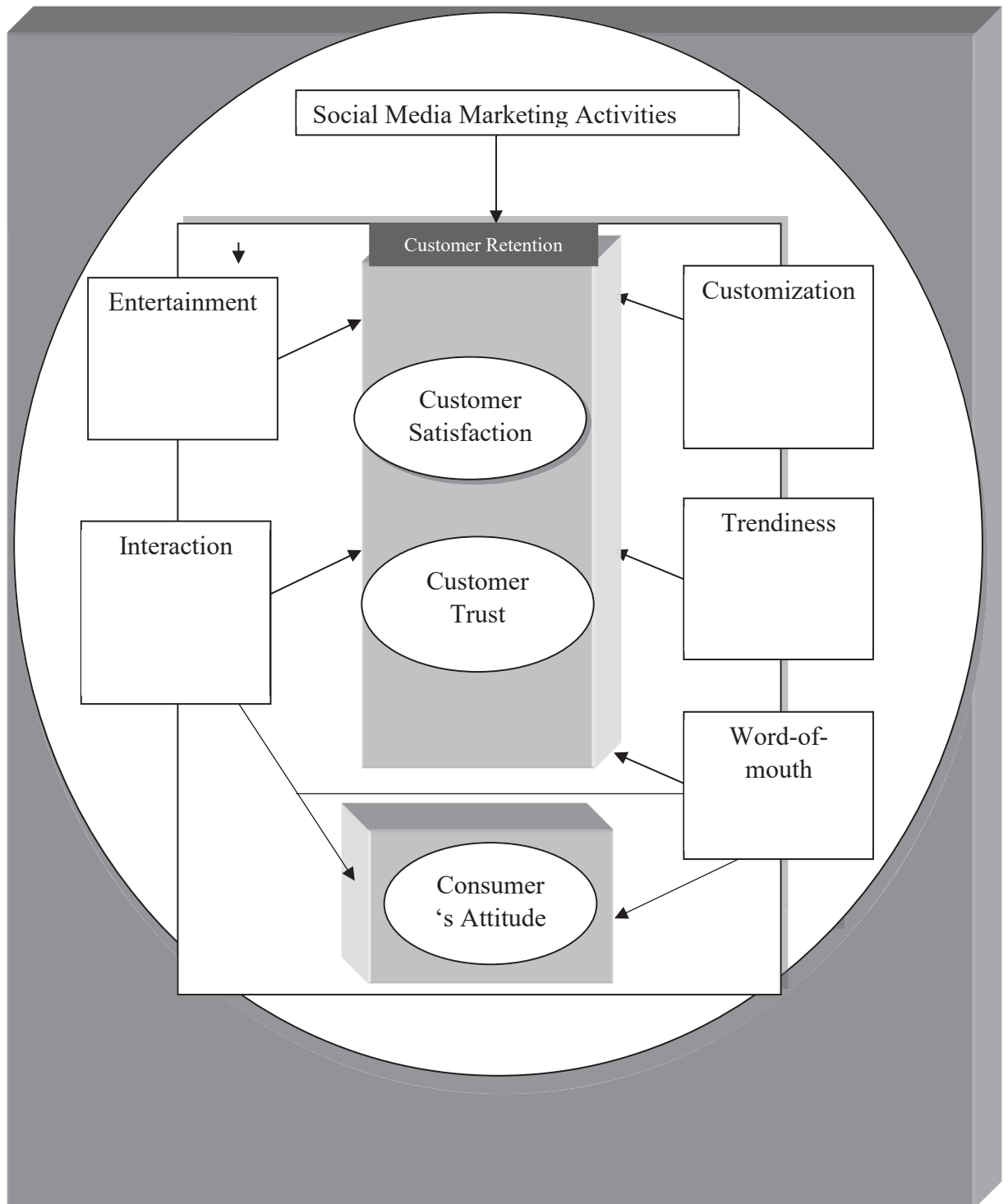


Figure 8: Proposed Conceptual Framework.

3.8 Summary

Building on the existing research in the areas of social media marketing, customer retention and consumer behaviour, where customer retention is conceptualized as being brought about by the relationship between customer satisfaction, customer trust where the used variables were selected from various studies based on the existing research. This chapter proposes a conceptual model (*Figure 8*), although some of the existing research conceptualized social media activities as multidimensional with entertainment, interaction, and customization being the most common activities within the existing literature. Heinonen (2011) identified the activities from the consumer point of view with consumer input and motivation dimension. Kim et al, (2012) on the other hand identified five activities brands perform online. This chapter proposed five activities that clothing retailers carry out online as well as 6 working hypotheses.

The next chapter continues with examination of the research methodology employed in the study.

CHAPTER FOUR

RESEARCH METHODOLOGY

4.1 INTRODUCTION

The two previous chapters reviewed relevant literatures (Chapter 2) and provided a conceptual framework (Chapter 3) for the research topic. Literature explored included brand's online social media activities, customer satisfaction, customer trust and consumer attitude theories. Furthermore, research gaps were highlighted. Accordingly, five social media marketing activities was developed from Kim & Ko (2012) and Godey (2016) 6 hypotheses were developed to tackle the research objectives. This chapter presents the methodology adopted in this current study. The chapter starts with providing an explanation for the research philosophy used, the argument underlying choice of methodology and research design. Furthermore, it provides the usage and justification of research approaches and design. The following segment discuss the method used in collecting data and research samples. This presents the process of measurement development. Next is the discussion regarding the challenges concerning sample differences and non-response bias assessment, finally, the segment provides a brief discussion of the data analysis technique used.

4.2 RESEARCH PARADIGM POSITIONING

Johnson and Clark (2006) indicated that as researchers in business and management, there should be awareness of philosophical commitment that is used as this has major impact on what is being investigated. Several and contending philosophical assumptions are in the area of social science. However, there are two main, principal school of thought namely: positivism and interpretivism (Hudson and Ozanne, 1988), Saunders et al (2012) indicated there are four main principal school of thought which are positivism, pragmatism, realism and interpretivism and each differs in their research perspective and in the way in which ontology and epistemology is viewed. The research methodology assumptions that govern the way in which the research is conducted as well as the role of the researcher in the research project/study.

4.2.1 Research Approaches

Johnson and Clark (2006) argued that the main issue is not so much about being informed, however, it is about how well the researcher is able to reflect on the choice of the philosophical stance and the justification of the chosen philosophy in relation to the

available options that could have been adopted and no one research philosophy is better than the other.

4.2.1 Pragmatism

Pragmatism believes that the philosophical method that will be adopted will be based on the research question. If it is not obvious or suggest unambiguously from the research question that either positivist or interpretivist philosophy should be adopted, this confirms the pragmatist's philosophical view is being adopted as it is possible to work with varied epistemology, ontology and axiology. Saunders et al (2012) indicated that mixed method of both qualitative and quantitative are possible within one study. Tashakkori and Teddlie (1998) argue that pragmatism is appealing intuitively majorly because what is being seen by the researcher may not be what is truth and reality hence, pragmatist believe that what the researcher finds interesting and of value to them is what should be researched because the result can bring about positive outcome within the pragmatist's value system (Tashakkori and Teddlie, 1998).

4.2.2 Interpretivism

One thing that is crucial to interpretivist is that the researcher must adopt a sympathetic point of view as they enter the social world of their research, subject and understand the world around them from their own point of view. Some researchers argued that interpretivist point of view is highly suitable in the case of business and management research, especially in the field of organisational behaviour, marketing and human resource management as business situations are not only unique but can be complicated sometimes.

4.2.3 Positivism

The research philosophy this study reflects is positivism because is a philosophical stance of a natural scientists. Philosophy of research is built on the concept of ontology (researcher's view of reality), epistemology (researcher's view about what's considered as acceptable knowledge in research) and methodology (the process of understanding the reality perceived by the researcher) (Carson et al, 2001; Saunders et al, 2012). For example, the philosophical stance of a researcher who keeps to the positivist paradigm will be based on the ontology of the world that is external and independent of social factors. Hence, in terms of epistemology, the researcher will have to observe reality independently or objectively that is the position that is free of judging from personal point of view. At this time, the research goal of a positivist will be, for example, to study the

causal relationships between independent and dependent variables which are driven by large samples and highly structure questions and ultimately quantitative techniques.

4.2.1.1 Deduction: Testing Theory

Deduction theory thinks as a scientist because it involves the development of a theory that lays open to a rigorous test. Robson (2002) argues that in deducing a hypothesis there should be relationship between two or more variables in the theory, how the variables will be measured should be indicated, testing the hypothesis and examining the outcome whether it confirms the theory or not. To follow the tradition of a scientist, the researcher will be independent of what is being observed. Deduction uses quantitative method and the result is generalised.

4.2.1.2 Research Design

Since the progressions by which social media marketing activities impacts customer satisfaction, customer trust and consumer attitude is a relatively unexplored phenomenon, the researcher has chosen to answer the aim and objectives questions through online questionnaire which will be filled by customers, therefore aiming to gain data about the reason some customers are satisfied and some are not and also the factors of customer trust is considered.

Table 4-1: Assumptions of the interpretivism and positivist Paradigm

Assumptions	Positivism	Interpretivism
Ontology Researcher's view of reality.	Objective, external and independent of social factors.	Dependent on social factors and subjective.
Epistemology Researcher's view about what's considered as acceptable knowledge in research. through situation.	Only phenomena that's observed can produce trusted data. Researcher focuses on generalisation and abstracts. Thoughts are controlled by hypotheses and stated theories.	Subjective meanings and social phenomena. Researcher understands perceived knowledge. Focus on specifics of the
Methodology Focus of research: and	Concentrates on description and explanation.	Concentrates on understanding Investigation

Data Collection Technique often investigation, Used. analysis.	Highly structured large samples, measurement is usually quantitative but uses qualitative at times.	small samples, in-depth Qualitative method of data
Role of the researcher in the research.	Independent of social factors, external observer. There's a clear distinction between reason and feeling. Strives to use logical and rational approach. Maintain a clear distinction between facts and value Judgement. There's a clear distinction between science and personal experience.	Researcher seeks to experience or have a relationship with what's been studied. Feeling and reasoning often govern actions and per-understanding is very important. the gap between fact and value is quite close. Personal and science experience often impact upon research.
Source: Adapted from (Carson et al; Levy, 2003; Saunders et al, 2012)		

4.2.1.3 Justification of the Research Approach Used In this Study

Within the range of positivistic and interpretivist paradigm, this study connects more with positivistic approach, it tends more in the direction of a deductive and quantitative methodology which is in line with dominant movement in this area.

Having explained the philosophical approach used in this research, this segment explains the methods and approaches embraced with respect to measurement challenges and questionnaire development as the data for this study was collected via online questionnaires, it is very important that the tool is able to gather valid and reliable information to test the hypotheses and ultimately answer the research questions.

4.3 MEASUREMENT PROBLEMS AND INSTRUMENTATION

Each hypothesis in the model is conceptualised as latent and as a result was measured using multiple indicators. In SEM, it is crucial that each latent construct (that is the variable that is not measured directly) be denoted by quite a few measurement variables (MVs; that is variables that are directly measured (MacCallum, 1995). The measurement variables will principally act as appropriate measures for latent constructs and as a result, the latent construct are the effect of whatever their indicators share amongst themselves. In SEM, it will be a concern if any construct is denoted by a single indicator as the result may be biased by the effect of the measurement error. MacCallum (1995) highlighted that without multiple indicator, single error-perturbed MVs is counted on to represent the construct of interest. While having four or more indicators, measuring a latent construct is desirable. Garson (2009) outlined that having three or two is the most common practice. Kenny (1998) outlined that two indicators are the minimum permitted in a SEM model and that one rule of thumb in respect to the number of indicators is that two might be okay, three is better, four is best and anything more than four is gravy. He further argued that having multiple indicators also allow errors to be modelled. This surges reliability, lessens measurement error and reduces the specificity connected to each indicator when several indicators are turned into composites (Churchill 1979). Nevertheless, having a model with only two indicators may not only lead to defective error estimates but also results in a model that is under-identified or fail to converge (Garson, 2009). In contrast, according to Anderson and Gerbing (1988), a model that comprises of two indicators may need comparatively larger samples to get a converged and accurate solution in SEM.

The current study makes use of similar scale format and anchors which leads to respondents completing a relatively long questionnaire easily due to the requirement for less intellectual processing. For most of the construct measurement items, respondents were asked to reveal their level of agreement on a 5-point Likert-type scale (1=strongly disagree, 5=strongly agree). The 5-point Likert-style rating was used all through in the survey in order not to confuse respondents (Dillman, 2009). Details of the measurement items are provided in Subsection 4.3.2.

4.3.1 Pilot Study

The completion of the pilot stage should leave the researcher feeling confident that the process of preparation is not a waste and the hard work has finally paid off therefore the researchers has the tool for the job, pre-testing a research tool is very important (Davies & Hughes, 2014). A pre-test must be done to improve the questionnaire so that respondent will have no challenges in answering the questions and also there will be no problem recording the data (Saunders et al, 2012). The pre-test was carried out for content authentication of the questions and measurement items. Another reason to conduct a pilot study is to identify those questions that the respondents might be having difficulty understanding or interpreted in a different way from the researcher original intention such as confusing questions, unsuitable abbreviations, unclear questions (Dillman, 2000).

In this study, pre-testing was done and 40 people were sent the questionnaire with consent. According to Fink (2009) & Dillman (2009) the minimum number for a pilot study should be 10 or more depending on the research question and objectives. During the pilot testing stage, the questions that were misunderstood was removed and some of the questions were restructured to make sense. Furthermore, the time it took to complete the questionnaire was noted, instruction was restructured because it was too long, ambiguous and repeated questions were removed. Many draft of questionnaire were reviewed by the supervisory team and PhD colleagues at the University of Wales Trinity Saint David and also a Masters first class student in Engineering at the University of Cranfield before the final questionnaire was sent out.

The final survey was sent out and the criteria for recruitment of respondent was that they should have shopped for clothing online within the past 12 months and University of Wales Trinity Saint David student were sent the questionnaire via the University email system, the reason is that if respondents don't buy clothes online, they will not have an answer to most questions. There has been extensive debate with regards

to the addition of students to social research. For instance, even though Schultz (1969) and Dill (1964) are to some extent against the addition of student samples, Oakes (1972) is in support. The use of student samples always brings up the issue of generalisability. Nevertheless, with regards to internet research, the use of student sample has been vital, with a significant body of past researchers in consumer behaviour and the internet having used student as their samples (e.g., Akar et al, 2011; Balabanis et al. 2006; Senecal and Nantel, 2004). Student samples has made tremendous contribution to understanding many virtual communities.

To recap, in terms of research construct, this study considers consumers that shops for clothing online. 1) retention with the clothing retailers which was measured by several factors from three different theories from previous research namely customer satisfaction, customer trust, price, quality, communication effectiveness, switching barrier and interaction 2) retailer's online social media marketing activities and 3) consumer behaviour towards social media marketing. Scales used were either modified or constructed for the study, both with the supervisory team's opinion and pre-test with pilot study. The following subsections discuss measure development of each construct used in the questionnaire.

4.3.2 Operationalisation of Research Constructs

4.3.2.1. Online Perceived Social Media Marketing Activities

As discussed in detail in chapter 2 and 3, based on the existing research (Heinonen, 2011; Kim & Ko, 2012; Bruno et al, 2016), this study conceptualises online perceived social media marketing of clothing brands as a second order philosophical construct comprised of five activities. As examined in chapter 2, these activities are carried out by clothing brands on a day to day basis on social media to target customers. The following subsections includes the detail measurement scale for the dimensions of social media activities.

Table 4-2: Constructs Used in this Research

Construct	Description	No. of Items	Items constructed based on
Perceived Social Media Marketing Activities	Entertainment	3	Martin & Todorov (2010); Park et al (2009); Manthiou et al
	Interaction	4	Courtois et al (2009); Schau et al (2009); Mutinga et al (2011); Shao et al (2009);
	Trendiness	2	Beatty et al, 1988, Heinonen (2011);
	Customization	5	Kim & Ko (2012); Godey (2016); DeValeke et al, (2009); Zhu & Chen
	Word of Mouth	3	(2015); Eastin & Bright (2008); Schmenner (1986).
	Customer Satisfaction	7	Cronin et al, (2000); Andreassen (2000); Boulding et al, (1993);

Construct	Description	No. of Items	Items constructed based on
	is sometimes viewed as the cumulative various transaction specific satisfactions) with the product/service over a period of time.		Johnson et al, (1991); Fornell et al (1996) Anderson et al, (1994); Rust & Oliver (1994); Ranaweera & Prabhu (2003).
Customer Involvement	Customer Involvement is defined as a motivational state of excitement and interest, induced by external factors for example, situation, product and the communication and internal factors such as central values.	4	Rothschild (1979); Engel et al, (1993); Richard (1996).
Quality	Quality is a consumer appraisal of a product or service overall excellence or superiority.	2	Ranaweera & Prabhu (2003); Reichheld (1996); Zeithalm & Bitner (1996); Zeithalm (1988).
Price	Price can be defined as the consumer's emotional representation of the objective price of the product.	2	Jacoby & Olson (1977); Abrat & Russel (1999); Ranaweera & Prabhu (2003); Schriver(1997);Martin Consuegra(2007), Munnuka (2005); Peng & Wang (2006).

Construct	Description	No. of Items	Items constructed based on
Customer Trust	This construct can be defined as existing in a relationship when one party has assurance in the integrity and reliability of another party.	4	Garbarino and Johnson (1999); Ranaweera & Prabhu (2003); (2003).
	Switching Barriers	2	Ranaweera & Prabhu (2003); & Hunt (1994); Sharma & (2004); Johnson et al (2000); (1992).
Communication Effectiveness	This can be defined as the formal and informal sharing of important and timely information between organisation and their customers.	2	Sharma & Patterson (2009);
Consumer Attitude	Attitude can be described as a person's tolerating favourable or unfavourable assessment, emotional feeling and action toward some object or idea.	12	Kotler and Keller (2006); Akar, (2011); Al-Dhuhli (2013); Vinerean (2013); Ioanas (2014).

4.3.2.1.1 Entertainment

To reiterate, entertainment is the result of fun and play emerging from social media experience (Agichtein et al, 2008). Review of the literature found that, the previous research was conducted within brands in general and not specific to retail clothing companies. This is contributed to by the fact that, as mentioned previously, virtually all past studies carried out on social media marketing activities employed general brands as the basis of their research but this study is specific to UK clothing retailers.

Three items were used to measure the entertainment as one of the activities clothing retailers do online and the three of them were adapted from Kim & Ko (2010) and Godey (2016). Entertainment was added as part of the online activities based on the responses to the pilot study. These measure captures how consumers feel while they are on their clothing retailers' page. Five items including entertainment was captured from the pre-test findings that most retail clothing brands does. The items that was finally sent out to respondents are presented in table 4-3 below based on the pre-test findings.

Table 4-3: Items for measuring Entertainment

Items	Sources
The content found on my Clothing Retailer's social media page (Instagram, Facebook, Twitter, e.t.c.) seems interesting.	Godey et al (2016), Kim & Ko (2012)
It is fun to collect information and fashion items on my Clothing Retailers' social media page	Kim & Ko (2012)
It is easy to pass time using my Clothing Retailer's social media.	Kim & Ko (2012)

4.3.2.1.2 Interaction

To recap, interaction can be defined as the information sharing and opinion exchange with others on social media (Beatty, 1988). Interaction was operationalised using items from two research paper as there isn't a lot of research in this particular area.

Four items were taken from Kim and Ko (2012) and Godey et al (2016) with minor adjustment to comply with the context of this study. A four-item scale representing retailer's online social media marketing activities is presented in Table 4-4.

Table 4-4: Items for measuring Interaction

Items	Sources
It is uncomplicated to convey my opinion through my Clothing Retailer's social media websites.	Godey et al (2016), Kim & Ko (2012).
It is possible to have an online conversation with other users through my Clothing Retailer's social media site.	Kim & Ko (2012).
It is possible to do a two-way interaction through my Clothing Retailer's social media.	Godey et al (2016), Kim & Ko (2012).
It is possible to share information with other users through my Clothing Retailer's social media.	Godey et al (2016), Kim & Ko (2012).

4.3.2.1.3 Trendiness

This refers to latest news and hot topics discussion on brand's social media pages as well as core product channel (Naaman, Becker, & Gravano, 2011). Trendiness has the highest percentage of the reason consumer shops with a particular clothing retailer from the pilot study. Two items adapted from the previous research and none was eliminated. The two-item scale reflecting the trendiness of clothing retailer's social media site is presented in Table 4.5 below.

Table 4-5: Items for measuring Trendiness

Items	Sources
It is a leading fashion to use my Clothing Retailer's social media.	Kim & Ko (2012)
Contents found on my Clothing Retailers' social media page are up-to-date.	Kim & Ko (2012)

4.3.2.1.4 Customization

As previously mentioned, customization refers to the degree at which a service is customized to satisfy individual preferences (Schmenner, 1986). A total number of five-item scale was used, adapted from Kim & Ko (2012), the item reflects how customized the clothing retailer's social media page are to meet individual consumer need. Table 4-6 reveals particular items to present customization as one of the online social media activity clothing retailers do.

Table 4-6: Items for measuring Customization

Items	Sources
It is possible to search customized information on my Clothing Retailer's social media page.	Godey et al (2016), Kim & Ko (2012).
My Clothing Retailer provides customized services.	Godey et al (2016), Kim & Ko (2012).
My Clothing Retailer provides lively feed information that I'm interested in.	Godey et al (2016), Kim & Ko (2012).
It is easy to use my Clothing Retailer's social media.	Kim & Ko (2012).
My Clothing retailer's social media can be used anytime and anywhere.	Kim & Ko (2012).

4.3.2.1.5 Word-of-Mouth

Word-of-Mouth refers to online consumer to consumer interaction/discussion about their brands (Muntinga et al, 2011). Product or brand related information and judgement that are shared among personal acquaintances in social networking sites may be perceived as more reliable and dependable than other forms of electronic word-of-mouth communication (Chu & Kim, 2011). The measurement items for word-of-mouth is adapted to Kim & Ko (2012) and Godey et al (2016) because their study reflects what consumers do online. Therefore, none of the items were removed. Table 4-7 presents the items that was used to measure word-of—mouth.

Table 4-7: Items for measuring Word-of-Mouth

Items	Sources
I would like to share information about products from my Clothing Retailer’s social media to my friends.	Godey et al (2016), Kim & Ko (2012).
I would like to upload contents from my Clothing Retailer’s social media on my own social media page.	Godey et al (2016), Kim & Ko (2012)
I would like to share my opinion on products and items bought from my social media with my acquaintances.	Chu & Kim (2011), Kim & Ko (2012), Godey et al (2016).

4.3.2.2 Customer Satisfaction

Customer Satisfaction is an affective state with positive feelings (Cronin et al, 2000) as a result of a total experience with their product/service provider. Contrary to the initial views of customer satisfaction which considers it as a transaction specific cognitive evaluation, this study follows the recent concept of satisfaction which is seen as a customer-affective assessment of overall consumption experience with the clothing retailer (Anderson et al. 1994; Fornell et al. 1996; Johnson et al. 1991). Past studies contend that the occurrence of just one unsatisfying experience is not likely to result in switching behaviour, also, a single satisfying occasion is not sufficient to effect retention (Bourdeau, 2005, Fornell, 1996). According to Richard (1996) argue that even though

some customers are satisfied, they will switch their retailers if they want to. Ranaweera & Prabhu (2003) and Danish (2015) in contrast argue that once customers are satisfied, they tend to stay for long with their product/service providers. In order to prove Ranaweera & Prabhu (2003) and Danish (2015) argument, two items were specifically constructed for use in this research to find out how long respondents have been with their clothing retailers and how many of them have switched even though they were satisfied.

To operationalise overall satisfaction, five items was adapted from Bourdeau (2005) and Seiders et al. (2007). The items were constructed inform of questions rather than a statement and Likert scale of 5 was used asking the respondents to express their level of satisfaction starting from not satisfied at all to extremely satisfied.

Table 4-8: Items for measuring Customer Satisfaction

Items	Sources
How long have you been a customer of your Clothing Retailer?	Constructed specifically for this research
Did you change your Clothing Retailer within the period specified above?	Constructed specifically for this research
Overall, how can you rank your satisfaction with your Clothing Retailer(s) within the last 5 years?	Adapted from Seiders et al. (2007), Ranaweera and Prabhu (2003).
How would you rank your satisfaction in terms of products of your Clothing Retailer(s) within the last 5 years?	Adapted from Seiders et al. (2007), Ranaweera and Prabhu (2003).
How will you rank your satisfaction in terms of service quality of your Clothing retailer(s) within the last 5 years?	Adapted from Seiders et al. (2007), Ranaweera and Prabhu (2003).

4.3.2.3 Customer Trust

Too reiterate, Garbarino and Johnson (1999) highlighted that trust has a substantial positive effect on customer retention. Ranaweera and Prabhu (2003) explained trust as existing in a relationship when one party has assurance in the integrity and reliability of

another party. Items modified from Ranaweera and Prabhu (2003) and a new one was developed.

Table 4-9: Items for measuring Customer Trust

Items	Sources
I have complete trust that my online Clothing Retailer has good security procedures.	Ranaweera and Prabhu (2003)
I have a string belief in my Clothing Retailer.	Ranaweera and Prabhu (2003)
My Clothing Retailer provides precise service information.	Developed for this research.

The questionnaire also included typical questions relating to the demographic information of the respondents – age, gender, ethnic group, personal income – which will be used to explain the sample. Furthermore, evaluation of the general of the respondents’ general level of shopping experience with the clothing retailer of their choice were considered necessary as well given the context of the study. These questions focused on respondents’ purchase history, volume and frequency of connecting with their clothing retailer on social media. The questionnaire is presented in the Appendix. Next segment discusses the methods and tactics employed as regards data collection.

4.4 RESEARCH SAMPLE AND DATA COLLECTION

4.4.1 Survey Method

In order to examine the UK clothing retailers’ social media marketing activities and their impact on retention of customers, a survey was carried out to obtain information relating to customers that shops for clothing online and their attitude, intentions and behaviour related to their experience as consumers of their retailers’ social media activities. This approach is consistent with the positivistic-oriented belief as the main paradigm employed in this study. The survey approach refers to the getting of sample of respondents from a population for examination, from which interpretations are made about the population (Collis and Hussey, 2003). The benefits of making use of questionnaires have been highlighted in methodology literature. For instance, compared

to interview approach, administering a survey only is less costly, especially online survey. Consequently, an electronic survey was considered full appropriate for this research, as explained in detail in section 4.4.4 below. The next sub-segment explains selection of survey samples.

4.4.2 Determination of Sample size

A quite large sample size is needed for three reasons: 1) due to the quantitative nature of the research; 2) to ensure the issue of cross validation is addressed which is the ability of the measuring tool to be replicated across independent samples drawn from the same population (Byrne 2010); 3) because of the need to test the interaction issues in the frame work (there's one mediating effect to be tested concurrently with other hypotheses in the proposed model).

This study used Structural Equation Modelling (SEM) as the main instrument in data analysis. This is because SEM is concerned with tests that relies on the sample size and consideration of sample is enormously important. In determining the adequate sample size, numerous guidelines were followed.

According to Garson (2009), sample size should be generally between 200 to 400 respondents for SEM models with 10-15 indicators. Loehlin (2004) and Hoyle (1995) suggested a sample size of at least 100-200 observations, while Kline (2005) stated a sample size of less than 100 as not reasonable to test structural models. Additionally, Kline (2005) noted that model complexity must also be put into consideration when determining appropriate sample size. Schumacker and Lomax (2004) reviewed the SEM literature and discovered that samples sizes around 250-500 were used in the studies. This research attempted to collect more sample but the response is just too low. They concluded that samples fewer than 150 cases would drop below the minimum (Garson, 2009). A total number of 1000 questionnaires were sent out via University email system with expectation of receiving approximately 250-300 but 203 responses was received. The response rate for this research is discussed in the following chapter of this study.

4.4.3 Sample Selection and Research Context

To examine the impact of UK large retailers' social media marketing activities on customer retention and consumer attitude towards social media marketing, it is important that those besought as the subjects of the research are individuals who have made purchases with an online retailer within the past one year. Furthermore, this study is concerned with customer relationship with Business to Consumer (B2C) UK large

retailers that have strong presence online. This study took into consideration online firms with offline presence as well as online firms without offline presence.

This research investigates customers of a range of major 25 UK clothing retailers: Topshop, Very, House of Fraser, Marks and Spencer, Dorothy Perkins, Miss Guided, Select Fashion, BHS, Adidas, Zara, Primark, Monsoon, Matalan, Boohoo, F&F, Oasis, Mango, Banana Republic, Next, New Look, Asos, River Island, Blue Inc, Forever 21, Peacocks, Nike. These are top retailers and they offer different types of clothing advertisement via their social media page. In the questionnaire, respondents were required to assess one clothing retailer from whom they most frequently purchase from. This method of asking the respondents to describe their experience with providers has been generally accepted in prior research in marketing and information systems (Balabanis et al. 2006; Ganesh et al. 2000; Gefen 2003; Holloway 2003; Keaveney and Parthasarathy 2001; Li, Mano and Oliver 1993; Browne and Chau 2006). For instance, Balabanis et al (2006) asked the respondents to select one e-retailer they often make purchases from and to answer the remaining question with that specific retailer in mind. A related approach was embraced by Holloway (2003) in her study of online service failure. In their research on customers' experiences with banks, Ganesh et al, (2000) asked respondents to pinpoint their main banking provider if they used various banks. The rationale behind this approach was "to boost the variance to be described in the dependent variable" (Li, Browne and Wetherbe, 2006). Further to the above study, in the current research, the respondents were expected to present themselves with reference to a clothing retailer they have made purchases mostly from in order to successfully explore the impact of clothing retailers' social media marketing activities on customer retention and consumer attitude. Another rationale for that kind of process is to increase the generalisability of the result by testing the research frame work with consumers across various clothing retailers, rather than with a single retailer (Li, Browne and Wetherbe, 2006).

As a standard, the sample must comprise of customers who are internet shoppers of UK major clothing retailers. As a result of this between February and March 2016, three major marketing research in the UK (Experian) were contacted and invited to provide a representative of the UK internet shoppers but they replied that they don't sell contact details to individuals as it has to be a firm, even though they agree to sell it to an individual, the cost is too high and the quotation was £2000 so another means of data collection was devised by the researcher. In order to move forward in the research, other ways such as going to the physical shops to collect data with a letter from the university

and permission from the council but that did not still work as well as customers didn't want to fill the survey as they were busy shopping. Therefore, the researcher decided to contact the University administration on London campus and she was willing to send the questionnaire out to the students. To reiterate, according to (Balabanis et al. 2006; Senecal and Nantel, 2004) students sample has been used in the past and it's acceptable as it has contributed tremendously to the field of research. The survey was sent to the whole database but there was an instruction to the respondent in the questionnaire to select the major UK retailers and also those who have not bought clothing online for the past twelve months should not participate.

4.4.4 Online Survey at a Glance

Internet and computer-mediated communication in the past decade has been of tremendous increase (Fox et al, 2001; Nie et al, 2002). Day in, Day out, there is an increasing amount of communication taking place on this new platform, there has also been notable increase in primary research on virtual communities, online relationship building, and some other aspects of computer-mediated communication (Flaherty et al, 1998; Matheson, 1991; Nonnecke et al, 2004; Preece, 1999; Preece et al, 2001; Walther, 1996; Walther et al, 2002; Wood et al, 2001; Wright, 2000, 2002a, 2002b, 2004). Increase in online population as well as its study has led to an increase in the use of online surveys, leading scholars or researchers to new challenges in terms of applying the same old survey methods to online behaviour and internet use (Andrews et al, 2003; Bachmann & Elfrink, 1996; Stanton, 1998; Witmer et al, 1999; Yun & Trumbo, 2000). The technology of online survey is still unfolding and very young in the sense that not too many people are into it yet. In the past, it was a difficult task to conduct an online research because of undertakings requiring acquaintances with web authoring programs, HTML codes and scripting in general. Today, online survey services has made the work easier for researchers to conduct their research.

According to Saunders (2012), he defined research as something people undertake in order to find out things in a systematic way and here by contributing to and increasing knowledge in that area. This thesis will be an online research because of the following:

- Social media and all its activities exists online therefore it will be easier to collect data online.
- Access to unique population: One of the major advantage of an online survey is the access to a group of population that you don't normally have access to

or impossible to reach through other channels and this is made possible because of the internet (Garton, Haythornthwaite, & Wellman, 1999; Wellman, 1997). One major advantage of an online communities for research is that they offer a means through which researchers can gain access to people who share similar interests, beliefs, values, attitude regarding a particular issue or problem. For example, through the internet, a researcher can find the older people's forum where they discuss similar values which can be difficult to access if its traditional methods of research especially when looking to reach them in their large numbers who are interested in computers because not all the older people are interested in computers (Furlong, 1989; Wright, 2000a, 2000c).

- Another example of individuals who are under normal circumstances difficult to reach are those individuals who suffer from diseases and conditions such as HIV, heart diseases, eating disorders and physical disabilities. These individuals are difficult to reach because they are denounced offline and because of internet and online surveys, health communication researchers have been able to go online to study these populations, including how the use of computers and its features help people to cope with the social stigma of their condition (Braithwaite, Waldron, & Finn, 1999; Wright, 2000b). In general, the internet fosters communication among people who may be reluctant to meet face to face.

4.4.5. Data Collection Technique

The collection of data included a self-administered online questionnaire. Since social media is online therefore its accompany activities of Clothing Retailers are also online and because of this, an electronic survey alone was used (Couper, 2000). All potential respondents were contacted by the University Administrative team, a personalised cover email, stating the researcher's name and what the problem the research is trying to solve. Bristol powerful online survey was used to create the questionnaire and the link was sent with the accompanied cover email to the students. Web-based survey provides good quality data (Manfreda and Vehovar, 2008; Gosling, Vazire, Srivastava and John 2004), faster response time (Sheehan and McMillan, 1999; Griffis, Goldsby and Cooper 2003), cheaper and more efficient data collection (McDonald and Adam 2003; Chisnall, 2007) and provide better convenience for both researcher and the respondents. (Taylor, 21000; Stanton 1998). In addition, web-based surveys are perceived as more

prominent, exciting and entertaining than traditional method of survey by respondents who are experienced in using the internet (Evans and Mathur, 2005), in a case where all respondents are online shoppers. The below table is the summary of the response rate from the data collection for this research:

Table 4-10: Response Rate

	Survey Mode (Online)
Number of Survey Distributed (a)	1,000
Unreturned (b)	797
(a) – (b)	203
Overall Response Rate	20.3%
Usable	198
Non-Usable	5
Total	203
Usable Response Rate	19.8%

4.5 ANALYSIS AND INTERPRETATION OF DATA

This section describes the tools used in the data analysis. The research utilises two main statistical software packages: SPSS 23 and AMOS 22. Following the collection of sample, the next stage of the research is the procedure measurement refinement and purification. It is important that items that performed poorly in terms of item-to-total correlations are investigated and if necessary, discarded. Item/s that violate/s predicted factors will also be eliminated.

4.5.1 Measurement Model Validation: Exploratory Factor Analysis (EFA)

Succeeding the two-step procedure of Anderson and Gerbing (1988), the researcher first investigates whether the items correspond to the predicted structures, based on previous literature, by conducting exploratory factor analysis (EFA) via SPSS 23. This is done to identify initial indication of unidimensionality and discriminant validity (Farrell 2010; Gerbing and Anderson, 1988), item-total correlations as well as EFA procedure should be performed prior to CFA as preliminary analyses for scale development. Then CFA will be employed to further purify and refine the scales.

4.5.2 Measurement Model Validation: Confirmation Factor Analysis (CFA)

The second step is adoption of the CFA approach via AMOS 22. CFA is synonymously referred to as a ‘measurement model’ because it focuses exclusively on the links between latent constructs and their respective individual items within a much larger structural equation framework (Byrne, 2010). Following this, assessment of scale validation is explained.

In this research, to ensure the validity of scales are used, content validity and construct validity is examined (Malhotra 2003; Zikmund, 2003). Content validity, sometimes referred to as face validity, ensures that the items representing a construct knock the concept ‘on the face’ (Rubio *et al*, 2003). This involves the researcher and another group of individuals assessing whether the items are adequate to measure the respective latent construct (Malhotra, 2003). This procedure is conducted prior to data collection, as explained in Section 4.3.1 above. Construct validity refers to the extent to which the measured items/indicators (or the operational scale), correctly represent and measure the theoretical latent constructs that they are expected to measure (Bagozzi, Youjae and Philips 1991; Hair *et al*, 2010). A valid construct refers to “*the usefulness of the construct as a tool for describing or explaining some aspect of nature, such as a particular behaviour*” (Peter 1981). Henceforth, the construct validity implies the accuracy of the group of items in measuring the latent construct it is meant to measure.

Quite a few criteria must be met for the achievement of construct validity as advocated by Steenkamp and van Trijp (1991); namely, 1) Unidimensionality; 2) reliability; 3) convergent validity; 4) discriminant validity and; 5) nomological validity.

CFA is employed to assess these criteria on a scale initially developed by EFA (Steenkamp and van Trijp 1991). Gerbing and Anderson revised the extensively known method of measurement development advanced by Churchill (1979), with the

incorporation of CFA not only to assess scale unidimensionality, but also to determine validity of construct.

4.5.2.1 Unidimensionality

A measure is one-dimensional when “*set of measured variables (indicators) can be explained only by one underlying construct*”. In other words, a one-dimensional measure refers to the extent to which items represent only one vital latent construct. In present research, this is achieved by assessing the overall CFA model fit (Garver and Mentzer, 1999). If the model is not well-fitting, modification indices and the matrix of standardized residuals are inspected for any substantial cross-loadings and/or error co-variances. The model may be re-specified if notable problems are found (Anderson and Gerbing 1982; Anderson, Gerbing and Hunter 1987; Gerbing and Anderson 1988).

4.5.2.2 Scale Reliability

Reliability of a scale refers to the extent to which the scale is consistent in measuring the latent construct. A reliable set of items will can measure a unidimensional latent construct, in that those items will statistically be able to vary simultaneously (Churchill and Peter, 1984). In addition, if several measurements are taken, the reliable items will all produce statistical values (Hair *et al.* 2010).

In this research, quite a few diagnostic measures are utilized. First are the item-to-total correlations and the inter-item correlation, with the general acceptable value exceeding 0.5 for item-to-total correlations and around 0.3 for inter-item correlation coefficients (Hair *et al.*, 2010; Robinson *et al.*, 1991). These measures relate to each item instead of the whole scale (Hair *et al.*, 2010). The second diagnostic tool is the coefficient alpha or Cronbach's (1951) alpha score. This measure relates to the measurement consistency of the whole scale. This is the most popular and reported estimation of reliability. Even though Nunnally (1994) suggests a minimum value of 0.7, a lower limit of 0.6 is considered minimal for exploratory research (Hair *et al.*, 2010; Nunnally and Bernstein, 1994; Robinson *et al.*, 1991). The third method in assessing construct reliability is the Raykov's (1997) Rho composite reliability estimate. As a guideline, the composite reliability estimate of a construct should be at least 0.6, as suggested by Bagozzi and Yi (1988). There is substantial debate in the literature with regards to the tendency for the Cronbach's alpha score to underestimate reliability. Thus, in this thesis, the final judgement as to whether to eliminate or retain a construct is based on its composite

reliability estimate. Another diagnostic tool used in this research regarding reliability assessment of a construct is measurement of the construct's average variance extracted (AVE). An AVE estimate, like a composite reliability estimate, is derived from the CFA results, The composite reliability and AVE are calculated using the formula presented in Table 4-11, taken from the seminal paper of Fornell and Larcker (1981).

Table 4-11: Description and Threshold Values of Reliability Diagnostic Measures

Reliability Measures	Cut-off Criteria
-----------------------------	-------------------------

1) Composite Reliability (CR) = $\frac{(\sum \lambda_i)^2}{(\sum \lambda_i)^2 + \sum \epsilon_i}$	>0.60
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Where λ_i = the standardized loading of each indicator
(observed variable)

ϵ_i = the error variance connected to each indicator

2) Average Variance Extracted (AVE) = $\frac{(\sum \lambda_i)^2}{(\sum \lambda_i)^2 + \sum \epsilon_i}$	>0.50
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Where λ_i = the standardized loading of each indicator
(observed variable)

ϵ_i = the error variance connected to each indicator

Note: The cut-off guide is suggested by Bagozzi and Yi (1998)

4.5.2.3 Convergent Validity

Convergent validity implies that the items (indicators) measuring a theoretical construct must share a high proportion of variance or must converge (Hair *et al.* 2010). In other words, the items should possess high 'communality' with each other. The study evaluates convergent validity by examining the magnitude and significance (critical ratio or t-value higher than |1.96|) of the standardized estimates of the items (Hair *et al.* 2010). Past SEM theorists suggests that convergent validity is evident if all observed variables of a construct have statistically significant factor loadings (Anderson and Gerbing 1988;

Bagozzi *et al.* 1991). Nevertheless, as significant factor loadings may not guarantee a considerable magnitude of parameter estimates, guidelines for that are also mentioned in the literature, as summarised in Table 4-12. On the basis of those guidelines, in this research, it is concluded that the minimum strength of 0.4 for the factor loading of each of the items is needed as evident of convergent validity of a construct.

Table 4-12: Several Cut-off Criteria of Parameter Estimate Indicating Convergent Validity

**Strength of Standardized Source
Coefficient Estimate**

≥ 0.40	Ding, Velicer and Harlow (1995); Velicer, Peacock and Jackson (1982).
≥ 0.50	Bagozzi and Yi (1988); Hildebrandt (1987).
≥ 0.60	Chin (1998)
≥ 0.70	Garver and Mentzer (1999).

Convergent validity could also be assessed by examining the composite reliability and average variance extracted (AVE) of a construct (Fornell and Larcker 1981), described in 4.5.2.2. above and the subsequent section respectively.

4.5.2.4 Discriminant Validity

Discriminant validity refers to the extent to which a construct is “truly distinct from other constructs” (Hair *et al.*, 2010). A distinctive construct is novel and tests some phenomena that other measures do not (Churchill, 1979). First, the correlation parameters between CFA models of every pair of constructs will be constrained to unity (1), and then the chi-square difference test will be performed on the constrained and unconstrained models (Anderson and Gerbing 1988; Jöreskog 1971). If the difference in the chi-square value between the constrained and the unconstrained models is not significant, then “...those latent variables are not perfectly correlated and discriminant validity is achieved” (Bagozzi and Fornell 1982). Secondly, Fornell and Larcker (1981) suggest that for a construct that is discriminately valid, its average variance extracted (AVE) must be greater than the variance between the construct and other constructs in the model. In other words, internal consistency is required to be superior to external consistency.

In summary, this study evaluates discriminant validity by assessing whether the measurement model satisfies two conditions: (1) the variance extracted of each construct is greater than the squared correlation between every pair of factors, the value of χ^2 for the measurement in which their correlation has been constrained to 1 is significantly higher than the value of the χ^2 of the second model, in which such a constraint is not imposed (e.g., Selders *et al*, 2007).

4.5.2.5 Nomological Validity

This refers to the extent to which a scale makes predictions of other concepts or correlates with other constructs in the model in accordance with theory. In this research, the evidence of nomological validity is supported if the correlations among the latent constructs is substantial (Hair *et al*, 2010) and are “theoretically sound” (Ping 2004). In this research, the test of the structural model is regarded as the confirmatory assessment of nomological validity (Anderson and Gerbing, 1988; Steenkamp and van Trijp, 1991).

4.5.3 Hypotheses Testing

The hypotheses are tested following the assessment of psychometric properties of the measurement scale. Structural equation modelling is used for this purpose using AMOS software (Arbuckle, 2006).

4.5.4 Estimation Method

Maximum Likelihood Estimation (ML) is used for confirmation analysis and SEM because it is reasonably robust in “*less-than-optimal analytic conditions*” (Bollen 1989; Chou *et al*, 1991; Hoyle and Panter, 1995). SEM approaches are relatively robust and comprehensive for parameter estimation and hypotheses testing, whether the proposed model is made up of direct or indirect paths such as mediating or interaction effects. Additionally, with the advancement of statistical software, SEM has become the standard approach in marketing and consumer behaviour research. Compared to the more traditional estimation method such as regression analysis and ANOVA, in which only one relationship can be estimated at any one time, SEM allows simultaneous estimation of relationships between variables. In SEM, any dependent construct can also be an independent construct in other relationship(s). Additionally, multiple mediators and moderators can be estimated together. Moreover, SEM considers the measurement errors of constructs, making the estimation and prediction more accurate. The score of an item is mainly composed of three properties; namely, the actual score of the item, random error and systematic error (Churchill and Iacobucci, 2005). Compared to SEM, “*first*

generation techniques are, strictly speaking, only applicable when there's neither a systematic nor a random error component – a rare situation in reality” (Haenlein and Kaplan, 2004).

4.6 Summary

The aim of this chapter has been to explain in detail the research design and the quantitative-based empirical methodological approach used in the study. This chapter also describes in detail how the measures were developed. In addition, the approaches as suggested by Churchill (1979), Anderson and Gerbing (1988) will be followed in the measurement purification and validation phases. Construct validity has been described as assess via the procedures outlined by Fornell and Larcker (1981). This includes the examination of path loadings, their respective critical ratio values and the examination of the average variance extracted of each construct (Anderson and Gerbing, 1998; Bagozzi and Yi, 1998). Discriminant validity between constructs has been established by comparing the intercorrelation between the constructs with the average variance extracted (Fornell and Larcker, 1981). The next chapter presents the descriptive analysis findings of the research.

CHAPTER 5

BACKGROUND OF THE RESEARCH

5.1 INTRODUCTION

The internet has impacted on all aspects of life including businesses and their related environments. Its impact on the retailing sector has contributed to businesses gaining access to global markets. This chapter will explore internet and how internet has helped globalization and fashion. Thus, technology and internet expansion to the rest of the world has helped retailers faster in the internationalization and globalization process (Barnes et al, 2007). The internet has made it possible for businesses to exist and trade online, not just in their local region but also across their borders. This chapter provides an overview of the UK demographics, retail market, and the evolution of fashion. Due to intense competition in the UK retail market, especially in the clothing industry, it is therefore vital to have an overview of the background of the UK environment as it impacts consumer attitude and retention.

The United Kingdom and Spain represents two countries with e-commerce adoption on a very different levels. The UK is one of the most mature markets when it comes to e-retailing in Europe and second world wide (GMID, 2011). To reiterate, previous study conducted on social media marketing by Kim and Ko (2012) and Godey *et al.* (2016), where conducted outside the UK where e-commerce market is not as mature as the UK. Therefore, it is vital to explore the UK environment in terms of the demographic distribution, GDP (Gross Domestic Product) which also contributes to consumers' attitude to shopping.

The purpose of this chapter is to provide a background for the study. It focuses on fashion retailing sectors and explores how marketing has evolved in relation to the fashion and clothing sector both nationally (UK) and globally.

5.2 Globalization

Globalization is the process of international integration taking place from the interchange of world views, products, ideas, mutual sharing and other aspect of culture (Simpson, Albrow, and King, 1994). Developments in transportation, such as a steam locomotive, steamship, jet engine, container ships and telecommunication infrastructure, together with the rise of the telegraph and its modern offspring, the internet and mobile phones have been vital factors in globalization, generation, creating further independence of economic and cultural activities (Ford, 1972). Although scholars place the background of

globalization in modern times, others trace its history long before the European Age of Discovery and voyages to the New World. Large scale globalization began in the 19th century (O'Rourke and Williamson, 2002). In the late 19th century and the early 20th century, the connectivity of the world's economies and culture grew very quickly. The concept of globalization is a very recent term, only establishing its current meaning in the 1970s (James and Steger, 2014), which developed from the intersection of four interrelated sets of "communities of practice": academics, journalists, publishers/editors and librarians. In 2000, the International Monetary Fund (IMF) identified four basic aspects of globalization namely: trade and transactions, capital and investment movements, migration and movement of people and dissemination of knowledge (International Monetary Fund, 2000). Globalizing processes are affected by work organization, economics, socio-cultural resources and the natural environment.

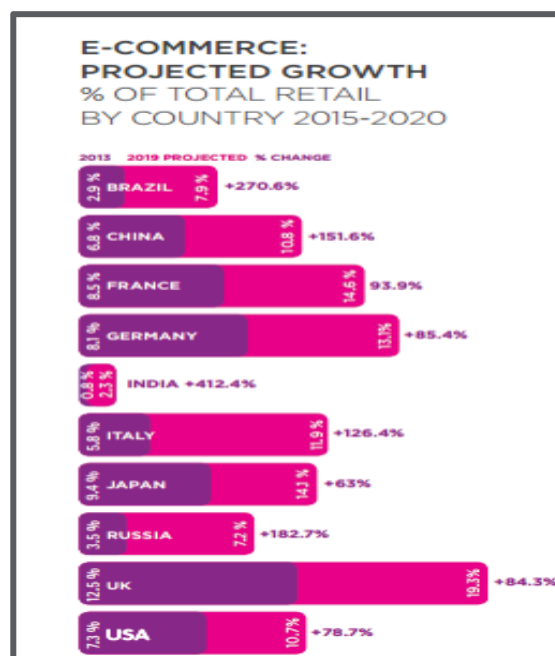


Figure 9: *E-Commerce; Projected Growth % of Total Retail by Country 2015-2020* (Source: Inside Retail, 2016).

5.3 UK POPULATION

5.3.1 General Overview of UK Population

The current UK population is 64.5 million, relatively high growth in the UK population started during the 1960s because of the 1960s' baby boom, population growth rate reduced during the 1970s and even fell between 1975 and 1978. The annual growth rate between 1990s and 2000s was more than doubled, up from 0.28% to 0.64%. Growth in

the UK population since 2010 has been comparable to that of the late 2000s and it was estimated to be the decade with the greatest period of growth within the last 50 years, UK population growth is predicted to grow steadily, with the long-term annual growth rate estimated to stabilise at around 0.3% of the UK population (Office for National Statistics, 2016).

Decade	Initial population	10 year growth in population	Annual growth rate (%)
1960s	52,372,500	3,259,700	0.61
1970s	55,632,200	697,500	0.12
1980s	56,329,700	907,800	0.16
1990s	57,237,500	1,648,600	0.28
2000s	58,886,100	3,873,400	0.64
2010s†	62,759,500	4,600,200	0.71
2020s†	67,359,600	3,993,000	0.58

Figure 10: UK population estimates and annual growth rate, 1960s to 2020s.

(Source: Office for National Statistics).

5.3.2 Age Distribution of UK Population

	Population aged 0 to 15 (%)	Population aged 16 to 64 (%)	Population aged 65 and over (%)
1974	25.2	61.0	13.8
1984	21.0	64.1	14.9
1994	20.7	63.4	15.8
2004	19.5	64.5	15.9
2014	18.8	63.5	17.7
2024 †	19.0	61.1	19.9
2034 †	18.1	58.5	23.3
2039 †	17.8	57.9	24.3

Figure 11: Age Distribution of the UK population, 1974 to 2039 (Forecasted).

(Source: Office for National Statistics).

The proportion of the UK population within the traditional age (16 to 64) has stabilised over the past forty years but it's projected to reduce within the next future. Figure 10 shows the proportion of children in the UK population has reduced from over a quarter in 1974 to less than a fifth in 2004 and is predicted to further reduce within the next future. On the other hand, the percentage of those aged 65 and over increased by 3.8% between 1974 and 2014 which is from 13% of the UK population to 17.7%. The percentage of over 65 years is further predicted to increase by 6.6 percentage points of the UK population by 2039. This increase in proportion indicates that UK has an aging population and this is because of both the present structure of the population, where people that are born in the 1960s (baby boom era) are entering the older ages as well as the population living longer.

5.3.3 London Variation and other Selected Demographics

London is one of the major fashion capitals of the world and the financial centre of the world with streets packed with shops from the upmarket Bond Street to everyday fashion on Oxford Street. London has always been popular for starting trend and introducing some of the world's best designers in to limelight, therefore it is important to have an overview of its population and age distribution.

	2014 Population (millions)	2014 Population density	2004 to 2014 Annual growth rate (%)	2014 Sex ratio	Life expectancy at birth in years, 2012 to 2014 ¹	
					Male	Female
UK	64.6	266	0.75	96.9	79.1	82.8
England	54.3	417	0.79	97.2	79.4	83.1
North East	2.6	305	0.30	96.1	78.0	81.7
North West	7.1	506	0.42	97.0	78.1	81.9
Yorkshire and The Humber	5.4	348	0.57	97.2	78.7	82.4
East Midlands	4.6	297	0.78	97.4	79.4	83.0
West Midlands	5.7	440	0.67	97.8	78.9	82.9
East	6.0	315	0.89	96.9	80.4	83.8
London	8.5	5,432	1.40	98.4	80.3	84.2
South East	8.9	465	0.88	96.8	80.5	84.0
South West	5.4	228	0.74	96.5	80.2	83.9
Wales	3.1	149	0.45	96.9	78.4	82.3
Scotland	5.3	69	0.51	94.4	77.1	81.1

Figure 12: Regional Variation of Selected Demographic Statistics, 2004 to 2014.

(Source: Office for National Statistics).

Figure 11 reveals that the national and regional population are not equal in size in 2014. Additionally, the number of people per square kilometre (also known as population density) also varies, with just 69 people per square kilometre in Scotland compare with 5,432 people per square kilometre in London. The population of London is 10 times more than any other country or region. Figure 11 reveals that population density differs within England, it will also differ within other countries or region of England: for example, Scotland, Edinburgh and Glasgow will have a larger population density than areas of the Highlands. The UK 2014 sex ratio was 96.9 males per 100 females, this differs from 94.4 males per 100 females in Scotland to 98.4 males per 100 females in London. The 2004 to 2014 annual growth rate differs from 0.3% of the regional population in the North East to 1.4% of the regional population in London. The 2004 to 2014 annual growth rate in London was 0.51 percentage points more than that of the East of England which had the second highest annual growth rate within the period of 2004 to 2014. High population in London may be due to initial destination for immigrants migrating from abroad to the UK and popularity as a destination for graduates searching for jobs.

National male life expectancy differs from 77.1 years in Scotland to 79.4 years in England, a range of 2.3 years across the countries of the UK. Female life expectancy extended from 81.1 years in Scotland to 83.1 years in England, a difference of 2.0 years. The difference between male and female life expectancy varied from 3.7 years in England and for the whole of the UK, to 4.0 years in Scotland.

5.4 UK ECONOMIC CONTEXT

The economy of the UK is the fifth largest national economy in the world which is measured by Gross Domestic Product (GDP) and the ninth largest in the world if measured by Purchasing Power Parity (PPP), encompassing 4% of world GDP and the second largest economy in the European Union by both Metrics (Office for National Statistics, 2016). In 2015, the UK was the ninth largest exporter and the sixth largest importer in the world, and it had the largest inward direct investment and outward direct investment which makes it one of the most globalised economies (KOF, 2016; CIA, 2016). The United Kingdom is made of England, Northern Island, Scotland, Wales and Northern Island, is an island nation in north western Europe. England is the birthplace of Shakespeare and the Beatles is home to the capital. London, a globally inspired centre of

finance and culture. England is also a site of Bath's Roman spa and centuries-old universities at Oxford and Cambridge. The number of companies and corporation has continued to increase and represents 68.8% of total businesses. UK has a GDP of 2.678 trillion USD and the GDP per capita was last recorded in 2015 at 40933.46 US dollars (Trading Economics, 2016). The GDP per capita in the UK is corresponding to 324% of the world average.

There are 2.55 million businesses registered for (Values Added Tax) VAT and /or Pay as You Earn (PAYE) in the UK as at March, 2016 compared with the 2.45 million in March, 2015 which reveals 4.3% rise in businesses growth. The number of companies and corporation have continued to rise and stand for 68.8% of total businesses where the number of sole proprietors and partnership has increasingly decline and now represents 27.4% of total businesses (Office for National Statistics). London has the largest number of VAT and/or PAYE-based businesses with 18.7% of the UK total and faced with the largest growth between 2015 and 2016. The upward trend of the VAT and/or PAYE businesses reflects the UK economy's recent performance. GDP rose by 2.6% between 2014 and 2016. Consumer Price Index (CPI) inflation was 1.6% and reduced to 0.5% in March 2016. This robust growth and low inflation may have provided business with a good environment to set up their business. Additionally, through 2015 and 2016, the oil price has remained generally which may have reduced businesses' operating costs.

The employment rate increased from 70.5% in 2011 to 74.2% March 2016. The amount of people employed in the public sector from March 2011 reduced when reclassification is not included. The new employment growth from 2011 to 2016 is in the private sector which agrees with the number of businesses that were set up between 2011 and 2016 (Office for National Statistics, 2016). From 2011 to 2016, UK has a labour force of 33 million and unemployment rate of 6.3% with 46,297 dollars GDP per Capital (PPS). From 2011 to 2016, the redundancy rate fell from 4.9 to 4.1 per one thousand employees, this is based on the number of people that were made redundant out of the total employed. A lower rate of unemployment indicates stronger job market which agrees with the increase in number of VAT/PAYE business (Office for National Statistics, 2016).

5.5 UK Retail Market

The retail sector is divided into four main sectors, Figure 9 shows the detail of the four main sectors; (1) predominantly food stores (for example, alcoholic drinks and tobacco, specialist food stores and sales and supermarkets). (2) Non-food stores (for

example, non-specialised stores such as department stores, clothing and footwear, household goods, textiles and other stores). (3) Non-store retailing which comprises of catalogues, mail order and market stalls. (4) Store selling automotive fuel (petrol stations).

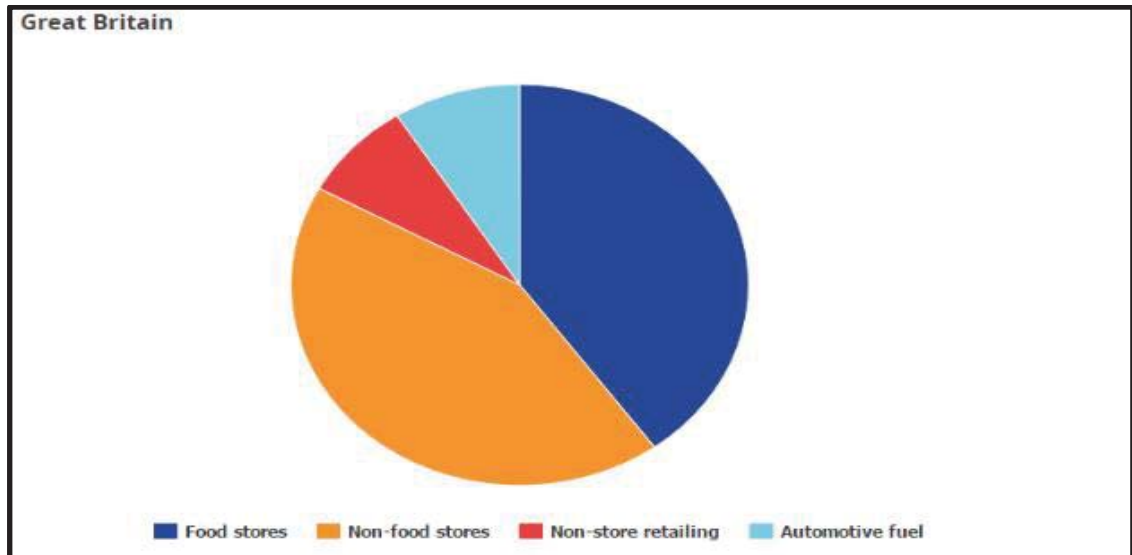


Figure 13: *Contribution from the 4 Main Sectors for Every Pound Spent in the Retail Industry* (Source: Office for National Statistics).

Retailing rules a large and important part of the UK economy and shopping has become a key relaxation activity and vital part of UK consumers lives. More than one-third UK consumer spending goes through retail businesses of which fashion is one of the key drivers for retail spending. UK retailing, like majority of countries around the world that has had to adapt to the buying habits and changing needs of the consumer which was re-shaped by the global economic crisis in 2008 and currently the digital revolution that has formed new online channels and the UK consumer is very much in the driving seat (Inside Retail, 2016). UK is known as one of the most competitive retail market environment in the world, UK fashion retail has already started to emerge stronger from the economic downturn from the last few years.

5.5.1 UK RETAIL ONLINE SALES

Established major retailers of fashion such as accessories, clothings and foot wear have learnt ways to make their stores more attractive and appealing while building a captivating online sites, online retail businesses have begun evolving and setting new and challenging standards for others around the world to follow and the independent and the small have found out ways to continue by understanding their customers better than any

other businesses. Competition, innovation and online are the areas UK is leading the world (Inside Retail, 2016). Since the economic crisis began, there has been very growth in the UK retail spending and as a result of this, leadership teams of retail businesses have focused on expanding their market share. This in turn has highlighted the need to show you are better than competitor in value, relevance, shopping experience and service and as a result of this, the market is more immensely competitive. The UK has become much more dynamic and competitive as a result of the internet and challenging thinking around customer engagement especially online and across all other channels. Recently, engagement has moved forward the UK online sales to 12% market penetration across all sectors - higher than any other developed economy in the world. In non-foods, the UK market share has exceeded 21%. This is helping retail turn out to be much more data rich industry. Abruptly, retailers are able to track shopping behaviour and communicate with customers at a reduced cost (Inside Retail, 2016).

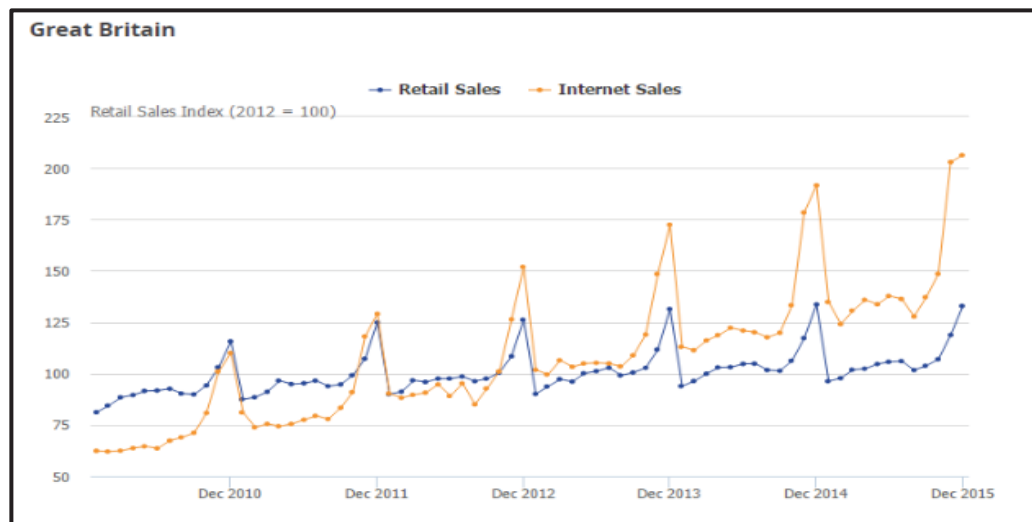


Figure 14: *Value of Retail Sales and Internet Sales, 2010 to 2015, Non-seasonally Adjusted* (Source: Office for National Statistics).

After food, fashion is the most vital retail market of them all. Retail explains a total value of £50 billion per annum with an average weekly spending of £1.0 billion on the internet, which is an increase of 26.8% compared to 2015 (Office for National Statistics, 2016). Fashion sales accounts for 15% of all retail sales and 11.2% of all non-food sales (Office for National Statistics, 2016). Clothing, textile and footwear stores accounts for 13.2% out of 15% of all retail sales. Similar to every UK retail sector, clothing is supplied in excess. Too much capacity and too many players is responsible for retail price deflation. However, this is more pronounced in fashion, this trend is changing

industry economics, resulting in the most challenging market in generations and raising competitive bar. The main factor at the heart of this is online. Fashion web put forward physical retail, improving capacity but not demand. Stable growth has seen online capture 15% of the market. And internet is turning out to be both opportunity and threat. Typical online returns of 40% or more and the cost of running reverse logistics and fulfillment, online behaves as dilute margins. However, physical capacity reveals online is the sector's key growth driver. Additionally, online provides retailers with rich source of customer information about purchasing and behaviour which is an enormous opportunity in understanding customers and edit ranges in this regard. Retailers are beginning to reap reward by communicating and engaging with their customers. The issue of over-capacity is the fundamental driver of shifting sector economics in the UK and this is the driver of retail selling price deflation happening year-in year-out. Producing by far the the most price-promotional market that has ever existed and the main source of downward pressure on profitability.

Table 5-1: Summary of Internet Statistics, October, 2016

Value seasonally adjusted, percentage rates			
Great Britain			
Category	Year-on-year growth	Sales as a proportion of all retailing	Index categories and their percentage weights
All retailing	26.8	15.2	100
All food	24.9	5.0	15.0
All non-food	19.8	11.2	36.1
Department stores	18.5	13.1	8.6
Textile, clothing and footwear stores	5.2	13.3	13.9
Household goods stores	42.1	10.2	5.4
Other stores	31.1	8.7	8.3
Non-store retailing	32.5	77.6	49.0

Source: Monthly Business Survey – Retail Sales Inquiry, Office for National Statistics.

Figure 14 below shows the performance across the different store types and how the quantity bought has changed over a period. Non-store retailing, the smallest of all the four sectors have experienced development over the period of January 2010 to October 2016 and this development has accelerated over recent periods. The performance of food stores, automotive mobile and non-food stores, which add up the account to approximately 92% of retail sales, has been more crushed. Until late 2013, the quantity bought in these three store types and all retailing was low but has now experienced growth.

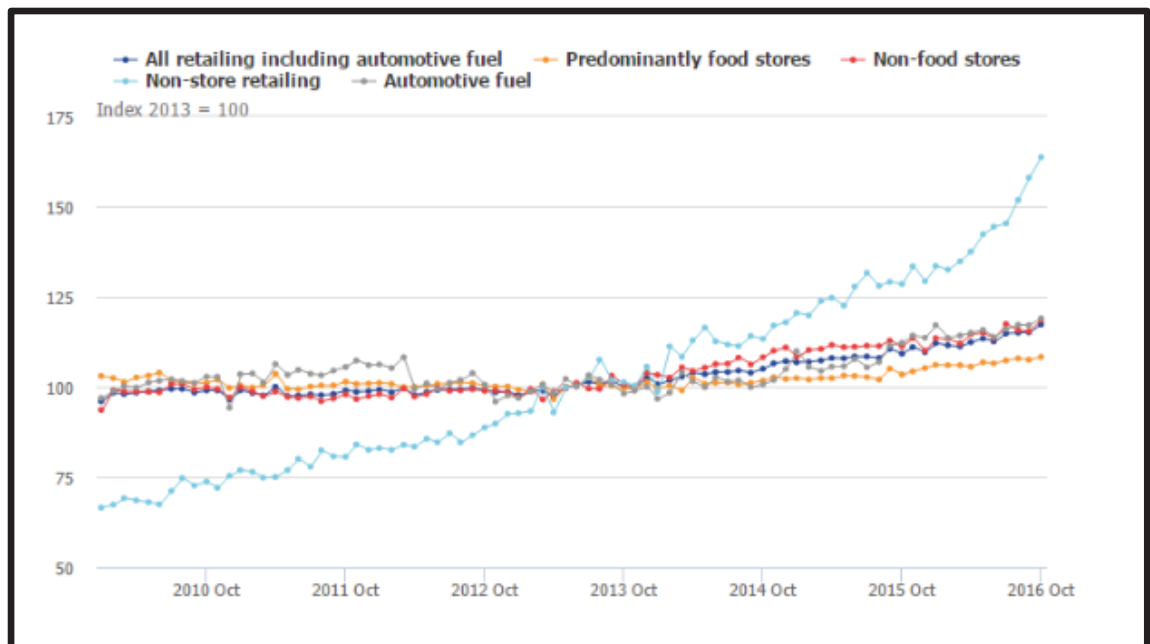


Figure 15: Comparison of the 4 main retail sectors, seasonally adjusted, sales volumes (Source: Monthly Business Survey – Retail Sales Inquiry, Office for National Statistics).

5.6 UK Fashion Industry Statistics

5.6.1 UK Fashion Through the Decades

The British royal family have been a continuous source of fashion motivation, starting from women wearing corset to copy the slim silhouette of Queen Elizabeth 1, to modern-day women taking inspiration from Kate Middleton's modest, well-designed outfits. History and fashion are much intertwined in British culture and fashion movements that the royals set frequently become the standard for the rest of world for example Queen Victoria facilitated the popularization of wearing black when mourning, and the custom of wearing black to funerals is still common because of this (England Forever, 2016). Most fashion trends before the 1900s was either copied from the royal family or came to eminence because of them.

The flapper girls of the 1920s wore bold attire and revealed the new liberty women were achieving, such as equal voting rights with men. The eruption of the World War 11 have an effect on clothing as it is now acceptable for women to wear trousers as a result of the curbing of fabrics and as some acquired more masculine jobs. In the 1920s, fashion trends was affected by the event happening at that time such as post World War 1 and Paris influence, women's vote prohibition, talking movies, increased prosperity, modern art, music, the birth of sport wear. After the end of the war in the 1950s, women started to enjoy more stylish clothing as the country became more wealthy. The typical look of

full-skirts for women and sophisticated tailoring for men gradually move furtively into fashion and continued to influence many fashion designer in the present day (England Forever, 2016).

One of the iconic descriptions is that of the 1960s. Beyond doubt, this was a time when London influenced the whole world. Fashion designers such as Mary Quant's invention of the miniskirt turn out to be an inspiration to the world. At this time, women became more daring with clothes, testing brighter colours and uncommon fabrics such as PVC. They deviated from the trimmed skirts of the 1950s to simple shapes and the body type that was trendy went from curvy to boyish. Whether women and men were mods or rockers, clothing was vital to reveal their social status and who they are associating with.

The 1960s brought about a great trend for bold prints and plastics. There was huge gap between older people that were brought up in the time of war decades and those enjoying the sexual liberty and colourful fashions of the 1960s. Later on, the younger generation started to take on counter culture and frequently revolted against these bright, disposable fashions by accepting Eastern cultures philosophy which would lead to an unusual movement. The 1970s brought about the rise of punk and British designers such as Vivienne Westwood that became the household names. The punk appearance is still powerful in Britain and sometimes seen on the famous Kings Road in Chelsea (England Forever, 2016). The 1980s was a period of self-indulgence with big shoulder pads and big hair. Fashion was influenced by music trends which involved a lot of bright colours and shapes that were futuristic. Britain was influenced by American grunge in the 1990s but soon hit back with Britpop when bands for instance Blur and Oasis became famous and traditional British fashion such as Doc Martens shoes, corduroy jackets and bucket style came back into style. The British fashion in the 20th century is captivating because of the drastical change in the styles and trends every decade.

5.6.2 Fashion Industry Employment Rate

At present, around 55,000 people are employed in the fashion related industry in the UK. Most jobs in fashion related industries are in retail sale of Clothing. This fashion sub-industry employs 75% with 414,000 people working in the retail sale of clothing. The retail sale of footwear and leather goods also provides good number of jobs in fashion, approximately 11%, 59,000 employers work in this sector. Another 8% which is 43,000 employers, work in the wholesale of clothing and footwear. With correspondingly 34,000

and 5000 positions, 6% and 1%, the minimum number of jobs are in the manufacturing of apparel and footwear.

5.7 Summary

This chapter presents a discussion of the background associated with this research. First, a brief discussion about technology and internet was described. This was followed by a more detailed discussion about globalization and E-commerce. This is in line with the retail industry that have an online presence. Furthermore, the demographic distribution of the UK and the general retail industry was also discussed. The assessment UK age distribution provides an overview of the type of UK consumers. In addition to this, London which is the major fashion capitals of the world and the financial centre was considered. Additionally, the retailing of fashion in today's world and the UK economic growth was explained as the economic growth impacts on clothing retailers' sales. The next chapter provides an analysis of the UK clothing retail environment and secondary research into ways UK clothing retailers retain their customers.

CHAPTER 6

MARKETING COMMUNICATION ROLE IN THE UK CLOTHING SECTOR

6.1 INTRODUCTION

The purpose of this chapter is to explore marketing communication role in the UK clothing industry. Initially this chapter was meant to be a primary research to explore the UK clothing retailer's organisational perspective of how customers are retained, however there was a difficulty in getting access to the organisation, for this reason the researcher had to devise another way of getting information which is through secondary research. This chapter is a secondary research and all the information has been analysed by other companies such as Mintel. Additionally, this chapter is set out to examine the UK clothing retailer in detail and the environment in which they operate, their major marketing communication and its impact in fostering sales.

6.2 UK RETAIL CLOTHING MARKET

Figure 16 below reveals clothing in a fragmented market where major chains of specialist account for 50% of sales, Department stores such as M&S have 20% and the next biggest challenge is the remote one, comprising online pureplays and catalogues. The traditional mail order retailers have gradually migrated online and the biggest of these is shop direct who has moved their full business online. Supermarkets have also played a major part in driving rapid growth of the value segment which now account for 25% of sales. Competition in the UK fashion industry is set to intensify further. Apart from the growth in size and volume, the new national minimum wage will also increase the operating costs and because of this, UK retailers will have to innovate more and put customer at the heart of their products and services to be smarter in managing cost and supply chains. The differences between the winners and those who do not win will be magnified and excellent returns will be the reward of those that are able to meet these challenges.

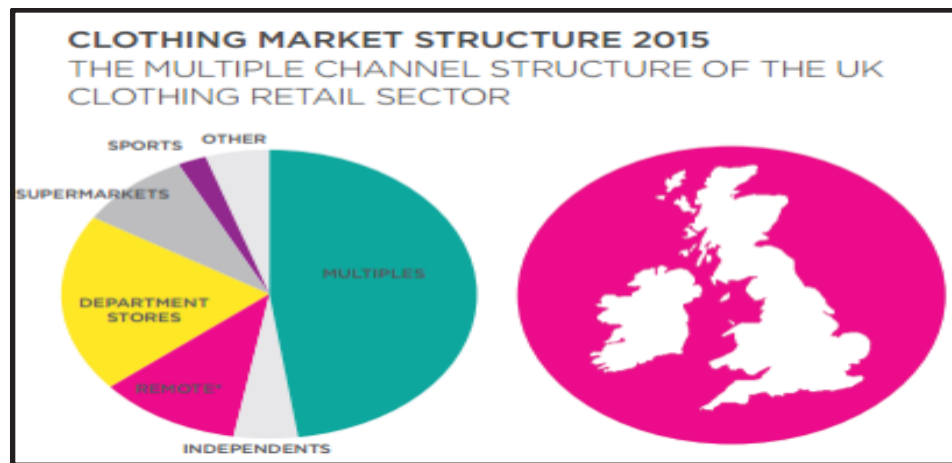


Figure 16: The multiple Channel Structure of the UK Clothing Retail Sector (Source: Monthly Business Survey – Retail Sales Inquiry, Office for National Statistics).

The UK clothing sector is experiencing intense competition and price war and has faced a very tough year as consumer spending on clothes increased by only 1.8% in 2016 to £54.8 billion compare to 4% increase in 2015 as consumers spent less of their disposable income on fashion (Mintel, 2016).

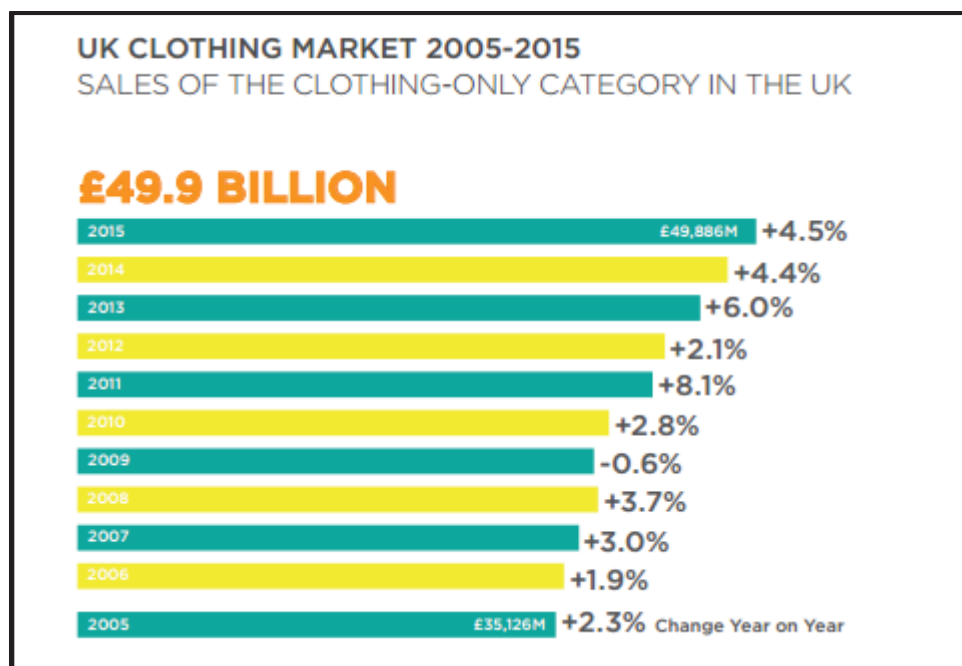


Figure 17: Sales of the Clothing-Only Category in the UK (Source: Inside Retail, 2016).

6.2.1 PESTLE Analysis of Retail Clothing Market

6.2.1.1 Political Impact on Clothing Retailer

Clothing retailers operate in an environment that is linked to political factors and this plays a vital role in structuring a business. Earlier in 2016, the UK withdrew from the European Union which is known as 'Brexit', a portmanteau of "British exit". Following

a referendum held on 23rd June 2016 in which 52% voted in favour of leaving the EU, the UK government intends to invoke Article 50 of the Treaty on European Union, the formal procedure for withdrawing, by the end of March 2017. This, within the contract terms, would put the UK on a course to leave the EU by March 2019 (Hunt and Wheeler, 2016). Although there's no immediate impact of EU referendum felt by the retail clothing sector yet but clothing is expected to face an even tougher year in 2017 as many retailers will be forced to increase their prices as a result of currency fluctuations. Even though most retailers were not affected by the devaluation of the pound following 'Brexit' in June 2016 as they had currency hedging in place, they will be obstructed by increased import costs in 2017 and this could result in greater clothes prices for consumers, which could in turn lead to fall in sales. Numerous retailers including Next have warned prices could increase by up to 5% in the coming year (Mintel, 2016). Brexit's impact on the cost of living is one of the biggest concerns, with 46% of public thinking that it will have negative impact. Subsequently, some retailers may choose to keep prices low just to hit the margin. Primark is among those that said they will maintain their current prices. Smaller clothing retailers and independents will however strive to take in costs and further casualties is foreseen on the high street.

In the long run, fashion retailers should reconsider their supply chains to make sure they remain competitive. This will provide opportunity for British clothes manufacturers to thrive

6.2.1.2 Economic Impact on Clothing Retailers

While the Brexit vote has had enormous impact politically, it has also dampened consumer confidence in the sense that it has led to a sudden change in the spending on clothing. In the immediate effect of the vote, the proportion of people that confirmed that they'll be okay fell from 33% to 27%. Once the shock has faded, although confidence returned steadily upwards trend seen over the last two years, with 29% of people in August 2016 stating they were confident about their financial condition over the next year.

6.2.1.3 Social Impact on Clothing Retailers

There's has been a real change in shopping habits as people now shop more online for clothes and are becoming choosier about where they buy their clothes as they are opting for retailers that combine latest fashion with rapid and convenient delivery options. The impact of this has led to pure-play retailers such as ASOS are rapidly increasing their

share of the fashion market. There has also been a continued shift away from people spending their extra money on clothing and fashion items to spending more on leisure. Consumers are now spending more on dining out, going out and days out compared with same period in 2015 (Intel, 2016). Leisure activities continued to dominate non-essential consumer spending on clothing and has shifted away from their priority list. Retailers will now have to be more responsive to changes in weather through more frequent product drops. The retail sector has fail to adapt to a buy-now, wear-now mentality as unseasonal weather change in 2016 has simply heightened how seasonal fashion cycles have become obsolete, with retailers selling autumn clothing in August and September when the weather is still hot. To adapt to this new consumer attitude, a radical change in traditional buying and production cycles is needed.

Older women agree that in-store displays are a good source of inspiration, with 69% of female age 65+ agreeing with tis statement (Intel, 2016). This is a good way to encourage this demography to buy more clothes. Younger men's attitude is changing as they want to see stock availability online. Close to seven in 10 (68%) consumers agree that a tool to check stock availability online would be useful feature of a retailer's website. This rises to 77% of young men and 75% of young women aged 25-44 who are the main clothes shoppers. Consumers wants to be given more information around availability of products they want to buy. All Saints is one of the clothing retailers that has introduced a system that allows customers to check stock availability in all its stores and its distribution centre. Zara has continued to increase its popularity and is one of the few retailers that has seen increase in number of young women shoppers. Zara stands out as the retailer where consumers are most likely to shop to buy an item that is part of new fashion trend.

6.2.1.4 Technological Impact on Clothing Retailers

In a competitive market where retailers are striving to retain their market share and even gain more, the key to blossoming is innovation and only retailers that can adapt to this drastic dynamic market will make gain more market share in the highly competitive market.

6.2.1.5 Legal Impact on Clothing Retailers

6.2.1.6 Environmental Impact on Clothing Retailers

The clothing sector faced a very tough year as many influences have combined to create an underlying weakness in consumer demand for clothes. 2016 has experienced an extended period of unseasonal weather with cold spring and a slow start to summer, which

has stopped people from upgrading their wardrobes and has had a poor effect on clothing sales. Retailers have struggled to sell seasonal clothing and have reacted to the irregular weather by resorting to heavy discounting and sales to try and get rid of stock.

6.3 Market Share of Both Specialist and Non-Specialist

Out of 150 clothing retailers in the UK, over half of the top five retailers are non-specialist. Sport retailer such as sport direct and JD sport are among the leading retailers of clothing and footwear in the UK. JD Sport has overtaken TK Maxx and moved to the fifth place as a result of athleisure trend and continued demand for sporty styles of clothing for everyday wear.

TABLE 6-1: TOP 20 CLOTHING RETAILERS

		2013	2014	2015
		%	%	%
1	Next UK	7.5	7.5	7.4
	Next clothing/footwear	6.1	6.1	5.9
2	Marks & Spencer – UK non-food	8.4	7.7	7.2
	Marks & Spencer – UK clothing	7.6	7.0	6.5
3	Primark	5.3	5.4	5.3
4	Sports Direct Plc – UK retail	3.9	4.3	4.2
5	JD Sports Fashion Plc – retail	2.5	2.9	3.3
6	TK Maxx (The TJX Companies)	3.3	3.4	3.3
7	Arcadia Group	3.7	3.4	3.1
8	Debenhams gross transactional values	3.5	3.3	3.1
	Debenhams statutory revenues	2.5	2.2	2.1
9	Asda	3.5	3.1	2.9
10	New Look – UK	2.1	2.0	2.3
11	H&M UK	1.8	1.9	2.0
12	Matalan Ltd	2.3	2.1	1.9
13	River Island Clothing Co Ltd	1.7	1.7	1.6
14	John Lewis	1.5	1.5	1.6
15	Tesco	2.1	1.7	1.5
16	House of Fraser gross transactional values	1.4	1.5	1.4
	House of Fraser statutory revenues	0.8	0.9	0.9
17	Sainsbury's	1.3	1.3	1.4
18	Amazon	1.0	1.3	1.2
19	Shop Direct Group	1.2	1.1	1.2
20	N. Brown	1.2	1.1	1.1

Source: (Mintel, 2016)

Eleven out of the twenty top clothing retailers are non-specialists with two featuring in the first. Specialist retailers have experienced their share of the total clothing market continued to deteriorate further following the close down of BHS and the under performance of M&S and other sport stores, the groceries and departmental stores have grasped market share. Pure-play retailers such as ASOS, BooHoo is experiencing strong growth and rapidly increasing their share on clothing. Consumer trends is changing in the way they shop, there is buy now, wear now mentality and retailers have failed to adapt adapt to this fast enough, with many women between the age of 16 years and 44 years are finding it hard to find outfits that suit uncommon weather for the season such as winter that a warm cloth is required. There are also has been an increase in impetus for locally made clothes with research for this report finding that 87% of shoppers will be interested in locally made clothes.

Most of the specialist including the main retailers in the market such as Next and Primark have experienced weaker sales since 2015 as non-specialists such as Sainsburys and Tesco draw spend away from the specialist sector. The leading departmental store have done well in 2015. House of Fraser have experienced steady sales helped by improved own-brand fashion labels such as Biba and Episode and an boosted online proposition. John Lewis stand out as a pointedly improved fashion in the last few years, with fashion being best-performing sales category in the year to the end of January 2016,

increased by 2%. Debenhams, however has experienced decline in its share of clothing market due to discounting and needs to get over its image of always being “on sales”.

Supermarket chains maintain a significant share of the clothing market, although Asda and Tesco have been confronted by slower overall sales and in contrast, Sainsbury's has gained share with the launch of TU clothing online in August 2015. Pure-play retailers are speedily increasing their market share of the clothing market, despite this, several young fashion retailers such as New Look and H&M were successful in outperforming their competitors as they have invested in new store concepts and expanded their offering to include clothing as well as beauty.

6.4 Specialists' Share of Clothing Spend

Clothing specialists' sales have been experienced a sharp reduction and are projected to decline by 4% at the end of 2016 to £39.7 billion, highlighting the loss of specialist clothing retailers compared with the overall spending on clothing of 1.8%. The clothing sector has suffered several casualties with the downfall of Bhs and the administration of Austin Reed. M&S has continued to experience falling sales in clothing; 8.3% for the 13 weeks to July 2016, the management has continued to make changes but are unlikely to lead to any significant improvement until the beginning of next year (2017) at the earliest. Several other main players in the market including Next and Primark both reported weaker sales growth in 2016 compared with the previous years. While Next has experienced sales growth, sales grew only 0.1% in the half year to July 2016 and was believed to have applied a too cautious an approach by keeping too low stock in store. A prolonged period of seasonal weather has had influence on the poor fortune of the clothing sector, but the specialist retailers are also labouring as they are facing increased pressure from online retailers such as Amazon and ASOS, which are rapidly growing their share of the clothing market. Departmental stores and supermarket chains have overtaken the specialist clothing retailer in terms of shares and sales.

Table 6-2: Clothing Specialist Sales (Incl. VAT), 2011-21

	Total	Index	%
	£m		annual change
2011	37,047	93	na
2012	37,549	95	+1.4
2013	38,631	97	+2.9
2014	40,176	101	+4.0
2015	41,374	104	+3.0
2016 (est)	39,700	100	-4.0
2017 (fore)	39,281	99	-1.1
2018 (fore)	38,805	98	-1.2
2019 (fore)	38,840	98	+0.1
2020 (fore)	38,549	97	-0.8
2021 (fore)	38,455	97	-0.2

Source: (Mintel, 2016; Office for National Statistics, 2016)

An estimated 74% of the clothing specialist sector's total turnover was from the sales of clothing and accessories (footwear is not included) in 2016. The major reasons for this is that M&S is considered a clothing specialist, but due to its food and home categories only a projected 39% of its UK sales were from clothing in 2015, which is 1% down from a projected 40% in 2014. Debenhams is included in the list of specialist retailers (Office for National Statistics, 2016) but less than 60% of Debenhams' sales are estimated to be in the category which is further reducing the shares of clothing in sector sales. Additionally, footwear is a major category for some clothing retailers such as New Look and Next, while many specialists such as Zara, H&M, Topshop, Primark classified beauty as part of their major category (Mintel, 2016). Specialist clothing retailers have seen their share of the total clothing market continue to decline, with only 54% of the consumer spending on clothing and accessories going through the specialist in 2016.

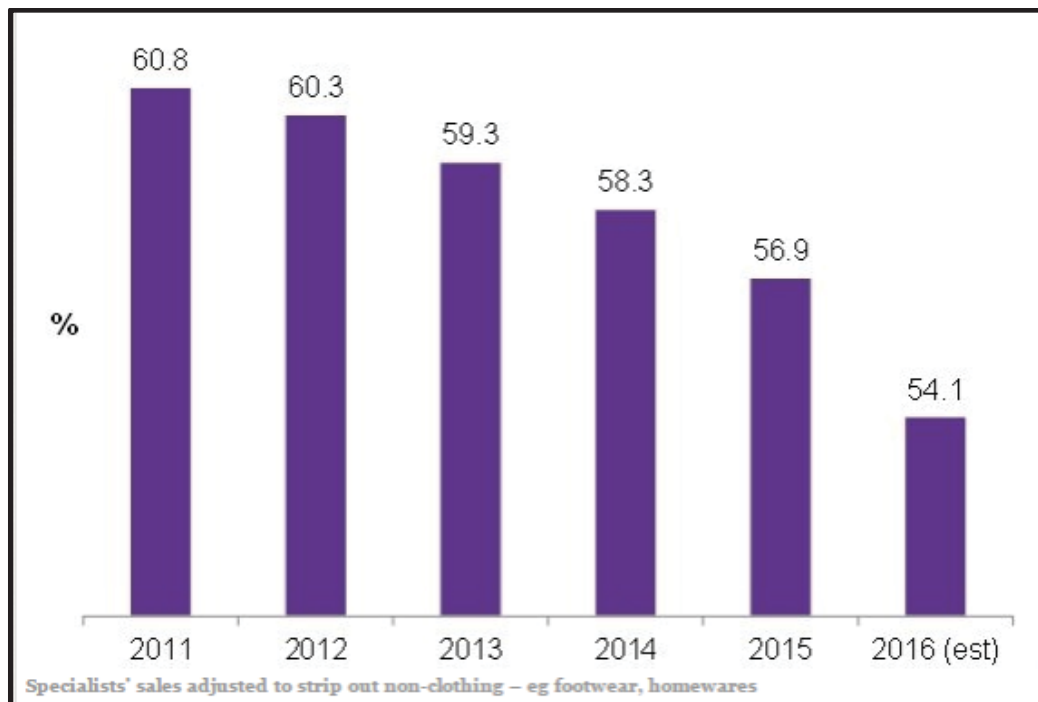


Figure 18: Clothing Specialists' estimated share of spending on clothing, 2011-16

6.4.1 Revenue Shares For Specialist Retailers

Next has overtaken M&S as the clothing market leader, as it has increased revenue by 5.1% to £4.1 billion for 2015. Next business is in good shape, with steady growth in its retail division and robust online sales. This means that it remains one of the consistently solid players in the challenging fashion industry where specialist clothing retailers are losing share of the overall market. In contrast, M&S has seen non-food sales decline 0.7% to £3.9 billion as its clothing business continues to fail. M&S clothing sales have continued on a downward path, the major problem is with women's wear. Ongoing attempt to turn its clothing division around have so far been unsuccessful to translate into sales growth, with an 8.9% crash in like-for-like sales of clothing and homeware for the 13 weeks to July 2016. M&S has invested so much in womenswear offer with clearer pricing, a change in sourcing, better fit and availability of products. Nevertheless, the retailer needs to clearly understand who its female customers are and concentrate on getting the appropriate products for them. Additionally, in order for M&S to continue to move forward, while it makes its cloth fashionable, it needs to ensure that it focuses on providing high-quality basics. more clearly defined brands with different style could also help. Sizing is one of the well known issue with considerable differences in sizes between different M&S brands and other retailers.

Primark is also experiencing slower growth as its facing issues with the maturity of the business in the UK and can no longer expand stores at the same explosive rate compared to previous years. Its lack of transactional website is at a significant disadvantage and while it remains the most popular clothing retailer by number of shoppers, it is facing increasing competition from fast-growing pure players such as Boohoo, ASOS and Amazon that offers fast and latest fashion at low prices, but with the additional benefits of rapid online deliveries.

Table 6-2: Leading Specialist Retailers: Net Revenue, 2011-15

	Company name (parent)	2011	2012	2013	2014	2015	% change
		£m	£m	£m	£m	£m	2014-15
1	Next UK & Ireland	3,280	3,384	3,597	3,862	4,058	+5.1
	Lipsy	55	58	35	36	29	-19.4
	Next Directory	1,089	1,193	1,357	1,520	1,658	+9.1
	Next Retail	2,191	2,191	2,240	2,342	2,400	+2.5
2	Marks & Spencer (UK non-food)	4,195	4,094	4,093	3,988	3,961	-0.7
	Including:						
	Marks & Spencer (UK) clothing	3,762	3,671	3,674	3,618	3,565	-1.5
3	Primark Stores Ltd (ABF)	2,298	2,584	2,786	2,891	2,954	+2.2
4	TK Maxx (The TJX Companies)	1,354	1,502	1,614	1,757	1,790	+1.9
5	Arcadia Group	2,682	2,679	2,736	2,033	2,069	+1.8
6	New Look – UK	1,061	1,059	1,034	1,048	1,257	+19.9
7	H&M UK	761	836	867	992	1,071	+8.0
8	Matalan Ltd	1,118	1,125	1,123	1,094	1,061	-3.0
9	River Island Clothing Co Ltd	721	740	810	890	894	+0.4
10	Inditex UK of which:	431	512	537	579	620	+7.1
	Zara UK Ltd	369	443	458	495	535	+8.1
	Bershka UK	13	14	16	17	na	
	Massimo Dutti UK	29	31	34	33	na	
	Pull&Bear UK	12	14	16	19	na	

Source: (Mintel, 2016)

6.5 Online Market Shares

Online sales of clothing, footwear and accessories are projected to reach £12.8 billion in 2016, accounting for 20% of total spending on the market. Up to 63% of the internet users in the UK have bought clothing and/or footwear online in the last 12 months, making this the most bought online category. The comfort of purchasing through mobile phones and tablets is helping to increase online demand; as many as 41% of consumers who have made a purchase on their mobile smart phones bought clothing and again making it the most purchased category (Mintel, 2016). Pure-players were estimated to account for 45% of online sales of clothing and footwear as leading players such as ASOS grow their share

of the market and catch up with the multichannel players (Mintel, 2016). With no physical presence on the high street to market themselves, the pure-players have been bringing up new ideas in the use of social media and digital channel for both communication and to offer new ways of purchasing which is what this thesis is all about. In 2016, online menswear retailer Mr Porter launched a shoppable Apple TV app, which allows consumers purchase items based on its online editorial content.

Next share the greatest share of the online clothing and footwear market, at 13.2%. The retailer launched a dedicated mobile version at the end of 2015 after finding that 63% of orders are made using tablets and smart phones. M&S online sales made a significant recovery in 2015, following the challenging website relaunch and distribution problems during 2015, M&S is estimated to have 6.9% share (Mintel, 2016).

ASOS has gained share to take 4.6% of the online clothing market on the back of a 27% rise in UK sales in 2015. ASOS came right on top because of being able to offer consumers an overall excellent experience. This replicates ASOS efforts to continually develop its online proposition, including one-hour delivery slots in July 2016 that let the consumer choose themselves the exact hour they will like to receive their order.

6.6 Marketing Communication of Clothing Retailers

Marketing communication is a subcategory of the generally known (Marketing) subject area. Marketing consists of product, promotion, place and price which are known as the marketing mix (or the four P's), that also can include physical evidence, people and processes when it comes to marketing services (Known as the seven P's). Marketing communication is a subset of the general marketing subject area and it is the 'promotion' of the marketing mix (McManus, 2015). Thus, marketing communication can be defined as the marketing message that is used in crafting or building a positive and favourable inclination towards a brand of product or services. The role of this notion (Marketing communication) is to support firms marketing plan and help their main audience to trust and understand their advantage over the rivals (Hajduk, 2016). The marketing communication comprises of different communication mix. These are promotional elements that involve the interaction of an organisation with their target audiences on all levels that impacts on the marketing performance.

Marketing communication has become of huge importance in the past five to ten years. The growing importance has so much to do with product and services seen as arriving in the maturity stage of their life cycle. Consequently, it is hard to come by the point of

difference that can separate or differentiate brands that portray inherent qualities to this product and services. This is where marketing communication sets the tones by providing the information which will otherwise be impossible to create points of difference. This enable brands to stand out on a global market stage and helps brands comparative advantages to be appreciated by their consumers. Marketing communication gives clothing brands marketers the platform to persuade, motivate, inform and remind consumers about the product's point of difference when compared to competing firms (Henninger, Alevizou, & Oates, 2016). Consumers learn through this platform how and why a product is used, the kind of people, the when and where the product is used. They learn about the brand and the company that makes the product, and they can receive incentive and be rewarded for using or trying the product. Thus, the attributes of the product can be translated to benefits and linked with high-order value. The clothing brands within the UK clothing industry uses all the marketing communication mix elements in their communication; sales promotion, advertising, public relations and personal selling and social media.

From Facebook to Instagram, from start-ups to medium scale enterprise and to big brands, social media can commercialise a new brand's product faster than ever before as it gives voice to the communities and the designer they engage. The social media channel is being used by 27% of the global population and majority of the users are people that work within the clothing and fashion industry (Rasmussen, 2016). The fashion world and social media are entwined (from the designers and the brands, to the customers and the consumers, from the photographer and the stylist, to the models) in a way that everyone shares the image of their favourite shoots on Instagram and tweets their views on the latest fashion trend and news.

The clothing industry uses social media to promote the works and the opinions but most especially the brands in the industry. An average person goes on their smartphone approximately 150 times a day. As social media has become one of the best ways for people to communicate and a dominant source of information, several industries are taking advantage of this by changing their marketing strategies such as the clothing industry (Sherman, 2013). This new way of communicating is changing the industry and is aiding the growth of the UK clothing industry. The top Clothing brands such as Topshop, Primark, Zara, New Look, Next and New Look now employs social media to connect with their customers on a more personal level. The digital age has enabled clothing brands to actively engage in fan-facing conversations, directly looking for

inspiration from the communities they inspire and dress too. Social media has made clothing brands more connected on the ground via the use of channels such as Twitter, Facebook, Pinterest, Instagram and Snapchat. These different social media channels has enabled clothing brands listen and learn from who they are to. Clothing brands like New Look, Topshop, Next, Marks and Spencer, Asos, Boohoo and Zara uses these social media platforms to advertise their products more than ever and are able to communicate with their audience in a different and innovative way.

Thus, social media has stretched the way in which information about various things that relates to clothing and fashion are accessed by consumers and others keeping up with fashion trends, it has opened new access to potential buyers and has generated new outlets for advertising (Pawlas, 2015). The UK top clothing brands are promoting exclusive clothing products and these products have become more accessible to the public via social networking. The clothing industry has grown not just within the UK but globally because of social media presence (Pawlas, 2015).

A new research shows that if you subscribe to or follow a brand on Instagram you are (finances permitting) 53% more likely to shop with that brand (Rasmussen, 2016). This means that an engaged social media following leads to increased brand loyalty. After all, the way that a brand presents itself on social networks enables consumers to quickly translate whether it speaks to them or not. If a mutual understanding is reached, it becomes natural that the consumer will want to invest in it and wear the clothes. Instagram and Facebook are two large media platforms that have revolutionised the places that clothing items are purchased. Through advertisements, tags and explore tabs, users can access specific brand clothing sites, pages and photos from virtually anywhere. Brands of different sizes are only able to create a fan base solely through online viewers. Brands are not only able to show their style, culture and targeted audience, but they are able to tailor to specific trends, events and fads (Clements, 2016).

6.7 Advertising

Any form of paid promotion of ideas, non-personal presentation and goods or services by any recognised sponsor. The magazines, professional newsletter pages and social media such as Twitter, Instagram, Facebook, Snapchat and YouTube are common platforms used for promoting and advertising information associated with the product of a firm. These platforms are mainly used in creating product awareness of the existence of the

brand, making the client understand and reminding them that the product is available in the market (Bria, 2016).

The main objective of this activity is to display a particular product or brand in comparison to that of the competitors focusing on the point of difference of the product. A brand can be distinguished from less focused competitors through effective communication and the use of different media range. In a technology driven era, the social media have become a platform that is widely used by various brands within the UK clothing industry to extend their marketing campaign to a broader range of consumers. Chi (2011) defined social media marketing as “the connection between consumers and brands, while offering a personal channel and currency for user centred networking and social interaction”. The emergences of Social media have brought a great change to the tools and approaches that clothing brands within the UK uses in communicating with their customers. Therefore, social media have become one of the main advertising platforms for UK clothing brands. The UK clothing brands and designer are connecting with the public in an instant manner through; Twitter, Facebook, Instagram, Snapchat, YouTube and other social media avenues that have to do with live-streaming (Strugatz, 2013). Schneier (2014) stated that “This is a social media age clothing industry and the digital media have impacted so much on how clothes are presented and even on how they are designed. The way that brands showcase, make and design their clothes has been significantly affected using social media (Schneier, 2014).

The conversation between designers, brands and their consumers is geared by the enabled social media user generated content. The UK clothing industry has been affected by the way the use of social media has created a constant dialogue and immediate feedback with people. The consumers have been made part of the process as they have become an active creators and monitors on social networking, and are no more passive receivers of marketing messages. Because of the increasing user generated-content sites and growing online social networking, the balance of power is shifting (Sinclair J, 2011). The UK clothing industry have been a “tell style” form of communication in the past which is considered one-way and placing a limit to where public relations professionals could control and dictate their organisational methods; equally, social media dynamically enforces discussing and monitoring of contents with consumers (Bridgen, 2012).

The power discussion today in the UK clothing industry is directly connected with the impact a brand within this sector has on the consumers and critics, which is different from

just advertising or just selling merchandise. A real impact is the one that creates more discussion, brand recognition, and consumer approval via reposts and comments. The social media sites go far beyond the Rich Site Summary (RSS) feeds and collages that are previously posted by brands and designers because social networking provides consumers with that avenue and power to share their experiences and questions with other consumers who have experience with those companies and brands (The pure London, 2016). The social media has a marketing promise for clothing brands and businesses in the UK are obvious: it has a profound prospect as a customer service channel for UK clothing retailers. The immediate discussion and reaction that is enabled using social media encourages and creates a trusting relationship between organisations and consumers (The pure London, 2016).

Another important feature of advertisement as part of marketing communication element is known as integration. This is referred to as the integration of different media channels to enhance or leverage the overall communication effect. Integration in marketing communication (often refer to by the buzz-term integrated marketing communications or IMC) refers to the synchronised use of various communication channels in the same marketing communication campaign. For example, a campaign can combine the use of public relations, a web presence and in-store sales promotions, all carrying consistent brand values. The main objective is not only to build a sense of consistency for the brand but also to reach the target audience who may not be easily reached through mainstream media (Yeboah & Atakora, 2013).

6.7.1 Above the Line Advertising

The conventional knowledge held that above the line media were best for the strategic purpose of raising mass awareness while below the line promotions is considered as mediums that can be used to in support to persuade consumers to trial a brand's product or to create a short-term sales through money-off or two-for-one offers or short term sales promotions (George *et al*, 2014).

6.7.2 Through the Line Advertising

Through the Line Advertising the term integration is also referred to as 'through the line' solutions. The mass media promotions such as broadcast media, national daily press and cinema advertising (called 'above the line') are still often use as terminology by advertising agencies to divide mass media promotions from other promotional media such as sales promotions, direct selling, direct mail (called 'below the line'). The logic that

surrounds through-the-line communication is simple. If a theme or message is deployed constantly but through different communication channels can have a reinforcing effect, making the message from a brand more powerful. However, if the brand images which the consumers encounter in different channels carry different messages, then this might weaken the brand image and also confuse the consumer. Therefore, organisations that can create campaigns that can translate to executions on different channels are able to communicate to a larger audience and consumers (Yeboah & Atakora, 2013).

6.8 Retail Clothing Marketing and Advertising Activities in UK

Most marketers are beginning to operate on a global basis (Pornpitakpan & Green, 2007) and successful advertising is the fundamental to the overall achievement in the international market or global world. (Lepkowska-White, E. Brashear, T.G. and Weinberger, M.G., 2003). In today's global world, advertising images has become more rampant across cultures with slight change or no change at all in the image and even in the writing accompanying the image (Harris, 1994).

Many clothing retailers such as Next, H&M, Boohoo offers live broadcasts of fashion shows on social media such as Facebook and Instagram. Other clothing retailers also have their Twitter and Pinterest account or have uploaded certain content on Facebook. Clothing retailers and customers are communicating with each other with no restriction in time, place or medium in such a way that old ways of one-way communication are changed into interactive two-way communication and that's the reason for social media marketing activities. The Facebook and Instagram pages of clothing fashion brands offers different contents, the most common one is video clips, especially the newly launched Insta-story is being taken advantage of by clothing brands as they often upload contents, pictures and stories and all these activities draws attention of customers. Clothing retailers enthusiastically make use of social media for advertising and marketing. The shift of marketing-supported services releases huge opportunities for marketers to expose consumers to firm's messages and most importantly to interact with them. Social media has made interaction possible between clothing brands and consumers and has enabled integrated marketing activities with much less effort and cost.

Marks and Spencer so far is the biggest spender on above-the-line marketing advertising on clothing. Expenditure amounted to £20.5 million in 2015, a 6.5% decrease compared to the previous year, as the retailer attempt to imitate the success of its food

adverts by releasing chains of conceptual campaigns entitled ‘The Art of. Thus, Mid-market competitor increase press advertising spend by 2.7% to £7.9 million, with clear majority (98%) being press advertising (Mintel, 2016).

In 2015, a lot of leading grocers reduced the amount spent marketing their clothing ranges, with declines of 16.5% at Asda, 9.4% at Tesco and 8% at Sainsbury’s. The reduction in expenditure comes was because of the grocer’s channel investment into quality of their ranges and online fulfilment options. Discount supermarket Lidl is investing heavily in advertising it’s expanded offering. Lidl’s expenditure rose 62.5% in 2015 to £5.1 million, almost four times Aldi’s £1.4 million expense on advertising.

6.8.1 Boohoo’s Utilisation of Digital Channels

Boohoo increased its above-the-line advertising expenses by 16.3% in 2015, when it launched “#WeAreUS” campaign across TV, press and digital channels. The campaign used product stories and customer sentiment to generate seasonal campaigns built around “WeAre” such as Stylists, Free, Hot, Dreamers, Now, Ready and Family. This opened conversation with Boohoo’s young customer base by tapping into their interest groups. The aim of the advertising is to promote loyalty by building a better emotional connection with customers, expressing the brand personality and the core values of fun, inclusivity and individuality (Mintel, 2016).

6.8.2 H&M Retains High-Profile Campaign with David Beckham

H&M’s advert using celebrities such as David Beckham and Kevin Hart retains high profile. The specialist retailer teamed up again David Beckham and Kevin Hart in 2016 for a short video campaign to advertise H&M’s modern essentials menswear range. The comical clip sees Hart and Beckham travel to Las Vegas to pitch a musical version of the Beckham’s movie during which Hart cast the footballer to play himself during the 2015 campaign. This type of video content works well on social media as users who find the clip funny may be invigorated to “like” or share the campaign through their social networking sites, thus increasing the bringing to light of H&M’s menswear range among a widespread of male audience who aren’t necessarily taking note of the latest fashion campaigns.

Press advertising accounts for the major proportion of advertising expenses (47%) among the leading players. It is a predominantly important channel for luxury brands such as Next which assigns 98% of its £7.9 million advertising budget to press communication in 2015. For the online-only such as Boohoo, television advertising has confirmed to be

one of the most effective form of communication as the huge majority of their expenditure was distributed towards this channel in 2015. This spend does not consist of social media activities, which has been a core part of Boohoo’s advertising strategy.

6.8.3 Debenhams’s Super Model Campaign

Debenhams launch super model campaign intended to capture women aged 35 and over with the launch of a campaign featuring supermodels “Helena Christensen” and “Yasmin Le Bon” in September, 2016. An estimate of £2 million was spent on the ad campaign for autumn/winter 2016 called “A Match Made in Debenhams” is looking to focus on women not girls aged 35-54 years old. The decision to launch the campaign was as a result of over one fifth of women have bought clothes for themselves at Debenhams in the past twelve months (Mintel, 2016). The departmental store has experienced increase in older female shoppers, with 27% of women aged 65 and above buying their clothes from Debenhams, up from 21% in the preceding year. Older women aged 65 and over are shopping both more online and in store for clothes from Debenhams. This connotes that women aged 25-44 and women aged 65 and over are currently Debenhams main clothes shoppers especially 35 years and over. Meanwhile, there has been a drop-in female aged 45-64 shopping for fashion and an increase in 65 years and over shopping for fashion at the departmental store. The full f consumers that have bought clothes for themselves both in store and online by gender ad age is shown in the figure 18 below.

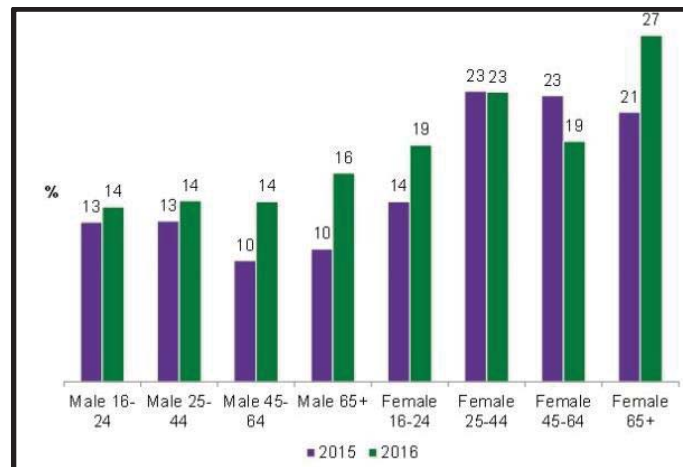


Figure 19: Customers That Have Bought Clothes Both Online and In-Store from Debenhams.

Source: (Mintel, 2016).

6.8.4 Topshop Hashtag Campaign

Topshop’s marketing campaign is mainly based on real-time tweets, which provided customers with the opportunity to shop for key trends from the London Fashion week.

Topshop partnered with Twitter by using the #LFW hashtag to display the hottest trends from the fashion show. This real-time data was then streamed to digital billboards around the country, all situated within 10 minutes walking distance of a Topshop store. Customers could also make a tweet of @Topshop with a fashion trend hashtag, in order to view a selection of styles available to directly purchase. This campaign was an excellent way of captivating Topshop's vital target demographic, by the use social media to communicate and turn the customer's digital experiences into opportunities to purchase (Enjoy Digital, 2015).

6.8.5 River Island Partners with Google

River Island experimented with the technology in order to give their audience a "wow" experience, which involved taking them on a fashion tech journey with the use of Google Cardboard technology. The UK retailer teamed up with Google and Mindshare to launch its new Design Forum X Jean-Pierre Braganza collection, creating a virtual reality experience. The Google Cardboard headsets were handed to customers that bought something from the new collection, and customers were able to watch the 360-degree film after downloading an application. When looking at River Island's partnership with Google, this was a great opportunity for the brand to showcase their fashion products, whilst also being at the forefront of the new technology (Enjoy Digital, 2015).

CHAPTER SEVEN

DATA ANALYSIS 1 – DESCRIPTION OF SAMPLE

7.1 INTRODUCTION

The previous chapter has thoroughly discussed the methodology used in the study. This chapter will be presented with the descriptive analysis of the sample. Chatfield (1985) highlighted that initial examination of research data is very important for any statistical analysis as it smoothenes the model development and help the researcher to see the entire picture and more advanced stage during the analysis process.

This chapter starts with the evaluation of the response rate. The respondents' profile as relates to their demographics is compared to the internet purchaser in the UK. The comparison is to show the presence of non-response bias and to show if the sample is a true representation of the population (online retail clothing purchaser in the UK). Subsequently, respondents' purchase experience with their clothing retailers is presented and discussed.

7.2 RESPONSE RATE

The survey was designed using powerful survey tool namely; Bristol Online Survey, the questionnaires were sent out electronically. Some questionnaires were emailed directly to the respondents; URL link was emailed to potential respondents. After a month of data collection, a total number of 203 responses were received. According to Griffith (2005) & Sweep (2006), a response rate of 20-23% is typical of an online survey.

The survey is an online one so it was easier to send a reminder to prospective respondents and also some researchers stated that follow-ups are important to increase response rate (deLeeuw et al. 2008; Dillman 2000; Malhotra 2003; Zikmund 2003). To restate, the major focus of the current research is to identify and explore the perceived social media marketing activities of online clothing retailers towards the retention of customers. Out of the 203 completed questionnaires that was received, data screening was conducted on the data because missing a lot of data causes several problems.

Table 7-1: Response Rate

	Survey Mode (Online)
Number of Survey Distributed (a)	1,000
Unreturned (b)	797
(b) – (a)	203
Overall Response Rate	20.3%
Usable	198
Non-Usable	5
Total	203
Usable Response Rate	19.8%

Due to some unusable responses, five responses were removed. One was removed because the respondent had selected E-Bay which is not one of major UK clothing retailer. One was removed because the respondents did not select any retailer, one was also deleted because of more than 10% missing values was found in their questionnaire and another two were deleted because of unengaged responses. Other responses had less than 5% of missing values but they were replaced and used because it wasn't a lot of missing values in one questionnaire.

Thus, 198 responses were used in the analysis, yielding a usable response rate of approximately 19.8% (Table 7-1). The data was also screened for any errors in coding because there was no entry of data as it was just exported from Bristol Online Survey and wherever any mistake was found, the particular variables were recoded.

7.3 BIAS ASSESSMENT

“Non-response error occurs when some of the sampled units do not respond and when these units differ from those who did and in a way relevant to the study” (deLeeuw et al. 2008).

This study is based on University of Wales Trinity Saint David students across all campuses, so this sample is lightly bias as it is a representation of one University, further research can be carry out to look into many other Universities and older population.

7.5 DATA SCREENING BEFORE TESTING AND ANALYSIS

7.5.1 Missing Data

Data was screened to ensure reliable data is being worked on and also valid for testing. Additionally, missing data might signify bias issues. Missing data always create problem in testing SEM models in general because the sample size is decreased to a certain extent from the original number, depending on what method is used. Some respondents did not answer some specific questions in the survey because of some common issue or by mistake. The data was screened using SPSS 23 and about 5 values were missing in each variable and even more in some because of five respondents who didn't answer more than 50% of the questionnaire. Five respondents were deleted, the rest of the missing values were discovered and replaced with the median because means are less expressive in that particular variable (Lynch, 2003). The rest of the responses that had missing values were used because the responses weren't large enough and also missing values were not greater than 10% as this research also avoids being bias. Given the extent of the problem is minute and therefore unable to alter the result and any method to solve the problem can be securely applied (Hair et al. 2010). To reiterate, rectification in this study is achieved via median substitution, the detail has been provided in the methodology chapter.

7.5.2 Outliers

The data were scrutinised for any extreme values that may alter influences. Screening procedure was carried out was to search for outliers but outlier doesn't really exist in Likert-scales because responding at the extreme (1 or 5) is not a representation of an outlier behaviour (Lynch, 2003). Two variable that has outliers are the Ethnic group and age and when the data was checked, the extreme values were not really outliers as they were just respondents' ages and Ethnic group so those two variable were untouched. There were not any outliers apart from respondents who chose 1 and 5 (Strongly Disagree and strongly agree). There were few outliers in Ethnic group and age visually but statistically, they were respondents' age and Ethnic groups so they can't really be considered outliers. As a result, in this current analysis, the decision was made to retain

these extreme values which are also in agreement with Hair et al. (2010), who argued that:

“As outliers are deleted, the researcher runs the risk of improving the multivariate analysis but limiting generalisability.”

7.5.3 Normality

It is paramount to consider the distributional characteristics of data prior to estimation of SEM model. According to some philosophers, severely non-normal data will render the chi-square (X^2) statistics unbalanced, particularly when the sample size is small. Nevertheless, when the sample size becomes larger (i.e. more than 200), the X^2 statistics are undependable. Having noted that, the maximum likelihood (ML) estimator used in this current analysis remains moderately robust to violation of normality assumptions (Diamantopoulos and Siguaw, 2000), on condition that the sample is larger than 100 (Anderson and Gerbing 1988; Steenkamp and van Trijp 1991).

Normality test was conducted by the researcher using SPSS. The result visually found most of the values to fall along the diagonal lines, representing only mild deviation from normal distribution and normally test was conducted on every variable that was used for analysis in this study. Additionally, inspection of measures associated with univariate skewness and kurtosis printed by SPSS found that there was no indication of substantial non-normality, where the value of kurtosis ranged between -2 and 2 which showed not too much deviation from normality. Barnes *et al.* (2001), study argued that in the area of social science, “almost no variable follows the normal distribution” and the enormous majority of social science data tend to be non-normal anyway (Bentler and Chou, 1987). In addition, data gotten from the Likert-type scale are usually “skewed towards one end of the scale, uniform or even bimodal” (Barnes et al, 2001). Furthermore, transforming data from non-normality correction may lead to other serious complications such as alteration in the meaning of the real responses and mislead interpretation of the result because the explanation has to be made using transformed metric (Kline 2005) and sequentially, severely non-normal data would require an alternative method. In the case of this study, a bit of skewness is present in this data, an attempt was still made to transform the data because assumption of the test that was conducted stated that the data has to be normal but after the was transformed, there was alteration in the meaning of the actual responses and obviously led to misleading interpretation of the result and because of this the data was used like that, supporting the study of (Barnes et al, 2001).

7.5.4 Linearity

This test was conducted because the researcher wants to find out whether there's a linear relationship between the dependent variable and independent variables. Linearity denotes the steady slope of change that signifies the relationship between an independent variable and a dependent variable. If the relationship between the IV and the DV is completely inconsistent, then it will pose serious problem to SEM analyses. There are several ways to test linearity but the easiest one although rigorous is the deviation from linearity test accessible in the ANOVA test in SPSS and if the significant value for deviation from linearity is less than 0.05 then the relationship between IV and DV is not linear and that is problematic (O'Brien, 2007). However, the result of the deviation from linearity test from this research revealed significant value for deviation from linearity of greater than 0.05 which showed that there's a linear and consistent relationship between the IV and DV.

7.5.5 Summary

The chapter also discussed in detail the treatment of outliers, missing values and deviation from linearity between the IV and DV. The next chapter will discuss measurement model assessment.

Chapter 8

DATA ANALYSIS II: VALUATION OF THE MEASUREMENT MODEL

8.1 INTRODUCTION

This chapter shows the second phase of the data analysis of the measurement model. This involves the measurement of reliability, convergent validity and discriminant validity through (exploratory and confirmatory analysis) that was performed on the sample. The next segment of data analysis including the testing of hypotheses via SEM using AMOS 22, and the result of the sample is presented in Chapter 9. Section 8.2 explains in detail the steps and assessment conditions taken for this phase of data analysis, as well as the model fit statistics. Section 8.3, 8.4 and 8.5 describe the measurement model assessments of the constructs.

8.2 PROCEDURAL CONSIDERATIONS

For the sample, exploratory factor analysis (EFA) followed by confirmatory factor analysis (CFA) is conducted as one of the procedural consideration. EFA is used as a process for measurement purification from a further conventional non-confirmatory approach. This is usually carried out to recognise initial evidence of unidimensionality (Gerbing and Anderson, 1998) and discriminant validity (Farrell, 2010) prior to a more confirmatory assessment. Then CFA test is conducted based on structural equation methodology, where the dimensionality, convergent validity, discriminant validity and reliability are assessed and confirmed. Numerous decision should be made before the above-explained analysis stages can take place. With regards to EFA, principal component analysis with oblique rotation is used as the extraction method. This is a method of factor reduction whereby linear combinations of items that explains for the most variance is identified.

8.2.1 Model Fit Statistics

Table 8-1: Cut-off Points of Various Goodness-of-Fit Indices Used for Model Assessment in this Research

Full Name of Fit Index	Description	Recommended Cut-offs	Source
Non-normed fit index, NNFI	Illustrates the extent to which the model fits compared to a baseline model. This is normally done on the null model,	$P > 0.95$ = good fit	Hoyle (1995)