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A Comparative Study on Consumer Satisfaction Towards Zara and H&M with Reference to Coimbatore City.

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ABSTRACT:

The Indian fashion retail sector is undergoing rapid transformation with the influx of global brands such as Zara and H&M. These international players have established a strong foothold in metropolitan and Tier-II cities, including Coimbatore. This study attempts a comparative analysis of consumer satisfaction towards Zara and H&M with specific reference to Coimbatore city. The core objective is to evaluate how consumers perceive and respond to the offerings of these two popular fashion retailers. The study explores key dimensions of consumer satisfaction, including product quality, pricing strategies, fashion trends, store layout and ambiance, accessibility, staff behavior, after-sales service, promotional offers, and brand reputation. The research also examines the role of demographic variables such as age, gender, income, and occupation in shaping consumer satisfaction and preference. A structured questionnaire was designed and distributed among 150 respondents across various shopping malls and fashion outlets in Coimbatore. The sampling method adopted was stratified random sampling to ensure representation across different consumer segments. Data was analyzed using statistical tools like percentage analysis, chi-square tests, independent sample t-tests, and ANOVA to draw meaningful conclusions. The study highlights that consumer satisfaction is not solely based on product offerings but also heavily influenced by brand experience and emotional connection. It also suggests that local culture and expectations play a significant role in shaping customer attitudes toward global brands.

INTRODUCTION:

The global fashion industry has experienced exponential growth over the past few decades, with fast fashion brands significantly influencing consumer trends and preferences. Fast fashion, known for its rapid production cycles and affordability, has revolutionized how consumers interact with fashion by making the latest styles accessible to a wider audience. Among the leaders in this segment are Zara and H&M—two multinational corporations with a strong global footprint, including emerging markets like India. India's urban and semi-urban regions, such as Coimbatore, have witnessed increasing consumer interest in global fashion brands. As these brands expand, understanding the level of consumer satisfaction becomes critical to sustaining and growing their market share.

Consumer satisfaction is a crucial metric reflecting how well a company meets or exceeds customer expectations. It plays a vital role in building brand loyalty, enhancing reputation, and driving profitability. In today's competitive market, businesses must understand and manage consumer satisfaction to retain existing customers and attract new ones. This involves not just the purchase transaction but the entire customer journey—from initial engagement to post-purchase experience.

Several factors influence consumer satisfaction, including product quality, pricing, store ambiance, customer service, brand image, and after-sales support. These elements collectively shape the customer experience and determine whether a consumer will return or recommend the brand to others. For global fashion brands like Zara and H&M, which operate in diverse cultural and economic environments, tailoring offerings to local market preferences is essential.

This study focuses on evaluating consumer satisfaction towards Zara and H&M in Coimbatore City. It aims to examine how different elements such as fashion appeal, affordability, service quality, and in-store experience impact consumer perception and loyalty. The comparative approach will highlight the strengths and limitations of each brand from the consumer's viewpoint.

By analyzing consumer responses, this research seeks to provide insights into shopping behaviors and preferences in Coimbatore. The study also aims to offer strategic recommendations for both brands to enhance their customer engagement and market positioning. Ultimately, the findings will contribute to the broader understanding of consumer satisfaction in the fast fashion segment within Tier-II Indian cities.

STATEMENT OF THE PROBLEM:

In the increasingly competitive retail fashion industry, consumer satisfaction plays a pivotal role in determining the success of brands. Zara and H&M are two global fashion giants that have established a strong presence in the Indian market, including in Coimbatore City. Despite their popularity, there is limited research comparing the consumer satisfaction levels between these two brands in this specific region. Understanding consumer satisfaction is essential for both brands to maintain and enhance their market positions. However, given the differences in their business models, product offerings, pricing strategies, and customer service, it is crucial to identify which brand performs better in terms of satisfying consumers in Coimbatore. This study aims to explore the factors influencing consumer satisfaction towards Zara and H&M and compare the overall satisfaction levels between the two brands in Coimbatore City. The findings of this study will provide valuable insights for both companies to tailor their strategies to better meet the needs and expectations of their customers in this region.

OBJECTIVE:

- To Compare Overall Consumer Satisfaction towards Zara and H&M.
- To Identify Key Satisfaction drivers that differentiate Zara from H&M in the minds of consumer.

SCOPE:

The study is confined to Coimbatore City, a significant urban center in Tamil Nadu, India. It focuses on consumers residing in or regularly shopping in Coimbatore, providing insights relevant to the local market. This study specifically compares consumer satisfaction between two leading international fashion retailers, Zara and H&M. The study covers various parameters of consumer satisfaction, including product quality, pricing, store ambiance, customer service, fashion trends, and overall shopping experience. The study considers the influence of demographic variables such as age, gender, income, education level, and occupation on consumer satisfaction and brand preference.

REVIEW OF LITERATURE:

Christopher, Lowson, & Peck (2004) Discussed supply chain strategies of fast fashion brands, focusing on Zara's agility and its impact on consumer satisfaction. Speed in replenishment and trend responsiveness were key factors.

Bruce & Daly (2006) compared the operational strategies of Zara and H&M, highlighting key differences in their approaches. Zara's vertical integration offers a competitive advantage by enabling faster production and greater control. In contrast, H&M's reliance on outsourcing supports its focus on affordability and cost efficiency. These strategic differences contribute to each brand's unique market position and success.

Fernie & Perry (2011) Compared the speed-to-market strategies of Zara and H&M. The study revealed that Zara's rapid design-to-shelf process enhances customer satisfaction by meeting immediate fashion needs.

Kapferer (2012) examined how brand identity influences consumer perception and behavior. Zara's minimalist branding aligns with a luxury style, appealing to more upscale consumers. On the other hand, H&M's playful and trendy style resonates with a youthful audience. These distinct brand identities play a crucial role in shaping customer preferences and brand loyalty.

Kotler & Keller (2016) Emphasized that consumer satisfaction is the key to brand loyalty. It highlighted how quality, affordability, and the brand experience impact consumer satisfaction, especially in competitive markets like fashion retail.

PROFILE OF THE COMPANIES:

ZARA: Zara is a leading global fashion retailer, renowned for its innovative approach to fast fashion. Founded in 1974 by Amancio Ortega in Galicia, Spain, Zara operates as the flagship brand of the Inditex Group, one of the largest fashion retailers in the world. The brand has transformed the fashion industry by pioneering a business model that focuses on speed, flexibility, and customer-centric design.

Zara's store layout and visual merchandising also contribute to its strong brand identity. Stores are strategically designed to create a luxurious yet minimalist shopping experience, with frequent product rotations to reflect current fashion trends. The brand emphasizes customer feedback and uses data-driven insights to adjust inventory and designs according to real-time consumer preferences. Zara entered the Indian market in 2010 through a joint venture with the Tata Group under Inditex Trent Retail India Pvt Ltd. Since then, Zara has established a strong presence in major Indian cities, catering to the growing demand for international fashion. In Coimbatore, Zara appeals to a young, fashion-conscious demographic looking for contemporary, stylish, and premium-quality clothing.

H&M: H & M Hennes & Mauritz AB, commonly known by its brand name H&M, is a Swedish multinational fashion retailer headquartered in Stockholm. Known for its fast fashion business model, H&M sells clothing, accessories, and homeware. The company has a significant global presence, operating thousands of stores across 75 geographical markets and employing over 100,000 people worldwide. H&M is the second-largest international clothing

retailer after Inditex. H&M was founded by Erling Persson in 1947 under the name Hennes. CEO from 2020 to 2024 was Helena Helmersson. Current CEO is Daniel Erver as of January 2024.

H&M Group is a global fashion and design company, with over 4,000 stores in more than 75 markets and online sales in 60 markets. All our brands and business ventures share the same passion for making great and more sustainable fashion and design available to everyone. Each brand has its own unique identity, and together they complement each other and strengthen H&M Group – all to offer our customers unbeatable value and to enable a more circular lifestyle.

RESEARCH METHODOLOGY:

This study adopts a descriptive research design to compare consumer satisfaction towards Zara and H&M in Coimbatore city. The objective is to analyze key factors such as product quality, pricing, store ambiance, customer service, and overall brand experience. A stratified random sampling method was used to select a diverse sample of 150 respondents who have shopped at Zara or H&M in Coimbatore. Primary data was collected through a structured questionnaire featuring closed-ended and Likert scale questions. The questionnaire was designed to capture consumer opinions and satisfaction levels. Secondary data was obtained from journals, websites, and company reports to support the research framework. Data analysis was carried out using percentage analysis, chi-square tests, and independent sample t-tests with the help of SPSS software. These statistical tools helped identify significant differences between the two brands. The study is limited to Coimbatore city and focuses on respondents with prior shopping experience at both brands. Potential limitations include sample size constraints and response bias.

LIMITATIONS:

The study examining consumer satisfaction towards Zara and H&M may encounter several limitations that could affect the validity and generalizability of its findings. One major limitation is the potential sample bias, as the research often relies on a specific set of participants who may not represent the diverse consumer base of both brands. This can lead to skewed results that do not accurately reflect the broader public's sentiments and preferences. Another limitation is the dynamic nature of the fast fashion industry, which can shift quickly due to trends and consumer behavior changes. This volatility may render the findings less relevant over time, as consumer preferences can evolve rapidly, particularly in a market as competitive as fast fashion.

ANALYSIS AND INTERPRETATION OF DATA:

TABLE 4.1

FREQUENCY OF CLOTH SHOPPING	FREQUENCY	PERCENTAGE
Weekly	19	13
Monthly	75	49
Occasionally	54	35
Rarely	4	3
TOTAL	152	100

Exhibits showing frequency of cloth shopping preferred by the respondents

Source : Primary data

Interpretation:

The data shows that most consumers (**49%**) shop for clothes monthly, while (**35%**) purchase occasionally, indicating demand driven by necessity or events. A smaller segment (**13%**) shops weekly, reflecting trend-conscious buyers, whereas only (**3%**) shop rarely.

TABLE 4.2

TABLE SHOWING THE FACTORS INFLUENCERS YOUR SATISFACTION WITH ZARA THE MOST

PARTICULARS	5	4	3	2	1	TOTAL	WEIGHTED AVERAGE	RANK
Product quality	86	43	18	1	4	662	4.36	I
Pricing	26	72	34	19	1	559	3.68	III
Customer Service	39	45	52	15	1	562	3.70	II
Store Ambiance	34	48	46	19	5	543	3.57	V
Brand Style	33	44	59	12	4	546	3.59	IV

Source: primary data

INTERPRETATION

The table presents rankings and weighted averages for various factors, with Product Quality receiving the highest weighted average (**4.36**), followed by Customer Service (**3.70**) and Brand Style (**3.59**). Store Ambiance has the lowest ranking with a weighted average of (**3.57**), indicating less importance to customers compared to other factors. Pricing holds a moderate rank with a weighted average of (**3.68**), showing it as a significant, though not dominant, factor.

FINDINGS:

The study aimed to explore consumer preferences toward Zara and H&M, as well as to identify the factors influencing their purchase decisions and satisfaction levels. It assessed the overall preference, satisfaction, and awareness of these brands in Coimbatore city using analytical techniques such as percentage analysis, rank analysis, and weighted average score analysis.

SUGGESTIONS:

- Conduct additional research on the role of online shopping behavior and its influence on consumer choices, especially regarding pricing and availability.
- Explore cultural differences and their impact on brand perception, considering the lower importance placed on store location and brand reputation.
- Conduct a more comprehensive study on regional preferences and evolving fashion retail trends to help brands better align their strategies with consumer expectations.
- Examine the influence of social media and influencer marketing on consumer preferences for Zara and H&M.

CONCLUSION:

In conclusion, the comparative study on consumer satisfaction towards Zara and H&M in Coimbatore city highlights distinct preferences and satisfaction levels among consumers. Zara emerges as the preferred brand, with higher customer satisfaction, driven primarily by product quality, style, and its focus on sustainability initiatives. H&M, while also favored for its affordability and variety, receives comparatively lower satisfaction scores, particularly in areas like brand style and store ambiance. Both brands perform well in terms of offering casual fashion, but Zara is perceived to offer a better variety of styles and higher-quality clothing. Price and customer service were significant factors influencing consumer decisions, with Zara excelling in offering better discounts and promotions. The study indicates that while both brands have their strengths, Zara enjoys a stronger position in consumer satisfaction, particularly among the youth in Coimbatore. For both brands to further improve their standing, a focus on enhancing customer service, aligning pricing with quality perception, and strengthening their cultural relevance would be key areas to address. This research provides valuable insights for these brands to refine their strategies and cater more effectively to the needs of their target market in Coimbatore.

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