

An exploratory study of branding strategies in the Chinese casual wear market

Ranran Xiao¹, Ting Chi^{2, *}

¹College of Textiles, North Carolina State University, Raleigh, NC, USA

²Department of Apparel, Merchandising, Design, and Textiles, Washington State University, Pullman, WA, USA

Email address

tchi@wsu.edu (Ting Chi)

To cite this article

Ranran Xiao, Ting Chi. An Exploratory Study of Branding Strategies in the Chinese Casual Wear Market. *American Journal of Business, Economics and Management*. Vol. 3, No. 1, 2015, pp. 1-8.

Abstract

This research investigated the branding strategies of domestic companies in the Chinese casual wear market. Grounded theory method was used to structure the analysis of the responses from eight in-depth company interviews. The insights derived from this study provide primary understanding of the Chinese casual wear market and the status of brand development among domestic companies. Seven branding strategies emerged as the effective approaches to build casual wear brands, including differentiation in product design and brand image, pursuing the latest styles and trends, celebrity endorsement, public event sponsorship, public medium advertisements, very important person (VIP) membership, and prominent brand logo on products.

Keywords

Branding Strategies, Exploratory Study, Casual Wear, China, Grounded Theory

1. Introduction

According to Forbes (Sherman, 2009), today's most powerful fashion brands are Gucci, Hermès, and Louis Vuitton. These brands translate reputation and loyalty among their customers into long-lived and reliable profit streams for their parent companies. In contrast to these renowned fashion brands from developed countries, apparel brands originated in developing countries still have a long way to go. Surveys conducted by Cayla and Eckhardt (2007) revealed that consumers generally have a negative country of origin perception about the brands from developing countries. Companies from developing countries have to reassure consumers that their brands can carry status and cache.

Since its economic reform and open door policy started in 1978, China's investment and export-led economy has grown 70 times bigger while the average household income has grown from \$250 to \$5,600 (Chi, 2011). In terms of purchasing power parity (PPP), average household income was even higher at \$12,500 in 2012 (World Bank, 2013). Today, China is the world's second largest economy with more

than 1.3 billion population. Most large multinational corporations have entered China (Li and Zhang, 2008). Chinese consumers have started to care more about brands and entrenched social and cultural values of a product or service (Chi, 2011, Zhou, Arnold, Pereira, and Jun, 2008). Thus, branding has become more critical for companies to attract and retain customers. It's particularly true in the Chinese apparel market due to the fierce competition (Williamson, 2005). However, compared to the favorable attitude towards western fashion brands, Chinese consumers are less willing to pay premium price for the domestic brands even if product quality difference is negligible (Wang, Siu, and Hui, 2004). Domestic brands are facing more challenges (Hollows and Clegg, 2006; Williamson, 2005).

Therefore, the question raised is how Chinese domestic apparel companies can build their own value-added brands in the market. In other words, what are the effective branding strategies for a domestic apparel company? Branding strategy refers to a company's decisions on which brand names, logos, symbols, and other elements should be applied to which products and how to promote the value of their brands (Kedall, 2009).

Compared to the rapidly growing number of studies developed to understanding branding issue from a consumer perspective, very limited research has explored branding strategies from a company perspective. This study aimed to address the gap in the literature and add primary knowledge to the field. As the fastest growing sector in the Chinese apparel market due to the recent shift toward more casual lifestyle and working environment (Chi, 2013), Chinese casual wear market provides a great context for this study. Casual wear is defined as attire for wear on casual occasions, emphasizing comfort and personal expression (Calasibetta, 1988). It encompasses a wide variety of apparel. In general, casual wear excludes ceremonial dress, formal wear, and business professional wear (Zhang, Gong, and Wu, 2002).

2. Literature Review

Davis (2002) highlighted the benefits and importance of building a value-added brand. He stressed that strong brands can gain higher price points and higher profit margins, as well as embody a clear, valued and sustainable point of difference. Consumers will likely to immediately accept new products introduced by a strong brand, and are more willing to forgive mistakes made by a company that has reputable brands. There is no doubt that brand can be critical to the success of a company (Wood, 2000).

Prior studies have extensively researched what are the key elements for branding strategies. Wood (2000) proposed that branding strategies should include corporate decisions on brand image, brand strength, and brand value. Brand image determines brand strength, brand strength determines brand value, and brand value can be used to measure brand image. Schmitt and Geus (2006) argued that brand image has a direct impact on consumers' purchase behavior. Fornell, Mithas, Morgeson, and Krishnan (2006) demonstrated that brand image has positive impact on customer perceived quality, satisfaction, loyalty and commitment toward the brand. Esch, Langner, Schmitt, and Geus (2006) manifested that brand awareness influences brand image and brand knowledge that significantly affect consumer purchase behavior. Chi (2013) statistically demonstrated brand has a positive relationship with consumer perceived quality and hedonic values in the U.S. sportswear market. Other elements explored for branding strategies include price, brand personality, brand-elicited feeling, and brand-user-image congruency (Frumkin, Thapa, and Gencalioglu, 2006; Kotler, Ang, Leong, and Tan, 2003; O'Cass and Lim, 2001).

Ghodeswar (2008) proposed a conceptual model for branding strategies, which includes four main elements. They are positioning a brand, communicating the brand image, delivering the brand performance, and leveraging the brand equity. Walvis (2008) stated that the motto of branding is to create and reinforce the relevant specificity around one central brand theme through using the richest and most engaging form and media.

In regards to the Chinese apparel market, previous studies revealed that Chinese consumers have a strong preference to

the apparel brands from developed countries (e.g., USA, Italy, and France), which is largely due to their strong brand images in design creativity, quality, and associated social status (Chi, 2011; Shen, Lennon, Dickson, Montalto, and Zhang, 2002). By contrast, Chinese apparel brands have relatively weaker images, which is partly influenced by the perception of the country's image (Wang et al., 2004). The mutual effect of brands and country of origin effect on the Chinese consumer's perception has been repeatedly demonstrated (Kwok, Uncles, and Huang, 2006). Fuchs (2004) suggested that branding strategies adopted by Chinese companies should be different from those of western brands since their customers have different expectations. Simple duplication of western branding strategies for Chinese brands has been proven a less effective approach (O'Cass and Choy, 2008). To develop appropriate branding strategies in the Chinese apparel market, domestic companies should understand the structure of the market, investigate the needs and desires of target consumer segments, identify entry and expansion opportunities, and measure and evaluate the effectiveness of implemented branding strategies (Chi, 2011; Dickson, Lennon, Montalto, Shen, and Zhang, 2004; Zhou et al., 2009).

3. Methodology

To explore the effective branding strategies from a company perspective, qualitative research method was used to gather primary information. In-depth interviews with the managers from eight Chinese casual wear companies were conducted. All these companies have built well-known brands in the domestic market. A semi-structured open-ended questionnaire was developed for the interviews. Published secondary information about these companies or the Chinese casual wear market was also used to support the analysis.

Grounded theory provides theoretical foundation for this research. The research purpose of grounded theory is to explain a given social situation by identifying the core and subsidiary processes operating in it (Savin-Baden and Major, 2013). Grounded theory focuses on studying experience from the standpoint of those who live it.

3.1. Interview Participants and Questions

The original sample of potential interviewees was developed based on previous established industry relationships. 15 companies were contacted for scheduling interviews. The purpose of this study was explained and the interview questions were shared upon the initial contacts. Eight companies agreed to take interviews during their convenient times. The reasons, which companies were not available for interviews, include company policy prohibition (4 companies), lack of sufficient knowledge (2 companies), and time availability (1 company). All eight interviewees had more than six year job experience as manager in branding or related areas. Their knowledge and experience on branding and the Chinese casual wear market enabled them to provide insightful information. The annual sales revenue these companies ranged from \$80 million to 150 million. Table 1

profiles the interviewees. All interviews were controlled within one hour.

Table 1. Profile of the Interviewees

Position of Interviewees	Job experience in branding and related areas as manager
Brand department manager	15 years
Product development manager	8 years
Product development manager	11 years
Design department manager	12 years
Sales manager	10years
Sales manager	7years
Sales manager	6years
International trade manager	8 years

According to the research objectives, based on the review of literature and the input from three professors who had expertise in the subject field, 10 open-ended interview questions were developed. They are 1. What is (are) the purpose(s) of your investment in brand development? 2. How did your company choose the target market (target consumer segments) for your brand(s)? 3. How did your company assure your brand image(s) and products fit your target market? 4. What strategies have been implemented by your company in brand development during the last three years? 5. What branding strategies have been most effective? 6. What are the processes for your product development? 7. How long did it take your company to build your brand(s) in the Chinese casual wear market? 8. What challenges has your company faced during building the brands? 9. What are the characteristics of the Chinese casual wear market from your brand development experience? And 10. How long did it take you to achieve return on investment (ROI) from brand development? Did it meet your expectation?

3.2. Data Analysis Method

The data analysis method used was a three step coding process: open coding, axial coding, and selective coding. This coding process assisted in identifying the conceptual categories and themes (Merriam, 2002; Neuman, 2010). Merriam (2002) stressed that the coding process is the foundation for the overall interpretive processes resulting in the meaningful conclusions of a study. Open coding is the first pass through the data and requires a slow process of reviewing the transcribed notes, researcher notes, and other pertinent material to locate themes. Next, the axial coding requires a thorough review of the themes discovered in the open coding step. Axial coding looks for organization in the themes (Neuman, 2010). The final step is selective coding where the researcher analyzes the emerging themes and original data to find specific cases that illustrate the themes. This step assures that the themes developed can be supported by the primary data gathered (Neuman, 2010).

4. Results and Analysis

Based on the research objectives of this study, after the coding process, the responses of interviewees were grouped

into eight themes. They are: 1. goals to build brands, 2. target market determination, 3. branding strategies, 4. evaluation of branding strategies, 5. product development strategies, 6. challenges for branding, 7. the characteristics of Chinese casual wear market, and 8. the time length for achieving ROI from branding.

4.1. Goals to Build Brands

Table 2. Goals to Build Brands

Main category	Representative responses from the interviews
<ul style="list-style-type: none"> • Long-term business success. • Building positive brand/company reputation and image. • Market expansion. • Profit improvement. 	<p>R1: We decided not to limit our business in pure manufacturing and started to develop our own brands at an early stage. We realized if we wanted to have sustainable business having our own recognizable brands is essential.</p> <p>R2: We believed building a brand with good reputation and positive image was a primary goal of our business.</p> <p>R3: Owning valuable brands made our company more competitive and profitable. We would continue to invest in branding.</p> <p>R4: Our brands were obligated to high standard in quality and service. This reputation had helped us expand market share and improve profit.</p>

Table 2 shows the goals that the interviewed Chinese casual wear companies pursued through building their own brands. The revealed four main reasons are: 1. long-term business development, 2. building positive brand reputation and image, 3. market expansion, and 4. profit improvement. All eight interviewees believed that brand establishment was critical for the long-term business success and could improve a company's market share and profit. Six in eight indicated that building valuable brands could bring good reputation and image to a company and its products.

4.2. Target Market Determination

Table 3. Target Market Determination

Main category	Representative responses from the interviews
<ul style="list-style-type: none"> • Based on own previous relevant experience • Based on external market research service 	<p>R1: We chose this target market based on our own previous experience.</p> <p>R2: Our CEO had excellent fashion sense. He was very good at choosing target market and measuring if our products fit our target market.</p> <p>R3: We hired professional market research company to evaluate different market segments to determine which segments fit us best.</p> <p>R4: We had many knowledgeable senior managers in developing brands. They collected the information and analyzed the potential market segments and CEO and board made the final decision. Target market selection was a very formal and rigorous process.</p>

Target market was discussed to reveal how the domestic companies chose their target markets. Table 3 shows that the two common approaches are 1. based on company previous experience, and 2. based on consultation of external

professionals. For the second approach, companies hired external market research experts to analyze the potential consumer segments and provide recommendation and market entry business plan. Six out of eight interviewees indicated their determination of target markets were mainly based on previous relevant experience and analysis of information collected from public media. The senior executives' preference and judgment played a major role in the process of decision-making. Two interviewees stated that their companies hired professional consulting teams to investigate and analyze the potential consumer segments and made final decisions based on the results from the market research.

4.3. Branding Strategies

Table 4. Branding Strategies

Main category	Representative responses from the interviews
<ul style="list-style-type: none"> • Creation of differences • Keep pursuing new styles • Celebrity endorsement • Public event sponsorship • Advertisement • VIP club & membership • Prominent brand logo 	<p>R1: We always tried to make our products different from our competitors' products.</p> <p>R2: We kept designing new products that reflected the latest fashion trends. Our competitors learned our styles. We kept customers' eyes on our products.</p> <p>R3: The two main strategies we used to establish and maintain our brand image were celebrity endorsement and public event sponsorship. They have worked very effectively although the investment was significant.</p> <p>R4: To develop a well-known brand, investing in advertisement might be the most important strategy.</p> <p>R5: We established our own customer club and VIP system, and offered some special service and gifts for loyal customers.</p> <p>R6: We always made our brand logos as memorable and prominent as possible. We believed our customers were proud of wearing our products.</p>

With regard to branding strategies, the responses were quite diverse. Seven strategies have been generally considered effective for building casual wear brands in the Chinese market. They are 1. creation of differences. A companies needs to create unique features in brand image and products for differentiating itself from the competitors. 2. keeping pursuing new styles. This reflects the capability of product design and development in incorporating the latest trends to attract and retain the target customers. 3. signing influential celebrities to endorse companies' brands and products in public media and events. 4. providing sponsorship to charity or sports events. 5. advertising in public media. 6. creating brand VIP club and brand membership. And 7. prominent brand logo. Six interviewees indicated their companies had long-term cooperation with certain public media including television channels and apparel/business magazines, and allocated substantial budget for advertisement every year. Providing sponsorship to public events was embraced by four interviewees as a common way to promote brand image and awareness. Since the major concept of casual wear is about

informal, relax, and sporty, outdoor sports games and certain environmental friendly events were preferred. Two out of eight interviewees mentioned establishing brand VIP club and membership and use of celebrity endorsements. Brand image differentiation, continuous introduction of new styles, and prominent brand logo were stressed by two companies.

4.4. Branding Strategy Evaluation

Table 5. Brand Strategy Evaluation

Main category	Representative responses from the interviews
<ul style="list-style-type: none"> • Senior executive perception and external feedback. • Some formal evaluation processes with senior executive judgment. 	<p>R1: our senior executives perceived our branding strategies were effective and brought in more profit. We believed investing in a good design team, maintaining a high standard of production quality, and having strong sales person, are definitely the keys.</p> <p>R2: Based on previous experience, I believed the uniqueness in our products design was the effective branding strategy.</p> <p>R3: Although we were not sure which strategy was the most effective, we believed the success belonged to the combination of all the strategies we had deployed. Thus, if the overall situation was good, we would continue these strategies.</p> <p>R4: We formally evaluated the effect of our branding strategies. The senior executives usually made final decisions based on the results of evaluation.</p> <p>R5: The sales revenue was carefully compared to examine the effect of implemented branding strategies although there might be other influencing factors. We expected to see at least some differences in sales after implementing branding strategies.</p>

Almost all interviewees indicated it was challenging to determine what branding strategies were more effective and the exact effect of a branding strategy. Most of interviewees expressed that companies had regular discussion on the effectiveness of branding strategies based on their own observation or external feedback. However, in regards to formal evaluation process for branding strategies, six in eight companies did not have anything in place and believed their companies would not have this type of formal process developed in the near future. Senior executives usually compared sales performance to examine ROI from branding. Two companies had formal evaluation process but also largely relied on the perception of senior executives. Table 5 summarizes the main categories and representative responses.

4.5. Decision Making on Product Development

Product development is an important part of branding. Table 6 shows that casual wear development in China was largely influenced by sales people. Most interviewees indicated they produced products based on sales people's feedback and suggestions. Although some companies mentioned senior executives usually met to discuss product development and make final decisions. Their decisions were mainly made based on sales performance reports. Fashion

forecasting was mentioned but obviously did not play a major role in product development process.

Table 6. Decision making on Product Development

Main category	Representative responses from the interviews
<ul style="list-style-type: none"> Influenced by sales people. Guided by fashion forecasting. 	R1: We developed or changed products based on the feedback from sales people as they had direct contact with the market. R2: It was the sales people who decided which styles and how many pieces should be produced. R3: When developing new products, we normally combined three different aspects: last season's sale performance, consumer survey, and fashion forecasting. Senior managers would have meetings for several times and then make decisions jointly. R4: Our product development relied on past sales performance and forecasting. We also closely examined what are our competitors' best-selling products.

4.6. Challenges for Branding

With regard to the challenges facing the Chinese casual wear companies while developing brands, the responses revealed four major challenges. They are 1. financial demands, 2. the complicated market situation in China, 3. the shortage of well-educated employees for branding, and 4. product storage issues. The details are provided in Table 7.

Table 7. Challenges for Branding

Main category	Representative responses from the interviews
<ul style="list-style-type: none"> Financial demand and commitment Complicated market situation Lack of well-educated employees Storage issues 	R1: Market expansion, advertisement, market trend research required lots of money. This was the biggest risk and challenge for our company now. R2: The Chinese casual wear market was very large and diverse. It was hard to satisfy every market segment with the same branding strategies. R3: The people who worked in this industry lacked the knowledge of branding and brand management. Well educated and experienced professionals are highly demanded and desired by this industry. R4: The cost of investment in advertisement and public event sponsorship rose rapidly in recent years. It's getting more and more difficult to meet the financial demands. R5: At the beginning of our branding, since the sales was not as good as we expected, sufficient storage became the biggest challenge. Having backup plan was the big lesson that we learned from our experience.

A majority of interviewees indicated that there was a very limited number of upper class powerful public media in the Chinese fashion business. While more and more casual wear brands entered the Chinese market, the competition for advertisement and sponsorship of impactful public events has become fierce. The cost of advertisement and public event sponsorship rose rapidly in recent years. This situation has caused significant pressure on company's financial budget.

Some interviewees stated that the Chinese apparel market is

very complicated. Due to the massive size of the market and the great variety of consumers in terms of geographic location, income level, education level, and cultural difference, it was a big challenge to apply standard branding strategies to the different areas. Market expansion required repositioning of brands in some areas according to the demographic characteristics.

Another challenge repeatedly mentioned was lack of well-educated employees who had needed branding knowledge and experience. Interviewees pointed out that a large amount of people who worked in the apparel industry were under educated. This situation affected companies in building their valuable brands. Professionals who have branding knowledge and job experience are highly demanded by the domestic casual wear companies. Storage emerged as an important issue facing Chinese casual wear companies. Since the Chinese casual wear market is very diverse and competitive, sales performance might not as good as company expected at the beginning, a well prepared storage space would be important.

4.7. Characteristics of Chinese Casual Wear Market and Consumers

Table 8. Characteristics of Chinese Casual Wear Market and Consumers

Main category	Representative responses from the interviews
<ul style="list-style-type: none"> Purchase intention is driven by brand popularity. Market is complex and has various segments. Foreign fashion style is desired. Price cautiousness. 	R1: Once a brand became well known, consumers would be relatively less price sensitive. Their purchase intentions were largely driven or influenced by brand popularity. R2: The Chinese casual wear market varied segment by segment. The characteristics of consumers were affected by geographic location, income level, education level, and cultural factor. We customized our products and branding strategies to fit the target customers in different segments. R3: Consumers were aware of and favored foreign fashion styles. If domestic brands could provide these popular styles at a lower price, consumers would be willing to purchase domestic brands. R4: Although Chinese consumers' incomes had risen significantly, due to the global economic downturn in recent years, a large number of Chinese customers were still cautious about price. This could be business opportunities for the domestic brands since we offered quality and stylish apparel at a lower price.

The interviewees revealed four major characteristics of Chinese casual wear market and consumers. They are 1. Chinese consumers' purchase intentions were highly driven by brand popularity. Five out of eight interviewees indicated that once a brand became famous, a large amount of consumers would start to adorn this brand blindly and be willing to spend more money purchasing this brand. 2. Since Chinese consumers had very positive attitude toward fashion styles from developed countries, the product designs that imitated the fashion styles from those countries would be more attractive to Chinese consumers. Two interviewees stated their

companies had learned a lot from Japanese and Korean styles. 3. The Chinese casual wear market was very complicated and varied dramatically segment by segment. Three out of eight interviewees stressed that different consumer segments should be treated differently. Adaption of branding strategies is essential in China. 4. Although Chinese consumers would like to spend more money purchasing popular brands, in today's economic condition, half of interviewees felt that a large number of Chinese consumers were still cautious about price and look for value for the money. The details are listed in Table 8.

4.8. Time Length for Return on Investment in Branding

The time length for Chinese casual wear companies to achieve ROI from branding is summarized in Table 9. Half of interviewees indicated they spent about one and a half years to achieve ROI. Three out of eight interviewees stated they witnessed ROI within one year. The quickest ROI was around a half year. Overall, all companies confirmed the prompt benefits gained from branding investment.

Table 9. Time Length to Achieve ROI from Branding

Main category	Representative responses from the interviews
• Time length for ROI in branding is short	R1: about a half year R2: About one year R3: About one and a half years

5. Conclusions

As an exploratory study for investigating the branding strategies of domestic companies in the Chinese casual wear market, eight themes clearly emerged from the analysis of in-depth interview responses. These themes with the detailed responses answered the research questions interested. The findings helped us better understand the characteristics of Chinese casual wear market and domestic companies from a brand development perspective.

It is no doubt that the Chinese casual wear market is big and diverse for any company. The variety of consumer's education level, income level, geographic location, and cultural difference poses tremendous challenges to companies, especially when companies try to quickly reach different consumer segments through the same brand(s). Certain adaptations of branding strategies to cater to different consumer segments are essential in China. In the past decades, the rapid development of China's economy has dramatically boosted the cost of building a brand. With more companies have realized brand value and taken part in the movement of brand development, the price of advertising in mainstream public media and providing sponsorship to major public events has been rising consistently. Thus, a company that plans to build its own brand in the Chinese casual wear market should be better prepared for the intensive competition and be cautious about financial commitment.

In the meantime, Chinese consumers' shopping behaviors

are also changing. They have become more aware of brands and can financially afford to purchase more branded products. However, although a growing number of Chinese consumers are willing to pay premium prices for high-end brands, majority of consumers look for branded apparel at a competitive price. In other words, value for the money is still critically important for the success of an emerging domestic casual wear brand. The balance of profit margin and market share is embedded in a company's branding strategies.

While the domestic casual wear companies have realized the value and importance of owning brands, various challenges have been confronted during the process of brand development. The lack of brand knowledge and management skill has been repeatedly mentioned. In this study, for most domestic companies, brand development heavily relied on previous experience in other operations areas or senior executives' personal preferences and judgments. Unlike the western brands, professional branding analysis using primary market research data has not been a common approach for Chinese companies. This situation happened in various stages of brand development such as target market determination, product development and positioning, branding strategy evaluation, etc. As a result, uncertainties and lack of long-term plan have surfaced as major problems for the domestic companies from this study. With the further development of Chinese casual wear market, to achieve and retain competitiveness, the domestic companies might have to adapt their conventional approach in branding to a more professional and systematic approach with a long-term orientation. Meanwhile, well-educated employees are highly demanded for brand development, which is in line with China's national strategic plan for upgrading the Chinese textile and apparel industry from Original Equipment Manufacturing (OEM) to Original Brand Manufacturer (OBM).

One noticeable phenomenon discovered from this study is it took fairly short period for the domestic companies to achieve ROI from branding in the Chinese casual wear market although the companies did not specify the level of ROI. Based on review of secondary information and private communication, two possible explanations are: first, the entry barrier for building a brand in the Chinese apparel market is low. Compared to the counterparts in the western countries, the Chinese casual wear market is still in the stage of rapid development and consumers are relatively immature in general. For new brands, a good mix of quality, price, and promotion means a greater likelihood of success; and second, the company's resource commitment to building a new brand has time restriction. If a brand could not achieve the desired ROI within a given time period (e.g., two years), it would be abandoned by its company. The brands discussed in this study should have survived and been making profit to their companies.

Several branding strategies were identified as effective approaches for the domestic casual wear companies. Advertising promotion and public event sponsorship were generally considered as the most common means to

disseminate brand culture and enhance brand visibility although the cost has been rapidly hiking in recent years. Signing renowned celebrities as spokesmen for a brand also helped a brand to gain quick buzz and attract attention of consumers. However, the big paycheck for celebrities could significantly affect profit margin of a brand. In the Chinese apparel market, having prominent brand logo on casual wear has been generally considered as an effective way to enhance brand awareness and present the uniqueness and distinction of a brand. To retain customers' brand loyalty, VIP membership and customized services to member customers (e.g., sending product catalog regularly, giving little gifts in special occasions, offering special discounts) have been included in branding strategies by an increasing number of companies. Three decade economic reform and open door policy in China have educated the domestic companies that customers decide the survival and prosperity of a brand.

Overall, it is believed that with the rapid economic and social development the Chinese casual wear market will continue to be one of most attractive markets in the world and the companies in this market will face more business opportunities to grow and prosper. Meanwhile, more knowledgeable and finicky Chinese consumers will demand apparel brands to deliver the latest fashion styles and trends at a competitive price.

6. Limitations and Future Work

First, the findings were mainly derived from eight company in-depth interviews. As an exploratory study, generalization of the findings is limited by its nature of qualitative analysis. In the future, based on the results of this study, quantitative research using primary industry survey data can be further pursued. Second, since this research was focused on the Chinese casual wear market and domestic companies, applications of the findings should be contextualized. The research can be expanded to other market sector for a cross comparison analysis. Finally, since the development of branding strategies is still in its early stage among Chinese apparel companies, in the future, a longitudinal study can reveal the evolutionary pattern in the context of China.

References

- [1] Calasibetta, C. M. (1988) *Fairchild's Dictionary of Fashion (2nd ed.)*. Fairchild Publications, New York.
- [2] Cayla, J. and Eckhardt, G. M. (2007) 'Asian brands without borders: regional opportunities and challenges', *International Marketing Review*, Vol. 24, pp. 444-456.
- [3] Chi, T. (2011) 'Building a sustainable supply chain: an analysis of corporate social responsibility (CSR) practices in the Chinese textile and apparel industry', *Journal of the Textile Institute*, Vol. 102 No. 10, pp. 837-848.
- [4] Chi, T. (2013) 'The effects of contingency factors on perceived values of casual sportswear: an empirical study of U.S. consumers', *Asia Pacific Journal of Marketing and Logistics*, Vol. 25 No. 2, pp. 249 – 262.
- [5] Davis, S. (2002) 'Implementing your BAM strategy: 11 steps to making your brand a more valuable business asset', *Journal of Consumer Marketing*, Vol. 19, pp. 503-513.
- [6] Dickson, M. A., Lennon, S., Montalto, C., Shen, D. and Zhang, L. (2004) 'Chinese consumer market segments for foreign apparel products', *Journal of Consumer Marketing*, Vol. 21, pp. 301-317.
- [7] Esch, F. R., Langner, T., Schmitt, B. H. and Geus, P. (2006) 'Are brands forever? How brand knowledge and relationships affect current and future purchases', *Journal of Product & Brand Management*, Vol. 15 No. 2, pp. 98-105.
- [8] Fornell, C., Mithas, S., Morgeson, F. V. and Krishnan, M.S. (2006) 'Customer satisfaction and stock prices: high returns, low risk', *Journal of Marketing*, Vol. 70 No. 1, pp. 3-14.
- [9] Frumkin, S., Thapa, N. and Gencalioglu, A. (2006) 'A proposed strategy for introducing moderately priced American brand merchandise in China', *Journal of Fashion Marketing and Management*, Vol. 10 No. 2, pp. 227-237.
- [10] Fuchs, H. J. (2004) 'How to build a brand in China', *Business Forum China*, Available at: http://www.chinabrand.de/downloads/How_to_build_a_brand_in_China.pdf.
- [11] Ghodeswar, B. M. (2008) 'Building brand identity in competitive market: a conceptual model', *Journal of Product & Brand Management*, Vol. 17, pp. 4-12.
- [12] Hollows, J. and Clegg, S. R. (2006) 'Brand development: Institutional constraints on Chinese businesses', *Management Research News*, Vol. 29, pp. 386-401.
- [13] Kedall, G. T. (2009) *Fashion Brand Merchandising*, New York: Fairchild Books.
- [14] Kotler, P., Ang, S. H., Leong, S. M. and Tan, C. T. (2003) *Marketing Management: An Asian Perspective (3rd ed.)*, Singapore: Prentice-Hall.
- [15] Kwok, S., Uncles, M. and Huang, Y. (2006) 'Brand preferences and brand choices among urban Chinese consumers: an investigation of country-of-origin effects', *Asia Pacific Journal of Marketing and Logistics*, Vol. 18 No. 3, pp. 163-172.
- [16] Li, Y. and Zhang, B. (2008) 'Development path of China and India and the challenges for their sustainable growth', *World Economy*, Vol. 31 No. 10, pp. 1277-1291.
- [17] Merriam, S. B. (2002) *Qualitative research in practice: Examples for discussion and analysis*, San Francisco: Jossey-Bass.
- [18] Neuman, W. L. (2010) *Social research methods: Qualitative and quantitative approaches (7th ed.)*, Upper Saddle River, New Jersey: Pearson.
- [19] O'Cass, A. and Choy, E. (2008) 'Studying Chinese generation y consumers' involvement in fashion clothing and perceived brand status', *Journal of Product & Brand Management*, Vol. 17 No. 5, pp. 341 – 352.
- [20] O'Cass, A. and Lim, K. (2001) 'The influence of brand associations on brand preference and purchase intention: an Asian perspective on brand associations', *Journal of International Consumer Marketing*, Vol. 14 No. 2/3, pp. 41-70.
- [21] Savin-Baden, M. and Major, C. (2013) *Qualitative research: The essential guide to theory and practice*, London and New York: Routledge.

- [22] Schmitt, B. H. and Geus, P. (2006) 'Are brands forever? How brand knowledge and relationships affect current and future purchases', *Journal of Product & Brand Management*, Vol. 15, pp. 98-105.
- [23] Shen, D., Lennon, S., Dickson, M., Montalto, C. and Zhang, L. (2002) 'Chinese consumers' attitudes toward U.S.- and PRC-made clothing: from a cultural perspective', *Family and Consumer Sciences Research Journal*, Vol. 31 No. 1, pp. 19-49.
- [24] Sherman, L. (2009) *Powerful luxury brands, lifestyle style luxury brands*, Forbes 5/1/2009, Available at <http://www.forbes.com/2009/05/01/powerful-luxury-brands-lifestyle-style-luxury-brands.html>.
- [25] Sun, T. and Wu, G. (2004) 'Consumption patterns of Chinese urban and rural consumers', *Journal of Consumer Market*, Vol. 21 No. 4, pp. 245-253.
- [26] Walvis, T. H. (2008) 'Three laws of branding: neuroscientific foundations of effective brand building', *Palgrave Macmillan*, Vol. 16 No. 3, pp. 176-194.
- [27] Wang, C. Siu, N. Y. M. and Hui, A. S. Y. (2004) 'Consumer decision-making styles on domestic and imported brand clothing', *European Journal of Marketing*, Vol. 38 No. 1/2, pp. 239-252.
- [28] Williamson, P. J. (2005) 'Strategies for Asia's new competitive game', *Journal of Business Strategy*, Vol. 26, pp. 37-43.
- [29] Wood, I. (2000) 'Brands and brand equity: definition and management', *Management decision*, Vol. 38 No. 9, pp. 662-669.
- [30] World Bank (2013) *World development indicators*, Available at <http://data.worldbank.org/>.
- [31] Zhang, Z., Li, Y., Gong, C. and Wu, H. (2002) 'Casual wear product attributes: a Chinese consumers' perspective', *Journal of Fashion Marketing and Management*, Vol. 6 No. 1, pp.53-62.
- [32] Zhou, J. X., Arnold, M.J., Pereira, A. and Jun, Y. (2009) 'Chinese consumer decision-making styles: a comparison between the coastal and inland regions', *Journal of Business Research*, Vol. 63 No. 1, pp. 45-51.