# DETERMINING THE CATEGORIES OF FASHION BY PRICE AND QUALITY FROM A CONSUMER POINT OF VIEW

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Abstract: The principal objective of this paper is to determine individual categories of fashion based on the attributes of price and quality with respect to their perception by young consumers in the Czech Republic. These categories are subsequently labelled and assigned the fashion brands available in the Czech market and their respective price level. The study builds upon qualitative research using ten focus groups on a sample of sixty college students majoring in economics. Overall, nine categories of fashion were defined: second hand, Vietnamese retail, discount shops, supermarkets, cheaper conventional fashion, expensive conventional fashion, boutique, luxury fashion and fashion designers. The terminology and classifications introduced by this paper may serve as a starting point for future researchers and contribute to the streamlining of further research.

Keywords: fashion, fashion categories, fashion brands, quality, price

## 1 Introduction

Fashion is an exciting, dynamic and creative global business that combines the attributes of aesthetics, technology, and business, while creating a special and fascinating industry. Fashion is about self-expression, emotion, and identity and in a wider context, it defines cultural and social boundaries (Hines and Bruce, 2007). Over the last 20 years, the fashion industry has rapidly evolved and expanded to other sectors such as jewellery and perfume production (Djelic and Ainamo, 1999). Fashion slowly becomes a dynamic environment of mass production (Doyle et al., 2006). Customers expect low prices and thereby push the producers to reduce production costs (Priest, 2005). This phenomenon led to the relocation of production of numerous companies to countries with low labour costs (Kilduff, 2005; Lowson, 2001; Mattila et al., 2002), mainly to the Middle East, followed by Italy, Portugal and Turkey (Vinhas Da Silva, et al., 2002). Profits of the fashion industry keep growing, mainly due to increasing fashion consumption by the female population that nowadays has larger disposable incomes compared to the past decades and is thus able to buy desired items independently (Hayes and Jones, 2002). Retailers are, therefore, constantly trying to increase their sales volumes (Workman and Kidd, 2000).

The fashion market currently represents a very competitive environment and, therefore, retailers cannot win customers by simply offering the best price, but also by introducing new and innovative products to the market (Christopher et al., 2004; Evans, 1989). Frings (2002) suggests that constantly changing customer needs are strongly dependent on their changing lifestyles and thus lead to a constant demand for new fashion trends. Traditionally, the fashion cycle depends on seasonal trends and fashion shows by prestigious fashion houses that typically take place twice a year (Birtwistle et al., 2003). The customers nowadays desire to buy tomorrow those outfits they just saw today on well-known personalities on television. The fashion cycle has therefore shortened to approximately one month (Sull and Turconi, 2008). These enormous changes also affect the structure of fashion supply chains and led to structural changes in retail markets (Doyle, et al., 2006).

For these reasons, the current fashion market has become very difficult to read. Goods are offered in both stores and on the Internet (Marketing Newspaper, 2013). There are different prices, quality and prestige levels for each brand (Bruce Daly, 2006). Clothes are being sold not only in specialty stores but also in supermarkets among other commodities (Birstwistle and Moore, 2007). However, for research purposes in the field of fashion, it is necessary to define the various existing categories of fashion and unify their characteristics. In the Czech Republic (CR), there is currently no such terminology that would provide the foundations for further research. This article aims to segment the fashion market in the Czech Republic, using the attributes of price and quality as perceived by consumers as sorting criteria and, subsequently, label these categories to make them easier to understand. Using the ‚focus group approach, respondents were asked for their opinion on the categories of clothing as well as different fashion brands. Based on these interviews it was possible to characterize and label individual fashion categories and assign those brands available on the Czech market. The findings presented in this paper may be considered a foundation for future research in this area.

## 2 Categories of fashion brands

The theoretical portions of this paper summarize the findings presented in the current literature on the topic of fashion brands. As is apparent from the review, fashion categories are designed based on various criteria and perspectives and thus differ for individual countries.

A very traditional concept of fashion categorization was designed by Sorensen (1995). The highest level of this categorization is the ‘Haute Couture Houses’ (high handmade fashion). This term was created in Paris and refers to manual work of the highest quality, custom made for a specific customer. These designers reveal their collections only twice a year at prestigious fashion shows. The second level of this hierarchy is represented by ‚Designer Wear. This style of fashion is also very expensive; however it is characterized by limited editions and not by original items. Collections are made accessible for wider consumer groups and prices range in the hundreds of pounds rather than thousands of pounds. The third level is represented by ‘Mass Market’ or, ‘High Street Fashion’, which is designed for a wide range of customers and the clothing is sold at affordable prices. Yet the resulting quality of workmanship is lower. However, Sorensen himself questions this classification, stating that at this time there are already a number of other categories of fashion. This hierarchy may thus be considered as the basic classification by level of price and quality, although it provides only three categories that may be considered insufficient and not reflecting the real market.

The English concept of fashion categories was introduced by Anne Priest (2005). Her first category is labelled ‘International Superbrands’ and it regroups internationally known worldwide luxury brands. According to Priest, a second category called ‘UK (London) style’ describes local fashion designers and students of design schools. The importance of this category lies in the generation of new ideas and the refreshment of daily fashion. The third category is called ‘McFashion’ and was initially defined by Lee in 2003 (Lee, 2003 in Priest, 2005). This group includes international clothing chains with high street fashions that are characterized by chic clothing, which respects the same principle as fast food chains - a reasonable quality for a reasonable price, targeting the largest social class. Among the representatives of this category, we may find Zara, H & M and Marks and Spencer, as well as fashion available in supermarkets. The last category of the hierarchy introduced by Anne Priest she calls ‘micro market’ and contains fashion inspired by non-consumer styles of living, such as spiritualism, and ethnic minorities. In terms of marketing strategies and terminology, this division is not very common, even though it is designed by experts on fashion. Individual categories are created according to consumer segments and the overall philosophy of fashion companies; yet do not consider such criteria as price and quality.

Authors Moore and Burt (2007) proposed another classification of fashion, taking into account consumer segments, methods of distribution and the type of products offered. They divide the market into three segments. First, ‚The fashion designer retailers‘, that regroups fashion from those designers who are known and respected around the world. Only leading brands

such as Gucci, Valentino, and Chanel meet these parameters. The second segment includes 'The product specialist fashion retailers' and represents a specialized market for narrow consumer segments such as sportswear (Nike, Adidas), women's clothing (La Senza) and the like. Their third category is called 'The general merchandise retailers', who offer both fashion and other products. The most famous representative in this category is Marks & Spencer. Their final category is 'The general fashion retailers', the broadest consumer segment that features a wide range of fashion products at lower prices.

Bruce and Daly divide the fashion market into four segments based on price and quality. These segments are: luxury and high street fashion, discount stores, supermarkets and discount stores outside shopping centres. They argue that the entry of supermarkets into the segment of apparel created a significant increase in competition and also changed the understanding of the process of buying clothes, allowing consumers to purchase fashion during ordinary grocery shopping (Bruce Daly, 2006). Supermarkets build their strategy on a narrower range of clothing, which is to some extent 'in' and fashionable, available at a reasonable price (Birstwistle and Moore, 2007). Supermarkets aim at the lower strata of customers who cannot afford to buy average fashion and don't mind shopping in supermarkets (Hines, 2007).

As it is apparent from the review of international academic sources that approaches to categorize fashion vary widely. There is very little consensus even in terms of the definition of luxury fashion.

**3 Specifics of luxury fashion**

De Barnier et al (2012) states that many authors mention the three levels of so-called luxury brands which are: upmarket products, expensive products, and luxury products. According to Tynan, when determining the boundaries of luxury fashion the key element is the consumer so where the ordinary ends and luxury starts is a matter of degree as judged by consumers" (Tynan, et al., 2010). Therefore, Barnier et al (2012) conducted a survey, designed by the authors Kapferer, Dubois and Vigneron, which tested the three rating scales determining luxury brands. The survey focused on five brands that were chosen as representative of these three levels of luxury. The results confirmed the existence of these levels. The authors further state that 'low level' luxury brands are occasionally collectively referred to as premium brands. This designation can be found also in the research presented by Kozáková, who studied fashion brands in the Czech Republic. According to her, 'premium brands' target larger scale markets. Consumers are more sensitive to price and their buying decisions are based on higher degrees of comparison (Kozáková, 2005). Premium products are also associated with lower expected value, which corresponds to a lower level of prices (Riley, et al., 2015).

In contrast, luxury fashion is based on creative designs from top fashion designers and aims to create exclusive collections presented to the public twice a year (Fionda and Moore, 2009; Husic and Cicic, 2009). Consumers buy luxury fashion, among other things, because of prestige, self-image and a lifelong relationship with the brand (Goldsmith et al., 2011). In the Czech Republic the situation is rather specific. According to the Obruk agency, luxury in the Czech Republic does not yet offer a means to satisfy all of the above described requirements, but is limited primarily to demonstrating social status and the desire for recognition (Obruk, 2010).

**4 Price and quality as the determining factors from the consumer perspective**

Kotler (1998) states that, although in recent decades the importance of other factors influencing the consumer buying decisions has considerably increased, price still is one of the most determining factors. Many consumers perceive price as an indicator of quality. Thus, in their eyes price equals quality (Erickson and Johansson, 1985; Hasen 2005; Ding et al. 2010; Jobber, 2010; Beneke and Carter, 2015). However, price, unlike quality is immediately recognizable and thus may determine the degree of subjective perception of quality for little known products (Yoon et al., 2014). There are consumers whose purchasing decisions are affected exclusively by price. However, most consumers evaluate price and quality, along with other factors (Beneke and Carter, 2015; Grewal et al., 2007). Quality is very important, especially for high-end fashion. In a survey of luxury brands in the Czech Republic, quality was chosen as the most important attribute (Obruk, 2010). It is, therefore, evident that high quality in the eyes of consumers gives the appearance of luxury (Novotová and Cinkánová, 2015; Park and Park, 2003).

**5 Purpose of the study**

The main objective of this qualitative research is to understand and describe the fashion market in the Czech Republic from the perspective of young consumers and determine the categories of clothing according to price and quality. The main objective consists of four sub-goals:

1) Determine the categories of clothing brands according to quality and price from the consumer perspective, and label them.
2) Characterize these categories from the consumer point of view.
3) Based on consumer preferences, categorize known clothing brands.
4) Compare the classification of brands made by consumers with actual price levels.

Sub-goals 1 - 3 were achieved using focus groups. Sub-goal 4 was achieved by comparing price levels of fashion brands according to the current prices in the Czech shops in the summer of 2016.

**6 Methodology**

Due to the highly fragmented nature of terminology in the area of fashion brands as well as the lack of studies in the Czech Republic related to this topic, an explorative approach of research was chosen. With regard to the research topic, the qualitative research method was chosen, which allows an in-depth examination of the issues without prior knowledge of the topic (Hendl, J., 1999). Quantitative methods are able to capture different perspectives of studying the issue, its intricacy and complexity. Qualitative research is also very often used as an explorative approach in situations where it is necessary to gain insight into the examined subject (Mason, 2002).

**6.1 Data collection methods**

Focus groups were chosen as data collection tools. Focus group research represents a data collection method that consists of using group interactions that arise spontaneously and inspire ongoing debate on a predetermined topic (Morgan, 2001). This method of data collection is quite frequently used for exploratory research, the aim of which is the analysis of the topics with little information available and for which it is difficult to formulate an exact and complete set of questions (Malhotra, 2012).

Unlike individual interviews, focus groups provide the great advantage of interaction between participants, which improves the quality of data obtained. Participants may confront or support one another and thus their opinions tend to gain a certain equilibrium (Švaříček and Šeďová, 2007). The sample was selected by a non-probabilistic method of selection, which saves time and lowers costs, but unfortunately is not representative. However, according to Malhotra (2012), this sampling method is acceptable for exploratory research. Respondents were students, aged 23-25 years in the Business Economics Master's degree program at the Faculty of Economics of the Technical University in Liberec. 70% were female and 30% male. 60 students participated in total. They were divided into ten groups of six participants, a number considered to be optimal Patton (2002).

Tab. 1: Categories of fashion brands as divided by focus groups (Source: author)

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **1. group** | second hand | Asian market | Czech market | grocery stores | Vietnamese retail | secondhand selling brands | common stores | luxury stores | luxury shops | tailored made |
| **2. group** | second hand | Vietnamese | discount retail | common | boutique | luxury stores | specialized | | | |
| **3. group** | low cost | lower Middle | upper Middle | boutique | top class | | | | | |
| **4. group** | second hand | supermarkets | fashion chains | small | hightend | | | | | |
| **5. group** | second hand | Vietnamese retail | hypermarket | outlet | moderate | retail upper level | sportswear | skate shop | luxury boutique | |
| **6. group** | low end | good bargain | reasonable | high end | | | | | | |
| **7. group** | Vietnamese retail | moderate | luxury | sportswear | | | | | | |
| **8. group** | cheap | affordable | expensive | luxury | | | | | | |
| **9. group** | secondhand | cool | reasonable | quality | upscale | Pařížská | | | | |
| **10. group** | secondhand | low quality | moderate quality | luxury | extra luxurious | small retailers | | | | |

Each focus group was led by a moderator who, at the beginning of the session, introduced to the participants three topics that were subsequently discussed. In order to achieve clarity and a certain level of structuration, the respondents were asked to write down their ideas on a large sheet of paper. Each group of respondents thus created their own mind map. Mind mapping represents a creative way of keeping notes, analyzing problems and finding new solutions. These attributes make of it an ideal method for group problem solving (Buzan, 2012). During the first stage of the Focus Group session, the participant discussed the topic of categories of fashion brands. The moderator pointed out that the main decision factors are price and quality. Each group was asked to choose their own approach to problem solving. Mind mapping technique was very helpful especially in this phase since it helps and draw various categories of clothing. Subsequently, in the second and third phase, the participants were asked to assign attributes and tags to the previously defined categories. Interviews with the individual groups were recorded in order to evaluate the different perceptions and views of the respondents.

## 7 Findings

In this chapter the research results are presented and discussed. The research results are demonstrated on four chapters.

### 7.1 Classification of fashion brands

The research results are described in Table 1, which shows the various categories of fashion brands as they were sorted by different groups of respondents. Each line represents one focus group. Table 1 shows that focus groups 1 and 10 created the largest numbers of categories and went into detail especially in the lower categories. They differentiated for example between Czech and Asian marketplaces, between common second hands and those selling better-known fashion brands. This division may be judged as somewhat disorganized. Focus group five created 9 categories and, at the same time, was the only group to mention outlets, skate shops and sportswear. Sportswear as a separate category was highlighted by other groups as well. However, none of the groups was able to classify sportswear by price and quality. Thus this category was merged with the category labelled 'other type of clothing' for further research purposes.

Based on the researcher´s judgment, the same or very similar categories were marked with identical colours. Ambiguous categories (low end) and categories identified by only one group (the Outlet, Czech market) remained unmarked and were not included for further analysis. The purpose of this step was to achieve better organization of the table for further processing. Subsequently, the same colours were regrouped into nine categories of fashion, which are represented in Table 2. Each category was assigned a label that was created based on feedback from respondents, findings from the literature review and also regarding the logic and general information capability of the names.

Tab. 2: Categories of fashion brands (Source: author)

| | | |
|---|---|---|
| **1** | second hand | **second hand** |
| **2** | Vietnamese retail, Asian market | **Vietnamese retail** |
| **3** | mixed goods, good bargain, discount stores, cheap, low quality | **discount shops** |
| **4** | supermarket | **supermarkets** |
| **5** | common stores, good ration of price/quality, lower middle, common confection, fashion chains, moderate, affordable, cool moderate quality | **cheaper conventional fashion** |
| **6** | upper middle, quality | **expensive conventional fashion** |
| **7** | boutique, expensive, luxury stores, upper class, luxury lower class | **boutique** |
| **8** | luxury, top class, hight end, hight, Pařížská, extra luxurious | **luxury fashion** |
| **9** | tailored made fashion, small fashion brands, small retailers, fashion designers | **fashion designers** |

### 7.2 Description of the fashion categories

The second objective was to characterize the various categories of clothing.

#### 1) Second Hand

Most students perceive second-hand shops as the cheapest. Yet on the other hand, they consider them as providing relatively good quality due to the fact that although they offer pre worn clothing, it very often originates from high-quality brands.

*"I shop at a second hand that takes goods from the UK and most of the clothing is better than at New Yorker."*

Based on this statement, one might conclude that second-hand does not always comply with the rule that price matches quality. Many students perceive it as an advantage that this type of shop provides original pieces they could not normally afford. Disadvantages include fashion that may not be contemporary and also the fact that the clothing has already been worn by someone else.

#### 2) Vietnamese retail

Vietnamese shops emerged in the Czech Republic in the 1990s when a large number of immigrants from Vietnam came to the country and opened very cheap clothing stores there. These stores are rather negatively perceived by students.

*"I do not like to go to these stores, as they constantly ask me what I want and I am very uncomfortable."*

Respondents also feel the quality of goods from these stores is very poor. This is the most important factor for them that discourage buying. They further assume that the goods are produced in a non-environmentally friendly way and with the help of an under paid workforce. Students consider the Vietnamese retail as socially irresponsible. An advantage is they are fashionable and offer a relatively wide range.

#### 3) Discount stores

Discount stores were defined as large grocery stores that are located in shopping centres or independent shops. Their main feature is an unorganized environment and clothes thrown in heaps. Discount stores may be seen as a good alternative for

those who cannot afford to buy clothes from designer stores. Respondents agree that prices are relatively low and correspond to the lower quality, but the stores definitely do not sell fashionable or even original clothes.

*"Clothes at discount stores are made completely without any concept or imagination. Everyone who wears these clothes looks the same. They certainly do not fulfil my idea of unique clothes."*

A very uncomfortable buying experience and poor atmosphere in the stores are perceived as another disadvantage.

**4) Supermarkets**

Supermarkets were very often associated by respondents along with discounts. Two groups, however, described them as a separate category. The largest advantage reported by the students was the availability of store, the possibility of parking, as well as a buying process that is not time-consuming. We may conclude that customers are attracted by the opportunity to combine purchases of food and clothing.

*"Me and my boyfriend, buy clothes only in supermarkets, when we go to get groceries for the weekend. He always says that he does not have the time to buy clothes elsewhere."*

Students usually buy clothes at Lidl and Tesco, specifically the F & F brand. They, however, judged this brand to be of a higher quality and thus more expensive than the usual goods that are sold in supermarkets. This conclusion is supported by research, including business students in the UK. The research showed that students have a rather indifferent relationship with clothes from supermarkets, but those who buy the F & F brand consider it very good (Harradine and Ross, 2011). We can, therefore, conclude that the F & F brand is considered to be better than other brands distributed by supermarkets. Among the disadvantages of supermarkets, students often mentioned a relatively narrow range of clothes and unskilled staff.

**5) Cheaper conventional fashion**

Shops belonging to this category are located mostly in shopping centres. These are brand retail chains that are available in a variety of countries. According to focus groups, students most often buy clothes in this category of stores. They admit that the clothes are not of a very good quality, but they are relatively cheap and considered trendy.

*"The quality of the clothes is not the best, but I cannot afford anything more expensive since I am a student."*

*"The clothes are fashionable and thanks to the lower price you can replace it every season, and be always stylish."*

appreciate the after purchase service which includes custom tailoring and an easy return policy.

These statements reflect the current trend of very frequent clothes swapping (Sull and Turconi, 2008). On the positive side, respondents evaluated these store environments as pleasant, and they highlighted the possibility to have loyalty cards and return non-fitting clothes. The downside of this type of fashion distribution, besides its quality, may be the reluctant staff and large numbers of examples of one type of clothing.

**6) Expensive conventional fashion**

This category is very similar to the previous category, in terms of location – the shops are located in shopping centres as well. However, according to students, the prices and quality are higher and thus this category is treated as a separate type of fashion. Respondents agree that they do not buy clothes belonging to this category very often because they perceive the merchandise as being a little too expensive. According to the students, the range of clothes offered by these shops is more suitable for working people who are concerned about how they look.

*"These stores really attract me, but they are a bit too expensive. Sometimes I buy something in there but only discounted products."*

The positive attitude of young Czech people towards discounts was also confirmed by Kvapilová Krbová (2016). In general, respondents rated this category of fashion as providing quality goods with fashionable designs for an appropriate price and described the shopping environment as more pleasant than in the previous categories. Students perceive the volume as a disadvantage and possibly socially irresponsible and environmentally unfriendly production.

**7) Boutique**

Boutiques may be characterized as small independent stores that offer smaller collections of clothing at prices ranging in thousands of Czech crowns. It is very unusual for students to seek out and visit boutiques.

*"Boutiques are meant for people who want to look luxurious, but do not have that much money."*

Respondents believe that prices in boutiques do not completely match the quality. And the very process of purchase is not seen as optimal by the young generation.

*"I am uncomfortable that staff constantly monitors me and asks what I want." For the older generation, it is probably nice that staff cares for them, but I prefer handling it myself. I feel freer."*

On the other hand, respondents agree that the clothes sold by boutiques are original, the staff is well educated and they also

Tab. 3: Classification of fashion brands into identified categories (Source: author)

| second hand | discount shops | supermarkets | cheaper conventional | expensive conventional fashion | boutique | luxury fashion | fashion designers |
|---|---|---|---|---|---|---|---|
| Aukro | Ebay | Tesco- F&F | Kenvelo | ***Zara*** | ***Zara*** | Louis Vuitton | Beata Rajská |
| Vinted | Aliexpress | Lidl | New Yorker | Bershka | Bandi | Prada | Tatiana Kovaříková |
| | Pepco | Glóbus | Reserved | Bushman | Blažek | Versace | Liběna Rochová |
| | Kik | Albert | C&A | Funstorm | Luggi | Dolce Gabbana | Blanka Matragi |
| | Gate | | H&M | Billabong | Steilmann | Dior | |
| | | | Cropp | ***Mango*** | ***Mango*** | Bogner | |
| | | | Terranova | Marks&Spencer | Gant | Gucci | |
| | | | Time out | Camaieu | ***Guess*** | ***Guess*** | |
| | | | Tako | House | Pepe Jeans | Armani | |
| | | | Oodji | Promod | Desigual | Burberry | |
| | | | ***Contessa*** | ***Contessa*** | ***Lacoste*** | ***Lacoste*** | |
| | | | ***Orsay*** | ***Orsay*** | Diesel | Chanel | |
| | | | Tally Weijl | Lindex | Replay | Calvin Klein | |
| | | | | Next | Levis | Herme´s | |
| | | | | Nike | ***Michael Kors*** | ***Michael Kors*** | |
| | | | | Adidas | ***Tommy Hilfiger*** | ***Tommy Hilfiger*** | |
| | | | | Puma | The north face | | |

**8) Luxury fashion**

Selective distribution is typical for luxury fashion. In the Czech Republic, this type of fashion store is mainly located in Prague, more specifically on Paris Street. Focus group participants considered this type of fashion as very expensive and therefore nearly unreachable for them.

*"These clothes are being worn mainly by celebrities and wealthy businessmen. Personally, I would never buy something that expensive."*

Luxury fashion shops offer exclusive shopping, after-purchase service and high design originality. For students, it is very important that the production of luxury goods does not take place in Asia and they consider these companies as socially responsible. Among the negative aspects, students named inflated prices, unavailability of goods and snobbery.

**9) Fashion designers**

Only three groups of respondents marked Czech fashion designers as a separate category. They found that, unlike luxury brands, the names of respected designers are not very well known. Most respondents remembered only Blanka Matragi, which is currently a very popular brand in the Czech Republic.

*"Fashion designers have stores in Prague and dress celebrities, but I have no idea if an average person is able to buy something in these stores."*

In terms of quality, students associate designers with luxury brands, however, they assume that designers are more expensive. That is why fashion designers represent the top category of the hierarchy. Overall we conclude that students are unfamiliar with Czech fashion designers or their work.

Tab. 4: Fashion brands and price levels (Source: author)

| **second Hand** | **7 €** | **Vietnamese retail** | **7-11 €** | **discount shops** | **7-14 €** | **supermarkets** | **7-22 €** | **cheaper conventional fashion** | **19-26 €** |
|---|---|---|---|---|---|---|---|---|---|
| Aukro | 7 | | | Ebay | 7,1 | Lidl | 7 | Oodji | 19 |
| Vinted | 7 | | | kick | 7,4 | Albert | 11 | C&A | 19 |
| | | | | Pepco | 7,4 | Glóbus | 14,8 | Tako | 19 |
| | | | | Gate | 12,8 | Tesco- F&F | 22,2 | H&M | 22,2 |
| | | | | ***Terranova*** | ***13,3*** | | | Cropp | 22,2 |
| | | | | Aliexpress | 14 | | | ***Bershka*** | ***22,2*** |
| | | | | | | | | ***House*** | ***22,2*** |
| | | | | | | | | Reserved | 26 |
| | | | | | | | | New Yorker | 26 |
| | | | | | | | | Tally Weijl | 26 |
| **expensive conventional fashion** | **30-74 €** | **boutique** | **89-260 €** | **luxury fashion** | **482-2937 €** | **fashion Designers** | ? | | |
| Camaieu | 30 | Desigual | 89 | Bogner | 481,5 | Beata Rajská | ? | | |
| Funstorm | 30 | ***Lacoste*** | ***89*** | Burberry | 1292,6 | Tatiana Kovaříková | ? | | |
| ***Kenvelo*** | ***33,3*** | Levis | 100 | Dolce Gabbana | 1333,3 | Liběna Rochová | ? | | |
| ***Time out*** | ***33,3*** | Pepe Jeans | 111 | Versace | 1450 | Blanka Matragi | ? | | |
| ***Zara*** | ***33,3*** | Bandi | 129,6 | Gucci | 2222 | Klára Nademlýnská | ? | | |
| Next | 34,4 | Replay | 138,9 | Herme´s | 2407,4 | | | | |
| Promod | 37 | Luigi | 148 | Prada | 2777,8 | | | | |
| Lindex | 37 | ***Michael Kors*** | ***155,6*** | Armani | 2937 | | | | |
| ***Mango*** | ***44*** | Diesel | 181,4 | Chanel | ? | | | | |
| ***Orsay*** | ***44*** | Steilmann | 185 | Louis Vuitton | ? | | | | |
| ***Contessa*** | ***44*** | ***Tommy Hilfiger*** | ***188,9*** | Dior | ? | | | | |
| Marks&Spencer | 44 | ***Guess*** | ***192*** | | | | | | |
| Billabong | 62,6 | Gant | 200 | | | | | | |
| Bushman | 74 | Blažek | 259 | | | | | | |
| *Nike* | *70* | Calvin Klein | 307,4 | | | | | | |
| *The north face* | *73,7* | | | | | | | | |
| *Adidas* | *92,2* | | | | | | | | |
| *Puma* | *122,2* | | | | | | | | |

**7.3 Inclusion of individual clothing brands into proposed fashion categories**

In the fashion industry, brands have always been perceived as extremely important. Brands generally provide a guarantee of interchangeability, mainly in those sectors producing very similar goods and that is exactly the case in the fashion industry (Bristow and Mowen, 1998; Keller, 2007). Therefore, the next

objective of the research consisted in associating fashion brands with categories that respondents perceive brands as being representative. Table 3 shows all the brands mentioned by

respondents. For the category of Vietnamese retail, respondents did not know any specific brand or name, therefore this category is missing. Into categories second hand and discount shops, students included internet shops such as Aukro, eBay and AliExpress, as they were often used to buying these types of clothes. In the supermarket category, respondents most often mentioned the F & F brand. It was found that even though respondents identified two categories conventional fashion, assigning individual brands to each of them was problematic in some cases. For example, the Comtessa and Orsay brands were included in both categories. Similar results were obtained for some brands (especially the Zara and Mango brands) in categories among the more expensive fashions and boutiques. This phenomenon was even more significant for the boutique and luxury fashion categories which both feature four of the same brands. As for the category of fashion designers, respondents were unable to come up with any names. We thus conclude that students are not very familiar with fashion designers.

**7.4 Comparison of brands classifications according to the respondent perceptions and price levels**

The brand represents a medium through which a company may position its product in the mind of consumers (Vysekalová and Mikes, 2003). This statement implies that brand is what consumers perceive. It is, therefore, important to clearly communicate brand identity, which contributes to the creation of the brand awareness, customer loyalty and also affects perceived quality (Aaker, 1996). According to Aaker, perceived quality does not necessarily reflect the actual quality of the product, but more reflects customer expectations and preferences, which may to some extent be influenced by the brand and its image.

Accordingly we must admit that consumer classification of brands into fashion categories by the quality and price conscious is very subjective and strongly influenced by brand image.

In order to compare differences between perception of price by respondents and actual price levels, price tags were assigned to individual brands. The price is judged as the only empirically verifiable attribute, if we do not take into account quality tests, which are not the subject of this article. Therefore, price may be used as a relatively objective factor for dividing goods into categories. For empirical comparisons, a specific type of summer dress with a wide waistline, straps, and knee length is appropriate. In terms of sports clothes, a tennis dress was selected and for brands that target male customers (Bandi and Blažek), the prices of formal jackets were compared.

The top row in Table 4 indicates a price range in Euros for each fashion category. Within the individual categories, the brands are sorted from the least to most expensive, and have been assigned an average price. In essence, the categories second hand, Vietnamese stores, discount shops and supermarkets have very similar price levels, which imply that it is both style and manner of distribution that make the categories different. Cheaper conventional fashion ranges up to 26 Euro and expensive conventional fashion up to 79 Euro. Sportswear brands were included in this category as well, even though they are far more expensive than the previous two categories. However, due to the way they are distributed and their position in shopping centres, sports brands certainly belong to this category. The difference between boutique and luxury fashion categories is very noticeable where the prices for summer dresses range in thousands of Czech crowns (260 euros) for boutique and in tens of thousands of Czech crowns (2937 Euro) for luxury fashion.

In addition, the table contains highlighted brands that were by the respondents classified into other categories. Four brands were incorrectly classified as luxurious fashion, but they definitely belong into affordable boutique category. For fashion designers, as well as for some luxury brands, it was not possible to determine the exact price, but it may be assumed that the price of summer dress designed by fashion designers will reach the tens of thousands of crowns (thousands of Euro).

**8 Discussion and Conclusions**

The primary aim of this paper was to define categories of fashion brands according to the attributes of price and quality, each of which play a pivotal role in the decision-making process of the consumer (Kotler, 1998; Hansen 2005). In this research, nine categories of fashion were identified. Second hand, Vietnamese stores, discount shops, and supermarkets are specific for the low prices and thus focus on lower income consumers. The respondents described second hand, unlike other categories, to be an original and therefore suitable for those who want to make a statement. Supermarkets may be perceived as the growing phenomenon of the last decade. Their position in the fashion market is increasing, mainly due to lower prices and very good accessibility (MarketLine, 2014). In addition, these categories, with the exception of supermarkets, are not yet reflected in the literature. One of the few classifications of fashion categories that include this segmentation is the aforementioned division proposed by Bruce and Daly (2006). This lack of interest is probably caused by the interactivity of this market due to low prices and a lack of well-known brands.

The category of cheap conventional fashion was identified as the median level of fashion. This level primarily attracts students. This category along with the category of expensive conventional fashion can also be called Mass Market and High Street Fashion (Sorensen, 1995; Bruce and Daly, 2006) and McFashion (Priest, 2005). Thus these categories are already described in the literature because of their great influence on the world of fashion. They are mainly represented by large international chains with clothes. The mass character of production and resulting burden on the environment and social irresponsibility were identified as their largest drawback. Respondents perceive this characteristic as very problematic. On the other hand, students argue that they must buy their clothes somewhere and that they cannot afford something more expensive. This type of fashion is thus very popular and will remain so.

In the upper levels of the fashion, the hierarchy includes boutiques, luxury fashion, and fashion designers. In international scientific papers, these categories are referred to as Haute Couture Houses or Designer Wear (Sorens, 1995), International Superbrands (Priest, 2005), or the fashion designer retailers (Moore and Burt, 2007). The fact that students do not know the fashion belonging to this category may be considered a somewhat surprising result in terms of these categories. Even though these college students are majoring in Business Administration and in the future will probably have higher incomes, and their positions will require adequate clothing, they currently perceive these categories as snobbish and an unnecessary waste of money. They believe that especially the category of Luxury goods is overpriced and therefore the price does not match the quality. This result is consistent with the findings presented by Kvapilová Krbová (2016) who also proved that Czech youth does not recognize the ownership of branded goods as a symbol of prestige and success. These results contrast with many types of research focusing on the consumers of luxury brands, indicating that quality is the most important attribute and fully corresponds to the price (Novotová and Cinkánová, 2015; Phau and Prendegasta, 2000). We can, therefore, conclude that consumers of luxury brands perceive this fashion differently from those who do not buy it. This top category of fashion provokes conflicting emotions in people.

In the second phase of the research, the respondents were asked to assign each fashion category to clothing brands and consequent prices. These results indicate the interesting fact that respondents in some cases are not able to place the brand into an appropriate category. It is, therefore, evident that they are influenced by perceived brand image. Image is regarded as a reflection consumer perception of the brand in relation to associations that are held in the customer's mind (de Chernatony and McDonald, 2003; Keller, 2008). It is thus a subjective mental image (Reizebos, 2003), which is not identical with reality. The largest differences occurred between the categories boutique and luxury fashion, where respondents erroneously ranked most of the brands. This is consistent with previous research in the Czech Republic that showed Czechs wrongly perceive the value of some brands and conversely to other countries where they think the brands to be more luxurious than they actually are (Kozáková, 2005). This difference may be a result of the socialist past of the former Czechoslovakia and, therefore, the fact that people in the Czech Republic do not really understand fashion. Perhaps fashion companies make use of this ignorance.

In conclusion, the determination of fashion categories is a very subjective matter depending on the income of individuals, their social status or personal attitudes towards fashion. Fashion may be classified based on other criteria than just price and quality, for example, based on the customer segment, or type distribution and the range of goods offered. Differences in markets in individual countries, where fashion may be perceived differently and the status of specific brands may differ as well, are considered an important factor. The aim of this paper was to unify the terminology for the Czech market and create the foundations for further research in this area.

**9 Limitations and future research**

This research was designed as explorative and due to the differences in the perception of fashion in different countries, tailored mainly for the Czech Republic. Given the small financial resources for data collection, respondents were only young college students. Clearly, the results cannot be applied to the entire population. For further research, we recommend extending the sample to include all age groups, educational and income levels of consumers as well as verify the results using quantitative techniques. Comparing international findings or the

perceptions of different categories of customers appears to be a very interesting topic for future research. In addition it is also possible to focus on other attributes than price and quality to create distinct categories of labels.

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