



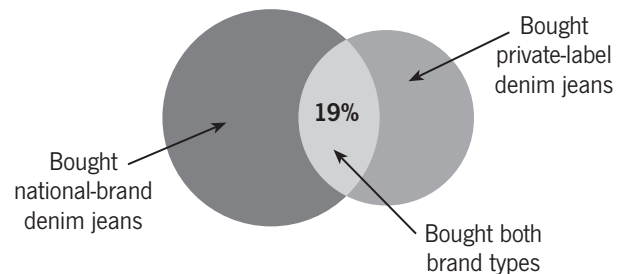
## Denim Jeans Command Loyalty

In an era of cross-shopping, brand proliferation, and declining prices, retailers and manufacturers are continuously looking to identify their true competition — usually by brand — and to develop strategies to combat apparel price deflation. In the 2003 winter edition of the *Textile Consumer*, “Measuring the Brand Premium,” analysis of consumer purchase data indicated that very few consumers were loyal to specific brands or to a type of brand (national brands versus private labels). However, additional analysis has demonstrated that consumers are less likely to switch brand type when buying denim jeans than when buying other apparel products — implying that jeans command more brand loyalty. The analysis presented here can help retailers and manufacturers to better understand the denim jeans market and to develop tactical marketing techniques.

### *Measuring Customer Loyalty to Brand Types*

Consumers are loyal to denim jeans brand types: over the past three years, more than 8 of 10 of denim jeans customers purchased exclusively either national brands or private labels, based on survey data from STS Market Research. Overall, more consumers bought national-brand than private-label denim jeans (72% vs. 47%), consistent with the fact that national-brand jeans outsold private-

### Consumers Cross-Shopping Between Brand Types



Source: Based on data from STS Market Research

label jeans (60% to 40% in 2003 on a unit basis). Of consumers who bought denim jeans, 53% bought only national brands, 28% bought only private labels, and 19% bought both (i.e., cross-shopped between brand types).

To assess brand-type loyalty, it is useful to consider separately those consumers who bought at least one pair of national-brand jeans (72% of the consumers sampled) and those who bought at least one pair of private-label jeans (47% of the consumers). Their “loyalty” can be measured as the percentage who bought *only* that brand type (i.e., did not cross-shop). Among consumers who purchased any national-brand jeans, 74% bought *only* national brands, while 26% also bought private labels. Among consumers who purchased any private-

*(continued on page 2)*

## Update on Flammability Regulations

During the past few years, activity on flammability regulations for both apparel and home products has increased. Both the federal government (through the U.S. Consumer Product Safety Commission [CPSC]) and the State of California are developing new requirements for upholstered furniture, mattresses, and possibly bedclothing. In addition, changes to the federal general wearing apparel standard are being proposed. Cotton Incorporated is monitoring these developments in order to understand their impact on cotton, which is the most prevalent

fiber in upholstery, bedclothing, and general wearing apparel products.

### *General Wearing Apparel*

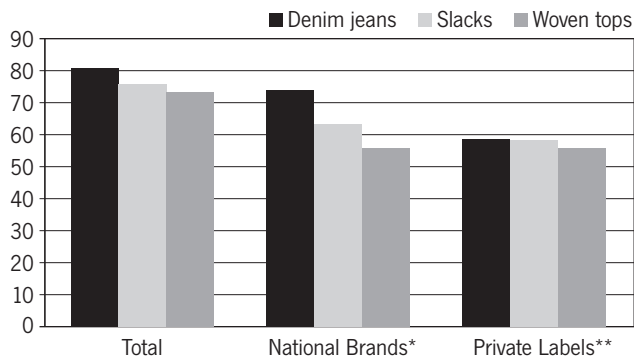
All clothing sold in the United States must meet the requirements of Title 16 Code of Federal Regulations (CFR) Part 1610, Standard for Flammability of Clothing Textiles, commonly known as the General Wearing Apparel (GWA) Standard. Under this standard, fabrics are tested in their original state

*(continued on page 3)*

label jeans, 59% bought *only* private labels, while 41% bought national brands as well. These figures support the idea that consumers tend to be loyal to brand types, and especially to national brands.

Loyalty to national brands was significantly higher for denim jeans than for other apparel products, such as slacks or woven tops. Among consumers who purchased slacks, 76% bought only one brand type, and among purchasers of woven tops, 72% were loyal to a single brand type. As shown in the graph below, loyalty among consumers who purchased national brands was markedly lower for slacks (63%) and woven tops (56%) than for jeans (74%). In contrast, loyalty to private labels was similar among purchasers of jeans (59%), slacks (58%), and woven tops (56%).

**% of Consumers Who Purchased Apparel Only Within One Brand Type**



\*Of consumers who purchased any national brands or \*\*any private labels.  
Source: Based on data from STS Market Research.

### *The Roots of Brand-Type Loyalty*

Brand-type loyalty may be influenced by such attributes as quality, style, and labeling. Other possible explanations for loyalty to national-brand denim jeans are their greater availability and a greater opportunity to buy national brands at sale prices.

National-brand merchandise is more accessible because it is available at numerous retailers, while private-label merchandise is available only at select stores. Furthermore, although private-label jeans sell for less than national brands on average (\$22.71 vs. \$23.04), they are less likely to be sold at marked-down prices. In 2003, 48% of national-brand jeans were sold at a discount, compared with 32% of private-label jeans. Slashing of prices creates a

perceived value to consumers and attracts bargain hunters, even if they still pay more than for competing products.

### *Men's Greater Loyalty*

Loyalty to denim jeans brand types differs significantly by gender. Since 2001, 22% of women purchased both private-label and national-brand denim jeans, compared with 18% of men. Of consumers who purchased national-brand jeans, 79% of men and 68% of women bought only national brands, and among consumers who purchased private-label jeans, 60% of men and 56% of women bought only private labels.

Research from Cotton Incorporated's Lifestyle Monitor™ offers a possible explanation for men's greater loyalty to brand type: only 22% of men like or love to shop for clothing, compared with 57% of women. Men also are willing to pay a slightly higher price for jeans than women are (\$24.26, compared with \$23.15). Buying the same brand time after time, even if it means paying a bit more, tends to expedite the shopping experience. Thus, men's greater brand loyalty may be due in part to their desire to get in and out of the store as quickly as possible.

### *Loyalty and Age*

Age is another determinant of brand-type loyalty. Young people (under 35) were generally more likely than their elders to cross-shop between brand types. However, patterns of cross-shopping with age differed between male and female consumers.

Cross-shopping was highest (25%) among women aged 19 to 24 and dropped off sharply among women over 34. Women's loyalty to both national brands and private labels increased with age, though loyalty to national brands was consistently stronger. Among women who purchased any national-brand jeans, 75% of those aged 45 or older bought only national brands, compared with 67% of those under 45. Among women who purchased any private-label jeans, the corresponding figures were 63% for older women and 59% for younger women. These buying patterns probably reflect women's declining interest in fashion experimentation with age.

Among male consumers, the cross-shopping picture was more complex. Overall, cross-shopping peaked



## Cross-Purchasers of Denim Jeans Brand Types by Age and Gender (2001–03)

% of consumers purchasing both national brands & private labels

Age Group	Total	Women	Men
13–18	20.3	21.5	18.5
19–24	21.3	24.9	16.2
25–34	21.4	20.5	21.9
35–44	18.1	14.5	22.0
45–54	14.5	11.3	17.5
55–64	15.1	17.7	12.3
65+	13.5	14.7	12.2
<b>All</b>	<b>19.0</b>	<b>21.5</b>	<b>18.5</b>

Source: Based on data from STS Market Research.

among men aged 25 to 44 (at 22%) and was lowest among those over 54 (12%). Male consumers under 25 cross-shopped less than the 25- to 44-year-olds, but more than men over 44. This pattern seems to

result from differences with age in men's loyalty to the two brand types. Among men who bought national-brand jeans, loyalty generally increased with age (from 72% among male teens to 86% among men over 44). But among men who bought private-label jeans, loyalty was highest among the youngest and oldest consumers (over 60% for those under 25 or over 64) and was lowest by far (44%) in the 25 to 34 age group. Nearly a third of all male consumers under 25 purchased only private-label jeans, but the figure dropped dramatically (to 16%) among 25- to 34-year-olds, while the percentage wearing only national-brand jeans jumped to 57%. The greatest brand-type loyalty seen in any age and gender group was that of men aged 45 to 54 who bought national-brand jeans — only 13.5% of these consumers also bought private-label jeans.

## Flammability Testing Update *(continued from page 1)*

and after dry cleaning followed by hand washing according to a specified procedure. They are given a class rating based on burning time and burning behavior in a 45-degree flammability chamber. Flat fabrics are rated Class 1 or Class 3, and raised-surface fabrics are rated Class 1, 2, or 3. It is illegal to sell Class 3 fabrics in the United States. Raised-surface and lightweight apparel generally are at higher risk for failing the standard. Research at Cotton Incorporated has identified an existing flame retardant for paper that can be used on 100% cotton raised-surface apparel to meet the GWA standard.

The GWA standard has been in existence for 50 years, and several aspects of the standard are under review, including the cleaning method and the regulations concerning fabrics exempted from testing. The standard will be updated over the next few years.

### Children's Sleepwear

Children's sleepwear and related articles of clothing must meet a much tougher vertical flammability standard (Title 16 CFR Part 1615 or 1616). However, some exemptions were defined by the CPSC in 1996

to allow noncomplying garments of certain sizes or dimensions to be sold as sleepwear. The exempted articles must meet the GWA standard in addition to meeting the specifications for the exemptions. Cotton children's sleepwear currently is sold in the United States as a flame-retarded product or under the exemptions for "tight-fitting" sleepwear.

### Upholstery

Currently, there are no mandatory federal flammability tests for upholstery, but there is a voluntary cigarette ignition test, the Upholstered Furniture Action Council (UFAC) Smolder Test. The CPSC has been working on a new federal flammability regulation for upholstery using a small-open-flame ignition test (to mimic ignition from sources such as lighters, candles, and matches). In October 2003, the CPSC decided to include a cigarette ignition test as part of the proposed new standard. An updated draft proposed standard is expected in fall of 2004.

California currently requires flammability testing of upholstery according to California Technical Bulletin (TB) 117, which requires



*Flammability test apparatus for general wearing apparel fabrics.*

open-flame testing of upholstery components and cigarette-ignition testing of certain components. The State is in the process of toughening the TB117 standard by requiring cigarette-ignition testing of more components and by adding open-flame testing of a seating mock-up. No deadline has been set for updating of the standard.

Based on U.S. mill consumption data, cotton fiber comprises approximately 58% of U.S. annual production of upholstery fabric. Because a wide variety of fabrics are produced for upholstered furniture, it is difficult to make blanket statements about flammability performance. Accordingly, Cotton Incorporated has been interested in measuring the flammability performance of cotton-containing upholstery fabrics and has participated in technical discussions with other industry groups on development of a test method. In conjunction with research on flame retardants for raised-surface apparel, some treatments have been tested with woven upholstery fabrics. Cotton Incorporated has evaluated treated cotton upholstery fabrics in a composite mock-up with a proposed small-open-flame test method, with some success.

### *Mattresses and Bedclothing*

California has introduced a new flammability regulation for open-flame ignition of mattresses, which will be enforced in January 2005. In addition, Cali-

## Current & Proposed Flammability Regulations & Standards

Product Category	Regulation or Standard
<b>Current Flammability Regulations</b>	
General Wearing Apparel	16 CFR 1610, ASTM* D1230
Children's Sleepwear	16 CFR 1615 & 1616, ASTM D6545
Upholstery (open flame and cigarette)	CA TB117
Mattresses & Mattress pads (cigarette)	16 CFR 1632
Mattresses (small open flame)	CA TB603
Carpets & Rugs (pill test)	16 CFR 1630 & 1631, ASTM D2859
<b>Proposed Flammability Regulations</b>	
Upholstery (cigarette)	CPSC
Upholstery (small open flame)	CPSC
Mattresses (small open flame)	CPSC
Bedclothing (small open flame)	CPSC, CA TB604
<b>Voluntary Flammability Standards</b>	
Upholstery (cigarette)	UFAC
Blankets	ASTM D4151

\*ASTM = American Society for Testing and Materials.

ifornia is working on a flammability regulation for filled bedclothing (such as comforters, pillows, and other filled products); however, the State is not authorized to regulate non-filled bedding, such as sheets. The CPSC also is working on a federal standard for open-flame ignition of mattresses and in mid July announced that it would also investigate flammability of bedclothing, which could include both filled and non-filled bedding products.

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*Textile Consumer*<sup>TM</sup> is published quarterly by Cotton Incorporated as a service to the textile and retailing industries.

