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Consumer Adoption of Fashion Subscription Retailing: The Moderating Effect of Experiment with Appearance

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Introduction: Subscription retailing, led by start-ups such as Dollar Shave Club, Blue Apron meal kits, and Stitch Fix personal styling, is a fast-growing innovative way of online shopping (Chen, Fenyo, Yang & Zhang, 2018). The subscription retailing market has grown by more than 100 percent a year over the last five years, with the largest such retailers generated more than \$2.6 billion in sales in 2016 compared to a mere \$57 million in 2011 (Chen et al., 2018). While subscription service model is gaining its popularity among fashion companies, it is still a relatively new concept in the fashion industry to deliver custom selected products to customers. Being a new and nontraditional retailing method in the fashion industry, subscription retailing may also bear a high level of perceived risks as well as value-deficits due to unfamiliarity in consumers' minds, which may deter consumers' from adopting this service to fulfil their fashion needs. However, limited research has been conducted to investigate consumer behaviors toward fashion subscription services.

Purpose of the Study: The main purpose of this study was to investigate consumers' adoption intention of fashion subscription retailing by using the Theory of Planned Behavior (TPB) (Ajzen, 1991). Specifically, this study aimed to investigate consumers' adoption intention of fashion subscription services from the following two aspects. First, the study aimed to examine the influence of attitude (ATT), perceived subjective norm (SN), and perceived behavior control (PBC) on consumers' adoption behavior. Per literature, two dimensions (i.e., perceived usefulness and perceived enjoyment) were used in this study to measure consumers' attitude toward fashion subscription retailing. Perceived usefulness (PU) captures a user's belief that using a particular system will enhance his or her job performance (Gangwal & Bansal, 2016). In the context of fashion subscription retailing, PU can be defined as the degree by which a customer believes that using fashion subscription retailing services will improve the effectiveness of shopping, in terms of convenience (PUcon), social benefits (PUsoc), economic benefits (PUeco) and style (PUsty). Perceived enjoyment (PE) refers to the fun individual perceived of using fashion subscription services. Secondly, this study aimed to investigate the influence of consumers' personality in their adoption behavior of fashion subscription services. In this study, a particular fashion related personality trait-experiment with appearance (EA) was examined. EA refers to a willingness to try something new and different for the pure existential enjoyment of the novel experience and without concern for the resultant effect (Gurel & Gurel, 1979). It was proposed that the influence of attitude, subjective norm, and perceived behavior control on consumers' adoption intention will vary among consumers with different degrees of EA.

Methodology: A survey of 300 participants was conducted to collect data for this study. A total of 256 complete questionnaires were received at the end of the data collection period. The sample was purchased from a large sampling company and the survey was distributed to the subjects via an online survey tool. The perceived usefulness, perceived enjoyment, subjective norm, and perceived behavior control were measured based on a qualitative study conducted by the authors or adopted from existing scales (e.g. perceived enjoyment). The EA scale was adopted from Gurel & Gurel (1979). Consumers' adoption intention was measured by using questions like "I am interested in visiting fashion subscription retailing service (FSRS) websites to learn more about their services" and "I am interested in using FSRS in the future".

Results: Reliability analysis for all multi-item measurements indicated good internal consistencies among the items for each latent variable. The Cronbach's Alphas were all above 0.7, except for two variables (just below 0.7). A multiple regression analysis ($F(7, 236) = 79.18$, $p < .001$; $R^2 = .693$) of consumers' adoption intention revealed that PUcon, PUeco, PE and SN had significant influence on adoption intention. To test the moderating effect of EA, the sample was divided into two groups based on the median value of EA (3.625), with one group identified as low EA group and the other one as high EA group. A multiple regression of the adoption intention was conducted for each of the two samples. For the low EA group, the regression model ($F(7, 117) = 41.71$, $p < .001$; $R^2 = .697$) suggested that PUcon, PUeco, and SN had significant influence on adoption intention. However, for the high EA group, the regression model ($F(7, 108) = 21.89$, $p < .001$; $R^2 = .560$) suggested another set of variables influencing consumers' adoption intention, including PUeco, PUsty, PE and PBC. That is, the influence of attitude, subjective norm and perceived behavior control on consumers' adoption intention varied between the two groups of consumers with different degrees of EA.

Conclusion: In summary, there are several findings from the study. First, as suggested by the TPB model, consumers' intention to adopt fashion subscription retailing was significantly influenced by their perceived usefulness, including convenience and economic benefit, perceived enjoyment, and subjective norm. Secondly, consumers' experiment with appearance exerted a moderating effect on consumers' adoption intention of fashion subscription retailing. For individuals with high degree of experiment with appearance, perceived economic value, perceived style-related benefits, perceived enjoyment as well as perceived behavior control significantly affected their adoption intention. On the contrary, for individuals with low degree of experiment with appearance, their adoption intention was mainly affected by their perceived convenience, perceived economic value, and subjective norm.

Implications and Future Research: The results from this study can provide great implications to the industry in their target marketing as well as market segmentation. Future studies could focus on other personality traits and demographic variables to better understand consumers' adoption intention toward fashion subscription retailing service.

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