

Consumers' Perceptions towards Subscription Retail: A Focus on Online Fashion Box Services

Background/Significance: The subscription service business has seen an unprecedented accelerated growth and consumer buzz in the apparel industry. This business model, supported by technology and digital business, offers consumers a new shopping experience by timed deliveries of “boxes” of product selections. As the digital disruptions highlight new consumer demands and needs for shopping, the marketplace seeks for research that brings into perspective how new business models that leverage technology such as subscription services satisfy consumers shopping motivations. Although previous studies offer partial evidence of linear relationships between consumer characteristics and subscription shopping behavior (e.g., Woo & Ramkumar, 2018), no study offers a comprehensive critical review of online subscription services for the fashion shopper. Arnolds and Reynolds' (2003) six-dimensional model of hedonic shopping motivations served as the conceptual framework for the study. Studies addressing the utilitarian aspects of shopping like convenience, variety, and value also served to guide the study (Rohm & Swaminathan, 2004; Kahn, Weingarten, & Townsend, 2013).

Research Question: Given the limited research on this topic, a qualitative inquiry into consumer motivations for using subscription services was conducted with the goal of offering insight into contributors of future growth. The research question addressed was: What are the shopping motivations of the consumers enrolled with fashion-related subscription services?

Research Methodology: An in-depth semi-structured interview method helped the researcher to take into context the subscribers' profile, the characteristics of the subscribers in terms of their shopping behavior and their patterns of shopping. A holistic account of active consumers was used to extract the various motivations that led the consumers to enroll with subscription services. 14 participants (active subscribers) were recruited from subscription companies' Facebook pages. The interview guide consisted of open-ended questions and probes to encourage clarification and elaboration. Interviews were audiotaped and transcribed to analyze the findings. Majority of participants were female (n=13), 45 years (mean), received advance degrees (Masters), mostly professionals and resided across 11 states in the US. Participants subscribed to various subscription services that offer clothing, accessories, beauty or grooming products (e.g., Stitch Fix, Zoe Report, Birchbox).

Results: Findings showed that the benefits received from the subscriptions relate to both utilitarian (convenience and actual value shopping) and hedonic (adventure, gratification, social, perceived value, style experimentation, and wardrobe compatibility) shopping motivations. Further, the harmonious interaction between the stylist and the shopper was important as emphasized by the participants. Although most of the subscribers profiled themselves as conservative shoppers, the stylists' encouragement helped them to be flexible and experimental with their style at times.

Discussion: This study presented an in-depth understanding of the social phenomena of fashion subscription services based on the direct experiences of consumers. However, the limitation was small sample size skewed to women. A collaboration with the subscription businesses would help conduct a quantitative inquiry using their subscribers list. Particularly, I am keen to collaborate with the researchers who have recently published works on this topic to include a broader perspective into studying the relationships between the motivational constructs derived from the study and the influence of the value propositions highlighted by these subscription companies.

References

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