

I Feel Like It's Mine: The Role of Psychological Ownership in Connecting the Perceived Value of Sharing to Sustainable Fashion Service Adoption

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Background and Significance – Business models grounded in ‘usage rather than ownership’ argue that they shift consumption from the underutilization of short-lived material goods toward the long-term, affordable, and efficient use of assets (Schaefer et al., 2018; Schoonover et al., 2022; Srinivasan et al., 2018). Such models have been given various names (e.g., access-based service, commercial sharing system, collaborative consumption, market-mediated service) across industries like technologies, furnishings, and automobiles. Fashion, which is notorious for being among the most polluting industries, is responsible for excessive production and consumption that entails increased waste and resource depletion, necessitating a reevaluation of current business practices and their transformation through the adoption of a more sustainable approach. The new *fashion subscription service* (FSS) phenomenon has the potential to offer a sustainable business model. Unlike customer-to-customer or peer-to-peer rental platforms that enable consumers to rent their clothing to other individuals, the present study focuses on a business-to-consumer (B2C) model—a retailer offers a fee-based service, in which consumers receive and wear fashion items before returning them for another set rather than purchasing new items to permanently own. Several leading fashion retailers, like Polo Ralph Lauren (service name: The Lauren Look), Banana Republic (Style Passport), and Express (Express Style), have recently launched and committed to promoting such services (Meyersohn, 2019); the FSS market is expected to grow to US\$7.5 billion in revenue by 2025 (Smith, 2022). It is important to pay attention to such B2C models because they are initiated by established fashion retailers with enough power to help pivot the entire industry to become more responsible while ensuring its long-term financial health (Langley & Rieple, 2021). Despite the potential positive impacts of FSSs, market penetration has been slow due to consumer perceptions of access-based services as complex, visually unappealing (i.e. used), and unreliable in terms of supply (Hazée et al., 2017). Fashion is inherently material, with newness being among its most important values, especially with consumer concerns about hygiene and low connectedness with the rented items (Kang & Johnson, 2021; Lang, 2018; Roux & Korchia, 2006), which may add another obstacle to adopting the subscription concept in fashion when compared with other products like cars and furnishings.

Research Rationale, Questions, and Purposes – In theory, FSS has the potential to reduce environmental impact by extending the lifespan of fashion products and reducing new purchases, thus decreasing the amount of clothing production and waste generation and lowering fashion’s

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environmental impact (Levänen et al., 2021). However, that theory needs to be tested empirically, which leads to the first research question: *Does FSS adoption actually contribute to sustainable consumption?* What if it is just another marketing strategy used by fashion retailers to encourage *more* excessive consumption? This critical question must be answered *before* the line of research on consumer behavior toward FSSs can advance. If empirical evidence does indicate that the FSS approach can inspire consumers to engage in more sustainable fashion consumption, it is worth promoting its adoption by more consumers, which strengthens the rationale for scholars to provide retailers with more in-depth insights into consumer behavior so that those retailers can better communicate with consumers about the FSS approach. If FSS can genuinely contribute to sustainable consumption, the second research question can be asked: *How can we increase consumer adoption of FSS?* A recent study (Kang & Johnson, 2021) found that *ownership risk*—the extent to which consumers are concerned that fashion items sent through a subscription service do not feel like their own items—strongly influenced consumers’ hesitations to adopt such a service, while Fritze et al. (2020) found that *psychological ownership*—a cognitive-affective state in which individuals feel as though something is perceived as “theirs”—has the potential to reduce material consumption in the music streaming service context. Inspired by the above questions, the present study has two major purposes: (a) to examine whether consumers who already use an FSS are more inclined to engage in *actual* sustainable consumption behavior (Study 1), and (b) to develop an FSS adoption model grounded in perceived value theory (Sweeney & Soutar, 2001) with an emphasis on the role of psychological ownership (Study 2).

Study 1: Does FSS adoption lead to more sustainable fashion consumption? Study 1 was designed to examine whether consumers who have already adopted an FSS are more likely to engage in *actual* sustainable fashion consumption behavior. Sustainable fashion consumption was measured using three behavioral indicators connected with efforts to reduce wastes and increase the longevity of a given fashion item and thus mitigate environmental harm (Domina & Koch, 1999). The final sample (i.e., those deemed to have valid responses) of 392 adults in the U.S. was recruited through Amazon’s Mechanical Turk; approximately 27% had adopted FSS, so they were divided into FSS ($n = 106$) and non-FSS groups ($n = 286$). ANOVA results confirmed that sustainable fashion consumption levels were significantly higher among the FSS group than the non-FSS group ($F = 15.35, p < .01$), which suggests that consumers who have adopted FSS are more likely to engage in actual sustainable fashion consumption behavior.

Study 2: How to foster FSS adoption? For Study 2, the conceptual model specifies the relationships among (1) three exogenous variables related to perceived value of sharing (functional [choice variety], emotional [pure enjoyment], and social [sense of connectedness]), (2) the perceived value of the service (psychological ownership [first mediator], expected material consumption reduction [second mediator], and substitutive value [third mediator]), and (3) FSS adoption intention (the ultimate endogenous variable). All variables were measured using established scales. For model testing, data were collected from a nationwide sample of

adults ($n = 525$) in the U. S. purchased from Qualtrics. The respondents were first asked about their beliefs in sharing; they were then introduced to a brand recently launching a new FSS, advised how the service works and of the monthly subscription fees (validity was confirmed in Study 1), and asked questions about their perceptions of and behavioral intentions toward the service. Latent variable modeling was conducted once the validity and reliability of all multi-item measures were confirmed. With a good model fit (CFI = .99; TLI = .98; RMSEA = .07), the key findings are as follows: sense of connectedness most strongly affects psychological ownership, followed by choice variety, while pure enjoyment negatively affects psychological ownership. Decomposition testing through the bootstrapping method confirmed psychological ownership as a significant mediator that links perceived value of sharing to expected material consumption reduction and substitutive value, and in turn, FSS adoption intention.

Contributions – Although some recent studies have explored the benefits of and barriers to FSSs (Hazée et al., 2017; Piontek et al., 2020), the fundamental question of whether this new service model can truly contribute to sustainable consumption had not been answered. The results of Study 1 provide evidence that consumers who use an FSS are more likely to engage in sustainable fashion consumption; thus, FSS adoption is worth encouraging. Study 2 then dove into the mechanisms underlying the service adoption process. Its novel approach sheds light on psychological ownership as a critical mediator that connects what consumers believe can be gained from sharing to what they expect to gain from the service (relative to owning new items permanently) and thus to their likelihood to adopt such a service. The results add rigor to perceived value theory by incorporating psychological ownership as an integral part of the value-assigning process. For consumers to be satisfied with their sense of ownership without actually possessing fashion items, retailers should focus on specific FSS values, particularly sense of belonging and a wide range of choices, that eventually lead to stronger adoption intentions.

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