

## Modelling Consumers' Attitude and Intention to use Fashion and Beauty Subscription-Based Online Services (SOS): A TRA Approach

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**Rationale and Purpose:** A subscription-based online service (SOS) refers to an e-business that provides periodic delivery of a customized box of merchandise directly to the consumer's home for a weekly/monthly fee. By offering consumers a new way to acquire products, fashion and beauty SOS, such as StitchFix and BirchBox, are today serving over a million subscribers. Though the SOS industry has grown rapidly generating \$5 billion in revenue in 2014 (Pike, 2016), virtually no research exists to explore the factors influencing consumers' intention to use SOS. Specifically, this rise in innovative and timesaving methods of shopping may indicate an evolution in fashion and beauty consumption, thereby warranting early attempts to empirically understand this phenomenon. To this end, this study aims at predicting consumers' attitude and intention to use SOS by applying Theory of Reasoned Action (TRA) (Ajzen & Fishbein, 1980).

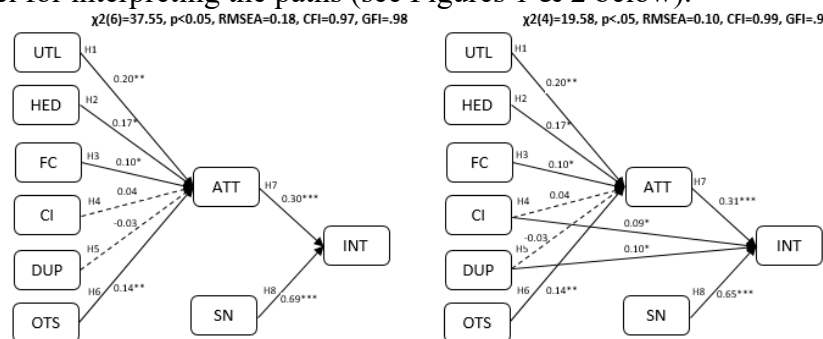
**Research Framework & Hypotheses:** Consumers who are motivated to gain *utilitarian* benefits, such as convenience, and *hedonic* benefits, such as value, tend to choose shopping modes that help achieve such goals (To, Liao, & Lin, 2007). The primary mode of "shopping" in fashion/beauty SOS involves the consumer creating an online profile indicating their likes and dislikes in terms of fashion choices, based on which a stylist/curator selects and mails a customized box of merchandise to their doorstep every month. In doing so, the SOS adds value to the consumer at a high level of convenience, thereby generating utilitarian and hedonic benefits, which can significantly increase the consumer's attitude towards that service (Childers et al., 2001). Therefore, **H1: Utilitarian and H2: hedonic motivations positively influence attitude toward fashion/beauty SOS.**

The recent increase in demand for fashion and beauty SOS may be because such services introduce customers to new trends, acting as a personal beauty/style assistant. Therefore, consumers who are *fashion conscious* may use SOS as a way to keep up with trends. In addition, consumers who are willing to take the risk of letting another person decide their wardrobe and/or beauty products are likely to be *innovative* in nature (Le Louarn, 1997). Thus, hypotheses were developed as, **H3: Fashion consciousness and H4: consumer innovativeness positively influence attitude toward fashion/beauty SOS.**

One of the key factors that may predict consumers' attitude toward SOS is their desire to possess goods and experiences that only few others possess. A fashion or beauty SOS can fulfil such a *desire for unique products* by offering custom-made products that are different and unusual, while suiting the taste of individual customer. In addition, consumers who have high *online transaction self-efficacy* are more likely to form favorable attitudes toward the SOS (Kim & Kim, 2005). Thus, it is hypothesized that **H5: Desire for unique products and H6: online transaction self-efficacy positively influence attitude toward fashion/beauty SOS.** Finally,

consistent with TRA, this study predicts that, **H7: Attitude toward and H8: subjective norm related to fashion/beauty SOS positively influence intention to use fashion/beauty SOS.**

**Methods & Findings:** Upon IRB approval, 385 usable data were collected using an MTurk online survey. Each respondent received \$.60 as incentive. The survey captured respondents' utilitarian (UTL) and hedonic (HED) motivations, fashion consciousness (FC), consumer innovativeness (CI), desire for unique products (DUP), online transaction self-efficacy (OTS), attitude (ATT), subjective norm (SN) and intention (INT) to use SOS using Likert-type scale items from the literature. The respondents were aged 18-66 ( $\mu=33$ ) with 60% female. Upon performing confirmatory factor analysis (CFA) and reliability tests ( $\alpha=.78-.88$ ), the theoretical model was tested using structural equation modelling (SEM) on LISREL adopting Maximum Likelihood (ML) estimation. The resulting model had a marginal fit [ $\chi^2(6)=37.55, p<0.05, RMSEA=0.12, CFI=0.98, GFI=.98$ ]. However, the modification indices indicated a direct path from CI and DUP to INT. A revised model was specified adding these paths, which resulted in a model that had a better fit [ $\chi^2(4)=19.58, p<.05, RMSEA=0.10, CFI=0.99, GFI=.99$ ], and a chi-square difference test confirmed the same [ $\chi^2_{diff}(2)=17.97, p<0.001$ ], thereby prompting to use the revised model for interpreting the paths (see Figures 1 & 2 below).



**Discussion & Implication:** This study found that, consumers who seek utilitarian and hedonic benefits, and are fashion conscious, with online transaction self-efficacy, will have positive attitudes towards fashion and beauty SOS, which leads to purchase intention (H1, 2, 3, 6, 7 & 8 supported). Additionally, instead of being mediated by attitude, consumer innovativeness and desire for unique products directly influenced intention to use fashion and beauty SOS (H4 & 5 not supported), which has support in literature (Coward, Fox & Wilson, 2008; Guo et al., 2006). This study contributes to early theoretical explorations in the context of SOS, specifically in the fashion and beauty arena. Fashion/beauty SOSs can streamline their promotional efforts towards fashion conscious and innovative consumers who can perform online transactions, and seek utilitarian and hedonic benefits.

**Key References:** (Full Reference List Available Upon Request)

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