What are the Barriers to Young Millennials' Consumption of Sustainable Apparel? A Cross-Cultural Analysis of Perceived Risks of Sustainable Apparel

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Introduction

The size of the sustainable apparel market has been rapidly increasing which indicates consumers are concerned about sustainability (Goworek, 2018). In today's retail environment, it is essential to understand millennial consumer behavior as research indicates that millennials seek products that are sustainable, ethical, artisanal, repairable and long lasting (Euromonitor International, 2016). In the US, there were about 92.97 million millennials (age 17–37) in 2017, constituting about 28.7 per cent of the total US population (US Census Bureau, 2017). In China, the population count in millennial generation was about 434.1 million, constituting about 31.6 per cent of China's total population (US Census Bureau, 2017). Millennials in both the US and China represent powerful emerging consumers for the apparel industry's sustainability initiatives (Nielsen, 2016). Recent literature shows that despite embracing the values of sustainable consumerism, consumers rarely show their beliefs at the check-out counter (Park & Lin, 2018). Understanding what consumers are afraid of when purchasing sustainable apparel helps bridge the gap. Given the limited research on consumer perceived risks of sustainable apparel from a cross-cultural perspective, this study aims to fill the gap by examining young millennials' perceived risks of sustainable apparel in the US and China. As millennials in the US and China grow up in two different cultures, comparing their behaviors provides valuable insights into understanding young consumers' sustainable consumption behavior.

Literature Review

Fishbein's attitude theory (Fishbein, 1963) offers theoretical support for the study. According to Fishbein's attitude theory, a person's attitude is a function of his or her salient beliefs at a given time, and salient beliefs are those activated from memory and considered by the person in a given situation (Fishbein, 1963). Apparel sustainability knowledge and perceived risks are consumer beliefs. Literature supports the assertion that knowledge is frequently a prerequisite to engaging in pro-environmental behaviors and that a lack of knowledge is a constraint (Connell, 2010). Moreover, perceived risk, which is the nature and level of uncertainty that a consumer feels when making a particular decision, is a critical factor that must be considered within the context of apparel consumption (Kang & Kim, 2013). Drawing on the theoretical work of Fishbein's attitude theory, perceived risk perspective (Kang & Kim, 2013) and apparel sustainability perspective (Dickson, 2010), the proposed model investigates how young millennials' apparel sustainability knowledge and their perceived risks toward

consumption of sustainable apparel impact their attitude towards sustainable apparel consumption. Figure 1 illustrates the conceptual model and the six proposed hypotheses.

Research Method

A survey instrument in the form of a structured questionnaire was designed based on a careful review of pertinent literature. Empirically tested and established measures of consumer's sustainability knowledge (6 items), perceived financial risk (3 items), performance risk (3 items), psychological risk (3 items), social risk (3 items), and fashion risk (3 items) were obtained from literature (Dickson, 2000; Kang & Kim, 2013; Park & Kim, 2016). A five-point Likert-type scale was used (1 = strongly disagree to 5 = strongly agree). Consumer attitude was assessed using four items on a 5-point semantic differential scale adapted from Ma and Lee (2012) and Chan (2001). Data were collected from a southeastern US university and a southeastern Chinese university. A paper questionnaire was distributed to students in randomly selected classes at each university. A total of 621 responses were collected in the US and 596 responses are valid for this study with 44% of male participants (n=263) and 56% female participants (n=333). A total of 430 responses were collected in China and 390 responses are valid for this study with 53% of the male participants (n=205) and 47% females (n=185) participants.

Results and Implications

Using the AMOS 25 software, a confirmatory factor analysis (CFA) was used to examine the model fit and structural equation modeling (SEM) was used to test the structural relationships. For both the US and Chinese samples, an acceptable fit was achieved for the measurement model. Results of the structural equation model are presented in the figures below.

Our results support that consumers' sustainability knowledge has a positive impact on consumer attitude towards sustainable apparel products in both the US and Chinese sample. For both samples, social risk has no significant effect on young consumers' attitude towards sustainable apparel products. Both perceived financial risk and fashion risk were found to have a significant negative effect on American young consumers' attitude towards sustainable apparel. However, the results reveal that both factors have a negative but not significant effect on Chinese young consumers' attitude. As these two risks are two major barriers negatively influencing American young consumers' attitude, sustainable apparel firms need to not only develop trendy, fashion-oriented and sustainable products to attract these young consumers, but also be innovative to develop technologies or practices to reduce the cost of sustainable products.

Interestingly, both perceived performance risk and psychological risk were found to have a significant negative effect on Chinese young consumers' attitude towards sustainable apparel products. However, the results from the US sample didn't confirm the same findings. The results suggest that perceived quality risk and psychological risk are the two greatest barriers keeping Chinese consumers from purchasing sustainable apparel products. Marketers need to not only develop high-quality products, but also persuade young Chinese consumers that purchasing sustainable clothes will enhance their personal images in addition to the fashion and style of their clothing. Our research provides valuable insights into how to promote sustainable apparel products in different markets. The study concludes with limitations and future research agenda.

Figure 1: SEM Results for the U.S. Sample

Figure 2: SEM Results for the Chinese Sample

Note: - - -> No effect, —> Significant effect; * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

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