Consumer shopping value in using curated fashion subscription: The case of Stitchfix.com

Rakibi Hasan, Chuanlan Liu, Louisiana State University

Keywords: curated shopping, fashion subscription, shopping value, Stitchfix.com

Research Rationale and Objectives. Subscription service market share has reached 15% of e-commerce shoppers. Moreover, the majority of these shoppers are using curated subscription services that provide personalized products including food, beauty, and apparel (Chen, Fenyo, Yang, & Zhang, 2018). Consumers’ changing demand may drive this business model to thrive (Rudolph, Bischof, Böttger, & Weiler, 2017); in particular, the fashion consumers’ demand is changing rapidly, where inspirational and fun shopping experiences become a part of the consumption in addition to convenience (Randall, Lewis, & Davis, 2016). A curated fashion subscription service provides convenience to consumers by bringing the trial room experience to the door (Bischof, Böttger, & Rudolph, 2017). However, consumers also have to give up part of their decision-making autonomy. Unless consumers obtain more shopping value from using curated shopping subscription than the tradeoff they have to make, they may stop the subscription at any time. From the perspective of consumers, it is critical to understand if shopping value obtained from curated shopping is good enough for them to choose outsourcing part of their decision making.

Curated retailing provides a customized shopping experience with personalized consultancy services that curate fashion product selection based on the customer’s preferences (Sebald & Jacob, 2018). Consumer behavior scholars have long been exploring consumer shopping value for different retailing formats and consistently identified two dimensions of shopping values, hedonic and utilitarian value (Babin, Darden, & Griffin, 1994). Shopping values influence consumers’ purchase decisions, satisfaction, and loyalty (Corfman, Lehmann, & Narayanan, 1991). The key factor for curated retailing to develop and grow is to attract and retain a large enough number of loyal customers. Therefore, curated retailers must understand what shopping value customers are expecting to obtain, so that they can better deliver curated service and products to meet and exceed customers’ expectations to gain more loyal customers.

Curated retailing is still in its early development stage, and current users may still be considered as innovators or early adopters. According to the innovation diffusion theory (Rogers, 2010), innovators and early adopters play an important role in the diffusion process of an innovation (i.e., curated surprise subscription). In the context of fashion consumption, innovator and early adopters are those individuals who have high innovativeness and opinion leadership (Phau & Lo, 2004). These individuals tend to share their opinions and exert a disproportionate amount of influence on other individuals’ adoption decisions (Summers, 1970). To this end, the current research intends to understand shopping value obtained from using curated fashion subscription through examining early adopters and opinion leaders’ curated shopping experiences. Specifically, we focus on exploring both hedonic and functional shopping value and...
examining which dominating values drive individuals to choose to outsource a significant part of their decision-making process.

**Research Methods.** StitchFix.com was selected as a representative case for the empirical study. In this study, Stitch fix customers who shared their unboxing experiences were considered as early innovators or opinion leaders. They provided reviews while opening a received Stitch Fix box, so they were also considered as reviewers. This pilot study selected 20 stitch fix unboxing videos from YouTube based on the number of views, the recency of video posted, and gender of unboxing reviewers. This convenience sample includes 15 females and 5 males reviewers. Half of the selected YouTube Stitchfix reviewers had subscribed to stitch fix for three months to three years. The other half claimed that they shared the unboxing experience of their first received surprise box. Videos transcripts were created and input into Nvivo sources. All the video transcripts were manually coded through searching comments regarding the curated fashion service and reviewers’ experiences. Comments should contain certain keywords (i.e., exciting, fun, great, cool, etc.) or themes that indicate the underlying value, mainly about how their different needs and wants or any expectations are met from using this curated service. Our coding processes focused on finding insights based on broader value perspectives beyond motivational antecedents. To categorize all the notes, the well-established List of Value (LOV) proposed by Kahle, Beatty, and Homer (1986) was applied. A few of the other value themes which might affect consumer decisions were included based on the literature review, which includes the need for uniqueness, fashion consciousness, shopping convenience, privacy, and budget.

**Findings and Results.** A total of 67 hedonic value note references were coded and grouped into seven dimensions. Excitement (28%), sense of uniqueness (27%), and fun & enjoyment in life (21%) were the top three dimensions of hedonic values shared by those reviewers. Excitement value allows an individual to experience stimulation and thrill of adventure while shopping. For instance, one reviewer stated, “I’m pretty excited to see what's in here. I've seen some videos on YouTube for these boxes and I've always wanted to try.” To express fun and enjoyment, one reviewer stated, “I just personally enjoy stitch fix. I know a lot of people are like ‘where do you get that?’ And I'm like I just think it's fun, I don't know, I think it's fun.” The finding is consistent with previous research results. For instance, Goldsmith and Hofacker (1991) found that opinion leadership and innovativeness in fashion were related to the values of excitement, enjoyment, and fun. Lafferty et al. (2003) found that fashion innovators place more emphasis on the values of excitement, fun/enjoyment in life, self-respect, and being well- respected than less innovative consumers do. Consumers’ desire for unique products was frequently mentioned by unboxing reviewers, such as, “...buying classic pieces and finding stuff you feel good in, it's so important and I like that these pieces are unique. Not everyone can go out and get them, which I kind of like.” Previous research also found that desire for uniqueness is associated with fashion innovativeness (e.g., Kang & Park-Poaps, 2010).

In total, 42 utilitarian value note references were coded and grouped into three dimensions. Having a personal styling service was the most frequently mentioned utilitarian value (62%). A reviewer said “I don't know how to pick out cute things. So, the fact that I know that they are going to send me things that look super cute and told me together is amazing. So,
I'm paying for styling.” Individuals who valued such a personalized service simultaneously valued shopping convenience, which allowed them to have hassle-free, easy, and convenient ways to shop for what they want (24%). A reviewer stated, “... you don't feel like traps. I don't feel like sending it back. They make it easy.” Curated retailing makes product searching, trial, purchase, and return very much easier. It also brings the in-store trial room into consumers’ homes. Also, staying with a planned budget is another utilitarian value (14%).

Overall, leading hedonic values obtained from using curated fashion subscription service include excitement, unique products, fun, and enjoyment in life. Also, consumers use curated fashion subscription because of the utilitarian value of having personal styling services and shopping convenience. Both hedonic and utilitarian values obtained from using curated fashion subscription service make consumers willing to give up part of their decision-making autonomy. The findings might help the emerging curated fashion marketers to attract and retain customers via providing more hedonic shopping value.

Reference:
Kahle, L. R., Beatty, S. E., & Homer, P. (1986). Alternative measurement approaches to consumer values: the list of values (LOV) and values and life style (VALS). *Journal of consumer research, 13*(3), 405-409.