



New Trends in the Apparel Industry

Exploring new access-based consumption models in the Mexican Market

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Agenda

1. Introduction
2. Conceptual Framework
3. Methodology
4. Main Findings
5. Conclusion and Limitations
6. Future Research

Introduction

Building on access-based consumption and sharing economy literature, this research explores new trends of apparel consumption among Mexican women.

A new consumption trend is gaining strength worldwide:

“People is opting for access-based consumption rather than ownership consumption”.



Developing countries are having a boom on access-based consumption.

Video






The Project's Scope

It covers the analysis of drivers, barriers and trends to access clothes and accessories, considering both, the consumer perspective and the entrepreneur perspective (owners of apparel access-based companies).


For this paper, the focus was to present the different types of patterns to access clothes (specifically night dresses) and accessories (e.g. jewelry, bags) that were identified in this exploratory study.

Conceptual Framework

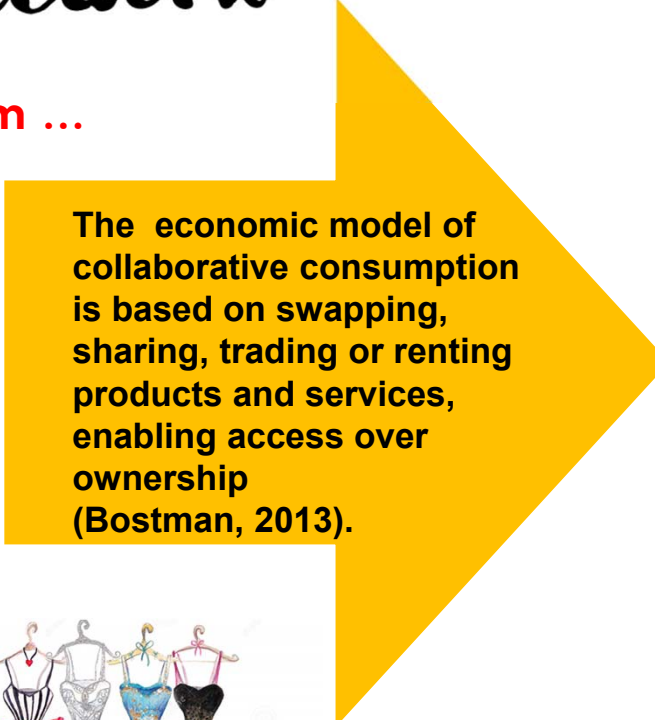
The sharing economy is a complex ecosystem ...



Sharing transactions may differ in relation whether a transfer of ownership occurs.



The sharing economy could include transactions where no transfer of ownership happens, for example, in renting a dress



The economic model of collaborative consumption is based on swapping, sharing, trading or renting products and services, enabling access over ownership (Bostman, 2013).



Conceptual Framework

Access-based consumption is part of a growing interest in collaborative consumption schemes starting with the seminal work of Botsman & Rogers (2010).

However, despite a vast literature, there are still gaps in our understanding of these kinds of consumption models.

2 key issues

- no general agreement about calling and defining them (Perren and Kozinets, 2018)
- a narrow and conservative perspective in studying them (Eckhardt *et al.*, 2019).

Definition:

"A scalable socioeconomic system that employs technology enabled platforms to provide users with temporary access to tangible and intangible resources that may be crowdsourced" Eckhardt *et al.*, 2019, page 7

Access-based consumption in the fashion industry

- It is reflected through rental platforms such as *Rent the Runway* and *Le Tote*.
- Apparel brands, like *Urban Outfitters*, are creating their own renting platforms.

Methodology



Qualitative approach

The case study methodology allows the study of complex phenomena within their local contexts (Baxter & Jack, 2008).

The process analyzed multiple cases to explore differences within and between cases (Yin, 2003).

12 in-depth interviews

3 major cities of Mexico:

- Mexico City
- Monterrey
- Guadalajara.

Sample: Only Women

- 1) Women tend to have stronger interest in clothing/fashion to emphasize their attractiveness (Singh, 1993)
- 2) the literature indicated gender differences in the motivations associated with possessions (Wallendorf & Arnould 1988).

Methodology

Participants Profile



Interviewees	Age	Marital Status	Education Level
<i>Daniela</i>	38	Married	Master/MBA
<i>Sheila</i>	34	Married	Bachelor
<i>Ana</i>	32	Single	Bachelor
<i>Sara</i>	28	Single	Master/MBA
<i>Mariana</i>	31	Single	Master/MBA
<i>Sophia</i>	31	Single	Master/MBA
<i>Katia</i>	22	<u>Single</u>	<u>Bachelor</u>
<i>Fernanda</i>	22	<u>Single</u>	<u>Bachelor</u>
<i>Sara O.</i>	54	<u>Married</u>	<u>Bachelor</u>
<i>Diana</i>	35	<u>Married</u>	<u>Master/MBA</u>
<i>Mayela</i>	27	<u>Single</u>	<u>Master/MBA</u>
<i>Andrea</i>	35	<u>Married</u>	<u>Master/MBA</u>

Main Findings

Lending

Purchase on
Physical Stores

Renting from a
Physical Store

The analysis found
different ways to access apparel
with specific drivers and behaviors

Online
Purchase

Renting from
a Website

Shared
Purchase

Main Findings

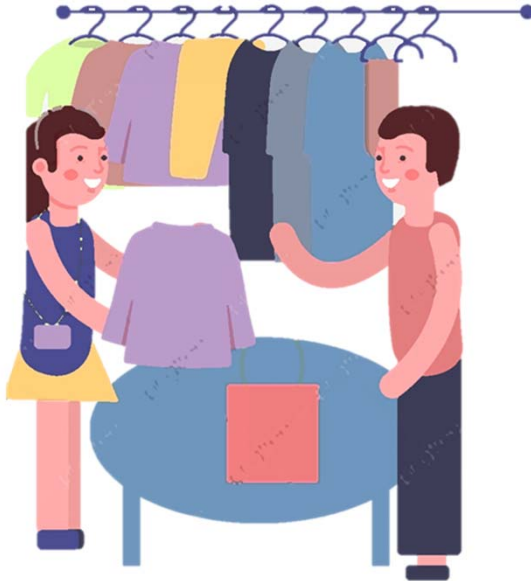
Lending

- Most participants mentioned that when they were younger and with lower economic resources, they tend to lend clothes and accessories from family and friends.
- The reason for lending was that they did not want to repeat their clothes in social events.
- For older and married participants, lending behavior decrease with age and it is limited to lend special party dresses or clothes to use during pregnancy.



Main Findings

Renting from a Physical Store



- Participants rent on physical renting stores for practical reasons and also, due to the social influence of their friends, who are also renting, therefore, they follow the trend.

Main Findings

Renting from a Website

- The only type of product that participants rent online are night dresses.
- Experiences of renting online are mixed, some positive other negatives:

Two participants rented a night dress in the same online store, “Conspiración Moda”.

Participant 1: *she tried to rent online just to explore, for this reason, she rent a dress for an unimportant event, having a dress as a backup, just in case it did not work. Two dresses arrived and the two of them fit her, so she was happy!*

Participant 2: *For her it did not work at all, Although she also received two dresses, none of them fit her, she was disappointed!*



Main Findings

Shared Purchase

- In the Mexican context, this practice seems to be done only for casual clothes and luxury products.
- Some young participants are more prone to do a shared purchase with family and friends, as it helps to extend their wardrobe.
- For most participants, this is not an attractive practice.
- Some participants will be willing to do a shared purchase to have access to a luxury product, investing just a part of its full price, but they will only do that with trusted persons or family members.
- At the end, participants prefer to save money to acquire a luxury product rather than sharing it with other parties.



Main Findings

Online Purchase

- All participants mentioned that they only buy casual clothes online.
- They found online purchase practical as they receive merchandises at home.
- Participants tend to buy in an online store that they already know and purchase brands that they have already experienced and known their sizes.
- Only two of the participants have had bad experiences, especially related to size issues and money returns.



Purchase on Physical Stores

- Participants buy casual clothes, night dresses, jewelry, accessories, bags, shoes, and luxury products, in their favorite stores.
- Most participants expressed that regarding night dresses, they are more and more renting than buying them.



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Conclusion & Limitations

- This research underlines different types of behaviors to access clothes (specifically night dresses) and accessories:
 - a) Lending**
 - b) Renting from a physical store,**
 - c) Renting from an online website,**
 - d) Shared Purchase,**
 - e) Online Purchase and f) Purchase on a physical store.**
- This diversity of access-based consumption models in a developing market like the Mexican market opens new venues for deeper research, thus, it is worthy to assess this slow but persistent trend that is reshaping business and consumption markets, and the way Covid-19 could impact this type of businesses.
- The sample size could be enlarged and explore potential differences among cities, segments of women and product categories.





Future Research

- The sample size could be enlarged and explore potential differences among cities, other segments of women, men and also other product categories.
- In order to better understand this phenomenon in developing countries it is necessary to deeper the analysis on consumers' access-based consumption patterns and assess the way these new business models will evolve, especially during and after the pandemic.
- Compare differences between a developed country and a developing country.



Thank you so much!

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