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## **New Trends in the Apparel Industry**

### *Exploring new access-based consumption models in the Mexican Market*

#### **Abstract**

Building on the access-based consumption and sharing economy literature , this research explores new trends of apparel consumption among Mexican women. The methodology is based on a qualitative approach based on 12 in-depth interviews. The field research took place in the three main cities of Mexico: Mexico City, Monterrey and Guadalajara. The analysis found different ways to access apparel: 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. Therefore, participants mentioned more alternatives for access-based consumption than for traditional purchase models. The possession of things (ownership model), specially status possessions as clothes and accessories, is far from disappearing. However, it is important to better understand the scope and impact of the access-based consumption model in developing countries.

**Key words:** Access-based consumption, Apparel, Trends, Developing countries.

## **New Trends in the Apparel Industry**

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#### **Introduction**

A new consumption trend is gaining strength in the market worldwide: people is opting for access rather than ownership. For many consumers, access-based consumption of products and services is becoming more important than its ownership. This market trend could be found in many industries and markets. It includes business models like Uber and Airbnb, offering users the access to transport or hospitality services and fading the need of buying a car or owned a house.

Indeed, the sharing economy has changed many of the paradigms of consumption. The apparel industry has followed this trend and for many women renting a dress or an accessory for a specific occasion rather than buy a new one is just the new black. Although this market trend is more prominent in developed countries like USA and China (Lang et al., 2019), developing countries, like Mexico, are having now its own boom on access-based consumption. To our knowledge, few researches have studied this new consumption phenomenon in an emerging market such as Mexico. This research attempts to fulfill this gap. Also, access-based consumption is a new growing research that deserves more attention as academics and managers are showing increased interest (Burgiel and Zralek, 2019).

#### **2. 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 were no transfer of ownership happen, for example, in renting, an accessed-based consumption. The economic model of collaborative consumption is based on swapping, sharing, trading or renting products and services, enabling access over ownership (Bostman, 2013).

#### ***Access-based Consumption***

This type of consumption is part of a growing interest in collaborative consumption schemes starting with the seminal work of Botsman and Rogers (2010). Despite a vast literature, there are still gaps in our understanding of these kinds of consumption models. In one side, there is no general agreement about calling and defining them (Perren and Kozinets, 2018) and, in the other side, there is a narrow and conservative perspective in studying them (Eckhardt *et al.*, 2019). Based on this literature, we defined access-based consumption as: “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, p. 7). Access is defined as the opposite of possession, implying there is no transfer of ownership that takes place (Bardhi & Eckhardt, 2012; Chen, 2009; Eckhardt *et al.*, 2019). In the fashion industry, access-based consumption is reflected through rental platforms such as *Rent the Runway* and *Le Tote*. Apparel brands, like Urban Outfitters, are also creating their own renting platforms.

## Methodology

A qualitative approach using in-depth interviews was used. The qualitative 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).

For this study 12 in-depth interviews were conducted in the three major cities of Mexico: Mexico City, Monterrey and Guadalajara. Most interviews were done online via zoom or skype platforms, and in some specific cases face-to-face. All interviews were recorded and fully transcribed for coding and analysis.

## Sample Profile

The sample is composed on women only. This choice of focusing only in women was supported by two main arguments: 1) women tend to have stronger interest in clothing/fashion to emphasize their attractiveness (Singh, 1993), and 2) the literature indicated gender differences in the motivations associated with possessions (Wallendorf & Arnould 1988), therefore, concentrating first on one gender for access-based consumption seems to be a pertinent path to follow. In future studies, we can extend this research to other segments.

The age of participants varies between 22 and 56 years old, they are women who have already rented a garment or accessory. The average age of the sample was 32 years old. Among the interviewees, seven of them were single and five were married. All participants have a bachelor's degree and seven of them a master or MBA degree.

**Table 1: 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	Single	Bachelor
<i>Fernanda</i>	22	Single	Bachelor
<i>Sara O.</i>	54	Married	Bachelor
<i>Diana</i>	35	Married	Master/MBA
<i>Mayela</i>	27	Single	Master/MBA
<i>Andrea</i>	35	Married	Master/MBA

#### 4. Main Findings

In the past Mexican women did not always have the option to rent, only men were able to rent their tuxedos for weddings and graduation ceremonies. It was clear that there was a gap to rent night dresses for women. Yet, the common believe was that dresses for rent were not the best ones, they were perceived as battered, old-fashioned and ugly dresses. Likewise, the quality and cleanness of rented apparel was questioned, however, this perception seems to be changing (at least, before the pandemic).

Nevertheless, participants acknowledged that renting night dresses has become trendy in Mexico. This new perception could be explained by the following factors: a) Family and Friends are recommending renting, b) People tend to be more open to share in social networks that they are renting clothes (not buying them!). This generates a kind of social approval for renting and, finally, c) There is an enhanced and growing offer in the market: *“dresses for rent are beautiful and fashionable with modern designs, quality textures and even from well-known brands”*.

The research scope covered the analysis of drivers, barriers and trends to access clothes and accessories, considering both, the consumer perspective but also, the entrepreneur perspective (owners of apparel access-based companies). However, for this paper, the focus is on presenting the different types of patterns to access clothes (specifically night dresses) and accessories (e.g. jewelry, bags) that were identified in this exploratory study. Among the paths mentioned by participants to access clothes and accessories are: 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. Two out of these six paths to access clothes/accessories are related with ownership, the other four paths are linked with access-based consumption. In other words, participants mentioned more alternatives for access consumption than for traditional purchases.

##### ***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 the older and married participants, lending behavior decrease with age and it is limited to lend special party dresses or clothes to use during pregnancy.

##### ***Renting from a Physical Store***

All participants rent on physical stores but only night dresses. They rent on physical renting stores for practical reasons and also due to the social influence of their friends, who are also renting, so they follow the trend. Another reason is the accessibility of many physical stores renting this type of products in their neighborhoods.

##### ***Renting from a Website***

The only type of product that participants rent online are night dresses. Experiences of renting online are mixed; some are positive and other negatives. For example, two participants rented a night dress in the same online store, *“Conspiración Moda”*. One of the participants told that 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!* The other participant mentioned that for her it did not work at all, although she also received two dresses, none of them fit her, *she was disappointed!*

### ***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. But, for most participants, this is not an attractive practice. However, some of them 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, they prefer to save money to acquire the luxury product rather than sharing it with other parties.

### ***Online Purchase***

All participants mentioned that they only buy casual clothes online. They found online purchase practical as they receive the 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***

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

## **Conclusion and Limitations**

Many drivers could explain this new trend of access-based consumption, as mentioned by participants, the convenience and savings, but also, the facility to access more sophisticated and expensive garments at a lower cost, that were not originally available to them in traditional purchase models.

This research underlines different types of behaviors to access clothes (specifically night dresses) and accessories (e.g. jewelry, bags) : 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. Although the possession of things, specially status possessions as clothes and accessories, is far from disappearing, it is worthy to assess this slow but persistent trend that is reshaping business and consumption markets.

This qualitative study focused on exploring new trends in the apparel access-based consumption models among women in Mexico. Though there was data saturation with 12 respondents, the sample size could be enlarged and explore potential differences among cities, segments of women and 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 also, assess the way new business models are emerging to take advantage of this market trend.

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