Introduction

Today, more textiles and apparel are produced around the world than can be used. Many of the large clothing chains produce as many as a half a billion garments a year (Son & Yoon, 2014). What happens to these clothes after they have fulfilled their “useful” lives? According to the Environmental Protection Agency, roughly 14.3 million tons of textiles were sent to landfills in 2012, making up roughly 5.7% of the total municipal solid waste generated in USA (3p contributor, 2014).

If unwanted fashion items are not thrown away as trash, they are donated to thrift shops. Although this seems like a good step toward avoiding an increase in landfill, its effects are not as beneficial as people think, because only about 20-30% of donated clothing is actually resold. In addition, a rapid increase in the volume of secondhand clothing over the past 15 years has driven down its value. This means that charity stores are now filled with cheap fashion apparel and junky basics, instead of vintage gems (3p contributor, 2014).

The Influence of LOHAS Consumption Tendency and Perceived Consumer Effectiveness on Trust and Purchase Intention Regarding Upcycling Fashion Goods

Hyun Hee Park*
School of Business Administration, Kyungpook National University

Abstract

The purpose of this study is to examine the effects of LOHAS consumption tendency and of the perceived consumer effectiveness of young consumers on trust and purchase intentions regarding upcycling fashion goods. Data were collected from a questionnaire survey of 201 university students living in Daegu City, South Korea. The data were analyzed to investigate a structural model and test the research hypotheses, using the AMOS 20.0 statistical package. The results can be summarized as follows. First, LOHAS consumption tendency had a positive impact on trust in upcycling fashion goods. Second, LOHAS consumption tendency did not impact purchase intention with regard to upcycling fashion goods. Third, perceived consumer effectiveness had a positive effect on trust in upcycling fashion goods. Fourth, perceived consumer effectiveness had a positive impact on purchase intention with regard to upcycling fashion goods. Fifth, trust had a positive influence on purchase intention regarding upcycling fashion goods. The results of this study provide guidance for marketers and retailers who are interested in upcycling fashion goods.

Keywords

Upcycling fashion, LOHAS consumption tendency, Perceived consumer effectiveness, Trust, Purchase intention
In the face of these increased concerns about unwanted fashion item disposal, upcycling has become a growing trend, and is one of the most sustainable approaches that people can take with regard to fashion goods. Upcycling is the process of converting waste materials or useless products into new materials or products that are of better quality or have more environmental value (Wikipedia, 2015). As upcycling makes use of already existing pieces, it typically utilizes few resources in the process of creation and actually keeps “unwanted” items out of the waste stream.

Although many previous studies of upcycling fashion have been carried out, they have thus far focused on identifying design characteristics (Kim, 2012; Kwan, 2012; Yim, 2014) and performing case studies of business models (Ha & Lee, 2013; Kim, 2014). There has been little research into the psychological factors influencing trust or purchase intentions in the upcycling of fashion goods.

This study considered the LOHAS consumption tendency and perceived consumer effectiveness (hereafter PCE) as social psychological variables impacting on trust and purchase intention of upcycling fashion goods. The consumers who had high LOHAS consumption tendency have shown greater attention to the health and environmental sustainability (Ray & Anderson, 2001; Pesek et al., 2006). Thus, the consumers who have high LOHAS consumption tendency will show higher trust and purchase intention for upcycling fashion goods based on sustainability. Also, previous studies have showed that PCE positively affected the interest of environment (Allen, 1982; Ellen et al., 1991; Kinnear et al., 1974; Sparks & Shepherd, 1992). In this context, PCE will be a significant variable influencing on trust and purchase intention of upcycling fashion goods reflecting the interest of environment. In addition, upcycling fashion goods have innovative features that differentiate general fashion goods and they are in the early stage of diffusion. Thus, when a consumer purchase upcycling fashion goods, the perceived risk will be great. Therefore, trust of them will be an important role in the formation of purchase intention.

Products produced with a view to preserving the environment should be targeted at young consumers, to maximize the benefits of sustainable product consumption, as these individuals are still developing beliefs and attitudes that can last for life (Vermeir & Verbeke, 2008). Young consumers can express these beliefs and attitudes through their product choices on a daily basis. For these reasons, this study has investigated the influence of psychological variables such as LOHAS consumption tendency and PCE on trust and purchase intentions with regard to upcycling fashion goods. The results of this study will provide helpful information for marketers and managers of upcycling fashion companies and retailers.

Literature Review and Hypothesis Development

Defining Upcycling Fashion and Market Conditions

Upcycling is a means of recycling textile waste, such as fabric swatches, production off-cuts, and end-of-roll leftovers, to create products of higher quality. It can be contrasted with “recycling” or “down-cycling,” in which textiles are refashioned into products of diminished quality (Dean, 2012).

Upcycling prevents the addition of new products to a world that is already overwhelmed with material things. It also reuses materials that may otherwise have ended up in landfill, and does so in creative and innovative ways. It allows for the production of original and often unique items from what many consider to be waste. It is also a way for companies and designers to be more efficient with leftover materials such as upholstery scraps or vintage textiles, and to give new life to worn-out jeans and tattered T-shirts (3p contributor, 2014).

According to a report by the International Institute for Trade of Korea International Trade Association, the current size of the Korean upcycling market is not yet significant. The upcycling market worldwide is worth 150 million dollars, while the domestic upcycling market is worth 2.5 million dollars. The market is gradually expanding, since consumer interest and demand for upcycling products is increasing. However, the upcycling market in Korea is still in its initial stages, and is not easily expanding. The report found that the unstable provision of reusable waste for upcycling and shortage of professionals who can run such businesses are reasons why it is difficult to expand the market. In addition, the report states that low awareness of upcycling and the low accessibility for consumers, resulting from the lack of offline stores, play negative roles in expanding the market. Unlike