Chapter 16
Consumer Perceptions of Online Apparel Customization: An Exploratory Study

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ABSTRACT
This study was conducted to identify a variety of consumer perceptions of apparel customization in the context of e-retailing. Consumer surveys were performed by email invitations through a marketing firm. The survey participants visited apparel customization websites, which were developed for this study, to customize a pair of jeans before answering open-ended questions. The respondents were 213 female college students in the U.S. Their statements were analyzed and categorized into eight dimensions representing the benefits (usefulness, convenience, and fun/enjoyment) and costs (risk, limitation, self-assurance, time consumption, and unappealing) of online apparel customization. Two discussion topics were drawn from the findings: why people are willing or unwilling to customize apparel online. Insights are generated and future research directions are discussed.

INTRODUCTION
Customization is an important part of modern supply chain management, and the business strategy such as mass customization (Lee, Kunz, Fiore, & Campbell, 2002) has been well-established in practice. Undoubtedly, customization reflects the shifting marketing focus from sellers to buyers (Wind, 2001). In the past, buyers passively chose standardized products offered by sellers, but, increasingly, buyers are actively participating in the production process to create products that meet their own values (Meuter, Bitner, Ostrom, & Brown, 2005). As a consequence, the traditionally separate roles of companies and consumers are not clear anymore; consumers participate in the
value creation process as “co-producers” or “customizing consumers.” Therefore, companies are continuously adopting new strategies to respond to their individual customers. The environment of abundant information in today’s society makes consumers more knowledgeable; they know what they need and want and have confidence in their product choices (Moynagh & Worsley, 2002).

The efforts of marketers to meet individual needs and wants were initiated in off-line contexts, but such efforts are now offered by many e-retailers, as well. Since Dell.com began providing customized computers, other e-retailers have begun to offer customized medicine, food, home furnishings, and apparel. In particular, apparel products have a great potential in online customization since apparel is one of the most popularly selling categories in online shopping and customers have identified apparel as one of the most appropriate items for customization (Goldsmith & Freiden, 2004). Although e-retailers are adopting customization as a strategy for managing and building long-term relationships with their customers, not all companies look to continue to use the strategy. One reason for the failure of online customization could be the lack of a company’s understanding of its customers; how customers perceive online customization may influence their behavioral attitudes and the success of the business. Thus, the goal of this study is to explore different aspects of consumer perceptions of online apparel customization and to provide implications to academics and practitioners.

BACKGROUND

In a modern concept, apparel customization involves the use of certain technology that can be used to reduce the costs of producing personalized items. A US company, Levi Strauss, was the pioneer of apparel customization in this modern concept. To meet the needs of customers, the company adopted body-scanning technology to offer customized jeans at its flagship store in San Francisco. The use of customization capabilities among the top 100 apparel companies in the year 2000 increased 120% compared with the previous year (Kelly, 2000). Similarly, e-retailers began to feature customization on their websites at that time. LandsEnd.com started to offer customized apparel in 2001 with men’s and women’s khaki pants, and has since expanded its product assortment to include jeans, outerwear, chinos, dress pants, and other items (Scardino, 2004). For companies, online customization is a way to provide additional benefits to their customers. By choosing their own color, fabric, design, size, and fit, customers can create a unique value or style. During the process, e-retailers collect a customer’s information, such as design preferences. The information can be saved and used for the customer’s next online visit. In that way, customers can conveniently shop at the store and also have a feeling of personal service and care.

In spite of these advantages, not all the companies look successful in their customization offerings. IC3D.com provided customized jeans via online orders, but has currently stopped its business. LandsEnd.com has limited its customized offerings and now takes customization orders for only men’s dress shirts. Previously, some researchers had suggested that adopting customization would be an effective strategy for e-retailers for managing and building long-term relationships with their customers. (Ribbink, Van Riel, Liljander, & Streukens, 2004). However, not all researchers were positive toward online customization. Lee and Lin (2005) examined the influence of e-retailers’ use of customization on consumer satisfaction, but did not find any significant results. In explanation of these disparate findings, perhaps online shoppers perceive not only the benefits of customization, but also the disadvantages that negatively influence satisfaction and repetitive behavioral intention. Furthermore, very limited studies regarding online apparel customization exist (e.g., Choy & Loker, 2004), and these existing studies suggested