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A RESEARCH STUDY ON HOW INFLUENCE AND COST-EFFICIENCY AFFECT CUSTOMERS IN THE LOLITA FASHION MARKET

*Jing Liu, Yixiong Shen, Man Xiong, Tong Xu, and Qi Yin**

ABSTRACT

Purpose: The purpose of this study is to analyze how purchase intention, attitude towards a new brand and brand loyalty in the Lolita fashion market are affected by the interaction between influence and cost-efficiency. Moreover, the results of this study will help to launch an actual new brand in the business world.

Design: A two (influence level: high versus low) by two (cost-efficiency level: high versus low) experimental design was used. A logistical method was implemented in the survey in order to divide participants into two different groups, based upon dress style. The purpose of this is to analyze their differences more closely. We set the Chinese market as the control group, allowing us to compare it to the U.S. market.

Findings: The analysis confirmed that when the influence is high, cost-efficiency has a positive impact on purchase intention in the U.S. market. The Lolita consumers in both the U.S. market and the Chinese market share the same group characteristics and notions in some aspects.

Research Limitation: Future research needs to create a data collecting survey with more questions and an experimental design with more variables. This would aid in obtaining a more accurate result. Further, the participants in future studies should all be Lolita consumers, as in this research, and the focus could extend to other geographically segmented markets.

Practical Implication: The following study has several managerial implications for all new brand managers and startups. First, reducing the cost will enhance cost-efficiency for your brand. Second, reconsider your brand's positioning and segment the market your trying to enter into. It's important to know your consumers and then position your business accordingly. Finally, increase your brand's influence/gain awareness by advertising, having events, etc.

Social Implication: This study is very original because it is the first ever recorded academic research on the Lolita market, and all participants are real Lolita consumers, making the research a genuine representation of the Lolita market.

Keywords: Lolita market, Influence, Cost-efficiency, Purchase intention, Attitudes toward new brand, Brand loyalty.

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BACKGROUND OF THE LOLITA FASHION MARKET

Lolita Fashion is a Japanese subculture fashion, which was inspired from the styles of the Rococo and Victorian eras in England. This particular fashion style ordinarily appears as lacy dresses, platform shoes and bow-like headwear accessories, with its key point being: looking cute or elegant but not sexy. Lolita fashion started in the 1980's in Japan, and has since evolved and grown into a popular street fashion style all over the world. The leading brands in the Lolita market started to extend their businesses to metropolises in Northern America and Europe, and famous designers brought their collections to various international fashion week shows, etc. The growth and popularity of the Lolita market is what inspired the focus of this study.

The following article is an analysis of Lolita consumers' purchase intention, attitudes towards a new brand, and brand loyalty; specifically, how the independent variables "influence" and "cost-efficiency" interact to affect them. Moreover, the study aims to identify the similarities and differences between the U.S. and Chinese markets. It was our hope, that the results of this study would provide the right platform for the new brand to prosper.

LITERATURE REVIEW

What factors affect how consumers make their final purchase decision? What element is most valuable to the consumer? In other words, what influences the consumer? In order to understand the Lolita market, we need to understand consumers purchase intention and the factors that influence their purchase decision.

Variables: Influence (X1): We define influence as the impact from a brand, a leader/model, or an activity (Lolita social events) that will differently affect consumer behaviors such as purchase intention and attitude

Brand influence: Consumers can only have a perceived brand value, which is also known as brand attachment. Brand attachment is the idea that consumers trust the brand which has visible connections to them (Berry 2000). In the Lolita market, the influence of famous brands can be obvious. Most people don't really have a taste for high fashion; rather, they only admire certain brands because of conformity psychology. This can be best exemplified through the experience of a Japanese designer, which was chronicled in "The Deprofessionalization of Fashion," (Yuniya Kawamura 2012). There was a group of people who constantly told this designer that he would never succeed in the fashion business. However, once his collections were featured in fashion shows in Paris, the same group of people began to praise him and buy his products. It shows the true power of influence, as well as the fact that "People do not know fashion, even within the fashion industry." That may be the reason why people admire a mature and influential brand.

Leader/model influence: Celebrities can endorse multiple products for several brands in this market. McCracken (1989, p. 311) states that "if the celebrity endorser takes on meanings that carry from ad to ad, endorsing multiple products might affect those assigned meanings such that the consumer perceives the celebrity to be less credible and less likable." The celebrity

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effect is one of the most important factors in the fashion market (Audi, Masri and Ghazzawi 2015). Whether or not an endorser is familiarized/popularized by the public, can affect consumers' purchase intention, attitudes, and brand loyalty. Moreover, based on Daniel Black (2009, p. 239-56), the street fashion of Japan is just the recurrence of the British street fashion in the late twentieth-century, the innovation of the Japanese street fashion is the highlight collection of existing influences, which were inspired by street models. So, the impact of direct role models on specific purchase intentions and behaviors is of great importance.

Activity influence: For this factor, we consider the fact that quality and quantity of brand events may have a remarkable influence on consumers. Those activities that appear as the physical combination of major influences such as brand and model act as the major communication way to tie up the relationship among Lolita consumers, brands, models and designers.

Variables: Cost-efficiency (X2):

Ordinarily, Cost-efficiency is the ratio of price and quality. However, according to Elizabeth Holmes's view, the new generation of consumers now prefer to "buy less but better", which means quality over quantity. So in other words, we can say this is a quality over price era. In the Lolita market (even within the high fashion market), quality is not so much defined by the fine-tailored skills and deluxe fabrics, but more upon the design. Cost-efficiency can be somewhat subjective because everyone has different view about how a product should be priced. To some extent, however, this subjectivity can be lowered when the analysis is about an entire category and not just a single product. This then becomes a more productive and effective way to measure the cost-efficiency ratio.

In most consumer markets, price is often the first and main factor that affects what consumers think and what they decide. People are at most times, cost-driven, especially when they are about to make a purchase decision. Steven M. Shugan (1984) held the view that the overall consumer groups can be divided into three types. The first type of consumers are the people that are not concerned with the quality of the product, but are sensitive about the price. The second type of consumers are very sensitive about the quality instead of the price. They will buy more as the quality increases, but will stop at the price ceiling they set, because we assume all consumers have their budget restrictions. The third and final type of consumers are those who cannot perceive the quality through the price, because they are unfamiliar about the brand or the products. Once they have had the chance to try it out and establish their own evaluation, they can become type one or type two consumers. Target consumers of different categories in the fashion market may have different expectations about spending. This is a major reason why we want to understand more about Lolita consumers, because we want gain knowledge of the buyer types in this specific market. After knowing their characteristics, their preferences and their behaviors, we can better formulate the methods for building a new brand and entering the current market.

Further research has discovered a deeper relationship between consumers' perception of value and their purchase intention. Dodds, Monroe and Grewal (1991) came to a conclusion that the relationship between buyer's perception of value and their willingness to buy is positive. When consumers consider the value of a product...price and quality are the most

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important factors to be considered. As previously mentioned, we would like to discover whether or not cost-efficiency has a more/less positive impact on consumers' purchase intention in the Lolita market

Outcomes: Y1 is the purchase intention, Y2 is the attitudes toward new brand and Y3 is brand loyalty.

Purchase intention (Y1): We are going to analyze if the two variables, "influence" and "cost-efficiency", will impact consumers' decision to purchase the product or not. Purchase intention will give a reflection on profits, and this is most important to managers.

Attitudes toward new brand (Y2): Y2 is set based on the background and goal of the survey. One of the goals of this survey is to understand the attitudes from potential consumers of the upcoming new brand and to polish the products in order to fit more consumers' needs.

Brand Loyalty (Y3): Y3 is the long-term key point for a brand's survival.

RESEARCH HYPOTHESES

The ultimate goal of this research study is to test the effect of cost-efficiency in the presence or absence of influence. We predicted that there would be an interaction effect (main effect) between influences and cost efficiency. Thus we set x1 as the influence (includes brand impact, leader/model influence and activity influence); x2 as the cost-efficiency (the combination of the price, quality and design). Therefore, based on the understanding of the literature review, the hypotheses about x1 and x2 should be:

Hypothesis 1: When the influence is high, cost-efficiency has a positive impact on purchase intention, the attitudes toward new brand and brand loyalty.

Hypothesis 2: When the influence is low, cost-efficiency has a less positive impact on purchase intention, the attitudes toward new brand or brand loyalty.

EXPERIMENTAL DESIGN

In order to test the interaction between our two independent variables we utilized a 2X2 factorial design. We created a survey for the purpose of collecting consumer data. In the survey, each participant was randomly shown a scenario. There are 4 scenarios in total because of the manipulation of our 2 independent variables which again are: influence (brand impact, leader, model influence) and cost-efficiency (price/ quality, design). The reason for manipulating and controlling the independent variables is so we can see the presence of any cause and effect relationships, giving us the ability to measure our three dependent variables which again are: purchase intention, attitude towards new brand, and brand loyalty for the Lolita market. After all the responses are received and we have the necessary data, we can then analyze and explain the significance of the results. Besides the cause and effect relationships, our main focus is on whether or not an interactive effect exists between our

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independent variables. Since this is the most important part of our study, we designed the scenarios as follows:

- Scenario 1: High influence/Less cost-efficiency
 - This scenario shows consumers a picture of a high priced (\$2000) dress and some copy describing how it is a good brand and that famous people attend the activities where this dress is presented.
- Scenario 2: Low influence/Less cost-efficiency
 - This scenario shows consumers a picture of a high priced (\$450) dress and copy that explains how the brand is not good, nor do any famous people attend activities where this dress is presented.
- Scenario 3: High influence/Cost-efficient
 - This scenario shows a picture of a low-priced dress (\$300), which is well designed and has copy describing the brand as good and the fact that famous people attend the activities where the dress is presented.
- Scenario 4: Low influence/Cost-efficient
 - The final scenario will show a picture of a high price dress (\$2000), which is well designed, and has copy that states the brand is not good and does not have famous people attending the activities where the dress is presented.

The structure of all four scenarios is the exact same but the information presented within is different. One of the four scenarios will show up randomly, so the participants are unaware of the existence of the other three possible scenarios, and they will answer questions solely based on the picture in front of them.

MEASURES

Manipulation check question and Reactions to the stimulus

Most of our variables will be measured using a Likert scale, with the values ranging from strongly disagree to strongly agree.

Influence (X1). We measure how a leading brand, famous models and events influence consumer behavior.

Cost-efficiency (X2). We measure how design, value, price, and quality effect consumer behavior.

Outcomes. We also set Y1 (purchase intention), Y2 (attitudes toward new brand) and Y3 (brand loyalty) as outcomes.

Ranking questions. We designed two ranking questions in the reaction part of our survey in order to find out how the variables influence the outcomes Y1 and Y2. The scale items came from the variables cost-efficiency, brand, model and events.

Scale sources. The prices are based on the original price of each dress. The original price is \$1721 and \$190 (before tax, based on exchange currency as of 3/7/2016) for the two dresses, which serve as experimental treatments.

The prices for the two dress blueprints were based on the accumulation of different segments of similar style brands in Japan: h. Naoto and Angelic Pretty.

SAMPLE DESIGN

Sample Size

The overall sample size in the study was 610 which included both the U.S. market (sample size: 193) and Chinese market (sample size: 417).

Sample Frame

All survey participants are Lolita and Lolita fans worldwide. In order to display an accurate result, we gathered participants from different countries as well. Most of the participants are located in either the U.S. or China (including mainland, Hong Kong, Macau and Taiwan) with different levels of education, annual incomes and employment status. After running Chi-square, we can make sure that our scenarios are randomly assigned to respondents, because the smallest p-value is higher than 0.05.

Contact Method

The survey link was published on several major social media platforms such as Facebook, Instagram and Weibo. It was also featured on both personal pages and public account pages including the New York Lolita Fan page and Ruffle Chat Fan page on Facebook. The final survey results came from Lolita on Facebook and Instagram (mostly U.S. market participants) and Weibo (mostly Chinese market participants).

DATA ANALYSIS AND RESULT

Since the U.S. market is the main segment that we would like to study, we defined the Chinese market as the control group so we could compare between the two. All the analyses and material of the Chinese market can be seen in the Appendix section of this paper.

Factor analysis

We ran the factor analysis for the variables and outcomes separately, and after removing the irrelevant items, we discovered the useful items by rotated factor matrix. After running the rotated factor matrix, there were some items that were a little bit less than .5, but were still kept in the analysis. This is because there would not be enough questions for each variable and outcomes which could create some bias in the result. We will expand on this in the limitation section.

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Manipulation check

The objective of the independent-samples t-test is to check whether the manipulation of each X1 and X2 is perceived by the respondents as we intended.

Step 1. Independent sample T-Test for X1 (Influence) Manipulation check.

We compute the mean value of the three factors of influence, and get the mean value for manipulation checks for X1. We then ran the independent sample T-Test with the mean value as the test variable, and X1 = influence (low, high) as the grouping variable. Hypotheses show as below:

- Hypothesis 0: influence perception of low influence \geq influence perception of high influence.
- Hypothesis a: influence perception of low influence $<$ influence perception of high influence.

According to the SPSS group statistics result, we saw that for our all 193 valid data, half of the respondents were given the low influence scenario and the other half was given the high influence scenario. The mean value of the low influence group was 3.0943, which was lower than the 3.8688 from the high influence group.

From the SPSS T-Test result, we first look into the p-value (sig.) from Levene's Test for Equality of Variances. The sig. is 0.550, which is larger than 0.05. So we look into the upper p-value (2-tailed sig.), it is 0.000. In order to acquire the correct p-value, we need to transform the two-tailed p-value of composite X1 to one-tailed p-value. Because our hypothesis is influence perception of low influence $<$ influence perception of high influence, and when we set value to define group 1 as low value and group 2 as high value, the correct p-value (one tailed p-value) should be half of the SPSS p-value, which is .000. Based upon the result of the correct p-value, which shows the significance is much less than 0.05, we can accept Ha. This represents the fact that respondents did have distinguished influence perception between high and low level. In other words, our influence setting can be considered valid and effective.

Step 2. Independent sample T-Test for X2 (Cost-efficiency) Manipulation check.

We computed the mean value of the four factors that make up cost-efficiency. Then we got the mean value for the manipulation checks of X2. We then ran the independent sample T-Test with the mean value as the test variable and X2 = Cost-efficiency (low, high) as the grouping variable. Hypotheses show as below:

- Hypothesis 0: Cost-efficiency perception of low influence \geq Cost-efficiency perception of high influence.
- Hypothesis a: Cost-efficiency perception of low influence $<$ Cost-efficiency perception of high influence

According to the SPSS group statistics result, we discovered that for all of our 193 valid responses, half of the respondents were given the low cost-efficiency scenario and the other half was given the high cost-efficiency scenario. The mean value of the low cost-efficiency group is 2.8978, which is lower than the 3.3700 from the high cost-efficiency group.

From the SPSS T-Test result, we first look into the p-value (sig.) from Levene's Test for Equality of Variances. The sig. is 0.921, which is larger than 0.05. So we look into the upper p-value (2-tailed sig.) from t-test for Equality of Means, which as shown in the table, is 0.000. In order to acquire the correct p-value, we need to transform the two-tailed p-value of composite X1 to one-tailed p-value. Because our hypothesis is influence perception

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of low influence < influence perception of high influence, we set the value to define group 1 as low value and group 2 as high value, the correct p-value (one tailed p-value) should be half of the SPSS p-value, which is .000. Since the result of the correct p-value shows that the significance is much less than 0.05, we can accept H_a , which represents the fact that respondents did have a distinguished cost-efficiency perception between high and low. Meaning, our cost-efficiency setting can be considered valid and effective.

Manipulation checks. Based on the following table and figures, the setting of influence and cost-efficiency manipulations can be considered valid and effective.

Table 1. Manipulation checks of influence and cost-efficiency

<i>Variables</i>	<i>Perception</i>		<i>t</i>	<i>One tailed P-value</i>
	Low (n=193)	High (n=193)		
Influence	3.0943	3.8688	-8.548	.000
Cost-efficiency	2.8978	3.3700	-4.875	.000

Reliability

We ran the reliability analysis for our variables based upon their manipulation check items and got the following result shown in Table 2. As shown on the table, we can see that the Cronbach's alpha for all variables is close to the threshold 0.7. As this study is based on the true reflection of the Lolita market, we understood that the reliability is not perfect but is acceptable, and thus, we decided to use the measures and move on to the analysis.

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Table 2. Measures: Manipulation checks and outcomes

Items and Reliability

Influence (X1) ($\alpha = 0.52$)

- I agree the dress is the leading brand in the Lolita world.
- I feel the model's beauty and fame will affect customer's purchase intention.
- Event is important.

Cost-efficiency (X2) ($\alpha = 0.64$)

- I think the dress is well designed.
- I agree the price is reasonable.
- I believe the brand has high quality.

Purchase Intention (Y1) ($\alpha = 0.61$)

- Others will admire me if I purchase this dress
- I desire to purchase this dress

Attitudes toward new brand (Y2) ($\alpha = 0.62$)

- I think the dress is worth the cost
- I would purchase this set

Brand loyalty (Y3) ($\alpha = 0.65$)

- I would like to know more about the brand
- I will recommend this dress to others

Univariate ANOVA

The purpose of the univariate ANOVA is to compare the mean differences among three or more groups. In our research, we ran the Univariate ANOVA analysis to test whether our hypothesis is reasonable or not and to test whether there is a significant interaction effect between our independent variables. The result of the ANOVA can be seen in Table 3 below.

Table 3: Univariate ANOVA

Source	Dependent variable	Sum of squares	df	Mean square	F	p-value
Influence	purchase intention	7.398	1	7.398	6.073	.015
	attitudes toward new brand	2.207	1	2.207	1.845	.176
	brand loyalty	.039	1	.039	.043	.836
Cost-efficiency	purchase intention	8.157	1	8.157	6.696	.010
	attitudes toward new brand	3.757	1	3.757	3.140	.078
	brand loyalty	.094	1	.094	.102	.750
Influence × Cost-efficiency	purchase intention	5.909	1	5.909	4.851	.029
	attitudes toward new brand	1.046	1	1.046	.874	.351
	brand loyalty	.028	1	.028	.031	.861

In order to know whether there is a significant interaction effect between independent variables, we need to look at the p-value in the red circle. If the p-value is

smaller than 0.05, then that relation is significant; if p-value is larger than 0.05, then that relation is insignificant.

According to the table above, we can make a conclusion that there is a significant interaction effect between influence and cost-efficiency on our Y1 (purchase intention). However, if we look at the p-values for our Y2 and Y3, we see there is no significant interaction effect. We can still say that our factors are related to our Y2 (attitudes toward new brand). Below are the graphical representations of the relationships of our independent and dependent variables.

Figure 1. Effect on purchase intention

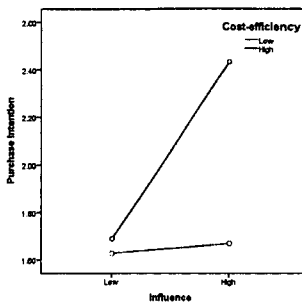


Figure 2. Effect on attitudes toward new brand

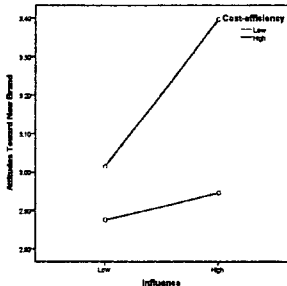
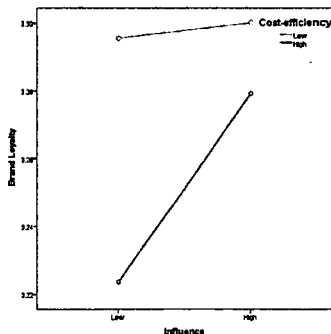


Figure 3. Effect on brand loyalty



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From the first graphical presentation, we see that when cost-efficiency is high, influence has a more positive impact on purchase intention and when cost-efficiency is low, influence has a less positive impact on purchase intention. Therefore, the outcome Y1-purchase intention was supported.

Purchase Intention analysis

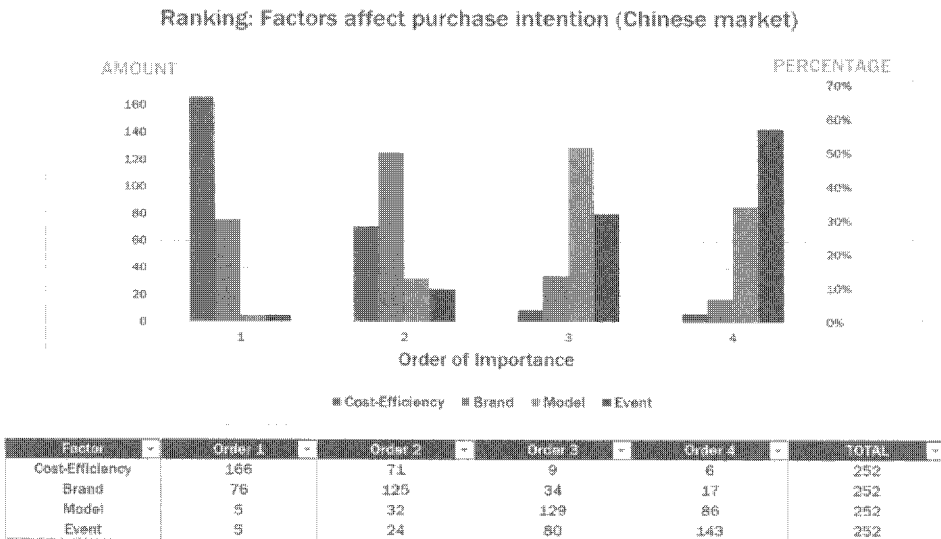
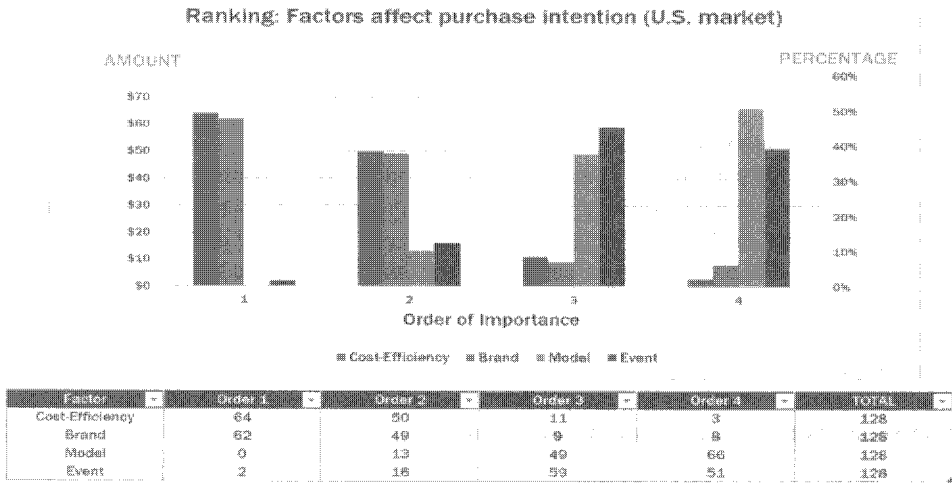
There were 128 participants in the U.S. market, and 252 participants in the Chinese market (control group) who answered the ranking question about the factors that affect their own purchase decision. The remaining 230 participants did not respond to this particular ranking question. The four factors are cost-efficiency, brand, model and event influence, which represent the various dimensions of our two independent variables. The ranking question as it appeared on the survey is displayed in Figure 4 below, and the statistical results from this question are displayed in Figures 5 and 6.

Figure 4. Ranking question for influence factors

Rank the factors that influence your purchase decision. (Most influential factor at the top)

Cost-efficiency	1
Brand	2
Model	3
Events (eg: tea party or runway show)	4

Figure 5. Result of influence factors in U.S. market



Participants from both markets showed very similar opinions with regards to the top two factors that most influence their purchase intention. Those were cost-efficiency and brand influence. In the U.S. market, half of the participants had equally agreed upon cost-efficiency being the primary factor influencing their decision, while 48% chose brand. For second in order of importance, 39.1% chose cost-efficiency and 38.3% chose brand affect. In the Chinese market, the results are more apparent: 65.9% chose cost-efficiency as the most important and 49.6% chose brand as the second most important.

However, there were differences between the two markets regarding the third and fourth order of importance. For example, in the U.S. market, participants chose event influence over model influence. But in the Chinese market, participants think model influence

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(51.2%) was much more vital than event influence (31.7%) for third most significant. This is further supported by the fact that 56.7% were for events versus 34.1% for model, in fourth importance order.

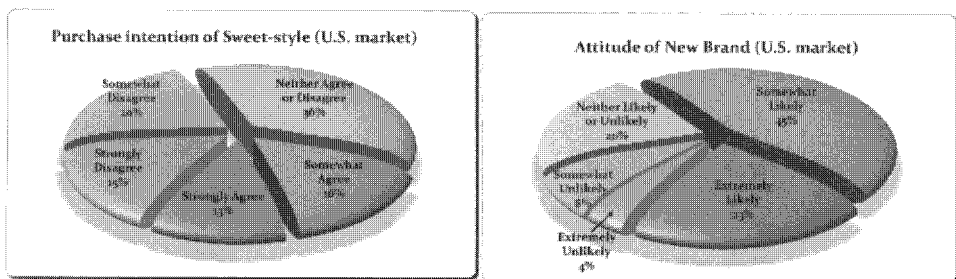
Overall, we can tell participants in both markets value cost-efficiency atop all other factors, with brand influence not far behind. The final order for the Chinese participants was cost efficiency> brand influence> model influence> event influence, while, U.S. participants state the order as cost efficiency>brand influence> event influence > model influence.

Attitude for New Brand

In order to have a clear view of the consumers' attitudes for the new brand, two questions were designed in the survey. Through the logistical method mentioned at the beginning of the paper, we separated participants with two different dressing styles: Gothic style and Sweet Style

In the U.S. market, of the participants who showed neutral or positive attitude for the Sweet-style dress, 36% expressed no significant notion of purchase intention, while 29% showed interest in purchasing. Moreover, 68% of participants indicated that they were, likely or extremely likely, interested in wanting know more about the new brand. (shown in Figure 7)

Figure 7. Attitude towards new brands in both market



* Total number equals participants who show neutral or positive attitude for the Sweet-style dress displayed before.

The next part of the survey was the ranking question as seen in Figure 8: ranking a series of factors that will affect their attitude, thus increasing their interest in a dress. The four factors are “better cost-efficiency”, “dress worn by famous model”, “dress belongs to a famous brand” and “dress appears officially on a runway show”. The question was followed by the separation of all participants into two groups with different fashion styles: Gothic style and Sweet style.

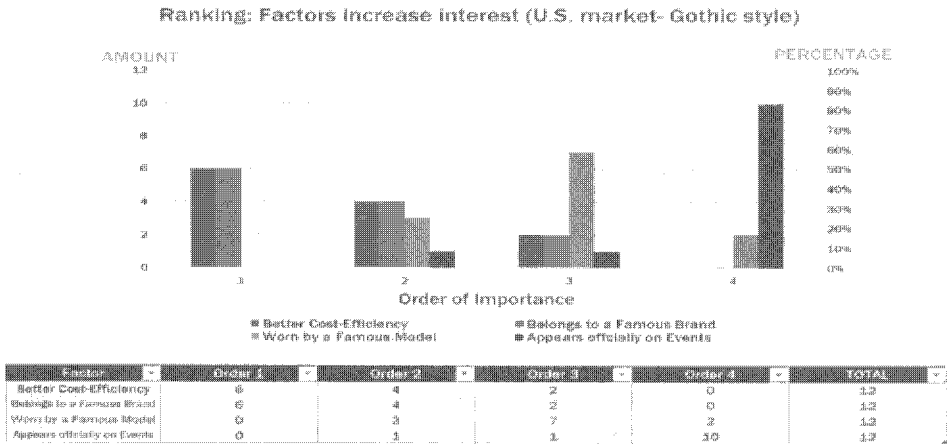
Figure 8. Ranking question for factors that will increase interest

Rank the factors that increase your interest to this dress. (Most influential factor at the top)

Better cost-efficiency	1
This dress is wore by famous model (eg: Mldori, Misako, Akira, Root, etc)	2
This dress belongs to a famous brand (eg: AP, BABY, h.Naoto, etc)	3
This dress appears officially on a runway show/ tea party.	4

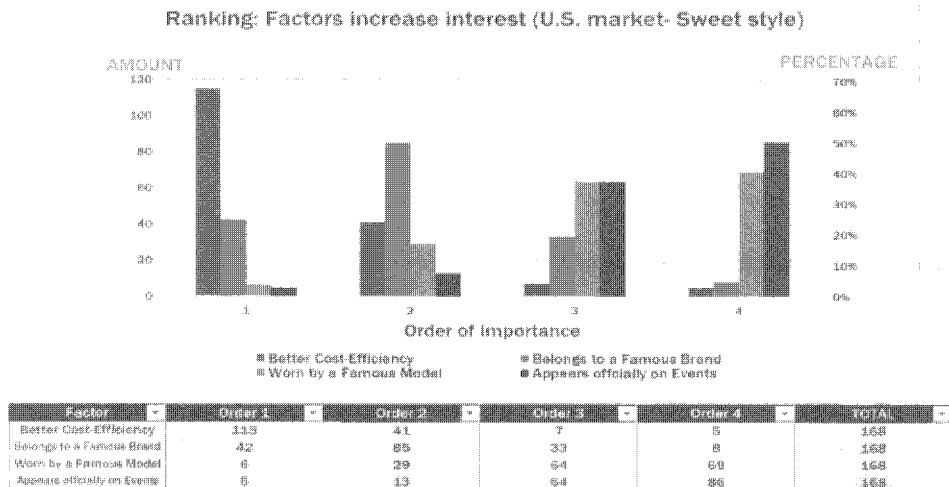
In the U.S. market, 170 in 182 participants chose Sweet style, and only 12/13 participants chose Gothic style. Although the sample size of participants who chose Gothic style was too small to analyze, it still showed a pattern similar with those grouped in the Sweet style. That being, cost-efficiency and brand are the top choices which increase participants interest in a product, with model influence and events being the least important factors. The ranking order is shown in Figures 9 and 10.

Figure 9. Ranking order for U.S. Gothic style



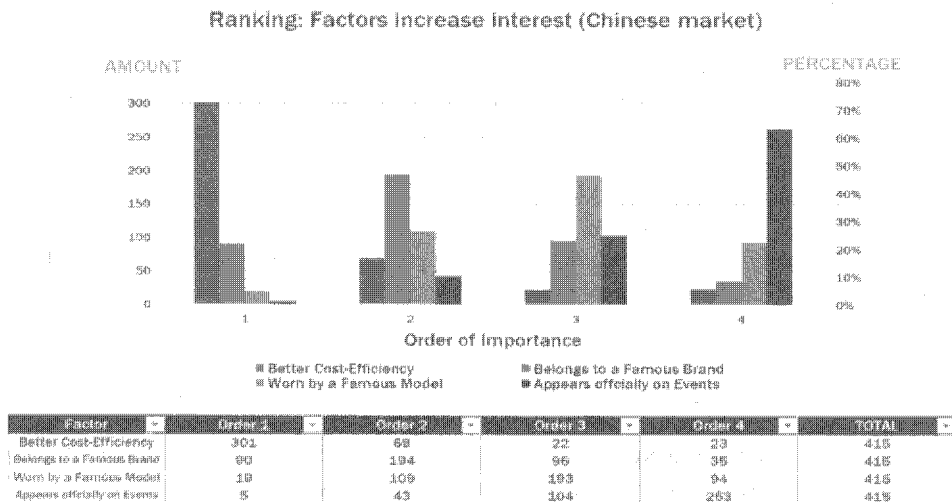
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Figure 10. Ranking order for U.S. Sweet style



In the control group (Chinese market) (Figure 11), 415 out of 417 participants chose Sweet style, and better cost-efficiency was chosen as the most important factor based upon a 72.5% selection, followed by the brand, model and event.

Figure 11. Ranking order in Chinese market



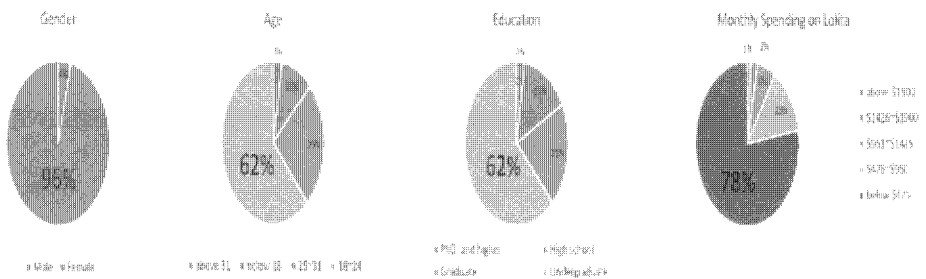
Immediately, the first clear fact that jumps out is that between these two markets, the Gothic style is far less popular than the Sweet style. With regards to factor importance, those in the Chinese market have a very clear preference: cost efficiency > brand influence >

model influence> event influence. Whereas in the U.S. market, participants focus on cost-efficiency most, and consider event influence more than model influence.

Demographic analysis

Based on the results from the demographic questions, there is a very important pattern that arose. Specifically, we saw that most of the participants in the U.S. market identified as undergraduate females ranging from 18-24 years of age, who spent \$475 or below on Lolita (Figure 12). Ironically enough, the same pattern was found in the demographic of the Chinese market. Therefore, we could conclude that this is a potential target market for Lolita, given that both markets shared these demographics.

Figure 12. Group characteristics of Lolita consumer



CONCLUSION AND DISCUSSIONS

The setting of variables is considered valid and effective, and there is a significant interaction effect between influence and cost-efficiency on purchase intention. In the Lolita market, consumers consider cost-efficiency as the most important factor and expect much higher cost-efficiency in both the U.S. market and the Chinese market. They also pay more attention to brand influence, which means they prefer mature brands over new brands. Chinese consumers think model influence is more important than event influence, while U.S. consumers are just the opposite. Moreover, there is an extremely low volume of gothic Lolitas, as was shown in the results of our research (13 in 612 participants). However, the traits that a majority of the Lolita consumers surveyed had in common were: undergraduate females aged 18 to 24, whose monthly spending was \$475 or below on Lolita.

Limitations

Limitations in Survey Design: At the conclusion of the study we felt the number of survey questions was not enough and as a result of the rotated factor analysis there were only two variables, which most likely affected the low reliabilities, as well as the result of the study. In addition, the demographic questions were narrow in scope, producing a dense distribution that was not suitable for cross analysis.

Limitation in Analysis: the hypotheses for the U.S. market were partially supported by the ANOVA analysis in the research. In the Chinese market (control group), there was a high

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correlation among variables and outcomes as seen through the Regression analysis, but unfortunately, the hypotheses were rejected by the ANOVA analysis.

Future Research

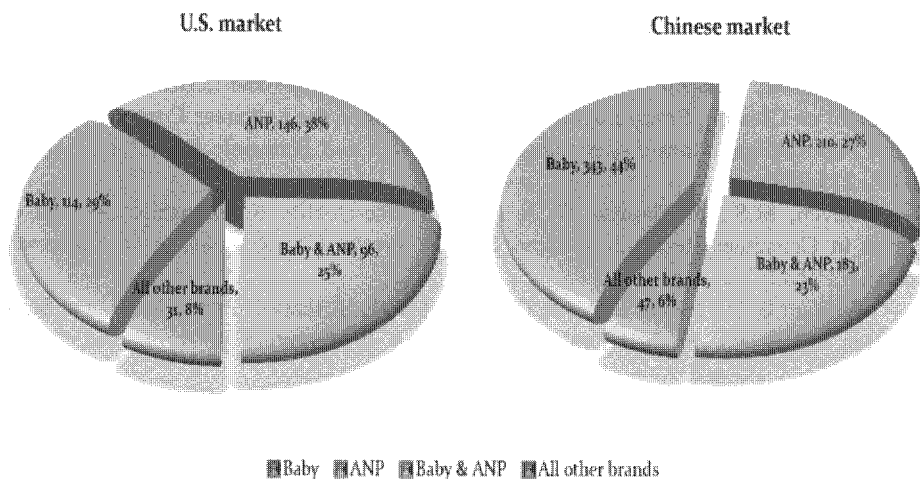
For future studies, establishing a focus group before officially launching the research survey can help to evaluate the quality of your survey design, and therefore lead to the construction of a more reliable survey and more accurate results. Furthermore, setting up more variables and manipulation check questions can help to more precisely track the consumers’ real thoughts. Finally, future research must consider the specific characteristics of their survey participants and design demographic questions which are suitable for the specific study.

Management Implications

Through our research we were able to provide some implications for the new brand. These implications, we hope, will help the new business owner avoid mistakes and risk, and have a smooth and successful launch.

First, consider the decision of which segment you are going to target. As the data showed, there are very few consumers who identify themselves in the Gothic-style, therefore, when choosing a segment to pursue it may be wise for the managers to avoid this group in the particular markets researched in this study. There is however an example of brand success in the Gothic market. Figure 13 shows some of the more popular Lolita brands in the U.S. and Chinese markets. Of these brands, “Baby, the stars shine bright” and “Alice and the Pirates” are two of the more popular (receiving 84% of the favorite votes in U.S., and 89% favorite among the most famous brands) (Figure 13). They are in fact owned by the same people and one is a Sweet-styled brand while the other is Gothic. So there are examples of brands having success marketing to the Gothic segment. It would be up to the owner whether or not they go after this segment early on, or wait until they’ve established themselves.

Figure 13. market share of “Baby, the stars shine bright” in both market



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Second, exploring how to meet the customer's need for greater cost-efficiency is very important. As seen in our study, cost-efficiency is ranked the highest among influential factors for consumers. Therefore, managers should seek out solutions for enhancing the cost-efficiency of their products. We suggest that new company shift their production line to Southeast Asia, maybe Thailand or Cambodia, in order to reduce the fixed costs and labor costs; hire great designers who are able to design by listening to the consumers' tastes rather than sticking to personal interests.

Once the previous steps have been completed, the business should then focus its attention on marketing in order to raise brand awareness. Since we discovered that consumers prefer mature, well-known brands, it is vital to establish a new brand's popularity early on. Increase advertising efforts: update information on social media, hold events such as runway shows and tea parties. If the business gets to a level where famous/influential individuals can be utilized in advertising efforts, then they should be incorporated.

Finally, develop different strategies for different regional markets. For example, since the Chinese consumers in the study think model influence is more important than event influence, the new brand can find famous Asian models to wear their products. While in the U.S. market the brand can plan more events. The strategy is all about finding the right influence and cost efficiency for the market being targeted. Once the business can get both on the correct level, success can follow.

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APPENDIX

We defined the Chinese Market as the control group, and all the additional materials for this market can be found here in the Appendix.

Factor analysis

We ran the factor analysis for the variables and outcomes separately, and after removing the irrelevant items, we find the useful items from the rotated factor matrix: there are some items that were a little bit less than 0.5, but we needed to keep them, because there would not have been enough questions for each variable and outcome, which could create some bias in the result, as stated in the Limitation section.

Table 4. Manipulation checks

Variables	Perception		T	One tailed P-value
	Low (n=417)	High (n=417)		
Influence	3.2981	3.7880	7.226	.000
Cost-efficiency	2.8664	3.1919	5.209	.000

Reliability

We ran the reliability analysis and got the result shown in the following table. Based on Table 5, we see that the reliability of Influence(X1) and Cost-efficiency(X2) are extremely low, which means both Influence(X1) and Cost-efficiency(X2) are not reliable, but that's only a reflection of the Lolita market, so we still processed the information and found out what caused this situation. Attitudes toward a new brand (Y2) was reliable, and although Brand Loyalty was slightly below .7, we still found it to be reliable for the purposes of this study.

Table 5. Measures: Manipulation checks and outcomes*Items and Reliability***Influence (X1) ($\alpha = 0.43$)**

- I agree the dress is the leading brand in the Lolita world.
- I feel the model's beauty and fame will affect customer's purchase intention.
- Event is important.

Cost-efficiency (X2) ($\alpha = 0.40$)

- I think the dress is well designed.
- I agree the price is reasonable.
- I believe the brand has high quality.

Purchase Intention (Y1) ($\alpha = 0.61$)

- Others will admire me if I purchase this dress
- I desire to purchase this dress

Attitudes toward new brand (Y2) ($\alpha = 0.78$)

- I think the dress is worth the cost
- I would purchase this set

Brand loyalty (Y3) ($\alpha = 0.63$)

- I would like to know more about the brand
- I will recommend this dress to others

Univariate ANOVA

According to the table and the graphical presentations below, we can clearly see that there is no significant interaction effect between influence and cost-efficiency in the Chinese Lolita market. However, it does prove that influence has a slight impact on cost-efficiency, because their p-values are larger than .05 but still reasonable.

Table 6. Univariate ANOVA

Source	Dependent variable	Sum of squares	df	Mean square	F	p-value
Influence	purchase intention	22.991	1	22.991	17.573	.015
	attitudes toward new brand	1.674	1	1.674	1.325	.250
	brand loyalty	5.774	1	5.774	7.327	.007
Cost-efficiency	purchase intention	7.830	1	7.830	5.985	.015
	attitudes toward new brand	14.570	1	14.570	11.528	.001
	brand loyalty	2.819	1	2.819	3.577	.059
Influence × Cost-efficiency	purchase intention	2.634	1	2.634	2.013	.157
	attitudes toward new brand	.867	1	.867	.686	.408
	brand loyalty	1.171	1	1.171	1.486	.224

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Figure 14. Effect on purchase intention

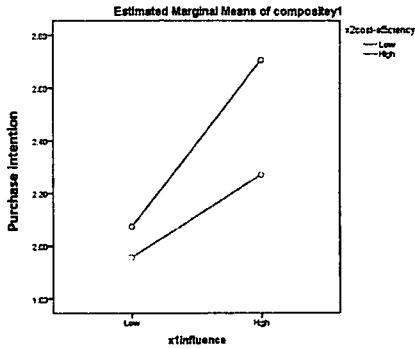


Figure 15. Effect on attitudes toward new brand

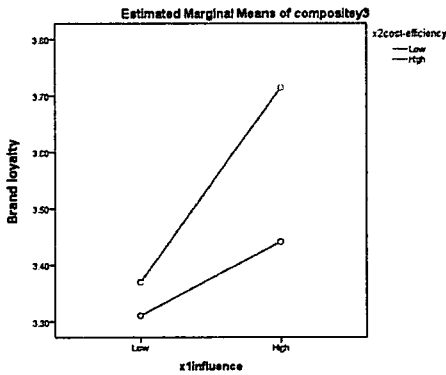


Figure 16. Effect on brand loyalty

