Smart Shoppers: Studying the relationship between Perceived Quality and Willingness to Pay in Fast and Slow Fashion

Maria Rodrigues Rosa

Dissertation written under the supervision of Prof. Paulo Romeiro.

Dissertation submitted in partial fulfillment of requirements for the MSc in Management with Specialization in Strategic Marketing at the Universidade Católica Portuguesa, June 2023.

ABSTRACT

Title: Smart Shoppers: Studying the relationship between Perceived Quality and Willingness to Pay in Fast and Slow Fashion

Author: Maria Rodrigues Rosa

Fashion is, undeniably, one of the largest and most lucrative industries with growing expectations. Despite its general acceptance and the success, recently it has been heavily scrutinized regarding its practices and criticized accordingly. From the exploitation of natural resources, poor working conditions and environmental footprint to intellectual property issues, to name a few. This has led companies to rethink and adopt more sustainable practices, which consumers are becoming increasingly aware of and demanding.

However, there seems to be quite a gap in the literature between consumers' perceptions of slow and fast fashion and their purchasing behavior. This dissertation therefore examines four brands, with different levels of perceived quality and from different fashion models, and their effect on willingness to pay. The results show that these dimensions influence consumers' willingness to pay. Moreover, the mediating effect of brand image and the moderating effect of being a smart shopper were analyzed. Perceived quality was found to have an impact on brand image, although brand image did not have a direct significant effect on WTP and therefore, not suitable as a mediator. Finally, smart shopper dimensions were better understood in the context of fashion, but also not eligible as moderator.

The present study adds to the existing literature of the fashion and smart shopper with theoretical and managerial implications that help better understand consumer behavior towards the fashion industry.

Key Words: Fast fashion; Slow Fashion; Perceived Quality; Willingness to Pay; Brand image; Being a smart shopper.

SUMÁRIO

Título: Consumidor Inteligente: estudo da relação entre perceção de qualidade e propensão a pagar no contexto da Moda

Autor: Maria Rodrigues Rosa

A Moda é inegavelmente, uma das maiores e mais lucrativas indústrias com expectativas de crescimento positivo. Apesar de ser geralmente aceite, ao longo dos últimos anos, esta indústria tem sido altamente criticada. Desde o consumo excessivo de recursos naturais, às condições de trabalho precárias, à elevada pegada ambiental e aos problemas com propriedade intelectual, apenas para mencionar alguns. Tudo isto, levou a que as tivessem de adotar práticas mais sustentáveis, de modo a responder às exigências dos consumidores mais atentos.

No entanto, existe uma divergência entre a perceção dos consumidores de "fast" e "slow fashion" e os atos de consumo. Neste sentido, esta dissertação, pretende estudar quatro marcas, com diferentes níveis de perceção de qualidade e de modelos de moda diferentes, e o seu impacto na disponibilidade a pagar. Os resultados evidenciam que estas dimensões impactam a disposição a pagar do consumidor. Adicionalmente, o efeito de mediação da imagem da marca foi analisado, bem como o efeito moderador de ser um consumidor ponderado e inteligente. Dado os resultados, cabe concluir que a perceção de qualidade impacta a imagem da marca apesar da imagem da marca não impactar a disposição a pagar e, consequentemente, não ser um mediador. Finalmente, as dimensões de ser um consumidor inteligente foram estudadas e concluiu-se que este conceito não é considerado um moderador.

Esta dissertação contribui para a literatura existente sobre a indústria da moda e na definição de consumidor ponderado e inteligente bem como identifica implicações que auxiliam a compreensão do comportamento do consumidor.

Palavras-Chave: Fast fashion; Slow Fashion; Moda; Perceção de Qualidade; Disposição a pagar; Imagem da marca; Consumidor ponderado e inteligente

ACKNOWLEDGEMENTS

First and foremost, I would like to express my gratitude towards my advisor, Paulo Romeiro, who was a crucial help throughout the process and without whom this work could never have been accomplished. Thank you very much for the guidance.

In addition, I would like to thank my friends for their support in my academic life and in all other aspects of my life. Their patience, motivation and kindness have been vital to me and made this demanding experience more rewarding and achievable, especially during this thesis semester.

Finally, a special thank you to my family – parents, sister, aunt and uncle, cousins, and my grandmother – for their love, unconditional support, and for always believing in me. I can proudly say that they have been part of my academic journey, and for that I am grateful.

Thank you!

TABLE OF CONTENTS

TABLE OF FIGURES

TABLE OF TABLES

GLOSSARY

WTP - Willingness to Pay

PQ - Perceived Quality

BI - Brand Image

VIF - Variance Inflation Factor

CI - Confidence Interval

Se - Standard Error

CHAPTER 1: INTRODUCTION

1.1 Background and Relevance

The fashion market encompasses a wide range of clothing items, adequate for every occasion and suitable for every purchasing power - from affordable sportswear to the most luxurious statement piece that requires a substantial financial investment. In 2022, the estimated revenue of this apparel market was 1.53 trillion U.S. dollars – a decrease compared to 2021 explained by the pandemic. Nonetheless, it is projected to increase to more than 1.7 trillion dollars, in 2023 (Statista, 2023). Within this industry there are two major fashion models: Slow Fashion and Fast Fashion.

Fast Fashion is a business strategy in which fashion items are rapidly produced to respond to consumer demand (Levy and Weitz, 2008), enabled by an efficient supply chain. These retailers produce the equivalent of up to 20 seasons per year (Christopher et al., 2004) which gives them an unbeatable markdown of 15% in the industry. The items produced are highly influenced by the latest runway shows or celebrity looks/styles, or in some cases, almost exact replicas (The Economist, 2005).

Slow Fashion, on the other hand, is just the opposite. The focus is on making both the value chain and consumers more conscious about the environmental and labor impacts of their actions (Busalim et al., 2022). This results in a lower leveled production with long-lasting quality pieces that tend to diminish overconsumption. Overall, it is about equilibrium and more sustainable production. Consumers who opt for this consumption style, tend to have a more "nuanced interpretation of the role of self-esteem, self-accomplishment and self-expression" (Lundblad & Davies, 2016) . Given these two categories and the fact that brand perception has a significant impact on consumer purchasing behavior, it is crucial to understand what may influence this decision.

Every consumer needs to make decisions about their purchases as resources, such as money and time, are limited. When the time comes, several factors are considered, even if in an unconscious way - for example, the perceived quality of a particular brand or product. In addition, there is evidence that consumers tend to choose brands as an expression of themselves. The Self-image/Product-image Congruity Theory precisely explains this comparison between the consumer's self-image and the image of a product, which leads the consumer to prefer a

product with an image similar to his or her own (Sirgy, 1982). This choice can be made based on the brand itself or what the brand represents.

Another concept has emerged among academics that relates to the busy lifestyle of the new consumer and the need to minimize costs, while maximizing the benefits associated with shopping (consumer efficiency theory) – "smart shoppers" (Atkins & Hyun, 2016). For most academics, this definition refers only to saving money, time, and effort. Nevertheless, some authors go beyond this and report that consumers want additional benefits from their shopping experience (Kim et al., 2007). Intriguingly, what is a good purchase for one person is not necessarily a good purchase for another, and here the decision to buy fast-fashion or slow fashion items may be subjective and dependent on other factors.

Currently, researchers believe that perceived quality and willingness to pay are interconnected and have a powerful relationship. This can be explained by the fact that perceived quality has a significant impact on consumer behavior, including their willingness to pay for a product. Several studies have already reported that higher perceived quality leads to a higher willingness to pay for a product (Homburg et al., 2005).

Nevertheless, there has been little research linking these two issues and answering the question of why brand image influences consumers' purchase intentions, in this case, as a mediator. For this reason, this study aims to understand whether there is a relationship between consumer's perceived quality of fast and slow fashion brands and their willingness to pay for them, and what this relationship is. Furthermore, this relationship is moderated by the sense of being a smart shopper, as this can also be a crucial factor in the purchase decision.

1.2 Problem Statement

Despite the critical role of perceived quality in influencing consumers' purchase decisions and WTP for a product, the factors that moderate and mediate this relationship have not yet been fully investigated. As a result, the present dissertation intents to understand if some additional factors (brand image and being a smart shopper) can influence and how, the impact of perceived quality on willingness to pay. It will also examine whether brand image and the consumer's sense of being a smart shopper will, respectively, mediate and moderate this relationship. The subsequent research questions were developed to further the scope of the analysis:

RQ1: "How does the perceived quality of a product influence consumers' willingness to pay for that same product?"
The significance and strength of this impact should be first made clear based on the literature.

RQ2: "What effect does the brand image play in the relationship between willingness to pay and perceived quality?"
Furthermore, it is important to assess how the brand image may or may not meaningfully influence this relationship, or whether brand image only influences perceived quality or WTP. This can help determine which strategies are effective for a brand to improve its brand image.

RQ3: "To what extent does the consumer's sense of being a smart shopper influence the relationship between willingness to pay and perceived quality of a specific product?"
Next, it is necessary to comprehend if the consumer's sense of being a smart shopper affects the purchase decision and which dimensions bear greater importance in this industry.

1.3 Research methods

To answer the research questions outlined above, this study will include primary research as well as explanatory and exploratory research methods. Primary data will allow more accurate and reliable information which will enhance the understanding of the problem.

Regarding primary data, a main survey will be carried out to validate the findings obtained from the literature review. This will enable to draw conclusions and propose solutions for improvement based on the findings. To avoid misunderstandings in the final survey and ensure the inclusion of the most pertinent brands, a pre-survey will be conducted beforehand as well as one-on-one interviews. Qualtrics is chosen as the platform for the online surveys as it allows for a considerable amount of insight while being cost and time efficient. More detailed information on this and the analysis can be found in the methodology chapter below.

1.4 Dissertation outline

This dissertation is divided into a total of five chapters. The first one, begins with an introducing to the relevance of the topic and the explanation of the research subject. The next chapter presents the literature review, which includes detailed and relevant information about the variables of this study. In that same section, context is provided for the research questions and the hypothesis of this paper are formulated. The third chapter provides thorough information

on the research methodology. It outlines the various techniques used for data collection and statistical analysis. Prior to the last chapter, statistical analysis is performed, and the obtained results are analyzed to confirm their legitimacy and the result of the validation of each hypothesis. Lastly, the fifth and final chapter contains the conclusion, a brief discussion on the topic, limitations, and suggestions for further research.

CHAPTER 2: LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK

Fast Fashion

Fast Fashion is a model that has revolutionized the entire fashion industry due to its efficient supply chain and astonishingly rapid production level. The unbeatable low prices and the constant production and distribution of new and trendy collections (McNeill & Moore, 2015) have attracted numerous consumers.

Nowadays, brands such as Zara, work under a system called "rapid-fire fulfillment" which can shorten the process of designing, producing, and delivering the pieces only within 10 to 15 days (Ferdows et al., 2005). This allows tens of thousands of new designs to be available per year and hundreds of thousands of SKUs to be created. Such accomplishment is only possible for brands with massive dimensions, leaving all the others, undeniably behind.

Clothing items offered within this model are characterized as trendier but with lower quality (Barnes et al., 2013). Consumers also feel that these products have good monetary value, given their characteristics and prices, which is an important aspect to consider.

Nonetheless, fast fashion has been considered responsible for various problems. Regarding the environment, some state that it has been prejudicial due to consumers' over-consumption and waste of fashion apparel (Fletcher, 2007), as well as the associated carbon footprint and depletion of natural resources (Brewer, 2019). In addition, problems related to intellectual property have also been identified. The production of designer-inspired clothing items and their availability and accessibility, ends up weakening the incentive of consumers to spend money on more expensive original design (Brewer, 2019).

All of this has been fairly undermined in the past, but consumers are informed and discerning than ever before. Given this awareness, fast fashion retailers ought not to be looking for the highest profits at any cost, but also try to improve their practices and make them more transparent.

In general, fast fashion is consumer-oriented model with aspects that many consumers find beneficial, although it poses a threat to resources and the quality of life of future generations, which has recently made consumers reconsider their choices.

Slow Fashion

Slow Fashion represents a solution to the problems of fast fashion and promotes a vision of sustainability that has different values and goals (Fletcher, 2010). It promises "high quality, small lines, regional productions, and fair labor conditions" (Slow Fashion Award, 2010) which attracts conscious consumers. It is also important to clarify that slow fashion entails a holistic understanding of sustainable fashion that takes into account social, economic, and environmental issues (Pears, 2006).

Interestingly, consumers have been more aware of their consumption effects (Birtwistle & Moore, 2007) and, therefore, are motivated to mitigate the underlying problems in the fashion industry. The "slow fashion movement" aim is for people to consume fewer but higher quality products, which can lead to higher perceived customer value, always by improving fashion's environmental and social path. The latter, when verified, can have an impact on purchase intentions and willingness to pay higher prices for slow fashion products (Jung & Jin, 2016).

To achieve such aspirations, slow fashion relies on three main pillars. The first focuses on local design and production, which requires the use of materials and resources that promote diverse and innovative business models. The second is about transparent production systems to improve the relationship between users, designers, and producers. The last pillar focuses on the core of slow fashion which is the production of more sustainable products. Clothes are supposed to last longer and always remain fashionable throughout the seasons, creating a sensory and emotional connection to the piece (Clark, 2008). The prices of such pieces are naturally higher and thus, not as affordable as fast fashion. This is believed to be no issue as consumers acknowledge the added value and recognize price fairness (Vidal-Branco et al., 2019).

In addition, some indicate that the lower production levels promote uniqueness. Hence, slow fashion and more sustainable consumption can also be a promotor of individuality and authenticity which are increasingly valued by consumers.

Ultimately, slow Fashion is the antithesis of fast fashion and is based on values that benefit the population while being innovative and sustainable. Recent trends confirm that consumers are becoming more attentive to such practices. Additionally, countless slow fashion brands have gained notoriety and new brands have emerged in unprecedented numbers.

2.1 Willingness to Pay (WTP)

Willingness to pay (WTP) is a commonly used and tested concept among academics. Its' definition is, generally, defined as "the maximum price a given consumer accepts to pay for a product or service" (Gall-Ely, 2009). This concept has proven to be very useful in variety of marketing areas such as advertising (Kalra and Goodstein, 1998), consumer dealing patterns (Krishna, 1991), and pre–test markets (Homburg et al., 2005).

Intriguingly, the relationship between price and WTP appears to be dualistic. While some claim that the high price of a product discourages consumers from buying (Perry and Chung, 2016), others state that the unique aspects of a brand positively affect consumer preferences and willingness to pay a higher price (Kalra & Goodstein, 1998; Netemeyer et al., 2004).

Recent years have seen a shift in consumer behavior, as consumers are becoming more environmentally and socially concerned with their choices. Recent papers report how consumer's attitude towards sustainability is favorable (Leung et al., 2019; Luchs et al., 2011; Viswanathan & Rosa, 2010) and that they are willing to pay more for sustainable products, also in the case of fashion (Statista, 2020). Nevertheless, some behavioral gaps were detected as actual purchasing actions do not translate into such claims (Warwick et al., 2015). Of course, price, as mentioned before, does play a role among fast fashion pieces, as it allows its consumers to avoid "buyer's remorse" by purchasing clothing that is inexpensive (Barnes et al., 2013).

2.2.1 Perceived Quality

Perceived quality was defined as "the consumer's judgment about a product's overall excellence or superiority" (Zeithaml, 1988). This notion is commonly mistaken with "objective quality". Objective quality, can be verified and measured and, refers to the actual technical superiority of the product (Monroe and Krishman, 1985). Whereas perceived quality is highly subjective (SteenKamp & Van Trijp, 1989) and may be influenced by situational factors (Ophuis & Van Trijp, 1995).

In 1972, Olson and Jacob developed the cue utilization theory. This theory argues how consumers use two different cues to infer the quality of a specific product: intrinsic and extrinsic. The Intrinsic cues are strictly related to the physical features of the product and the extrinsic cues are product-related but not the physical part of the product – for instance, the price.

Perceived Quality has also been proven to be linked to various concepts in the existing literature. For instance, satisfaction is one of them once satisfaction cases, over time, lead to perceptions of good quality (Rowley, 1998).

When looking at the fashion industry, some conclusions about the perceptions of quality may arise. For example, fast fashion clothing is perceived as, generally, lower in quality but trendier, while slow fashion clothing is expected to last longer due to its higher quality and price but may not be as trendy (Barnes et al., 2013). On a last note, slow fashion attributes contribute to creating higher perceived customer value (including perceived quality), which subsequently increases a consumer's intention to pay a price premium for slow fashion products (Jung & Jin, 2016). This is a pattern that has been noted recently.

Overall, slow fashion is a shift from quantity to quality, the opposite of fast fashion (Barnes et al., 2013).

2.2.2 Perceived Quality impacts Willingness to Pay

The relationship between perceived quality and willingness to pay (WTP) seems to have already been of interest to some researchers. As a result, it has been demonstrated that the perception of quality directly affects how much a respondent is willing to pay. (SteenKamp & Van Trijp, 1989). Also, in the context of online content, "perceived service quality" has been found to be associated with WTP (Lu Wang et al., n.d.). This correlation was further studied, and various authors concluded that quality perceptions have a positive effect on WTP (Homburg et al., 2005; Zeithaml, Berry, & Parasuraman, 1996). However, numerous papers study this relationship in the services field, so it is still to discover if this applies to products as well which will be the focus of this dissertation.

The importance of perception of quality that a consumer has, is sometimes neglected. Research conducted by Phillip K. Hellier, shows that although perceived quality does not directly affect customer satisfaction, it does so, indirectly, via customer equity and value perception (Ago et al., 2015). In addition, a positive relationship between perceived quality and brand equity has been evidenced in several recognized papers (Aaker, 1991; Kamakura and Russell, 1993; Feldwick, 1996; Motameni and Shahrokhi, 1998; and Yoo et al., 2000). Based on this, the first hypothesis of this paper arises:

H1: Perceived Quality has a positive impact on Willingness to pay.

2.2.3 Perceived Quality impact on Brand Image

Brand Image is a complex concept (Arnould, et al., 2005) as it is the set of associations that consumers hold in their memory. Ultimately, brand image can be the factor that differentiates one brand from the remaining ones.

As explained by Aaker (1991), brand equity consists of brand associations (brand image), loyalty to the brand, brand awareness, and perceived quality. This means that both terms - brand image and perceived quality – are elements of brand equity and, therefore, related (Aaker, 1996).

In fact, this relationship between the two has already been under the scope of analysis among academics. According to the findings, it is undeniable that this relationship exists but some authors state that perceived quality affects brand image (Ming et al., 2011; Chen and Tseng, 2010) while others state that consumers' perception of quality is significantly affected by brand image (Jacoby et al., 1971; Severi & Ling, 2013).

Both arguments are supported by different authors and papers yet, in this research paper, the focus will be on the impact of perceived quality on brand image. This will be grounded on the belief that a good assessment of perceived quality impacts positively the brand image (Keller, 1993). Additionally, the development of a robust brand image, without the delivery of a proportionate level of product quality, may result in disconfirmation of such quality. This may be especially true when considering brands with lower dimensions – the case of some slow fashion brands. For this reason, it is hypothesized that:

H2: Perceived Quality positively impacts Brand Image.

2.3.1 Brand Image

Brand image is a component of marketing (Keller, 1998) and it refers to the set of brand associations that are collected in the minds of the consumers (Mowen & Minor, 2001). This association-building process occurs as soon as the consumer is exposed to the brand.

Interestingly, a concept as simple as this one can bring emotional value to consumers even if they are not aware of it.

Positive brand image may impact consumers' purchase decisions as this acquisition acts as a symbol of self-expression (Lau and Phau, 2007). Hence, positive brand associations or, in other words, brand image leads to enhanced brand equity (Aaker, 1991). Moreover, the more these brand associations are cohesive and consistent - through brand communication - the more probable people are to recall a particular brand, impacting their evoked set (Keller, 1993).

Brand image, according to previous research, is linked to brand loyalty (Sung et al., 2010), marketing strategies (Faircloth et al., 2001) and, most importantly, on brand equity. The latter concept comprises, brand associations (brand image), brand loyalty, brand awareness, perceived quality, and other brand assets (Faircloth et al., 2001). Hence, one may conclude that brand image holds considerable importance on a brand's establishment process and its credibility (Sukma Wijaya, n.d.). Moreover, familiarity – associated with knowledge and brand image - can also be a decision trigger because consumers tend to buy products from brands already quite known as they associate those ones with reliability (Aaker, 1991).

Regarding the fashion industry, brand image is seen as an asset and a way to obtain profit margins (Kort et al., 2005). However, Norazah, in a study of green products had evidence that consumers are unlike to purchase green products when they are not familiarized with the brand which may present an obstacle for smaller brands of slow fashion (Norazah, 2013).

2.3.2 Brand Image impact on WTP

Regarding the link between brand image and willingness to pay, there is little literature about the topic. However, some authors have already discussed brand equity and willingness to pay. As mentioned above, brand equity is the result of different elements: brand associations (which is the brand image), brand loyalty, brand awareness, and perceived quality.

According to Keller (1993), the relationship that exists is between brand equity and willingness to pay. More specifically, the level of confidence in a brand result from brand equity, but the higher the level of confidence, the more likely consumers are to pay a higher price – which although indirectly, evidences a relationship.

In addition, it was found that a product's brand equity positively affects a consumer's willingness to pay premium prices (Keller, 1993).

Although, once again, there is not much literature that relates both concepts directly, there seems to be a relationship indirectly. Additional hypotheses are important to take into consideration:

H3: Brand Image has a positive impact on Willingness to pay.

H4: Brand Image mediates the relationship between Perceived Quality and Willingness to pay.

2.4.1 Being a Smart Shopper

The feeling of smart shopping is related to the feeling of accomplishment that some consumers feel when they find a "bargain". Paying low prices may provoke feelings of pride, smartness, or competence (Holbrook et al., 1984). Some consumers even go further and extend their efforts to help others by sharing their shopping expertise as they take pleasure in anticipating the satisfaction that comes from helping others obtain low prices. (Feick et al., 1988). This is why, researchers, in the past, have tried to define and understand this concept in more depth. For instance, Mano & Elliot, in 1997, defined smart shopping as the likelihood that some consumers have, through effort and time spent on promotion-related information, attained monetary savings. Even though some researchers relate this concept solely to gathering, planning, and money-saving factors, others believe that consumer's may be looking for benefits that go beyond effort, time and saving money (Kim et al., 2007).

A more recent paper – from 2016 – compared different "smart shopping purchase experiences" to recognize if they diverged through product types and consumer groups (Atkins & Hyun, 2016). The results evidenced that factors such as time and effort savings as well as "making the right purchase" were important besides money savings. It also concluded that smart shopping experiences were different by product type, gender, and generation.

As a result, this feeling clearly has an impact on the choices that consumers make and may have an impact on brand image. Having greater knowledge about this concept may help retailers and marketers to tailor strategies that meet consumer's needs and wants for smart purchasing

experiences (Atkins & Hyun, 2016). In the fashion industry, it is no different especially in determining what consumers are looking for – fast or slow fashion.

2.4.2 Literature on Being a Smart Shopper impact on the relationship between Perceived Quality and WTP

As previously mentioned, some researchers have made efforts to define smart shoppers. However, literature in general about this is limited, especially, when it comes to relating this to perceived quality or willingness to pay. Nevertheless, while trying to understand the concept better, some thoughts regarding quality and willingness to pay are in the literature.

Spending time and planning a particular purchase, can help consumers to gain knowledge of where to shop and how much they are willing to pay for the desired product. Finding the right product can be related to different factors such as money-saving techniques, the assortment of products as well as individual needs for the right product and quality. In 1996, a study was conducted that evidenced that clothing is a category that consumers spend a considerable amount of time comparing and choosing "based upon appropriateness, style, quality and price" (Murphy & Enis, 1986). As a result, a sort of conclusion was made where products like this – where consumers are willing to spend time, energy, and money – are "specialty goods". This example, evidence how willingness to pay for a product and its quality may be of central focus in the purchasing decision however, not yet studied.

In addition, it is central to the concept of a smart shopper that some consumers perceive price and quality more accurately. Despite this, sometimes, the price is misjudged. There seems to be a natural tendency among consumers to believe that the price, to some extent, indicates the level of quality (Monroe and Krishnan 1985) which can increase the consumer's expectations about the performance of the product (Atkins & Hyun, 2016).

Taking all these perceptions and evidence into consideration, a hypothesis regarding smart shoppers arises:

H5: "Smart shoppers" moderate the relationship between Perceived Quality and Willingness to pay.

2.4 Full Conceptual Model

According to the literature review, the aim of this dissertation will be to better understand how the perceived quality of fast and slow fashion brands impacts consumer's willingness to pay. Moreover, it also wants to comprehend if brand image is a mediating effect and if being a smart shopper is a moderator. In this case, perceived quality will be the independent variable, willingness to pay is the dependent variable, brand image is the mediator and, lastly, smart shopper will be the moderator. Thus, the following conceptual framework represents the scope of the present dissertation.

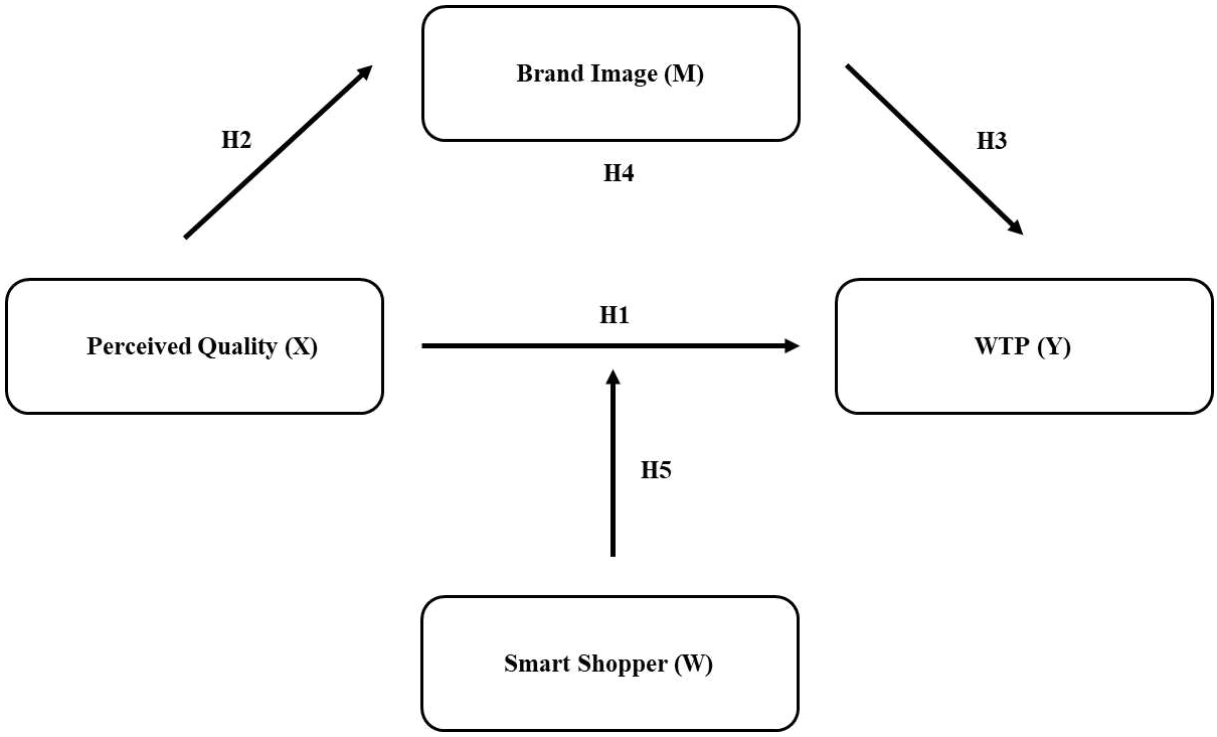

Figure 1 - Conceptual Framework

CHAPTER 3: METHODOLOGY

This chapter will clarify and provide detailed information about the methodology approach of this dissertation. Hence, this section will be divided into three parts: the first part will discuss the general approach used, followed by a description of methods used for collecting primary data and finally, the questionnaire design will be unfolded.

3.1 Research Approach

The purpose of this dissertation is to gain insights regarding how the perceived quality of a product can have an impact on the willingness to pay for that same product. Accordingly, a literature review on relevant topics was conducted as a first step.

To examine the plausibility of the hypothesis formerly presented, it was necessary to choose among the possible research methods: exploratory, descriptive, and explanatory (Saunders, Lewis & Thornhill, 2009). The present dissertation will only include a combination of exploratory and explanatory ones. The exploratory method consisted of a thorough search of the existing literature which helped to define the appropriate variables and hypothesize their interactions. This method was crucial to gain a better understanding of the issue before quantifying viewpoints. To complement this, explanatory methods will be utilized to, precisely, define and explain the relationship between the variables.

From what concerns the quantitative research, two studies were conducted – the pre-test, and the main survey – and for each, an online survey was designed. This was the chosen methodology as online surveys present high levels of convenience, reduced costs, and can reach a broad and diverse audience rapidly (Evans & Mathur, 2005). Nevertheless, online surveys also present limitations such as the representativeness of the sample which will be diminished as much as possible through distribution.

As mentioned above, a pre-survey was conducted with the main purpose of identifying the brands that ought to be included in the final survey as well as helping to develop the stimuli. The results of this will help to design the final survey with more accuracy which may end up potentializing its results. Qualtrics Survey Software will be the designated platform for all experimental studies due to its efficiency, tools (such as randomizing, for instance), and the possibility of downloading the data promptly Microsoft Excel. Only after, will the data be analysed in IBM SPSS software version 28.0.0.0 (190).

3.2 Primary Data

To yield fitting answers to the research questions, primary data consisted of a pre-survey, several one-on-one interviews, and a main online survey.

3.2.1 Pre-Test

Prior to the launch of the main online survey, a pre-test was developed to determine which were the final brands to be studied. Based on research, regarding the most known and popular brands in Portugal both of slow and fast fashion, 10 brands were elected for each category. Hence, a total of twenty brands were presented to the participants which they had to classify as "Slow Fashion", "Fast Fashion" or, "I do not know the Brand" as well as state their opinion regarding the quality of each one (Appendix 4.2). This categorization allowed us to understand how each brand was perceived and the familiarization level which led to the final four brands to be studied. In addition, participants were asked how much they spent on clothing items as well as which pieces, they purchased the most, which helped to create the stimuli afterward.

This online pre-survey was organized into three parts. The first was the introduction chapter where the main goal was briefly explained and where the pieces of clothing were asked. The second part was concerned the brands and their categorization – where a brief explanation of slow and fast fashion was made at the beginning of this part to ensure everyone had a clear concept in mind. Finally, demographic questions were asked.

This pre-testing process also warranted that the main survey questions were written in an unambiguous way and, therefore, guaranteed its effectiveness.

3.2.1.1 Pre-Test Results

On the pre-survey, which was available from the 15th of April until the 18th of April, some insights were gathered. Most of the participants stated that they spent on clothing, between 50€ and 99€ or between 100€ and 199€ over a period of 3 months. In addition, the piece of clothing with the higher purchase frequency was, by far, "T-shirts/Tops" with a mean of 3.37 (being 1-never and 5-always). Regarding the twenty brands, it is noticeable from the data that the brands of fast fashion are more recognized than the slow fashion ones, in general. Also, when ranking the brands in terms of their quality, using a 7 point-Likert scale, and fashion model, four brands stood out: Massimo Dutti, being the fast fashion brand perceived with the highest quality (M = 3.92), Primark being fast fashion however perceived with the lowest quality (1.59), Patagonia

being the slow fashion brand perceived of higher quality (3.76) and, finally, Made Trade also being slow fashion but with lower perceptions of quality (3.06). From these numbers it is also possible to understand that brands of slow fashion are perceived with higher levels of quality, in general.

3.2.2 One-on-one Interviews

The qualitative research also included nine one-on-one interviews. These interviews were conducted at the same time as the pre-survey and had the common goal of understanding which brands made sense to include in the final survey. Moreover, this was where various similar pictures were shown to the participants with the purpose of selecting the adequate stimuli that would further be integrated into the study.

To make sure the interviews were homogeneous in terms of information and insights gathered; a script was followed. Throughout the interviews, each participant was explained how the interview was going to be conducted, was asked to say brands that came to their minds when thinking of slow and fast fashion and, only later, were they asked if they knew each brand of the list (same 20 brand list). In the end, each interviewee was shown two pictures (a pair) that only differed in the brand – one of each fashion category. According to that, they were asked which they perceived to have the higher quality. Subsequently, they were shown two similar sets of pictures, making a total of three pairs, where they had to choose the one, they preferred the most in terms of aesthetics. This was what allowed the choice of the final stimuli.

3.2.2.1 One-on-one Interviews Results

The interviews evidenced an alignment between its results and the ones on the pre-survey such as: the T-shirt/Top being the most bought item and the level of familiarity between the two models of fashion. Moreover, it also yielded valuable insights on the list of brands, as most brands featured on the list were also cited by participants when asked to state brands of both slow and fast fashion (question asked prior to the availability of the list). The most mentioned brands were Zara, Primark, Bershka, Pull&Bear, Stradivarius, Sienna, Cantê, TheAlmond and some even stated Sézane. Once the stimuli were shown to the interviewed (White T-shirt from Zara vs. Patagonia), everyone but one person stated that Patagonia was the one with higher quality and when presented with the three options of stimuli, 78% chose the first one.

3.3 Data Collection

The collection of data, as previously mentioned will be based on an online survey due to its convenience. The propagating method will be majorly based on the sharing of the survey link on social media platforms – Instagram, WhatsApp, and Facebook – both for the pre-test and the final survey. The brands for the stimulus were based on the responses obtained from the pre-survey and the insights received from the 9 one-on-one interviews performed. These interviews were conducted either via Zoom or telephone.

On the main survey, 200 answers are expected to guarantee that each stimulus is validly answered by 30 different respondents. This, according to the Central Limit Theorem, will acknowledge that the data is normally distributed for each group (Fischer, 2011).

It was available both in Portuguese and English languages and followed a convenience sampling method which allowed to spread the questionnaire in a more efficient way. The target was everyone who consumes clothing items and one of the added values of having a wide spectrum of age groups is that it will enable us to determine whether age serves as a significant factor in driving the research problem which will be tested on subsequent statistical analysis.

On a final note, it is imperative to state that all anonymity and privacy regulations were respected and totally made clear to the participants in all three experiments as well as stated that the information gathered will, only, be used for the matters of this thesis.

3.4 Stimuli Development

The final survey will follow a two-by-two design. Using Qualtrics's randomization tool, respondents will only be presented with one of the four existing paths/stimuli.

The stimuli were based on the insights gathered from the interviews that were conducted and the online pre-survey. These methods served distinct purposes, although complementary to one another.

The interviews facilitated an understanding of the brands that came to the respondent's mind as well as examined the level of familiarization with the list of 20 clothing brands. However, its major purpose was related to the visual component of the stimulus – as each participant was shown three different visuals that they needed to choose regarding what was more appealing

and intuitive to them. The results showed a clear and significant preference for one of the options which was obviously the one exhibited on the final survey.

Concerning the pre-survey, it was also helpful in terms of understanding the familiarization of the brands listed but it was crucial to determine the clothing piece to choose, as well as the brands in terms of perceived quality. In this primary research method, the contributors had to state the piece of clothing they bought the most which shaped the item presented on the final stimuli. Additionally, respondent's perceptions and classification of the 20 brands in terms of quality and fashion category were obtained, enabling the identification of the four brands – a slow fashion one with high levels of perceived quality (**Patagonia**), a slow fashion one with low levels of perceived quality (**Made Trade**), a fast fashion one with high levels of perceived quality (**Massimo Dutti**) and, lastly, a fast fashion one with low levels of perceived quality (**Primark**).

Upon completion of the stimuli visual component, the main survey was initiated. On this one, questions about clothing consumption, in general, will be asked in the initial stages. Only after, will participants be shown one of the four possible brands with a brief explanation of the fashion categories (slow and fast). It is noteworthy that the explanation given was clear, simple, and accessible and was the one that was used on the pre-survey to clarify these concepts. Both brands of fast fashion were shown the same description and the same happened for the pair of brands of slow fashion. The main questions, measuring each variable, were posed only after this stage to ensure reliable insights. Participants were also required to validate their responses by answering two manipulation checks and providing demographic information for future descriptive analysis.

3.5 Measures and Indicators

The measure of each variable is below explained in more detail, but it is important to mention that the Cronbach's alpha coefficient was considered and mandatory to exceed 0.7, suggesting at least, acceptable reliability.

Perceived Quality

Regarding Perceived Quality, the measurement that will be used is a set of 7-point semantic differential scales which were designed by Erdoğmuş & Büdeyri-Turan in 2012. This robust agreement scale will include questions concerning different areas of perceived quality:

appearance cue, extrinsic cue, intrinsic cue and, finally, performance cue. In total, it will be constituted of 8 items.

Willingness to Pay

Willingness to Pay (WTP) is also one of the major focuses of this research and the measurement of this variable will follow Marbeau's method. This approach consists of asking participants two questions:

- "Above which price would you definitely not buy the product, because you can't afford it or because you didn't think it was worth the money?"
- "Below which price would you say you would not buy the product because you would start to suspect the quality?"

This indirect method of asking the willingness to pay is advantageous in comparison to a direct approach as respondents find it cognitively easier to determine whether a specific price for a product is acceptable than to directly assign a price by themselves (Brown et al., 1996).

Brand Image

Regarding Brand Image, the measurement that will be used is based on the scale of Aaker (1996) and Martínez and de Chernatony (2004). The questions will also be on a 7-point Likert scale where six different statements will be assessed regarding the value for money, characteristics of the brand as well as its added value compared to competitors. A total of 6 items will be needed to test this construct.

Smart Shopper

Finally, the moderator of this conceptual framework, "smart shopper". Atkins & Kim (2012) developed a smart shopping scale consisting of three main factors: effort/time saving, money-saving, and right purchase to which participants answered by having in mind their latest purchase. Later, Green Atkins and Hyun used this same scale and added two additional dimensions: searching and planning (Atkins & Hyun, 2016). This way, the 7-point Likert scale tested will be composed of the five categories, making a total twenty-one questions.

Table 1 - Measures of Constructs

Framework	Measure	Items	Scale	Reference	Cronbach α
IV	**Perceived Quality**	8	7-point Likert Scale	Erdogmus and Budeyri-Turan	0.892
Moderator	**Smart Shopper**	21	7-point Likert Scale	Atkins & Kim (2012)	Between 0.736 and 0.914
Mediator	**Brand Image**	6	7-point Likert Scale	Aaker (1996) and Martínez and de Chernatony (2004)	NA
DV	**Willingness to Pay**	2	Open Questions	Marbeau (1987)	NA

3.6 Data Analysis

Data analysis will be conducted on SPSS, as previously mentioned, but prior to this analysis the data will be properly cleaned. Subsequent to this validity process, the assessment of the variables and their reliability will be computed, using Cronbach's alpha. In addition, it is imperative to conduct a demographic characterization of the survey which will offer valuable information about the sample's characteristics.

Only when this is concluded, will the hypothesis test begin. Every hypothesis will be based on a confidence level of 95% and, therefore, be concluded as verified or not, according to their p-value. The first three hypotheses will be tested using a linear regression, the fourth will be using process macro model 4 (mediation effect) and, lastly, the fifth will also use process macro, however, model 1 will be used. In the end, the general model, which will include every variable, will be tested using process macro model 5.

CHAPTER 4: RESULTS

4.1 Preparing the Data

4.1.1 Cleaning the Sample

To begin with, the first step of this prior analysis was based on the exportation and cleaning of the data on the Excel sheet. The main survey was launched on the 25th of April and closed on the 2nd of May and a total of 298 responses were collected. From these recorded responses, only 170 were considered valid based on this cleaning process that included the following requirements: completeness of the survey (87), different IP addresses (11) and passing the manipulation check. The correct response rate regarding the manipulation check (selection of fast or slow fashion definition according to the stimuli given) was 90% among the four brands, thus excluding 30 participants. Hence, the final number of valid responses for each of the stimuli is presented below.

Table 2 - Responses per Stimulus

	High Perceived Quality	**Low Perceived Quality**
Fast Fashion Brand	48	31
Slow Fashion Brand	40	51

4.1.2 Creating the Variables

Once this part was concluded, the SPSS preparation and analysis could begin. To do so, each variable was classified with the right measure (scale, nominal, or ordinal). Moreover, one variable was reverted so that the highest values corresponded to the highest frequency and, lastly, the nationality column was homogenized (answers such as “Portuguese”, “Portuguesa”, “PT”, etc transformed into “Portuguese” only). In addition, the recoding of necessary variables was made (see Appendix 1).

Finally, new variables were created. For perceived quality, brand image and willingness to pay it was necessary to create a mean variable for each of the four brands. The perceived quality and brand image were computed based on a mean of every item tested on the questionnaire and WTP was only based on item number 1, which was the maximum price. Only after, was Perceived quality, Brand image and WTP created in general.

Regarding smart shoppers, as every respondent answered the 5 categories of this construct, a general mean of each group was created as a variable at first and then, created a general one based on the mean of the previous 5 categories.

4.1.3 Outlier Analysis

To make sure that there were no misleading results, an outlier analysis was conducted to prevent inconsistent and deviant data. Therefore, the Mahalanobis distance was used. All values of the created probability variable, for all the brands, were above 0,001 which evidence that there is no existence of outliers. Hence, the analysis may proceed with confidence.

4.1.4 Collinearity Diagnostic

In addition, a collinearity diagnostic was performed to make sure there were no multicollinearity issues and, consequently, ensure validity and accuracy of the regression analysis. Based on the tables below, we can see that the tolerance values are all above 0.40 and the VIF values below 10. However, the Brand Image and Smart Shopper variables have a "condition index" above 10 which may raise some concerns, but still below 20, indicating while there is some collinearity among the variables, it is not a problem, and we can proceed with the analysis.

Table 3 - Multicollinearity

Multicollinearity	**Unstandardized B**	**Tolerance**	**VIF**	**Condition Index**
Perceived Quality	8.11	0.65	1.54	9
Brand Image	1.08	0.64	1.56	14.39
Smart Shopper	1.44	0.98	1.02	19.74

4.1.5 Reliability Analysis

To test the consistency of the constructs used, a reliability analysis was necessary, and Cronbach's Alpha was the selected method. According to George and Mallery, a result superior to 0.7 is considered acceptable, superior to 0.8 is good and superior to 0.9 is excellent (George and Mallery, 2003). The upcoming table displays in detail the results of this analysis and,

consequently, the items that were deleted in order to have even more pertinent and trustworthy outputs.

Table 4 - Cronbach Alpha

	Initial number of items	Cronbach Alpha	Cronbach Alpha if item deleted	Number of items deleted	Final number of items
Perceived Quality	8	0.862	0.862	-	8
Brand Image	6	0.795	0.820	-	6
WTP	2	0.360	-	1	1
Effort/Time savings	6	0.811	0.83	-	6
Right Purchase	5	0.864	0.864	-	5
Money Savings	4	0.742	0.815	1	3
Searching	3	0.815	0.797	-	3
Planning	3	0.811	0.922	1	2
Smart Shopper	21	0.809	0.845	2	19

First of all, brand image, despite having one of the lowest Cronbach alphas, item number 5 if deleted will only increase the alpha by 0.25 and, thus, the construct will maintain its 6 items. From the table above, we can see that WTP has a really low Cronbach alpha, and its definition is the "maximum price", only item number 1 – "Above which price would you definitely not buy the product, because you can't afford it or because you didn't think it was worth the money?" - will be considered.

When it comes to "Money savings" the smart shopper will only consider three of its four items, cutting item number two – "I got a lower price on this purchase than normal". The disregard of this item will improve the alpha from 0.742 to 0.815. The same will happen with "Planning" where item number one will be omitted – "I waited until I found the right product". Consequently, the smart shopper construct will increase its overall Cronbach alpha from 0.809 to 0.845.

4.1.6 Manipulation Check

This way, the analysis continued and was followed by the manipulation check analysis. This analysis consists of two different parts. This first one's objective is to make sure that participants understood the stimulus they were presented and for this, wrong responses were deleted from the data basis, as mentioned above. The following step is to test if there is a statistical significance between the groups. To do so, two Mann-Whitney tests were performed (due to violation of the normality of distribution), one for each manipulation check.

The first manipulation check compared the difference between the choice of each statement (fast or slow fashion definition) according to the brands people were presented. The null hypothesis is that the distribution is the same across categories and, given that the p-value is below 0,05, the null hypothesis is rejected and therefore, we can assume that they are statistically different from each other.

Nonparametric Tests

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.[a,b]	Decision
1	The distribution of MC_statement is the same across categories of FastVsSlow.	Independent-Samples Mann-Whitney U Test	,000	Reject the null hypothesis.

a. The significance level is ,050.

b. Asymptotic significance is displayed.

Figure 2 - Manipulation Check Perceived Quality

The second manipulation check compared the difference between the level of perceived quality and the brands (group of high perceived quality vs. low perceived quality). Once again, given the p-value below 0,05, the null hypothesis is rejected and therefore, we can assume that the groups are statistically different from each other.

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.[a,b]	Decision
1	The distribution of MC_HighQuality is the same across categories of HighVsLow.	Independent-Samples Mann-Whitney U Test	,003	Reject the null hypothesis.

a. The significance level is ,050.

b. Asymptotic significance is displayed.

Figure 3 - Manipulation Check Perceived Quality

These results demonstrate that the manipulation checks were both verified. Hence, the analysis may continue with confidence.

4.2 Sample Characterization

As previously mentioned, a total of 170 responses were considered valid and thus the basis of this analysis. Based on the demographics part of the questionnaire, descriptive statistics allowed us to characterize the sample. When it comes to gender, 58,8% of the participants were female, 40.6% were male and 0.6% preferred not to reveal such information.

In terms of age, 71.2% were between 18 and 24 years old, 20.6% were between 25 and 34 and 2.4% were between 35 and 44 years old. The missing percentages diverged in the remaining options ("Under 18", "45 – 54", "55 – 64", "65 – 74") and there was no one with 75 years old or more. These numbers demonstrate that the population under study was youthful.

Regarding nationality, the vast majority was Portuguese (91.8%), followed by German (2.9%), Italian (2.4%), Austrian (1.2%) and Belgium (0.6%). There were also non-European answers – Brazilian (0.6%) and American (0.6%).

The completion of an educational level was also quite concentrated on the three options: "Bachelor's Degree" with 53.5%, "Master's Degree" with 23.5% and "High School" with 19.4% which highlights the high education level of the population under study.

Finally, in terms of monthly gross income, 42.4% stated that they had no income (which seems consistent with the age range). The subsequent groups were between "1000€ - 1499 with 17.6%, followed by between "500€ - 999" with 12.4% and, "Less than 500€" with 9.4%. Additionally, the range between 1500€ and 1999€ was selected by 6.5% and the remaining respondents (11.8%) diverged from 2000€ up to more than 3500€.

Besides demographics, the "smart shopper" 7-point Likert scale included in the questionnaire, also provided some behavioural information regarding the type of consumer. This, alongside previous research on the topic, allows us to conclude that: consumers spend a considerate amount of time and effort (5.33) when purchasing clothing items and to make sure they are

making the “right purchase” (5.66). This of course, given the sample, that is composed by millennials but, majorly, Gen-Z participants.

It is also important to state that, according to the results, the sample is representative of the population due to the distribution. Additional descriptive statistics were performed. Concerning Perceived Quality, it is possible to state that, overall, both fast fashion brands have a lower mean than slow fashion brands. The maximum values are considerably higher in both slow fashion brands, however, Made Trade (low perceived quality, slow fashion brand) and Massimo Dutti (high perceived quality, fast fashion brand) have similar levels of perceived quality.

Brand Image, on the other hand, does not present exceptionally different values among the four brands. Despite the means evidencing the same direction of perceived quality: first Patagonia, second Massimo Dutti, third Made Trade and lastly, Primark, the variances between the means are not very high.

4.3 Parametric Validation Test

To test if the data is parametric, four requirements need to be confirmed: normal distribution of data, independence of observations, interval data, and homogeneity of variances (homoscedasticity).

Interval data is usually presented as a numerical value and the distance between two points on the scale is always the same. Based on this definition, we can assume that our data is interval. Additionally, there is independence of observations because of two different factors: the first one is that each participant was only exposed to the survey once and the second is related to the fact that each participant was only exposed to one of the four stimuli. Consequently, the observations are independent of each other.

Finally, tests of normality of distribution of data (Shapiro-Wilk) and homogeneity of variances (Levene’s test) were ran for all constructs to test the last two basic assumptions. When it comes to Perceived Quality, despite having homogeneity of variances, it is not normally distributed. Brand image is quite the opposite, as it passes the test of normality but does not have homogeneity of variances. Finally, willingness to pay passes neither and Smart shopper is normally distributed and holds homogeneity of variances.

Based on this evidence, it can be inferred that only the Smart Shopper scale is parametric, and the rest is non-parametric data. These results will condition our future analysis, since to validate hypothesis (H1, H2, H3) we need to perform regressions with non-parametric data, given SPSS software does not have a function from non-parametric regressions. In addition, for the remaining hypothesis (H4, H5), the same happens as process macro assumes parametric data. For comparison of means, that will be run in further analysis, SPSS provides a solution, and the appropriate non-parametric test will be used accordingly. This will have a negative impact on the statistical results and its efficiency as well as present challenges in interpretation due to lack of effect sizes.

4.4 Hypothesis Testing

4.4.1 First Hypothesis Testing & Further Analysis

H1: Perceived Quality has a positive impact on Willingness to pay.

To test this hypothesis, a simple linear regression was conducted, despite the violation of the normality of distribution, as mentioned above. The following table resumes some of the results obtained.

Table 5 - Linear Regression H1

	B	t	P-value	R-square
H1	8.692	7.567	< 0.001	0.254

A significant effect was found between the independent variable, Perceived Quality, and WTP ($F(1, 168) = 57.260$, $t = 7.567$, p-value: < 0.001). Once we take a closer look at the numbers, we can actually see that the Unstandardized B is 8.692, meaning that for each unit increase of perceived quality, that will translate into an increase of 8.692€ in the consumer's willingness to pay. Furthermore, the $R^2 = 0.254$ depicts that 25.4% of the variance of willingness to pay is explained by perceived quality, *ceteris paribus*. Once this result is statistically significant ($p < 0.05$) and positive, we can infer that H1 is validated.

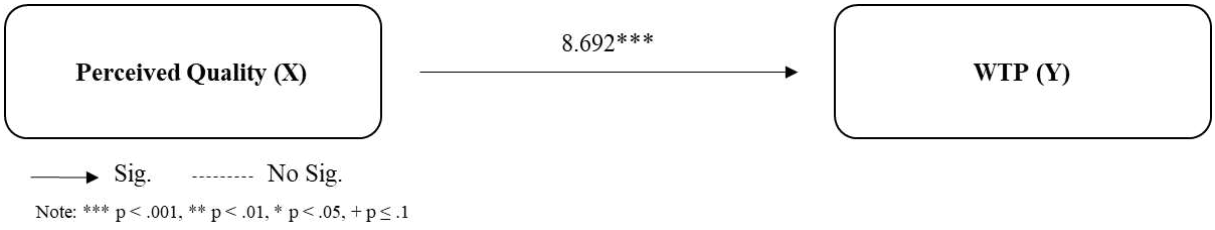

Figure 4 - Hypothesis 1 Model

Additionally, and given the circumstances, it is notable that once there is a significant relationship between the independent and dependent variables, it would be interesting to compare their means. As a result, additional analysis will be performed in the form of a Kruskal-Wallis test.

Table 6 - Kruskal Wallis H1

Kruskal-Wallis	**N**	**Test Statistics**	**Degree of freedom**	**P-value**
Perceived Quality across Stimulus	170	56,266	3	< 0,001
WTP across Stimulus	170	53,334	3	< 0,001

This test, allowed to understand that both Perceived Quality and WTP are statistically different ($p < 0,001$) across the stimuli.

Table 7 - Kruskal-Wallis PQ H1

Perceived Quality across Stimulus	**P-value**
Primark – Massimo Dutti	< 0.001
Primark – Made Trade	< 0.001
Primark – Patagonia	< 0.001
Made Trade -Massimo Dutti	0.435
Made Trade - Patagonia	0.068
Massimo Dutti - Patagonia	0.285

Table 8 – Kruskal Wallis WTP H1

WTP across Stimulus	**P-value**
Primark – Massimo Dutti	< 0.001
Primark – Made Trade	< 0.001
Primark – Patagonia	< 0.001
Massimo Dutti - Made Trade	0.808
Massimo Dutti - Patagonia	0.303
Made Trade - Patagonia	0.416

Concerning each brand's Perceived Quality, we can state that Primark is significantly different from every other brand due to its low p-value. However, Made Trade, when compared to Massimo Dutti and Patagonia does not have a significant p-value ($p = 0.435$ and $p = 0.068$, respectively). The same happens when the relationship is between Massimo Dutti and Patagonia ($p = 0.285$). We can then conclude that Primark (fast fashion and low perceived quality) stands out negatively and has quite low perceived quality compared to all the others.

On the other hand, both slow fashion brands, in spite of the level of quality, seem not to be statistically different from each other. The same happens when comparing these brands with Massimo Dutti (fast fashion brand with high perceived quality), which evidences that slow fashion, in general, is perceived as very high quality but so does Massimo Dutti.

Willingness to pay, not unexpectedly, evidences the same results as part of this variable can be explained by the previous one (perceived quality) which reinforces their relationship.

4.4.2 Second Hypothesis Testing & Further Analysis

H2: Perceived Quality has a positive impact on Brand Image.

Similar to the previous one, this will also be tested through a simple linear regression – assuming the same violations.

Table 9 - Linear Regression H2

	B	t	P-value	R-square
H2	0.473	9.485	< 0.001	0.349

In pragmatic terms, perceived quality explains almost 35% of the variance of brand image (R^2 = 0.349). In this case, a significant effect was also detected as the p-value is inferior to 0.05, more specifically, <0,001. As a result, we can infer that Perceived Quality impacts Brand Image positively ($F(1, 168) = 89.971$, $p < 0.001$).

Based on the B value, we can likewise state that one unit increase in the level of perceived quality will lead to an increase of 0.473 units in brand image, assuming all other variables remain constant. Considering these results and their significance, the second hypothesis is also supported.

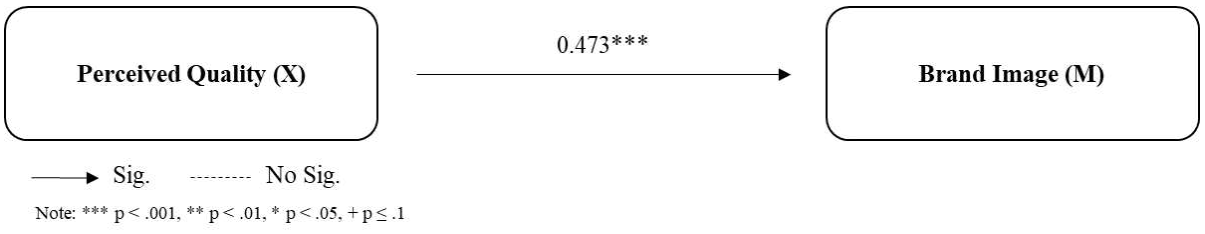

Figure 5 - Hypothesis 2 Model

Similar to the previous hypothesis testing, once the relationship is significant, further analysis could be run in order to compare the means and have more in-depth knowledge about the relationship between the brands. This way, a Kruskal-Wallis test will be performed based on the assumption that data is non-parametric.

Table 10 – Kruskal Wallis H2

Kruskal-Wallis	**N**	**Test Statistics**	**Degree of freedom**	**P-value**
Perceived Quality across Stimulus	170	56.266	3	< 0.001
Brand Image across Stimulus	170	9.221	3	0.026

Both p-values are less than 0.05 which leads to the conclusion that both perceived quality and brand image are statistically significant, thus the null hypothesis (the distribution is the same across categories of stimulus) is rejected.

As a matter of fact, the results for Perceived Quality are exactly the same and, consequently, we will only analyse the brand image. Interestingly, the results here are not as much in concordance as before. The comparison between "Primark – Massimo Dutti", "Primark – Patagonia" and "Made Trade – Patagonia" have a p-value below 0,05 which means that these brands have noticeably different levels of brand image between each other.

However, the comparison between the following pairs: "Primark - Made Trade", "Massimo Dutti – Patagonia" and "Made Trade – Masimo Dutti" confirm the null hypothesis. Hence, this confirmation states that the distribution is the same across categories of stimulus. The first two pairs presented, group brands of the same perceived quality level (low – low; high - high) while the last pair, groups one of each. Nevertheless, this latter is the one that was considered to have the same perceived quality (confirmation of null hypothesis in perceived quality testing) which verify, once again, the relationship between brand image and perceived quality.

Table 11 - Kruskal-Wallis Brand Image H2

Brand Image across Stimulus	P-value
Primark – Massimo Dutti	0.044
Primark – Made Trade	0.356
Primark – Patagonia	0.006
Massimo Dutti - Patagonia	0.362
Made Trade – Massimo Dutti	0.208
Made Trade - Patagonia	0.034

4.4.3 Third Hypothesis Testing

H3*:* Brand Image has a positive impact on Willingness to Pay.

Once again, the hypothesis under study will also be tested through a simple linear regression – assuming the same violations.

Table 12 – Linear Regression H3

	B	t	P-value	R-square
H3	7.217	4.612	< 0.001	0.112

Brand image significantly impacts WTP, ($t = 4.612$, $B = 7.217$, $p < 0.001$) which indicates that the factor under analysis has a significant impact on willingness to pay. Moreover, the $R^2 = 0.112$ depicts that the model explains 11.2% of the variance in willingness to pay.

Additionally, coefficients were further assessed to ascertain the influence of the factors on the criterion variable (WTP). Hypothesis three evaluates whether perceived quality positively impacts WTP and, based on the numbers we can conclude that for a one unit increase in brand image, there will also be an increase of 7.217 euros in the consumer's wiliness to pay. The results revealed that H3 was supported.

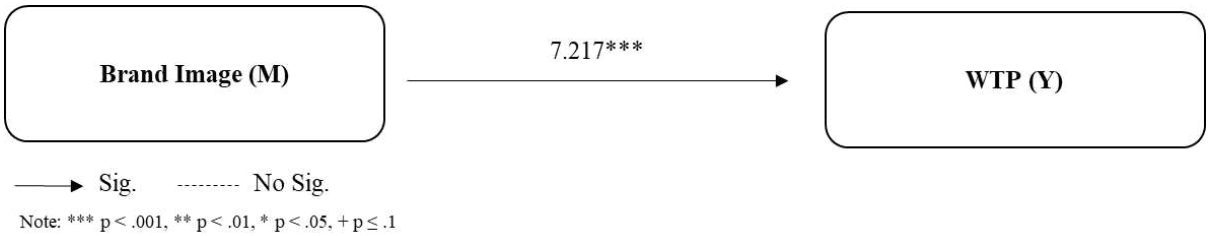

Figure 6 - Hypothesis 3 Model

4.4.4 Fourth Hypothesis Testing

H4*:* Brand Image mediates the relationship between Perceived Quality and Willingness to pay.

To test hypothesis four, we will use, as mentioned above, Andrew F. Hayes' MACRO PROCESS Model 4 for SPSS. The aim is to analyze how the brand image (M) mediates the relationship between Perceived Quality (X) and Willingness to pay (Y). The following diagram represents this relationship.

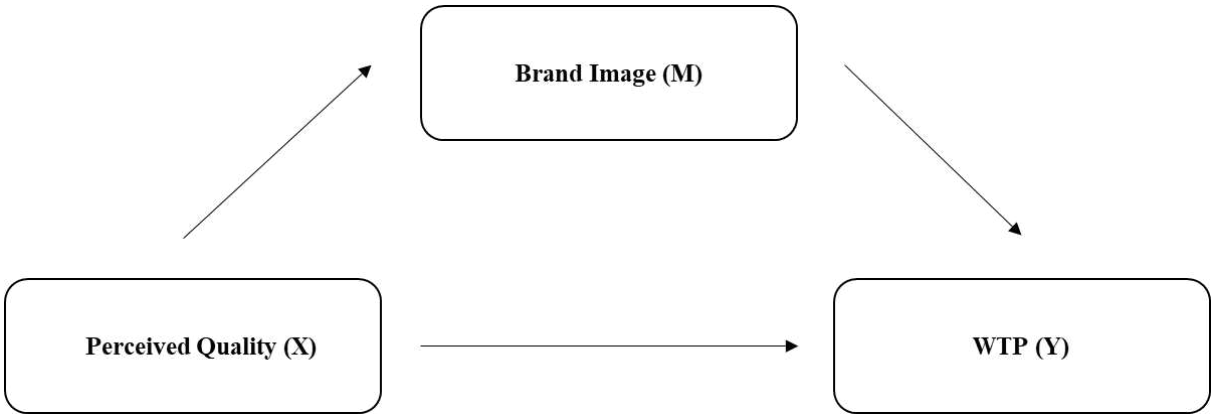

Figure 7 - Hypothesis 4 Mediation Model

Reiterating the point, that this is a parametric test that will be performed with non-parametric data which clearly is a limitation of the results. The following mediation formula was conducted:

$$Y = b0 + b1M + c'X$$

$$\Leftrightarrow WTP = -12.3357 + 1.2394 * Brand\ Image + 8.1061 * Perceived\ Quality$$

$$M = a0 + a1 * X$$

$$\Leftrightarrow Brand\ Image\ = 2.5586 + 0.4730 * Perceived\ Quality$$

This model also allows one to gain knowledge of how the independent variable affects the dependent one, directly or indirectly. The table below resumes the results evidenced by the output of the test.

Table 13 - Mediation Effect H4

Indirect Effect	**Effect**	**se**	**Lower CI**	**Upper CI**
Perceived Quality - Brand Image	0.47	0.05	0.37	0.57
Brand Image - WTP	1.24	1.78	-2.28	4.75
Perceived Quality - Brand Image - WTP	0.59	-	-1.01	2.65

Direct Effect	**Effect**	**se**	**Lower CI**	**Upper CI**
Perceived Quality - WTP	8.11	1.43	5.29	10.92

After running the analysis, we can see that the indirect effect of perceived quality and willingness to pay through brand image has a value of 0.5862. However, the indirect effect through the values of upper and lower CI needs to be either positive or negative - in order not to include on the range the number zero – so that effect is considered. In this case, the lower CI (BootLLCI) is -1.0105 and the upper (BootULCI) is 2.6512 and, as their range includes the number zero, it is considered to have no effect of mediation. Additionally, results show that perceived quality impacts positively brand image, but brand image does not impact WTP.

Moving to the direct effect of X and Y, we can conclude that, once again, there is a significant effect (p-value < 0.05 and LLCI and ULCI both positive) and a total effect of 8.1061.

This means that, perceived quality has both a positive and direct effect on brand image and WTP. However, the relationship between the independent and dependent variables cannot be explained by the brand image as it does not qualify as a mediator. These findings imply that

either the relationship between perceived quality and WTP are direct or may be explained by other variables not involved in this study. Hence, H4 is rejected, and the statistical framework can be represented as follows.

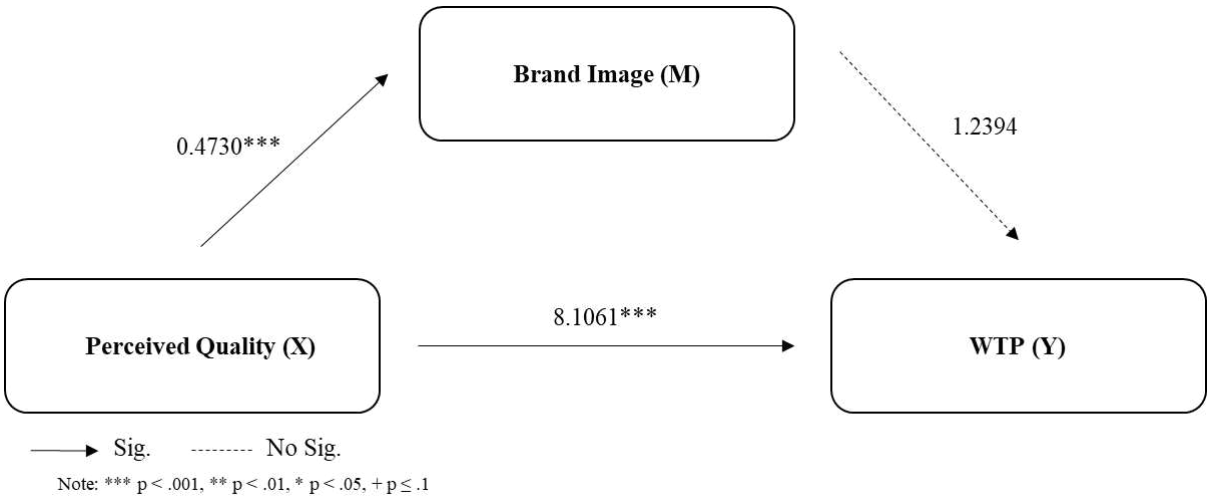

Figure 8 - Hypothesis 4 Mediation Statistical Model

4.4.5 Fifth Hypothesis Testing

H5: "Smart shopper" moderates the relationship between Perceived Quality and Willingness to pay.

For this last hypothesis, and since the effect under study is a moderation, MACRO PROCESS for SPSS will be used once again. Although smart shopper is parametric, all the other variables are not and therefore the same limitations/violations apply. Model 1 (moderation effect) will now be represented visually on a diagram.

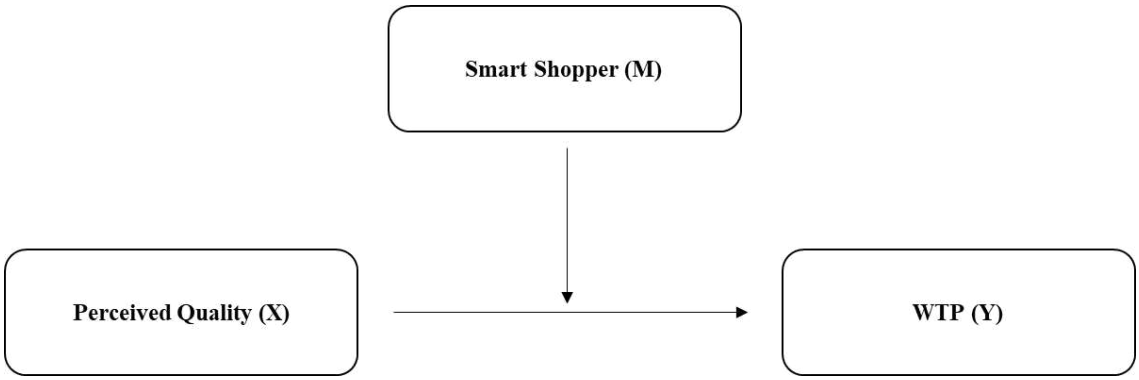

Figure 9 - Hypothesis 5 Moderation Model

Based on the results from SPSS, this model is based on the subsequent formula.

$$Y = b0 + b1X + b2M + b3XM$$

$$\Leftrightarrow WTP = 28.9811 + 8.5582 * Perceived\ Quality + 1.7578 * Smart\ Shopper + 1.0424 * Perceived\ Quality * Smart\ Shopper$$

Additionally, below we can find some of the results presented on the software that will enable the analysis in more detail.

Table 14 – Mediation Effect H4

Moderation Model	**Effect**	**se**	**Lower CI**	**Upper CI**
Constant	28.98	1.36	26.30	31.66
Perceived Quality	8.56	1.16	6.27	10.85
Smart Shopper	1.76	1.90	-1.98	5.50
Interaction (Int_1)	1.04	1.62	-2.16	4.24

In general, the model summary shows that the model is significant, and it explains 25.92% of the variation of Perceived Quality on Willingness to pay ($R^2 = 0.2592$, $p < 0.001$).

The effect of Perceived quality is positive with an effect of 8.56 and is statistically significant ($p < 0.001$). The interaction term, however, is not statistically significant (B = 1.0424, SE = 1.6209, t (168) = 0.6431, $p > 0.05$, CI [-2.1579;4.2427]). This means that, in this model, being a smart shopper does not moderate the relationship between perceived quality and WTP.

Despite this, from the test results, perceived quality is statistically significant ($p < 0.05$) but smart shopper is not as well as the interaction term ($p = 0.355$, $p = 0.5211$, respectively). This way, the following statistical model arises. All in all, the fifth hypothesis is rejected.

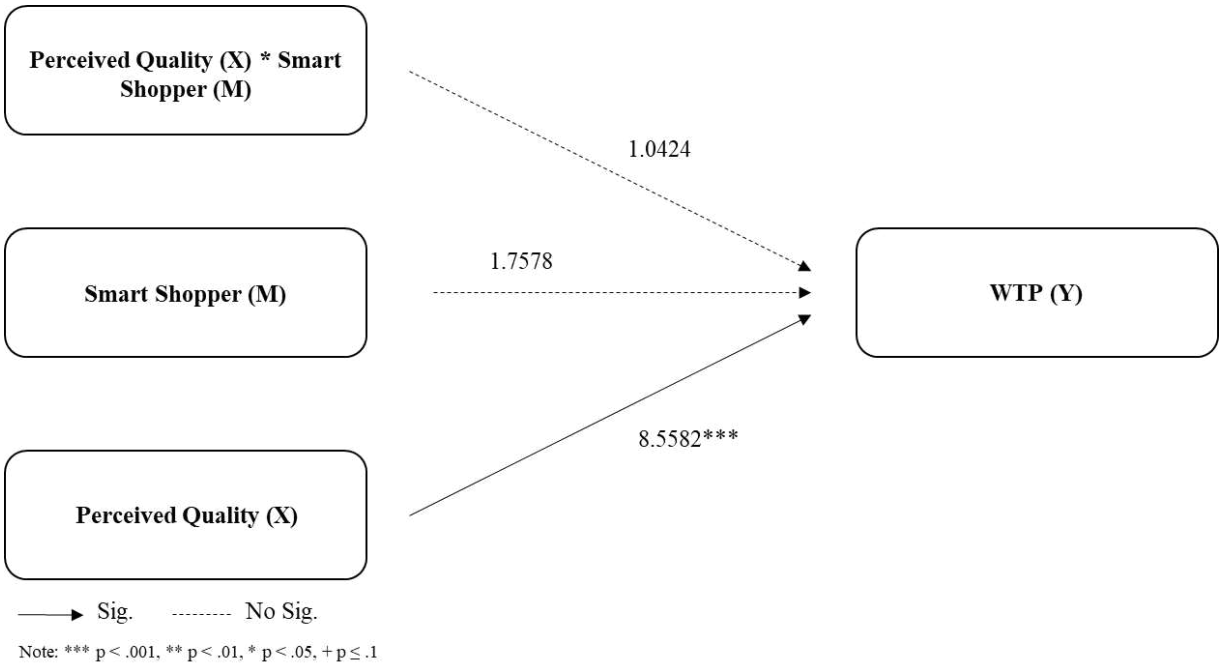

Figure 10 - Hypothesis 5 Moderation Statistical Model

4.5 General Model

After scrutinizing each hypothesis and obtaining its validation result it is important to test the model as a whole. Thus, process Macro will be used once again for SPSS only this time, model 5 will be used. The same limitations apply once there is still an infraction of the parametric data assumption. Model five in this case can be represented based on the diagram and equation below.

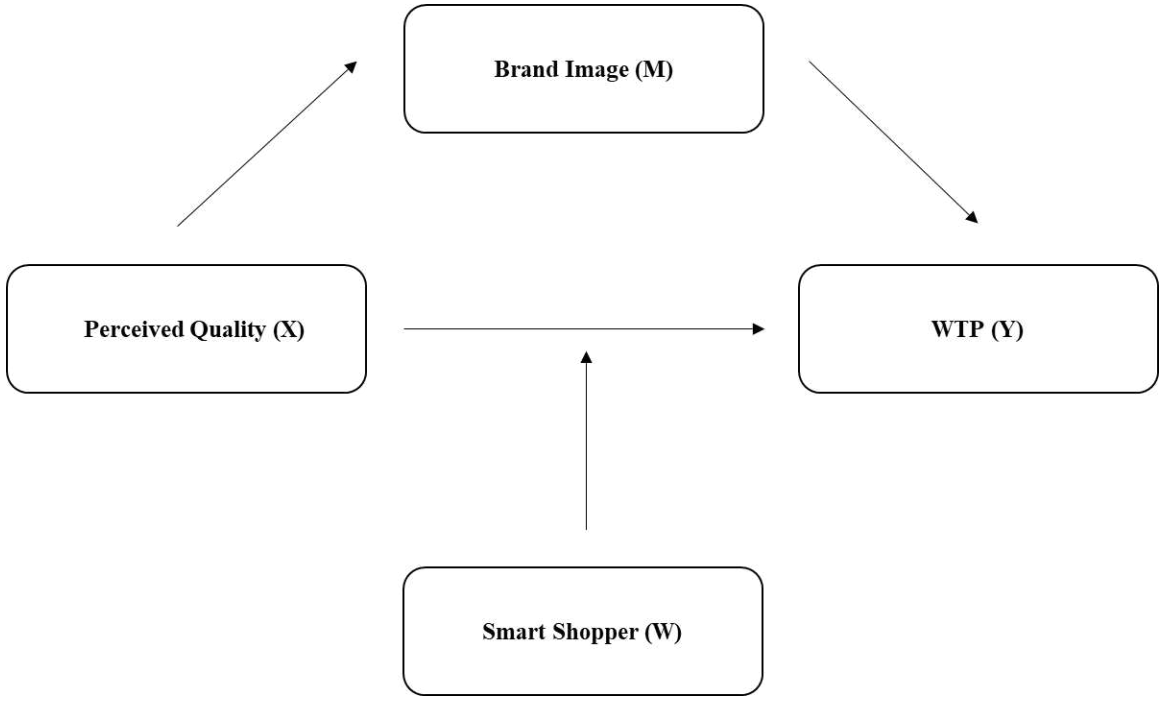

Figure 11 - General Model

$$Y = b0 + b1M + c1'X + c2'W + c3'XW$$

$$\Leftrightarrow WTP = 23.98 + 1.0782 * BI + 8.0552 * PQ + 1.624 * Smart\ Shopper + 1.0427 * PQ * Smart\ Shopper$$

$$M = a0 + a1X$$

$$\Leftrightarrow Brand\ Image = 4.6382 + 0.4730 * PQ$$

The next table will allow to better understand the results and relationships between variables.

Table 15 - General Model

General Model	Effect	se	Lower CI	Upper CI
Constant	23.98	8.45	7.30	40.66
Perceived Quality	8.06	1.43	5.23	10.88
Brand Image	1.08	1.80	-2.47	4.63
Smart Shopper	1.62	1.91	-2.15	5.40
Interaction (Int_1)	1.04	1.62	-2.16	4.24

A significant effect was found, once again, between brand image and perceived quality once the p-value is below the level of significance and the range between the LLCI and the ULCI does not include zero (CI [0.3745; 0.5714]). The overall fit of the model ($R^2 = 0.3488$) explains how much the Perceived Quality level can be explained by the willingness to pay, in this case, almost 35%.

When the outcome variable is the WTP, the R-square is now 0.2608 and the p-value is still significant. The relationship between perceived quality and willingness is significant but it is the only one. In other words, the relationship of mediation and moderation is not statistically significant. Overall, only some of the relationships of the model are proven significant. Overall, the following statistical model represents the previously mentioned relationships.

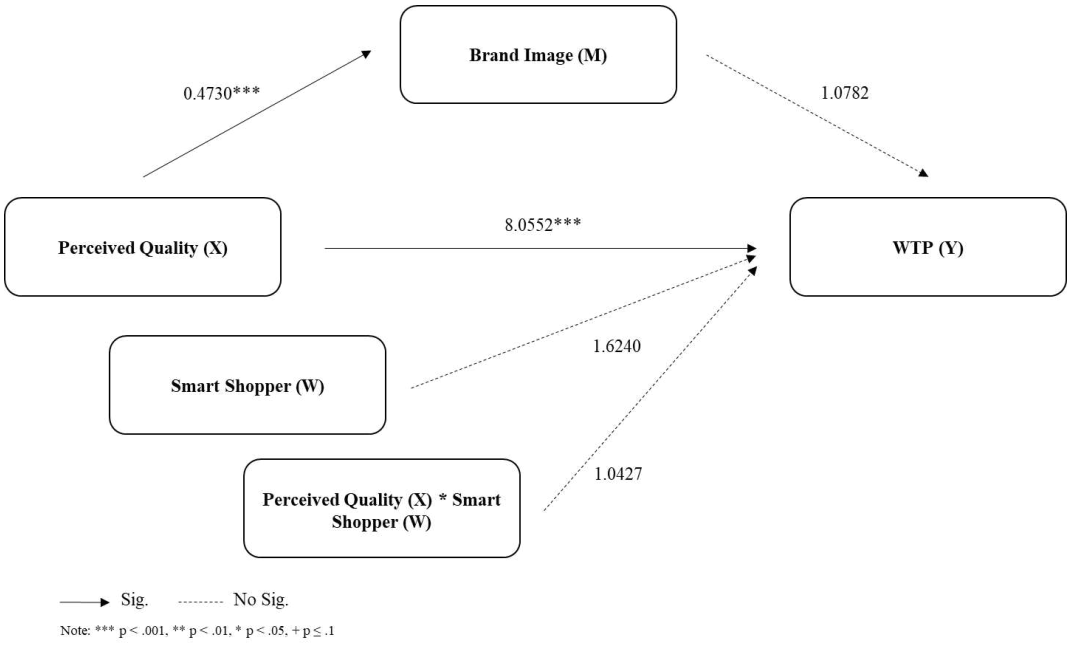

Figure 12 - General Statistical Model

4.6 Further Analysis

Regrading further analysis, two Kruskal-Wallis tests were already performed on hypotheses one and two to better understand and compare the respective means.

Hypothesis number five proved that "smart shopper" did not qualify as a moderator. Nonetheless, given the fact that this construct was constituted of 5 different categories, each category was individually tested on the moderator effect. The results showed that neither each category nor "smart shopper", served as moderators of the model as the interaction effect of the six performed tests were not significant.

In addition, once the brands within perceived quality were selected based on being of fast or slow fashion, one considered interesting to understand if this could play a role in the model. This way, model 5 on process macro was conducted once again but with the following variables: WTP (Y), Perceived Quality (X), Brand Image (M) and Fast vs. Slow (W).

The results evidenced the same results as before when it comes to the relationship between perceived quality and brand image (significant with a $p < 0.001$), perceived quality and WTP (significant with a $p < 0.001$), and between WTP and brand image (not significant with a $p >$

0.05). However, the new moderator on this model seemed to be significant (p = 0.0341) with a coefficient of 6.2005, yet the interaction term was still not to be significant (p =0.3919). Given the interesting results, model 5 was once again conducted but this time with the following variables: WTP (Y), High vs. Low Perceived Quality (X), Brand Image (M) and Fast vs. Slow (W) and the following statistical model emerged.

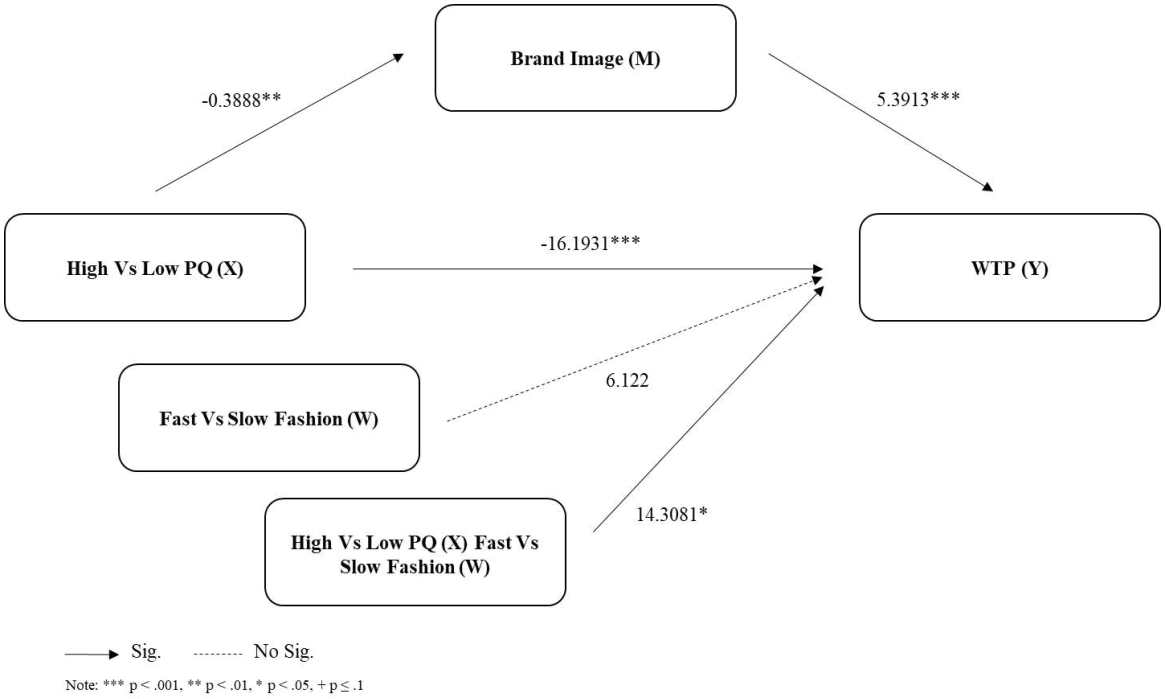

Figure 13 - Further Analysis: Fashion model as Moderator

Based on the diagram above, we can see that almost every relationship is considered significant except between Fast vs. Slow and WTP. From this model we can infer that the level of perceived quality has a positive impact on Brand image and WTP (values are negative due to the coding – 0: High; 1: Low). In addition, this time, brand image does have an impact on WTP since an increase of 1 unit in brand image can explain an increase of 5.39€ in the consumer's WTP.

The interaction term that relates the level of PQ and the fashion model, has a statistically significant impact on WTP. An increase in the interaction of 1 unit will translate into an increase of 14.31€ in the consumer's WTP. However, being of fast or slow fashion does not have a significant relationship with the dependent variable. When looking carefully at the numbers, we can see that the effect of the interaction term is similar to the direct effect of level of perceived quality and WTP, which evidences the insignificance of the fashion model as moderator.

CHAPTER 5: CONCLUSIONS AND LIMITATIONS

5.1 Main Findings & Conclusions

The objective of this paper was to investigate whether and how the perceived quality of fast and slow fashion brands affects consumers' willingness to pay. It also examined how two other variables - brand image and smart shopper - interacted, by mediating and moderating, this relationship, respectively.

With respect to the first research question, which aimed to better understand the relationship between perceived quality and WTP, the results provided compelling evidence that, as hypothesized, perceived quality influences the maximum price the consumer is willing to pay. In the apparel industry, further analysis shows that the type of brand (fast vs. slow) influences this relationship and that sustainability may be a key factor in persuading consumers, as they perceive slow fashion brands with higher quality. However, despite these positive attitudes towards slow fashion items, we can see the "behavioral gap", that Warwick in 2015 reflected on, is also visible in this study, as purchase frequency is much higher for fast fashion brands despite the lower perception of quality. These results suggest that consumers expect and accept lower quality for a lower price and, occasionally, recognize the added value when buying higher quality and willing to pay much higher prices.

The second research question addresses the topic of brand image. The results show that when comparing brands with different perceived quality levels (high vs. low) there is a significant difference in brand image. Additionally, when comparing brands of different fashion models, there seems to be is no statistical difference in brand image. Hence, one may conclude that perceived quality clearly influences brand image but the fashion model itself does not in a significant way. Moreover, the same positive influence was observed in willingness to pay, since brand image can explain about 11% of the variance of WTP. Interestingly, these results only seem to be true individually. When all together, the mediation effect is weak and non-significant. So, one may conclude that the variance in willingness to pay is only significantly explained by perceived quality and not by brand image.

The third and last research question aimed to explore if being a smart shopper impacted in any way the present model and which categories, within the construct, played a significant role. Since the literature was contradictory, this study helped to clarify that, in the fashion industry, being a smart shopper goes beyond time and money-efficient management. In fact, "making the

right purchase" was considered the most important feature (which included topics such as "good fit", management expectations and the item being of superior quality) among respondents with a mean average score of 5.66. This category was followed by money savings (M = 5.4) and effort/time savings (M = 5.33). Moreover, the moderation effect of this concept was investigated and provided some valuable and interesting information, never studied before. It was found that the overall effect was proven non-significant. In fact, none of the five categories qualify, individually, as moderators. This proves that being a smart shopper does not explain the specific relationship between perceived quality and WTP.

Focusing now on the pertinence of the model, the relationship between perceived quality and WTP has a R-square of 0.254 and is statistically significant, which contrasts with the non-significance of the relationship between brand image and WTP. Looking more closely at the mediation value, we can see that the R-square (0.2564) is quite similar which indicates that WTP is almost totally explained by perceived quality, based on this model. On top of that, smart shopper appears to be significant, just not as a moderator, which can be further analyzed in future research.

Overall, this research provides a great contribution to the knowledge of perceived quality (within different levels of perceived quality and different fashion models – 2x2 design) that impacts willingness to pay, in the fashion industry. It also corroborates the relationship of perceived quality and brand image on the existing literature and denies the brand image impact on WTP. The two studied relationships, despite proven non-significant, added value by evidencing their individual importance and by understanding the extent to which they impact the variables under study.

5.2 Theoretical and Managerial Implications

The present dissertation contributes to the literature on perceived quality (Barnes et al., 2013; Jung & Jin, 2016) and willingness to pay (Barnes et al., 2013; Leung et al., 2019; Luchs et al., 2011; Viswanathan & Rosa, 2010) individually and their relationship, in the fashion industry. More specifically, this study adds to the existing literature on the fashion industry (fast and slow fashion in particular) by examining the effects of perceived product quality on WTP and assessing the indirect effects of brand image and smart shopper which seems to be little literature about.

Overall, the results are consistent with the literature regarding the perceived quality of each fashion model. Slow fashion brands are perceived as higher in quality and more sustainable and therefore register a higher willingness to pay than fast fashion brands. It has also been shown that this clear thinking sometimes does not translate into action. One of the possible reasons for this is that people tend to choose brands with which they are more familiar, and this is not as easily the case with slow fashion brands as with fast fashion. This study also presents a particular approach by focusing on different levels of perceived quality at the same time as different fashion models.

Two significant relationships were also uncovered: perceived quality and willingness to pay plus perceived quality and brand image. Upon closer examination this study allowed us to conclude that between the first interaction (PQ - WTP) both the fashion model and level of perceived quality seem to influence the WTP. While on the second relationship (PQ - BI), what seemed to influence brand image the most was the level of perceived quality and not the fashion model. The findings gathered from this study allowed us to better understand that the fashion model and quality may impact the maximum price a consumer is willing to pay but for brand image what really matters are the perceptions of quality.

Smart shopper is also a concept that has been little researched. This study was in concordance with the perspective of Kim, Sullivan, & Forney as they claimed that this concept is not only about saving money. In addition, there was no evidence of previous studies that attempted to understand if there was a relationship between this concept and the perceived quality and WTP. Therefore, this study is among the first to provide evidence that it is not a moderator of this relationship. However, it does have potential once the scale is consistent and consumers differentiate each of the five categories and therefore, give more importance to one and less to others.

Some important managerial implications are also revealed in this research that may help companies but, especially marketeers. There is an undeniable market for each fashion model, but they may differ in how they communicate. Taking this into account, fast fashion brands that are already so well established could try to communicate in a more sustainable and transparent way. Offering specific and capsule lines with higher quality products (some brands already trying this approach) could also be a way of improving their brand image and, consequently, perceived quality. For slow fashion brands, it is reasonable to assume that their efforts should

be aimed at increasing awareness so that the brand becomes better known. Given their strength and the fact that consumers recognize it, one may also suggestion fostering customer relationships through education about sustainability practices – for example, transparency about environmental impact, materials used, ethical suppliers, and strong storytelling - as well as trying to keep up with current trends and not just focus on classic/neutral clothing.

In addition, findings show that consumer's perceived quality is key to determining the willingness to pay. This perception of quality clearly comes from the products, but it is also related to brand image. Hence, constant, and targeted communication should be able to improve perceived quality and, consequently, willingness to pay.

5.3 Limitations and Further Research

All academic research has its own limitations, and this chapter enumerates the limitations that this study encountered. To start with, despite having the formerly mentioned advantages, the online survey method was limitative on other levels as well. By using the online survey, it is not possible to ask participants follow-up questions and control their honesty and focus on every question.

Moreover, despite not having a particular target, the sample characteristics evidenced that there was no representativeness of the population. This was clearly due to the concentration on younger age groups and nationalities, which is a problem. Additionally, the sample size was not large enough and followed a convenience sampling method which impossibilities to make confident conclusions. Although these characteristics of the population are part of a specific target of these brands, they are not representative of their entire universe.

In both the survey and pre-survey, a definition of the concept of fast and slow fashion was made to offer participants some information that could help clarify the concepts. However, this description may not have been clear and, particularly in the main survey, the context provided upon the stimuli exhibition could have been more explicit for people who were not familiar with the brands.

A final limitation worth being noted is that we selected the four brands upon a pre-survey that had few responses. The results obtained for each brand were then generalized to what the brand represented in this study (fashion model and level of perceived quality) which may be

dangerous as that person could have answered differently for the same category if a different brand was presented. Hence, generalizing may compromise results. Lastly, the construct of being a smart shopper, in the literature, was based on people recalling a past purchase and the same was done in this paper. However, people were not asked to clarify the type of product and the brand which could have provided further insights about their and the purchase profile.
Future research ought to focus on a larger, more representative sample and other research designs which could help avoid bias and strengthen the overall reliability of the conclusions. Moreover, the construct of being a smart shopper could be more developed if participants are asked the description of the purchased product as well as other relationships are taken into consideration.

It is also proposed for future research that different relationships are studied (brand image without being a mediator) and inclusion of other variables such as familiarity and satisfaction that seemed to appear in the existing literature. Also, the use of other brands may reinforce the results and able the generalization to be done more confidently, because some brands may be more self-expressive than others (Carroll & Ahuvia, 2006).

As a matter of fact, the increasing pressure fast fashion brands are suffering about being sustainable and how their attitudes are also changing could also be considered in the future. Little was studied about consumers perceptions of sustainability and ethics among fashion models and how this affects smart shoppers. All of this can help the industry and marketers of fashion companies to develop appropriate strategies and succeed.

REFERENCE LIST

Aaker DA. Managing Brand Equity. New York: The Free Press, 1991

Aaker DA. Measuring brand equity across products and markets. Calif Manage Rev 1996;38(3):102 ± 20.

Ago, G., Mintarti, S., & Hariyadi, S. (2015). Effect of Product Quality Perception, Trust, and Brand Image on Generic Drug Buying Decision and Consumer Satisfaction of Hospital Patients in East Kalimantan. In *European Journal of Business and Management www.iiste.org ISSN* (Vol. 7, Issue 14). Online. www.iiste.org

Alhaddad, A. A., & Alhaddad, A. (2015). Building customer loyalty model in airline industry View project Perceived Quality, Brand Image and Brand Trust as Determinants of Brand Loyalty. *Quest Journals Journal of Research in Business and Management*, *3*(4), 1–08. www.questjournals.org

Arnould, E., Price, L. & Zinkan, G. (2005). Consumers. Singapore: McGraw-Hill/Irwin

Atkins, K. G., & Hyun, S.-Y. J. (2016). Smart Shoppers' Purchasing Experiences: Functions of Product Type, Gender, and Generation. *International Journal of Marketing Studies*, *8*(2), 1. https://doi.org/10.5539/ijms.v8n2p1

Barnes, L., Lea-Greenwood, G., Zarley Watson, M., & Yan, R. N. (2013). An exploratory study of the decision processes of fast versus slow fashion consumers. *Journal of Fashion Marketing and Management: An International Journal*, *17*(2), 141–159. https://doi.org/10.1108/JFMM-02-2011-0045

Birtwistle, G., & Moore, C. M. (2007). Fashion clothing–where does it all end up?. International Journal of Retail & Distribution Management.

Breidert, C., Hahsler, M., & Reutterer, T. (2006). A review of methods for measuring willingness-to-pay. Innovative marketing, 2(4).

Brewer, M. K. (2019). Slow Fashion in a Fast Fashion World: Promoting Sustainability and Responsibility. Laws, 8(4), 24. https://doi.org/10.3390/laws8040024

Busalim, A., Fox, G., & Lynn, T. (2022). Consumer behavior in sustainable fashion: A systematic literature review and future research agenda. International Journal of Consumer Studies, 46, 1804–1828

Carroll, B. A., & Ahuvia, A. C. (2006). Some antecedents and outcomes of brand love. Marketing letters, 17(2), 79-89. https://doi.org/10.1007/s11002-006-4219-2

Chen, C. and Tseng, W. (2010), "Exploring Customer based Airline Brand Equity: Evidence from Taiwan", National Science Council (NSC), Taiwan, pp.24-34.

Christopher, M., Lowson, R. and Peck, H. (2004), "Creating agile supply chains in the fashion

industry", International Journal of Retail and Distribution Management, Vol. 32 No. 8, pp. 50-61.

Clark, H. (2008), "Slow fashion: an oxymoron or a promise for the future…?", Fashion Theory: The Journal of Dress, Body & Culture, 12(4), pp. 427-446

Erdoğmuş, İ., & Büdeyri-Turan, I. (2012). The role of personality congruence, perceived quality and prestige on ready-to-wear brand loyalty. Journal of Fashion Marketing and Management: An International Journal.

Evans, J. R., & Mathur, A. (2005). The Value Of Online Surveys. Internet Research, 15(2), pp.

195–219.

Faircloth, J. B., Capella, L. M., & Alford, B. L. (2001). The Effect of Brand Attitude and Brand Image on Brand Equity. *Journal of Marketing Theory and Practice*, *9*(3), 61–75. https://doi.org/10.1080/10696679.2001.11501897

Feick, Lawrence F., Linda L. Price, and Audrey G. Federouch (1988), "Coupon Giving: Feeling Good by Getting a Good Deal for Somebody Else," Working paper, Grad. Sch. of Business, University of Pittsburgh, Pittsburgh, PA.

Feldwick, P. (1996), "Do we really need brand equity?", The Journal of Brand Management, Vol. 4 No. 1, pp. 9-28.

Ferdows, K., Lewis, M. A., & Machuca, J. A. (2005). Zara's secret for fast fashion. Harvard Business Review, 82(11), 98-111.

Fischer, H. (2011). A History of the Central Limit Theorem. Springer New York. https://doi.org/10.1007/978-0-387-87857-

Fletcher, K. (2007), “Slow fashion”, The Ecologist, 37(5), p. 61.

Fletcher, K. (2010). Slow Fashion: An Invitation for Systems Change. *Fashion Practice*, *2*(2), 259–265. https://doi.org/10.2752/175693810x12774625387594

Green Atkins, K., & Kim, Y. K. (2012). Smart shopping: conceptualization and measurement. International Journal of Retail & Distribution Management, 40(5), 360-375.

Holbrook, Morris B., Robert B. Chstnut, Eric A. Greenleaf (1984), "Play as a Consumption Experience: The Roles of Emotions, Performance, and Personality in the Enjoyment of Games," Journal of Consumer Research, 11 (Sept.), 728-739.

Homburg, C., Koschate, N., & Hoyer, W. D. (2005). Do Satisfied Customers Really Pay More? A Study of the Relationship Between Customer Satisfaction and Willingness to Pay. In *Journal of Marketing* (Vol. 84).

Jacoby, J., Olson, J., & Haddock, R. (1971). Price, brand name, and product composition characteristics as determinants of perceived quality. Journal of Applied Psychology, 55(6), 570-579.http://dx.doi.org/10.1037/h0032045

Jung, S., & Jin, B. (2016). Sustainable development of slow fashion businesses: Customer value approach. *Sustainability (Switzerland)*, *8*(6). https://doi.org/10.3390/su8060540

Kalra A, Goodstein RC. The impact of advertising positioning strategies on consumer price sensitivity. J Mark Res 1998;35:210 – 24 (May).

Kamakura, Wagner A. and Gary J. Russell {I 993), "Measuring Brand Value with Scanner Data," International Journal of Research in Marketing, (l0), 9-22.

Keller, K. L. (1993). Conceptualizing, Measuring, and Managing Customer-Based Brand Equity. In *Source: Journal of Marketing* (Vol. 57, Issue 1).

Keller, K.L., (1998), Strategic Brand Management: Building, Measuring, and Managing Brand Equity, New Jersey: Prentice Hall.

Kim, Y.-K., Sullivan, P. and Forney, J.C. (2007), Experiential Retailing: Concepts and Strategies that Sell, Fairchild Publications, New York, NY.

Kort, P. M., Caulkins, J. P., John Heinz, H., Hartl, R. F., & Feichtinger, G. (2005). *Brand Image and Brand Dilution in the Fashion Industry*.

Krishna, A., Currim, I. S., & Shoemaker, R. W. (1991). Consumer perceptions of promotional activity. Journal of Marketing, 55(2), 4-16.

Lau, K. C., & Phau, I. (2007). Extending symbolic brands using their personality: Examining antecedents and implications towards brand image fit and brand dilution. Psychology & marketing, 24(5), 421-444.

Le Gall-Ely, M. (2009). Definition, measurement and determinants of the consumer's willingness to pay: a critical synthesis and avenues for further research. Recherche et Applications en Marketing (English Edition), 24(2), 91-112.

Leung, X. Y., Xue, L., & Wen, H. (2019). Framing the sharing economy: Toward a sustainable ecosystem. Tourism Management, 71, 44–53. https://doi.org/10.1016/j.tourman.2018.09.021

Levy, M. and Weitz, B.A. (2008), Retailing Management, 7th ed., McGraw-Hill Irwin, Boston, MA.

Lu Wang, C., Zhang, Y., Richard Ye, L., & Nguyen, D.-D. (n.d.). *Wang et al.: Subscribe to Fee-Based Web Services SUBSCRIPTION TO FEE-BASED ONLINE SERVICES: WHAT MAKES CONSUMER PAY FOR ONLINE CONTENT?*

Luchs, M. G., Naylor, R. W., Rose, R. L., Catlin, J. R., & Gau, R. (2011). Toward a Sustainable Marketplace: Expanding Options and Benefits for Consumers. In Journal of Research for Consumers (Vol. 19). https://scholarworks.wm.edu/businesspubs/1

Lundblad, L., & Davies, I. A. (2016). The values and motivations behind sustainable fashion consumption. *Journal of Consumer Behaviour*, *15*(2), 149–162. https://doi.org/10.1002/cb.1559

M. Joseph Sirgy, Self-Concept in Consumer Behavior: A Critical Review, *Journal of Consumer Research*, Volume 9, Issue 3, December 1982, Pages 287–300, https://doi.org/10.1086/208924

Mano, H., & Elliott, M. T. (1997). Smart shopping: The origins and consequences of price savings. Paper presented at the Advances in Consumer Research, Provo, UT.

McNeill, L., & Moore, R. (2015). Sustainable fashion consumption and the fast fashion conundrum: fashionable consumers and attitudes to sustainability in clothing choice. International Journal of Consumer Studies, 39(3), 212-222.

Ming, T.T., Ismail, H.B. and Rasiah, D. (2011), "Hierarchical Chain of Consumer-Based Brand Equity: Review From The Fast Food Industry", International Business & Economics Research Journal, Vol,10 .No.9: pp.67–80.

Monroe, K.B. & Krishman, R. (1985) The effects of price on subjective product evaluations. In Perceived Quality (ed. by J. Jacoby & J. Olson), pp. 209–232. Lexington Books, Lexington, MA.

Motameni, & Shahrokhi. (1998). Brand Equity Valuation: A Global Perspective. Journal of Product and Brand Management, 7(4), 275-290. http://dx.doi.org/10.1108/10610429810229799

Mowen, J. C. & M. Minor (2001). Consumer Behavior: A Framework, USA: Prentice Hal

Murphy, P. E., & Enis, B. M. (1986). Classifying products strategically. Journal of Marketing, 50(3), 24-42. http://dx.doi.org/10.2307/1251583

Netemeyer, R. G., Krishnan, B., Pullig, C., Wang, G., Yagci, M., Dean, D., ... & Wirth, F. (2004). Developing and validating measures of facets of customer-based brand equity. Journal of business research, 57(2), 209-224.

Norazah, M.S. (2013), "Young consumer ecological behaviour: the effects of environmental knowledge, healthy food, and healthy way of life with the moderation of gender and age", Management of Environmental Quality: An International Journal, Vol. 24 No. 6, pp. 726-737.

Ophuis, P. A. M. O., & Van Trijp, H. C. M. (1995). PERCEIVEDQUALITY:AMARKETDRIVENAND CONSUMERORIENTEDAPPROACH. In *Food Qua&y* (Vol. 6).

Pears, Katherine E. (2006), ''Fashion Re-consumption; Developing a Sustainable Fashion Consumption Practice Influenced by Sustainability and Consumption Theory,'' thesis submitted for Master of Arts, School of Architecture and Design, RMIT University, Australia.

Perry, A. and Chung, T. (2016), "Understand attitude-behavior gaps and benefit-behavior connections in Eco-Apparel", Journal of Fashion Marketing and Management, Vol. 20 No. 1, pp. 105-119.

Plumeyer, A., Kottemann, P., Böger, D., & Decker, R. (2019). Measuring brand image: a systematic review, practical guidance, and future research directions. Review of Managerial Science, 13, 227-265.

Rowley, J. (1998), "Quality measurement in the public sector: some perspectives from the service quality literature", Total Quality Management, Vol. 9 No. 2/3, pp. 321-35.

Sasmita, J., & Mohd Suki, N. (2015). Young consumers' insights on brand equity: Effects of brand association, brand loyalty, brand awareness, and brand image. International Journal of Retail and Distribution Management, 43(3), 276–292. https://doi.org/10.1108/IJRDM-02-2014-0024

Saunders, M. L., Lewis, P., & Thornill, A. (2009). Research Methods for Business Students. Pearson Education Limited (Vol. 5th)

Severi, E., & Ling, K. C. (2013). The mediating effects of brand association, brand loyalty, brand image and perceived quality on brand equity. Asian Social Science, 9(3), 125–137. https://doi.org/10.5539/ass.v9n3p125

Slow Fashion Award 2010., 2010. Cast Your Art. Retrieved on November 4, 2010 from: /http://www.castyourart.com/en/2010/04/21/slow-fashion-award-2010-wien-aga dez/S.

Statista. (2020). Extra amount global consumers were willing to pay for sustainable clothing 2018. Statista. https://www.statista.com/statistics/1010137/premium-consumers-willingto-pay-for-sustainable-fashion-products-by-amount-worldwide/

SteenKamp, J. B. E. M., & Van Trijp, H. C. M. (1989). A methodology for estimating the maximum price consumers are willing to pay in relation to perceived quality and consumer characteristics. *Journal of International Food and Agribusiness Marketing*, *1*(2), 7–24. https://doi.org/10.1300/J047v01n02_02

Sukma Wijaya, B. (n.d.). *Dimensions of Brand Image: A Conceptual Review from the Perspective of Brand Communication*. www.iiste.org

Sung, Y., Kim, J. and Jung, J. (2010), "The Predictive Roles of Brand Personality on Brand Trust and Brand Affect: A Study of Korean Consumers", Journal of International Consumer Marketing, 22:5–17, pp.5-17.

The Economist. (2007, May 3). The future of fast fashion. The Economist. https://www.economist.com/business/2005/06/16/the-future-of-fast-fashion

Topic: Apparel market worldwide. (2023, February 15). Statista. https://www.statista.com/topics/5091/apparel-market-worldwide/#topicOverview

Vidal-Branco, M., Molinillo, S., Japutra, A., & Longaray, A. (2019). Organic food purchasing of the millennials generation: case of Brazil. Omnichannel Marketing: Las Nuevas Reglas de la Distribución y el Consumo en un Mundo Omnicanal, 331-348.

Viswanathan, M., & Rosa, J. A. (2010). Understanding subsistence marketplaces: Toward sustainable consumption and commerce for a better world. Journal of Business Research, 63(6), 535–537. https://doi.org/10.1016/j.jbusres.2009.06.001

Walfried Lassar, B. M. and A. S. (n.d.). *Measuring customer-based brand equity*.

Warwick, P. A., School, B., & Maklan, S. (2015). How Categorisation Shapes The AttitudeBehaviour Gap In Responsible Consumption. International Journal of Market Research (Vol. 57).

Yoo, B., & Donthu, N. (n.d.). *Developing and validating a multidimensional consumer-based brand equity scale*.

Yoo, B., Donthu, N. & Lee, S. (2000), "An examination of selected marketing mix elements and brand equity", Academy of Marketing Science, Vol. 28 No. 2, pp. 195-212.

Zeithaml, V. A. (1988). Consumer perceptions of price, quality, and value: a means-end model and synthesis of evidence. Journal of marketing, 52(3), 2-22.

Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1996). The behavioral consequences of service quality. Journal of marketing, 60(2), 31-46.

APPENDICES

Appendix 1: Recoding of variables

Table 16 - Recoding of Variables

Variable	Value
Money Spent per Trimester	1 = "Less than 50€"; 2 = "50€ - 99€"; 3 = "100€ -199€"; 4 = "200€ - 299€"; 5 = "300€ - 399€"; 6 = "400€ - 499€"; 7 = "500€ - 599€"; 8 = "600€ or more"
Frequency of Buying T-shirts	1 = "Less than once a year"; 2 = "Once a year"; 3 = "Once every semester"; 4 = "Less than once a month"; 5 = "Once a month"; 6 = "Several times a month"; 7 = "About once a week"
Gender	1 = "Male"; 2 = "Female"; 3 = "Non-Binary/Third gender"; 4 = "Prefer not to say"
Age	1 = "Under 18"; 2 = "18 - 24"; 3 = "25 - 34"; 4 = "35 - 44"; 5 = "45 – 54"; 6 = "55 – 64"; 7 = "65 – 74"; 8 = "75 or more"
Education	1 = "Middle School"; 2 = "High School"; 3 = "Bachelor's Degree"; 4 = "Master's Degree"; 5 = "Doctoral Degree"; 6 = "Other"
Marital Status	1 = "Single"; 2 = "In a relationship"; 3 = "Married"; 4 = "Divorced"; 5 = "Widowed"
Occupation	1 = "Student"; 2 = "Student worker"; 3 = "Employed"; 4 = "Unemployed"; 5 = "Retired"; 6 = "Other"
Gross Income	1 = "No income"; 2 = "Less than 500€"; 3 = "500€ - 999€"; 4 = "1000€ - 1499"; 5 = "1500 - 1999€"; 6 = "2000€ - 2499€"; 7 = "2500€ - 2999€"; 8 = "3000€ - 3499€"; 9 = "3500€ or more"
Stimulus	1 = "Massimo Dutti"; 2 = "Primark"; 3 = "Patagonia"; 4 = "Made Trade"
Fast vs. Slow Fashion	0 = "Fast Fashion"; 1 = "Slow Fashion"
High vs. Low Perceived Quality	0 = "High Perceived Quality"; 1 = "Low Perceived Quality"

Appendix 2: Sample Characterization

Table 17 – Appendix Demographics - Gender

		Massimo Dutti	Primark	Patagonia	Made Trade	Total
Gender	**Male**	12.4%	4.1%	10.0%	14.1%	**40.6%**
	Female	15.9%	14.1%	13.5%	15.3%	**58.8%**
	Non-binary	0.0%	0.0%	0.0%	0.0%	**0.0%**
	Prefer not to say	0.0%	0.0%	0.0%	0.6%	**0.6%**

Table 18 – Appendix Demographics - Age

		Massimo Dutti	Primark	Patagonia	Made Trade	Total
Age	**Under 18**	0.0%	0.0%	0.6%	0.6%	**1.2%**
	18 – 24	21.2%	12.9%	15.9%	21.2%	**71.2%**
	25 – 34	4.7%	4.7%	5.9%	5.3%	**20.6%**
	35 - 44	0.6%	0.0%	0.6%	1.2%	**2.4%**
	45 - 54	0.6%	0.0%	0.6%	0.6%	**1.8%**
	55 - 64	1.2%	0.0%	0.0%	0.6%	**1.8%**
	65 - 74	0.0%	0.6%	0.0%	0.6%	**1.2%**
	75 or more	0.0%	0.0%	0.0%	0.0%	**0.0%**

Table 19 - Appendix Demographics - Nationality

		Massimo Dutti	Primark	Patagonia	Made Trade	Total
Nationality	**American**	0.0%	0.0%	0.6%	0.0%	**0.6%**
	Austrian	0.6%	0.0%	0.0%	0.6%	**1.2%**
	Belgium	0.0%	0.6%	0.0%	0.0%	**0.6%**
	Brazilian	0.0%	0.0%	0.0%	0.6%	**0.6%**
	German	1.8%	0.0%	0.0%	1.2%	**2.9%**
	Italian	1.2%	0.0%	1.2%	0.0%	**2.4%**
	Portuguese	24.7%	17.6%	21.8%	27.6%	**91.8%**

Table 20 - Appendix Demographics - Education

		Massimo Dutti	Primark	Patagonia	Made Trade	Total
Education	**Middle School**	0.6%	0.6%	0.6%	0.0%	**1.8%**
	High School	6.5%	1.8%	5.9%	5.3%	**19.4%**
	Bachelor's Degree	14.1%	12.4%	12.9%	14.1%	**53.5%**
	Master's Degree	5.9%	3.5%	4.1%	10.0%	**23.5%**
	Doctoral Degree	0.6%	0.0%	0.0%	0.0%	**0.6%**
	Other	0.6%	0.0%	0.0%	0,6%	**1.2%**

Table 21 - Appendix Demographics -Monthly Gross Income

		Massimo Dutti	Primark	Patagonia	Made Trade	Total
Monthly Gross Income	**No Income**	11.8%	8.8%	10.0%	11.8%	**42.4%**
	Less than 500€	2.4%	1.2%	2.9%	2.9%	**9.4%**
	500€ - 999€	2.9%	2.9%	2.4%	4.1%	**12.4%**
	1000€ - 1499€	6.5%	2.4%	3.5%	5.3%	**17.6%**
	1500€ - 1999€	2.4%	0.6%	2.4%	1.2%	**6.5%**
	2000€ - 2499€	1.2%	1.2%	0.6%	1.2%	**4.1%**
	2500€ - 2999€	0.0%	0.6%	0.6%	1.2%	**2.4%**
	3000€ - 3499€	0.0%	0.0%	0.0%	1.2%	**1.2%**
	3500€ or more	1.2%	0.6%	1.2%	1.2%	**4.1%**

Table 22 - Appendix Smart Shopper

Smart Shopper	**N**	**Min**	**Max**	**Mean**	**St Deviation**
Effort/Time savings	170	1.67	7	5.33	1
Right Purchase	170	2	7	5.66	0.92
Money Savings	170	1.67	7	5.4	1.02
Searching	170	1	7	3.58	1.84
Planning	170	1	7	2.64	1.65
Total	170	2.21	6.79	4.87	0.73

Table 23 - Appendix Overall Perceived Quality

Overall Perceived Quality	N	Min	Max	Mean	St Deviation
Massimo Dutti	48	2.5	5.88	4.69	0.826
Primark	31	1.38	5.25	2.794	1.04
Patagonia	40	3.25	6.75	5.02	0.934
Made Trade	51	2.38	6.88	4.68	0.828

Table 24 - Appendix Overall Brand Image

Overall Brand Image	N	Min	Max	Mean	St Deviation
Massimo Dutti	48	2.5	6.67	4.722	1.07
Primark	31	2	6.3	4.215	1.147
Patagonia	40	3.83	6.17	4.95	0.722
Made Trade	51	3.17	6.83	4.572	0.73

Appendix 3: Pilot Survey

Dear participant,

This research is being conducted by me, Maria Rosa, student at Católica Lisbon for my master's thesis program. The survey is expected to take about 3 minutes to complete. Your participation in this survey is completely voluntary. The identity of participants will remain anonymous, and the collected data will be kept confidential and used only for this purpose. If you are willing to fill this survey, please click on the "Next" button. Thank You!

Q1: How much do you spend on average on clothes per trimester (every three months)?

Q2: How frequently do you buy the following clothing pieces?

The following section will be about fast and slow fashion. In order to clarify these terms, you will now have a definition of each of them.

Fast Fashion can be defined as inexpensive clothing produced rapidly by mass-market retailers in response to the latest trends.

Slow Fashion, as the name indicates, is quite the opposite. It is based on the production of clothes on a sustainable way with high quality. These pieces of clothing usually are produced in small quantities with fair labor conditions and therefore, are more expensive.

Q3: Please rank the following brands in terms of fast or slow fashion (list of 20 brands)

Q4: Please give your opinion on this statement: "This brand is of high quality". (Same list of brands)

Q5: What gender do you identify as?

Q6: How old are you?

Q7: Please indicate your nationality.

Q8: What is the highest degree or level of education you have completed?

Q9: What is your marital status?

Q10: Please select your occupation.

Q11: What is your monthly gross income?

Appendix 4.1: One-on-one Interviews

Good morning! First of all, thank you so much for participating today on this interview. The expected duration of this session will be of 5 minutes and will consist of an informal conversation. I am looking forward to listening to what you have to say. It is also important to mention that there are no right or wrong answers, so I encourage/expect you to be totally honest. If there is no problem, I would like to remind that this session will be recorded for my own analysis and only used for the purpose of the project I am currently developing. Thank you so much and if there are no questions we shall begin.

Q1: Are you familiar with the concepts of Fast and slow fashion? – if not, brief explanation.
Q2: Which brands come to your mind for each fashion model (slow fashion and fast fashion)?
Q3: Can you tell me the pieces of clothing you buy more frequently?
Q4: Now, I will list several brands and you will need to classify them as “slow fashion”, “fast fashion” or “I don’t know the brand”. – same list provided as pilot survey.

Q5: Among the two images, which one do you perceive with more quality? How do you think each piece will perform?

Pair 1: **Option A**

Option B

Q6: Now I will present similar images and you just need to tell me which stimulus you prefer.

Pair 2: **Option A**

Option B

That is the end of today's session and thank you so much once again for participating.

Appendix 4.2: List of Brands

Table 25 - Appendix List of Brands

Fast Fashion Brands	Slow Fashion Brands
Zara	Sienna
Bershka	Patagonia
Stradivarius	Isto
Massimo Dutti	TheAlmond
H&M	Rust and May
Pull & Bear	DCK
Mango	Cantê
Primark	Sézane
Lefties	Made Trade
Parfois	Famm

Appendix 4.3: One-on-one Interviews Information

Table 26 - Appendix One-on-one Interviews Information

Name	Age	Occupation
Rita Pires	22 years old	Student of Psychology
Teresa Mira	60 years old	Teacher
Joana Rosa	28 years old	Audit
Sara Trindade	23 years old	Student of Management
João Ramalho	22 years old	Student of Management
Pedro Almeida	22 years old	Student of Farmacy
Rita Carreira	22 years old	Designer
Juliana Nazário	22 years old	Student of hotel management
Mariana Damião	22 years old	Student of Medicine

Appendix 5.1: Stimulus Massimo Dutti

Imagine you are now considering buying a T-shirt and the following product catches your attention.

Massimo Dutti can be defined as a clothing producer with high levels (massive) of rapid production in response to the latest market trends.

With this product in mind, please answer the following questions. You can move on after a period of 10 seconds.

Figure 14 - Appendix Massimo Dutti Stimulus

Appendix 5.2: Stimulus Primark

Imagine you are now considering buying a T-shirt and the following product catches your attention.

Primark can be defined as a clothing producer with high levels (massive) of rapid production in response to the latest market trends.

With this product in mind, please answer the following questions. You can move on after a period of 10 seconds.

Figure 15 - Appendix Primark Stimulus

Appendix 5.3: Stimulus Patagonia

Imagine you are now considering buying a T-shirt and the following product catches your attention.

Patagonia is a brand that produces clothes on a sustainable way. These pieces of clothing usually are produced in small quantities with fair labour conditions.

With this product in mind, please answer the following questions. You can move on after a period of 10 seconds.

Figure 16 - Appendix Patagonia Stimulus

Appendix 5.4: Stimulus Made Trade

Imagine you are now considering buying a T-shirt and the following product catches your attention.

Made Trade is a brand that produces clothes on a sustainable way. These pieces of clothing usually are produced in small quantities with fair labour conditions.

With this product in mind, please answer the following questions. You can move on after a period of 10 seconds.

Figure 17 - Appendix Made Trade Stimulus

Appendix 6.1: Construct Details – Perceived Quality

Table 27 - Appendix PQ contruct

Measure	# Items	Items discriminated	Scale	Reference	Cronbach α
Perceived Quality	8	It is elegant It is attractive Products having this brand's name are of good quality The fabric used in this brand's products is of good quality Its construction quality is good Its products are flawless Its products are durable Its products are reliable	7-point Likert Scale	Erdogmus and Budeyri-Turan	0.892

Appendix 6.2: Construct Details – Willingness to Pay

Table 28 - Appendix WTP construct

Measure	# Items	Items discriminated	Scale	Reference	Cronbach α
WTP	2	Above which price would you definitely not buy the product, because you can't afford it or because you didn't think it was worth the money? Below which price would you say you would not buy the product because you would start to suspect the quality?	Open Questions	Marbeau (1987)	NA

Appendix 6.3: Construct Details – Brand Image

Table 29 - Appendix BI construct

Measure	# Items	Items discriminated	Scale	Reference	Cronbach α
Brand Image	6	The brand provides good value for money There is a reason to buy the brand instead of others The brand has personality The brand is interesting I have a clear impression of the type of people who consume the brand This brand is different from competing brands	7-point Likert Scale	Aaker (1996b) and Martínez and de Chernatony (2004)	NA

Appendix 6.4: Construct Details – Smart Shopper

Table 30 - Appendix Smart Shopper Construct

Construct	Measure	# Items	Items discriminated
Smart Shopper	**Effort/Time savings**	6	Making this purchase was convenient for me. Making this purchase was not a hassle. I did not spend extra effort on this purchase. In making this purchase, I used my time wisely. I didn't waste time making this purchase. I was able to make this purchase quickly.
	Right Purchase	5	This purchase was exactly what I was looking for. This purchase perfectly fit my needs. I have gotten everything I expected from this purchase. I got a good quality product from this purchase. This purchase was a very good fit for me.
	Money Savings	4	I got what I wanted at a price I was willing to pay. I got a lower price on this purchase than normal. I got a reasonable price on this purchase. I got a good deal on this purchase.
	Searching	3	I conducted research prior to making this purchase. I compared products online I prepared for this purchase by looking through sale ads.
	Planning	3	I waited until I found the right product. I delayed my purchase until it was at a price I wanted to pay. I waited a while until this product went on sale.

Appendix 7: Main Survey

Dear participant,

This research is being conducted by me, Maria Rosa, student at Católica Lisbon for my Master thesis program in Strategic Marketing. The survey is expected to take about 7 minutes to complete. Your participation in this survey is completely voluntary. The identity of participants will remain anonymous, and the collected data will be kept confidential and used only for this purpose.
If you are willing to fill this survey, please click on the "Next" button.

Thank You!

How much do you spend on clothes per trimester (period of three months)?

- ○ less than 50€
- ○ 50€ - 99€
- ○ 100€ - 199€
- ○ 200€ - 299€
- ○ 300€ - 399€
- ○ 400€ - 499€
- ○ 500€ - 599€
- ○ 600€ or more

How often do you buy Tops/T-shirts?

- ○ About once a week
- ○ Several times a month
- ○ Once a month
- ○ Less than once a month
- ○ Once every semester
- ○ Once a year
- ○ Less than once a year

Are you familiar with the following brands?

	Extremely Unfamilar	Unfamiliar	Neutral	Familiar	Extremely Familiar
Massimo Dutti	○	○	○	○	○
Primark	○	○	○	○	○
Patagonia	○	○	○	○	○
Made Trade	○	○	○	○	○

Have you bought a product from these brands?

	Never	Bought few times	Buy frequently
Massimo Dutti	○	○	○
Primark	○	○	○
Patagonia	○	○	○
Made Trade	○	○	○

With this product in mind, please rank the following statements.

	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
The product is elegant.	○	○	○	○	○	○	○
The product is attractive.	○	○	○	○	○	○	○
Products having this brand's name are of good quality.	○	○	○	○	○	○	○
The fabric used in this brand's products is of good quality.	○	○	○	○	○	○	○
Its construction quality is good.	○	○	○	○	○	○	○
Its products are flawless.	○	○	○	○	○	○	○
Its products are durable.	○	○	○	○	○	○	○
Its products are reliable.	○	○	○	○	○	○	○

Please rank on a scale of 1 to 7, being 1- Strongly Disagree and 7 – Strongly Agree, the following statements:

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
This brand provides good value for money	○	○	○	○	○	○	○
There is a reason to buy this brand instead of others	○	○	○	○	○	○	○
This brand has personality	○	○	○	○	○	○	○
This brand is interesting	○	○	○	○	○	○	○
I have a clear impression of the type of people who consume this brand	○	○	○	○	○	○	○
This brand is different from competing brands	○	○	○	○	○	○	○

Above which price would you definitely not buy the product, because you can't afford it or because you didn't think it was worth the money?

Below which price would you say you would not buy the product because you would start to suspect the quality?

On this section, please think about a **clothing product you bought recently** and please answer the following questions according to that purchase experience.

With the last piece of clothing you purchased in mind, please give your opinion about the following statements:

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
Making this purchase was convenient for me.	○	○	○	○	○	○	○
Making this purchase was not a hassle.	○	○	○	○	○	○	○
I did not spend extra effort on this purchase.	○	○	○	○	○	○	○
In making this purchase, I used my time wisely.	○	○	○	○	○	○	○
I didn't waste time making this purchase.	○	○	○	○	○	○	○
I was able to make this purchase quickly.	○	○	○	○	○	○	○

With the last piece of clothing you purchased in mind, please give your opinion about the following statements:

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
This purchase was exactly what I was looking for.	○	○	○	○	○	○	○
This purchase perfectly fit my needs.	○	○	○	○	○	○	○
I have gotten everything I expected from this purchase.	○	○	○	○	○	○	○
I got a good quality product from this purchase.	○	○	○	○	○	○	○
This purchase was a very good fit for me	○	○	○	○	○	○	○

With the last piece of clothing you purchased in mind, please give your opinion about the following statements:

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
I got what I wanted at a price I was willing to pay.	○	○	○	○	○	○	○
I got a lower price on this purchase than normal.	○	○	○	○	○	○	○
I got a reasonable price on this purchase.	○	○	○	○	○	○	○
I got a good deal on this purchase.	○	○	○	○	○	○	○

With the last piece of clothing you purchased in mind, please give your opinion about the following statements:

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
I conducted research prior to making this purchase.	○	○	○	○	○	○	○
I compared products online.	○	○	○	○	○	○	○
I prepared for this purchase by looking through sale ads.	○	○	○	○	○	○	○

With the last piece of clothing you purchased in mind, please give your opinion about the following statements:

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
I waited until I found the right product.	○	○	○	○	○	○	○
I delayed my purchase until it was at a price I wanted to pay.	○	○	○	○	○	○	○
I waited a while until this product went on sale	○	○	○	○	○	○	○

According to the picture you were given and based some of your responses on, please choose the statement you agree the most.

- ○ It is a brand that produces clothes on a sustainable way. These pieces of clothing usually are produced in small quantities with fair labour conditions.
- ○ The brand can be be defined as an inexpensive clothing producer with high levels of rapid production in response to the latest market trends.

Please rank the following statement keeping in mind the product given.

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
The product is of high quality	○	○	○	○	○	○	○

What gender do you identify as?

- ○ Male
- ○ Female
- ○ Non-binary / third gender
- ○ Prefer not to say

How old are you?

- ○ Under 18
- ○ 18 - 24
- ○ 25 - 34
- ○ 35 - 44
- ○ 45 - 54
- ○ 55 - 64
- ○ 65 - 74
- ○ 75 or older

Please indicate your nationality.

What is the highest degree or level of education you have completed?

- ○ Middle School
- ○ High School
- ○ Bachelor's Degree
- ○ Master's Degree
- ○ Doctoral Degree
- ○ Other, please indicate:

What is your maritual status?

- ○ Single
- ○ In a relationship
- ○ Married
- ○ Divorced
- ○ Widowed

Please select your occupation:

- ○ Student
- ○ Student Worker
- ○ Employed
- ○ Unemployed
- ○ Retired
- ○ Other, please indicate:

What is your montly gross income?

- ○ No income
- ○ Less than 500€
- ○ 500€ - 999€
- ○ 1000€ - 1499€
- ○ 1500€ - 1999€
- ○ 2000€ - 2499€
- ○ 2500€ - 2999€
- ○ 3000€ - 3499€
- ○ 3500€ or more

Appendix 8: Testing Hypothesis 1

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	,504[a]	,254	,250	17,58626	,254	57,260	1	168	<,001	1,984

a. Predictors: (Constant), PerceivedQuality

b. Dependent Variable: WTP_aboveOnly_all

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17709,277	1	17709,277	57,260	<,001[b]
	Residual	51958,443	168	309,276		
	Total	69667,719	169			

a. Dependent Variable: WTP_aboveOnly_all

b. Predictors: (Constant), PerceivedQuality

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-9,165	5,228		-1,753	,081		
	PerceivedQuality	8,692	1,149	,504	7,567	<,001	1,000	1,000

a. Dependent Variable: WTP_aboveOnly_all

Collinearity Diagnostics[a]

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions	
				(Constant)	PerceivedQuality
1	1	1,966	1,000	,02	,02
	2	,034	7,621	,98	,98

a. Dependent Variable: WTP_aboveOnly_all

Appendix 9: Testing Hypothesis 2

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	,591[a]	,349	,345	,76339	,349	89,971	1	168	<,001	1,884

a. Predictors: (Constant), PerceivedQuality

b. Dependent Variable: BrandImage

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	52,431	1	52,431	89,971	<,001[b]
	Residual	97,903	168	,583		
	Total	150,335	169			

a. Dependent Variable: BrandImage

b. Predictors: (Constant), PerceivedQuality

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	2,559	,227		11,275	<,001		
	PerceivedQuality	,473	,050	,591	9,485	<,001	1,000	1,000

a. Dependent Variable: BrandImage

Appendix 10: Testing Hypothesis 3

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	,335[a]	,112	,107	19,18549	,112	21,272	1	168	<,001	1,722

a. Predictors: (Constant), BrandImage

b. Dependent Variable: WTP_aboveOnly_all

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7829,776	1	7829,776	21,272	<,001[b]
	Residual	61837,943	168	368,083		
	Total	69667,719	169			

a. Dependent Variable: WTP_aboveOnly_all

b. Predictors: (Constant), BrandImage

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-4,417	7,405		-,597	,552		
	BrandImage	7,217	1,565	,335	4,612	<,001	1,000	1,000

a. Dependent Variable: WTP_aboveOnly_all

Appendix 11: Testing Hypothesis 4

```
Run MATRIX procedure:

***************** PROCESS Procedure for SPSS Version 4.2 *****************

          Written by Andrew F. Hayes, Ph.D.       www.afhayes.com
    Documentation available in Hayes (2022). www.guilford.com/p/hayes3

**************************************************************************
Model  : 4
    Y  : WTP_abov
    X  : Perceive
    M  : BrandIma

Sample
Size:  170

**************************************************************************
OUTCOME VARIABLE:
 BrandIma

Model Summary
          R       R-sq        MSE          F        df1        df2          p
      ,5906      ,3488      ,5828    89,9711     1,0000   168,0000      ,0000

Model
              coeff         se          t          p       LLCI       ULCI
constant     2,5586      ,2269    11,2746      ,0000     2,1106     3,0066
Perceive      ,4730      ,0499     9,4853      ,0000      ,3745      ,5714


Standardized coefficients
             coeff
Perceive      ,5906

**************************************************************************
OUTCOME VARIABLE:
 WTP_abov

Model Summary
          R       R-sq        MSE          F        df1        df2          p
      ,5063      ,2564   310,2279    28,7847     2,0000   167,0000      ,0000

Model
              coeff         se          t          p       LLCI       ULCI
constant   -12,3357     6,9396    -1,7776      ,0773   -26,0364     1,3650
Perceive     8,1061     1,4256     5,6860      ,0000     5,2915    10,9207
BrandIma     1,2394     1,7801      ,6962      ,4872    -2,2750     4,7537

Standardized coefficients
             coeff
Perceive      ,4702
BrandIma      ,0576
```

Appendix 12: Testing Hypothesis 5

```
**************************************************************************
OUTCOME VARIABLE:
 WTP_abov

Model Summary
          R       R-sq        MSE          F        df1        df2          p
      ,5076      ,2577   311,5376    19,2085     3,0000   166,0000      ,0000

Model
              coeff         se          t          p       LLCI       ULCI
constant    29,0352     1,3583    21,3755      ,0000    26,3533    31,7170
Perceive     8,5912     1,1611     7,3995      ,0000     6,2989    10,8836
SmartSho      ,2985      ,3405      ,8766      ,3820     -,3738      ,9707
Int_1         ,0532      ,2871      ,1852      ,8533     -,5137      ,6200

Product terms key:
 Int_1    :        Perceive x        SmartSho

Test(s) of highest order unconditional interaction(s):
       R2-chng          F        df1        df2          p
X*W      ,0002      ,0343     1,0000   166,0000      ,8533
----------
    Focal predict: Perceive (X)
          Mod var: SmartSho (W)


Product terms key:
 Int_1    :        Perceive x        SmartSho

Test(s) of highest order unconditional interaction(s):
       R2-chng          F        df1        df2          p
X*W      ,0002      ,0343     1,0000   166,0000      ,8533
----------
    Focal predict: Perceive (X)
          Mod var: SmartSho (W)

Conditional effects of the focal predictor at values of the moderator(s):

    SmartSho     Effect         se          t          p       LLCI       ULCI
     -4,0163     8,3777     1,7043     4,9156      ,0000     5,0128    11,7427
       ,0000     8,5912     1,1611     7,3995      ,0000     6,2989    10,8836
      4,0163     8,8047     1,5654     5,6247      ,0000     5,7142    11,8953
```

Appendix 13: Testing General Model 5

```
**************************************************************************
OUTCOME VARIABLE:
 BrandIma

Model Summary
          R       R-sq        MSE          F        df1        df2          p
      ,5906      ,3488      ,5828    89,9711     1,0000   168,0000      ,0000

Model
             coeff         se          t          p       LLCI       ULCI
constant    4,6382      ,0585    79,2197      ,0000     4,5226     4,7538
Perceive     ,4730      ,0499     9,4853      ,0000      ,3745      ,5714

**************************************************************************
OUTCOME VARIABLE:
 WTP_abov

Model Summary
          R       R-sq        MSE          F        df1        df2          p
      ,5107      ,2608   312,1169    14,5526     4,0000   165,0000      ,0000

Model
             coeff         se          t          p       LLCI       ULCI
constant   23,9800     8,4502     2,8378      ,0051     7,2955    40,6645
Perceive    8,0552     1,4323     5,6239      ,0000     5,2272    10,8832
BrandIma    1,0782     1,7981      ,5996      ,5496    -2,4720     4,6285
SmartSho    1,6240     1,9121      ,8493      ,3969    -2,1513     5,3993
Int_1       1,0427     1,6241      ,6420      ,5218    -2,1640     4,2493
```

Appendix 14: Further Analysis – Kruskal-Wallis Tests

Independent-Samples Kruskal-Wallis Test

PerceivedQuality across Stimulus

Independent-Samples Kruskal-Wallis Test Summary

Total N	170
Test Statistic	56,266[a]
Degree Of Freedom	3
Asymptotic Sig.(2-sided test)	<,001

a. The test statistic is adjusted for ties.

Pairwise Comparisons of Stimulus

Sample 1-Sample 2	Test Statistic	Std. Error	Std. Test Statistic	Sig.	Adj. Sig.[a]
Primark-Made Trade	-62,930	11,198	-5,620	<,001	,000
Primark-Massimo Dutti	70,649	11,330	6,236	<,001	,000
Primark-Patagonia	-81,897	11,766	-6,960	<,001	,000
Made Trade-Massimo Dutti	7,719	9,888	,781	,435	1,000
Made Trade-Patagonia	18,967	10,385	1,826	,068	,407
Massimo Dutti-Patagonia	-11,248	10,527	-1,068	,285	1,000

Each row tests the null hypothesis that the Sample 1 and Sample 2 distributions are the same. Asymptotic significances (2-sided tests) are displayed. The significance level is ,050.

a. Significance values have been adjusted by the Bonferroni correction for multiple tests.

WTP_aboveOnly_all across Stimulus

Independent-Samples Kruskal-Wallis Test Summary

Total N	170
Test Statistic	53,334[a]
Degree Of Freedom	3
Asymptotic Sig.(2-sided test)	<,001

a. The test statistic is adjusted for ties.

Pairwise Comparisons of Stimulus

Sample 1-Sample 2	Test Statistic	Std. Error	Std. Test Statistic	Sig.	Adj. Sig.[a]
Primark-Massimo Dutti	66,333	11,293	5,874	<,001	,000
Primark-Made Trade	-68,725	11,162	-6,157	<,001	,000
Primark-Patagonia	-77,150	11,728	-6,578	<,001	,000
Massimo Dutti-Made Trade	-2,392	9,856	-,243	,808	1,000
Massimo Dutti-Patagonia	-10,817	10,493	-1,031	,303	1,000
Made Trade-Patagonia	8,425	10,351	,814	,416	1,000

Each row tests the null hypothesis that the Sample 1 and Sample 2 distributions are the same. Asymptotic significances (2-sided tests) are displayed. The significance level is ,050.

a. Significance values have been adjusted by the Bonferroni correction for multiple tests.

Nonparametric Tests

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.[a,b]	Decision
1	The distribution of PerceivedQuality is the same across categories of Stimulus.	Independent-Samples Kruskal-Wallis Test	<,001	Reject the null hypothesis.
2	The distribution of BrandImage is the same across categories of Stimulus.	Independent-Samples Kruskal-Wallis Test	,026	Reject the null hypothesis.

a. The significance level is ,050.

b. Asymptotic significance is displayed.

Independent-Samples Kruskal-Wallis Test

PerceivedQuality across Stimulus

Independent-Samples Kruskal-Wallis Test Summary

Total N	170
Test Statistic	56,266[a]
Degree Of Freedom	3
Asymptotic Sig.(2-sided test)	<,001

a. The test statistic is adjusted for ties.

Pairwise Comparisons of Stimulus

Sample 1-Sample 2	Test Statistic	Std. Error	Std. Test Statistic	Sig.	Adj. Sig.[a]
Primark-Made Trade	-62,930	11,198	-5,620	<,001	,000
Primark-Massimo Dutti	70,649	11,330	6,236	<,001	,000
Primark-Patagonia	-81,897	11,766	-6,960	<,001	,000
Made Trade-Massimo Dutti	7,719	9,888	,781	,435	1,000
Made Trade-Patagonia	18,967	10,385	1,826	,068	,407
Massimo Dutti-Patagonia	-11,248	10,527	-1,068	,285	1,000

Each row tests the null hypothesis that the Sample 1 and Sample 2 distributions are the same. Asymptotic significances (2-sided tests) are displayed. The significance level is ,050.

a. Significance values have been adjusted by the Bonferroni correction for multiple tests.

BrandImage across Stimulus

Independent-Samples Kruskal-Wallis Test Summary

Total N	170
Test Statistic	9,221[a]
Degree Of Freedom	3
Asymptotic Sig.(2-sided test)	,026

a. The test statistic is adjusted for ties.

Pairwise Comparisons of Stimulus

Sample 1-Sample 2	Test Statistic	Std. Error	Std. Test Statistic	Sig.	Adj. Sig.[a]
Primark-Made Trade	-10,315	11,184	-,922	,356	1,000
Primark-Massimo Dutti	22,754	11,315	2,011	,044	,266
Primark-Patagonia	-32,342	11,751	-2,752	,006	,036
Made Trade-Massimo Dutti	12,439	9,876	1,260	,208	1,000
Made Trade-Patagonia	22,026	10,372	2,124	,034	,202
Massimo Dutti-Patagonia	-9,588	10,514	-,912	,362	1,000

Each row tests the null hypothesis that the Sample 1 and Sample 2 distributions are the same. Asymptotic significances (2-sided tests) are displayed. The significance level is ,050.

a. Significance values have been adjusted by the Bonferroni correction for multiple tests.

Appendix 15: Further Analysis – Demographics

Table 31 - Appendix WTP per brand

WTP per brand	N	Min	Max	Mean	St Deviation
Massimo Dutti	48	3	79	29.75	13.88
Primark	31	2.5	50	10.83	9
Patagonia	40	10	150	37.10	25.03
Made Trade	51	5	100	33.18	19.99

Table 32 - Appendix Purchase Frequency

Money spent on clothes & frequency of purchase per brand	N	Min	Max	Mean	St Deviation
Money Spent Trimester	170	1	8	2.52	1.22
Massimo Dutti	170	1	3	1.62	0.61
Primark	170	1	3	1.92	0.58
Patagonia	170	1	3	1.11	0.35
Made Trade	170	1	3	1.03	0.20