

American Eagle Outfitters Subscription Service Research Proposal

Sophie Varndell, Brooke Tyukodi, Alaina Gettemy, Kaitlin Mosqueda, Breanna Maker

Slippery Rock University

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Abstract

This essay focuses on the research of American Eagle Outfitters subscription service customers' attitudes about the service and its customer service and the customer's loyalty to the service. In this essay, you will see the research questions that will be used in the study along with the proposal's constructs, labels, and conceptual definitions. Secondary sources are used for the research of definitions.

American Eagle Outfitters Subscription Service Research Proposal

American Eagle Outfitters launched a new clothing rental subscription service. American Eagle wants to conduct a study on existing consumers to better understand their consumer's attitudes and consumer loyalty toward American Eagle's customer service and new subscription service.

Research Question(s)

American Eagle is tasked with conducting a study to understand: What is customer attitudes toward the program's customer service? Will existing consumers remain loyal to the new clothing rental service?

First Construct

For our first construct, we will study the current American Eagle customer attitudes about the new clothing rental subscription service. Our label is consumer attitudes towards the new subscription service.

Customer attitudes are made up of three components, affective, behavioral, and cognitive. The affective component has to do with a consumer's feelings and emotions. Behavior has to do with how a consumer's preconceived attitude affects their actions. Finally, the cognitive construct is how a consumer's beliefs and understanding of a brand affect their attitudes (McLeod, 2018).

Based on how consumers interpret and associate American Eagle's products, will determine their overall attitude toward the company and therefore, their attitude towards the clothing subscription service.

Second Construct

The second construct is consumer loyalty and how it affects the new American Eagle subscription service. The label is consumer loyalty. Consumer loyalty has two dimensions which are made up of customer retention and the total share of a customer (Griffin, 1995).

Customer retention has to do with the percentage of consumers who continue to repurchase products from a brand over some time. An example of this would be American Eagle's retained or loyal consumers and their willingness to participate in the subscription service. The total share of a customer has to do with repurchasing, and how much an organization has made off of the shares on a specific customer's purchases.

Research Question(s):

After determining the constructs and evaluating secondary research, the following research questions are proposed

R1: What are the overall attitudes towards subscription services?

R2: How loyal are our customers to our brand?

Secondary Research on Problem and Population

The concept of fashion-based subscription services is new and tends to trend rather quickly, this poses a problem when it comes to progressing in the amount of success brought on by these services due to the lack of research behind the quick success of these services. Given that fashion-based subscription is a relatively new phenomenon, little research has examined consumers' perceptions of buying through subscriptions (Bhatt, 2018). The main population that is attracted to the usage of a fashion-based subscription service is attracted to the qualities behind

the services due to these brands promoting the idea of a personal touch brought to the customers from these services (Ramkumar & Woo, 2017). The population American Eagle plans to target is women ages 15-34, while the overall population for fashion-based subscription services is based on the brand prior to the launch of the service. American Eagle's current target demographic is ages 15-25 (*Job opportunities at American Eagle outfitters*, 2022), but target an older demographic that are able to participate in the concept of a subscription service.

A study published in 2018 by Qiong (Sarah) Tao and Yingjiao Xu looks into the effects of consumers' perceived usefulness, perceived enjoyment and subjective norm on intention to adopt fashion subscription retailing. A theory of planned behavior model (TPB) was used in the study to find that consumers' intention to adopt fashion subscription retailing was significantly influenced by all of those factors. The study also found that adoption intentions of consumers who often experiment with their appearance are affected by their perceived: economic value, style benefits, enjoyment and behavior control. Whereas, adoption intention of consumers who are not very experimental with their appearance is affected by perceived convenience, perceived economic value and social norm (Tao & Xu, 2018). The results from this study can help American Eagle decipher the different factors that their subscription service users hold important when adopting a subscription service.

In a study published in 2021 by Robin Christmann and Erika Pasztuhov, it was found that consumers favor clothing subscription services when they follow a rental format. Consumers' attitudes are positively influenced by the sustainability aspect of the concept. Consumers' attitudes towards and intentions to use were also proven to be positively influenced by perceived enjoyment, however negatively influenced by perceived financial risk (Christmann & Pasztuhov, 2021). American Eagle can take this information into account when deciding on features that consumers would like to see within the brand's subscription service. _

A study published in 2018 by Bharath Ramkumar and Hongjoo Woo uses the theory of reasoned action (TRA) theoretical model to predict how consumers' attitude toward, and intention to use fashion/beauty subscription-based online services (SOS), is affected by six different antecedents: utilitarian motivations, hedonic motivations, fashion consciousness, consumer innovativeness, desire for unique products, and online transaction self-efficacy. Some of the findings from the results of this study could help American Eagle with further narrowing down what the brand's target market wants within a subscription service, and what motivates consumers to use SOS. The study found that consumers' perceptions of utilitarian and hedonic benefits influenced their intentions to use and positive attitudes toward SOS (Ramkumar & Woo, 2018). The study also found that consumers who spend more time online were more likely to have formed favorable attitudes towards and intentions to use SOS.

Selected Methodology

The methodology that American Eagle has decided to use is a cross-sectional survey. This will allow the brand to further explore the constructs of customer loyalty and customer attitudes towards the American Eagle subscription service. American Eagle plans to survey a population that includes women ages 15-34, who have shopped with the brand before the launch of the subscription service.

Operational Definitions for Constructs

First Construct

For our first construct, we will study the current American Eagle customer attitudes about the new clothing rental subscription service. Our label is consumer attitudes towards the new subscription service. Consumer attitudes are measured and defined by three components, affective, behavioral, and cognitive (McLeod, 2018).

1.

How did you hear about our subscription service?

- ☐ Instagram Ad
- ☐ From a friend
- ☐ Commercial
- ☐ Email
- ☐ Other...

2.

...

Which of the following words would you use to describe our service?

1=Strongly disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly agree

	1	2	3	4	5	
Strongly Disagree	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Strongly Agree

3.

...

3.) In comparison to our competitors, our subscription service is:

1=Strongly disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly agree

	1	2	3	4	5	
Terrible quality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	High quality

4.

4.) How would you rate the quality of our services?

Rate on a scale from 1-10, 1 representing bad quality and terrible service, 10 representing outstanding service and great quality.

1	2	3	4	5	6	7	8	9	10
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

5.

5.) How valued do you feel as a consumer of the American Eagles clothing subscription service?

- ☐ Highly valued
- ☐ Valued
- ☐ Somewhat valued
- ☐ Poorly valued

6.

6.) Do you feel that there is anything you would change about our subscription service?

- ☐ Yes
- ☐ No
- ☐ Unsure

a.

If you answered yes to the above question, why?

Long answer text

7.

7.) How likely are you to recommend this subscription service to a friend or associate?

- ☐ Very likely
- ☐ Likely
- ☐ Unsure
- ☐ Unlikely
- ☐ Very unlikely

8.

8.) How likely are you to resubscribe to American Eagle's new service?

- ☐ Very likely
- ☐ Likely
- ☐ Unsure
- ☐ Unlikely,
- ☐ Very unlikely

Second Construct

The second construct is consumer loyalty and how it affects the new American Eagle subscription service. The label is consumer loyalty. Consumer loyalty is measured by two dimensions, customer retention and the total share of a customer (Griffin, 1995).

1.

1.) How familiar are you with the brand American Eagle?

- ☐ Extremely familiar
- ☐ Fairly familiar
- ☐ Neutral
- ☐ Unfamiliar
- ☐ Never heard of the brand

2.

2.) How long have you been shopping with American Eagle?

- ☐ I have never shopped at American Eagle
- ☐ 1-2 years
- ☐ 3-4 years
- ☐ 5-10 years
- ☐ 10+ years

3.

3.) What first prompted you to start buying from American Eagle?

Answer each statement by selecting agree or disagree on statements A-E. Only answer F if applicable.

a.

A.) My friends shop at American Eagle.

- ☐ Agree
- ☐ Disagree

B.) The price is within my budget.

b.

☐ Agree

☐ Disagree

c. C.) The products are high quality.

☐ Agree

☐ Disagree

d. D.) A store is close to where I live.

☐ Agree

☐ Disagree

e. E.) I like the style of apparel at American Eagle.

☐ Agree

☐ Disagree

f. F.) If for another reason, please indicate the reason

4. 4.) Are you open to shopping with other brands?

☐ Yes

☐ No

5. 5.) I am likely to be and remain a loyal customer?

1=Very unlikely, 2=Unlikely, 3=Neutral, 4=Likely, 5=Very likely

	1	2	3	4	5	
Very Unlikely	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Very Likely

Sampling

In order to gather the most accurate sample for this survey, we chose to use snowball sampling as the sampling technique. Snowball sampling will allow us to gather a group of consumers with a common interest in the fashion industry, more specifically, American Eagle.

Instruments

The instrument we plan to use within the study to sample the population is a survey (See image 1, 2, 3, 4, 5, 6 and 7).

References

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Appendices

Image 1:

American Eagle Outfitters Subscription Service Survey Part 1

4/26/22, 1:42 PM

American Eagle Outfitters Subscription Service Survey Part 1

Instructions:

Image 2:

American Eagle Outfitters Subscription Service Survey Part 1

4/26/22, 1:42 PM

3.) In comparison to our competitors, our subscription service is:

1=Strongly disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly agree

Mark only one oval.

1 2 3 4 5

Terrible quality High quality

Image 3:

American Eagle Outfitters Subscription Service Survey Part 1 4/26/22, 1:42 PM

6. 6.) Do you feel that there is anything you would change about our subscription service?

Mark only one oval.

☐ Yes

☐ No

☐ Unsure

7. If you answered yes to the above question, why?

8. 7.) How likely are you to recommend this subscription service to a friend or associate?

Mark only one oval.

☐ Very likely

☐ Likely

☐ Unsure

☐ Unlikely

☐ Very unlikely

https://docs.google.com/forms/d/9hLTpHRR3gRtQzLNs3PKadCk1MbJ8MduWpocikjpreform Page 3 of 8

Image 5:

American Eagle Outfitters Subscription Service Survey Part 1 4/26/22, 1:42 PM

11. 2.) How long have you been shopping with American Eagle?

Mark only one oval.

☐ I have never shopped at American Eagle

☐ 1-2 years

☐ 3-4 years

☐ 5-10 years

☐ 10+ years

Image 4:

American Eagle Outfitters Subscription Service Survey Part 1 4/26/22, 1:42 PM

9. 8.) How likely are you to resubscribe to American Eagle's new service?

Mark only one oval.

☐ Very likely

☐ Likely

☐ Unsure

☐ Unlikely

☐ Very unlikely

Skip to question 10

American Eagle Outfitters Subscription Service Survey Part 2

10. 1.) How familiar are you with the brand American Eagle?

Mark only one oval.

☐ Extremely familiar

☐ Fairly familiar

☐ Neutral

☐ Unfamiliar

☐ Never heard of the brand

https://docs.google.com/forms/d/9hLTpHRR3gRtQzLNs3PKadCk1MbJ8MduWpocikjpreform Page 4 of 8

Image 6:

American Eagle Outfitters Subscription Service Survey Part 1 4/26/22, 1:42 PM

14. C.) The products are high quality.

Mark only one oval.

☐ Agree

☐ Disagree

15. D.) A store is close to where I live.

Mark only one oval.

Image 7:

American Eagle Outfitters Subscription Service Survey Part 1 4/24/22, 1:42 PM

18. 4.) Are you open to shopping with other brands?

Mark only one oval.

☐ Yes

☐ No

19. 5.) I am likely to be and remain a loyal customer?

1=Very unlikely, 2=Unlikely, 3=Neutral, 4=Likely, 5=Very likely

Mark only one oval.

1 2 3 4 5

Very Unlikely ☐ ☐ ☐ ☐ ☐ Very Likely

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<https://docs.google.com/forms/d/e/1YC3pH8R3gR8QsLN63PCadCk1M6JERMAU@q-cikjprintform> Page 7 of 8