



Print ISSN: 1738-3110 / Online ISSN 2093-7717
 JDS website: <http://www.jds.or.kr/>
<http://dx.doi.org/10.15722/jds.19.9.202109.101>

The Relationship between Coolness, Perceived Value and Value Creation: An Empirical Study of Fashion Distribution*

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Received: June 22, 2021. Revised: July 24, 2021. Accepted: September 5, 2021

Abstract

Purpose: This study discusses and discovers the important role of fashion product coolness in affecting consumers' perceived value and consumers' value creation behavior. Accordingly, fashion product coolness exerts a direct effect on perceived value while perceived value has a direct impact on value creation. Besides, fashion product coolness has an indirect effect on value creation through perceived value. **Research design, data, and methodology:** This study adopts the quantitative research approach by cross-sectional technical on a sample of 319 respondents in Vietnam. PLS-SEM has been used to analyze the survey data. **Results:** The result indicates that the proposed direct and indirect effects are significant. Specifically, utilitarian "coolness" and hedonic "coolness" have positive impacts on perceived value. The perceived value poses an impact on consumers' value creation behavior, including customer lifetime value and influencer value. Finally, the perceived value links utilitarian "coolness", hedonic "coolness" with customer lifetime value and influencer value. **Conclusions:** Fashion distribution is playing an increasingly important role in the retail sector of the economy. Fashion distribution activities are greatly influenced by the perceived value of consumers. The findings are supposed to strengthen the beliefs of fashion brands and retailers in the promotion of value creation and consumers' perceived value in the field of fashion distribution.

Keywords: Utilitarian coolness; Hedonic coolness; Perceived value; Value creation; Distribution; Fashion distribution; Fashion retail.

JEL Classification Code: M10, M20, M31, D30.

1. Introduction

Along with the growing economy, consumers are spending an enormous amount on cool products. Many successful brands such as Apple, Nike, and Harley-Davidson have thrived, at least in part, because consumers consider them

as cool brands. Nowadays, the coolness has attracted the attention of experts to various topics such as branding (Warren, Batra, Loureiro, & Bagozzi 2019), personalities (Dar-Nimrod, Ganesan, & MacCann, 2018), consumer goods (Im, Bhat, & Lee, 2015), and tourism (Chen & Chou, 2019). In the fashion distribution context, the coolness is also exclaimed as posing a significant influence on the product success (Noh, Runyan, & Mosier, 2014; Runyan, Noh, & Mosier, 2013). The success of a business not only refers to purchase intention but is also about consumers' recommendation of the products to others and consumers' contribution to the product development (Khoa, Nguyen, & Nguyen, 2020; Kotler, Kartajaya, & Setiawan, 2016). In other words, the success of a product has a close connection to consumers' value creation which attracts them to clothing stores for purchasing.

Based on the reciprocity principle, consumers tend to create value for companies when they receive benefits such as good emotion, memorable experience, satisfaction, and

* Acknowledgements: We thank the participants for answered the questionnaire. And, we thank the editor and two reviewers for their helpful comments and suggestions. All errors are ours.

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emotional engagement (Kitayama, Markus, & Kurokawa, 2000; Pansari & Kumar, 2016). At the same time, empirical studies in the context of fashion retail imply that the perceived value of customers toward a product is the difference between perceived benefit and perceived cost (Zeithaml, 1988). Perceived value can connect the product's useful features with consumer value creation. In other words, the product coolness can affect the perceived value and, thereby, influence value creation behavior. However, according to Chen and Chou (2019), in the modern time when points of distinctiveness are increasingly diluting in consumers' minds, it is highly necessary to gain a profound understanding of the impact of coolness in the marketplace. This research aims to discuss and examine how the coolness of fashion products, including utilitarian and hedonic coolness (Noh et al., 2014; Runyan et al., 2013) influences perceived value, and how perceived value affects value creation, including customer lifetime value and customer influencer value (Hamilton, Kaltcheva, & Rohm, 2016; Kumar, Rajan, Gupta, & Pozza, 2010). This research also inspects the indirect effects of coolness on value creation through perceived value. As per our survey, the direct effects and indirect effects of coolness on perceived value or value creation are yet to be analyzed in the extant literature, specifically in the case of fashion retails. Thus, this research result is believed to contribute to widening the understanding of the importance of coolness and how it works in promoting the business performance of fashion firms, and retail stores in particular.

2. Literature Review and Research Hypotheses

2.1. The Coolness of Fashion Products

Fashion products' coolness has emerged as one of the compelling differentiators, as it helps consumers in product evaluation. Thus, coolness has become a crucial element required for the continuous achievements in retails' product differentiation (Im et al., 2015), and it orientates marketing strategies for enterprises. Runyan et al. (2013) defined the fashion product "coolness" as the feelings toward the product which could be either utilitarian – reflecting the usefulness and efficiency of the product, or hedonic – reflecting the joyfulness and interest toward the product (Babin, Darden, & Griffin, 1994; Holbrook & Hirschman, 1982). Sundar, Tamul, and Wu (2014) considers four components in the concept of coolness, utility, attractiveness, subcultural appeals, and originality. For fashion products, utilitarian "coolness" consists of two dimensions, functional cool and quality cool (Runyan et al., 2013). Clothing functional cool indicates products with

pragmatic aspects that satisfy daily consumption demands. Therefore, this dimension of coolness helps address the utilitarian needs of the consumer. Meanwhile, the quality dimension refers to clothing products that follow quality standards within a certain product category and can be more advantaged and excellent than other competitors' products. Quality evaluation practice can base on consumers' subjective perception or objective standards of the product category. This utilitarian "coolness" dimension, accordingly, satisfies consumer's utilitarian demands toward the products.

On the other hand, hedonic "coolness" consists of three aspects – singular, personal, and esthetic cool (Runyan et al., 2013). To begin with, singular coolness refers to fashion products that are one of the kind and unique comparing to competitors' products. Consumers focus on uniqueness and singularity to build their own personal and social identities (Tian, Bearden, & Hunter 2001). The need for differentness of personal and social identity is formed during a comparison process between an aspirational state of uniqueness and one's current state of uniqueness. Consumers want to purchase unique products since such items hold a symbolic meaning that satisfy buyers needs of being distinctive (Runyan et al., 2013). Moreover, unique products help consumers express their individuality, independence, and autonomy (Simonson & Nowlis, 2000). Apart from that, personal coolness shows the demand of purchasing and using those products that are relevant to buyers' viewpoint. Since fashion products possess a symbolic value that represents the owner's identity, buyers can solidify and communicate their value to others when using clothes that match individual self-concepts (Herd & Mehta, 2019).

In other words, when consumers see that clothing products can help them assert and express individual and social identity, they will consider such products "cool". Consumers are recommended by their reference groups to visit retail stores and buy products (Lee, 2021). In fashion display, the coolness of the stores is very important in attracting customers. The Swarovski company has "stayed true to its DNA" for 126 years but recently changed its retail store displays with the help of 3D technology for the "coolness" to meet the needs of the developing world (Robinson, 2021). Finally, esthetic coolness reflects the need of owning and using esthetic items to (1) outstand other consumers who use competitors' products and (2) achieve happiness in consumption (Runyan et al., 2013). Esthetics is an important aspect of "coolness" because consumers consider it as a benefit of consumption. They also spend plenty of time and efforts searching for esthetic products (Veryzer & Hutchinson, 1998).

2.2. The Relationship between Coolness, Perceived Value, and Value Creation

Perceived value is defined as consumers' evaluation of product efficiency based on the comparison between perceived benefit and perceived cost (Zeithaml, 1988). From the retailing perspective, when retailers satisfy consumer needs, they have successfully delivered values, which consequently yield better consumer value creation (Sweeney & Soutar, 2001). In the meantime, value creation is comprised of three factors - customer lifetime value, customer influencer value, and customer knowledge value (Hamilton et al., 2016). Customer lifetime value refers to the present value of the total accumulated profit that a consumer would bring to a business over his or her lifetime of patronage (Kumar et al., 2010). This is a financial contribution from consumers' trading activities at present and in the future. More than that, customer lifetime value comes after purchase intention. Customer influencer value is defined as "the value of an individual's influence on other actual or potential customers. In fashion retailing activities, influencer value is considered the practice of recommending others to use a product and service; or giving good word of mouth (WOM). This research, however, is not to study "knowledge value", derived from feedbacks that customers give to a company concerning ideas of product innovation and development. This is because knowledge value is often created after when customers have experienced the product or service (Hamilton et al., 2016), whereas this study focuses on the perceived "coolness" of both current customers (who have already used the product) and potential customers (have yet to use the product).

As mentioned above, while utilitarian "coolness" brings functional and quality benefits that tackle consumers' utilitarian needs, hedonic "coolness" forms and solidifies personal and social identities, expresses and shares self-concept, satisfies esthetic needs, and brings happiness (Noh et al., 2014; Runyan et al., 2013). Analysis of customers' intention to use robot-serviced restaurants in Korea, Cha (2020) found that hedonic "coolness" motivated consumer innovativeness and socially motivated consumer innovativeness have positive effects on attitude and are enhanced by attractiveness, utility, subcultural appeal, and originality. Moreover, Rubera et al. (2009) noted that customers do not only purchase products for their functionality but for what they symbolize. Besides, the deviance regulation theory (Blanton & Christie, 2003) states that the norms, beliefs, and coolness, which can help customers reach their identified goals. Thus, the hedonic "coolness" of fashion products helps express personal characteristics and social characteristics of the customer. Zeithaml (1988) defined perceived value as the gap

between benefits and costs estimated by customers. The conclusion of Zeithaml (1988) was confirmed by the study of Oh and Lee (2012), who suggested that consumers always distinguish between hedonic and utilitarian values and that their attitudes and intentions depend on the cost, and services' nature. Regarding the discussions above, this research states that utilitarian and hedonic "coolness" of fashion products give favorable values to consumers, and actively contribute to the creation of perceived value toward cool products. As the result, two hypotheses are set as below:

H1: The utilitarian "coolness" positively affects perceived value.

H2: The hedonic "coolness" positively affects perceived value.

The relationship between perceived value and purchase intention (the so-called customer lifetime value) has been studied and examined in the consumption circumstance (Ashraf, Hou, & Ahmad, 2018). Consumers buy goods and services to serve their utilitarian needs (e.g. functional and quality demands) as well as hedonic needs (e.g. building individual image, seeking pleasure and joy). Hong and Hwang (2013) found that fashion brands positively influence customer lifetime value through art marketing, which means art marketing creates unique products and helps customers increase confidence when they participate in community activities. It is indicated that pursuing hedonic and utilitarian values is one of the core motives of consumption (Childers, Carr, Peck, & Carson, 2001). In other words, when consumers see that a product brings them benefits and values, they will come up with a purchase intention toward the product. This, accordingly, generates customer lifetime value for the company. Therefore, this research hypothesizes that in the fashion distribution context, perceived value affects customer lifetime value.

H3: Perceived value positively affects customer lifetime value.

Similarly, the relationship between perceived value and good WOM (referring to influencer value) has also been discussed and studied in the consumption circumstance (Hartline & Jones, 1996; McCormick & Livett, 2012; Seong, 2021). According to De Matos and Rossi (2008), perceived value includes tangible benefits (e.g. utilities) and intangible benefits (e.g. experience) and, thus, exerts an impact on consumers' intention for WOM effect. Khoa et al. (2020) pointed out a positive impact of perceived value on peer engagement in ridesharing service, including opinion giving. According to Seong (2021), the retail

industry needs to build customer value through high-quality services. In distribution science, when consumers are aware that they receive value from a cool product, they are more likely to engage with the product and recommend it to other users (McKee, Simmers, & Licata, 2016). By this way, companies earn more influencer value. Therefore, this research suggests that within the case of fashion distribution, the perceived value of products affects influencer value.

H4: Perceived value positively affects customer influencer value.

Regarding all of the discussions above, utilitarian “coolness” and hedonic “coolness” of fashion products are thought to impact consumer’s perceived value. Furthermore, perceived value affects the practice of value creation, including customer lifetime value and influencer value. This research, thereby, expects that fashion products’ “coolness” will exert an indirect influence on value creation within the interference of customer perceived value. This expectation is supported by the reciprocity principle which states that when a company creates value of utilitarian and hedonic coolness to customers, the latter will feel good about the company and its products. As a result, happy consumers tend to reward the firm by giving favorable value in return (Kitayama et al., 2000; Kumar et al., 2019; Pansari & Kumar, 2016; Seong, 2021). More specifically, Kitayama et al. (2000) explained that consumers would contribute value to the company when they felt an emotional connection and were satisfied with the company’s products. Pansari and Kumar (2016) and

Kumar et al. (2019) constructed a conceptual model highlighting the intermedia role of values from enterprises that linked product features and value creation. This research hypothesizes that:

H5: Utilitarian “coolness” indirectly pose a positive impact on customer lifetime value (a) and influencer value (b) via perceived value.

H6: Hedonic “coolness” indirectly pose a positive impact on customer lifetime value (a) and influencer value (b) via perceived value.

Consumers often perceive a product as a set of benefits that are related to their purchasing aims. According to Seong (2021), customer value is accumulated through high-quality services offered to the clientele base. Customers assess utilitarian and hedonic coolness, which affects perceived value. The studies of Dhar and Wertenbroch (2000); Babin et al. (1994); Chiu, Hsieh, Li, & Lee (2005) showed that consumers' perceived value is under both utilitarian and hedonic product aspects. In summary, the product's utilitarian "coolness" and hedonic "coolness" are expected to influence the product perceived value. In turn, perceived value is expected to impact customer lifetime value and customer influencer value.

This model adopts the dual routes suggested by Im et al. (2015) conceptual framework that functional cool, quality cool, and singular cool, together with personal cool and esthetic cool, follow two different paths leading to hedonic cool and utilitarian cool, respectively. Based on previous studies and arguments above, the conceptual framework proposed in Figure 1, as follows.

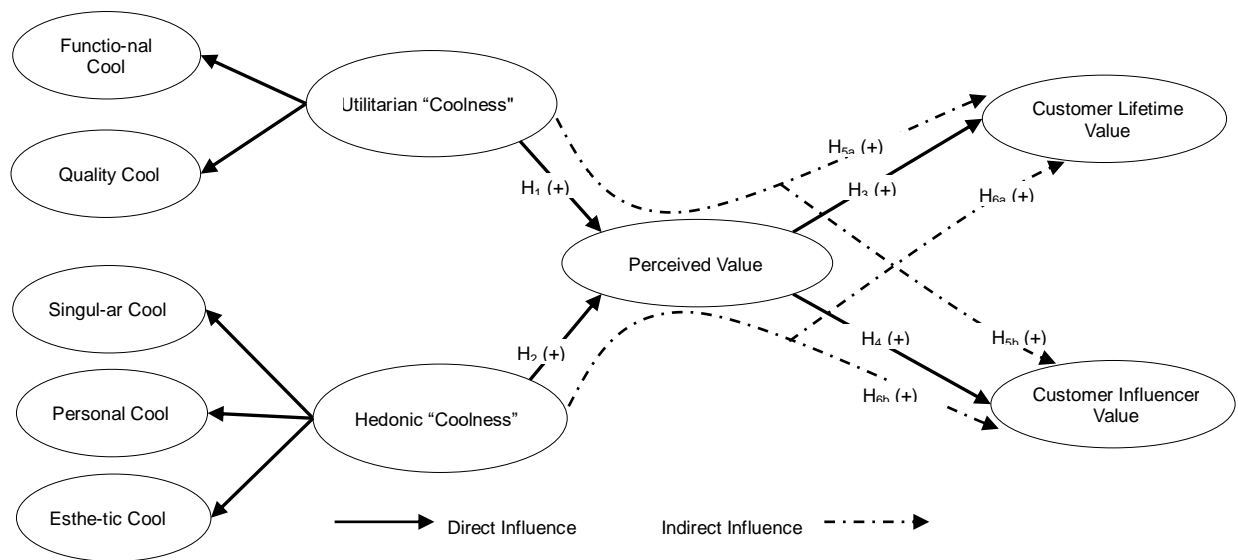


Figure 1: Conceptual Framework and Hypotheses

3. Methodology

This research adopts the quantitative approach to achieve the objectives. PLS-SEM technique is applied to analyze the collected data, involving valuation model, structural equation modeling, and hypothesis testing.

3.1. Sampling

The "10-times rule" is a method to estimate the minimum sample size for PLS-SEM. According to Hair, Ringle, & Sarstedt (2011), PLS-SEM minimum sample size should be equal or larger than either (1) "ten times the largest number of formative indicators used to measure one construct" or (2) "ten times the largest number of structural paths directed at a particular latent construct in the structural model". Accordingly, with 5 formative indicators used to measure one construct, the minimum number of samples is 50. The inverse square root method is considered more accurate than the "10-times rule" of the minimum sample size (Kock & Hadaya, 2018). Accordingly, with 4 arrows pointing to latent variables and minimum $R^2 = 0.25$, the minimum number of samples is 65.

The subject of this study is those consumers who live in Ho Chi Minh City, the second-largest social-economic center of Vietnam. They often visit shopping malls, luxury fashion stores to experience and purchase fashion products. Young consumers (from 18 to 35 years old) were chosen because they comprise a large market segment that promises great success to businesses (Su & Chang, 2018). Nonetheless, knowledge of buying behavior among this segment is still insufficient (Park & Sullivan, 2009). Hence, it is advisable to conduct more researches on this young segment to obtain better insights into their behavior (Su & Chang, 2018). The fashion products of Tommy Hilfiger branding, one of the leading corporations in the field of fashion and accessories were selected to analyze customers' perception of coolness. The 5-point Likert scale was applied, evaluating statements from (1) strongly disagree to (5) strongly agree. The authors and thirty 3rd-year students (11 male and 19 female students) of the Marketing Department participated as part of their course requirements. Paper-based questionnaires were distributed to students and, later on, delivered to respondents from various areas in Vietnam. To ensure that every participant was qualified for answering a survey about Tommy Hilfiger, they were all asked a first-and-foremost filter question as "Do you think you know enough to answer questions about Tommy Hilfiger fashion brand?". Only those who answered "Yes" were selected to continue the survey. Each respondent allowed himself approximately 10-15 minutes to finish the questionnaire.

Totally 350 customers, who have used Tommy Hilfiger, were invited to participate in the study and 319 qualified responses were finalized for further analysis by the SmartPLS software, which represents a 91.14 percentage. Respondents' ages ranged from 18 to 35 years, 58.07% were females, and 35.39% of respondents have married.

3.2. Measurement Items

This research adopts measurement items from valuable articles published in prestigious journals. Such items measure utilitarian "coolness" (functional cool: 3 question items, quality cool: 3 question items) and hedonic "coolness" (singular cool: 5 question items, personal cool: 4 question items, esthetic cool: 3 question items) that are adopted from Runyan et al. (2013). The study also applies the measurement item of perceived value by He and Li (2010) which consists of 3 question items. Lastly, the two components of value creation, customer lifetime value (2 question items) and customer influencer value (2 question items) are adopted from the work of Hamilton et al. (2016).

4. Results and Discussion

4.1. Reflective and Formative Measurement Models

The internal consistency reliability of the variable is assessed through Cronbach's Alpha coefficient and composite reliability (CR).

The convergent validity of the variable is evaluated based on average extracted variance (AVE) and outer loadings. The discriminant validity of the conceptual structures is evaluated through the value of the HTMT matrix. Accordingly, because the value of Cronbach's Alpha and the composite reliability (CR) of the variables are both greater than 0.7, this study concludes that the internal consistency reliability of the variables is satisfactory. Additionally, because the extracted variance values (AVE) are all greater than 0.5 and most of the factor loading coefficients are greater than 0.7, this study concludes that the variables achieve convergence validity (see Table 1). All outer loading of measurement items larger than 0.5 and variance inflation factor (VIF) value less than 5 and the HTMT correlation matrix analysis results are shown in Table 2. In this matrix, the correlation values are all less than 0.85. Therefore, this study concludes that all of the variables achieve discriminant validity (Hair Hult, Ringle, & Sarstedt, 2016).

Table 1: Reliability and Validity of Measurement Items

Constructs / Measurement items	Factor loading	Cronbach's Alpha	CR	AVE
Singular cool: Tommy Hilfiger's clothing is ...		0.92	0.94	0.75
one of a kind	0.87			
unique	0.87			
exclusive	0.84			
innovative	0.85			
novel	0.90			
Personal cool: Tommy Hilfiger's clothing ...		0.90	0.93	0.77
matches my personality	0.81			
fits my self-identity	0.89			
matches my style	0.91			
supports my individuality	0.89			
Esthetic cool: Tommy Hilfiger's clothing ...		0.88	0.93	0.81
has a flattering cut	0.91			
has eye-catching colors	0.89			
has eye-catching styles	0.90			
Functional cool: Tommy Hilfiger's clothing is...		0.88	0.93	0.81
affordable	0.91			
comfortable	0.91			
practically useful	0.89			
Quality cool: Tommy Hilfiger's clothing ...		0.86	0.92	0.78
is recognized for high quality	0.91			
Is made of good materials	0.86			
has longevity	0.89			
Perceived value: Tommy Hilfiger's clothing ...		0.81	0.89	0.72
is value for money	0.83			
worth spending time and effort on it	0.85			
Comparing with competitors, Tommy Hilfiger's clothing is a good choice.	0.87			
Customer lifetime value (CLV): The likeliness that...		0.88	0.94	0.89
Extremely likely	0.95			
A lot likely	0.94			
Customer influencer value (CIV)		0.90	0.95	0.91
I would speak positively of the brand to others.	0.95			
I would recommend the brand to my friends.	0.96			
Utilitarian "coolness" *		0.75	0.89	0.80
Functional cool	0.87			
Quality cool	0.91			
Hedonic "coolness" *		0.80	0.88	0.71
Singular cool	0.86			
Personal cool	0.86			
Esthetic cool	0.81			

Note: CR: Composite Reliability; AVE: Average Variance Extracted; *: second-order constructs.

Table 2: Correlation Matrix

	1	2	3	4	5	6	7	8	9	10
1. Singular cool										
2. Personal cool	0.65									
3. Esthetic cool	0.61	0.65								
4. Functional cool	0.37	0.29	0.28							
5. Quality cool	0.55	0.54	0.40	0.68						
6. Perceived value	0.46	0.44	0.36	0.43	0.53					
7. Customer lifetime value	0.52	0.57	0.40	0.32	0.46	0.47				
8. Customer influencer value	0.54	0.58	0.47	0.34	0.53	0.47	0.84			
9. Utilitarian “coolness”	0.55	0.50	0.41	N/A	N/A	0.58	0.47	0.52		
10. Hedonic “coolness”	N/A	N/A	N/A	0.39	0.65	0.53	0.62	0.67	0.61	

Note: N/A: Not applicable because this is the link between higher-order constructs and lower-order components

4.2. Evaluation of the Structural Model

The main evaluation criteria for the structural model are path coefficients and R² measures. The hypothesis testing results are shown in Table 3. As expected, all of the

hypotheses of the direct and indirect effects are supported by the data. For direct effects, Hypothesis H1: utilitarian “coolness” (β = 0.32; p < 0.001) and hypothesis H2: hedonic “coolness” (β = 0.28; p < 0.001) have significant impact on perceived value.

Table 3: Hypothesis Testing Results

Path relationship	Hypothesis	Research model			VIF	Conclusion
		Std. β	t-value	Bootstrap		
Direct effects						
Utilitarian “coolness” → Perceived value	H ₁	0.32	6.18***	[0.22; 0.42]	1.31	Supported
Hedonic “coolness” → Perceived value	H ₂	0.28	5.25***	[0.17; 0.38]	1.31	Supported
Perceived value → Customer lifetime value	H ₃	0.40	7.80***	[0.29; 0.49]	1.00	Supported
Perceived value → Customer influencer value	H ₄	0.40	7.50***	[0.29; 0.50]	1.00	Supported
Indirect effects						
Utilitarian “coolness” → Perceived value → Customer lifetime value	H _{5a}	0.13	4.43***	[0.08; 0.19]		Supported
Utilitarian “coolness” → Perceived value → Customer influencer value	H _{5b}	0.13	4.36***	[0.08; 0.19]		Supported
Hedonic “coolness” → Perceived value → Customer lifetime value	H _{6a}	0.11	3.82***	[0.06; 0.17]		Supported
Hedonic “coolness” → Perceived value → Customer influencer value	H _{6b}	0.11	3.72***	[0.06; 0.17]		Supported
R ²	R ² _{Perceived value} = 0.45; R ² _{Customer lifetime value} = 0.46; R ² _{Customer influencer value} = 0.42					
Effect size (f ²)	f ² _{Utilitarian “coolness” → Perceived value} = 0.08 f ² _{Hedonic “coolness” → Perceived value} = 0.10 f ² _{Perceived value → Customer lifetime value} = 0.19 f ² _{Perceived value → Customer influencer value} = 0.19					
Stone-Geisser’s Q ²	Q ² _{Perceived value} = 0.19; Q ² _{Customer lifetime value} = 0.14; Q ² _{Customer influencer value} = 0.14					

Note: *** denotes p-value < 0.001

The hypothesis H3: perceived value has a positive impact on lifetime value ($\beta = 0.40$; $p < 0.001$). The hypothesis H4: perceived value has a positive impact on customer influencer value ($\beta = 0.40$; $p < 0.001$). For indirect effects, utilitarian “coolness” has an indirect impact on lifetime value (hypothesis H5a) $\beta = 0.13$; $p < 0.001$, and influencer value (hypothesis H5b), $\beta = 0.13$; $p < 0.001$ via perceived value. Likewise, hedonic “coolness” also has an indirect impact on lifetime value (hypothesis H6a) $\beta = 0.11$; $p < 0.001$ and influencer value (H6b) $\beta = 0.11$; $p < 0.001$ via perceived value (see Table 3).

The conceptual framework test results show that the research model succeeds in explaining 45% of the variation of perceived value, 46% of the variation of customer lifetime value, and 42% of the variation of influencer value. The Stone-Geisser's Q^2 of these variables is greater than 0, indicating that the independent variables are suitable to explain the dependent variables. The effect size values (f^2) show that these effects are moderate or weak. Finally, to avoid biased results, the study implements the bootstrap procedure with 5000 samples. The bootstrap results show that the estimated range of the effects does not include the value 0. This serves as the statistical research evidence for the conclusion that the experimental results are sufficiently reliable.

4.3. Discussion

The research result reveals that utilitarian “coolness” and hedonic “coolness” have positive impacts on perceived value. This means that utilitarian “coolness”, consisting of quality and functional dimensions, provides consumers with utilitarian benefits when they use a cool fashion product. Similarly, hedonic “coolness”, comprised of singular, personal and esthetic cool, gives hedonic benefits to consumers when they use a cool fashion product. This result supports the conclusion of Zeithaml (1988) of perceived value, which refers to the gap between perceived benefit and cost, and that benefit improves customers' perception of value. These findings are significantly necessary because they widen the prior insufficient knowledge of product “coolness” in the fashion industry and distribution. The research results highlight the importance of fashion product coolness which can strongly affect the success of clothing brands and resellers.

The results also show that perceived value poses an impact on consumers' value creation behavior, including customer lifetime value and influencer value. These findings are in line with previous studies in the consumption context that perceived value affects customer purchase intention (Ashraf et al., 2018; Childers et al., 2001); (De Matos & Rossi, 2008; McKee et al., 2016). However, what makes this study different is that it tests the

influence of perceived value on customer lifetime value and influencer value simultaneously. Nowadays, in the wider market with an omnichannel retailing system, the role of consumers is increasingly important, which is demonstrated by not only their purchase intentions but also their influence on other consumers (Kotler et al., 2016; Cotarelo, Fayos, Calderón, & Mollá 2021). While there is still a shortage of experimental studies on the effect of consumers' perceived value toward their value creation behavior, this research results contribute a large part to explaining the essential role of perceived value in the fashion industry and distribution.

Finally, in the retail context, perceived value links utilitarian “coolness”, hedonic “coolness” with customer lifetime value, and customer influencer value. It can be concluded that clothing product “coolness” indirectly impacts value creation through perceived value. The research result is relevant to the reciprocity principle in marketing which states that when a company creates value for customers, the happy consumers will pay back favorable values to the company (Kitayama et al., 2000; Kumar et al., 2019; Pansari & Kumar, 2016). This result helps explain why and how fashion product “coolness” determines corporate success. Therefore, future researches are expected to explore mechanisms through which the “coolness” of clothing products and retails could create positive outcomes for fashion businesses.

5. Conclusions and Implications

5.1. Conclusions

This study discusses and examines the relationship between the fashion products' “coolness”, perceived value, and value creation behavior of the consumer in the fashion distribution. Six hypotheses were established and tested referring to the direct/indirect relationships among these factors. The test results accept all of the stated hypotheses. Accordingly, it can be concluded that in the retail sector, different aspects of product coolness can improve customer perceived value toward the product. In doing so, product coolness indirectly encourages customers' value creation in the form of customer lifetime value and influencer value. The research findings successfully emphasize the importance of fashion product coolness, which reveals significant implications for fashion brands and retailers. A deeper understanding of product coolness would help fashion firms develop products and distribution channels with a higher value and result in better value creation practices such as more purchase and positive influencer effects from the consumers.

5.2. Implications

From a managerial perspective, to increase product value, fashion companies need to create products with high utilitarian “coolness”. Because the utilitarian dimension consists of functional and quality factors, products with utilitarian “coolness” must satisfy consumers’ functional needs and quality expectations toward the products. Regarding the functional value, clothing products must be able to address the functional and materialistic demands of the consumers in their daily life. This means that corporates have to understand consumers’ core needs to produce desirable goods and services that solve those needs. More importantly, a core product should accompany good augmented products, such as customer service, promotions, and warranties, so that consumers can fully experience the product features. Regarding the quality aspect, corporates need to make sure that their products fulfill quality standards within the product category to boost consumers’ perceived value of quality.

More than that, it is necessary for enterprises to create products with strong hedonic “coolness” that provide hedonic benefits to consumers. This “coolness” aspect is associated with the need to express and communicate personal identity and self-concept. In other words, esthetically cool products can satisfy consumers’ desire of owning items that are more eye-catching, sophisticated, and distinctive comparing to competitors’ products. Therefore, enterprises should develop strong marketing research and social listening activities to capture the latest trends in the consumer market and integrate those values into their products and services.

In addition, from the perspective of distribution science, fashion firms need to design traditional retail stores and online stores in a “cool” way to attract customers, improve customer perceived value, and to stimulate their purchase decision, their lifetime value, and influencer value (Alexander & Cano, 2019). Accordingly, clothing retailers are advised to provide a cohort of staff who are not only salespeople but also “cool, charismatic, and expert” shopping consultants. To improve customer experience, employees should be trained to better communicate to shoppers, give shoppers professional and helpful assistance. Moreover, a cool shopping experience can be fostered by letting digital and physical stores work well together. For example, retailers can let customers make orders online and pick up at the closest store. This could even increase sales as shoppers might choose to buy extra items when they visit the store. Additionally, retailers can facilitate in-store screens that allow customers to browse their online shop right at their physical outlets. This helps shoppers check for products and variants that might not be on-site. The online tool can also introduce shoppers to those mix-

and-match items of those products they have bought for further purchase.

From a broad view in distribution science, this study contributes to the theory of dual pathways to measure a new product’s perceived value, customer lifetime value, and customer influencer value creation. The findings suggest deeper studies on the influence of utilitarian and hedonic on customer lifetime value and customer influencer value.

5.3. Limitations and Future Research

This study provides significant findings in academics and practice, but there are still limitations. Firstly, the survey was conducted during the COVID-19 outbreak in Vietnam, so the number of direct buyers at shopping centers was restricted. Therefore, some of the participants answered the survey long after the last time they visited a clothing store. This may affect their attitudes and responses more or less. Secondly, this study has not applied the qualitative method to explore more deeply the attitudes and motivations behind customer influencer value and lifetime value. Finally, this research result serves as useful evidence to help firms in the fashion industry come up with appropriate solutions to attract consumers. Future research may explore more factors related to brand communication including brand communication information, messages, and strategies. Examining these factors will provide some insights to improve the brand communication strategies for fashion businesses. Besides, it is suggested that further studies should focus on designing cool in-store display of fashion items which is consistent with the coolness of the products.

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