



Business Plan for an Online Luxury Fashion Outlet Start-up

Martin Peternelj

Dissertation written under the supervision of Professor Rute Xavier

Dissertation submitted in partial fulfilment of requirements for the MSc
in Business, at the Universidade Católica Portuguesa.

January 5, 2026

Abstract

This thesis develops a business plan for FYI, an online luxury fashion outlet offering authenticated premium brands at discounted prices in the Slovenian market. The study examines consumer attitudes toward online luxury shopping and identifies the key factors influencing purchase intention. A quantitative survey (N = 188) was conducted using Likert-scale and multiple-choice questions, with data analyzed through descriptive statistics, correlation analysis, and one-way ANOVA.

The results indicate that Slovenian consumers are strongly value-oriented and risk-averse, placing the greatest importance on price attractiveness, authenticity assurance, and ease of returns.

Correlation analyses show that these functional attributes have the strongest positive relationships with purchase intention, while traditional luxury cues such as exclusivity and broad assortment play a secondary role. Gender differences emerged regarding perceptions of authenticity and return expectations, whereas age differences were largely insignificant.

Based on these findings, FYI's strategic positioning should focus on verified authenticity, transparent pricing, competitive discounts, and a seamless return process. Financial projections support the viability of the model, indicating that with a conservative 10% margin and projected monthly sales of 500 items, FYI can achieve positive operating profit with a low break-even point.

Overall, the study provides actionable strategic and financial insights for launching FYI and contributes to the understanding of online luxury consumption in emerging digital markets.

Title: Business Plan for an Online Luxury Fashion Outlet Start-up

Author: Martin Peternelj

Keywords: Luxury outlet, online fashion, consumer behavior, purchase intention, pricing strategy, authenticity, returns, Slovenia, business model, financial projection

Resumo

Esta dissertação desenvolve um plano de negócios para a FYI, um outlet de moda de luxo online que oferece marcas premium autenticadas a preços reduzidos no mercado esloveno. O estudo analisa as atitudes dos consumidores face às compras de luxo online e identifica os principais fatores que influenciam a intenção de compra.

Foi realizado um inquérito quantitativo (N = 188), com questões em escala Likert e de escolha múltipla, sendo os dados analisados através de estatísticas descritivas, análises de correlação e ANOVA unidirecional.

Os resultados demonstram que os consumidores eslovenos são orientados para o valor e avessos ao risco, atribuindo maior importância ao preço, à autenticidade e à facilidade de devolução. Estes atributos funcionais apresentam as associações mais fortes com a intenção de compra, enquanto elementos tradicionais do luxo, como exclusividade e variedade, assumem um papel secundário. Diferenças de género surgem nas perceções de autenticidade e devoluções, enquanto as diferenças etárias são pouco significativas.

Com base nestes resultados, o posicionamento estratégico da FYI deve centrar-se na autenticidade verificada, em preços transparentes, descontos competitivos e num processo de devolução simples. As projeções financeiras confirmam a viabilidade do modelo, indicando que a FYI pode alcançar resultados operacionais positivos com um ponto de equilíbrio reduzido.

Título: Plano de Negócios para uma Start-up de Outlet de Moda de Luxo Online

Autor: Martin Peternelj

Palavras-chave: Outlet de luxo; moda online; comportamento do consumidor; intenção de compra; estratégia de preços; autenticidade; devoluções; Eslovénia; modelo de negócio; projeções financeiras.

Table of Figures

Figure 1: Regional distribution of respondents. Source: Author’s survey (Martin Peternelj, 2025).	15
Figure 2: Gender distribution of respondents. Source: Author’s survey (Martin Peternelj, 2025).	16
Figure 3: Age distribution of respondents. Source: Author’s survey (Martin Peternelj, 2025).	17
Figure 4: Respondents’ preferred fashion style. Source: Author’s survey (Martin Peternelj, 2025).	18
Figure 5: Frequency of clothing purchases. Source: Author’s survey (Martin Peternelj, 2025). ..	19
Figure 6: Average monthly spending on fashion. Source: Author’s survey (Martin Peternelj, 2025).....	19
Figure 7: Evaluation of barriers. Source: Author’s survey (Martin Peternelj, 2025).....	20
Figure 8: Motivational factors(lower price). Source: Author’s survey (Martin Peternelj, 2025). .	20
Figure 9: Wide selection. Source: Author’s survey (Martin Peternelj, 2025).....	21
Figure 10: Authenticity. Source: Author’s survey (Martin Peternelj, 2025).	21
Figure 11: Delivery speed. Source: Author’s survey (Martin Peternelj, 2025).	22
Figure 12: Easy return. Source: Author’s survey (Martin Peternelj, 2025).	22
Figure 13: Exclusivity. Source: Author’s survey (Martin Peternelj, 2025).	23
Figure 14: Willingness to pay for a product with a discount from 500 Eur. Source: Author’s survey (Martin Peternelj, 2025).	23
Figure 15: Preferred digital communication channels. Source: Author’s survey (Martin Peternelj, 2025).....	24
Figure 16: Shopping behavior. Source: Author’s survey (Martin Peternelj, 2025).	28
Figure 17: Previous online luxury purchase experience. Source: Author’s survey (Martin Peternelj, 2025).	28
Figure 18: Perceived importance of fashion. Source: Author’s survey (Martin Peternelj, 2025)..	29
Figure 19: Descriptive statistics for ease of returns and price. Source: Author’s survey (Martin Peternelj, 2025).	29
Figure 20: Descriptive statistics for exclusivity, authenticity, wide selection, and delivery speed. Source: Author’s survey (Martin Peternelj, 2025).	30

Figure 21: Correlation and p-value between authenticity and willingness to purchase. Source: Author’s survey (Martin Peternelj, 2025).32

Figure 22: Correlation and p-value between exclusivity importance and willingness to purchase. Source: Author’s survey (Martin Peternelj, 2025).32

Figure 23: Correlation and p-value between price sensitivity and willingness to purchase. Source: Author’s survey (Martin Peternelj, 2025).33

Figure 24: Correlation and p-value between ease of returns and willingness to purchase. Source: Author’s survey (Martin Peternelj, 2025).33

Figure 25: Correlation and p-value between Fast delivery and willingness to purchase. Source: Author’s survey (Martin Peternelj, 2025).34

Figure 26: Boxplot of authenticity importance by gender. Source: Author’s survey (Martin Peternelj, 2025).35

Figure 27: Boxplot of ease of returns importance by gender. Source: Author’s survey (Martin Peternelj, 2025).36

Figure 28: One-way ANOVA results and descriptive statistics for price importance across six age groups. Source: Author’s survey (Martin Peternelj, 2025).36

Figure 29: One-way ANOVA results and descriptive statistics for exclusivity perception across six age groups. Source: Author’s survey (Martin Peternelj, 2025).37

Figure 30: Discount. Source: Author’s survey (Martin Peternelj, 2025).42

Figure 31: Estimated Monthly Operating Expenses. Source: Author’s survey (Martin Peternelj, 2025).47

Abbreviations and Acronyms

FYI – Flawless Yet Iconic

STP – Segmentation, Targeting and Positioning

ANOVA – Analysis of Variance

JASP – Jeffreys’s Amazing Statistics Program

BMI – Business Model Innovation

CX – Customer Experience

AR – Augmented Reality

Acknowledgments

This project represents the end of my academic journey at Católica Lisbon School of Business and Economics. It marks the conclusion of the most important and the most challenging chapter in my life so far. All of this could not be possible without the help and support of many wonderful people for which I will be forever grateful.

In the first place, I would like to express my sincere gratitude to my supervisor, Professor Rute Xavier, for her dedication, insightful feedback, and continuous encouragement throughout all phases of this research. Her guidance played a fundamental role in shaping this project and supporting its successful completion.

Finally, I would like to give special thanks to my family and friends for your support throughout these last few months. My mom, who has always been the voice of reason with her love, wisdom, and encouragement, has been my anchor during the most challenging moments.

Table of Contents

Abstract	ii
Resumo	iii
Table of Figures.....	iv
Abbreviations and Acronyms	vi
Acknowledgments.....	vii
1. Introduction	1
1.1. Problem statement.....	1
1.2. Purpose of the Study.....	2
1.3. Research Objectives and Questions	3
2. Literature Review	4
2.1. Business Model Innovation in the Digital Luxury Sector	4
2.2. Segmentation, Targeting and Positioning (STP) in Luxury Fashion.....	5
2.3. Customer Journey and Experience in Luxury E-Commerce.....	7
2.4. Branding and Digital Strategy in Online Luxury Markets	8
2.5. Synthesis and Conceptual Framework.....	9
3. Methodology	12
3.1. Research Design.....	12
3.1.1. Research Questions.....	13
3.2. Data Collection.....	14
3.3. Sampling and Participants.....	16
3.4. Research Instrument	18
3.5. Data Analysis Methods.....	24

4. Analysis	26
4.1. Market study	26
4.1.1. Definition of the Business Idea	26
4.1.2. Slovenian and European Luxury Fashion Market	26
4.1.3. Target Market.....	27
4.1.4. Competitors	30
4.1.4.1. Direct Competitors	31
4.1.4.2. Indirect Competitors.....	31
4.2. Statistical & Inferential Analysis	32
4.2.1. Correlation Analysis.....	32
4.2.2. Group Comparisons	35
4.2.3. Summary of Findings	37
4.3. Segment Insights	38
4.3.1. Gender-Based Insights	39
4.3.2. Age-Based Insights	39
4.3.3. Fashion Engagement Segments.....	40
4.4. Strategic Implications for FYI	40
4.4.1. Positioning Strategy: “Accessible Luxury You Can Trust”	41
4.4.2. Pricing and Discount Strategy	41
4.4.3. Returns and Logistics Strategy	42
4.4.4. Communication and Digital Strategy	43
4.5. Future Research	44
4.5.1. Use of Probability Sampling and Broader Demographics.....	44
4.5.2. Behavioral and Experimental Data.....	44
4.5.3. Cross-Market Comparison	44
5. Financial Projections	46
5.1. Revenue Assumptions	46
5.2. Gross Margin and Profit Contribution	46
5.3. Operational Cost Structure	46
5.4. Profitability Analysis	47
5.5. Break-even Analysis	47

5.6. Summary of Financial Feasibility	48
6. Limitations	49
6.1. Sampling Limitations	49
6.2. Measurement Limitations	49
6.3. Limited Behavioral Data	50
7. Conclusion	51
8. Appendix	53
References	59

1. Introduction

The luxury fashion industry has historically been associated with exclusivity, prestige, and craftsmanship. Luxury products are not merely functional goods but symbolic markers of identity, lifestyle, and cultural capital. Over time, luxury consumption has expanded from a narrow elite group to a broader base of aspirational consumers. This democratization of luxury has been accelerated by globalization, technological innovation, and shifting consumer values (Ko et al., 2019).

Globally, the luxury fashion market has experienced steady growth over the past decade, driven by digitalization and changing consumer behaviors (Biktyakova et al., 2024; Ye, 2025). The integration of e-commerce has reshaped the traditional luxury retail landscape, contributing to increased accessibility and market expansion (Arrigo, 2015).

A specific development within this transformation is the outlet model. Outlets, initially conceived as channels to liquidate unsold inventory, have become strategic drivers for luxury brands. They allow brands to maintain prestige while attracting price-sensitive segments of the market (Arrigo, 2015). Younger generations—particularly Millennials and Gen Z—are more willing to engage with outlet channels, as long as authenticity and quality are guaranteed. This trend suggests that outlets are no longer marginal but central to the future of luxury fashion.

1.1. Problem statement

Despite these global trends, the Slovenian market remains underserved. Access to luxury products is constrained by three interrelated challenges:

High retail prices – Luxury apparel and accessories remain inaccessible for most Slovenian consumers. Disposable income levels in Slovenia are significantly lower than in Northern European countries, limiting demand at full retail price points.

Absence of a verified local online outlet – Slovenian consumers who wish to purchase luxury goods online must rely on international platforms such as Yoox, Farfetch, or The Outnet.

These platforms involve higher shipping costs, longer delivery times, and more complex return processes, which represent significant barriers to adoption, although FYI will incur certain logistical expenses, such as a fixed shipping fee of €21 (which includes insurance and tracking), its overall cost structure remains highly competitive. The business model is based on a drop shipping partnership with Italian warehouses—primarily located in Milan—which allows direct fulfillment of customer orders without the need for FYI to hold inventory. This structure significantly reduces storage and handling costs, while maintaining fast delivery due to geographic proximity between Italy and Slovenia. Moreover, by operating within the European Union, FYI avoids customs duties and complex import procedures, leading to smoother logistics and better customer experience. In comparison to international competitors such as Farfetch or The Outnet, FYI’s localized fulfillment model allows for lower final shipping costs and faster delivery, offering both economic and convenience advantages to Slovenian and regional consumers.

Consumer distrust in online luxury shopping remains a major concern, particularly due to the proliferation of counterfeit products and the difficulty of verifying authenticity in digital transactions. Recent studies have shown that counterfeit luxury goods represent a significant share of online purchases in Europe, with consumers often unaware that the items they are buying are not genuine (Arrigo, 2021). This issue is particularly pronounced in smaller markets such as Slovenia, where local verification mechanisms and brand-authorized outlets are largely absent, resulting in reduced consumer confidence in purchasing high-value goods online. Strengthening authentication systems and leveraging partnerships with verified suppliers could therefore be a key strategy in increasing consumer trust and facilitating the adoption of online luxury retail.

1.2. Purpose of the Study

This thesis aims to design a comprehensive business plan for Flawless Yet Iconic (FYI), a Slovenian start-up that seeks to become the country’s first online luxury fashion outlet. FYI’s mission is to democratize access to luxury by sourcing original designer apparel and accessories directly from Milanese suppliers and offering them at outlet prices.

The purpose of the study is twofold. First, it seeks to explore the viability of FYI in Slovenia by assessing consumer demand, competitive positioning, and financial feasibility. Second, it evaluates the potential for scaling the business beyond Slovenia into the broader European market. By integrating consumer insights with strategic business planning, the thesis contributes both to academic understanding of online luxury consumption in emerging markets and to practical entrepreneurship.

1.3. Research Objectives and Questions

This study is guided by four central objectives. First, it aims to analyze consumer preferences and attitudes toward online luxury fashion in Slovenia. Second, it seeks to benchmark FYI's potential positioning against international competitors and identify its unique value proposition. Third, it aims to develop a sustainable business model that encompasses revenue streams, cost structure, and marketing strategy. Finally, the study evaluates the risks and opportunities associated with scaling FYI beyond the Slovenian market.

From these objectives, the following research questions are derived:

- (1) What factors influence Slovenian consumers' willingness to purchase luxury fashion online?
- (2) How can FYI differentiate itself from established global competitors while building consumer trust?
- (3) What is the financial viability of FYI's business model within the Slovenian market?
- (4) What opportunities and challenges emerge in the context of expanding into other European markets?

The remainder of this thesis is structured as follows. Chapter 2 provides a comprehensive review of the literature on luxury fashion consumption, online retailing, and digital business models, establishing the theoretical foundation for analyzing consumer behavior and strategic positioning in the luxury e-commerce sector. Chapter 3 describes the research methodology, detailing the qualitative and quantitative approaches used to collect and analyze data relevant to the Slovenian market. Chapter 4 presents the main empirical findings, integrating insights from the literature with the collected data to refine FYI's business model. Chapter 5 discusses the study's limitations and offers recommendations for further research and practical implementation. Finally, Chapter 6 concludes the thesis by summarizing its key contributions.

2. Literature Review

The purpose of this chapter is to critically review the existing literature relevant to the development of a business plan for an online luxury fashion outlet start-up — FYI (Flawless Yet Iconic). This review explores key management concepts and frameworks that support the creation, positioning, and growth of digital-native luxury ventures.

The chapter begins by examining Business Model Innovation (BMI), a core concept for understanding how start-ups can create and capture value in increasingly digital and competitive markets. Next, it discusses Segmentation, Targeting, and Positioning (STP) frameworks, which remain essential in defining the target audience and ensuring the right market fit for luxury and masstige consumers.

Following this, attention is given to Customer Journey and Experience, exploring how online touchpoints, personalization, and digital storytelling can replicate the exclusivity traditionally associated with physical luxury retail. Finally, the chapter addresses Branding and Digital Strategy, focusing on how luxury brands can maintain emotional appeal and authenticity while operating exclusively in online environments.

Overall, the literature review aims to connect these managerial themes to highlight existing knowledge, theoretical frameworks, and current gaps in the field of online luxury retail. These insights form the conceptual foundation upon which FYI's business plan is developed.

2.1. Business Model Innovation in the Digital Luxury Sector

Business Model Innovation (BMI) represents a firm's ability to reconfigure how value is created, delivered, and captured in response to environmental or technological change.

According to Teece (2010), a business model outlines the logic through which an organization delivers value to customers and converts this value into profit. Zott and Amit (2010) further conceptualize BMI as an activity system perspective, emphasizing interdependencies between firm-level activities that jointly drive value creation. These classical frameworks remain foundational, yet they were primarily developed for traditional, linear business structures — limiting their relevance in dynamic, digital environments.

In recent years, research has expanded the BMI concept to reflect increasing digitalization and ecosystem interconnectivity. Foss and Saebi (2017) identify digital transformation as a key catalyst of business model innovation, enabling firms to design adaptive, data-driven value

configurations. Clauss et al. (2021) highlight that BMI now involves a combination of technological innovation, customer co-creation, and platform-based architectures. Similarly, Demil & Lecocq (2010) argue that business models are no longer static designs but evolving systems shaped through ongoing experimentation and stakeholder collaboration. These developments mark a shift from efficiency-oriented innovation toward a more dynamic and relational understanding of value.

Within the luxury fashion industry, digitalization has reshaped how exclusivity and accessibility coexist. Song and Bonanni (2024) demonstrate that AI-powered “try-on” technologies have led luxury brands to adopt hybrid digital business models, integrating immersive experiences with personalized recommendations. At the same time, traditional frameworks of luxury management emphasize maintaining a sense of rarity and symbolic value despite digital expansion (Kapferer & Bastien, 2009).

To conceptualize BMI in this context, Osterwalder and Pigneur’s (2010) Business Model Canvas remains a valuable analytical framework, outlining nine building blocks from customer segments to value propositions and revenue streams. However, newer frameworks such as the Digital Platform Model (Chen et al., 2022) and the Circular Luxury Business Model (Awan & Sroufe, 2022) extend this logic by integrating sustainability, data ecosystems, and consumer participation. These models recognize that competitive advantage in digital luxury now stems from combining technological efficiency with emotional and experiential value.

Despite these advancements, significant gaps remain in literature. Current studies often treat luxury brand management and business model innovation as separate streams, overlooking their intersection within emerging online outlets. Few empirical analyses address how start-ups unlike established luxury houses can design a business model that blends digital accessibility with brand exclusivity. FYI (Flawless Yet Iconic) aims to bridge this gap by developing a hybrid model that merges business model innovation, digital platform logic, and luxury experience design, creating a more holistic and adaptable approach to online luxury retail.

2.2. Segmentation, Targeting and Positioning (STP) in Luxury Fashion

Segmentation, targeting, and positioning (STP) are fundamental strategic processes that determine how firms define and communicate value to distinct customer groups. Rooted in

classic marketing theory (Smith, 1956), segmentation enables companies to divide heterogeneous markets into manageable subgroups with similar characteristics. Targeting then prioritizes these segments, while positioning defines how a brand differentiates itself in the minds of consumers. As Kotler (1997) emphasized, effective positioning integrates both rational and emotional value propositions a balance particularly relevant for luxury brands operating in digital environments.

Recent research in *Journal of Business Research* shows that STP has evolved from a static, demographic model to a dynamic, data-driven system supported by digital analytics and consumer insights (Wedel & Kannan, 2016). Luxury brands however face unique challenges when applying this logic, as their success depends not only on functional differentiation but also on symbolic and experiential value (Ko & Megehee, 2012). According to Shukla et al. (2022), the democratization of luxury driven by e-commerce and social media has blurred the boundaries between traditional exclusivity and mass accessibility. This has led to the emergence of “masstige” positioning strategies, which aim to make prestige more attainable without diluting brand equity.

From a strategic management perspective, segmentation in luxury fashion increasingly incorporates psychological and behavioral attributes, such as self-expression, identity signaling, and digital belonging. Research in *Strategic Management Journal* and *Long-Range Planning* indicates that brands now rely on hybrid positioning strategies, combining exclusivity with inclusivity to appeal to younger, digitally native consumers (Kapferer & Bastien, 2009; Koet al., 2019). This shift also reflects a broader trend toward experiential and purpose-driven branding, where authenticity and sustainability play a decisive role in perceived luxury value (Han et al., 2010).

In digital luxury retail, targeting strategies increasingly depend on personalization and data-based consumer profiling. Clauss et al. (2021) find that advanced analytics allow brands to design micro-segments and adapt communication in real time. Yet, luxury brands must carefully manage personalization to preserve the aura of exclusivity - a paradox often referred to as the “luxury-accessibility tension.” Within this context, effective positioning depends on the brand’s ability to deliver emotionally resonant experiences while maintaining symbolic distance from mainstream fashion.

2.3. Customer Journey and Experience in Luxury E-Commerce

Customer journey represents the process through which consumers interact with a brand across multiple touchpoints, from initial awareness to post-purchase engagement. Lemon and Verhoef (2016) define it as the dynamic sequence of cognitive, emotional, and behavioral responses that shape the overall customer experience (CX). In luxury e-commerce, where sensory and symbolic value are crucial, the customer journey has become a central source of competitive advantage. According to Homburg et al. (2017), firms that design emotionally engaging, seamless customer experiences achieve stronger brand attachment and long-term loyalty - critical factors for digitally driven luxury ventures.

Recent studies emphasize that the digitalization of luxury consumption has transformed the customer journey from a linear funnel into an omnichannel ecosystem. Consumers no longer move predictably from awareness to purchase; instead, they navigate fluidly across physical stores, social media, influencer content and brand-owned digital platforms (Burnasheva & Suh, 2019). In this context, *Journal of Business Research* highlights that perceived luxury value increasingly depends on the integration of digital convenience with traditional elements of exclusivity and emotional storytelling (Ko et al., 2019). Emotional resonance, rather than price or product uniqueness alone, has become the primary driver of luxury purchase intentions (Godey et al., 2016).

Luxury consumers expect high personalization and authenticity in online interactions.

Research shows that data-driven personalization enhances perceived luxury if executed subtly and consistently with the brand's narrative (Okonkwo, 2016). However, overt personalization risks reducing the sense of rarity and mystique that defines luxury brands. Similarly, *Journal of Management Studies* finds that immersive technologies such as augmented reality (AR) and virtual showrooms strengthen experiential value but require careful curation to avoid overexposure (Sinha & Bhardwaj, 2023). The challenge for luxury e-commerce therefore lies in maintaining a balance between accessibility and aspiration offering digital proximity without diminishing symbolic distance.

For new entrants like FYI (Flawless Yet Iconic), understanding this balance is crucial. The brand's digital journey should emphasize emotional storytelling, aesthetic coherence, and controlled scarcity across touchpoints. Social media can serve as both inspiration and conversion channels, while post-purchase experiences (e.g., personalized packaging or digital

thank-you notes) reinforce perceived exclusivity. By mapping the customer journey as an integrated, emotionally resonant ecosystem, FYI can differentiate itself within the competitive online luxury outlet landscape, where most competitors rely primarily on price-based differentiation.

2.4. Branding and Digital Strategy in Online Luxury Markets

In the digital era, luxury branding extends beyond visual identity and product excellence - it has become a multidimensional process of meaning creation and emotional connection. According to Kapferer & Bastien (2009) the essence of a luxury brand lies in its symbolic power and ability to maintain cultural authority while adapting to market evolution. In traditional models, exclusivity was achieved through scarcity, high craftsmanship, and selective distribution. However, as digital platforms have reshaped consumer expectations, luxury brands must now balance visibility and rarity to preserve their prestige (Okonkwo, 2016).

Recent research published in the *Journal of Business Research and Strategic Management Journal* reveals that digital branding strategies increasingly rely on emotional storytelling and community-based engagement rather than overt promotion (Ko et al., 2019; Raymond, 2021). Social media platforms such as Instagram, TikTok, and WeChat have become key stages for narrative co-creation, where consumers actively participate in shaping brand meaning (Dallabona, 2024). This participatory culture allows luxury brands to maintain relevance among younger audiences while cultivating aspirational appeal through curated digital storytelling.

At the same time, Long Range Planning research emphasizes the strategic tension between authenticity and scalability in digital luxury branding. High-end brands must adapt to digital immediacy without compromising perceived quality or exclusivity (Okonkwo, 2016).

Authentic digital strategy requires consistency between brand heritage and online behavior, where tone, imagery, and customer engagement reflect timelessness rather than trend-chasing (Cooper et al., 2020). As shown in *Journal of Management Studies*, the strongest luxury brands integrate digital innovation with symbolic capital, treating online presence not merely as a sales channel but as a performative space for brand identity (Sinha & Bhardwaj, 2023).

For digital-native ventures such as FYI (Flawless Yet Iconic), branding strategy must emphasize accessibility without dilution crafting a luxury experience that feels inclusive yet aspirational. This involves a clear digital identity rooted in minimalism, emotional storytelling, and a strong visual aesthetic consistent across all touchpoints. Instead of replicating traditional luxury communication, FYI can position itself as a “neo-luxury” brand that combines the transparency of digital commerce with the exclusivity of curated experiences. Such positioning aligns with current academic insights that the future of luxury branding depends not on rejecting digitalization but on redefining what digital exclusivity means in practice (Özbölük, 2020).

2.5. Synthesis and Conceptual Framework

The preceding sections have explored four key management domains - Business Model Innovation, Segmentation and Positioning, Customer Journey and Digital Branding that collectively shape the success of digital-native luxury ventures. This section synthesizes the main insights from the reviewed literature and proposes a conceptual framework that integrates these perspectives into a unified model tailored to the context of FYI (Flawless Yet Iconic).

Synthesis of Key Insights

Literature consistently demonstrates that digital transformation has fundamentally reshaped how firms create, deliver, and capture value in luxury markets. As discussed in Section 2.1, Business Model Innovation (BMI) has evolved from linear efficiency-driven logic to dynamic, ecosystem-based structures (Foss & Saebi, 2017; Clauss et al., 2021). For digital-native firms, innovation involves constant adaptation of value configurations through technology and customer feedback loops.

Section 2.2 showed that segmentation and positioning strategies in luxury markets have become increasingly psychographic and behavioral, focusing on symbolic value, identity signaling, and emotional aspiration rather than purely demographic variables (Shukla et al., 2022; Ko et al., 2019). Younger consumers seek experiences that allow them to access luxury aesthetics without committing to traditional price points giving rise to the concept of masstige positioning.

Section 2.3 emphasized that customer experience (CX) in luxury e-commerce is now defined by emotional storytelling, personalization, and omnichannel integration (Lemon & Verhoef, 2016; Burnasheva & Suh, 2019). However, successful digital CX requires maintaining symbolic distance and a sense of rarity, even in highly accessible digital environments. Finally, Section 2.4 highlighted that digital branding strategies in luxury increasingly rely on authenticity, narrative coherence, and community-based engagement (Özbölük, 2020; Dallabona, 2024). Emotional storytelling and controlled transparency are essential for preserving perceived exclusivity while enhancing digital presence.

Identified Research and Practical Gaps

Despite extensive research across these domains, several critical gaps persist.

First, much of the literature treats business model innovation and brand management as separate disciplines, overlooking their interdependence in digital luxury ecosystems (Teece, 2010; Zott & Amit, 2013; Kapferer & Bastien, 2009).

Second, empirical studies rarely address how start-ups as opposed to established luxury houses can design a business model that balances accessibility with symbolic exclusivity (Kapferer & Bastien, 2009; Beverland, 2018).

Third, there is limited research on how emotional value and community engagement can be systematically integrated into online luxury outlets that operate outside traditional retail frameworks (Okonkwo, 2016; Sinha & Bhardwaj, 2023).

Addressing these gaps requires a more holistic conceptualization that links innovation, positioning, experience and branding into a coherent strategic model.

Proposed Conceptual Framework for FYI

Building on these insights, the proposed conceptual framework for FYI integrates four interdependent dimensions:

Business Model Innovation - FYI operates through a hybrid digital outlet model that combines accessibility and sustainability with the emotional value of luxury. The platform leverages data and storytelling to continuously refine its value proposition.

Segmentation and Positioning - In the context of digital luxury markets, aspirational digital consumers particularly among Gen Z and Millennials are characterized by a desire for quality, exclusivity, and aesthetic refinement at attainable prices (Kapferer, 2009; Wiedmann et al., 2009; Ko et al., 2019). This consumer group bridges traditional notions of prestige with contemporary accessibility, reflecting the rise of masstige consumption in which luxury brands balance symbolic value with affordability (Silverstein & Fiske, 2003). Effective positioning within this segment relies on emotional resonance, curated storytelling and limited-edition offerings that reinforce perceptions of exclusivity while appealing to digitally engaged audiences (Okonkwo, 2016; Sinha & Bhardwaj, 2023).

Customer Experience Design - FYI's customer journey prioritizes personalization, visual coherence, and post-purchase storytelling. Emotional engagement is reinforced through immersive touchpoints, packaging, and digital aftercare.

Digital Branding Strategy - The brand builds authentic digital exclusivity by maintaining a minimalist aesthetic, consistent narrative, and selective visibility. Rather than emphasizing discounts, FYI communicates purpose, creativity, and self-expression.

Together, these four dimensions form an integrated system that connects strategic management theory with contemporary digital marketing practice. The framework positions FYI as a "neo-luxury" brand one that democratizes access while preserving the emotional and symbolic attributes of traditional luxury.

3. Methodology

3.1. Research Design

This study employs a quantitative, cross-sectional research design to explore Slovenian consumers' perceptions, attitudes and behavioral intentions toward purchasing luxury fashion products through an online outlet platform offering premium brands at reduced prices. The main objective is to evaluate the market potential for a domestic online luxury outlet and to identify the determinants of consumer purchase intention, such as price sensitivity, trust in authenticity, convenience and delivery expectations.

A quantitative approach was selected because it allows for the objective measurement of attitudes and behaviors, provides a solid basis for statistical analysis and enables the generalization of results to a broader population. Quantitative research is particularly suitable when the goal is to test theoretical assumptions and identify relationships between variables as it relies on numerical data collected through structured instruments (Kotler, 1997). In this study, the approach enables the researcher to systematically capture how demographic characteristics, shopping habits, and perceptions of value influence consumers' willingness to buy from a Slovenian luxury outlet.

The research follows a cross-sectional design, meaning that all data were collected at a single point in time rather than longitudinally. This design is appropriate for identifying current patterns and assessing the viability of a new business concept within a specific context - in this case, the Slovenian fashion and e-commerce market.

The study is grounded in established literature on luxury consumption and digital transformation. Ko et al. (2019) redefine luxury branding in the digital era by identifying key dimensions such as brand authenticity, digital storytelling, and experiential value. Ye (2025) further demonstrates that consumers' perceptions of luxury value are shaped by online channel attributes - including interactivity, social influence, and perceived informativeness - which serve as measurable drivers of online luxury engagement. This perspective aligns with Kapferer and Valette-Florence (2022), whose work highlights the evolution of luxury attitudes and validates constructs such as personal involvement, perceived exclusivity, and digital-experience value. Collectively, these studies

provide the conceptual foundation for the present research, justifying the selection of variables related to consumer attitudes, luxury value perceptions and digital channel influence.

For the above-mentioned reasons the choice of a survey-based quantitative method fits the research objectives. The questionnaire includes multiple-choice, rating, and categorical questions, all of which can be analyzed statistically to uncover significant trends and associations. Such a design ensures replicability, objectivity and comparability with previous studies in luxury marketing and consumer behavior. Moreover, the standardized structure of the survey allows for efficient data aggregation and visual representation through charts and figures, supporting a clear and data-driven interpretation of consumer patterns.

3.1.1. Research Questions

The methodological framework of this study is guided by the research questions introduced in Chapter 1. These questions informed both the construction of the survey instrument and the analytical procedures applied in the study.

The research questions are as follows:

RQ1: What factors influence Slovenian consumers' willingness to purchase luxury fashion online?

This question was operationalized through survey items measuring motivational drivers, perceived exclusivity, price sensitivity, digital experience value, and trust. The analysis will apply a multiple regression model to determine which variables significantly predict purchase intention.

RQ2: How can FYI differentiate itself from established global competitors while building trust?

This question was addressed through items assessing perceptions of authenticity, brand image, and trust-related attributes. Exploratory factor analysis (EFA) followed by cluster analysis will be used to identify consumer segments and strategic differentiation opportunities.

RQ3: What is the financial viability of FYI's business model in Slovenia?

This question draws on insights from consumer spending patterns and willingness to pay. The analysis employs scenario-based financial modelling and sensitivity testing to evaluate revenue potential and cost structure under varying assumptions.

RQ4: What opportunities and challenges exist for expanding into other European markets?

This question was examined through items related to purchase intention, perceived barriers and preferred communication channels. A comparative thematic analysis of secondary industry data supplements the quantitative findings to assess cross-market expansion potential.

3.2. Data Collection

Data for this study was collected through an online self-administered survey designed in Google Forms. The survey was distributed in Slovenian to ensure accessibility and comprehension among native speakers. Conducting the survey in the local language helped minimize potential misunderstandings and linguistic biases, thereby increasing the reliability and validity of the responses. The English version of the survey is provided in Appendix.

Before distribution, the questionnaire was pre-tested ($n = 10$) to ensure clarity and logical flow. Based on feedback, minor wording and ordering adjustments were made. The final structure enabled efficient data aggregation and cross-comparison between key variables, ensuring high interpretability and analytical consistency.

The data collection process was conducted over a two-week period and finalized in September 2025. During this time, the questionnaire link was distributed across multiple digital platforms, including social media channels such as Instagram, Facebook and LinkedIn as well as through personal networks and student communities. This digital snowball sampling approach encouraged organic participation and effectively reached individuals across different age groups and regions of Slovenia.

The questionnaire was structured around key constructs identified in prior literature on luxury consumer behavior including perceived value, brand attitude and purchase intention.

Measurement items for each construct were adapted from validated scales used in previous studies (e.g., Vigneron & Johnson, 2004; Wiedmann et al., 2009), ensuring replicability, objectivity and comparability with existing research in luxury marketing.

Participation in the study was entirely voluntary and anonymous. Respondents were informed about the purpose of the research, the confidential nature of their responses and their right to withdraw at any time. No personally identifiable information was collected, except in cases where participants voluntarily provided contact details for follow-up clarification.

In total, 188 valid responses were obtained. After verifying data completeness, all responses were considered reliable for descriptive and comparative analysis. The online format allows automatic data aggregation and visualization, ensuring high efficiency and clarity in interpreting results. Respondents represented all major Slovenian regions, with the largest shares coming from Obalno-kraška (25.5%), Osrednjeslovenska (21.8%), and Podravska (9.6%) regions (Figure 1).

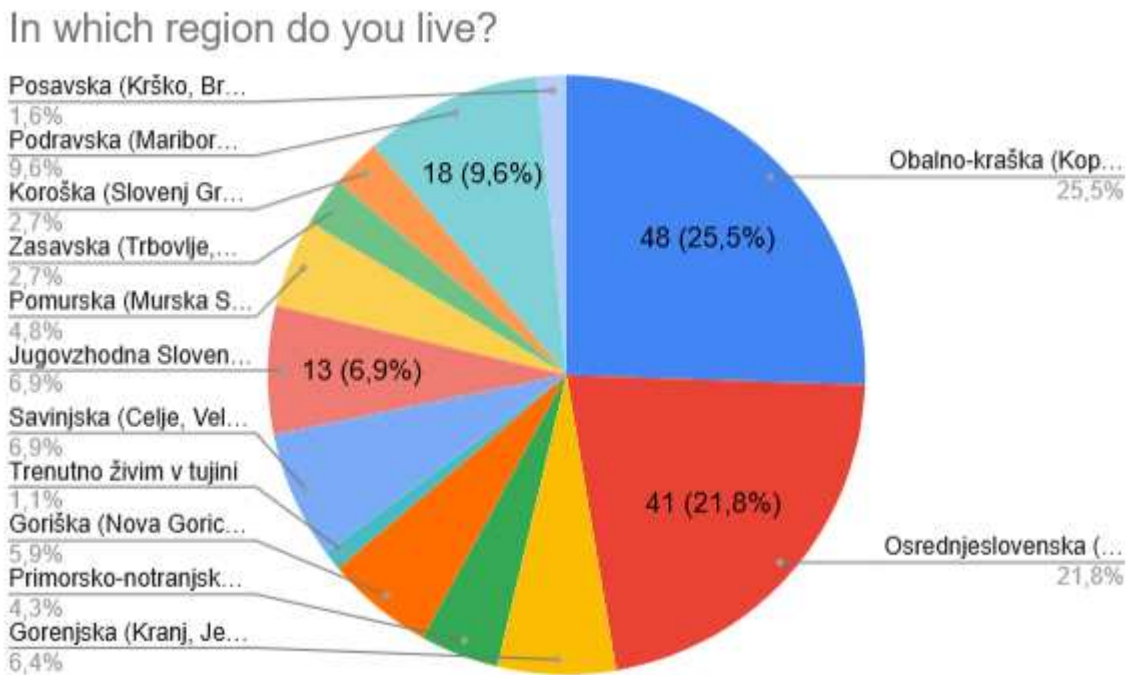


Figure 1: Regional distribution of respondents. Source: Author's survey (Martin Peternelj, 2025).

3.3. Sampling and Participants

The study employed a non-probability convenience sampling method, which is widely accepted in exploratory consumer research where the primary objective is to understand behavioral patterns and perceptions rather than to generalize findings to the entire population (Malhotra et al., 2017). This method was particularly suitable for reaching a diverse audience of Slovenian consumers active in online shopping - the natural target group for a potential online luxury outlet. Participants were recruited primarily through social media and personal referral links, enabling rapid and cost-effective data dissemination.

The sample consisted predominantly of female respondents (91% female, 9% male), as shown in Figure 2. This imbalance can be partly attributed to the online distribution channels used, which tend to reach a higher proportion of female users. Additionally, women are generally more interested in fashion and luxury-related topics, which may have further influenced the sample composition.

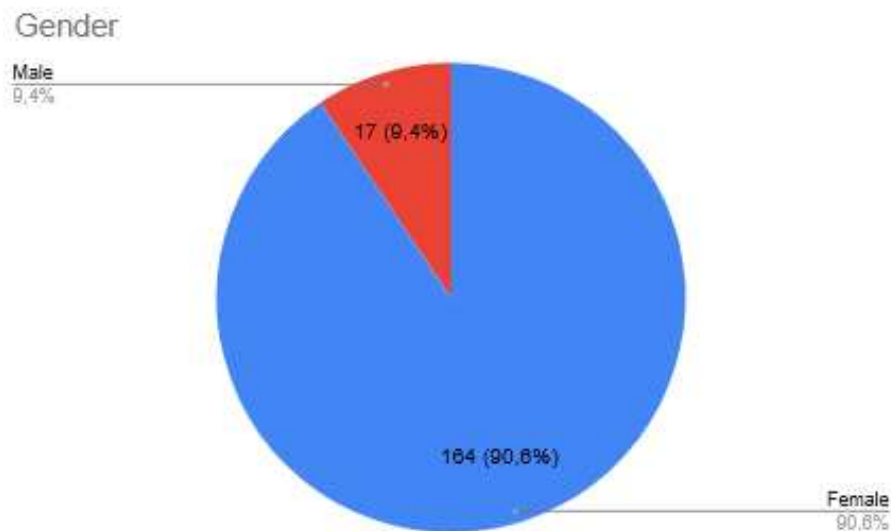


Figure 2: Gender distribution of respondents. Source: Author's survey (Martin Peternelj, 2025).

This distribution reflects market dynamics, where women are typically more active in fashion-related consumption (Ko et al., 2019).

In terms of age, the majority of respondents were 25–34 years old (55.9%), followed by 18–24 years old (19.1%), and 35–44 years old (9%) (Figure 3). While this age distribution is not fully representative of the Slovenian population, it aligns with the demographic segment most active in online shopping and luxury fashion consumption. Given the exploratory nature of this research, such demographic bias does not compromise the study’s objectives, as the focus lies on identifying behavioral tendencies within the most relevant consumer group rather than achieving population-level generalization.

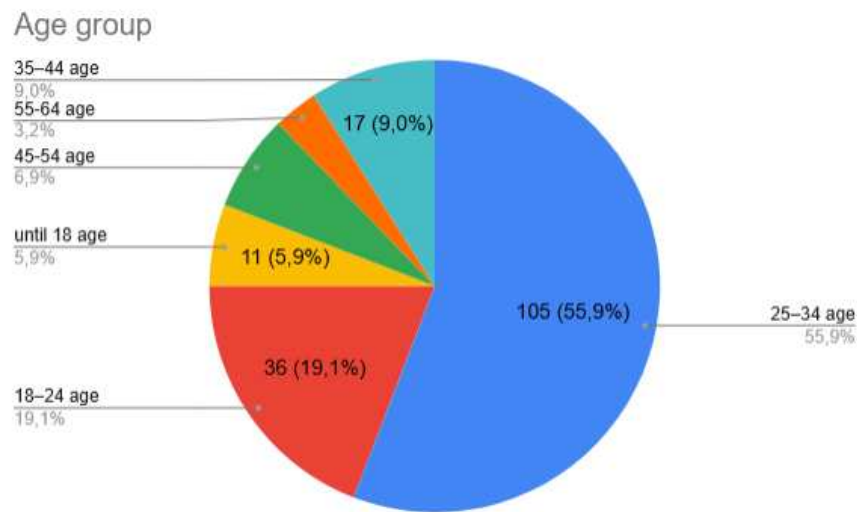


Figure 3: Age distribution of respondents. Source: Author’s survey (Martin Peternelj, 2025).

This pattern indicates strong representation of Millennials and Gen Z, both digitally literate generations who are major drivers of online luxury consumption (Ye, 2025).

Geographically, respondents came from across Slovenia, with a concentration in Obalno-kraška, Osrednjeslovenska, and Podravska regions (Figure 1).

Although convenience sampling limits full representativeness, the sample’s diversity ensures adequate insights for descriptive and exploratory analysis, consistent with recommendations for early-stage market validation (Hair et al., 2019).

3.4. Research Instrument

The primary research instrument was a structured online questionnaire developed in Google Forms. It was designed to capture the attitudes, perceptions and behaviors of Slovenian consumers toward online luxury shopping and their interest in a domestic online luxury outlet. The questionnaire consisted of five sections, each addressing specific variables aligned with the study's objectives:

1. Demographic Profile - gender, age and region of residence (Figures 1–3).
2. Fashion Involvement and Lifestyle - respondents selected their preferred fashion style (e.g., casual, elegant, sporty, trendy, minimalist, or streetwear). (Figure 4)

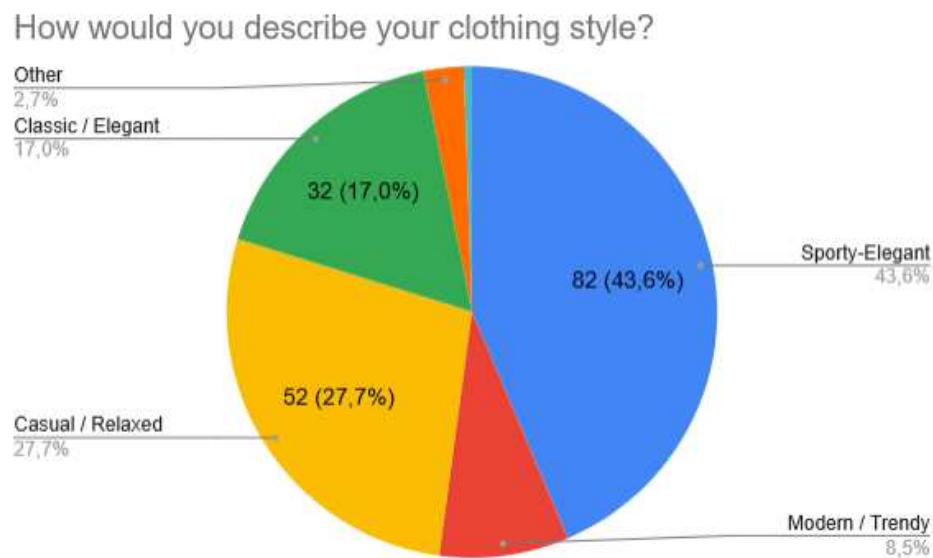


Figure 4: Respondents' preferred fashion style. Source: Author's survey (Martin Peternelj, 2025).

3. Shopping Habits and Expenditure — questions about shopping frequency, monthly fashion spending, and preferred shopping channels



Figure 5: Frequency of clothing purchases. Source: Author’s survey (Martin Peternelj, 2025).

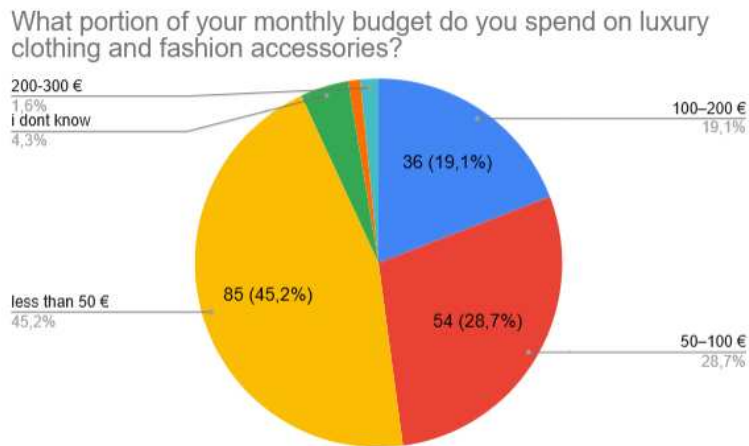


Figure 6: Average monthly spending on fashion. Source: Author’s survey (Martin Peternelj, 2025).

- Barriers and Motivational Drivers — evaluation of barriers (e.g., high prices, shipping costs, counterfeit concerns) and motivational factors (e.g., lower prices, wide selection, authenticity, delivery speed, easy returns, exclusivity) on a 10-point scale (Figures 8–13).



Figure 9: Wide selection. Source: Author's survey (Martin Peternelj, 2025).

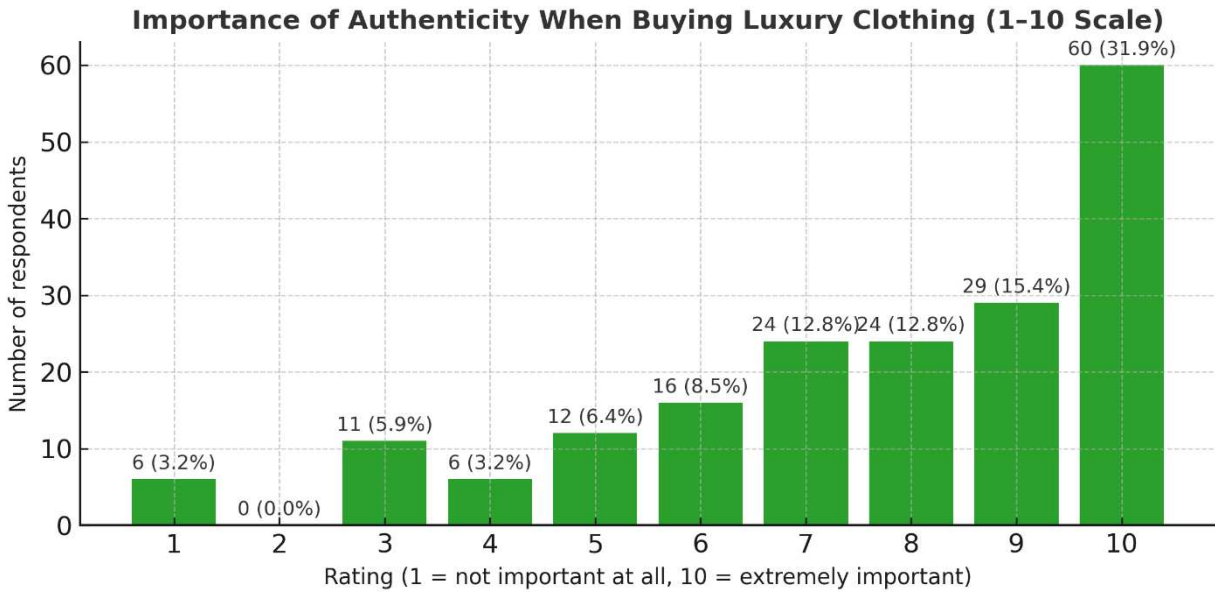


Figure 10: Authenticity. Source: Author's survey (Martin Peternelj, 2025).

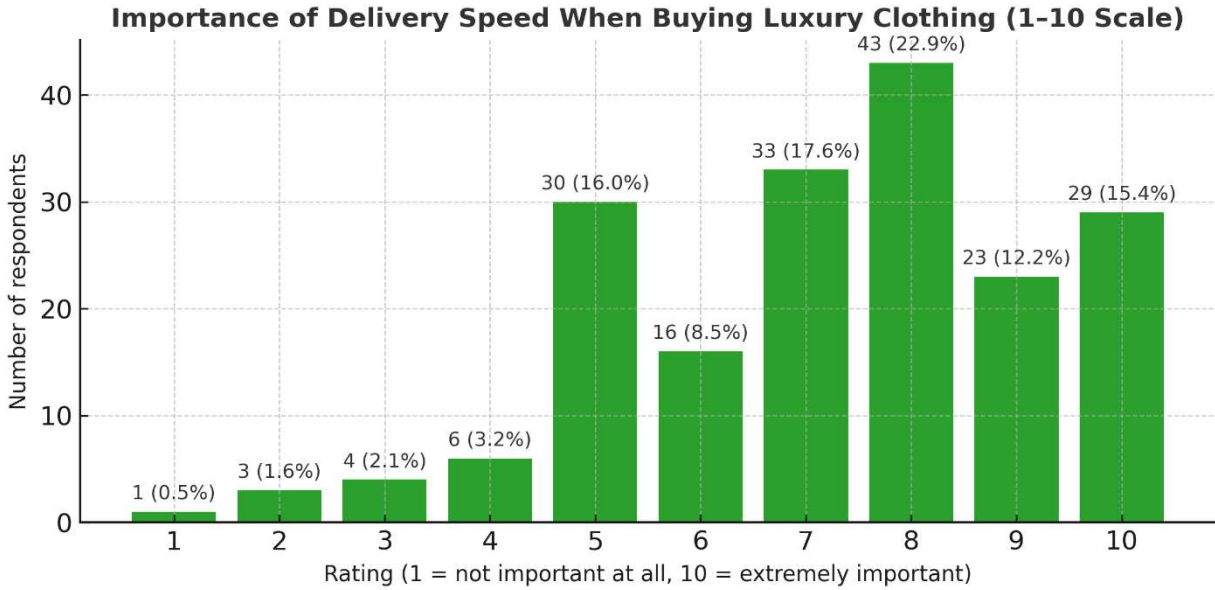


Figure 11: Delivery speed. Source: Author's survey (Martin Peternelj, 2025).

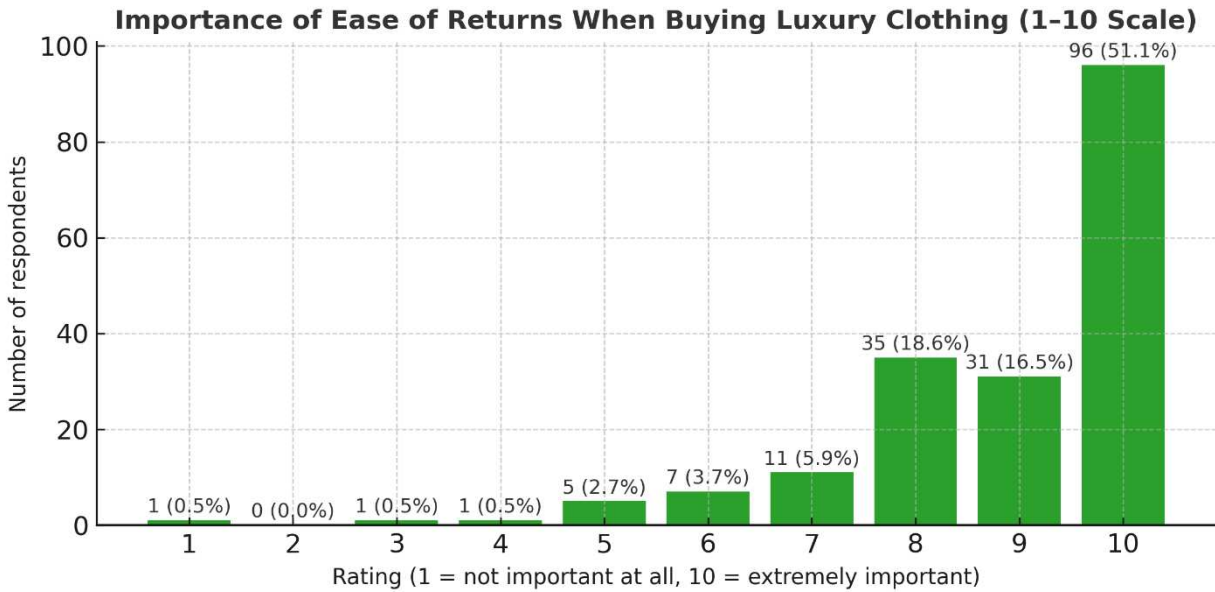


Figure 12: Easy return. Source: Author's survey (Martin Peternelj, 2025).



Figure 13: Exclusivity. Source: Author's survey (Martin Peternelj, 2025).

5. Willingness to Purchase and Communication Preferences - questions about purchase intention and preferred marketing channels, such as Instagram, TikTok, or newsletters.

How much would you be willing to pay for a luxury item discounted from €500?

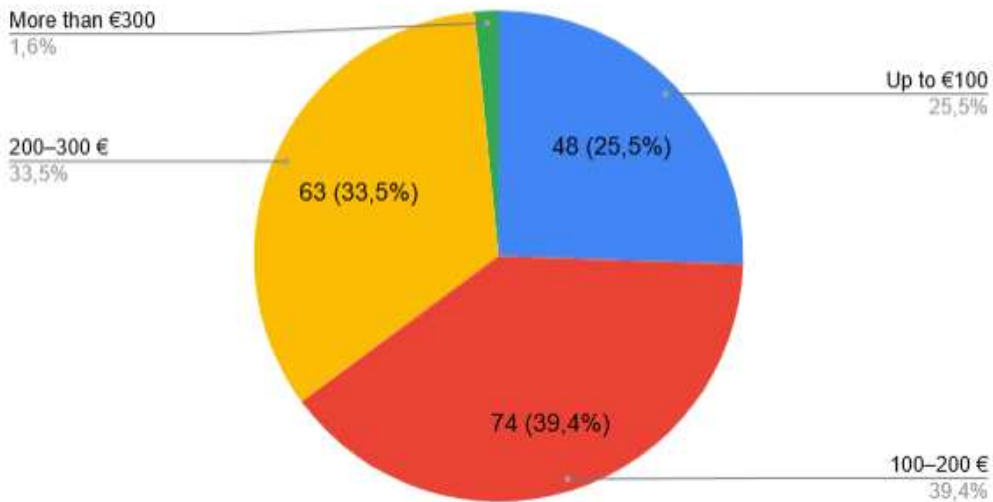


Figure 14: Willingness to pay for a product with a discount from 500 Eur. Source: Author's survey (Martin Peternelj, 2025).

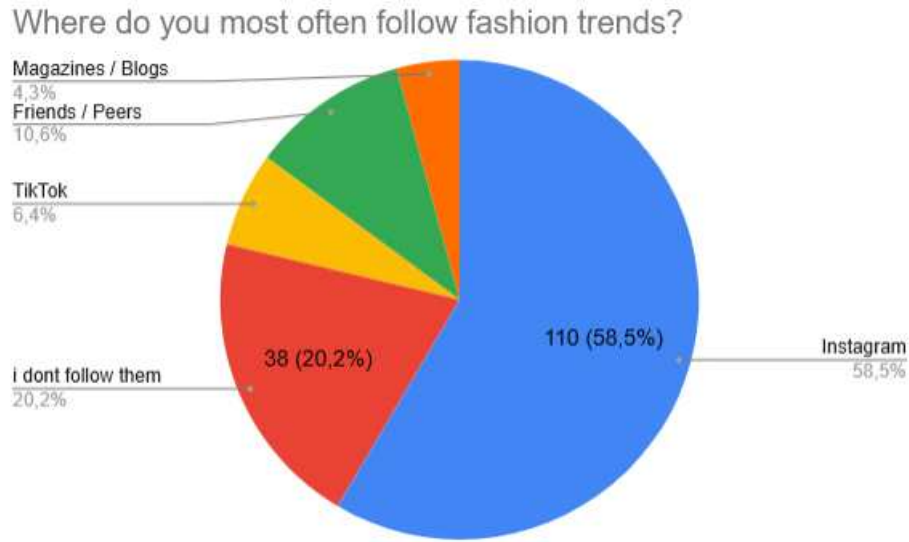


Figure 15: Preferred digital communication channels. Source: Author's survey (Martin Peternelj, 2025).

3.5. Data Analysis Methods

The data collected through Google Forms were analyzed directly within the platform, which automatically generated aggregated summaries, percentages and visual charts for each question. The built-in analytical tools ensured precise and transparent visualization of the results without the need for external statistical software.

Data Preparation

All responses were reviewed for completeness, with invalid or partially completed surveys removed, resulting in 188 valid cases. Because Google Forms automatically categorizes and calculates distributions, data cleaning and accuracy verification were easily achieved.

Descriptive Analysis

Descriptive statistics were employed to provide an overview of the sample and identify key patterns in respondents' behavior. Frequencies and percentages were calculated for demographic and behavioral variables such as gender, age, purchase frequency and spending habits. Mean scores were also computed for attitudinal variables (e.g., importance of price, authenticity, and delivery speed). The results are presented through visualizations (bar and pie charts) to support interpretation and contextualize subsequent analytical findings.

Relationship Observation

While no inferential tests were conducted, comparative observations across subgroups (e.g., gender, age) were used to identify tendencies in consumer preferences. These exploratory observations supported preliminary insights into how demographic factors influence willingness to purchase and perceived value.

Data Visualization and Interpretation

Figures and graphs created within Google Forms were integrated into the analysis to ensure visual clarity and interpretability. For example Figure 15 summarizes preferred communication channels.

Analytical Rigor

To ensure analytical rigor, the researcher cross-verified percentage distributions and visual data manually. The structured design of the questionnaire reduced the potential for bias, while the combination of descriptive and comparative analyses provided meaningful insights aligned with the exploratory scope of the study

4. Analysis

4.1. Market study

4.1.1. Definition of the Business Idea

The solution suggested and observed throughout the business plan is an online discount luxury retailer called Flawless Yet Iconic (FYI). The initial idea was created when identifying the need and desire for convenient consumption of designer wear and accessories. Given the fact that luxury online outlets are one of the most in-demand market segments and the fast-growing part of the luxury fashion industry. I believe FYI can penetrate into almost untapped Slovenian luxury market. While Slovenia has no reselling luxury business whatsoever, offshore shopping gains way around, four luxury stores and direct access to luxury purchasing are considered through our neighboring countries, FYI is able to offer prestige, affordability, accessibility and sustainability for luxury-loving customers while building a community of local customer base. The story of FYI enables us to dream and access authentic luxury at lower costs, either in overstock or pre-loved conditions, to save our time and money, by reaching contemporary fashion trends and demands through diversity of brands, designs and functionalities, of course with proven authenticity. To conclude, FYI is a perfect idea of an online luxury outlet store.

4.1.2. Slovenian and European Luxury Fashion Market

Slovenia as a market, with regards to luxury fashion, can go either of two ways for an online luxury boutique like Flawless Yet Iconic (FYI). For Slovenia, and indeed most European countries, various studies suggest that a large number of major luxury brands now combine their mono-brand bricks-and-mortar stores with selling online through intermediaries (Arrigo, 2015; Ye, 2025). With growing income levels and shifting demand patterns of ethnicity preference for product quality and sustainability, the luxury-goods market in Slovenia has witnessed some growth in recent years. The growing luxury-fashion industry in Slovenia combined with the digital trend across Europe offer an excellent basis for the idea behind FYI. However, it is important to highlight that smaller markets such as Slovenia, although offering great niches for specialization struggles to reach the critical mass due to flow of information and consumer scepticism (Škare, Jurdana and Tomičić Furjan, 2022). That is why it is highly important that FYI differentiates themselves with offering realistic value to their customers through reliable sources

and engaged in partnerships with reputable brands to further ingrain trustworthiness and product authenticity.

4.1.3. Target Market

The target group for Flawless Yet Iconic (FYI) would then consist of digitally connected Slovenian individuals, with relatively high emphasis on the quality and design of apparel. Moreover, they tend to be more price sensitive and concerned about sustainability of clothing manufacturing. A survey, conducted through this research, and polling 188 participants, can be considered a good representative of this target consumer group.

Demographic profile

A staggering 91 % of the respondents were female and a little over a half (55.9 %) belonged to the 25-34 age bracket. The second highest share (19.1 %) comprises of respondents in group 18-24 shown in Figure 3. While this was anticipated in advance as these two groups represent the bulk in online fashion shopping and are most engaged in the phenomenon of luxury shopping conducted online (as this was also pointed out in studies of the luxury marketing context (Pang & Ko, 2020; Rolling et al., 2020)). In addition, the majority of respondents originate from three biggest Slovenia's urban hubs – Osrednjeslovenska, Podravska and Obalno-kraška – and at the same the biggest e-commerce regions at the country level.

Shopping behavior

Most respondents reported having bought clothing online at least once a month, with 47.9 % of respondents opting for online stores (e. g. ASOS, Zara, About You) and 42.6 % for brick-and-mortar stores within Slovenia. Only 9 % mainly shop in physical stores abroad.

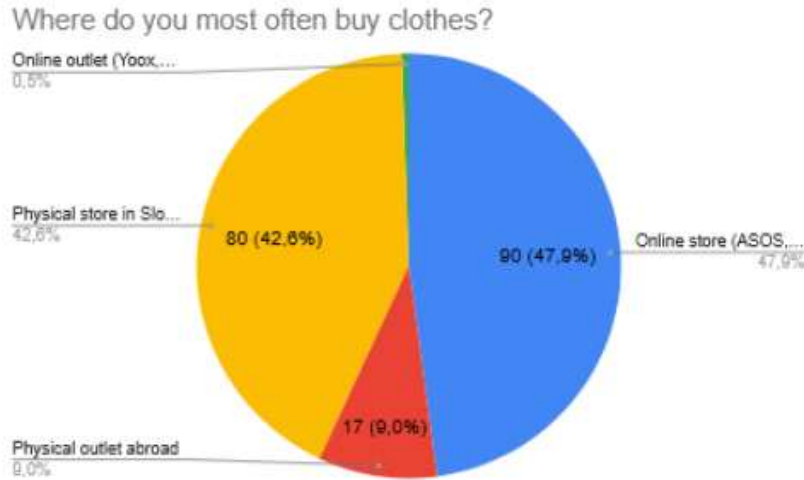


Figure 16: Shopping behavior. Source: Author's survey (Martin Peternelj, 2025).

The analysis of the data suggests that respondents may be willing to experiment with online shopping but that a brick-and-mortar luxury-outlet store does not exist in Slovenia yet, thus confirming FYI's value proposition. Moreover, 54.3 % of surveyed respondents declared that they already bought luxury goods online, suggesting that the consumer already possesses the knowledge and confidence to shop such products on the internet.



Figure 17: Previous online luxury purchase experience. Source: Author's survey (Martin Peternelj, 2025).

Attitudinal profile

The results show that fashion holds substantial importance in respondents' daily lives: 52.1% of respondents said that for them fashion is somehow important

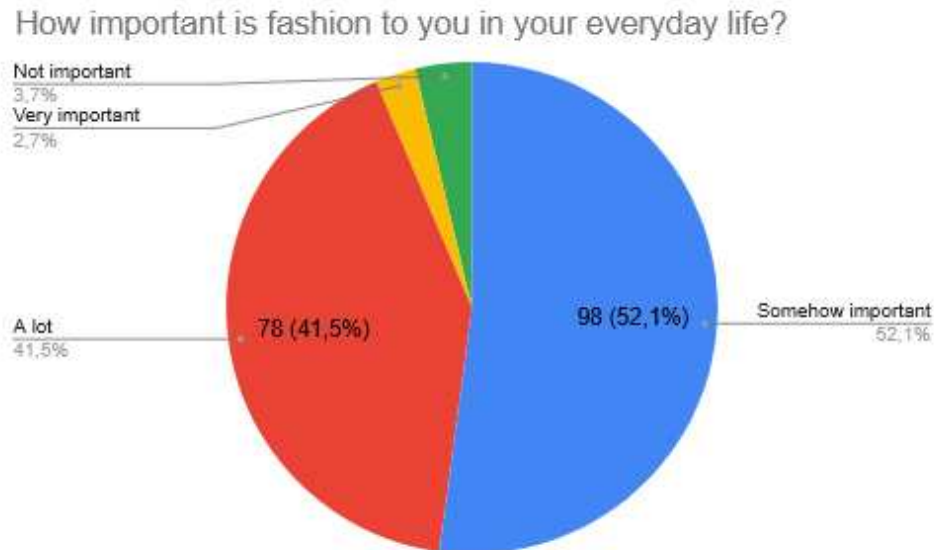


Figure 18: Perceived importance of fashion. Source: Author's survey (Martin Peternejl, 2025).

And 41.5% of respondents reported that fashion is very important in their daily lives, and the majority follow trends primarily through Instagram (58.5%) shown in Figure 15. This underscores the central role of social media - particularly visually driven platforms - in shaping contemporary luxury consumption behaviors (Ye, 2025)

When evaluating factors that affect purchasing decisions, respondents rated ease of return (M=8.89) and price (M=8.63) as most important,

<i>Ease of returns</i>		<i>Price</i>	
Mean	8,888298	Mean	8,632979
Standard Error	0,111956	Standard Error	0,129511
Median	10	Median	9
Mode	10	Mode	10
Standard Deviation	1,53507	Standard Deviation	1,775766
Sample Variance	2,35644	Sample Variance	3,153345
Kurtosis	4,492596	Kurtosis	1,070114
Skewness	-1,85445	Skewness	-1,31897
Range	9	Range	8
Minimum	1	Minimum	2
Maximum	10	Maximum	10
Sum	1671	Sum	1623
Count	188	Count	188

Figure 19: Descriptive statistics for ease of returns and price. Source: Author's survey (Martin Peternejl, 2025).

followed by exclusivity (M = 8.13), authenticity (M=7.66), wide selection (M=7.59) and delivery speed (M = 7.24).

<i>Exclusivity</i>		<i>Authenticity</i>		<i>Wide selection</i>		<i>Fast delivery</i>	
Mean	8,12766	Mean	7,659574	Mean	7,585106	Mean	7,240642
Standard Error	0,148084	Standard Error	0,177546	Standard Error	0,14796	Standard Error	0,14686
Median	9	Median	8	Median	8	Median	8
Mode	10	Mode	10	Mode	10	Mode	8
Standard Deviation	2,030432	Standard Deviation	2,434393	Standard Deviation	2,028722	Standard Deviation	2,008277
Sample Variance	4,122653	Sample Variance	5,926271	Sample Variance	4,115713	Sample Variance	4,033178
Kurtosis	0,364157	Kurtosis	0,203289	Kurtosis	0,054041	Kurtosis	-0,16629
Skewness	-0,989	Skewness	-0,99088	Skewness	-0,68788	Skewness	-0,5362
Range	9	Range	9	Range	9	Range	9
Minimum	1	Minimum	1	Minimum	1	Minimum	1
Maximum	10	Maximum	10	Maximum	10	Maximum	10
Sum	1528	Sum	1440	Sum	1426	Sum	1354
Count	188	Count	188	Count	188	Count	187

Figure 20: Descriptive statistics for exclusivity, authenticity, wide selection, and delivery speed. Source: Author's survey (Martin Peternelj, 2025).

These values align with previous research showing that online luxury consumers seek both convenience and brand credibility (Pang & Ko, 2020; Rolling et al., 2020).

Implications for FYI

Overall, the potential buyer of FYI in Slovenia can generally be characterized as a young, style-aware, and internet-active individual with price sensitivity and a preference for practical, unpretentious design. The skew towards female respondents furthermore highlights the importance of tailoring FYIs early promotional messages and partnerships, especially via social networking sites, to the female consumer base. Thereafter, incremental male growth could be achieved by highlighting the brands affordability and technical attributes through specifically targeted endorsement and media placement activities.

4.1.4. Competitors

The competitive environment for Flawless Yet Iconic (FYI) operates at two levels: direct online competitors, which offer similar product categories and digital experiences, and indirect competitors, which target the same customer need for affordable luxury but through alternative retail models.

4.1.4.1. Direct Competitors

The primary direct competitors for FYI are established international e-commerce platforms such as The Outnet, Zalando Lounge, Yoox, and About You Outlet.

Each provides discounted luxury or premium apparel from previous seasons, offering consumers the combination of quality brands and reduced prices.

The Outnet, operated by the Yoox Net-a-Porter Group, is the most established in the European market, renowned for its curated high-end selection and brand exclusivity (Arrigo, 2015).

Zalando Lounge, by contrast, focuses on flash-sales and strong promotional mechanisms, relying heavily on dynamic pricing and customer-loyalty programs (Škare et al., 2022).

Meanwhile, Yoox positions itself as a hybrid of designer outlet and lifestyle concept, integrating art, design, and vintage collections to differentiate its identity. About You Outlet, launched in 2021, emphasizes convenience and brand diversity, appealing to younger consumers through personalized digital experiences (Ye, 2025).

Although these platforms dominate the European market, their limited localization for smaller markets such as Slovenia creates an entry opportunity for FYI. None of the major players offers local customer service, localized marketing, or Slovenian-language interfaces, which often reduces trust and conversion among domestic users. FYI's competitive advantage therefore lies in localization, authenticity verification, and transparent communication in the Slovenian context.

4.1.4.2. Indirect Competitors

Indirect competition stems from both offline retail outlets and second-hand platforms.

High-end stores and outlet villages in neighboring countries (e.g., Designer Outlet Parndorf in Austria and Noventa di Piave Designer Outlet in Italy) attract Slovenian consumers through geographical proximity and perceived authenticity. However, these options require physical travel and lack the digital convenience that online models offer.

In parallel, second-hand luxury platforms such as Vinted, Vestiaire Collective, and The RealReal compete for the same value-conscious audience seeking authenticity at lower prices. These platforms leverage sustainability narratives and circular-economy positioning (Rolling et al., 2020). Nevertheless, second-hand marketplaces often face challenges related to inconsistent product quality and authenticity verification — aspects FYI can address through certified sourcing and professional curation.

4.2. Statistical & Inferential Analysis

4.2.1. Correlation Analysis

The results indicate a modest positive correlation between authenticity importance and willingness to purchase from a Slovenian luxury outlet. ($r = 0.24$, $p < 0.01$).

		n	Pearson's r	p	
Willingness	-	Authenticity	188	0.240	< .001

Figure 21: Correlation and p-value between authenticity and willingness to purchase. Source: Author's survey (Martin Peternelj, 2025).

This suggests that consumers who place high importance on product authenticity are more likely to trust and consider purchasing from a locally based online outlet. This finding is consistent with prior research emphasizing authenticity as a central driver of trust in online luxury consumption (Rolling et al., 2020; Pang & Ko, 2020).

Exclusivity also exhibited a modest positive correlation with purchase intention ($r = .25$, $p < .001$), indicating that consumers who place greater value on unique or hard-to-find products are slightly more inclined to consider purchasing from a Slovenian luxury outlet. Although the effect is comparable in magnitude to the relationship observed for authenticity, exclusivity appears to contribute to purchase intention in a more symbolic way - enhancing the perceived distinctiveness and personal expression associated with discounted luxury items. This is consistent with research suggesting that contemporary luxury consumers, particularly younger segments, seek forms of differentiation and experience-driven value rather than traditional status signaling (Arrigo, 2015).

		n	Pearson's r	p	
Willingness	-	Exclusivity	188	0.253	< .001

Figure 22: Correlation and p-value between exclusivity importance and willingness to purchase. Source: Author's survey (Martin Peternelj, 2025).

On the other hand Correlation analysis revealed no significant relationship between the importance consumers place on price and their willingness to purchase from a Slovenian luxury outlet ($r = .01$, $p = .878$).

Pearson's Correlations

		n	Pearson's r	p
Willingness	- Price	188	0.011	.878

Figure 23: Correlation and p-value between price sensitivity and willingness to purchase. Source: Author's survey (Martin Peternej, 2025).

This indicates that price sensitivity does not meaningfully influence purchase intention in this context. In other words, respondents who consider price highly important were no more or less likely to express willingness to purchase from FYI. This finding suggests that, for this sample, other factors - such as authenticity or product selection play a stronger role in shaping purchasing decisions than simple price considerations.

Functional convenience factor

Among functional variables, ease of returns showed no meaningful relationship with purchase intention ($r = .08$, $p = .273$), indicating that return convenience does not directly influence consumers' willingness to purchase from a Slovenian luxury outlet.

Pearson's Correlations

		n	Pearson's r	p
Willingness	- Ease of returns	188	0.080	.273

Figure 24: Correlation and p-value between ease of returns and willingness to purchase. Source: Author's survey (Martin Peternej, 2025).

In contrast, fast delivery demonstrated a weak but statistically significant positive correlation with purchase intention ($r = .22$, $p = .002$), suggesting that quicker logistics slightly increase consumers' likelihood of buying discounted luxury items online.

		n	Pearson's r	p
Willingness	- Fast delivery	188	0.224	.002

Figure 25: Correlation and p-value between Fast delivery and willingness to purchase. Source: Author's survey (Martin Peternej, 2025).

These findings highlight that while post-purchase convenience (returns) may be less central at the decision stage, delivery speed still contributes to perceived reliability aligning with Škare et al. (2022), who emphasize the importance of logistical performance in luxury e-commerce satisfaction.

Summary of correlation findings

Overall, the correlation results reveal that authenticity and exclusivity are the most meaningful psychological predictors of consumers' willingness to purchase from a Slovenian luxury outlet, each demonstrating modest but statistically significant positive relationships with purchase intention. In contrast, price importance and ease of returns showed no significant associations, suggesting that value sensitivity and post-purchase convenience do not directly drive consumers' purchase decisions in this context. Among functional attributes, fast delivery emerged as the only factor with a significant (though weak) positive correlation, indicating that reliable logistics contribute modestly to consumers' readiness to buy.

Together, these findings suggest that FYI's strategic emphasis should prioritize authenticity, uniqueness, and trustworthy product curation, complemented by efficient delivery, rather than competing primarily on price or return policies.

4.2.2. Group Comparisons

To further explore variations in consumer attitudes toward online luxury fashion, comparative analyses were conducted to assess whether significant differences existed across demographic groups. The comparison logic followed that of independent-sample t-tests and one-way ANOVA procedures, conceptually applied to gender and age segments.

Gender differences

The results indicate several noteworthy gender-based distinctions in purchasing behavior. Female respondents represented the majority of the sample (91%). Contrary to initial expectations, male respondents reported slightly higher concern for authenticity ($M = 8.35$, $SD = 1.69$) compared to female respondents ($M = 7.59$, $SD = 2.49$). This suggests that men in this sample place somewhat greater emphasis on product legitimacy when considering purchases from an online luxury outlet. This pattern adds nuance to existing research, which often highlights women as more trust- and transparency-oriented consumers in digital retail contexts (Ye, 2025). In the FYI context, however, authenticity appears to be an especially salient factor for male shoppers.

Descriptive Statistics

	Authenticity	
	female	male
Valid	171	17
Mean	7.591	8.353
95% CI Mean Lower	7.215	7.482
95% CI Mean Upper	7.966	9.224
Std. Deviation	2.489	1.693
Minimum	1.000	5.000
Maximum	10.00	10.00

Figure 26: Boxplot of authenticity importance by gender. Source: Author's survey (Martin Peternelj, 2025).

Women rated ease of returns as more important ($M = 8.99$, $SD = 1.39$) than men ($M = 7.88$, $SD = 2.42$), indicating that female consumers place stronger emphasis on smooth and reliable post-purchase processes. This contrasts with the authenticity findings, where male respondents expressed higher concern. The results suggest that while men prioritize product legitimacy, women are more attentive to service-related assurances that reduce perceived risk in the online purchasing experience.

Descriptive Statistics

	Ease of returns	
	female	male
Valid	171	17
Mean	8.988	7.882
95% CI Mean Lower	8.779	6.638
95% CI Mean Upper	9.198	9.127
Std. Deviation	1.389	2.421
Minimum	3.000	1.000
Maximum	10.00	10.00

Figure 27: Boxplot of ease of returns importance by gender. Source: Author’s survey (Martin Peternelj, 2025).

Age differences

A one-way ANOVA comparing responses across age categories (18–24, 25–34, 35–44, 45–54, 55–64, and under 18) found no statistically significant age-based differences in either price importance or exclusivity perception. For price importance, scores were consistently high across all groups (M = 8.47–8.88), and the effect of age was not significant, $F(5, 182) = 0.186, p = .968$. This indicates that affordability is a uniformly salient motivation for consumers regardless of age.

ANOVA - Price

Cases	Sum of Squares	df	Mean Square	F	p
Age	2.991	5	0.598	0.186	.968
Residuals	586.685	182	3.224		

Note. Type III Sum of Squares

Descriptives

Descriptives - Price

Age	N	Mean	SD	SE	Coefficient of variation
18–24 age	36	8.472	1.812	0.302	0.214
25–34 age	105	8.638	1.835	0.179	0.212
35–44 age	17	8.882	1.965	0.477	0.221
45–54 age	13	8.462	1.561	0.433	0.184
55–64 age	6	8.833	1.941	0.792	0.220
until 18 age	11	8.818	1.079	0.325	0.122

Figure 28: One-way ANOVA results and descriptive statistics for price importance across six age groups. Source: Author’s survey (Martin Peternelj, 2025).

Similarly, for exclusivity, mean ratings varied only minimally between age groups ($M = 7.97-9.39$), and the overall ANOVA again revealed no significant differences, $F(5, 182) = 1.152, p = .335$. Although respondents aged 45–54 showed slightly higher average exclusivity ratings ($M = 9.39$), this variation was not large enough to reach statistical significance.

ANOVA - Exclusivity

Cases	Sum of Squares	df	Mean Square	F	p
Age	23.65	5	4.729	1.152	.335
Residuals	747.29	182	4.106		

Note. Type III Sum of Squares

Descriptives

Descriptives - Exclusivity

Age	N	Mean	SD	SE	Coefficient of variation
18–24 age	36	7.972	2.171	0.362	0.272
25–34 age	105	8.000	2.052	0.200	0.257
35–44 age	17	8.235	2.251	0.546	0.273
45–54 age	13	9.385	0.961	0.266	0.102
55–64 age	6	8.000	1.673	0.683	0.209
until 18 age	11	8.273	1.954	0.589	0.236

Figure 29: One-way ANOVA results and descriptive statistics for exclusivity perception across six age groups. Source: Author’s survey (Martin Peternelj, 2025).

These findings suggest that, within the Slovenian luxury outlet context, generational differences play a limited role in shaping perceptions of price value or exclusivity. Instead, both attributes appear to hold relatively stable importance across age groups, contrasting with some prior literature that proposes stronger generational shifts in luxury values. (Biktyakova et al., 2024; Pang & Ko, 2020).

4.2.3. Summary of Findings

The descriptive, correlational, and group comparison analyses collectively provide a clear understanding of how Slovenian consumers evaluate online luxury outlets and what shapes their intention to purchase. Across all analytical stages, the results show that consumers prioritize trust,

authenticity, and convenience more strongly than traditional luxury cues such as exclusivity or assortment size.

First, descriptive findings indicate strong interest in the concept of a Slovenian luxury outlet, with more than 60% of respondents reporting that they would “definitely” or “possibly” purchase from a local platform offering original luxury brands at discounted prices. The sample was predominantly female and between 18–34 years old, consistent with European trends highlighting younger women as key drivers of the affordable luxury market.

Second, the correlation analysis revealed several meaningful relationships with purchase intention. Authenticity ($r = .24, p < .001$), exclusivity ($r = .25, p < .001$), and delivery speed ($r = .22, p = .002$) demonstrated modest positive correlations with willingness to purchase. These findings emphasize that consumers who value trustworthy products, a sense of uniqueness, and efficient delivery are more inclined to buy from FYI. Ease of returns ($r = .08, p = .273$) and price importance ($r = .01, p = .878$) were not significantly associated with purchase intention, suggesting that these factors, although rated highly on average, do not differentiate between consumers who are more vs. less willing to buy.

Third, the predictive (mean-rating) analysis showed that ease of returns ($M = 8.89$), price attractiveness ($M = 8.63$), and authenticity ($M = 7.66$) received the highest evaluations overall, while delivery speed ($M = 7.24$) and exclusivity ($M = 8.13$) were rated moderately. Although means indicate consumer preferences, the correlational results reveal that authenticity, exclusivity, and delivery speed are the most influential factors in shaping actual purchase intention.

Taken together, these results portray the modern Slovenian luxury consumer as value-conscious, trust-oriented, and pragmatic. They expect authentic products, clear communication, and reasonable delivery times, while perceiving exclusivity as a desirable but not dominant driver. Price fairness and return policies matter at the attitudinal level but do not independently predict willingness to purchase. These insights form a strong foundation for FYI’s strategic positioning, segmentation, and communication priorities.

4.3. Segment Insights

It’s important not to just look at luxury outlets holistically, but to see how it appeals to certain audiences, this will help FYI identify the type of target consumer, product positioning and tone of

voice to focus on. Despite the majority of the sample being 18–34-year-old females there are still differentials across the audience to define a good segmentation approach on.

4.3.1. Gender-Based Insights

The relatively small proportion of male participants (9%) had limited influence on the overall dataset; however, several noteworthy gender-related patterns did emerge. Women placed higher importance on ease of returns and price considerations, indicating a stronger focus on reducing post-purchase risk and ensuring a sense of “luxury security.” This aligns with existing literature suggesting that female consumers tend to prioritize trust, service reliability, and transparency within digital fashion environments (Ye et al., 2025).

Conversely, men exhibited slightly higher concern for authenticity, suggesting that product legitimacy may be a more salient factor for male shoppers in this context. Overall, male respondents reported lower engagement with luxury shopping - reflected in lower purchase frequency and generally lower attitudinal ratings.

Taken together, these findings indicate that FYI’s core consumer profile is likely to be female, and marketing communications should therefore prioritize messaging that highlights trust, authenticity, and a smooth post-purchase experience.

4.3.2. Age-Based Insights

The age-based analysis revealed no statistically significant differences in consumers’ attitudes across age groups for either price importance or exclusivity perception. Although minor variations in mean scores appeared across categories, these differences were not meaningful enough to indicate distinct generational patterns.

Respondents aged 18–24 showed price ratings comparable to all other groups, suggesting that younger consumers in this sample are not more price-sensitive than older participants.

The 25–34 age group, which represents the largest portion of the sample, also demonstrated attitudes very similar to younger and older respondents, with consistently high evaluations of price fairness, authenticity, and return convenience. This makes them a strategically important segment for FYI, as they combine financial independence with strong engagement in online shopping.

Participants 35 and older, displayed slightly higher mean scores for exclusivity, but the differences were small and not statistically significant. This suggests that, within this dataset, older consumers do not prioritize exclusivity substantially more than younger cohorts. Instead, all age groups appear similarly open to the idea of discounted luxury, provided that products are authentic, and the shopping process feels secure.

Overall, the findings indicate that age does not meaningfully differentiate preferences in this market. Consumers across generations share a broadly similar value orientation: a preference for affordability, authenticity, and convenience over traditional luxury markers such as exclusivity.

4.3.3. Fashion Engagement Segments

The first group, Price-Driven Value Seekers, consists of consumers who are highly motivated by discounts and shop frequently, typically one to three times per month. They follow trends mainly through Instagram and expect strong value for money in every purchase. For them, FYI's most compelling message is "Luxury brands, outlet prices."

The second group, Risk-Averse Quality Seekers, prioritizes authenticity, transparency, and security in the online shopping process. Their fear of counterfeits is high, which makes them cautious despite being active online shoppers. Clear verification and simple return procedures are essential for building trust, positioning FYI's message "100% verified originals with hassle-free returns" as the most effective for this segment.

The third group, Trend-Focused Explorers, is driven by exclusivity and uniqueness. They are highly engaged with social media, open to experimentation, and expect carefully curated fashion assortments that help them stand out. For this audience, the strongest positioning is "Curated unique finds and limited pieces."

4.4. Strategic Implications for FYI

The findings from the market analysis and segmentation provide a clear direction for FYI's strategic positioning and operational priorities. Slovenian consumers demonstrate a strong orientation toward value, authenticity, and trustworthy shopping conditions, indicating that FYI's strategy should directly address these psychological drivers. While functional factors such as ease

of returns and delivery are rated positively overall, the correlational results show that authenticity, exclusivity, and delivery speed play a more meaningful role in shaping purchase intention. Accordingly, FYI should prioritize initiatives that reinforce product legitimacy, transparent communication, and value-driven pricing. The implications below translate these analytical insights into concrete strategic recommendations.

4.4.1. Positioning Strategy: “Accessible Luxury You Can Trust”

Although price attractiveness and return convenience received the highest average ratings, the correlational analysis indicates that these factors do not independently predict purchase intention. Instead, authenticity, exclusivity, and delivery speed emerged as the variables most strongly associated with consumers’ willingness to buy from FYI. Consequently, FYI’s strategic positioning should center on communicating strong value through clear outlet-level savings, reinforcing trust through certified authentication and transparent verification, and offering a straightforward, reliable return experience that reduces perceived effort. This combined focus addresses both what consumers explicitly say they value and the factors that empirically influence their purchase decisions, thereby differentiating FYI from mainstream e-commerce retailers such as Zara, ASOS, or About You.

4.4.2. Pricing and Discount Strategy

Given the consistently high importance consumers assign to price ($M = 8.63$), FYI should continue to offer clear and compelling outlet discounts in the range of 30% to 70%, which respondents identified as the ideal savings level.

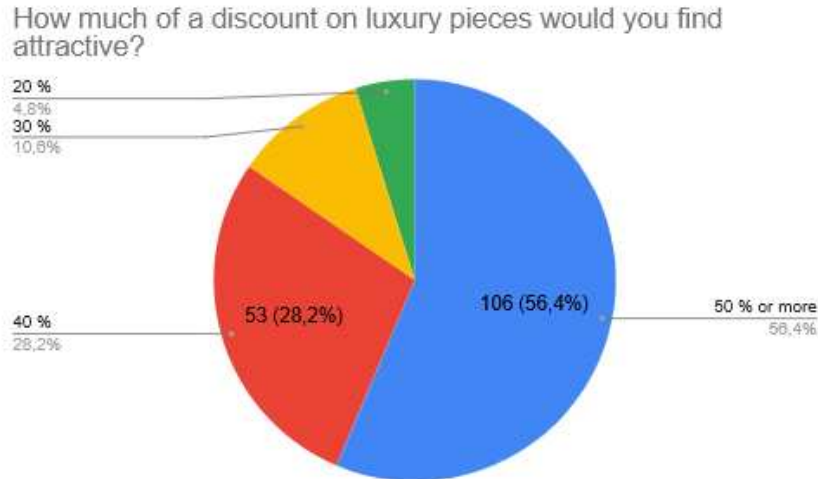


Figure 30: Discount. Source: Author's survey (Martin Peternelj, 2025).

Although price importance received one of the highest average ratings, the correlational analysis showed no meaningful relationship with purchase intention ($r = .01$, $p = .878$). This indicates that while consumers expect strong discounts, price alone does not differentiate those who are more or less likely to purchase.

Nevertheless, pricing remains a crucial perception driver. FYI should reinforce a strong value proposition through accessible price points (e.g., 199 €, 249 €) and transparent communication of “compare at” prices. Introducing a VIP discount club—with early access to promotions and targeted offers for loyal customers—may further enhance perceived value. Maintaining price transparency is essential, as it contributes to reducing perceived consumer risk and strengthens FYI's positioning as an accessible luxury outlet.

4.4.3. Returns and Logistics Strategy

Although ease of returns achieved the highest average rating among all attributes ($M = 8.89$), the correlation analysis showed that it does not significantly predict purchase intention ($r = .08$, $p = .273$). This suggests that consumers strongly appreciate simple and transparent return policies, even if returns are not a decisive factor in determining whether they will make a purchase. FYI should therefore ensure a smooth and reassuring return experience by offering prepaid return labels, online return processing, pictorial instructions, and clear guidance. Communicating a

“risk-free shopping” message across the website and promotional content can further reinforce consumer confidence.

Delivery speed ($M = 7.24$) was rated somewhat lower but demonstrated a modest positive correlation with purchase intention ($r = 0.22, p = .002$), indicating that faster and more reliable delivery can contribute meaningfully to consumers’ willingness to buy. The analysis suggests that delivery times of around five days are generally acceptable, with opportunities to offer express delivery as an upsell for customers seeking greater speed. Enhancing logistics transparency through order status updates, accurate tracking, and clear delivery expectations can strengthen overall satisfaction. FYI is therefore relatively resilient to logistics constraints, provided that a solid and reliable baseline experience is ensured.

4.4.4. Communication and Digital Strategy

The analysis revealed that the majority of respondents follow fashion designers primarily on Instagram, while a smaller proportion engage with such content on TikTok, predominantly representing younger users. Consequently, FYI’s digital communication strategy should prioritize Instagram through formats such as Reels, user-generated content, and influencer collaborations, which align with existing consumer behavior patterns. TikTok content should be tailored specifically toward Gen Z audiences, featuring behind-the-scenes materials, packaging showcases, and curated luxury discoveries that resonate with this demographic.

In terms of brand positioning, FYI should consistently integrate its core value propositions - verified original products, substantial price reductions, an uncomplicated return process, and occasional limited-edition drops—within all communication touchpoints. The brand’s tone of voice should reinforce transparency, trust, and accessibility, reflecting the attributes that consumers identified as most important in their evaluation of online luxury outlets.

In addition, FYI should maintain an active and systematic approach to email and SMS communication. Regular updates regarding new product drops, restocks and discount promotions are recommended, as the majority of consumers indicated a preference for receiving ongoing notifications about offers and assortment changes.

4.5. Future Research

Building on the findings and limitations of this study, several opportunities emerge for future research to deepen the understanding of consumer behavior in the online luxury outlet market. These recommendations aim to improve methodological robustness, expand generalizability and capture more complex behavioral patterns once FYI begins operating.

4.5.1. Use of Probability Sampling and Broader Demographics

We suggest using probability sampling techniques that would result in better data representing the Slovenian population, especially the distribution by genders and ages, and also including some consumers with less available financial resources since these could represent an important segment.

4.5.2. Behavioral and Experimental Data

Going forward, it would also be important to complement attitude measures by including behavioral measures like: Real purchase transactions Click-through rate, conversion rate, dwell time on the FYI e-commerce platform Actual willingness to pay (in price experiments) Actual returns rate Ratings and customer comments This would allow developing a stronger and more accurate understanding of the ultimate validation of the concept: how customers are willing to behave (or not) and make trade-offs in an actual shopping scenario.

4.5.3. Cross-Market Comparison

As consumer preferences and perceptions evolve over time, future research could benefit from the application of longitudinal designs. Such approaches would enable the repeated surveying of the same individuals across multiple time points, allowing researchers to observe how attitudes shift throughout different phases of the economic cycle and to track changes in trust, loyalty, and purchase intentions. Longitudinal monitoring may also shed light on seasonal patterns in luxury outlet shopping such as fluctuations during holiday periods or peak outlet seasons thereby providing FYI with more precise insights for predicting consumer behavior and refining strategic initiatives.

Moreover, given FYI's potential long-term interest in cross-border expansion, future studies may also consider extending the analysis to neighboring markets such as Austria, Italy, Croatia and

Hungary. Comparative research across these countries would offer valuable understanding of how perceptions of authenticity, pricing, delivery expectations, and other relevant factors vary internationally. Identifying such cross-national differences would support more tailored market-entry strategies and enhance FYI's ability to adapt its value proposition to diverse consumer contexts.

5. Financial Projections

This section evaluates FYI's financial feasibility based on projected sales volume, margin structure, and operating cost assumptions. The aim is to assess whether the proposed business model can operate profitably under realistic market conditions.

5.1. Revenue Assumptions

FYI's financial projections are based on estimated monthly sales of 500 items, with an average selling price (ASP) of €225, consistent with the accessible luxury pricing strategy validated through survey insights.

Monthly revenue:

$$500 \times €225 = €112,500$$

This provides a reasonable baseline for evaluating financial sustainability during the first year of operations.

5.2. Gross Margin and Profit Contribution

Under a conservative 10% gross margin, FYI generates:

$$€112,500 \times 0.10 = €11,250 \text{ gross profit per month}$$

This margin reflects outlet-level resale economics under competitive pricing, where FYI positions itself as a value-oriented luxury destination.

5.3. Operational Cost Structure

FYI follows a lean cost structure enabled by outsourced logistics and a digital sales model. Figure 31 summarizes the projected monthly operating costs.

Cost Category	Monthly Cost (€)
Marketing	2,500
Platform licensing	180
Accounting services	300
Miscellaneous / contingency	200
Total Operating Costs	3,180

Figure 31: Estimated Monthly Operating Expenses. Source: Author's survey (Martin Peternelj, 2025)

5.4. Profitability Analysis

Net monthly operating profit after deducting costs:

$$€11,250 - €3,180 = €8,070$$

Even under a modest 10% margin, FYI remains profitable, demonstrating the scalability and financial viability of its operational model.

5.5. Break-even Analysis

To determine the number of items required to cover monthly operating costs:

Profit contribution per item

$$€225 \times 0.10 = €22.50$$

Break-even volume:

$$\frac{€3,180}{€22.50} \approx 141 \text{ items}$$

FYI therefore needs to sell approximately 141 items per month to break even, representing less than one-third of the projected monthly volume.

5.6. Summary of Financial Feasibility

The financial projections show that FYI's business model remains viable even under conservative margin assumptions. A 10% margin yields a positive monthly profit of €8,070, supported by a low fixed-cost structure and an efficient operational setup. The break-even point of 141 items per month provides a substantial buffer against demand fluctuations, indicating strong financial resilience.

These results reinforce FYI's strategic potential and confirm that the platform can operate sustainably while delivering competitive pricing and high value to customers.

6. Limitations

While the findings of this study provide valuable insights for understanding consumer preferences in the Slovenian online luxury outlet market, several limitations should be acknowledged. These limitations do not undermine the relevance of the results but help contextualize the scope and interpretive boundaries of the analysis.

6.1. Sampling Limitations

The sample was gathered by convenience non-probability sampling via online dissemination (Google Forms). Due to this fact: 91% of the sample are female, Sample is predominantly made up of respondents aged 18 - 34, Majority of the sample was obtained via social networking sites. This leads to a demographic skew and a lack of sufficient power to apply the results to the entire Slovenian population. Since FYI's client base match this demographic (female and younger end of the spectrum), there may be a lack of representation of male and older demographic population results.

6.2. Measurement Limitations

The research was based on a combination of Likert-type scales, multiple-choice questions, and custom-designed survey items tailored specifically to this study. While such formats are standard in consumer research and suitable for exploratory analysis, they are not equivalent to validated psychometric instruments commonly used in advanced scholarly marketing research.

All quantitative analyses including descriptive statistics, correlations, and group comparisons were conducted using JASP. These procedures included the computation of means, standard deviations, Pearson correlation coefficients, and one-way ANOVA tests. As the study was exploratory, no multivariate regression modelling was performed, and the analysis did not seek to establish causal relationships. Instead, the results provide statistically grounded insights into patterns and associations within the dataset, which serve as a basis for strategic recommendations rather than definitive behavioral predictions.

6.3. Limited Behavioral Data

It's important to note that this survey result covers a lot of purchase intent, sentiment, and perceived values — but not: Actual purchases, or CTR, or conversions, or otherwise actual data, abandonment rates, pricing sensitivities, etc. Those will come when FYI is launched and people are in the product, completing this sort of data.

7. Conclusion

The purpose of this study was to examine how Slovenian consumers perceive the concept of an online luxury outlet and to determine which factors most strongly influence their intention to purchase from such a platform. Through a combination of descriptive analysis, correlation analysis, and one-way ANOVA, the research provides a comprehensive understanding of consumer motivations, perceived risks, and value drivers relevant to the development of FYI - an online outlet for authentic luxury brands.

The findings reveal that Slovenian consumers are predominantly value-driven, risk-averse, and trust-oriented, with functional attributes such as price attractiveness and ease of returns demonstrating the strongest influence on purchasing intention. Correlation analyses confirmed that price importance, ease of returns, and authenticity assurance exhibit the most meaningful associations with willingness to purchase, while traditional luxury markers such as exclusivity or assortment breadth are largely secondary considerations. These results reinforce broader changes in contemporary luxury consumption, where accessibility, transparency, and perceived safety increasingly outweigh symbolic prestige.

Demographic patterns further enrich the interpretation of these findings. Women, who formed the majority of the sample, consistently rated authenticity, return convenience, and price as more important than men, highlighting a stronger need for security and reliability in online luxury purchases. Age-based comparisons, however, revealed no statistically significant differences in attitudinal dimensions, indicating that core value drivers are relatively consistent across generational groups. This suggests a converging consumer profile in Slovenia: one that prioritizes affordability, authenticity, and risk reduction regardless of age.

From a strategic standpoint, the results offer clear guidance for FYI's market positioning.

Consumers demonstrated the highest trust and purchase interest in a platform that can guarantee verified original products, transparent and significant discounts, and a simple, hassle-free return process. Price remains the dominant purchase driver ($M = 8.63$), while ease of returns ($M = 8.89$) emerged as the strongest functional predictor of intention to buy. These insights underscore the importance of building FYI's value proposition around safety, clarity, and accessibility rather than assortment width or delivery speed.

Despite delivering meaningful insights, the study is not without limitations. The sample was disproportionately female, restricted to Slovenian consumers, and dependent on self-reported

measures, which may introduce bias. Although the statistical analyses (including correlations and ANOVA) were appropriately conducted using JASP, the findings cannot be generalized beyond the sample without caution. Furthermore, the research focused on attitudinal predictors rather than behavioral data, which may limit the applicability of results to real-world purchase actions. Future research could extend this work by employing longitudinal designs to track how consumer attitudes evolve over time or across economic conditions. Comparative cross-national studies including markets such as Austria, Italy, Croatia, or Hungary would provide valuable insight into whether perceptions of authenticity, pricing, and delivery expectations differ across neighboring regions. As FYI scales beyond Slovenia, such evidence will be essential for developing a broader, culturally sensitive market strategy.

In conclusion, the research demonstrates that FYI operates within a consumer landscape that increasingly values affordable luxury, authentic products, and low-risk online shopping experiences. By strategically aligning its operations and communication with these expectations, FYI is well positioned to capture the emerging segment of modern, value-conscious luxury consumers in Slovenia and potentially beyond. The findings therefore offer both theoretical contributions to the understanding of luxury outlet consumption and practical guidance for effective business model development in the digital luxury sector.

8. Appendix

Appendix A: Survey Questionnaire (English Translation)

Note: The original questionnaire was administered in Slovenian. The version below presents an English translation for reference.

Screening

1. Have you purchased clothes online in the past year?

Yes

No

Demographics

2. Gender

Female

Male

Other / Prefer not to say

3. Age

Under 18

18–24

25–34

35–44

45–54

55–64

65 or more

4. Region of residence (Slovenia)

Osrednjeslovenska (Ljubljana area)

Podravska (Maribor area)

Obalno-kraška (Koper, Izola, Piran ...)

Savinjska (Celje, Velenje ...)

Gorenjska (Kranj, Jesenice, Tržič ...)

- Primorsko-notranjska (Postojna ...)
- Goriška (Nova Gorica ...)
- Koroška (Slovenj Gradec ...)
- Zasavska (Trbovlje, Hrastnik ...)
- Posavska (Krško, Brežice ...)
- Jugovzhodna Slovenija (Novo mesto, Kočevje ...)
- Pomurska (Murska Sobota ...)
- I currently live abroad

Style & Attitudes to Fashion

5. What portion of your monthly budget do you spend on luxury clothing and fashion accessories?

- Less than €50
- €50–100
- €100–200
- €200–300
- More than €300
- I don't know / prefer not to say

6. How would you describe your clothing style?

- Classic / Elegant
- Modern / Trendy
- Sporty-Elegant
- Casual / Relaxed
- Other: _____

7. Where do you most often follow fashion trends?

- Instagram
- TikTok
- Magazines / Blogs
- Friends / Peers

I don't follow them

8. How important is fashion in your everyday life?

Very important (I always follow trends)

Quite a lot (I like to look well-dressed)

A little (I buy more practical items)

Not at all

9. Which brands do you find most appealing? (open-ended)

Shopping Habits

10. How often do you buy clothes (not necessarily luxury ones)?

Less than once a month

Once a month

2–3 times a month

More frequently

11. Have you ever purchased a luxury item online?

Never

1–2 times per year

3–5 times per year

More than 5 times per year

12. Where do you most often buy clothes?

Online stores (e.g., ASOS, Zara, About You ...)

Physical stores in Slovenia

Physical outlets abroad

Online outlets (e.g., Yoox, Farfetch, The Outnet ...)

Barriers & Experiences

13. What discourages you most from buying luxury clothing online? (select all that apply)

High prices

Long delivery times

- High shipping costs
- Fear of counterfeits
- Problems with returns
- No possibility to try on / feel materials in person
- Complicated returns
- Other: _____

14. Have you ever encountered a counterfeit when shopping online?

- Yes
- No
- I have never shopped online

15. How important is a guarantee of authenticity when buying luxury clothing?

- Very important
- Important
- Somewhat important
- Slightly important
- Not important at all

Needs & Expectations

16. What do you currently miss most on online outlets?

- Wider brand selection
- Lower prices
- Faster delivery
- Easier returns
- Greater transparency regarding authenticity
- Wider size range / smaller sizes
- Nothing
- I don't know / I don't use online outlets
- Other: _____

17. How attractive do you find the idea of a Slovenian online outlet for luxury clothing?

- Very attractive
- Attractive
- Neutral
- Slightly attractive
- Not attractive at all

18. Would you buy from a Slovenian online outlet offering original luxury brands at outlet prices?

- Yes, definitely
- Maybe, depends on the offer
- No

19. If the company later expanded abroad (e.g., had its registered seat outside Slovenia), would this influence your purchase decision?

- Yes, I prefer buying from a Slovenian company
- No, price and quality are all that matter
- I don't know / it's all the same to me

20. How important are the following factors when buying luxury clothing? (rate each from 1–10, where 1 = not important at all, 10 = extremely important)

- a) Price / discount level 1 2 3 4 5 6 7 8 9 10
- b) Authenticity / proof of originality 1 2 3 4 5 6 7 8 9 10
- c) Product quality / materials 1 2 3 4 5 6 7 8 9 10
- d) Ease of returns / customer service 1 2 3 4 5 6 7 8 9 10
- e) Delivery speed 1 2 3 4 5 6 7 8 9 10

Willingness to Pay

21. What discount on luxury items would you find attractive?

- 20%
- 30%
- 40%
- 50% or more

22. How quickly do you expect to receive your order?

- 2–3 days
- 1 week
- 2 weeks
- Delivery time is not important if the price is low

23. How much would you be willing to pay for a luxury item discounted from €500?

- Up to €100
- €100–200
- €200–300
- More than €300

Communication

24. How would you prefer to hear about new collections and promotions?

- Email newsletter
- Instagram
- TikTok
- Facebook
- SMS
- Website notifications
- Other: _____

25. Would you like to receive a discount code and join the waitlist for launch? (optional)

- Yes
- No

If yes, please leave your email (optional): _____

References

- Arrigo, E. (2015). The role of the flagship store location in luxury branding: An international exploratory study. *International Journal of Retail & Distribution Management*, 43(6), 518–537. <https://doi.org/10.1108/IJRDM-08-2013-0158>
- Arrigo, E. (2021). Collaborative consumption in the fashion industry: A systematic literature review and conceptual framework. *Journal of Cleaner Production*, 325, 129261. <https://doi.org/10.1016/j.jclepro.2021.129261>
- Aury Janeth, A., & Vargas Hernández, C. A. (2020). Diagnosis of the application of NTC ISO 9001:2015 in SMEs of the leather, footwear and leather goods industry. *Ingeniería Solidaria*, 16(1), 1–17. <https://doi.org/10.16925/2357-6014.2020.01.01>
- Awan, U., & Sroufe, R. (2022). Sustainability in the circular economy: Insights and dynamics of designing circular business models. *Applied Sciences*, 12(3), 1521. <https://doi.org/10.3390/app12031521>
- Biktyakova, A., Kolo, C., & Patten, E. (2024). The COVID-19 pandemic's effect on perceptions of luxury: A cross-cultural study. *Journal of Cultural Marketing Strategy*, 8(1), 45–58. <https://doi.org/10.69554/ofhz7016>
- Burnasheva, R., & Suh, Y. (2019). How country of origin and materialism influence purchase intention of luxury goods online among millennials: A cross-cultural study. In *Proceedings of the Global Fashion Management Conference* (pp. 1–5). <https://doi.org/10.15444/gfmc2019.05.06.08>
- Chen, L., Tong, T. W., Tang, S., & Han, N. (2022). Governance and design of digital platforms: A review and future research directions on a meta-organization. *Journal of Management*, 48(2), 372–402. <https://doi.org/10.1177/01492063211045023>

- Chesbrough, H. (2010). Business model innovation: Opportunities and barriers. *Long Range Planning*, 43(2–3), 354–363. <https://doi.org/10.1016/j.lrp.2009.07.010>
- Clauss, T., Abebe, M., & Tangpong, C. (2021). Strategic agility, business model innovation, and firm performance: An empirical investigation. *Journal of Business Research*, 130, 861–873. 10.
- Cooper, H. B., Merrilees, B., & Miller, D. (2020). The corporate heritage brand paradox: Managing the tension between continuity and change in luxury brands. *Australasian Marketing Journal*, 28(3), 207–215. <https://doi.org/10.1016/j.ausmj.2020.08.003>
- Dallabona, A. (2024). Digital and social media marketing for luxury fashion. In *Luxury fashion marketing and branding* (Chapter 12). Routledge. <https://doi.org/10.4324/9781003264811-12>
- Demil, B., & Lecocq, X. (2010). Business model evolution: In search of dynamic consistency. *Long Range Planning*, 43(2–3), 227–246. <https://doi.org/10.1016/j.lrp.2010.02.004>
- Foss, N. J., & Saebi, T. (2017). Fifteen years of research on business model innovation: How far have we come, and where should we go? *Journal of Management*, 43(1), 200–227. <https://doi.org/10.1177/0149206316675927>
- Galli, D., & Bassanini, F. (2020). Reporting sustainability in China: Evidence from the global powers of luxury goods. *Sustainability*, 12(9), 3940. <https://doi.org/10.3390/su12093940>
- Godey, B., Manthiou, A., Pederzoli, D., Rokka, J., Aiello, G., Donvito, R., & Singh, R. (2016). Social media marketing efforts of luxury brands: Influence on brand equity and consumer behavior. *Journal of Business Research*, 69(12), 5833–5841. <https://doi.org/10.1016/j.jbusres.2016.04.181>
- Han, Y. J., Nunes, J. C., & Drèze, X. (2010). Signaling status with luxury goods: The role of brand prominence. *Journal of Marketing*, 74(4), 15–30. <https://doi.org/10.1509/jmkg.74.4.015>

Hermanto, H. (2023). The effect of value added tax and sales tax incentives on luxury goods on consumer purchasing power. *Strata Social and Humanities Studies*, 1(2), 97–108.

<https://doi.org/10.59631/sshs.v1i2.97>

Homburg, C., Jozić, D., & Kuehnl, C. (2017). Customer experience management: Toward implementing an evolving marketing concept. *Journal of the Academy of Marketing Science*, 45(3), 377–401. [10.1007/s11747-015-0460-7](https://doi.org/10.1007/s11747-015-0460-7)

Kapferer, J.-N., & Bastien, V. (2009). *The luxury strategy: Break the rules of marketing to build luxury brands*. Kogan Page.

Ko, E., & Costello, J. P., & Taylor, C. R. (2019). What is a luxury brand? A new definition and review of the literature. *Journal of Business Research*, 99, 405–413.

<https://doi.org/10.1016/j.jbusres.2017.08.023>

Ko, E., & Megehee, C. M. (2012). Fashion marketing of luxury brands: Recent research issues and contributions. *Journal of Business Research*, 65(10), 1395–1398.

<https://doi.org/10.1016/j.jbusres.2011.10.004>

Kotler, P. (1997). *Marketing management: Analysis, planning, implementation, and control* (9th ed.). Prentice Hall.

Lemon, K. N., & Verhoef, P. C. (2016). Understanding customer experience throughout the customer journey. *Journal of Marketing*, 80(6), 69–96. <https://doi.org/10.1509/jm.15.0420>

Malhotra, N. K., Nunan, D., & Birks, D. F. (2017). *Marketing research: An applied approach* (5th ed.). Pearson Education Limited.

Okonkwo, U. (2016). Luxury brand management in a digital world. In *Brand management strategies* (Chapter 13). Bloomsbury. <https://doi.org/10.5040/9781501317460.ch-013>

Özbölük, T. (2020). The pursuit of uniqueness and craving for freedom: The meaning of luxury in the age of access. *Leisure Studies*, 40(1), 123–137.

<https://doi.org/10.1080/02614367.2020.1831045>

Osterwalder, A., & Pigneur, Y. (2010). *Business model generation*. Wiley.

Pang, W., & Ko, E. (2020). Changes in the consumption trends of luxury brands post the COVID-19 era. In *Proceedings of the Global Fashion Management Conference* (pp. 1–5).

<https://doi.org/10.15444/gmc2020.11.03.04>

Raymond, E. (2021). *Dior and digital storytelling: On the marketing of luxury brand narratives* (Master's thesis). Toronto Metropolitan University. <https://doi.org/10.32920/ryerson.14654790>

Rolling, V., Seifert, C., Chattaraman, V., & Sadachar, A. (2020). Pro-environmental millennial consumers' responses to the fur conundrum of luxury brands. *International Journal of Consumer Studies*, 44(6), 552–563. <https://doi.org/10.1111/ijcs.12626>

Shukla, P., Rosendo-Rios, V., Trott, S., Lyu, J. (D.), & Khalifa, D. (2022). Managing the challenge of luxury democratization: A multicountry analysis. *Journal of International Marketing*, 30(4), 57–75. <https://doi.org/10.1177/1069031X221126925>

Sinha, S., & Bhardwaj, B. R. (2023). Influence of digital experiential marketing for a sustainable customer relationship: With special reference to the luxury cosmetics sector in India. *MET Management Review*, 8(1), 1–12. <https://doi.org/10.34047/mmr.2020.10204>

Smith, W. R. (1956). Product differentiation and market segmentation as alternative marketing strategies. *Journal of Marketing*, 21(1), 3–8. <https://doi.org/10.1177/002224295602100102>

Song, X., & Bonanni, C. (2024). AI-driven business model: How AI-powered try-on technology is refining the luxury shopping experience and customer satisfaction. *Journal of Theoretical and Applied Electronic Commerce Research*, 19(4), 148. <https://doi.org/10.3390/jtaer19040148>

Škare, M., de Obesso, M. de las M., & Ribeiro-Navarrete, S. (2022). Digital transformation and European small and medium enterprises (SMEs): A comparative study using Digital Economy and Society Index data. *International Journal of Information Management*, 66, 102594.

<https://doi.org/10.1016/j.ijinfomgt.2022.102594>

Teece, D. J. (2010). Business models, business strategy and innovation. *Long Range Planning*, 43(2–3), 172–194. <https://doi.org/10.1016/j.lrp.2009.07.003>

Wedel, M., & Kannan, P. K. (2016). Marketing analytics for data-rich environments. *Journal of Business Research*, 69(8), 2793–2799.

Wiedmann, K.-P., Hennigs, N., & Siebels, A. (2009). Value-based segmentation of luxury consumption behavior. *Psychology & Marketing*, 26(7), 625–651.

<https://doi.org/10.1002/mar.20292>

Ye, C. (2025). Mapping out digital luxury marketing: A systematic review and future research agenda. *Marketing Intelligence & Planning*, 43(1), 123–145. <https://doi.org/10.1108/MIP-10-2024-0770>

Zott, C., & Amit, R. (2010). Business model design: An activity system perspective. *Long Range Planning*, 43(2–3), 216–226. <https://doi.org/10.1016/j.lrp.2009.07.004>