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Original Article

Business and Management Strategies: Value Proposition Testing for Fashion Women Muslim (Case: Lance.Allure)

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Abstract: *The high number of Muslim populations in Indonesia has significant potential for the Muslim fashion industry. Indonesia is currently the third largest Muslim fashion consumer in the world, after Turkey and the United Arab Emirates. According to The State Global Islamic Economy, Muslim fashion consumption in Indonesia reached $20 billion, with an annual growth rate of 18.2%. With such huge potential in the Muslim fashion industry, the Lance.Allure brand wants to improve its business to continue to compete with other brands, so it needs to test and improve its value proposition. Proper value proposition testing will help brands understand more deeply what consumers want, according to market trends and needs, to provide more suitable and attractive products and services for consumers in the context of growing Muslim fashion in Indonesia.*

This research focuses on conducting comprehensive value proposition testing for the Lance.Allure brand specifically targets validation with two key aspects: problem-solution fit and product market fit. A mixed methods approach was implemented to achieve this. Qualitative research involved in-depth interviews to develop an empathy map and an initial value proposition canvas. Quantitative research was conducted through a survey using a 4-point Likert scale for the product market fit test. By analyzing the value proposition canvas and competitor analysis previously conducted, the researcher generated three value proposition hypotheses, namely (1) custom sizes and custom models, (2) design variations inclusive of breastfeeding mothers, and (3) anti-UV and Cool Touch materials. From the three value proposition hypotheses, three stages of testing were carried out, namely interest validation, preference validation and willingness to pay validation for value proposition testing, using 4 Likert scales.

The results of interest validation, preference validation and willingness to pay validation show that the custom size and custom model value propositions have the best value among other value propositions. From the results of testing the value proposition, the next step is to convey the value proposition by optimizing online marketplaces, social media and channels.

Keywords: *Muslim Fashion, Value Proposition Testing.*

I. INTRODUCTION

A) Background

Today, one of the key industries that has a big impact on Indonesia's economic expansion is the fashion business. In terms of economics, the fashion industry is a significant factor in the expansion of the creative sector, which makes up 17% of Indonesia's creative economy, according to Arsjad (2021). Over 300 million individuals are impacted by the US$1.3 trillion global fashion sector. The Indonesian economy is significantly impacted by this industry as well. The Lance.Allure brand, which has a lot of promise in the Muslim fashion market, needs to test and refine its value proposition in order to grow its business. In order to offer goods and services that seem more appealing to customers in view of Indonesia's expanding Muslim fashion, a company must conduct a thorough value proposition analysis to better understand what consumers want in accordance with current market conditions and requirements. Because there is no proof that the benefits, hardships, and labor described are truly important to the clients, Lance.Allure has not established a verified value proposition. Furthermore, there is no proof that clients receive additional value from the product. Lance.Allure seeks to define an approved proposition for value by testing the fit, which in this instance refers to the fit of the solution to the issue and the market fit of the product, based upon the fit of the good or service to the customer's work, suffering, and benefits. This is done as a validation measure to avoid company failure and to be able to compete in the market. In order to create future enhancements, this research will highlight the value proposition that customers find most appealing. Consumers will be better in the future. A value proposition is an assertion about the service that a business offers (Kolwakowski, 2011). Furthermore, a good business model must include the value proposition (Osterwalder, 2014). Income for startups depends on validated value propositions (Salame, 2014).

B) Business Overview and its Challenges

Based in Bandung, Lance. Allure is an Indonesian Muslim fashion company. Lance.Allure was founded in 2021 and released its debut product in March of that same year. The meanings of the name Lance.Allure is charm and spear. The explanation of this term is that the Lance.Allure items will appear opulent and unique, thereby attracting the attention of anybody who uses them, Lance.Allure started to consider dedicating to the realization and presentation of Muslim clothing designs with custom-made sizes up to 5XL, allowing them to be worn by women with larger frames by fusing the newest current trends. The most critical requirement for a value proposition is one that can solve problems and meet consumer desires. To obtain and find out whether the value proposition of a brand is appropriate or not, you can carry out value proposition testing through three types of fit, namely: problem-solution fit, product market fit and business model fit. However, there is no proof whether the work, pain, and advantages indicated actually matter for the customers, which is why Lance.Allure hasn't developed a verified value proposition in this case. Furthermore, there is no proof that clients receive additional value from the product. Lance.Allure seeks to define a validated value proposition through testing fit, which in this instance is the fit of the problem solution and the marketplace fit of the product, based on the fit of the good or service to the customer's job, suffering, and advantages. This is done as a validation gauge to avoid failure of the company and to be able to stand out in the market. In order to create potential enhancements, this study will identify the most alluring value from the standpoint of the client. Consumers will be better in the future.

C) Research Objective

The objective of this research is to validate a value proposition brand fashion Muslim for Women by Lance.Allure with three kinds of fit.

II. LITERATURE REVIEW

A) Value Proposition

The value proposition framework consists of a set of products and services designed to provide value to a specific customer group (Osterwalder et al., 2014). A value proposition reflects the views and preferences of a company's customers, explaining why customers decide to interact with a business and what they anticipate from each interaction. In a competitive market, understanding the value proposition helps identify why customers prefer one company over another.

B) Value Proposition Testing

Value Proposition Testing involves assessing the level of importance your customers attach to your value offering, with a focus on doing so quickly and cost-effectively without fully committing to the value proposition. The testing process is designed to reduce uncertainty and move you closer to turning your business idea into a successful venture. Monitor your journey toward this goal by documenting the steps you have taken and the results you have obtained (Osterwalder et al., 2014).

C) Three Kinds of Fit

To develop a value proposition that aligns what a firm offers with the requirements and preferences of customers in the form of solutions provided by goods and services. Then, the processes that may be applied are broken down into three phases: business model fit, product-market fit, and problem-solution fit. The new company needs to complete these processes in order to obtain a strong and lucrative value proposition. (Osterwalder, Alex, and others, 2014)

a. Problem Solution Fit

Identifying whether prospective consumers have an interest in the company's idea and have the jobs, pains, and gains that the business had imagined they had is the initial phase. If the company has proof that customers have these things, it can use that information to develop a value proposition. There is no proof that a new company's value proposition will be noticed by clients or that the value will be accepted. Thus, the process of developing customers' assumptions—untested presumptions that need to be partly or fully validated before the business can function—begins with the problem-solution fit test (Osterwalder et al., 2014).

b. Product Market Fit

The phrase "product-market fit" describes a scenario in which a company's target market makes purchases, uses, and promotes its products. Determining which features, products and services clients want and which of them they want most is, therefore, the goal of this step. With this data, the business will be able to create the best value offer for the biggest market. When a company can show that its gain-generating and pain-relieving goods and services are truly adding value for consumers and gaining traction in the market, it has achieved product market fit (Osterwalder et al., 2014).

III. METHODOLOGY

A) Research Framework

At value proposition testing, three kinds of fit are the main things needed to be able to test customers. In Fig 1, namely of three kinds of fit

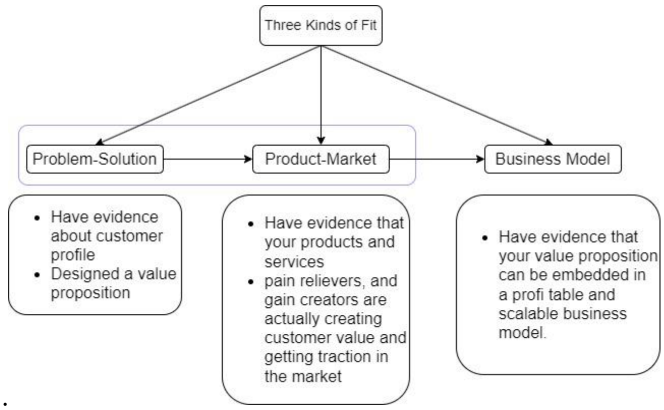

Figure 1: Three Kinds of Fit

B) Value Proposition Hypotheses

The researcher proposes three value proposition hypotheses to testing the value proposition and validate it based on validated by the customer with a javelin board. The hypothesis of the value proposition is shown in Table I.

Table 1: Value Proposition Hypotheses

S. No	Hypothesis	Value Proposition
1	Provide Custom size and Custom Models up to 5XL with a 3-day preorder	(Inclusivity) with custom size and model
2	Variety of casual designs that fit the product trend for Breastfeeding Mom-friendly & Breastfeeding Mom Friendly	Increasing self-confidence for all women with more variety of design
3	Use fabrics/materials that are Cool Touch and Anti-UV (so that it is not easily hot and cold)	Convenience in activities with High Materials

Three of the value proposition hypotheses are briefly stated below:

a) The value proposition hypotheses are value proposition hypothesis is associated with the custom size and custom value proposition model, which is the test. The focus will be on where customers will have experience in buying clothes by being able to determine the size and sleeve model they will use because, based on the results of in-depth interviews, 70% of customers have problems regarding clothes that do not suit their body size.

b) The value proposition hypothesis is associated with more varied designs for breastfeeding moms; where when conducting in-depth interviews with housewives who are breastfeeding, they said they find it difficult to buy Muslim women's clothing because not all brands provide Muslim women's clothing that can be used for mothers who are breastfeeding.

c) The value proposition hypothesis is associated with materials with anti-UV and cool touch because customers who have problems are easily irritated, and it can make them uncomfortable.

C) Research Method

To assess customers' curiosity, inclinations, and readiness to pay for the Lance.Allure brand, we will determine these aspects by analyzing their responses to advertisements, as elaborated in the following explanation:

a. Interest Validation

Determining if prospective buyers are interested in the product's main selling point and whether they are actively looking for the answers it provides are two aspects of interest validation. Interest validation evaluates the market's real interest in and demand for a given good or service.

b. Preference Validation

Going one step further, preference validation determines if the product fulfills the needs and preferences of the intended market. It entails determining whether the characteristics, aesthetics, and overall user experience of the product match the needs of potential buyers.

c. Willingness to Pay Validation

Customers' willingness to pay for a good or service is measured by their willingness to pay. To find out how sensitive the target market is to cost, pricing experiments, surveys, and market analysis are all part of the readiness-to-pay process.

III. RESULTS AND DISCUSSION

A) *Interest Validation*

Value Proposition 1 showed higher percentages in the interest validity variable, with 92.5% for feature appropriateness and 94.6% for feature interest. This outperformed the second and third value propositions. The first value proposition emphasized custom sizes and models with a 3-day production, aligning more closely with customer preferences and generating heightened interest in these features. The interest validation tests confirm that the proposed custom-designed product, particularly the features highlighted in Value Proposition 1, resonates strongly with the target audience. This data provides valuable insights for further development and production, ensuring alignment with customer expectations and preferences.

Table 1: Interest Validation

Question	Total Score			Score Ideal	Percentage		
	VP1	VP2	VP3		VP1	VP2	VP3
Feature Suitability	396	362	392	428	92,5%	84,6%	91,6%
Interest in Features	405	370	400	428	94,6%	86,4%	93,5%
Average Percentage Value of Interest					93,6%	85,5%	92,5%

B) *Preference Validation*

The features in Value Proposition 1 proved to be more relevant to solving problems and aiding in customer activities. Notably, the custom size and custom model features with a 3-day production timeframe significantly influenced customers' trial, decision-making, and purchase intentions. The preference validation results affirm that Value Proposition 1 effectively addresses the specific preferences of the target market. The emphasis on custom sizes and models with a quick production turnaround aligns seamlessly with customer needs, contributing to increased trial and purchase decisions. This data guides product customization and improvement efforts to ensure sustained alignment with consumer expectations.

Table 2: Preference Validation

Question	Total Score			Score Ideal	Percentage		
	VP1	VP2	VP3		VP1	VP2	VP3
Relevance of Features to Status and Activities	399	380	395	428	93,2%	88,8%	92,3%
Trial and Purchase Decisions Regarding a Given Feature	396	379	394	428	92,5%	88,6%	92,1%
Relevance of Features to The Problem at Hand	392	383	392	428	91,6%	89,5%	91,6%
Average Percentage Value of Preference					92,4%	88,9%	92,0%

C) *Willingness To Pay Validation*

Customers demonstrated a strong emotional connection to the custom size and custom model features. The absence of these features would elicit sadness and disappointment, with a notable 87.4% indicating the significance of these features to customers. The Willingness to Pay Validation results affirm the perceived value of Lance.Allure products, particularly the custom size and custom model features, have a 3-day production. Customers are not only willing to pay a premium for these features but also express a strong inclination to recommend them. The emotional attachment indicates that these features are integral to customer satisfaction, emphasizing their crucial role in the product offering. This information is pivotal in pricing strategy and overall product positioning.

Table 3: Willingness to Pay Validation

Question	Total Score			Score Ideal	Percentage		
	VP1	VP2	VP3		VP1	VP2	VP3
Availability to Pay	368	293	353	428	86,0%	68,5%	82,5%
Availability to Pay More	359	314	306	428	83,9%	73,4%	71,5%
Availability to Recommend	351	324	319	428	82,0%	75,7%	74,5%
Feelings if the Feature is Missing/Absent	374	324	356	428	87,4%	75,7%	83,2%
Average Percentage Value of Willingness To Pay					84,8%	73,3%	77,9%

IV. CONCLUSION

All three hypotheses were tested to create a report suitable for data analysis, which aims to determine whether the company has achieved Product Market Fit and thereby validate its value proposition. This testing uses indirect observation to evaluate the authenticity of customers' expressions, ascertaining the reality of their work, pain, and benefits, as well as genuine interest in the company's offerings. The next results present the results of value proposition hypothesis testing.

a) Value Proposition 1 (Custom Size and Model): The assessments revealed that custom sizing addresses a significant problem for customers buying women's Muslim clothing, with high scores for feature suitability (92.5%) and interest in features (94.6%), categorizing it as highly relevant to customers.
b) Value Proposition 2 (Varied Designs for Breastfeeding and Non-Breastfeeding Moms): While 88.9% of customers expressed interest, its relevance to customer problems and activities scored lower (88.8%). Value Proposition 1 had higher relevance (93.2%), making Value Proposition 2 the least favorable among the three.
c) Value Proposition 3 (Anti-UV and Cool Touch Materials): While customers indicated a willingness to pay a predetermined price (82.5%), the availability to pay more scored lower (71.5%). However, interest validation and preference validation yielded positive scores of 92% and 92.5%, indicating substantial interest and relevance.

Interest Conflicts

The authors affirm that they have no competing interests with regard to this Lance.Allure research on the allure value proposition. This research was conducted independently, and the researchers did not have any financial, personal, or professional interests that could potentially influence the results or interpretation of the research findings. A commitment to impartial and objective analysis remains paramount, ensuring the credibility and reliability of the information presented in this journal.

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