Perceiving Customer Preferences in Product Innovation of Fashion Startup using Blue Ocean Strategy

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Abstract- **This study aims to investigate the creation of product innovation towards fashion start-up business by applying Blue Ocean Strategy. This study explores customers' preferences towards fashion product as the basis of fashion product innovation. Furthermore, customers' preferences also works as the basis for adjustment to the company's value offered to the market. This research uses a descriptive qualitative approach where informants are determined using a combination of snowball sampling and purposive sampling technique with 9 informants, consisting of 5 consumers, 2 competitors, and 2 fashion experts. The research object is Elvier, a fashion start-up brand with evening wear products. The data collection method in this research is done using semi-structured interviews and documentation. Finally, Source triangulation is used to gain validity and reliability for this research. The research finds that design, quality and price were found to be the key drivers for customers' purchasing decision. Furthermore, brand identity also plays an important role that influences customers' consideration. Several hidden pain points were also discovered which are used to help creating product innovation that fits the customers' needs. Perceiving customer's preferences is practically needed to develop and design innovative product. Blue Ocean Strategy is not only help to map where the company could be, based on customer's preferences and needs, but also to reveal customer's hidden pain points as considerations to creatively solve customer's problem by innovating new product.**

Keywords: *Product Innovation, Fashion Product Key Success Factors, Blue Ocean Strategy, Perceived Customer, Fashion Start-up*

1. Introduction

Fashion is one of the 17 existing sub-sectors which shows the most significant development in the industry. The growth of the fashion industry in Indonesia is also supported by technological developments. Supported by the convenience of technology and internet, entrepreneurs and designers can start their fashion business either from social media or any other online platform with minimal capital. With wide open opportunities, more fashion businesses have sprung up, both small and large scale. This brings the industry to enter the Red Ocean situation, where the level of competition in the market is high and competitive. Therefore, people involved in fashion business must be fast to work on the right strategies, so that the business will not only survive, but also win the competition.

To see the phenomenon clearly, a fashion start-up brand, Elvier, will be discussed as the research object The main products of Elvier are custom made evening wears with a minimalist style and feminine touch. Elvier was founded in late 2017 by utilizing social media platforms as promotional media. Just like any other people that caught the wide-open opportunity, Elvier also entered the red ocean space where the competition is fierce. There are two main dimensions of work as the key in achieving excellent performance, namely lowcost advantage and differentiation advantage (Nuryakin, 2018). On strategic approach, innovation works as a differentiator to the competitors (Porter, 1985 in Nuryakin 2018). Companies that succeeded in gaining competitive advantage are no longer offering similar products, with only competing common reasons being price and quality, compared with other competitors. Elvier, a young evening wear brand that lacks distinctive features is about to be left far behind in the bloody Red Ocean competition. The aim of this research is to design innovative evening wear product starting with identifying the key success factors and customers' preferences using Blue Ocean Strategy.

2. Literature review

This section explains the definitions and theories used for this research.

2.1 Start-up Fashion Business

Fashion business is a process and activity that connects all related services and industries from designing, producing, distributing, marketing, consulting and selling fashion goods or services. Fashion business refers to various components such as market size, target market and the offering of the product itself. There are seven kinds of fashion business, namely: sewing course, business couturier, tailor, haute couture, boutique, mass production clothing and fashion courier business (Heim, 2018; Sawitri, 2019).

Fashion business is divided into 2 categories, large-scale fashion companies and smallscale independent fashion companies. Large-scale fashion companies attract mass market with financial performance as the indicator of success, while small-scale independent designers define the success with more considerations. Independent designers, familiarly called the designer-entrepreneurs or business owners, are driven by how they pursue their dreams through business models (Payne, 2020). Fashion business resilience is defined by its creativity enthusiasm and the ability to fulfil the financial needs while producing fashion items in time. In the fashion industry, there are 5 fashion market levels: (1) Haute Couture Luxury Brands, (2) Ready-to-Wear Designer Brands, (3) Diffusion Designer Brands, (4) Bridge Brands and Premium Brands, (5) Mass Market and Value Brands (Stewart, 2015 in Heim, 2018). In start-up fashion, couturiers' measures to fit the matching size of the customer then produces the clothes. All works are done by themselves, from measuring, pattern making, fabric cutting and sewing. The service offered are usually made for women and children, using semi tailoring system and technique.

2.2 Innovation

Innovation is defined as the adoption of change from old into new methodologies and ideas to produce new products, processes, services or business practices. Schumpeter (1934, in Walmsley, 2019) proposed five types of innovations, (1) Introduction of a new commodity, (2) Introduction of a new method of production, (3) Opening a new market, (4) Acquirement of a new source of supply (new materials or resources, new inputs), (5) The creation of new forms of organizations (organization restructures). According to Disselkamp (2012, in Pruschkowski, 2018), there are three characteristics that describes innovation, (1) Offers beneficial matters to the users, (2) Shows originality and novelty, (3) Characterizing the content and style of its features.

Innovations can occur in multiple forms, including products, production processes, and business models. Product innovation refers to new product development, the improvement of products, or the commercialization of new product. Process innovation is defined as improving production processes or the acquisition of new equipment that leads to production time efficiency, operational cost reduction, and flexibility reflect improvement. Business models innovation refers to business system innovation and defined as new and/or improved business and marketing practices (Jin & Cedrola, 2018).

2.3 Product Innovation in Fashion Business

Product innovations that contribute to value creation in textile and clothing sectors occur at three levels, which are in materials, styles and product development.

2.3.1 Innovation in Materials. Most of the time, innovation in materials occur in large companies with mass production level. The high level of competition increases the tendency for a fashion company to work with complicated design features. Innovation in raw materials includes the involvement of technological advancements. Additionally,, they still have to distinguish their brand from other competitors. Therefore, fashion companies use innovative fabrics to enhance aesthetics and functionality of their products. Innovations in materials are divided into four subcategories: (a) Sustainable cotton-alternative fibers, (b) Cosmetotextiles, (c) Sport Textiles, (d) New textiles of bacterial origin that can change colors

2.3.2 Innovation in Style. Style refers to a product's aesthetic form and symbolic value, which are determined by social and cultural meanings that allows consumers to express their personal identity through the products. Innovation in style requires a full change in the core concept of the products and results in a change to the brand's DNA (Ravasi & Rindova, 2008 in Jin & Cedrola, 2018). There are two types of innovations in style: (a) Innovation in style from art, (b) Innovations in style from traditional craftsmanship and image

2.3.3 Innovation in Product Development. New product development refers to changes that involves colors, shapes and accessories. This product development innovation is shorter in time yet are unique to particular seasons or clothing lines, while innovation in style are enduring enough to shape the brand image (Tran, Hsuan & Mahnke, 2011 in Jin & Cedrola, 2018). Product development can be grouped into three categories: (a) Upcycling innovations, (b) Mass customization, (c) Fusion with information technologies

2.4 SWOT

SWOT analysis is a strategic management tool used by managers to evaluate an organization, plan, project or business activity. SWOT analysis significantly works as a tool for not only a situational analysis that helps the managers to identify organizational and environmental factors, but also to emphasize the reflective and adaptive process of developing strategic plans. The analysis helps an organization understand which of its resources and capabilities are likely to be sources of competitive advantage and which are less likely to be sources of such advantages (Gürel & Tat, 2017; LaBelle & Waldeck, 2020; Perrin, 2020). There are two dimensions, which are internal and external dimension. An evaluation of strengths and weaknesses falls under the internal assessment of the organization, whereas opportunities and threats are evaluations of external factors (Fallon, 2018; Lee & Kotler, 2016).

2.5 Blue Ocean Strategy

Blue Ocean Strategy (BOS) is a strategy implemented by a company along with tools and a framework in order to create innovation value, where the company is able to offer new value to the customer and capable of creating a new market space where there are no competitors in the market. Blue oceans denote all the industries not in existence today—the unknown market space, untainted by competition. In blue oceans, demand is created rather than fought over (Kim & Mauborgne, 2017). According to Kim and Mauborgne (2017) in Blue Ocean Shift, there are five steps of process to help organizations develop and implement successful new market creation strategies.

2.5.1 Getting started. The first step begins by scoping out the company's initiative, which means targeting which business or product/service is the right place to start. A start-up company with predominant offering can be directly focused on the matter it is setting out to create, while the existing more complex company needs to set the scope of their blue ocean initiatives.

2.5.2 Understand where you are now. This step ensures that the company is getting a clear understanding about the current state of play. Every detail in the company such as strategy, vision, goal, are described specifically. Most companies fail in being specific, thus the strategy canvas tool was developed to address this problem. In this phase, the company must be able to identify 5 to 12 key competing factors by selecting the industry leader as the benchmark to plot the company's offering against. The essence of strategy canvas is the value curve, which shows a company's performance within the industry. The horizontal axis shows the key factors the industry competes on, while the vertical axis shows the offering level that customers receive from other similar companies.

2.5.3 Imagine where you can be. This step is uncovering the hidden pain points that limits the size of the company's industry and discovering the ocean of noncustomers. In this stage, the buyer utility map will help the company outline the experiences buyers have. The map reveals problems the industry has failed to address, creating pain points worth solving, and unlocks exceptional utility as an opportunity to break away from the competition.

2.5.4 Find a way to get there. After the company identified the new pattern of demand, the company is ready for the shift to generate the practical, real-world, blue ocean options by broadening perspectives and imagining what could be. The six paths framework is used to structure the work of seeing opportunities, where the team should dive into the market and create brainstorms. After the six paths market exploration, it is time for the team to distil all the insights and observations into a well-formulated blue ocean strategic options through the four actions framework. It is a tool that will enable the company to translate the findings from market exploration into concrete, actionable, strategic options that pursue both differentiation and low cost. Strauß (2020) stated that the four actions framework will challenge a company's or industry's strategic logic and business model. There are four key questions to challenge strategic thoughts and business model of a company: (1) What factors should be eliminated? (2) What factors should be reduced? (3) What factors should be raised? (4) What factors should be created?

2.5.5 Make a move. After all the four steps have been completed and the BOS framework is compiled, the next step is to deliver the new strategy to both internal and external sections of the company, by doing high-pressure event and conduct rapid market tests –or any suitable move according to the company's decision. After the blue ocean settles and the market potential is already confirmed, it is time for the company to formalize the business model and begin completing the final move plan to launch.

2.6 Perceiving Customers Preferences

When a company or organization does something that its competitors cannot do or have, it can be said that the company or organization has a competitive advantage (Iyigun, 2018). In order to reach a competitive advantage, a company must identify the existing and possible opportunities. This should be done through analyzing the competition. When creating a strategy for competition, the value provided for customers must be taken into

consideration. A personal and emotional feeling perceived by customers while purchasing and using the products or services is said as customer-perceived value. The term perceive, is defined as attaining the awareness or understanding; to become aware of through the senses. A company on its path to find a way to reach competitive advantage while considering value to offer to customers is called as 'perceived competitive advantage' (Sunarsih N., 2017, Liu et al, 2020).

3. The Research Design

This research uses literature review from books and previous research, including data gathered through interviews. The analysis model is broken down into several steps. The first step is to determine the key success factor of the company through SWOT analysis. The second step is creating a visual analysis in the form of Strategy Canvas. The third step is analyzing and exploring the big picture view of the industry's underlying boundaries through The Buyer Utility Map and The Six Paths Market Exploration. The next step is developing alternative Blue Ocean opportunities through the Four Actions Framework. The last step is developing a company's strategy through product innovation.
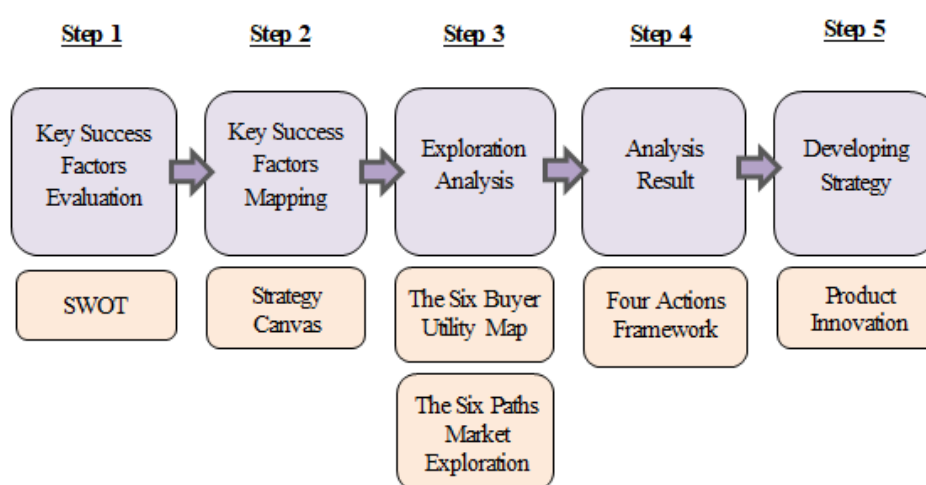

Figure 1. Research Analysis Model
Source: Analytical process adapted from Smith et al. (2009, in Silva, Coelho, Sousa & Quesado, 2021)
elaborated by the author, 2021

4. Research Method

This research is a descriptive qualitative research, a form of research that generates data which describes specific experiences from a subjective perspective (Kim et al., 2017 in Doyle et al., 2019). The author uses qualitative descriptions to gather the informants' point of view regarding their preferences in fashion products, thus the product design innovation process will be well determined. The research was conducted specifically in Surabaya as the research object and informants are based in Surabaya. The research started from February 2021 until May 2021. The object of this research is a fashion start-up brand that is currently facing a Red Ocean situation, namely Elvier.

The research subjects chosen are familiar and relevant with the research object and fashion industry in order to meet the research objectives. This research uses a combination of snowball sampling technique and purposive sampling technique to determine the informants. Purposive sampling technique is used to determine informants in the competitor and expert categories, while snowball sampling technique is used to determine the customer category. Data collection method in this research uses semi-structured interviews and documentations. This research focuses on exploring people's preferences towards the product. Therefore this research uses source triangulation to examine subjective perspective to gather data until the themes are established. The data analysis method used is interactive model based on Miles, Huberman & Saldaña.

5. Result and discussion

5.1 *SWOT Analysis.* Elvier works according to their customers' order. As such, Elvier's strength lies on their flexibility and customization service towards the product. Each customized product is specially made with care, as it is personal to the customer. Elvier has a standardization of price for each product category, but remains negotiable

based on the complexity of the designs. The designs offered by Elvier usually follows the current market trend based on age and customer's character. Despite of all the primacy that Elvier possesses, there are several weak spots regarding the product and the making process. Elvier works mostly based on what the customer wants. This often leads to Elvier's lack of differentiation towards other competitors' design and product. The workforce Elvier has is also limited, not to mention the hand sewing technique used to support the specialty used in the design requires a longer producing time. Based on the internal conditions of the company, the strength can be described as (a) Customizable design, (b) Offer production of made-to- measure, (c) Comfortable to wear, (d) Relatively cheaper than the competitors, (e) Designs that are updated with existing trends. Followed with weaknesses which are, (a) Lack of differentiation towards other competitor's design and product, (b) Fabrics and materials availability in the atelier is limited, (c) Longer time of production process.

Many of business players competing head-to-head tries to win the market by producing products that match with the current trend. The head-to-head competition often leads to a behavior of copying competitor's popular products and increase the chance of visually identical or even conducting plagiarism towards other designs. Based on the explanation, the opportunities are broken down as (a) A lot of fashion businesses are competing head-to-head with similar product designs which opens up an opportunity to add product diversification, (b) Technological advancements and social media to build emotional value towards the product amongst the customers. Following the opportunities, the threats are; (a) Other competitors with shorter time of production process, (b) The ease to copy certain designs and resulting identical or even plagiarized products. Based on SWOT analysis, the data is presented in the following factor weight assessment table:

Table 1. Internal Factors Weight Value

	Defining Factors	A	B	C	D	E	F	G	H	Total	Weight
A	Customizable design		2	2	1	3	1	3	3	15	0.133
B	Offer production of made-to-measure	2		1	1	1	1	3	3	12	0.108
C	Comfortable to wear	2	3		3	2	2	3	3	18	0.160
D	Relatively cheaper than the competitors	3	3	1		1	1	3	2	14	0.126
E	Designs that are updated with existing trends	1	3	2	3		2	3	2	16	0.142
F	Lack of differentiation towards other competitor's design and product	3	3	2	3	2		3	3	19	0.169
G	Fabric and materials availability in the atelier is limited	1	1	1	1	1	1		1	7	0.063
H	Longer time of production process	1	1	1	2	2	1	3		11	0.099
										112	**1.000**

Source: Processed Data, 2021

Table 2. External Factors Weight Value

	Defining Factors	I	J	K	L	Total	Weight
I	A lot of fashion businesses are competing head-to-head with similar product designs which open up an opportunity to add product diversification		2	3	3	8	0.333
J	Technology advances and social media to build emotional value towards the product among the customers	2		3	3	8	0.333
K	Other competitors with shorter time of production process	1	1		3	5	0.209
L	The ease to copy certain designs and resulting identical or even plagiarized products	1	1	1		3	0.125

					24	1.000

Source: Processed Data, 2021

Each factor is compared to the other, both in internal and external factors weight value calculation. The factor is given a score of 3 if it is considered as more important than the others, the factor is given a score of 2 if it is considered as the same level of importance, and is given a score of 1 if it is considered less important. The total scores of each factor are then divided by the total score of all defining factors to define the weight. The weight score of each factor in internal and external factors are then multiplied with the rating results in the total score for each. The rating score shows how effective the strategy possessed by a company is. The rating score for each factor is assigned a score of 1 (poor) to 4 (outstanding).

Table 3. Internal Weighting Score

	Internal Factors	Weight	Rating	Weight Score (W x R)
	STRENGTH			
A	Customizable design	0.133	3	0.399
B	Offer production of made-to-measure	0.108	2	0.216
C	Comfortable to wear	0.160	3	0.48
D	Relatively cheaper than the competitors	0.126	3	0.378
E	Designs that are updated with existing trends	0.142	1	0.142
	S total	**0.669**	**1.615**	
	WEAKNESS			
F	Lack of differentiation towards other competitor's design and product	0.169	1	0.169
G	Fabric and materials availability in the atelier is limited	0.063	3	0.189
H	Longer time of production process	0.099	3	0.297
	W total	**0.331**	**0.655**	
	S + W total	**1.000**	**2.27**	

Source: Processed Data, 2021

Table 4. External Weighting Score

	External Factors	Weight	Rating	Weight Score (W x R)
	OPPORTUNITY			
I	A lot of fashion businesses are competing head-to-head with similar product designs which open up an opportunity to add product diversification	0.333	3	0.999
J	Technology advances and social media to build emotional value towards the product among the customers	0.333	1	0.333
	O total	**0.666**	**1.332**	
	THREAT			
K	Other competitors with shorter time of production process	0.209	2	0.418
L	The ease to copy certain designs and resulting identical or even plagiarized products	0.125	2	0.25
	T total	**0.334**	**0.668**	
	O + T total		**2**	

Source: Processed Data, 2021

Next, the internal factors are combined with the external factors with calculation as below:
S – W = 1.615 – 0.655 = 0.96 (S)
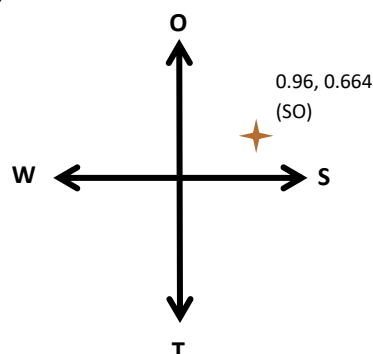O – T = 1.332 – 0.668 = 0.664 (O)

Figure 2. SWOT Matrix
Source: Processed Data, 2021

Based on SWOT matrix, the company is in quadrant I, which indicates the best position where the company is in strong position and has many opportunities in the market.

5.2 Blue Ocean Strategy Analysis

5.2.1 Strategy Canvas. There are two companies used as Elvier's benchmark. Based on Kim & Mauborgne (2017), the company must be able to identify 5 to 12 key competing factors to draw the strategy canvas in order to help a company design its product innovation. In this research, the key success factors are determined by SWOT analysis and previous research. The key success factors based on SWOT analysis are determined into six factors, which are; price, brand identity, design creativity, customization, product quality, and production time. The key success factors based on previous research are then elaborated in Elvier key success factor as the key drivers. Based on SWOT analysis and previous research, the product's key success factors which directly relate with the product design features are determined as follow:

Table 5. Product Key Success Factors

	Key Success Factors	Definition	Key Drivers
1.	Price	Amount of money the customer pays for certain product	- Benchmark price
2.	Brand Identity	A set of elements associated with a brand that helps a company shape the way customers feel about its product, service and mission.	- Brand personality (vibes) – human characteristics, for example playful, fun, bold. - Style – logo, colors, product styling - Brand delivery – packaging, portfolio, social media activity - Emotional value perceived – customer's expectation and feeling
3.	Design Creativity	A creative plan and pattern produced to present a certain look of a product.	- Shape & silhouette - Set of color - Decorative details - Fabric used - Design Uniqueness

4.	Customization	A certain action of creating and modifying something to suit particular individual's interests.	- Size standardization - Fitting system - Made-to-measure service - Custom design service - Revision system
5.	Product Quality	A standard of excellence to measure certain product against other similar products.	- Comfortability - Durability - Neatness of the product
6.	Production Time	Time needed to produce a fashion product	- Production standard length of time

Source: Processed Data, 2021

The informants confirm the key success factors during the interviews and describe Elvier's key success factors based on the experiences and assessment, which are depicted in the as-is strategy canvas.
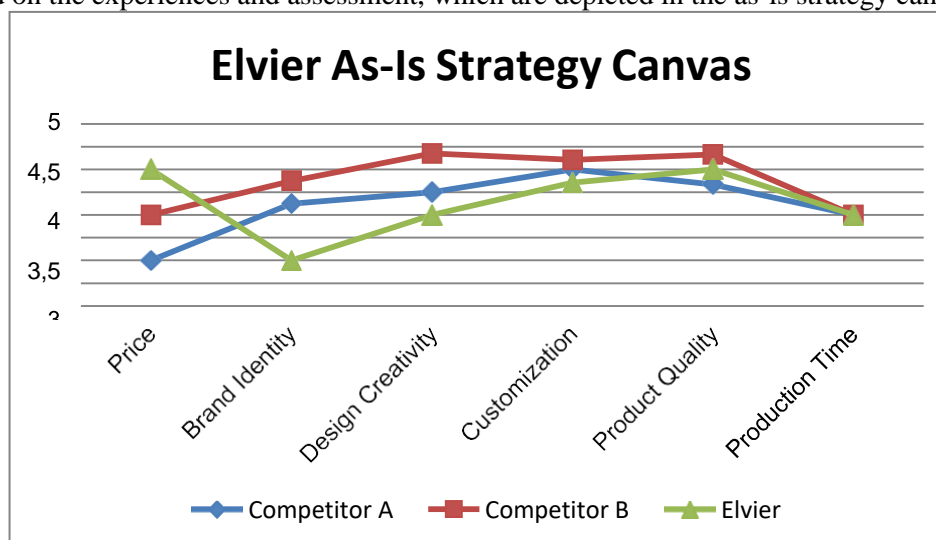

Figure 3. Elvier As-Is Strategy Canvas
Source: Processed Data, 2021

The strategy canvas shows that Elvier's product performances are still below the competitors' performances. This can be seen on almost every factor analyzed. On brand identity, Elvier still cannot show the identity of the brand that makes customers remember of certain things that make differences. Competitors are superior in many ways, they are older and have more experiences compared to the younger brand, Elvier. In three aspects, brand identity, design creativity, customization, Elvier's performances are definitely below their competitors. Bad brand identity is identified as there is no strong character and style that drives customers to feel the core vibe of the brand. In design creativity, Elvier has less decorative details and design uniqueness which most customers seek for, while the other competitors offer more variance on the decorative details as well as design uniqueness. In customization aspect, Elvier's performance is adequate, just lacking at size standardization. Other competitors show that their product has size standardization, even for custom ones. Price, on the other hand, is performing better than other competitors since Elvier offers more affordable choices with good product quality. In the last aspect, production time, Elvier shows average length of time to produce their products.

5.2.2 The Buyer Utility Map. The map reveals where the industry is currently focusing on, marked with "O". Pain points worth solving are marked with "X", showing the spaces the industry choose to ignore which open up new opportunities to break away from the competition.
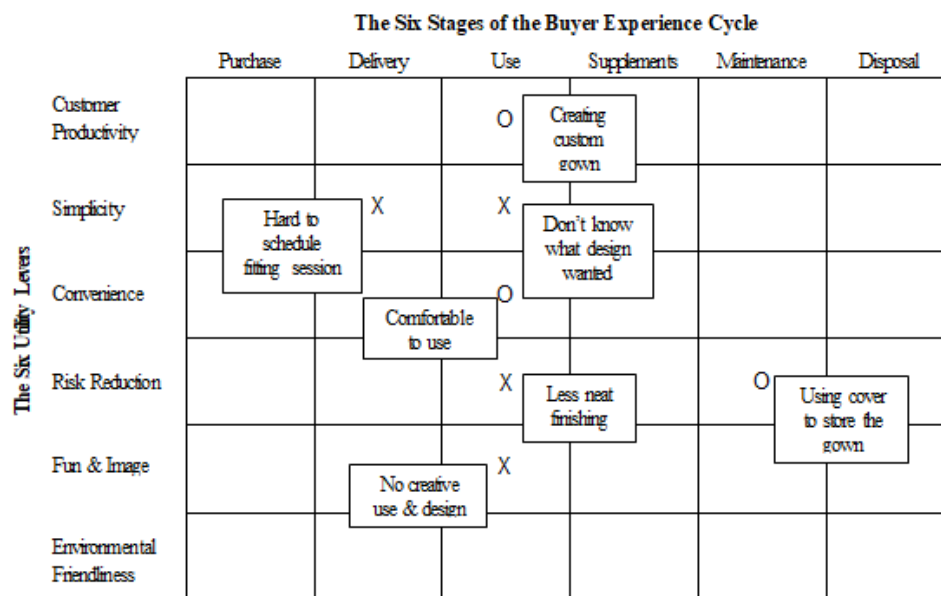
Figure 4. The Buyer Utility Map
Source: Processed Data, 2021

The Buyer Utility Map reveals the hidden pain points of the custom made evening gown industry. *Fitting session* are hard to schedule for some customers and designers. The schedules are usually unmatched or simply having the location far from the customers. *Lack of fashion knowledge,* most of the time when it comes to design, the customer usually has no idea what kind of design they want. Although they know what they want, it takes time to explain and match the design with the designers' suggestions. *Finishing* for most designers, especially in Indonesia, often pay less attention to product finishing tidiness, such as neatness of the seams and finished zipper. *Design & usage* of a gown or dress is usually made for one look only. As a result, it looks pretty but lacks fun and excitement for repeated usage of the product. Based on the map revealed, there are a lot of blocks that contains hidden pains of the customers. There are also a lot of blank spaces that show the aspects ignored by most brands and designers. The hidden points and the blank spaces show the opportunity to create a new and exceptional utility.
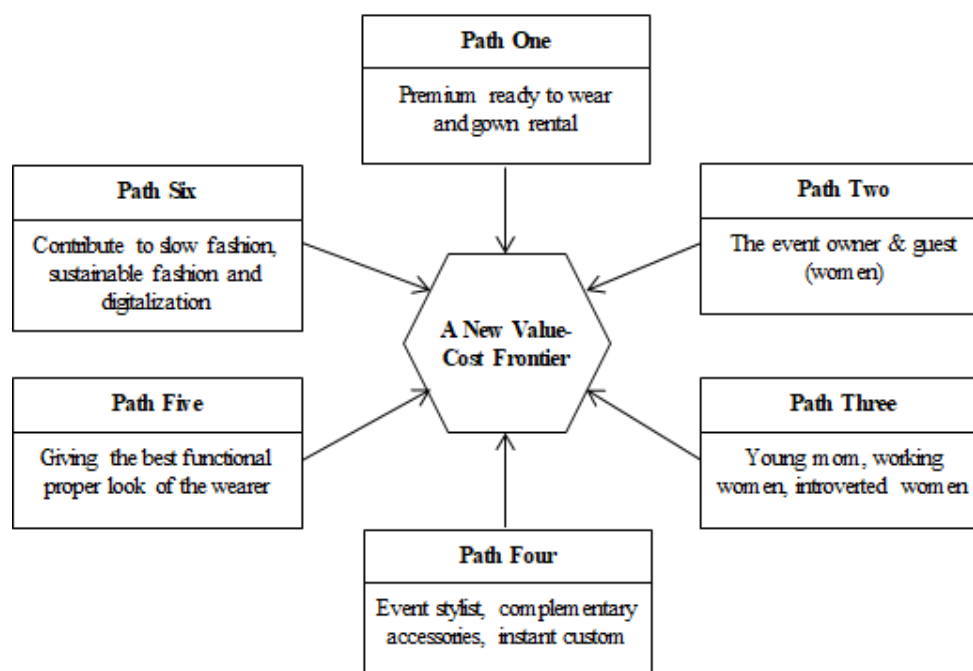
5.2.3 The Six Path Market Exploration

Figure 5. The Six Path Market Exploration in Custom Made Evening Wear

Source: Data processed, 2021

Path one: Look across alternative industries. For some people, custom made evening wear is not their first choice, unless urgent and required, as it is too complicated, time consuming, and just does not represents their characteristics as simple people. The alternative choice to have proper outfit to attend certain event is by buying premium ready to wear outfits in either offline stores or online shops. If the outfit is not repeatedly wearable, they will choose to rent the gown in a rental studio instead.

Path two: Look across strategic groups. Custom made evening wear is needed when talking about formal occasions such as wedding receptions and birthday parties. People want to look presentable yet different as it is considered as important events, both for the event owner and guests. There are two strategic groups have different factors that led users to choose one thing over another. These are the function, whether it is important to look outstanding over other people, or simply look presentable and pretty.

Path three: Look across the chain of buyers. The chain of buyer identified for custom made evening wear industry, which the industry has largely ignored, are young mothers, working women, and introverted women. For most women, using something custom made is fun, but some women find it hard to explain what design they want. Some women also find it hard to make a schedule due to their busy day of work and/or to be a mother.

Path four: Look across complementary product and service offerings. Simplicity nowadays becomes more preferred, yet people still want to look attractively confident and trendy. When attending a certain event, people want to look different in appearance. This is where event stylists work to give suggestions, not only towards the chosen dress but also in other supportive aspects such as what kind of makeup and hairstyle, footwear, accessories and even the perfume used. During busy days, instant service also complements simplicity in people's life.

Path five: Rethink the functional emotional orientation of your industry. In the fashion industry, both functions and emotions go hand in hand, but with evening wear, its function is oriented in advance. When people receive a certain event invitation, they will think about what proper look they need, then search and decide which outfit suitably matches the event.

Path six: Participate in shaping external trends over time. Sustainable and slow fashion have become the big theme in the fashion industry for the last few years. The movement is to support environmental health which was due to the enormous fashion waste around the world that is difficult to decompose. However, development and familiarization are still slow. It is necessary for designers and brands to participate in shaping trends in order for people to know it better. Due to the Covid-19 pandemic, digitalization is becoming increasingly useful in the fashion industry, as it is used to link designers and brands with customers.

5.2.4 The Four Action Framework. The Four Action Framework consists of four questions: factor that should be eliminated, reduced, raised, and created. The Four Action Framework is then summarized on the ERRC (Eliminate-Reduce-Raise-Create) grid as follows:

Table 6. ERRC Plan for Elvier

Eliminate -	Raise ● Brand identity ● Design creativity and uniqueness ● Product quality (product neatness)
Reduce ● Design and color which do not fit brand identity	Create ● Mini collection ● Multiway dress ● Mass customization

Source: Processed Data, 2021

Based on ERRC grid above, the new developed strategy canvas created is as below:
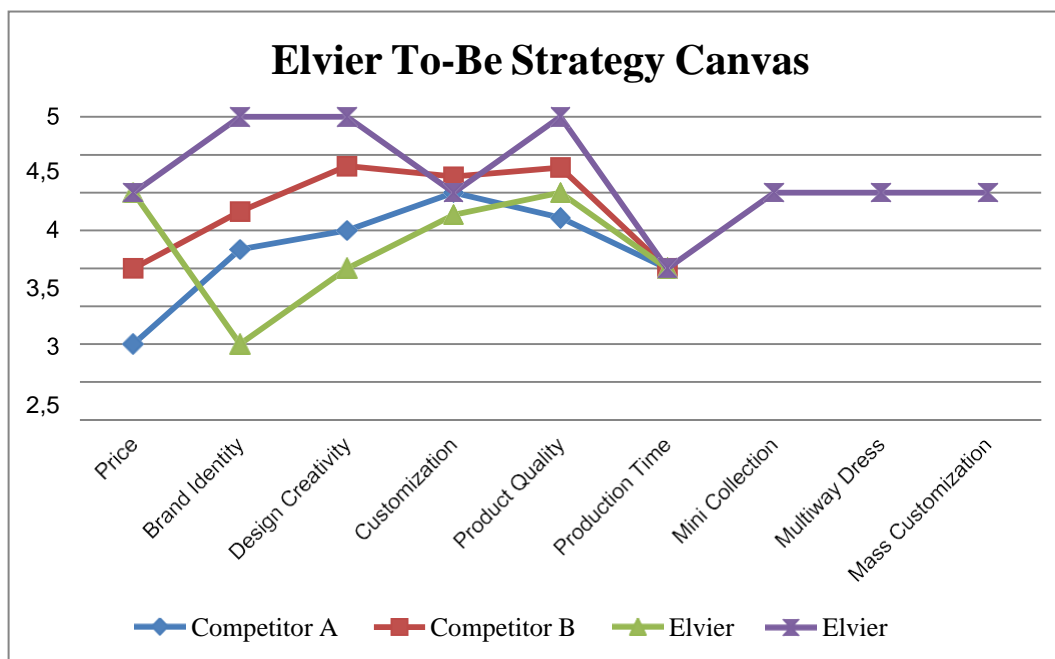
Figure 6. Elvier To-Be Strategy Canvas
Source: Processed Data, 2021

There are several changes on the value curve compared to the as-is strategy canvas based on the analysis from the data gathered. Brand identity is a essential factor that works as the basic foundation of a brand. It creates meaning, conveys a message and defines the brand's designs. Brand identity is one thing that creates a differentiation that can be perceived by customers. In the new strategy canvas, the value of brand identity changes to further highlight the brand characteristics that differentiate them from other competitors. The enhanced brand identity can be applied to portfolios, mini collections, newly developed packaging, and also social media activities. The increased value curve towards design creativity will be applied to the design model offered, following both the brand DNA itself and the current market trends. The design uniqueness can be shown through mini collections, campaigns, and seasonal portfolio. Another factor increased is product quality. This factor is one of the top 3 important factors always mentioned by customers. An occurrence often found is with a product having seams that are less neat, especially near the zipper. This seems trivial but it is actually important for most customers as the seam neatness affects the product quality itself. In this aspect, the company could use a more structured quality control to make sure that customers are really getting what they pay for. This is why production time value curve remains the same, as producing high quality product needs extra care and be detailed. According to customers, the length of production time also determines how good the product is. As a result, customers are willing to wait longer for a product.

Further analysis and discussion with fashion experts led the author to come up with three new factors to be created by the company. One of them is to make a mini collection to represent the brand identity of the company. The mini collection gives insight to customers about the brand's DNA and mainly as a tool to enhance and show brand identity through the design uniqueness offered. Based on interviews with customers, the author found that customers are seeking for innovative outfits that can have multiple different looks in one dress. Combined with most of customers' characteristics, the developed product should represent simplicity yet still look elegant. It is possible for one dress to have detachable pieces as part of the look options. Excitement from customers is expected due to the innovative dress being able to create multiple looks.

The creation process is indirectly influenced by the slow fashion movement trend in the fashion industry itself. Therefore, the company is expected to be able to create and develop creative ideas to develop innovative items. The most important factor created is mass customization. Based on customers' hidden pain points, mass customization can be the answer to what people pursue and streamline the length of production at the same time. Mass customization helps customers choose the characteristic of their dress with the available choices of features provided by Elvier, then match them together piece by piece into one whole design and make it based on customer's measurement and preferences. Mass customization also gives benefit for Elvier to keep their brand identity stay in line even though it is "custom made" or based on what the customers want. The customer's limitation is not their imagination, but what choices that Elvier has provided.

5.3 Product design

5.3.1 Customers' Preferences. Based on the Blue Ocean Strategy analysis towards Elvier, it is concluded that the company needs to do several changes, upgrades, and even breakthroughs in order to optimize the company's performance. This can be done by utilizing customers' preferences and therefore, the company will be able to shift into blue ocean space. The customers' considerations and preferences towards evening wear obtained in the research are summarized into table VII. The summary of customers' preferences in table 7 is obtained based on the interview session with customers. The categories are picked based on materials and matters used in Elvier regarding evening wear products.

Table 7. Customer's Preferences

	AV	EO	ER	RW	SK
Important Consideration	- Design - Colors - Shape - Price	- Design - Price - Comfort	- Design - Price - Quality	- Design - Colors - Price	- Design - Comfort - Quality
Style	Simple, minimalist	Minimalist, elegant, simple, polite	Simple, feminine	Simple formal look	Simple, elegant
Decorative Details (in order)	- Sleek - 3D mat - 2D mat - Drape	- Sleek - 3D mat - 2D mat - Drape	- Simple 3D mat - Sleek - 2D mat - Drape	- Sleek - 2D mat - Simple 3D mat - Drape	- Sleek - Drape - 2D mat - 3D mat
Colors	Basic and soft colors	Basic and soft colors	Basic and soft colors	Basic and soft colors	Basic and soft colors
Traditional Fabrics	Used as long as the color is basic color	Preferable as long as the color is basic color	Used as long as the color is not too bold	Used only if needed in certain occasion	Preferable for formal occasion
1 piece or 2 piece	1 piece	1 piece	1 piece	2 piece	1 piece
Bra Pad	Attached	Unattached	Attached	Attached	Attached
Boning	Used	Preferable	Preferable	Preferable	Depends on the use
Adjustment Tools	Adjustable corset	Fixed zipper	Fixed zipper	Fixed zipper	Fixed zipper
Packaging	Box	Box, useful	Box	Box	Proper packaging
Upcycle	Interested but depend on design	Interested but depend on design	Interested but depend on design	Interested but depend on design	Interested but depend on design

Source: Processed Data, 2021

Each person has different unique styles to express themselves. This statement is also applicable to Elvier's customers that shows different styles. However, there is one similar thing found in customers' preferences, which is simplicity in almost all aspects and component of the evening wear. This finding aligns with the brand identity of Elvier, which is a minimalist elegant look and can be used as a guidance to design the newly innovative product.

5.3.2 Product Innovation. Innovation is often seen as a process to develop ideas and creatively implement it (Van de Ven & Angle, 1989, in Jin & Cedrola, 2018). Based on the interview and analysis, there are 3 innovations to be formed, which are Mini Collection, Multiway Dress, and Mass Customization. To see the preferences and the phenomenon clearly, the product innovation analysis is broken down as below:
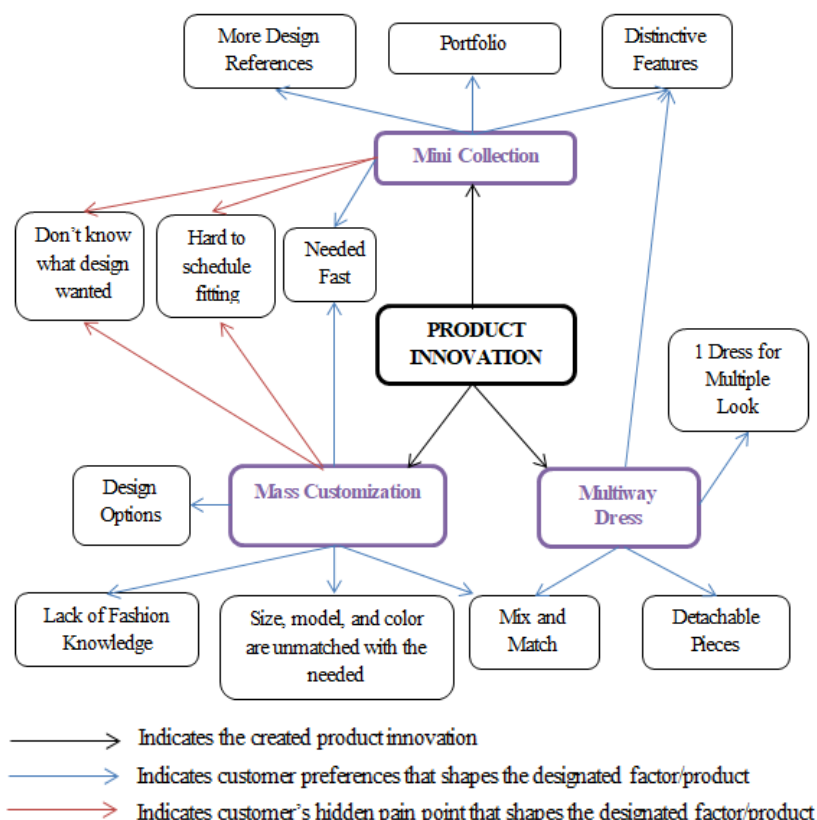
Figure 7. Product Innovation Conceptual Diagram
Source: Processed Data, 2021

Mini Collection: Created to give the customers a big picture about a brand's personality and increases the identity of a brand. Mini collection can be developed with 5 to 7 designs with a certain theme. As presented in figure 7, mini collection is created based on 2 hidden pain points revealed from the interview result. It is also to answer the customer's need when they need a presentable outfit fast. The customers also stated that portfolio and design references are needed to help customers in deciding a design. Mini collection is created to represent the design and style that highlights the distinctive features that carries the brand identity, which according to the interview result, is one of the most influential key success factor.

Multiway Dress. The customers stated that they long for multiple look designs in one dress or one set of outfit. Multiway dress is a product that allows a set of outfit to have multiple look for the customers to mix and match. It also allows detachable pieces to be included in the design. Detachable pieces function as parts that can be attached or released from the outfit as needed. In customers' perspective, the function of multiple look designs allows customers to experience the fun of mixing and matching outfits. According to customers, multiway dress can also carry the distinctive features that a brand wants to address.

Mass Customization. Mass customization is the answer for customers who find it difficult to define the design they want. Difficulty in scheduling fitting sessions also becomes one of the highlighted pain points that can be solved with mass customization. It is also for customers who are looking for proper dress that requires a certain style or color as the event's theme. Mass customization also solves customers' problem with confusion of choosing design, as most customers are unfamiliar with fashion terms and designs. Each dress component such as top, bottom, sleeve and any other features is provided in several options and lets customers mix and match the design as desired. This also benefits the company in the form of production time efficiency, as customers can quickly choose and instantly select the design provided by the company. Additionally, mass customization will also support the mini collection created, in order to show customers the company's brand identity and DNA.

5.4 Managerial Implication

Table 8. Key Success Factor Comparison Before and After Research

Key Factors	Before Research	After Research

Price	Price offered tends to be affordable and can compete with competitors	Price offered remains affordable with better value offered
Brand Identity	Brand identity is not prominent and has no distinctive features	The brand identity is redefined, shown in packaging used, design displayed in social media, and in portfolio
Design Creativity	- The designs offered is acceptable, but there is no unique feature - The designs tend to be random, flat, and lack of creativity	- Increasing the creativity shown in innovative product's function - The designs are carrying strong brand identity
Customization	Customization only based on the customer's direction and dress maker's suggestion	Elvier has its own design references that is still able to be customized based on customer's needs
Product Quality	Elvier's product quality is less neat on stitches	Maximizing product quality by prioritizing comfortability, durability, and finishing neatness
Production Time	Production time is based on the complexity of the design	The length of production time can be shorter with the available option given
Mini Collection	Not yet developed	Developing mini collection that carry the brand identity in the form of limited ready stock, pre-order, and mass customization
Multiway Dress	Not yet developed	Developing 2 to 3 ways of a dress' look to be used multiple times
Mass Customization	Not yet developed	Offering design options in pieces for the customer to choose and match into one whole dress

Source: Processed Data, 2021

6. Conclusion and Suggestion

6.1 Conclusion

Perceiving customers' preferences is practically needed to develop and design innovative products. It is crucial for a brand or designer to listen to what customers want and need. Blue Ocean Strategy helps the company to find a way to shift into blue ocean space. Blue Ocean Strategy is not only helpful to map where the company could be based on customer's preferences and needs, but also to reveal customer's hidden pain points as considerations in creatively solving customer's problem by innovating new product. The strategy is practically beneficial and helpful for a fashion brand or designer to create innovation. This can be completed step by step, starting from mapping the industry condition, brainstorming idea, helping to see from another perspective, to mapping the new strategy to be able to shift into the blue ocean space.

Design creativity, quality and price are the main keys of customers' consideration before purchasing fashion products. Trends are something a brand should put their attention on, without neglecting the brand identity as the core design idea. Product quality is not only described as comfortability and durabilty, but also the neatness of the finishing seam, which is often neglected by most Indonesian brands and designers. Price reflects values of the product, something that should be considered carefully as it influences perception. A brand should consider the most fitting price so the value received by the customers is worth the price.

Brand is another factor that should be taken into account. It is the core of a product's value offered which is

internally shaped by the company and can be perceived by the customers. It is not directly stated by customers, but brand indirectly influences people's perception towards certain products' quality and value. Even though the main concept and product of the brand is custom made, it is important for a brand to have its own identity as distinctive features and characteristics that differs one brand to another. To support the brand identity visibility, it is needed for a brand to launch mini collection with 5 to 7 collection with the most distinctive and unique features that the brand wants to show.

The customers tend to have little knowledge about fashion design and its process. It sometimes becomes the biggest weakness to express what design they really want from the beginning. Creating an evening wear that matches with the color, the perfect size, the design needed in short period of time is quite challenging, while finding one in store is difficult. Mass customization can become the answer to solve this problem, as it offers customers several options to choose from fast and instantly. It is the function of evening wear that is also considered to be attractively innovative for the customers.

6.2 Suggestions

Fashion brands and designers are suggested to develop its identity first both in brand personality and in brand delivery, therefore the emotional value perceived will follow. It is the core of the product before anything else. Brand identity will guide the brand or designer to design the product creatively without neglecting the main purpose and message of the brand itself. It is needed to also listen and perceive what customers want before designing products. The brand or designer is expected to do the process of innovating products based on customers' needs. It is highly expected for brands and designers to think about innovation continuously as the market also grows rapidly. The more the company thinks about what possibilities the future has, the more the company will outperform the competition and succeed.

Suggestion for future research is to develop the research model towards product innovation with more detail and being more specific. It is also suggested for future research to be conducted in other specialization in the fashion industry in order to know the differences and possibilities across the fashion fields. For future research, it is also suggested to have more informants so the research will have richer information that can be processed into further beneficial findings.

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