Developing Brand Literacy Among Affluent Chinese Consumers: a Semiotic Perspective
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Developing Brand Literacy among Affluent Chinese Consumers
A Semiotic Perspective
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ABSTRACT
In this paper, I focus on a form of consumer acculturation I call “brand literacy,” e.g. the ability of consumers in emerging markets to acquire and manipulate the codes structuring brand meaning as it is communicated in advertising signs and symbols, retail spaces, and packaging. I base this theoretical inquiry on early stage findings from an ethnography of affluent consumers in Shanghai (2007-2008). Findings suggest that Chinese consumers purchase luxury goods such as watches, bags, and cosmetics, without tapping into the deep, emotional, and imaginary worlds that create value for European luxury brands. Respondents in Shanghai tended to collapse brand distinctions into a somewhat generic association of all luxury brands with high price, status, and distinction. They claimed that luxury purchases did not express their own personalities, and that luxury advertising fell short of helping them personalize their brands. I contend that acquiring the rather sophisticated codes necessary to read and integrate brand discourses resembles language learning, because brand literacy, like language acquisition, is structured by cultural codes and follows specific stages of acquisition. I develop a structural semiotics approach to brand “literacy,” and suggest ways that advertising may contribute to this type of acculturation process.

INTRODUCTION
In this paper I develop a theory of brand literacy that accounts for the stages involved in the acquisition of fluency in reading and internalizing brand meanings. This research has particular resonance for consumers in developing markets, such as the People’s Republic of China, who may be the first or second generation of consumers to purchase branded products instead of trading vouchers for commodities. Findings have implications for consumer acculturation theory, advertising research, and brand management. Drawing upon structural semiotics, I approach brands as discourses that are structured by codes. Since semiotic codes are rooted in cultural conventions similar to language, they offer a window onto the mechanisms involved in meaning exchange across cultural borders. In this paper I examine early stage findings from in-depth consumer research with 16 affluent consumers in Shanghai between 2007 and 2008, on the topic of luxury brand consumption. The study was limited to research on European fashion categories, from leather goods to couture, watches, and cosmetics. Consumers discussed their own experiences of luxury, their understanding of Chinese luxury traditions, their perception of European brands, and their interpretation of brand communication in magazine advertisements for global brands such as Louis Vuitton, Dior, and Patek Philippe.

Early stage findings suggest that Chinese consumers stop short of identifying the emotional associations that distinguish luxury brands from each other and as a result, often lack a visceral, personal connection to the brands they purchase. Since brand value on the marketplace is founded on nothing less than the personal and emotional associations consumers associate with brands, these findings have serious implications for the growth of the European luxury sector and also raise important questions about brands in translation, consumer cultures in contact, and the limits of consumer assimilation to global consumer culture.

Findings Summary
The next generation of the new rich in China expect more of luxury brands than to display their money and success. They expect luxury brands to both express and inform their savoir faire, personality, and taste. They also expect advertising to assist them in learning how to “read” and appreciate brand meanings. Respondents moving up the economic ladder with their new MBA’s and rich husbands consistently expressed disappointment with their expensive purchases because they did not identify with the persona of the brand or the emotional dimensions of luxury that were suggested in luxury advertising. They had trouble making qualitative distinctions between luxury brands and failed to connect with brands in a “visceral” way (Wetlaufer 2001). Though they sought brands that would reflect their personalities, the brands they bought did not satisfy this need. Their luxury bags and shoes did not extend their personal identities much beyond the meanings of ‘status’ and savoir faire. Several respondents reported losing interest in their LV bags once they got them home, leaving them in the closet with indifference. As the goods piled up in their closets, these same consumers expressed strong interest in finding a “match” with a brand that satisfied their need for self-expression and met their expectations, fueled by advertising, that luxury consumption would enrich their fantasy life.

Consumers struggled to move beyond the somewhat generic interpretation of luxury brands as “expensive” and “high quality.” They also interpreted luxury through the lens of Confucian values, associating luxury consumption with a noble character and, ironically, the simple life.

THE HISTORICAL CONTEXT
Specific historical and ideological conditions in China have interfered with local traditions of luxury, not only since the victory of Communism in 1949, but as one author suggests (Xiu 2008), for the past 150 years, as the result of colonial invasions, wars, and the frugal ideology of Confucianism. Most recently, luxury traditions and values were repressed by Mao Tse Dong, who tortured rich property owners, destroyed or stole their luxury possessions, and banished them to the countryside during the Cultural Revolution.

This may explain why respondents did not draw upon local traditions and values related to luxury as means of interpreting and assessing the meaning and value of European luxury brands. The signs and symbols of luxury represented in European ads were thus meanings that lacked a referent in a deep, context-rich experience of luxury. As a result, consumer responses to European luxury focused on the most general meanings of luxury, such as price. In linguistic terms, their responses betrayed tensions between the meaning and reference of brand symbolism. The CG logo may signify success, because they are so well known, etc. But these brands do not conjure up any emotional experience, fantasy, or image that the consumer can relate to. Consumers struggle to find a brand that links brand symbolism to their personal values, lifestyles, and fantasies.

Barriers to identification
The same respondents seemed to have less difficulty assimilating the meaning of goods in other product categories, such as
household goods. I discuss further on the case of one respondent who had adopted lock, stock, and barrel what I call the “Good Housekeeping” consumer culture of the West, including Kohler kitchens and baths, a child-centric household, and a self-effacing yet stylish demeanor. Other researchers also report that in categories such as spirits and tourism, managers have been able to forge transnational brand identities by means of advertising that plays with contrasts and similarities among national identities and values (see Cayla and Eckhardt 2008).

Thus history and ideology have diminished the meaning and value of luxury in the popular consciousness. As a result, consumers grasped the general meanings of luxury, such as “expensive,” “successful,” and “royal” (“like the British royal family”). They also interpreted luxury through the lens of Confucianism, a philosophy that values personal virtues and filial piety over materialism. Several respondents actually stated that people who purchased luxury fashion brands were probably “took care of their parents.” Luxury brands can also make other people happy.

**BRAND LITERACY**

In semiotic perspective, I claim that the acquisition of brand literacy follows a course similar to the acquisition and of language and is regulated by semiotic codes. I focus in particular on the work of Russian linguist Roman Jakobson. I then extrapolate the theories of language acquisition and cognition to the realm of social semiotics and the acquisition of the cultural codes that enable consumers to understand what each luxury brand “means.” Moreover, rather than simply take the European meaning of luxury at face value, the brand literate consumer would be able to manipulate the luxury codes in ways that would enable them to transform brand meanings from a foreign culture into their own personal brand experiences. The purpose of this investigation is to find out what stands in the way of brand literacy for Chinese affluents in this sector, and to suggest ways that marketers could improve this process through changes in current marketing strategy.

**Barriers to Acceptance**

To summarize, research findings suggest that several factors inhibit Chinese consumers‘ ability to make qualitative distinctions between brands and to use luxury brands to express their personal tastes or “extend” their personas (Belk 1988). They include:

- Misleading assumptions about the meaning and function of luxury for Chinese consumers. Bourke (1996) and Calya & Eckhardt (2008) show that the acculturation of consumers in emerging markets depends upon a two-way understanding and appreciation of the complex cultural systems of the brand culture on the one hand, and the local consumer culture on the other, for successful brand adoption.

- Over-reliance on the single-image luxury magazine ad by marketers. As Bourke (1996) demonstrates in his analysis of consumer acculturation in Zimbabwe, an array of marketing events, including in-home demonstrations and personal selling, contribute to the acculturation process.

- Insufficient contextualization of the brand—not to mention the luxury category in general—in the culture of consumers.

- Lack of an account of cultural differences in the way Asians, as opposed to Westerners, interpret the world of meaning in general.

**LITERATURE REVIEW**

The current paper fills a gap in the literature on consumer acculturation, brand meaning, and advertising by proposing a theoretical account of the ways consumers learn how to read brands and acquire “brand literacy” over time. (Ottes and Scott 1996, Hirschman et al 1998, McCracken 1986, Sherry and Camargo 1987; McQuarrie and Mick 1999; Mick 1986, Mick and Buhl 1992; Stern 2007, Fournier 1998, Grayson and Schulman 2000, Cook 2004, Douglas and Isherwood 1996/1976, Belk 1988, Hirschman et al 1989, Sherry and Camargo 1987). The question of brand literacy may seem moot in developed markets such as North America, even though it applies to advanced consumer cultures as well. Brand literacy has obvious consequences in developing economies, where individuals may still be learning to become consumers, relate to advertising, and make brand choices based on the strengths of advertising to communicate the benefits of one brand over another.

Sherry (1987, p.456) first referenced the idea of brand literacy in an essay in *Marketing and Semiotics*, using the term ‘illiterati’ to reference consumers in developing consumer societies targeted by advertising. Sherry emphasizes the role of advertising in the dialectical process of consumer acculturation, as advertising forms a site for communicating messages and also for consumers to project their own meanings into the advertisement. Sherry anticipated the cultural tensions that globalization would foster as consumer culture expanded beyond its western borders, encountering deeply entrenched indigenous cultures in its wake.

The issue of brand literacy might suggest to some that consumers in the developing world should “learn the dominant language,” and assimilate into global consumer culture. To the contrary, I contend that developing markets are more likely to resist cultural hegemony by becoming brand literate, inasmuch as brand literacy does not stop at teaching consumers how to ‘read’ western culture, but enables consumers to manipulate cultural codes along the lines of local values, meanings, and priorities.

The researcher seeking to understand how brands mean must consider advertising as a medium for moderating the intersection of cultures in contact and for potentially providing a guidebook for translating brand meanings from one cultural system to another. As findings from the current ethnography suggest, translating brands is a dialectical process mediated by the intersection of the marketing message and the perceptions of consumers. Our research suggests that consumers in developing markets are not likely to be assimilated easily or completely into a monolithic global consumer culture, because they either fail to link the signs in the ads with anything beyond the literal meaning, or filter these messages through the lens of local values and ideology and misconstrue the brand meaning altogether.

*Becoming a Consumer in China*. The current study stands out from the current literature on consumer acculturation in Asia, by deriving insights from speaking directly with consumers about their brand perceptions. Extant research relies primarily on inferences from advertising analysis (Zhou and Belk 2004). Notable and worthy examples include Zhao and Belk (2008a, 2008b), who analyze communication strategies for resolving tensions between the Communist egalitarian ideology and consumer spending in Chinese advertising; Cayla and Eckhardt (2008), who examine advertising strategies that leverage common goals and cultural distinctions among regional Asian cultures to create a pan-Asian consumer culture; and Tse et al (1989) who infer cultural and ideological differences among consumers in the PRC, Taiwan, and Hong Kong, by means of a content analysis of advertisements in those locations. Such studies are based on the assumption that advertising is a “cultural system” that reflects the needs and wants of consumers in the marketplace (see Sherry 1987). However, such studies do not account for the complexity of the cognitive and cultural processes involved in reading and internalizing brands.
Consumer Acculturation. The current study advances the literature on consumer acculturation in several ways. It extends Cook’s (2004) work on the acculturation of children into consumer culture by breaking down the consumer acculturation process into stages of acquisition, internalization, and implementation of brand awareness and identity. By drawing parallels between brand literacy and language acquisition, I show how brand literacy develops in stages and is influenced by social, educational, and marketing variables. I extend Schroeder’s work on visual culture by foregrounding the role of cultural codes to structure the way consumers unite in a kind of collective imagination around the brand. I even place in question the tendency of marketers in the West, most notably in the luxury sector, to privilege vision over the other senses, which may form a barrier to acceptance among consumers of other cultures.

Advertising Research. My approach also advances extant research on advertising communication. First, I approach brands as discourses structured, like language, by codes and modeled after structural semiotics. These semiotic codes account for the ability of consumers to share meanings communicated in advertising. Second, I focus on consumers in emerging markets who do not automatically “speak the language” of Western consumer culture. Third, I study the acquisition of brand literacy in diachronic perspective, highlighting the stages consumers must pass through to understand the depth and breadth of meanings associated with brands.

1. Brands as discourses. The advertising research literature abounds with theories of the ways consumers interpret meanings, from content analysis to reader response theory and semiotics. However, most studies make inferences about the question of advertising as a language based on the effects of advertising on consumers, rather than on analysis of the codes structuring meaning production in the brand discourse (Mick and Buhl 1992; Scott 1994; Hirschman et al 1998; Scott and Vargas 2008). The argument goes something like this: if consumers all agree on the meaning of an ad, or change their behavior because of a marketing campaign, then, by a logic of cause and effect, the advertisement must be structured like a language.

2. Multi-Cultural Research. The extant research has been conducted mainly with mainstream American consumers who have high fluency in reading brand discourses because American culture is inseparable from consumer culture. In emerging markets, consumers must translate Western brands into terms that have meaning for their values, ideology, and history. Research that is limited to consumers in developed markets take for granted that we all speak the same “language” when it comes to understanding the codes shaping symbolic consumption. Symbolic consumption is structured by sophisticated, culture-specific rules that transform commodities into meaning-systems that consumers learn to love. Cross-cultural advertising research sheds light on meaning exchange between cultures in contact and draws attention to semiotic and cognitive processes that transform goods into meanings in any social context.

3. Brand Literacy in Diachronic Perspective. Previous approaches to the question of how consumers make meanings of advertising have focused on the synchronic structure of individual ads and consumers’ readings of them. Findings from an ethnographic study of affluent consumers in Shanghai suggest that consumers in emerging markets pass through various stages of brand literacy in order to identify and identify with the precise meanings and worlds associated with brands. I therefore approach brand literacy from a diachronic perspective, in order to account for specific stages of literacy acquisition.

Stages of Brand Literacy

During the fieldwork I identified three consumer segments based on their readiness to interpret brand meanings represented in Western ads for luxury brands. The stages in this process include: 1. a literal reading of the message, e.g. Louis Vuitton is a famous luxury brand from France, 2. a nuanced reading of connotations associated with the message by reference to a context e.g. wearing Louis Vuitton communicates that I have savoir faire and participate in the global luxury culture, and 3. internalization of the brand message and wearing the brand to express or extend one’s self-construction and culture. Each stage of this literacy acquisition process involves distinct semiotic operations. They include deciphering the literal meaning of a brand message; reading the nuances and connotations of the message; and relating the message to the context, including the mindsets of consumers.

The Role of Advertising. Degree of brand literacy was associated with several social factors, including 1) travel to advanced consumer societies, including Hong Kong, 2) the kind of work one did (the housewife was more knowledgeable about household brands, 3) a passion for design and luxury, which prompted respondents to find out more about the luxury category and culture. However, I am more interested in the ways western luxury advertising may create barriers to brand literacy by failing to relate brand meanings in a single ad to a cultural context that has relevance for affluent consumers in developing consumer markets. For example, while marketers might use personal selling, shopping mall tutorials, and other non-traditional media to educate consumers about a category or brand, luxury marketers rely to a great extent on the single magazine photograph. Luxury advertising isolates the brand from the lived context and experience of consumers and privileges visual culture over other forms of communication. Both of these factors present barriers to acceptance for Chinese consumers.

A Semiotic Perspective

The very notion of brand literacy is grounded in the assumption that non-linguistic sign systems such as advertising are structured like language, by means of codes or conventions that are embedded in the culture of consumers. Structural semiotics, like linguistics, offers a rigorous, repeatable methodology for analyzing the codes underlying the structure of meaning and reference to the cultural context in discourses such as advertising and consumer behavior. Semiotics has the advantage over analysis by identifying objective criteria such as codes, rhetorical operations, and other formal dimensions, that transcend the content of the message itself and point to structural systems, patterns, and rules that bring order and meaning to phenomena under the rubric of culture.

Structural semiotics transcends its origins in Russian Formalism (Lemon and Reis 1965) by moving beyond the simple formal analysis of texts and taking account of the implication of form and meaning in a given cultural context, such as the family meal. Though meals have a beginning, middle, and end, the meal preparation, the disposition of the family members around the table, and the foods brought to the table are inseparable from the cultural values, priorities, and traditions of the family.

The notion that discourses are structured both by the internal organization of signs and external references to the context of the communication originates with the linguistic theories of Swiss linguist Ferdinand de Saussure ((1983/1971/1913) in the 19th century. It has been refined and expanded over the years by experts in the areas of semantics and culture theory. They emphasize the importance not only of the structure of discourse but the reference of discourse to the context of the communication.
Brand literacy operates both on the level of the **structural** meaning of signs—their literal, “dictionary meaning,” and the **semantic** meaning of signs formed by the relation of the dictionary meaning to the context of discourse. Writers such as Eco (1979), Greimas (1983/1966), and Benveniste 1971) extend structural semiotics by emphasizing that discourses are not only meaningful because of the codes structuring the coherence of the sign system itself, but the semantic codes that embed discourses in the context of the communication event. Irony is a good example of the importance of context. The utterance, “What a beautiful day!” taken at face value, signifies meanings associated with good weather. When someone utters this same statement in order to remark on yet another cold and rainy day in Detroit, the meaning becomes an ironic comment on the bad weather. In other words, two distinct levels of semiotic organization—the internal structure of signs and the reference to a semantic context, drive meaning production.  

The distinction between the meaning and reference of discourse, we shall see, has great importance for understanding the dynamics of brand literacy. Though I will elaborate in more detail on this dynamic further on, suffice it to say that consumers must be able to not only understand the meaning of brand signifiers (e.g. “This is an expensive brand.”) but relate them to the semantic context of the brand world, the product category, and their own lifestyles (e.g. “This brand expresses my desire to be youthful, reckless, and sexy.”). It is precisely the inability of consumers in this study to relate luxury European brands to their own lifestyles that forms a barrier to differentiating, personalizing, and choosing one brand over another.  

### Levels of Meaning  

Brand literacy affects various levels of brand semiotics, from the logo to the broad system of associations brands communicate over time. These levels include:

- Denotation, or the literal association of a signifier with a signified, the way logos stand for the company. The CC logo references the Coco Chanel brand.
- Connotation, the association of a signifier with an aesthetic signified, such as the association of the logo with the brand’s quality, positioning, and benefits for consumers. The sign CC/stands for exclusivity, high status, and classic beauty;
- Symbolism, the association of brand signifiers, from the logo to celebrity endorsers, with the brand culture and identity. The Chanel woman is classic, intelligent, assertive, and sophisticated.

### THE SEMIOTICS OF LUXURY ADVERTISING  

In this section I reproduce an exercise I use in the classroom to initiate students into the practice of semiotic analysis. It involves sorting, classifying, and analyzing brand distinctions in a set of advertisements for luxury perfume. The exercise displays the complexity of the semiotic systems at work in advertising that contribute to brand distinctiveness, appeal, and cultural relevance, all of which contribute to the value of brands. It also defines the parameters of the kinds of meanings that consumers, with some prodding, can identify in advertisements. Students in the West are able rather quickly to enter into the analysis of the ads, highlighting a range of semiotic operations and levels of meaning that structure differences and similarities between major brands and contributed to consumer distinctions between brands as personalities. However, most respondents in Shanghai produced a limited repertoire of emotional associations with the advertisements, which led to their difficulty differentiating one brand from the other on the basis of qualitative values.

Luxury perfume advertisements are distinct from everyday brands inasmuch as they reinforce the fantasy of the woman set apart from the mundane details associated with shopping and saving money. A quick binary sort of the ads produced a binary set of images: one set used only black and white, the other stack only used color photography. The black and white ads employed metonymy to engage the spectator in the narrative depicted in the image— we see a part of a story and must fill in the details; the color ads employed metaphor to make comparisons between the perfume and the feminine icon in the image. Further analysis revealed a paradigmatic set of of oppositions beginning with rhetorical style and extending to the kinds of characters, their points of view in the image, the camera angles, and cultural cues. (Figure 1)

### Branding Cultural Myths  

Like works of art, luxury brands tap into the myths and icons of culture, and promise the consumer access to transcendent experiences such as beauty, limitless wealth, and immortality. Since perfume itself is ephemeral and impermanent, the brand benefits of the luxury perfume category are entirely based on the delivery of intangible esthetic associations of the brands with idealized representations of women at personal, social, and existential levels of discourse. The strategic question, then, was how different luxury brands were positioned with reference to the question, “What is Woman?”

Though a longer account would draw attention to the broad and complex range of meanings communicated in the ads in this exercise, this limited discussion highlights how, with some probing, consumers make sense of advertising, reference advertising to build an image or personality for specific brands, and acquire preferences and emotional attachments to some brands rather than others.

This cursory analysis nonetheless highlights the difficulties consumers in non-Western markets might have to enter into this semiotic game, missing the nuances and emotional meanings that define brand equity and identity. Though even undergraduate students in the United States are able to identify the semiotic dimensions of these ads to some extent, respondents in Shanghai displayed, to varying degrees, limited abilities to elaborate upon the distinctions among brands or the cultures represented by these brands. Such consumer responses to advertising are symptomatic of a deep divide between the culture of the target market and the culture of the brand, and threaten the perceived value of the brand for these consumers.

### The Structure of Literacy  

Russian linguist and semiotician Roman Jakobson (1956/1990) discovered that language literacy occurred in stages and that not all people followed these stages in the same way. By studying the stages of language loss experienced by aphasics and comparing findings with the stages children pass through to in language acquisition, Jakobson developed a binary schema for mapping the literacy process in terms of a double axis formed by associations by similarity (the paradigm or set of all possible replacements) and associations by contiguity (the syntagm or concatenation of all terms in a given message). These semiotic structures, in Jakobson’s schema, parallel cognitive operations of substitution and alignment in the mind.

Jakobson also identified two distinct types of aphasias, distinguished by the relative emphasis on the ability to create associations by similarity and the ability to create associations by contiguity. He
finds that one set of aphasics gradually loses the ability to combine signs on the basis of their similarity—they can define a word, for instance, but they cannot replace it with something like it, as in the paradigmatic association of a knife with similar tools using a blade. The other set of aphasics gradually loses the ability to combine signs on the basis of their contiguity—their logical or physical association with each other, as in the linear or syntagmatic association of the table knife with all other utensils in a serving set.

In typical Structuralist fashion, Jakobson extrapolates these findings about two types of aphasic disturbances to a general theory of “two aspects of language” that account for non-linguistic forms of literacy associated with cultural systems other than language, such as prose and poetry.

Jakobson’s schema has important implications for consumer acculturation and brand literacy because it enables the researcher to separate the broad associations consumers make between a brand in the paradigmatic set defined by a product category, such as all luxury brands, and the unique associations they make between the brand and other meanings, rituals, and symbols on the syntagmatic axis, associations that distinguish it from other brands in the category. By mapping consumer responses to brands on these two axes, we are able to identify sites of semiotic productivity and resistance in relation to the luxury category.

In the present, Chinese context, we could say that affluent consumers seem better able to associate one brand with others in the paradigmatic set of all luxury brands, but have limited ability to find syntagmatic associations between a single brand and the meanings, rituals, and personal identities that contribute to the brand’s positioning in the marketplace. The inhibition of consumers’ ability to generate rich associations with the brand on the syntagmatic axis is symptomatic of low brand performance in this market, due perhaps to cultural barriers between the way Western luxury is communicated in advertising and the way Chinese consumers experience these messages.

**The Limits of Structural Semiotics**

Though it is important to know that there are broad mental operations governing the association of semiotic units in discourses, there are limitations to Jakobson’s structural system. Though he defines the structural parameters shaping the acquisition of language (semiotic) literacy, his approach does not account for the role of the cultural context in this process. This criticism forms a dividing line between structuralism and post-structuralism in semiotic theory, because as it stands Jakobson’s approach defines an ideal world of language, rather than language exposed to the instability and play of speakers/consumers as they navigate cross-cultural contexts.

I propose to extend Jakobson’s binary system of discourse by including a third term, the relationship of the isolated meaning of a statement and references to the cultural context of the communication event. For it is at this juncture that advertising in the European luxury sector fails short. It takes for granted the unity of luxury signifier and signified in a single vision of luxury culture, fails to establish the cultural parameters which provide depth and breadth of associations between the brand and the world of luxury, and fails in its larger purpose of negotiating differences between the codes of western luxury and the values, beliefs, ideology and history of luxury consumers in emerging economies.

**Implications for Advertising Strategy**

The brand literacy of consumers in these growth economies has important economic implications, not only for particular companies but for the global economy, inasmuch as brands grow in value to the extent that consumers understand brand messages.
about the perception of quality, develop loyal relationships with brands, and expand the meanings of brands into personal associations (Aaker 1991, Fournier 1996, Yankelovich 1964).

**Economic Implications**

Luxury manufacturers in the West rely on the double-digit growth in emerging markets such as China. Revenues for LVMH have declined steadily since 2006, reflecting not only the global economic downturn, but declining brand value in this sector. While the first generation new rich in China may have been content to show off famous, expensive brand names even if they did not connect with them on emotional levels, the newer generation of affluent consumers may seek other outlets for their luxury purchases because the current brands do not satisfy their needs for brand relationship and self-expression. Perhaps the models do not communicate the values and distinctions Chinese consumers expect of luxury goods. Advertising plays a role here, since advertising has the ability to link brand identity with the culture of consumers by means of multi-cultural signs and symbols (Sherry 1989; Cayla and Eckhardt 2008). Perhaps luxury advertisers should follow the lead of marketers in other categories, abandoning the assumption that luxury transcends time and culture (Wetlaufer 2001) and finding ways of weaving their brands into the lives of Chinese consumers. Perhaps they should follow the lead of the Louis Vuitton “Journey” campaign and feature notable celebrities in advertising that speak to the moral values and beliefs the Chinese associate with luxury, not just their fashion appeal. (On the role of celebrity endorsers and consumer morality, see Wicks et al. 2007).

Advertisers may err in assuming that Chinese consumers already know the ‘rules of the road’ relating to luxury goods, rituals, and culture. With the market opening in China in the 1980’s, global advertising has the potential to exceed its marketing function and serve as a moderator for consumer acculturation in relation to western representations of luxury. Moderating consumer acculturation means strengthening the relevance and intensity of the emotional and cultural connections Chinese consumers make with Western brands and consumer rituals, thereby growing loyalty and future growth in the European luxury sector.

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