A Luxury Perspective on Brands: Characteristics, Value, and the Eye of the Beholder
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This study focuses on young adult consumers’ brand choices in relation to the self. It demonstrates the contextual nature of perceptions of luxury. Further, it provides evidence that the concept of luxury can be extended to a range of brands - beyond those traditionally viewed as top of the line or high end haute-couture.

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INTRODUCTION

This paper is part of a wider study that investigates whether and how consumers use products or brands to construct, support or communicate aspects of their self to others. A facet of the study is to ascertain if consumers identify luxury brands. If so, what brands do they speak of? How do they use them in relation to their self? The self is, to a degree, a nebulous concept and difficult to operationalize. Reed (2002) lists six paradigms and also presents a cogent argument for the notion that ‘the self, social relationships, and social identity’ paradigm should dominate consumer research. The self is “a reflective mirror born out of social interaction with the individual’s social milieu, as an object that arises out of social interaction; an outgrowth of people’s reactions of appropriate behaviour; as an enacted role for a particular audience; as a universe of potential different identities that may guide behaviour” (Reed 2002: 250-251).

Reed’s use of the term social identity accords with that of Tajfel and Turner (1979, 1986). The self, social relationships, and social identity paradigm does not negate the notion that the self comprises of at least two interacting facets - the persona (the self as denoted by characteristics and abilities) and the social self (the self as denoted by roles and status). It recognises that these are interrelated and their formation is a function of social interaction. The consumption of product/brand choice is a social activity - irrespective of a public/private consumption situation, primarily because the meanings associated with product/brand choice are socially constructed.

CHARACTERISTICS OF THE LUXURY BRAND: THE BRAND MANAGER PERSPECTIVE

Characterising the luxury brand is tricky as luxury is an elusive concept. Phau and Prendergast (2000) note the subjectivity of the term and the consequential difficulty in the differentiation from the ordinary. In other words, the perception of what is or not a luxury brand is context driven and people dependent, and it may be hard indeed to categorise products or brands as luxury or non-luxury. Vigneron and Johnson (2004) contend that even though a brand may be perceived as luxurious, not all luxury brands are deemed equally luxurious. For example, while both a Cadillac and a Rolls-Royce may be perceived as luxury cars, the Rolls-Royce could be considered to be more luxurious than the Cadillac. This being said, the notion of the ‘luxury’ brand is widely recognised. The decision to position a brand as a luxury brand is of course the province of the brand manager. Once such a decision is made, then specific actions are required in order to create and maintain this position.

Kapferer (1998) lists product aesthetics, quality, uniqueness, sensuality as key attributes that need to be combined with exclusivity - in terms of distribution and permission (i.e., who should be associated with and/or allowed to use). Central to the luxury brand position is a strong brand identity. According to Keller (2009), a luxury position requires actions that will result in a premium image such as a selective (exclusive) channel strategy, premium pricing strategy with strong quality cues and few discounts and mark downs, the use of high status persons as endorsers, attention to logos, symbols, packaging and consistent linking to prestigious communication mediums and events linked to the brand. Similarly, Fionda and Moore (2009), based on interviews with managers of luxury brands found that they advocate attention to quality, and craftsmanship, design signature/ uniquenss, premium price, exclusivity of editions, range and distribution, consistent linking to prestigious communication mediums and the creation of events linked to the brand. Undoubtedly, the intention is for the consumer to see the brand as special in some way at both the personal and public level; the latter of course using the brand as a ‘Veblen’ good, a means to displaying wealth and status.

CONSUMERS AND LUXURY BRANDS

To date, the handful of studies that investigate consumers’ perceptions of luxury brands and/or products examine brands preselected by the researcher and assess responses to predetermined scales (Dubious and Paternault 1995; Dubois, Czellar and Laurent 2005; Christodoulides, Michaelidou and Li 2009; Husic and Cicic 2009; Vickers and Renand 2003; Vigneron and Johnson 2004). To facilitate the identification of luxury brands, Vigneron and Johnson developed a brand luxury index (BLI). The BLI items comprise of attributes - non-personal such as conspicuousness, uniqueness and quality, and personal such as hedonism and extended self - to form an overall index of luxury. The scale was developed using data collected from a student sample in Australia. Christodoulides et al. (2009) tested the scale in the context of Taiwanese students and report concerns with dimensionality and contextual issues. They conclude that more research is necessary to determine the viability of the scale.

Even so, extant studies that examine consumer perceptions of luxury brands suggest that consumers are able to identify characteristics of products or brands they associate with the concept of luxury. For example, the participants in the Dubious and Paternault (1995) study associate luxury goods with the attribute of rarity and by definition exclusivity. Dubois, Czellar and Laurent (2005) found that their ‘elitist’ segment, i.e., those consumers who acknowledge the luxury concept also identified rarity and exclusivity as luxury attributes. The exclusivity factor is linked to the notion that only people of refinement and good taste appreciate luxury goods. Vickers and Renand (2003) examined how consumers use luxury goods and their findings support the notions of exclusivity, refinement and status, in particular the public conferring of status. Husic and Cicic (2009) also found that the key role of the luxury brand is the communication of prestige and status.

Wiedman, Hennigs and Siebels (2007) developed a framework to study luxury value perception - a framework that could be used across cultures. Similar to Vigneron and Johnson, they suggest that when determining the value of the ‘luxury’ element, what should be measured is value in relation to price, quality, usability, uniqueness, self-identity, hedonic, materialistic, conspicuousness and prestige. These constructs form the nexus of their proposed conceptual framework.

METHODOLOGY

This study concerns with examining how young adult consumers use brands in the context of managing aspects of their self. One facet of the task is to ascertain if they identify luxury brands. If they do, how they do so. The underlying premise is that if brands are deemed to be luxury, the attributes should be clearly articulated to consumers, and so consumers should have understanding of the explicit and implicit meanings in their decision to use the brand. This study explores the degree of consciousness accorded to the notion of luxury in relation to products or brands by specifically addressing the following questions: Do consumers display a conscious awareness of the luxury element in the products/brands they choose to display.
aspects of the ‘self’? If so, what brands do they speak of? How do they talk about the concept in general and in relation to their self?

The study focuses on young adults between the ages of 18 and 21 and uses a set of interpretive procedures (Denzin and Lincoln, 2000). The study requires data that is essentially individual interpretations and inferences of phenomena, so is positioned within the interpretivist paradigm and adopts a phenomenological oriented approach to data collection (Husserl 1970; Schutz, 1970; Thompson, Locander and Pollio 1989). Participants were instructed to photograph those products or brands that indicated an aspect of their self such as their personality, characteristics, abilities, attitudes, roles and status. The auto-photography approach allows participants to speak for themselves and reduces researcher bias (e.g., Kjeldgaard 2004; Noland 2006; Ziller 1990). Once the cameras were returned and photographs developed, each participant was interviewed for about an hour.

The transcribed interviews were analyzed as per guidelines suggested by Potter and Wetherell (1987), Wetherell and Potter (1988), Owen (1984) and Carabine (2001). Essentially this meant identifying themes, words and phrases for variability and consistency across interviews. To reduce subjective bias, the transcribed interviews were also analyzed by two independent analyzers. Differences were sorted by mutual discussion and agreement.

### FINDINGS & DISCUSSION

The final sample comprised of twenty eight participants. 12 (42 %) were of European ethnicity, 7 (25%) of Maori, 5 (18%) of Indian, 3 (15%) of Chinese, and 1 (3%) of Middle East ethnicity. Participants identified brands across fifteen product categories. These were - shoes, bags, clothes, Mp3 players, mobile phones, cars, computers, cosmetics, food and drink, electronic equipment, sunglasses, perfume, wallet and watches, alcohol and wine, and miscellaneous. Of the fifteen product categories, eight accord with those identified by Fionda and Moore (2009) as luxury i.e., fashion (couture, ready-to-wear and accessories), perfumes and cosmetics, wines and spirits and watches and jewellery (See Table 1).

<table>
<thead>
<tr>
<th>Products</th>
<th>Brands Identified</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shoes</td>
<td>Witchery, New Balance, Vans, Nike, Converse, Puma, Adidas</td>
</tr>
<tr>
<td>Bags</td>
<td>Lacoste, Louis Vuitton, Adidas, Rip Curl, Billabong</td>
</tr>
<tr>
<td>Clothes</td>
<td>Ksubi, Levis, Diesel, Quick Silver, Billabong, Laura Parker, Witchery, Abercrombie and Fitch, Workshop, Dickies, Horley, Supre, True Religion Jeans, Ralph Lauren, Kathmandu, Mossimo,</td>
</tr>
<tr>
<td>Cosmetics &amp; Hair products</td>
<td>Elizabeth Arden, Thin Lizzy, Neutrogena, Mac, Revlon, Maybelline, Fantasy cream, Smash Box, Cetaphil</td>
</tr>
<tr>
<td>Sunglasses</td>
<td>Gucci, Le Specs, Ray-Ban, Dolce &amp; Gabbana, Wayfarer</td>
</tr>
<tr>
<td>Perfumes</td>
<td>Lancome, Christian Dior, Elizabeth Arden, Marc Jacobs (Daisy), Van Cleef &amp; Arpels, Yves Saint Laurent (YSL), Chanel, Kylie Minogue, Jo Malone, Oscar de La Renta</td>
</tr>
<tr>
<td>WALLETS &amp; WATCHES</td>
<td>Ripcurl, Glassons, Guess, Adidas, Omega, Baby-G</td>
</tr>
<tr>
<td>Alcohol/Wine</td>
<td>Lindauer, Malibu, Barbados Rum, Speights, Tui, 42 Below, Smirnoff Vodka, Villa Maria</td>
</tr>
</tbody>
</table>

While most of the brands selected in the product categories identified in Table 1 are high-end global brands, a few are high-end regional brands, e.g., Billabong and Rip Curl. Thirteen of the high-end, global brands selected (italicised in Table 1) feature on a luxury brands list (Luxury Brands List, 2010). However, participants also speak of some others that do not figure on the luxury brands list. These include Ksubi, Laura Parker, Workshop, True Religion Jeans, Kathmandu, Elizabeth Arden (See Exhibit 1 for sample extracts).

Christodoulides, Michaelidou and Li (2009) suggest that luxury products or brands can be categorised in terms of a hierarchy. At the bottom of the hierarchy is accessible luxury which in terms of socio-economic dimensions refers to luxury products that are attainable by the middle socio-economic class. The mid-level hierarchy relates to product purchases by the professional socio-economic class, while the top of the hierarchy is associated with an elite socio economic class. Though the participants own some high-end luxury brands, the product forms selected, to an extent, accord with the life stage and the socio-economic status of the sample. Christian Dior and YSL perfume and/or sunglasses are more accessible to this group than the haute couture linked to this brand. High-end clothing brands that from the way participants talk about them, are considered luxury.

It is evident that participants have an acute awareness of what selected brands communicate, and use them to clarify who they are to themselves and to communicate some aspects of their self to others. Though not specifically directed to identify brands that could be deemed ‘luxury’, participants talk about their selections in terms of conspicuousness, exclusivity, quality, refined taste, and status. See, for example, words highlighted in bold in sample extracts - Exhibit 1. By speaking of brands in terms of highlighted characteristics, participants reflect the elements associated with luxury brands in the literature (e.g., Dubious and Paternault, 1995; Dubois et al., 2005; Kapferer, 1998; Phau and Prendergast 2000; Vickers and Renand, 2003; Vigneron and Johnson 2004; Wiedman et al. 2007).
CONCLUSION

This paper provides evidence for the notion that luxury as a concept is context dependent and is a function of demographic factors such as age, life stage and income. It identifies a range of fashion brands that young adult consumers speak of in terms of luxury connotations in the literature. Even though some may not be formally classified as luxury either in the scholarly literature or in industry rankings, young adult consumers perceive luxury value in the choices they make. They use the brands to communicate that they are persons of taste and social class. In other words, luxury lies in the eyes of the beholder. Last and importantly, the study emphasizes the connection between brand management, especially communication and positioning, and perceptions of luxury as one of vital significance for branding practitioners.

REFERENCES


