

**INVESTIGATING THE INFLUENCE OF BRAND EFFECT AND
PERSONALITY TRAITS TOWARDS PURCHASE INTENTION OF
LIMITED EDITION OF LUXURY BRANDS**

Elaine Sutrisna

School of Marketing, Curtin Business School
Curtin University

2015004

Editor:

Dr. Isaac Cheah
School of Marketing

**MARKETING
INSIGHTS**
Working Paper Series
School of Marketing

ISSN 1448 – 9716

Corresponding author:

Elaine Sutrisna
School of Marketing, Curtin Business School
Curtin University
GPO BOX U1987
Perth, WA 6845
Australia
Tel (+61 8) 9266 3882
Fax (+61 8) 9266 3937
Email: Elaine.sutrisna@student.curtin.edu.au

INVESTIGATING THE INFLUENCE OF BRAND EFFECT AND PERSONALITY TRAITS TOWARDS PURCHASE INTENTION OF LIMITED EDITION OF LUXURY BRANDS

ABSTRACT

This paper aims to examine the effect of attitude, subjective norm and perceived behavioural control towards purchase intention of limited edition of luxury brands as supported by the Theory of Planned Behaviour. Two studies were conducted to measure the influence of brand effect on purchase intention by comparing non-fictitious brands (Louis Vuitton) and fictitious brands (Touché). Supported by Social Cognitive Theory, the influence of the personality factors and subjective norm on attitude was also investigated. Theoretically, this study closed inherent gaps as identified by the literature. Managerially, this study contributed in profiling limited edition of luxury brands consumers and identifying strategies to attract consumers in purchasing limited edition products.

1.0 INTRODUCTION

Limited edition Chic Cartoon bag collections, produced by Coach and Peanut, sold out so quickly in the market (Mull 2015). The strange and unexpected collaboration between a luxury brand and beloved children's comic was part of the reason for their success as it allows buyer to express their uniqueness and differentiate themselves from the market. Limited edition is appealing as it communicates its exclusivity of the products; however several research has found that limited edition products can only be successful to certain product categories and brands (e.g. Gierl and Huettl 2010; Balachander and Stock 2008). Therefore, this study examined consumer behaviour towards limited edition in luxury branding area by using two brands. A comparison between non-fictitious brands and fictitious brands will be put in place to identify brand effect. Moreover, limited studies were found to analyse consumer behaviour towards limited edition of luxury brands (e.g. Phau & Teah 2009). Consequently, the influence of some variable towards the purchase of limited edition

products, such as social dimension and personality traits, has not been observed (Wu et al 2005). Hence, Theory of Planned Behaviour (TPB) model is suitable for this study, allowing researchers to identify the influence of attitude, social dimension, and perceived control towards purchase intention (e.g. Kim & Karpova 2010). Moreover, to analyse the influence of personality traits, this study adopted Social Cognitive Theory (SCT) as the underlying theory. Based on this research gaps, the objectives of the study are drawn. It includes:

1. to investigate the influence of personality variables (personal gratification, status consumption, and consumers' need for uniqueness) towards the attitude of limited edition of luxury brand.
2. to investigate the influence of personality variables towards the purchase intention of limited edition of non-fictitious and fictitious luxury brands.
3. to investigate the effect of attitude, susceptibility of interpersonal influence, and the perceived control towards consumers' purchase intention of limited edition of non-fictitious and fictitious luxury brand.
4. to investigate the influence of susceptibility of interpersonal influence towards the attitude on limited edition of non-fictitious and fictitious luxury brands.

2.0 RELEVANT LITERATURE AND HYPOTHESIS DEVELOPMENT

2.1 Theoretical Underpinning: Theory of Planned Behaviour (TPB)

TPB model is chosen as it has been commonly adopted in extant literature, including in luxury brand, to identify consumers' behaviour towards a particular product or service (e.g Phau and Teah 2009). TPB model allows the researchers to identify the influence of consumers' attitude regarding limited edition of luxury brand, social pressure received from the group in performing behaviour, and their perception regarding their ability to perform the behaviour towards purchase intention of limited edition of luxury brands (Ajzen 1991).

2.2 Supporting Theory: Social Cognitive Theory (SCT)

Social Cognitive Theory (SCT) is adopted to explain the relationship between personality variables, attitude, and purchase intention. SCT describes psychological functioning in terms of "triadic reciprocal causation", where there is a functional dependence between events (Bandura 1986). Personal and environmental influences affect each other and do not act

independently, thus multi-direction relationships between personal, environment, and behaviour are found (Bandura 1986).

2.3 Antecedent - Personality Variables

Three personality variables were chosen, and it was mainly due to the fact that it is widely adopted in luxury branding area (e.g. De Matos et al 2007; Teah, and Lee 2009; Barnett 2005; etc). The section below discuss regarding each variable in further details.

2.3.1 Personal Gratification

Personal gratification is defined as “the need for a sense of accomplishment, social recognition, and to enjoy the finer things in life.”Considering the expensive price and desirability of limited edition of luxury brands, consumers with high personal gratification may perceive limited edition of luxury brands positively to display their accomplishment. Hence, they are more likely to have the intention to purchase limited edition of non-fictitious brand. On the other hand, when the brand is unknown (fictitious brand), purchasing that particular products is not an accomplishment for them. Hence, they are less likely to have the intention to purchase limited edition of fictitious brand. As such, the following hypotheses are developed:

H1a. There is a positive relationship between personal gratification and attitude of limited edition of luxury brands for non-fictitious brands samples

H1b. There is a positive relationship between personal gratification and attitude of limited edition of luxury brands for fictitious brands samples

H1c. There is a positive relationship between personal gratification and purchase intention of limited edition of non-fictitious luxury brands

H1d. There is a negative relationship between personal gratification and purchase intention of limited edition of fictitious luxury brands

2.3.2 Status Consumption

Status seeker consumers purchase, use and display material goods and services to stimulates envy and respect from others and improve their social standing in the social group (Eastman, Goldsmith and Flynn 1999). Since limited edition of luxury brands is exclusive, status seeking consumers will have positive attitude towards limited edition of luxury brands.Hence, they are more likely to purchase limited edition of non-fictitious luxury brands

to show their superiority and earn respect from others. However, they will be less likely to purchase limited edition of fictitious luxury brand, as the brand may not be recognised and desired. As such, the following hypotheses are developed:

H2a. There is a positive relationship between status consumption and attitude of limited edition of luxury brands for non-fictitious brands

H2b. There is a positive relationship between status consumption and attitude of limited edition of luxury brands for fictitious brands

H2c. There is a positive relationship between status consumption and purchase intention of limited edition of non-fictitious luxury brands

H2d. There is a negative relationship between status consumption and purchase intention of limited edition of fictitious luxury brands

2.3.3 Consumers' Need for Uniqueness

It is defined as “the tendency to actively pursue dissimilarity from other members of a reference group through product and brand purchases as a means of developing a distinct self and social image” (Tian, Bearden, and Hunter 2001). There are three different types of consumers' need for uniqueness. First is Creative Choice Counter Conformity (CCCC), and they are more likely seek for products that represent their uniqueness and the choice is considered acceptable to others (Tian, Bearden and Hunter 2001). Second is Unpopular Choice Counter-Conformity (UCCC) and they are more likely to obtain a product which differ from the group norm and may risk social disapproval (Knight and Kim 2007). The last group is Avoidance of Similarity (AS), and they are more likely to avoid products which are too popular in the market to differentiate themselves from the group norm (Knight and Kim 2007). This study, however, generalises the dimensions of consumers' need for uniqueness, which is equivalent to anti-conformity (Clark, Zboja, and Goldsmith 2007). As limited edition of luxury brands is exclusive and impossible to be reached by mass market, consumers which high need for uniqueness are more likely to have positive attitude towards limited edition and to purchase the product, for both non-fictitious and fictitious brands, to express themselves and differentiate themselves from the group. As such, the following hypotheses are developed:

H3a. There is a positive relationship between consumers' need for uniqueness and attitude of limited edition of luxury brands for non-fictitious brands

H3b. There is a positive relationship between consumers' need for uniqueness and attitude of limited edition of luxury brands for fictitious brands

H3c. There is a positive relationship between consumers' need for uniqueness and purchase intention of limited edition of non-fictitious luxury brands

H3d. There is a positive relationship between consumers' need for uniqueness and purchase intention of limited edition of fictitious luxury brands

2.4 Brand Attitude

Attitude is defined as "a personal factor that refers to an individual's positive or negative evaluation of the behaviour" (Ajzen 1991). In other words, if the individual has a favourable attitude towards the behaviour, he/she has a higher intention to perform it. Previous studies on luxury brands have supported the relationship between brand attitude and purchase intention (See Phau and Teah 2009; Kim and Karpova 2010). Hence, if the consumers view limited edition positively, they are more likely to purchase the product. As such, the following hypothesis is proposed:

H4a. Attitude towards limited edition of luxury brands has a positive influence on purchase intention of limited edition of non-fictitious luxury brands.

H4b. Attitude towards limited edition of luxury brands has a positive influence on purchase intention of limited edition of fictitious luxury brands.

2.5 Subjective Norm

Numerous studies, including in luxury branding area, have showed that there is a positive relationship between subjective norm and attitude (e.g. Phau and Teah 2009). Therefore, a path from subjective norms to attitude is suggested. Deutsch and Gerard's (1955) showed that there are two kinds of social influence, namely normative and informational susceptibility. As such, the following hypotheses are proposed:

H5a. Normative susceptibility has a positive influence on attitude towards limited edition of luxury brands for non-fictitious samples.

H5b. Normative susceptibility has a positive influence on attitude towards limited edition of luxury brands for fictitious samples.

H5c. Informational susceptibility has a positive influence on attitude towards limited edition of non-fictitious luxury brands.

H5d. Informational susceptibility has a positive influence on attitude towards limited edition of fictitious luxury brands.

2.5.1 Susceptibility to Interpersonal Influence

2.5.1.1 Informational Susceptibility

Informational susceptibility refers to influence to accept information provided by others which is taken as evidence about reality (Deutsch and Gerard 1955), which may influence consumers' decision for product/brand evaluations and selection (Clark, Zboja, and Goldsmith 2007). As a result, if the product is well-known, suggested and approved by the group, they are more likely to purchase limited edition of luxury brands. However, if the product has low awareness and not suggested, they are less likely to purchase it. As such, the following hypotheses are proposed:

H6a. Informational susceptibility has a positive influence on purchase intention of limited edition of non-fictitious luxury brands.

H6b. Informational susceptibility has a negative influence on purchase intention of limited edition of fictitious luxury brands.

2.5.1.2 Normative Susceptibility

Normative susceptibility refers to influence to conform to certain expectations held by others (Deutsch and Gerard 1955). Consumers with high level of normative susceptibility tend to do the accepted things according to the subjective norm (Bearden, Netemeyer, and Teel 1989). It has been largely found that consumers are using scarce products in order to conform to an exclusive social group in the event that this group appreciates this product (Gierl, Plantsch, and Schweidler 2008). Hence, they will perceive limited edition of luxury brands as a tool to improve their social standing and more likely to purchase limited edition of luxury brands. As such, the following hypotheses are proposed:

H7a. Normative susceptibility has a positive influence on purchase intention of limited edition of non-fictitious luxury brands.

H7b. Normative susceptibility has a negative influence on purchase intention of limited edition of fictitious luxury brands.

2.6 Perceived Behavioural Control (PBC)

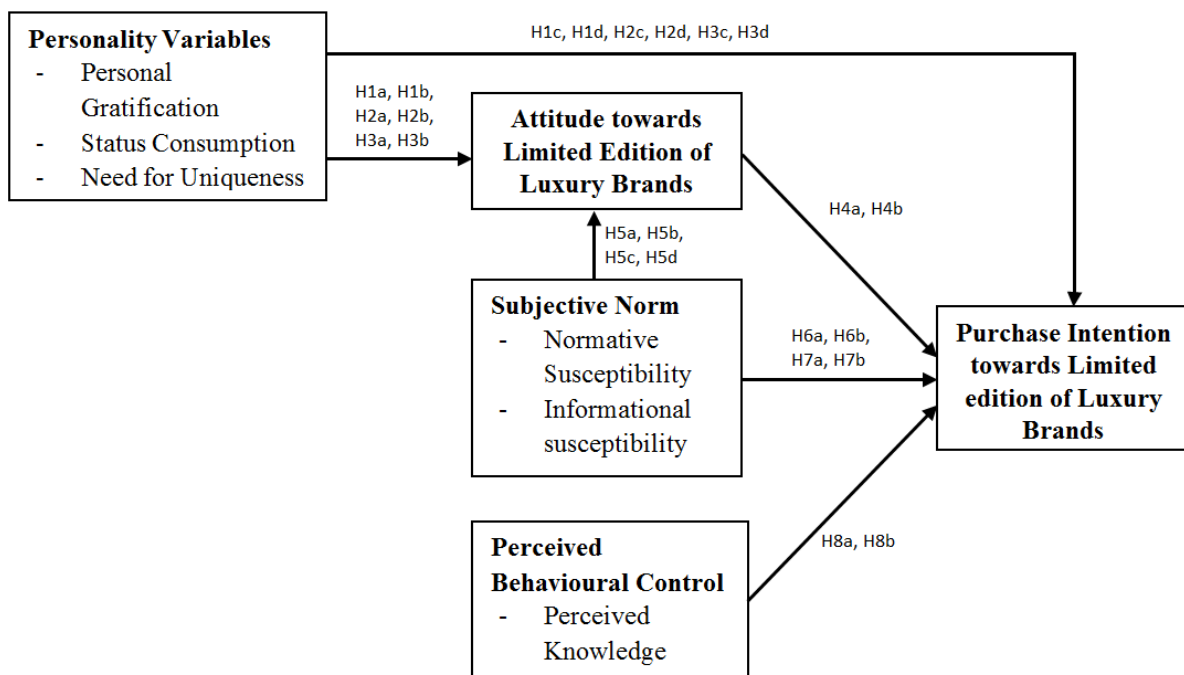
2.6.1 Subjective Knowledge

Subjective knowledge refers to “a consumer’s perception of the amount of information they have stored in their memory” (Flynn and Goldsmith 1999). If consumers have extensive knowledge on limited edition of luxury brands, they tend to have a higher intention to purchase limited edition of non-fictitious luxury brands. However, if consumers believe that they are knowledgeable but presented with brands that are foreign (fictitious brands), they will not have the intention to purchase. As such, the following hypotheses are proposed:

H8a. Subjective knowledge has a positive influence on purchase intention of limited edition of non-fictitious luxury brands.

H8b. Subjective knowledge has a negative influence on purchase intention of limited edition of fictitious luxury brands.

The hypotheses drawn previously lead to the portrayal of the proposed research framework for this study.



3.0 METHODOLOGY

For this study, the respondents should have a basic knowledge regarding luxury brands as the study focuses on luxury brand industry and has stimulus questions. Hence, this study only focuses on female respondents at any ages. Stokburger-Sauer and Teichmann (2011) found

that women have a more positive attitude towards and a higher purchase intention of luxury brands. Therefore, the data was collected in metropolitan Perth region where luxury brands are being retailed. The data was collected within three weeks on both weekdays and weekend (Phau and Teah 2009) to make sure the representative of the data. In the questionnaire, as mentioned, stimulus questions were placed to measure the purchase intention of both non-fictitious and fictitious luxury brand. By having stimulus questions in place, respondents were able to picture the scenario better, allowing the researchers to get more accurate responses. The respondents were presented with the picture of the limited edition handbag with a description, which stated that the handbag will be launched in 2016 and only 200 handbags available for sale worldwide. Louis Vuitton was chosen for the non-fictitious brands as it is at the top of the list for luxury brand awareness worldwide (Jones et al. 1984). By using Louis Vuitton, therefore, the issue regarding the knowledge of the brand could be set aside and controlled. For fictitious brands, a brand called Touché is made up. To minimise other confounding factors, furthermore, the questions for both non-fictitious and fictitious brands are identical. As a result, it increased ecological validity for the study (d'Astous and Gargouri 2001).

The survey consisted of six main sections, which includes measuring personality traits, consumers' susceptibility, consumers' attitude towards limited edition of luxury brands, and perceived behavioural control. The next section was the screening questions. Screening questions were asked to identify their familiarity and liking towards the brands, as brand effect may influence their purchase intention. Next, the respondents were presented with the stimulus. Then, the respondents were asked their purchase intention of the handbag. The last section measured demographic of respondents. The survey instrument comprises a self-administered questionnaire. The questions were presented in seven points Likert Scales, in which 1 = strongly disagree to 7 = strongly agree, except for the demographics section. All selected scales are established scales and have been adopted by many studies. Therefore, the measurements chosen are reliable to be used for this study.

4.0 DATA ANALYSIS AND DISCUSSION

4.1 Sample Distribution

For Touche samples, 315 questionnaires were collected, and of these, 149 questionnaires were discarded due to being incomplete and improperly answered. The remaining 166

questionnaires were analysed. For Louis Vuitton samples, 350 questionnaires were collected and of these, 82 questionnaires were discarded and the remaining 268 questionnaires were analysed. For both Touche and Louis Vuitton samples, most of the respondents are between 21-34 years old (51,8% and 67.9% respectively). This results an unequal income distribution whereby most of the respondents earned less than \$ 14,999 for both samples.

4.2 Factor Analysis and Reliability Test

Factor analysis is done for both susceptibility for interpersonal influence and consumers' need for uniqueness. In line with the literature, there are two constructs under susceptibility of interpersonal influence and three constructs under consumers' need for uniqueness. Moreover, reliability test was showed that all the scales have alpha more than 0.7, demonstrating a high reliability of the scales.

4.3 Results and Discussion

4.3.1 Regression Analysis

Regression analysis was conducted to test several relationships. It includes identifying the influence of personality variables on attitude towards limited edition of luxury brands, personality variables on purchase intention towards either limited edition of non-fictitious or fictitious luxury brands, and susceptibility of interpersonal influence on attitude towards limited edition of luxury brands. The following is the result for the regression analysis.

Variables	Hypothesis	Results	
		Touché	Louis Vuitton
Personal Gratification	H1a + H1b	$\beta = .210, p = .008$ Supported	$\beta = .178, p = .004$ Supported
	H1c		$\beta = .030, p = .624$ Not Supported
	H1d	$\beta = -.165, p = .081$ Not Supported	
Status Consumption	H2a + H2b	$\beta = .274, p = .000$ Supported	$\beta = .107, p = .001$ Supported
	H2c		$\beta = .183, p = .040$ Supported
	H2d	$\beta = .331, p = .000$ Not Supported	
Consumers' Need for Uniqueness	H3a + H3b	CCCC $\beta = .135, p = .080$ UCCC $\beta = .008, p = .921$ AS $\beta = .242, p = .001$ Partially Supported	CCCC $\beta = .274, p = .000$ UCCC $\beta = -.052, p = .455$ AS $\beta = .177, p = .091$ Partially Supported
	H3c		CCCC $\beta = .206, p = .004$ UCCC $\beta = -.170, p = .016$ AS $\beta = .052, p = .454$ Partially Supported
	H3d	CCCC $\beta = .100, p = .273$ UCCC $\beta = -.103, p = .296$ AS $\beta = .166, p = .66$ Not Supported	
Susceptibility to Interpersonal Influence	H5a + H5b	$\beta = .165, p = .081$ Not Supported	$\beta = .368, p = .000$ Supported
	H5c + H5d	$\beta = .183, p = .040$ Supported	$\beta = .098, p = .102$ Not Supported

4.3.2 Theory of Planned Behaviour – Test Model Fit

Structural Equation Modelling was conducted to test the model fit of the TPB model in the context of limited edition of luxury brands. The final model revealed very good fit indices with the empirical covariances, as it fits the recommended criteria:

Touché: Normed Chi Square = 1.156, RMSEA = 0.031, AGFI = 0.913, GFI = 0.948, CFI = 0.986.

Louis Vuitton: Normed Chi Square = 1.211, RMSEA = 0.028, AGFI = 0.943, GFI = 0.968, CFI = 0.992.

For Louis Vuitton samples, attitude towards limited edition of luxury brands and informational susceptibility is positively related to purchase intention of limited edition of Louis Vuitton brands (standardized path coefficient [SPC] = 0.27, p-value = 0.004 and [SPC] = 0.22, p-value = 0.023). Hence, H4a and H6a were supported. However, there is no relationship between normative susceptibility and purchase intention of limited edition of

Louis Vuitton brands (SPC = - 0.06, p-value = 0.571). H7a was rejected. Lastly, there is a positive relationship between self-efficacy and purchase intention of limited edition of Louis Vuitton brands (SPC = 0.36, p-value = 0.001). Thus, H8a was supported.

For Touché samples, only normative susceptibility has a positive influence to purchase intention of limited edition of Touche brands (SPC = 0.25, p-value = 0.015). Hence, H7b was supported, while H4b (SPC = 0.15, p-value = 0.199), H6b (SPC = 0.12, p-value = 0.229), and H8b (SPC = 0.03, p-value = 0.751) were not supported.

5.0 CONTRIBUTIONS

Theoretically, this study contributed in extending the Theory of Planned Behaviour into context of limited edition of luxury brands. Methodologically, the use of real life consumers and real life brands improved the ecological validity of the study (d'Astous and Gargouri 2001). The comparison between non-fictitious and fictitious brands allows the study of brand effect. Managerially, the results contributed in profiling the consumers who are likely to purchase limited edition of luxury brands. In general, consumers who value pleasure and have a sense of accomplishment, seek for high status, and have a need to be uniqueness are more likely to have positive attitude towards limited edition of luxury brands. However, brand effect may come into play. Consumers who (1) have positive attitude towards limited edition of luxury brands, (2) have knowledge regarding limited edition of luxury brands, (2) have the needs to conform with other people, (4) rely on experts' opinion, and (5) seek for high status, are more likely to purchase limited edition of luxury brands, only when the brand is familiar and well-liked. On the other hand, when the product is unfamiliar, only consumers who have the needs to make good impressions on others and seek for status are more likely to purchase the limited edition of luxury brands. There are two possibilities to explain the phenomenon. Firstly, considering the fact that the brand is unrecognised, consumers purchase the products due to its novelty, fun, and delight aspects, hoping that others would approve and like their choices. Secondly, as status seekers are more likely to purchase the product, it is possible that they purchase the limited edition of luxury brands to attract, to be recognised, and to feel belong to only a specific social group, not the mass market. Hence, it is important for luxury brands owner with low brand awareness to emphasise on the product perk and uniqueness to appeal to certain people who are looking for novelty and new products.

6.0 LIMITATION AND FUTURE DIRECTION

A number of limitations of this study are highlighted. Firstly, this study is limited within the fashion luxury brands industry and a specific product category. Moreover, there are limited variables measured in the study. Future studies should include other contributing variables, such as brand attachment, novelty seeking, perceived scarcity and value, etc, to better understand consumer behaviour towards limited edition of luxury brands. Future studies should include a more diverse demographic profile in the study.

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