

**UNIQUENESS AND STATUS CONSUMPTION:  
HOW LUXURY GOODS COMPANIES ENTICE THE YOUNG**

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## **UNIQUENESS AND STATUS CONSUMPTION: HOW LUXURY GOODS COMPANIES ENTICE THE YOUNG**

### **ABSTRACT**

This paper identifies the key antecedents and moderators with regard to willingness of consumers in the purchase of an haute couture luxury apparel brand and its ready to wear line. The objective of this paper is to develop a conceptual framework based on the research gaps highlighted in the literature review. The research objectives are discussed along with the theoretical background of the constructs. From here the relevant literature is used to support the development of the research model and the hypothesised relationships.

**Keywords:** Luxury apparel, consumers need for uniqueness, status consumption, generation Y

## **OBJECTIVES**

The primary objective is to assess how status and non-status consumers' attitudes in relation to their need for unique luxury apparel products and brands may affect their purchase intentions. This helps to highlight attitudinal and behavioural variables that marketers should consider when they introduce or market luxury fashion apparel. This research will allow marketers to achieve a better understanding of how consumers perceive and evaluate high-end luxury apparel brands. This research builds on prior research by Knight and Kim (2007) and Ryan (2008).

This has led to the following research objectives:

- Determine whether consumers' need for uniqueness affects and influences brand judgements and emotional value.
- Determine whether consumers' need for status affects and influences brand judgements and emotional value.
- Determine whether brand judgements influence purchase intentions.
- Determine whether emotional value influences purchase intentions.

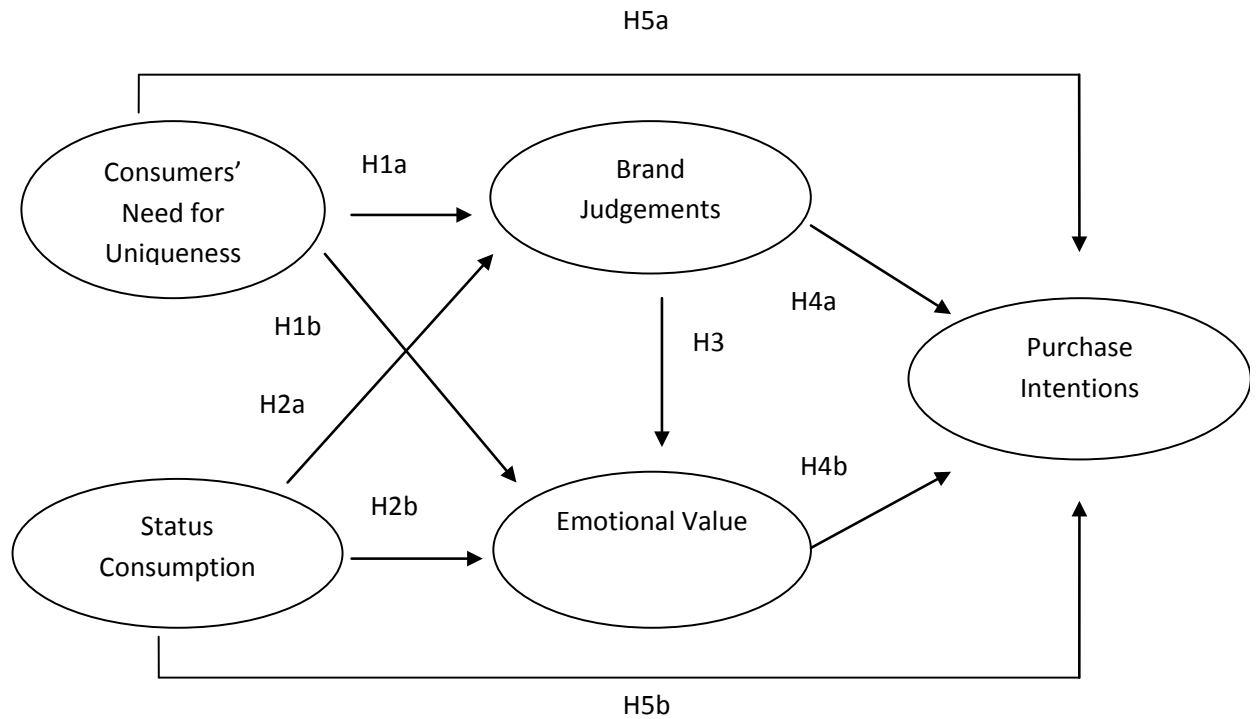
## **THEORETICAL UNDERPINNINGS AND HYPOTHESIS DEVELOPMENT**

This study is based on prior research by Knight and Kim (2007) and Ryan (2008). Several variables were found to have high significance in these studies and have subsequently been kept and utilised for the purpose of this study. Two new variables, status consumption and brand judgements have been added to the study in order to address the gaps in the literature, identified by Knight and Kim (2007). An haute couture luxury apparel brand has been chosen as a means for measuring the hypothesised relationships between the constructs.

The conceptual framework has been developed based on the constructs identified in Chapter Two. The aims of the framework are to measure how status consumption and consumers' need for uniqueness influence brand perceptions (brand judgements and emotional value) and how this affects consumers' purchase intentions of an haute couture luxury apparel brands' ready to wear line.

There are a total of four theories that are relevant to this research with the important themes outlined regarding the research topic. These theories include; consumers' need

for uniqueness theory, status consumption theory, the theory of customer-based brand equity and the theory of planned behaviour. The following sections outline the variables and the underpinning theories.



**Figure 1**

Model diagrammatically depicting the proposed relationships between consumers' need for uniqueness, status consumption and purchase intentions.

### CONSUMERS' NEED FOR UNIQUENESS THEORY

The theory of consumers' need for uniqueness is employed in the context of this study to explain how an individual's need for uniqueness might influence their brand responses. Need for uniqueness, the precursor to consumers' need for uniqueness was introduced in 1977 by Snyder and Fromkin as a tool to measure abnormality in relation to others (Snyder and Fromkin 1977b). The theory of consumers' need for uniqueness is used to understand and determine an individual's need to be different from others (Tian, Bearden, and Hunter 2001; Ryan 2008) through the pursuit of material goods (Knight and Kim 2007). Snyder and Fromkin (1977a) found it was logical to speculate that different people exhibit varying degrees of need for uniqueness in similar circumstances and this can have a significant impact on their purchase decisions. Individuals with a high need for uniqueness tend to adopt new products and brands quicker which is pertinent to the fashion industry where trends and styles are ever changing (Bertrandias and Goldsmith 2006).

According to this theoretical perspective, an individual despite the influence of normative pressure, seeks differentiation (Clark, Zboja, and Goldsmith 2006) and intentionally disregards prescribed social norms in order to distinguish themselves from the group (Snyder and Fromkin 1977b). Individuals may engage in behaviours (the three behavioural manifestations of uniqueness discussed in the previous chapter) when they feel their self-perception of uniqueness being threatened. Unlike an individual driven by an independence motivation, in this need to feel different labelled counter conformity (Tian, Bearden, and Hunter 2001), the individual is exposed to a set of social norms and actively seeks differentiation through non-congruence (Clark, Zboja, and Goldsmith 2006). The effect on the individual is ultimately dependent on the good becoming a publicly recognized symbol (Tian and McKenzie 2001). Because of its recognized meaning, these expressions of uniqueness are sought in different forms and through multiple outlets where social penalties for being different are not severe. This makes the acquisition of material goods particularly valued (Tian, Bearden, and Hunter 2001; Ryan 2008; Snyder 1992). Since material goods have been identified as a good form of demonstrating differentiation, consumers' need for uniqueness has slowly gained popularity as a topic in the marketing discipline.

The consumption patterns of consumers' with varying degrees of uniqueness has been widely studied and applied to a number of consumer goods. Understanding how the motivations behind individuals with a higher degree of need for uniqueness may differ in their consumption patterns and avenues for purchase in relation to those individuals with lower degrees is a key area of interest. Leading to the conclusion that need for uniqueness may be a determinant of product or style replacement behaviours that consumers may adopt (Tian and McKenzie 2001; Ryan 2008). As mentioned earlier the study of uniqueness on replacement behaviours can be applied to the fashion industry where styles and trends are constantly changing and updating (Bertrandias and Goldsmith 2006). It has been proposed and subsequently studied in prior research that uniqueness motivation can play an influential role in consumers' cognitive and emotional response to products (Knight and Kim 2007; Ryan 2008).

## **STATUS CONSUMPTION THEORY**

Status consumption is a topic that has been extensively researched in the marketing discipline (Husic and Cicic 2009; Bertrandias and Goldsmith 2006; Clark, Zboja, and Goldsmith 2006; Sangkhawasi and Johri 2007). Past studies have found status consumption to be a highly motivating factor in a wide range of consumer behaviour (Eastman and Goldsmith 1999). This theory will support the antecedent status consumption construct in this study and how status consumption might influence consumer brand responses.

Status consumption can be defined as “the motivational process by which individuals strive to improve their social standing through the conspicuous consumption of consumer products that confer and symbolise status both for the individual and surrounding significant others” (Eastman and Goldsmith 1999 ,42). Thus, an enduring individual trait, consumption of status products may aid the individual in their struggle for self-respect and social approval. Status seeking consumers are concerned with what relevant groups consider the best choices in order to gain group status (Clark, Zboja, and Goldsmith 2006). The extent to which an individual seeks status will influence the extent to which they display and engage in the consumption of status symbols (Eastman and Goldsmith 1999).

The theory of status consumption is used to understand and measure an individual’s tendency to purchase goods and services for the status afforded by the products ownership (Eastman and Goldsmith 1999). Independent of both income and social class, Mason (1992) found significant levels of status consumption in communities throughout the world where the usefulness of products was measured in terms of the social advantage their purchase offered. O’Cass and McEwen (2004 ,27) express the views of Veblen (1932) who in his theory of conspicuous consumption based the theory upon the notion that those individuals who outwardly displayed wealth were rewarded with preferential treatment by social contacts. Although closely related to conspicuous consumption, the purchase of high priced products to display wealth (O’Cass and McEwen 2004), status consumption is more concerned with increasing the status of both the consumer and surrounding significant others (Goldsmith and Clark 2008). Recent status consumption research supports Veblen’s notion adding individual’s social networks largely determine status consumption, with status-conscious consumers more socially aware and more interested in social relationships.

As group membership is considered a necessity, seldom do consumers operate in social vacuums; instead they compare themselves with reference groups when making decisions on product and brand choices. Status consumption as defined relies on significant others. Consumers who use consumption to achieve status are constrained by status norms operating within the group. Simply, for a product or brand to infer status it must be viewed by the group as prestigious in order for it to convey the desired meaning, and elevate the individual's status within the group (Clark, Zboja, and Goldsmith 2006). Accordingly, the status-seeking individual will choose products and brands that do not violate ascribed group norms. This therefore has given us the impetus to study the relationship of status consumption on brand judgements and emotional value and how it may ultimately affect their purchase behaviour.

### **THEORY OF CUSTOMER-BASED BRAND EQUITY**

Customer-based brand equity is employed in this study to explain how brand responses pertaining to brand judgments and emotional value may affect the purchasing behaviours of consumers towards luxury apparel brands.

Customer-based brand equity is the study of brand equity from the perspective of the individual consumer and is defined as “the differential effect of brand knowledge on consumer response to the marketing of the brand” (Keller 1993 ,1). Customer-based brand equity looks at the fact that different outcomes result from the marketing of a product because of its brand name in comparison to a product lacking brand identification (Jung and Sung 2008). The concept behind customer-based brand equity is to allow businesses to improve their marketing productivity. With the focus on the value created by marketing activities as perceived by the consumer (Pappu, Quester, and Cooksey 2005). Customer-based brand equity occurs when the individual consumer has some familiarity with the brand and as a consequence holds a strong favourable view of the brand associations. Customer-based brand equity plays a major role in brand related consumer learning and subsequent recall (Keller 1993). According to Supphellen (2000) the major purpose of branding is to create and achieve customer-based brand equity. Brand equity can bring several advantages to the business; high brand equity levels are said to equate to a higher level of consumer preference resulting in purchase along with high stock returns (Pappu, Quester, and Cooksey 2005).



As customer-base brand equity occurs when a consumer is familiar with the brand it is critical to look at brand knowledge. Brand knowledge consists of two components, brand awareness and brand image. Brand awareness relates to the consumer being able to recall or recognise the brand, while brand image relates to associations that the brand makes (Keller 1993) or more simply the meaning of the brand for consumers (Pappu, Quester, and Cooksey 2005). For low-involvement purchase decisions brand awareness alone is enough to create a favourable consumer response however in most cases, “the strength, favourability and uniqueness of brand associations play an critical role in determining the differential response that makes up brand equity” (Keller 2008 ,53). If consumers perceive the brand as only representative of the product category, then they will respond as if the product was unbranded (Keller 2008). Brand associations play a major role in consumers favouring one brand over another based on the recall of brand information (Keller 1993; Jung and Sung 2008). Past studies have found brand equity was related to high brand preference and purchase intention. Furthermore, Aaker (1991) suggested that brand associations provide value to the consumer and thus provide consumers with a reason to buy the brand. They also provide a foundation for brand loyalty.

Brand associations as defined by Aaker (1991 ,109) are “anything ‘linked’ in memory to a brand.” Brand associations provide value to the brand, in addition to those discussed earlier, in helping to process and retrieve information, differentiation of the brand, the creation of positive attitudes and feelings and providing a basis for extensions. In a fashion context the various brands are not distinguishable to most consumers; therefore associations of the brand name can play a critical role in separating one brand from another. Some associations influence purchase decision by providing credibility and confidence in the brand, lending credence to the product itself (Aaker 1991).

Some brand associations become entwined with and stimulate positive feelings that are transferred to the brand. The associations and their respective feelings then become inextricably linked to the brand and can transform the use experience into something different than it would otherwise be (Aaker 1991). These emotions evoked by a brand can become so strongly associated that they are accessible during product consumption or use (Keller 2008).

Once brand knowledge, awareness and image have been fulfilled customer-based brand equity moves into brand resonance, which seeks to describe the relationship and the extent to which consumers feel that they are 'in sync' with the brand. Brand resonance is characterised by the level of intensity and the depth of the psychological bond consumers feel they have with the brand. Resonance requires a strong personal attachment, which goes beyond having a favourable attitude toward the brand and extends to viewing the brand as something special in a broad context (Keller 2008). Simply put, brand resonance reflects "a completely harmonious relationship between customers and the brand" (Keller 2001 ,19).

From the relationships proposed between customer-based brand equity dimensions brand image, brand knowledge and brand resonance this theory provides the drive to study the relationship brand judgements has with emotional value and how it may affect purchase behaviour.

This has lead to the following hypotheses:

H1a: Consumers' need for uniqueness is positively related to brand judgements.

H1b: Consumers' need for uniqueness is positively related to emotional value.

H2a: Consumers' need for status is positively related to brand judgements.

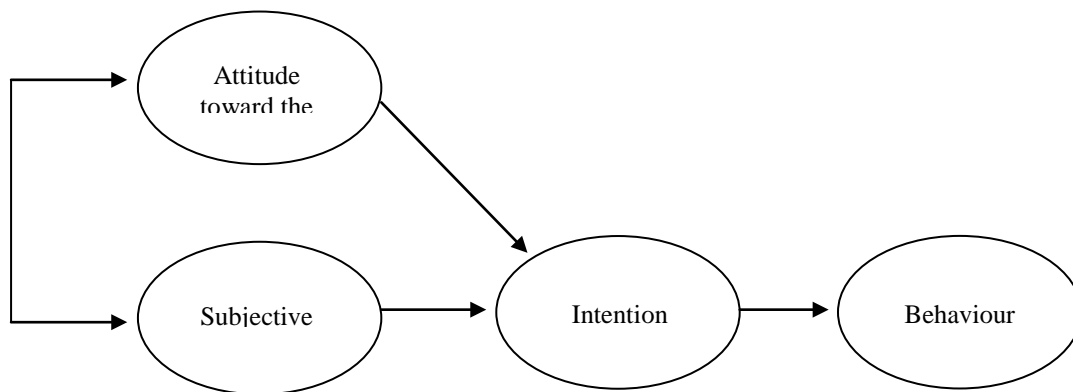
H2b: Consumers' need for status is positively related to emotional value.

H3: Brand judgments' are positively related to emotional value.

## **THEORIES ON PURCHASING BEHAVIOUR**

The theory of reasoned action popularized by Ajzen and Fishbein (1980) offers a clearly defined structure that allows the investigation of the influence attitudes, personal and cultural determinants and volitional control have on consumer's intentions or willingness to purchase a given product or brand, Figure 2 . Ajzen and Fishbein (1980) claimed that "a person's behaviour is determined by his or her intention to perform the behaviour and that this intention is, in turn, a function of his or her attitude toward the behaviour and his or her subjective norm". Therefore, the theory highlights that the best predictor of behaviour is "intention".

The theory of planned behaviour (Ajzen 1991), the theory used into his study to underpin consumers' willingness or intentions to purchase a luxury apparel brand, Figure 2, extended the Theory of Reasoned Action by including "perceived behavioural control as a determinant of both behavioural intention and behaviour, especially for circumstances in which there were constraints on action" (Belleau et al. 2007 ,246).



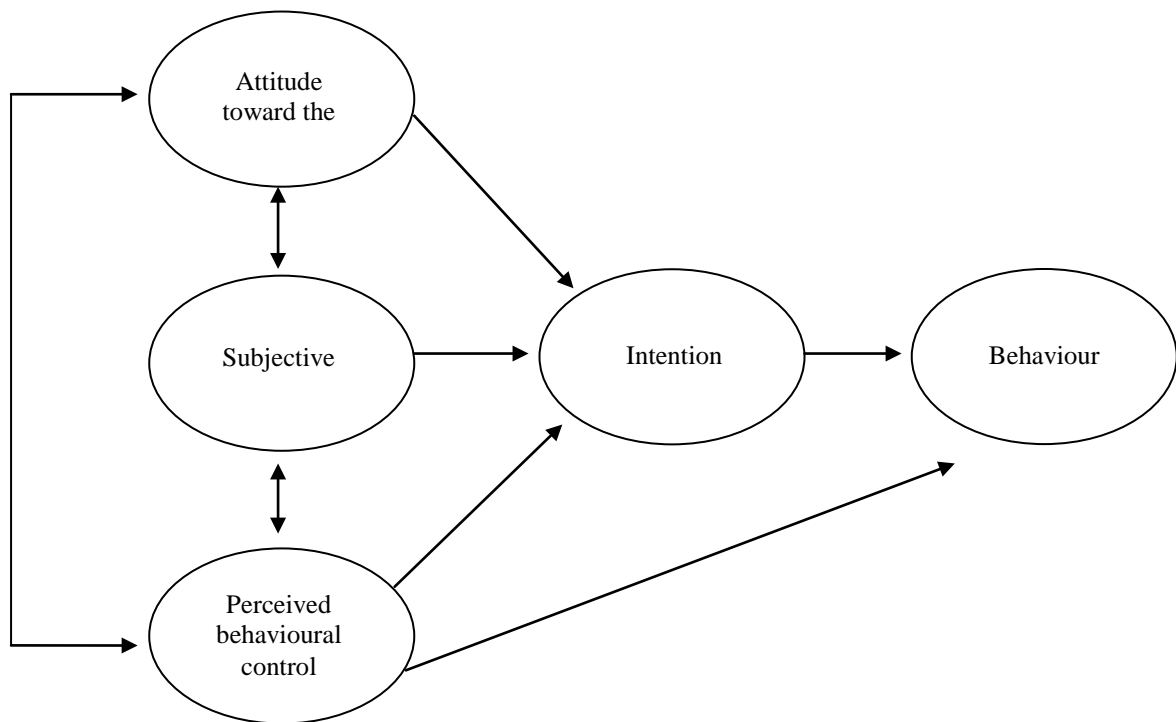
**Figure 2**  
**Theory of reasoned Action**  
 Adapted from Ajzen and Madden (1985)

In the Theory of Reasoned Action, a person's attitude toward a specific behaviour consists of a belief that a particular behaviour leads to a certain outcome and an evaluation of the outcome of that behaviour. When the outcome seems beneficial, the individual may then intend to perform that particular behaviour (Ajzen and Fishbein 1980). However, it must be noted that an individual's intention to perform a given behaviour can also be based upon their desire to comply with the behaviours of others. The stronger the intention the greater likelihood that the behaviour will be performed (Ajzen and Madden 1985).

In the Theory of Planned Behaviour, Figure 3 perceived behavioural control is included as an exogenous variable. Perceived behavioural control has both a direct effect on behaviour and an indirect effect on behaviour through intentions. The indirect effect of perceived behavioural control is based upon the assumption that this construct has motivational implications for behavioural intentions (Madden and Ajzen 1992). This means that individuals who believe that they lack the necessary resources or opportunities to perform a particular behaviour are unlikely to form strong behavioural intentions despite the fact that their attitude and subjective norm

may be favourable. Empirical evidence provided by Bandura et al. (1980) indicates people's behaviour is strongly influenced by the confidence that they have in their ability to perform the behaviour. "The structural link from perceived behavioural control to intentions reflects the motivational influence of control on behaviour through intentions" (Madden and Ajzen 1992 ,4).

Therefore, individuals tend to select tasks and activities in which they feel competent and confident and avoid those in which they do not. Prior research has concluded that there has been a high degree of correlation with brand responses (attitude toward the brand) and purchase intentions (behavioural intentions) (Knight and Kim 2007). Research also indicates purchase intentions are a positive consequence of emotional value, in relation to both brand responses and indirectly for consumers' need for uniqueness and status consumption (Knight and Kim 2007; Lee et al. 2008). Therefore, when consumers believe that their actions will have the desired consequences, they have the added incentive to engage in those actions.



**Figure 3**  
**Theory of Planned Behaviour**  
Adapted from Ajzen (1991)

In this study, the relationships between purchase intention and brand judgements are examined, in relation to the theory of planned behaviour. Leading to the following hypotheses:

H4a: Consumers' perception of judgements of a brand will influence purchase intentions.

H4b: Consumers' brand perceptions of emotional value will influence purchase intentions

H5a: Consumers' need for uniqueness will influence purchase intentions.

H5b: Status consumption will influence purchase intentions.

All hypotheses that have been developed to this point only test and measure casual relationships. It is not sure if any mediating effects are present within the constructs, therefore, building on the literature the following mediations are proposed:

H6: Emotional value has a mediating effect between brand judgements and purchase intentions.

H7: Emotional value has a mediating effect between status consumption and purchase intentions.

H8: Brand judgements have a mediating effect between status consumption and purchase intentions.

## **CONCLUDING COMMENTS**

The conceptual framework and relevant hypotheses have been addressed in the current paper. Furthermore, relevant theories have been discussed, and the place of these theories within the existing literature has been established. A greater understanding of the research aims and propositions are gained by providing the theoretical reasoning behind the current study. Consumers' need for uniqueness theory, status consumption theory, the theory of customer-based brand equity and the theory of planned behaviour have been discussed and identified as the key theories used to support this paper. In addition, by listing the individual hypotheses and specific research objectives a sound understanding of the research purpose has been attained.

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