



Conceptualising luxury

A/Prof Vanessa Quintal
Curtin University

Defining **luxury**



Luxury is associated with **high-end products** which:

are “the most **selective** in their distribution; the most **image-driven**; the most extreme in their **product quality** [...] and the **most expensive**” (Kapferer & Bastien, 2009, p. 313)

exist on a **continuum**, where consumers decide where the ordinary ends and the **prestige** begins (Tynan et al., 2010)

Luxury categories **fashion**

- Attire (Kapferer & Valette-Florence, 2016)
- Accessories (Butcher, Phau & Teah, 2016)
 - Bags (Kapferer & Valette-Florence, 2016)
 - Shoes (Heine & Gutsatz, 2015)
- Watches (Romaniuk & Sharp, 2015)
- Perfume (Sjostrom, Corsi & Lockshin, 2016)



Luxury categories **lifestyle**



- Cars (Kapferer & Valette-Florence, 2016)
- Airlines (Nahyan et al., 2017)
- Resorts (Lu et al. 2015)
- Spas (Lee, 2015)
- Cruises (Hwang & Han, 2014)
- Pianos (Lemke, 2016)

Luxury categories **food**

- Champagne (Romaniuk & Sharp, 2015)
- Wine (Wolf, 2016)
- Whisky (Paschen et al., 2016)
- White truffles (Tsitsipati & Athanasios, 2014)
- Caviar (Chailan & Ille, 2015)
- Foie gras (Morrow, 2015)
- Shark's fin (Morrow, 2015)



Defining **premium**



Luxury is the **ultimate value** achievement for a brand
(Kapferer, 2001)

Although not all product categories have luxury products, they have **premium** products showcasing the **highest standard** within that category (Shukla, 2011)

Luxury and premium products are similar, occupying the **top end** of a product category
(Sjostrom, Corsi & Lockshin, 2016)

Premium categories **food**

- Ice cream
- Chocolate
 - Oysters
 - Butter
- Organic food



Brands **continuum**

Brands



Store



Mainstream



Superior



Premium



Luxury



Haute luxury

Brands continuum **skincare**

Brands



Store
Olay



Regular
Cover Girl



Superior
L'oreal



Premium
Clinique



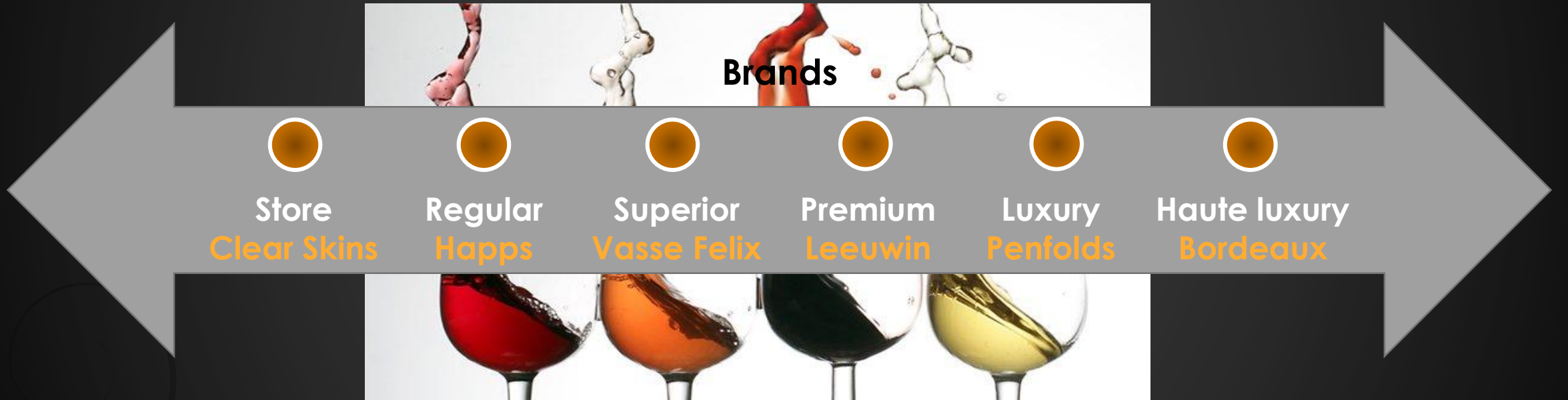
Luxury
Estee Lauder



Haute luxury
La prairie



Brands continuum **wine**



Approaching **luxury**



Three approaches to conceptualising luxury

(Sjostrom, Corsi & Lockshin, 2016):

- Identified with **attributes**
- Related to three **spheres**
- **Luxury vs regular** purchase

These three approaches are **not mutually exclusive** to each other

Approach 1 **attributes**

Innovation, culture, **craftsmanship quality**, symbols, **glamour**, indiscretion of high price (Kapferer, 2012)

Authenticity in quality, brand status, **traditional production**, stylistic consistency, image, **history**, culture (Beverland, 2005)

High quality, expensiveness, non-essential, perceived as **rare**, exclusive, prestigious, **authentic**, **symbolic** and **emotional** value (Tynan et al., 2010)



Approach 2 **continuum spheres**

Spheres



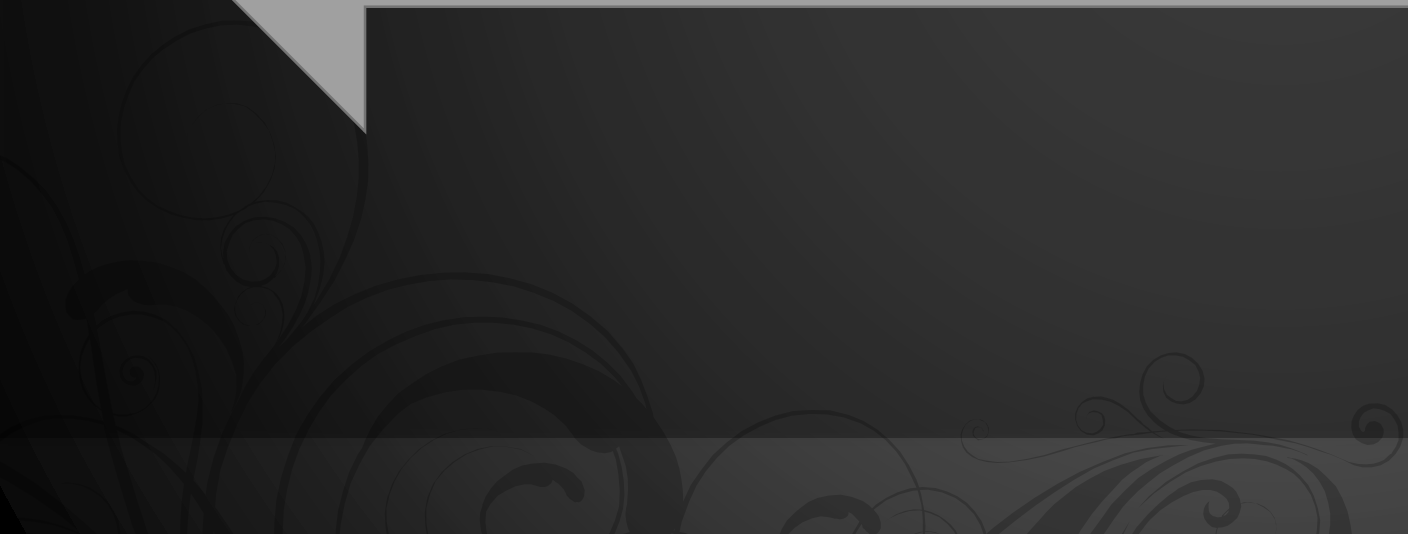
Material



Individual



Social



Approach 2 **continuum spheres** (1)



Approach 2 **continuum spheres** (2)



Spheres



Approach 2 **continuum spheres** (2)



Approach 3 **luxury versus regular**



High-income consumers buy **more** luxury brands and buy more **often** (Sjostrom, Corsi & Lockshin, 2016)

However, middle income consumers are more numerous; this segment collectively buys **more** luxury products (Sjostrom, Corsi & Lockshin, 2016)

Luxury brands should not be sold to all consumers; success in the luxury market is to strive for **exclusivity** and **rarity** (Kastanakis & Balabanis, 2012)

Conclusions **food**



Luxury and premium are part of a **continuum**, depending on occasion, market segments and individual consumers (Berthon et al., 2009; Tynan et al., 2010).

Focus should not only be on traditional luxury attributes, i.e. prestige or high prices but on **positive country-of-origin reputation** (Sjostrom, Corsi & Lockshin, 2016), **sustainability**, and **authenticity**

(Harman, Nitzko & Spiller, 2016)

Emergence of **“green luxury” segments** (Halaszovich & Meurer, 2012)



Thank you

Questions?