

Luxury and Haute Couture in the Generation Y Market: Consumers' Need for Uniqueness and Status Consumption

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Abstract

This paper proposes an examination of consumers' need for uniqueness and status consumption by comparing a well established and a fictitious luxury apparel brands clothing and accessories in the Australian Generation Y market. This extends from areas regarding branded fashion apparel, that are conceptually the same as other brands in the same category, to branded fashion apparel that utilises a one off customisation approach. The proposed study will also determine if there is any difference in consumers' judgement of a luxury apparel brand with and without pre-existing hedonic and symbolic attributes.

Relevant Literature and Theory Development

A vast body of knowledge exists regarding the attitudes involved in the consumption of luxury brands. The purchase of products for their symbolic and social value rather than for their inherent utility is widely recognised as a significant determinant of consumer behaviour (Mason 1992). This study will integrate research from two academic areas that have examined uniqueness. First, there is considerable research in psychology on how consumers use possessions to define identity (Goldsmith and Clark 2008; Phau and Leng 2008; Knight and Kim 2007; Clark, Zboja, and Goldsmith 2007; O'Cass and Frost 2002; Tian, Bearden, and Hunter 2001; Simonson and Nowls 2000; Campbell 1995; Belk 1988). Second, marketing examines how a variety of factors influence the consumption of certain products and brands, with researchers finding status seeking consumers are concerned with their peer's approval and use brands to convey this message / desire (Ruvio, Shoham, and Brencic 2008; O'Cass and Frost 2002).

Scope

Given that fashion-conscious consumers along with status seeking consumers have a great impact on the sale of luxury goods it is assumed there is an association between consumers who crave uniqueness and status seeking consumers who choose to construct their identity through the use of symbolic luxury apparel (Phau and Leng 2008). According to research conducted by Tian, Bearden and Hunter (2001) in the validation of consumers' need for uniqueness scales, it is found that neither gender or education had an impact on consumers' need for uniqueness. However a negative correlation is found with consumer age as need for uniqueness decreases with age, which makes studying Generation Y consumers a key market segment. As such this study focuses on Australian Generation Y consumers' purchase intentions of a branded luxury apparel brand.

Consumers' Need for Uniqueness

The theory of consumers' need for uniqueness stems from Snyder and Fromkin's (1977) work on uniqueness theory. The theory operates on the premise that consumers find a high level of similarity to others highly undesirable and seek to differentiate themselves by adopting various behaviours in order to seek differentiation. Material expressions of uniqueness are

highly valued as the social risks associated with this form of display and consumption is seen to be relatively low (Tian and McKenzie 2001; Snyder 1992). The level of uniqueness consumers seek is constrained only by the need for social affiliation and social approval, leaving consumers to seek avenues to explore and demonstrate their uniqueness in ways that do not inhibit or result in social isolation and disapproval (Snyder and Fromkin 1977).

There are three facets to which consumers need for uniqueness is apparent: (1) Creative choice counter-conformity refers to the search for social differentiation through the consumption of products that are acceptable to others (Tian, Bearden et al. 2001; Knight and Kim 2007). (2) Unpopular choice counter-conformity is where consumers willingly risk social disapproval to establish their uniqueness. They consume products considered outside group norms (Knight and Kim 2007). (3) Avoidance of similarity refers to the consumers' avoidance of mainstream products and the tendency to favour products or brands that are unpopular or not likely to become popular (Knight and Kim 2007).

Luxury Apparel/Brands and Status and Normative Influence

Luxury brands possess a desirability that extends beyond their utilitarian functions and provide the consumer with a perceived status through ownership. Consequently, luxury brands can command premium prices (Moore and Birtwistle 2005). According to O'Cass and Frost (2002), brands are increasingly seen as an important factor in creating and maintaining a sense of identity and achievement. The subsequent argument is such that luxury brands are often consumed to indicate status and are displayed conspicuously to provide a visual representation (O'Cass and McEwen 2004) meaning consumers are "motivated by a desire to impress others with their ability to pay particularly high prices for prestigious products" (Husic and Cicic 2009, 234). Products, as previously mentioned, have symbolic uses. "Consumers acquire, own, use and display certain goods and services to enhance their sense of self, to present an image of what they are like, to represent what they feel and think, and to bring about the types of social relationships they wish to have" (Eastman and Goldsmith 1999, 42). "Susceptibility to reference group influence (normative) directly relates to an individual's status consumption tendencies" (O'Cass and McEwen 2004, 34). Conceptually this means certain products and brands are used to provide entry into certain groups. It appears that the need to identify with or enhance one's image in the opinion of significant others operates closely with both status consumption and conspicuous consumption. This is important as both the consumption for status and uniqueness requires the impact of interpersonal influence (O'Cass and McEwen 2004; Tian and McKenzie 2001). Symbolic consumption is employed not only to create and maintain self but to distinguish a place in society (Wattanasuwan 2005) and cannot be achieved without the presence of others (O'Cass and McEwen 2004).

Even though status consumers and consumers with a high need for uniqueness buy luxury products for apparently opposite reasons, their basic motivation is the same; the enhancement of self image (Husic and Cicic 2009). A paradox exists; status consumers will purchase products with visible logos to conspicuously display status and wealth whereas consumers' with a need for uniqueness will also purchase luxury brands but pay a higher amount for a hidden brand label (Husic and Cicic 2009). According to extant literature this behaviour illuminates the present situation in luxury apparel. On one side consumers wish to distinguish themselves while on the other side there are those who imitate the 'trend setters' including their aspiration to distinguish themselves.

Consumers' Brand Perceptions and Purchase Intentions

Increasingly brands are seen as important in creating identity, a sense of achievement, and identification for consumers. They have become “part of a new social protocol where your identity and self worth are determined by the visible brands on your body” (Husic and Cicic 2009, 3). According to Belk (1988) the purchase of objects offers consumers a means of investing in self; therefore “brands strive to elicit strong, positive relationships with their target consumers” (Knight and Kim 2007, 272). Consumers’ consider many aspects of the brand when making a purchase including evaluating if the brand satisfies emotional needs (Kumar, Kim, and Pelton 2009). According to Keller (2008) companies attempt to tap into consumer emotions with their brands. Previous research found emotional response plays a key role in determining purchase intention and is twice as likely to account for purchase intention than cognition (Knight and Kim 2007). This has lead researchers to recognise that consumers respond to brands in two ways; cognitively and emotionally during the decision making process (Knight and Kim 2007; Babin and Babin 2001). Knight and Kim (2007), who surveyed Japanese Generation Y consumers, found emotional value has a significant impact on purchase intention as did Babin and Babin (2001) who surveyed American consumers. Consumers perceived emotional value refers to their affective reactions to a brand, this is especially true for fashion because a preoccupation with appearance and socially consumed goods is directly linked to the personality of consumers (Bertrandias and Goldsmith 2006; Knight and Kim 2007). As a product category, fashion induces a high level of involvement and interest due to its symbolic and hedonic nature (Kumar, Kim et al. 2009) exposing consumers to others judgement making it both a socially and emotionally risky product (Bertrandias and Goldsmith 2006).

Key Theories

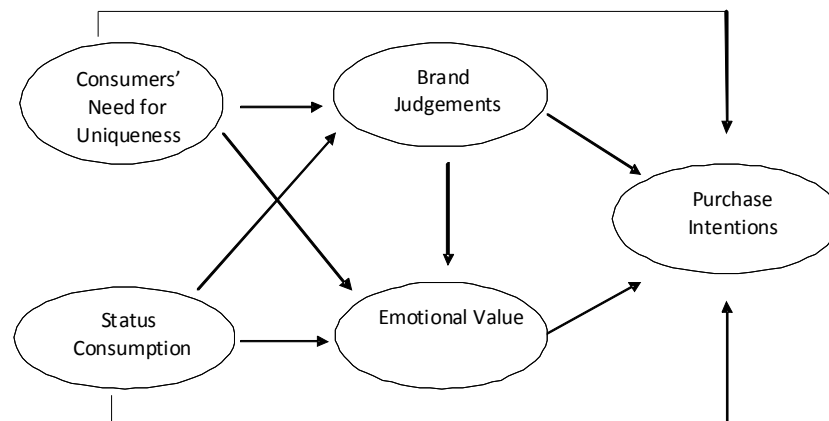
The key theories used to underpin the constructs are; (1) Consumers’ need for uniqueness, which explains that an individual’s need to be different from others is stimulated when they feel that their sense of uniqueness is being threatened. These consumers’ look for avenues to express their uniqueness where the social penalties are low thus making fashion a perfect outlet (Snyder and Fromkin 1977). (2) Status consumption , which refers to the motivational process consumers’ engage in to improve their social standing through the purchase, display and consumption of products and brands that symbolise status (Eastman and Goldsmith 1999). (3) Customer-based brand equity, the study of brand equity from the perspective of the individual consumer (Jung and Sung 2008), will be utilised to examine the comparison of a recognised brand name and a brand lacking identification. (4) Theory of planned behaviour, which states that attitude toward a behaviour, subjective norms and perceived behavioural control are able to predict an individual’s intentions, the stronger the intention the greater likelihood that behaviour will be performed (Ajzen 1991). This theory will be used to determine the purchase intentions of unique and status consumers. (5) Self-image congruity theory or product image congruity theory. This describes the effect of the cognitive matching process between value-expressive attributes of a given product and the consumer self-concept on consumer decisions such as product preference, purchase intentions, purchase behaviour, product satisfaction or dissatisfaction and product loyalty (Sirgy 1985). This will be used to determine if pre-existing knowledge of a brand will affect purchase intentions, in both status and non-status seeking consumers’.

Gaps in the Literature and Research Propositions

The primary objective is to assess how status and non-status Australian Generation Y consumers' attitudes in relation to their need for unique luxury apparel products and brands may affect their purchase intentions, as shown in Figure 1. This helps to highlight attitudinal and behavioural variables that marketers should consider when they introduce or market luxury fashion apparel. This study will allow marketers to achieve a better understanding of how Australian Generation Y consumers perceive and evaluate high-end luxury apparel brands. The study builds on prior research by Knight and Kim (2007) and Ryan (2008) and leads to three research objectives, namely; (1) To determine whether (a) consumers' need for uniqueness and/or (b) status consumption affects and influences brand judgements and emotional value of a luxury brands ready to wear range, (2) to determine whether (a) brand judgements and/or (b) emotional value influences purchase intentions of a luxury brands ready to wear range, and (3) to determine if there are any differences in consumers' judgement of a luxury apparel brand with and without pre-existing hedonic and symbolic attributes.

Figure 1

The proposed relationships between consumers' need for uniqueness, status consumption and purchase intentions.



Prior research concludes that there is 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 (Lee et al. 2008; Knight and Kim 2007). Therefore, when consumers believe that their actions will have the desired consequences, they have the added incentive to engage in those actions. In this study, the relationships between purchase intention and brand judgements are examined, in relation to the theory of planned behaviour.

This leads to the following propositions:

P1: Consumers' need for uniqueness and status consumption is positively related to (a) brand judgements and (b) emotional value

P2: Brand judgements' are positively related to emotional value.

- P3: Consumers' perception of judgements of a brand influence purchase intentions.
- P4: Consumers' brand perceptions of emotional value influence purchase intentions.
- P5: Consumers' need for uniqueness and status consumption influence purchase intentions.
- P6: Consumers' familiarity with a brand will influence purchase intentions.
- P7: Emotional value and brand judgements mediate between consumers' need for uniqueness and purchase intentions.
- P8: Emotional value mediates between brand judgements and purchase intentions.
- P9: Emotional value and brand judgements mediate between status consumption and purchase intentions.

Concluding Comments

A review of past literature has highlighted certain key areas that have either not been studied before or have been studied in a limited capacity which serve to make this proposed study more unique and meaningful and contribute to the current literature.

The study will extend the application of consumers' need for uniqueness and status consumption into the context of mass customisation using an haute couture luxury apparel brand. This will allow the study to extend from areas regarding branded fashion apparel that are conceptually the same as other brands in the same category to branded fashion apparel that utilises a one off customisation approach. Since material goods are 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 with the exclusion of luxury apparel, in particular the mass customisation of luxury apparel and the effect of haute couture. The results of this study will enable brands to see if an haute couture luxury apparel brand ready to wear range effectively targets consumers with either a need for uniqueness or a status consumption need.

Previous studies that have examined the effect of uniqueness and status on the consumption of fashion products, have always utilised the generic use of fashion clothing rather than a particular brand or product (Park, Kim, and Forney 2006; Amaldoss and Jain 2005; Chao and Schor 1998). The use of two specific brands, one real and one fictitious might increase the involvement and the reliability of the study and provide a more robust study of this avenue of consumption. It also will determine if there is any difference in consumers' judgement of a luxury apparel brand with and without pre-existing hedonic and symbolic attributes, when consumers are exposed to the same stimulus with the only differentiating factor being the familiarity of the brand name.

Uniqueness and status in relation to luxury goods has been researched, but not in a context where they are in direct relation to each other. Since uniqueness is identified as a component of status consumption a need exists to examine the effects consumers' need for uniqueness has on the purchase intentions of luxury apparel brands and how this compares to that of status seeking consumers. This represents a gap in the current knowledge relating to these prevalent consumer behaviours and will be consequently filled by this study.

Finally, as mentioned earlier, despite the growing importance of Generation Y consumers, who according to Khoo and Conisbee (2008) are set to dominate retail trade in the next five years, limited research has been conducted using an Australian Generation Y sample in regards to their attitudes towards uniqueness and luxury brands. Research by Phau and Cheong (2009) show consumers between the ages of 30 – 50 years have been the prime

market for luxury goods. The importance of adult consumers has been explored in depth, but there has been less attention given to the emergence of symbolic consumption in young people. Studies that have been conducted with a Generation Y sample throughout Asia and the US (Kumar, Kim, and Pelton 2009; Lee et al. 2008; O'Cass and Choy 2008; Park, Rabolt, and Jeon 2008; Ruvio, Shoham, and Brencic 2008; Knight and Kim 2007) which allow a basis for comparison, but nevertheless, a lack of cross cultural studies have been undertaken on this demographic.

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