

The Roles of Consumers' Need for Uniqueness and Status Consumption in Haute Couture Luxury Brands

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Abstract

This paper adds knowledge to the field of consumers' need for uniqueness and status consumption and provides an insight into Australian Generation Y consumers' purchasing intentions toward an haute couture luxury apparel brand and its ready to wear range. 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 affects purchase intentions. This helps to highlight attitudinal and behavioural variables which marketers should consider when they introduce or market luxury fashion apparel. Findings indicate brand judgements have the strongest most significant effect on purchase intentions and differ according to the type of consumers' need for uniqueness.

Keywords: Consumers' need for uniqueness, status consumption, luxury, haute couture, Generation Y.

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Introduction

Consumers today have come to regard their possessions as part of themselves and their identity (Belk 1988). To a large degree, they define themselves by what they have and possess. This continual consumption and acquisition of material possessions attempts to differentiate consumers from others in an effort to develop a distinctive self and social image (Tian, Bearden, and Hunter 2001). This study evaluates how status consumption and consumers' need for uniqueness influence brand perceptions of a well established luxury apparel brand and if these lead to purchase intention. This integrates earlier research from two academic areas that examine consumer's need for 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, researchers examine how a variety of factors influence the consumption of certain products and brands. Studies show that status seeking consumers are concerned with their peers and use brands to convey this message (Ruvio, Shoham, and Brencic 2008; O'Cass and Frost 2002).

Key Literature and Theoretical Framework

Australian Generation Y as Global Consumers

The Australian Generation Y market is a dynamic and extremely competitive environment (Phau and Leng 2008). It encompasses 26% of the adult population (Khoo and Conisbee 2008) with the benefit of offering a market segment open to generalisations. Thanks to a decrease in the affordability of the housing market the average disposable income has increased and as a result Generation Y has enormous spending potential. In 2015 Generation Y will have the largest share of the consumer market and is set to dominate retail trade (Khoo and Conisbee 2008). However, limited research has been conducted using the Australian Generation Y market in regards to their attitudes towards uniqueness and luxury brands. According to Phau and Cheong (2009) 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.

Consumers' Need for Uniqueness Theory

The theory of consumers' need for uniqueness explains how an individual's need for uniqueness can influence brand responses and the need to be different from others (Ryan 2008; Tian, Bearden, and Hunter 2001) through the pursuit of material goods (Knight and Kim 2007). Snyder and Fromkin (1977) found it is 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). This need for uniqueness can be demonstrated in three types of consumer behaviour; (1) creative choice counter-conformity, the search for social differentness through the consumption of products that are acceptable to others (Knight and Kim 2007; Tian, Bearden, and Hunter 2001), (2)

unpopular choice counter-conformity, where consumers willingly risk social disapproval to establish their uniqueness by consuming products considered outside group norms (Knight and Kim 2007) and (3) avoidance of similarity, which 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).

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 1977). Unlike an individual driven by an independence motivation (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 the social penalties for being different are not severe. This makes the acquisition of material goods particularly valued (Ryan 2008; Tian, Bearden, and Hunter 2001; Snyder 1992).

Status Consumption

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). 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). 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 is measured in terms of the social advantage their purchase offered. Veblen (1994 [1899]) suggests those individuals who outwardly display wealth are rewarded with preferential treatment by social contacts. 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. Status seeking consumers overlook the excessive nature of status products because of the honour these products intrinsically hold and the reputability associated with ownership (Mason 1992).

Luxury brands possess a desirability that extends beyond their utilitarian functions and provides the consumer with a perceived status through ownership. When consumers purchase and endorse a specific brand, they are communicating their desire to be associated with the kind of people also perceived to consume the brand (Phau and Prendergast 2000), the brands image, and the lifestyle projected by the brand (Husic and Cicic 2009).

Consumers consider many aspects of the brand when making a purchase including evaluating if the brand satisfies their emotional needs (Kumar, Kim, and Pelton 2009). According to Keller (2008) more and more companies are attempting 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 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).

Even though status consumers and consumers with a high need for uniqueness buy luxury products for apparently opposite reasons, their basic motivation, enhancement of self image is

the same (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.

Methodology

Sample and Data Collection

A self-administered questionnaire was developed for the study, which utilised a non-probability convenience sample of Generation Y consumers. The survey instrument took approximately 10 minutes to complete and consisted of a self-administered pen and paper questionnaire. A total of 259 usable questionnaires were collected.

Analysis and Discussion

Factor Analysis

To begin, an exploratory factor analysis was conducted to determine underlying dimensions of the five constructs. The consumers' need for uniqueness scale factor analysed into 17 items which formed three distinct factors, comparable to Tian et al's (2001) original consumers' need for uniqueness scale indicating the scale's cross-cultural validity along with inter-scale validity when transferred across to different product classes. Factor analyses of status consumption, brand judgements, emotional value and purchase intentions also indicated unidimensionality with Cronbach's alphas of above .80.

H1: Consumers' need for uniqueness is positively related to (a) brand judgements and (b) emotional value of an haute couture luxury apparel brands' ready to wear line and;

H2: Status consumption is positively related to (a) brand judgements and (b) emotional value of an haute couture luxury apparel brands' ready to wear line.

The consumers' need for uniqueness and status consumption are regressed against brand judgements. The four factors (avoidance of similarity, creative choice counter-conformity, unpopular choice counter-conformity, and status consumption) account for approximately 27.7% of the variance. From the results only the unpopular choice counter-conformity construct is proven to be a non-significant ($p < 0.359$, $\beta = 0.055$, $t = 0.918$) predictor of brand judgements toward luxury apparel. Conversely, avoidance of similarity ($p < 0.040$, $\beta = -0.136$, $t = -2.064$), creative choice counter-conformity ($p < 0.00$, $\beta = 0.429$, $t = 6.404$) and status consumption ($p < 0.00$, $\beta = 0.274$, $t = 4.769$) are significant, indicating that these three factors are good predictors of and have a positive effect on brand judgements towards the selected luxury brand apparel. Hence, H1a is partially supported while H2a is supported. Next consumers' need for uniqueness and status consumption are regressed against emotional value. The results account for approximately 30% of the variance. The results indicate creative choice counter-conformity ($p < .000$, $\beta = .357$, $t = 5.455$) and status consumption ($p < .000$, $\beta = .393$, $t = 6.948$) are significant, indicating that these factors are a good predictor of, and have a positive effect on, emotional value. Thus, avoidance of similarity ($p < .093$, $\beta = -.109$, $t = -1.685$) and unpopular choice counter-conformity ($p < .567$, $\beta = -.034$, $t = -.573$) are proven to be non-significant predictors of emotional value towards a luxury apparel brand. Similarly H1b is partially supported while H2b is fully supported.

H3: Brand judgements are positively related to emotional value of an haute couture luxury apparel brands' ready to wear line.

A positive and significant relationship is found when brand judgments are regressed against emotional value ($p < 0.000$, $\beta = .727$, $t = 16.963$) accounting for 52.6% of the variance. Thus, H3 is supported. This supports previous findings by Lee et al. (2008), Ryan (2008), Knight and Kim (2007), Babin and Babin (2001) and Chaudhuri and Holbrook (2001) where it is found that emotional values influence the purchase decision through brand loyalty and affect.

H4: Consumers' (a) perception of judgements and (b) emotional value is positively related to purchase intentions of an haute couture luxury apparel brands' ready to wear line and;

H5: (a) Consumers' need for uniqueness and (b) status consumption will positively influence purchase intentions of an haute couture luxury apparel brands' ready to wear line.

Stepwise regression was conducted to determine the influence of consumers' need for uniqueness, status consumption, brand judgements and emotional value on purchase intentions. Status consumption ($p < 0.000$, $\beta = 0.224$, $R^2 = 0.652$), brand judgements ($p < 0.000$, $\beta = .512$, $R^2 = .545$) and emotional value ($p < 0.000$, $\beta = .320$, $R^2 = .626$) are found to have significant relationships with purchase intentions. This result supports findings from previous studies (Phau and Teah 2009; Jung and Sung 2008). Thus H4a, H4b and H5b are supported. All three factors from consumers' need for uniqueness, namely avoidance of similarity ($p < 0.307$, $\beta = 0.040$, $t = 1.024$), creative choice counter-conformity ($p < 0.096$, $\beta = 0.072$, $t = 1.669$) and unpopular choice counter-conformity ($p < 0.532$, $\beta = 0.024$, $t = 0.532$) are found to be not significant; hence H5a is not supported.

Consumers' need for uniqueness is found to be non significant in influencing purchase intentions directly. This finding is in opposition to findings by Park, Rabolt et al. (2008) who found a significant result. However, this finding is similar to that of Sweeney and Soutar (2001) who found that emotional attitude toward a brand is an important antecedent for consumers with a high need for uniqueness in the purchase of luxury apparel brands. The difference in findings could be accounted for by cultural differences as Park, Rabolt et al. (2008) used an Asian sample in comparison to Sweeney and Soutar (2001) who used a predominately western sample.

H6: Emotional value mediates the relationship between consumers' need for uniqueness and purchase intentions of an haute couture luxury apparel brands' ready to wear line and;

H7: Brand judgements mediates the relationship between consumers' need for uniqueness and purchase intentions of an haute couture luxury apparel brands' ready to wear line.

Hypothesis 5 shows the non-significant result all factors of consumers' need for uniqueness (avoidance of similarity, creative choice counter-conformity and unpopular choice counter-conformity) have with purchase intentions from the stepwise regression analysis. Step 2 of Baron and Kenny's (1986) mediation analysis require the results to be significant in order to progress through to the next step and for the mediation analysis to be supported. Hence H6 and H7 show no mediation.

H8: Emotional value mediates the relationship between brand judgement and purchase intentions of an haute couture luxury apparel brands' ready to wear line and;

H9: Emotional value mediates the relationship between status consumption and purchase intentions of an haute couture luxury apparel brands' ready to wear line and;

H10: Brand judgements mediate the relationship between status consumption and purchase intentions of an haute couture luxury apparel brands' ready to wear line.

Once again the four step process proposed by Baron and Kenny (1986) is followed to ascertain the state of the relationship (H8). This analysis found emotional value (Sig. = 0.000, $\beta = .386$, $t = 7.402$) and brand judgements to be significant (Sig. = 0.000, $\beta = .540$, $t = 8.121$), indicating a partial mediation. A Sobel test confirms the finding of a partial mediation (test statistic = 12.089 and p-value = 0.00), which indicates emotional value is a significant partial mediator for brand judgements' leading to purchase intentions. Thus H8 is a partial mediation.

H9 looks at the relationship brand judgements has as a mediating variable between the independent variable, status consumption as the predictor and purchase intentions as the dependent. This analysis found that both status consumption (Sig. = 0.000, $\beta = .262$, $t = 6.115$) and brand judgements (Sig. = 0.000, $\beta = .639$, $t = 14.952$) are significant, indicating a partial mediation. Once again a Sobel test is run to verify the finding of a partial mediation. The test reveals a test statistic of 8.397 and a p-value of 0.0, confirming a significant result and supporting the finding of a partial mediation.

H10 analyses the relationship emotional value has as a mediating variable between status consumption and purchase intentions. This analysis found both status consumption (Sig. = 0.000, $\beta = .633$, $t = 13.518$) and emotional value (m) (Sig. = 0.000, $\beta = .633$, $t = 13.518$) are significant, indicating a partial mediation. Once again a Sobel test is run to verify the finding of a partial mediation. The test reveals a test statistic of 7.782 and a p-value of 0.0, confirming a significant result and supporting the finding of a partial mediation of H10.

Concluding Comments

This study offers a number of significant contributions. Theoretically, it introduces theoretical underpinnings from branding, psychology and consumer behaviour to develop a framework in which to examine insights from existing fashion literature in a new light. This study focuses on Australian Generation Y consumers' purchase intentions of a luxury apparel brand and it is subsequently found that deviations exist between Australian Generation Y consumers and Generation Y consumers previously studied (Northern Asia and the United States) (O'Cass and Choy 2008; Park, Rabolt, and Jeon 2008; Knight and Kim 2007). Furthermore, only creative choice counter-conformity is found to be a significant predictor of purchase intentions of luxury apparel. This proposes a new way of thought in regards to uniqueness seeking consumers' attitudes towards products with an exclusive and customisation approach. This finding illustrates that consumers place a level of semblance with a well-recognised luxury brand regardless of the exclusive, one-of-a-kind designs the premium end of the brand portrays. Managerially, the study supports the belief that exposure to a recognised luxury apparel brand can prompt brand judgements and emotional responses in status seeking consumers. This can be seen throughout hypothesis 2 in the significant difference in the results of status seeking consumers as compared to that of uniqueness seeking consumers.

Although the findings of this research are market specific, they have important implications for general fashion consumption research. This research demonstrated the value of the consumers' need for uniqueness and the status consumption scales in explaining fashion adoption behavior especially pertaining to luxury apparel.

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