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What is a luxury brand? A new definition and review of the literature

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ARTICLE INFO

ABSTRACT

In spite of considerable prior research on luxury branding, no widely accepted definition of "luxury brand" exists. The purpose of this paper is to review the literature in order to: a) summarize the state of knowledge on luxury brand marketing; and b) provide a new and usable definition of a luxury brand. A literature review was conducted with a focus on developing a more useful definition of "luxury brand," outlining key theoretical perspectives that have been used in this area, and summarizing key research findings. Ko and Megehee's (2012) framework for understanding consumption of luxury brands is used as the guiding conceptual framework for the review. Directions for future research are provided.

1. Introduction

The growth of the luxury market worldwide has fueled increased interest among researchers. The luxury market consists of a number of diverse categories and is considerable in size, reaching more than $1 trillion U.S. in 2014 (D'Arpizio, 2014). This market has also experienced tremendous growth, with the total number of consumers tripling in the past twenty years and is forecasted to reach 400 luxury consumers worldwide by 2020 (D'Arpizio & Levato, 2014). A key catalyst of this global phenomenon has been the remarkable increase in luxury consumption in many Asian markets. Moreover, heightened demand in the emerging markets of China, India, and the Middle East has provided much of the growth of the overall luxury market in recent years (Kim & Ko, 2012).

While luxury brand marketing historically received only limited attention in the academic literature (Berthon, Pitt, Parent, & Berthon, 2009) recent years have seen a growth of studies on the marketing of luxury products and services. Thus, the time is right to examine the body of the overall literature on luxury brands. As observed by Kuhn (1970), science is inherently a communal activity and advances can only be made by exchanges of knowledge including attempts to consolidate knowledge, and especially theory and findings (Hunt, 2010). To this end, this paper reviews prior definitions and measurement schemes for "luxury brand." As no widely accepted definition exists, the authors propose a new definition of "luxury brand." An additional contribution of the paper is to identify the most influential theories in the area and the context in which they have been used. Another intended contribution is to review key research findings with the

framework developed by Ko and Megehee (2012) in order to summarize the state of knowledge of luxury brand marketing. Lastly, we outline future research directions.

2. Literature review

2.1. Method

In order to identify a comprehensive set of articles that focused on luxury brand marketing, database searches (ABI/Inform, EBSCO Business Source Premier, and Google Scholar) were conducted by first using appropriate keywords related to luxury brands in general (e.g., luxury brand marketing; luxury marketing; luxury products) as well as those related to the sub-topics in the Ko and Megehee (2012) model. The original literature search was conducted in fall 2015 with newly published articles from 2016 and 2017 added to the original list as they were published. Once articles were identified via this method, citations from major articles and special issues devoted to the topic were used to identify additional articles. This process identified more than 130 academic articles that have been written on luxury brand marketing.

2.2. Defining "luxury brand"

Unfortunately for researchers, there is not a widely accepted definition of what constitutes a luxury brand. For example, the American Marketing Association's dictionary of terms does not contain a definition of "luxury," "luxury brand," or "luxury marketing." Yet, scholars across a number of disciplines have attempted to define what

constitutes a luxury brand without a clear consensus. Although some semiotics scholars have argued that there are certain "codes of luxury" that are consistent across disciplines and ages (Maman Larraufie & Kourdoughli, 2014), there are a number of challenges in composing a definition of luxury brands, including the fact that luxury is a relative concept (Mortelmans, 2005) and that perceptions of what constitutes "luxury" has fluctuated over time (Cristini, Kauppinen-Räisänen, Barthod-Prothade, & Woodside, 2017). These and other challenges have lead Miller and Mills (2012, p.1471) to state that prior research is characterized by, "…a lack of clarity regarding a definition, operationalization, and measurement of brand luxury." This observation is consistent with previous calls by researchers for a more precise definition of luxury goods marketing (e.g., Berthon et al., 2009). It has further been claimed that the definition and measurement of luxury has been highly subjective even though luxury is not an inherently subjective construct (Godey et al., 2012). Thus, it remains possible and desirable to define what a luxury brand is and measure the degree to which a given brand is a luxury brand.

The goal here is to examine prior definitions of "luxury brand" and evaluate those that are useful in developing a new, generally applicable definition. To this end, we examined definitions that met three key criteria. First, the definition should be based on a sound conceptual foundation, as is characteristic of academic definitions in general. Second, it definition must be broadly applicable to luxury brands in general, and not just a subset such as only products or services, or one product category (e.g., fashion goods or automobiles). Finally, the theoretical definition should be capable of being operationalized in a way that allows the construct to be measured.

Table 1 includes the definitions of a luxury brand that meet these three criteria. Even after excluding definitions that did not meet the criteria for reasons such as a sole focus on fashion products (e.g., Okonkwo, 2007) or the absence of a conceptual framework underlying it, we found a wide variety of definitions of luxury brand. This confusion among definitions exists for a number of reasons including variability in approaches, terminology, and number of dimensions (Miller & Mills, 2012). These inconsistences reflect Heine's (2012, p.9) observation that "from about 20 years ago until today, there is above all a consensus in business literature that there is actually no consensus about the definition of luxury products and brands."

The literature largely defines luxury brands based on consumer perceptions and/or managerially determined dimensions such as marketing activities and product attributes. All of these definitions do contain at least one commonality in that they use multiple dimensions (ranging from two to ten) to define a luxury brand. Some dimensions are present in multiple definitions such high quality (all 8 of the definitions in Table 1), rarity (4), premium pricing (5), and a high level of aesthetics (3).

Based on a review of the literature, it is the authors' assessment that whether or not a brand is considered luxury ultimately depends on consumer evaluations of that brand. Although certain strategic tactics from managers such as premium pricing or superior quality can increase the likelihood of a brand being considered luxurious by consumers, these actions to do not necessarily result in a luxury brand unless consumers perceive it as such. After identifying key dimensions present in the literature and considering the three criteria of a strong definition previously outlined, five elements were identified as essential to any luxury brand. Thus, the following theoretical definition of a luxury brand is proposed:

A luxury brand is a branded product or service that consumers perceive to:

1) *be high quality*;
2) *offer authentic value via desired benefits, whether functional or emotional*;
3) *have a prestigious image within the market built on qualities such as artisanship, craftsmanship, or service quality*;
4) *be worthy of commanding a premium price; and*
5) *be capable of inspiring a deep connection, or resonance, with the consumer.*

As previously established, a strong definition of a luxury brand should be capable of being operationalized in a way that the concepts it contains can be measured. A variety of measurement schemes have been used in luxury branding research. A summary of some of the most notable measurement schemes for luxury can be found in Table 2. Using these and other relevant scales, items for each of the criteria in the definition presented were identified and reviewed for possible use in the presented operational definition of luxury brand.

The proposed measurement scale for the authors' definition of luxury brand is shown as Table 3. All items in this table are to be measured using a seven-point Likert scale. The items to measure the five dimensions of this scale were either adapted from other scales or newly created. Items from the quality criteria were adapted from the quality factor in Vigneron and Johnson's (2004) Brand Luxury Index. Appropriate authenticity items were selected from Napoli, Dickinson, Beverland, and Farrelly's (2014) brand authenticity scale. Prestigious image and commands premium price were adapted from Miller and Mill's (2012) brand luxury measurement model. Lastly, the items from the brand resonance component of the definition were developed from Keller, Parameswaran, and Jacob's (2012) brand resonance model.

2.3. Key theories

A variety of theories are employed to explain the motivation for luxury consumption, but a number of the most prominently used theories are summarized in Table 4. Although these theories all add something slightly different to the understanding of what motivates luxury consumption, they all are largely social in nature. The oldest, and perhaps most popular, of these theories is conspicuous consumption which originates from Veblen (1899). Veblen posits that individuals consume in a highly visible manner to signal wealth to others who then infer status and power. Mauss (1954) tied conspicuous consumption to gift giving, finding that seemingly irrational gift exchanges took place to gain status in an "economy of prestige". This earlier work has had an influence on signaling theory which posits that individuals may engage in behaviors that may on the surface seem costly for the associated benefits in social prestige (Bliege Bird & Smith, 2005). Using Veblen's theory more recently, Bearden and Etzel (1982) found that luxury goods consumed in public were more likely to be conspicuous in nature. Numerous measurement schemes have included conspicuousness as a key dimension of consumption of luxury brands (e.g. Dubois, Laurent, & Czellar, 2001; Vigneron & Johnson, 2004).

Another prevalent theory in luxury consumption motivation centered on the inferences and perceptions of others is social comparison theory. Social comparison theory has been used in a variety of ways to explain different types of luxury consumption motivation. For example, Wiedemann, Hennigs, and Siebels (2009) propose that since social comparison theory predicts that people tend to conform to the majority opinion of their membership groups that they may use a luxury brand to conform to social standards. Mandel, Petrova, and Cialdini (2006) further find that social comparisons impact not only one's feelings of self-satisfaction, but also preference for luxury brands. Kamal, Chu, and Pedram (2013) also use this theory in the context of social media marketing and luxury goods, illustrative of its wide use in the literature.

Self-concept theory is another lens scholars have used to examine luxury consumption. Self-concept relates to how a person feels about his or herself, (Gil, Kwon, Good, & Johnson, 2012) making one's self-concept a potential motivator for luxury consumption. Luxury brands can appeal to self-concept by making consumers feel good about themselves through possession or gift giving (Shukla & Purani, 2012). Recent findings have also suggested that one's self-concept orientation can have an effect on preference for certain types of luxury

Table 1
Major Definitions of Luxury Brands.

Authors	Definition	General enough to apply to all types of luxury brands?	Based on a solid conceptual framework from which it is derived?	Can it be operationalized?
Berthon et al., 2009	Luxury is more than a characteristic or set of attributes. Rather than define a luxury brand in terms of its attributes, the authors conceptualize it in terms of what it does in three spheres: the objective (material), the subjective (individual), and the collective (social). The material consists of exquisite material and craftsmanship, high functionality, and impressive performance. The subjective dimension relates to the consumers personal hedonic value of a brand. The collective element is the value a brand signals to others and the value of that signal to the signaler.	Yes, authors use luxury fashion examples as well as other diverse luxury products such as coffee and cars.	Yes, the framework identifies three distinct value dimensions. Builds off of Karl Popper's "three worlds" hypothesis.	Moderate. Questions such as "What does the brand mean to the individual?" and "What does the brand mean to others?" may create difficulty.
Keller, 2009	Luxury brands have ten defining characteristics: (1) maintaining a premium image, (2) creation of intangible brand associations, (3) aligned with quality, (4) logos, symbols, packaging are drivers of brand equity, (5) secondary associations from linked personalities, events, countries, and other entities, (6) controlled distribution, (7) premium pricing strategy, (8) carefully managed brand architecture, (9) broadly defined competition, and (10) legal protection of trademarks	Yes, dimensions are general enough to apply to a variety of luxury products.	Yes, ten characteristics provide a comprehensive framework.	Moderate to Good, as some items are abstract and require internal data from companies. While most other definitions are framed in terms of consumer perceptions, Keller defines luxury brands based on actions taken by marketers of luxury brands.
Dubois et al., 2001	Six facets define and structure the concept of luxury (1) excellent quality (2) high price (3) scarcity and uniqueness (4) aesthetics and polysensuality (5) ancestral heritage and personal history (6) superfluousness	Yes, authors use examples in a variety of categories including wine, antiques, and clothing.	Yes, clearly identifies and defines the six elements necessary.	Moderate to Good, as some items could be objectively measured as well as be measured by consumer perceptions.
Tynan, Mckenchie, & Chuon, 2010	Key identifiers of luxury brands are high quality, expensive and non-essential products and services that appear to be rare, exclusive, prestigious, and authentic and offer high levels of symbolic and emotional/hedonic values through customer experiences.	Yes, dimensions are general enough to apply to a variety of luxury products.	Identifies clear characteristics building off of prior definitions.	Good, though further clarity on the operational definitions of "non-essential", "prestigious", and "authentic" could be helpful.
Vickers & Renand, 2003	Luxury goods are different than non-luxury goods by the extent to which they exhibit a distinctive mix of three important dimensions of instrumental performance: functionalism, experientialism, and symbolic interactionism.	Yes, data collected on diverse categories such as tableware and cars.	Yes, provides three broad dimensions that are clearly defined.	Excellent. Framework has already been tested with qualitative and quantitative studies
Heine, 2012	Luxury brands are associated with consumer perceptions of a high level of price, quality, aesthetics, rarity, extraordinariness, and a high degree of non-functional associations.	Yes, includes examples across categories such as handbags and automobiles.	Yes, the author also defines the concepts of "luxury", "luxury products", and "luxury brands" as distinct concepts.	Good, though multiple multiple item scales to measure factors such as "aesthetics" and "extraordinariness" need to be clearly articulated and tested.
Nueno & Quelch, 1998	Luxury brands are those whose ratios of functional utility to price is low and ratio of intangible and situational utility to price is high (ten more specific characteristics of luxury brands are also provided)	Yes, use examples of various categories such as tableware, pens, and clothing	Yes, the authors provide ten characteristics of luxury brands.	Moderate, as intangible and situational utility measures must be carefully thought out.
Hagtvedt & Patrick, 2009	Luxury brands offer premium products, provide pleasure as a central benefit, and connect with consumers emotionally.	Yes, uses a variety of product categories	Yes, build of earlier research and provide three dimensions.	Moderate, as connecting with consumers emotionally is likely multi-dimensional and could more clearly defined theoretically.

Table 2
Luxury Measurement Scales.

Authors	What it measures	Key frameworks used in development of scheme	Summary of factors and items in measurement scheme
Vigneron & Johnson, 2004	Authors developed a scale that measures the degree of luxuriousness of a brand, called the Brand luxury Index (BLI).	Vigneron & Johnson, 1999 Kapferer, 1998 Dubois et al., 2001	BLI is a five-factor model that includes three non-personal-oriented perceptions (conspicuousness, uniqueness, and quality) and two personal-oriented perceptions (hedonism and extended self). The authors began with 157 bipolar items in the scale, which were ultimately narrowed down to 20 items, each of which relate to one of the five factors.
Wiedemann et al., 2009	A multi- dimensional model that measures consumers' luxury value perceptions.	Wiedmann, Hennigs, & Siebels, 2007 Vigneron & Johnson, 2004	Wiedmann et al., 2007 created a conceptual framework containing four latent value dimensions add luxury value in the consumer's perception: financial dimension of luxury perception, functional dimension of luxury perception, individual dimension of luxury perception, and social dimension of luxury perception. Wiedemann et al., 2009 actually tested the model beginning with 180 items representing the dimensions and antecedents. These items were narrowed down to 48 in the final model.
Dubois et al., 2001	Study 2 in this article proposes a measurement methodology for assessing consumer values of luxury that is tested using a sample of 20 countries.	Items in study 2 were developed based on results in study 1 which qualitatively sought to define luxury based on consumer attitudes.	This measurement scheme uses 33 items. These items were intended to measure consumer values of luxury using the dimensions of extreme quality, high price, scarcity, aesthetics, personal history/competence, superfluity/plenty, metal reservations/conspicuousness, personal distance and uneasiness, involvement: deep interest and pleasure, involvement: sign value, and a number of specific items that do not fit into any of the above dimensions.
Miller & Mills, 2012	The authors' model measures the underlying dimensions of brand luxury, providing better understanding of the relationships in terms of antecedent and consequences.	Prior research is used in the development of the model but no significant portion of the model is derived from any previous framework.	Brand luxury measurement model measured via the constructs of brand luxury, brand leadership, brand innovativeness, brand-user fit, brand value, and willingness to pay a premium. Limitation to this model is that it is intended to measure luxury fashion brands specifically.

Table 3
Definition Measurements.

Criteria	Items
Quality	1) This brand is of a high quality 2) This is a superior brand 3) This brand is highly sophisticated
Authenticity	1) The brand remains true to its espoused values 2) The brand reflects a timeless design. 3) Quality is central to the brand.
Prestigious image	1) This brand is a symbol of prestige 2) This is a premium brand 3) This is a high-end brand
Commands premium price	1) Even if the other brands are priced lower, I will still buy brand X 2) Even though brand X seems comparable to other brands I am willing to pay more 3) I am willing to pay a higher price for brand X than for other brands of product Y
Resonance	1) I consider myself loyal to this brand. 2) I really love this brand 3) This is a brand used by people like me 4) I am proud to have others know I use this brand

consumption. For example, Kastanakis and Balabanis (2012) find that consumers with an interdependent self-concept are more likely to engage in bandwagon luxury consumption while an independent self-concept discourages this type of behavior.

Consumer culture theory (Arnould & Thompson, 2005) and Belk's (1988) concept of the extended-self in particular, have informed how many researchers understand luxury consumption motivation. The extended-self helps to explain the symbolic role luxury possessions have in consumers' lives (Han, Nunes, & Dreze, 2010). Consumers use possessions to form and alter their identities in order to fit their projections of who they are and hope to be (Belk, 1988). Value in the possession and consumption of luxury brands is held in the ability to extend one's self (Hung et al., 2011). The extended-self also serves as one of the five factors in Vigneron and Johnson's (2004) BLI scale, again indicative of the theory's influence.

Snyder and Fromkin's (1977) theory of uniqueness, which proposes that individuals develop the need to differentiate themselves from others when there is too much similarity in their social environment, has also been influential. Tian, Bearden, and Hunter's (2001) related concept of consumer's need for uniqueness suggests that consumers pursue differentness relative to others through consumption with the intention of developing and enhancing one's self and social image (Tian et al., 2001). Luxury goods' inherent scarcity due to high price and restricted distribution makes it an especially strong category for those attempting to display uniqueness to others (Bian & Forsythe, 2012).

In general, the above theories provide rich conceptual perspectives to be drawn on. While some others have been used, those discussed have been particularly influential.

3. Summary of key research streams

Key areas of research on luxury brands are organized using a modified version of Ko and Megehee's (2012) framework (see Fig. 1). This modified framework has removed the topic of luxury brand counterfeiting from the model (2012), as counterfeiting is fundamentally a legal topic that falls beyond the scope of this study, which is focused on understanding the marketing and consumption of luxury brands. Common themes within and across these areas of research will be discussed.

Table 4
Key Theories of Luxury Branding.

| Theory	Explanation	Select articles that use theory
Self-concept theory	Consumers may seek out luxury brands to enhance their self-concept. In the luxury context this theory proposes that consumers with independent self-concept demonstrate a personal orientation in consumption of luxuries emphasizing hedonic, utilitarian, and self-communication goals. Consumers that have a more interdependent self-concept care more about the social function of luxury consumption.	Kastanakis & Balabanis, 2012 Gil et al., 2012 Dubois et al., 2001 Shukla & Purani, 2012 Wiedmann, Hennigs, and Siebels, 2007 and 2009 Vigneron & Johnson, 1999 Berthon et al., 2009
Conspicuous consumption (Veblen)	Began with Veblen's (1899) observation that the conspicuous consumption signals wealth from which others infer status and power. Later research (Bearden & Etzel, 1982) showed that luxury goods consumed in public were more likely to be conspicuous goods.	Vigneron and Johnson 1999 and 2004 Wiedemann et al., 2009 Wang & Griskevicius, 2014 Berthon et al., 2009 Dubois et al., 2001 Phau & Prendergast, 2000 Christodoulides, Michaelidou, & Li, 2009 Han et al., 2010 McFerran et al., 2014
Social comparison theory	When engaging in social comparison an individual looks to his or her memory for evidence of similarities or dissimilarities between the self and the target. Social referencing and the construction of one's self are determinants of luxury brand consumption.	Mandel et al., 2006 Kamal et al., 2013 Wiedmann et al., 2007 and 2009
Extended-self/consumer culture theory	Consumers use possessions to form and alter their identities in order to fit their projections of who they are and hope to be. Value in the possession and consumption of luxury brands is held in the ability to extend one's self.	Hung et al., 2011 Vigneron and Johnson, 1999 and 2004 Kastanakis & Balabanis, 2012 Christodoulides et al., 2009 Han et al., 2010 Ko et al., 2007 and 2012
Theory of uniqueness	Individuals develop the need to differentiate themselves from others when there is too much similarity in their social environments. Need for uniqueness is a potential motivation for luxury consumption.	Stokburger-Sauer & Teichmann, 2013 Vigneron and Johnson 1999 and 2004 Wiedmann et al., 2007 and 2009 Bian & Forsythe, 2012 Park et al., 2008
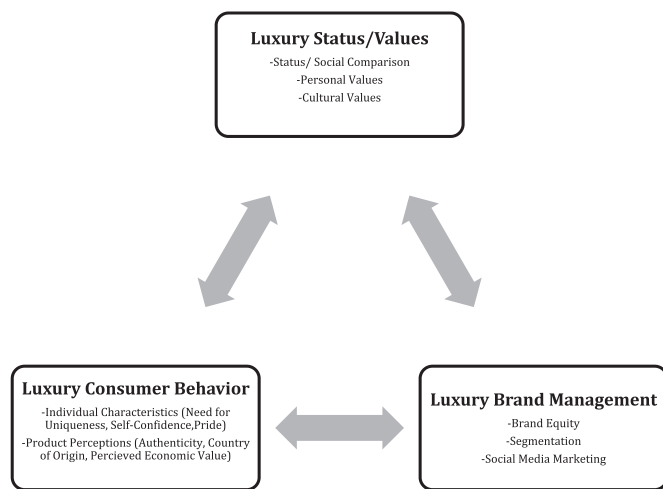
Fig. 1. Consumption of Luxury Brands (adapted from Ko & Megehee, 2012).

3.1. Luxury status/values

The idea that individuals consume luxury brands to signal status to others is one of the oldest in this area of inquiry. Over time researchers have also discovered that consumption of luxury brands allows consumers to convey a number of aspects of their identity outside of their status, in particular their values. Research has examined how luxury consumption is impacted by personal values, cultural values, and values specific to certain populations. The literature has demonstrated that consumption of luxury goods for status and values both allow a consumer to express and potentially enhance their identity to socially important others.

Using social comparison theory, Mandel et al. (2006) hypothesize that making comparisons with successful others can cause consumers to imagine themselves achieving a similar level of success and, in turn alter their future expectations and lead them to prefer luxury brands. In a series of experiments on student subjects using newspaper descriptions of others, the authors find support for their hypothesis. They also find that the effect of making comparisons to successful others is moderated by the degree to which the individuals could imagine themselves in a similar scenario to the depicted character.

In a series of experiments, Han et al. (2010) find that status is a key motive for consumption of luxury goods and that financial status also plays a role. Based on these dimensions, the authors identified four groups: patricians (high financial means, low need to consume for prestige), parvenus (high financial means, high need to consume for prestige), poseurs (low financial means, high need to consume for prestige), and proletarians (low financial means, low need to consume for prestige). Findings verify that status motives are a key underlying factor in preference for luxury goods.

In a survey of more than 1300 Taiwanese consumers, Hung et al. (2011), explores the degree to which social influence, self-perception, and vanity have an influence on purchase intention for luxury handbags. Findings indicate that social influence as measured by conspicuousness and prestige value is positively related to luxury brand purchase intention. The authors also find that functional and experiential self-perception values have a positive influence on purchase intention for luxury brands while symbolic value has a weak, negative relationship with purchase intent.

A survey of 431 U.K. consumers by Kastanakis and Balabanis (2012) examines the impact of psychological factors including self-concept, status-oriented consumption, consumer susceptibility to normative influence, and consumer need for uniqueness on "bandwagon luxury consumption." The authors note that, in contrast to the traditional view that consumers are driven to buy luxury products due to their uniqueness and rarity, that recent evidence shows that many brands are able to mass-market luxury items. Findings show that a strong interdependent self-concept, high consumer susceptibility to interpersonal

influence, and desire to show status via consumption are positively related to bandwagon behavior.

Using a mall intercept survey in India and the U.K., Shukla and Purani (2012) demonstrate the centrality of value perceptions in influencing purchase intention for luxury goods. The authors find existence of considerable cross-national variation. While British consumers give heavy consideration to self-directed and other-directed symbolic/expressive values, as well as utilitarian/functional values, and cost/sacrifice values for developing their luxury perceptions, Indians are more prone to rely on other-directed symbolic/expressive values and cost/sacrifice values. These results suggest consumers in individualistic markets may face difficulty in reflecting their self-image through luxury consumption, a finding is unlikely in a collectivistic culture where luxury can be seen as a means of achieving social recognition.

Using a survey of 319 students, Park, Rabolt, and Jeon (2008) focus on the impact of personal values and social recognition on young Korean consumers' purchase intentions toward foreign luxury brands. The study measures personal values, social recognition, purchase intention, and various demographics. Results show significant relationships between personal values and purchase intention, suggesting that many young Korean consumers express their values through the purchase of luxury brands. Results also show that the influence of materialism, conformity, and the need for uniqueness has a positive relationship with purchase intention while consumer ethnocentrism shows a negative relationship with purchase intention.

Gil et al. (2012) examines whether luxury perceptions of Brazilian teens vary from the rest of the Brazilian population. Survey results demonstrate that teenagers have distinct motives for desiring luxury brands and that materialism is a powerful force in developing positive attitudes toward luxury brands. Additionally, the desire for wealth and material ownership is positively associated with social consumption motivation, suggesting that marketing efforts should focus on materialistic and status-oriented aspects of luxury brands when targeting teens. Gentina, Shrum, and Lowrey (2016) examine cultural differences between teens in the US and France studying 570 French and American adolescents. The authors find that need for uniqueness and susceptibility to influence relate positively to attitudes toward luxury brands for both groups. However, need for uniqueness played a stronger role in the luxury brand attitudes of US teens while susceptibility to influence plays a larger role for French teens.

Clearly, the role status and values play in the consumption of luxury brands is an important topic. Central to the appeal of luxury brands are symbolic meanings consumers attach to them as opposed to specific product features (e.g., Han et al., 2010). This meaning does not seem to end with the consumer, as the literature consistently supports the importance of social influence and comparisons to others, as well as a desire to project a certain image to others.

3.2. Luxury consumer behavior

A consistent theme in the literature is that motives for buying luxury brands differ from those of other brands. Numerous studies have explored a variety of potential motives for luxury brand consumption and findings consistently confirm that unique factors contribute to the consumption of luxury brands. The last section discussed the research stream that has focused specifically on status and values in relation to luxury brands, however research has found that many factors impact consumer behavior related to luxury goods. Issues relating to individual consumer characteristics and perceptions of luxury brands have a tremendous impact on consumer behavior and are of interest to researchers and managers alike.

In a study of wine brands, Beverland (2006) finds that authenticity is an important factor for luxury wine consumers. The author conducted qualitative interviews with wine industry employees and consumers. Beverland finds that authenticity consists of six attributes: heritage and pedigree, stylistic consistency, quality commitments, relationship to place, method of production, and downplaying of commercial considerations and asserts this can apply to other industries.

Hagtvedt and Patrick (2009) conduct multiple studies to examine the role of hedonic pleasure in motivating desire to purchase luxury brands. They assert that luxury brands have greater extendibility than value brands because the promise of pleasure leads consumers to believe that luxury is inherently desirable across a larger number of product categories. Experiments using varied ads, packaging, and price, as well as a taste test confirm that luxury brands are rated higher as brand extensions and that hedonic potential mediated this relationship. More recently, Hagtvedt and Patrick (2016) show that partnering luxury brands with charities at point of sale can increase purchase intent for luxury brands and facilitate upselling. The authors show that this partnerships aids in guilt reduction which serves as the underlying process mechanism.

McFerran, Aquino, and Tracy (2014) investigate pride as another potential motive for purchasing luxury brands, testing two types of pride and their influence on consumer behavior pertaining to luxury goods. The first form, "hubristic" pride is associated with narcissism and negative outcomes such as aggression and hostility. The second form, "authentic pride" is a byproduct of hard work and success and can promote a number of positive outcomes. Based on the results of several experiments, the authors find that authentic pride is a more significant motivator of luxury purchases than hubristic pride.

Wang and Griskevicius (2014) focus on reasons why women buy luxury products. The authors use an evolutionary psychology perspective to suggest that while men use luxury goods as signals of wealth and success, women use these goods to signal to other women that their partner is devoted to them. A series of experiments verify that others perceive a woman as having a more devoted partner if she wears luxury brands and suggest that women who want to "guard" their mate have a greater desire for conspicuous luxury consumption. Results further suggest that a woman's conspicuous showing of luxury brands could dissuade other women from pursuing her partner.

Godey et al. (2012) examine country of origin issues in luxury branding via a survey to about 150 general population respondents in each of four economically developed (France, Italy, Japan, USA) and three developing (China, India, Russia) nations. The authors find that country of origin is a factor in luxury goods purchases though, on average, not as important as some other attributes such as design, brand, guarantee, and price. Additionally, the authors found that some countries emphasize some of the key factors in luxury goods marketing more than others, suggestive of a need to know each local market well.

Researchers have recognized the role culture plays in the behavior of consumers, including perceptual and cognitive differences observed cross-culturally (Kastakanis & Voyer, 2014). Bian and Forsythe (2012) focus specifically on whether a key cultural difference, individualism vs. collectivism, makes a difference in motivation to purchase luxury brands. A survey of U.S. and Chinese students examined the impact of need for uniqueness, self-monitoring, and social-functional attitudes on purchase intention. Results indicate that attitudes toward luxury goods serve important social-functions, impacting both affect and behavior. However, collectivism is not a force leading the Chinese students to all desire the same brand. In fact, the Chinese students have an even higher similarity avoidance NFU than U.S. students, which corroborates previous assumptions that individuals in a collective society can adopt and display individual elements.

Li, Li, and Kambele (2012) collect survey data on attitudes toward luxury fashion brands from 480 Chinese consumers. Results indicate that the dimensions for fashion lifestyles in China are similar to those in other countries. The authors suggest that successful luxury marketing strategy in China should publicize the social and emotional functions in which consumers would appear successful, sophisticated, and well respected when they are wearing luxury brands.

Zhan and He (2012) also examine Chinese consumers, focusing on

three psychological traits that the authors argue distinguish Chinese consumers from other markets: value consciousness (VC), susceptibility to normative influence (SNI), and need for uniqueness (NFU). An online survey of 359 employed questions about three product categories: handbags/suitcases, designer clothing, and watches. Results indicate that both VC and SNI positively relate to brand attitudes and purchase intention toward the best-known luxury brands. Also, for more knowledgeable consumers, NFU shows a negative relationship with brand attitudes and for less knowledgeable consumers the relationship is not significant. These findings suggest that many Chinese consumers prefer unique luxury goods and that social goals and conspicuous consumption matter to the Chinese.

A variety of issues seem to impact consumption behavior of luxury goods. Individual consumer attributes such as need for uniqueness, self-confidence, and pride all play a role in luxury consumption. Perceptions related to luxury brands including country of origin, perceived economic value, and evaluations of authenticity are also important. Emerging research even finds that dynamics of romantic relationships can motivate consumers to buy luxury goods. These diverse considerations highlight the variety of motivations that inspire luxury consumption, and suggest that more research is needed.

3.3. Luxury brand management

The research streams previously discussed focus on why individuals consume luxury goods, however another important stream of research investigates how firms can manage luxury brands. A number of sub-topics exist related to the management of luxury brands including the best ways to build brand equity, the pricing of luxury brands, segmentation strategies, and social media marketing. These streams of research have received considerable attention and are designed to help luxury brand managers effectively build their brands.

In a study of luxury fashion brands, Kim, Ko, Xu, and Han (2012) examine the impact of materialism, experiential needs, and fashion involvement on customer equity. Using a survey, the authors find that experiential needs and fashion involvement have a significant relationship with attitude toward luxury goods, while materialism does not. Meanwhile, attitude toward luxury brands is positively correlated with customer equity. The authors assert that these results indicate that young female Korean consumers express their personal values through the purchase of luxury brands.

One important issue related to luxury brand management is pricing, including how to price luxury goods and whether to display these prices in retail settings. In a study that includes consumers from 7 countries and luxury products from 21 product categories, Kapferer and Laurent (2016) examine consumers minimum price expectations for a luxury product. The authors find extreme dispersion in their results, suggesting that expensiveness and luxury are relative concepts in the global economy. The authors' results also suggest that luxury brand managers should be mindful of their target market when pricing since prices appropriate for a luxury brand seem to be largely consumer and product category specific. After setting a product's price brand managers may also have to decide whether to display prices in retail settings with conventional wisdom suggesting that the practice is a bad idea. Parguel, Delécolle, and Valette-Florence (2016) provide experimental evidence that contradicts this assumption showing that display of prices may actually have a positive impact on brand perceptions by increasing perceived brand uniqueness and conspicuousness.

A sub-area of interest in the luxury branding literature involves the segmentation of consumers. In a study of European, East Asian, and U.S. consumers, Ko, Kim, Taylor, Kim, and Kang (2007) focus on whether cross-national market segmentation is possible among consumers of high-end fashion products. Results from a survey indicate that there are stable market segments that cut across countries and four lifestyle segments are identified: "information seekers", "sensation seekers", "utilitarian consumers", and "conspicuous consumers." Each of these

segments has similar fashion lifestyle preferences and similar consumer behavior patterns across markets. In a follow-up study of the sportswear market, Ko et al. (2012) find further support for the idea that cross-national segments across markets can be targeted for luxury fashion products.

Stokburger-Sauer and Teichmann (2013) focus on the role gender plays in market segmentation for luxury brands via a series of four experiments in Germany. The authors find that women, on average, have significantly more positive attitudes toward luxury brands than men. Women were also more attentive to a multitude of aspects of the brand such as quality, uniqueness and social value.

A topic of interest in recent years is how luxury brands can use social media effectively. Kim and Ko (2010) survey Korean consumers of Louis Vuitton products and find five key properties of social media marketing of luxury fashion brands: entertainment, customization, interaction, word of mouth, and trendiness. Results indicate that entertainment has a significant positive effect on both building intimacy with a customer and purchase intention. Other positive effects include customization on trust, interaction on purchase intention, word of mouth on intimacy and purchase intention, and trendiness on trust. In a follow-up study, Kim and Ko (2012) collect mall intercept surveys in Seoul, Korea and find that the same dimensions are verified. They also find that while traditional marketing activities appeal directly to the value of actual products, that a luxury brand's social media program focuses more on hedonic values reached through indirect brand experience. The authors conclude that all of the five properties of social media marketing are influential to customers of luxury brands as customer equity drivers.

Kamal et al. (2013) examines the relationship between social media users' materialism levels and purchase intention via a survey of U.S. and Arab students (Dubai). The authors find that the Arab respondents exhibit higher levels of materialism and more social media usage than their American counterparts and that in both countries a significant relationship between social media usage and materialism exists. Finally, the authors find that materialism significantly predicts purchase intention of luxury fashion goods in both countries, suggesting that social media may be generally effective in attracting materialistic consumers to purchase luxury fashion goods.

Chu, Kamal, and Kim (2013) also examine whether exposure to social media advertising is associated with purchase intention for luxury products. Results from a sample of over 300 U.S. college students find that attitudes toward social media advertising has a positive relationship with purchase intention for luxury advertising, suggestive of social media advertising having strong potential for luxury products.

In sum, the extant research on luxury brand marketing suggests that: 1) consumption for experience and fashion involvement impacts attitude toward a luxury brand which then drives brand equity; 2) strong possibilities exist for cross-market segmentation; and 3) that social media can be used to build brand image and enhance purchase intention if done properly.

4. Conclusion and suggestions for future research

The literature highlights how the marketing of luxury brands is different than other products while raising even more questions. Future research should continue to test different theories in the luxury context. The most frequently used theories to explain the motivations to consume luxury to this point are based on status, values, and social comparison, but additional theories from diverse disciplinary backgrounds should be tested. Further, differences in motivation for luxury consumption between product and service categories, by gender, and by culture, is in need of additional study.

As luxury markets expand internationally, more cross-cultural research is needed to better understand how consumers' behavior is impacted by their culture. The lack of consensus on whether individualism vs. collectivism and other cultural factors matter to luxury consumers is

in need of additional study, as are the circumstances under which national culture makes a difference. Another question relevant to international expansion is the degree to which a standardized versus a localized approach may be effective in the entrance of emerging markets (e.g. Liu, Perry, Moore, & Warnaby, 2016). Early research suggests that in some markets a balance may be best (Liu et al.) but this will be an important area of investigation going forward that may be firm and market dependent. More generally, the growth of luxury brands internationally also creates the question of how luxury brands can both manage growth worldwide while remaining rare enough to be desirable (Kapferer & Valette-Florence, 2016). Understanding how consumers in a wide variety of countries may conceptualize luxury differently is an important starting point and a relevant consideration in the formation of a definition of luxury brands.

Future research is needed in the area of luxury brand management and in the sub-areas of segmentation and social media marketing in particular. Much of the study of segmentation of luxury consumers has focused on markets at high levels of economic development, so research on the circumstances under which markets can be segmented cross-nationally would be useful. Future research that investigates what consumer values or motivations to consume are most impactful in luxury consumption would also be valuable. The topic of social media marketing and luxury brands will be an important one going forward. As a relatively new aspect of luxury brands' marketing mix, the topic is still evolving, though it remains clear that social media can be used to build brand image and enhance purchase intention. Future research on how social media strategy of luxury brands should differ from standard brands, and how social media for luxury brands should differ from traditional marketing media would be useful to researchers and practitioners.

This study has proposed a new definition of luxury brands that can be broadly applied in the testing of the above issues in future research. It has also outlined key theoretical frameworks used in luxury branding research and relevant findings related to luxury status/values, luxury consumer behavior, and luxury brand management. It is the authors' belief that this study builds upon important existing conceptual and empirical work, and provides a definition will help to aid in the advancement of research on the topic of luxury branding.

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