

# How consumers relate to luxury brands in the 21st century: the changing concept of sacredness and its importance

Daniela Ott

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# THÈSE DE DOCTORAT

de l'Université de recherche Paris Sciences et Lettres PSL Research University

# Préparée à l'Université Paris-Dauphine

How consumers relate to luxury brands in the 21st century: The changing concept of sacredness and its importance

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# **Contents**

List of table	es	5
List of exce	erpts	7
List of figu	res	8
Abbreviatio	ons	9
Abstract		10
Acknowled	gements	34
Outline o Conceptu Research Research Significa	f the introduction  al background of this thesis  gaps  objectives and research questions  nce of this thesis	35 35 39 40 42
Schemati	c outline of thesis	45
•	The concept of luxuryhat is luxury?	46
1.1.1	Etymology of the word luxury	46
1.1.2	Luxury over the centuries	
1.1.3	Luxury versus necessity	
1.1.4	The meaning of luxury	
	terature review	
1.2.1	Bibliometric citation analysis	
1.2.2	Research objective	
1.2.3	Research design	
1.2.4	Bibliometric data	
1.2.5	Methodology and software	
1.2.6	Analysis and results	
1.2.7	Yearly output	
1.2.8	Centers of excellence: the most influential universities	
1.2.9	Most influential journals	
1.2.10	Most influential articles	
1.2.11	Title analysis	
1.2.12	Most influential authors	
1.2.13	Citation mapping	
1.2.14	Summary of the bibliometric analysis	
1.3 Lu	exury: the vision of anthropologists and sociologists	88
1 3 1	Court society	88

1.	3.2	Sumptuary laws	91
1.	3.3	Luxury visions of Sombart and Bourdieu	92
1.4	Lux	cury: the vision of philosophers	96
1.5	Lux	cury: the vision of economists	97
1.	5.1	Leibenstein's bandwagon, snob, and Veblen effects in the theory of consumer	
de	emand	98	
1.6	Lux	cury: The vision of consumer research	99
1.7	Sur	nmary of the definition of a luxury brand	. 102
1.8	Wh	en did luxury take off?	. 108
1.9	Sur	nmary	. 108
C1	2 7		110
•		The sacred.	
2.1		s link between the concept of luxury and the sacred	
2.2		redness.	
	2.1	Fourteen properties of sacredness.	
	2.2	Sacred places	
	2.3	Sacred time	
	2.4	Hierophany	
	2.5	Kratophany	
	2.6	Opposition to the profane	
	2.7	Contamination	
	2.8	Sacrifice	
	2.9	Commitment	
	2.10	Objectification	
	2.11	Ritual	
	2.12	Myth	
	2.13	Mystery	
	2.14	Communitas	
	2.15	Ecstasy and Flow	
		at the sacred does	
2.4		whom is the sacred important	
2.5	Sur	nmary	. 125
Chante	er 3 · A	A brand using the properties of sacredness becomes a luxury brand	127
3.1		e luxury industry: Its evolution and key players	
3.2		cury brands' use of the properties of sacralization	
	2.1	Sacred places	
	2.2	Sacred times	
	2.3	Hierophany	
	2.4	Opposition to the profane	
	2.5	Contamination	
	2.6	Sacrifice	
	2.7	Commitment	
	2.7	Objectification	
	2.8	Ritual	
	2.9	Myth	
٥.	∠.1U	171 y 11	. 134

3.2.11	Mystery	156
3.2.12	Communitas	157
3.2.13	Ecstasy and Flow	157
3.3 Su	mmary	158
Chapter 4:	Socio-cultural and corporate changes: impact on traditional sacredness	161
4.1 Di	fferences between postmodernity and hypermodernity	162
4.2 Fro	om dictatorship to democracy	163
4.2.1	Impact of social media on traditional luxury brands	
4.2.2	Demand from consumers for hyper transparency	
4.3 Fro	om rationalism to emotions	169
4.3.1	From purchasing for social status to purchasing for pleasure	171
4.3.2	From owning to sharing and renting	171
4.3.3	From products to experiences	
4.4 Fro	om progressivism to the importance of the present	
4.4.1	Time against time, rather than class against class	177
4.4.2	The Internet	
4.5 Fro	om tradition to multi-role	181
4.5.1	New consumers	181
4.5.2	Rise of the middle class	183
4.5.3	From formalism to casualization	
4.5.4	New role models	
	om substance to appearance	
	Os and increase in investors generate more financial resources	
	and strategies	
4.9 Ne	w competitor set	192
4.10	Democratization of luxury	193
4.11	Summary	194
•	A potential new sacredness	
	e sacralization of humanism	
5.2 Er	ōs	
5.2.1	I want what I want when I want it	
5.2.2	Seduction, pleasing, fun, and additional product experiences	
5.2.3	Customization	
5.2.4	Well-being	
5.3 Ph	ilia	
5.3.1	Inclusion via collaboration	
5.3.2	Inclusion with respect to product sizing	
5.3.3	Casualization	
5.3.4	Convergence of social values of the brand and the consumer	
-	apē	
5.4.1	Inclusion via transparency	
5.4.2	Inclusion via sustainable behavior	
5.4.3	Inclusion with respect to gender	
5.5 Ar	e these new propositions of sacredness still conveying superiority?	220

5.6	Summary	222
Chapte	r 6 : Conceptual framework	226
Chapte	r 7 : Methodology and research	228
7.1	Research objectives	228
7.2	Choosing a research paradigm	228
7.3	Research questions	231
7.4	Study 1: In-depth interviews	233
7.4	4.1 Research method	233
7.4	Data collection: Sample set and interview guideline	234
7.5	Study 2: Netnography	241
7.5	5.1 Research method	241
7.5	Data collection: Sample set and analysis grid	244
7.6	Data analysis for Study 1 and 2: Method and validation	248
7.6	Ethnomethodology	248
7.6	Validation: Triangulation	249
Chapte	r 8 : Discussion and findings	251
8.1	Example of longitudinal analysis	251
8.2	Study 1: The structural dimensions	254
8.3	Study 1: Structural analysis: patterns of sacredness	258
8.4	Study 2: The structural dimensions	298
8.5	Study 2: Structural analysis: patterns of sacredness	300
Chapte	r 9 : Contribution and conclusion	316
9.1	Methodological contribution	316
9.2	Academic contribution.	317
9.3	Managerial contribution	320
9.4	Limitations and suggestions for improvement and future research	324
9.5	Summary of contributions and limitations	325
9.6	Conclusion	326
Append	dix	329
Bibliog	graphy	334

# List of tables

Table 1. Research questions for empirical research	41
Table 2. Luxury in the dictionary Le Trésor de la langue française	47
Table 3. Comparison of bibliometric analyses of research in luxury studies	53
Table 4. Centers of excellence	61
Table 5. Top 20 journals in the luxury field, sorted by number of relevant article publication	ons 63
Table 6. Top 10 articles sorted by number of citations within the dataset of this thesis	73
Table 7. Top 25 authors sorted by publications (Plux) and total local citation score (LCS).	76
Table 8. Articles and their ID codes as shown in Figure 7	83
Table 9. Comparison of findings of three bibliometric analyses	87
Table 10. Overview of most relevant definitions of luxury brands	104
Table 11: The 14 properties of sacredness	113
Table 12. Summary of sacredness	126
Table 13. Properties of and appropriation of sacredness	133
Table 14. Luxury brand pilgrimage locations	136
Table 15. Examples of luxury products with the quality and reputation of quintessence	153
Table 16. Examples of extravagant locations chosen by luxury brands for shows that were	once
not central to their calendar	159
Table 17. Summary of the properties of the sacred	160
Table 18. What impacts respondents' preferences and purchase decisions	164
Table 19. Summary of consumer changes challenging the old sacredness	
Table 20. Summary of corporate and competitor changes challenging the old sacredness	195
Table 21. Growth rates of personal luxury goods 2016	211
Table 22. Instagram followers and payment per post	222
Table 23. Summary of dimensions of the new sacredness	224
Table 24. Describing the traditional sacredness of luxury and the new sacredness	225
Table 25. Overview of qualitative and quantitative research methods	229
Table 26. Research questions for the empirical study	231
Table 27. Sample overview	238
Table 28. Analysis of sample	239
Table 29. Themes and interview guideline	240
Table 30. Summary of netnography candidates	245
Table 31. Information about the candidates' key blog/Instagram statistics	245
Table 32. Qualitative information on candidates' purpose on blog or Instagram account	246
Table 33. Example placement of Charlotte in the inclusive group	251
Table 34. Dimensions diagram template	254
Table 35. Summary of key words defining dimensions	259
Table 36. Structural diagram with preferences by group	260
Table 37. Exclusive group and their desire to customize and use traditional magazines or s	ocial
media	263
Table 38. Favorite brands cited by the exclusive group and founding dates	
Table 39. Structural diagram with all interviewees	274
Table 40. Summary of demographic profiles of the exclusive group	275

Table 41. Inclusive group and their desire to customize and use traditional magazine	es or social
media	278
Table 42. Summary of demographic profiles of the inclusive group	287
Table 43. Summary of demographic profiles of the both worlds group	289
Table 44. Interviewees allocated by group and origin	293
Table 45. Interviewees allocated by group and religion	294
Table 46. Interviewees allocated by group and spending level	295
Table 47. Interviewees allocated by group and occupation	296
Table 48. Dimensions diagram template for bloggers	299
Table 49. Key words defining dimensions	299
Table 50. Structural diagram with all bloggers	300
Table 51. Summary of contributions and limitations	325

# List of excerpts

Excerpt 1. The Sacred and the Profane: The Nature of Religion	112
Excerpt 2. The Sacred and the Profane: The Nature of Religion	114
Excerpt 3. New York Times article describing births in the royal families of different	nt countries
	118
Excerpt 4. "I'm American. I Hug. Meghan Markle's Looming Impact on the British	Monarchy"
	119
Excerpt 5. The Sacred and the Profane: The Nature of Religion	124
Excerpt 6. Article in <i>The Independent</i> : "Gucci to Hold Fashion Show at Westminston	er Abbey:
Move Hailed as 'Magical' by Brand's Creative Director but Described as 'Disa	neyfication'
of the Church by Clergy"	142
Excerpt 7. January 25, 2018 investor conference for LVMH annual results 2017, sp	eech by
Bernard Arnault	145
Excerpt 8. "Should Fashion Brands Bet on Star Designers?"	
Excerpt 9. "How Luxury Brands Can Grow Yet Remain Rare"	148
Excerpt 10. Quintessence: The Quality of Having it	
Excerpt 11. "Why luxury brands need social media"	165
Excerpt 12. Extract from the interview "Insta-Engénue: Lilly-Rose Depp" with a lu	
executive	166
Excerpt 13. "Millennials demand transparency from luxury brands"	168
Excerpt 14. From the chapter "Time against Time" in <i>Hypermodern Times</i>	175
Excerpt 15. Interview with a Chanel executive	
Excerpt 16. Interview with a Chanel executive	
Excerpt 17. "The new meaning of fast fashion"	
Excerpt 18. Reasons for democratization of the desire for luxury at high prices	

# List of figures

Figure 1. Schematic outline of thesis	45
Figure 2. Overview of bibliometric research	54
Figure 3. Number of articles on lux* topics	59
Figure 4. Journal focus and impact of research on luxury: the big picture	64
Figure 5. Journal focus and impact on luxury research (detailed view)	65
Figure 6. Word cloud of all words in the titles	75
Figure 7. Mapping of lux* research	82
Figure 8. Illustration of how culture and meaning are transmitted via consumer goods to the	
individual consumer	127
Figure 9. Framework for luxury brand sacralization	227
Figure 10. Overview of planned empirical research	232
Figure 11. Age distribution of the three groups	292
Figure 12. Number of Instagram followers and age	297

# **Abbreviations**

BOF www.businessoffashion.com

BN Billion

CEO Chief Executive Officer

CSR Corporate social responsibility

DOS Directly-operated-store

EBIT Earnings before interest and tax

GCS Global Citation Score

LCS Local Citation Score

LV Louis Vuitton

LVMH - Moët Hennessy Louis Vuitton

Plux Number of published articles on luxury research

PPR Pinault-Printemps-Redoute

WOM Word of mouth

## **Abstract**

# English

This thesis analyzes the relationship between consumers and luxury brands, and how this relation is changing in the 21<sup>st</sup> century. Facing the challenge of being desacralized by the changes in society, stemming from hypermodernity, the democratization of luxury, the Internet, and social media, traditional luxury brands are looking for ways to remain relevant and sacred. We describe how sacredness is evolving and how brands are using the properties of sacredness to stay luxury brands.

Our main assumption is that the concept of sacredness in society is evolving, and we therefore propose a theoretical framework that describes a potential new sacredness for luxury brands to remain desirable for consumers in the 21st century.

We conducted in-depth interviews with luxury brand consumers, analyzed Instagram data, and performed ethnography and nethnography analyses on the data sets, allowing us to provide first insights and findings on the role and importance of sacredness for luxury brands.

Our findings show three patterns in the relationship of consumers to luxury brands, underlying different visions of sacredness. These range from (1) traditional sacredness, i.e. exclusivity, (2) new sacredness, i.e. inclusivity, and (3) a fusion of exclusivity and inclusivity.

Key words: Luxury, Luxury brands, Sacredness, Ethnography, Instagram, Exclusivity, Inclusivity, Love

#### French

# Comment les consommateurs se rapportent aux marques de luxe au 21ème siècle : Le concept changeant du sacré et son importance.

#### Résumé

Cette thèse analyse les relations entre consommateurs et marques de luxe, et comment cette relation évolue au 21ème siècle. Face au défi de la désacralisation face aux mutations de la société, liées à l'hypermodernité, à la démocratisation du luxe, à Internet et aux médias sociaux, les marques de luxe traditionnelles recherchent des moyens de rester pertinentes et sacrées. Nous décrivons comment le sacré évolue et comment les marques utilisent les propriétés du sacré pour rester des marques de luxe.

Notre hypothèse principale est que le concept de sacré dans la société évolue et nous proposons donc un cadre théorique qui décrit un nouveau sacré potentiel pour que les marques de luxe restent souhaitables pour les consommateurs du 21ème siècle.

Nous avons mené des entretiens approfondis avec les consommateurs de marques de luxe, analysé les données Instagram et effectué des analyses ethnographiques et nethnographiques sur les ensembles de données, ce qui nous a permis de donner un premier aperçu et de découvrir le rôle et l'importance du caractère sacré des marques de luxe.

Nos résultats montrent trois tendances dans les relations des consommateurs avec les marques de luxe, qui sous-tendent différentes visions du sacré. Celles-ci vont du (1) sacré traditionnel, à savoir l'exclusivité, au (2) nouveau sacré, à l'inclusivité, et (3) à la fusion de l'exclusivité et de l'inclusivité.

**Mots-clés :** Luxe, Marques de luxe, sacré, Ethnographie, Instagram, Exclusivité, inclusivité, Amour

## 1. Introduction

Les changements dans la structure des différents types de ventes et de consommateurs affectent le concept de luxe pour les consommateurs. En contraste avec les perceptions traditionnelles de consommateurs de luxe comme étant un groupe homogène de « quelques privilégiés », certains, segments contrastés apparaissent

désormais parmi la clientèle de luxe, qui perçoivent la notion de luxe de façon très hétérogène (Chandon, Laurent, and Valette-Florence 2016, p. 299).

Nous commençons cette thèse avec une citation de Chandon et al. (2016) puisqu'ils soulignent le fait que le luxe soit passé de quelques heureux à beaucoup d'heureux, et cela à de nombreuses implications, principalement que les consommateurs de luxe perçoivent maintenant la notion de luxe de manière très hétérogène. Comment cela s'est t-il produit, et quelles en sont les conséquences?

Traditionnellement, le luxe a été pour l'élite, la classe dirigeante, l'aristocratie, ce qui veut dire les gens ayant le pouvoir, afin de pouvoir se démarquer eux même des êtres humains normaux, et prospérer sur son exclusivité et sa rareté, ce à quoi nous nous référons comme étant le « sacré traditionnel ». Comme Chandon, Laurent, et Valette-Florence (2016, p.299) le soulignent :

Le changement le plus marquant dans le secteur du luxe est évident mais largement ignoré: Durant 25 siècles, le luxe a été le privilège de la royauté, des autorités religieuses, des tyrans, ou des généraux, étalé de façon ostentatoire en publique. En commençant avec la Renaissance et le début des sociétés capitalistes, le luxe s'est lentement répandu au banquiers et aux chefs d'industries. Pendant ce temps, les créateurs ont commencé à signer leurs chefs d'œuvres, dans les toutes premières lueurs du marketing de luxe. À partir de ce changement, les biens de luxe sont entrés dans une nouvelle ère, fournissant des cadeaux occasionnels que les consommateurs s'offrent à eux même une fois de temps en temps, selon une sorte de droit démocratique au bonheur.

Comme résultat d'une large expansion vers le bas, les ventes sont maintenant faites pour les nombreux heureux » (Bernard Dubois et Czellar 1998).

Néanmoins, malgré la démocratisation du luxe, la terminologie académique et managériale, les analyses, ainsi que la réelle gestion de la marque de luxe sont bloquées sur l'idée que le concept du luxe et des marques de luxe sont toujours à propos de l'exclusivité et de la rareté. Nous fournissons différents exemples venant de recherches académiques qui relient l'exclusivité au concept de luxe, et en même temps, des exemples dans la presse récente en 2018 où l'un peut conclure que e.g. « universelle » et « inclusif » sont les nouveaux termes associés avec les marques de luxe.

Plusieurs lacunes dans la recherche sont identifiées :

- Peu d'études académiques ont analysé le concept du sacré et sa relation avec le concept de luxe. Cela est surprenant car le sacré repose au cœur du concept de luxe. Le but du sacré est de créer un sentiment de supériorité et de distance, un outil utilisé pour le matérialiser est le concept de luxe. Par conséquent, la première lacune que nous avons l'intention de remplir est de connaître plus en profondeur le concept de sacré et comment il est relié au concept du luxe.
- Deuxièmement, nous explorons le manque de recherche sur la compréhension de ce qui est sacré pour le consommateur en général, et leur relation avec le luxe en particulier. Comment le sacré est il affecté par la socio-culture, l'entreprise, et les changements de marchés ? Que constitue le nouveau sacré pour le 21ème siècle ? Ces questions sont essentielles à cette thèse.
- Troisièmement, à ce que nous savons, personne n'a encore étudié si le concept d'exclusivité est toujours pertinent aujourd'hui, étant donné que la plupart des recherches académiques et les médias parlent de l'importance et la gestion de l'exclusivité ou l'exclusivité perçue.

L'objectif de cette thèse est d'analyser la relation entre les consommateurs et les biens de luxe, et comment cette relation évolue dans le 21ème siècle. Notre supposition principale est que l'idée de sacré évolue, et que cela n'est pas juste lié au sacré avec respect pour le luxe, mais pour la société comme un tout. La société change et par conséquent le luxe à besoin de changer également pour rester pertinent. Nous croyons qu'il est important que l'évolution du sacré soit enquêtée et comprise. Nous proposons donc un tableau théorique qui décrit un nouveau sacré potentiel et qui décrit ce que cela pourrait signifier pour les consommateurs au 21ème siècle.

## Tableau 1. Questions de recherche pour la recherche empirique

- Comme nous déplaçons nous de l'exclusivité traditionnelle (l'ancien sacré) à l'inclusivité (le nouveau sacré) ?
- Le nouveau sacré est il lié à l'idée de plaisir personnel, séduction, amitié, ou le fait de faire parti d'une communauté ?
- Le nouveau sacré est il lié à l'idée de bien faire ?

## 2. Le concept de luxe et le Sacré

Nous effectuons une revue littéraire approfondie, ainsi qu'une analyse de citation bibliométrique. Nous recherchons la vision du concept de luxe à travers différentes lentilles incluant l'anthropologie, la sociologie, la philosophie, l'économie ainsi que le marketing et l'étude de consommation. Nous fournissons les définitions les plus importantes du luxe par les flux de recherche.

Nous explorons ensuite qu'est ce que le sacré, qu'elle est son action, pour qui est il important, et comment le concept de luxe a toujours été lié au sacré. Le concept de luxe a toujours été lié au sacré, c'est clairement sa définition du concept, son sens, son essence. C'est parce que les êtres humains ont besoin d'élévation ou de supériorité, et le concept de luxe et de sacré fournissent l'élévation et la supériorité qui peuvent faire qu'un être humain se démarque. Le luxe, par définition entraîne tout ce qui est en excès et en grandeur ; par conséquent c'est ce qui n'appartient pas au concept de profane. Le sacré appartient à ceux qui ont le pouvoir. C'est le chemin le plus court pour des objets ou des êtres humains d'être prêt des dieux, du commencement, et de la perfection. Les objets de luxe ont toujours, et encore aujourd'hui, été utilisé pour indiquer un haut rang ou une position aspirante dans la société. Wallendorf, et Sherry, Jr (1989) identifient 12 propriétés du sacré nommées : hiérophanie, kratophanie, mythe, mystère, sacrifice, rituel, opposition au profane, contamination, communauté, engagement, objectivation, et extase et courant. Nous adoptons cette structure et nous l'amendons, ajoutant deux attributs additionnels, nommés lieux sacrés et temps sacrés, faisant un total de 14 propriétés. Le Tableau 2 ci-dessous souligne ces 14 propriétés du sacré ainsi que leur actions et pour qui elles sont importantes.

Tableau 2. Sommaire du sacré.

Ce que c'est	Ce que ça fait	Pour qui?		
1 Lieux sacrés	Croire en quelque chose de supernaturel et	Tous les êtres		
2 Temps sacrés	divin et par le divin répondre à la peur	humains,		
3 Hiérophanie	humaine du futur et l'anxiété du présent.	religieux ou non.		
4 Kratophanie				
5 Opposition au profane	L'expérience leur autorise à expériencer le			
6 Contamination	sentiment d'appartenance à quelque chose			
7 Sacrifice	de plus grand qu'eux.			
8 Engagement	Un retour à la source, qui sert de model			
9 Objectivation	pour tous les temps sacrés: le temps sacré			
10 Rituel	où les dieux se manifestaient et le monde			
11 Mythe	créé, la manifestation divine la plus			
12 Mystère	complète.			
13 Communauté	Nouer des liens et donner un sens à sa vie.			
14 Extase et courant				

Note: Propre information, résumant les conclusions du chapitre 3

# Une marque utilisant les propriétés du sacré devient une marque de luxe

Pour expliquer comment les marques utilisent les « propriétés du sacré » pour devenir « luxe », nous nous inspirons sur la culture et la théorie de consommation développées par McCraken (1986). McCraken (1986) explique comment la culture se déplace de la société à des biens de consommation, et ensuite aux consommateurs individuels, utilisant différents instruments pour ce mouvement : la publicité, le système de mode, et quatre rituels de consommation. Dans cette étude, nous montrons que cela n'est pas très différent de ce que les marques de luxe créent, comme indiqué par Dubois (2013) ; plutôt, les marques de luxe s'approprient les rituels du sacré ainsi que le caractère d'être sacré, qui créé volontairement une distance. Le but des marques de luxe est d'être perçues comme sacré plutôt que profane ou ordinaire, ce qui créé par la suite un sentiment de luxe, qui va donner la possibilité d'augmenter le prix, générant une meilleure marge de profit. Nous utilisons la théorie de sacralisation développée plus tôt et nous montrons comment les marques de luxe cultivent la sacralisation. Nous soulignons l'évolution et les

facteurs clés de l'industrie de luxe, puis nous démontrons comment les marques de luxe utilisent les propriétés du sacré, avec des applications pratiques et des exemples, comme résumé dans le tableau 3.

Tableau 3. Résumé des propriétés du sacré

Propriétés du sacré	Exemple spécifique de comportement de marque de luxe				
1 Lieux sacrés	Patrie du designer créateur Sacralisation par pèlerinage Magasins exploités directement				
2 Moments sacrés	Date de création de la marque avec logo Expositions au sein de musées pour célébrer les anniversaires spéciaux Calendrier régulier pour fashion shows et shows de haute couture Périodes de soldes régularisées, ou évènements spéciaux "vente privée"				
3 Hiérophanie	'Effets "de train en marche", "snob", et "Veblen", utilisations de logos et autres éléments du genre pour créer des hiérophanies.				
4 Opposition au Profane	Distribution séléctive Recherche de proximité avec la monarchie, la religion ou autres formes de "grandeur"				
5 Contamination	Créateur de la marque Actuel directeur de création ou "designer phare" Muses, ambassadeurs et artistes avec la marque Artification				
6 Sacrifice	Économies pour pouvoir acheter les biens de prix élevés Distance entre les boutiques ou restrictions d'objets à une certaine boutique Listes d'attente Manque de confort et un choix très limité de tailles de robes				
7 Engagement	Le luxe comme lourd engagement Affichage de logo				
8 Objectification	Sacralisation par la quintessence ex. "le produit parfait"				
9 Rituel	Aspects liés au fashion show Rituels autour du service et le cérémonial de vente au sein du magasin				

10 Mythe Histoires autour de la création de la marque

11 Mystère Techniques de création spéciales

Accès limité aux ateliers

12 Communautés Évènements spéciaux organisés par la marque

13 Extase et flux Shows spéciaux couteux qui ressemblent plus au "Cirque du Soleil" qu'à

un défilé de mode.

Note: Points clés développés dans ce chapitre.

# Changements socioculturels et corporatifs du sacré traditionnel

Nous décrivons comment la société évolue et comment le sacré et donc le luxe doivent évoluer, étant donné que le luxe est culturel et représente la société. Les changements sociaux et institutionnels défient le sacré traditionnel. Nous avons utilisé la théorie du mouvement de la signification culturelle des biens de consommation de McCracken (1986) pour montrer comment les marques s'approprient les propriétés du caractère sacré. Le sacré est une culture, et si la culture évolue, les marques de luxe doivent évoluer car elles appliquent la tendance et le sens de la culture. La culture traditionnelle soutenait «le sacré traditionnel ou le luxe»; Étant donné que l'idée et le sens du «caractère sacré» évoluent comme le soulignent les *grandes lignes* ci-dessous, les marques de luxe doivent évoluer si elles veulent rester pertinentes dans la société.

Les grandes lignes des changements de comportement des consommateurs et des entreprises sont données en premier. Ensuite, chacun de ces changements est détaillé dans des sous-sections et décrit comment ils peuvent avoir un impact et défier le sacré traditionnel.

Les changements importants affectant le caractère sacré traditionnel du côté du consommateur sont liés aux changements de la modernité à la postmodernité, puis à l'hypermodernité:

Changements socioculturels:

- de la dictature à la démocratie (de la verticalisation à l'horizontalisation),
- du rationalisme aux émotions (du progressisme à l'importance du présent),
- de la tradition aux rôles multiples,
- de la substance à l'apparence, et
- d'une société stratifiée à une société de classe moyenne.

Changements corporatifs et concurrentiels:

- de l'exclusivité à l'accessibilité. Cela comprend plusieurs actions et stratégies de la part des marques de luxe et des nouveaux concurrents qui ont conduit à la démocratisation du luxe.

Les tableaux 4 et 5 résument ces modifications :

Tableau 4. Résumé des changements de consommation qui défient l'ancien sacré.

Modernisme	Post- et hyper- modernité	Comment le sacré traditionnel est défié?
Dictature	Démocratie	L'impact des réseaux sociaux sur les marques de luxe « traditionnelles »
Rationalisme	Émotions	Exigence d'hyper transparence de la part des consommateurs De l'achat pour un statut social à l'achat par plaisir De la propriété au partage et à la location Des produits aux expériences
Progressisme	Importance du Présent	Le temps contre le temps, plutôt que classe sociale contre classe sociale Les internets
Tradition	Multi-rôle	Millennials – une génération inclusive De la formalité au décontracté De nouvelles idoles de Beyoncé à Kim Kardashian
Substance	Apparence	L'importance du packaging des marques de luxe L'augmentation des produits contrefait. Ils font les travail de l'apparence L'augmentation du fast fashion. Des copies de designers suffisent.

Note: Propre résumé

Tableau 5. Résumé des changements dans l'entreprise et dans la concurence qui défient l'ancien sacré.

L'entreprise et la concurrence changent

L'augmentation des entrées en bourse et l'investissement dans l'industrie des biens de luxe

Brouillage des lignes entre les segments de prix

Ensemble de nouveaux compétiteurs

Démocratisation du luxe

Note: Propre résumé

#### Un potentiel nouveau sacré.

L'objectif de cette recherche est d'analyser et de décrire les relations des consommateurs avec les produits de luxe et leur évolution au XXIe siècle. Nous avons exploré le lien entre le sacré et le concept de luxe, et nous avons vu comment les marques utilisent les propriétés du sacré pour être perçues comme des marques de luxe. Nous avons décrit les changements en cours dans la société et le paysage concurrentiel qui défie les marques de luxe traditionnelles, ainsi que les risques de désacralisation des marques de luxe traditionnelles. Suite aux changements de la société, et donc à l'évolution du sacré, nous développons un cadre montrant un nouveau sacré potentiel pour les consommateurs du 21ème siècle. Parce que le concept de luxe représente la culture d'une société, si cette culture évolue, le luxe, c'est-à-dire le caractère sacré, doit également évoluer; si les marques de luxe souhaitent rester sacrées, elles doivent évoluer avec la culture. Ici, nous utilisons une théorie développée pour Ferry (2014).

Dans son livre fondateur, *La Révolution de l'amour*, Ferry (2014) affirme que 'c'est l'amour qui donne sens à nos vies'.

Nous exposerons ici la conclusion de Ferry (2014) selon laquelle l'amour de l'humanisme sera un nouveau caractère sacré, d'où notre proposition selon laquelle ce nouveau caractère sacré est structuré autour de trois dimensions de l'amour abordées dans la philosophie grecque:  $agap\bar{e}$ ,  $er\bar{o}s$  et philia. Il existe une quatrième interprétation de l'amour,  $Storg\bar{e}$ , qui symbolise l'amour au sein de la famille. Dans le cadre de cette thèse, nous incluons  $Storg\bar{e}$  dans Philia, qui représente l'amour dans l'amitié. En effet, dans la

société actuelle, beaucoup ont créé une famille en plus ou parfois en remplacement de la première et se sentent plus proches de leurs amis que de leur propre famille.

Ferry appelle le deuxième humanisme la «révolution de l'amour», qui a donné naissance à la famille moderne, une institution fermement enracinée dans le passage du mariage arrangé au mariage d'amour. Selon Ferry (2012), le premier humanisme a été celui du droit et de la raison, de la droite française et de Kant, alors que le second humanisme est défini par la fraternité et la sympathie, avec la mission de préparer le monde, nous laissons derrière nous nos êtres chers au lieu d'être définis par le nationalisme ou les idées révolutionnaires.

Pour Ferry (2012), le sacré ne provient pas de la religion mais de l'étymologie et de la philosophie. Il ne définit pas cela par opposition au profane, comme le fait cette étude à la section 2.2.6. Pour lui, le sacré a le sens de ce qu'une personne se sacrifierait. Il soutient que les trois principales raisons pour lesquelles les êtres humains ont sacrifié leur vie au cours des derniers siècles en Europe ont été la religion, une nation, un pays, une patrie et des idées révolutionnaires. Dans l'Europe d'aujourd'hui, cependant, la plupart ne sont plus prêts à donner leur vie ou celle de leurs enfants pour ces causes. Les seules causes pour lesquelles nous sacrifierions notre vie ne sont pas les idéologies politiques ou religieuses, mais les êtres humains que nous aimons, comme notre amour les sacralise. Ferry écrit qu'il s'agit «d'une sorte de révolution copernicienne qui, à la place des anciens principes fondateurs - le cosmos des Grecs, le Dieu des grandes religions, le cogito, la raison et les droits de l'humanisme républicain - crée l'amour, l'amitié et la fraternité sont le nouveau fondement de nos valeurs et le placent au cœur de nos préoccupations »

Nous développons en détail les traits du nouveau caractère sacré potentiel, comme indiqué dans le tableau 6, et du caractère sacré traditionnel, qui apparaît en gris et est probablement moins important aujourd'hui.

Tableau 6. Description du sacré traditionnel du luxe et du nouveau sacré.

Sacré traditionnel Le nouveau sacré : de nouvelles valeurs pour Ces valeurs permettaient autrefois donner de la supériorité<sup>a</sup> la supériorité

Prestigieux Prestigieux Rare Rare **Exclusif** Exclusif

Haute qualité/performance Haute qualité/performance

Cher Cher

Fait à la main, artisanat Fait à la main, artisanat

Distant. de haut en bas.

Distant, de haut en bas, monologue, arrogant monologue, arrogant

Netteté perçue Netteté perçue Unicité perçue Unicité perçue

Élitiste Élitiste Mystérieux Mystérieux Long terme Long terme

Erōs

P1: me séduit et me plaît

Plaisir, amusement et expériences additionnelles et produits additionnelles, customisation; bien

être

Philia P2: amitié

Décontracté, inclusion avec le respect de la taille du produit, inclusion via des collaborations, co-

création

Agapē

P3: faire du bien

Inclusion via la transparence, comportement durable, genre, convergence des valeurs sociales

entre les marques et les consommateurs

Note: a Les paramètres en gris clair sont moins importants aujourd'hui mais sont toujours présents, depuis une propre analyse.

## Cadre conceptuel

Il est important de noter que pour des groupes de consommateurs différents, des valeurs différentes seront sacrées, et ils atteindront la supériorité par le moyen d'autres valeurs. Par exemple, pour la vieille bourgeoisie, les valeurs traditionnelles du sacré resteront importantes, mais pour les millenials, les nouvelles valeurs seront sans doute plus appropriées pour démontrer la supériorité. Pour cette raison, comme démontré plus haut et également dans le cadre ci-dessous, le nouveau sacré doit être considéré comme une addition et non comme une alternative.

Comme nous montrons dans la partie empirique qui suit, de plus en plus de conommateurs, vont ressentir l'expérience de la supériorité avec les valeurs du nouveau sacré. Bain & Company estime que de plus en plus de consommateurs auront un état d'esprit de millenial, peu importe la génération à laquelle ils appartiennent. (Bain & Company 2017)

La cadre qui suit montre le lien des différentes parties de cette thèse soulignées dans la partie théorique jusqu'ici.

Figure 1. Cadre de la sacralisation des marques de luxe.

#### Chapitre 4

#### Changements socioculturels

- De la dictature à la démocratie
- Du rationalisme aux émotions
- Du progressisme au présent
- De la tradition au multi-rôle
- De la substance à l'apparence
- Montée de la classe moyenne
- Démocratisation du luxe

# Marque de luxe et autres changements de paysage concurrentiel

- Introductions en bourse et augmentation du nombre d'investisseurs
- Flou des lignes entre les segments de prix
- Nouveau set concurrent

# Concept de luxe

#### Chapitre 1

- Prestigieux
- Rare
- Exclusif
- Haute qualité / haute performance
- Coûteux
- Fabrication artisanale, artisanat, savoir-faire
- Distant, de haut en bas, monologue, arrogant
- Perception perçue
- Unicité perçue
- Élitiste
- Mystérieux
- Long terme

#### Le sacré et le concept de luxe

#### Chapitre 2

- Lieux sacrés
- Temps sacrés
- Hiérophanie
- Opposition au profane
- Contamination
- Sacrifice
- Engagement
- Objectification
- Rituel
- Mythe
- Communauté
- Extase et flux

## Propriétés du sacré appropriées par les marques de luxe: sacralisation traditionnelle par les marques Chapitre 3

- 1. Lieux sacrés: par exemple Patrie du créateur fondateur 1 emps sacres: par exemple Date
- 2. de creation de la marque avec
- 3. Hiérarchie: par exemple Bandwagon ',' Snob 'et' Veblen 'utilisent des logos et autres pour
- 4. Opposition au profane: par exemple distribution intelligente
- 5. Contamination: par exemple via le fondateur de la marque
- 6. Sacrifice: par exemple économies pour pouvoir acheter les produits
- 7. Engagement: par exemple le luxe comme engagement financier
- 8. Objectification: par exemple sacralisation par la quintessence, c'est-à-dire «le produit parfait»
- 9. Rituel: par exemple rituels autour du service et de la vente dans le
- 10. Mythe: par exemple histoires sur la fondation de la marque
- 11. Mystère: par exemple techniques artisanales spéciales
- 12. Communautés: par exemple, des événements spéciaux organisés
- 13. Extase et Flux: par exemple via des spectacles spéciaux onéreux qui ressemblent plus au Cirque

# Nouvelle sacralisation, ce qui élève le consommateur aujourd'hui

#### Chapitre 5

P1: Mon plaisir

- Je veux ce que je veux quand je le veux
- Séduction, plaisir, amusement et expériences supplémentaires du
- Personnalisation
- Bien-être

P2: Amitié

- Inclusion via la collaboration
- Inclusion concernant le calibrage du produit
- Casualisation
- Convergence des valeurs sociales de la marque et du consommateur

P3: La charité, bien faire

- Inclusion via la transparence
- Inclusion via un comportement durable
- Inclusion avec le respect du genre

#### 3. Méthode

Nous croyons que la réalité peut avoir de multiples constructions et naturellement que ce qui est sacré pour les consommateurs change autant qu'ils changent ainsi que la société comme un tout. C'est seulement en explorant les interprétations individuelles que nous pouvons comprendre la relation entre les consommateurs de biens de luxe et ce que le sacré constitue pour eux. Parce que nous voulons comprendre la relation entre les consommateurs de luxe, l'interprétative et le constructiviste pragmatique sont le meilleur moyen de répondre à nos questions. Notre recherche enquête sur le fait que l'amour soit le nouveau sacré ou non, pour cette raison, des méthodes qualitatives ont été choisi, pour que nous puissions comprendre ce que nous ne savons pas encore.

Nous avons identifié (1) des individus ouverts, des entretiens approfondis, et (2) la netnographie comme les meilleures méthodes pour répondre aux questions de nos recherches.

Pour cette étude, nous adoptons une approche échantillonnage raisonné pour inclure des entretiens avec des contexte personnels et familiaux. Cela implique que notre échantillon doive représenter la diversité. Nous soulignons en détail dans cette thèse nos réflexions sur le genre, l'age, la résidence, l'origine, la religion et le niveau d'éducation. Nous compilons des thèmes clés et une ligne directrice pour nos entretiens.

La netnographie et un outil important pour étudier la culture en générale et la culture théorique des consommateurs en particulier. La culture est la norme dans laquelle nous vivons ainsi que les valeurs que nous partageons dans nos communications directes ou sur les plate-formes internet. Cela nous permet de comprendre la culture depuis différentes sources ou moyens, ex ; le corpus de culture est transmis via des speech mais également via l'écriture ou même le partage d'images et l'utilisation d'émojis.

Au total nous avons conduit 26 entretiens approfondis, et nous avons analysé 5 instagramers/bloggers. La méthode que nous avons choisi pour l'analyse est l'ethnologie, comme développée par Garfinkel (1967). Premièrement, nous avons utilisé une analyse longitudinale, dans laquelle nous avons analysé chaque entretien approfondi dans l'étude 1, et chaque blogger dans l'étude 2. par la suite nous avons fait une analyse structurelle, dans laquelle nous avons analysé dans une dimension tous les entretiens dans l'étude 1, et tous les bloggers dans l'étude 2. nous avons utilisé une analyse de contenu, ainsi qu'une analyse structurelle, pour valider nos trouvailles nous avons utilisé la triangulation.

Pour valider notre analyse de données, nous avons utilisé la triangulation, ex : des méthodes différentes qui fournissent le même résultat. Nous appliquons ce que Guba et

Lincoln (1994) soulignent, que c'est une enquête naturaliste, qui est une forme d'étude qui se centre sur comment les individus se comportent quand ils ont absorbé dans la vraie vie des expériences dans des conditions naturelles. Nous avons divisé nos différentes triangulations en ces piliers :

- Pilier 1 : nous avons employé deux ensemble de données. Avec le premier et le deuxième ensemble, nous sommes arrivé aux mêmes conclusions.
- Pilier 2 : nous avons utilisé deux techniques différentes : l'analyse de contenu symbolique (ex : la pure interprétation) et l'analyse structurelle, qui est une manière différente de trouver un sens. Les deux techniques nous ont livré des résultats similaires dans notre cas.
- Pilier 3: Nous avons effectué un contrôle de membre: Nous avons résumé des résultats clés depuis les entretiens approfondis et nous les avons reporté lors de nos entretiens nous voir si nous les avions bien compris. Nous avons envoyé un résumé aux participants et nous avons vérifié si ils étaient d'accord avec notre compréhension de ce qu'ils considèrent sacré. Nous avons posé les questions suivantes: est ce que cette analyse reflète votre personnalité? Ai-je oublié quelque chose d'important? Ai-je trop insisté sur certains points? Nous leur avons demandé de signer le résumé que nous avons fournit. Ces résumés et leurs signatures peuvent être trouvé dans l'appendice.
- Pilier 4 : nous avons demandé des commentaires sur notre analyse longitudinale et structurelle à différentes critiques
- Pilier 5 : nous avons effectué une revue littéraire, présenté au début.

La figure 2 ci-dessous souligne la partie empirique plus en détails.

Figure 2. Vue d'ensemble de la recherche empirique planifiée.

 Chapitre 7
 Chapitre 8

 Étape 1:
 Étape 2:
 Étape 3:
 Étape 4:
 Étape 5:

 Questions de recherche
 Design de recherche: Qualitative
 Recueil de données
 Analyse de données
 Discussion et découvertes

P0: Est-ce que le luxe traditionnel change? Ex le sacré traditionnel

P1: Est-ce que le nouveau sacré aujourd'hui est lié avec le fait de me séduire, me toucher ou me plaire?

P2: Est-ce le nouveau sacré d'aujourd'hui est-il en lien avec le concept d'amitié?

P3 : Le nouveau sacré d'aujourd'hui est-il en lien avec les bonnes actions?

- Interprétation et constructionisme paradigme
- Étude 1: 26 interviews en profondeur avec des consommateurs de luxe.
- Étude 2: 5 analyse de Blogger en rapport avec le luxe.
- Étude 1: Échantillon de critères définis, ligne directrice d'entretien.
- Étude 2: Échantillon de critères définis, grille d'analyse.
- Ethnométhodologie
- Analyses de contenu:
- Analyse longitudinale nous effectuons une analyse de contenu symbolique
- Analyse structurelle
- Validation: Triangulation

- Étude 1: dimensions
- Étude 2: dimensions structurelles

structurelles

 Trois schémas de sacré: Exclusivité, Inclusivité, et une fusion de l'exclusivité et de l'inclusivité

## 4. Discussions et résultats

Nous avons utilisé une analyse longitudinale, sur laquelle nous avons fait une analyse structurelle. Tableau 7 souligne les dimensions de l'étude et structure la relation avec le luxe. Nous avons souligné les sept différentes différences culturelles en dessinant sur la recherche développée dans la partie théorique, ainsi que depuis l'analyse de contenu symbolique. Nous avons utilisé ce diagramme de dimension pour les entretiens approfondis, et aussi (légèrement amendé) pour les analyses de bloggeurs.

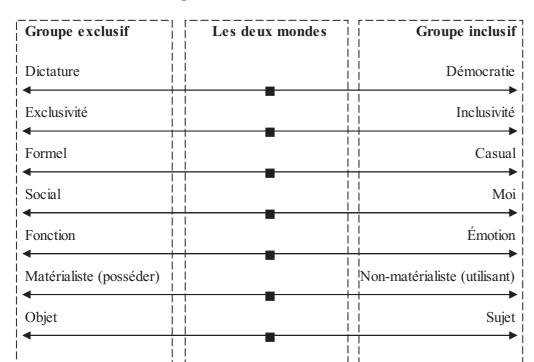


Tableau 7. Modèle de diagramme de dimension.

Découverte1 : Le sacré, et par conséquent, le luxe évolue.

L'analyse structurelle indique que nous avons identifié trois groupes. Nous avons appelé le 1er groupe « le groupe exclusif » avec 10 ou 38% des entretiens ; Groupe 2, nous l'avons appelé le groupe « des deux mondes » avec 4 ou 15% des entretiens, et le groupe 3 que nous avons appelé le « groupe inclusif » avec 12 ou 46%. De manière différente le groupe 1 aurait également pût être appelé le « groupe moderne » ; le groupe 2 « postmoderne » et le groupe 3 « hypermoderne ». Cela suit les théories de postmodernité de Maffesoli (2018) et d'hypermodernité par Lipovetsky (2005).

La question de notre recherche, à savoir si le luxe traditionnel est en train de changer, est répondue par le fait que nous avons trois groupes, plutôt que d'avoir tous les interviewés dans le groupe 1 qui est représentatif du luxe traditionnel. Cela prouve que le luxe et ce qui est sacré, évolue. Environ deux tiers de l'échantillon considèrent que le luxe est lié au plaisir, à l'amitié, à l'amour et à la commodité plutôt qu'à l'exclusivité ou le savoir-faire. Nous avons souligné chaque groupe plus en détails.

Plusieurs autres découvertes sont soulignées ici :

- **Découverte 2 :** Il ne semble pas avoir de lien entre l'age et l'appartenance à tel ou tel groupe, ce qui confirme que « millenial » est un état d'esprit plutôt qu'un age.
- **Découverte 3:** L'origine montre des indices sur le fait qu'un tel se situe plus dans le groupe exclusif ou inclusif.
- **Découverte 4 :** l'influence de la religion : il semble que quelqu'un qui à de fortes croyances religieuses se place plus généralement dans le groupe exclusif, et que celui qui n'a pas de religion se place généralement dans le groupe inclusif.
- Découverte 5 : il semble qu'il existe un lien entre dépenser beaucoup et se situer dans le groupe exclusif.
- **Découverte 6 :** Il semble exister un lien entre l'activité professionnelle et la préférence accordée à certains types de relations avec les marques de luxe: plus il est créatif ou lié aux affaires, plus il est probable qu'il fait partie du groupe inclusif; plus on est lié à la bourgeoisie, plus la probabilité d'être dans le groupe exclusif est élevée

## Convergences des découvertes des la première et la seconde études.

Dans les deux études 1 et 2, nous identifions trois groupes, le groupe exclusif, le groupe inclusif et le groupe des deux mondes. Dans les deux études, il semble n'y avoir aucune relation entre l'âge et l'appartenance à un groupe.

En ce qui concerne l'utilisation d'Instagram, les deux études montrent des relations similaires, c'est-à-dire que le groupe exclusif est peu présent, alors que le groupe inclusif est pleinement engagé sur Instagram.

#### 5. Contributions et limites.

Nous décrivons (1) l'apport méthodologique de cette étude, (2) l'apport académique, (3) l'apport managérial, (4) ses limites et ses suggestions d'amélioration et de recherche future, et (5) une conclusion générale.

### Contribution méthodologique

Cette recherche fait progresser les connaissances dans divers domaines, notamment:

- Par son utilisation du paradigme qualitatif
- En fournissant un échantillon de vrais consommateurs de luxe par opposition aux étudiants
- Par triangulation

## Contribution académique

Cette recherche fait progresser les connaissances dans divers domaines, notamment:

- Explorer le concept de sacré et son lien avec le concept de luxe
- Montrer l'existence de trois groupes
- Analyser l'importance de l'exclusivité et de l'inclusivité
- Identifier deux nouveaux axes de recherche

#### Contribution managériale

Cette recherche fait progresser les connaissances dans divers domaines, notamment:

- Produit: Casualisation, besoin de confort, chaussures de sport, personnalisation, inclusion via de nombreux aspects, y compris le dimensionnement du produit, les prix, les expériences
- Distribution: accueil, boutiques ludiques, commerce électronique, commodité
- Relation avec le client: dialogue; charité / bien faire: ne pas conduire la décision d'achat mais la notoriété globale de la marque
- Nouvelles marques de luxe

# Limites et suggestions d'amélioration et de recherche future

Cette étude a rencontré certaines limites que nous décrivons ici, ainsi que des suggestions d'amélioration et des pistes de recherche pour l'avenir:

- Inclusion de produits de luxe plus accessibles et d'une plus grande diversité de consommateurs de luxe
- La nécessité d'inclure plus de nouveaux consommateurs (par exemple, les Asiatiques ou les Millennials)
- Recherche quantitative pour valider les résultats

Tableau 8 : résumé des contributions et des limites

9.1. Contribution méthodologique		9.2. Contribution académique		9.3. Contribution managériale		9.4 Limites et suggestions pour l'amélioration dans de futures recherches	
•	Paradigme qualitatif	■ Sacré e	et luxe	•	Produit		Plus de diversité : consommateurs et produits
•	De vrais consommateurs de luxe	-	groupes de nmateurs	•	Distribution	•	Inclure plus de nouveaux consommateurs
•	Triangulation	<ul><li>Exclusion inclusion</li></ul>	sivité et vité	•	Relation au client	•	Recherche Quantitative
		• Deux if flux de rechere		•	Une nouvelle marque de luxe		

#### 6. Conclusion

En dépit de la démocratisation du luxe, la terminologie académique et managériale, l'analyse, ainsi que la gestion des marques de luxe sont restées fidèles à l'idée que le concept de luxe et de marques de luxe repose toujours sur l'exclusivité et la rareté. Mais le changement semble se produire. Cette thèse a commencé par citer Chandon's et al. (2016) suggérant que le sens du luxe peut être perçu de manière très hétérogène par les consommateurs de luxe aujourd'hui. Nous avons mentionné l'un des designers de LV, ainsi que le designer de Gucci, avec leurs suggestions respectives pour rendre leur vision de marque respective plus universelle et plus inclusive.

Nous avons identifié trois lacunes dans la recherche: (1) le peu de recherches universitaires ayant analysé le concept de sacré et sa relation avec le concept de luxe, alors même que le sacré est au cœur du concept de luxe; (2) nous avons exploré le fossé de la recherche concernant ce qui est sacré pour les consommateurs en général et dans leur relation au luxe en particulier. Comment le caractère sacré est-il affecté par les changements socioculturels, commerciaux et de marchés? Qu'est-ce qui constitue le nouveau sacré pour le 21ème siècle? et (3) si le concept d'exclusivité est toujours d'actualité - la plupart des recherches universitaires et des médias parlent de l'importance et de la gestion de l'exclusivité ou de l'exclusivité perçue - ou s'il existe une place pour l'inclusivité.

Nous avons développé un cadre conceptuel pour compléter la partie théorique, à partir duquel nous suggérons: pour différents groupes de consommateurs, différentes valeurs seront sacrées et ils atteindront et expérimenteront la supériorité au moyen de différentes valeurs. Par exemple, pour la vieille bourgeoisie, les valeurs sacrées traditionnelles peuvent rester importantes, mais pour les millénaires, de nouvelles valeurs seront probablement plus pertinentes pour démontrer leur supériorité. Pour cette raison, comme le montre le cadre, le nouveau caractère sacré devrait être considéré comme un ajout et non comme une alternative.

Nous avons identifié les questions de recherche suivantes pour la partie empirique: P0: Le luxe traditionnel, c'est-à-dire le caractère sacré traditionnel, est-il en train de changer? P1: Le nouveau sacré aujourd'hui est-il lié au fait de me séduire, de me toucher ou de plaire? P2: Le nouveau sacré aujourd'hui est-il lié au concept d'amitié? P3: Le nouveau sacré aujourd'hui est-il lié au bien?

Nous avons décidé de mener nos recherches par interprétivisme et par un paradigme constructionniste. Nous avons mené 26 entretiens approfondis et examiné 5 blogueurs du luxe

et de la mode. Pour analyser les données, nous avons utilisé l'ethnométhodologie. Nous avons effectué une analyse longitudinale avec une analyse de contenu symbolique, ainsi qu'une analyse structurelle et une triangulation pour la validation. Nous avons trouvé dans l'étude 1 des dimensions structurelles et des résultats qui convergent avec ceux de l'étude 2. Nous avons trouvé trois modèles de caractère sacré: l'exclusivité, l'inclusivité et une fusion de l'exclusivité et de l'inclusivité.

Nos contributions méthodologiques comprenaient (1) un paradigme qualitatif, (2) un échantillon avec de vrais consommateurs de luxe et (3) l'utilisation de la triangulation. Grâce à nos contributions académiques, nous (1) avons confirmé que le sacré était au cœur du concept de luxe, (2) recensé trois groupes de consommateurs, (3) établi la place de l'inclusivité en tant que nouveau sacré et (4) nous avons trouvé deux nouvelles recherches ruisseaux. Nos contributions managériales concernent (1) les produits, (2) la distribution, (3) les relations avec le client et (4) les nouvelles marques de luxe. Nous soulignons les limites et les suggestions d'amélioration et de recherche future, notamment (1) la nécessité d'une plus grande diversité dans notre échantillon, (2) l'inclusion de nouveaux consommateurs et (3) la valeur de la recherche quantitative pour tester nos conclusions sur le sacré pour les consommateurs au 21ème siècle.

Nous concluons cette thèse par une idée: les universitaires et les responsables de marques de luxe peuvent-ils renforcer et faire avancer notre proposition d'un nouveau sacré, qui consiste à faire le bien et à transformer beaucoup de gens en se sentant supérieurs en faisant le bien?

Nous avons brièvement présenté cette idée à la section 5.5 en introduisant, par exemple, le concept de consommation ostentatoire verte développé par Griskevicius et al. (2010). Cela démontre qu'en achetant des produits biologiques et en respectant les valeurs vertes, les consommateurs ont le sentiment de participer au sacré, ce qui leur confère un sentiment de supériorité. Ils agissent essentiellement pour suivre le rythme des Jones, mais pas avec les symboles du statut de luxe traditionnel, mais avec ceux du nouveau sacré, tels que l'achat de produits biologiques et la conduite d'une Tesla (Aybaly et al. 2017).

Nous avons également introduit à la section 5.5 l'idée que ce n'est pas la charité ellemême mais son efficacité qui crée la supériorité. Berry (2016) conclut son étude récente avec l'observation suivante: «Bien que la dialectique de Hegel ait finalement une résolution dans l'Absolu, à court de fonte des glaces, la dialectique du désir de luxe semble courir et s'enfuir». Contrebalancer la destruction de notre planète et faire du bien, une solution pourrait être de

faire du bien et de faire du monde un lieu meilleur un nouveau sacré et un moyen de faire l'expérience de la supériorité des leaders d'opinion, ce qui se répercutera ensuite et inspirera consommateurs individuels.

Dans l'introduction de cette thèse, nous avons souligné le fait que l'industrie du luxe et ses consommateurs sont des leaders d'opinion et qu'un changement peut donc être initié par leurs actions et leur comportement.

Nous nous référons ici à un terme utilisé en relation avec François-Henri Pinault, PDG et actionnaire majoritaire du groupe de luxe Kering, à savoir, un capitalisme généreux, dans lequel les profits vont de pair avec la détermination, l'autonomisation, la durabilité et la responsabilité sociale. Dans une interview récente, M. Pinault a déclaré: «La durabilité est la nouvelle définition de la qualité. C'est inhérent au luxe. C'est la nouvelle normale. Et cela fait également partie des obligations que nous avons en tant que marques de luxe - non seulement de montrer la voie en termes de pensée créative et d'innovation créative, mais également en termes de durabilité. Vous ne pouvez pas réaliser un profit de 30 à 40% si vous ne le faites pas au moins » (Amed 2018).

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Thank you to my husband and family for many more things than I can outline here. Particular thanks to my Dad for being such a great inspiration for strength and persistence.

I am big believer of inclusivity, and this sensation coming more into this world and into the luxury industry, trumping arrogance so to speak, is great news. I want to finish my thanks with words by Antoine de Saint-Exupéry (credit for discovery of this quote goes to Cristini et al. (2017)): "There is only one true luxury, that of human relationships". Thank you to all, for allowing me this true luxury during the journey of conducting this research and writing this thesis.

# Introduction

Structural changes in the types of sales and consumers affect the concept of luxury for consumers. In contrast with traditional perceptions of luxury consumers as a homogeneous group of "happy few," multiple, contrasted segments now emerge among luxury clientele, who perceive the meaning of luxury very heterogeneously. In this setting, researchers need new criteria to define luxury. (Chandon, Laurent, and Valette-Florence 2016, p. 299)

#### Outline of the introduction

After analyzing the literature, we highlight how sacredness is often overlooked as a topic of research in relation to luxury, although the sacred is at the very heart of the concept of luxury. We outline our research objectives and research questions, together with the significance of this thesis. Then, a short overview of the research methodology is provided. A schematic outline rounds off the introduction.

## Conceptual background of this thesis

We begin this thesis with a quote from Chandon et al. (2016) as they outline that luxury has moved from the happy few to the happy many, and that this has several implications, mainly that luxury consumers perceive the meaning of luxury very heterogeneously now. How did this happen, and what are the consequences?

Berry (1994) outlines that luxury is as old as humankind with societal and ranked organization. Historians, anthropologists, sociologist, and economists have analyzed the evolution of luxury throughout centuries (Castarède 2009). Traditionally, luxury has been for the elite—the ruling class, aristocracy, meaning the ones in power—to be able to distinguish themselves from the normal human

beings and thrive on its exclusivity and rarity, which we refer to as 'traditional sacredness'. As Chandon, Laurent, and Valette-Florence (2016, p. 299) outline:

The most striking change in the luxury sector is evident but widely ignored: For 25 centuries, luxury has been the privilege of royalty, religious authorities, tyrants, or generals, displayed ostentatiously in public. Starting with the Renaissance and early capitalist societies, luxury spread slowly to bankers and captains of industry. Meanwhile, creators started to sign their masterpieces, in the very first glimmers of luxury branding. From this shift, luxury goods entered a new era, providing occasional gifts that consumers grant themselves once in a while, according to a sort of democratic right to happiness.

As a result of the large downward extension, sales are made now to happy many (Dubois and Laurent 1998).

However, despite the democratization of luxury, the academic and managerial terminology and analysis, as well as the actual luxury brand management, are all stuck with the idea that the concept of luxury and luxury brands themselves are still almost all about exclusivity and rarity. There is a new term now called "perceived exclusivity" (Carty 2003). It is surprising how well perceived exclusivity is accepted by consumers in the age of hyper-transparency (BSR 2018). Kapferer and Valette-Florence (2018, p. 38) outline "because luxury is associated with rarity and exclusivity, fears arise about whether continued growth might dilute the leading luxury brands' desirability". However—does exclusivity actually have a place in a democracy?

Socio-cultural changes are changing behavior in society. For example, a new trend in general, and also in academia, is sustainability, and the question arises whether luxury brands and sustainability go together. After prior findings, scholars such as Janssen, Vanhamme, and Lindgreen (2014) find that corporate social responsibility (CSR) can be compatible with luxury after all. Kapferer (2010, p. 41) confirms this and says that luxury and sustainable development can "converge when both focus on rarity". Even with a new topic such as sustainability, we are back to rarity. But is rarity and exclusivity

still important or sacred for some or all consumers? Or is there a consumer group who value more, for instance, inclusivity, i.e. including rather than excluding others?

We share two examples, one from *Quartzy* magazine and one from the *Financial Times*. We demonstrate the changes ongoing in society, the questions which may come from such changes and the confusion it creates. Society is changing, and so is what is important and sacred in society. This links back to the quote at the beginning of this thesis, about today's luxury clientele who perceive the meaning of luxury very heterogeneously.

Luxury ain't what it used to be. Blame the internet, the rise of on-demand services, and the shift in consumer values as younger generations become more important buyers of high-end goods—all are challenging traditional notions of what luxury is. The classic symbols—the Hermès Birkin bag, a couture dress by Dior, a watch by Rolex—aren't in any danger of losing status. But around its edges, the concept of luxury is getting blurry... What, for example, should you make of a Louis Vuitton hoodie created in collaboration with a skate brand? Is a \$2,500 dress still a luxury item when you're renting it for a fraction of that price? Does the shine of luxury fade if you get a bargain on used coat and then resell it a few months later? Does a New Yorker tote bag rival pricey handbags by signaling an exalted sensibility? (Bain 2018)

What is luxury today? What is the concept of luxury, and what does it mean to be a luxury brand today? What are the implications of the Internet and social media, Instagram in particular, which make the world flat and return power to the consumer as 'influencer'?

What change has taken place, if Louis Vuitton, the largest luxury brand worldwide, centered around being a French *maison*, hires a polymath Ghanaian-American from Rockford, Illinois as its creative director, where the previous job this person had was running a streetwear brand he had founded? In the *Financial Times* in June 2018, Virgil Abloh, creative director for men at Louis Vuitton, shared his vision for Louis Vuitton menswear. He called for a vision in which fashion would become more *universal*. He mused on men's clothing sizes:

The era before, you had to be skinny. ... I was like, that doesn't relate. When you look outside, that's not valuable. I just want to find the size medium that a lot of people could wear, and to not be oversized. People live by the size label in their garments. That affects their whole mental state. Their self-image is related to fit. ... Are we just here leading trend of color and garment, or can I launch a trend thinking about responsibility towards body image, to have an effect on people and society at hand? (Porter 2018)

The article concludes by raising the question "A truly inclusive house in the heart of French luxury?" and assesses this potential result: "That really would be seismic" (Porter 2018).

This is topped by Virgil Abloh, posting on his Instagram account the night of his successful first LV Men's fashion show "You can do it too..." implying that if he, a 38-year-old, Ghanaian-American, who studied architecture (not fashion) can make fashion history, others can achieve this as well.<sup>1</sup>

At Gucci, Alessandro Michele has been called the "Fashion's Modern Mastermind: In just three years, Gucci's creative director has shifted the industry's course, altering the way the world sees value, gender and even identity" (Bruni 2018). This article argues that Michele's Gucci is "A way to live. He isn't just selling robes, slippers, handbags, things, though he certainly wants customers to buy those, which they've done in numbers that have returned Gucci to peak cultural relevance and extraordinary financial success. He's selling a sensibility: eccentric, eclectic, *inclusive*." These two quotes, both from 2018, end with LV's creative director having the mission to make the LV brand more *universal*, and Gucci's creative director is on a crusade to sell "sensibility: eccentric, eclectic, *inclusive*".

Universal and inclusive: How do these two words fit with traditional sacredness, centered around exclusivity and rarity? Has the world gone mad?

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Source of quote: https://www.instagram.com/p/BkSkageAYv6/?taken-by=virgilabloh; source of "making fashion history" https://www.wmagazine.com/story/virgil-abloh-louis-vuitton-celebrity-reactions.

Or is the luxury industry—often linked to arrogance and distance (Sicard 2013, Park, Im, and Kim 2018), requiring exclusivity, superiority, and distance to maintain its traditional sacredness—becoming ... universal and inclusive?

How do these examples fit with the traditional concept of luxury? What is actually important today for luxury consumers? What is sacred for them in their relationship with luxury? Is this sacredness changing at all? In academic literature we have not found answers to these questions.

#### Research gaps

Several gaps in the academic research can be identified. Scholars have investigated sacred experiences and the process and practice of sacralization: Dion and Borraz (2015) studied sacralization from a marketing perspective, demonstrating how luxury brands sacralize heritage brands. Sekhon (2015) studied in her paper "Sacred and treasured luxury: The meaning and value of luxury possessions amongst second-generation Asian Indian immigrants" the cultural context of luxury consumption. Rook (1985) studied the rituals of consumption, and Khalla (2006) studied the relationship between the sacred and brand loyalty. However, little academic study has analyzed the concept of sacredness and its relationship to the concept of luxury. This is surprising because the sacred lies at the heart of the concept of luxury. The purpose of the sacred is to create a sense of superiority and distance, a tool used to carry this out is the concept of luxury. Hence, the first gap we intend to fill is to advance knowledge concerning the concept of sacredness and how it is related to the concept of luxury.

Second, we explore the research gap of the understanding of what is sacred for consumers in general, and in their relation to luxury in particular. How is sacredness affected by socio-cultural, corporate, and market changes? What constitutes new sacredness for the 21st century? These questions are essential to this thesis.

We have carried out a bibliometric analysis, outlined in Chapter 1, and to our knowledge these questions have not been addressed. The bibliometric study provides us with key research streams about luxury, and includes (1) foundation research including the functions of luxury, (2) luxury brand

management, including important topics like retailing and marketing, and (3) luxury consumer behavior in general. However, a study focusing on what is sacredness, and how sacredness is evolving, is markedly absent from the literature on luxury research.

Third, to our knowledge, no one has yet studied whether the concept of exclusivity is still relevant today. Most academic studies in this field argue in the same direction and stress the importance of exclusivity and perceived exclusivity: For example Park, Im, and Kim (2018) outline that luxury fashion brands should maintain psychological distance on social media to protect the exclusivity and value perception of the luxury brands (this thesis argues precisely the contrary for some consumer groups). Kapferer and Valette-Florence (2016) stress the importance of exclusivity ("luxury is associated to rarity"), and how to achieve perceived exclusivity by creating "abundant rarity", where feelings of privilege are attached to the brand itself, seducing through its experiential facets, pricing, prestige and the world it symbolizes" (Kapferer and Valette-Florence (2016) p. 120). Carty (2003) says the perceived exclusivity is generated by offering an illusion of scarcity.

We wonder, is perceived exclusivity or exclusivity in general really still relevant for luxury consumers in the times of hyper-transparency? We have not identified answers to these questions in our literature review, therefore this presents the third research gap we intend to address.

#### Research objectives and research questions

The objective of this thesis is to analyze the relationship of consumers to luxury goods, and how this relation is changing in the 21<sup>st</sup> century. Our main assumption is that the idea of sacredness is evolving, and this is not just linked to sacredness with respect to luxury, but to society as a whole. Society is changing and hence luxury needs to change as well to remain relevant. We believe it is important that the evolution of sacredness is investigated and understood. We therefore propose a theoretical framework that describes a potential new sacredness and describes what this could mean for consumers in the 21<sup>st</sup> century.

Our goal is to describe the link between sacredness and the concept of luxury, and how brands are using the properties of sacredness to become luxury brands. Facing the challenge of desacralization as a result of changes in society stemming from hypermodernity, the democratization of luxury, the internet, and social media, traditional luxury brands are looking for ways to manage the paradox of selling more whilst remaining (traditionally) sacred. We raise the question whether perceived exclusivity or exclusivity remains relevant.

# Table 1. Research questions for empirical research

- How do we move from traditional exclusivity (the old sacredness) to inclusivity (the new sacredness?)
- Is the new sacred linked to ideas of personal pleasure, seduction, friendship, or being part of a community?
- Is the new sacred linked to the idea of doing good?

# Significance of this thesis

This thesis is significant for several reasons. First, we believe that sacredness is at the essence of the concept of luxury, making it meaningful to pursue this connection, especially because to the best of our knowledge, hardly any research exists to date on the sacred and the concept of luxury. It is our purpose in academia to advance understanding, and as suggested in the research gaps, insufficient knowledge exists around the concept of sacredness and its link to the concept of luxury. Most scholars prescribe the importance of exclusivity, whereas we question this, given the socio-cultural changes taking place in society as outlined by seminal authors such as Lipovetsky (2005, 2017) and Maffesoli (2018). We believe knowledge of the concept of luxury is incomplete without further study of the growing importance of inclusivity, and the diminishing importance of exclusivity. This thesis should bring into light how people relate to luxury by providing a conceptual framework of what is sacred for consumers today. It is significant to understand why and how people relate to luxury because luxury is not just a concept, but also a macroeconomic sector (Kapferer 2012), which links to our second reason why this thesis is significant.

Second, the luxury brand sector takes up a substantial share of the world economy. The size of the global luxury market in 2017 is estimated to have reached approximately 1.2 trillion euros, up 5% from 2016; this number includes luxury car sales, which are about half of this amount. Luxury hotels, yachts, planes, luxury furniture, and luxury personal goods, together make up just below one quarter of this amount, i.e., 262 billion euros (Bain & Company 2017). In France, the luxury industry generates more for French GDP than the auto and aeronautics industries combined (Le Figaro 2018).

Our third reason for significance of this thesis is the most important: The luxury industry is a leader and influencer industry, i.e. it sets the direction in many fields, whether this is for fashion trends, usage of materials, or sustainability for instance. The luxury industry inspires change in other industries, such as the fashion industry (to be distinguished from the luxury industry) or the fast-moving consumer goods industries. Voltaire was a champion for luxury including art and beauty, and his core belief was that the more we leave the savage, the more sophistication we add to society, the better this is for society (Ross 1976). Voltaire outlines that luxury elevates you, and that this is how distance and superiority is

created. Some argue that at the end, Voltaire changed his discourse on luxury, more in the direction of Rousseau, however others believe this is not true, and Voltaire kept his consistent position to be a supporter of luxury and showed no Rousseauian influence (Gottmann 2010).

Voltaire's thinking about luxury is important because we believe that the luxury industry is an influencer, and can initiate change in the behavior of all individuals with respect to their overall consumption, not just luxury-related, but also related to fast fashion and the fast-moving consumer goods industries.

Why is this important? Because the fashion industry, including fast-fashion brands like H&M, Zara, Primark Uniqlo, and C&A, is, after the oil industry, the second dirtiest industry in the world. However, over the next few years, the oil industry will become cleaner and sort itself out, so the fashion industry will soon take its place as the dirtiest industry on this planet. If the sacred for the luxury consumer moves in a certain direction, such as assigning higher value to environmental sustainability and being inclusive also of the planet's needs, this will have a trickle-down effect on the fashion and other industries.<sup>2</sup> This is even more significant if the managerial contribution of this thesis could lead academics to research and support luxury brand managers to manage their brands in such a way that doing good for the environment and our planet becomes sacred for consumers, which could trickle down from opinion leaders to all individual consumers (McCracken 1986).

# Methodology and research design

Our research objective is to understand what is sacred for consumers in the 21<sup>st</sup> century and to provide a framework for new luxury or sacredness. This study is intended to generate a framework to understand and analyze what is sacred for consumers today. This framework could help academics and practitioners understand the elements of how consumers relate to luxury and what is sacred for them today. Because the aim is to generate knowledge that does not yet exist, instead of testing and

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This information is taken from a speech by Kevin Robert, thought leader at Singularity University, at the Copenhagen Fashion Summit, May 2018. The fashion industry refers here to the fashion, clothing, and footwear industry in general, including also, e.g., Nike.

confirming a theory, an inductive approach will provide this type of understanding. Our choice of the interpretative method prompts us to carry out in-depth interviews and netnography. We do interpretative research based on secondary and primary data to achieve triangulation.

We first carry out a literature review, including a bibliometric analysis of luxury research (Chapter 1). We analyze the idea of the sacred (Chapter 2), and outline how brands use the properties of sacredness to become luxury brands (Chapter 3). Subsequently, the impact of socio-cultural and corporate changes on traditional sacredness is investigated (Chapter 4). We propose a new concept of sacredness (Chapter 5) and conclude the theoretical part with a conceptual framework (Chapter 6). The empirical part consists of our methodology (Chapter 7) and findings and discussion (Chapter 8). Our choice of the interpretative method, prompts us to carry out in-depth interviews and netnography. Finally, we outline methodological, academic, and managerial contributions, as well as limitations and future research avenues (Chapter 9).

# **Schematic outline of thesis**

Figure 1. Schematic outline of thesis

Theoretical Part	Empirical Part	Discussion and Conclusion
Introduction	Chapter 7 Methodology and research	Chapter 8 Discussion and findings
Chapter 1 The concept of luxury	ividuodology and research	Chapter 9 Contribution and conclusion
Chapter 2 The sacred		
Chapter 3 A brand using the properties of sacredness becomes a luxury brand		
Chapter 4 Socio-cultural and corporate changes: impact on traditional sacredness		
Chapter 5 A potential new sacredness		
Chapter 6 Conceptual framework		

# **Chapter 1 : The concept of luxury**

Berry (1994, p. xi) suggests that "what makes luxury so potentially illuminating is that it, as a topic, straddles various academic disciplines, bringing together issues of philosophy, history, anthropology, theology and economics as well as politics." In the following sections we outline how ideas of luxury have been impacted by these various schools of thoughts.

This all leads to one conclusion, namely, that the concept of luxury has always had one and the same purpose: to draw a distinction by creating a distance between consumers of luxury and everyone else, who are normal. Luxury, thus, has always been used to mark social stratification and hierarchy in societies. The concept of luxury has always been divisive and based on the principle of exclusion, that is, on making a sharp distinction between those who have and those who do not, indicating those who are in power and superior (McNeil and Riello 2016). In past centuries, just as today, luxury was used to show ones' true colors, that is, one's rank or place in society. Luxury and inequality were simply part of how society was structured, part of its hierarchy, and this was not considered to be a problem. This is, however, different in the present day, and we touch upon this in Chapter 5.

# 1.1 What is luxury?

#### 1.1.1 Etymology of the word luxury

A handful of sources still hold that luxury is derived from the Latin *lux*, meaning light, although this is incorrect. Chevalier et al. (2008) argue that the word luxury comes instead from the Latin word *luxus*, which means grow askew or excess, and they add that its root derives from an Indo-European word meaning twist (Chevalier and Mazzalovo 2008). The words luxuriant (yielding abundantly) and luxation (dislocation) are from the same family of words. Chevalier et al. (2008) quote the French dictionary *Le Trésor de la langue française*, which provides an overview of the usage of certain words over two centuries.

Table 2. Luxury in the dictionary Le Trésor de la langue française

Year	Usage			
1607	Way of life characterized by large expenditures to make shows of elegance and refinement			
1661	Character of which is expensive, refined, luxury clothing			
1797	Expensive and superfluous object, pleasure			
1801	Excessive quantity, a luxury of vegetation			
1802	That which is superfluous, unnecessary			

Note: Chevalier and Mazzalovo 2008.

After the French Revolution, with the start of the Industrial Revolution, the idea of guilty excess no longer featured in the word luxury. After the beginning of mass consumption and the civilization of leisure, the superfluous element was no longer present either (Berry 1994; Chevalier and Mazzalovo 2008).

#### 1.1.2 Luxury over the centuries

The idea of luxury is not only elusive, but it has also altered as time has gone by. A product such as soap was a true luxury in the Middle Ages but has become commonplace since then and is no longer considered a luxury in society today (Chevalier and Mazzalovo 2008). Berry confirms that luxury is foremost a social concept, and the value attached to it is a crucial component in any society's self-understanding (Berry 1994); further, a luxury for one generation can become a necessity for the next.

#### 1.1.3 Luxury versus necessity

A definition for the concept of luxury can be found in the conception of it as anything unnecessary, set in the context of what society currently considers to be needed, and it is thus a relative and dynamic term (Sekora 1977; Bearden and Etzel 1982; Berry 1994). Kemp (1998) explains that water, for instance, could be viewed either as a luxury or a necessity depending on the context. He also

shows that there are goods that are absolutely either a luxury or a necessity, without reference to a certain individual in a certain context (Kemp 1998). Therefore, what is perceived as luxury and what is not may depend on the individual and may change even for one individual depending on the context (Vigneron and Johnson 2004).

Sombart, the German economist, defined luxury as "anything that was over and beyond the necessities of life" (Sombart 1913, p. 71). According to Heine (2015), the difference between necessity and luxury has reference to the accessibility or exclusivity of resources. Nearly everyone has access to life's necessities, but luxuries are available only to a few or are only available at special times (Bearden and Etzel 1982). Bearden and Etzel (1982) developed an instrument to quantify luxuriousness for certain product categories, assessed on a 6-point Likert scale, ranging from "a necessity for everyone" to "a luxury for everyone," to quantify the luxuriousness of certain product categories.

# 1.1.4 The meaning of luxury

In today's consumer society, the word luxury is used in a loose way, and distinctions are blurred between the various levels of consumption. Even the ubiquitous Starbucks coffee has been described as having "romance, relaxation, and luxury" as shown by Clark, quoted in Kapferer (2015). It is necessary to distinguish between the concept of luxury and luxury brands. This necessarily leads to another question, that of the difference between luxury and non-luxury brands. Sicard (2013) argues that luxury brands only differ in degree from others, not in essence. She argues that, like a Japanese restaurant, which is first a restaurant before it is Japanese (or Italian), so too, a luxury brand is first and foremost a brand, before it is a luxury brand. Vickers and Renand (2003) find that it is largely their psychological benefits, including social recognition and self-esteem, that distinguish luxury brands from non-luxury brands.

Luxury has existed as long as mankind has. Lipovetsky and Roux (2003) suggest that at first, luxury was more of a spirit or a mindset, arguing that contemporary luxury, a creature of excessive expenditure and materialism, does not relate to spiritual thinking. For this reason, it is important to

distinguish between the concept of luxury and existing luxury brands. The concept of luxury is about creating stratification and hierarchy within society.

In the following chapters we demonstrate that luxury brands are first and foremost brands that appropriate to themselves the codes of sacralization to become luxury brands. Dion and Borraz (2015) studied sacralization not from the point of view of the consumer but from a marketing perspective, demonstrating how luxury brands sacralize heritage brands. The focus of this chapter is luxury, not luxury brands.

To understand the meaning of luxury, Kapferer (2012) advocates that it is necessary to keep distinct the following notions: luxury, my luxury, the luxury sector, and the luxury business model. We believe that to understand the concept of luxury, one needs to understand its history first, followed by its evolution and changes, and those of luxury goods and brands.

In Chapter 4, we examine socio-cultural changes taking place in our society that have resulted overall in greater individual luxury. Frits van Paasschen, CEO of Starwood Hotels & Resorts Worldwide, states that there is a "clear trend in luxury, which is towards each individual defining what luxury means for them." Thus, "if there's a social change going on here, it's that today luxury has less to do with 'formality' and what one is supposed to do and more and more to do with what I want to do or be."<sup>3</sup>

In this section, we have examined (1) the etymological roots of the word luxury, (2) the importance of historical context for ideas of luxury, (3) a definition based on the demarcation of the word necessity, and (4) the meaning of luxury. The takeaway from the above examples is that luxury is a cultural idea and an elusive concept, often linked to ideas of exclusivity.

http://qubemedia.net/luxury-brands/luxury-brands-keep-allure-keep-sacred-distance/

#### 1.2 Literature review

Luxury is an elusive cultural concept. It is a relative term and non-specific, so it can refer to almost anything, or even to nothing at all, depending on who is being asked and what the context is. There is consensus in the literature only on the difficulty of defining luxury but none on the actual definition of the concept itself.

Few publications have defined the difference between the concept of luxury and luxury goods or luxury brands, which results in further confusion (Ciornea, Pop, Bacila, and Drule 2012). In acknowledgment of the confusion in this field on both the term and the concept of luxury, we review the available literature and analyze the concept of luxury using various lenses, focusing on its philosophical, historical, anthropological, theological, economic, and political aspects.

The body of research on this topic is growing at a rapid pace. This includes specific journals dedicated to luxury, such as Luxury: History, Culture, Consumption, launched in 2014, as well as journal articles and books. These dedicated journals along with academic conferences, courses, and degrees confirm that luxury is an established area of study within the academic community and is attracting new researchers to enter this field. However, as Gurzki and Woisetschläger put the question, "What is really known about the intellectual foundations of luxury research?" (Gurzki and Woisetschläger 2017, p. 147).

A seminal perspective within the field was published in 1899 by American economist and sociologist Veblen in his book The Theory of the Leisure Class. Another important work was published by Sombart, a German economist and sociologist. His 1913 book Luxus und Kapitalismus is a key text, although it is little referred to in English-language studies as its English translation is out of print. The German original, however, is fairly easy to find (Armitage and Roberts 2016b; Sombart 1913).

The majority of research on luxury dates from 2000 onwards, and emerging fields of study mostly center around the examination of luxury brands (rather than the concept of luxury) and their

According to the journal itself: "Luxury: History, Culture, Consumption is the first truly interdisciplinary, academic journal devoted to luxury, and it satisfies the demand for scholarly, unbiased, and penetrating thinking on the subject. The journal considers luxury in broad socio-cultural contexts, exploring and interrogating both our historical and contemporary understanding of the term."

implications for consumer behavior and marketing management (Chevalier and Mazzalovo 2008; Kapferer and Bastien 2012). Recent research by Armitage and Roberts (2016a) puts forth the criticism that contemporary academic study of luxury focuses primarily on luxury brand management instead of providing a critical view of luxury. Academic research on luxury is multi-disciplinary, which has resulted in a vast amount of literature while also presenting a research challenge, as definitions of key terms are still not clear.

For the above reasons, a literature review is conducted here in the form of a bibliometric citation and co-citation analysis. In principle, a literature review is a type of information analysis and synthesis drawn from published studies, in this case on the concept of luxury and luxury brands. We review, describe, summarize, evaluate, and clarify key theories, authors, and journals. A traditional literature review usually takes a critical approach and analyzes the outcome and findings of "single primary studies" (Jesson, Matheson, and Lacey 2011). A systematic literature review produces a quantitative assessment of a body of work, working from a clear purpose and with a defined research approach (Jesson et al. 2011). In this study, we begin with a bibliometric analysis, which uses a statistical method and analysis of published articles and citations to measure the relative impact of different publications in a field. As Fetscherin and Usunier state, "bibliometric analysis unveils seminal works and objectively illustrates the links between and among articles by analyzing how many times they have been co-cited" (Fetscherin and Usunier 2012, p. 4).

## 1.2.1 Bibliometric citation analysis

Bibliometric citation analysis is a well-recognized form of analytical research, also called a meta-review of literature (Garfield 1983; Kim and McMillan 2008). "Bibliometric analysis is based on the assumption that researchers publish their most important findings in scholarly journals and predominantly base their research on articles previously published in similar journals (Van Raan 2003), a reasonable assumption" (Fetscherin and Heinrich 2014b, p. 381). This type of analysis was first

employed in certain disciplines of the sciences and the humanities, and was later introduced to the social sciences.

Research in luxury brands is interdisciplinary. Many articles in this area concentrate on marketing, but there has also been work published in journals of business, management, retailing, applied psychology, and communication. Fetscherin and Heinrich explain that bibliometric citation analysis delivers quantitative evidence about the relevance and connection of the papers in the specific research domain, whilst qualitative analysis continues to include subjective judgments by the researcher and personal interpretation of the findings (Fetscherin and Heinrich 2014).

Two bibliometric analyses of the literature in luxury studies have been carried out as recently as 2017, with different emphases and depths, covering different periods (Aliyev, Ürkmez, and Wagner 2017; Gurzki and Woisetschläger 2017).

The first of these is the work of Aliyev et al. (2017), and it analyzes 204 publications, while the second one, by Gurzki et al. (2017), analyzes a total of 1315 publications. The first focuses mainly on the methodologies used, the key theoretical foundations, and the geographical locations as well as leading research centers and universities. The second study identifies 10 major co-citation clusters representing key research areas within luxury research from 2000 until 2015, showing "an evolution from early sociological research to managerial and applied topics that have recently begun to dominate the research field" (Gurzki and Woisetschläger 2017, p. 14). These topics include, for instance, brand management and counterfeiting. Table 3 provides an overview of the key information and findings of these two research papers, comparing them to the bibliometric analyses carried out for this study.

The bibliometric analyses of citation and co-citation that was performed for this research are outlined in the following pages. Figure 2 outlines (1) the research objectives, (2) the research design, (3) how the bibliometric data was derived, (4) the methodology applied and the software used, and (5) the analyses and results.

Table 3. Comparison of bibliometric analyses of research in luxury studies

	Aliyev, Ürkmez and Wagner	Gurzki and Woisetschläger	This thesis		
Title	An extensive glance at luxury research domain 2000–2014: A bibliometric analysis	Mapping the luxury research landscape: A bibliometric citation analysis	How consumers relate to luxury brands in the 21st century: The changing concept of sacredness and its importance		
Years analyzed	14 years	15 years	22 years		
Timeframe	2000-2014	2000-2015	1995-2017		
Data source	ScienceDirect, ProQuest, JSTOR, Google, Google Scholar	Isi web of knowledge	Web of Science		
Software	Pajek software 4.09	Citespace Version 4.0.R3	HistCite <sup>TM</sup>		
Keywords	Luxury, luxury goods, luxury brands, luxury perceptions, attitudes towards luxury, luxury brand extensions	Luxury, conspicuous consumption, status consumption, prestige brand, and status brand	Lux"; excluding: Luxembourg, LuxS, Luxation, LuxR, Lux-r, Luxtum, LuxAB, Luxol, lux, LUXEMBURG		
# articles considered	206	1315	734		
Type of analysis	Citation analysis	Citation analysis	Citation analysis		
Language	English	English	English, French, Spanish, German, Portuguese, Italian, Russian, Czech, Norwegian		

Figure 2. Overview of bibliometric research

Step 1: Step 2: Step 3: Step 4: Step 5: Bibliometric data Analysis and results Research questions Research design: Methodology and software Qualitative How has luxury research Bibliometric analysis The research is keyword Bibliometric analysis Yearly output evolved in the past, what Centers of excellence, using citation analysis based around the word using citation analysis "lux\*" in the title with are the underlying Software used is i.e. most influential research streams, and HistCite<sup>TM</sup> exclusions such as universities which need further Luxembourg etc. Most influential The database used is attention? iournals Web of Science Most influential Which journals, articles, articles and trending and authors are the most papers Analysis by country cited and are therefore worth reading for future and languages research in this field? Citation mapping Which institutions (as defined by universities) are the most influential and thus contribute most to the area of consumer brand relationships?

#### 1.2.2 Research objective

The longitudinal approach is valuable, as research on the concept of luxury and luxury brands is based on a wide range of theories, approaches, and considerations that stem from multiple disciplines. We have carried out an interdisciplinary review of the literature and extracted these three research questions (RQs):

- RQ1: How has luxury research evolved over time, what are the research streams underlying it, and which areas require further attention?
- RQ2: Which journals, articles, and authors are most cited and most likely to be worth incorporating into future research in this field?
- RQ3: Which institutions are the most influential, and which have contributed the most to research on the concept of luxury and luxury brands?

With this we establish the foundation for this study by way of a critical assessment of the two bibliometric literature reviews that have previously been conducted in this field. This analysis provides insights for other researchers and other parties interested in this topic by identifying key universities, journals, articles, and research streams, spanning several countries and languages. In the next section, we discuss the research design.

#### 1.2.3 Research design

Literature reviews can be conducted in multiple ways. These include the following: the traditional review, the systematic review, content analysis, and bibliometric analysis. We reviewed and identified three studies that have carried out in-depth literature reviews: the traditional review by Ghosh and Varshney (2013), the bibliometric review by Aliyev et al. (2017), and the bibliometric review by Gurzki and Woisetschläger (2017).

The research design of this study is outlined as follows. First, we review the three reviews mentioned above and other reviews in management- and marketing-related fields, followed by a

bibliometric citation meta-analysis. The use of different languages and presence of different countries is also focused on in the investigation of the data. Finally, we review the identified data and use citation analysis to begin to craft answers to the three research questions.

# 1.2.4 Bibliometric data

The following steps were undertaken to generate the data and to amend the dataset to make them as relevant as possible. A keyword search was conducted using the stem "lux\*" in the title, excluding the words Luxembourg, LuxS, Luxation, LuxR, Lux-r, Luxtum, LuxAB, Luxol, lux, and LUXEMBOURG. We have excluded these words as some represent medical and scientific terms for instance.

This is a broader approach than was used in the keyword search of Aliyev et al. (2017), which used the following terms: luxury, luxury goods, luxury brands, luxury perceptions, attitudes towards luxury, and luxury brand extensions. Further, they narrowed the search down to journal articles only related to the field of luxury marketing. This is also similar to Gurzki and Woisetschläger (2017), who included the following terms: luxury, conspicuous consumption, status consumption, prestige brand, and status brand. Each of these studies focused only on English-language research, but this thesis aims to account for journals and other publications concerning "lux\*" in many languages.

The well-respected academic database ISI Web of Knowledge, also called the Web of Science, is used for this study. "The ISI Web of Knowledge is suitable for this as one of the main objectives is to conduct an interdisciplinary literature review and many notable bibliometric studies have used this database before" (Fetscherin and Usunier 2012, p. 381).

# 1.2.5 Methodology and software

Several software programs can conduct citation analysis. The bibliometric studies mentioned above used Pajek 4.09 and Citespace Version 4.0.R3. In this study we use HistCite<sup>TM</sup>, a well-respected software package used for bibliometric analysis and visualizing citation linkages between specific

papers (Fetscherin and Usunier 2012). The package HistCite<sup>TM</sup> implements algorithmic historiography and allows the identification of key literature in a research field, including important papers identified by a keyword search, other important papers that would be missed by such a search, the most cited authors and journals in a field, reconstruction of the history and development of a research field, and the countries and institutions hosting the authors producing the aforementioned work. Fetscherin and Heinrich (2014b) note that:

Direct citation linkages are articles that are cited by a paper in their reference. Indirect citation linkages are those citations which are not in the original paper cited, but are citations of citations. In other words, publication A cites publication B and publication B cites publication C but publication A does not cite publication C. In this case we have a direct citation link between A and B as well as B and C and an indirect citation link between A and C. (Fetscherin and Heinrich 2014b, p. 381)

Using the above-mentioned search term and exclusions, we found 732 articles by 1282 authors published in 324 interdisciplinary journals in the 28 years between 1990 and 2018. This system has no access to publications earlier than 1990. This set of 732 articles is referred to as the collection of articles in the following pages. We carried out two actions to amend the data:

Action 1: For universities, we ensured that the university name remains the same. For instance, for the institution HEC, three different names exist: HEC Paris, HEC Management School, and HEC Paris. We grouped these together under HEC.

Action 2: Given our wide-ranging keyword search, the results included journals which have no relevance to this study. These were deleted. They include, for example, Architectural Digest, Social Architectural Historians, and Historia.

The final dataset consists of 508 articles by 1047 authors published in 236 journals of various disciplines in the 22 years between 1996 and 2018.

### 1.2.6 Analysis and results

This section presents the results of the bibliometric citation analysis, including an analysis of the years with the largest output of publications and an analysis of the key institutions, journals, authors, research articles, as well as languages and countries. This provides the basis for the citation analysis and is the foundation for the content analysis of the key research streams that follow.

The predominant disciplines that the 508 articles fall into are business (40%), marketing (19%), economics (13%), management (8%), luxury and fashion (3%), applied psychology (3%), consumer research (3%), hospitality (3%), and other social sciences (8%).

#### 1.2.7 Yearly output

As seen in Figure 3, very few articles were published at first, the peak years only coming in 2016 and 2017. As Daniels (1991) notes, "research can be cyclical," and this can also be observed in the study of luxury, leading to the "need to take an occasional step back" (Fetscherin and Usunier 2012, p. 381) and to analyze the existing literature to understand the reasons for these peaks. One clear reason is the steady, healthy growth of the luxury goods industry, as confirmed by the review done by Bain & Company (Bain & Company 2017). Further, in 2015, the journal *Luxury: History, Culture, Consumption* was founded and immediately made its presence felt, publishing 10% of all articles in our dataset in 2015, and 5%, and 4% in the following 2 years, respectively. Overall, in particular in the past decade, the tremendous growth of the luxury goods industry and the appearance of more and more luxury brands and luxury goods conglomerates (requiring greater depth of analysis from luxury brand managers as well), has led to an increasing number of degrees and courses in luxury brand management, which in turn have also increased the number of researchers and academic instructors in this field.

Number of articles Jan Jan Jan Jan Jan Jan Jan Jan Jan

Figure 3. Number of articles on lux\* topics

Note: Own dataset.

# 1.2.8 Centers of excellence: the most influential universities

We measured the importance and academic weight of different institutions (aggregated into universities) by their output, measured by the total number of published articles with respect to luxury research (Plux) and their impact in terms of citations. In this analysis, we show two scores for citations:

Publication year

- the total local citation score (LCS): this represents the total number of times a paper has been cited by other papers from the retrieved sample (the 508 articles) and
- the total global citation (GCS) score: the total number of times a paper has been cited as counted from the full ISI Web of Knowledge count.

This method is well-established and can be compared to the work of Carpenter et al. (1988). Van Raan (2003) has used this technique as well.

We sorted the results in two ways: by the number of total citations an institution generates (LCS) and by how many journal articles are published by the institution (Plux). Table 4 shows that the leading institutions in this research field exhibit significant diversity.

- Germany and France: For total LCS, the Leibniz University Hannover in Germany and HEC in France are leading research in luxury when sorted by LCS (not by total publications); France was also identified as a leading country in luxury research by Aliyev et al. (2017).
- The USA and the UK: within the top 20 institutions, these two countries are ahead. Their research centers include, sorted by LCS: the University of California, City University New York (CUNY), Johns Hopkins University, and the University of Minnesota in the USA; and the University of Nottingham, City of London University, University of Brighton, and University of Bath in the UK.
- Asia: Two universities in the top 20 are found in Asia: Hong Kong Polytechnic University and Yonsei University in South Korea. The list of the top 20 contributors to the study of luxury sorted by number of publications contains the following three Asian universities: Yonsei University, the National University of Singapore, and Shanghai University. All three universities have had the majority of their publications in the past few years. Because this work is fairly recent, the LCS values associated with it are still fairly low. One explanation for the development of luxury studies at these universities is that this research follows the accelerated growth of Asian and, in particular, Chinese consumption luxury goods, as well as the increased demand for luxury brand management in these countries. Chinese luxury goods consumers are now responsible for over one-third of all luxury goods purchases in terms of sales value worldwide (Bain & Company 2017). South Korea's consumption is ranked 8th out of the 32 countries surveyed by Euromonitor International in their study of flows of luxury goods.<sup>5</sup>

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https://www.luxurysociety.com/en/articles/2017/05/south-korea-new-market-luxury-brands/

**Table 4. Centers of excellence** 

#	Institution	Country	Plux	LCS	#	Institution	Country	Plux
	Sorted by LCS		-			Sorted by number of articles published		_
1	Leibniz Univ Hannover	Germany	5	111	1	Univ Florence	Italy	8
2	HEC	France	7	99	2	Univ Southampton	UK	8
3	Univ Nottingham	UK	4	76	3	Yonsei Univ	South Korea	8
4	Univ Calif Los Angeles	USA	3	73	4	Curtin Univ	Australia	7
5	Univ So Calif	USA	1	73	5	Glasgow Caledonian Univ	UK	7
6	Univ Brighton	UK	3	59	6	HEC	France	7
7	CUNY	USA	2	55	7	Politecn Milan	Italy	7
8	Johns Hopkins Univ	USA	1	54	8	Univ Geneva	Switzerland	7
9	Simon Fraser Univ	Canada	4	52	9	Univ Melbourne	Australia	7
10	City Univ London	UK	2	47	10	Auburn Univ	Australia	6
11	ESCP Europe	France	2	47	11	Michigan State Univ	USA	6
12	Shih Hsin Univ	Taiwan	2	45	12	Natl Univ Singapore	Singapore	6
13	Hong Kong Polytech Univ	Hong Kong	4	43	13	Penn State Univ	USA	6
14	Univ Minnesota	USA	5	41	14	Univ Ghent	Belgium	6
15	Bentley Univ	USA	1	38	15	Univ Manchester	UK	6
16	Lulea Univ Technol	Sweden	3	38	16	Griffith Univ	Australia	5
17	Univ Florence	Italy	8	38	17	Leibniz Univ Hannover	Germany	5
18	Yonsei Univ	South Korea	8	38	18	Macquarie Univ	Australia	5
19	Auburn Univ	Australia	6	37	19	Shanghai Univ	China	5
20	Univ Bath	UK	2	34	20	Univ Auckland	New Zealand	5

Note: Own analysis based on dataset.

## 1.2.9 Most influential journals

In this analysis, we examine the journals that are leading the field in luxury research. As Fetscherin and Heinrich (2014a) note, "Researchers use bibliometric citation analysis to assess journal performance" (Fetscherin and Heinrich 2014a, p. 382). Baumgartner and Pieters (2003) show that diverse journals are most influential in dissimilar sub-areas.

Table 5 gives the top 20 journals, including their labels (the abbreviated name of the journal), Plux (the number of published articles), LCS (the total citations received in this data collection), and LCS/t (total local citation score per year from the publication of a paper to the end of the period of data collection). The top 20 journals dominantly concentrate on business (e.g., Journal of Business Research or Business Horizons), applied psychology, marketing, and market research (Psychology & Marketing, Journal of Marketing, and Journal of Marketing Research). Journal of Business Research leads the field, publishing 13% of the 508 articles in this dataset published, with a total of 445 local citations. Journals dedicated to luxury and fashion have published quite a few articles, but they are too recent for their articles to show up meaningfully in citation scoring. Among them is the Journal of Fashion Marketing and Management, also in the top 20, which has published 18 relevant articles, although it was only founded in 2015. Luxury: History, Culture, and Consumption, which was founded in 2014, has published 20 articles, but is only ranked in the top 30 by LCS/t. This journal is fairly new, and so although it has published many articles, it has few global citations. Due to the psychological aspects of purchasing and consuming luxury goods and the often-related conspicuous consumption, several psychology journals also feature within the top 20 journals on luxury research, including *Psychology* and Marketing and the Journal of Consumer Psychology.

In the following chapters, in particular in Chapter 5, we show the role that ethics and sustainability can play in luxury consumption. However, the importance of this role is not reflected in the list of journals. The top 20 journals listed in Table 5 contain only one journal dedicated to the ethics of business—the *Journal of Business Ethics*—and none with a focus on sustainability.

Table 5. Top 20 journals in the luxury field, sorted by number of relevant article publications

#	Journals	Label	Plux	LCS	LCS/t
1	Journal of Business Research	JBR	64	445	82,70
2	Psychology & Marketing	PS	11	118	14,12
3	Journal of Marketing	JM	3	79	9,11
4	International Journal of Market Research	IJMR	6	71	7,33
5	Marketing Letters	ML	5	66	6,88
6	Journal of Marketing Research	JMR	2	56	5,90
7	Journal of Consumer Psychology	JCP	5	54	5,97
8	Business Horizons	BH	4	42	6,10
9	Journal of Retailing	CMR	3	42	6,93
10	California Management Review	EJM	1	38	3,80
11	European Journal of Marketing	EJM	5	33	4,63
12	Harvard Business Review	HBR	3	27	1,69
13	Journal of Fashion Marketing and Management	JFMM	18	25	6,58
14	International Marketing Review	IMR	6	23	4,18
15	Journal of Retailing and Consumer Services	<b>JRCS</b>	12	20	6,25
16	Journal of World Business	JWB	1	17	2,13
17	International Journal of Retail & Distribution Management	IJRD	12	15	3,75
18	Advances in Consumer Research	ACR	1	13	0,57
19	International Journal of Contemporary Hospitality Management	IJCH	11	13	2,25
20	Journal of Business Ethics	JBE	5	13	2,09

Note: Sorted by LCS. Own data from data set.

We use the number of relevant articles published as a proxy for output, and the total local citations per year (LCS/t) as a proxy for impact in the field of consumer—brand relationships. Figure 4 shows a  $2 \times 2$  matrix where the *x*-axis represents the total local citations by year (LCS/t), and the *y*-axis represents the number of articles published by each journal related to luxury research (Plux). When journal articles with no citations are removed, four main groups of journals can be distinguished by calculating and evaluating the mean values of both variables (Plux M = 3.78; LCS/t M = 2.0).

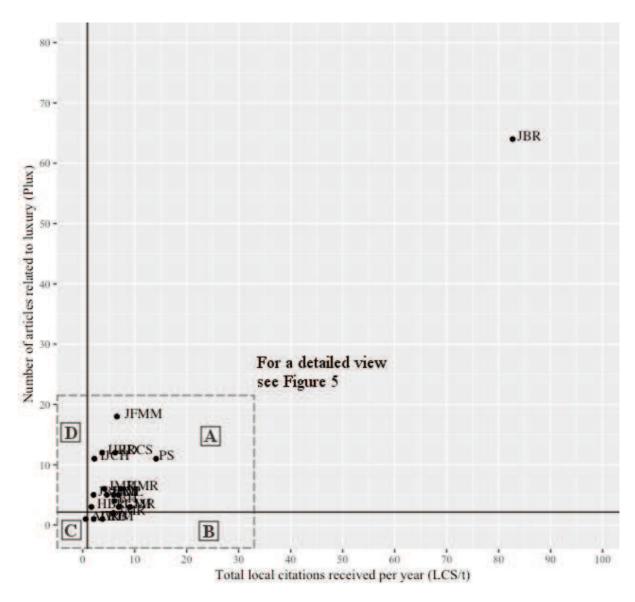


Figure 4. Journal focus and impact of research on luxury: the big picture

Note: Own imaging of own dataset.

The figures provide a broad illustration of the four main group quadrants, showing the findings at a glance. Figure 4 sheds light on the distances between the journals' impacts and their focus within the study of luxury brands. For purposes of illustration and greater detail we also constructed Figure 5, which gives details for the journals in quadrants A, B, C, and D, toward the coordinate origin of the larger graph.

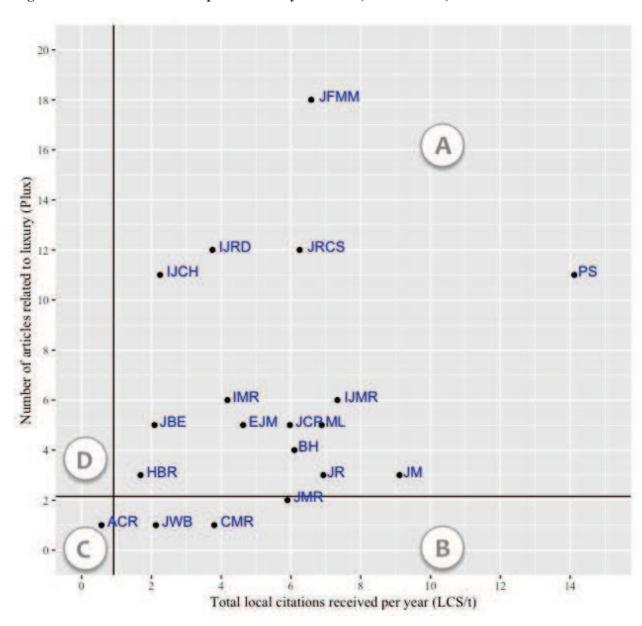


Figure 5. Journal focus and impact on luxury research (detailed view)

Note: Own imaging of own dataset.

Four main groups of journals can be distinguished: in quadrant A are journals with a main focus on the luxury field and a high impact on that field; in quadrant B are journals with a main focus on the luxury field but a low impact; quadrant C shows journals with less of a focus on the luxury field and having a low impact on that field; finally quadrant D journals have less of a focus on the consumer luxury field but have a high impact. For clarity we have placed only the top 20 journals in this matrix. The journal abbreviations used are defined in Table 5.

#### 1.2.10 Most influential articles

This section examines the most-cited articles and authors, namely the ones that are considered by other researchers to be the most useful within our dataset. Table 6 lists the articles with the highest number of citations (LCS) in this collection. Using other bibliometric studies, such as those of Fetscherin and Heinrich (2014) or Fetscherin and Usunier (2012), it might be expected that we would find the three literature review papers indicated above—those of Ghosh and Varshney (2013), Aliyev et al. (2017) and Gurzki and Woisetschläger (2017)—because many researchers are likely to have used these articles, but this was not found to be the case: those reviews are too recent, published in 2013 and 2017.

Of the top 10 articles with the largest number of citations, nine focus on consumer behavior and motives for the purchase of luxury brands or counterfeit products. The last article is focused on luxury brand management.

The article with the highest LCS, Wiedmann, Hennings, and Siebels (2009), published in *Psychology & Marketing*, is titled "Value-based segmentation of luxury consumption behavior." The authors develop a multidimensional framework for luxury value and suggest that it be used as a general basis to identify value-based consumer segments. The empirical results in this paper constitute a first step "toward a better understanding of consumers' luxury value perceptions as based on social, individual, functional, and financial aspects" (Wiedmann et al. 2009, p. 625). Wiedmann et al. (2009) develop four clusters of profiles: (1) Materialists, (2) Rational Functionalists, (3) Extravagant Prestige-

Seekers, and (4) Introvert Hedonists, and this framework allows for the identification and segmentation of groups of luxury consumers.

The second-highest-ranking article is titled "Signaling status with luxury goods: The role of brand prominence," by Han, Nunes, and Dreze (2010), published in the *Journal of Marketing*. Han et al. (2010) introduce a new construct called brand prominence, "a construct reflecting the conspicuousness of a brand's mark or logo on a product" (Han et al. 2010, p. 15). Four groups, termed Patrician, Parvenu, Proletarian, and Poser, rated according to their wealth and need for status, are created, and the authors demonstrate how each group's "preference for conspicuously or inconspicuously branded luxury goods corresponds predictably with their desire to associate or dissociate with members of their own and other groups" (Han et al. 2010, p. 15). The authors conclude that:

Wealthy consumers low in need for status want to associate with their own kind and pay a premium for quiet goods only they can recognize. Wealthy consumers high in need for status use loud luxury goods to signal to the less affluent that they are not one of them. Those who are high in need for status but cannot afford true luxury use loud counterfeits to emulate those they recognize to be wealthy. (Han et al. 2010, p. 15)

Two points are particularly evident through this research: (1) it proves that "less expensive, louder products are geared to a different class of customer than subtler, more expensive goods" (Han et al. 2010, p. 27) and (2) that luxury-goods producers can produce and market products by slightly changing their product and their assembly of codes rather than the brand name itself (e.g., bamboo for Gucci or the camelia for Chanel instead of writing Gucci or Chanel on the bag) to target different customer groups.

The article ranked third is "Co-creating value for luxury brands," by Tynan, McKechnie, and Chhuon (2010), published in the *Journal of Business Research*. This study develops "a theoretical framework of types of value for luxury brands, and use[s] case study research to identify processes of value creation in this particular setting" (Tynan et al. 2010, p. 1156). This article shows how luxury

brands move from a "firm- and product-centric view of value creation to one that focuses on personalized brand experiences" (Tynan et al. 2010, p. 1156). A finding of this study is that co-creating luxury brand experience requires communication and interaction between the brand company, its employees, its customers, and other social groups, including networks and social-media groups. The authors argue that "many opportunities exist to engage customers usefully in dialogue instead of opting for an extensive array of one-way communication. However, luxury brand owners should also recognize that customers want different levels of engagement with their brands ranging from minimal to highly involved" (Tynan et al. 2010, p. 1161).

The fourth article is entitled "Why do consumers buy counterfeit luxury brands?" by Wilcox, Kim and Sankar (2009), published in the Journal of Market Research. Research focusing on why consumers buy counterfeit products and the effects of this on genuine luxury brands has existed for some time, with seminal articles such as "Do counterfeits devalue the ownership of luxury brands?", Nia and Zaichkowsky (2000). However, the increase in counterfeit production, forming a market that is nearly half a trillion dollars a year according to data from the OECD (2016), appears to have stimulated a second wave of research into counterfeiting. Of the 508 articles in our dataset that include the word luxury in the title, 22 articles, i.e., just over 4%, treat this subject, and of those 22, over onethird was published in early 2018. In the following chapters, we explore the importance of new categories of luxury products, such as sneakers, because "luxury sneakers are surging ahead of luxury handbags in popularity [in counterfeiting], and the boom in counterfeits sneakers has followed."6 Wilcox et al. (2009) demonstrate that "consumers' desire for counterfeit luxury brands hinges on the social motivations (i.e., to express themselves and/or to fit in) underlying their luxury brand preferences" and show in particular that "both consumers' preferences for a counterfeit brand and the subsequent negative change in their preferences for the real brand are greater when their luxury brand attitudes serve a social-adjustive rather than a value-expressive function" (Wilcox et al. 2009, p. 247).

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https://www.racked.com/2018/7/17/17577266/artificial-intelligence-ai-counterfeit-luxury-goods-handbags-sneakers-goat-entrupy

They conclude that luxury brand managers can influence demand for counterfeit luxury products by using specific marketing actions, including addressing product characteristics and advertisements.

The fifth article in our ranking is "Consumer segments based on attitudes toward luxury: Empirical evidence from twenty countries" published by Dubois, Czellar and Laurent (2005) in *Marketing Letters*. This is a seminal article in the field of consumer luxury goods. The authors suggest a "segmentation of consumers based on their attitudes toward luxury" (Dubois et al. 2005, p. 115) and perform a two-stage empirical study that syndicates samples from 20 countries. The authors define three segments: (1) Elitist, (2) Democratic, and (3) Distant. Note that having distance is here defined as having little interest in luxury (compare this to our use of the word distance here to represent the distance between luxury brands and their consumers, which are often transferred to the consumer to create distance and demonstrate their superiority to other people). Their findings conform to an expected pattern, in line with ter Hofstede, Steenkamp and Wedel's (1999) four-dimensional framework of national culture.

Dubois et al. (2005) also provide insight into religion and consumer attitudes towards luxury.

Although no specific question on religion was included in the dataset, the authors note that:

close to the democratic type, which indicates that a large majority of the respondents from those countries have a high probability of belonging to that type, we find four countries that share a strong Protestant religious orientation (Denmark, New Zealand, Holland, and Norway). Close to the opposite side of the triangle shown in this study, which indicates almost no respondents of the democratic type, there is a set of predominantly Catholic countries (Italy, Spain, Portugal, and Hungary). (Dubois et al. 2005)

The authors also ask, "Why should attitude constructs, typically identified in a Western, individualist context, be extended to other cultural contexts, such as Asian or African societies?" (Dubois et al. 2005, p. 126). They submit that among these cultural differences, one "might find that the three attitude types identified in this research do not necessarily apply to other cultural zones"

(Dubois et al. 2005, p. 127), and they suggest avenues for future research that would supplement cross-cultural qualitative research, analyzing how luxuries are utilized by consumers and what their representative meanings are in Asian or African countries. Interestingly, the ninth and eighth place articles both deal with this question of luxury-consumption patterns, values and differences between East and West.

Article six in our ranking, "Impact of personal orientation on luxury-brand purchase value: An international investigation" was published in 2005 in the *International Journal of Market Research* by Tsai (2005). This article:

establishes a model specifying the antecedents and consequence of personal orientation towards luxury-brand consumption. The model, tested by data collected across the regions of Asia Pacific, Western Europe and North America, illustrates that personal orientation in the international market may significantly impact on repurchase behavior elicited for luxuries. (Tsai 2005, p. 427)

The authors conclude with the recommendation that global marketing efforts for luxury brands should target the needs of self-directed pleasure, gift giving to oneself, and "congruity with internal self and quality assurance for building and strengthening brand loyalty" (Tsai 2005, p. 450).

Article seven is the only one in our ranking that does not focus on the aspects of luxury brand consumption; instead, its subject is luxury brand management. The article "Aesthetics and ephemerality: Observing and preserving the luxury brand" was published in the *California Management Review* by Berthon, Pitt, Parent, and Berthon (2009). The study explores "the value dimensionality of luxury brands, differentiates among luxury brands, and proposes a typology to help firms understand the managerial implications and challenges of each type" (Berthon et al. 2009, p. 45). The authors provide the value dimensionality of luxury brands based on Karl Popper's three-worlds hypothesis, and they demonstrate that luxury brands have "three components: the objective (material), the subjective (individual), and the collective (social) (Berthon et al. 2009, p. 47). Further, they develop a conceptualization of different types of luxury brands, along the two dimensions of aesthetics and

ontology, in four modes: Modern, Classic, Postmodern, and Wabi Sabi. Further, management implications are also provided, according to an aesthetics and ontology model, which allows the marketing of luxury brands within the different modes. Broader implications are touched upon as well, for instance of economic growth or a recession. The authors also provide strategies for migrating massmarket brands into luxury brand markets.

The eighth article is "Purchase intention for luxury brands: A cross cultural comparison," published in the *Journal of Business Research* by Bian and Forsythe (2012). The authors use a cross-cultural study to analyze "the effects of individual characteristics (i.e., consumers' need for uniqueness and self-monitoring) and brand-associated variables (i.e., social-function attitudes toward luxury brands and affective attitude) on U.S. and Chinese consumers' purchase intention for luxury brands" (Bian and Forsythe 2012, p. 1443). Structural equation modelling (SEM) is employed on data from 394 college students in the U.S. and China, and it is found that "U.S. and Chinese consumers' self-monitoring positively influences social-function attitudes toward luxury brands" (Bian and Forsythe 2012, p. 1443). The authors find that:

emphasizing exclusivity of the brand may be an effective marketing strategy for luxury brands in the Chinese market, as it focuses on using luxury brands to avoid similarity to others in general. Advertising campaigns can imply the luxury brand's elite usage group to help Chinese consumers convey membership in a specific social group and the exclusion of other groups. (Bian and Forsythe 2012, p. 1450)

The ninth article is "Understanding luxury consumption in China: Consumer perceptions of best-known brands," also published in the *Journal of Business Research*, by Zhan and He (2012). This article focuses on the Chinese consumer to deeper understand consumer perceptions of luxury brands and how to build a luxury business in China. The authors explore "the underlying motivations for luxury consumption among Chinese middle-class consumers by testing the relationships between psychological traits and attitudes toward the best-known luxury brands" (Zhan and He 2012, p. 1452). In particular, three psychological traits are examined that:

make Chinese consumers unique compared to their global peers: value consciousness ..., susceptibility to normative influence ..., and the need for uniqueness .... Results suggest that consumers evaluate the best-known brands more favorably as they become more value conscious, indicating that luxury products are not necessarily extravagant purchases in China. (Zhan and He 2012, p. 1452)

The last article of the top 10 in our ranking is "Between the mass and the class: Antecedents of the 'bandwagon' luxury consumption behavior," also published in the Journal of Business Research, by Kastanakis and Balabanis (2012). The authors "examine the impact of a number of psychological factors on consumers' propensity to engage in the 'bandwagon' type of luxury consumption" (Kastanakis and Balabanis 2012, p. 1399). It is interesting here that this article brings new research to bear on the bandwagon effect, a concept that was developed early in the study of luxury. Veblen (1899) first noted that what he called "pecuniary emulation" is responsible for the imitation of the behavior of higher social classes by an individual of a lower class, who is thus motivated to "consume conspicuously" (Veblen 1899). This line of thinking is followed by Duesenberry (1967), who concludes that "there are strong psychological and sociological reasons for supposing that [demand] preferences are in fact interdependent" (Duesenberry 1967, p. 3), and that a household's consumption is influenced by other households. Leibenstein (1950) explores several types of consumption patterns, including the bandwagon effect. Kastanakis and Balabanis (2012), working from these results, show "that a consumer's interdependent self-concept underlies bandwagon luxury consumption," and "this relationship is mediated by the level of a consumer's status-seeking predispositions, susceptibility to normative influence and need for uniqueness" (Kastanakis and Balabanis 2012, p. 1399). Interestingly, the authors also conclude that one avenue for further research would be to investigate how an extremely individualist-consumer society, such as the USA, may differ from a collective-consumption society, such as Japan or any one of a number of other Asian countries, and it might be worthwhile to study how various cultural forces would change the relationships highlighted in this study.

Table 6. Top 10 articles sorted by number of citations within the dataset of this thesis

#	Author	Title	Year	LCS	LCS/t
1	Wiedmann, KP; Hennigs, N; Siebels, A	Value-Based Segmentation of Luxury Consumption Behavior	2009	82	8,20
2	Han, YJ; Nunes, JC; Dreze, X	Signaling Status with Luxury Goods	2010	73	8,11
3	Tynan, C; McKechnie, S; Chhuon, C	Co-creating Value for Luxury Brands	2010	65	7,22
4	Wilcox, K; Kim, HM; Sen, S	Why Do Consumers Buy Counterfeit Luxury Brands?	2009	54	5,40
5	Dubois, B; Czellar, S; Laurent, G	Consumer Segments Based on Attitudes Toward Luxury	2005	51	3,64
6	Tsai, SP	Impact of Personal Orientation on Luxury-Brand Purchase Value	2005	45	3,21
7	Berthon, P; Pitt, L; Parent, M; Berthon, JP	Aesthetics and Ephemerality	2009	38	3,80
8	Bian, Q; Forsythe, S	Purchase Intention for Luxury Brands	2012	32	4,57
9	Zhan, LJ; He, YQ	Understanding Luxury Consumption in China	2012	30	4,29
10	Kastanakis, MN; Balabanis, G	Between the Mass and the Class	2012	28	4,00

*Note:* Sorted by LCS.

### 1.2.11 Title analysis

Using HistCite<sup>TM</sup> software, we analyzed the titles of all 508 articles in this dataset, which have a total of 1713 words. We reduced the word list by eliminating repeated words and merging words that were substantially the same, such as the two words environment and environments.

The key words for this thesis include sacred and sacralization. They were only used twice in titles from our dataset: once in the article by Dion and Borraz (2015) "Managing heritage brands: A study of the sacralization of heritage stores in the luxury industry", and a second time in Sekhon (2015), "Sacred and treasured luxury: The meaning and value of luxury possessions amongst second-generation Asian Indian immigrants," published in the first issue of the journal *Luxury: History, Culture, Consumption*. In particular the article from Dion and Borraz (2015) inspired much of the thinking for this thesis. Sacredness represents luxury or is the essence of luxury, as we outline further in the following chapters, so we were surprised not to find this topic analyzed in more detail in academic research so far.

We excluded the word luxury, which had 508 hits, an expected presence due to our keyword search of lux\* in titles. Figure 6 was compiled from the words in the titles of the dataset, excluding words related to lux\*. The top three words were: brands, consumerism, and fashion.

#### 1.2.12 Most influential authors

The authors who made the most important contributions to the field of luxury studies are shown in Table 7, listing the top 25 authors, sorted by number of publications (Plux) and then sorted by total LCS. It is remarkable that seven of the top 25 authors leading the research in this field are based in Asia. While earlier, European universities, largely French and Italian ones, were leading this research field (Sicard 2013; Aliyev et al. 2017), Asia, particularly Hong Kong and South Korea, are important sources of quality research today. This can be explained by the importance of Asian, and in particular Chinese, luxury goods customers. Chinese luxury goods customers alone currently constitute over one-third of all luxury purchases worldwide (Bain & Company 2017).

Figure 6. Word cloud of all words in the titles



Note: Word cloud produced from own dataset.

Table 7. Top 25 authors sorted by publications (Plux) and total local citation score (LCS)

#	Author	Country	Plux	LCS	GCS	#	Author	Plux	LCS	GCS
	Sorted by number of publications					Sorted by number of LCS				
1	Ko E	South Korea	7	50	289	1	Hennigs N	4	111	225
2	Hudders L	Belgium	6	23	83	2	Wiedmann KP	4	111	225
3	Phau I	Australia	6	13	30	3	Laurent G	5	88	192
4	Shukla P	UK	6	70	186	4	Siebels A	1	82	174
5	Aiello G	Italy	5	37	117	5	Dreze X	1	73	262
6	Guido G	Italy	5	4	13	6	Han YJ	1	73	262
7	Kapferer JN	France	5	50	90	7	Nunes JC	1	73	262
8	Laurent G	France	5	88	192	8	Shukla P	6	70	186
9	Valette-Florence P	France	5	26	38	9	Chhuon C	1	65	167
10	Yang W	USA	5	11	34	10	McKechnie S	1	65	167
11	Amatulli C	Italy	4	3	12	11	Tynan C	1	65	167
12	Donvito R	Italy	4	32	109	12	Dubois B	2	64	137
13	Hennigs N	Germany	4	111	225	13	Kim HM	1	54	187
14	Jiang L	China	4	1	2	14	Sen S	1	54	187
15	Kim J	South Korea	4	5	25	15	Wilcox K	1	54	187
16	Mattila AS	USA	4	11	34	16	Czellar S	2	52	128
17	Nagasawa S	Japan	4	0	0	17	Kapferer JN	5	50	90
18	Seo Y	New Zealand	4	7	24	18	Ko E	7	50	289
19	Shan J	China	4	1	2	19	Parent M	2	49	128
20	Wiedmann KP	Germany	4	111	225	20	Pitt L	3	49	129
21	Audrin C	Switzerland	3	1	2	21	Balabanis G	2	47	107
22	Chanal J	Switzerland	3	1	2	22	Kastanakis MN	2	47	107
23	Dion D	France	3	29	82	23	Tsai SP	1	45	87
24	Godey B	France	3	32	108	24	Berthon JP	1	38	100
25	Johnson LW	Australia	3	14	37	25	Aiello G	5	37	117

*Note*: Own table from own dataset.

# 1.2.13 Citation mapping

In this analysis, we used a citation-mapping technique to visualize how articles on luxury are cited over time. This helps account for the broader group of articles published and facilitates the exposure of themes in research streams. To derive expressive results and to visualize citation networks among articles, our analysis here is limited to the top 24 articles, sorted by total LCS, from the dataset as shown in Table 8.

Each of the 508 articles in our dataset has a unique ID number, listed in Table 8, which corresponds with the numbers provided in the boxes in Figure 7. The size of each box is related to the LCS number received, such that the larger the box, the more citations the article has received and the more influential it is. As Fetscherin and Usunier (2012) describe their method, "An arrow pointing from one box to another indicates a citation relationship between papers that is, the paper from which the arrow originates cites the paper the arrow points to" (Fetscherin and Usunier 2012, p. 384). Put differently, a box which receives many arrows, indicates that this is a particular important article, as it was cited often amongst the top cited articles. The vertical axis indicates the year of publication.

The following eight research streams have been developed from the citation analysis:

- 1 Foundations: functions of luxury
- 2 Luxury brand management
- 3 Luxury retailing
- 4 Luxury consumer behavior
- 5 Luxury consumer behavior: focus Asia/China
- 6 Counterfeiting
- 7 Social media and luxury
- 8 Sustainability

The first research stream we call foundations, and it overlaps with a research stream also identified by Gurzki and Woisetschlager (2017). According to our analysis, a central article for this stream is "The functions of luxury: A situational approach to excursionism," published by Dubois and

Laurent (1996) in the *Journal of Advances in Consumer Research*. From our dataset, this was indicated as the most relevant journal article, as shown in the first indicator used, the yearly output. The authors of this first article, Dubois and Laurent, were both based at HEC university in Paris, France, and are accepted as leaders in the field of luxury research; they are both also listed among the top 25 authors in Table 7.

We call the second research stream luxury brand management, and it contains three articles from the smaller set and a total of 70 from the total list of 508 articles. The three from the smaller set are "Luxury for the masses" by Silverstein and Fiske (2003), "Aesthetics and ephemerality: Observing and preserving the luxury brand" by Berthon et al. (2009), and "Abundant rarity: The key to luxury growth" by Kapferer (2012). Whereas Silverstein and Fiske (2013) give a definition of new luxury, Kapferer (2012) focuses on the luxury paradox, i.e., managing to grow a luxury brand while retaining the perceived exclusivity that consumers desire. The question in that article is how one can reconcile that Louis Vuitton is the largest luxury brand (with €10 million sales annually), which "seems at odds with the concept of luxury being tied to rarity and exclusivity" (Kapferer 2012, p. 453). Kapferer suggests that "in order to capture mounting demands—not only from extraordinary people, but also from ordinary individuals—luxury brands enact virtual rarity tactics, construct themselves as art, and adopt a fashion business model while deemphasizing exceptional quality and country of origin" (Kapferer 2012).

The third article in this research stream, Berthon et al. (2009), outlines a point of view according to which luxury brands are not homogeneous but can be divided according to their ontological (enduring or transient) or aesthetic mode (whether they appear obvious with logos on the surface as often conspicuous brands do).

The other 67 articles in this research stream, outside the top 24, focus mainly on marketing, building, and preserving the legitimacy of a luxury brand, and on managing services, customers, communication, and distribution. Something similar was also found by Gurzki and Woisetschläger (2017).

The third research stream we identified concerns retailing. Two articles from this stream are shown in Figure 7: "Retail luxury strategy: Assembling charisma through art and magic" by Dion and Arnould (2011) and "M(art)worlds: consumer perceptions of how luxury brand stores become art institutions" by Joy, Wang, Chan, Sherry Jr., and Cui (2014). A total of 22 articles found in this stream in the larger set of 508 articles concern luxury retailing.

Dion and Arnould's (2011) article puts forth the contention that "Luxury retail strategy differs from other retail strategies not merely in distinctive formulations of product, price, distribution, and appeals to customer distinction," but in its dependence on the "legitimacy of a charismatic creative director," who offers "an aesthetic brand ideology" (Dion and Arnould 2011, p. 502). In the later chapters, we explore the conception of a luxury brand's dependence on its creative director in the context of an analysis of how luxury brands sacralize their brands. Another finding in Dion and Arnould (2011, p. 502) is that "retail luxury is producer rather than consumer oriented and seeks to generate awe rather than community," which is another important finding we will touch upon in Chapter 4 in the context of the socio-cultural changes that took place from modernity to hypermodernity, as well as the impacts of social media, which all concern community, while luxury centers on exclusivity.

The second article related to luxury retailing shown in Figure 7, shows how "luxury stores are becoming hybrid institutions, embodying elements of both art galleries and museums, within a context of exclusivity emblematic of luxury," as stated in Joy et al.'s (2014, p. 347) article, an ethnographic study that outlines how consumers see and experience Louis Vuitton flagship stores. A total of 16 articles out of the larger set of 508 articles discuss how luxury brands utilize art and the effects of doing so; these include, for instance, "The artification of luxury: From artisans to artists" by Kapferer (2014).

The next stream, luxury consumption behavior, is the topic of most importance for luxury brands, and it groups together various analyses of why, how, and when luxury products are consumed and what their attraction is for consumers. A total of nine out of the top 25 articles concern luxury consumer behavior, and 152 articles out of the total 508 articles in this dataset. Dubois et al.'s (2005) article "Consumer segments based on attitudes toward luxury: Empirical evidence from twenty

countries" is seminal; we have already discussed it when analyzing the most-cited authors. They describe, inter alia, luxury consumption as a status signal and as a carrier of meaning.

The fourth research stream we identified was "Luxury consumer behavior: focus Asia/China." In Figure 7, two articles in this stream are shown, namely "Understanding luxury consumption in China: Consumer perceptions of best-known brands" (Zhan and He 2012) and "Luxury fashion brand consumers in China: Perceived value, fashion lifestyle, and willingness to pay" (Li, Li, and Kambele 2012). In the total dataset, there are 38 articles which specifically study the luxury consumer behavior in Asia, and in China in particular. HistCite™ allows us also to analyze the various articles in the dataset by topic and year. This means we can use their publication dates as elements in the analysis, and this indicates that articles focused on consumer behavior in Asia generally only begin to be published in 2012 but their numbers steadily grow until early 2018. This is similar to what we observed related to Asian universities. This is a new finding, not noted in the bibliometric studies of Gurzki et al. (2017) or Aliyev et al. (2017).

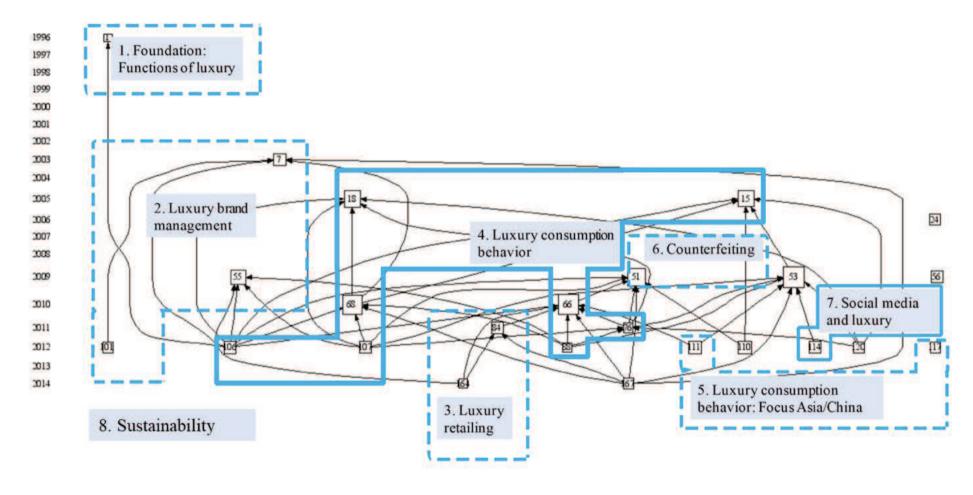
The sixth research stream identified is counterfeiting, which was also identified by Gurzki et al. (2017) and Aliyev et al. (2017). Our graph features "Why do consumers buy counterfeit luxury brands?" by Wilcox et al. (2009). The authors show that "consumers' desire for counterfeit luxury brands hinges on the social motivations (i.e., to express themselves and/or to fit in) underlying their luxury brand preferences" (Wilcox et al. 2009, p. 247). This research streams includes 27 articles of the total 508 articles in the larger dataset, and these works mainly focus on the effects of counterfeits on consumer purchases of authentic luxury brands, that is, the effects on the luxury brands themselves, on the economy, and on the views of different generations on counterfeits.

In the seventh research stream, works focusing on social media and luxury are grouped together. One article is shown in Figure 7 from the top 24 articles, namely, "Do social media marketing activities enhance customer equity? An empirical study of luxury fashion brand" by Kim and Ko (2012). In Chapter 4 of this thesis, when discussing socio-cultural changes affecting our society, we also cover the rise of social media as well as how this can threaten to desacralize luxury brands, as the power of the message moves to the community, to influencers, and away from the brand itself. We also introduce

data from market research conducted by Boston Consulting Group showing that word of mouth and social media are the most powerful tools influencing purchasing decisions today, far ahead of, for instance, classic luxury brand advertising (BCG 2017). Of our larger set of 508 articles, a total of 25 cover social media and luxury, the first of which was published in 2011, although most articles in this set were published in 2016, 2017, and 2018.

One additional research stream is not represented on our graph, although we did observe it as we conducted the content analysis of the larger set of 508 articles. We call this research stream sustainability, referring both to environmental sustainability and corporate social responsibility (CSR). As we show in Chapter 5, sustainability is important for luxury consumers today. A total of 19 articles out of the total 508 articles in the larger set deal with this topic, mainly focusing on the paradox of consuming and caring, the definition of sustainable luxury, consumer attitudes toward sustainable luxury, and how to communicate regarding the sustainable actions taken by luxury brands.

Figure 7. Mapping of lux\* research



Note: Own design

Table 8. Articles and their ID codes as shown in Figure 7

#	ID of article	Author, year, journal information	LCS	GCS
1	1	Dubois B, 1996, ADV CONSUM RES, V23, P470	13	32
2	7	Silverstein MJ, 2003, HARVARD BUS REV, V81, P48	27	91
3	15	Tsai SP, 2005, INT J MARKET RES, V47, P429	45	87
4	18	Dubois B, 2005, MARKET LETT, V16, P115	51	105
5	24	Mandel N, 2006, J CONSUM PSYCHOL, V16, P57	20	86
6	51	Wilcox K, 2009, J MARKETING RES, V46, P247	54	187
7	53	Wiedmann KP, 2009, PSYCHOL MARKET, V26, P625	82	174
8	55	Berthon P, 2009, CALIF MANAGE REV, V52, P45	38	100
9	56	Hagtvedt H, 2009, J CONSUM PSYCHOL, V19, P608	25	60
10	66	Han YJ, 2010, J MARKETING, V74, P15	73	262
11	68	Tynan C, 2010, J BUS RES, V63, P1156	65	167
12	76	Shukla P, 2011, J WORLD BUS, V46, P242	17	62
13	84	Dion D, 2011, J RETAILING, V87, P502	25	69
14	88	Shukla P, 2012, INT MARKET REV, V29, P574	17	41
15	101	Kapferer JN, 2012, BUS HORIZONS, V55, P453	21	46
16	106	Kastanakis MN, 2012, J BUS RES, V65, P1399	28	73
17	107	Shukla P, 2012, J BUS RES, V65, P1417	25	61
18	110	Bian Q, 2012, J BUS RES, V65, P1443	32	86
19	111	Zhan LJ, 2012, J BUS RES, V65, P1452	30	68
20	114	Kim AJ, 2012, J BUS RES, V65, P1480	25	227
21	117	Li GX, 2012, J BUS RES, V65, P1516	21	78
22	120	Hennigs N, 2012, PSYCHOL MARKET, V29, P1018	21	36
23	164	Joy A, 2014, J RETAILING, V90, P347	14	38
24	167	Kastanakis MN, 2014, J BUS RES, V67, P2147	19	34

Note: From own dataset.

# 1.2.14 Summary of the bibliometric analysis

The objective of this part of the study was to bring to light extant research on the concept of luxury and luxury brands. Additionally, we wanted to locate the roots of contemporary academic literature and identify how this research field has evolved over the last decades. This study is based on a retrospective empirical analysis of data collected from the Web of Science database. Using this data, we performed a bibliometric citation analysis that allowed us to understand the evolution of the research

on luxury (RQ1). Further, this method allowed us to uncover which journals do the most to disseminate research on luxury, and to identify which articles and authors are the most cited (RQ2), thus advancing research on luxury brands and several related luxury-brand-management techniques. This method also exposed which institutions and business schools contribute the most to this field and are thus the centers of excellence in luxury brand research (RQ3).

In this study, we first identified 732 articles, then reduced this dataset to increase its precision, arriving at a total of the 508 most relevant articles. Most of these were published by journals covering consumer research and marketing or management and retailing, followed by publications on applied psychology, communications, hospitality, and tourism. The outcome of this bibliometric analysis enabled the determination of an answer to the first RQ1, namely, how has luxury research evolved in the past, what are the underlying research streams, and which parts of this research requires further attention? This field has many origins, meaning that it developed not from a single foundation but out of diverse sources, not just from the literature on management and branding literature, quite to the contrary. Many disciplines have featured research on luxury, which sanctions the interdisciplinary nature of this field, but today consumer studies, marketing, and business studies journals lead this field of luxury research. Consumer research and management, followed by applied topics in psychology, dominate the luxury studies in academic conferences, such as the Monaco Symposium on Luxury.

The biggest surprise or most important finding we identified from our bibliometric study is that the topic of sacredness and sacralization is not studied in more depth in the academic research on luxury. Academic research covers well topics such as consumer behavior, counterfeiting, retailing or special local aspects such as the Chinese market and its particularities. However, sacredness, essential to the concept of luxury, seems to be hardly studied and features only in two articles which we identified. It is this gap in the academic research that we believe is essential to be researched: exploring what is sacredness, how it is linked to the concept of luxury, how sacredness may be affected by socio-cultural, company and market changes, and what may constitute new sacredness for the 21st century.

www.monaco-symposium-on-luxury.com

Further findings from our bibliometric study are summarized here: The fact that publications regarding luxury brands and consumption do not appear in other highly-rated and closely-related journals, like the *Journal of Sociology*, the *Journal of Personality and Social Psychology*, or journals of economics, is surprising. It is possible to draw the conclusion that luxury research, which began in the disciplines of sociology, anthropology, and economics, has moved decisively toward the topics of business, consumer research, and consumer behavior literature today.

This heavy focus on the management of luxury brands has been criticized by the Winchester Luxury Research Group, among others. They argue that what is missing today, and what their Group and its research addresses, is "a critical appreciation of luxury that investigates the intersections of theories of desire and necessity, practices of luxury, and applications of these theories and practices within historical and contemporary cultures" (Armitage and Roberts 2016).

We have identified the main research streams in our dataset, namely, (1) foundations: functions of luxury, (2) luxury brand management, (3) luxury retailing, (4) luxury consumer behavior, (5) luxury consumer behavior: focus Asia/China, (6) counterfeiting, (7) social media and luxury, and (8) sustainability.

Like Gurzki and Woisetschläger (2017), we were able to confirm three research streams, namely, (1) foundations, (2) counterfeiting, and (3) brand management. There are several other research streams identified in Gurzki and Woisetschläger's (2017) study, namely, signaling/consumption, luxury goods as a carrier of meaning, and self-concept and brand relationships. We have grouped these under luxury consumer behavior.

Like Aliyev et al. (2017), we found the study of counterfeiting to be a research stream.

Both of these bibliometric studies were done in 2017, so some overlap with our 2018 study is to be expected.

Some additional findings from our study that do not duplicate the work of the other two studies include the importance of Asian researchers, universities, and the markets of Asia and in particular China as a specific focus point. Analyzing our larger data sample of 508 articles, we identified the following points.

- Of the top universities worldwide that cover luxury research, three are found in Asia: Yonsei University in South Korea, National University of Singapore, and Shanghai University.
- One of the top 10 articles, sorted by number of citations, focuses entirely on the Chinese customer: "Understanding luxury consumption in China: Consumer perceptions of best-known brands," by Zhan and He (2012).
- The words Asia or China were found in article titles a total of 38 times out of the 508 articles, substantially more than any other country, even European ones.
- Seven out of the top 25 authors in the field of luxury research are Asian.
- We identified a dedicated research stream that we called luxury consumer behavior: focus Asia/China, given two of the top 24 articles sorted by local citations as shown in Table 8.

In addition, we also found two research streams not previously identified by bibliometric research, relating to (1) social media and (2) sustainability.

Table 9. Comparison of findings of three bibliometric analyses

	Aliyev, Ürkmez and Wagner	Gurzki and Woisetschläger	This thesis
Key findings	<ol> <li>Articles are confined in sub research streams: Luxury, counterfeit, brand extensions, luxury perceptions, and some others</li> <li>Analysis on what research design is applied (48% quantitative)</li> <li>Country of origin generating the most academic contributions: France stands out; over one third of research focusses on Asia</li> </ol>	Establishment of 10 topic clusters 1. Foundations: Luxury consumption as a social phenomenon 2. Signaling/consumption as social interaction view: Luxury goods as a status signal 3. Economic view: public policy: Macroperspective: income, materialism and welfare 4. Intercultural view: Culture as key determinant of luxury consumption 5. Luxury culture and meaning: Luxury goods as a carrier of meaning	Identification of eight research streams: 1. Foundations: Functions of luxury 2. Luxury brand management 3. Luxury retailing 4. Luxury consumption behavior 5. Luxury consumption behavior: Focus Asia/China 6. Counterfeiting 7. Social media and luxury 8. Sustainability
		6. Self-concept and brand relationships: The brand as an identity-source 7. Brand equity: The brand as the source of financial value 8. Counterfeiting: Legitimacy and authenticity of luxury signals 9. Luxury as a costly signal to indicate reproductive value 10. Brand Management: Principles to create luxury value	Confirmation of emergence of Asian researchers, universities, and specific research on Asian and Chinese consumer over the past five years

Note: Based on analyzed data from bibliometric analyses.

# 1.3 Luxury: the vision of anthropologists and sociologists

Even in primitive history luxury existed, always with the purpose of stratification (Berry 1994). Anthropology confirms that a certain type of luxury has been around as long as we have evidence for human civilization, and all over the world there have been luxury goods and services, found in the most ancient tombs in the form of jewels and funerary objects. For instance, some prehistoric boomerangs were marked as luxury objects, used to distinguish between someone in power and other people. Such a boomerang would be decorated beautifully with ornaments, while a boomerang that was simply meant to fulfil its prosaic function may have had no decoration at all (Sicard 2013).

The oldest gems discovered were found in South Africa and are almost 100,000 years old (Sicard 2013). There are accounts of luxury among the Celts, the Vikings, and the Visigoths, to speak only of European groups. Additionally, well-known luxuries include "the jewels of Scythian art, the mastery of cloisonné enamel displayed by the Saxons, the famous crown studded with precious gems donned by Charlemagne, the Ardagh Chalice, or the miniatures in the *Book of Kells*, the 8th century Irish masterpiece" (Sicard 2013, p. 6). Luxury has been discovered in religious temples, churches, pagodas, Egyptian pyramids, and other tombs and in the form of tributes to god(s) and attempts to buy mercy through the sacrifice of wealth (Kapferer 2015).

Thus, we can conclude that "luxury is a temporal, a spatial and multipolar phenomenon, traces and evidence of which are everywhere once you break through the ancient carapace of received ideas. There was luxury, and true luxury, all over and in all eras, even the most distant ones, quite simply because luxury is inseparable from any society, even fledgling, primitive societies" (Sicard 2013, p. 11).

This social stratification that accompanied luxury could be found in all societies, but one of the best documented and analyzed of these is court society.

#### 1.3.1 Court society

Luxury indicates who is in power, and many strive to be in power and to demonstrate their power to others with its use. Monarchy, with the implication of a fixed ruling class, was widespread as

a political system in the ancient world. These monarchies included Achaemenid and Sassanian Persia, Alexander's empire, Rome under both the early kings and later Caesars, the Han rulers of China, and Egypt's Eighteenth Dynasty (Spawforth 2007). These polities were organized in a way that displayed the rulers and everyone's place in monarchical structures of power and control. Spawforth (2007) explains how such ancient monarchies created the conditions for the emergence of a court and the entailed aristocracy. Luxury became a signal of rank in such a society (Podolny 2008). In his seminal work *The Court Society*, Elias (1969) provides an in-depth account of the structure of a court and the role luxury played in it.

Elias was a sociologist and cultural philosopher who lived from 1897 until 1990. He never understood himself as a specialist but as a generalist, a *Menschenwissenschaftler* or scientist of humanism (Eichender and Baumgart 1991). One of his best-known works, *The Court Society* (Elias 1969), influenced many academics, including Spawforth (2007), in their work on monarchy. This section examines Elias's court society, outlining the model he used, (based on the French court in the 17<sup>th</sup> century), showing how luxury was used to display one's rank, and that spending on luxuries had become a necessity. Failing to do so had severe societal repercussions. Elias's theory is particularly important here because he sets up a conception of luxury in opposition to that of Veblen (1899), which we examine further down.

Elias distinguishes two modes of life: (1) the income–expenses strategy of the middle classes and working population, which includes a saving-for-future-profit ethos, and (2) that of the aristocracy, which is ruled by a status–consumption ethos. He notes that the aristocracy and monarchy were obliged to spend money on luxuries to show their rank, and that it was impossible not to. Someone who could not present himself respectably or provide his family with the environment appropriate to their rank would lose the respect of society. The obligation to spend one's money to maintain oneself in a way befitting to one's rank formed part of one's education in dealing with money. The differences in how they dealt with money was a significant difference between the aristocracy and the working population.

A famous anecdote related by Taine (1876) and quoted in Elias (1969) and elsewhere goes as follows: the Cardinal de Richelieu gave his son a pouch full of money so that he could learn to spend

the money like a nobleman. When the son comes back with all the money still in his purse and nothing spent, the father throws the pouch and all the money inside out of the window in front of his son. Elias (1969) explains this as being part of being socialized into the spirit of a tradition by a certain class where each individual must learn that "one rank's in society imposes a requirement for generosity and expenditure" (Elias 1969). Among the French aristocracy, the word *économie*, which meant savings, as in planning one's expenditures to be within one's income, had, even well into the late 18<sup>th</sup> century and following the French Revolution, a negative, contemptible connotation. It was considered a virtue of the little people.

Elias (1969) criticizes Veblen's (1899) characterization of status consumption, claiming that that perspective uncritically uses middle-class values as the standard for judging the household and money management of a different stratum of society. He argues that Veblen (1899) does not note the social constraints behind their behavior.

The system of a court society and similar conspicuous consumption can be found in many societies. Another example of conspicuous consumption can be found in the *potlatch*, a ceremonial festival among the American Indians of the Pacific Northwest, the Kwakiutl in particular, in which gifts are bestowed on guests and property is destroyed by its owner in a show of wealth that other guests then attempt to surpass (Lipovetsky and Roux 2003). The status, rank and prestige of a family and their related social privileges, must be put to a test from time to time through social compulsion of higher and higher expenditures and displays of wealth, in large parties or the giving of expensive gifts, aimed in particular towards rivals in status and prestige (Elias 1969).

Similar behavior can be observed in England during the 17<sup>th</sup> and 18<sup>th</sup> centuries, in the pressure to build mansions or stately homes. Elias (1969) explains that while its structure was in some ways similar, the English aristocracy was less of a court than that of France. However, in England, as in France, many aristocratic families and the gentry ruined themselves through this obligatory and necessary consumption for status and prestige.

In the Renaissance as well, "spending on luxury was a necessity." McNeil and Riello (2016) characterize this sense in the following way: "collecting, meaning to build up a collection for example

of antiquities became a luxury necessity to endorse one's social position, for instance to demonstrate the influence of the Medici family. By collecting antiquities, it helped 'new money' (the Medicis') to acquire a lineage in time through the possession of antiquities" (McNeil and Riello 2016). As those authors express it, regarding collecting and creating a collection, "a great deal of the history of luxury shows that one of the entitlements of money is to own not just the present but also the past."

Elias (1969) explains that this type of social pressure to spend money and conspicuous consumption due to status are also visible in certain later industrial societies. The difference is that in such societies these features are not directly related to the *Herrschaftsapparatur* or state administrative apparatus, as was the case for court societies, for instance.

The above examples demonstrate that the consumption of luxury is to be attributed to the display of one's rank in society and that expenditures on luxury are actually a necessity to maintain one's rank. Thus, it was not a choice but an obligation.

Montesquieu, a French judge and political philosopher of the 18<sup>th</sup> century, gave the interpretation that it is essential, if an absolute monarchy is to work, that the aristocracy be disallowed from participation in commercial activities and from earning money, to the point where it is legally forbidden and considered dishonorable (Elias 1969).

This rule reduces the motivation for traders and shopkeepers to amass large amounts of money with the aim of leaving the working class and becoming aristocrats. To maintain the system of luxury as rank system, luxury consumption became legally regulated. A 1664 French edict declared that "there is no more certain cause of ruin for a state than the excess of unregulated luxury" (McNeil and Riello 2016). The introduction of sumptuary laws proves that the concept of luxury concerned first and foremost social stratification and showing one's social superiority.

### 1.3.2 Sumptuary laws

To maintain the system of showing one's rank through luxuries, most people needed to be restricted from the use of luxury items, which were thus reserved for the use of a few and forbidden to

the rest. Nearly all ancient civilizations produced such laws and regulations. These sumptuary laws regulated expenditures on luxuries and addressed growing incongruities between economic wealth and political power (Berry 1994). Such sumptuary laws existed in ancient Rome, were expressed in consumption taxes in the Middle Ages, and continue to exist all the way to the present in the form of super taxes on luxuries (Sicard 2013). Their purpose was to determine who was allowed to wear what fabrics and jewelry, to eat what type of food, and to have what size party. During the Middle Ages and under the *ancien régime*, the laws generally regulated expenditures on clothing and adornment, unlike Roman sumptuary laws, which focused on food and wine. McNeil and Riello (2016) explain that the "newly enriched people attempted to challenge the power of traditional elites through conspicuous consumption and the magnificence of their parties and houses."

Many countries still tax luxury goods more than other goods. For example, in China, a recent analysis showed that 1% of the Chinese population owns 30% of the nation's wealth (Kapferer 2015). This prompts the question of how long the Chinese authorities will allow such inequality to continue in a country where socialism and communism are the basis of the political ideology and governance. Luxury is often the obvious face of this open and increasing inequality; it is no surprise that China has some of the highest taxes on luxury goods worldwide. Very recently, beginning in July 2018, China's Ministry of Finance<sup>8</sup> has reduced its import taxes on luxury goods somewhat, but these remain some of the highest worldwide.

#### 1.3.3 Luxury visions of Sombart and Bourdieu

Sombart defined luxury as an engine of growth for national economies. Whereas Weber (1905) argued that stoic Protestantism is responsible for the growth of capitalism, Sombart (1913) believed that luxury should be understood as a historically positive concept, arguing that it helped establish the basis for contemporary capitalism (Armitage and Roberts 2016b).

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https://jingdaily.com/jewelry-import-tariffs-china/

Sombart's seminal but now neglected book *Luxus und Kapitalismus* (*Luxury and Capitalism*) should have been called *Liebe, Luxus und Kapitalismus* (*Love, Luxury, and Capitalism*) according to his own foreword. Sombart's theory is based on cultural changes occurring in European society as the relations between the sexes were changing, and women were gaining influence in a way that caused the whole way of life of the ruling society to be re-evaluated, which in turn had substantial implications for the economic system. Like Elias's (1967) discussion of court society, Sombart describes the spending done by the ruling class with anecdotes and examples, describing in detail the behavior of the ruling class and its servants.

According to Sombart's theory, all desires for luxury can be brought back to the feeling of love. He writes that "Sinnenlust und Erotik sind letzten Endes ein und dasselbe. Sodass der erste Antrieb zu etwelcher Luxusentfaltung in der großen Mehrzahl aller Falle gewiss auf irgendwelches bewusst oder unbewusst wirkende Liebesempfinden zurückzufahren ist" (Sombart 1913, p. 73) ["Lust of the senses and eroticism are ultimately one and the same. Thus, in the vast majority of cases, the first impulse to any luxury development is certainly to be traced back to any conscious or unconscious love-feeling"].

Sombart observes that once luxury is present, new motives appear that tend to increase luxury, including "Ehrgeiz, Prunksucht, Protzerei, Machttrieb, mit einem Wort: der Trieb, es dem anderen zuvorzutun" (Sombart 1913, p. 74) ["Ambition, exuberance, ostentation, and the power-drive, in a word: the urge to pre-empt the other"]. Sombart (1913) quotes Veblen and supports his work (discussed below in section 1.5, arguing that this ambition, the desire to have something that the other does not, is a basic part of human nature, like hunger and love. However, Sombart (1913) stresses that the *Ursprung* [origin] of this ambition may be driven by lust and erotica in the first place. This concept is similar to the drive to keep up with the Joneses, as outlined in Matt (2003).

Sombart (1913) defines luxury as follows:

Luxus ist jeder Aufwand, der über das Notwendige hinausgeht. Der Begriff ist offenbar ein Relationsbegriff, der erst einen greifbaren Inhalt bekommt, wenn man weiß, was "das Notwendige" sei. Um dieses festzustellen, gibt es zwei Möglichkeiten: man kann es subjektive in einem Werturteile (ethischer, ästhetischer oder welcher Art immer) verankern. Oder man kann einen irgendwelchen objektiven Maßstab ausfindig zu machen." ["Luxury is every effort that goes beyond what is necessary. The term is evidently a relational concept, which only acquires a tangible content when one knows what is 'necessary.' To ascertain this, there are two possibilities: one can anchor it in subjective value judgments (ethical, aesthetic, or whatever). Or you can locate any objective scale"]. (Sombart 1913, p. 71)

Armitage and Roberts (2016b) note that Sombart (1913) "acknowledged that this definition depends on the definition of necessities, what he was probing was not social or religious luxury but personal luxury." To him, personal luxury is not something necessary but something that enhances the quality of one's personal life, relative to egoistic motivations.

Sombart's theory thus confirms that luxury demonstrates superiority and shows one's distance from others through a demonstration involving one's own possessions.

Bourdieu (1930–2002) was a French sociologist and anthropologist; his seminal work *Distinction: A Social Critique of the Judgment of Taste* was first published in English in 1984 (after being published in 1979 in French). Bourdieu's (1984) theory is that consumer preferences, or tastes, are not choices made by an individual human intellect but are socially conditioned, following a symbolic hierarchy imposed by the dominant society to "enforce their distance or distinction from other classes of society" (Allen and Anderson 1994, p. 70). Therefore, for Bourdieu (1984), consumer preferences are "a 'social weapon' that defines and marks off the high from the low, the sacred from the profane, and the 'legitimate' from the 'illegitimate' in matters ranging from food and drink, cosmetics, and newspapers; on the one hand, to art, music, and literature on the other" (Allen and Anderson 1994, p. 70).

Bourdieu (1984) holds that "the competition for luxury goods, emblems of 'class,' is one dimension of the struggle to impose the dominant principal of domination, of which this class is the

site; and the strategies it calls for, whose common feature is that they are oriented towards maximizing the distinctive profit of exclusive possessions" (Bourdieu 1984, p. 229).

Thus, Bourdieu (1984) confirms that luxury is a means for social stratification, created to ensure distance and superiority among human beings.

However, in Lipovetsky's *Hypermodern Times* (2005), Charles criticizes Bourdieu, and he states that:

the emergence of fashion is indissociable from competition between classes—between an aristocracy anxious to display its magnificence and a bourgeoisie eager to imitate it. The problem with theories of distinction, such as Bourdieu's, is that they do not explain why competition, and struggles for prestige, between dominant social groups—struggles which are as old as the first human societies—could have formed the basis for an absolutely modern process. Nor do they explain the motor of permanent innovation. (Lipovetsky 2005, p. 26)

In The Empire of Fashion: Dressing Modern Democracy, Lipovetsky (1994) explains that:

fashion's constant shifts result above all from a new position and representation of the individual in relation to the collective whole. ... In order for the surge of the frivolous changes to come about, a revolution was required in the representation of individual human beings and in their sense of self, upsetting traditional mentalities and values; we had to wait for the exaltation of human uniqueness and its complement, the social promotion of signs of personal difference. (Lipovetsky 1994, p. 46)

In Chapter 4, where we outline certain socio-cultural changes regarding luxury, we examine this concept itself, described as "the essential element of social distinction, [that] has entered the sphere of hypercomputation" (Charles in Lipovetsky 2005, p. 11).

95

## 1.4 Luxury: the vision of philosophers

In the analysis of the concept of luxury, it is important to understand the position of the great philosophers. In classic works by the Roman writers Virgil or Cicero, luxury was denounced on religious and moral grounds. According to Cicero, "luxury ... is responsible for avarice, and from avarice audacity breaks forth, which is the source of all crimes and misdeeds" (McNeil and Riello 2016 p. 87). McNeil and Riello (2016, p. 65) characterize the situation as follows: "Luxury emerged as a divisive issue, an indicator of inequality, and, some argued, a waste of personal and collective resources." Nowadays, this has been replaced by the ideal of guiltless pleasure and the thriving luxury goods industry, although in certain countries, such as China, foreign luxury goods remain controversial: there was a major crackdown on luxury along with new anti-corruption laws in China in 2017, and the Chinese government banned advertisements for luxury goods on its official state radio and television channels.

In Ancient Greece, luxury was morally condemned. Dubois, Laurent, and Czellar (2001) note that Aristotle "warns against excesses and stands for the mean course between extremes of human behavior" (Dubois et al. 2001, p. 3). Dubois et al. (2001) quote Aristotle's *Nicomachean Ethics*, in which he "criticizes the excessive man: on small objects of expenditure he spends much and displays a tasteless showiness. ... And all such things he will do not for honor's sake but to show off his wealth, and because he thinks he is admired for these things" (Dubois et al. 2001, p. 3).

Articles on luxury also quote the ancient Greek philosopher Epicurus, who was "fond of or adapted to luxury or indulgence in sensual pleasures; having luxurious tastes or habits, especially in eating and drinking" (Ghosh and Varshney 2013, p. 146). However, this appears to be a misinterpretation: for Epicurus, the most pleasant life was one in which one abstained from unnecessary desires and achieved inner tranquility, being content with simple things, such as philosophical conversations with friends, rather than the pursuit of physical pleasures such as drink, food, and sex.

Berry (1994) gives a detailed discussion of potentially decisive reasons for the negative evaluation of luxury in classical thought: in Plato's case, disparagement of luxury is done to educate the warrior class. Those who cannot defend themselves are seen as weak. As Berry (1994, p. 59)

characterizes it, "Men who live a life of luxury thus become emasculated." It takes Montesquieu when he writes "on 'trade' (called *doux commerce*)..., as well as Hume and Smith, as part of their vindication of commerce... to demote the virtue 'courage' because it is no longer appropriate to the 'modern' world" (Berry 1994, p. 59); he goes on to explain that this displacement of courage allows a reassessment of our human self-understanding, hence allowing the conclusion that one can be motivated by private sentiment, not only by public commitments. As a consequence of this, there is a shift to regard the aspiration to enjoy luxuries as legitimate.

### 1.5 Luxury: the vision of economists

In economics, a luxury good is defined as a good for which demand increases more than proportionally as income rises (hence granting a positive income elasticity for demand). This is in contrast to a necessity good, for which demand increases proportionally less than income. Luxury goods are often synonymous with superior and Veblen goods.

Veblen (1899), in his *The Theory of the Leisure Class*, made the term conspicuous consumption famous. McNeil and Riello (2016, p. 7) share a fitting quote from art historian Glenn Adamson that shows Veblen's influence on the field of luxury research: "Veblen's 'conspicuous consumption' theory is to luxury what the theory of gravity is to physics."

Veblen explains that "the affluent classes of a given society express their economic superiority over the less well-off by the purchase, and, above all, the show-off of these goods which serve as status symbols" (Veblen 1899). They use conspicuous consumption and conspicuous leisure to demonstrate their wealth and mark their social status. This is precisely in line with what Elias (1969) described as occurring in court society. Luxury and luxury brands are ideal products for conspicuous consumption and communicate each other's social ranks.

Sombart (1913) and later Sundie, Kenrick, Griskevicius, Tybur, Vohs, and Beal (2011) find that conspicuous consumption is often linked to mating signaling. For example, Sundie et al. (2011) show that "flaunting status-linked goods to potential mates is not simply about displaying economic

resources. Instead, conspicuous consumption appears to be part of a more precise signaling system focused on short-term mating" (Sundie et al. 2011, p. 664).

Bataille (1967) establishes that one way to demonstrate one's rank is to show one's ability to sacrifice productive resources to buy non-productive items. Bataille's (1967) book *The Accursed Share* refers to an excess of luxury, or what he calls waste. Luxury is here defined as waste; instead of being deployed in production, it is used for individual pleasure.

#### 1.5.1 Leibenstein's bandwagon, snob, and Veblen effects in the theory of consumer demand

Leibenstein was an American economist and his seminal journal article (Leibenstein 1950) incorporates into the theory of consumer demand the consumer desire "to be in style, their attempts by others to attain exclusiveness, and the phenomena of conspicuous consumption." (Leibenstein 1950, p. 183). Leibenstein (1950) distinguishes between functional demand (demand driven by function attributes of the commodity), and non-functional demand. A non-functional good is a luxury good, and consumer demand for such a good is driven by other factors than the qualities inherent to the commodity, such as external effects on its utility. Leibenstein (1950) argues that "the utility derived from the commodity is enhanced or decreased owing to the fact that others are purchasing and consuming the same commodity, or owing to the fact that the commodity bears a higher rather than a lower price tag." (Leibenstein 1950, p. 189). Three different effects are in play:

- 1 The bandwagon effect: "Demand is increased due to the fact that others consume it in order to conform with the people they wish to be associated with";
- The snob effect: "Demand for a good is decreased owing to the fact that others are also consuming the same commodity. This represents the desire of people to be exclusive, to be different; to dissociate themselves from the 'common herd'"; and
- The Veblen effect: "Demand for a consumer's good is increased because it bears a higher rather than a lower price."

Leibenstein's (1950) work is widely referenced within luxury goods research. His idea of the bandwagon effect demonstrates conspicuous consumer behavior that corresponds to "the desire not to be identified with the poor, and the desire to be identified with the rich," i.e., those in power (Corneo and Jeanne 1997, p. 56).

These three effects demonstrate the purpose of the concept of luxury: to create distance and show superiority to others.

## 1.6 Luxury: The vision of consumer research

Over the past 25 years, academic research on luxury brands has greatly increased, as seen in our yearly output figure above, particularly in the fields of consumer culture theory, marketing, and management. We have already described this in section 1.2.13, in which we identified, using bibliometric analysis, that the research stream called luxury consumer behavior featured the largest number of publications, with 152 articles out of the total dataset of 508 articles.

According to our bibliometric analysis, Dubois is a leader in the field of luxury consumer research and the research stream we called foundations. One of his major contributions with his colleagues is the 'dream equation', or what we refer to later as the 'luxury sacredness equation'.

The dream equation, a concept developed in Dubois and Paternault (1995), works as follows: Growth does not appear to pose a problem to any other industry; however, for luxury, it provides a challenge: additional purchases may dilute the dream of luxury, where for non-luxury brands, brand loyalty would increase.

In Dubois and Paternault's (1995) study, the authors statistically prove that the dream potential of luxury brands is boosted when they have a high level of brand awareness and are perceived to stand for heritage, legend, or history. However, the luxury dream is diluted by the degree of brand penetration, measured by the number of people who have purchased the brand. There is a fine tipping point that requires sensitive luxury brand management to negotiate and not to grow the sales of a brand so far as to damage the luxury dream of rarity, exclusiveness and something extraordinary.

At the same time, if the brand is not well known, it cannot support social stratification and cannot communicate anything about its owner. Berry (1994) confirms that a luxury brand must be known to and desired by a wide number of people. For example, the rare first edition of a book might be an antique but not a luxury good or the product of a luxury brand (Berry 1994).

That is, as long as the consumers who own products of a specific luxury brand are fewer than the numbers of those who desire it, the brand is still generating dream potential. If people stop dreaming about it, it loses its sacredness or luxury.

Along with Dubois, Roux is one of the academic researchers we classify in the foundation of academic luxury research. The book *Le luxe éternel*, written together with Lipovetsky, is translated in several languages (Lipovetsky and Roux 2003), and provides a historical-social analysis of luxury in the long-term together with a semiotic and marketing applied perspective on luxury.

One of the first authors analyzing the difficulties for luxury brands to be present online is Nyeck, first with the article 'L'implantation des entreprises de luxe sur le WWW: un état des lieux' by Nyeck and Houde (1997), and then with 'Luxury brands online and offline: the case of French brands' by Nyeck (2004).

Kapferer (2012), one of the top 25 authors in the field of luxury consumer research and brand management, has addressed the purpose of luxury goods, indicating that they are used to create distance. He explores several ways in which luxury brands act to create distance between them and consumers, a distance that is then transferred to exist between its consumer and consumers who do not buy the luxury brand. Kapferer (2012, p. 458) shows that luxury brand "advertising seeks to create a distance while simultaneously trying to communicate to the masses." Elsewhere, Kapferer (2014) asks "How then can luxury brands mark their distance and recreate the gap between luxury and masstige?", providing several managerial practices that could achieve this. One of these is artification, or the use of art to increase the attractiveness of an object. Art is often related to luxury brands, as was done by Dion and Arnould (2011) and Hagtvedt and Patrick (2008), who outline that this distance that is created between art and function increases brand extensibility and accesses potentially new categories.

Consumer research on luxury brands is also advanced by the following authors:

- Vigneron and Johnson (1999) with their seminal article "A Review and a Conceptual Framework of Prestige-Seeking Consumer Behavior": This article advances the knowledge of prestige, and proposes a framework to analyze prestige-seeking consumer behavior (PSCB), and then to monitor and build prestige for marketers.
- Vigneron and Johnson (2004) advance academic knowledge on luxury by developing a scale for the measurement of the dimensions of brand luxury.
- Roux, Tafani, and Vigneron (2017) analyze in their article "Values associated with luxury brand consumption and the role of gender" the importance of gender when analyzing the reasons why individuals consume luxury. Their findings with respect to gender and luxury brand consumption are important when constructing the sample in the empirical part.

Further advancement in the understanding of consumer behavior with respect to luxury brands and gifting was created with "I'm worth it or I need it? Self-gift giving and consumers' self-regulatory mindset" by Mouakhar-Klouz, D'Astous, and Darpy (2016). Gift giving within the consumption of luxury brands is very important, in particular within Asian cultures (Wong and Ahuvia 1998; Zhan and He 2012), as well as in general in the Western world which includes more and more often 'self-gifting' (Arminen 2017).

# 1.7 Summary of the definition of a luxury brand

As shown in this chapter, there is no single, simple meaning of the idea of luxury; it is a vague concept with no widely accepted definition, as found by several authors (Ko, Costello, and Taylor 2017; Aliyev et al. 2017; Gurzki and Woisetschläger 2017; Roux, Tafani, and Vigneron 2017). Researchers working in a number of disciplines have attempted to define what makes a luxury brand, but they have not achieved a clear consensus (Ko et al. 2017). Vigneron and Johnson (2004) confirm that there is no scale measuring the perceived luxury of a brand or even a clear definition of what distinguishes a luxury brand from a non-luxury brand (Godey et al. 2012).

Nonetheless, the concept of luxury and its various levels exists in academic research, where researchers commonly confront difficulties and confusion among these three concepts: upmarket products, expensive products, and luxury products (Chandon, Laurent, and Valette-Florence 2016). De Barnier, Falcy, and Valette-Florence (2012) define luxury as combining three domains: the inaccessible, the intermediate, and the accessible. Tynan et al. (2010) place luxury and non-luxury goods on two extremes of a continuum, explaining that where ordinary goods end and luxury starts is in the eye of the consumer.

Through our traditional and bibliometric literature review covering a large number of papers and with various definitions of what constitutes a luxury brand, a certain consensus emerges regarding the major characteristics desired by the consumer of luxury brands. First, Heine (2015) finds that researchers across all disciplines share a basic understanding of luxury: luxury is generally defined as being more than is necessary. Second, in our review we also find other characteristics that overlap in many, though not all, definitions of the concept of luxury. The most used denominators for defining the luxury brand include exclusivity, rarity, beauty, quality, and high price, as seen in Table 10. It is interesting to note that such terms as craftmanship and the condition of not being mass-produced exist in definitions before 2001 but then disappeared from the various definitions drafted thereafter.

Our bibliometric and traditional literature review leads to the conclusion that there is no one agreed-upon definition for the luxury brand, although there are some common characteristics. The most important common thread among the definitions identified is that luxury items can be assessed as being

exclusive and superior. Only two of the definitions that we encountered did not contain the term exclusivity: those of Dion and Arnould (2011) and Ko et al. (2017).

Dion and Arnould (2011) show that "a premium good is an end-range product with better quality and higher prices," but they emphasize that a luxury good has many more attributes beyond these. The uniqueness of luxury brands is often shaped by "cultural and historical heritage." Dion and Arnould (2011) outline the following as attributes that a luxury good should have:

- a cultural and historical heritage (Assouly 2005),
- a more long-term vision (rather than short-term which is often linked to fashion brands) (Lipovetsky and Roux 2003),
- a high ratio of intangible value to price (Patrick and Hagtvedt 2008), and
- a content drawn not only from the material, but from multi-sensory aspects including postures, ways
  of speaking, and relationships to time and space.

Dion and Arnould (2011) come to two conclusions: it is not the objects (material) that define luxury but "the relationships that develop with regards to them" (Dion and Arnould 2011, p. 503) and that luxury brands are auratic: "Similar to works of art, they possess an aura of authenticity which surrounded the original—nonmechanically reproducible—work endowing it with qualities of uniqueness, distance and otherness" (Dion and Arnould 2011, p. 503).

Thus, it is concluded that managing luxury means managing an aura over time. If a brand becomes too democratized in its products, i.e., has too much product in too many distribution channels, and if it comes too close to the consumer, by being omnipresent in social media or on the Internet in a banal way, the distance and the magic of its aura is diluted.

Ko et al. (2017, p. 2) define a luxury brand as a "product or service that consumers perceive to:

(1) be of 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, craftmanship 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."

Table 10. Overview of most relevant definitions of luxury brands

Domain	Timeframe	Source	Author	Definition of concept of luxury or luxury brand
Sociology and Anthropology	15th - end 19th century		Elias	Definition and purpose of luxury to display one's rank in society; to make visible one's superiority; exclusivity via sumptuary laws was necessary to be able to demonstrate one's rank
Philosophy	106 BC - 43 BC		Cicero	Luxury is responsible for avarice; luxury is a divisive issue, an indicator of inequality, and waste of personal and collective resources
Economics	1899	Book: The Theory of the Leisure Class	Veblen	The affluent classes of a given society express their economic superiority over the less well-off by the purchase, and, above all, the show-off of these goods which serve as status symbols
	1914	Book: Luxus und Kapitalismus	Sombart	Defines luxury as a growth engine for the national economy; defines luxury as "simply anything which was spending over and beyond the necessities of life"
	1950	The Quarterly Journal of Economics	Leibenstein	Purpose of luxury it "to be in style, their attempts by others to attain exclusiveness, and the phenomena of conspicuous consumption"
	1996	The American Review	Bagwell & Bernheim	Veblen effects exist when consumers exhibit a willingness to pay a higher price for a functionally equivalent good.
				Demand increases more than proportionally as income rises; hence called 'superior good' or 'Veblen good'; if the Veblen's good price falls, demand will fall too
Consumer research and marketing	1998	Journal of Brand Management	Kapferer	Luxury brand defined as such must include following attributes: Belonging to a minority; its high price; exclusiveness, uniqueness, craftmanship, highest quality, beauty of object, excellence of product, great creativity, knowing that few have it

Table 10. Overview of most relevant definitions of luxury brands (continued)

Domain	Timeframe	Source	Author	Definition of concept of luxury or luxury brand
Consumer research and marketing	1999	Academy of Marketing Science Review	Vigneron & Johnson	The distinction between prestige brands and non-prestige brands has been operationally defined as the distinction between brands exhibiting five perceived values.  1. The consumption of prestige brands is viewed as a signal of status and wealth, and whose price, expensive by normal standards, enhances the value of such a signal (perceived conspicuous value).  2. If virtually everyone owns a particular brand it is by definition not prestigious (perceived unique value).  3. The role-playing aspects and the social value of prestige brands can be instrumental in the decision to buy (perceived social value).  4. For a brand which satisfies an emotional desire such as a prestige brand, a product's subjective intangible benefits such as aesthetic appeal is clearly determining the brand selection (perceived hedonic value).  5. Prestige is derived partly from the technical superiority and the extreme care that takes place during the production process.
	2001	Consumer Research Working Paper No. 736	Dubois, Laurent & Czellar	A luxury brand defined as such must include the following attributes: Conspicuous, elitist, very high price, differentiates from others, scarcity, uniqueness, not mass-produced, pleasure, aesthetics, makes life beautiful, few people own it.
	2004	Journal of Brand Management	Vigneron & Johnson	The definition of what separates luxury brands and non-luxury brands has been operationally defined in this study through five perceived dimensions of a luxury brand: Perceived conspicuousness, perceived uniqueness, perceived quality, perceived extended self, and perceived hedonism.

Table 10. Overview of most relevant definitions of luxury brands (continued)

Domain	Timeframe	Source	Author	Definition of concept of luxury or luxury brand
Consumer research and marketing	2010		Tynan, McKenchie, & Chuon	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
	2011		Dion and Arnould	Defined as "premium good is an end-range product with better quality and higher prices, but it is emphasized that a luxury good has many more attributes."  A luxury good is defined by such attributes including:  - its cultural and historical heritage (Assouly 2005)  - a more long-term vision (rather than short-term which is often linked to fashion brands)  - luxury has a high ratio of intangible value to price (Patrick and Hagtvedt 2008)  - luxury draws its content often not only from the material, but from multi-sensory aspects including postures, ways of speaking, relationships to time and space that luxury organizes (Assouly 2005)
	2012	Book: The Concept of luxury brands	Heine	Luxury brands are regarded as images in the minds of consumers that comprise associations about a high level of price, quality, aesthetics, rarity, extraordinariness and a high degree of non-functional associations.

Table 10. Overview of most relevant definitions of luxury brands (continued)

Domain	Timeframe	Source	Author	Definition of concept of luxury or luxury brand
Consumer research and marketing	2013	South Asian Journal of Management	Gosh	Six key dimensions to define a luxury product or brand: perceived premium quality, aesthetics, expensiveness, history, perceived utility and perceived uniqueness or exclusivity
	2017	Journal of Business Research	Eunju Ko et. al	A luxury brand is a branded product or service that consumers perceive to:  1. be of 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, craftmanship 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.

Note: Own analysis.

# 1.8 When did luxury take off?

There are several reasons that account for luxury finally becoming a line of business in the early 20<sup>th</sup> century. Two of the major reasons are that the negative connotation of luxury disappeared—see Berry's (1994) explanation—and that commerce began to expand its clientele beginning after the French Revolution. This increase in clients included the aristocracy of Europe, and sometimes more distant regions as well (North and South America and East and South Asia), while also extending the range of commerce to the upper and middle bourgeoisie (Sicard 2013). While in the 19<sup>th</sup> century the consumption of luxury remained tied to one's rank, beginning with the 20<sup>th</sup> century individual superiority was no longer necessarily linked to how old one's name or title was but could be acquired with money.

Before the French Revolution, artisans and craftsmen served the royalty and aristocracy only; so to speak, the royalty and aristocracy were the designers and in power. Using luxury items reinforced their sense of superiority and sacredness because no one else was allowed to use them. This changed after the end of the French Revolution, when artisans and craftsmen needed new clients. The bourgeoisie filled the gap as the new nobility. Artisans began adding their names to their products, beginning branding. Although the nobility no longer existed, the artisans retained the earlier business model and behavior, and took over the nobility's inclination for distance and arrogant behavior. This may be a reason why French luxury brands are often accused of being arrogant (Sicard 2013) in their boutiques. They may well still be stuck in the old nobility business model.

# 1.9 Summary

We have carried out a bibliometric and a traditional literature review to analyze the concept of luxury. We have explored this concept using ideas and techniques of anthropology, sociology, philosophy, and economics, studying it throughout history and in more recent times, within the domains

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Brainstorming session with Professor Simon Nyeck, April 2018.

of marketing and consumer research. The term most often used when referring to luxury amongst these various schools of thought is exclusivity: the concept of luxury is only for the few and is intended to create distance and superiority.

Not everyone can possess any given thing, and some people must be excluded. Only through exclusivity can distance and superiority be demonstrated. This means that there is not one single definition of luxury, and it is not objective but subjective. The concept of luxury allows the purchaser to feel superior and to perceive a difference between him- or herself and other human beings, indicating that the purchaser of luxury is or has something special or sacred. This distance is a form of sacredness and we investigate this further in the following chapter.

# Chapter 2: The sacred

In this chapter we explore what sacredness is, what it does, for whom it is important, and how the concept of luxury has always been linked to the sacred.

The sacred has long fascinated many thinkers. Otto (1917) dedicated his work *Das Heilige* (*The Sacred*) to the topic. In this book, Otto explores the frightening and irrational experience of the sacred.

Some 40 years later, Eliade, a Romanian anthropologist, examined the sacred in its entirety and complexity, not limiting his study to its irrational side. He defined the sacred in opposition to the profane (Eliade 1957), concluding that human beings live as much as possible in the sacred or in close proximity to sacred objects because it is a form of power and a type of higher reality. Belk et al. (1989) show in their influential paper the existence of a sacredness and an experience of transcendence in the consumption of the sacred. Dion and Borraz (2015) study sacralization from a marketing perspective and outlined how the practices of luxury brands are intended to sacralize heritage brands.

# 2.1 The link between the concept of luxury and the sacred

Chapter 1 of this study has traced the origins of the concept of luxury, and in Chapter 2 we analyze what the sacred is and does. This section shows that the concept of luxury has always been linked to the sacred, as is clear from the definition of the concept, its meaning, and its essence. This is because human beings require elevation or superiority, and the concept of luxury and sacredness provide the elevation and superiority that can make a human being stand out. Luxury, by definition, entails everything that is in excess and grand; hence, it is what does not belong to the concept of the profane.

The sacred appertains to those in power. It is the nearest way for objects or human beings to be close to the gods, to the beginning, and to perfection. Luxury items have always been, and are still today, used to indicate high rank or aspirational positions in society. As seen in court society, described in Chapter 1, because luxury signaled what the aristocracy needed to signal (whether they wanted to or not and whether they could afford it or not), they needed to consume luxury, and luxury items were

required for those in power. All lower ranks worked to improve their own position in the ranking, leading to a desire to consume luxury items to alter one's standing and increase one's distance from others. This distance embodied in ownership and exhibition of luxury goods is another version of the sacred, i.e., distant from the profane and ordinary.

This trend continued as luxury ceased to be inherited and became able to be acquired with money. Whenever a country opened up to luxury items, when the bourgeoisie or middle class began to be able to afford luxury goods, they increased their consumption of them.

For Sicard (2013), luxury is always a swerve, implying an *écart*, or the particular gap that luxury creates between its owner and others. This gap is constituted by nothing else but the distance between sacredness and profanity or the ordinary (Sicard 2013).

Having carried out a bibliometric analysis in Chapter 1, we are surprised that not more authors have studied the topic of sacredness in relation to luxury, given that it represents the essence of luxury. As outlined only two articles have dealt with this topic, Dion and Borraz (2015) and Sekhon (2015).

## 2.2 Sacredness

Since the dawn of mankind, human beings have believed the sacred to have many forms, inhabiting trees, stones, or human beings themselves. The sociology of religion makes a fundamental distinction between what is sacred and what is profane or from the everyday. The belief systems that this rough distinction is accepted for range from shamanism and magic, to animism, and totemism, incorporating gods, shrines, clothing, rituals, and songs as sacred.

The word *sacred* descends from the Latin word *sacer*, which is reserved for the gods or anything appertaining to them. Related words include *sacerdos* and *sanctum*, meaning set apart. A person can be designated sacred, and so can an object or a place that is regarded as extraordinary or unique. The extraordinary or unique character of the sacred can be linked to the subject of Chapter 1 of this thesis: the extraordinary or 'unique' character that can create distance and demonstrate superiority.

The Latin *sacer* is closely tied to the word *numen*, which refers to a mysterious power or god.

The modern English word numinous indicates the power of the sacred.

Otto (1917) proposes that this sphere, beyond ethics and the rational, be called the numinous. It appears in the double aspect of a mystery that both frightens and fascinates. He defines the numinous as a non-rational experience, without meaning or feeling and whose primary and immediate object lies outside the self (Otto 1917).

Eliade (1957) uses Otto's concepts in his seminal work *The Sacred and the Profane: The Nature of Religion*. Eliade begins with a discussion of Otto's seminal book.

# Excerpt 1. The Sacred and the Profane: The Nature of Religion

In *Das Heilige* Otto sets himself to discover the characteristics of this frightening and irrational experience. He finds the "feeling of terror" before the sacred, before the awe-inspiring mystery (*mysterium tremendum*), the majesty (*majestas*), that emanates an overwhelming superiority of power; he finds "religious fear" before the fascinating mystery (*mysterium fascinans*) in which perfect fullness of being flowers. Otto characterizes all these experiences as numinous (from Latin *numen*, god), for they are induced by the revelation of an aspect of divine power. The numinous presents itself as something "wholly other" (*ganz andere*), something basically and totally different. ... The sacred always manifests itself as a reality of a wholly different order from natural realities. (Eliade 1957, p. 9–10)

Eliade, unlike Otto, intends to account for the entire phenomenon of the sacred, in all its complexity, not only insofar as it is irrational, but in its entirety. Eliade defines the sacred in opposition to the profane, and his work *The Sacred and the Profane* (1957) illustrates and defines this opposition, using examples drawn from many different traditions.

# 2.2.1 Fourteen properties of sacredness

Belk, Wallendorf, and Sherry, Jr. (1989) identify 12 properties of the sacred, namely, hierophany, kratophany, myth, mystery, sacrifice, ritual, opposition to the profane, contamination,

communitas, commitment, objectification, and ecstasy and flow. We adopt this structure and amend it, adding two additional attributes, namely sacred places and sacred times, making a total of 14 properties.

These 14 properties of the sacred allow us to analyze later how luxury brands use certain practices to sacralize their brands and hence to create a perception of distance and superiority. The analysis below draws substantially on the research of Emile Durkheim (1915, 1953, 1975) and Eliade (1957).

Table 11: The 14 properties of sacredness

# Properties of sacredness

- 1 Sacred places
- 2 Sacred times
- 3 Hierophany
- 4 Kratophany
- 5 Opposition to the Profane
- 6 Contamination
- 7 Sacrifice
- 8 Commitment
- 9 Objectification
- 10 Ritual
- 11 Myth
- 12 Mystery
- 13 Communitas
- 14 Ecstasy and Flow

Note: Own information, derived in part from Belk et al.'s (1989) structure.

Over the course of the following pages, each one of the 14 properties of the sacred will be discussed in detail.

# 2.2.2 Sacred places

Eliade discusses the ideas of sacred places and times. In the profane experience, space is homogeneous and neutral, while time and space are differentiated in the sacred. In his discussion, Eliade describes even the non-religious as distinguishing between sacred and profane spaces: "a man's

birthplace, or the scenes of his first love, or certain places in the first foreign city he visited in his youth" are sacred to him (Eliade 1957, p. 24). Such places, whether an individual is religious or not, nevertheless contain exceptional and unique qualities: they are holy places in that person's private universe, as if it was in such locations that he or she received a revelation of a reality other than the one experienced in ordinary daily life (Eliade 1957).

One well-known example that Eliade (1957) uses of a sacred space that demands a certain response from man, is the place where Yahweh manifested himself as a burning bush before Moses, who took off his shoes before he approached that location.

Eliade explains that, even in modern societies, which have a high degree of desacralization, the celebration that accompanies moving into a new home, for example, partakes of the festival exuberance that, long ago, marked the *incipit vita nova*.

That which is true of space can also apply to time: for the religious man, time is neither homogeneous nor continuous. By means of rites, it is possible to pass from ordinary temporal duration to a sacred time. Humankind, in this view, has a perpetual urge to return to the beginning, which serves as a model for all sacred times: this is the ur-sacred time, in which the gods first manifested themselves and created everything. This, thus, is the most complete divine manifestation.

Eliade (1957) foregrounds the conception that via rituals, the religious man indefinitely reproduces the same paradigmatic acts and gestures because he is trying to live nearer to divinity.

#### Excerpt 2. The Sacred and the Profane: The Nature of Religion

Man desires to recover the active presence of the gods; he also desires to live in the world as it came from the Creator's hands, fresh, pure, and strong. It is the nostalgia for the *perfection of beginnings* that chiefly explains the periodical return *in illo tempore*. ... But the mythical time whose reactualization is periodically attempted is a time sanctified by the divine presence, and we may say that the desire to live in *the divine presence* and in *a perfect world* (perfect because newly born) corresponds to the nostalgia for a paradisal situation. ... Sacred history is recounted in myth. By

reactualizing the myths, the religious man approaches his gods and participates in sanctity. (Eliade 1957, p. 92, 105–106)

In this text, the phrases "perfection of beginnings" and "in illo tempore" are particularly important. Human beings desire to return to the beginning, as this was the sacred times, when things were closer to god and to power. The need for this return implies the present distance (God is superior and distant to all others). Myths and re-actualized myths allow the reinforcement of sacredness, and in turn reinforce the sense of distance and superiority.

#### 2.2.3 Sacred time

In Eliade's view, for the religious person, time too, like space, is neither homogeneous nor continuous. By means of rites, the religious can pass without risk, and more importantly on a regular basis, from ordinary temporal duration to sacred time.

Every religious festival and any moment of sacralized liturgical time are occasions for the reactualization of a sacred event that took place in a mythical past, in the beginning (Eliade 1957). Thus,
sacred time is indefinitely recoverable and repeatable. Therefore, the cosmogony serves as the
paradigmatic model for each new creation and for every deed. Hence cosmogonic time is the model for
all sacred times.

Eliade illustrates that if it is in the sacred times that the gods manifested themselves and created, then the most complete divine manifestation and the ultimate act of creation was the creation of the world (Eliade 1957). Rituals that make the time of the origin of a reality reappear—that is, make the time inaugurated by the first appearance of reality return—have a distinctive value and function. A religious person or even anyone non-religious who attempts to sacralize certain occurrences or times sees value in re-actualizing such times periodically through appropriate rituals. The first manifestation of a reality is equivalent to its being created by the divine, hence a ritual recovering this time of origin is a repetition of the divine creative act. The repetition of divine acts and gestures is essential, as in this

way the religious can reproduce the paradigmatic acts and gestures to bring them to live close to his gods (Eliade 1957).

Man's cities, temples, and homes have been made symbolic: they feature a representation of the center of the world; if one lives near a symbolic center of this sort, it is equivalent to living closer to the divine. The same desire for proximity to the divine leads to participating in rites and festivals. According to Eliade, reintegration of the sacred time of origin is equivalent in a way to becoming contemporary with the gods and hence to living in their presence, even where their presence is obscure, mysterious, or invisible. Man desires to restore the active presence of the divine, which means attempting to live in the world as it came from the "Creator's hands, fresh, pure, and strong," i.e., the perfect world, "the perfection of beginnings" (Eliade 1957, p. 92).

Interestingly, sacred time may even serve *in lieu* of a sacred place, as is the case with the Jewish calendar, which is replete with sacred times, it has been suggested, due to the long exile of the Jews from their sacred homeland (Zerubaval 1981). Other examples of times or occasions occupying the role of spaces may be found in the sports fan at a high-stakes match, a lover of music attending a rare concert performance of a beloved piece of music, or a gourmet enjoying an exquisite dinner at a special restaurant.

# 2.2.4 Hierophany

Eliade explains that human beings are only aware of the sacred because it manifests itself. It shows itself as something wholly different from the profane. For this manifestation of the sacred, he proposes the term hierophany which means the sacred showing itself.

Eliade explains that human beings live as much as possible in the sacred or in close proximity to consecrated objects. This is because the sacred is itself power and reality and is saturated with being. Sacred power means reality as well as perpetuity and efficacity. The religious person deeply desires to be, to participate in reality, and to be saturated with power (Eliade 1957).

Eliade explains that in the environment of the sacred, trees and stones are no longer just trees or stones; due to hierophany, they become sacred. This also applies to human beings: they are no longer

human beings because of their sacredness. In hierophany, the sacred does not manifest itself equally for everyone but restricts itself to those who believe that it has revealed itself to them in particular, as a unique, supernatural power. We can see an example of this in Christianity, where the sacred is present in the person of Jesus Christ, and Jesus himself is an incarnation of God.

Most religions, from the primitive to the highly developed, are established by manifestations of the sacred (Witcombe 1998). As Witcombe's (1998) discussion characterizes it, the belief in the supernatural is important to human psychology, the belief in a world inhabited by spirits, gods, and other powerful primeval forces beyond human understanding.

### 2.2.5 Kratophany

Kratophany is the simultaneous devotion to, and fear of, the sacred (Pimentel and Reynolds 2004). This aspect of the sacred is both attractive and repulsive (Durkheim 1975). People simultaneously seek the power of the sacred for good and fear the evil it can unleash: they approach it with the care appropriate to its kratophanous power.

#### 2.2.6 Opposition to the profane

Durkheim shows that the sacred cannot, without losing its nature, endure mixture with the profane. Any mixture or even contact destroys its essential nature (Durkheim 1953).

Two practical examples here show how the sacred and its distance can disappear when they are mixed with the profane:

Example 1: In our contemporary society, the link between royalty and luxury is still accepted. McNeil and Riello (2016) provide a fitting example: "the Queen of England lives in great luxury; yet even the most daring tabloid journalists would not feel entitled to accuse the Queen of exercising uncontrolled desires or being a 'slave to luxury' by the fact that she travels in a Bentley, wears custom-made dresses on most occasions, and gives parties for a thousand people at a time. This is because the Queen is the state, and the state uses luxury as one of the tools of its façade. It would be considered unforgivable if the Queen were forced to travel in a Mini metro or go to Top Shop

for her suits" (McNeil and Riello 2016, p. 101). McNeil and Riello (2016) then contrast this position in society with that of a pop star who is chauffeured in a Bentley, wears custom-made dresses, and gives parties for a thousand people. Many would judge the behavior of this pop star as extravagant and decadent.

Example 2: A recent article in the *New York Times* provides a similar practical example. This text describes the behavior and reactions of citizens with regard to the monarchies of Saudi Arabia, the UK, and Denmark. This shows how the sacred becomes profane when sacredness, distance, and mystery are lost. The quotations from citizens in the three countries show how accessibility, and moving from sacredness to the profane results in a loss of mystique.

# Excerpt 3. New York Times article describing births in the royal families of different countries

"Bushra Siddiqui, 42 ... said she admired the British royals for their accessibility. In Saudi Arabia, where she was born, the royal families live in *total separation from the general public*. "We don't find out when their babies are born," she said. "We don't know how many kids they have." ...

But Yasin Ozyaprak, 21, from the Netherlands, said he liked the British royal family for the opposite reason, *complaining that the Dutch royals are now so accessible that they have lost their mystique*.

"I like the distance," he said. "When the Dutch princesses go to school, they just ride bikes. If you see the king, you just go up and speak to him." (Barry 2018a, emphasis added)

This practical example of how the 'profane' must be opposed to remain 'sacred' can be shown in a further New York Times article with the title "I'm American. I Hug.' Meghan Markle's Looming Impact on the British Monarchy." The below text excerpt from the article shows that if something becomes normal, i.e., profane, it loses its sacredness and its distance.

# Excerpt 4. "I'm American. I Hug. Meghan Markle's Looming Impact on the British Monarchy"

Many of the monarchy's supporters worry that the conservative traditions the queen represents—including *emotional distance* and political neutrality—will fall by the wayside when the younger generation takes control. *The more "normal" the royals seem, they say, the less people will see the point of the institution of monarchy*. (Barry 2018b, emphasis added)

This article continues, noting that each time royals get closer to the commoners like Lady Diana, the Princess of Wales, did, "each time you do one, you're slightly peeling back the layers of the monarchy." The argument is further made that this closeness is the "way of the future: As the younger generation rises in prominence, you're going to see a more Diana-esque royal family, more touchy-feely and emotional and heart-on-sleeve." Another way to view this would be that sacredness must evolve into what society desires today, emotional closeness and inclusiveness, not the former distance. This change in society, this increased proximity, inclusiveness, and empathy, is a socio-cultural change that is explored further in Chapter 4.

# 2.2.7 Contamination

Through contact, both beneficent and evil sacred things have the power to contaminate. Objects blessed through sacred ritual are hence said to be contaminated with sacredness. Belk et al. explained that the sacred is separated, either temporally or spatially, from the profane to minimize the likelihood of unwanted contamination (Belk et al. 1989).

#### 2.2.8 Sacrifice

Sacrifice is an act of abnegation and submission, considered a gift to the gods; it brings about a strong degree of commitment to the experience of the sacred; and it indicates the appropriate deference

that reinforces the extraordinary character of the sacred. Hubert and Mauss (1964, p. 13) arrive at the following definition: "Sacrifice is a religious act which, through the consecration of a victim, modifies the condition of the moral person who accomplishes it or that of certain objects with which he is concerned".

#### 2.2.9 Commitment

This factor acknowledges the strong emotional attachment that individuals feel to the sacred (Mol 1976). Belk, Wallendorf, and Sherry, Jr. (1989) explain that commitment results in a psychological redirection of attention to the sacred, which takes strong root in one's identity.

## 2.2.10 Objectification

Belk et al. (1989) show that through representation in an object, the sacred becomes concretized. This allows the things of this world to take on greater meaning than could be seen in their everyday appearance and function alone.

#### 2.2.11 Ritual

A ritual is a set of rules of conduct that prescribe how one should behave in the presence of a certain sacred object or set of such objects (Durkheim 1915). As noted above, rituals are an important element in the creation of sacred times.

# 2.2.12 Myth

Myths surround the sacred, and they are used historically to document its status in narrative and iterative tales; this maintains the status of the sacred status through repetition and by instructing new participants.

Eliade (1957) notes that a myth tells an absolute truth about a primordial time (Eliade 1957). A myth tells of a time when the sacred first appeared. Eliade (1957) argues that all myths are, in this sense,

origin myths, i.e., myth, then, is always an account of a creation (Eliade 1957). Many societies believe that something's power lies in its origin, and if the origin has power, then this first manifestation of it has permanent significance for it and is the source of its validity. According to Eliade (1957), only the sacred and only something's first appearance has value; thus, it follows that the first appearance of the sacred has value.

Eliade (1957) outlines why myth plays this important role: a myth reveals "the way in which a reality came into existence" (Eliade 1957). Thus, the myth reveals the absolute sacrality as it relates to the creativity and perfection of the gods. It shows what makes their activity sacred. Myths and rituals help create and re-create sacred places and sacred times.

# **2.2.13** Mystery

The sacred has conferred upon it a dignity that raises it above the ordinary (Pickering 2009). Belk et al. (1989, p. 7) explain that "it cannot be understood cognitively, for the sacred commands love, devotion, fear, and related spiritual or emotional responses rather than rational thought." When this mystery is lost, so too is the sacred, and it becomes ordinary and profane.

#### 2.2.14 Communitas

Belk et al. (1989, p. 6) hold that "communitas and myth are primarily social concepts, and ecstasy and flow are primarily psychological." As Turner explains, communitas frees participants from their usual social roles and statuses and instead engages them in a transcending camaraderie of status equality (Turner 1969). Belk et al. assert, quoting from Turner's book *Passages, Margins and Poverty: Religious Symbols of Communitas*, "This spirit of communitas emerges from shared ritual experiences 'which transcend those of status-striving, money-grubbing, and self-serving' and act as 'proofs that man does not live by bread alone" (1989, p. 45).

#### 2.2.15 Ecstasy and Flow

To expound the nature of ecstasy, Belk, Wallendorf, and Sherry, Jr. (1989) quote Colpe, who writes, "The sacred is capable of producing ecstatic experience, in which one stands outside one's self," and they quote Durkheim, who describes it as "a joy that arises from the transcendent reality of sacred things"; for their part, Belk asserts that it is "Ecstasy which marks the extraordinary character of sacred experience and distinguishes it from the common pleasures of everyday life" (Belk et al. 1989, p. 7–8).

Having defined and analyzed the sacred, we will next treat what it does and for whom it is important, followed by how the concept of luxury has always been linked to the sacred.

#### 2.3 What the sacred does

For human psychology, belief in the supernatural, that is, in a world inhabited by spirits and gods beyond human comprehension, is a fundamental characteristic. Most religions, whether past or present, in one way or another treat the prevailing human fear of the future and anxiety about the present, allaying it through divination and ritual. There are many sacred sites all around the world, and it is indubitable that part of their popularity is due to their attraction to pilgrims who can come to them to be reassured about their life and the future.

When human beings approach sacred objects, they experience transcendence; this is the feeling of belonging to something larger than themselves.

Eliade concludes that human beings tend to live as much as possible in close proximity to the sacred or sacred objects, because the sacred is an embodiment of power and reality (Eliade 1957). Power and reality are saturated with being. Human beings are perpetually desirous of returning to the beginning; that time serves as the model for all sacred times because it is the sacred time wherein the gods themselves manifested and created, making it clearly the most complete divine manifestation, which in turn delivers the sacredness, distance, and superiority that man desires.

The sacred and the belief in it also form an occasion for human beings to bond together. In addition to the creation of a feeling of belonging, participation in the sacred for an individual can also be a means of giving a purpose to that individual's life (Belk et al. 1989).

Belk et al. develop the perspective that consumption has become a vehicle for experiencing the sacred and transcendent experiences: consumer behavior exhibits certain aspects of behavior toward the sacred (1989). It is for this reason that society accepts and supports consumption, collection, treasuring particular items or places, and following one's passions, e.g., expressing support for sport teams, because this can give one's life focus and make one happy. However, there are other reasons why pursing sacred consumption is generally approved in society: it channels the energy of consumers into a specific focus that prevents, for instance, revolutionary thought and action or other dangerous tendencies. Belk et al. develop this thought and quote Karl Marx, proclaiming that religion is the opium of the people, implying that sacred consumption will focus people on otherworldly goals rather than revolution (Belk et al. 1989).

Harrington (1983), interestingly, argues that Western society requires transcendence, and hence, for better or worse, consumption is now a transcendental vehicle for many. The mission of marketing is to singularize and often sacralize a commodity to differentiate it and make it sacred. This goes beyond just marketers: it is often the consumers themselves who sacralize consumption objects to create transcendent meaning in their lives, as we see in the empirical part of this thesis.

The examples discussed above demonstrate what the sacred is for human beings. The existence of this sacred allows human beings to:

- believe in something supernatural and divine and, through divination, cater to widespread human fear of the future and anxiety about the present;
- experience transcendence, which is to say they feel they belong to something larger than themselves;
- return to the beginning, which serves as a model for all sacred times: in these sacred times the gods manifested themselves and created, which is the most complete divine manifestation; and
- bond together and give their lives purpose.

Having analyzed what the sacred is and what it does, we now explore those for whom it is important.

123

## 2.4 For whom is the sacred important

Simply put, the sacred is important for every human being. Otto (1917) and Eliade (1957) both speak of the religious person and explain how and why human beings perceive sacredness. However, Eliade in particular emphasizes that even moderns who declare themselves inhabitants of a wholly profane environment, are still instinctively nurtured by the call of the sacred.

Eliade provides several concrete examples of the non-religious sacred, embodied for instance in places. A person's birthplace or the scenes of his or her first love may be sacred to them, and times, likewise, may have a sacred character. The point is that the non-religious person is still an "inheritor. He cannot utterly abolish his past, since he is himself the product of his past" (Eliade 1957, p. 204).

The excerpt below illustrates that the non-religious person who "feels and claims that he is nonreligious still retains a large stock of camouflaged myths and degenerated rituals" (Eliade 1957, p. 204).

#### Excerpt 5. The Sacred and the Profane: The Nature of Religion

For, as we said before, nonreligious man in the pure state is a comparatively rare phenomenon, even in the most desacralized of modern societies. The *majority of the* "irreligious" still behave religiously, even though they are not aware of the fact. We refer not only to the modern man's many "superstitions" and "tabus," all of them magico-religious in structure. But the modern man who feels and claims that he is nonreligious still retains a large stock of camouflaged myths and degenerated rituals.

As we remarked earlier, the festivities that go with the New Year or with taking up residence in a new house, although laicized, still exhibit the structure of a ritual of renewal. The same phenomenon is observable in the merrymaking that accompanies a marriage or the birth of a child or obtaining a new position or a social advancement, and so on. (Eliade 1957, p. 204–205, emphasis added)

This study demonstrates that sacredness is important to every human being because each one desires to come closer to their god or to power or to what is superior. Chapter 4 will outline socio-cultural changes that are taking place in society and show how in the past the consumer wanted to be close to god, unlike today, where the consumer wants to be god him- or herself, as today it pushes consumers to do what they want, not what official society or a brand wants.

With the understanding of the sacred that we have, what it does, and for whom it is important, we will now show that the concept of luxury has always been linked to sacredness.

# 2.5 Summary

In conclusion of the first two chapters, we see that for luxury to be able to provide elevation and superiority, it must be sacred: this is what makes it superior. In the next chapter, this thesis illustrates how brands use sacredness to create distance and superiority, becoming luxury brands through this appropriation.

**Table 12. Summary of sacredness** 

What it is	What it does	For whom?
<ul><li>1 Sacred places</li><li>2 Sacred times</li><li>3 Hierophany</li><li>4 Kratophany</li></ul>	Believe in something supernatural and divine and through divination cater to the prevailing human fear of the future and anxiety about the present.	All human beings, whether religious or non-religious.
<ul><li>5 Opposition to the profane</li><li>6 Contamination</li><li>7 Sacrifice</li></ul>	Experience allows them to experience the feeling of belonging to something larger than themselves.	
8 Commitment 9 Objectification 10 Ritual 11 Myth	A return to the beginning, as it serves as model for all sacred times: the sacred time in which the gods manifested themselves and created the world, the most complete divine manifestation.	
<ul><li>12 Mystery</li><li>13 Communitas</li><li>14 Ecstasy and Flow</li></ul>	Bonding together and giving one's life purpose.	

*Note:* Own information, summarizing findings of chapter 2.

# Chapter 3: A brand using the properties of sacredness becomes a luxury brand

The previous two chapters have explored the concepts of luxury and sacredness and how they are interlinked. This chapter analyzes how brands exploit the properties of sacredness to become luxury brands.

To explain how brands are using the properties of sacredness to become luxury, we rely on the culture and consumption theory developed by McCracken (1986). McCracken (1986) explains how culture moves from society to consumer goods, and then to individual consumers, employing several instruments for this movement: advertising, the fashion system, and four consumption rituals, as illustrated in Figure 8.

Figure 8. Illustration of how culture and meaning are transmitted via consumer goods to the individual consumer

Culturally Constituted World

Advertising/Fashion
System

Consumer Goods

Possession
Ritual

Exchange Ritual

Grooming Ritual

Divestment

Individual Consumer

Instrument of Meaning Transfer

Location of Meaning

Key:

Note: McCracken (1986).

Movement of Meaning

McCracken (1986, p.74) outlines that "meaning first resides in the culturally constituted world; to become resident in consumers goods, meaning must be disengaged from this world and transferred to goods." Two institutions responsible for this movement are (1) advertising, and (2) the fashion system. McCracken (1986, p.76) specifies that "through advertising, old and new goods continually give up old meanings and take on new ones. As active participants in this process, the viewer/reader is kept informed of the present state and stock of cultural meaning that exists in consumer goods." Similar to advertising, the fashion system takes new cues and styles from fashion but also from home and other categories and associates them with meaning from the culturally constituted world to the consumer good. In addition, it invents new cultural meanings through opinion leaders. Hot societies, in Levi-Strauss's term, are in constant change and quest for progress, and the fashion system engages in this change and exchange of cultural meaning (Levi-Strauss 1966). Advertising and the fashion system move cultural meaning to consumer goods, and consumption rituals move the meaning from the consumer good to the individual consumer. McCracken (1986) outlines four consumption rituals:

- Possession ritual: This includes taking care of one's possessions (cleaning, photographing, sorting, using, showing them off, etc.). By using their possessions, consumers move cultural meaning from their goods into their lives. For example, if a consumer wants the life of Jane Birkin, she has to touch the Hermès Birkin bag and in this way appropriates that cultural meaning into her life.
- 2 Exchange ritual: The ritual of gift exchange establishes a powerful base of interpersonal influence and includes gift wrapping and setting the context.
- Grooming ritual: The consumer must draw cultural meaning from the consumer good on a regular basis.
- Divestment ritual: If an item is purchased 'second-hand', the consumer 'divests' the cultural meaning of the previous owner; if the consumer sells an object, he or she will erase the associations created with this object.

Luxury is cultural and represents society. When the values and meanings of society change, consumer goods change accordingly, as does the meaning which is imparted to the individual consumer.

128

Sicard (2013) confirms that luxury brands differ from other brands in degree only, not in essence. She argues that, as a Chinese restaurant is a restaurant before it is Chinese (or Greek, or Mexican), likewise, a luxury brand is a brand before it is a luxury brand (Sicard 2013).

After a review of the literature on the development of luxury, I believe that brands, in particular heritage brands, have often added the concept of luxury to their brands and thus became luxury brands, rather than being born a luxury brand from the outset. Dion and Borraz (2015) define heritage brands not as brands that have a heritage but brands whose heritage forms part of the brand's value proposition and identity. Brands, to be perceived as luxury brands, create distance between themselves and the consumer, using codes of sacredness. For instance, as outlined by Dion and Borraz (2015), by using a store which resembles a temple or shrine to the founder. In this chapter we show how luxury brands 'appropriate' the properties of the sacred to create this 'distance'. The distance created by luxury brands has been confirmed in academic research, such as Dubois (2013) or Kapferer (2015). Dubois (2013) confirmed that this distance is created intentionally by luxury brands to generate value; in particular, the distance created is meant to fall between the brand and its consumers (Dubois 2013). This distance is required to create the dream associated with the core values of the luxury brand and is often created "through the form of scarcity, exclusivity in retail, or even being in a remote location" (Dubois 2013).

In this study, we show that it is not distance as such that luxury brands create, as indicated by Dubois (2013); rather, luxury brands appropriate the rituals of sacredness to their brands as well as the character of being sacred, which creates the distance on purpose. The aim of luxury brands is to be perceived as sacred rather than profane or ordinary, which then in turn allows the creation of a luxury dream and feeling, creating the possibility of charging a higher retail price point, which generates higher margins. We use the theory of sacralization developed in Chapter 2 and show how luxury brands cultivate sacralization.

In this chapter, we first discuss the current state of the luxury industry and its evolution, demonstrate how brands use the properties of sacredness to attain the status of luxury, and then summarize our findings. The central focus is on the ways in which brands use the properties of the sacred to attain superiority and create distance from the consumer as they become luxury brands.

Consumers use the superiority of the luxury brands to fulfil their own need to be elevated and to mark their position in society (Vigneron and Johnson 1999).

# 3.1 The luxury industry: Its evolution and key players

This section lays out in detail how, for several decades, the luxury goods sector in general has changed, in particular with respect to its marketing, branding, organization, and ownership structure. The general tendency is for small enterprises and artisan workshops to be transformed into larger companies, and to then be absorbed by one of the larger luxury goods conglomerates (Lipovetsky and Roux 2003). The perception that a brand is a luxury brand can be rewarded with high EBIT margins and growth rates, so long as the luxurious or sacred quality of the brand is maintained in the minds of the consumer. As illustrated below, sacredness or being luxury is costly: the brands outdo themselves, competing to demonstrate to the consumer which is the most sacred or luxurious.

The behavior of luxury brands and their management and employees is often rooted in and influenced by the origins of luxury in court society. Detailed investigation of luxury brands will repay the effort required. This is particularly the case for French brands, among which are many of the world's top luxury brands, and to a lesser extent the American, British, and German luxury brands, which do not have a court society in their historical DNA, although they do tend to imitate the French brands.

The origins of existing luxury goods companies fall into two large categories. Those in the first had their core function in fashion as haute couture, whereas the primary activity of the second group often lay in the manufacture of leather goods or jewelry.<sup>10</sup>

Haute couture originated in the 19<sup>th</sup> century; the name refers to custom-tailored apparel commissioned by wealthy individuals.<sup>11</sup> In 1948, Christian Dior was the first to offer prêt-a-porter

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There are exceptions to this rule: For instance, Tiffany began in 1837, specializing in stationery and goods from the Far East, and only later did it begin manufacturing jewelry.

Charles Frederick Worth, the English dressmaker, is generally accepted as the founder of haute couture, and he was the first couturier in Paris. In 1858, Napoleon III commissioned Worth to create a wardrobe for his wife, the Empress Eugenie. By the 1920s, led by such names like Coco Chanel, fashion became France's second largest export, and it established the benchmark for quality and style around the world. This style supremacy was only challenged by Italian dressmakers such as Valentino, beginning in the 1960s. Today, leading luxury brands in designer fashion and accessories include for example Armani, Chanel, Christian Dior, Gucci, and Louis Vuitton. See O'Hara Callan (1998) and Agins (1999).

clothing, meaning ready- to-wear (O'Hara Callan 1998). This is apparel produced by a designer in large quantities and delivered directly to stores without the need for individual fittings. That is, it is ready to be taken away, unlike haute couture, which does require individual fittings. Today, ready-to-wear clothing is what is commonly known as designer wear, and it generally constitutes, together with leather goods, the core and profitable part of the business. Haute couture is generally a money loser, but it attracts the most media attention and hence, raises the profile of the luxury brand name (Agins 1999).

Most fashion houses of long standing have followed this path, while the newer ones (founded over the last 40 years) began with ready-to-wear. Haute couture is one of the most expensive categories of personal goods. One haute couture dress can cost around €100,000 and is meant for one person only, made to measure. Such garments are usually purchased and worn by celebrities, high-networth individuals, or royalty. In chapter 5, in the course of an analysis of the new sacredness or luxury, we will see that there has been an increase in haute couture to counterbalance the enormous increase in ready-to-wear.

Haute couture can be regarded as one of the most sacred product categories, given its costs. In fact, there may only be 600–1200 haute couture clients worldwide. Some of the newer luxury fashion houses which did not begin with haute couture are adding haute couture to their product line to raise the brand's profile in terms of perception of luxury and sacredness, even though it generally runs at a loss. For instance, it was only in 2018 that Céline indicated that it would add haute couture to its line for the first time. Versace and Armani have also added haute couture lines only over the past 20 years.

Being luxurious or sacred today comes with substantial costs, from extravagant fashion shows, boutiques, or store temples in the best locations, to state-of-the-art websites, e-commerce, omnichannel,

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Some luxury goods companies, founded over the course of the past 40 years, entered business by producing ready-to-wear clothing and only added haute couture at a later stage. For example, Versace Ready-to-Wear originated in 1978, while Atelier Versace Haute Couture was only founded in 1997; Jean-Paul Gaultier began with ready-to-wear in 1977 and added haute couture in the 1990s. Giambattista Valli started his own ready-to-wear label in 2005 and added haute couture in 2011. On January 22, 2018, Céline announced its entry into couture.

See, for instance, the haute couture gown, estimated between \$250.000 to \$400.000, for the wedding of Meghan Markle to Prince Harry, designed by Claire Right Keller of Givenchy. Source: https://www.bustle.com/p/how-much-did-meghan-markles-wedding-dress-cost-its-a-six-figure-gown-9144171

and logistics questions. This partly explains why many luxury companies go public<sup>14</sup> or join a large conglomerate.

There is a broad rationale for the concept of multi-branded companies, and the efficiencies of such a setup have been proven (Cook 2017). Several advantages relate to such a structure. First, within a diversified luxury brand portfolio, different customer segments can be addressed more specifically. Second, ready-to-wear clothing and accessories (soft luxury goods) in particular are more fashion-driven, relying on being in vogue at a particular point in time; this is less true for jewelry and watches (hard luxury goods), which are less cyclical and less dependent on fashion trends. Hence, a diversified luxury brand portfolio reduces earnings exposure to cyclicality and fashion trends. Third, synergies are obtained in sharing back-office activities. Fourth, the management of a luxury brand and maintaining its sacredness is an extremely difficult process, requiring many discrete skills: in such a company, a fine line between increased turnover and brand dilution must be walked, which in turn requires very experienced managers.

Hence, the process for a brand to become luxury, to maintain itself, and to hold on to its sacredness, is managerialized. Sacredness must be managed; but how can it be managed when the concept of sacredness in society is changing? The sacred is, after all, in the eye of the beholder; i.e., it is something chosen, experienced, and decided upon by society, and because society is evolving, luxury brand strategies have to evolve as well to keep pace. The new propositions for sacredness that have evolved are presented in Chapter 5.

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Another major reason is for family-owned enterprises to be monetized to resolve questions within the family, as occurred in Hermès, for instance.

Synergies range from, e.g., sourcing materials to negotiating store rents in bulk. LVMH reports that group-level purchasing results in discounts on advertising of as much as 20%. Other types of synergies also exist. For example, the Gucci Group received free store renovations for its brand Yves Saint Laurent for its shop-in-shops in department stores. As the Gucci Group has four very strong brands (Gucci, Saint Laurent, Bottega Veneta, and Balenciaga), it was able to use this power to push its younger fashion start-ups, such as Christopher Kane, into department stores more easily.

# 3.2 Luxury brands' use of the properties of sacralization

In Chapter 2, we suggested 14 properties of sacredness, which we use here as a structure to analyze the practices implemented by brands to become luxury brands. We have been able to identify practices by luxury brands to represent 13 of them, only for kratophany we have no found example. Practical applications are now provided to illustrate how brands appropriate such properties and create sacredness, hence generating and fostering luxuriousness.

Table 13. Properties of and appropriation of sacredness

Properties of sacredness	Appropriated by luxury brands
1 Sacred places	✓
2 Sacred times	$\checkmark$
3 Hierophany	✓
4 Kratophany	X
5 Opposition to the Profane	✓
6 Contamination	$\checkmark$
7 Sacrifice	✓
8 Commitment	$\checkmark$
9 Objectification	$\checkmark$
10 Ritual	✓
11 Myth	✓
12 Mystery	$\checkmark$
13 Communitas	✓
14 Ecstasy and Flow	✓

*Note:* Own information for 14 properties of sacredness, based on Belk, Wallendorf, and Sherry, Jr. 1989, and data on practices of luxury brands.

#### 3.2.1 Sacred places

Belk et al. (1989) provide several examples of how a place can be or become sacred: it can be one's homeland or country of origin, sacred by contamination through events that occurred there (e.g., Jerusalem), where sacred persons were born, or sacralized by ritual, such as with, e.g., groundbreaking ceremonies, funerals, or celebrations (Belk et al. 1989). Once a place is defined as sacred, it can

command pilgrimages, removal or cleaning of shoes, or silence. Its boundaries may be marked and shrines may be erected. Belk et al. (1989) give the example of turn-of-the-century department stores that entered the market as extravagant show places where functional and financial considerations paled next to the magnificent, grandiose architecture; the place of these is taken today by shopping malls. Consumers would not live in such palaces but attend special events that create a sense of reverent awe for luxury and consumption.

Luxury brands pursue several actions that sacralize spaces related to their brands, such as:

- 1 the sacralization of the homeland of the founding designer,
- 2 pilgrimage sacralization, and
- the sacralization of directly operated stores (DOSs).

### Homeland of the founding designer

Many examples exist in which luxury brands have made the beginnings of their brands tangible. LVMH purchased the house where Christian Dior was born and made it a museum about him; this is now a site for pilgrimages for Christian Dior afficionados and for journalists who write about Dior and his heritage on a regular basis. Bottega Veneta, a brand founded in 1966, had no iconic birthplace or 'bottega' available to show its heritage and beginnings to the public. Undaunted, Kering purchased an old Italian villa that is not related to Bottega Veneta at all, apart from being near its workshops. This villa was then renovated and transformed into part of Bottega Veneta's headquarter and now includes a museum space to showcase special pieces. The Musée Yves Saint Laurent Paris is installed where M. Saint Laurent himself worked and had a boutique a few decades ago. His design office is replicated in this museum for visitors to look at and experience the magical beginnings of this brand. Chanel refurbished the original apartment of Coco Chanel in the Ritz hotel and made it available to visit for VIP guests. In 2017, Gucci created its own Gucci Garden in Florence, complete with a museum, restaurant, and store, with limited-edition merchandise to showcase the beginnings and heritage of their brand (Frisa 2018). The purpose of these actions is always the same: to make the beginnings of the

brand tangible, to demonstrate its specialness and sacredness, and to differentiate it from all other brands.

#### Sacralization through pilgrimage

Another means through which a luxury brand can be sacralized is through a journey, a secular pilgrimage. Belk et al. (1989) provide several examples of mass pilgrimages by tourists to attain a sacred state of being through contamination, by going to, e.g., shrines with positive power, such as the Statue of Liberty, or those exhibiting kratophanous power, such as the Vietnam Memorial (Belk, Wallendorf, and Sherry, Jr. 1989).

As noted above, luxury brands today create special places or often restore them for consumers to encourage pilgrimages. Several examples are provided in Table 14 below, listing luxury brands that create sites for pilgrimage, often with millions of euros of financial backing.

However, it is not only exhibitions that are sites for pilgrimages. Destinations can also be a flagship or famous store in a key city, where consumers may come to take their photograph outside. This can often be observed in Paris, for instance in front of the Louis Vuitton Maison Champs Elysées, or the Louis Vuitton store in St. Germain de Prés.

Table 14. Luxury brand pilgrimage locations

Luxury brand	Place for pilgrimage created by luxury brands specifically for this purpose
Louis Vuitton	The Louis Vuitton Foundation in Paris, a museum and cultural space.  Louis Vuitton exhibition 'Volez, Voguez, Voyagez — Louis Vuitton' pays tribute to 'art of travel', and travels around the world in key cities.
Chanel	MADEMOISELLE PRIVÉ - exhibition: After its chapters in London and Seoul, the "Mademoiselle Privé" exhibition continued its exciting journey in Hong Kong.
	An immersion through the origins and sources of inspiration of CHANEL's creations, Mademoiselle Privé captures the charismatic personality and irreverent spirit of Gabrielle Chanel and Karl Lagerfeld.
Saint Laurent	Museum by Yves Saint Laurent at historic headquarters in Paris: The Foundation Pierre Bergé - Yves Saint Laurent, a true extension of the haute couture house, was established in 2002. It primarily seeks to conserve and promote Yves Saint Laurent's work.
Dior	Christian Dior - COUTURIER DU RÊVE - MUSÉE DES ARTS DÉCORATIFS: The Musée des Arts Décoratifs was celebrating 70 years since the House of Dior was created, in an exhibition that ran from 5 July 2017 to 7 January 2018.
Hermès	Hermès presented the exhibition « Hermès à tire-d'aile - Les mondes de Leïla Menchari » at the Grand Palais in Paris.
	Hermès At Work: At Work celebrates the artisans behind one of the world's most-coveted luxury fashion houses. Hermès artisans will be on-site throughout the run of the exhibition; Melbourne.
Gucci	Gucci Garden: The House debuts the Gucci Garden inside the historic Palazzo della Mercanzia, which houses the Gucci Museo. Conceived by creative director Alessandro Michele, the newly-designed space features a store with one-of-a-kind items, the Gucci Osteria da Massimo Bottura— a restaurant by a three-Michelinstar chef—and the Gucci Garden Galleria exhibition rooms curated by critic Maria Luisa Frisa.
Tiffany Coach Ralph Lauren Chow Tai Fok	Nothing material found, apart from its enormous 5th Avenue flagship store Nothing material found Nothing material found, apart from various flagship stores around the world Nothing material found

Note: Own research.

#### Luxury brands' DOSs

Not only the birthplace or first office of the founder of the brand is sacralized but also its boutiques. Such boutiques take on the role of temples and sacralize the shopping experience, setting the luxury brand apart from ordinary brands. Dion and Borraz (2015) note in their paper "Managing heritage brands: A study of the sacralization of heritage stores in the luxury industry" how luxury brand managers tend to sacralize store heritage to nurture the value proposition of luxury brands (Dion and Borraz 2015). They conclude that, similar to sacralization in the religious context, the sacralization of heritage brands is institutionalized through a set of mythical narratives, ritual practices, and symbolic boundaries (Jean-Jacques Wunenburger 1981). Luxury brands design spaces in their stores that are not freely accessible to the public to reinforce the distance (or sacredness or luxury) between the luxury and the ordinary brand.

Dion and Borraz (2015) give the luxury brand Chanel as an example, where the prohibition is reinforced by the presence of a guard who monitors access to the workshop and to Coco Chanel's apartment. They confirm that there are practical and strategic reasons for this, but fundamentally, this prohibition has a symbolic significance: the public does not have access to sacred places and objects. These sacred items are protected and isolated by several prohibitions (Durkheim 1975). Dion and Borraz (2015) note as an example that in the Catholic church, the tabernacle cannot be accessed, as it is reserved for the servants of God. Restrictions and prohibitions preserve the magic and mystery that surround sacred places (Wunenburger 1981). Dion and Borraz (2015) state that sometimes these sacred places, such as Coco Chanel's apartment, are opened up for Chanel VIP clients, which itself forms part of the ritual staging of the holiness of this place.

The sacralization process also enjoins consumers to behave in a certain way, such as, for instance "not running, speaking quietly, and respecting forbidden zones" (Dion and Borraz 2015, p. 83). In this way, luxury brands exert a form of power over their clients (Dion and Borraz 2015; Kapferer and Bastien 2008). As Cervellon and Coudriet (2013, p. 869) conclude, luxury brands exercise a power that achieves this sacralization of the brand through "the brand cathedral (the flagship store), the brand

ambassadors (sales representative), the brand protocol (rituals and selling ceremony) and the brand treasures (the products)".

The fact of having these temple-like boutiques re-enforces on a daily basis and in a physical way the sacredness of the luxury brand, as is done in a church. Eliade (1957) claims that "it is by virtue of the temple that the world is re-sanctified in every part" (Eliade 1957, p. 59). He writes that however impure it may have become, the world is continually purified by the sanctity of sanctuaries.

Kapferer (2015) continues the analogy of the treatment of luxury brands by consumers to religion by citing more examples: the flagship stores of luxury brands are designed by world-famous architects (stars in their own right) and are called modern cathedrals, in which faith is refreshed (Kapferer 2015). Products are placed on pedestals like holy icons. Flagship stores act as shrines where a subtle, secret order reigns and where one is introduced selectively, thus leading to lines outside. Sales associates wear gloves when they touch handbags. Consumers visit the stores in small groups, making pilgrimages and wishing to attend the rituals delivered on a one-to-one basis: welcoming services, demonstrations, and explanations of the exceptionality of each item (Kapferer 2012).

Kapferer (2015) argues that the comparison with religion must remain limited; instead, one should refer to magic (Kapferer 2015). This line of thought reflects the consideration that religion ties people together in their belief, whereas magic invokes supra-natural forces, and possessions link the owner or holder with immanent power to achieve certain ends. Thus, there is something magical about possessing luxury goods. They endow the wearer with the ability to become another, just by wearing a blessed piece of clothing, jewel, or accessory.

Bain & Company predict that luxury brands must go from flagship temples to stores which are as welcoming as one's home because this is what the luxury consumer desires (Bain & Company 2017). This provides a glimpse ahead to Chapter 5, which will outline new sacred values and where we may find that consumers value closeness, warmth and homeliness in a store more than any temple-like architecture.

138

#### 3.2.2 Sacred times

Like places, time can be separated into the sacred and profane. Times marked with distinction include New Year's celebrations, weddings, graduations, funerals, and birthdays.

This sacralization of time has been appropriated by luxury brands: several sacred times have been created and are marked by luxury brands to reinforce their sacredness or luxury. These include the following:

- birthdates of the brand,
- museum exhibitions to celebrate special brand anniversaries,
- a regular calendar of events for (fashion) shows, and
- sales periods or special private sales events, accessible only to a few selected clients.

# 3.2.3 Hierophany

A hierophany is a manifestation of the sacred to people (Eliade 1957).

Hierophany, too, has been appropriated by luxury brands. Luxury is for those in the know, who understand craftmanship, quality, and often the scarcity of the material utilized to create a luxury garment or product.

Several effects that are created by luxury brands can be applied to the theory of hierophany. These include the bandwagon, snob, and Veblen effects, as categorized by Leibenstein (1950). As noted in Chapter 1, Leibenstein (1950) recognized the importance of "external effects on consumer demand" and outlined three motivations for a consumer's preferences: the bandwagon effect (describing the behavior of people who adapt their consumption patterns to those of the social group they wish to be identified with); the snob effect (the desire of people to distinguish themselves from others and accordingly purchase goods that are distinctive, exclusive, and scarce); and the Veblen effect (how the demand for a good is increased because it bears a higher rather than a lower price). Further, Leibenstein (1950) argues that luxury goods offer consumers the possibility of using their high prices "as a means of ostentatiously displaying wealth in order to gain in social status" (Leibenstein 1950).

By using obvious symbols, i.e., their logos and signifiers, luxury brands facilitate the hierophany effect for consumers. Using social media, in particular Instagram, the presence of visible logos and names on items that are easy to read are particularly helpful for sharing the consumer's message.

This confirms that consumers buy luxury goods and pay value premiums to be associated with a certain (imaginary or real social) class that buys luxury goods (the bandwagon effect), to demonstrate their individuality, as luxuries are rare and exclusive (the snob effect), and/or to show off their financial ability (as Berry [1994] noted, luxuries are easily recognizable via their prominent logos [Berry 1994]) (the Veblen effect)). The snob and bandwagon effect demonstrate that consumers not only care about their own consumption of luxury goods, but also about the consumption level of other consumers. This means that if too many people consume a luxury good, it is by definition not rare and hence not a luxury good anymore (it has lost its snob appeal and may be a mature brand) or if someone consumes more of a luxury good than another person, it encourages that other person to increase his or her own consumption.

Most importantly, the bandwagon effect implies that if the right people are wearing a certain luxury brand that a consumer wishes to express his or her belonging to, she or he will perceive a hierophany when seeing a particular person wearing this brand.

#### 3.2.4 Opposition to the profane

Durkheim states that the sacred cannot, without losing its nature, endure mixture with the profane. Any compounding, or even contact, destroys its essential attributes (Durkheim 1953).

Two examples show how brands seek to maintain sacredness by opposing the profane and providing distance to the ordinary:

- selective distribution and
- seeking proximity to monarchy, religion, or another form of grandeur.

### Selective distribution practices by luxury brands

Luxury brands pay particular attention and devote special efforts to their distribution, either directly by limiting distribution to their DOSs, or via carefully selected multi-brand boutiques, such as is done by, for example, Colette, l'éclaireur, and Kirna Zabête. In both DOSs and carefully selected multi-brand boutiques, service quality and ability of the sales associates, visual displays, and the right atmosphere can be assured. For a top-tier luxury brand, it is likely that there are only 500 luxury multi-brand stores around the world, compared to say 5000 points of sale for Coach, a premium brand. If a multi-brand store, for example, wants to sell a luxury brand, the store must apply and send a presentation to the commercial team of the luxury brand, providing photos of the store inside and outside, detailing its clientele and the surroundings of the store, and listing all luxury brands which the store currently sells. Some luxury brands provide detailed questionnaires for the multi-brand retailer to fill out, and the commercial team of the luxury brand comes (at least) once a year for a store check, sometimes announced and sometimes as a mystery shopper.

Louis Vuitton has taken the goal of opposition to the profane to an extreme: its products are only available in its 460 DOSs. It issues no licenses and distributes no product. Even usually licensed products, like fragrances or eyewear, can only be bought at its owned—and directly controlled—boutiques. The success of the brand, possibly the largest luxury brand with €10 billion annual sales, confirms their strategy.

### Search for proximity to monarchy, religion, or other form of grandeur

Luxury brands appropriate sacredness to their brand image by searching for proximity to royalty. Bernard Arnault, founder, majority shareholder, and CEO of LVMH, the largest luxury goods conglomerate, remarked "What we create is emblematic. It's linked to Versailles, to Marie Antoinette" (Owens 2017). One of his preferred brands, Dior, recently financed the renovation of the Le Petite Trianon of Marie Antoinette in Versailles. The Dior brand has used the mirror gallery at Versailles, one of its most famous rooms, in several advertisements.

In 2016, Gucci held a fashion show at Westminster Abbey. The excerpt below is from a contemporaneous report by *The Independent*, showing how this action was perceived. "His [Gucci creative director Alessandro Michele's] sights were set on the Acropolis in Athens for a fashion show in an effort to top last year's venue—Westminster Abbey—but as that wasn't possible he sent out the latest collection in a corridor of the Palatine Gallery in Florence, among the work of Rubens and Caravaggio" (Cadogan 2017).

Excerpt 6. Article in *The Independent*: "Gucci to Hold Fashion Show at Westminster Abbey: Move Hailed as 'Magical' by Brand's Creative Director but Described as 'Disneyfication' of the Church by Clergy"

For more than a millennium some of the greatest figures in British history have walked its aisles and transepts, many to be married, or later to shuffle into the next place via its raised tombs: Newton, Darwin, Chaucer, Wilberforce.

Now, in an unprecedented commercial move that has ruffled some of the Church of England's more conservative feathers, Gucci finds itself on that illustrious list after Westminster Abbey confirmed plans to host its first fashion show.

In June, the Italian label will show off its cruise collection in the abbey's cloisters.

Models will strut over the graves of the monks who once mediated there....

Alessandro Michele, Gucci's creative director, described news of show [sic.] as "magical" but some clergy found other words. "I think it's part of the Disneyfication of all the traditional sacred spaces in this land," the Reverend Peter Owen-Jones told *The Independent*.

"We are in the process of selling our soul for a pair of trousers." (Usborne 2016)

Another example showing how luxury brands seek proximity to the sacred comes from Vuitton. One of Vuitton's last fashion shows was held at La Cour Lefuel, one of the Louvre's six internal courtyards and the only one open to the sky, which has never been accessible to the public. This is a magnificent space with massive ramps leading into it on which Napoleon III's horses would return to their stables, flanked by fierce bronze statues. Once the fashion show was complete, the courtyard became inaccessible again for renovations (as it has been for a long time). At some later point it will be made public.

The above examples show how brands try to create sacredness through the generation of distance and superiority to be perceived as luxury brands.

#### 3.2.5 Contamination

Some individuals are sacred and are set apart from others: gods, prophets, and saints, among others. Saints gain their sacred character through good deeds, self-abnegation, sacrifice, martyrdom, and piety (Belk et al. 1989). Leaders and officials of the church or religious communities are slightly less sacred and are often categorized as called or chosen, rather than being conceived as choosing their position themselves. Belk et al. quote Weber on the sacred individual: "some sacred persons have prophetic charisma that gives them magical power over followers" (1989, p. 12). Such leaders can redefine what is sacred.

Luxury brands try to appropriate sacredness by emphasizing and celebrating sacred personas, which include:

- the founder of the brand,
- the current creative director or star designer,
- muses, ambassadors, and artists for the luxury brand, and
- artists.

# The founder of the brand

The luxury brand glorifies and provides a point of reference for the founder of the brand on a regular basis in its boutiques and through various media channels. The names Coco Chanel, Guccio Gucci, and Louis Vuitton remain relevant in the minds of their clients. The behaviors, rituals, and sayings of these founders are given an air of mystery and are carried forward in the contemporary management of the company. For example, Monsieur Balenciaga's no-compromise attitude was the internal management guideline for several years after the revival of the brand by Gucci Group and PPR. Coco Chanel famously said, "Luxury must be comfortable, otherwise it is not luxury" and "fashion becomes out of date, style never," which are still some leitmotifs of today's management of the Chanel company. Similarly, Robert Polet, CEO of Gucci Group from 2004 until 2011, often quoted Guccio Gucci and his philosophy that "Quality is long remembered, when price is forgotten" and had a sign with this phrase in his office. Luxury brands with historical founders remake them and the myths around them, through which they live on; they purchase the homes of the founders and any items related to them.

#### The current creative director or star designer

Some designers or creative directors of luxury brands now demand that, when they are quoted in the press, magazines, or media, that both the luxury brand name and the name of the designer are mentioned. That is, it will not just be Saint Laurent but Saint Laurent by Hedi Slimane, or Louis Vuitton by Nicolas Ghesquière. Star designers have reached the status of saints within the fashion and luxury industry, and they form part of the war chest with which luxury brands maintain their sacredness or luxury. One example can be found in a recent speech (excerpted below) by Bernard Arnault, founder and majority shareholder of LVMH, comparing Hedi Slimane to a global superstar. Kapferer (2012) argues that the stratification of fashion designers is an essential prerequisite for luxury brands who want to appeal to larger audiences and develop a cult following (Kapferer 2012).

# Excerpt 7. January 25, 2018 investor conference for LVMH annual results 2017, speech by Bernard Arnault

The chairman and chief executive officer of LVMH Moët Hennessy Louis Vuitton said on Thursday he hopes Hedi Slimane, a "global superstar" designer, will help Céline double or triple its revenues within five years. Slimane is set to join the brand on Feb. 1, and extend its activities into men's wear, couture and fragrance. (Dietrich 2018)

Note here that Mr. Slimane is not referred to as a designer, but has instead three different job titles as the Artistic, Creative, and Image Director of Céline. Kapferer (2012) reasons that the magic touch is passed along by contagion from the designer (or in this case the Artistic, Creative, and Image Director) to the end user, and consequently, "there is no longer the necessity to link luxury to rarity or a finite number of clients" (Kapferer 2012). It is not rarity that fuels the dream of luxury and distance but the "theatrics of qualitative rarity," such as ample footage from the special ones who can attend, for instance, a Dior Haute Couture show; these fashion-show rituals are like "medieval jousts" to designate the special ones who can attend. The Dior Instagram, for instance, posts short videos with mini interviews from attendees at their shows. Kapferer (2012) reasons that, unlike normal brands that have only one logo, for example Nike's swoosh or Apple's apple, luxury brands have a war chest of symbols.

Several studies have confirmed that the creative director of a brand is omnipresent and important for a luxury brand:

- Dion and Arnould (2011) conclude that the distinction of a luxury brand "increasingly stands or falls on the legitimacy of a charismatic creative director", as "the creative director offers an aesthetic brand ideology" in addition to the brand's current assembly of values (Dion and Arnould 2011, p. 502).
- When Pheobe Philo stopped working with the French brand Céline, the magazine *The Business of Fashion* published the article "Who Will Dress the Philophiles?" referring to Philo's loyal clients and followers who had no loyalty to the brand Céline (Sherman 2018a).
- Alexandra Shulman, former Vogue UK editor, outlines the following reasons for this star-ification
  of creative directors or designers at luxury brands: charismatic personalities such as Tom Ford

provide additional value and sacredness to the luxury brand, designers today have a substantial social media following, which is important for a luxury brand, and often the life of such designers is more interesting than the simple story of a new style, as outlined in the below text excerpt.

## **Excerpt 8. "Should Fashion Brands Bet on Star Designers?"**

[T]he fairy dust that a so-called "star designer" can bring to a brand is more relevant than ever. As the fashion industry becomes larger and more international, and the audience grows more knowledgeable and demanding, the need to stand out is vital. ...

In the early 1990s, when the double act of Tom Ford and Domenico De Sole took on Gucci, it was undoubtedly Ford's sleek, sexy, high voltage and all-encompassing vision that drove the brand's success. And it was not only his collections but the man himself—disarmingly flirtatious, immaculately styled, his Texan drawl firing out quote-worthy repartee, as well-versed in the chimera of glamour as any of the celebrities that he dressed—that delivered results ...

The reality is that most people don't want to read much about the concept of a new heel or bag shape or the inspiration behind a fragrance. As a journalist, how often has one struggled to explain to a PR that there simply isn't an interesting story in the journey of a new clutch? How often have they had to beg the designer to give some of themselves up, in return for a six-page print story? ...

Digital media has only heightened the issue. Online, it is most certainly the life and style of the designer that is more exciting to follow than the clothes themselves. Everything is material: what they eat for breakfast, their exercise regime, their pets, how their homes are decorated, where they holiday, their cultural recommendations. (Shulman 2018)

The factors listed above are several reasons why creative directors have become stars, often themselves even more important than the luxury brand.

#### Muses, ambassadors, and artists for luxury brands

Luxury brands also associates themselves with muses, ambassadors, and artists who lend a sacralizing power to the brand. This has been the case for decades: examples of those playing this role include Audrey Hepburn for Givenchy, Grace Kelly for Hermès (and the Kelly bag), Lady Diana for Dior (and the Lady Dior bag), and the artists Stephen Sprouse and Jeff Koons for Louis Vuitton. These are sacred personalities, different from ordinary people, who by their very existence reinforce the sacredness of the luxury brand they are associated with and its distance from ordinary brands or people.

#### Artification

Positive distance can be created for a luxury brand through the use of artists and art in its repertoire and in its design and general way of presentation. In his work "The Artification of Luxury—From Artisans to Artists," Kapferer (2014) explored the reasons why luxury brands have come to work with artists to a greater degree. The main reason for this is to reinforce the idea of being a brand that is better than the ordinary. Artists and their art also form a practical part of globalization, as art is traded worldwide (Kapferer 2012). Thus, if a luxury brand is linked to artists and art, it acquires the sense of the extraordinary and falls into a category outside of mass-produced goods (Dion and Arnould 2011).

#### 3.2.6 Sacrifice

Sacrifice is an act of abnegation and submission, a gift to the gods. It comes from a strong degree of commitment to the sacred experience and indicates deference that reinforces the sense of the extraordinary character of the sacred.

Sacralization is appropriated by luxury brands in this element as well: they make demands from the person who acquires one of their products, that he or she face and pass a challenge—for example, a

luxury-branded lipstick is a challenge for someone with low income to afford, as purchasing a yacht may be even for a wealthy person, who in any event must spend time (*The Economist* 2015). Several aspects of purchasing luxury brands oblige consumers to make a sacrifice, such as the following:

- savings to be able to purchase at the high price points of luxury items,
- distance to the specialized boutiques or the restriction of items to a certain boutique,
- wait times and wait lists for products, and
- lack of comfort and limited clothing or product sizes.

# Savings to be made to be able to purchase at high price points

The high price points of luxury items often require savings on the part of the consumer. The more expensive an item is, the more sacred or luxurious it is perceived to be by the consumer and others. In the excerpt below, Kapferer (2015) outlines several points that resonate with our study, including the spiritualization of human-made objects and the necessity of high price points for luxury products.

#### Excerpt 9. "How Luxury Brands Can Grow Yet Remain Rare"

If Fukuyama (1996) is right, since the collapse of communism, there are no more ideologies—at least none that promise paradise on earth. Only consumption remains, and in its highest form: luxury goods, which embody both high creativity and heritage, ... imparting quality craftsmanship, symbolism, glamour, and transgression (through the excessive price).

Luxury is a process of spiritualization of human-made objects. This is why price is so important, as well as the blessing of cultural and powerful elites. An excessive price is the measure of one's desire, and hence of the desirability of an object, based on values that have nothing to do with down-to-earth practicality. By sacrificing an important part of her salary for the purchase of a luxury bag, the Tokyo office worker builds the

sacred nature of the object (the etymology of sacrifice is *making sacred*). The similarities with an actual cult are many. (Kapferer 2015, p. 55)

#### Distance to boutiques or restrictions of items to one boutique

As noted in 3.2.4, as example of the opposition to the profane, luxury brands maintain relatively few outlets compared to normal brands, and they have very precise rules and rituals that restrict their distribution. Dubois (2013, p. 1) observes that "It is not unusual to see retailers of large luxury cars located in more remote areas than retailers of more mainstream brands." Dubois argues this is "not only a way to mark their difference with competitors, but also to create distance with their own potential customers and signify that if customers are interested in these brands, they should make the effort to visit" (Dubois 2013, p. 1).

Chanel, for example, has certain styles and specific packaging that are only available in its Rue Cambon Chanel store in Paris and nowhere else in the world.

#### Waiting lists

Waiting lists for certain styles are widespread in luxury stores. For instance, a Birkin or Kelly bag from Hermès can only be ordered if one is already a Hermès customer, already knows about the specific time windows during the year when one can order this bag (for some unknown reason, a bag can only be ordered within certain time frames), and is prepared to wait for around 12 months for the delivery of the bag.

Also at Hermès, we observed on a regular workday, at 6:30 a.m., about 40 clients were queued outside a Hermès store to be able to enter it at 10:30 a.m., when the store was scheduled to open. To be able to buy leather goods, an appointment is necessary at the store, and if it is too late in the day, no such appointments are available. In a recent interview, the CEO and sixth-generation member of the family, Alexis Dumas, said, "you should not try to project an aura of exclusivity by increasing prices or creating fake waiting lists. Exclusivity is there because you have incredible, trained craftsmen using

very particular fabrics and materials. Hermès is not snobbish. We are happy to sell on digital, in airports. The exclusivity is in the craftsmanship, in the construction. It's not in something artificial."<sup>16</sup>

#### Comfort and clothing or product sizes

It is well known that some shoes produced by luxury brands and designers are not comfortable, and this is also true of some dresses, but consumers still buy them to be fashionable. This also applies to the sizing of luxury brands, which are often available only in a very restricted size range or are cut very small on purpose. In Chapter 5 of this study, we will show that inclusive sizing is a potential new sacred value.

#### 3.2.7 Commitment

This means that individuals can develop a strong emotional attachment to the sacred (Mol 1976). Tian and Belk (2011) show that such commitment directs attention to the sacred, which develops into a strong part of one's identity.

Commitment can be created in two ways, as illustrated by the behavior of luxury brands and consumers, respectively. The first is the heavy financial commitment required to purchase a luxury product. Luxury products have a hefty price premium over other goods with similar functions, making them expensive by most standards (Ott 2001), as noted in section 3.2.6.

For their part, luxury brands design their logos to be recognizable. They are meant to be ideal for identity building and status signaling among consumers. As discussed previously, where ordinary brands have a single logo, luxury brands have a whole war chest of symbols (Kapferer and Bastien 2012). This mania for logos and for writing the full brand name on its product, as is currently done in 2018, constitute trends that come and go. Usually, luxury brands (unlike fashion brands), do not engage in this behavior, but even Hermès (perceived as one of the most luxurious brands), partakes in this on its H belt and its shoes and handbags that bear their H. The LV logo has been said several times to be

150

 $<sup>{\</sup>it https://www.businessoffashion.com/articles/professional/hermes-is-primed-for-the-californication-of-the-world-says-ceo}$ 

dead, but bags with this mark are still flying off the shelves. Both Burberry and Gucci have used their logos excessively, which diluted the luxury status of their brands (Sherman 2017). Gucci, which is experiencing an unprecedented revival, with 40% organic growth in 2018, takes this tendency to a new level in their latest collection: it is playing with its own branding, with new logos, unveiled on a cruise show, with the name Guccy instead of Gucci and have further variations, such as Guccification, and Guccify Yourself.

#### 3.2.8 Objectification

Belk et al. (1989) explain that through representation in an object, the sacred becomes concretized. This allows things of this world to take on greater meaning than generally appertains to their everyday appearance and function. This is exhibited in the following:

- sacralization by using luxury packaging and
- sacralization through quintessence.

#### Sacralization through the use of luxury packaging

For luxury brands, each product is special, even sacred, due to the simple fact of the name or logo of the luxury brand, its presentation, and the rituals and myths around it. These include the special, recognizable, and high-quality packaging that most luxurious brands have. In the fast-growing second-hand luxury-goods market, the consumer often inquires whether the original packaging, including the dust bag, ribbon, and boxes are also available to take with the items. The ceremony of packing the item performed by the sales associate and then unpacking it again is an important part of the purchase ritual.

All luxury products are recognized by particular marks, which can include the logo but also involves other symbols. Bottega Veneta products can be recognized by intrecciato leather, a technique of leather weaving. Louis Vuitton is recognized by the LV logo, its four iconic symbols, leather treated in a specific recognizable way, and plasticized fabric. These features are amplified in limited editions, which may be specific to certain stores, store openings, exhibitions, or special anniversary collections; sometimes these special editions in turn have their own limited packaging. Luxury brands employ well-

known graphic designers to develop the correct proportions, shades, and paper weight for their packaging.

#### Sacralization through quintessence

Quintessence means being a perfect example of a thing in its purest and most concentrated form or being the most typical example or representative of a certain thing. The history of this word can be summarized as follows: "Long ago, when people believed that the earth was made up of four elements—earth, air, fire, and water—they thought the stars and planets were made up of yet another element. In the Middle Ages, people called this element by its Medieval Latin name, *quinta essentia*, literally, 'fifth essence.' Our forebears believed the *quinta essentia* was essential to all kinds of matter, and if they could somehow isolate it, it would cure all disease. Since then we have given up on that idea, but we kept 'quintessence,' the offspring of *quinta essentia*,' as a word for the purest essence of a thing." (Webster 2013). Belk, Wallendorf, and Sherry, Jr. (1989) quote Cornfeld and Edwards (1983) stating that quintessential objects "possess a rare and mysterious capacity to be just exactly what they ought to be ... unequivocally right" (Belk et al. 1989, p. 16). Examples of such objects include the Montblanc Diplomat pen, the Swiss Army knife, the Cartier Santos watch, Levi's 501 jeans, the Volkswagen Beetle, Coca-Cola, and Ray-Ban aviators. The following explanation is provided:

#### Excerpt 10. Quintessence: The Quality of Having it

The pleasure such things offer us is wonderful and illogical; it is very like the pure joy a child feels when he unexpectedly comes into possession of something magically desirable. (Cornfeld and Edwards 1983, p. 6)

Below we note certain iconic products from luxury brands that are perceived as sacred because of their quintessence. Something that could be added to this list is the trench coat, originally created by the English luxury brand Burberry. Thomas Burberry founded his company in 1856 and in 1879 invented an innovative fabric that was breathable and weatherproof. The garments he made with it

revolutionized rainwear, which up until then had been heavy and uncomfortable to wear. His trench coat was patented in 1912, and has since then been an icon. This garment represents the sacralization of an item by its quintessence.

Table 15. Examples of luxury products with the quality and reputation of quintessence

Origin	Luxury brand	Quintessence equals 'iconic' product
French Brands	Louis Vuitton Chanel Saint Laurent Dior Hermès	Nothing material found The Chanel Jacket The Smoking trouser suit for women The Bar Jacket Birkin or Kelly handbag
Italian Brands	Gucci	Anything with bamboo
US Brands	Tiffany Coach Ralph Lauren	Nothing material found Nothing material found Nothing material found
Chinese Brands	Chow Tai Fok	Nothing material found

Note: Own research.

# **3.2.9** Ritual

Rituals can be characterized as rules of conduct that prescribe how one should behave in the presence of the sacred (Durkheim 1915).

Brands sacralize their products using rituals that can include, for instance:

- aspects of the fashion show, and
- rituals of service and the sales ceremony that takes place in the store.

# Aspects related to the fashion show

Fashion shows are generally restricted to fashion and luxury brands. Very few non-luxury or non-fashion brands hold their own fashion shows. Such shows always take place at the same time of

the year and in various cities. For decades, such shows have followed one identical ritual: there is an elaborate seating order, the exit of the models, the bow of the designer at the end, and the storm of the selected backstage to congratulate the designer. Dion and Arnould characterize this phenomenon as follows: "The haute-couture fashion shows are undoubtedly the most important collective rituals in the luxury industry and represent a major symbolic event for the brands" (Dion and Borraz 2015, p. 80).

#### Rituals around the service and the selling ceremony in the store

Many rituals exist around the behavior of the service personnel in the store. Luxury brands often have manuals for their elaborate service, retail, and sales ceremonies that all employees must adopt, use, and train to. For instance, the Italian brand Bottega Veneta, whose sales associates put on gloves to touch specific leather bags (previously, this was done only for fine jewelry), and then a piece of leather is rolled out to place the bag on. Certain colors are referred to by particular names: sales associates do not use the word brown but ebony, and they do not say black but nero, no matter what country the boutique is located in.

As Belk et al. (1989) explain, as ecstatic, in a literal sense, as one might feel upon having contact with the sacred, the status of something's being sacred can be lost through habituation, forgetting, or the encroachment of the profane (Belk et al. 1989). Scandals or poor quality may not immediately or automatically lead to desacralization of a luxury brand, but there is a greater danger that the sacred may begin to seem ordinary or profane as time passes. Hence ritual maintenance is essential to preserve and revivify the sacred status (Belk et al. 1989; Pimentel and Reynolds 2004). Through luxury brands' specific "brand protocol (rituals and selling ceremony) and brand treasures (the products) the luxury brand exerts an auratic power which achieves the sacralization of the brand" (Cervellon and Coudriet 2013, p. 869).

#### 3.2.10 Myth

Myths surround the sacred, and care must be taken to historically document myth and its status in narratives and iterative tales; this maintains the sacred status through repetition and instructs new

participants. Eliade notes that a myth represents the absolute truth about primordial time (1957). Luxury brands use myths from their history in their marketing and story-telling in all media to re-enforce their sacredness.

The examples listed below confirm the development of myths and how luxury brands appropriate them to reinforce their sacredness.

- During her fashion shows, Coco Chanel sat waiting at the top of the famous mirror staircase in the
   Rue Cambon boutique in Paris and watched her clients and their reactions, unobserved by them.
- Pierre Pérignon, who was called Dom Pérignon because he was a Benedictine monk, was in charge of a winery. By accident, while mixing the grapes and attempting to follow winemaking methods, he created something that bubbled and sparkled, from this accident developing the méthode Champenoise. Pérignon said drinking it was like drinking stars. Moët & Chandon, a luxury champagne brand, named their champagne brand Dom Pérignon after him.<sup>17</sup>
- Ferdinand Porsche invented the Porsche because he could not find a car that met his expectations.
   A book on him and that story is called *Ferdinand Porsche: Ein Mythos wird geboren* or *Ferdinand Porsche: A myth is born* (Haug 2012).

If myths are forgotten or the stories become irrelevant or unsatisfactory, luxury brands recruit companies like Brand Behavior Assets (BBA), which is one of the foremost companies in the realm of developing myths from a deep dive into the history and archives of a brand, which may have existed for centuries, to uncover myths around the brand. Beaume (2017) describes her fascination and the indepth work she has undertaken, going back in history for such brands as Van Cleef & Arpels or Chaumet (Beaume-Brizzi 2017). BBA analyzes brands' histories and archives, distribution, central actions, and products, as they developed over the course of centuries, and places all these factors within a historical context, often discovering more than the brand team itself knows about its own heritage. They create the myths that then surround the luxury brand and which it uses to reinforce its sacredness.

https://de.wikipedia.org/wiki/Dom P%C3%A9rignon

# **3.2.11** Mystery

The sacred "has conferred upon it a dignity that raises it above the ordinary" (Pickering 2009). Belk et al. (1989, p. 7) contend that "it cannot be understood cognitively, for the sacred commands love, devotion, fear, and related spiritual or emotional responses rather than rational thought. ... When something loses this mystery, it loses its sacredness and becomes ordinary and profane."

Luxury brands are built on mystery and secrecy. For example, until the actual beginning of the fashion show, the styles that are to be released are secretly guarded. The showrooms with the samples are guarded as well. Other examples include the following.

- Special craftmanship techniques: Van Cleef & Arpels has a particular method for setting precious stones that it has trademarked, called the Serti Mysterieux or, in English, the "Mystery Set." In 1933, Van Cleef & Arpels patented this invention, which consists of setting precious stones so that no prongs are visible to the eye. Very few master jewelers today are capable of using this technique.
- Special, limited access to their ateliers: Further examples of sacred experiences include the Journées Particulières of LVMH, where its visitors are allowed only for a handful of days to "look behind the scenes of the dream." Since 2011, LVMH has been opening some doors of its ateliers to the public, including workshops, wine cellars, private mansions, family homes, historic stores, and more, to emphasize the myth of the craftmanship, the wealth of heritage, and the know-how at the LVMH Maisons to strengthen the dream of luxury. Only LVMH has instituted an event like this. In 2016, around 145,000 visitors came to LVMH to see what lies behind the luxury brand, visiting 53 sites in France and Europe. Over the three open days, 30,000 interactions were registered on Facebook. On Instagram, the hashtag #LJPLVMH was used around 25 million times. The idea was inspired by Les Journées du Patrimoine in France, during which, for a few days, the public is given access to many historical buildings for free.

https://www.truefacet.com/guide/van-cleef-arpelss-mystery-setting-closer-look/and https://www.vancleefarpels.com/eu/en/la-maison/spirit-of-creation/innovation/the-mystery-set.html

#### 3.2.12 Communitas

Communitas frees participants from their normal social roles and engages them in a transcendent camaraderie of status equality (Turner 1969). This spirit arises from shared ritual experiences, which transcend the status-striving, money-grubbing, and self-serving type, and act as proofs that man does not live by bread alone (Turner 1983).

Several examples show how luxury brands sacralize their brands by actions that reinforce communitas.

- Luxury brands organize special cocktails for their clients; e.g., Chanel holds visits to Coco Chanel's apartment or private dinners for their clients, where clients mingle and become "friends for the evening."
- Watch or automobile museums. Many watch brands host a dedicated museum in Switzerland or Germany with the history, key models, and novelties displayed on a permanent basis. Porsche has its own museum as well, with a dedicated website, and it offers dedicated workshop tours, even for children or school classes.<sup>19</sup>

#### 3.2.13 Ecstasy and Flow

The sacred can produce an ecstatic experience in which one stands outside oneself (Colpe 1987). Durkheim (1975) describes it as the joy that arises from the transcendent reality of sacred things (Durkheim 1975). Ecstasy marks the extraordinary character of the experience of the sacred and distinguishes it from the common pleasures of everyday life.

The cruise collections that were delivered by the big luxury brands in 2018 mark a tipping point for the greatness and grandeur of fashion shows. Historically, ready-to-wear companies produced two collections per year, one for the spring and summer seasons and one for the autumn and winter seasons.

https://www.porsche.com/museum/de/weitereangebotefuerkinder/

Cruise collections were not part of this. Many houses now create cruise collections,<sup>20</sup> which were formerly simply non-existent or not very important collections.

However, in 2018, the cruise collection is not just one more collection of the same size as other historical FW or SS collections; they are also distinguished by the out of the ordinary locations they are shown at, instead of being in the same location as the luxury brand's headquarters as is usual. Table 16 details such attempts to create greatness or grandeur that some luxury brands are making to maintain their sacredness, in some cases choosing literally sacred spaces (such as religious buildings) or secret ones (that have not been used by fashion companies before or that are extremely remote for the fashion press). The Gucci show of May 2018 took place in Arles in Provence, specifically in a well-known Roman cemetery from the 4th century A.D., conducted among the tombs themselves, with torches, at night. Such an event is more similar to a Cirque du Soleil show than it is to other Gucci fashion shows. This show, live-streamed via Instagram including the sound of the music and the sight of the torches in the cemetery at night, may have brought a kind of ecstasy or flow to its viewers.

# 3.3 Summary

This chapter has demonstrated how luxury brands use the properties of sacredness that were described in Chapter 2. Luxury brands are brands first, and only when certain parameters are applied do they become sacred or luxury.

First the evolution of the luxury goods industry and key players in it were presented. This was followed by the application of the properties of the sacred, with practical applications and examples. Table 17 summarizes the key parameters and illustrates some practical applications.

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Cruise collections, or resort or holiday collections as they are otherwise known, launch between the two main ready-to-wear seasons. Originally, they were created with the jet set in mind and catered to clients who needed wardrobe for mid-season travel to climates different from their own. These collections have now been foregrounded by many of the big brands to inject entirely new must-have mid-season collections into the market. https://www.businessoffashion.com/education/fashion-az/cruise-collection

Table 16. Examples of extravagant locations chosen by luxury brands for shows that were once not central to their calendar

Brand	Detail about cruise show location
Dior	Dior invited guests—all expenses paid—to Dior's latest Cruise show, a lavish spectacle complete with Dior-branded hot air balloons held in the Santa Monica mountains just outside Los Angeles.
Louis Vuitton	Louis Vuitton staged its blockbuster Cruise show on the iconic, I.M. Pei-designed suspension bridge at the Miho Museum in Kyoto, Japan.
Gucci	Gucci held its Cruise show in the Pitti Palace's Palatine Gallery in Florence, Italy, as part of a wider cultural project with the Uffizi Gallery and the city of Florence to which the brand donated €2 million. In the past seasons, Gucci has invested in spectacular Cruise shows held in locations like New York's Chelsea neighborhood, where the brand took over an entire city block, and the 13th-century cloisters of London's Westminster Abbey.

*Note:* Compiled information from various press reports.<sup>21</sup>

https://www.businessoffashion.com/articles/professional/when-it-comes-to-cruise-go-big-or-go-home

Table 17. Summary of the properties of the sacred

Properties of sacredness	Specific example of luxury brand behavior		
1 Sacred places	Homeland of the founding designer Sacralization through pilgrimage Directly operated stores (DOS)		
2 Sacred times	Founding date of brand within logo Museum exhibitions to celebrate special anniversaries Regular calendar for fashion shows and haute couture shows Regularized sales periods, or special 'vente-privee events'		
3 Hierophany	'Bandwagon', 'Snob' and 'Veblen' effect, use of logos and other such elements to create hierophanies		
4 Opposition to the Profane	Selective distribution Search for proximity to monarchy, religion or other form of 'grandeur'		
5 Contamination	Founder of the brand Current creative director or 'star designer' Muses, ambassadors and artists with the luxury brand Artification		
6 Sacrifice	Savings to be able to purchase the high price points  Distance to the boutiques or restrictions of items to a certain boutique  Waiting lists  Lack of comfort and very limited dress sizes		
7 Commitment	Luxury as heavy financial commitment Logo display		
8 Objectification	Sacralization through quintessence i.e. 'the perfect product'		
9 Ritual	Aspects related to the fashion show Rituals around the service and the selling ceremony in the store		
10 Myth	Stories about brand foundation		
11 Mystery	Special craftmanship techniques Special limited access to the ateliers		
12 Communitas	Special events organized by luxury brands		
13 Ecstasy and Flow	Costly special shows which resemble more 'Cirque du Soleil' than fashion shows		

Note: Key points developed in this chapter

# Chapter 4: Socio-cultural and corporate changes: impact on traditional sacredness

This chapter outlines how society is evolving and how the sacred and hence luxury must evolve, given that luxury is cultural and represents society. Social and corporate changes challenge traditional sacredness. In Chapter 3 we used the movement of cultural meaning of consumer goods theory from McCracken (1986) to show how brands appropriate the properties of sacredness. Sacredness is culture, and if culture is evolving, so must luxury brands evolve given that they apply the cultural trend and meaning. The traditional culture was supporting 'traditional sacredness or luxury'; given that the idea and meaning of 'sacredness' is changing as outlined below by the *grandes lignes*, so must luxury brands evolve if they want to stay relevant in society.

The *grandes lignes* of the changes in consumer and company behavior are given first. Then, each of these changes is detailed in subsections along with how they can impact and challenge traditional sacredness. The table at the end of the chapter summarizes the impact of the socio-cultural and corporate changes challenging traditional sacredness. In the following chapter, we propose what could be a new version of sacredness for the 21st century.

The important changes affecting traditional sacredness from the consumer's side are linked to changes from modernity to postmodernity and then to hypermodernity:

Socio-cultural changes:

- from dictatorship to democracy (from verticalization to horizontalization),
- from rationalism to emotions,
- from progressivism to the importance of the present,
- from tradition to multiple roles, and
- from substance to appearance.

Corporate and competitive changes:

- IPOs and increase in investors generate more financial resources,
- Brand strategies,
- New competitor set, and

#### Democratization of luxury.

Maffesoli (2018) finds a renaissance in the weakening of the values of modernity (individualism, rationalism, progressivism) and the affirmation of new ways of living in postmodernity (tribalism, nomadism, hedonism), all of which reinforces the emphasis on the festive, the playful, dreaming, and imagining (Maffesoli 2018). As one epoch closes, when a society is becoming worn out and its values are fading, another epoch will open. Maffesoli (2018) gives this characterization: "Modernity is about individualism, postmodernity is about the community" (Maffesoli 2018, p. 25). Put differently, "modernity was about dictatorship, whereas postmodernity is about democratization."<sup>22</sup>

# 4.1 Differences between postmodernity and hypermodernity

Different writers on societal changes from modernism have different opinions, but the changes they identify point in the same direction. Maffesoli (2018) is one of the great philosophers on postmodernity, and Lipovetsky (2005), also a great philosopher and sociologist, invented the term hypermodernity. According to Lipovetsky in his book *Hypermodern Times* (2005), the dramatic rise in consumption and mass communication, along with the waning of authoritarian and disciplinary norms, as well as the rise of individualism and the loss of faith in a revolutionary future, leads to the need for a new name for this new epoch (2005). He also writes that "twenty years ago, the concept 'postmodern' was a breath of fresh air, it suggested something new, a major change of direction. It now seems vaguely old-fashioned." (Lipovetsky 2005, p. 156–157)

Lipovetsky (2005) brings together characterizations of the age: "Hypercapitalism, hyperclass, hyperpower, hyperterrorism, hyperindividualism, hypermarket, hypertext—is there anything that isn't 'hyper'? A modernity raised to the n<sup>th</sup> power". Lipovetsky (2005, p. 35) concludes that "from 'post' to 'hyper': postmodernity will have been merely a transitional stage, a short-lived moment".

Working session with Professor S. Nyeck.

# 4.2 From dictatorship to democracy

The  $21^{st}$  century is part of an age that sociologists call postmodernity or hypermodernity. Modernity began in the  $17^{th}$  century and lasted three to three and a half centuries. This period was marked by three major features: individualism, rationalism, and progressivism. In his book  $\hat{E}tre$  postmoderne, Maffesoli (2018) suggests that the emotional and a sense of the present time, i.e., now not tomorrow, is on the rise, and that these features define what postmodernity is.

A delay is experienced between something being nurtured in young generations and its surfacing in mainstream society. For Maffesoli (2018), these things are tribalism, nomadism, and hedonism. He explains that horizontalism replaced the verticalism of the 20<sup>th</sup> century. Maffesoli (2018) argues that the horizontalism means sharing (*partager*; this word can also mean participating), not imposing one's opinion on others, and tolerance. This change is characterized by Maffesoli as "*l'autre vaut qu'il est*" (the other is worth it) and "être à l'écoute de l'autre" (to be attentive to each other), implying that in this age, we do not impose our opinion on others but practice tolerance and inclusion. He suggests that passion, emotion, and sensibility are on the rise, as well as initiation; here, initiation is meant in the sense that one obeys the *loi de frères* (fraternal law), implying sharing and giving feedback, rather than the *loi de père* (paternal law), which partakes of verticalization.

The change from dictatorship to democracy can also be observed in the shift from verticalization to horizontalization, which implies that the top-down approach is no longer viable, and thus the traditional sacralization practiced by luxury goods companies is challenged. Power and authority are shifting from the luxury brands to individuals, more precisely, to the consumer. The traditional monologue of luxury brands is desacralized and reshaped by social media. The consumer questions the authority of the luxury brand.

Two examples, noted below, illustrate this challenge:

- the impact of social media on traditional luxury brands and
- the demand by consumers for hyper transparency.

#### 4.2.1 Impact of social media on traditional luxury brands

Until recently, communication between brands and their consumers has been largely top down, taking the form of a monologue by the luxury brand directed at consumers. Industries are disrupted by new technologies, as the music industry was by Apple's iTunes and Spotify, as transportation was by Uber, and as hospitality was by Airbnb. These sectors have been fundamentally reshaped by fast-growing, tech-driven companies. Likewise, in communication by luxury brands, a growing part of marketing budgets have moved from traditional advertising (such as magazines and fashion shows) to social media. A study by Boston Consulting Group (BCG) found that in 2016, word of mouth (WOM) was the most important influence lever for luxury consumers, thanks to digital and social media; this is a change from the 2013 version of the same study, where the most important influencer was print media, and WOM was second (BCG 2017).

Table 18. What impacts respondents' preferences and purchase decisions

Lever	%	Lever	%
	2013	<u> </u>	2016
Magazines	50%	Word of mouth	57%
Word of mouth	43%	Magazines	39%
Store windows	39%	Brand websites	33%
Brand websites	34%	Store windows	26%
TV & movies	24%	TV & movies	23%
Events	20%	Events	17%
Celebrities	20%	Celebrities	16%
Seen worn	13%	Seen worn	12%

*Note:* Answers to study by BCG on the question "Which of these levers has an impact on how you develop opinions or purchase decisions?" BCG 2017.

In Chapters 1 and 2, this study noted that luxury was once reserved for the elite. However, social media platforms, by their nature, embrace diversity, democracy, and community, an ethic of closeness and coming together. Social media has given consumers the power to be in charge. The below text excerpt is part of an analysis that outlines how social media challenges traditional sacredness:

# Excerpt 11. "Why luxury brands need social media"

The world of social media is flat, and in this world, everyone has a voice and is free to engage and interact with brands. In fact, people expect brands to respond to their queries and questions. Such interactivity is tricky for luxury brands, because one could say that the more they interact, the more they risk losing their mystery and uniqueness in the eyes of consumers. (Dubois 2013, p. 1, emphasis added)

Cooper (2014) argues that a brand needs to present a warm engaging front while, at the same time, maintaining one's allure and keeping one's distance and clarifies that the empirical evidence suggests that consumers engage intensely in conversations about luxury and premium brands, spending a disproportionate amount of time discussing them, in particular online. This is because "many online conversations relate to one's appearance and self-esteem, which are intrinsically related to consumption of luxury and premium brands that help express oneself" (Dubois 2013, p. 2). In a recent article in *Quartzy Newsletter*, it is outlined that:

the explosion of social media flips the old paradigm, where brands mostly created their own public image from the top down, through advertisements and by building relationships with fashion magazines and editors such as Vogue's Anna Wintour. But now anyone with a smartphone can become an 'influencer,' crafting their own share of a brand's image through the pictures they post and what they say. It has shifted the balance of power, and while brands still retain much of it, influencers are increasing in clout (Bain 2018).

Researchers generally believe that a luxury brand should "want to be visible, without being too available—a delicate balancing act for any marketer, especially in a socially savvy web world" (Cooper 2014). The below excerpt demonstrates that, for some luxury practitioners, it is difficult to embrace social media and its equalizing effects. Luxury brands must influence and maintain their authority, holding onto traditional sacredness.

# Excerpt 12. Extract from the interview "Insta-Engénue: Lilly-Rose Depp" with a luxury brands executive

We see this new generation coming into the boutique and quite often, they know more about the brand than our organization and people. ... So how do we rebalance the relationship, the dialogue? At the same time, we want to continue to give our point of view. ... How do we give them the right information so they don't start to have their own vision of Chanel, which is not the right one? It's not about liking what we are doing, it's more about to be able to be sure that they have the right content. (Sherman 2017, emphasis added)

This interview extract with a luxury brand executive exhibits the repercussions of the sociocultural trend from verticalization to horizontalization and its challenge to the top-down communication
approach employed hitherto in luxury companies. The facts, shown in Table 18, identified by Boston
Consulting Group in their yearly consumer study of luxury brand customers, illustrate that consumers
prefer to receive information from their peers and to make their opinion and purchase decisions via
WOM, often via social media, rather than via magazines and top-down advertising from the luxury
brands. This extract demonstrates that luxury brands are still trying to control what is being said about
them and have consumers receive the correct content; however, the current socio-cultural changes from
verticalization to horizontalism are part of the challenges this traditional picture of top-down
communication faces.

# 4.2.2 Demand from consumers for hyper transparency

The move from verticalization to horizontalization is accompanied by a questioning of the authority and secrecy of luxury brands and their choice of what to share with consumers. The existence of the transparency advocate organization WikiLeaks demonstrates citizens' desire to know the actual truth, and this desire forces companies to be more transparent. The growing movement called Where Are My Clothes Made, which began in response to the collapse of a factory in Bangladesh in 2013, has

forced fast-fashion companies (such as H&M) and sportswear companies (such as Nike) to publish the names of their first-tier suppliers on their websites. In the past, luxury brands have worked in secrecy; their suppliers were a point of differentiation and a competitive advantage. Images of the collection are strictly forbidden to leave company HQ before the official showroom presentation. In 2018, when a collection buyer goes to, for instance, Chloé's showroom, he or she has to sign a paper stating that no images taken will be published (the images are to help the buyer recall what was ordered). Many showrooms, such as Balenciaga, prohibit all photography. This describes how the luxury brands cling to the traditional sacredness.

Luxury brands use myths to sacralize their brand, implying that their items are all made in Italy or France. However, it is a sheer myth that many of these brands do most of their work in the country where the brand originated. *The Guardian* exposed Louis Vuitton for producing the majority of its shoes in Romania, not Italy. According to EU law, if the shoes are finished in Italy, the company can still qualify for the sought-after 'made in Italy' tag (Wheeler 2017). According to Boston Consulting Group's global consumer study of 2016, for garments 35% of respondents prefer Italy among all countries for the source of their goods, and they expect transparency about where products are really made (BCG 2017). An Italian television-reportage team uncovered that sometimes in Italian factories high-quality, expensive leather handbags are made in Italy but by local Chinese residents, or actually produced in China and only assembled in Italy. Thomas (2008) wrote a book entitled *Deluxe: How Luxury Lost Its Luster* where she uncovers some of the darker secrets of the luxury industry, in particular with respect to the truth of the location of the production of luxury goods (Thomas 2008). Louis Vuitton was forced to withdraw advertisements that showed an artisan sewing a wallet by hand, as it misled consumers into believing that all Louis Vuitton products would be hand-made, which is not the case.<sup>23</sup>

The below extract shows how visions can differ between generations (represented here by B. Arnault and his son A. Arnault) on mystery and how luxury today is no longer related to royalty, but instead emphasizes transparency as a characteristic.

https://www.huffingtonpost.com/2010/05/26/louis-vuitton-ad-banned-i n 590968.html

# Excerpt 13. "Millennials demand transparency from luxury brands"

Generation Bernard Arnault (father, founder, CEO, born in 1937):

Bernard Arnault, the billionaire head of the French luxury goods group LVMH, remarked, "What we create is emblematic. *It's linked to Versailles, to Marie Antoinette*." His message enhanced the *mystique* surrounding the company's number one brand, Louis Vuitton. Louis Vuitton, he inferred, reflected the elegance and *nobility of France's Ancien Régime* and its most iconic piece of architecture [Versailles], at least before its gates were breached by starving peasants and Marie Antoinette was executed.

Generation Antoine Arnault (son, born in 1977):

Arnault's 40-year-old son Antoine, a board member of LVMH and the CEO of Berluti, is of another generation. Seizing upon the mood of new and future consumers, he spoke at The New York Times Luxury Conference in mid-November [2017] that the industry's competitive edge is now won by, "transparency in communicating." He is "outer-directed" and argues that *the mystery and romance of a brand flourish when its doors are opened, if selectively, to reveal what's happening behind the scenes*. (Owens 2017, emphasis added)

Thus, the perceptions of two different generations and their differing management styles of luxury brands can clearly be seen. The son, being part of generation Z and more vocal about openness and transparency, still adheres to the traditional conception of the sacred by ensuring that the opening is restrained, that is, it must be done "selectively". At a conference given by the New York Times in Brussel in November 2017 it was observed that "It is axiomatic to A. Arnault that there can be no secrets from the millennial generation. These consumers are absolutely clear: they see nothing forgivable in

keeping secrets" (Owens 2017). Consumers demand transparency from luxury brands, but luxury brands are still embedded in a traditional business model.

#### 4.3 From rationalism to emotions

Rationalism is a fundamental feature of modernism, and its ideal of thinking is based on reason. The core of modernity is the rational transformation of the social order, and it signifies a movement toward a rational analysis involving traditional practices. Rationalism derives from a Latin word meaning belonging to reason. Rationalism is marked by the Protestant Reformation: As Weber said, rationalization generalizes the existence, all is submitted to reasons, all must provide reasons (Weber 1905). This is closely linked to the *Entzauberung der Welt*, or the disenchantment of the world, Weber's concept that he introduced in 1917 to name the way in which religious and magical beliefs receded in favor of scientific explanations. Rationalization marks a change towards a secularized world, in which magic and religion are no longer regarded as central or determining forces in human lives. Social progress is defined by science and technology, and these are valued and received as factors of social progress. This also means that there is no unpredictable or mysterious power at play but that, on the other hand, everything can be controlled by calculation. This rationalization, together with an emphasis on capitalism, work, performance, profit, and economic and social progress, gives place to emotion in postmodernity, in Maffesoli's (2018) account.

Maffesoli (2018) quotes the American author Thomas Kuhn, who suggests that Europe, with its major pillar of modernity and following the *via recta de la raison*<sup>24</sup>, or the *voie droite* (the straight way), left *impedimenta inutile* (useless baggage) to the side; this would have included such aspects as *festive*, *ludique*, *numerique* (festive, playful, numerical), which did not aid the achievement of the desired objective. Europe decided to leave those values to the side and become more efficient as Maffesoli said in an interview with Kerroc'h (2018).

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Interview videotaped with Maffesoli, in which he combines the Latin *via recta* with the French *de la raison* (Kerroc'h 2018).

Maffessoli (2018) explains that the new tripod, namely tribalism, nomadism, and hedonism, reinforces the emphasis on the festive, the playful, dreaming and imagining in postmodernity (Kerroc'h 2018). In other words, in modernity Apollonian values were given the most weight, whereas in postmodernity Dionysian values had greater presence. Maffesoli speaks of the rise of creativity, the idea that one is the "artist of one's life," creating art using one's life as the material (Kerroc'h 2018).

Lipovetsky (2017) characterizes the present as hypermodernity, and in his recent book *Plaire et toucher*, he shows that pleasure, seduction, and fun are omnipresent as rapidly summarized emotions. He explains that seduction is linked back to Adam and Eve, the *mensonge* (lie), and *trompe-l'œil* (optical illusion), are part of that, but this is not all. Seduction is not a tool but a machine. There must be desire as a condition, and only then can seduction come. We live in a society of seduction, from politics, the market and business, marketing, to childhood education. Women have been liberated from seduction to be able to use websites like adoptunmec.com, where the power to choose in romantic relationships is given to women. Lipovetsky (2017) starts his book by quoting Racine's preface to the play *Bérénice*: "La principale règle est de plaire et de toucher: toutes les autres ne sont faites que pour parvenir á cette première"—roughly translated, this means, "the foremost rule is to please and to touch: everything else is only to achieve this."

Seduction is now the epicenter of the economy. Capitalism as the enchanter is expressed through technology, images, media, and marketing. The goal is to please the consumer, the citizen, and it features even in children's education. The seduction of capitalism, along with "the new wave of individuality is a good thing as it keeps people away from fanaticism and nationalism" (Lipovetsky 2017). Of course there are negative aspects to these socio-cultural changes as well, including unemployment, environmental risks, terrorism, regular government surveillance, and Lipovetsky's "lazy society" (société paresseuse [pas de pense, pas de créativité]) [no thinking, no creativity] (2017).

Three prototypical changes demonstrate the socio-cultural change of moving from rationalism to emotions and shows the impact on traditional sacredness or luxury:

- moving from purchasing to attain social status, to purchasing for pleasure,
- moving from owning to sharing and renting, and
- moving from products to experiences.

## 4.3.1 From purchasing for social status to purchasing for pleasure

The term postmodernity is used to define the historical transformation of the late 20<sup>th</sup> century wherein the "institutional breaks holding back individual emancipation disintegrated, thereby giving rise to the full expression of individual desires and the quest for self-fulfillment" (Lipovetsky 2017, p. 76). The hypermodern individual and the hyper-consumption of that individual define hypermodernity. As Lipovetsky (2107) characterizes it, "Hyperconsumption is a consumption which absorbs and integrates more and more spheres of social life and which encourages individuals to consume for their own personal pleasure rather than to enhance their social status" (Lipovetsky 2005, p. 36). The change in consumption for personal pleasure from enhancing one's social status shows the socio-cultural change at issue here and provides a glimpse of the new sacredness. In traditional sacredness or luxury, purchasing luxuries as investments, such as, for example, the Hermès Birkin bag, was done to communicate one's rank in society. In hypermodernity, consumers still desire the Hermès Birkin bag, but pleasure rather than status is the primary motivator.

# 4.3.2 From owning to sharing and renting

The rise of different emotions, such as empathy, hedonism, experience, discovery, playfulness, seduction, and fun, challenge the traditional sacredness in several ways. Sharing and renting a luxury product, rather than owning it, may come to be valued more and be one of the new sacred values of consumers in the 21st century.

In a traditional context of sacredness, when a consumer purchased a luxury handbag, it was a major investment in status, consumed to mark one's rank in society. Today one can rent a luxury item for the fun of it for a certain time and then move on. The socio-cultural change that took place first in postmodernity and then in hypermodernity gives rise to the luxury rental market and the sharing luxury product market. At the 2017 World Economic Forum, it was predicted that individuals would no longer own anything at all by 2030 (Future Laboratory 2017a).

Subscription models are the forward edge of this movement to change models to access, not ownership. It is possible to rent fashion and luxury items through several websites, such as Rent the Runway or Villageluxe, both based in North America, the market leader for this type of activity accounting for 40 percent of the global market share in 2017. Allied Market Research estimated that the global online clothing rental market was valued at \$1 billion in 2017 and is expected to reach \$1.9 billion by 2023.<sup>25</sup>

Rent the Runway, a company offering a subscription model for borrowing clothes, hit \$100 million in revenue in 2016 (O'Connor 2015). This organization has just unveiled next day delivery to compete with Amazon's speed. The importance of prioritizing short time and short term will be discussed in the next section. The CEO and co-founder of Rent the Runway, Jennifer Hyman, says that they are aiming to pull off what they consider to be the ultimate convenience. According to them, it's essentially a never-ending closet without financial or emotional risk and commitment (Sherman 2018b). The question arises whether this ultimate convenience and "no commitment necessary" are values belonging to the new sacredness for consumers. This will be explored in the next chapter.

Lipovetsky (2017) concludes that "to buy less, save more, reduce waste, extend the life of products, rent rather than accumulate material goods, reutilize or recycle rather than discard before the time, are all factors which foster the sharing economy" (Lipovetsky 2017, p. 136). We add to this the commitment, in particular, the financial commitment, which is greatly reduced when renting watches or expensive handbags. For example, the company Eleven James runs an online subscription rental service for luxury watches, based in New York and founded in 2013, and sites as one of their key advantages that they reduce the financial risk and commitment for their clients.<sup>26</sup>

The example of sharing and renting rather than owning shows another socio-cultural change: The quest for sustainability in general and in luxury in particular. The rationalism of modernity has given way to such values as caring and empathy for our planet. The anxiety outlined in *Hypermodern Times* features prominently in the quest for a more sustainable capitalism (Lipovetsky 2005). This

https://www.businessoffashion.com/articles/news-bites/luxury-rental-site-villageluxe-raises-2-million-in-seed-funding

https://elevenjames.com

challenges the traditional way sacredness took shape, where the consumer would buy a new handbag, and creates an environment where a consumer can buy a "pre-loved handbag" (this is the term used in the fashion and luxury industry today; it essentially means a secondhand item).

The CEO of Rebag states that "Secondary Behavior' is something customers are moving towards in many forms—from reusing, to repairing, recycling, gifting and reselling—but that had been notably absent in the luxury goods space. Now luxury in the secondary market is one of the largest growing consumer segments, but the consignment concept has largely gone untouched since its inception in the 1900s" (Gorra 2018). One example of such a company includes TheRealReal, based in the US. This company, which is a sort of clearing house for secondhand luxury items, has a transaction sales volume of \$800 million.<sup>27</sup> Their business model is as follows: they take a person's luxury handbag, photograph it, and upload the photograph on their website. When the item is sold, the company keeps a 45% commission and transfers the remainder of the money to the owner. Vestiaire Collective is the European leader in this sector; based in Paris, they take up to 25% of the sale price. Rebag, which buys and sells pre-owned designer handbags, buys the bags directly from the owner so he does not need to wait for the money (as sellers who do business with the other two companies mentioned must do). As the CEO of Rebag explains, emphasizing younger generations and their desire to reduce waste:

For younger generations—the mindful Millennials and Gen Z—environmental and social consciousness is important, which is what powers the secondary market. Buy, sell, repeat. This is the way to eliminate waste in the fashion industry and to reduce fashion's environmental impact. With that said, there's no longer a negative connotation associated with shopping pre-owned. Consumers find a great deal of pride in getting the most out of their dollars, whether it's by selling their unused bags which were collecting dust in their closets, or by finding a discontinued Chanel model that's truly one-of-a-kind, and at an unbeatable price. (Gorra 2018)

Speech by CEO and Founder at the Copenhagen Sustainable Fashion Summit May 2018

# 4.3.3 From products to experiences

The socio-cultural shift from rationalism (modernity) to emotionalism (post- and hypermodernity) can also be seen in the challenge to traditional sacredness in the move that is occurring from products to experiences.

As seen in Chapter 3, although the sales ceremony is sacralized by luxury brands and transformed into an experience, the object remains the focus, and its hard attributes include exclusivity, longevity, high quality, and design. The move from product to experience is clear in the rental luxury market (where one can rent and experience a luxury handbag or garment for one evening, rather than being required to have the funds to purchase and keep it for life), but also in the increased incidence of consumers purchasing luxury experiences rather than products. This occurs for instance in how quickly the course L'École Van Cleef & Arpels, instituted by the Van Cleef & Arpels jewelry brand, sold out. Rhis school includes classes and trips to key cities where Van Cleef & Arpels has customers. The product acquired here is knowledge. This experience is also a kind of discovery that forms part of travel and tourism. Bain & Company confirm that, according to their information, the highest growth rates of any subcategory in personal luxury goods worldwide occurred in the luxury travel and cruise sector (Bain & Company 2017).

# 4.4 From progressivism to the importance of the present

The third change isolated by Maffesoli (2018) is from progressivism to a stress on the importance of the present, the now. Modern progressivism is a child of the 18<sup>th</sup> and 19<sup>th</sup> centuries following the principle "demain, plus tard" (tomorrow, in future) aimed at the ideal of a perfect society in the future. Progressivism is the advocacy for improvement of society through future reform. For Maffesoli (2018), the move from modernity to postmodernity is shown in the move from tomorrow to the present or presence. Modernity concerned itself with progress, tomorrow, timelessness, the long

https://www.lecolevancleefarpels.com/fr/cart

term, and taking one's time, unlike postmodernity and then hypermodernity, where the focus is on the short term, reducing time to the now.

In a hypermodern society, time is short and is a problem residing at the heart of social conflicts. The speed of operations and exchange is accelerating, and choosing one's time and having flextime, leisure time, the time of one's youth, the time of one's old age, and other aspects of time results in hypermodernity and divergent temporalities. Lipovetsky (2017, p. 65) brings the underlying question to the fore: "What led to the death of the visions of the future (progressivism)?" He argues that it is not the "failures or catastrophes of political and economic modernity (two world wars, the totalitarian regimes, the crises of capitalism etc.), but it is the revolution in everyday life, with profound upheavals in aspirations and lifestyles, together with technology and the market, which brought society to the worship of the present." Lipovetsky (2017, p. 65) reasons that within the move from a "capitalism of production to an economy of consumption lies the move from an unbending and disciplinary society to a 'society of fashion,' supported by the technologies of ephemerality, novelty and permanent seduction." The below excerpt displays this change from modernity to postmodernity:

# Excerpt 14. From the chapter "Time against Time" in Hypermodern Times

From industrially produced goods to leisure, from sports to games, from advertising to information, from hygiene to education, from beauty to diet: everywhere we are witnessing the spread of an accelerated obsolescence in the products and models on offer as well as multiform mechanism of seduction: novelty, hyperchoice, do-it-yourself, not just well-being but better-being, humor, entertainment, solicitude, eroticism, travel, leisure. The world of consumption and mass communication appears like a waking dream, a world of seduction and ceaseless movement, whose model is none other than the system of fashion. *No longer, as in traditional societies, do we see a repetition of the models of the past, but quite the opposite: a systematic novelty and temptation act to regulate and organize the present....* 

Consume without delay, travel, enjoy yourself, renounce nothing: the politics of a radiant future have been replaced by consumption as the promise of a euphoric present. (Lipovetsky 2005, p. 35, emphasis added)

There is a German saying, *Gut ding will Weile haben* (first attested about 1500), which roughly translates to "a good thing will take a while." There are equivalent or similar proverbs in French and English: *petit à petit, l'oiseau fait son nid* (little by little, the bird makes its nest) and "slow and steady wins the race." The place of this concept has been taken by the rule that "time is money" or the key words that rule modern organizations, like flexibility, profitability, beating the deadline, and zero delay. Lipovetsky (2017) calls what this indicates "capitalism in overdrive." Lipovetsky (2017, p. 135) argues that the carefree culture expressed in the motto *carpe diem* is in retreat: "Under the pressure exerted by the norms of prevention and health, it is not so much the plenitude of the instant which predominates but rather a dividend and anxious present, haunted by viruses and the ravages of time. Man has not experienced any 'detemporalization': the hypermodern individual is still an individual-for-the-future, a future based around 'me.'"

Chapter 3 outlined how luxury brands use the dimensions of the long term and timelessness to sacralize their product and brands. However, the demand for short-term results, the insistence on the greatest amount in the shortest possible time, the preference for immediate action over reflection, the throwaway mentality that these brands indulge in, identify them as being part of hypermodern times, challenging traditional sacredness or luxury.

Two aspects of our times show how the socio-cultural shift from progressivism/modernity to worship of the present or the worship of the here-and-now/post- and hypermodernity challenges traditional sacredness:

- time is pitted against time, rather than class against class, and
- the prevalence of the Internet.

176

#### 4.4.1 Time against time, rather than class against class

A scarcity of time challenges the traditional ways of considering luxury: luxury brands themselves refer in their communications to the long term, the long hours their products require to make, the waiting lists, and the investment value of the products.

In the hypermodern society, time is a major preoccupation, and an increasing pressure is exerted on time: "When we privilege the future, we have the feeling that we are missing out on 'real life'. Should we enjoy pleasures as they come, or else ensure that we will still have enough vitality for the years to come (health, figure, beauty)? Should we give time to our children or to our career? ... Class antagonisms have lost their edge, while personal, temporal tensions are growing sharper and more general. It is no longer class against class, but time against time, future against present, present against future, present against present, present against past" (Lipovetsky 2005, p. 36).

The point here is that no longer is it an antagonism of class against class, but rather of time against time. If we consider this change together with Lipovetsky's (2005) description of how individuals "consume for their own personal pleasure rather than to enhance their social status," we can see that absolute convenience (to save time) and pleasure for oneself is more important than traditional sacredness.

The timeframe for luxury products includes usually a time lag of at least six to nine months for consumers to purchase them. This applies in particular to ready-to-wear garments, which are shown in a winter collection in January, and then they may be delivered to the consumer in July or September. However, the consumer has already seen the photographs from the fashion show, and fast-fashion companies have copied the items. Hence the tendency to worship the here-and-now challenges traditional sacredness, which is a firm part of the business model of luxury brands. Luxury brands have attempted to follow the here-and-now tendency of contemporary culture using something called the seenow, buy-now business model; however, this strategy is not technically possible for them. Out of four brands who have initiated such a program, two have already given it up. One journalist has encapsulated the dilemma as follows: "Everyone has a truncated attention span because of Instagram, and if you don't get a product to customers as soon as they feel desire for it, you miss your window" (Friedman 2017b).

The below excerpt is from an interview with a luxury-goods executive, relating the reasons why short-termism for luxury ready-to-wear, at least for Chanel, does not work.

## **Excerpt 15. Interview with a Chanel executive**

See-now buy-now. Every brand has to decide what they want for their future. If a brand wants see-now, buy-now, then good for them, but I don't think it's the thing to do with Chanel because of our creative business model. ... This collection, for example, was made from amazing, very light tweed fabrics—you have to see it to believe it—and that takes time. It's months and months of work to be able to deliver that. At the moment we prefer to continue to focus on our product and give our customers not only the best design, but the best quality and the best finishes. (Conlon 2016)

#### 4.4.2 The Internet

The problem is not the Internet as such. Consumers could, for instance, simply prefer not to buy luxury brands online (however, they do want to buy luxury brands online), but the issue is a society used to the convenience, speed, and ease with which e-commerce on the Internet is operated. Put differently, the Internet destroys the former verticalization, and now horizontalism is on the rise.

The issue is that the online world is flat; this threatens to desacralize the traditional sacredness cultivated by luxury brands because the profane is just a mouse click away from the luxury brand.

E-commerce cannot touch the five senses, but luxury brands do this in their cathedral stores. As described by Dion and Arnould, and in our section 3.2.1 'Sacred places', luxury brand building needs not only sales but also a mythology and a cult of followers, much like a religion (Dion and Arnould 2011). This religion needs temples (flagship stores) where belief and faith in the brand can be founded and celebrated (Kapferer 2015). Such flagship stores, and even smaller stores, can provide this luxury experiences in two ways: a multisensory physical atmosphere in the store (= temple) and the feeling of elevation, achievement, exclusivity, and receiving special attention and care in the boutique.

With the presence of the Internet and online shopping, there is no longer a need for the sacrifice of one's time in planning one's visit, traveling to the store, waiting, or being patient (Kapferer 2015).

The ceremony of being served by someone else is not present, as is the design of the store and what it communicates about the brand. Only in the store, not on the Internet, can the consumer experience and perceive brand rituals and the service ceremony.

Thus, the use of the Internet and e-commerce challenges the traditional sacredness. The excerpt below from an interview with a Chanel executive demonstrates the conundrum for luxury brands and their close connection to the traditional sacredness.

## **Excerpt 16. Interview with a Chanel executive**

If you try to define what is luxury today and ask the customers, first of all they think about the quality of the products, and *then the exclusivity*. We need to not forget in this world where everything is digital, that keeping this exclusivity is an important way to engage with customers. ... A long time ago we did a test in the States with ready-to-wear—in the early days of e-commerce—to see what was happening, but we are not active at the moment with fashion, because we want *to maintain some exclusivity* [rather than use their digital reach to sell products, they use it to gain insight into what their customers want from the Chanel experience and offer a better service]. (Conlon 2016, emphasis added)

Technology, the Internet in particular but also advanced logistics, put an end to scarcity and exclusivity, at the same time that it desacralized times and places. Put differently, the Internet, social media, the technology behind very dynamic websites (such as Amazon and Farfetch) and logistics and delivery services have reduced the time it takes between purchasing something and having it at home. It may still take 16 hours for a Hermès Victoria bag to be produced, and this product will be hand-made in France from top-quality materials; however, it is now possible to order this bag online rather than going to the store and waiting in line, and without any sales ceremony. Farfetch.com offers delivery of Gucci products within 90 minutes in 10 cities, which is to say that luxury products can be delivered at the speed of groceries.

Friedman (2013) had already noted this phenomenon: "Blame it on ecommerce or fast fashion, but everyone is being conditioned to think IWWIWWIWI, which means "I want what I want when I want it". Another article characterizes the collision of fast and luxury, quoted below:

## Excerpt 17. "The new meaning of fast fashion"

Farfetch.com announced that it would now be delivering Gucci in 90 minutes in 10 major cities around the world. ... "Faster fulfillment" is the mantra of the moment, a response by companies to what has been called the *culture of impatience*....

Mr. Neves [founder of Farfetch] pointed out, no one waits for cabs or groceries or tables in restaurants, where information is immediate and pictures go viral. I understand that the millennials and Gen Y-ers are (theoretically) *the IWWIWWIWI generations—the "I want what I want when I want it" folks*.

"Why should we lose face with Amazon?" Mr. Neves said when we were talking. But another question might be: Why should we assume Amazon controls this particular playing field? ... A handbag is not a bottle of milk for a baby. It's not a staple. And it's not necessarily a good idea to create a situation in which it is equated to one. It may not be sustainable, in any sense of the word....

By conflating *investment fashion* with, effectively, groceries, you undermine its claims of specialness, effort and creative muscle—all the criteria on which it is built and which justify, in many ways, its price. You link it to the idea of disposability (which, let's face it, is the definition of what was normally called fast fashion, a sector in which it is often cheaper to buy a new shirt, say, than to clean the one you already own). *If investment suggests value over time, reducing the time reduces the value. Put another* way: There is a downside to rushing to fulfill the wants of today; it suggests they may not be the wants of tomorrow....

Time may be luxury, but we should not assume spending it in anticipation is a waste.

(Friedman 2017b, emphasis added)

This article provides several insights. However, the most important is Friedman's argument that reducing time reduces value. This is true for traditional sacredness, but in the 21st century, with 3D printers available to print anything one could want, what elevates consumers and makes them feel superior will probably not be traditional sacredness values, but new values, such as absolute convenience, speed, or fulfilment of IWWIWWIWI. These new aspects are addressed further in the following chapter.

#### 4.5 From tradition to multi-role

The shift from dictatorship to democracy, or from verticalization to horizontalization also changes what we refer to as traditional gender roles into a more multiple role. Modernity relates to tradition and formalism, while post- and hypermodernity are about modernism, progressiveness, and the untraditional. The rise of horizontalization in the 20<sup>th</sup> century brought gender equality in voting: in the US in 1920, in France in 1944, and in most of Switzerland in 1971. This rise of inclusion over exclusion and of inclusivity as the new exclusivity can be related to the following features, treated one by one below:

- the millennials are an inclusive generation,
- there has been a passage from formalism to casualization, and
- new role models have appeared, from Kim Kardashian to Mark Zuckerberg.

## 4.5.1 New consumers

In this section and in the following one, we outline new consumers that are joining luxury consumption, and new consumers implies new behaviors and attitudes.

The generational mix of luxury customers is changing, and because of the socio-cultural changes outlined above, generations Y, Z, and the millennials have different values and hence different shopping behaviors than previous generations.

Many types of luxury product categories, several consumer types, and several motivations to purchase luxury brands, together result in diverse luxury consumer–brand relationships, reflecting various cultures, age cohorts, and levels of affective commitment to brands (Chandon et al. 2016). Different age cohorts and generations are impacting the consumption of luxury goods, as shown by Schade, Henger, Horstmann, and Brinkmann (2016), who conducted the first study on the consumption of luxury brands by different age groups (Schade et al. 2016). Using structural equation modeling performed on a sample of 297 respondents, the study shows that hedonic and utilitarian attitude functions are relevant for all three age groups (16–25 years old, 26–39 years old, and 40–59 years old), while the impact of the social functions greatly vary among the target groups. Schade et al. (2016) identified the following key findings:

- the utilitarian function shows relevance for all age groups;
- the hedonic function seems to be of particularly strong influence on purchase intention for older adolescents and middle-aged adults;
- among older adolescents, the social-adjustive function seems to be exclusively relevant, supporting the theoretical assumption that peer pressure shapes the behavior of this group;
- among young adults, the value-expressive function is only relevant for this group, and the strong
  focus on identity expression in young adults indicates the need for distinction from their peer group;
  and
- among middle aged groups, social functions do not determine the acquisition of luxury brands;
   rather, hedonic and utilitarian aspects of the brand are the most important drivers for purchasing luxury goods.

The different purchase drivers are important, as Bain & Company expects a future generational shift to be the main growth engine of the luxury market, with 85% of luxury growth in 2017 fueled by generations Y and Z. A broader millennial state of mind is permeating the luxury industry and changing the ways in which all generations make purchases (Bain & Company 2017). This shift in mindset is

pushing luxury brands to redefine what they deliver to customers and how they deliver it. The new term luxury streetwear is an example of this: "Luxury brands are reinterpreting streetwear to appeal to younger consumers. T-shirts, down jackets and sneakers were among the standout categories in 2017" (Bain & Company 2017).

- Bain & Company (2017) note that the brands that are well positioned to capture the millennial market are "moving away from the old luxury habits: from celebrating their own heritage to celebrating consumers' passions; from looking obsessively into their past to providing futuristic aesthetic visions; from 'shouting their name' to enabling consumers' self-expression; from being fanatical about brand-purity to being open to collaborations and contamination" (Bain & Company 2017). Differently put, Gildo Zegna, part of the family which generations ago founded the Italian Men's wear label Zegna, expressed the millennial mindset as follows: "Being a millennial is a mindset, not an age. If you focus purely on age groups, you cut out 70 per cent of your potential customers. There are pieces that can be worn by a 70-year-old guy and a 25-year-old, depending on the moment. The young guy may be wearing it seven days a week, the older guy once a week—so what?" (Scott 2018).
- This is confirmed by a recent report by McKinsey for the magazine *The Business of Fashion* indicating that "alongside consumers' adoption of digital are raised expectations of customer experience and a higher scrutiny on convenience, price, quality, newness and a personal touch" (McKinsey 2017). This report confirms that the consumer is in control and that personalization and curation will only become more important to the consumer (McKinsey 2017). No academic study was found to confirm these points, prompting the research reported in this thesis.

## 4.5.2 Rise of the middle class

Whenever a country opens itself up to luxury items, and the bourgeoisie or middle class begin to be able to afford luxury goods, they consume them. In the early 20<sup>th</sup> century, this trend continued: luxury was changing, no longer being inherited but also being acquired with money. A larger and larger number of people rose into the middle class in many countries, decade after decade (Europe and the US

first, then China more recently), resulting in a greater demand for luxury goods, and an increase of extensions and lower price points of luxury goods companies at the same time, causing the luxury goods market to increase to such high levels.

Because of this shift on the consumer side, luxury goods entered a new era, from "an occasional luxury purchase" to a "sort of democratic right to happiness for all" (Lipovetsky and Roux 2003). As Dubois and Laurent (1993) reported in their seminal work, "the inaccessible is thus accessible to nearly everyone, and on average every European buys two luxury items per year" (Dubois and Laurent 1993, p. 108). Already in 1993, those scholars published their observation of the "democratization of luxury." Lipovetsky (2003) argues in his book *Le Luxe éternel* that from the early 2000s onwards, "luxury had entered the popular consciousness to such a degree that it came to be perceived as a 'right'" (Lipovetsky and Roux 2003, p. 89).

Luxury has always been used to create social stratification and to demonstrate hierarchy in societies. The concept of luxury has always been divisive, founded on a principle of exclusion, that is, a sharp division between those who have and those who have not, or between those who are in power or superior and those who are below (McNeil and Riello 2016). Over the centuries, luxury was consciously and subconsciously used to show one's colors, that is, one's rank or place in society. As a person moves into the middle class, usually one of the first large purchases made is from among the mass luxury brands, with logos to mark one's new rank and aspire to what they think the higher classes are wearing. In a recent interview, a journalist declared, "One could say that Louis Vuitton is an aspirational luxury brand, that the first thing a newly-minted middle-class woman will buy is a Louis Vuitton bag, in a clear imitation of those old aristocrats; one does not typically 'aspire' to the same social class one is already in." Postrel, author of *The Substance of Style*, explains that conspicuous consumption is much "more important when people are not far from being poor," as in today's emerging economies. In developed countries, "status is always here, but the shift in the balance is towards enjoyment" (Postrel 2004, p. 36).

https://www.sz-mag.com/news/2018/03/louis-vuittons-new-appointment-marks-important-victory-marketing-hype-design/

In the past decade, the rise of the Asian, specifically Chinese, middle class has created an increase in luxury product sales. Bain & Company show that "Chinese consumption bounced back in 2017, fueled by renewed consumer confidence and the rapid emergence of a new—and increasingly fashion-savvy—middle class" (Bain & Company 2017).

The increase in sales of luxury products challenges the traditional conception of sacredness, which based itself around exclusivity and the long term. Today we have more "mass luxury goods produced," leading some to speak of the "industrialization of luxury" (McNeil and Riello 2016), which puts the emphasis not on demand and consumers but on supply and producers. Newspapers and magazines speak of "managing perceived exclusivity," such as was observed in *The Business of Fashion* in the article "The Luxury Brand Balancing Act." <sup>30</sup>

Kapferer (2015) shows that there are a number of reasons for the radical transformation of luxury, which represents, in his view, not a democratization of luxury through lower prices but rather a democratization of the desire for luxury at higher ones (Kapferer 2015).

# Excerpt 18. Reasons for democratization of the desire for luxury at high prices

In emerging countries, growth is accompanied by urbanization, which creates a context of high competition. People need to define their identities to themselves and others.

Booming economies develop meritocracy and social stratification, so people need clear hierarchies to identify how they stand or wish to be perceived. These hierarchies rely on not only possessions but also well-known prestige brands.

Unlike Western consumers, Asian consumers buy luxury not to differentiate themselves but to avoid being considered socially below others. Japan, Korea and China are competitive economies, at both macroeconomic and individual levels. Each person feels an obligation to succeed in order to gain esteem from others (Chadha and

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 $<sup>{\</sup>it https://www.businessoffashion.com/community/voices/discussions/has-luxury-gone-too-mass/the-luxury-brand-balancing-act}$ 

Husband, 2006), which affects their major consumption choices, including their children's education. Success must be visible and the markers unambiguous and respected. Thus, Asian consumers consider wearing a luxury suit, watch or leather accessory as a necessity to maintain face—as a universal social visa. (Kapferer 2015, p. 66)

In the above sections we have explored the broad outlines of changes in society that challenge the traditional sacredness of luxury brands. In the following sections we describe the main company and competitor changes that challenge the traditional sacredness appropriated by luxury brands. These in essence all relate to increasing the accessibility of the purchase of luxury goods and hence the volume of luxury product sold.

#### 4.5.3 From formalism to casualization

The socio-cultural change from verticalization to horizontalization also brings with it a change from traditional or formal clothes to casualization. For example, sales of silk accessories, such as ties and scarves, are falling for luxury-goods companies, whereas luxury streetwear and luxury sportswear sales are rising (BCG 2017; Bain & Company 2017). Present-day consumers expect greater function and comfort from luxury products; however, traditional luxury was never meant to be functional. As *The Business of Fashion* confirms, "Formal dressing is taking the hardest beating. We see companies like Ferragamo, with its core equity in formal footwear, under most pressure, alongside for example, Burberry, Hugo Boss and Brioni: sneakers are quintessentially streetwear; brogues, suits and ties are not."

This is confirmed by research from Boston Consulting Group (BCG 2017) who surveyed luxury consumers worldwide and asked the question "Has your attitude towards formal wear changed?", to which 66% of the respondents answered that they had decreased their use of formal wear in favor of casual clothing.

Sneakers have seen a tremendous growth in sales over the past 10 years. Bain & Company confirms that the global sales of sneakers (trainers) rose 10%, to €3.5 billion, in 2016, outperforming a 7% rise in handbags (Bain & Company 2017). Bruce Pask, the Men's Fashion Director of the US department store Neiman Marcus, says "It's not really even a trend anymore—it's become a category." This trend is driven by millennials, who were born between the early 1980s and mid-1990s and already represent one-third of the luxury market (Bain 2018). Luxury brands are now under attack from sportswear companies, on top of the usual competition from their luxury peers. In the coming pages, as we speak of corporate changes (in place of consumer changes) with respect to luxury brands and the new luxury competitors, we will outline streetwear brands like Supreme or Off White, which are competing with luxury brands in the category of luxury streetwear, a term which did not exist until 2018.

For example, the new creative director of Louis Vuitton is Virgil Abloh, LVMH's first creative director of color, is also the founder of the label Off White, one of fashion's most-talked-about streetwear brands founded as recently as 2013. *The Business of Fashion* writes that "Street culture has become such a strong element of what guys are buying that luxury fashion houses are obviously following." A recent article also places the Hermès Birkin and its investment status on the same level as sneakers: "Higher pricing has enabled sports brands to share the driving seat with luxury brands. Yet more alarming for luxury brands is a new culture of sneaker exchange—partially driven by emotions and impulse. Young consumers are viewing purchasing of limited edition sneakers in a similar way to that of a Birkin bag—many hold immediate investment value and can be auctioned for much higher prices." Zegna, one of the best known Men's luxury brands, known for its suits, spoke in an article in the *Financial Times* 'How to spend it'-section about 'casual couture' in this context: "Key to Zegna's new "casual couture" aesthetic is a dismantling of the rules when it comes to what exactly constitutes a shirt, a pair of trousers, a suit jacket or any other traditional garment. Hybrid clothing, experimental

https://af.reuters.com/article/commoditiesNews/idAFL5N1SV1UO

https://www.businessoffashion.com/articles/intelligence/ugly-dad-sneakers-luring-luxury

https://jingdaily.com/sneaker-brands-high-fashion/

collars and playful double sleeves now all contribute towards a new lexicon for men's apparel" (Scott 2018).

#### 4.5.4 New role models

The transition from a tradition-dominated society to postmodernity has brought new role models to the fore, linked to social media or technology. In 2018, Kim Kardashian received an award from the Council of Fashion Designers of America for being the top influencer. The fact that a fashion designer association has even created such an award is telling in itself. Kim Kardashian now has 121 million followers on Instagram, and one of the few who has more followers than her is Selena Gomez, with 138 million. To put these numbers into perspective, *The New York Times* has about 9.3 million readers, 34 and *The Financial Times* celebrated 0.9 million subscribers in 2017. Changing platforms to YouTube, the world-renowned Louvre has, over its different video channels, about 10 million subscribers, while the recent video by Beyoncé and her husband Jay-Z set in the Louvre reached 101 million views.

Technology has not only created social media, which has made the online world flat and given power to consumers, but it also created new businesses and business models.

The Business of Fashion published an article entitled "Why Rappers Are Fashion's New Royalty," providing several examples of this phenomenon: A\$AP Rocky and the rest of the A\$AP Mob starred in the latest instalment of Calvin Klein's #MyCalvins campaign; Gucci paid homage to the rapper Dapper Dan in its Cruise 2018 collection; and Dior Homme invited rappers like Future, Big Sean, and Metro Boomin to Kris van Assche's final collection show for Dior in January 2018. Some argue that hip-hop stars have replaced Hollywood stars in power in the global entertainment culture. More than a dozen luxury brands, including Louis Vuitton, Saint Laurent, and Marc Jacobs, have featured hip-hop artists in their advertising campaigns. Versace and JW Anderson have taken things a

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https://www.statista.com/statistics/229984/readers-of-the-new-york-times-daily-edition-usa/

https://aboutus.ft.com/en-gb/announcements/the-financial-times-surpasses-900000-paid-for-readers/

https://www.businessoffashion.com/articles/intelligence/the-new-kings-and-queens-of-fashion-kanyewest-asap-rocky-cardi-b

step further by collaborating with the artists 2 Chainz and A\$AP Rocky on products. Brands pursue such relationships because hip-hop is a tool for reaching generations Y and Z, who are expected to account for 45% of global luxury spending by 2025, according to Bain & Company. The BOF quotes fashion stylist and consultant Aleali May: "Hip-hop artists are storytellers and news reporters of the times, [and] with hip-hop being the number one music genre, it proves that hip-hop artists drive culture. ... Fashion is paying more attention to its consumers now more than ever. ... The old way of thinking is out the door and, in order to attract the next generation, there needs to be an analysis on what's driving the consumer." In the same article, David Fischer, the founder and chief executive of Highsnobiety, says, "This is the new reality. [Rappers] are going to be the most influential brands in the future and if you want your brand to have any relevance with a young audience you need to embrace this, and you need to make it a general part of your strategy moving forward."

The above examples demonstrate how "inclusivity is the new exclusivity" as outlined by luxury industry expert Marigay McKee<sup>37</sup>, who is also on the board committee of the LGBT NY Fashion center. This challenges traditional sacredness or luxury, as exclusivity was one of the pillars through which sacredness was generated. The socio-cultural change from verticalization to horizontalization brings with it a change from tradition or formal wear to an increase in casualization.

#### 4.6 From substance to appearance

The socio-cultural change of moving from rationalism to emotion has brought another change in society, a motion from substance to appearance. While modernity centered on a rationalism that had a focus on content and substance, in postmodernity and hypermodernity, appearance and trompe-l'œil, metaphorically speaking, are more important than actual substance.

Several examples can illustrate how this trend challenges traditional sacredness and hence luxury: the importance that is accorded to the elaborate packaging of luxury brands, the extreme rise of counterfeit goods appearing as luxury goods, and the rise of fast fashion, i.e., the idea that copies of the work of a designer and couture wear are sufficient, leading to a blurring of the lines in which H&M

From a personal interview conducted with Marigay McKee on July 8, 2018.

copies, for instance, Lanvin, and then Lanvin does an official collection for H&M, followed by, for instance, Chanel doing a collaboration with Adidas. Emotion and fun are more important today than the long-term or thinking of investment purchases.

## 4.7 IPOs and increase in investors generate more financial resources

From about 1993 onwards, certain luxury goods companies began to source money to finance the worldwide expansion or entry into other product categories by going public on the stock market. For example, Hermès went public in 1993, Gucci in 1995, and Burberry in 2002. This entailed a fair share of acquisitions and public takeovers in the luxury-goods industry and the formation of the six large luxury goods conglomerates: LVMH, Kering (formerly PPR), Richemont, Prada Group, Swatch Group, and Luxottica Group. The three largest, LVMH, Richemont, and Kering, generated revenues of €61 billion in 2016 or about 25% of the total global market for personal luxury goods (Cook 2017).

The high growth of luxury brand companies and the high EBIT margins and financial returns attracted many more investors. Fosun is a new Chinese conglomerate that recently acquired a majority stake in Lanvin: "Fosun is taking control of Lanvin, France's oldest surviving couture label, in the Chinese conglomerate's most prominent fashion investment yet" (White 2018). Mayhoola is a new Middle Eastern conglomerate, owned by a Qatari investment fund that also directs, amongst other brands, the Valentino business. More and more private equity players are investing in luxury brands, such as Neo Capital, which owns the Italian brand Valextra.

Being luxury or sacred today bears with it substantial costs, from extravagant fashion shows, boutiques or store temples in the best locations, as outlined in Chapter 3, to state-of-the-art websites, ecommerce, omnichannel services, and logistics. This partly explains why many luxury companies go public or become part of large conglomerates.

When they become publicly traded on the stock market or when they join a publicly traded luxury-goods conglomerate, a luxury brand must subject itself to the rules of the stock market. Shareholders demand constant growth and short-term thinking, which is an unnatural frame of mind for the long-term approach of luxury and luxury brands.

In much academic research and analyst reports, it remains unclear whether there is a ceiling beyond which a luxury brand's growth cannot go before the brand becomes diluted, democratized, and no longer perceived as sacred or even as luxury. Large luxury brands, such as Chanel, with an estimated annual turnover of  $\in$ 8 billion, Gucci, with estimated annual sales of  $\in$ 6.2 billion, and Louis Vuitton, with an estimated  $\in$ 10 billion revenue, are still growing. Therefore, in spite of the fact that limits or constraints on growth do exist in many industries, within the luxury-goods industry the growth limit of a brand is as of yet intangible.

The injections of capital into the players in the luxury-goods market provided by investors in the stock market are the fuel that increases the volumes of luxury product sold. They finance the democratization of luxury, which we will outline in more detail in the following sections. This increase in volume challenges the traditional sacredness of luxury, traditionally exclusive and available only to the elite. If luxury is available to everyone, it is impossible to use it to show superiority.

## 4.8 Brand strategies

The luxury business model, its exceptional growth rates and large margins have attracted many imitators that do not compete in the luxury segment per se; but market segmentation and lines of separation have become blurred. Luxury brands and designers themselves have added to this confusion by collaborating with other brands or designing products for lower-priced lines. H&M designers (Karl Lagerfeld, Stella McCartney, Lanvin, Versace, and many others) and the collaboration between Supreme (a famous sportswear/lifestyle brand) and Louis Vuitton illustrate this trend. The confusion is only increased, as noted above, by the use of luxury codes by mass-market brands; they have employed top models in their advertising and opened flagship stores on the same streets as the luxury outlets (Jean-Noël Kapferer 2015).

It is not that luxury brands are near mainstream (profane) brands; rather, they are actually being contaminated, such as in one-off collections called Lanvin for H&M or Versace for H&M. These collections are usually only available for a short period and are limited to a single collection instead of a full longer-term diffusion line. The issue here is the decontextualization of the luxury brand, which

can be found now on a cheap item that costs a few euros and is of average quality, in a retail environment that is not luxurious at all and may even appear on a bargain counter.

This blurring of the lines shows luxury brands challenging their own sacredness, which calls for a prevention of contamination and an opposition to the profane.

## 4.9 New competitor set

New competitors for luxury brands are not limited to the traditional luxury categories but have also appeared in new categories, including technology such as Apple. As a recent article in *The Business of Fashion* writes "The risk for luxury incumbents is that heritage becomes a synonym of old. This threatens to change the competitive dynamics of the industry, as barriers to entry protecting established brands weaken and doors open to new entrants marketing new icons. Just look at the rise of luxury streetwear: countless new brands have come to the party" (Solca 2018).

Streetwear brands such as Supreme or Off White are now in competition with luxury brands in the new category of luxury streetwear, which did not exist until 2018. This category includes such items as sneakers, and luxury brands compete here with sportswear brands and sneakers that cost several thousands of euros. These new luxury brands embrace the new sacred, with such values as co-creation, transparency, standing up for one's ideals, communicating horizontally rather than adopting a top-down approach with consumers, ease, and convenience; this will impose new standards on traditional luxury brands.

Kapferer (2015, p. 38) discusses the sustainability that often features as part of new luxury business models, quoting a US Lexus executive, who said a very high quality car that pollutes is not quality at all, claiming that the initial success of Lexus in California was based on the rejection of German brands among new local elites and the ability of the newly affluent people to buy an expensive dream car that is "silent, comfortable, [with] exceptional level of service, and good news for the environment." The term green conspicuousness was invented by Griskevicius Tybur, and Van den Bergh (2010) to clarify that "the dream car communicates to others that its owner is a pioneer and cares about the planet—and is ready to pay the price for it" (Kapferer 2015; Griskevicius et al. 2010).

## 4.10 Democratization of luxury

McNeil and Riello (2016) come to a vital conclusion in their book *Luxury: A Rich History*: "Luxury actually cannot be democratized" (McNeil and Riello 2016, p. 125).

A democratic luxury would be like a motto stating "Exclusively for everybody," self-contradictory, but indeed the title of an article published in *The Economist*: "modern luxury industry rests on a paradox—but is thriving nonetheless." <sup>38</sup>

This, in essence, characterizes the trend we have described over the past several sections and the current socio-cultural changes that are challenging traditional sacredness. The concept of luxury and democratization do not work together and are even mutually exclusive. When luxury is democratized, it is profane and no longer luxury.

Lipovetsky and Roux (2003) summarize this point of view: "In the past, luxury products were reserved for the ones in power, the royalty, *bourgeoisie huppée* [the upscale bourgeoisie], and since then have descended down the streets" (Lipovetsky and Roux 2003, p. 65).

The luxury conglomerates began to call in managers from large consumer goods companies and to build a marketing spirit, showing that their mission had become to open luxury up to the largest number of people and to make the "inaccessible accessible" (Lipovetsky and Roux 2003). Lipovetsky and Roux (2003) confirm two trends being simultaneously expressed in this change: on the one hand, there is a banalization and demystification of luxury, while on the other hand the dream of luxury (sacredness) is becoming more accessible and the product is being maximized, pushing higher and higher prices and more exotic styles<sup>39</sup> (Lipovetsky and Roux 2003).

Our contentions in previous sections are confirmed by Chandon et al. (2016): "for 25 centuries, luxury has been the privilege of royalty, religious authorities, tyrants, or generals, displayed ostentatiously in public", but "starting with the Renaissance and early capitalist societies, luxury spread

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https://www.economist.com/special-report/2014/12/11/exclusively-for-everybody

Hermès for instance practices this technique. In one in-depth interview carried out for the empirical part ("Jonne") in June 2018, a luxury-goods expert shared a remark of Jean-Louis Dumas, the president of Hermès, that he always wanted to have something available for purchase in his boutiques that costs less than 100 euros (currency translated to today's value). Nevertheless, Hermès recently made a one-off Birkin handbag and sold it for approximately €350,000, one of the most expensive handbags ever sold. At Christie's, where the bag was auctioned, it was sold to an unidentified buyer in Hong Kong after 15 minutes of intense bidding.

slowly to bankers and captains of industry" (Chandon et al. 2016, p. 299). Over the past few decades, academic researchers and luxury brand managers have emphasized rarity and the targeting of the happy few or so-called aristocracy. This has now changed; thanks to the increase in quoted companies and conglomerates trading in luxury goods, a mass democratization of luxury has occurred that serves the "happy many" (Nueno and Quelch 1998; Dubois and Laurent 1998).

## 4.11 Summary

In Chapters 1 and 2 we have described the concept of luxury, what sacredness is, why it is important, and how the concept of luxury and sacredness are related. In Chapter 3, the ways in which luxury brands are appropriating sacredness were reviewed. In this chapter, we described how traditional luxury brands are being challenged with desacralization by such changes in society as hypermodernity, the democratization of luxury, the Internet, e-commerce, and social media. Luxury brands seek ways to manage the paradox of increasing sales while remaining sacred.

The main assumption of this study is that the idea of sacredness is in a process of evolution; hence, in Chapter 5, we propose candidates for a new sacredness for consumers in the 21<sup>st</sup> century.

Chapter 4 shows that luxury is now an economic sector, luxury is everywhere. There are more consumers, and luxury brands are to be found everywhere, which must result in sacredness, i.e., culture changing, and therefore in Chapter 5, we try to understand what would be the 'new sacredness', following the changes outlined in Chapter 4.

We established in Chapter 3 that 'traditional sacredness' is always about distance and superiority, so what will the 'new sacredness' be, and is it still about distance and superiority?

194

Table 19. Summary of consumer changes challenging the old sacredness

Section	Modernity	Post- and Hypermodernity	How is traditional sacredness challenged?
4.2	Dictatorship	Democracy	Impact of social media on 'traditional' luxury brands
4.3	Rationalism	Emotions	Demand from consumers for 'hyper transparency' From purchasing for social status to purchasing for pleasure
			From owning to sharing and renting
			From products to experiences
4.4	Progressivism	Importance of Present	Time against time, rather than class against class The Internet
4.5	Tradition	Multi-role	Millennials – an inclusive generation
			From formalism to casualization
			New role models from Beyoncé to Kim Kardashian
4.6	Substance	Appearance	Importance of packaging of luxury brands Rise of counterfeiting goods: Do the job of appearance Rise of fast fashion: Copies of designer wear sufficient
			Rise of fast fashion: Copies of designer wear sufficient

Table 20. Summary of corporate and competitor changes challenging the old sacredness

Section	Company and competitor change
4.7	IPOs and increase in investors generate more financial resources
4.8	Brand strategies
4.9	New competitor set
4.10	Democratization of luxury

# Chapter 5: A potential new sacredness

The objective of this research is to analyze and describe the relationships of consumers to luxury goods and how these relationships are changing in the 21<sup>st</sup> century. We have explored the link between sacredness and the concept of luxury, and we have seen how brands use the properties of sacredness in their quest to be perceived as luxury brands. In Chapter 4, we described the changes taking place in society and the competitive landscape that challenge traditional luxury brands, as well as how these changes risk desacralizing traditional luxury brands.

In this chapter, following the changes in society, and hence the evolution of sacredness, we develop a framework showing a potential new sacredness for consumers in the 21<sup>st</sup> century. Because the concept of luxury represents a society's culture, if that culture is evolving, luxury, i.e., sacredness, has to evolve as well; if luxury brands wish to remain sacred, they must evolve with the culture. Here, we use a theory developed in Ferry (2014).

## 5.1 The sacralization of humanism

In his seminal book *La Révolution de l'amour*, Ferry (2014) states that it is love that gives meaning to our lives (my translation).

Here, we will outline Ferry's (2014) conclusion that love for humanism will be a new sacredness, and hence our proposition that this new sacredness is structured around three of the dimensions of love discussed in Greek philosophy:  $agap\bar{e}$ ,  $er\bar{o}s$ , and philia. There is a fourth interpretation of love,  $storg\bar{e}$ , which symbolizes love within the family. For the purpose of this thesis we include  $storg\bar{e}$  in philia, which represents love in friendship. This is because in today's society, many have made a family in addition to or sometimes replacing their first one and feel closer to their friends than to their own family.

Ferry calls the second humanism the "revolution of love," which gave birth to the modern family, an institution firmly rooted in the passage from the arranged marriage to the marriage for love. In Ferry's (2012) view, the first humanism was that of the law and reason, of the French Right, and of

Kant, whereas the second humanism is defined by brotherliness and sympathy, with a mission to prepare the world we leave behind for our loved ones rather than being defined by nationalism or revolutionary ideas.

For Ferry (2012), the sacred derives not from religion but from etymology and philosophy. He does not define this in opposition to the profane, as this study does in section 2.2.6. Rather, for him, the sacred has the sense of what a person would sacrifice him- or herself for. He argues that the three main reasons for which humans sacrificed their lives in recent centuries in Europe have been religion, one's nation (or country, homeland), and revolutionary ideas. In today's Europe, however, most are no longer prepared to give their own lives or the lives of their children for these causes. The only causes for which we would sacrifice our lives are not political or religious ideologies but the human beings whom we love, as our love sacralizes them. Ferry writes that this is "A kind of Copernican revolution which, in place of the ancient founding principles—the Cosmos of the Greeks, the God of the great religions, the cogito, reason, and the rights of republican humanism—makes love, friendship, and fraternity the new foundation of our values and places it at the heart of our concerns" (my translation).

For Ferry (2012, p. 35), this is "the wisdom of the moderns or secular spirituality, that is to say, a conception of philosophy which essentially assigns it the task of reflecting on the question of the good life, without passing through any god or faith, but with available means, those of a human being who knows him- or herself to be mortal, yields to himself only the requirements of his lucidity" (my translation).

According to Ferry (2012), there are three reasons for the changes in what is considered sacred that took place in modern society in the 20<sup>th</sup> century: (1) the deconstruction of traditional values, (2) globalization, and (3) marriage for love, which replaced arranged marriage.

The deconstruction of traditional values came about from the rise of capitalism and the scientific revolution in Europe in the 20<sup>th</sup> century. Ferry (2012) calls this destructive innovation, which follows the concept of innovation for innovation's sake; for capitalism to function as the growth engine of innovation, traditional values had to disappear and an age of consumption had to be entered. Holding firm to cultural, moral, and spiritual values, a phenomenon called sublimation or the rich life within, would hamper capitalism. For this reason, de-sublimation is important: in this context, society becomes

more individualistic, hedonist, and playful, an essential requirement for capitalism to flourish. For this to be possible, traditional values needed to fade away and disappear. This matches with Lipovetsky's (2005) conception of hypermodernity that we have explored in Chapter 4. He confirms that at the end of the 1970s, postmodernity emerged, "on the one hand shaking the absolute foundations of rationality and the bankruptcy of the great ideologies of history, and on the other hand, the powerful dynamic of individualization and pluralization within our societies" (Lipovetsky 2005, p. 89). In different words but with the same outcomes, he writes that everything changed: the unequal division of the roles between the sexes, the Church's grip on people's consciences, the revolutionary parties, and the ideal of the nation giving legitimacy to the supreme sacrifice of individuals; all of this changed. This is "towards a society in which the great alternative visions have collapsed, in which modernization no longer meets with any strong organizational or ideological resistance, ... even social classes and class cultures are fading away before the principle of autonomous individuality" (Lipovetsky 2005, p. 90).

The second change, globalization, fostered capitalism, and hence in turn, the deconstruction of the traditional values. As globalization came more and more to the fore, so too came the emancipation of the individual. Whereas previously the individual had been part of the community and the village, once they left the community and village structure he or she became an individual, in a Cartesian way: "thinking for oneself" (Decartes 2010).

The third change is rooted in the passage from the arranged marriage to the idea of marriage by choice, for love. Capitalism was essentially responsible for enabling this by providing a salary, implying that young people, who had thus far been part of a village or farm, could leave the community and take up work in a factory, receiving a salary in exchange. With this distance (from the parents and the farm village) and financial freedom, along with the newly gained liberty, humans could choose a marriage for love; marrying rather than being married.

This results in two consequences: The first is that divorce became more common; the necessity for this grew when a marriage was no longer concluded for lineage, economic, and biological reasons (to transfer the farm to someone or to bring families together), but for love. The older reasons are all more stable than love and passion. At the present, marriage is concluded because of passion, which according to Ferry (2012), lasts only for a few years (for this reason, Ferry [2012] suggests that people

transform marital love into a "love friendship"). The second consequence is an exponential love for one's children, which leads to a sacralization of ones' children. This in turn leads to the question that we and all our contemporaries are asking ourselves about the future world we leave for the next generations. Considerations for future generations has to do with *Mitgefühl*, translated as compassion or empathy, which in turn are now sacred. This is what Ferry (2014) calls the second humanism (Ferry 2010).

In a videotaped conference presentation in 2017, Ferry quotes Weber's use of the following metaphor: "According to marine code, a good ship's captain was expected to stay onboard ship and 'go under' with it if it sank. Today, metaphorically speaking, no captain would die for a ship, but they care and do everything possible for the humans beings onboard to save them, such as sacrifice him- or herself if necessary, for the human beings, but not the ship" (Azellus 2017, own translation). The question follows, "What world will we leave to future generations?" Ferry's point (2014) is that today we are living within a period of sacralization of humanity. Humanity is the new sacred. The only reason for human beings today to sacrifice their lives is to do so for someone, not for something. Ferry (2014) calls this a transcendence for humanity. This transcendence is no longer vertical, relative to God, but horizontal, a transcendence relative to other human beings.

The socio-cultural changes that have taken place from the passage of modernity to postmodernity and hypermodernity have placed the consumer in the center, making this figure the most important being on earth. The individual is now the center of the universe, not just close to God (see section 2.4, where this is outlined), but consumers themselves become God. This is the essence of the new sacred. It is not always religious; rather, it is about being important and or superior to another. A brand that puts the consumer in the center shows another type of sacredness or luxury.

For this reason, we will examine the three kinds of love that the Greeks outlined to develop a framework for understanding the sacred in the 21<sup>st</sup> century. Love and trust are the most powerful motivators for purchasing and repurchasing a brand. According to the French proverb *quand on aime*, *on ne compte pas* [when you love, you don't count the cost (my translation)]," so likewise when love and trust operate with regard to a brand, one does not look at the price or other potential issues the product or brand may have.

The new sense of what is sacred in society, and hence also in luxury, is structured below in terms of the three concepts of love discussed by the Greeks:  $agap\bar{e}$ ,  $er\bar{o}s$ , and philia. Here, we pass from an individual love  $(er\bar{o}s)$ , to love of one's friends and associates (philia), and then to universal love  $(agap\bar{e})$ .

#### 5.2 Erōs

Under the concept of *erōs*, we pose a new proposition to focus on the individual. Our Proposition 1, called 'My pleasure' has four pillars: (1) I want what I want when I want it, (2) seduction, pleasing, and fun, as well as the additional experiences of a product, (3) customization, and (4) well-being.

#### 5.2.1 I want what I want when I want it

The abbreviation IWWIWWIWI signifies I want what I want when I want it, and it names the millennials' state of mind of expecting goods and services right away, without delay. The equivalent expression for this section could be "me, myself and I". This altered consumer behavior is fueled by technology and the instant need for gratification. Bain & Company (2017) argue that IWWIWWIWI is the mantra of millennials, but this state of mind influences luxury brand shoppers of all ages. Kit Yarrow (2014), a consumer-behavior psychologist uses IWWIWWIWI in reference to a group of consumers who have three particular goals in their daily consumption: novelty, self-expression, and recognition (Yarrow 2014).

Farfetch and Gucci have introduced 90-minute guaranteed delivery of Gucci products in ten large cities around the world, catering to the needs of this group. José Neves, the CEO and founder of Farfetch, explains the creation of this service, playing on the expression ready-to-wear, which in luxury has generally always been associated with long waits, "The long wait is over, in every sense: We've partnered with Gucci to launch F90, a new delivery service that goes from store to door in record time. Available in 10 cities across the globe, enjoy the service on selected Gucci styles now—ready-to-wear

in 90 minutes."<sup>40</sup> The two companies have created a video together to promote this new service, and it ends with the message "Spend more time living."<sup>41</sup> The message here is that the brands are providing absolute convenience and service, to take away the hassle of shopping and delivery time. The ultimate luxury, to the consumer, so he or she can do more living, in whatever form that takes.

This trend can be also seen in a more abstract way when one considers that societies are witnessing a shift from object to subject. In modernity, reason and science ruled, but the subject had no space and no voice. The move from modernity to hypermodernity enabled a shift in emphasis from the object to the subject, to the thinking for oneself of Descartes (Decartes 2010). In the 21<sup>st</sup> century, the individual is responsible and is the center, on his or her own terms, the "creator and artist of his own life" (Maffesoli 2018).

McNeil and Riello characterize this age as follows: "those who actually can afford or already own all of the 'regular' luxuries (branded luxury products, fast cars, fancy clothing, gourmet meals, exotic travel and vacations, private jets, latest technologies, real estate etc.), are much more philosophical and recount that their 'true' luxury is time ('quality time' to be precise), to spent with friends and family or in the relaxation of switching off one's cellphone, all 'free luxuries' but ones difficult to achieve in today's managerial society" (McNeil and Riello 2016, p. 145). The free luxuries spoken of here can be linked back to free time: in this free time, the subject makes the decisions and is the boss, as it were.

This new sacredness puts the consumer at the center, not the brand; this makes it consumerrather than brand-centric. This new sacredness has the attributes of casualization, convenience, and
service, joined with the assurance that the consumer does not need to do anything but relax, that the
brand will take care of everything so that they can, as the Gucci Farfetch advertisement says, "Spend
more time living." This can also be seen in other parts of the economy, such as in the tendency toward
self-driving cars, which all seem to say "No need to do anything, the brand will take care of it, relax."

https://www.farfetch.com/tw/editorial/gucci-in-90-minutes.aspx

Video at https://www.youtube.com/watch?v=3unBWk3yp5Y&t=60s

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Lipovetsky (2005) confirms that "we increasingly see hyper-individualist passions for 'comfort and pleasure' and existential comfort, the new demand for agreeable sensations, for a high-quality ambience and environment" (Lipovetsky 2005, p. 88).

## 5.2.2 Seduction, pleasing, fun, and additional product experiences

In his book *Plaire et toucher*, Lipovetsky (2017) gives an image of a seduction that is now omnipresent in our lives. He concludes that "the seduction-world provoked the emergence of a hypertrophied individualization of the relationship with others—the ultimate way of acting on the behavior of men and governing them, the ultimate figure of power in liberal democratic societies" (Lipovetsky 2017, p. 35).

He further describes how, that in "earlier periods, only the productions of art and luxury destined for the privileges of birth or fortune belonged to the requirement of pleasing the clientele" (Lipovetsky 2017, p. 36). "Seduction, pleasing and fun" has begun to be seen more and more in various areas of fashion and luxury; for example, the recent Dior Men fashion show in June 2018 centered around a large cuddly toy, and the celebrities and journalists attending the show were photographed cuddling mini versions of this giant toy. Earlier than this, Karl Lagerfeld placed balloon figures of himself in all of Chanel's boutiques. Hermès installed a large washing machine where one can literally wash, and hence change the color of, one's silk scarf.

The move from product to experience was explained by Sonu Shivdasani, the founder and CEO of the luxury eco resorts Soneva, as follows:

The luxury goods industry will need to manage with the fact that more and more disposable spending is now being spent on experiences rather than goods, as the cupboards are full, and the garages are full, and the affluent would now rather buy unique, memorable experiences.

Traditionally, sustainability and luxury were opposites. Our key purpose at Soneva since we opened our first resort back in 1995 has been to prove that they are not, and

that luxury and sustainability go hand in hand. At Soneva, we manage to offer our guests luxuries whilst minimizing our impact on the planet and enhancing their health. (Friedman 2017a)

Experience can take several forms, from first or early adoption, to discovery and adventure, to acquiring knowledge, such as learning about gemology from Van Cleef & Arpels École, or multisensorial experiences, such as the Jules Verne Michelin star restaurant on top of the Eiffel Tower. Luxury consumption has moved from an end in itself to a means of expressing oneself (Bain & Company 2017).

#### 5.2.3 Customization

The move from object to subject is accompanied by an increase in the role of the individual and its individuality, which results in customization being part of the new sacredness. Once again, the loop is closing, as this is how the concept of luxury became more widespread, when talented artisans crafted and designed unique personal items under the creative direction of the monarchy. The power of being the master, designer and in charge, returns now to the consumer, partly thanks to technology.

In Boston Consulting Group's regular yearly luxury consumer study, in response to the question "Is customization relevant for you when purchasing luxury?" 18% answered yes in 2016, up from 13% in 2013 (BCG 2017).

O'Connor (2018), in an article published by *Business of Fashion*, "Cracking Luxury's Customisation Challenge", reported that

It's been almost 20 years since Nike debuted its successful "NikeiD" initiative, which allows consumers to configure their own sneakers with thousands of possible color and material combinations. The service leverages what product strategists call "mass customization," a mode of production that combines some of the benefits of traditional craft production with the efficiency of modern-day manufacturing. (O'Connor 2018)

Hal Watts, co-founder and chief executive of the fashion tech company Unmade, confirms that for millennials, in particular in their use of Instagram, customization of the product is essential: "They want to be involved in the conversation of the brand and what the evolution of the product is. Millennials expect to be able to change things. They want to be involved in the evolution of the product." A major issue for luxury brands is how much design authority and say within the product is handed over to the consumer:

Deciphering how much creative control to surrender to consumers is a hurdle to navigate. On the one hand, brands are right to be hesitant about handing over design power to the customer: a specific creative point of view is integral to the identity of a luxury brand, and, without the hand of the designer, poor design choices could lead to a final product that is not aligned with the brand vision—or a creation that the customer regrets. (O'Connor 2018)

Pietro Beccari, CEO of Dior, explains the trend toward customization as the consumer's desire to "be God for once":

Mass customisation is the next phase of the Internet. People want to play around and create things themselves. They see the life of a creative person and they want to play God for once. They want to be the one choosing things that make them feel even more part of the world that they like. (O'Connor 2018)

Both the trend toward customization and the trend toward casualization essentially express the consumer's desire to consume, wear and create his or her identity on his or her terms, rather than having them be dictated by traditional values or opinions of others, all following their "own personal pleasure rather than to enhance their social status" (Lipovetsky 2005, p. 48).

204

#### 5.2.4 Well-being

In Chapter 4, we outlined Lipovetsky's (2005) picture of the socio-cultural changes brought on by hypermodern times, where humans have become more anxious about their future health, and a trend toward prevention and enhancement is visible in medication. For example, Viagra is an enhancement rather than a medical treatment. Lipovetsky confirms that:

the ethics of instant gratification has yielded to the cult of health, to the ideology of prevention, vigilance towards disease and the medicalization of existence. To foresee, to forestall, to plan, to prevent: what has taken over our individualized lives is an awareness always building bridges to tomorrow and the day after tomorrow. The carefree culture of carpe diem is on the retreat: under the pressure exerted by the norms of prevention and healthiness, it is not so much the plenitude of the instant which predominates but rather a divided and anxious present, haunted by viruses and the ravages of time. (Lipovetsky 2005, p. 58)

Another way to see this: well-being is the new handbag, as is the prevention of illness and aging or performance enhancers for the body. This is confirmed by Ferry in *La Révolution transhumaniste* (Ferry 2016).

This new sacred value, of great health, well-being and a perfect body, is being utilized by the Lanserhof Group, who run a mini chain of four health resorts. It is described as "Germany's and Austria's most luxurious but rigorous health retreat" (O'Flaherty 2016). This group has won ample awards and are probably some of the best-known and most expensive clinics in the wellness sector. Thus, the Lanserhof Group with its resorts, treatments, and now also their own products of dietary supplements and teas, satisfy the new sacredness of the additional experience of a product, with the product here being pills and teas, among other things, but also a perfect body, inside and out.

From the above pillars of sacredness focused on  $er\bar{o}s$ , we derive our first research question for the empirical part to follow in Chapter 7:

P1 My pleasure: Is the new sacred today linked to seducing me, or pleasing me?

#### 5.3 Philia

For *philia*, we suggest one new proposition of sacredness centered around friendship and the relationship to other human beings (P2), called friendship. Pillars of this second proposition include (1) inclusion via collaboration, (2) inclusion with respect to product sizing, (3) casualization, and (4) convergence of the brand's and consumer's social values.

#### 5.3.1 Inclusion via collaboration

As we have discussed in Chapter 4, the socio-cultural changes from verticalization to horizontalization have challenged traditional sacredness. Among the new sacred values of society we suggest is inclusion. Collaboration can involve co-creation, in which a brand and its consumers collaborate, or a brand can provide a tool box containing symbols and products made by the brand, which the consumer can mix and match as he or she deems fit. Luxury brands such as Gucci or Anya Hindmarch sell stickers of velvet or other materials (ample choice is provided), with which consumers can make the brand and its handbag their own. Additionally, the loud design and direct message borne by these stickers make them perfectly Instagrammable. This is in line with the socio-cultural trend of playing and experiencing, along with the trend of the consumer wanting to be in charge; we will return to both points in the following subsections. In their study, Tynan et al. studied how marketers and consumers can co-create value in the luxury-goods marketplace. They found that "Co-creating the luxury brand experience involves dialogue and complex interactions between the brand owner, employee, customer and other social groups including the customer brand communities, those experts or agencies who are part of the brand owners' network and the industry itself. The experience only creates value when the parties engage and market with each other, that is, when no separation between production and consumption occurs, which traditionally serves to divide the parties" (Tynan et al. 2010, p. 1161). They also found that symbolic/expressive, experiential/hedonic, and relational types of value enable differentiation between various luxury brands, rather than high utilitarian value.

#### 5.3.2 Inclusion with respect to product sizing

Metaphorically speaking, sizing is about 'welcoming', for this reason this is in the love category *philia*, i.e. friendship.

Sizing ranges are receiving greater attention in the fashion and luxury goods sectors, but they are not yet extensive enough to form a trend of inclusion among the brands. During the Copenhagen Sustainable Fashion Summit in 2018, one creative director and opinion leader shared an anecdote at a roundtable: A well-known American designer at a brand with several billion dollars of revenue called up a famous plus-size model, asking her to open his fashion show (this would mean she would be the first model to come out on the catwalk). She thanked the designer kindly for the honor, but she explained, if only once had this designer actually put a meaningful plus-size offering in his regular collection (that is, not just for the show), then she would have been happy to walk, i.e., participate in his show. This shows that the trend for transparency and authenticity is also relevant in this field. Most luxury brands have no sizes above 46 (French size).

In September 2017, Kering and LVMH came together to publish a document entitled *Charter on Working Relations with Fashion Models and Their Well-Being*. This charter is mainly intended to regulate the so far unregulated grey area of employing the very young (as young as 15 years old) and extremely thin models. We include this information here not because of any pre-existing lack of regulation of models, although this was a necessary move by these two industry leaders, but to emphasize what sizing luxury and fast-fashion brands are using. Kering and LVMH's charter sets out that "All fashion brands belonging to LVMH and Kering commit to banning size 32 for women and size 42 for men (French measurement) from their casting requirements. Casting agencies will be required to present female and male models who are size 34 or over and size 44 or over." <sup>42</sup> The CEO and part of the founding family of Kering, François-Henri Pinault, noted the following when publishing this charter: "Many people do not even know that size 32 exists." Antoine Arnault, a member of LVMH's board of directors and the son of the CEO Bernard Arnault, adds, "But some fashion designers

Kering website: http://www.kering.com/en/press-releases/kering\_has\_drawn\_up\_a\_charter\_on\_work ing relations with fashion models and their well

made their prototypes in 32. That's over now, sizes are about to start at 34, and that's pretty small."<sup>43</sup> For reference, size 32 is what Americans call size zero, and this represents the physique of a normal 12-year-old girl.<sup>44</sup>

Beyond the misleading and negative effects that models who are too thin have on the young, a business opportunity is not being met if inclusivity of all sizes is not addressed. In a 2017 article, *The Economist* called this the forgotten majority and quoted several reports, among which was the following observation: "Plunkett Research, a market-research firm, found that 67% of American women were 'plus-size,' meaning size 14 [French size 46] or larger. That figure will not have changed much, but in 2016, only 18% of clothing sold was plus-size, according to NPD Group, another research firm." 45

A new brand, called Universal Standard, was launched in 2015 by investor Nathalie Massanet, founder of Net-A-Porter Group, with the mission to offer American sizes 6 to 26; a key tagline for this new brand is "#inclusivity is the future, as shown by an Instagram post by Imaginary about @UniversalStandard.

Finally, it is clear that there is a wave of change coming with respect to sizes in luxury brands, which will ultimately influence all other brands: in *The Financial Times* in June 2018, Virgil Abloh, who had recently been appointed Creative Director for Men at Louis Vuitton, probably the largest luxury brand worldwide, shared, in a full-page interview, his vision for Louis Vuitton menswear (Porter 2018). He called for a vision in which fashion would be made more universal. He mused on men's clothing sizes: "The era before, you had to be skinny. ... I was like, that doesn't relate. When you look outside, that's not valuable. I just want to find the size medium that a lot of people could wear, and to not be oversized. People live by the size label in their garments. That affects their whole mental state. Their self-image is related to fit. ... Are we just here leading trend of color and garment, or can I launch a trend thinking about responsibility towards body image, to have an effect on people and society at hand?" The article concludes by raising the question "A truly inclusive house in the heart of French luxury?" and assesses: "That really would be seismic" (Porter 2018).

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https://orf.at/stories/2405962/2405961/

http://www.oe24.at/lifestyle/Heidi-Klum-Size-Zero-gibt-es-nicht/498850

https://www.economist.com/business/2017/07/13/the-fashion-industry-pays-attention-to-plus-size-women

#### 5.3.3 Casualization

Metaphorically speaking, casualization stands for 'feeling at home', as a friend would welcome you at his or her house and suggest to feel at home or *faitez comme chez vous*.

Casualization in international literature generally refers to employment becoming more casual: there is a move from permanent contracts to engagements on a short-term or temporary basis.

Here, we examine sartorial choices: at the workplace first, but also in life in general. These began with business casual, a style born in Silicon Valley in the early 1980s, which consisted of khaki pants, sensible shoes, and button-down, collared shirts. Another, similar phenomenon, was casual Friday, which meant that on Fridays, in certain companies, employees could diverge from the strict dress code, which required a suit and a tie, to a more business chic or business casual look.

Deirdre Clemente, a professor of history at the University of Nevada, argues that the modern casual American wardrobe began on American college campuses as "young people gained increasing social and cultural clout during the early 20<sup>th</sup> century, their tastes transformed mainstream fashion from collared and corseted to comfortable" (Clemente 2014, back cover page).

Silicon Valley and its world-famous businesses like Apple and Facebook made casual looks even more the norm, and sartorial choices have been taken toward an extreme form of simplification. As Clemente notes, "Steve Jobs and Mark Zuckerberg are associated with signature outfits—a black, mock turtleneck for the former and a gray T-shirt and hoodie for the latter." Zuckerberg even took this to an extreme, explaining that "I really want to clear my life to make it so that I have to make as few decisions as possible about anything except how to best serve [Facebook's] community." In response, Clemente asks "So, fashion and formality are frivolous? That's the same logic that killed off the lavish ensembles of the French court and made way for the post-Revolution sack suit, a change that set a standard for menswear for nearly two centuries." (Clemente 2014, p. 25)

At this stage, the term business casual has become irrelevant, as it is so common and such an accepted practice. An article published in May 2017 explained that "'business casual' is nearly obsolete

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https://www.theatlantic.com/business/archive/2017/05/history-of-business-casual/526014/

for describing the clothing of a workforce that includes many who work from home in yoga pants, put on a clean T-shirt for a Skype meeting, and don't always go into the office."<sup>47</sup>

Here, we define the term casualization as encompassing several trends, including athleisure and streetwear. As Clemente confirmed in a different article "Athleisure is not just a trend, it's a fundamental shift in how Americans dress. Athleisure is the new casual" (Green 2017). Clemente describes athleisure as a "weird hybrid of business casual and athletic wear, which has essentially created an entirely new category of clothing. Many of the clothes that people now consider work-appropriate incorporate sports-inspired materials, like spandex, Lycra, and other synthetic fibers. It's combining two trends that have dominated American casual clothing, durability and comfort, in a versatile way (Green 2017). Business casual and sportswear have now merged and become athleisure, which is casual or leisure wear but with attributes developed for athletes and their sportswear, that is, more durability and wrinkle and odor resistance with tech-infused fabrics. Clemente is again quoted in this article, explaining that "People want less maintenance of their clothes. Technology is such a pervasive part of our lives. To want it in our clothes is simply natural."

The consulting firm Boston Consulting Group confirmed that this trend of casualization exists, noting that it is driven by wardrobe saturation among the eldest, i.e., the baby boomers,<sup>48</sup> who have sufficient formal wear in their closets for formal occasions, whereas the millennials have several reasons for not buying much formal wear: casual is more suitable for more occasions, it is more comfortable, and casualization is the major trend in the office (BCG 2017).

Boston Consulting Group also confirms the luxurization of casual wear. As an example, one can note that sneakers represented just below 10% of the luxury shoe market in 2009, whereas in 2016 they made up 19%, almost double of what it was.

Bain & Company identify in their annual study that sales of all personal luxury goods have grown on average by 5% from 2016. Many of the casual subcategories, including sneakers, t-shirts, and down jackets have grown faster than this average, as can be seen in the table below:

https://www.theatlantic.com/business/archive/2017/05/history-of-business-casual/526014/

The generation defined as being born in the period starting from the early- to mid-1940s and ending around 1960 to 1964.

Table 21. Growth rates of personal luxury goods 2016

Category	Percentage	
Market average	5%	
Casual sub-product categories:		
Rubber slides	50%	
T-shirts	25%	
Down jackets	15%	
Sneakers	10%	
Parkas	8%	
Denim	6%	

*Note:* Adaption from presentation by Bain & Company (2017).

We include athleisure and streetwear within the overall trend of casualization. One could reason that, given the increase in casualization, brands like Céline or Givenchy are emphasizing their haute couture business to counter this trend. This can possibly explain why Céline will introduce Couture under Hedi Slimane even though it has never had couture as part of its business model before.

One can draw several conclusions from these examples. First, as indicated on several occasions in earlier chapters, there is an observable trend away from the formal, vertical, or authoritarian, toward the casual, which is reflected in the trend towards individuality and comfort, as outlined by Maffessoli (2018) and Lipovetsky (2005). Second, as Clemente puts it, "given there is an increasing trend towards health and fitness, the clothes fit the culture, and that's true of any fashion trends" (Green 2017).

#### 5.3.4 Convergence of social values of the brand and the consumer

This study proposes that the alignment of a brand's values with those of its consumers is a new version of the sacred for the  $21^{st}$  century.

For example, the brand Gucci has recently made a stand on values and has been communicating them more clearly, on two occasions in particular: Gucci took a strong position on gun control in the USA in support of its large millennial client base, pledging \$500,000 to the March For Our Lives rally

in March 2018. Further, Gucci confirmed at the beginning of 2017 that they will stop using real fur in their products. These actions were noted in the press, as follows: "the brand now stands for something worthy of belonging. Since taking the creative reins, designer Alessandro Michele's work has always meant something more than just fashion. His maximalist designs and casting choices have underscored his belief in the power of self-expression, identity fluidity and a motley crew of beautiful eccentrics. Otherwise put: you can be whoever you want to be. Now, that's an idea worth lining up for" (Sherman 2018a).

Another example is the anti-real-fur debate. The debate between the use of real or fake fur has been going on for some time, with the momentum changing sides like a pendulum, but it is clear from the below that the days of real fur are probably numbered. Between 2017 and 2018, the following brands and multi-brand retailers have announced that they are going real fur-free: YOOX Net-a-Porter Group, VF Corporation, Versace, Furla, Michael Kors, Jimmy Choo, InStyle magazine, Rent the Runway, Columbia Sportswear, Donna Karan, and Givenchy. In addition, the following countries have banned fur farming: Norway, Belgium, Austria, Bosnia and Herzegovina, Croatia, The Netherlands, Republic of Macedonia, Slovenia, and the UK. The dedicated non-for-profit international coalition of 40 animal protection organizations called Fur Free Alliance has compiled an overview of polls in 17 European countries, including Germany and Italy, which show two-thirds or more of the population to be anti-real-fur consumption. We found several newspaper articles that confirm that "Today's consumers increasingly prefer faux fur's versatility and softness and want to align their values with their wardrobes like never before" (Smith 2018).

From the above new suggested pillars of sacredness around *philia*, we derive our second research question for the empirical part to follow in Chapter 7:

P2: Is the new sacred today linked to the idea of friendship?

4

## 5.4 Agapē

 $Agap\bar{e}$  is the love of fraternity and charity. Christians use  $agap\bar{e}$  to express the unconditional love of God for his children. This is selfless, divine, and universal love. Our third proposition (P3) is centered around doing good, and has several new pillars of sacredness: (1) inclusion via transparency, (2) inclusion via sustainable behavior, and (3) inclusion with respect to gender.

## 5.4.1 Inclusion via transparency

Transparency can include many forms, from revealing country of origin of raw materials, to naming where production takes place, to being honest and transparent about pricing and margins across countries, to openness about the company and the luxury brand itself.

One form of transparency exposes general information about the company, in particular with respect to environmental sustainability. Chanel, a privately-held company, has never published any financial figures or other details about its brand operations since its founding 108 years ago. In June 2018, for the first time, it published a 76-page report, bearing the following introduction

CHANEL, a privately owned company for more than 100 years, has traditionally been very discreet about its business. We have principally devoted our communications to showcasing our products and their creators, a discretion which has contributed to a sense of mystique around the brand.

Today, however, all stakeholders expect greater transparency and accountability from companies. We want to share in more detail how CHANEL operates, the commitments we have made as a company, and how we collaborate with civil society, with external stakeholders, and with other brands on sustainability issues. (Chanel 2018)

With this statement, Chanel has demonstrated that access to information and transparency about a company in general, and its sustainable actions in particular, are valued more highly by stakeholders today than the mystique practiced by luxury brands in the past.

Transparency can also relate to worldwide retail prices. Pricing in the luxury-goods industry is not equal everywhere: the same handbag can cost up to 60% more in China than the same handbag does in Paris. A recent report from Exane BNP Parisbas has exposed that luxury goods purchased in Italy and France in 2017 were about 22% cheaper than the global average, while the same goods in China were about 21% more expensive, placing a divide between China and those two European countries of about 41%.<sup>50</sup> The discrepancy may exist because of high import and compliance duties levied by the Chinese government. On the other hand, the cost of running a retail store, including salaries for sales associates, store rents, and maintenance, are some of the lowest in the world in China, resulting in some of the highest EBIT margins for luxury brands being precisely in China. In their global consumer study of luxury-goods consumers, Boston Consulting Group asked, "Do you feel a progressive separation between overall value of luxury products and their price?" and found that over 50% of luxury consumers perceive a price/value misalignment. In particular, Americans and millennials were most disappointed.

In their first report to society, Chanel shared the following:

In 2015, we were the first in our industry sector to introduce worldwide price harmonization for handbags. This decision was made in order to reduce price differentials that may have existed across markets and in order to offer our products to all of our clients at a harmonized price, regardless of location.

Our strategy was a bold one initially, but it was a move in favor of our customers. For them, and purely out of fairness, it was no longer acceptable for us to allow significant price differentials to develop. We were courageous first-movers in this matter and are satisfied with how our strategy has played out: The resale market has decreased, the traffic in our boutiques is clearly more balanced, and we have the opportunity to better serve our clients and create an experience in line with our standards of excellence. (Chanel 2018)

51

Industry report from Exane BNP Parisbas, authored by Luca Solca July 2018.

Transparency can be related to different retail prices for the same item in different countries, as well as to the retail pricing of items in general versus their underlying cost. Luxury brand companies have achieved luxury margins, with some of the highest EBIT margins in any industry. For example, Hermès achieved an EBIT margin of 32% in 2017, and Gucci's figure reached 28% in 2017. This means that for every €100 of sales, the company keeps after costs, as profit, €32 and €28, respectively.<sup>51</sup> Louis Vuitton is estimated to have EBIT margins of around 45% with sales of around \$11 billion (BOF June 29 2018).

Another example is the brand Maison Standard,<sup>52</sup> which is not a luxury brand, but as seen in this chapter, new, non-luxury competitors are changing the competitive landscape and influencing the behavior of luxury brand companies and consumer expectations. During their sales periods, Maison Standard offers three price points for certain styles, and the consumer can choose which price to pay: Retail price one (the lowest) covers the cost of the raw materials, production, and transport. Retail price two (slightly higher) covers the same as retail price one but includes the costs of the team. Retail price three (the highest one) covers retail price two and includes a small margin to finance new projects and the development of the brand (i.e., marketing). Honest By is a fashion brand that publishes all the costs over its entire value chain<sup>53</sup> in much more detail than Maison Standard does. Honest By has the claim of being the world's first 100% transparent company. It was launched in 2012 by Bruno Pieters, and it is unique for the transparency of the information about the supply chain and pricing of its products. Honest By openly states where their garments and all their components are made and by whom. Their website states "Bruno Pieters believes that fashion is a celebration of beauty and that the story behind

<sup>51</sup> Annual reports of the respective companies.

See http://www.maisonstandards.com/fr/content/315-pwyw-e18 with the following message: En 2017, 1 vêtement sur 2 s'est vendu en Soldes ou en promotions ce qui prouve que le prix facial d'un vêtement n'est que rarement son "vrai" prix. Les marges, qui englobent les frais des intermédiaires et du marketing multipliant parfois par 10 le coût réel du vêtement, sont réduites ou supprimées pendant les soldes. D'où cette impression de faire une "bonne" affaire. La réalité ? Un stress terrible pour trouver votre taille, des achats parfois redondants ou qui ne vous vont simplement pas et un vêtement qui est finalement vendu... au prix "normal". Chez Maison Standards, nous revendiquons d'être à contre-courant de tous ces préceptes de la fast-fashion et nous avons construit notre marque autour de ce crédo : Un produit au prix juste toute l'année. Néanmoins, comme la Mode n'est pas une science exacte, il nous arrive de produire certaines pièces en trop grande quantité. C'EST POURQUOI, SUR UNE SÉLECTION DE PRODUITS, NOUS VOUS PROPOSONS DE DÉCIDER VOUS-MÊME DU PRIX ET DE FIXER, EN FONCTION DE VOS MOYENS ET DE VOS ENVIES, LA VALEUR DE VOTRE ACHAT.

celebration can be equally beautiful."<sup>54</sup> In addition, Honest By promotes human and animal well-being. Every component in every product Honest By sells is meant to have the smallest impact on health or the environment. That brings us to the next section, which is a proposition of sustainable behavior.

#### 5.4.2 Inclusion via sustainable behavior

We saw in Chapter 4 that the socio-cultural changes that are taking place, such as the movement from rationalism to emotionalism, are challenging traditional ideas of the sacred. Maffesoli (2018) and Ferry (2014) confirm, using different words but with the same underlying message, that the 21st century is about sympathy and empathy, not just for other humans but also for the environment (Maffesoli 2018; Ferry 2014). As Orsola de Castro, the founder and creative director of the brand Fashion Revolution describes it at the Copenhagen Sustainable Fashion Summit 2018: "We know consumers, especially the younger generations, want to see products made with dignity, from beginning to end."

We propose the new sacred value of sustainable behavior in the largest sense: this would include the present idea of corporate social responsibility plus environmental and general stakeholder responsibility. This new ideology would entail being a respectful corporate or human citizen and working for a meaningful end, engaging in meaningful consumption. Actions by companies that help consumers make better choices are rewarded with loyalty. For example, the French online supermarket Houra lets its customer see when the delivery vehicle is nearby so one can choose a time to receive one's delivery when it would be best, ecologically speaking, allowing the consumer to feel that he or she has done something good. This is confirmed by Griskevicius et al. (2010), who find while researching green conspicuous consumption that "status motives influenced desire for green products. Activating status motives led people to choose green products over more luxurious non-green products. Supporting the notion that altruism signals one's willingness and ability to incur costs for others' benefit, status motives increased desire for green products when shopping in public (but not private) and when green products cost more (but not less) than non-green products" (Griskevicius et al. 2010, p. 392). This is confirmed by Prüne (2013), who shows that especially in social milieus that are opinion

4 http://www.honestby.com/

54

leaders, these neo greens, as they are called in that paper, react with a consumption-oriented social-ecological sustainability, which however, in contrast with previous environmental movements, is at the same time characterized by indulgence and self-fulfillment of needs (Prüne 2013). On the demand side, the empirical results identified by Prüne (2013) in her book *Luxus und Nachhaltigkeit* demonstrate that ecological features of a product play a role in purchase decision and are certainly gaining in importance, while classic luxury features, such as the exclusivity of the product or the uniqueness of the buying experience, lose importance in the buying decision. However, the willingness to buy sustainable alternatives is conditional, in that the services offered and materials used must continue to be of the highest quality and workmanship (Prüne 2013).

The Business of Fashion published an article entitled "Community, the Missing Ingredient in Luxury's Streetwear Pivot," where they use as an example the brand "Supreme, which started off back in 1994 when the skater-inflected countercultural roots and the crew of downtown misfits congregated at the original store in Lafayette Street not to buy but to hang out." The article asks, "When was the last time anyone hung out at the Hermès store?". It then goes on to quote Marco Bizzarri as saying that "Inclusivity was a mega-trend across all industries and that millennials were animated by the possibility of being part of the tribe. Gucci's AW 2018 campaign comes with the captions 'Gucci's tribe of outsiders." 155

## 5.4.3 Inclusion with respect to gender

The acronym LGBT stands for lesbian, gay, bisexual, and transgender. It is from time to time accompanied by the letter I to include intersex people, A for asexual, Q for queer or questioning, or P for pansexual people; these additional inclusions are sometimes summarized by modifying the acronym to LGBT+.

The LGBT social movement has existed in various forms since the gay liberation movement of the 1960s and 1970s in the US.

https://www.businessoffashion.com/articles/professional/community-the-missing-ingredient-in-luxurys-streetwear-pivot

The fashion and luxury goods industry has so far followed strict guidelines regarding female or male collections, and there are only limited offerings for unisex collections.

At the Voices conference organized by *The Business of Fashion* in November 2017, one speech and a following roundtable discussion concentrated on the gender revolution. In this speech, Dr. Shazhan Amed explains that "Gender identity is not a simple social psychosocial construct of nurture, but rather it's the complex interplay of environmental, biological, hormonal and even cultural factors" (Fernandez 2017). She adds that "the traditional binaries associated with gender, i.e., male or female, are no longer valid" and she encourages attendees to reimagine gender as a continuum. Dr Amed asks whether today we can raise a child who is neither female or male, and she provides in her speech as an example her daughter's private school, which introduced a school uniform that has both pants as well as a kilt, which can be worn without regard to one's gender. Most of the time, her daughter chooses pants. In Dr. Amed's opinion, it is truly empowering for her daughter to have this choice and make her own decision.

On the one hand, fashion and luxury brands are used to build one's identity, and each person should express him- or herself as desired. On the other hand, fashion and luxury brands continue to be based around a binary, stereotyped conception of what is male and female. However, there are signs of a slow but increasing trend in fashion and luxury that a movement towards inclusivity of all genders is underway:

- In 2015, Selfridges department store in London launched Agender, a space dedicated to a genderless shopping experience. This is a concept space, i.e., "an environment in which you are given the freedom to transcend notions of 'his' and 'hers', as you simply find your most desired item by color, fit and style."
- In January 2018, Abercrombie & Fitch launched its first gender-neutral collection for kids, called the Everybody Collection.
- Christopher Bailey, CEO and Creative Director of Burberry before he left the company in February 2018, dedicated his last collection to the LGBTQ+ movement with the following statement "The

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<sup>56</sup> http://www.selfridges.com/GB/en/features/articles/content/agender-the-conceptspace

rainbow, a symbol of inclusiveness and joy, is celebrated throughout the February collection. My final collection here at Burberry is dedicated to—and in support of—some of the best and brightest organizations supporting LGBTQ+ youth around the world. There has never been a more important time to say that in our diversity lies our strength and our creativity."<sup>57</sup>

- In October 2017, Conde Nast, one of the most important publishing houses, the owner of *Vogue*, *Vanity Fair*, and *The New Yorker*, launched a new digital publication called Them, which describes itself as "a next-generation community platform, [that] chronicles and celebrates the stories, people and voices that are emerging and inspiring all of us, ranging in topics from pop culture and style to politics and news, all through the lens of today's LGBTQ community."<sup>58</sup>
- The Phluid Project, which was inaugurated in March 2018 in New York, near Soho, is a gender-free retail space. It describes itself as "part retail, part 'experiential platform,' aimed toward gender-nonconforming and genderfluid consumers." It focuses on clothes but also on creating an "inclusive retail experience for gender-nonconforming customers," including customized gender-free mannequins, unisex clothing, a gender-neutral bathroom, and more. <sup>59</sup>

Thus, although it is a small trend so far, there are important signs that brands will embrace the inclusivity of gender to a greater and greater extent. Abercrombie & Fitch explained its decision to put out a genderless kids collection: "At Abercrombie Kids, the team is focused on putting the customer at the center of everything it does, listening and engaging with them constantly to ensure product and brand experience is evolving to meet their changing needs. Through these interactions, the team gained insight that many customers, when shopping across genders, do not necessarily want to be restricted to certain styles and colors."

Although here we focus in particular on gender and sexuality minorities, the concept of inclusivity here intends to address also other minorities, including religion and race.

Bain & Company (2017) state that opinions become the new fuel of aspiration. A report by the Future Laboratory confirms that consumers want brands to embrace and celebrate their values, as

https://www.thephluidproject.com/about/

http://phx.corporate-ir.net/phoenix.zhtml?c=61701&p=irol-newsArticle&ID=2327016

219

https://us.burberry.com/the-rainbow-legacy/

http://www.condenast.com/brands/them/

consumers begin to wear their attitudes, morals, and values "on their sleeves" (Future Laboratory 2017b).

From the above new suggested pillars of sacredness around *agapē*, we derive our third research question for the empirical part to follow in Chapter 7: P3: Is the new sacred today linked to doing good?

## 5.5 Are these new propositions of sacredness still conveying superiority?

As outlined in Chapter 1, luxury has had the purpose of showing superiority for centuries. Superiority remains part of the concept of luxury, however what is sacred has evolved. This study proposes that the three propositions made over the past pages have elaborated the concept of the sacred —and hence the superior—as it is understood by some. The below examples demonstrate this sacred superiority:

- Luxury streetwear and sneakers are part of luxury products today: for example, luxury brands compete with sportswear brands, with luxury sneakers going for up to \$12,000 per pair.
- Charity itself is not sacred, but the effectiveness of one's charity is, and hence creates superiority. For example, giving on the scale of Bill Gates or Mark Zuckerberg, where the point is to see which charity works better and is more efficient in turning money into results and making the world better. This links back to what was outlined in earlier chapters, where Bataille (1967) and Veblen (1899) in their different time periods and in different words, but with the same outcome, show that it is the point of luxury to spend resources on non-productive things, i.e., those that do not produce a return, to show off one's superiority. Zuckerberg and those like him demonstrate their superiority not with traditional luxury, which is not sacred for them, but with new luxury which is, such as an effective charity or philanthropic investments.
- Green conspicuous consumption, as developed by Griskevicius et al. (2010), demonstrates that by buying bio and demonstrating green values, consumers feel that they are partaking in the sacred, which makes them feel superior.

As shown in Chapter 1, the factor of keeping up with the Joneses remains, but superiority is provided, at least for some consumers, not via traditional luxury goods, but in the propositions for the new sacredness seen above.

The question is what is changing in the relationship to the objects. Traditional objects that were once sacred are no longer: we now have a Gucci show in a church and Beyoncé singing in the Louvre. People's relationships to formerly sacred places are different, as these items which were traditionally sacred are not superior any longer, they are just part of life. The play with the sacred is an element of hypermodernity, as it demonstrates lack of obedience to the former dictatorship.

Working to save the planet or to benefit society is sacred, and in itself it features a new kind of superiority: the new sacredness makes the customer feel superior in the same way that the traditional one did.

In a sub-section of a book by the Critical Luxury Studies research group, Berry (2016) proposes the existence of several phases of the conception of luxury:

- moralization of luxury, i.e., its role as a corrupter of virtue;
- de-moralization of luxury, i.e., the re-evaluation of luxury that occurred when consumption expanded, beginning in the 17<sup>th</sup> century, leading to a gain in positive connotations for luxury; and
- re-moralization of luxury, along with a general critique of consumerism, in three perspectives: ethical, social, and environmental; this third perspective may have the greatest impact.

Before this thesis concludes and its contribution becomes finalized, we introduce the following concept: that making the world a better place can have a kind of sacredness. If this type of behavior becomes part of the new sacredness, a new type of conspicuous behavior that provides superiority and becomes valued as luxury, then the world could really become a better place.

Berry (2016) concludes that "while Hegel's dialectic ultimately has a resolution in the Absolute, short of ice caps melting, the dialectic of desire for luxury seems likely to run and run." If the point is to counterbalance this, one solution could be to make changing the world for the better into part of a new sacredness and a way to experience superiority.

Continuing to draw out this idea further, if some of the Instagram influencers mentioned in Table 22 could find superiority not in a Rolls Royce but in participating in and promoting for example

an ocean-clean-up day, this would be a great achievement. These influencers usually charge per post very high amounts which is impossible to pay for The Ocean Cleanup nonprofit company, hence this would need to come via the influencer's personal motivation, by taking this action and showing what is 'sacred' for them.

Table 22. Instagram followers and payment per post

	Instagram followers	Approx. charge per post
Kylie Jenner	113 M	\$1,000.000
Selena Gomez	139 M	\$800,000
Ronaldo	137 M	\$750,000
Kim Kardashian	121 M	\$720,000
Beyoncé	116 M	\$700,000

Note: Adapted from http://www.thefashionlaw.com/

# 5.6 Summary

In this chapter, we described the evolution of the concept of luxury and proposed new sacred values for the 21<sup>st</sup> century. New considerations for what elevates consumers requires luxury to evolve, as luxury must adapt to what is sacred for consumers today. If society continues to evolve and what it considers sacred continues to change, so too must luxury evolve, as the concept of luxury must reflect and be part of society if it is to remain luxury. Table 23 summarizes the three directions of the sacralization of humanism, and proposes different dimensions of new sacred values.

Thus, the link between Chapter 1 on the concept of luxury and this chapter, which discusses the evolution of the concept of luxury in the light of the changes in the socio-cultural and competitive landscape as outlined in Chapter 4, can be seen in Table 24 listing the attributes of traditional and new sacredness. It must be stressed that traditional sacred values do not disappear completely, but rather new attributes of sacredness enter into consideration: they are additional to traditional values, not in opposition to them.

Maffesoli (2018) explains that traditional values are diluted and new values are becoming more important as a new epoch opens up. The purchase drivers of the past for luxury, such as the notions of power, status, and influence, are not replaced but enhanced by new sacred values, including environmentally friendly, inclusive, and individualistic values. This has deductive consequences: if the below attributes characterize the new sacred, Apple qualifies as a luxury brand.

Table 23. Summary of dimensions of the new sacredness

Sacralization of humanism	Dimensions or new sacred values
 Erōs	P1: My pleasure
	- I want what I want when I want it
	- Seduction, pleasing, fun, and additional experiences
	of the product
	- Customization
	- Well-being
Philia	P2: Friendship
	- Inclusion via collaboration
	- Inclusion with respect to product sizing
	- Casualization
	- Convergence of brand's and consumer's social
	values
Agapē	P3: Charity, doing good
	- Inclusion via transparency
	- Inclusion via sustainable behavior
	- Inclusion with respect to gender

*Note*: From own analysis.

Table 24. Describing the traditional sacredness of luxury and the new sacredness

Traditional sacredness: These values once enabled superiority	New sacredness: New values to derive superiority from <sup>a</sup>
Prestigious	Prestigious
Rare	Rare
Exclusive	Exclusive
High quality/high performance	High quality /high performance
Expensive	Expensive
Hand crafted, craftmanship, artisanship	Hand crafted, craftmanship, artisanship
Distant, top down, monologue, arrogant	Distant, top down, monologue, arrogant
Perceived conspicuousness	Perceived conspicuousness
Perceived uniqueness	Perceived uniqueness
Elitist	Elitist
Mysterious	Mysterious
Long term	Long term
	Erōs P1: Seducing and pleasing me IWWIWWIWI; seduction, pleasing, fun, and additional experiences; customization; well-being
	Philia P2: Friendship Inclusion via collaboration; with respect to product sizing; casualization; convergence of social values of the brand and the consumer
	Agapē P3: Charity, doing good Inclusion via transparency; via sustainable behavior; with
	respect to gender

Note: <sup>a</sup> The parameters in light grey are less important today but are still present. From own analysis.

# **Chapter 6 : Conceptual framework**

It is important to note that for different consumer groups, different values will be sacred, and they will reach and experience superiority by means of different values. For example, for the old bourgeoisie the traditional sacred values will remain important, but for the millennials new values will likely be more relevant in how they demonstrate superiority. For this reason, as shown above and also in the framework below, the new sacredness should be considered an addition and not an alternative.

As we show in the empirical part that follows, the number of consumers that will experience superiority from the new sacred values is set to increase. Bain & Company estimates that more and more consumers will have a millennial state of mind, regardless of which generation they belong to (Bain & Company 2017).

The framework that follows shows the interlinkage of Chapters 2 to 6 of this thesis.

Figure 9. Framework for luxury brand sacralization

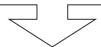
#### Chapter 4

#### Socio-cultural changes

- From dictatorship to democracy
- From rationalism to emotions
- From progessivism to the present
- From tradition to multi-role
- From substance to appearance
- Rise of the middle class
- Democratisation of luxury

#### Luxury brand and other competitive landscape changes

- IPOs and increase of investors
- Brand strategies, blurring of price segments
- New competitor set



## Concept of luxury

#### Chapter 1

- Prestigious
- Rare
- Exclusive
- High quality / high performance
- Expensive
- Hand crafted, craftmanship, artisanship
- Distant, top down, monologue, arrogant
- Perceived conspicuousness
- Perceived uniqueness
- Elitist
- Mysterious
- Long term

# Sacrendess, and the concept of luxury Chapter 2

- Sacred places
- Sacred times
- Hierophany
- Opposition to the profane
- Contamination
- Sacrifice
- Commitment
- Objectification
- Ritual
- Myth
- Mystery
- Communitas
- Ecstasy and flow

## Properties of sacredness appropriated by luxury brands: Traditional sacralization by luxury brands Chapter 3

- 1. Sacred places: e.g. Homeland of the founding designer
- 2. Sacred times: e.g. Birthdate of brand within logo
- 3. Hierophany: e.g. Bandwagon', 'Snob' and 'Veblen' effect use logos and other to create
- 4. Opposition to the profane: e.g. welective distribution
- 5. Contamination: e.g. via the founder of the brand
- 6. Sacrifice: e.g. savings to be able to purchase the high price points
- 7. Commitment: e.g. luxury as heavy financial commitment
- 8. Objectification: e.g. sacralization through quintessence i.e. 'the perfect product'
- 9. Ritual: e.g. rituals around the service and the selling ceremony
- 10. Myth: e.g. stories about the brand foundation
- 11. Mystery: e.g. special craftmanship techniques
- 12. Communitas: e.g. special events organised by luxury brands
- 13. Ecstasy and Flow: e.g. via costly special shows which resemble more 'Cirque du Soleil' than

# New sacralization, what elevates the consumer today

#### Chapter 5

#### P1: My pleasure

- I want what I want when I want it
- Seduction, pleasure, fun, and additional experiences of the product
- Customization
- Well being

#### P2: Friendship

- Inclusion via collaboration
- Inclusion with respect to product sizing
- Casualization
- Convergence of brand's and consumer's social values

#### P3: Charity, doing good

- Inclusion via transparency
- Inclusion via sustainable behavior
- Inclusion with respect to gender

# **Chapter 7: Methodology and research**

# 7.1 Research objectives

We have outlined the concept of luxury in Chapter 1, discussed the sacred in Chapter 2, and how brands appropriate the sacred to become luxury in Chapter 3. In Chapter 4, we have analyzed (1) the socio-cultural changes and (2) changes in corporate and competitive markets that challenge traditional sacredness and hence traditional luxury. In Chapter 5, we have developed propositions of a new sacredness for the 21<sup>st</sup> century. Finally, in Chapter 6 we have provided the conceptual framework we have used in this study.

Because society is culture and because culture is changing, and with it what is sacred for consumers, if luxury brands want to remain relevant, they will have to adopt a new sacredness. Our objective is therefore to describe and understand how the changing outlook of consumers relates to the concept of sacredness. We will develop and discuss the conceptual framework supporting the empirical investigation of this new relation.

# 7.2 Choosing a research paradigm

The literature review conducted for this study prompts the decision of whether to utilize qualitative or quantitative research methods or a combination of the two. Table 25 categorizes what each method can provide.

Table 25. Overview of qualitative and quantitative research methods

Qualitative	Quantitative		
Exploring and understanding a phenomenon	Explanation, counting		
Reasons and motivations of consumers	Sales numbers		
Why? We don't know exactly what we are looking for	How many? Where? We know what we are looking for		
Techniques: Focus groups, indepth interviews	Techniques: Questionnaires, panel data		

Note: Bergadaà and Nyeck (1991, 1992).

To identify the appropriate research method, it is important to choose the research paradigm. This paradigm is essentially a worldview or a collection of assumptions on how things work, and it embodies philosophical assumptions that guide our thinking and action in research (Milliken 2001). The identification of a research paradigm is vital for determining an appropriate framework and the research tools to answer the given research questions. Quantitative and qualitative research methods express very different beliefs, conduct research under different rules, and have different definitions of the role of the researcher. Guba and Lincoln (1994, p. 105) state that "questions of method are secondary to questions of paradigm, which we define as the basic belief system or worldview that guides the investigator, not only in choices of method but in ontologically and epistemologically fundamental ways." Thus, it is necessary to first define the research paradigm, which in turn dictates the choice of methodology (Staller, Block, and Horner 2008). As Gilbert (2002, p. 22) outlines "there is no one best research design, but it depends on the research question and the resources which the researcher has available." A deductive approach normally starts with a hypothesis, and upon testing its validity, confirms or rejects it, requiring that theories be amended accordingly (Bryman 2008). On the other

hand, an inductive approach gives an application to the grounded theory, and it includes the input of the researchers when generating data.

This study was undertaken to understand what the sacred is for consumers in the 21st century and to provide a framework for new luxury or sacredness, explaining and analyzing what is sacred for consumers today. This framework is intended to assist academics and practitioners to understand the elements of how consumers relate to luxury and what is sacred for them today. An inductive approach alone can provide this type of understanding because we need to generate knowledge that does not yet exist (as opposed to testing and confirming a theory). Therefore, we believe it to be essential that we use an investigator's paradigm, from an epistemological and ontological perspective.

Bryman (2008) confirms there are two possible positions regarding epistemological considerations: positivism and interpretivism. This study was created using a interpretivist paradigm, which is grounded in the belief that knowledge and meaning are intersubjective, that is, socially constructed and diverse, contingent on who is being interacted with (Weber 2004). This is opposite to the positivist paradigm, which assumes that knowledge is objective, based on natural science and observed data (Weber 2004).

What is sacred for individuals is complex and shaped by society, culture, our experiences, and how we interact with others, which makes the interpretivist position a suitable research method for this thesis. This implies that our research process is founded on understanding, not causality: understanding meaning and communication from individuals' expressions (Prasad 2005). The ontological position here assumes there is a fundamental nature of existence, but there is no right or wrong understanding: it depends on the individuals. The ontological view is concerned with the relation of the researcher to the reality of his work, i.e., whether he or she believes him- or herself to be independent of his knowledge (objectivism) or whether he or she contributes to the building of reality (constructionism). Initially, Bartels (1951), and later other researchers, including Palmer and Ponsonby (2002), argued that marketing is a social construct, and that "in the absence of any objective reality, marketing knowledge reflects the interpretation of reality by individuals" (Palmer and Ponsonby 2002, p. 173). Its purpose is to comprehend human phenomena. In this study, drawing on McCracken's (1986) theory, we adopt the position that the meaning of the sacred is not just imprinted on individuals but emerges socially,

culturally, and historically and that culture flows via opinion leaders, the fashion system, advertising, and consumption rituals, first into consumer goods and then from consumer goods to individual consumers. What is sacred will be different for each individual, depending on their background and culture. Therefore, the constructionist paradigm is appropriate for tackling the research question that is set in this thesis. As Prasad (2005) suggests, we do not separate individuals from their social or cultural context, relying as much as possible on participants' views. We believe that reality can have multiple constructions and naturally that what is sacred for consumers changes as they change and society as a whole changes. Only by exploring individuals' interpretations can we reach an understanding of the relation of consumers to luxury and what the sacred constitutes for them. Because we want to understand the relation of consumers to luxury, interpretivism and the constructionist paradigm are the best way to respond to our research question. Our research investigates whether love is the new sacredness: for this reason, qualitative research methods were chosen, so that we can understand what we do not yet know.

# 7.3 Research questions

Our objective is to understand whether there is a new sacredness, different from traditional sacredness. We want to understand whether there is any relationship between love and the sacred, whether love is the new sacred, and how this new concept of love relates to the idea of luxury. Using the conceptual framework in Chapter 6, we derive the following four research questions:

Table 26. Research questions for the empirical study

P0: Is traditional luxury, i.e. traditional sacredness changing?

P1: Is the new sacred today linked to seducing me, touching, or pleasing?

P2: Is the new sacred today linked to the concept of friendship?

P3: Is the new sacred today linked to doing good?

Figure 10. Overview of planned empirical research

	Chapter 8			
Step 1: Research questions	Step 2: Research Design: Qualitative	Step 3: Data collection	Step 4: Data analysis	Step 5: Discussion and findings
P0: Is traditional luxury, i.e. traditional sacredness changing?  P1: Is the new sacred today linked to seducing me, touching, or pleasing?  P2: Is the new sacred today linked to the concept of friendship?  P3: Is the new sacred today linked to doing good?	<ul> <li>Interpretivism and constructionist paradigm</li> <li>Study 1: 26 In-depth interviews with luxury consumers</li> <li>Study 2: 5 Blogger reviews within the luxury and fashion field</li> </ul>	<ul> <li>Study 1: Sample set criteria, interview guideline</li> <li>Study 2: Sample set criteria, analysis grid</li> </ul>	<ul> <li>Ethnomethodology</li> <li>Content analysis:</li> <li>Longitudinal analysis, we carry out a symbolic content analysis</li> <li>Structural analysis</li> <li>Validation:         <ul> <li>Triangulation</li> </ul> </li> </ul>	<ul> <li>Study 1: Structural dimensions</li> <li>Study 2: Structural dimensions</li> <li>Three patterns of sacredness:         Exclusivity, inclusivity, and a fusion of exclusivity and inclusivity     </li> </ul>

# 7.4 Study 1: In-depth interviews

#### 7.4.1 Research method

There are several different techniques for conducting qualitative research including netnography, projective techniques such as collages, focus groups, and observations.

The first choice to be made was whether (1) individual, or (2) collective methods should be used to gather data, depending on which is the most appropriate method, given the information we aim to analyze and describe. Goldman (1962) outlines several techniques, including discussion panels, response-oriented interviews, consumer conferences, and focus group interviews, in which information is derived from individuals using both probing and direct interview techniques. Focus groups usually provide more information and more diverse information than in-depth interviews can (Goldman 1962).

Group interviews work well for topics that have a social component and require debate among the interviewees. This can be useful where there is a need for creativity, such as when a new product is being developed, or when researchers have certain time or budget constraints. For our purposes, focus groups are inappropriate because they may result in influence and bias coming to bear on members of the focus group.

Individual interviews, in particular, are advantageous for complex or sensitive topics, such as personal ones, where going in-depth is necessary and topics that may be difficult for the respondent are probed, with conversation about needs, motivations, and attitudes. In-depth interviews allow openended answers and provide comfortable environments for the pursuit of sensitive questions. Thus, peer pressure is avoided.

Study of luxury brand consumption is often very personal and intimate, as it aims to uncover core motives and the construction of the self, and it often touches upon individuals' insecurities. Given these personal factors and considering the posturing tendencies of consumers of luxury brands and experiences, individuals might not share honestly, or might share different ideas, in groups versus one-to-one interviews. For these reasons we considered that it was important to conduct the interviews in a one-to-one setting, rather than collectively. One-to-one in-depth interviews usually generate more ideas

on relatively complex concepts and hence are more likely to deliver a higher quality of information than focus groups (Fern 1982).

For the above reasons we identified (1) individual open-ended, in-depth interviews, and (2) netnography as the best methods to answer our research questions.

# 7.4.2 Data collection: Sample set and interview guideline

# Sample set

One of the differences between quantitative and qualitative research is the meaning the sample represents. In quantitative research, the sample should represent the population. In qualitative research, the sample should represent the diversity and spectrum of different views of the people.

The objective of this thesis is to understand how the relationship of consumers to luxury is changing, whether there is something now that can be called a new sacredness, and if so, what that is, as well as whether love forms part of it. To generate this understanding, participants must be carefully chosen to meet the purpose of generating an understanding of the new sacredness or luxury today.

Vigneron et al. (2004) find that the level of luxury is perceived differently by consumers from diverse socio-economic backgrounds. For this study, we adopt a purposive-sampling approach to include interviewees with a varied personal and family background. This implies our sample should represent diversity. We outline here our reflections on

- Gender
- Age
- Residence (where the interviewee lives)
- Origin (the interviewee's birthplace)
- Religion
- Level of education
- Level of spending
- Occupation
- Location

Each will be analyzed in detail here:

Gender: Three aspects are of importance here: (1) size of the female versus the male luxury market; (2) determination of who makes the purchase decision in couples or families and whether there are differences in decision making; and (3) examining how gender differences are blurring and even gender itself, as outlined in Chapter 6, meaning that it is not possible to split everyone into male or female alone.

From 2007 to 2013, around 60 percent of yearly global luxury goods purchases were made by women (Statista 2013). Kaefer, Heilman, and Ramenofsky (2012) outline the importance of the attitude of the wives in a heterosexual couple on the total spending of a couple's available funds on personal luxury goods, which has been confirmed by other scholars such as Silverstein (2009). De Lassus et al. (2014, p. 61) decided to focus on women because they are the majority of luxury purchasers as well as being the most influential in luxury purchases. Roux, Tafani, and Vigneron (2017, p. 102) confirm different views of luxury consumption were found in their study, and identified that "women give more importance to refinement, while men give more importance to exclusivity and elitism." In their study, they also conclude that "public self-consciousness has a stronger positive influence on refinement for women rather than men. In contrast, consumer need for uniqueness and status consumption exert respectively a stronger positive influence on exclusivity and elitism for men rather than women" (Roux, Tafani, and Vigneron 2017, p. 102).

Following these findings, we constructed a sample set to represent approximately 60% women. Our final sample set contains 17 women, who thus constituted 63% of the total sample, the remainder being made up of men.

Age: Age and mindset are vital characteristics in consumption of luxury goods. Many scholars consider that the baby boomers are responsible for the growth of luxury consumption. It is expected that in 2025, millennials will make up 40% of all luxury goods consumers (Bain & Company 2017); some also speak of the millennial mindset, for which one does not need to be a millennial (Scott 2018). Amatulli, Guido, and Nataraajan (2015, p. 1945) investigated the "possibility that luxury purchasing among older consumers is related to their cognitive age (i.e., the age they feel)." In their study, they find that "older consumers who relate luxury goods purchasing mainly to status reasons tend to feel

younger than those who consider luxury goods purchasing primarily as a means to express their individual style" (Amatulli, Guido, and Nataraajan 2015, p. 1945). Schade et al. (2016, p. 314) study how consumption behavior differs among the three different age groups, and they find that "hedonic and utilitarian attitude functions are relevant across all age groups, while the impact of the social functions greatly differs among the target groups. Whereas the social-adjustive function strongly enhances luxury brand purchase behavior of late adolescents (16–25 years), value-expressiveness only impacts the luxury consumption of young adults (26–39 years). The social functions do not determine the acquisition of luxury brands by middle-aged adults (40–59 years)."

The different age ranges are extremely important, as demonstrated in the studies presented here. Our sample therefore was intended to represent the widest possible range, resulting in an age range of 19 to 73 years old.

**Residence:** of the 26 interviewees, 15, or close to 60%, were not living in the same place where they were born. We believe it is important to consider where they live as well as what their origin was.

Origin: Several scholars believe that luxury-consumption behavior is subject to cultural differences, which are linked to ideas of individualism and collectivism (Ter Hofstede, Steenkamp, and Wedel 1999; Wong and Ahuvia 1998). Among European consumers, the relationship to luxury is more person-oriented, on the self, whereas signaling wealth and status by using luxury prevails among Asian consumers (Wong and Ahuvia 1998; Gao et al. 2009). Therefore, it was important for this study not to perceive luxury consumers as a single, homogeneous entity but to represent their various views in our study.

We constructed our sample with ten different nationalities, incorporating representatives of northern Europe (two English, six Germans, two Austrians, two Swiss), Latin Europe (five French, one Spaniard), an American focus (2 USA), and an Asian focus (three Chinese, two Indians).

Religion: Weber (1905) contends that the Protestant ethic, especially that of Calvinism, was at the origin of capitalism, while Sombart (1911) documented the Jewish involvement in the historical development of capitalism. Additionally, Sombart (1913) argued that luxury itself, supported by the rise in importance of women in society, was accountable for the emergence of capitalism. Religion and luxury consumption do not form an in-depth research topic, though there are exceptions to this, such as

Nwankwo, Hamelin, and Khaled (2014), who find in their study of 400 Moroccans that the influence of religion diminishes as consumer affordability of luxury brands rises. They believe that global consumer culture mitigates the effect of religion on luxury consumption attitudes and personal values.

For these reasons, it was important to include a range of religions in our sample. In our sample there were seven Catholics, three Protestants, three Jews, one Hindu, and twelve respondents who said they are not part of any religion.

**Level of education:** Dubois et al. (1993, p. 58) found in their seminal study that "income, education and occupation differentiate consumers to a far greater extent than country affiliation." In our sample, 25 respondents, or 93%, had a minimum of a bachelor degree. Only two respondents stopped their education after the baccalaureate.

Level of spending: Respondents were often reluctant to provide their level of income, so we used their level of spending as a criterion. Our sample consisted of three categories of spending level, which were, per year, (1) below 1,000 euros, (2) between 1,000 and 10,000 euros, and (3) above 10,000 euros. The definition for spending includes spending on personal luxury goods and expenditures on travel and experiences. In the first group, we have two respondents (8%), in group two there are ten respondents (38%), and fourteen respondents were in the third group (54%).

**Occupation:** Many studies on consumption of luxury goods use students as a sample, including seminal articles such as from Dubois et al. (2005) or Mandel, Petrova, and Cialdini (2006). Here, our purpose was to understand the evolving relationship between the market of luxury goods and its consumers, hence it was important to include consumers who had been consuming luxury for some time. For this reason, the larger part of our sample does not consist of students; in fact, we only included two students, i.e., 7%.

**Location:** All our respondents reside in cities rather than rural areas. We tried to find diversity here but did not manage to do so. Because most luxury brands have their own online boutiques or are available via large online multi-brand boutiques such as Net-A-Porter or Farfetch, this should be mitigated this way, as luxury goods are easily accessible to anyone who has an Internet connection and a purchasing budget.

**Table 27. Sample overview** 

#	Pseudonym	Gender	Age	City	Origin	Same City/ Origin*	Religion	Education	Spending	Occupation	Location
1	Anna	Female	30	London	German	No	Catholic	High	Bw 1 and 10K	Marketing Associate	City
2	Annika	Female	41	Zurich	German	Yes	Protestant	High	Bw 1 and 10K	Banker, meditation expert	City
3	Charlotte	Female	44	Chengdu/Paris	Chinese	No	None	High	Bw 1 and 10K	Project Director	City
4	Olympe	Female	41	Paris	French	Yes	Jewish	High	10K+	Director	City
5	Susan	Female	41	Singapore	Indian	No	Hindu	High	10K+	Business owner	City
6	Tom	Male	24	London	English	Yes	Protestant	Bac	Bw 1 and 10K	Personal Shopper & Designer	City
7	William	Male	47	Paris	Austrian	No	Jewish	High	10K+	Lawyer	City
8	Robert	Male	41	Zurich	Swiss	Yes	Protestant	High	10K+	CEO	City
9	Bora	Female	45	Vienna	French	No	None	Bac	10K+	Desginer	City
10	Leni	Female	30	Munich	Romanian	No	Catholic	High	Bw 1 and 10K	Strategy director	City
11	Cliff	Male	51	Milan	German	No	Protestant	High	10K+	CEO	City
12	Cookie	Female	60	NY	American	Yes	Jewish	High	10K+	Advocate	City
13	Celestine	Female	42	HK	Spanish	No	Catholic	High	Bw 1 and 10K	Chief Innovation Officer	City
14	Elisabeth	Female	40	Paris	German	No	None	High	<1K	Visual Merchandising Manager	City
15	Jonne	Female	62	Florence	American	No	None	High	10K+	Director	City
16	Nora	Female	25	NY	American	Yes	Catholic	High	<1K	Customer manager	City
17	Rocco	Male	20	Paris	French/Brazil	Yes	Catholic	High	Bw 1 and 10K	Student	City
18	George	Male	45	Vienna	Austrian	Yes	None	High	10K+	MD Private Equity	City
19	Gabrielle	Female	33	Shanghai/HK	Chinese	No	None	High	Bw 1 and 10K	Director	City
20	JH	Female	19	China/London	Chinese	No	None	High	10K+	Student	City
21	Valentina	Female	41	Paris	Swiss	No	Catholic	High	Bw 1 and 10K	CEO	City
22	Martin	Male	33	Zurich	German	Yes	None	High	Bw 1 and 10K	Senior Executive	City
23	Lydia	Female	50	NY	English	No	Catholic	High	10K+	CEO	City
24	Marcel Jacques	Male	73	Paris	French	Yes	Catholic	High	10K+	Mecenat	City
25	Martine	Female	73	Paris	French	Yes	Catholic	High	10K+	Mecenat	City
26	Alexander	Male	34	Dubai	Belgium	No	None	High	10K+	Brand director	City

<sup>\*</sup> Switzerland, Germany and Austria were assumed the same 'origin'

Table 28. Analysis of sample

Ratios	Number of respondents	in %	Ratios	Number of respondents	in %
Total respondents	26	100%	Religion		
			Jewish	3	12%
<u>Gender</u>			Catholic	9	35%
Male	10	38%	Protestant	4	15%
Female	16	62%	Hindu	1	4%
			None	9	35%
<u>Age</u>					
Age below 35	10	38%	Education level		
Age above 35+	16	62%	Education Bac	2	8%
			Education		
			university +	24	92%
<u>Nationality</u>					
German	5	19%	Spending level pe	-	
Austrian	2	8%	<1K	2	8%
Swiss	2	8%	Btw 1 and 10K	10	38%
English	2	8%	10K+	14	54%
American	3	12%			
French	6	23%	<u>Occupation</u>		
Spanish	1	4%	Professional	24	92%
Chinese	3	12%	Student	2	8%
Indian	1	4%			
Romanian	1	4%	Living in same ci	ty as origin	
			Yes	11	42%
			No	15	58%
			Living location		
			City	26	100%
			Country	0	0%
			Country	U	0/0

# Interview guideline

Our interview guideline had four themes, and twelve questions. Demographics are provided in a specific paragraph at the beginning of each transcript. Each full transcript is located in the appendix.

The sample used for in-depth interviews should be representative of the issue to be researched. Sample sizes can vary from around eight to thirty, in our case we have conducted twenty-six in-depth interviews. Projective techniques can be used for when respondents are not able or do not wish to

explain their motivations or taboos. Projective techniques include the use of pictures, figures, incomplete sentences, or other stimulation that could help individuals project their values and motivation. In our case, the request to describe their friends' relation to luxury often helped the individuals speak more about their own relationship to luxury brands. We also strategically used the expression wow product or experience to allow the interviewees to project their feelings when they experienced something they considered amazing. Table 29 outlines the themes derived and the questions used as a guideline.

#### Table 29. Themes and interview guideline

#### Theme 1: What is luxury?

- What are your favorite luxury products or luxury experience brands?
- Friends and their relation to luxury: How do you observe your friends, what is their relation to luxury, is it evolving? Please provide examples.

#### Theme 2: What is sacred?

- Tell me the last time (or ever in your life) the most amazing wow product/experience you purchased and/or experienced something within the luxury sphere which really "wow-ed" you? Walk me please through the customer journey, how did you hear about it, find it, etc. and then ...
- How important are values of the brand? Re 'wear values on your sleeve'? E.g. Gucci giving 500.000 euros to 'March for our lives' charity for gun control in the US; versus Chanel giving 25 million to renovate the Grand Palais
- Have you rented or shared luxury? Have you bought second-hand luxury like the real real?
- Formal or casual, what do you tend towards? What do you buy?
- How important is transparency? Made in? Sustainability?
- How important is convenience, comfort, 'instant access versus waiting' is ok for you today?
- How important is well-being today?

# Theme 3: Behavior with respect to luxury

- Do you have certain rituals when buying or wearing luxury? i.e. something you always do?
- Does it bother you if someone else owns or wears the same thing?

## Theme 4: How do they relate to luxury

- Communication: How does the luxury brand interact with you?

When conducting qualitative research, it is important to bear in mind the following rules: (1) no bias or interference, (2) no live interpretation, (3) no value judgements, and (4) let the individual speak, as only the individual knows his or her motivations or thoughts. Helping the interviewee is

allowed, however, by further explaining a question, suggesting that the interviewee provide examples, or asking him or her what was meant by a certain statement.

# 7.5 Study 2: Netnography

#### 7.5.1 Research method

Netnography is an important tool for studying culture in general and consumer culture theory in particular. Culture is the norms we live in and the values we share in our direct communication or share on internet platforms. This allows us to understand culture through different entrances or mediums, i.e., the corpus of culture is transmitted via speech but also via writing or even sharing images and using emojis.

There are several advantages to the use of secondary data: for instance, access to it is generally rapid and relatively low cost. Some drawbacks to secondary data exist, however. Sometimes the information is outdated, incomplete, or uncertain, and definitions and classifications are rarely standardized.

For several reasons, research discussing how consumers relate to luxury can be useful: (1) Dubois (2013) stated that, in particular for luxury brands and experiences, consumers share information online because they are often emotionally and financially involved with these goods and experiences; (2) the importance of influencers or bloggers on consumers has been confirmed (Kretz 2012; BCG 2017; Berezhna 2018); and (3) online sales for luxury brands had by far the highest growth rate of all distribution channels for luxury from 2016 to 2017 (Bain & Company 2017); online luxury sales are estimated to represent 9% of overall luxury sales in 2017, and this figure is expected to rise to 25% by 2020 (Bain & Company 2017).

De Lassus and Anido Freire (2014; p. 62) explain that "the neologism netnography results from the combination of two words: Internet and Ethnography. Ethnography is concerned with collecting in situ anthropological, linguistic, cultural and social data for a given population, as well as engaging in its descriptive and analytical study." Netnography, or "ethnography on the Internet" (Kozinets 2002; p. 61), allows the researcher to gain access to consumer expressions, feelings, and discussions by

observing them or even participating in communications on publicly available online forums (Nelson and Otnes 2005). Our bibliometric research in Chapter 1 revealed a highly cited article "Co-creating value for luxury brands" by Tynan et al. (2010), which confirms that netnography and other participative approaches to data collection are relevant for unearthing the latest consumer thinking and their engagement with goods or experiences. Kretz (2010) cites McKinsey showing that close to four in five active Internet users use social media, including blogs, to look for product information.

In netnography bloggers or Instagrammers who are influencers are often used because they are opinion leaders; culture moves from society to consumer goods, and then it moves to individual consumers, employing several instruments, one of these being opinion leaders (McCracken 1986).

In our case, we did not use Internet fora in general but limited ourselves to blogs and Instagram to identify what is sacred for consumers. Blogs, and sometimes Instagram accounts, if the account is accessible, provide free sharing of what is happening in the online consumption culture sphere. We used blogs to identify what is sacred for consumers. Blogs provide a free sharing of information on what is happening for online consumption culture, and they are, therefore, a valuable potential source of information that should be examined more closely in terms of their content and its impact on consumers. Kretz (2010) shows how fashion and luxury blogs, in particular, provide narratives that support the identity of the blogger, his or her attitudes, and the consumption of fashion and luxury that the blogger participates in. De Lassus and Anido Freire (2014), among others, such as Heilbrunn and Hetzel (2003), value the approach for its interpretative value for marketing and believe it to be a viable means of advancing academic knowledge.

In Chapter 3 of this thesis, we explained the way in which a brand can use the properties of sacredness to become a luxury brand, by using the culture and consumption theory of McCracken (1986), outlining how culture moves from society to consumer goods, in particular via opinion leaders. Casaló, Flavián, and Ibáñez-Sánchez (2018) confirm in their article "Influencers on Instagram: Antecedents and consequences of opinion leadership" that opinion leaders are a vital source of guidance for other consumers. For the fashion and luxury industry, Instagram in particular is used as a platform here. Opinion leaders on Instagram are called influencers, and Instagram is their preferred platform because of (1) its immediacy (even more so with Instagram stories), (2) the ability to tag brands, (3) to

join larger conversations using hashtags, and (4) the creation of communities (#Hashoff 2017). The engagement rates Instagram sees are some of the highest known.

A recent article on Quartzy shared the following anecdote, which demonstrates how blogging has become rethought as Instagramming:

Recently, I found myself at an invite-only event for Internet influencers (side note: I am no such thing). Engaging in the requisite small talk, I asked an attendee what they do for a living. 'I'm a blogger' she said, after the faintest note of hesitation. After a bit of Internet sleuthing, I realized this individual didn't really have a blog, per se. She had a robust Instagram account where she posted long captions, promoted partnerships with select brands, and communicated regularly with an engaged following. So why didn't she simply tell me she was an Instagrammer, I wondered? It wasn't until then it hit me: because bloggers are just Instagrammers now (Spinks 2018).

This anecdote illustrates that it is no longer blogs, but Instagram, where opinions are shared, although the Instagrammers still (sometimes) call themselves bloggers. For this reason, we selected a range of bloggers, some of which are only on Instagram and some who still have a blog as well as an Instagram account. Instagram describes itself as a community of more than 1 billion members.

There are two types of mainstream blogging groups at the present time in the fashion and luxury sphere: One group started as bloggers, such as BryanBoy, Fashion Toast, The Blonde Salad (part of our sample), and Man Repeller, and these individuals have now largely migrated over to Instagram, because that platform provides them many more tools to stay in contact with their audience. The second group concerns those who never had a blog, but started out on Instagram directly (Spinks 2018).

For the above reasons, we chose netnography as our research method, specifically focusing on opinion leaders, using Instagram and regular blogs as platform to influence and reach consumers.

243

# 7.5.2 Data collection: Sample set and analysis grid

# Sample set

The selection process for the Instagrammers and bloggers was not pursued randomly, but we based our selection on characteristics we perceived as important for this research. The accounts we selected meet at least some of these parameters (Eisenhardt 1989):

- A substantial number of followers
- Focused on the fashion and luxury industry, or with a strong element of passion for the industry
- Also known to the press; for example, articles are written about the influencer
- Variety of nationalities and ages

In Table 30 to 32, we summarize the key statistics on the Instagram accounts and blogs selected.

Table 30. Summary of netnography candidates

#	Name	Gender	Estimated age	City	Origin	Same City/ Origin*	Religion	Education	Products shown on blog	Former occupation	Location
1	Arielle	Female	25	NY	American	Yes	NA	Bac	High - low: More low	School student	City
2	Alex	Female	38	London	Austrian	No	NA	High	High - low	Beauty editor	City
3	Sandra	Female	42	Zurich	German	Yes	NA	High	Only high	Fashion editor	City
4	Chiara	Female	30	Milan/LA	Italian	Yes	NA	Bac	High - low	School student	City
5	Judy	Female	45	Sydney	Australian	Yes	NA	NA	High	NA	City

<sup>\*</sup> Switzerland, Germany and Austria were assumed the same 'origin'

Table 31. Information about the candidates' key blog/Instagram statistics

#	Name	Starting date	# of Instagram followers	# of posts	# followers	Product category	Own product line
1	Arielle	2009	1.100.000	6837	839	Fashion	Yes
2	Alex	$\sim 2015$	178.000	3.662	460	Cosmetic	Yes
3	Sandra	2010	24.200	2.755	1904	Luxury, Fashion, Jewelry, Watches	No
4	Chiara's personal gram	2009	15.200.000	16.500	818	Luxury, fashion	Yes
	Chiara's official gram	2009	703.000	2.631	85	Own brand: Casual; low priced	Yes
5	Judy	2013	406	746	731	Luxury	No

Table 32. Qualitative information on candidates' purpose on blog or Instagram account

Name	Arielle Charnas	Alessandra Steinherr	Sandra Bauknecht
Gram	#ariellecharnas	#alexsteinherr	#sandrascloset
Title on gram	@somethingnavy; link to article about her on The Business of fashion	Journalist Creative and Beauty Director	Fashion & Lifestyle Inspirer
IGTV	Yes	Yes	No
Does Insta live	No	Yes	No
Blog purpose	Share about her passion of fashion, and her live in general	Shares her passion, wants to interact with her followers, understand what they need, hence famous #askalex	Wants to share her passion, fun and love for fashion; wants to inspire rather than dictate
Blog URL	https://somethingnavy.com/about/	http://alessandrasteinherr.com/	www.sandrascloset.com
YouTube Key points	A fashion and lifestyle blogger featuring videos about styling tips, motherhood/babies, home, travel, and general tips & advice for girls.  Launched own line with Nordstrom	Few video interviews, as recent as 2018  Launched own skincare range with Primark in October 2018	Few video interviews, more from 2013  Fashion & lifestyle Inspirer No own collection or collaboration
What is important to her	Passionate about her family, listening to her followers	Passion about beauty products; belief that everybody irrespective of budget should have access to great skincare; passionate about health clinics Viva Mayr Austrian yearly clinic detox or e.g. ocean clean-up	Sandra's message: This website is about my true love: FASHION. I want to share my passion with you, offer my own insights Don't take it too seriously! Be your own muse. Style is personal, be confident and try things out. I would love to inspire you and make dressing fun.
Background	Started her blog to impress her ex- boyfriend	Alessandra Steinherr is an award-winning London-based Beauty Journalist and for the past ten years she's been the Beauty Director of GLAMOUR magazine.	Did fashion design studies, years working as a fashion editor for Marie Claire magazine and a stylist

Name	Chiara Ferragni's blog	Chiara Ferragni's personal	Judy Shvarts
Gram	#theblondesalad	#chiaraferragni	#entranced_by_france_blog
Title on gram	The Blonde Salad 50% Fashion magazine 50% shop online 100% Chiara Ferragni's style since 2009 Stay updated ##theblondesalad Shop online - Coming soon! shop.theblondesalad.com	Love fiercely (and don't forget to stop along the way to take photos) Made in Italy, living between Milan and Los Angeles	A Sydney based blogger with a passion for France, exposing all things French in Sydney
IGTV	Yes	Yes	No
Does Insta live	No	No	No
Blog purpose	Half fashion magazine, half online shop for her own designed collection		"Entranced by France" – A blog about all things French in Sydney and beyond.
Blog URL	https://www.theblondesalad.com	http://www.theblondesalad.com/	https://www.entrancedbyfrance.com
YouTube	Recent, many videos	Recent, many videos	No videos
Key points	Own online shop	Personal Instagram	To show her memorable store visit at Chanel
What is important to her	Passionate to share her life, fashion, what is important in life for her		Passionate to share her love for everything Chanel and Coco Chanel as inspiration
Background	Started her blog while still in university; did not obtain her degree; one of the most successful bloggers ever		Was exposed to Chanel via her mum; has always been fond of Chanel since she can think

## Analysis grid

We have conducted the following analyses for each blogger: (1) information base, (2) longitudinal analysis, (3) dimensions diagram, and where appropriate (4) a word cloud. The information base was generated using several resources, including: (1) the blog or Instagram account itself, including what they posted and how they responded to individual comments, (2) any press articles or interviews written about the blogger, and (3) any information found on YouTube about the blogger.

We then used our in-depth interview guideline to further review the publications, answers, and in general verbatim from the blogger, to understand what is sacred for this opinion leader.

# 7.6 Data analysis for Study 1 and 2: Method and validation

## 7.6.1 Ethnomethodology

The method we chose for data analysis is ethnomethodology, as developed by Garfinkel (1967). First, we used a longitudinal analysis, in which we analyzed every in-depth interview in study 1, and every blogger in study 2 by itself. Subsequently we carried out a structural analysis, where we analyzed along one dimension all in-depth interviews together in study 1, and all bloggers together in study 2.

#### Content analysis

Geertz (1973) outlines in his book *The Interpretation of Cultures* that the practice of thick description can be a way of delivering cultural understanding and meaning that individuals place on activities, words, things, and hence we generate an understanding of their behavior.

Bardin (1977) describes content analysis as a toolkit of techniques to examine communication, through methodical and impartial description of the messages, to derive indicators that would permit the researcher to extract knowledge from these messages. The goal is to provide objective procedures for communication descriptions that allow indicators to be provided, and these can be quantitative or not (Bergadaà and Nyeck 1991). This can for example be a word count of key words linked to the word

'experience', or to certain brand names. Word clouds, in particular, proved helpful for visualizing the key words used by interviewees.

In general, analysis can be thematic or symbolic. We performed a symbolic or interpretation analysis of the content. For example, we examined at what points the interviewees used the word I, implying the individualist nature of the person, or we, representing a more social characteristic. We mixed different content-analysis tools to derive a richer and more valid analysis. For each longitudinal analysis, we carried out a symbolic-content analysis, which allowed us to find several dimensions organized around how consumers relate to luxury, as shown in Table 34. We outline the seven different cultural dimensions by drawing on the research developed in the theoretical part, as well as from the symbolic content analysis.

Thereafter we completed the structural analysis, with the aim of revealing several theme structures in the sample. This is by nature a subjective approach, as the subjectivity is inherent in the understanding and interpretation of events. It is therefore important to provide credibility and confirmability. We used several criteria for validity as outlined below.

# 7.6.2 Validation: Triangulation

To validate our data analysis, we used triangulation, i.e. different methods that provide the same outcome. We apply what Guba and Lincoln (1994) outline, that is naturalistic inquiry, which is a study form which centers on how individuals behave when absorbed in real life experiences in natural circumstances. We split our various triangulation exercises into the following pillars:

- Pillar 1: We employed two different data sets. With primary and secondary data, we derived similar results, using two different sets of data.
- Pillar 2: We used two different techniques: symbolic content analysis (i.e., pure interpretation) and structural analysis, which is another way of finding meaning. The two techniques led to similar findings in our case.
- Pillar 3: We carried out a member check: we summarized the key findings from the in-depth interviews and reported them back to the interviewee to see whether we understood them correctly.

We sent a summary to the participants and checked whether they agreed with our understanding of what they considered sacred. We asked the following questions: Does this analysis reflect your personality? Have I forgotten some points? Have I insisted too much on certain points? We asked them to sign the summary statements we provided. These summaries and the signatures can be found in the appendix.

- Pillar 4: We asked different reviewers for comments on our longitudinal and structural analysis.
- Pillar 5: We carried out a literature review, presented in Chapter 1.

250

# **Chapter 8: Discussion and findings**

# 8.1 Example of longitudinal analysis

In this chapter we present the structural analysis. The longitudinal analysis is in the appendix, but as an example and for the sake of clarity, we decided to briefly show one example of longitudinal analysis so that the reviewer understands how we came up with the structural grid.

Table 33. Example placement of Charlotte in the inclusive group

### Step 1: In-depth interview

#### 4 In-depth interview and analysis: Charlotte

#### 4.1 Transcript

Interview was done via phone, recorded; it took approximately 60 minutes.

Pseudonym: Charlotte

Age: 44

Sex: Female

Education: University

Religion: None Nationality: Chinese

Occupation: Project Director

Spending level: Between 1K-10K euros

Product categories spending on: Bags, and travel and experiences

#### 1. What are your favourite luxury brands?

My mind is always in travel, and experience. I love Aman resorts. If I think about clothes ... I used to love Céline. I am taking a wait and see approach because they changed.

Jimmy Choo and Louboutin I like too.

 Tell me the last time your purchased something – within the luxury sphere – which really "wow-ed" you? Walk me pls through the customer journey, how did you hear about it, find it, etc. and then...

What I will say what will be very special. It's a hot pot its like a fondue Chinese; they are famous for their service. For the 1st second before you went it, when you came out of the lift, then they already great you already at the door of the lift. Then they bring you in, normally you have to wait. They give you anything you can think of, free drink and fruit, manicure, everybody is so helpful and smiling. I don't even feel this in top top luxury hotel. They tend to put themselves to high. Everybody puts up themselves so high. I feel

### Step 2: Analysis and coding of in-depth interview, 1st and 2nd reviewer

#### 4.2 Longitudinal analysis

We analyze here what is 'sacred' for Charlotte. For this analysis we use the below table which outlines with our 'framework' developed in chapter seven, a diagram developed with several dimensions, as well as a general analysis from the concepts developed in the theoretical part.

#### Table: Four themes

#### Theme 1: What is luxury to the interviewee?

#### Charlotte

- Travel, experiences, detox now are luxury; Eros: "My mind is always in travel, and experience. I love Aman resorts. If I think about clothes ... I used to love Céline. I am taking a wait and see approach because they changed."
- Product brands: "Jimmy Choo, Louboutin, Céline"
- Had all the big product names before, Charlotte outlines she has evolved from product brands to experiences

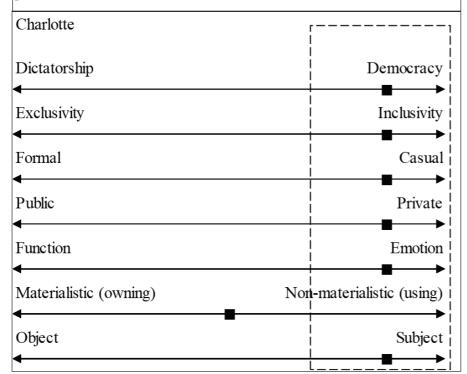
#### Theme 2: What is important to you?

#### Charlot

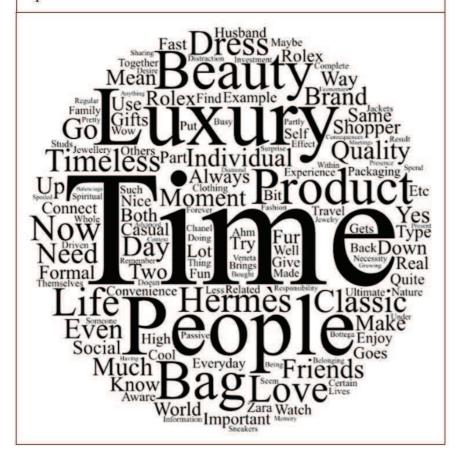
 Experiences, pampering, love, attention to detail – Eros; but at the same time friendship feeling, 'like a friend' (Philia):

Example 1: What I will say what will be very special. It's a hot pot its like a fondue Chinese; they are famous for their service. For the 1st second before you went it, when you came out of the lift, then they already great you already at the door of the lift. Then they bring you in, normally you have to wait. They give you anything you can think of, free drink and fruit, manicure, everybody is so helpful and smiling. I don't even feel

Step 3: Longitudinal analysis, including cultural dimensions and word cloud per individual



### Step 4: Word cloud



#### Step 5: Member check

#### 4.5 Member check

Dear Charlotte,

Thank you very much for your time for the interviews.

Could you please confirm if I have summarized you well in the below?

If so, please sign the below, scan this piece of paper or take a picture of it, and email or send it back to me please.

Please note your interview and this analysis will be in the annex of the thesis which goes to the Jury which decides on my doctorate. Before this is published online it will be taken out of the annex, i.e. this thesis will be published without your detailed interview, however the main body may contain some references to your interview.

Thank you very much in advance.

Kind regards. Daniela

Date and Pseudonym - Please use your pseudonym

Date and recudonym - Flease use your pseudonym

# Summary of in-depth interview of Charlotte and her relation to luxury

What appears 'sacred' for Charlotte are experiences. She mentions in detail five different experiences, and states also that experiences are always more important for her than luxury product. She outlines her past luxury product experiences and cites the classic luxury brands from Hermès to Louis

### 8.2 Study 1: The structural dimensions

Table 34 outlines the dimensions of the study and structures the relation to luxury. We outline the seven different cultural dimensions.

**Both Worlds Inclusive group Exclusive group** Dictatorship Democracy Exclusivity Inclusivity Formal Casual Social Me Function Emotion Materialistic (owning) Non-materialistic (using) Object Subject

Table 34. Dimensions diagram template

# **Dimension: Dictatorship versus democracy**

This axis describes the overall relationship the individual has with hierarchy, and with luxury in particular. We have outlined in Chapter 5 the socio-cultural changes, and described the move from modernity, to postmodernity, and then hypermodernity. As one epoch closes—when a society becomes worn out and its values are fading—another epoch will open. Modernity was about dictatorship, whereas postmodernity is about democratization. Here, dictatorship implies the individual's vertical relationship to luxury and indicates his or her acceptance of the top-down-approach, and of the mystery and non-transparency of luxury brands, linked more to doing good or doing well oneself, rather than the values of the new sacredness as we developed under P1, P2, or P3:  $er\bar{o}s$ ,  $agap\bar{e}$ , and philia.

Democracy, in the context of this diagram, indicates that the individual has a horizontal relationship with luxury, involving his or her desire for love, caring, doing good, paying attention, and sustainability. In Chapter 5 we explored the emergence of the concept of horizontalism set against verticalism. This change is characterized by Maffesoli as "l'autre vaut qu'il est" (the other is worth it) and "être à l'écoute de l'autre" (to be attentive to each other), implying that in this age, we do not impose our opinion on others but practice tolerance and inclusion. In other words, this can also be described as a vertical versus a horizontal relationship in general, and with respect to communication in particular. Traditional classic luxury advertising is top down, a one-way monologue from the brand to the consumer, such as through magazines. A horizontal relationship can be described by interaction, a two-way communication that includes, for example, social media, such as the use of influencers on Instagram who communicate on the brand, rather than the brand controlling the dialogue. Such communication also includes co-creation between the brand and the consumer (e.g., Calvin Klein), or content created by the consumers.

# **Dimension: Exclusivity versus Inclusivity**

This dimension relates to whether an individual prefers to have an exclusive relationship and consume exclusive products, i.e. products or experiences for the few, the elite, or privileged. The opposite is the case for inclusivity, which is about products or experiences that are accessible to many.

#### **Dimension: Formal versus casual**

We define under formal the traditional relation. The focus is on *tradare*, Latin for transmitting heritage and traditional values, as well as the long term. Maffesoli (2018) suggests that passion, emotion, and sensibility are on the rise, as well as initiation; here, initiation is meant in the sense that one obeys the *loi de frères* (fraternal law), implying sharing and giving feedback, rather than the *loi de père* (paternal law), which partakes of verticalization. This includes purchasing traditional luxury brands such as Hermès, Rolex, or Patek Philippe for status and conspicuous consumption (Veblen 1899; Vigneron and Johnson 1999). In the casual dimension, we include all behavior which is hypermodern, linked to the short-term, seduction, fashion, to the now. This includes purchasing for pleasure (rather

than social status or investment), and consuming for fun. Playful and new luxury brands include Roberto Cavalli or Moncler (Lipovetsky 2005; Lipovetsky 2017). The dimension formal versus casual also includes the public ritual, in the sense of being formal in an official ceremony. Formal is hence part of a public ritual where one displays one's status, whereas casual aims more towards the comfortable.

#### **Dimension: Public versus private**

This dimension refers to whether the relationship with luxury and the consumption of luxury is aimed towards others or whether it is focused on the person themselves. In Chapter 1 the concept of luxury was defined as creating distance and superiority towards others. Its purpose is to show one's rank in society, as seen in the analysis of for example the court society (Elias 1969), or in the conspicuous consumption literature detailed by various other scholars (Veblen 1899; Leibenstein 1950; Vigneron and Johnson 1999). Lipovetsky (2005) outlines that an increasing number of individuals consume for their own personal pleasure rather than to enhance their social status. Kit Yarrow (2014), a consumer-behavior psychologist, uses IWWIWWIWI (equivalent to me, myself and I) in reference to a group of consumers who have three particular goals in their daily consumption: novelty, self-expression, and recognition (Yarrow 2014). The growing individualism gives rise to the focus on the self, rather than the social sphere and the opinions of others.

### **Dimension: Functionality versus emotion**

This dimension refers to products in the sense of high quality, performance, and long-term usage. Cornfeld and Edwards (1983) outline how quintessential objects "possess a rare and mysterious capacity to be just exactly what they ought to be ... unequivocally right". Under functionality, people focus on the product, whereas under emotions, people focus on the experience and the creation of memories. Experiences include several possibilities such as (1) products purchased for the short-term just to experience them linked to emotions and aesthetics, and (2) actual experiences which are lived only in this moment such as enjoying a gourmet meal, or travelling.

### Dimension: Materialism (owning) versus non-materialism (using)

This dimension relates to the ownership of products which, rather than renting or borrowing, has been extremely important. The tremendous increase in sales of counterfeit luxury brands proves the point that ownership is often more important than the actual quality of the items. Several papers equate consumption with ownership (Diener et al. 2010; Winkelmann 2011), and it is likely that possession of luxury items is linked to a higher Satisfaction With Life (SWL) when equated to possession of non-luxury items. In contrast, Hudders and Pandelaere (2015, p. 259) actually found that the "mere use of luxuries seems to decrease an individual's SWL". In Chapter 5 we outlined the various socio-cultural changes taking place with firms like Rent the Runway or James Eleven, where one can rent clothing or watches. The sharing economy, linked to the seduction of capitalism and the 'me, myself and I' behavior of consumers, should give rise to more 'usage' rather than owning luxury products, as outlined by Lipovetsky (2017) in his book *Plaire et toucher*.

#### **Dimension: Object versus subject**

Purchasing luxury brands in physical boutiques implies abiding the need to go to the 'temple' or 'church' as one can say metaphorically. In Chapter 4 we outlined that luxury boutiques are sacred places for consumers, as confirmed by Dion and Borraz (2015). As Cervellon and Coudriet (2013, p. 869) conclude, luxury brands exercise a power that achieves this sacralization of the brand through "the brand cathedral (the flagship store), the brand ambassadors (sales representative), the brand protocol (rituals and selling ceremony) and the brand treasures (the products)".

The object versus subject dimension can also be seen under the angle of brand-centric versus consumer-centric. This analyzes the sacrifice by an individual for the brand by, for example, being prepared to drive a long way, wearing uncomfortable shoes or clothing, or the sacrifice of financial expenditure. This contrasts with the desire for absolute convenience and focus on oneself, as outlined by Lipovetsky (2017). An article on Manrepeller, a famous blog and Instagram influencer, explained this by arguing "we're just not wired to tolerate inconvenience anymore" and "We've developed a codependent relationship with convenience in our lives and that sentiment is bleeding into fashion —

proclaiming through the most recent geographic jigger that now, the ultimate luxury is defined by expediency" (Medine 2018).

# 8.3 Study 1: Structural analysis: patterns of sacredness

We have carried out a longitudinal analysis on each of the 26 in-depth interviews which can be found in the appendix (second booklet). With these findings, we now present a structural analysis across the various dimensions identified and on all participants for a given theme.

Table 35. Summary of key words defining dimensions

Axis	Description
Dictatorship	Vertical relation, mystery, doing well, <i>loi de pere</i> , individualism, top down, monologue, one-way, traditional communication e.g. magazine advertising.
Democracy	Horizontal relation, transparency, love, caring, doing good, community, sustainability, paying attention to all stakeholders, <i>loi de fere</i> , interaction, two ways, interesting invitations (e.g. Tesla in the snow), social media, co-creation of communication.
Exclusivity	Elite, privilege, for the few
Inclusivity	Accessible for the many
Formal	Traditional, heritage, <i>tradare</i> i.e. transmitting heritage and values, long term, purchasing for social status / investment, status brands e.g. Hermès, IWC, Patek Philippe
Casual	Hypermodern, short term, fashion, in the now, purchasing for pleasure, hypermodern luxury brands, e.g. Roberto Cavalli
Public	Opinion of others matter
Private	Me, myself and I
Function Emotions	Quality, performance, rationality, functionality Emotions, aesthetics
Materialistic	Owning: Ownership is importance
Non- materialistic	Using: Of the essence is the usage, either via renting, or sharing
Object	E.g. purchasing in boutique; desire to purchase in the 'boutique cathedral', focus on the brand, sacrifice for the brand
Subject	Subject, I purchasing on my terms e.g. online, when I want, without the heavy ritual, convenience for me

Table 36. Structural diagram with preferences by group

Group 1	Group 2	Group 3
Exclusive group	Both Worlds	Inclusive Group
Dictatorship		Democracy
Top down communication		Interactive communication
Monologue		Dialogue
Traditional magazine advertising		Social media
Prefers not to customize		Prefers to customize
Prefer strong uniqueness		Does not mind
Exclusivity		Inclusivity
For the few, privileged		For the many, accessible for many
Formal		Casual
Values traditional luxury brands		Prefers hypermodern brands
Prefers endurance, practicality		Fun, seduction, playfulness
I am old school		
Public		Private
Opinion of others matter		Me, myself and I
Owning		Using, renting, sharing
Purchase in the physical boutique		Purchase on my terms, e.g. online

### Finding 1: Sacredness and hence luxury is evolving

The structural analysis indicates that we have identified three groups. Group 1 we label the 'exclusive group' with 10 or 38% of the interviewees; group 2, we label the 'both worlds' group with 4 or 15%; and group 3 we label the 'inclusive group' with 12 or 46%. Put differently, group 1 could also be called 'the modern group', group 2 'the postmodern' group, and group 3 'the hypermodern group'. This follows the theories of postmodernity by Maffesoli (2018) and hypermodernity by Lipovetsky (2005).

Our research question whether traditional luxury is changing is answered by the fact that we have three groups, rather than having all respondents in group 1 which is representative of traditional luxury. This proves that luxury and what is sacred, is evolving. Approximately two thirds of the sample considers luxury more linked to pleasure, friendship, love, and convenience, rather than exclusivity or craftmanship. We outline each group in more detail below.

#### **Exclusive group (Group 1)**

### **Dimension: Dictatorship versus democracy**

The exclusive group values traditional luxury and expects the brand to lead and dictate. The relationship they prefer with luxury is top-down, i.e. vertical, rather than horizontal. They value exclusivity, which implies they enjoy that certain products or experiences are for them alone. This is what makes it sacred to them, and it should not be mixed with the profane. Their behavior is similar to religious devotion. As Durkheim (1975) outlines, there are believers, rituals, and meaning, and the sacred is defined by the fact that it has to be forbidden to most people, because this is what makes those who have it different and superior to others.

Luxury brands dictate to the consumer where to shop by having limited distribution, when to shop, how to fit in, or to wait for the product. Cervellon et al. (2013, p. 869) outline that "the luxury brand exerts an auratic power which achieves the sacralization of the brand".

The dictate also applies to communication for instance, where luxury brands use traditional mechanisms such as classic magazine advertising as a monologue to speak to the consumer. In Chapter 4 we have shown the various properties of sacredness which brands appropriate to become luxury brands. These include (1) creating a sacred place (home of the designer, museum, flagship cathedral); (2) sacred times (fashion shows, celebrating anniversary of brands, reminding everyone when the brand was born, e.g. 150 years ago); (3) rituals around the selling ceremony, artification, i.e. the linkup between art and luxury products to make them sacred; and (4) special events such as circus-like cruise shows, reinforcing on a constant basis the sacredness of the luxury brand. These feelings are then transferred to the consumer when he or she purchases the brand. Classic magazine advertising and the methods outlined here foster the exclusivity of a brand and are appreciated by the exclusive group.

## Dictatorship – verbatim example from the exclusive group:

Cookie prefers traditional magazine advertising: "Ahm, definitely the magazine. I hate if sales people contact me and send me pictures. I hate it, I hate but they do it. To me that is a total turn off. I am busy, I don't need a [freaking] text. Carolina she emails me. I hate it. To me the best thing is advertising in magazines. I know this is old fashion, but hey."

Annika explains that one-way communication from the brand to her is what she wants: "Ahm ...

I am very passive and I am not an active shopper. Magazines or indirectly through friends."

Luxury brands use several ways to dictate to consumers, such as whether to allow product customization and the type of interaction, which can either be a monologue (traditional magazine advertising) or a dialogue (events, social media etc.). Table 37 shows that most consumers in the exclusive group prefer to take the design as is, and do not want to customize or co-create. This follows their desire for traditional magazine advertising, rather than social media. In later findings, we also analyze the Instagram activity per interviewee and find that the exclusive group shows either no or fairly low activity.

## **Dimension: Exclusivity versus inclusivity**

Excluding others is the essence of luxury and sacredness as we outlined in the literature review in Chapter 1. It also forms part of most definitions as demonstrated in our overview of the definitions of the concept of luxury. Respondents in this group appreciate that what they consume, have, and experience, is for the few, the elite, and that they are among the privileged, i.e. superior. In the in-depth interviews, we asked whether the interviewee would mind at all if someone else wears or experiences the same or something similar, upon which the respondents confirmed in various degrees their desire for excluding others. Sometimes respondents felt awkward to admit this and mentioned a feeling of shame. Sometimes respondents said they would 'not mind at all', but then described situations which indicated the opposite, that they would mind after all if the luxury brand does not practice actions to guard its exclusivity.

Table 37. Exclusive group and their desire to customize and use traditional magazines or social media

Interviewee in exclusive group		Do you want to customize or co-create?  Verbatim	Do you use magazine o	or social media to interact?
Marcel Jacques	✓		Top down from brand	Not on social media
Martine	X		Top down from brand	Not on social media
Gabrielle	X		Top down from brand	Not on social media
George	X		Top down from brand	Hardly ever on social media
Elisabeth	X	No	Top down from brand	Hates Instagram by brands
Cookie	X	Ahm no. Luxury maybe. I guess.	Top down from brand	
Annika	✓	That is very cool. I actually did that a lot when I worked in finance for classical suits	Top down from brand	Not on social media
Robert	✓		Indifferent, or needs to be very playful	
Susan Anna	✓ ✓		Top down from brand	Plus Instagram Instagram

### **Exclusivity – verbatim example from the exclusive group:**

Elisabeth describing why she wants exclusivity: "Absolutely. Well. Yeah. Yes because everybody feels unique. To have your own style gives you uniqueness. If you see somebody else wearing the same thing, you don't feel unique anymore."

Annika admits being embarrassed to desire exclusivity: "I find it embarrassing to say, but yes it does, I guess we like to think of ourselves as individual. We are not all that individual then if someone wears the same thing."

**Anna:** "Yes, a little bit I would say. I mean yes, especially if we wear it on the same day. If other people would notice that would bother me. Like we are twins, that would bother me. But more with friends, it would bother me, if it would be with my mum it would not bother me that much."

**Robert:** "Honestly in my case the answer is no. It would bother me if I have a feeling I have paid a high price for something, which is worn by everyone, if you have an occasion I wear my Patek Philippe, someone has the same watch, that can also be a funny situation. There you exchange some thoughts, complement each other on having a good taste. If I see a product that markets its exclusivity, but in reality in the market it has very high quantities, then I would move away from buying that brand."

Robert on feeling and being privileged: "I don't know if that fits at all, when we attended, when we went and attended the Wimbledon finals last year, that was through a special organization company, that specializing in these sports event. The way they organized it, picking you up, really having the best seats, experiencing something like this, seeing Federer playing in the final, being Swiss myself, that was wow a experience."

Susan on her and her friends' relation to luxury and if they mind if someone else has or wears the same thing: "Mmh a little bit, as in not particularly ... if someone wears the same Hermès bracelet as you, at the same time, then it may bother you. It happens quite regularly you see 3 friends carrying Goyard bags happens quite regularly, it does not bother me. But it depends ... But some friends of mine have said everybody is wearing a Goyard bag, so they don't wear it, personally I don't care."

#### **Dimension: Formal versus casual**

The exclusive group prefers formal over casual. Formal is for special occasions, where one presents one's position in society. It is by definition sacred. This group prefers traditional classic luxury brands such as Hermès, Chanel, Rolex, and Patek Philippe. Table 38 provides an overview and indicates that each of the ten respondents in this group mentioned at least one, and often two or three of these brands as their favorites. These brands are heritage brands (Dion and Borraz 2015), and are anchored in the long-term. Table 38 shows the founding dates of these brands, and for the exclusive group the average age of their favorite brand is 116 years old.

Table 38. Favorite brands cited by the exclusive group and founding dates

Interviewee 'Exclusive group'	Favorite brands					
Martine	Hermès, Alaia					
Marcel Jacques	Hermès, Loro Piana, Louis Vuitton					
Gabrielle	Hermès, Chanel, Cartier, Van C	leef & Arpels				
George	Patek Philippe, Rolex, IWC, Mo Montblanc	ercedes, Porsche,				
Elisabeth	Rolex, Celine					
Cookie	Hermès, Armani, Gucci					
Robert	Patek Philippe, IWC, Tom Ford	, Porsche, Tesla				
Susan	Hermès, Chanel, Goyard, Frede	ric Malle				
Annika	Hermès, Rolex					
Anna	Hermès, Chanel, Saint Laurent,	Cartier				
Brands	Founding date	Years old				
Hermès	1837	181				
Patek Philippe	1839	179				
Cartier	1847	171				
Goyard	1853	165				
Louis Vuitton	1854	164				
IWC	1868	150				
Van Cleef & Arpels	1896	122				
Loro Piana	1900	118				
Rolex	1905	113				
Montblanc	1906	112				
Chanel	1909	109				
Gucci	1921	97				
Mercedes	1926	92				
Porsche	1931	87				
Saint Laurent	1960	58				
Alaia	1980	38				
Frederic Malle	2000	18				
Average years old		116				

Note: Own data from in-depth interviews and website of brands for founding date

### **Dimension: Public versus private**

This dimension is very important for the exclusive group with regard to showing one's rank in society, as outlined in Chapter 1 by referencing Elias (1969) and his analysis of the court society. This group consumes to demonstrate social status. Most conspicuous traditional luxury consumption is rooted in this behavior as analyzed by many scholars (Veblen 1899, Vigneron and Johnson 1999, Han, Nunes, and Dreze 2010). Brands use the properties of sacredness and play into the need of consumers to demonstrate their superiority or sacredness by producing goods or experiences which are (apparently) rare, prestigious, high-quality, hand-crafted, and limited, meant only for the few (Kapferer et al. 2012). The social dimension is impacted by the opinion of others, and impacted by what others consume, as outlined in Chapter 1 with the Leibenstein, Veblen, and Snob effects (Leibenstein 1950).

#### Public – verbatim example from the exclusive group:

Anna uses her luxury brands to communicate and signal: "[Luxury] it's important. It's very relevant. It's a statement. You are saying something without even having to stay something or it. You are part of a group, or a certain group I would say. You communicate and having an impact without saying anything. In the past I was not aware of non-verbally communicating, what you are communicating without saying anything. Especially where I work, they notice what I wear, and they did notice that I wore a Cartier watch. Now I work in Jewelry and Watches, but even in the fashion industry people realize what watch you wear etc., and not an Armani watch. Now I can communicate about this. Now I can use this as a tool. Am I wearing my Cartier watch or my Piaget watch today. Before I would only wear a watch because I wanted to look at the time. Now it's about what do I want to say today."

Martine questions why people who don't have the means want to consume luxury brands: "Oui parce que les marques de luxe sont très très prisées par les jeunes de la banlieue. Pourquoi? parce que ç fait bien de les avoir sur la tête ou aux pieds comme pour les Converses ou les casquettes ou les T-shirts. Mais on se demande pourquoi? puisqu'il n'y a pas l'argent pour acheter. C'est juste... moi, je

me pose toujours la question pour savoir pourquoi ces jeunes-là veulent faire semblant de, ou d'où ça vient cette volonté de se faire complétement logoté."

Elisabeth outlining that her Rolex makes her feel special: "It makes me myself more luxury, makes me more mature, I feel more special just with the watch. I am so proud I bought it by myself."

George outlining why he likes his Mercedes GT and the effects on others: "The AMG, I think everybody knows Mercedes, everybody who is a bit interested, I am proud to own them, when I saw the presentation of the car, I really love the car. The style of the car I wanted to have it immediately. The car is completely different. It is also a personal pleasure, the leather, but it is also a kind of show off, the luxury aspect is not just personal taste question and feeling it is also the external view on the product that you own or you use."

Conversation between Martine, Marcel Jacques and the interviewer – the conclusion is that Marcel Jacques would only ever use his sneakers in the gym, but never outside the gym:

Marcel Jacques Toutes les chaussures de sport sont devenues des chaussures de la ville. Mais mais je ne sort pas avec ca, jamais. J'ai les porte dans mon gym.

Martine De ville.

Marcel Jacques De ville.

Martine Il n'y a que nous qui avons nos baskets, nos tennis là-haut, enfin, nos baskets sauf que ça monte pas là. Ils ne sortent jamais de la salle de gym.

Daniela Vous pensez que ça va venir?

Martine Non.

Marcel Jacques Je en sais pas moi, y en a qui sont très confortable et qui sont très civilisés.

Martine Tu ne sortais jamais en baskets.

#### **Dimension: Function versus emotions**

For the exclusive group, this dimension refers to product quality and performance, it's about rational aspects rather than emotional aspects. This group desires products and experiences which are high-quality, high-performance and are anchored in the long term i.e. do not go out of fashion. This involves qualities such as craftmanship, the time it takes to produce it, and the long term one can keep an item and pass it on to the next generations. This group is focused on the product performance or, in other words, its quintessence as outlined in Chapter 1.

#### Function – verbatim example from the exclusive group:

Anna explains that long-term, timelessness is 'sacred' to her: "[The Prada bag]... it's timeless, a timeless business bag, probably I will wear it in 10 or 20 years. I kept coming back on it whenever I was in the airport, even today when I look at it I love it, it has not gone out of fashion, because it's so timeless. I still use it, it's my favorite piece."

Annika rationalizes and appreciates the timelessness and versatility of her Rolex and Birkin: "The two items I am always wearing, that I enjoy are my Rolex and my Hermès Bag. Both are special because they were gifts from my husband, both gifts were his decision to buy them. But within what type of watch, what type of bag, etc. The bag was a bit of a surprise, and the watch we bought together. It's a memory together, it's a timeless piece that goes with almost anything. I can dress it up and down. This is what I enjoy most about it."

Susan explains that luxury is always something classic: "I think my thing I would not go for a branded luxury, it's not really luxury, personally I don't like monogram or logos. I love the brands like Hermès or Chanel, Chanel has still maintained ... although the CC is very recognizable emblem, it's still not as in your face or logo oriented as the GG or the LV for me personally. And thing is, it still has its own character. It's not trying too hard. When you plaster a monogram on everything the brand is trying too hard. Nothing overly trendy. More classic. Luxury will always be something classic, which is made by hand, great craftmanship, which I hope to pass on to my kids. Like the Patek Philippe

advertising, that really resonates with me. I think it really captures the essence of luxury, you never really own it, you look after it for the next generation."

Gabrielle rationalizing why she goes for classic choices, for endurance and practicality. She says of herself that she is old school: "I found it very elegant as well, because of the color, it's navy blue, it goes with casual, and formal wear as well. So both elegant nice and very practical. The volume of the bag can contain everything, so even for travel it's easy to hold a passport, and wallet and everything. So basically I just love it. And they are comfortable to carry on. ... I usually don't go with very unique kind of product. I usually go with classic choices. It has something to do with the consumer personality and consumer typology as well. I don't look for things that are relatively outstanding, I usually go for relative traditional classic simple choices.... I always looking for things that suit me, rather than things on current trend. For example I continue to buy bags in black color, in different shapes, rather than ... there are a lot of interesting colors come and go, I am not interested in other classic color because of that it might be reason, that I might not get the wow, or unexpected experience....I am more of a rational consumer. I don't go to these brands for RTW. I buy them when I see the value and quality.... My two best friends are similar, they are not obsessed with luxury brands, they are rational buyers.... I am still an old school person."

Robert answering the question why he buys Patek Philippe: "Why do I buy Patek? Because I like the product, I like the image of the brand, in my view the brand stands with exceptional quality, comes with heritage, comes with a little bit of image of understatement, people that they know the brand, know the quality which comes with it. But it's not a bling bling."

Given the timelessness and high quality of these products, these traditional classic luxury brands are often used for gift-giving. In Annika's case, both the Rolex and the Hermès Birkin are quintessence products. Belk, Wallendorf, and Sherry, Jr. (1989) outline that quintessence products and gift-giving are two ways to sacralize one's luxury purchases, and this appears to be the case for Annika.

Annika mentions that both these products were gifts from her husband, and she shares that both gifts created "a memory together".

#### Dimension: Materialistic (owning) versus Non-materialistic (using)

This aspect refers to owning, the ownership of the objects (rather than using, renting or sharing) which is important to this group. Belk (1985, p. 265) defines materialism as "the importance a consumer attaches to worldly possessions. At the highest levels of materialism, such possessions assume a central place in a person's life and are believed to provide the greatest sources of satisfaction and dissatisfaction".

The verbatim of this group shows that services such as renting or sharing luxury are not of interest to them. From our sample, we conclude that this group prefers to own because (1) they want to have the longevity they desire, i.e. to use it again and again; (2) they don't want to appear a 'fake' for representing something which they don't own; (3) the object is sacralized as it is part of a collection; (4) it is sacralized as it is a gift and commemorates a special occasion, a memory together; or (5) for hygienic reasons.

Some argue that consumers appreciate big logos and recognizable luxury, as it is easily 'Instagram-able', easy to recognize on a picture; it is also said that consumers wear something only a few times and show it on Instagram only once. As will be shown later in these findings, the exclusive group is very little present on Instagram.

Eleven James is a 'rent a watch' company, and its CEO says in an interview "By providing our members access to a new timepiece every three months from brands like Audemars Piguet, IWC, Patek Philippe and Rolex, we're repositioning luxury to be based around exploration, experimentation and experience – free from the traditional barriers of ownership and commitment" (Sampson 2018). The ideas of exploration, experimentation, experience, fun, and the short term, is something which the exclusive group is not looking for in their relation to luxury. The exclusive group looks for long-term ownership, marking one's position with their own (authentic) possessions, making memories and building their heritage or legacy. Buying counterfeit products also offers a quick short-term luxury fix,

but from the above arguments it seems very likely that this group is probably not interested in counterfeits either.

#### **Materialist – verbatim example from the exclusive group:**

Anna explains why ownership is important (longevity), and why buying 'pre-loved' luxury (second-hand) is not for her: "I have not done so. And I don't plan to. No I would not go to Rent Runway, but friends have done that. Yeah, ...mh I have never used this service. I am just am .. If I really like a piece I want to keep it, and if I don't really like I would not want to wear it.

Like for that wedding I really like that dress I want to wear it again. No, not for 2nd luxury, but I have looked at it. I looked at Collective Vestiaires, its one-third cheaper then I rather save a bit longer and get the full experience. Are they really real. I would be afraid that I would get fake and I would not wear and something.

When I fall in love with something and its really precious and I really like it, I want to keep it. I am more loyal customer, or loyal client or owner. While I do like trends in RTW, or shoes, etc. in investment pieces like a bag or a watch, I am more person who likes to own. But probably you can half the customer base, people like me, I have a friend who wants to wear a different dress to every reception or wedding, so she actually is the type of person who is using Rent the runway etc. I am sure she would do that service. My personal values I like to own, it's my compliment as I own that Cartier watch.

There are people who like to have this illusion, communicate about their watches, like an investment banker in the city of London, look I have so many luxury watches, that I have a new one every couple of months, they want to give the illusion to own more, whereas I don't want to deceive people that I own more than I actually have. You know what I mean. I would also own a car, not lease a car, but the lease model works very well in Austria, I don't think I am the norm. I am sure this model is very successful or grow a lot."

Cookie shares that owning is important to her, as she would not want to wear someone else's clothes: "No, absolutely not. Ahm, I prefer to own it. If you can afford to own it, you go and buy it. We have a fabulous wedding in California this August. In my back of my mind I know I needed a new guest

gown. Its California chic black tie. I am running out of time. At Saks there is an outlet store, marked down to 150 dollars. I rather do that. [Gee]I thought about it, shall I do the rent the runway thing for

the first time? I would not do it. I would not want to wear someone else's clothes. I would not do it."

Gabrielle prefers to own for hygienic reasons: "No, it's quite personal items, I am especially

concerned with hygiene issue, but I would loan it to a friend, but myself no I would not do this, or I

would not buy second hand."

George prefers to own, rather than giving a fake impression with something he does not own: "I

never rented real luxury goods. Real estate I rent an apartment in Vienna, but it's not a luxury good,

it's a normal apartment, renting a house for vacation is not a luxury good, it has to has a good standing,

a pool, right location, it is not a luxury good, because I want to spend my time there. Renting a watch,

or clothes, I would not do. I would have the impression it is fake. I try not to represent something I have

no access to."

**Dimension: Object versus subject** 

The exclusive group is anchored around purchasing in the luxury boutique or the 'brand's

cathedral'. The consumers in this group are the objects, rather than the subjects, as the focus lies on the

brand and they are brand-centric. The exclusive group prefers their relation to luxury with the physical

boutique, they prefer the ritual and it is like 'going to church' for them, despite the fact that it may be

more convenient to purchase online (like the inclusive group prefers).

**Object – verbatim example from the exclusive group:** 

Susan prefers physical boutiques: "Luxury I buy in boutiques, online I buy very basic stuff."

Annika prefers buying luxury offline: "Convenience has become much more important. I am not a

customer of Amazon Prime although I use Amazon and other online retailers frequently. I am buying

fast fashion and casual clothes online, luxury or evening wear I still prefer to buy offline."

273

Elisabeth loves the physical shopping experience: "I love shopping experience by myself in the boutique. I hate online shopping. I want to feel it. It's the same for online dating. I want to feel it. I am very old school."

To summarize, the exclusive group has 10 members out of 26, i.e. 38%. Women represent 70% in this sample (versus 62% in the total sample). German speaking nations represent 50% in this sample (versus 35% in the total sample). The average age in this group is 48 years old (versus overall sample of 42).

Next, we analyze in-depth the inclusive group and the both worlds group.

Table 39. Structural diagram with all interviewees

	Group 1	Group 2	Group 3
	Exclusive group	Both Worlds	Inclusive group
	Martine	JH	Alexander
	Marcel Jacques	Rocco	Lydia
	Gabrielle	William	Martin
	George	Olympe	Valentina
	Elisabeth		Nora
	Cookie		Jonne
	Robert		Celestine
	Susan		Cliff
	Annika		Leni
	Anna		Bora
			Tom
			Charlotte
Total	10	4	12
% on total	38%	15%	46%

Table 40. Summary of demographic profiles of the exclusive group

Pseudonym	Gender	Age	City	Origin	Same City/ Origin*	Religion	Education	Spending	Occupation	Location
Marcel Jacques	Male	73	Paris	French	Yes	Catholic	High	10K+	Philanthropy	City
Martine	Female	73	Paris	French	Yes	Catholic	High	10K+	Philanthropy	City
Gabrielle	Female	33	Shanghai/HK	Chinese	No	None	High	Btw 1 and 10K	Director	City
George	Male	45	Vienna	Austrian	Yes	None	High	10K+	MD Private Equity	City
Elisabeth	Female	40	Paris	German	No	None	High	<1K	Visual Merchandising Manager	City
Cookie	Female	60	NY	American	Yes	Jewish	High	10K+	Advocate	City
Robert	Male	41	Zurich	Swiss	Yes	Protestant	High	10K+	CEO	City
Susan	Female	41	Singapore	Indian	No	Hindu	High	10K+	Business owner	City
Annika	Female	41	Zurich	German	Yes	Protestant	High	Btw 1 and 10K	Banker, PHD finance	City
Anna	Female	30	London	German	No	Catholic	High	Btw 1 and 10K	Marketing Associate	City

<sup>\*</sup> Switzerland, Germany and Austria were assumed the same 'origin'

#### The inclusive group (Group 3)

#### **Dimension: Democracy versus dictatorship**

The inclusive group values horizontalization (as opposed to verticalization). This means they desire in their relation to luxury the *loi de frères* (fraternal law), implying sharing and giving feedback, rather than the *loi de père* (paternal law), which partakes of verticalization.

During our content analysis we observed that the inclusive group values the hypermodern values from our propositions for a new sacredness. These are based around love and are (1) P1 *erōs*: 'my pleasure', (2) P2 *philia*: 'friendship', and (3) P3 *agabē*: 'charity and doing good'. P1 is about (1) I want what I want when I want it, (2) seduction, pleasure, fun, and additional experiences of the product, (3) customization, and (4) well-being. P2 is about (1) inclusion via collaboration, (2) inclusion with respect to product sizing, (3) casualization, and (4) convergence of brand's and consumer's social values. P3 is about (1) inclusion via transparency, (2) inclusion via sustainable behavior, and (3) inclusion with respect to gender. In Chapter 5 we analyzed the socio-cultural changes taking place.

In a recorded interview, Maffessoli (2018) explains that the new tripod, (tribalism, nomadism, and hedonism) reinforces the emphasis on the festive, the playful, dreaming, and imagining in postmodernity (Kerroc'h 2018). In other words, in modernity Apollonian values were given the most weight, whereas in postmodernity, Dionysian values have greater presence. Maffesoli speaks of the rise of creativity, the idea that one is the "artist of one's life," creating art using one's life as the material (Kerroc'h 2018). This is the rise of individualism, the focus on 'me' rather than the social aspect, the subject. Therefore, the inclusive group values horizontalism.

From Lipovetsky's (2005) description of how individuals "consume for their own personal pleasure rather than to enhance their social status," we can see that absolute convenience (to save time) and pleasure for oneself is more important than traditional sacredness. Lipovetsky (2017) characterizes the present as hypermodernity, and in his recent book *Plaire et toucher*, he shows that pleasure, seduction, and fun are omnipresent. Lipovetsky (2017) begins his book by quoting Racine's preface to the play *Bérénice*: "La principale règle est de plaire et de toucher: toutes les autres ne sont faites que pour parvenir à cette première"—roughly translated, "the foremost rule is to please and to touch:

everything else is only to achieve this". Seduction is now the epicenter of the economy. Capitalism as the enchanter is expressed through technology, images, media, and marketing. The goal is to please the consumer, the citizen, and it even plays a part in children's education.

The horizontal (rather than vertical) dimension is demonstrated by how the inclusive group appreciates customization, co-creation and a dialogue or interactive communication in their relation with luxury brands. Tynan et al. (2010, p. 1161) studied how marketers and consumers can co-create value in the luxury-goods marketplace, and find that co-creating the luxury brand experience "involves dialogue and complex interactions between the brand owner, employee, customer and other social groups including the customer communities of brands." Franke, Schreier, and Kaiser (2010) concluded in their paper "The 'I Designed It Myself' Effect in Mass Customization", that in addition to the two known effects making customization so valuable for consumers (preferred fit: as high as possible; and design effort: as low as possible), there is a very important third effect: The "I designed it myself" effect creates economic value for the customer. They found that this provides a feeling of achievement as well as the individual's perceived involvement in the design process. This brings us back to what we started this subchapter with: Maffesoli's (2018) idea of being the artist of one's life.

277

Table 41. Inclusive group and their desire to customize and use traditional magazines or social media

Interviewee in inclusive group		Do you want to customize or co-create?	Do you use magazines or social media to interact?
Alexander	✓	Custom suits (Italian) and custom shoes (Berluti)	Instagram, WhatsApp
Lydia	$\checkmark$		Instagram, magazines
Martin	$\checkmark$	Suits (Windsor)	Facebook, word of mouth
Valentina	$\checkmark$	Birkin, Pajamas, personalized vitamins	Instagram
Jonne	$\checkmark$	Customizes most items she buys	Not traditional advertising
Celestine	$\checkmark$		Instagram, online
Bora	✓	She has created her own handbag line, very creative	Instagram; online shopping boutiques
Тот	✓	Loves it, many things	Instagram; online shopping boutiques
Nora	TBC		Instagram
Leni	TBC		FourSquare, or Instagram, a responsive call center
Cliff	X		Email
Charlotte	X		Online

### **Democracy – verbatim example from Group 3:**

**Tom on customization:** "Mmh yes I have my own brand, so yes, I do. I love to see what is out there and outdo whatever is going. For shirts, I do this with my own brand. Tackle that market. Do something which outdoes. Yes I have done a lot of customization e.g. Anya Hindmarch, Louis Vuitton, phone cases, wallets, bags and more."

**Tom on how the brand and he interacts:** "Just through online shops. Like M Porter, Harrods, Matches, Selfridges, when I go on their websites given I go there regularly, it comes up. I get newsletters which I read. How to spend it. All these kind of things. Instagram I do follow all brands, I don't tend to come across things I want to buy, I know my brands what they offer, they are on favored designers on big shopping website."

**Jonne on whether she would like to customize or co-create:** "Not necessary. I do it on my own (add a pocket, cut the sleeve, whatever)."

Valentina on customization: "I did a customized Birkin and I never wear it. Yes, if it's easier I would.

I would get my own pajamas, I am trying that actually via a friend, but it does not work. I got specialized vitamins tailored for me and that was sort of the cost of a handbag, so I guess that is the ultimate customization."

Valentina on how the brand and she interacts: "I do Instagram. I hate magazines now, I find them so boring, arrogant, out of touch. I mean Instagram is the only thing I do."

#### **Dimension: Inclusivity versus exclusivity**

The inclusive group appreciates inclusivity in many aspects. Exclusivity, i.e. excluding others, is not sacred for them, quite the contrary. This aspect can relate to product sizing, co-creation, the inclusion of any type of minority from gender, religion, or race.

Inclusivity – verbatim example from Group 3

Nora on whether it bothers her if someone wears, owns or experiences the same as her: "Honestly

not at all, because to me, like, if you like the piece and you're gonna wear it a lot, you should like

absolutely have that. Of course like sometimes I want to be like the one that people are envious of

having something. But I'd rather ... Like I enjoy being on trend. And if it's like a piece that a lot of

people have, it's really not like a problem to me. Just because I know, you know what, this is a good

quality bag, this is a good piece. It's almost like kind of confirms my decision to purchase it."

Charlotte: "Not at all."

Valentina: "Not at all. Actually I would like people to have the same Hermès bags which I do, as I have

some which for some reason no one seems to buy as they are not logoed and hard to recognize they are

Hermès. I would like for some to recognize my big totes from Hermès and compliment me on my taste

or how discreet they are, but nobody does."

Cliff: "Absolutely not but it does not really happen, it really does not matter, things look different on

anybody."

**Jonne:** "Not at all. They have their own presence and way of putting things together. If I'm perfectly

honest, to a casual observer, I might look as if I'm dressed in the usual black like half the fashion world,

but most people are not combining Hermès and Rick Owens with half a dozen diamond rings, for

example. I think I've got a personal style that's not usually found on someone else. If she (or he, as I

also wear men's clothes and shoes) has the same thing on as me, I think she must be a kindred spirit."

Leni: "Mmh, not, actually no. Mmh honestly, it did bother me at the beginning when I was looking for

luxury to enhance my personality. Vetements before this brand I would buy it to be more on trend to

look like the other, or too many would wear it. If I would buy it now it's more about me than the brand.

280

This is why I am not so bothered, they wear it in a different way. I don't base my personality on this brand."

#### **Dimension: Casual versus formal**

The inclusive group values the casualization taking place in society. It appears you are no longer what you wear and produce, but what you eat and consume. In Chapter 5 we outlined the socio-cultural changes taking place, classifying under P2: *Philia*, which stands for love or friendship. Metaphorically speaking, casualization stands for 'feeling at home', as a friend would welcome you at his or her house and suggests to feel at home or *faitez comme chez vous*. (Franke, Schreier, and Kaiser 2010). The new opinion leaders are often no longer politicians, bankers, or lawyers in suits (i.e. it's not anymore *Barbarians at the Gate, Wall Street*, or *The Wolf of Wall Street*) but today's role models are more like Bill Gates, Steve Jobs, and Marc Zuckerberg, all respectively not wearing a suit to work, but a casual outfit. Chapter 5, subchapter **Error! Reference source not found.**, explores this casualization in detail, a nd how we went from casual Friday, to business casual, to athleisure and (luxury) streetwear. Green (2017) quotes Clemente in her article, explaining that "People want less maintenance of their clothes. Technology is such a pervasive part of our lives. To want it in our clothes is simply natural." Boston Consulting Group also confirms the luxurization of casual wear. As an example, one can note that sneakers represented in 2009 just below 10% of the luxury shoe market, whereas in 2016, they make up 19%, almost double of what it was.

The interviewees of the inclusive group appreciate casual over formal, and in particular sneakers and their importance were mentioned often.

#### Casual – verbatim example from Group 3

Tom needs to buy some formal but would never spend as much on it as he spends on casual: "It's kind of I would say casual, t-shirts, jeans, casual kind of shirts. Being in an office environment, I have to buy some formal. I would never spend a lot of money on formal. I would never spend as much money on formal as I spend on casual."

Celestine is evolving to chic sneakers even for investor meetings: "Given I work with start-ups I am more like casual chic. Not things which are too stiff. Sneakers and high heels. If it's an investor meeting – high heels, however I am evolving to chic sneakers."

Valentina wonders why there are no evening sneakers: "Total casual, I hate it if I have to wear formal. Like why is no one doing evening sneakers. I love sneakers and find it hard to go back to normal shoes."

Charlotte is 360 days in casual: "I tend to wear totally casual. Very few high heels, I have not touched them for years. I buy less formal. I still bought some, but I don't wear them. In my daily life, I hardly wear them. 360 out of my 365 days are casual wear."

## **Dimension: Private versus public**

The inclusive group is focused on themselves, rather than depending on the opinion of others. In Chapter 5, under proposition 1: the concept of  $er\bar{o}s$ , we contended a new proposition to focus on the individual. This proposition is called 'My pleasure' and has four pillars: (1) I want what I want when I want it, (2) seduction, pleasing, fun, as well as the additional experiences of a product, (3) customization, and (4) well-being. The abbreviation IWWIWWIWI signifies 'I want what I want when I want it', and it refers to the state of mind of millennials expecting goods and services right away, without delay. The equivalent expression for this section could be "me, myself and I". This altered consumer behavior is fueled by technology and the instant need for gratification. Bain & Company (2017) argue that IWWIWWIWI is the mantra of millennials, but this state of mind influences luxury brand shoppers of all ages. Kit Yarrow (2014), a consumer-behavior psychologist uses IWWIWWIWI in reference to a group of consumers who have three particular goals in their daily consumption: novelty, self-expression, and recognition (Yarrow 2014). Lipovetsky (2005, p. 55) characterizes it: "hyper consumption is a consumption which captivates and integrates more and more spheres of social life and which inspires individuals to consume for their own personal pleasure rather than to enhance their social status". The change in consumption from enhancing one's social status to personal pleasure shows the

socio-cultural change at issue here and provides a glimpse of the new sacredness. In traditional sacredness or luxury, purchasing luxuries as investments, such as the Hermès Birkin bag, was done to communicate one's rank in society. In hypermodernity, consumers still desire the Hermès Birkin bag, but pleasure rather than status is the primary motivator.

The individuals in the inclusive group have become hypermodern, and consume first and foremost for themselves rather than for society.

#### **Dimension: Emotions versus function**

The inclusive group consumes and purchases more for emotions, aesthetics, for the now, short-term, fun, and focusses on experiences, rather than for performance, rationality, or the long-term. The conversations with interviewees in this group often centered around experiences and emotions, rather than products or functionality, as the range of the verbatim below shows. Even the type of experiences turned more around extraordinary experiences (e.g. glamping in the desert, detox in Malaysia) and abstract experiences (meditation apps), rather than for instance staying in traditional hotels like the Claridge's Hotel in London, which a member of the exclusive group mentioned. What we mean here is that even within experiences, there can be very rational and functional experiences (e.g. Claridge's Hotel in London) versus very emotional and playful experience (e.g. that would be a new design hotel in London, or a luxurious Airbnb).

# **Emotions – verbatim example from Group 3**

Martin – discussing at the end of the interview what makes him tick: "I actually do think the hotels where I go that is really important, not how many stars the hotel has, that is not important, the days the period that I really not need to think of everything and everything is taken care of. So 50 weeks I have to solve problems and do all that, and these 2 weeks a year in one of those hotels where literally everything is taken care of I can be a child again, food is taken care off, I can use two weeks, a break from my brain, really relax with 0 planning. My brain works mad the whole year, these two weeks my brain is in slow motion."

Charlotte on asking her about her best wow product or experience: "Strangely I would never put any purchase of luxury into that. For me my luxury was, and I really want to do it again. It was a detox trip in a resort in Malaysia, when I was single. Now not any more. The Farm in Malaysia. Something I really want to repeat. Because first as you knew me, detox, a green lifestyle mentally and physical, this is something I always dream for. For me this is luxury. Freedom in terms of time, money and mental freedom. I have done so many different type of detox, some physical hardships, the whole farm was a luxury resort. Infrastructure, food, although not much food, in terms of service it's to the perfect point."

Alexander – relationships are sacred for him: "I appreciate the relationship with my tailor, it's just more than a provider than a supplier, we talk about football, life, kids, that is something I appreciate, I ask about his work, his life, we exchange a lot, that is really the luxury aspect, gives more value to the suit.... I would say for me the really wow experience, that I had was a hotel W hotel in Doha Qatar, there I had been only once in the past, as a business executive room, and I came a 2nd time for a longer stay, still professional, somehow, they managed, and found out, they realized my wife was due, in the room the day I arrived there is a teddy bear for my son to be born, and they wish to invite us 3 for a free visit etc. This was for me was the best experience, everything, so now when I am going to this city, I don't even think no one else. Without any prior real history ... in terms of purchases I was not a VIP I was a normal."

**Lydia** – **on what is her wow product or experience:** "My meditation app 'Inscape' and going to the mediation classes in NY."

Valentina – paying attention to her well-being including personalized vitamins seems to be the most sacred for her, rather than handbags: "Totally like great food is super important to me. I spend a lot of money on allergy tests, medication, yoga classes, gym membership, mental healthy, meditation classes. I am a total addict in that. That is more important than handbags or anything else. I spend money on cremes now, but very distinct, I just want to buy one, the right now, and again I need it easy, I don't have time to put on 10 cremes a day. I just need one. I don't have time for an elaborate beauty

ritual. I spend probably most money on like a meditation camp, or weekly hypnosis session. That is worth more to me than handbags. Maybe because I have a lot of luxury bags and clothing. I do enjoy buying the occasional off piece from a designer on say outnet.com, but my mental and physical health is the most important."

#### Dimension: Materialistic (owning) versus Non-materialistic (using)

This dimension we have defined as 'using', instead of owning, as is possible for instance with cars, property, clothing, watches etc. which can now all be rented. Although watches and clothing are available for rent mainly in London and the US (e.g. via Amarium, Rent the Runway, or Eleven James), in the rest of the world this is less easy. A small part of the 26 interviewees shared that they rented property for vacations, or leased cars. However, none of the 26 interviewees have rented clothing, watches or jewelry so far. Only two interviewees, both in the third group, mentioned they would be prepared to do so, but so far had a lack of opportunity.

# **Dimension: Subject versus object**

The inclusive group is anchored around purchasing online, including luxury. We include in this dimension also the need for convenience and speed. For the inclusive group, luxury brands have to be consumer- rather than brand-centric. Lipovetsky (2005, p. 65) confirms that "we increasingly see hyperindividualist passions for 'comfort and pleasure' and existential comfort, the new demand for agreeable sensations, for a high-quality ambience and environment".

# Subject – verbatim example from Group 3

Alexander – responds to whether he is alright with waiting or whether he needs speed delivery: "I don't like to wait. If I don't understand why the reason I am in impatient. Out of stock in situation I don't accept. If they say we ask the Paris boutique to send it I don't accept it. If I am exposed to craft, like my tailor, in this time and invites me to appointments then it's different I am more cool about it. I meet them so often I stop at the tailor every month. It's a different approach to waiting time. Last time I went to buy a Tumi suitcase, the model I want, it's a bestseller in the boutique in Dubai, they told me

they need 7 days to have a best seller. That is not acceptable. It's not ok that I need to wait for a bestseller for 7 days, they should have this. So I bought it in London."

Tom is sometimes excited to wait, e.g. for his Mercedes to be delivered—for him it is part of the excitement—but then mentions that 24 hours / max. 48 hours is standard, and everything else is unacceptable: "I think sometimes it's exciting to wait, it's a big deal, that is the most exciting time, you get excited because you are waiting for something. If its clothing its inconvenient to wait.... I think it's very important, general market is working in a next day delivery, if you can't do that, then that is an issue. Convenience I can buy something and have the next day, that is the standard and that works for me."

Cliff on how important convenience is: "Super important. Oh yes so much more than before. Before I would go everywhere. Today if I want it and I can't get it, if it's not reachable and not thru internet, then it's a No."

To summarize, the inclusive group has 12 members out of 26, i.e. 46%. Women represent 67% in this sample (versus 62% in the total sample). German speaking nations represent 25% in this sample (versus 35% in the total sample). The average age in this group is 40 years old (versus overall sample of 42).

Table 42. Summary of demographic profiles of the inclusive group

Pseudonym	Gender	Age	City	Origin	Same City/ Origin*	Religion	Education	Spending	Occupation	Location
Alexander	Male	34	Dubai	Belgium	No	None	High	10K+	Brand director	City
Lydia	Female	50	NY	English	No	Catholic	High	10K+	CEO	City
Martin	Male	33	Zurich	German	Yes	None	High	Btw 1 and 10K	Consultant	City
Valentina	Female	41	Paris	Swiss	No	Catholic	High	Btw 1 and 10K	CEO	City
Jonne	Female	62	Florence	American	No	None	High	10K+	Leather goods Director	City
Nora	Female	25	NY	American	Yes	Catholic	High	<1K	Customer manager Chief Innovation	City
Celestine	Female	42	HK	Spanish	No	Catholic	High	Btw 1 and 10K	Officer	City
Cliff	Male	51	Milan	German	No	Protestant	High	10K+	CEO	City
Leni	Female	30	Munich	Romanian	No	Catholic	High	Btw 1 and 10K	Strategy director	City
Bora	Female	45	Vienna	French	No	None	Bac	10K+	Mom manager	City
Tom	Male	24	London	English	Yes	Protestant	Bac	Btw 1 and 10K	Designer	City
Charlotte	Female	44	Chengdu/Paris	Chinese	No	None	High	Btw 1 and 10K	Project Director	City

<sup>\*</sup> Switzerland, Germany and Austria were assumed the same 'origin'

## **Both worlds group (Group 2)**

This group we called 'both worlds' as they appreciate values from both worlds. On the dimensions diagram, they sit firmly in the middle for dictatorship/democracy, formal/casual, and public/private. However, they are placed in the materialistic dimension to the left, same as most interviewees.

The below verbatim show that these individuals are firmly rooted in both worlds.

# Verbatim example from both worlds group (group 2)

William on how he would prefer to wear more sneakers at work, but still has to wear a suit: "Yeah I mean I prefer casual, because it's just more comfortable. At the office, although even if I wear a suit I wear sneakers, depending on the meetings, I will put some nice shoes which I have at the office. Ahm although I don't like anymore the fact being in a suit it's like a uniform, so you have to. Quite frankly, I don't like that anymore, I have to wear that it is what it is. But could I wear something else, or if in my job it would be authorized to walk around like Marc Zuckerberg or Jeff Bezos, I think I would do it. Because I don't think ... and you can see it a lot of bankers don't wear ties anymore, there is a tendency to become more casual, because the codes of having to wear certain things are at least in my view at least outdated. What is important how you behave and what is in your brain as opposed to what you are wearing."

To summarize, the both worlds group has 4 members out of 26, i.e. 15%. Women represent 50% in this sample (versus 62% in the total sample). German speaking nations represent 25% in this sample (versus 35% in the total sample). The average age in this group is 32 years old (versus an overall sample age of 42). This can be seen in Table 43.

Table 43. Summary of demographic profiles of the both worlds group

Pseudonym	Gender	Age	City	Origin	Same City/ Origin*	Religion	Education	Spending	Occupation	Location
Olympe	Female	41	Paris	French	Yes	Jewish	High	10K+	Director	City
William	Male	47	Paris	Austrian	No	Jewish	High	10K+	Lawyer	City
Rocco	Male	20	Paris	French/Brazil	Yes	Catholic	High	Btw 1 and 10K	Student	City
JH	Female	19	China/London	Chinese	No	None	High	10K+	Student	City

 $<sup>* \</sup> Switzerland, \ Germany \ and \ Austria \ were \ assumed \ the \ same \ `origin'$ 

We have three groups and over the next pages we want to understand what role their cultural background may play and how this may impact the way these groups look at sacredness. The next pages

outline findings 2 to 6 and they describe what the relationship could be between one's cultural

background and the way how one looks at luxury.

Finding 2: Age

Finding 3: Origin

Finding 4: Religion

Finding 5: Spending level

Finding 6: Occupation

Finding 7: Usage of Instagram

Finding 2: There seems to be no relationship between age and group membership, confirming

that 'millennial' is a state of mind, rather than an age

Schade et al. (2016) found that hedonic and utilitarian attitude functions are pertinent for all

ages, however the social aspect differs significantly. The social adjustive part increases the purchase

behavior of late adolescents (16-25 years), the value-expressiveness impacts young adults (26-39 years).

From 40 years onwards, the social aspects appear much less important when consuming luxury goods.

Bain & Company expects a future generational shift to be the main growth engine of the luxury market,

with 85% of luxury growth in 2017 fueled by generations Y and Z. A broader millennial state of mind

is permeating the luxury industry and changing the ways in which all generations make purchases (Bain

& Company 2017). This shift in mindset is pushing luxury brands to redefine what they deliver to

customers and how they deliver it. The new term luxury streetwear is an example of this: "Luxury

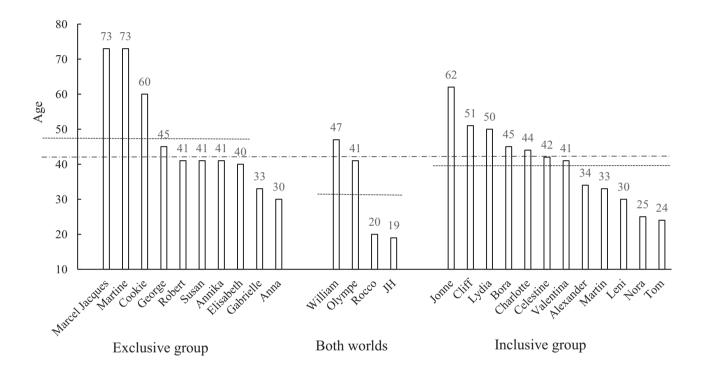
brands are reinterpreting streetwear to appeal to younger consumers. T-shirts, down jackets and

sneakers were among the standout categories in 2017" (Bain & Company 2017).

290

Our sample is small and though we cannot draw definitive conclusions, we can show the following: The average of all 26 interviewees is 42 years, the average age per group is: Exclusive group 48; both worlds group 32 years; and Inclusive group 40 years. From the socio-cultural changes taking place as outlined in Chapter 4, we can suggest that 'millennial' is a state of mind, rather than related to age, as all ages are represented in all three groups, though with a younger tendency in the both worlds and inclusive group, as can be seen in Figure 11.

Figure 11. Age distribution of the three groups

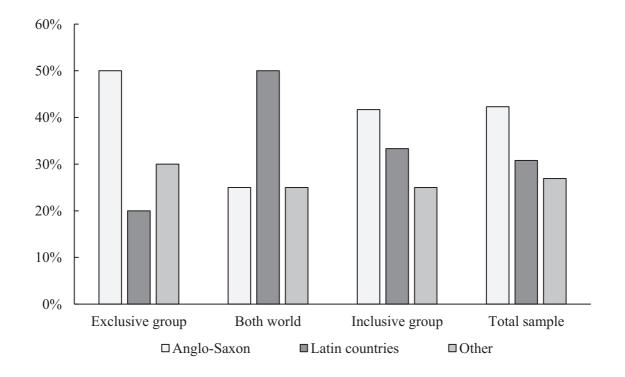


*Note*: The dotted lines represent the overall average age of this sample (42 years), as well as the average age by group (Exclusive group 48 years, both worlds group 32 years, inclusive group 40 years).

# Finding 3: Origin provides some hints whether one is more in the exclusive or inclusive camp

Although this sample is small, we can conclude that in particular the Anglo-Saxon interviewees are more prevalent in the exclusive group, whereas the interviewees from France, Spain, Belgium and Romania are in the both worlds or inclusive group.

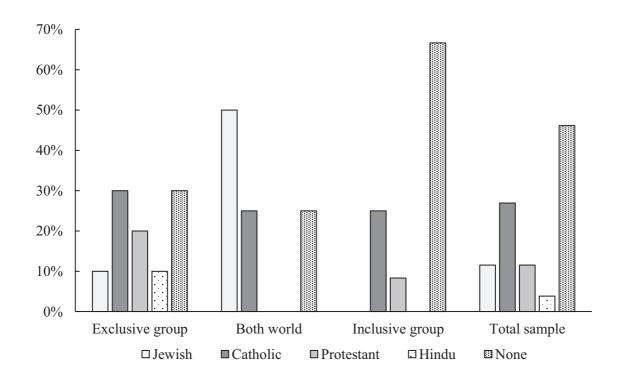
Table 44. Interviewees allocated by group and origin



Finding 4: Religious influence: There seems to be a relation that if one believes strongly in a religion, one is probably in the exclusive group; if one has no religion, it seems more likely that they are part of the inclusive group

The religion mix of our sample is as follows: No religion 12 (46%), Catholic 7 (27%), Protestant 3 (12%), Jewish 3 (12%) and 1 Hindu (4%). Our sample is too small to draw substantial conclusions from, but interviewees with no religion are more prevalent in the inclusive group, as Table 45 indicates. Out of the 12 interviewees who have no religion, 8 are in the exclusive group.

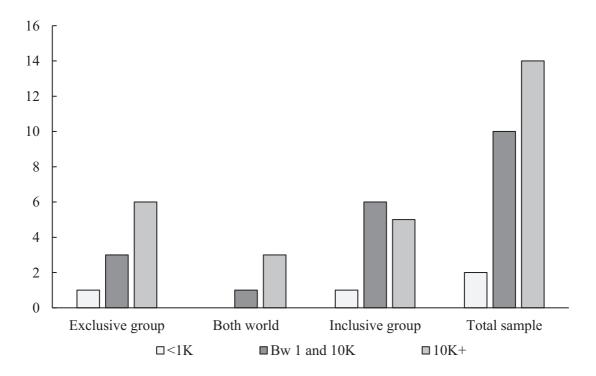
Table 45. Interviewees allocated by group and religion



# Finding 5: There seems to be a relationship between high spending level and being in the exclusive group

In our sample we decided on three categories of spending levels: Category one for spending below 1.000 euros (2 interviewees or 8% of total), category two for spending between 1.000 und 10.000 euros (10 interviewees or 38%), and the third category, for spending above 10.000 euros (14 interviewees or 54%). If one has an extremely high annual spending of more than 10.000 euros, one is probably in the exclusive group.

Table 46. Interviewees allocated by group and spending level



Finding 6: There seems to be some relationship between one's occupation and preference for certain types of relationships with luxury brands: The more creative or business-related, the more likely one is to be in the inclusive group; the more bourgeois related, the higher the likelihood to be in the exclusive group

We have taken the sample members and grouped them by four different types of occupations: Bourgeois, finance, creative, and business-related occupations. Out of the 26 interviewees, we placed 4 into Bourgeois (15%), 4 into finance (15%), 7 into creative occupations (27%), and 11 into business related occupations (42%). From the distribution as shown in Table 47, one can assume that the more creative or business-related a person is, the more likely they are to be in the inclusive group; the more art and charity related, the higher the likelihood to be in the exclusive group.

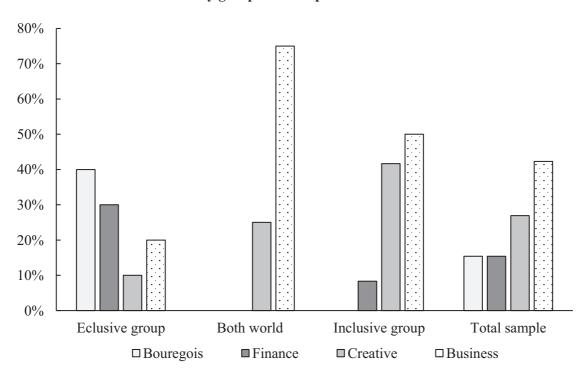


Table 47. Interviewees allocated by group and occupation

# Finding 7: The inclusive group is highly present on Instagram, whereas the exclusive group is less present

We believe the analysis of Instagram usage is important, as Instagram is a sign for the desire of democracy, for having a say and a dialogue.

Figure 12. Number of Instagram followers and age

Exclusive group         Not on gram         73           Martine         Not on gram         73           Gabrielle         Not on gram         33           Annika         Not on gram         41           Susan         879         41           Anna         597         30           Elisabeth         230         40           Cookie         66         60           Robert         53         41           George         34         45           Both Worlds
Martine         Not on gram         73           Gabrielle         Not on gram         33           Annika         Not on gram         41           Susan         879         41           Anna         597         30           Elisabeth         230         40           Cookie         66         60           Robert         53         41           George         34         45
Gabrielle         Not on gram         33           Annika         Not on gram         41           Susan         879         41           Anna         597         30           Elisabeth         230         40           Cookie         66         60           Robert         53         41           George         34         45
Annika         Not on gram         41           Susan         879         41           Anna         597         30           Elisabeth         230         40           Cookie         66         60           Robert         53         41           George         34         45
Susan       879       41         Anna       597       30         Elisabeth       230       40         Cookie       66       60         Robert       53       41         George       34       45
Anna       597       30         Elisabeth       230       40         Cookie       66       60         Robert       53       41         George       34       45
Elisabeth       230       40         Cookie       66       60         Robert       53       41         George       34       45
Cookie         66         60           Robert         53         41           George         34         45
Robert         53         41           George         34         45
George 34 45
8
Both Worlds
William Not on gram 47
Rocco 1000 20
JH 890 19
Olympe 250 41
Inclusive group
Martin Not on gram 33
Lydia 11200 50
Alexander 7684 34
Celestine 1626 42
Nora 1005 25
Bora 842 45
Tom 592 24
Leni 407 30
Cliff 308 51
Valentina 203 41
Jonne 164 62
Charlotte 50 44

## 8.4 Study 2: The structural dimensions

We have used the same dimensions diagram which we developed for the in-depth interview longitudinal analysis, but we added an eighth dimension which we labelled 'Other brand only versus own creation'. All seven dimension parameters follow the outline provided in subchapter 8.1.1. which is the longitudinal analysis of the in-depth interviews.

The eighth dimension is introduced for the bloggers, as some of them have started product collaborations with luxury brands, or have produced their own branded accessories and clothing. In the theoretical part we have described several theories and trends taking place, including:

- In the 21<sup>st</sup> century, the individual is responsible, the center, and on his or her own terms, the "creator and artist of his own life" (Maffesoli 2018).
- Customization part of P1 'erōs' My pleasure: The move from object to subject is accompanied by an increase in the role of the individual and its individuality, which results in customization being part of the new sacredness. Once again, the loop closes, as this is how the concept of luxury became more widespread when talented artisans crafted and designed unique personal items under the creative direction of the monarchy. The power of being the master, the designer, now returns to the consumer, partly thanks to technology.
- Being god not just for oneself, but for one's entire Instagram following: Pietro Beccari, CEO of Dior, explains the trend toward customization as the consumer's desire to "be God for once": "Mass customization is the next phase of the Internet. People want to play around and create things themselves. They see the life of a creative person and they want to play God for once. They want to be the one choosing things that make them feel even more part of the world that they like."

  (O'Connor 2018). In this case, the blogger is god or designer not just for herself, but for her entire Instagram following.

Table 48. Dimensions diagram template for bloggers

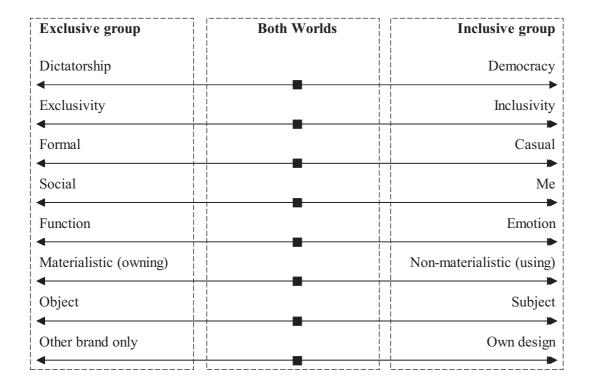


Table 48 outlines a dimensions diagram where we added one additional cultural dimension, related to whether one promotes only other brands, or also one's own brand. The other dimensions remain the same and are explained in Table 35, the new dimension is explained further in Table 49.

Table 49. Key words defining dimensions

Axis	Description
Other brand only	This refers to a blogger who only blogs, talks and promotes other brand's products
Own design	This part refers to if a blogger creates a one-off, or on-going collaboration with a designer or brand; this can range from designing co-branded one product or one full collection, or designing product under one's own brand only i.e. creating a new brand

# 8.5 Study 2: Structural analysis: patterns of sacredness

From the findings in the longitudinal analysis on each blogger, we now carry out the structural analysis. We observed the same groups as identified for the in-depth interviews, i.e. the exclusive group, the both worlds group, and the inclusive group.

Table 50. Structural diagram with all bloggers

	Group 1	Group 2	Group 3		
	Exclusive group	Both Worlds	Inclusive group		
	Judy (6/7)	Sandra (4/7)	Arielle (6/7)		
			Alex (7/7)		
			Chiara (4/7)		
Total	1	1	3		

*Note:* Numbering behind interviewee name indicates how many of the dimensions are in this particular category.

Finding 1: Sacredness and hence luxury is evolving as we have three different groups, rather than just one group

Similar to the in-depth interviews, we identified three groups: the exclusive group, the both worlds group, and the inclusive group. These can also be called the modern group, the postmodern group and the hypermodern group respectively, based on the theories of postmodernity by Maffesoli (2018) and hypermodernity by Lipovetsky (2005).

We will first analyze the exclusive group, then the inclusive group, and then the both worlds group. Given that we only have one member in the exclusive and both worlds group, we call them the exclusive character and both worlds character respectively.

#### **Exclusive character**

## **Dimension: Dictatorship versus democracy**

Judy is our exclusive character. Judy shares on her blog (rather than on Instagram) in great detail and over six pages her passion for Coco Chanel, and everything related to France and the Chanel brand. We assume that Judy prefers a vertical relationship, as she perceives most things related to Chanel as authority—from the legendary history, the boutique building, to the sales associates and the security guards. Her admiration, respect, and adoration for this brand is so vast that it "daunts" her to write about it. She is questioning whether "her writing about it will do justice of her passion". She is in awe of the Art Deco façade of the flagship boutique, she perceives the security guards as "smartly dressed", and would feel "awkward to ask something to the sales associate". She describes what this boutique visit meant to her, how long she waited for it, and the effect it had on her: "My visit to 31 Rue Cambon on November 9th 2013 was perhaps one of the most memorable, emotional, magnificent and treasured experiences of my life. After years of admiring and discovering everything there is to know about Chanel, her life and accomplishments this long awaited moment of visiting her iconic boutique and walking in her footsteps was overwhelmingly emotional and exhilarating all at once." Belk et al. (1989) confirm what Judy feels, as they outline how a consumer sacralizes (1) the homeland [of the founding designer and their 'first' boutique], and (2) through pilgrimage [to the iconic store]. Both these cases apply to Judy, as this location was for Coco Chanel her first boutique, as well as very close to her apartment.

Judy shares that she does not even feel worth to write about Coco Chanel, but then attempts it nevertheless: "My admiration and adoration for Coco Chanel and all things Chanel is so complex and

vast that it almost daunts me to write about it. This tribute to Chanel requires such deep examination and extraction of my mind and emotions that perhaps I may not do this passion of mine justice by writing about it but never the less I'm compelled."

Judy is impressed by everything related to Chanel, even the security guards appear to have a nice uniform to her: "There it was in all its glory – the boutique with its beautiful Art Deco facade and the signature floral and cherub stone work crowning the top of the entrance. Two black lacquered rectangular plaques with white Chanel signage flanked on either side of the wall make a commanding statement and a smartly dressed security guard stands by watching devotedly over the boutique."

## **Dimension: Exclusivity versus inclusivity**

The exclusive character, as its name says, tends towards exclusivity: excluding others to demonstrate their sacredness compared to others. Judy appears to enjoy the exclusive access she receives and is particularly proud about the fact that very few people are granted private access to the apartment of Coco Chanel.

**Judy explains what she values as important when referring to Chanel:** "My dream come true hand bag was placed inside the pretty white gift bag with 31 Rue Cambon (this is the only boutique in the world where they supply white bags anywhere else and you will depart with a black bag) black signage on it." "Chanel's private apartment were a very select few have had the privilege to do so."

#### **Dimension: Formal versus casual**

Formal refers to tradition and to *tradare*, i.e. to transmitting a heritage and values. Traditional luxury brands include Chanel with a long history and rituals; this is the favorite brand of Judy.

**Judy outlines that her bag is very classic and only for special occasions:** "... but firmly deciding and desiring to become the owner of my very first 255 handbag the most beautiful, classic and symbolic

of all Chanel bags." And "When I take my gorgeous 255 Chanel handbag out for a special occasion or just to enjoy on a girly day out I feel so happy and proud to be carrying a Chanel bag from the original and iconic boutique where so much of Chanel's history was made."

## **Dimension: Public versus private**

In the public dimension, opinions of other's matter. The opposite is the case for the private dimension. Given that all bloggers share their opinions online, either via a blog or via Instagram, this dimension requires further explanation: The private dimension implies one consumes for oneself, whereas the public dimension implies one consumes for social status (Lipovetsky 2017).

Judy remains public, quoting the CC logo and all the various icons such as the Camelia or tweed which make it easily recognizable as Chanel.

**Judy shares only in relation to what is sacred for her (i.e. Chanel):** "I recall quite clearly being drawn to my mother's Chanel Number 5 Art Deco inspired glass bottle that contained the liquid gold, alluring elixir from Paris that intensified in colour when the light reflected from it. ... Whenever I would wear Chanel No5 as a young girl it transported me to a happier place."

## **Dimension: Function versus emotion**

The dimension about function refers to product quality, performance, and rationality, which are often preferred by the exclusive group. Emotion is the opposite, referring to design, aesthetics, and feelings, and is often preferred by the inclusive group. Judy shares strongly what it does to her when wearing Chanel.

**Judy shares her emotions about Chanel and wearing Chanel:** "... relishes in the feeling of luxury, royalty and importance when wearing a Chanel piece. There is something unexplainably magical about Chanel couture – the beauty, comfort and plushness of the fabric and the joy and pleasure a Chanel

bag in particular provides that elevates not only a woman's state of mind but any outfit selected for any occasion. Wearing a Chanel hand bag is a celebration in its own right and can uplift a woman's mood and day and totally transforms her attitude by injecting additional grace and elegance to her pose."

## Dimension: Materialistic (owning) versus Non-materialistic (using)

This dimension refers to whether an individual values owning items or prefers the experience of using them. In the in-depth interviews we could discuss this point with the interviewees, however with the bloggers this was not possible. We could assume for Judy, given her verbatim, that she strongly prefers to own. However, given that we could not find indications from the other bloggers, we did not include this dimension in the analysis with all bloggers.

## **Dimension: Object versus subject**

This dimension refers to whether the relationship an individual desires is brand-centric, or consumer-centric. The exclusive character usually prefers to purchase in boutiques and appreciates the rituals around the sales-ceremony and is impressed by the 'flagship cathedral'. Judy prefers and thrives on the ritual and service in the boutique.

Judy sharing her appreciation when she waits in the boutique to be served: "We are kindly greeted by a staff member informing us that we must wait for our own consultant who will assist us with our purchase shortly and are invited to browse around the store while we wait. At this point my heart is accelerating at a phenomenal speed and most of the other significant details of the store have become a blur as I was so filled with emotion at the time. As I browsed through the boutique admiring the couture and accessories and wishing I could purchase everything in the store, I could feel Chanel's spirit strongly here and visualized her as she moved around the boutique in her classic two piece suit, pearls and bowler hat ensuring everything was perfectly displayed and spraying the boutique with her signature No5 fragrance before opening the doors to customers each and every work day."

## Dimension: Other brand only versus own design

The exclusive character, i.e. Judy, does not wish to customize or create by themselves. For her, the design authority, or god, is the luxury brand. We can assume that requests for customization comes close to blasphemy for her.

Judy outlines that she would buy everything in the boutique if she could, hence has no need to design or customize. One can derive from her extensive blog that she does not feel worthy to design herself or change what the team of Chanel have designed: "As I browsed through the boutique admiring the couture and accessories and wishing I could purchase everything in the store".

## **Inclusive group**

We have three bloggers, Arielle, Alex, and Chiara in the inclusive group.

## **Dimension: Democracy versus dictatorship**

The inclusive group show their love and passion for brands and fashion, but they place themselves (subject) in the center, rather than the brand, and hence demonstrate their preference for democracy and a horizontal relationship. Arielle puts herself—her own style, and her designs with Nordstrom—first, and hardly quotes any other luxury or fashion brands. Arielle is very much rooted in our proposition  $P1 - Er\bar{o}s$  – 'my pleasure'.

Alex's passion and mission in life is to share her knowledge about skincare. She shares how she started her blog and then build her Instagram following. A big part of it was the hashtag #askalex where many followers reached out to her for advice. From all five bloggers, Alex is the most active in livestreaming, talking to her audience and sharing her advice. She appears to give honest advice and puts her follower's needs in the center, rather than the dictates of the brands. She values friendship, which is our P2 - Philia.

Chiara also has her own design collection, but posts quite a few luxury brands as well, always woven into her own style. Therefore, we place Arielle, Alex, and Chiara in the democracy dimension.

Arielle follows our P1 'Myself', because what is most important to her is to stay true to herself: "You have to stay true to yourself, and that is I think why I have my followers."

Arielle does not quote specific brands she puts in the center, but her style, her own designs with Nordstrom: "Who influences me? My followers, my friends, NY, every single area of NY; boot is a staple for me. For work everyday, it's a tshirt and jeans. For going out with husband dress up jeans. For things with my daughter, super easy. ... For sweaters we wanted to do easy sweaters, casual. On trend, affordable."

Alex shares her mission: "I have dedicated my career to sharing the best quality skincare I could find.

I'm extremely passionate that everyone deserves beautiful skin, which is why I've often been disheartened by some of the cheaper alternatives on the market."

## **Dimension: Inclusivity versus exclusivity**

The inclusive group appreciates inclusivity in many aspects. Alex thrives on having launched a co-branded skincare line which is all inclusive with respect to budget and skin type. Alex shares also that a perfect body might not be achievable for everyone, she thought makeup and hair is. This is similar to Arielle, who has developed a very reasonably-priced clothing and accessories range with Nordstrom.

Alex shares that cosmetic and hair is for everyone, irrespective of what size one wears: "I was never skinny, always curvy, and I thought hair and make up you can always achieve this no matter what size. Beauty was so literally inclusive, and I think this is still true."

Alex on her budget-friendly skincare range: "I have dedicated my career to sharing the best quality skincare I could find. I'm extremely passionate that everyone deserves beautiful skin, which is why I've often been disheartened by some of the cheaper alternatives on the market. Due to the overwhelming support (and requests!) from you guys, I'm incredibly proud to finally share with you a project I've been working on over the last two years with @primark, creating an approachable, results-driven skincare range, ensuring everyone can afford their most beautiful skin Alex Steinherr X Primark is a 20 piece skincare collection that delivers performance at a price point accessible to all. I am SO proud of these products: the collection is cruelty-free (it's CFI certified!), fragrance-free, vegan friendly, it contains no parabens, no phtalates, no essential oils, no sulfates...what I set out to create is a skincare line that focuses on real skin needs: safe formulas, a blend of innovative &proven ingredients and fresh textures for visible results".

Arielle on how she wants to create a platform for all women: "I really want to grow the Something Navy brand. I want to introduce new categories. I want to make it an all-around lifestyle brand and I want to launch a website that's purpose is to tell stories that need to be heard. I want to create a platform to allow other women to speak through and gain exposure from. I want to make that website a really special place that people feel like they can go to and pretty much get anything out of."

## **Dimension: Casual versus formal**

The inclusive group values the casualization taking place in society. All three bloggers in the inclusive group are very often dressed casually. Chiara even asked in a recent blog if everybody likes as much casual clothes as she does. The full collection of Chiara as well as Arielle are both casual.

Arielle on her designs with Nordstrom as outlined in an article from The Business of Fashion: "Charnas has described her wares as 'elevated basic,' meaning she's injected some current trends – a black velvet jacket with silver crosshatch stitching has structured voluminous sleeves and there's a plaid

coat that mirrors designer outerwear, for example – into pieces that still fall into the 'basics' category. It's also among the most affordable product Nordstrom offers: earrings starting at \$29 and tops can be had for as little as \$59" (Strugatz 2018).

## **Dimension: Public versus private**

The inclusive group is focused on themselves, rather than depending on the opinion of others. The inclusive group consumes for themselves, albeit sharing it with all their followers. There is also an aspect of sharing one's personal life (as opposed to one's public life). One's personal life includes images with family and emotions (happiness, crying, etc.). Chiara, in the inclusive group, shares nearly everything: from happiness, to worries when being in the hospital with her son, to tears. Both Arielle and Chiara share many things about their babies and post as much about their family as about products or experiences.

Chiara sharing her happiness and love about her marriage: One of my favorite parts of our wedding celebrations: listening to our family's speeches. We were in tears of joy most of the time and I still feel like crying every time I see these photos. Having love around is the best feeling in the whole world. If you can choose between being silent or saying somebody how much you care for them, choose love, everyday at every moment  $\heartsuit$ "

Chiara sharing why she cried: "Yesterday was a very emotional one ② Cried my eyes out for a special interview for the documentary. I really want you to be able to see the real me, flaws and insecurities included. But it hurts sometimes to speak your mind completely."

## **Dimension: Emotion versus function**

Given the verbatim and underlying messages from the bloggers, we decided to place all of them on the emotion dimension. This may be related to the fact that all these bloggers often share about products and experiences which they are very passionate about.

Arielle shares what she likes in a product, and then designing precisely the one she wants: "Thoughts on cardigans? I've always loved them so I decided to create the exact one I've always wanted".

## Dimension: Materialistic (owning) versus Non-materialistic (using)

This dimension refers to whether an individual values owning items or prefers the experience of using them. In the in-depth interviews we could discuss this point with the interviewees, however with the bloggers this was not possible. We could not identify meaningful verbatim or underlying messages; hence we did not include this dimension in the analysis with bloggers.

## **Dimension: Subject versus object**

The inclusive group is anchored around purchasing many things online, including luxury. The inclusive group members, Arielle and Chiara, offer their own collections online as well as offline. They value the convenience that comes with online shopping. Inclusive group members prefer the focus on 'them', their needs and desires, which involves e-commerce and omnichannel possibilities.

Arielle sharing her apologies that the online store did not work for all buyers today: "Coming down from the high of today with both of my beautiful girls. Today has been surreal and I want to thank everyone for their patience this morning. But most of all, I'd like to apologize to my followers. We worked hard with Nordstrom before the launch to make sure what happened this morning would not happen. Unfortunately, it is out of my control and I tried whatever I could to get answers for you guys.

Based on the collaboration launch last year, we did make sure to order double the amount of units for this launch and Nordstrom went through a bunch of tech runs to make sure the site wouldn't crash. Sometimes things happen that you can't control. I wish I had a better answer for it all but the only thing that I can do and say is I'm sorry. I'm sorry for any disappointment this may have caused, I'm sorry for the inconvenience, and I'm sorry if you weren't able to get what you were hoping for. We are learning from each and every launch and trying to better ourselves in every way possible. We are not restocking this collection but there are still some amazing accessories left and pieces left in stores! I'm excited to soon start sharing with you the November collection, which is absolutely AMAZING beyond our wildest dreams!!! What I learned from today is that I truly have the most INCREDIBLE and LOYAL followers in the world. Thank you for always supporting me and believing in me. This is all for you and I will make sure to keep delivering great product that you want and improve in our delivery. Thank you to @nordstrom for working so hard on fixing the crash and for making my dreams come true. @somethingnavy

# Dimension: Other brand only versus own design

For the inclusive group this is very important, one could say '[my own collection] I owe this to myself and to my followers'.

Arielle has collaborated with Nordstrom, and under her blog name 'Something Navy' already created several collections which were highly successful. Arielle says in an interview that she knows what her followers require because they tell her.

Alex has created a range of well-priced cosmetic items with her name, 'Alex Steinherr for Primark'. Her main driver was to create a great line, for all skin types, totally organic and most importantly: for every budget. This shows her inclusivity drive on many levels, as she says she gets asked for much advice from her followers but these often involve budget constraints. The 'Alex Steinherr for Primark' items are priced between 3-5 GBP. The Primark website stresses that no item costs more than 5 GBP, hence being very accessible for many. What is further astonishing is how

sustainable or organic this line is, bearing in mind that this is not very much what Primark—often accused of lacking corporate and social responsibility—is known for: "the collection is cruelty-free (it's CFI certified!), fragrance-free, vegan friendly, it contains no parabens, no phthalates, no essential oils, no sulfates". See also the earlier interview excerpt from Alex's Instagram post on her budget-friendly skincare range.

#### **Both worlds character**

Sandra is the both worlds character.

#### **Dimension: Democracy versus dictatorship**

Sandra belongs to the both worlds group, as she seems rooted in both dictatorship and democracy. On the one hand she actively displays traditional luxury brands and extremely high-end jewelry pieces, but she also writes about fashion brands on her blog (e.g. about the latest Celine show by Hedi Slimane in October 2018) and critically analyzes what some brands do. Hence this activity also makes her part of the democracy dimension.

## **Dimension: Inclusivity versus exclusivity**

We place Sandra in the exclusive group, as she enjoys posting, for instance, pictures when she travels by private plane, and enjoys sharing her meetings and knowledge about extremely high-end luxury items, including expensive watches and jewelry from Piaget, Patek Philippe, and Audemars Piquet.

#### **Dimension: Casual versus formal**

Sandra's favorite brands to post about include Patek Philippe, Audemars Piquet, and Piaget. These are formal and traditional brands. Sandra also quotes fashion forward and very playful brands including Jacquemus (founded in 2016) or Nadine Arton (founded in 2008). Therefore we placed her in the middle on the dimensions diagram, rooted in both worlds. Another observation to add: The

inclusive group (Arielle, Alex, and Chiara) often post pictures of themselves dressed in sneakers, sometimes with track suits, whereas Sandra is always 'styled' in her pictures and 'made up' with makeup, hair done, with jewelry and accessories. This is another indication why Arielle, Alex, and Chiara are on the casual dimension, whereas Sandra sits in the middle, in both worlds.

Sandra shares a picture with items from her closet: "While I am in Korea, I want to show you some of my favorite pieces in my closet on my blog ... (active link in bio) - like this @balmain lace jumpsuit and the @gucci #horsebitring @netaporter#thenetset".

Sandra sharing her whereabouts and for which brand she travelled: "After a great trip to Milan this week with @patekphilippe for the launch of their new ladies watches #twenty4automatic, I am heading today to Seoul - excited for this new adventure!"

# **Dimension: Public versus private**

Sandra sometimes shares pictures with her boyfriend, but never with her daughter. She never shares emotions such as sadness.

#### **Dimension: Function versus emotion**

Given Sandra's verbatim on her Instagram postings, her ongoing signature with 'LOL', as well as her mentioning the 'fun' part and 'not taking oneself too serious', we place her in the emotions dimension.

## Dimension: Materialistic (owning) versus Non-materialistic (using)

This dimension refers to whether an individual values owning items or prefers the experience of using them. In the in-depth interviews we could discuss this point with the interviewees, however

with the bloggers this was not possible. We could not identify meaningful verbatim or underlying messages; hence we did not include this dimension in the analysis with bloggers.

## **Dimension: Object versus subject**

We could not identify enough verbatim to place Sandra in this dimension, there she is placed in the middle.

## Dimension: Other brand only versus own design

Sandra has not launched her own brand, or co-designed.

# Additional findings: Why are the bloggers in three different groups?

Our sample of five bloggers is small and hence definite conclusions are not possible, however we want to share the following observations with respect to culture, communication, and sharing information about oneself:

Age: Judy, in the exclusive group, is the oldest in the sample, estimated at 45 years old, Sandra in the both worlds group is 42 years old, and the three bloggers in the inclusive group are Chiara (30), Arielle (25) and Alex (38). In the in-depth interviews we observe that being a millennial is a mindset, rather than an age. Our sample is too small, but there seems to be a relation that the younger the blogger is, the more open they are about sharing and posting about their private life.

**Emojis:** The intensity of usage of emojis by the five bloggers. The exclusive group member, Judy, about 45 years old, does not use these at all (although these already existed in 2013), whereas Chiara, Arielle, and Alex, firmly placed in the inclusive group, hardly create any Instagram post where there is not at least one emoji or more per post. Sandra, who is 42, sometimes uses emojis, but much less than the three bloggers from the inclusive group, who are also younger (being 30, 25 and 38 respectively).

Sharing of personal impromptu pictures rather than 'set' pictures: Arielle and Chiara, being both below or just about 30 years old, are mothers with young babies, and both post pictures with their children extensively. One could say they post about their babies as much as about products. Alex and Sandra, both being around 40, share very few pictures of their family and close relations. Judy, being the oldest blogger and part of the exclusive group, focuses her discourse mainly on Chanel and her personal feelings in relation to Chanel. Chiara says in the HBS case study that "For me it was always about sharing my life with people and seeing their reaction to it. That was everything I ever wanted to do" (The Blonde Salade Team and Ferragni 2016). Therefore, one can assume there may be a relation that the younger one is, the more open one is about sharing one's personal life with others.

From the structural analysis of the bloggers, we can observe the following: Judy, who is in the exclusive group, prefers a relation with luxury which is mainly centered around traditional sacredness, exclusivity, authority by the brand, and monologue from the brand, rooted in mystery. Overall a vertical relationship. Arielle, Alex, and Chiara, part of the inclusive group, are the younger ones in this small sample, and appear to prefer in their relation with luxury values which we propose under new sacredness in our P1, P2, and P3, centered around the second humanism, which are based on love and are about my pleasure  $(er\bar{o}s)$ , friendship, community (philia), and doing good  $(agap\bar{e})$ .

**Product category:** We have several different product categories which our bloggers focus on. Cosmetics is usually the most accessible product, and this may be an indication how 'inclusive' a blogger is. In the case of our sample, Alex, focusing on cosmetics, has also provided for the most economical co-branded product range. On the other hand, Judy and Sandra focus on luxury RTW and bags, and hence product categories that are much more expensive, and their overall behavior seems more 'styled' for the public opinion.

# Convergence of findings from study 1 and study 2

In both studies 1 and 2 we identified three groups, the exclusive group, the inclusive group and the both worlds group. In both studies, there seems to be no relationship between age and group membership. With respect to Instagram usage, both studies show similar relationships, that is the exclusive group is not much present, whereas the inclusive group is fully engaged on Instagram.

# **Chapter 9: Contribution and conclusion**

In this chapter, we outline (1) the methodological contribution of this thesis, (2) the academic contribution, (3) the managerial contribution, (4) its limitations and suggestions for improvement and future research, and (5) an overall conclusion.

# 9.1 Methodological contribution

This research advances knowledge in various areas, including:

- Through its use of the qualitative paradigm
- By providing a sample of real luxury consumers as opposed to students
- By triangulation

We outline now each of these specific points in detail.

## Qualitative paradigm

Aliyev et al. (2017) studied the methodologies and empirical evidence used in luxury research, finding that quantitative research design is used in about half of all papers they investigated, and that only about one quarter of them uses a qualitative research design. Many studies in luxury brand research, whether qualitative or quantitative, use students as subjects.

Our contribution is twofold: We have applied an interpretivist research design in this thesis, as our objective was to derive the understanding of sacredness that is present in the consumer's relationship to luxury, and this is only possible with qualitative research. By using in-depth interviews—rather than for example quantitative questionnaires as is often the case in luxury research Aliyev et al. (2017)—we can provide a deep understanding as we focus on what the individuals say, their rituals, and their relation to luxury.

## Sample with real luxury consumers rather than students

We have further created a sample with real luxury consumers. We believe that by using (1) qualitative methods and (2) real luxury consumers, we have contributed a new perspective to the body of academic research on the concept of luxury. The essence of what we show is strongly linked to our sample, in terms of specifically what they buy, how people really behave, and consume.

## **Triangulation**

We have analyzed two data sets which show convergent results. We have analyzed data from consumers, i.e. via in-depth interviews, and from opinion-leaders from social media platforms. This is important today as this is where the new society 'lives'. These influencers have a big social media following and represent the voice of many consumers. If one wants to generate an understanding, it is insufficient to only interview people, but it is also important to go where they 'live', which is often on social media today as this is part of our lives. Using two data sets, as well as several techniques for triangulation—including several reviewers, a member check, and a literature review—has allowed us to tackle sacredness from different angles.

## 9.2 Academic contribution

This research advances knowledge in various areas, including by:

- Exploring the concept of sacredness and its link to the concept of luxury
- Showing the existence of three groups
- Analyzing the importance of exclusivity and inclusivity
- Identifying two new research streams

We outline each of these specific points in detail below.

#### Concept of sacredness - its link to the concept of luxury and its evolution

During the literature review, and in particular during our bibliometric study, we realized that little research exists on the sacred and sacredness in relation to the concept of luxury. In our review of 508 articles in the bibliometric analysis, we identified only two studies that involve the concept of sacredness and luxury, both published in the same year: one entitled "Managing heritage brands: A study of the sacralization of heritage stores in the luxury industry" by Dion et al. (2015) and the second one, "Sacred and treasured luxury: The meaning and value of luxury possessions amongst second-generation Asian Indian immigrants" by Sekhon (2015). Dion et al. (2015, p. 77), who show how "managers sacralize a store's heritage to nurture the value proposition of the brand", inspired much of the beginning of this thesis.

This paucity is surprising, given that the essence of the concept of luxury is the concept of sacredness, used to create and demonstrate superiority to and distance from others. We advanced understanding in this area with Chapter 2, which explored the concept of the sacred, and in Chapter 3, which outlined how a brand that uses the properties of sacredness can become and remain a luxury brand.

The theoretical and empirical parts of this research contribute to the observation that sacredness is linked to the concept of luxury, and centers on creating distance from the profane. We identified a traditional sacredness, as well as a new sacredness. The new sacredness, or luxury, is inclusive, and hence it is no longer about exclusion. This shift moves from a religious concept of the sacred toward a sacredness centered around love, as outlined in the second humanism concept elaborated by Ferry (2012). Building on the idea of second humanism, we explore new propositions of sacredness, which are linked to my pleasure (P1, *erōs*), friendship (P2, *philia*), and doing good (P3, *agapē*).

Having established the existence and concept of sacredness as part of the concept of luxury, we explored the following question in section 5.5: "Are these new propositions of sacredness still conveying superiority?", investigating whether the new sacredness provides to consumers the benefit of feeling superiority as traditional sacredness did. We reviewed this in the theoretical part of this

research, and confirmed in the empirical part that the feeling of superiority has not disappeared. In traditional sacredness, superiority is defined through comparison to others. In the new sacredness, the superiority comes from within oneself, and grows within; it comes from the feeling of living one's values, being authentic, and experiencing the support of your family or the community you belong to. It is based on love, centered on the second humanism. One feels superior, as one's positive self-evaluation comes from within.

#### Existence of three groups

Having found three different types of consumers when analyzing the data rather than just one, shows the evolution of sacredness.

While studying the three groups (the exclusive, both worlds and inclusive group) we observed that the exclusive group (group 1) still values sacredness in its religious definition, opposed to the profane and centered on the creation of superiority and distance. The inclusive group (group 3), appreciates sacredness anchored around the dimensions of love, the second humanism, as outlined by Ferry (2012) in Chapter 5.

The exclusive group still intends to please the higher authority, god or the luxury brand; these people are objects in their relationship with luxury. This contrasts with the inclusive group, which expresses a desire to be god themselves, making them subjects in their relation to luxury brands.

Both of these extreme groups utilize and apply sacredness, but the meaning of sacredness differs between the two. The exclusive group is brand centric (i.e., the luxury brand is god), whereas the inclusive group is consumer centric (i.e., the consumer is god). The both worlds group remains rooted in both worlds, creating a fusion of exclusivity and inclusivity at this point in time.

Our exclusive group (group 1) falls into the consumer segment which welcomes actions by luxury brand managers as outlined by Dion et al. (2015), such as how they sacralize a store's heritage to cultivate the worth and sacredness of the brand.

Our inclusive group (group 3) falls into the consumer segment which welcomes actions by luxury brand managers as outlined by de Lassus et al. (2014, p. 61), as their research shows that "popup luxury stores add new features to the traditional luxury sector: informality, friendliness, ludicity and accessibility in the context of shared emotions".

## Exclusivity and inclusivity:

In the introduction of this thesis in the sections 'conceptual background of this thesis' and 'research gaps', we outlined that most scholars focus on 'exclusivity'. However, for instance two important designers (LV's and Gucci's respectively) mention in interviews conducted in June and in October 2018, the words 'universal' and 'inclusive' when outlining their actions for their brands. This research provides an academic contribution by including the concept of inclusivity to the body of research on luxury. Speaking in the terms of Maffesoli (2018), it's not about exclusivity *versus* inclusivity, but its exclusivity *and* inclusivity, as outlined in Table 24 and in our conceptual framework in Figure 9, as both are linked to the concept of sacredness.

#### Two new research streams

In our bibliometric analysis, we identified several research streams. Some of these are confirmed in the bibliometric analyses on luxury brand research by Aliyev et al. (2017) and Gurzki et al. (2017). We have identified two new research streams: (1) the emergence of Asian researchers and universities, and specific research on Asian and Chinese luxury consumers over the past five years, and (2) social media within the sphere of luxury brands. In the theoretical and empirical parts, we included studies that focus specifically on Instagram for luxury and fashion; however, there are very few on these yet.

## 9.3 Managerial contribution

This research advances knowledge in various areas, including:

- Product: Casualization, need of comfort, sneakers, customization, inclusion via many aspects including product sizing, pricing, experiences
- Distribution: Welcoming, playful boutiques, e-commerce, convenience
- Relation to the client: Dialogue; charity/doing good: not driving the purchase decision but overall
   brand awareness
- New luxury brands

We outline each of these specific points in detail below.

#### **Product**

From the results of this thesis, we can derive several implications, mainly centered around the self, friendship, and comfort. There is a continuing trend of casualization, i.e., departure from formal uniforms. We observed this in our in-depth interviews and witnessed it extensively in the theoretical part. Metaphorically speaking, casualization stands for feeling at home, like you would when a friend welcomes you to his or her house. This implies everything from casual ready-to-wear, light bags, and even convenience when driving a car (e.g., one interviewee mentioned appreciation for the large iPad screen in the Tesla). The trend for sneakers is no longer just a trend, it is here to stay; interviewees mentioned the need for evening sneakers or sneakers that can be worn with a suit. Both Bain & Company and Boston Consulting Group confirm the increase in casual product categories, including sneakers, denim, and down jackets.

Because of the rise of the role of the individual, in the theoretical part we found that customization will only increase and it is here to stay. We confirmed this with the in-depth interviews and netnography in the empirical part. Franke et al. (2010) confirms this as well in their research, explaining the importance of the I-designed-it-myself effect in mass customization. Technology should be able to support brands to become more consumer-centric and allow customers to take part in the creation process. Instagram plays a role here as well, as outlined by Hal Watts, co-founder and chief executive of the fashion-tech company Unmade. He confirms that for millennials, in particular in their

use of Instagram, the customization of the product is essential: "They want to be involved in the conversation of the brand and what the evolution of the product is. Millennials expect to be able to change things. They want to be involved in the evolution of the product" (O'Connor 2018).

The theoretical and empirical parts also provide two further managerial implications, namely, (1) inclusion, or a wider range of product sizing, and (2) addressing the emotions of consumers via experiences. This can either be undertaken directly, via experiences such as detox travel or detox products, or via instance initiatives, like the courses offered at L'École Van Cleef & Arpels by Van Cleef & Arpels.

#### Distribution

Several managerial implications are provided by this thesis for the distribution and selling of luxury branded products and services. One is the trend for luxury brands to move away from flagship temples to more playful, welcoming boutiques, giving the feeling of being welcomed by a friend at home. This is confirmed by de Lassus et al. (2014, p. 61), who find that pop-up stores contribute to luxury brands the "emotionality and playfulness". Purchasing luxury online, at one's discretion in terms of time, space, and speed, will be omni-present and important: online luxury sales are expected to be 25% of all sales worldwide by 2025 (Bain & Company 2017).

Overall, convenience is the name of the game, and this has implications for luxury brand managers. We encountered the request for 'absolute convenience' in both the theoretical and empirical part. This supports Lipovetsky (2017) and Manrepeller, a well-known blogger and Instagram influencer, who explains that "we're just not wired to tolerate inconvenience anymore".

#### Relation to the client

The shifts we have identified from dictatorship to democracy, or verticalism to horizontalism, has several implications for luxury brand managers with respect to the client relation. Word-of-mouth via tools like Foursquare and Instagram have distributed the power of influence from traditional media

to consumers. The desire of some consumers today is to co-create content and to participate with or speak to the brand, to be able to comment and interact, as is possible for instance with Instagram.

Charity and doing good: Our third proposition (P3),  $agap\bar{e}$ , is centered around doing good and includes inclusion via transparency, sustainable behavior, gender parity, and convergence of brand and consumer values. There seems to be an indication that consumers appreciate luxury brands' donations and the charities they finance; however, the interviewees explained that such actions (1) need to be authentic and not simply done for the brand's communication goals and that (2) these actions would not change their final purchase decisions. One managerial implication from this is to ensure that the donations and charity actions by the luxury brand precisely fit the purpose of the brand and that the brand owner, management, and designer fully support the action rather than making it just a marketing exercise.

### New luxury brands

In this thesis, we established that traditional luxury values, such as exclusivity, heritage, age of a brand, or in general references to the long-term, are fading more into the background. New values are gaining importance, such as pleasure (P1, *erōs*, pleasure, seduction, fun, experiences, customization, well-being), friendship (P2, *philia*, casualization, inclusion of product sizing, collaborations, cocreations), and doing good (P3, inclusion via transparency, sustainable behavior, gender, convergence of brand's and consumer's values). Given that the age of a brand and its heritage are less important, one managerial implication for brand managers is to launch new luxury brands, centered around the propositions made for new sacredness. This refers also to the rise of 'Instagram brands' (Mau 2018), as for example one can look at the brands created by our sample of bloggers, Arielle, Chiara, and the cobranding of Alex.

### 9.4 Limitations and suggestions for improvement and future research

This thesis encountered certain limitations that we outline here, together with suggestions for improvement and avenues for future research:

- Inclusion of more accessible luxury products and more diversity of luxury consumers
- The need to include more new consumers (for example Asians or millennials)
- Quantitative research to validate findings

We outline each of these specific points in detail below.

### Inclusion of more accessible luxury products and more diversity of luxury consumers

We believe that an added value of this research is its in-depth interviews with high-net-worth individuals who are real luxury consumers. In a second study, we would structure a more diverse sample with respect to spending range, i.e., including more interviewees with lower levels of spending.

We started at the top of the consumer spending pyramid because we believe that understanding of this level—with respect to their relationship with luxury today and in the past—is crucial, as these are the opinion leaders who influence the lower level spenders. Our sample consisted of sophisticated young and mature consumers who have been consuming luxury products for some time. In our next study, we would aim for a wider range of spending levels than in the current sample. This will allow us to also explore consumer relationships to more accessible product categories such as belts or sunglasses.

The topic of owning and using via renting or sharing, or 'having' and 'being': We observed in our in-depth interviews that most interviewees strongly preferred owning the products of luxury brands rather than simply using them, as is possible now via for example Rent the Runway. We believe that most our interviewees preferred owning because, first, our sample has more European and Asian consumers, and in Europe and Asia this service is much less available than it is in the US; second, subscribers, as they are called at Rent the Runway, appear to have less money available for luxury brands than our sample. Therefore, it would be interesting for future research to investigate the concept of owning versus using and its antecedents and consequences.

### The need to include more new consumers

In our bibliometric study, we identified a new research stream, namely the substantial increase in the number of Asian researchers, universities, and specific studies on Asian and Chinese consumers over the past five years. Although we included some Chinese and Indian consumers in this thesis, for future research we suggest that more Asian consumers be incorporated.

## Quantitative research to validate findings

To understand consumers' relationships to luxury and what is sacred for them, it is necessary to conduct qualitative research. The results of this thesis should lead future research avenues to quantitative studies to validate the findings.

## 9.5 Summary of contributions and limitations

Table 51 provides a short summary of the various contributions and limitations.

Table 51. Summary of contributions and limitations

9.1. Methodological contribution	9.2. Academic contribution	9.3. Managerial contribution	9.4 Limitations and suggestions for improvement and future research
<ul><li>Qualitative paradigm</li></ul>	<ul> <li>Sacredness and luxury</li> </ul>	Product	<ul> <li>More diversity: consumers and products</li> </ul>
<ul> <li>Real luxury consumers</li> </ul>	<ul><li>Three consumer groups</li></ul>	<ul> <li>Distribution</li> </ul>	<ul><li>Include more new consumers</li></ul>
<ul> <li>Triangulation</li> </ul>	<ul><li>Exclusivity and inclusivity</li></ul>	<ul><li>Relation to the client</li></ul>	<ul> <li>Quantitative research</li> </ul>
	<ul> <li>Two new research streams</li> </ul>	<ul><li>New luxury brands</li></ul>	

### 9.6 Conclusion

Despite the democratization of luxury, the academic and managerial terminology, analysis, as well as the actual luxury brand management, are stuck with the idea that the concept of luxury and luxury brands are still all about exclusivity and rarity. But change does seem to be happening. This thesis began with citing Chandon's et al. (2016) suggestion that the meaning of luxury can be perceived very heterogeneously amongst luxury consumers today. Likewise, one of the LV designers, as well as a Gucci designer, both suggested to make their respective brand vision more *universal* and *inclusive*.

We identified three research gaps: (1) how little academic research has analyzed the concept of sacredness and its relationship to the concept of luxury, despite the fact that the sacred lies at the heart of the concept of luxury; (2) we explored the research gap regarding what is sacred for consumers in general, and in their relation to luxury in particular. How is sacredness affected by socio-cultural, corporate, and market changes? What constitutes new sacredness for the 21st century?; and (3) whether the concept of exclusivity is still relevant today—as most academic research and the media speak of the importance and management of exclusivity or perceived exclusivity—or whether there is a place for inclusivity.

We have developed a conceptual framework rounding up the theorical part, from which we suggest: for different consumer groups, different values will be sacred, and they will reach and experience superiority by means of different values. For example, for the old bourgeoisie the traditional sacred values may remain important, but for the millennials new values will likely be more relevant in how they demonstrate superiority. For this reason, as shown in the framework, the new sacredness should be considered as an addition and not an alternative.

We identified the following research questions for the empirical part: P0: Is traditional luxury, i.e. traditional sacredness changing? P1: Is the new sacred today linked to seducing me, touching, or pleasing? P2: Is the new sacred today linked to the concept of friendship? P3: Is the new sacred today linked to doing good?

We decided for our research to be conducted through interpretivism and a constructionist paradigm. We carried out 26 in-depth interviews, and reviewed 5 bloggers in the luxury and fashion field. To analyze the data we used ethnomethodology. We carried out a longitudinal analysis with a symbolic content analysis, as well as a structural analysis, and used triangulation for validation. We found in study 1 structural dimensions and findings which converge with the findings in study 2. We found three patterns of sacredness: exclusivity, inclusivity, and a fusion of exclusivity and inclusivity.

Our methodological contributions included (1) a qualitative paradigm, (2) a sample with real luxury consumers, and (3) the usage of triangulation. With our academic contributions we (1) confirmed that sacredness is at the heart of the concept of luxury, (2) found three consumer groups, (3) established the place for inclusivity as new sacredness, and (4) we found two new research streams. Our managerial contributions relate to (1) product, (2) distribution, (3) relation to the client, and (4) new luxury brands. We outline limitations and suggestions for improvement and future research including (1) the need for more diversity in our sample, (2) the inclusion of more new consumers, and (3) the value of quantitative research to test our findings about sacredness for consumers in the  $21^{st}$  century.

We conclude this thesis with an idea: can academics and luxury brand managers foster and advance our proposition for a new sacredness further with respect to doing good and transforming many people to feel superior by doing good?

We introduced this idea briefly in section 5.5 by introducing, for example, the concept of green conspicuous consumption as developed by Griskevicius et al. (2010). This demonstrates that by buying organic and demonstrating green values, consumers feel that they are partaking in the sacred, which makes them feel superior. They are basically acting to keep up with the Joneses, but not with traditional luxury status symbols but with those of the new sacredness, such as buying organic and driving a Tesla (Aybaly et al. 2017).

We also introduced in section 5.5 the idea that not charity itself, but the effectiveness of one's charity creates superiority. Berry (2016) concludes his recent study with the following observation: "while Hegel's dialectic ultimately has a resolution in the Absolute, short of ice caps melting, the

dialectic of desire for luxury seems likely to run and run." If the point is to counterbalance the destruction of our planet with doing good, one solution could be to turn doing good and making the world a better place into part of a new sacredness and a way to experience superiority for opinion leaders, which will then trickle down to and inspire individual consumers.

In the introduction to this thesis, we outlined the consideration that the luxury industry and its consumers are opinion leaders, and hence change can be initiated by their actions and behavior.

We end here with a term used in relation to François-Henri Pinault, CEO and majority shareholder of the Kering luxury group, namely, generous capitalism, in which profits go hand-in-hand with purpose, empowerment, sustainability, and social responsibility. In a recent interview, M. Pinault said "Sustainability is the new definition of quality. It is inherent to luxury. That's the new normal. And it's also part of the duties that we have as luxury brands—not only to show the way in terms of creative thinking and creative innovation, but also in terms of sustainability. You cannot make 30–40% profit if you don't do that at least" (Amed 2018).

# Appendix

# **Contents**

1 In	ntroduction: In-depth interviews	6
1.1	Summary theme 1: What is luxury? – all answers	8
1.2	Summary theme 2: What is important? – all answers	11
1.3	Summary theme 3: Behaviors with respect to luxury – all answers	26
1.4	Summary theme 4: How do they relate to luxury – all answers	30
1.5	Member check confirmation	34
2 In	n-depth interview and analysis: Anna	35
2.1	Transcript	35
2.2	Longitudinal analysis	40
2.3	Dimension diagram	48
2.4	Word cloud	49
2.5	Member check	50
3 In	n-depth interview and analysis: Annika	51
3.1	Transcript	51
3.2	Longitudinal analysis	55
3.3	Dimension diagram	60
3.4	Word cloud	61
3.5	Member check	62
4 In	n-depth interview and analysis: Charlotte	63
4.1	Transcript	63
4.2	Longitudinal analysis	67
4.3	Dimension diagram	74
4.4	Word cloud	75
4.5	Member check	76
5 In	n-depth interview and analysis: Olympe	78
5.1	Transcript	78
5.2	Longitudinal analysis	84
5.3	Dimension diagram	92
5.4	Word cloud	93
5.5	Member check	94
6 In	n-depth interview and analysis: Susan	95
6.1	Transcript	95
6.2	Longitudinal analysis	98
6.3	Dimensions diagram	103
6.4	Word cloud	104
6.5	Member check	105

7 In-	-depth interview and analysis: Tom	106
7.1	Transcript	106
7.2	Longitudinal analysis	110
7.3	Dimension diagram	118
7.4	Word Cloud	119
7.5	Member check	120
8 In-	-depth interview and analysis: William	121
8.1	Transcript	121
8.2	Longitudinal analysis	125
8.3	Dimensions diagram	133
8.4	Word cloud	134
8.5	Member check	
9 In-	-depth interview and analysis: Robert	136
9.1	Transcript	136
9.2	Longitudinal analysis	
9.3	Dimension diagram	143
9.4	Word cloud	
9.5	Member check	145
10 In-	-depth interview and analysis: Bora	146
10.1	Transcript	146
10.2	Longitudinal analysis	150
10.3	Dimension diagram	
10.4	Word cloud	155
10.5	Member check	156
11 In-	-depth interview and analysis: Leni	157
11.1	Transcript	157
11.2	Longitudinal analysis	161
11.3	Dimension diagram	166
11.4	Word cloud	167
11.5	Member check	168
12 In-	-depth interview and analysis: Cliff	169
12.1	Transcript	169
12.2	Longitudinal analysis	173
12.3	Dimension diagram	177
12.4	Word cloud	178
12.5	Member check	179
13 In-	-depth interview and analysis: Cookie	180
13.1	Transcript	
13.2	Longitudinal analysis	185
13.3	Dimensions diagram	187
13.4	Word cloud	188
13.5	Member check	189

14 In-	depth interview and analysis: Celestine	190
14.1	Transcript	190
14.2	Longitudinal analysis	193
14.3	Dimensions diagram	195
14.4	Word cloud	196
14.5	Member check	197
15 In-	-depth interview and analysis: Elisabeth	198
15.1	Transcript	198
15.2	Longitudinal analysis	202
15.3	Dimensions diagram	203
15.4	Word cloud	204
15.5	Member check	205
16 In-	depth interview and analysis: Jonne	206
16.1	Transcript	206
16.2	Longitudinal analysis	211
16.3	Dimension diagram	213
16.4	Word cloud	214
16.5	Member check	215
17 In-	-depth interview and analysis: Nora	216
17.1	Transcript	216
17.2	Longitudinal analysis	220
17.3	Dimension diagram	222
17.4	Word cloud	223
17.5	Member check	224
18 In-	-depth interview and analysis: Rocco	225
18.1	Transcript	225
18.2	Longitudinal analysis	229
18.3	Dimension diagram	231
18.4	Word cloud	232
18.5	Member check	233
19 In-	depth interview and analysis: George	234
19.1	Transcript	234
19.2	Longitudinal analysis	237
19.3	Dimension diagram	238
19.4	Word cloud	239
19.5	Member check	240
20 In-	depth interview and analysis: Gabrielle	241
20.1	Transcript	241
20.2	Longitudinal analysis	245
20.3	Dimension diagram	247
20.4	Word cloud	248
20.5	Member check	249

21 In-	depth interview and analysis: JH	250
21.1	Transcript	250
21.2	Longitudinal analysis	254
21.3	Dimension diagram	256
21.4	Word cloud	257
21.5	Member check	258
22 In-	depth interview and analysis: Martine and Marcel-Jacques	259
22.1	Transcript	259
22.2	Longitudinal analysis	273
22.3	Dimension diagram	274
22.4	Word cloud	275
22.5	Member check	276
23 In-	depth interview and analysis: Valentina	277
23.1	Transcript	277
23.2	Longitudinal analysis	280
23.3	Dimension diagram	282
23.4	Word cloud	283
23.5	Member check	284
24 In-	depth interview and analysis: Martin	285
24.1	Transcript	285
24.2	Longitudinal analysis	288
24.3	Dimension diagram	290
24.4	Word cloud	291
24.5	Member check	292
25 In-	depth interview and analysis: Lydia	293
25.1	Transcript	293
25.2	Longitudinal analysis	301
25.3	Dimension diagram	303
25.4	Word cloud	304
25.5	Member check	305
26 In-	depth interview and analysis: Alexander	306
26.1	Transcript	306
26.2	Longitudinal analysis	309
26.3	Dimension diagram	311
26.4	Word cloud	312
26.5	Member check	313
27 Int	roduction: Netnography	314
28 Blo	og and analysis: Arielle Charnas	318
28.1	Information base	318
28.2	Longitudinal analysis	329
28.3	Dimension diagram	330

29 Blo	log and analysis: Alessandra Steinherr	331
29.1	Information base	331
29.2	Longitudinal analysis	339
29.3	Dimension diagram	341
30 Blo	log and analysis: Sandra Bauknecht	342
30.1	Information base	342
30.2	Longitudinal analysis	346
30.3	Dimension diagram	347
31 Blo	log and analysis: Chiara Ferragni	348
31.1	Information base	348
31.2	Longitudinal analysis	352
31.3	Dimension diagram	353
32 Blo	log and analysis: Judy Shvarts	354
32.1	Information base	354
32.2	Longitudinal analysis	360
32.3	Dimension diagram	369
32.4	Word cloud.	370

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## Résumé

Cette thèse analyse les nouveaux modes de relation des consommateurs aux marques, et plus particulièrement aux marques de luxe au XXIe siècle. Face aux mutations de la société, liées à l'hypermodernité, à la démocratisation du luxe, à Internet et aux médias sociaux, les marques de luxe traditionnelles font face à un risque de désacralisation. Cette thèse analyse le paradoxe des marques qui se doivent d'être dans la modernité, donc proches du consommateur, sans pour autant perdre leur aura. La recherche présente la notion de sacré sous un nouvel angle permettant de résoudre le paradoxe en permettant aux marques de s'approprier les caractéristiques de ce nouveau sacré pour rester pertinentes et susciter le rêve.

Le postulat central de la thèse est que le concept de sacré évolue en même temps que la culture change dans toute société. Nous proposons donc un cadre théorique prenant en compte les évolutions culturelles et décrivant une nouvelle conception du sacré correspondant à ces évolutions, et qui soit aspirationnelle pour les consommateurs au XXIe siècle.

Dans le cadre d'une recherche qualitative, nous avons mené des entretiens entretiens en profondeur avec des consommateurs de marques de luxe, analysé des données secondaires de médias sociaux (Instagram) et effectué des analyses ethnographiques et nethnographiques sur les deux ensembles de données, ce qui nous a permis de mettre en évidence le rôle et l'importance de la notion de sacré pour les marques de luxe.

Nos résultats montrent trois modes de relation des consommateurs aux marques de luxe, modes basés sur différentes visions de la notion de sacré. Ces visions vont du (1) sacré traditionnel, qui fonde l'exclusivité, au (2) nouveau sacré, privilégiant l'inclusivité, en passant par (3) le mélange des deux visions du sacré, i.e. la fusion de l'exclusivité et de l'inclusivité.

# Mots Clés

Luxe, Marques de luxe, sacré, Ethnographie, Instagram, Exclusivité, Inclusivité, Amour

## **Abstract**

This thesis analyzes the relationship between consumers and luxury brands, and how this relation is changing in the 21st century. Facing the challenge of being desacralized by the changes in society, stemming from hypermodernity, the democratization of luxury, the Internet, and social media, traditional luxury brands are looking for ways to remain relevant and sacred. We describe how sacredness is evolving and how brands are using the properties of sacredness to stay luxury brands.

Our main assumption is that the concept of sacredness in society is evolving, and we therefore propose a theoretical framework that describes a potential new sacredness for luxury brands to remain desirable for consumers in the 21st century.

We conducted in-depth interviews with luxury brand consumers, analyzed Instagram data, and performed ethnography and nethnography analyses on the data sets, allowing us to provide first insights and findings of the role and importance of sacredness for luxury brands.

Our findings show three patterns in the relationship of consumers to luxury brands, underlying different interpretations of sacredness. These range from (1) traditional sacredness, i.e. exclusivity, (2) new sacredness, i.e. inclusivity, and (3) a fusion of exclusivity and inclusivity.

# Keywords

Luxury, Luxury brands, Sacredness, Ethnography, Instagram, Exclusivity, Inclusivity, Love