LUXURY AND FASHION

– IT'S COMPLICATED.

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AGENDA

What is Luxury?
- Defining luxury
- Brief history of luxury
- Dynamics of luxury & fashion brands

Fashion <3 luxury
- What is fashion?
- What is the relationship of fashion and luxury?
- Theories related to fashion & luxury

WHAT IS LUXURY?

Discuss:

What is luxury?
Who defines it?

Luxury

noun, /ˈlʌkʃ(ə)ri/

: **a state of great comfort** or elegance, especially when involving **great expense**.

: an inessential, **desirable item** which is expensive or **difficult to obtain**.

: **a pleasure** obtained only **rarely**.

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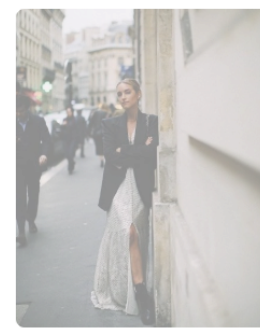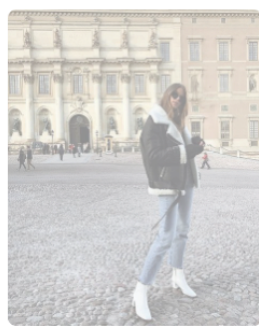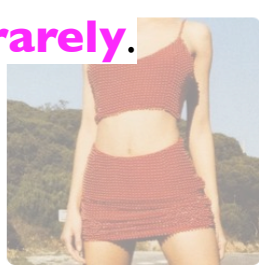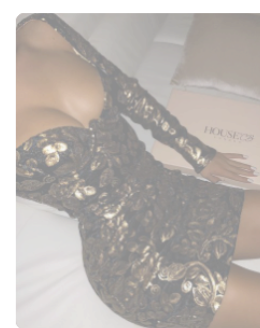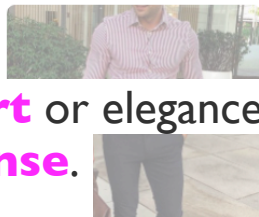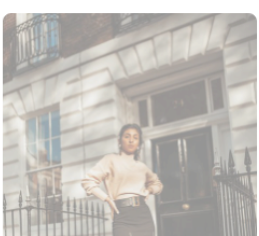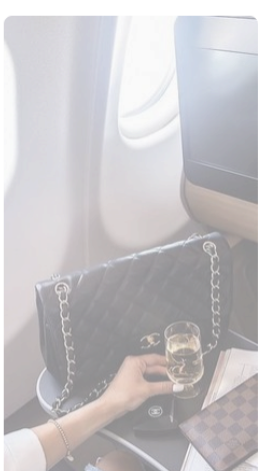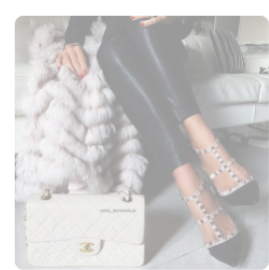
ECONOMIC PERSPECTIVE ON LUXURY

"Needlessly expensive products or services, priced above their functional value." (Yeoman, 2011)

"Luxury goods bring value without any functional utility." (Grossman & Shapiro, 1988)

LUXURY FROM PRODUCT PERSPECTIVE

**Brand origin,
cultural notion**

Premium pricing

Superior quality

Superfluity

Authenticity

Beauty & aesthetics

History and heritage

Rarity
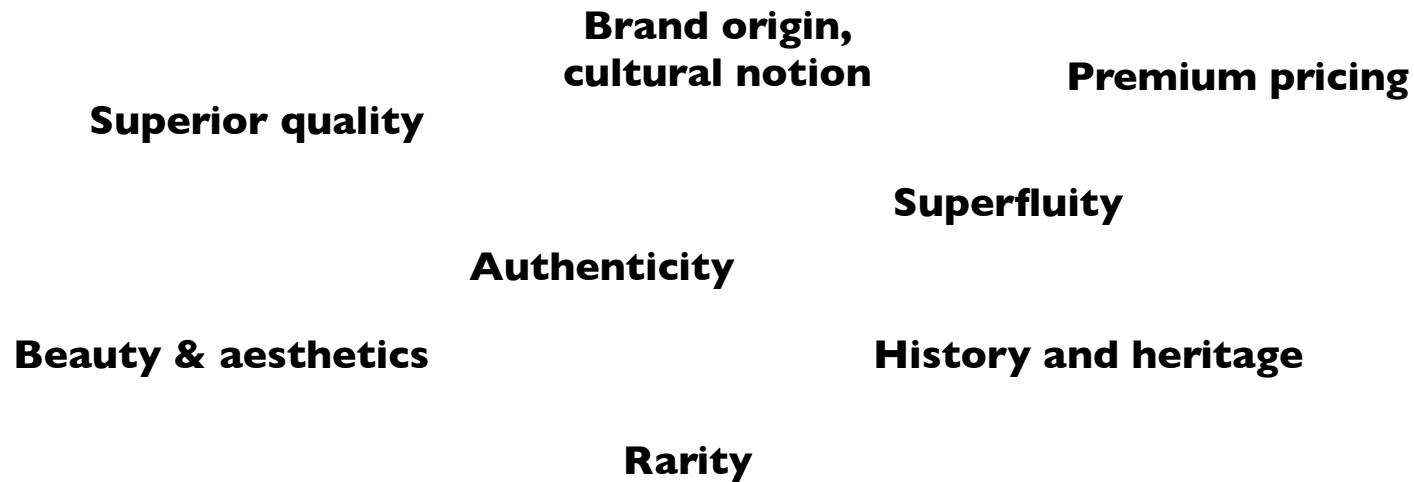
(Amatulli & Guido, 2011; Chevalier & Mazzalovo, 2008; Dubois et al., 2001; Kapferer, 1997)

SOCIOLOGICAL PERSPECTIVE ON LUXURY

Luxury is about **taste of the elites**. Luxury is elitist and aims to provide **a symbolic lift to its owner**. Its function is to demonstrate their **power and impose their tastes to others**.
(e.g. Bourdieu & Nice 1984; Baudrillad 1998)

BRIEF HISTORY OF LUXURY

Kapferer & Bastian 2009; Turunen 2018

- "Luxury" exists, when there is <u>societies / societal hierarchies / social inequalities</u> > objects and symbols that <u>signalise the power and status</u> and which help to differentiate from those who are positioned at lower levels of social hierarchies
  - "Luxury as an aspirational and improving force of society" vs. "luxury as enemy of virtue"
  - Ancient times luxury was linked to early pleasures and enjoyment > a sin
  - In renaissance, the joy of life was more accepted > luxury goods were used as status indicators

- Luxury can be seen also a driver of economic growth in eighteenth century.
  - Luxury is not anymore for small elite, but accessible to wider audience.
- <u>Singling power containing products are time-, culture- and society-dependent</u>
- Luxury as a divider, not socially neutral concept > Key role in <u>social stratification.</u>

LUXURY IN TWENTIETH CENTURY

Kapferer & Bastien 2009

Increase in spending power

- explosive growth in terms of availability of time and money
- paradox of luxury: trickle down effect & democratisation

Democratization

- growing availability of luxuries; not anymore for small elite
- social stratification is getting a new form > luxury offers "democratic way" for social stratification > creating and driving the social stratification in democratic societies

Globalisation

- dual role: 1) opens new market & access to scarce ingredients & expertise 2) reduce the impact of social stratification and national hierarchies
- luxury is rooted in culture, and luxury goods should signal its origin

NEEDS AND DESIRES —
PSYCHOLOGICAL PERSPECTIVE ON LUXURY

Berry 1994

- Needs are seen as physical and universal: divided into <u>basic needs</u> (food, shelter & clothing) and <u>instrumental needs</u> (helps you to satisfy the basic need)
- In particular, instrumental needs have changed, and <u>needs driving luxury consumption are instrumental</u>.
  - Over time many goods that have regarded as luxury goods have turned into necessities (NOTE: necessity = socially necessary vs. need = general term, individual level)
- Satisfying needs is not always hierarchical; Luxury is often attached to "superflousness" — sometimes people without proper shelter may still save money for fancy handbag > tells about the hierarchical structure of society, social status is more important.
- Basic needs = minimum vs. Luxury = maximum > luxury as relational term. Luxury gets its meaning through its counterpart

NEEDS AND DESIRES —
PSYCHOLOGICAL APPROACH ON LUXURY

Berry 1994

- Desire is synonym to want, which is intentional and privileged constitution of our minds (vs. need)
- In terms of luxury goods, desire needs to be diffused widely
- NOTE: desirability alone is not defining luxury

- Berry (1994) challenges the existence of luxury against its counterpart;
  - Needs and necessities: the goods that are used as instrumental purposes (e.g. to signal status) is not "luxury goods" as they are "way of getting somewhere". As its core luxury goods should relate to "being there and enjoying it".
  - Luxury is subjective & relational; depending of the user and context

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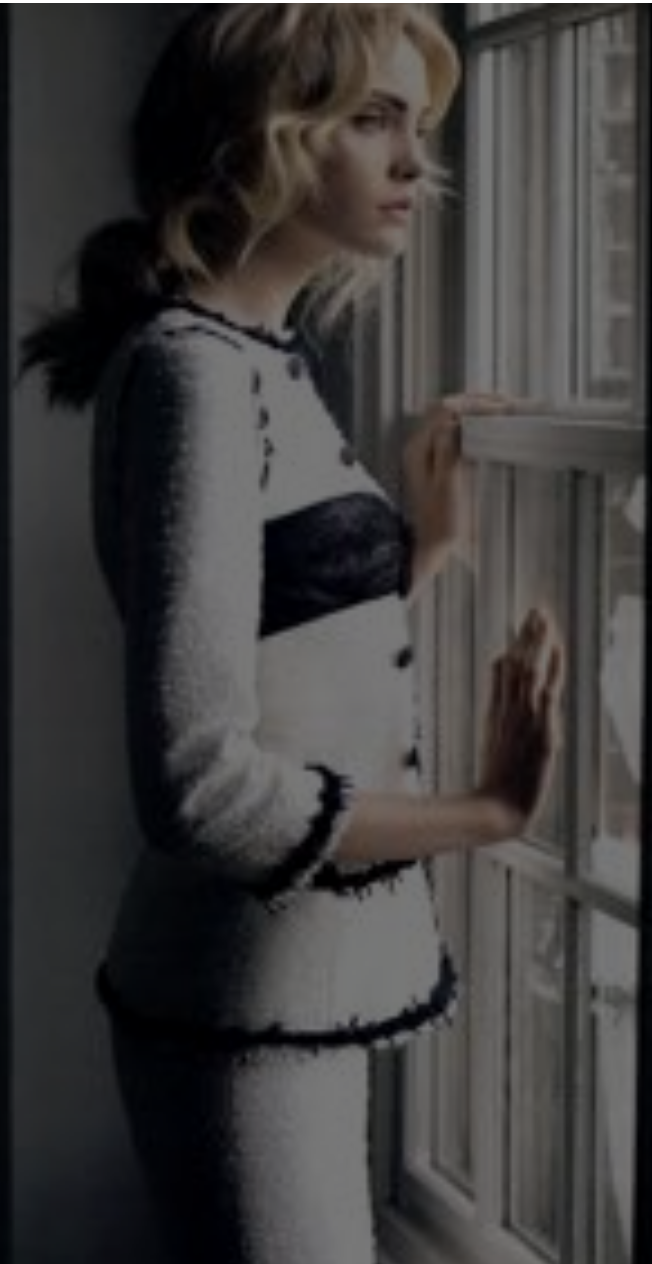
The Dream Equation
(Dubois & Paternault 1995)

The <u>desirability</u> of a luxury brand is correlated with the difference between <u>brand awareness</u> and <u>brand penetration</u>.

AWARENESS

- Awareness of a brand excites consumer to dream of owning a brand (and eventually stimulates the purchase)

- Luxury brands need to communicate and spread <u>awareness beyond to those whom they are not targeting</u>
    - Luxury for oneself and luxury for others
    - In order to sustain the "luxury for others", there should be many more people familiar with the brand than those who could possibly afford to buy it'

- Luxury brands need to create awareness, but <u>stay inaccessible</u>

Goyard: Goyard is a French trunk and leather goods maker, established in 1853. The brand is known for a certain amount of secrecy, eschewing self-promotion, advertising, or e-commerce, and refusing to give interviews.

RARITY

Luxury goods used to be known from physical rarity (scarcity), but modern luxury has shifted to virtual rarity.

Absolute scarcity
- Scarcity through purposeful <u>production limits</u>
- Scarcity through <u>limited material availability</u>
  - <u>> Absolute scarcity relates to the availability of materials and ingredients</u>

Virtual rarity
- Rarity through <u>production process</u>
- Rarity through <u>limited editions or seasonal series</u>
- Rarity through <u>selective distribution</u> and availability
  - <u>> Virtual rarity can be artificially induced, it is created through marketing and brand management choices.</u>

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DYNAMICS OF LUXURY

DESIRABILITY   **ACCESSIBILITY**
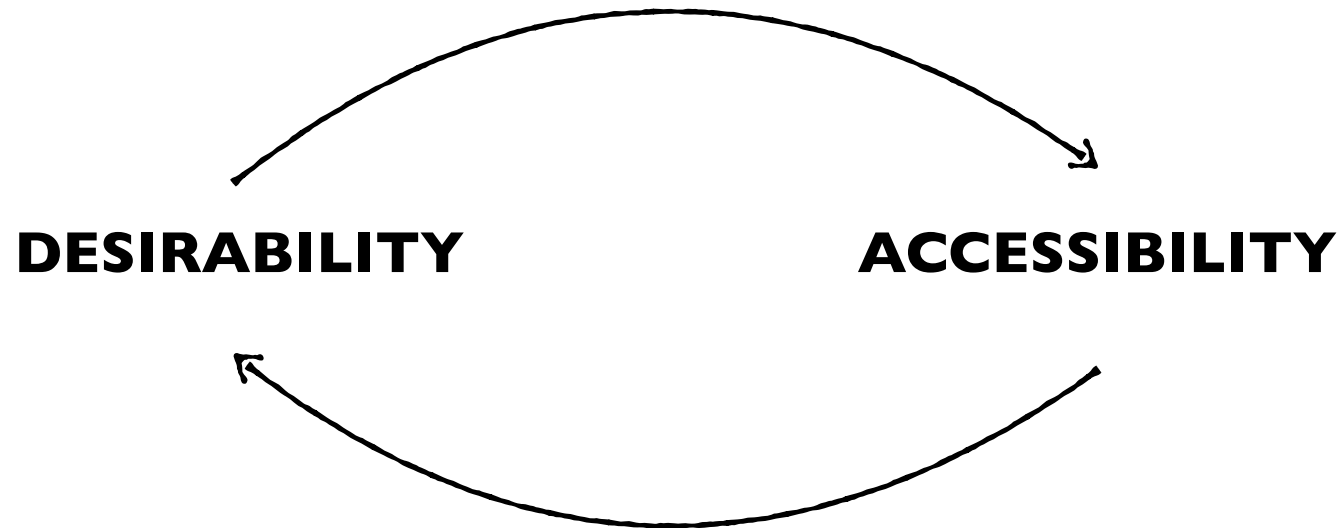
Delicate balance between accessibility and desirability

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SUMMING UP THE DEFINITIONS OF LUXURY

Product-centric features

Symbolic & context dependent

Experiential & subjective
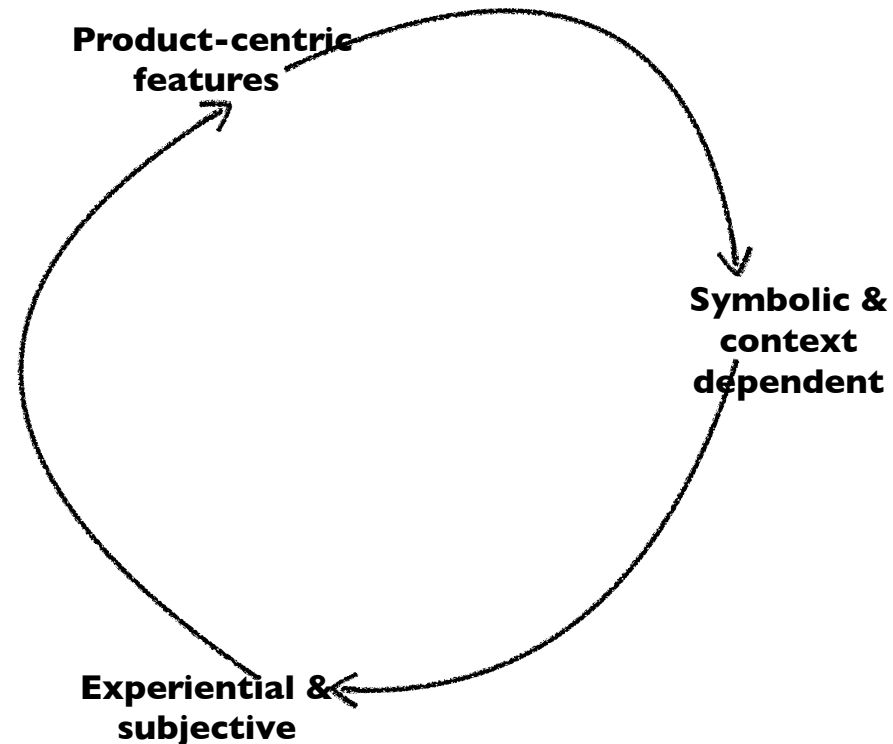
Luxury defined in terms of others (society), luxury defined in terms of oneself, luxury as sum of product characteristics.

ARE THERE DIFFERENT LEVELS OF "LUXURY"?

Luxury

Non-luxury

IS IT POSSIBLE TO POINT OUT WHICH ONE OF THESE IS THE HIGHEST "LUXURY"?

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Author	Division of luxury levels
Kapferer (2008)	The griffe – luxury brands – upper-range brands – brands
Vigneron and Johnson (2004)	Luxury – up-market – premium
Silverstein and Fiske (2003)	Old luxury – new luxury (divided into "accessible super premium", "old-luxury brand extensions", "masstige") – middle market
Corbellini and Saviolo (2009)	Supreme luxury – luxury – masstige / accessible luxury
Barner, Falcy and Valette-Florence (2012)	Inaccessible – intermediate – accessible luxury
Truong, McColl and Kitchen (2009)	Traditional luxury brands – new luxury brands – middle-range brands

BRANDED PRODUCT & LUXURY

Kapferer 2008

LUXURY: NOT JUST CREATION OF BRANDS

Branded product

Consumer

Context

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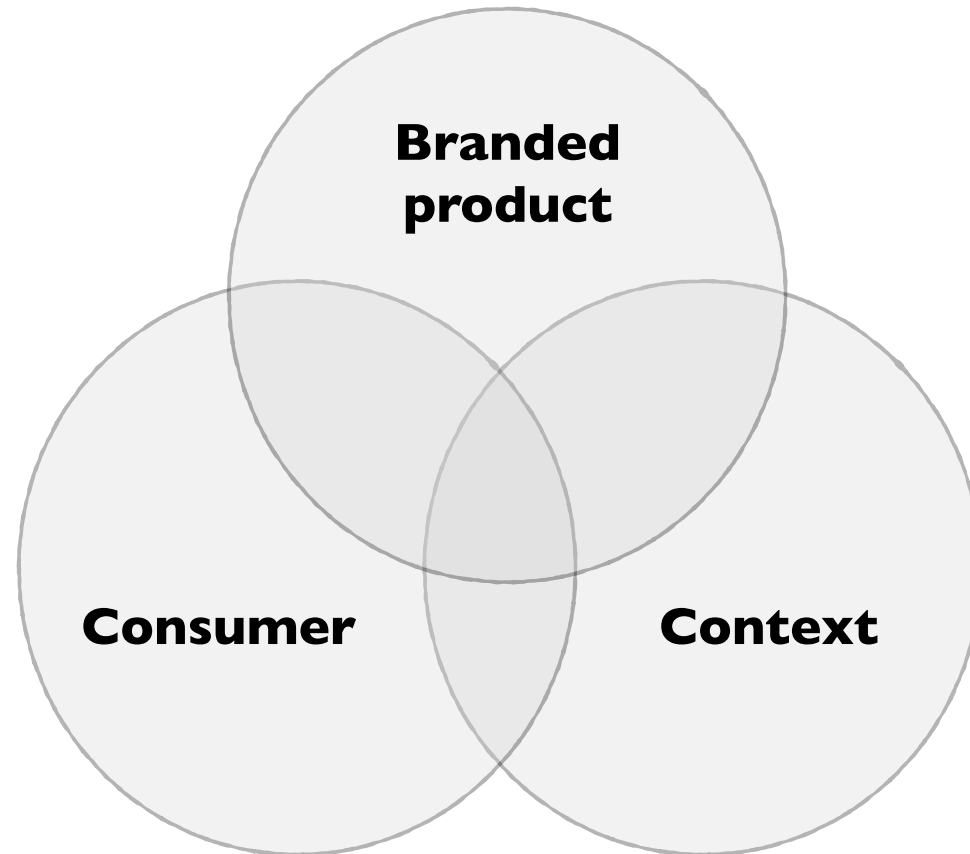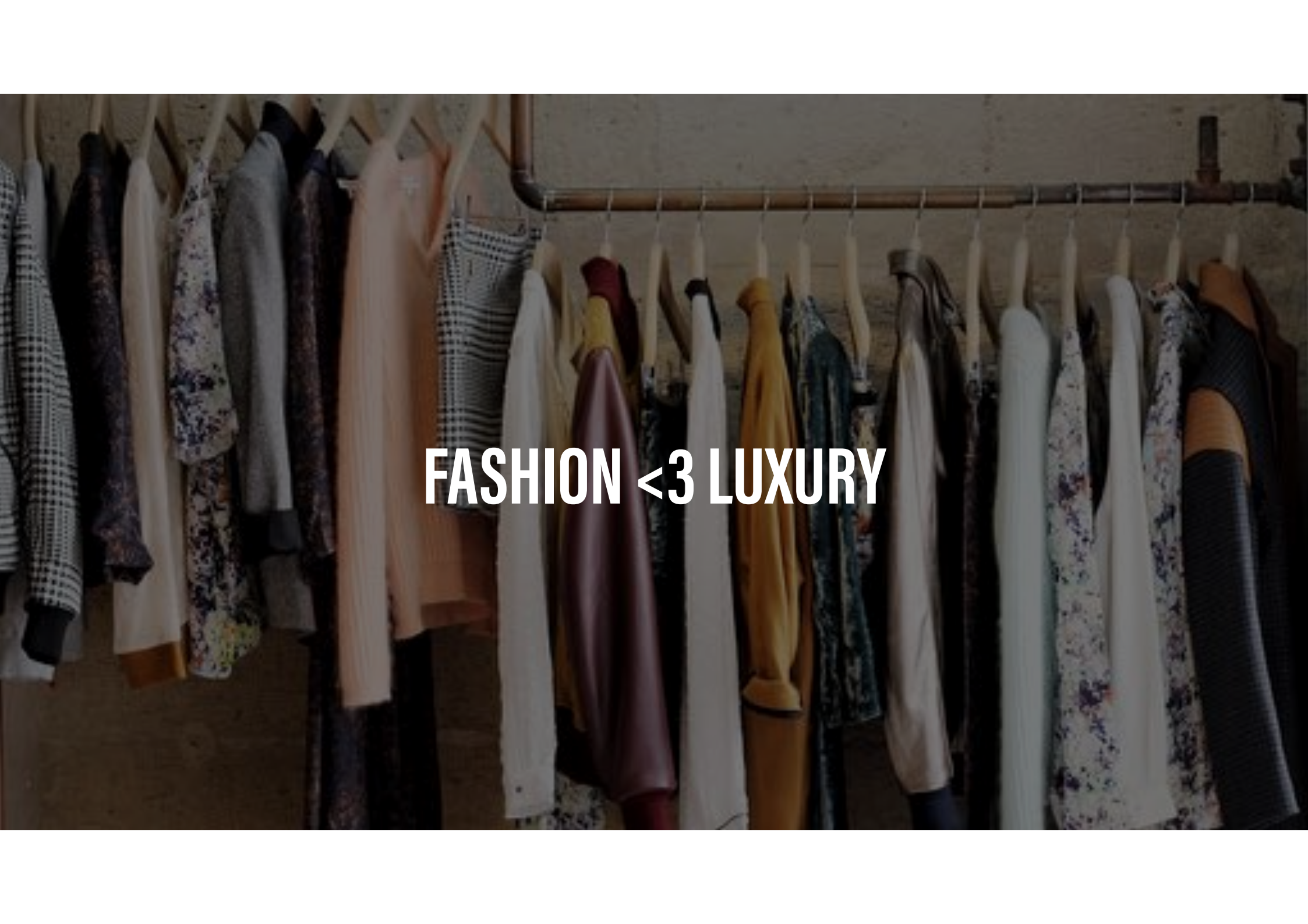
Discuss:

If 'luxury' is not only a product centred feature, can for example product purchased as second-hand be regarded as luxury?

If consumer is not regarding Louis Vuitton as 'luxury', is it still luxury? Who defines what is luxury?

SUMMING UP: LUXURY

- Can be approached as a concept, experience or brand / product perspective.
- The highest end of the continuum. Different levels; Luxury is more than just a product characteristics - although often approached through concrete attributes (e.g. price, quality…)
- Despite what is regarded as luxury has changed during the years, the underlying functions have remained the same: **delicate balance of desirability and limited accessibility.**
- Luxury is subjective, contextual and relative concept. It is dependent on time, surroundings, situations and cultural context.

FASHION <3 LUXURY

FASHION // LUXURY

> Fashion as well as luxury **come often into existence through brands and products** = tangible side

> Fashion as well as luxury is **an abstract phenomena**, a concept = intangible side

> Fashion as well as luxury **get their meaning in relation to social surroundings**

What differentiates them?

WHAT IS FASHION?

Fashion is **a sign system or language** through which people convey **symbolic meanings** about their **individuality and group identification** (profession, social status, class, ethnicity, gender, hobby etc.)

Fashion is **not** just clothes.

Fashion is **not** a style.

Fashion is expressions of cultural themes/beliefs/customs that each are grounded into various "temporal rhythms".

Note: in situation when clothing is completely coded & ruled (e.g. uniforms) there is no fashion.

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LUXURY AND FASHION, INTER-RELATED

What ties & differentiates luxury and fashion?

- In the core of **luxury is art** - in fashion context often referred as *Haute Couture,"High Fashion"*.

- Haute couture ties the creation & art, inaccessibility, the Griffe to fashion field.

- When the highest form/the griffe "trickles down" and is adapted by larger audiences, we often talk about "fashion". **Fashion gets its existence through social imitation.**

  ➡ "Luxury" is driving the creation at higher level and enable the vertical differentiation > Fashion gives possibility to belong & differentiate horizontally

LUXURY AND FASHION, INTER-RELATED

Luxury fashion houses often has both - Haute Couture and Prêt-à-Porter.

- Note: Regardless of how exclusive a piece is, it is not Haute Couture until the <u>Chambre Syndicale de la Haute Couture</u> crowns it so. Upon the their approval, a fashion house is considered Haute Couture by French law.
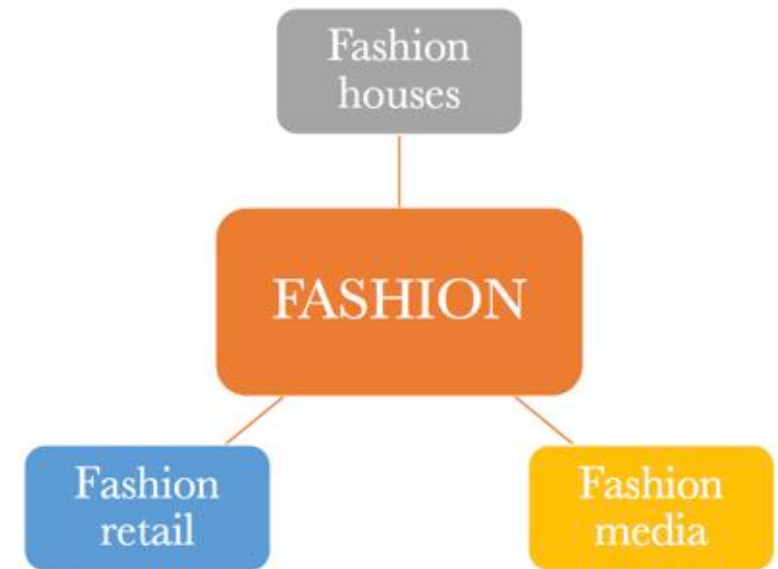
(Weijo 2018)

What sets Haute Couture and Prêt-à-Porter apart?

HAUTE COUTURE VS. PRÊT-À-PORTER

1. Production

Haute couture
- made to measure for a single client, tailored both in style and size
- highest quality and highest price
- Vogue described Couture pieces as 'walking pieces of art'

Prêt-à-Porter
- high quality, factory made fashion
- available to a wide variety of customers, but not necessarily mass produced
- different prices, quality and sizes (& standardised sizing)

2. Sales

Haute couture
- all handmade, require time and skill
- highest prices you can pay within fashion industry & high-end customers
- Haute couture houses create a collection every summer & winter season
- collections often set the stage for future fashion trends within the Prêt-à-Porter collections

Prêt-à-Porter
- available twice a year, pre-seasonally
- ready to wear collections are purchased at faster rates in higher quantities
- take inspiration from high fashion
- lack of exclusivity compared to haute couture
- available in retail and online shops

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3. Runway shows

Haute couture
- committed to present collections twice a year of at least 35 pieces, both day and evening wear.
- collections are presented every 6 months (January /& July), half a year in advance.
- Haute Couture shows are artistic spectacles.

Prêt-à-Porter
- Prêt-à-Porter fashion shows are presented one year in advance
- Haute Couture brands, such as Chanel and Dior, often present a Prêt-à-Porter line during fashion week

THE GRIFFE & READY TO WEAR?
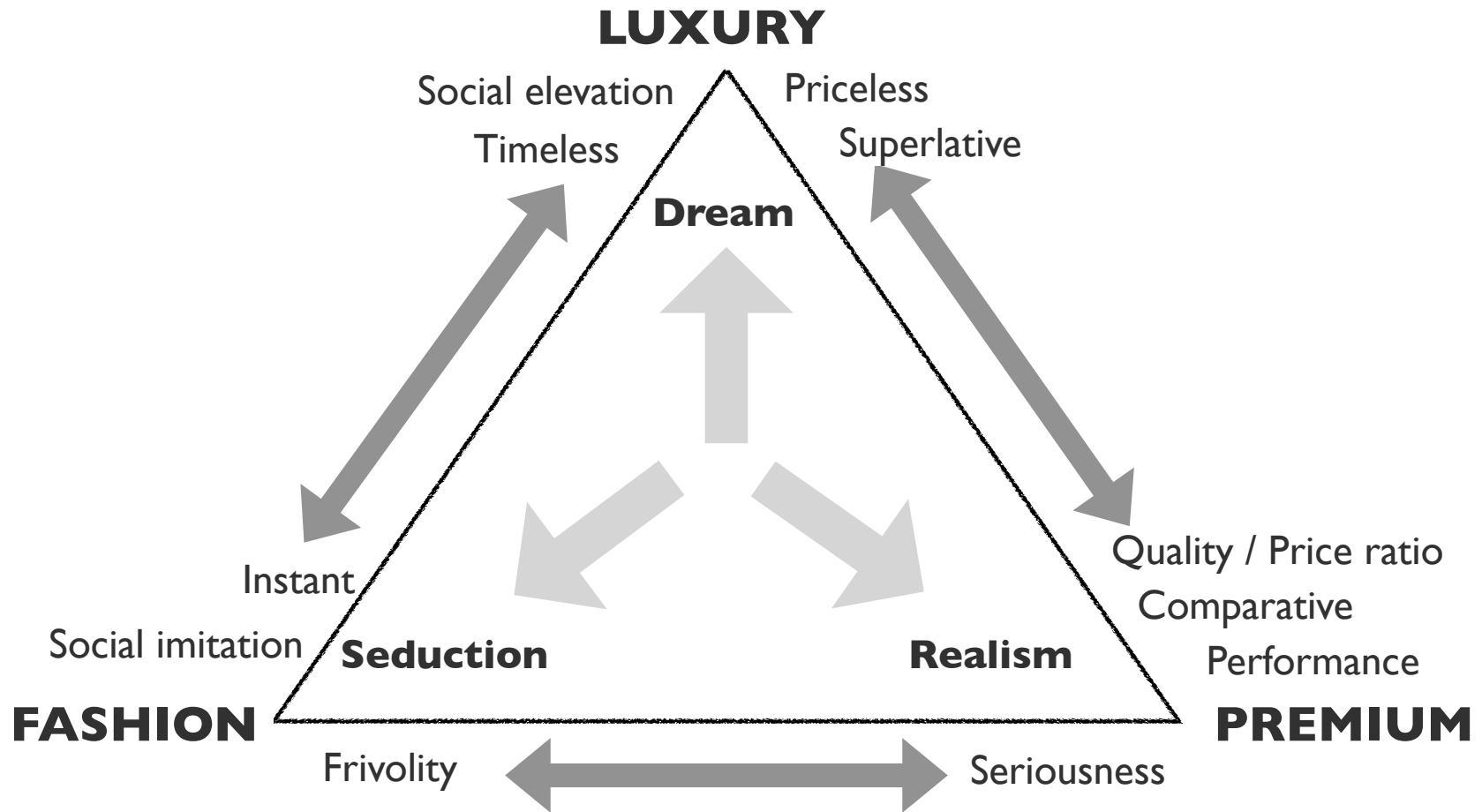
Relations

Attributes

The griffe — Pure creation, unique work, materialised perfection

Aura

Money

The luxury brand — Small series, workshop, handmade work, very fine craftsmanship

The upper-range brand — Series, factory, highest quality in the category

The brand — Mass series, cost pressure, the spiral of quality

Kapferer 2008

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LUXURY

Social elevation
Timeless

Dream

Priceless
Superlative

Instant

Social imitation **Seduction**

Realism

Quality / Price ratio
Comparative
Performance

FASHION

Frivolity

Seriousness

PREMIUM

Kapferer & Bastien, 2009

FRAMEWORKS OF
FASHION & LUXURY

MAIN FRAMEWORKS RELEVANT TO UNDERSTANDING FASHION

1. The Fashion Life Cycle

A key item or look may start out as a 'fad' or a 'fashion' but then become a 'classic' due to the lasting significance of the fashion moment. (e.g. Brannon, 2005)

2. Fashion Adoption and Diffusion

A unique adoption pattern that relates to how the style or look is popularised. (e.g. Rodgers, 1995)

3. Fashion Trickle Theories

Helps to identify at which stage of the fashion pyramid each fashion moment started in and in which direction it trickled through the population. (Simmel 1904; Blumer 1969; Field 1970)

4. Cultural Theory

Cultural theory in fashion field exemplifies change as well as continuity, examines identity and difference, agency and structure, and production and consumption. (e.g. Steele 2016; Kaiser, 2012; Belk, 1988)

THE FASHION LIFE CYCLE
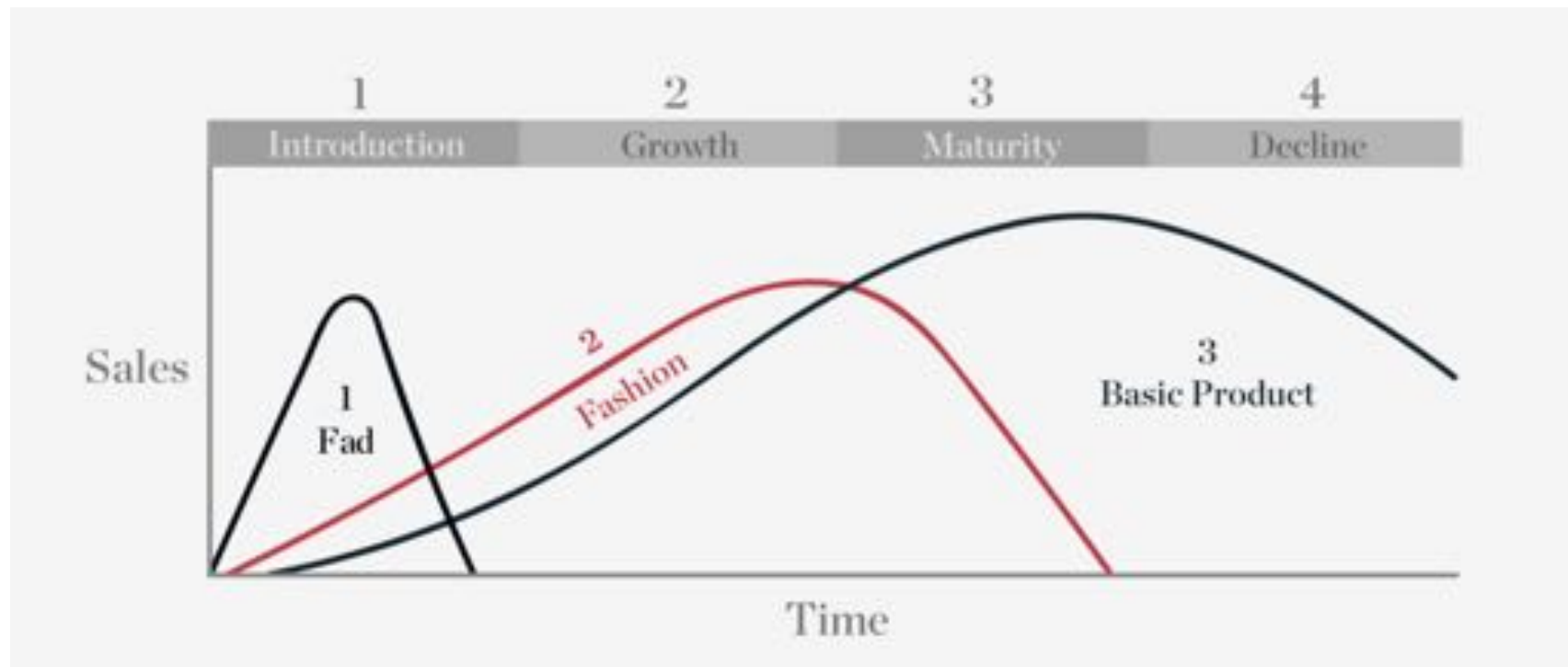
(Brannon, 2005; Roger, 1983; pic. BoF 2016)

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FASHION ADOPTION AND DIFFUSION

Introduction: the trend is first adopted by fashion innovators who tend to be creatives, influencers, celebrities and sometimes more wealthy consumers.

Growth: The trend is adopted by fashion leaders who influence a wider selection of the population and by the end of this stage it hits the mass market. (If a trend does not cross the tipping point from introduction to growth it is unlikely to develop.)

Maturity: The trend is becoming tired and the consumers termed endearingly as 'laggards' will finally adopt the trend, usually at a low or reduced price.

Decline: fewer and fewer people will wear the trend, regarded as "unfashionable".

Roger's Innovation Adoption Curve

The Tipping Point

Innovation 2.5% Early adopters 13.5% Majority 34% Late majority 34% Laggards 16%

(Rodgers, 1995, BoF 2016)

TO BELONG AND TO BE DISTINGUISHED

Snob effect: consumers who acquire and display material possessions for the purpose of feeling differentiated from other people, i.e., if too many people own certain goods, these snob consumers do not want to buy them. (Mason 1981).

Bandwagon effect: consumers who acquire status benefits by imitating, i.e., consumers buy because others are buying the same goods. (Sirgy 1982; Dittmar 1994; McCracken 1986; Belk 1988).

Need for uniqueness: "an individual's pursuit of differentness relative to others that is achieved through acquisition, utilization, and disposition of consumer goods for the purpose of developing and enhancing one's personal and social identity" (Tian et al. 2001: 50).

FASHION TRICKLE THEORIES

Three trickle theories:

- **down** (Veblen, 1899; Simmel, 1904; McCracken 1988)
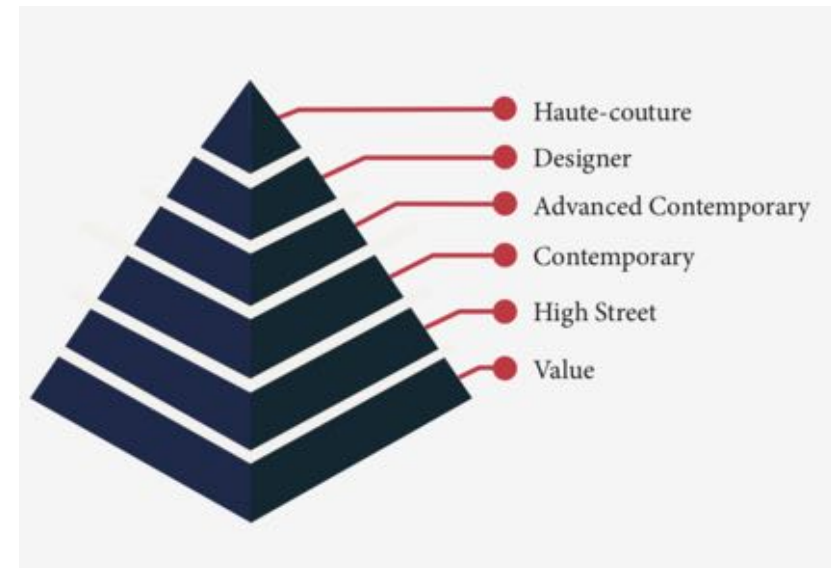- **across** (Blumer, 1969)
- **up** (Field, 1970)

- Each theory refers where the trend starts and how it spreads through the population

Haute-couture
Designer
Advanced Contemporary
Contemporary
High Street
Value
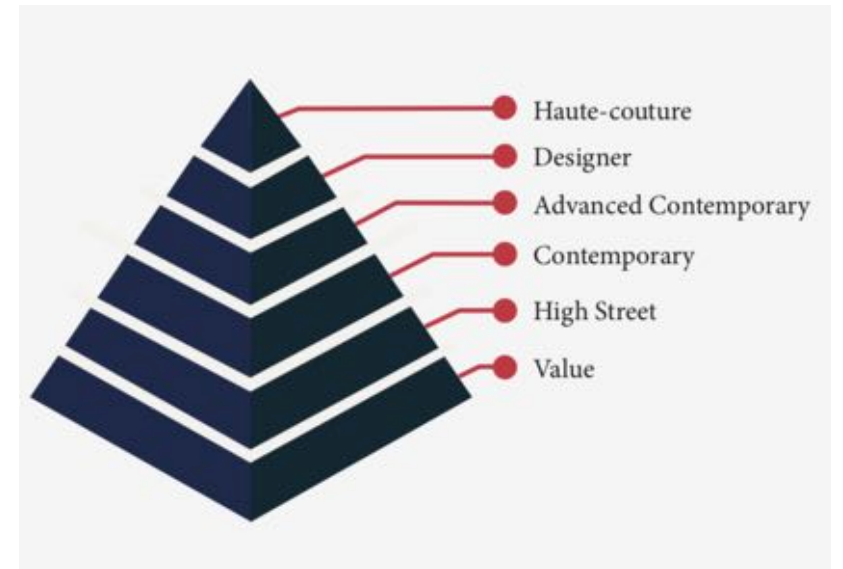
(BoF 2016)

TRICKLE DOWN

- *"A style is first offered and adopted by people at the top strata of society and gradually becomes accepted by those lower in the strata"* (Veblen, 1899; Simmel 1904)

- Fashion worn by upper class were imitated by the lower class.

- Relied upon hierarchical society and desire to move up the social ladder - Fashion is considered a vehicle of conspicuous consumption and upward mobility for those seeking to copy styles of dress.

- Note: those people at the top do not wish to be associated with lower social standing: Once the fashion is adopted by those below, the affluent reject that look for another.

- Haute couture > "knock-off" designer labels for lower class consumers

- Haute-couture
- Designer
- Advanced Contemporary
- Contemporary
- High Street
- Value

(BoF 2016)

TRICKLE DOWN

"Trickle down" inside the Chanel brand

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TRICKLE ACROSS

- Represents 'horizontal flow' or 'mass market theory' (Blumer 1969).

- Fashion moves across and stays in the same social group and similar social levels (Robinson 1958)

- Robinson (1958) supports the trickle-across theory when he states that any social group takes its cue from contiguous groups in the social stratum.

- Trendy piece of clothing that is being sold by various different designers at various different prices

  - Within each socioeconomic group there are fashion innovators that meet their preferred fashion and price range demands.
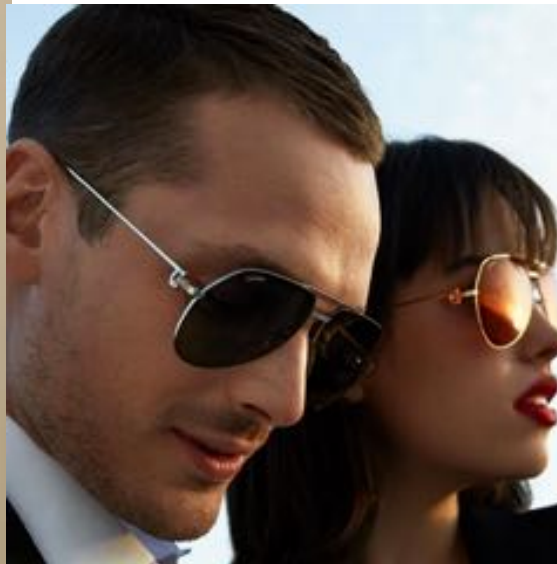

Haute-couture
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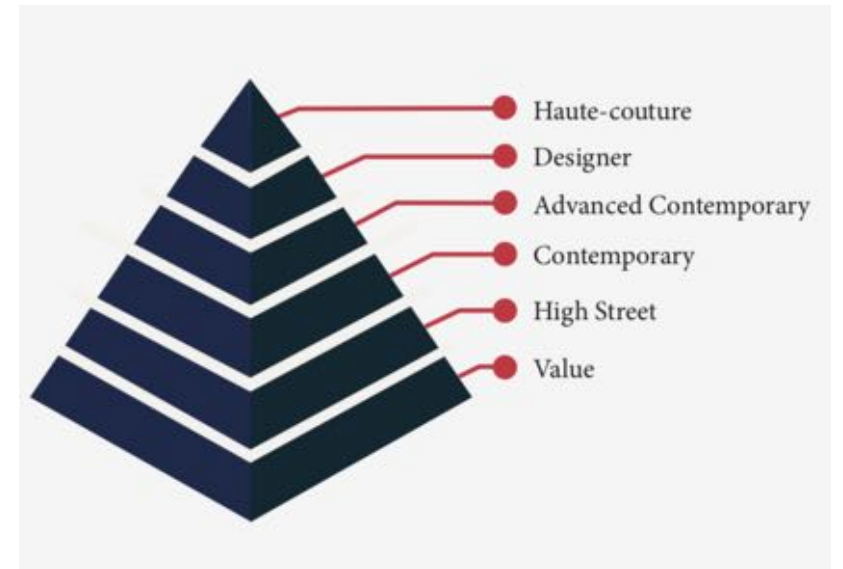
(BoF 2016)

TRICKLE ACROSS

Aviator sun glasses (no brand)

Cartier Aviator

RayBan Aviator

Chanel Aviator

TRICKLE UP

- The newest fashion movement theories: "from streets to runways"
- A group within the 'lower' society serves the fashion leadership role (Field 1970).
- Subcultures within a society often introduce fashions that serve as group identification that are then adopted by other segments of a society.

Haute-couture
Designer
Advanced Contemporary
Contemporary
High Street
Value
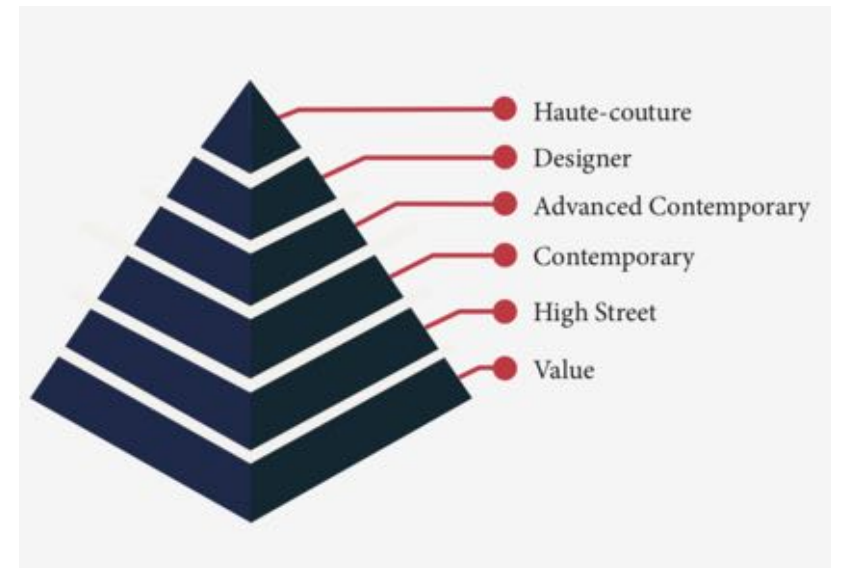
(BoF 2016)

TRICKLE UP

Punk & Vivienne Westwood

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FASHION & CULTURAL THEORY

"Cultural construction of the embodied identity." (Steele 2016)
"You are what you wear" (Belk 1988)

- Diverse motivations to choose fashion brands:
    - to communicate their personality (psychological motivations);
    - to obtain a feeling of belonging to a group or differentiating (sociological motivations);
    - to demonstrate their status (economic motivations)

LUXURY GOODS & CONSUMPTION

Desire for status – symbolic to others

Status consumption: "owning status-laden possessions, which may or may not be publicly displayed" (O'Cass and Frost 2002). Relate often to "old money".

Status seeking consumption: "purchasing, using, displaying, owning and consuming goods and services for the purpose of gaining a superior status position (Veblen 1899; Mason 1981). Relate often to "nouveau rich"

Conspicuous consumption: "satisfaction derived from audience reaction not to the positive attributes of the good or service in question, but to the wealth displayed by the purchaser in securing the product for consumption" (Mason 1981: viii). Conspicuousness is related to signaling high income and thereby to achieving greater social status.

SUMMING UP: LUXURY & FASHION

<u>Luxury & fashion are inherently different</u>

The dynamics of luxury and fashion are separate:

instant vs. timeless // social imitation (horizontal) vs. social elevation (vertical)

<u>Luxury & fashion cannot be separated</u>

Luxury and fashion are interrelated and need each other, *luxury drives fashion and fashion drives luxury in contemporary world.* The existence of both enable the constant development of fashion > see e.g. frameworks of fashion

<u>Earlier luxury was a sign of social stratification</u> (i.e. signalled your hierarchical status in society), now luxury is driving the "social stratification" (i.e. create the status and stratification). Therefore in contemporary society luxury can be linked to all fashion trickle theories (down/up/across) at some form.

<u>Fashion trickle theories showcase the continuous interplay between fashion & luxury</u>

Thank you.

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