Luxury Fashion Consumers: Comparing High and Low Guilt Groups

Chung-Wha Ki, Theresa Hyunjin Kwon, Youn-Kyung Kim, University of Tennessee, USA

Keywords: Decision Tree Modeling, Luxury Fashion Consumer Guilt, Values, and Demographics

Research Background
The rising consumer thirst for “guilt-free consumption” has drawn great attention from both academia and marketers. As a growing number of consumers look beyond their pocketbooks to broader societal and environmental issues (e.g., economic recession and environmental degradation), they are increasingly concerned about the negative impacts that their consumption may have on the society and the planet, possibly leading them to experience a sense of guilt (Hirebet, 2013). Traditionally, luxury consumption has been viewed as an extrinsic means to inflate one’s ego or to flaunt one’s status to others. However, as the values of luxury consumers have evolved from “having” to “being” and from “extrinsic” to “intrinsic” (Carr, 2013), they become skeptical about purchasing luxury brands that appeal to their extrinsic values, and thus may trigger guilty feelings. Instead, they become more favorable to purchasing luxury brands that reflect their intrinsic values. As a result, they may experience reduced guilty feelings which otherwise could have been caused by the undesirable consequences of conspicuous luxury consumption.

Although guilt is deemed a problematic emotion for brands as it negatively influences consumer decisions to purchase their brand again (Hagtvedt & Patrick, 2015), few researchers have focused on this negative emotion of guilt in the luxury fashion consumption domain. Besides, despite the recent consumer trend of guilt-free consumption, less is understood on the key values and individual traits that lead consumers to feel a less or more intensity of guilt. To address this void, we build upon the framework of Self-Determination Theory and Self-Discrepancy Theory to understand the relationships between consumer values and emotion. We employ a decision tree analysis to profile luxury fashion consumers into high guilt (HG) and low guilt (LG) groups and identify the significant values and demographics associated with each group. We expect that luxury brand marketers could build effective guilt-reducing strategies, which may ultimately contribute to enhancing their brand loyalty, by referring to the key intrinsic or extrinsic values and demographics we found in regards to HG and LG groups.

Theoretical Framework
According to Self-Determination Theory (Kasser & Ryan, 1996), an individual’s behavior can be steered by his/her intrinsic and extrinsic motivations (or values). Applying this notion to the luxury consumption context, Ki and Kim (2016) suggested that a consumer’s luxury fashion purchase can be guided by his/her extrinsic values of seeking latest fashion, public self-consciousness, and status-consciousness and intrinsic values of seeking personal style, social-consciousness, and environmental-consciousness. Next, Self-Discrepancy Theory (Higgins, 1987) suggests that individuals’ negative emotions are triggered when they experience discrepancies between their personal values and actual behavior. A sense of guilt is one example of such negative emotions. In a consumption context, guilt refers to an individual’s negative emotional response (e.g., a sense of regret or remorse) that is derived when an individual’s consumption behavior disregards one’s own values. Applying this notion to our context, consumers may experience guilt when their luxury consumption, which often denotes an unnecessary, extravagant, or conspicuous consumption, contradicts their personal intrinsic or extrinsic values (Riad, 2011). In addition, recognizing that demographic traits (e.g., age and gender) significantly influence one’s post-purchase product evaluation (Mittal & Kamakura, 2001), we expect that luxury fashion consumers’ individual characteristics will also influence their intensity of guilty feelings.
Method We collected 452 usable data through an online survey. Measures included intrinsic values, extrinsic values, guilt (adapted from existing scales; 7-point Likert-type scale), and demographic variables (gender, ethnicity, marital status, age, education, employment, and income). After confirming the reliability of guilt (Cronbach’s α = .97), we used median split in classifying the respondents into two groups: HG (Med > 2.25) and LG (Med ≤ 2.25). Next, we adopted decision tree modeling, which is mainly used for classification and prediction. Specifically, we employed Chi-square automatic interaction detector (CHAID) analytic approach because it can handle independent and dependent variables at different levels of measurement. CHAID uses χ² and F-tests to choose significant variables and split them into nodes. Except for our target variable guilt (HG and LG), three extrinsic values, three intrinsic values, and seven demographics were input as potential predictors in our CHAID analysis.

Results “Age” was the first variable to split luxury fashion consumers into two nodes. Consumers who are “36 or younger” revealed greater HG (node 1) opposed to their counterparts (node 2). Among consumers in node 1, “males” contained more HG than LG (node 3), opposed to females. Among females (node 4), those with “lower degree of seeking personal style (≤ 4.00)” showed greater HG than LG (node 8). Among consumers in node 9, those with “social consciousness higher than 5.83” felt more guilt. On the other hand, among consumers in node 2, those with “greater status consciousness” revealed greater HG (node 5, 6, and 7). Among consumers in node 6, those with “the least environmental consciousness” revealed the greatest HG. Finally, among consumers in node 13, those with “social consciousness greater than 6.83” revealed more HG (node 17).

Contributions Our study contributes to an emerging consumer research stream that involves guilt and luxury consumption by profiling luxury fashion consumers into HG and LG classes based on their values and demographics. Most importantly, it is noteworthy that all the three intrinsic values (i.e., social-, environmental-consciousness, and seeking personal style) were found significant in profiling HG and LG luxury fashion consumers, whereas only status consciousness was identified as the significant extrinsic value. This implies that intrinsic values have a strong association with luxury fashion consumer guilt. Furthermore, it is notable that younger male consumers revealed greater intensity of guilt, opposed to their counterparts. By referring to our decision tree results, we expect that luxury brands and marketers develop more customized and effective guilt-reducing strategies, which will help consumers to shake away their sense of guilt, while keep enjoying consuming luxury fashion products.

References Available upon request.