Conference Proceedings

THE MYSTIQUE OF LUXURY BRANDS

-Shanghai Conference 2016—







Asia Business Centre

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The Mystique of Luxury Brands Conference 2016

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FOREWORD

This conference aims to provide a platform for academics and industry professionals within the luxury industry to collaborate and present their research. The two-day conference explores contemporary issues and innovative research in the area of luxury branding management. Bringing together over 100 industry and academic presenters specialising in the area of luxury branding, the conference aims to bridge the link between industry and academia. The first day of the conference encompasses three interactive sessions from industry experts in the area of (1) present and future of Chinese luxury brands, (2) luxury fashion, watch and jewellery brands, and (3) luxury hospitality and lifestyle brands. The panel discussions will focus on strategies for Chinese entrepreneurs and large corporations to create their own luxury brands as well as to build a strong consumer-brand relationship and differentiate themselves from their Western counterparts. With a growing middle-class in China, the demand for luxury fashion, watches, jewellery, hospitality and lifestyle services are also on the incline. This conference serves as a platform for sharing research ideas, findings and insights within the luxury branding area. Authors from across the globe submitted the manuscripts and a total of 47 papers were accepted with a focus on luxury brands. The conference proceedings have been divided into 12 sessions namely, Luxury Fashion Management, Advertising in Luxury Branding, Luxury Branding in Asia, Luxury Brand Equity, Hedonic Consumption, Luxury Consumer Behaviour, Counterfeiting in Luxury Brands, Luxury Branding Strategies, Sinful Luxury Consumption, Luxury Lifestyle Consumption, Emotions in Luxury Branding, Luxury Lifestyle Consumption, Emotions in Luxury Branding, and Luxury Branding Online. All full papers and abstracts submitted to The Mystique of Luxury Brands Conference have gone through a peer review process, using knowledgeable experts in their selected areas. This proceedings include the abstracts and extended abstracts of the accepted papers.







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WELCOME FROM THE CONFERENCE CO-CHAIRS

Dear Esteemed Guests, Colleagues, and Friends,

On behalf of Curtin University's Asia Business Centre and Luxury Branding Research Cluster, as well as emlyon business school's Cluster of Lifestyle and Consumption, we wish you a very warm welcome to "The Mystique of Luxury Brands Conference 2016."

The basic idea of this conference is to bring together the worlds of luxury business and academia – to share, debate and learn from one another. We are pleased to welcome leading industry professionals as well as academics from 17 different countries and 40 different universities. We see great potential in promoting the transfer of knowledge between different fields of expertise and different industries. It is our hope that this conference will strengthen the links between education, science and entrepreneurship.

This conference takes place in a very interesting period. In the early 1990s, the luxury market in China started from absolute ground zero; a time when many of its market leaders of today were virtually unknown. Today, China is considered as one of the world's most important and influential luxury markets by many luxury brands. Furthermore, the Chinese government has been taking more and more steps to shift the country's economic orientation from low-end production to the higher-end, and creative industries. In doing so, this will help drive the growth of the future luxury market, which can rely on a strong culturally rooted appetite for luxury.

The luxury industry in China can look back to a golden past and also forward into a bright future. However, at this juncture, the industry is in the midst of fundamental changes which include political shifts with new legislation, economic uncertainties, and societal changes with shifting consumer trends towards more understated, more value-creative and also more *Chinese* luxury. The (just recent) times are gone when many luxury brands just had to open their boutiques' doors to grow in China. They now feel a strong need for new inspiration and innovative strategies to regain growth in this ever-evolving market – and that is what this conference aims to explore.

The first day will centre on three key topics that may help luxury brands in China to regain or maintain growth, with discussions between leading industry practitioners and academics. First, entrepreneurship and intrapreneurship will be discussed in relation to the development of innovative strategies and business models that fit the new market realities. However, some answers may be found also in the past, by rediscovering the mystique of real luxury brands. Second, we will address strategies to identify and understand Chinese consumer insights as luxury brands realised that it has become crucial for their survival to better understand Chinese consumers and to adapt to their specific needs.







And finally, the art of customer relationship management to build more stable ties to customers in China will be clarified. These discussions will be further facilitated by a networking lunch and charity gala dinner.

The second day will comprise of academic presentations featuring a range of research topics including fashion marketing, premium luxury branding, sustainability, counterfeits, global challenges to the industry, and luxury branding communications. The conference closes with a sundowner and awards session to acknowledge the best paper as well as all the participants for their outstanding efforts.

We encourage you to actively participate in as many sessions as possible to help others see things that they would not have otherwise seen without your contribution. Your participation in this conference is highly appreciated and we would like to convey our deepest gratitude for this!

At this point in time, there is no better place to discuss luxury as we are here in the heart of the most important luxury market; the market of the future; and likely, the most challenging luxury market in the world.

Welcome to the conference and to Shanghai, the hub of luxury, arts and fashion!



Ian Phau Luxury Branding Research Cluster, Curtin University



Richard Francis Asia Business Centre, Curtin University



Michel Phan Lifestyle and Consumption Cluster, emlyon business school



Klaus Heine Lifestyle and Consumption Cluster, emlyon business school







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DAY 1 - THURSDAY, 12 MAY 2016

LUXURY BRANDS REGAIN GROWTH IN CHINA

Dialogue between CEOs and Scholars

Venue: Majesty Plaza Hotel, Ballroom A

08.00-09.00 REGISTRATION

09.00 - 10.30 OPENING ADDRESSES

Prof. Carolyn Dickie, Deputy Pro Vice-Chancellor, Curtin Business School
Prof. William Wang, Associate Dean, emlyon business school
Prof. Michel Phan, Professor of Luxury Marketing, emlyon business school
Prof. Ian Phau, Professor of Marketing, Curtin University

KEYNOTE SPEECHES: LUXURY TRENDS IN CHINA

Michel Ly, General Manager China, Qeelin Julien Lapka, Co - CEO, Flamingo Leo Liu, President and Managing Director, Wyndham Hotel Group

10.30 – 11.00 COFFEE BREAK







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11.00 – 12.30 PANEL DISCUSSION ONE

CHINESE LUXURY BRANDS:

ENTREPRENEURSHIP AND INTRAPRENEURSHIP IN CHINA

With the growth of Chinese consumers' appetite for luxury goods, Chinese luxury brands have started to emerge in recent years. What should Chinese entrepreneurs or large corporations do to create their own luxury brands? How can Chinese luxury brands differentiate themselves from their Western counterparts? How can they be creative?

Panel discussion with:

Edward Lu, CEO, Organic+ Faye Wu, Former Deputy General Manager, Herborist Cosmetics Julien Lapka, Co - CEO, Flamingo Michel Ly, General Manger China, Qeelin

Scholars:

Prof. Michel Phan, emlyon business school

Dr. Justin Cohen, University of South Australia

Mr. Richard Francis, Director of Asia Business Centre, Curtin University

12.30 – 13.30 LUNCH & NETWORKING







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13.30 – 15.15 PANEL DISCUSSION TWO LUXURY FASHION, WATCH AND JEWELLERY BRANDS: IDENTIFYING CHINESE CONSUMER INSIGHTS

Luxury brands in fashion, watches and jewellery are currently struggling to appeal to the Chinese consumers. This trend has resulted in some major players having to withdraw from the Chinese market. What are the key challenges for these major players to remain attractive and competitive in the Chinese market? How can these luxury brands revitalise themselves to be top preferences again for the Chinese consumers?

Panel discussion with:

Changhong Mi, Founder and Creative Director, Longio Watches Chuen Kok, COO, Attos Group Chonxian Yang, General Manager, Delta Tau Diamonds Javier Calvar, CEO, Albatross Asia Maggie Wang, Brand General Manager China, Gaggenau Max Myers, Co - Founder, Connoisseur Group Tiffany Pattinson, Founder and Artistic Director

Scholars:

Prof. Ian Phau, Curtin University Prof. Klaus Heine, emlyon business school Dr. Bin Shen Jerry, Donghua University

15:15 – 15:45 **COFFEE BREAK**







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15.45 – 17.15 PANEL DISCUSSION THREE LUXURY HOSPITALITY AND LIFESTYLE BRANDS: LEVERAGING ON CONSUMER RELATIONSHIP MANAGEMENT

With a growing middle-class in China, the demand for luxury hospitality and lifestyle services, in particular travel services, is spiraling on an upward trend. How can the luxury service providers capitalise on this booming market? What are the potential pitfalls? How can we build stronger and longer term relationships with this Chinese customers?

Panel Discussion with:

Fong Sit, Managing Director, John Paul Gino Andretta, CEO Greater China, ClubMed Kevin Guo, General Manager of Marketing Communications, C-Trip China

Scholars:

A/Prof. Vanessa Quintal, Curtin University Prof. Michel Phan, emlyon business school Dr. Aken Yu, Chairman, Big Data Business Strategy Alliance

17:15 – 17:30 CLOSING REMARKS

Mr. Richard Francis, Asia Business Centre, Curtin University

18.00 – 18.30 PRE - DRINKS WITH CHIVAS

18.30 – 21.30 PARIS OF THE EAST CHARITY GALA DINNER







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DAY 2 - FRIDAY, 13 MAY 2016

ACADEMIC SESSIONS

9.00 - 10.30	Session 1.1 (Leeds Hall)	Session 1.2 (Lyon Hall)	Session 1.3 (Sydney Hall)
	Luxury Fashion Management	Advertising in Luxury Branding	Luxury Branding in Asia
	Coffee	Break 10.30 - 11.00	
	Session 2.1 (Leeds Hall)	Session 2.2 (Lyon Hall)	Session 2.3 (Sydney Hall
11.00 - 12.30	Luxury Brand Equity	Hedonic Consumption	Luxury Consumer Behaviour
	Lunch Break 12.30	- 13.30 (LiJing Xuan Restauran	t)
	Session 3.1 (Leeds Hall)	Session 3.2 (Lyon Hall)	Session 3.3 (Sydney Hall
13.30 - 15.00	Counterfeiting in Luxury Brands	Luxury Branding Strategies	Sinful Luxury Consumption
	Coffee	Break 15.00 - 15.30	
	Session 4.1 (Leeds Hall)	Session 4.2 (Lyon Hall)	Session 4.3 (Sydney Hall
15.30 - 17.00	Luxury Lifestyle Consumption	Emotions in Luxury Branding	Luxury Branding Online
	C	and Award Ceremony 17.00 -	10.00







ACADEMIC SESSION ONE

9.00 - 10.30 | Leeds Hall 3rd floor

SESSION 1.1: LUXURY FASHION MANAGEMENT

Session Chair: Bin Shen Jerry

Approach or Avoidance? The Dual Role of Face in Fashion Consumption Wangshuai Wang, Shanghai Jiao Tong University

Treasure Hunting: Fascination behind Luxury Second-hand Consumption Linda Turunen, University of Vaasa

Fashion Branding: Assessing the Role of the Educational Environment

Monia Massarini, University of Udine

Brand Loyalties in Luxury and Fast Fashion Co-branding

Bin Shen Jerry, Donghua University Jason Choi, Hong Kong Polytechnic University

10.30 - 11.00







ACADEMIC SESSION ONE

9.00 - 10.30 | Lyon Hall 3rd floor

SESSION 1.2: ADVERTISING IN LUXURY BRANDING

Session Chair: Nigel de Bussy

The Peak of Luxury: Vertical Height Enhances Perceived Prestige of Products Eugene Chan, University of Technology Sydney

Sex Appeal, Luxury Value Perceptions and Consumer Evaluation of Luxury Brand Advertising

Fang Liu, University of Western Australia Nurfareena Zahari, University of Western Australia

An Exploratory Study of how Consumers Perceive Genuine Claims in

Advertising and its Effects on Consumers Purchase Intention

Brian T Hart, Curtin University

Min Teah, Curtin University

Special Workshop by "Luxury Branding Consumer Research Lab"

Billy Sung, Curtin University

10.30 - 11.00







ACADEMIC SESSION ONE

9.00 - 10.30 | Sydney Hall 3rd floor

SESSION 1.3: LUXURY BRANDING IN ASIA

Session Chair: Michel Phan

Monogamy and Promiscuity: A Study of Consumer (Mis)behavior of Luxury Brands in Thailand R Mandhachitara, Pennsylvania State University

Higher Education as Luxury Good: A Conceptual Model

Alan Duesterhaus, Millikin University

Purchase Agents and Luxury Purchase Behavior in China: An Agenda of Research Themes

Yang Sun, Zhejiang Sci-Tech University Shenghui Wang, Tongji University Jing Fei Long, China Construction Bank

Drivers of Perceived Luxuriousness of a Premium Private Label Product

Seoyoung Kim, Korea University Business School Sungkyu Lee, Korea University Business School Jong-Ho Lee, Korea University Business School Charles R. Taylor, Villanova School of Business

10.30 - 11.00







ACADEMIC SESSION TWO

11.00 - 12.30 | Leeds Hall 3rd floor

SESSION 2.1: LUXURY BRAND EQUITY

Session Chair: Isaac Cheah

Exploratory Study on Brand Equity Transfer of Parent Luxury Product to Service Brand

Jiseon Ahn, University of Houston

Jingwei Cai, University of Houston

Jungkun Park, Hanyang University

Applying Consumer-Based Brand Equity in Luxury Hotel Branding: An Empirical Study

Matthew Liu, University of Macau Anthony Wong, City University of Macau Tseng Ting-Hsiang, Feng Chia University

Angela Wen-Yu Chang, University of Macau

Factors Affecting Consumer Attitude and Purchase Intention of Luxury Brands

Isaac Cheah, Curtin University Jared Lloyd, Curtin University

12.30 - 13.30

Lunch Break (LiJing Xuan Restaurant, 4th floor)







ACADEMIC SESSION TWO

11.00 - 12.30 | Lyon Hall 3rd floor

SESSION 2.2: HEDONIC CONSUMPTION

Session Chair: Vanessa Quintal

Effects of Contextual Price Promotions and Online Information on Luxury Hotel Revenue: An Empirical Investigation of Global Resort Hotels Seongsoo Jang, ESC Rennes School of Business Luiz Moutinho, Dublin City University

The Effect of Presentation Order on Evaluation of Experiential Options in Luxury Tour Packages Yu Chen Hung, University of Newcastle Liang Song, Beijing International Studies University Fred Chao, University of Newcastle

> Individual Hedonic Value Influences on Luxury Consumers: The Moderating Effect of Interpersonal Effects Hao Zhang, Northeastern University Yang Sun, Zhejiang Sci-Tech University

Hedonic Binging Propensity and its Impact on Intention to Engage in Indulgent Behaviour Zorana Soldat, Curtin University Vanessa Quintal, Curtin University

12.30 - 13.30

Lunch Break (LiJing Xuan Restaurant, 4th floor)







ACADEMIC SESSION TWO

11.00 - 12.30 | Sydney Hall 3rd floor

SESSION 2.3: LUXURY CONSUMER BEHAVIOUR

Session Chair: Luke Butcher

Thai Traveller's Motivations to Purchase Counterfeits While on a Holiday

Min Teah, Curtin University

Lokweetpun Suprawan, Bangkok University

Veblen Dual Forces and the Making of a Luxurised Society

Bayo Adekanmbi, University of London

The Impact of Luxury Brand Attachment on Consumer-Brand Relationship

Anwar Sadat Shimul, Curtin University Michael Lwin, Curtin University

Sharing the Love in Online Luxury Communities

Luke Butcher, Curtin University Nathan Currie, Curtin University

12.30 - 13.30

Lunch Break (LiJing Xuan Restaurant, 4th floor)







ACADEMIC SESSION THREE

13.30 - 15.00 | Leeds Hall 3rd floor

SESSION 3.1: COUNTERFEITING IN LUXURY BRANDS

Session Chair: Min Teah

Unpacking Yin and Yang of Luxury Beef and Food Counterfeiting in China Karen Miller, University of Southern Queensland

Faeze Rezazade, University of Southern Queensland

Why some Consumers Buy Counterfeit Luxury Products

when they could Afford the Genuine Ones? A Tale of Two Cultures

Norizan Kassim, King Abdulaziz University Naima Bogari, King Abdulaziz University Mohamed Zain, King Abdulaziz University

Sellers and Buyers of Counterfeit Products via Digital Platforms: Stories from the Dark Side

Park Thaichon, S P Jain School of Global Management Sara Quach, Swinburne University of Technology

The Counterfeit Shopaholic: The Case of US Travellers

Min Teah, Curtin University Matthew Liu, University of Macau

15.00 - 15.30







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ACADEMIC SESSION THREE

13.30 - 15.00 | Lyon Hall 3rd floor

SESSION 3.2: LUXURY BRANDING STRATEGIES

Session Chair: Michael Lwin

Understanding Luxury Consumption Behavior in Vietnam: A Research Agenda

My Lan Nguyen, Vietnam National University Viet Dung Trinh, Vietnam National University

Communicating Authenticity in Product Packaging: The Case of Luxury Korean Red Ginseng Creams Sean Lee, Curtin University Billy Sung, Curtin University Aaron Lim, Curtin University Vanessa Quintal, Curtin University

Design-Driven Luxury Brands

Ravi Chitturi, Lehigh University Pallavi Chitturi, Temple University James M. Maskulka, Lehigh University

Young Consumer's Irrational Motives of Retail Borrowing

Michael Lwin, Curtin University Anwar Sadat Shimul, Curtin University

15.00 - 15.30







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ACADEMIC SESSION THREE

13.30 - 15.00 | Sydney Hall 3rd floor

SESSION 3.3: SINFUL LUXURY CONSUMPTION

Session Co-Chairs: Akinori Ono and Mai Kikumori

Is there a Relationship between Perceived Differentiation and Pricing Power? Multi-country Evidence from Luxury and Standard Whisky Categories Jenni Romaniuk, University of South Australia Justin Cohen, University of South Australia Tommy Ha, University of South Australia

> Creating Satisfaction and Attachment to Parks Vanessa Quintal, Curtin University Sean Lee, Curtin University

Measuring the Influence of Scarcity on the Perceptions of Luxury: The Case of a Boutique Luxury Chocolate Brand Siobhan Hatton-Jones, Curtin University Min Teah, Curtin University

The Impacts of NFU (need for uniqueness) on WOM (word of mouth): Considering the Difference Between Luxury and Ordinary Goods Akinori Ono, Keio University Mai Kikumori, Toyo University Haoying Wang, Keio University

15.00 - 15.30







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ACADEMIC SESSION FOUR

15.30 - 17.00 | Leeds Hall 3rd floor

SESSION 4.1: LUXURY LIFESTYLE CONSUMPTION

Session Chair: Thomas Lee

From Country-of-Origin Towards Culture-of-Origin; Branding Chinese for Luxury Pia Polsa, Hanken School of Economics Fan Xiucheng, Fudan School of Management

Conceptualising Perceived Risk and Past Experience on Intention to Engage in Cosmetic Procedure Abhi Sood, Curtin University Vanessa Quintal, Curtin University

> Consumers' Perception of Shiseido in Australia Weiwei Zhang, Curtin University Min Teah, Curtin University

How does Brand Orientation contribute to Brand Performance and does Competitive Intensity Matter?

Thomas Lee, Curtin University Aron O'Cass, University of Tasmania Phyra Sok, Monash University

17.00 - 18.00

Sundowner Reception and Award Ceremony







ACADEMIC SESSION FOUR

15.30 - 17.00 | Lyon Hall 3rd floor

SESSION 4.2: EMOTIONS IN LUXURY BRANDING

Session Chair: Graham Ferguson

Applying Psychophysiological Methodologies in Luxury Marketing

Billy Sung, Curtin University

Me, My Brand and I:

Consumer Responses to Brand-Related Rejection - The Role of

Brand Identification and the Source of Rejection

Dina Khalifa, Glasgow Caledonian University

Paurav Shukla, Glasgow Caledonian University

A Study of Agonistic Behaviour of Luxury Brand Consumption

Elaine Sutrisna, Curtin University Min Teah, Curtin University

Exploring the Use of Less Prominent Branding by Luxury Brands

Graham Ferguson, Curtin University

17.00 - 18.00

Sundowner Reception and Award Ceremony







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ACADEMIC SESSION FOUR

15.30 - 17.00 | Sydney Hall 3rd floor

SESSION 4.3: LUXURY BRANDING ONLINE

Session Chair: Klaus Heine

From Connoisseur Luxury to Mass Luxury: Co-Value Creation and Destruction in the Online Environment Sara Quach, Swinburne University of Technology Park Thaichon, S P Jain School of Global Management

Antecedents of Luxury Brand Hate

Douglas Bryson, ESC Rennes School of Business Glyn Atwal, Univ. Bourgogne Franche-Comté Peter Hultén, Umeå School of Business and Economics Klaus Heine, emlyon business school

Consumer Traits and iPhone Consumption in China: A Comparison between iPhone Owners and Non-iPhone Owners Gong Sun, Central University of Finance and Economics Jie Li, Shanghai University Wangshuai Wang, Shanghai Jiao Tong University Zhiming Cheng, Macquarie University Steven D'Alessandro, Charles Sturt University Lester Johnson, Swinburne University of Technology

Special Workshop by The "Agency"

Luke Butcher, Curtin University

17.00 - 18.00

Sundowner Reception and Award Ceremony







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SPECIAL WORKSHOP BY "THE AGENCY"

Luke Butcher, Curtin University

Written by: Siobhan Hattan-Jones and Brian t' Hart

At Curtin University, The School of Marketing's Luxury Branding Research Cluster (LBRC) continues to push the boundaries of research with its newest addition, The Agency. The Agency is a social media command centre which provides researchers with an impactful visual command centre highlighting trending hashtags, comment feeds and shared posts from Facebook, Twitter and other key platforms. The command centre's multi-screen interface utilises Radian6 – a leading social media analytics platform – with touchscreen monitors to provide an authentic and interactive marketing experience.

The Agency provides academics and industry professionals the opportunity to track online trends in real time and carry out social media marketing analytics for actual events and campaigns in a



technology-rich environment. This provides fundamental value to researchers as they aim to better understand ongoing consumer trends in specific industries and consumer responses. Radian6 can be used to examine topics ranging from consumer to consumer influence, social impacts on pathway to purchase, social sentiment regarding, advertising appeal types, crisis management, consumer empowerment, the benefits of para-social advertising, and the spread of misinformation (just to







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name a few). As academia look for new ways to conduct research that is industry relevant and reflect issues which the industry is currently facing, The Agency plays a crucial role by providing on trend engagement with industry.

Already the LBRC is making use of this innovative technology by conducting research focusing on topics such as Luxury Counterfeiting, Scarcity Appeals and the issue around the Volkswagen incident. For each of these areas, this technology

places the LBRC in a unique position enabling it to contribute value to the literature and industry which was before out of reach. It is expected that this technology will allow the LBRC to continue to develop it's presence in the academic luxury literature.

The Agency has also proven to be a valuable asset in providing undergraduate and postgraduate students with a better understanding of Social Media. The Agency is fitted with 24 workstations and a breakout zone for brainstorming and group collaboration, creating the feel of a real marketing workplace. At The Agency, you can develop core skills in using Radian6 social media analytics such as learning how to track, monitor and respond to comments, questions and complaints online in real-time. These skills are crucial for industry professionals, and by way of this technology, Curtin graduates will be better prepared for the current digital age.







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SPECIAL WORKSHOP BY

"LUXURY BRANDING CONSUMER RESEARCH LAB"

Billy Sung, Curtin University

Monitoring a person's brain activity is normally something that is left to psychologists, but for the Luxury Branding Research Cluster, it is something that is being welcomed with its new Luxury Brand Consumer Research Lab (LBCRL), as an innovative way to better understand consumer's attitudes towards products and advertising appeals.

Consumers' perception, thought, emotion, and action are an embodied and embedded phenomena. Take for instance a consumer who is learning about the announcement of the stunning all-new iPhone; outside of his conscious awareness his pupil dilates, heart rate slows, sweat increases and the corner of his lip pulls upward. In fact, the electrical signal in his left brain is more active than his right brain. These are psychophysiological responses that accompany his excitement, interest, positive attitude, and purchase intent towards the new iPhone. These real time and involuntary responses provide a more reliable, objective and unbiased approach aiding brands and researchers alike to better understand the psychology and behaviour of consumers. In fact, psychophysiological methods allow researchers to examine implicit behaviour and psychology that are difficult to measure by conventional self-report methods, such as surveys and interviews.

The use of psychophysiological methods is one of the prevalent new frontiers in marketing research. In the last few years, research in top (A/A*) marketing journals using psychophysiological techniques has grown exponentially. International brands including Yahoo, Microsoft, eBay and Hyundai have also started to implement psychophysiological methods in their market research. Embracing this promising avenue in marketing research, the LBRC will foster innovative research and industry collaboration that uses psychophysiological methods to address branding and marketing challenges. The LBRC are currently









using this equipment to conduct research for luxury brand Gabriel Chocolate in Margaret River, Western Australia. The LBRC are assessing scarcity appeals via retail shelf displays and further studies seek to assess the influence of luxury packaging and brand story. The Luxury Brand Consumer Research Lab (LBCRL) will also serve as a pioneering research platform that strengthens the research capacity and quality of HDR students and academics, to develop stronger industry relationships within the Asia Pacific region.



The Luxury Brand Consumer Research LAB (LBCRL) is equipped with facial expression recognition software that analyses and tracks consumers' emotional state (e.g., joy, sadness, surprise, anger, disgust, and fear) in video data, according to the well-established Facial Action Coding Scheme. The



new lab is also equipped with cutting-edge devices including the Biopack wireless data acquisition system, the Empatica E4 Wearable Wristband, the Emotiv Brain Wave Headset, and the Pupil Pro Eyetracking Glasses. Some of the equipment has limited fieldwork capabilities which allow greater scope of research to be conducted.

The Luxury Brand Consumer Research Lab (LBCRL) demonstrates the Luxury Branding Research Cluster's continual commitment to innovative and impactful business research.







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SESSION 1.1 LUXURY FASHION MANAGEMENT

Approach or Avoidance? The Dual Role of Face in Fashion Consumption Wangshuai Wang, Shanghai Jiao Tong University

This research proposes that face affects fashion consumption, but includes different effects, depending on the type of motivation consumers hold for face. When consumers desire to gain face, they are motivated to choose fashion products compared with the control condition. When consumers fear of losing face, they are demotivated towards fashion products compared with control. Data from the survey study and the first two experiments provide consistent support for the dual impact of face on fashion consumption. Moreover, these effects are shown to be driven by need for uniqueness. Finally, Experiment 3a and 3b finds that such face-fashion effects exists when the context is public but not when it is private.

Treasure hunting: Fascination Behind Luxury Second-hand Consumption Linda Turunen, University of Vaasa

This study seeks to provide an insight into purchase and consumption of second-hand luxury fashion brands, by identifying the drivers and motivations behind the behaviour. In addition, the luxury brands' one of the most important characteristic - scarcity - will be explored from consumer point of view in the context of second-hand luxury goods. The empirical data consists of 20 interviews of consumers who has purchased luxury fashion brands as second-hand. The interviews were analyzed by means of qualitative content The preliminary findings pinpoint analysis. diverse motivational drivers behind the purchase and consumption of second-hand luxury goods. product related motivations (e.g. Besides cheaper price, product scarcity, vintage, story and origin of the product) the drivers in personal and social levels offered deeper understanding of consumers second-hand consumption. The aspects such as need for uniqueness, belonging and feeling of treasure hunt can be seen the key drivers of luxury second- hand consumers.

Fashion Branding: Assessing the Role of the **Educational Environment** Monia Massarini, University of Udine

The future of the Chinese fashion industry relies heavily on its fashion graduates. However, few studies have investigated on the relationship between fashion and education. Drawing on the fashion system theory (Kawamura, 2005), this paper proposes and evaluates the construct of the 'educational environment' as part of the institutional system of fashion. We conducted a survey on a sample of 176 Chinese respondents







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to determine the importance they assess to the educational environment in the choice of the fashion capital of where to study and live to pursue a career in fashion. From the literature we have identified four main categories that account for the construct. The findings suggest that the perception of the educational environment has an impact on the choice of the fashion capital. However, further studies are required to determine to what dimensions they constitute the construct and what moderator variables have an impact on it. The managerial implications are also discussed.

Brand Loyalties in Luxury and Fast Fashion Co-branding

Bin Shen Jerry, Donghua University Jason Choi, Hong Kong Polytechnic University

Brand loyalty is critical in brand development and extension. We observe in practice that fast fashion brands have co-branding projects with designer luxury brands. However, how the brand loyalties of the associated brands would affect co-branding's performance is largely the unknown. Motivated by the observed industrial practices, we build a formal analytical model to examine the impacts of brand loyalty on revenue in luxury and fast fashion co-branding. The commonly adopted schemes in industry such as the profit sharing scheme, the fixed-royalty scheme and the mergers scheme are explored to examine the brand performance. It is analytically found that the associated brands would perform best with respect to their profit under the

mergers scheme. This result implies that the internal cooperation within a big group corporation is the most desirable strategy for luxury and fast fashion co-branding.

SESSION 1.2 **ADVERTISING IN** LUXURY BRANDING

The Peak of Luxury: Vertical Height **Enhances Perceived Prestige of Products** Eugene Chan, University of Technology Sydney

Consumers often refer to luxury products such as Prada handbags and Lexus motor vehicles as "high status" items and associated with the "upper class". Do consumers associate vertical height with prestige? Drawing on metaphorical thinking, hypothesize that consumers we perceive products that are advertised at the top of the page to be more prestigious that those that are advertised at the bottom. Five experiments support this hypothesis. We measure perceived prestige in various ways such as the products' premiumness, superior quality, and consumers' willingness to pay. We also show that the effect is strongest among powerless consumers, which is consistent with recent research linking power with status. Together, these findings indicate that advertising at the top of a page, such as "above the fold" in a newspaper, does not merely attract more attention but enhances the perceived prestige of







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advertised products. Thus, we demonstrate a metaphorical effect in an advertising context with important implications for marketing communication considerations.

Sex Appeal, Luxury Value Perceptions and Consumer Evaluation of Luxury Brand Advertising

Fang Liu, University of Western Australia Nurfareena Zahari, University of Western Australia

Sex appeal has been widely adopted in luxury brand advertising, but its influence on consumers has not been empirically examined. Based on the luxury value framework, this study examines the influence of sex appeal advertising on consumers' luxury value perceptions, on their attitudes towards the advertisement, and on the advertised brand. Results show that the level of sex appeal in the advertisements does not lead significant changes in luxury value to perceptions. However, it has a differentiating effect on the relationship between luxury value perceptions and advertising responses. A higher level of sex appeal enhances the positive effects of both emotional and symbolic values on attitudes towards the advertisement and the brand. When the level of sex appeal increases in the advertisement, the effect of functional values on attitudes towards the advertisement is enhanced whilst their effect on attitudes towards the brand is attenuated. Implications for luxury brand marketers and advertisers are discussed.

An Exploratory Study of how Consumers Perceive Genuine Claims in Advertising and its Effects on Consumers Purchase Intention

> Brian T Hart, Curtin University Min Teah, Curtin University

This paper aims to provide a conceptual framework to explore how consumers respond to genuinuity claims made by organisations and how it affects perceptions towards the brand. Further, this proposal looks into the different factors such as Brand Familiarity and how they influence a consumer's cognition of the claim. For this study, the dual mediation hypothesis (DMH) model has been adopted in line with previous studies. A total of 16 studies have been designed to allow for measurement of different claims over different brand categories. A selfadministered survey will been used while collecting data using panel data and mall intercept to ensure the ecological validity of the study. The study contributes conceptually by proposing a conceptual definition for genuinuity appeals. It contributes methodologically by using real consumers who are buying from real brands, unlike previous studies which have used student samples. Finally, the study will managerially contribute bv providing practitioners, policy makers and firms with new ways to distinguish themselves as genuine amongst the clutter of unsubstantiated claims and to change consumer's perceptions of industries such as banks which are renowned for unsubstantiated claims.







SESSION 1.3 LUXURY BRANDING IN ASIA

Monogamy and Promiscuity: A Study of Consumer (Mis)behavior of Luxury Brands in Thailand R Mandhachitara, Pennsylvania State University

This paper examines how 1) the ownership of genuine and counterfeit luxury handbags; 2) the degree of fashion consciousness and 3) selfesteem influence the evaluation of counterfeits, repeat purchase intention and price sensitivity. Data was collected from a survey-based empirical study using a purposive sample of 169 very wealthy Bangkok women who own at least one genuine luxury handbag. MANCOVA shows that respondents who own both genuine and counterfeit bags perceive a positive impact of counterfeit products in increasing the popularity of genuine items. Those who own genuine bags exclusively perceive that the availability of counterfeits does not have negative impact on loyalty towards their genuine brands. Additionally, they are not price sensitive and willing to pay higher price.

> Higher Education as Luxury Good: A Conceptual Model Alan Duesterhaus, Millikin University

Veblen's (1899) concept of conspicuous consumption, which spawned the traditional definition of luxury goods includes food, shelter, clothing, and leisure items. This paper extends Veblen's definition to include higher education. A conceptual model for the study of higher education as a luxury good is proposed for use in future research. Four categories are outlined in the Higher Education Luxury Brand Model: Cheap, Frugal, Charlatan, and Sterling. Each category exemplifies an outgrowth of the tuition/discount interaction coupled with the student experience. Implications for higher education institutions and their approach to branding are introduced. Future research questions are offered to understand the model as it could be applied.

Purchase Agents and Luxury Purchase Behavior in China: An Agenda of Research Themes Yang Sun, Zhejiang Sci Tech University Shenghui Wang, Tongji University Jing Fei Long, China Construction Bank

Despite a slight slowdown being experienced in Chinese economic grows. Chinese consumers play an important role in the growth of fashion and luxury spending in the world. However, most of the luxury spending is out of mainland China.

With the rapid development of social media network, consumer behavior in luxury goods has detracted from current practices and the whole landscape of luxury purchases is a whole new experience both for the buyers and sellers. For instance, overseas purchase agents (such as









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Daigou) have use social media (such as Wechat) to post and share the most updated information to their customers in mainland China. If the customer chooses to purchase a luxury item, they can pay through such social media platform.

This paper is conceptual in nature. Through an extensive literature review and building on existing frameworks, it aims to establish a model to explore the perceived risks and purchase behavior of luxury goods through social networks. It will establish a stream of research questions and accompanying hypotheses the test the model. The significance in terms of managerial and theoretical contributions will also be discussed.

Drivers of Perceived Luxuriousness of a Premium Private Label Product

Seoyoung Kim, Korea University Business School Sungkyu Lee, Korea University Business School Jong-Ho Lee, Korea University Business School Charles R. Taylor, Villanova School of Business

Premium private labels have become important to retailers in recent years and the way in which they are advertised is an area in need of more research. This study examines factors that can be reinforced by advertising lead premium private label brands to higher perceptions of perceived luxuriousness, in turn, purchase intention. Using a theoretical framework based on cue utilization theory and categorization theory, a model is proposed in which key independent variables include: 1) image similarity relative to regular private labels and national brands; 2) quality superiority compared to regular private labels and national brands; and 3) image congruity between stores and brands. The findings generally support the theory and suggest effective strategies for advertising premium private label brands. Furthermore, it supports the need for disparate strategies based on the type of store.

SESSION 2.1 LUXURY BRAND EQUITY

Exploratory Study on Brand Equity Transfer of Parent Luxury Product to Service Brand

Jiseon Ahn, University of Houston Jingwei Cai, University of Houston Jungkun Park, Hanyang University

The aim of the present study is to establish a framework for the study of luxury brand extension and to discover whether the brand equity of parent product brand can be transferred to the extended service brand. Despite a lot of benefits to be achieved by implementing successful brand extension strategies in the luxury industry, there are several obstacles which negatively influence both the extended brand and the parent brand. Since a negative effect of the vertical brand extension was found in past studies, this study focused on horizontal brand extension to evaluate and predict possible positive outcomes







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in the horizontal brand extension process. Thus, this study provides a framework for investigation into the role of brand equity, especially when the luxury automobile brand was used to introduce the rental car service brand.

Applying Consumer-Based Brand Equity in Luxury Hotel Branding: An Empirical Study Matthew Liu, University of Macau Anthony Wong, City University of Macau Tseng Ting-Hsiang, Feng Chia University Angela Wen-Yu Chang, University of Macau

This study examines the role of each component in consumer-based brand equity (CBBE) on consumer brand attitude and purchase intention of service brands in the luxury hotel industry. The conceptual model encompasses four CBBE elements (brand awareness, brand loyalty, perceived quality, and brand association) and two consumer responses (brand attitude and purchase intention) with a contextual factor (brand performance). The hypotheses were tested using a survey of over 300 customers from luxury hotels in Macau. It is found that four CBBE elements are all positively related to brand attitude but not all are directly influencing purchase intention. This study advances the theory of CBBE by extending its coverage to service brands rather than commonly discussed product brands. Moreover, by clarifying the direct, indirect and total effects of each CBBE element on brand attitude and purchase

intention, this study enriches existing knowledge by providing new insights on the mediating role of brand attitude and provides new findings on the mechanism of each CBBE component in the model. This study also provides managerial implications for companies in branding management, service marketing, and marketing communications in an emerging market, especially for the luxury service business.

Factors Affecting Consumer Attitude and **Purchase Intention of Luxury Brands** Isaac Cheah, Curtin University Jared Lloyd, Curtin University

This paper identifies the key antecedents and moderators with regard to brand attitude and purchase intention of luxury brands. The findings suggest that is a strong importance of status seeking, as well as informational influences towards consumer brand attitude of luxury brands for both subtle and prominent brands. In addition, the moderating results indicate that consumer need for subtle branding only moderated the relationship between informational influences and consumers band attitude for subtly branded luxury products.

SESSION 2.2 **HEDONIC CONSUMPTION**









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Effects of Contextual Price Promotions and Online Information on Luxury Hotel Revenue: An Empirical Investigation of Global Resort Hotels

Seongsoo Jang, ESC Rennes School of Business Luiz Moutinho, Dublin City University

This study investigates the understudied aspect of contextual price promotions for luxury hotels considering relative promotion levels in respect of focal room price, average and variance of promotion levels of both individual hotel and branded hotels, and online customer- and firmgenerated information. The findings reveal firstly, that contextual price promotions are critical for luxury hotels to increase hotel revenue, suggesting that luxury hotel managers should allocate promotion expenditures to highpriced hotel rooms rather than to low-priced hotel rooms. Secondly, the study shows that luxury hotels should keep the variance of promotion amounts lower and increase the traffic of online booking sites because high variance of promotion amounts decreases guest spending. Finally, it is revealed that luxury hotels can deal with online information selectively by providing customer ratings and firm-generated photographs to luxury travelers who book through offline third-party companies.

The Effect of Presentation Order on Evaluation of Experiential Options in Luxury Tour Packages

Yu Chen Hung, University of Newcastle Liang Song, Beijing International Studies University Fred Chao, University of Newcastle

Experiential options are often considered in a sequential manner. Research has shown a recency effect in evaluation of experiential options due to memory salience. Despite many occasions of sequential encountering of experiential options, research and theory on presentation order has typically concerned how this contextual factor affects decision-making in piecemeal fashion. Whether and how а presentation order influence preferences when consumers seek an experience demands more understanding, as experience seeking motivates many product and brand choices. This research investigates how presentation order influences the evaluation of experiential options.

We propose that the presentation order elicits differential attachment across options when selfreferencing mental imagery is facilitated. We conducted four experiments to test this proposition. Tour packages were used as experimental stimuli. The first experiment demonstrated that preference shifts to the first option when information predisposes people to engage in self-referencing mental imagery. The second experiment further established that imagining oneself in an experience led to a preference shift to the first option. The third experiment established the role of self-option





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connection and defensiveness to non-attached options in the preference shift. Finally, the fourth experiment showed the preference for the option attached strengthens as the of attractiveness competing the option increases. This is because an attractive competing option is more threatening than a less attractive one. Overall, these studies support the attachment-based evaluation of experiential options.

Our paper extends the research on the systematic bias resulting from presentation order by examining a new mechanism based on attachment. This attachment-based process complements previous research, which has largely focused on analytical processes. Our findings also contribute to the growing documentation on the difference between material possessions and experiential purchases. The two types of purchases have been shown to differ in selection strategy, processing goals and implications for consumer wellbeing. We show that presentation order results in a primacy effect in the sequential evaluation of experiential options when people form mental imagery to anticipate the experience. Second, our research contributes to the literature on option attachment, which refers to attachment before selection as a result of careful deliberation. Our findings expand the notion of option attachment by showing that attachment may not be equally established with all options, despite the fact that all options are carefully considered. Situational factors, such as presentation order, may change the magnitude of attachment.

Individual Hedonic Value Influences on Luxury Consumers: The Moderating Effect of Interpersonal Effects

Hao Zhang, Northeastern University Yang Sun, Zhejiang Sci-Tech University

The luxury market is continuously growing worldwide, especially in the East where the global luxury business is centered. Most luxury market studies looking at emerging countries such as China and India focus on status consumption; that is, consumerism in pursuit of social status. However, social value is not the only motivation to purchase luxury products, other motivations have to be studied.

In this study, we focus on the dimensions of hedonic value. We identify hedonic value dimensions from extant studies and construct a theoretical model that includes relationships between hedonic value dimensions and the perceived value of luxury. Then, we introduce interpersonal effects as a moderator of perceived value. Our study involves a survey of consumers who have luxury purchasing experience. We analyze the data using a structural equation model. Based on the research results we also give suggestions.







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Hedonic Binging Propensity and its Impact on Intention to Engage in Indulgent Behaviour

Zorana Soldat, Curtin University Vanessa Quintal, Curtin University

This study explores the hedonic binging construct and its impact on consumers' intention to engage in indulgent behaviour. In its qualitative phase, it will employ three focus groups and two expert panels to generate a list of scale items that tap into hedonic binging. In the quantitative phase, a pilot study and two main studies will employ self-administered penand-paper and online surveys to collect data from a total of 750 prospective adult travellers. The study is expected to make some theoretical, operational and managerial contributions. First, it will introduce a theoretical conceptualisation and operationalisation of hedonic binging to the tourism marketing literature. Second, it will provide a theoretical decision-making framework that explains tourists' propensity for hedonic binging while on vacation. Finally, the study will identify segment profiles that will help tourism operators to target customers who demonstrate propensity to repeatedly engage in hedonic binging while on vacation.

SESSION 2.3 LUXURY CONSUMER BEHAVIOUR

Thai Traveller's Motivations to Purchase Counterfeits While on a Holiday *Min Teah, Curtin University*

Lokweetpun Suprawan, Bangkok University

As the quality of luxury counterfeits improve, so does the difficulty in identifying the fakes from the originals indirectly and directly stimulating the luxury branded counterfeits. This study assesses the motivations behind Thai consumers' purchase intentions of counterfeit luxury while travelling overseas. A quantitative approach is undertaken, through the mall intercept method in Bangkok, Thailand by employing various statistical analysis tools. The study provides theoretical contribution to the extant literature surrounding consumer behavioural aspect of counterfeiting, and non-student sample adds ecological validity. Managerial contribution of the study aims to guide policy and procedure for anti- counterfeiting campaigns by understanding the factors that influence attitudes towards counterfeits of luxury brands and purchase intentions of travellers.






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Veblen Dual Forces and the Making of a Luxurised Society Bayo Adekanmbi, University of London

This conceptual paper builds on Veblen's concept of dual social forces to explore luxury consumption as a socially-contingent behaviour. It explores how the evolution of luxury meaning can be explained as a dynamic interplay of the social action of the high-income segment and the commensurate reaction of the medium to low-income segment. It uses Veblen's two motives-pecuniary emulation and invidious distinction-as two co-existing dominant forces to explain the making of a "luxurised" society.

The paper introduces societisation of luxury to describe how luxury consumption has transitioned from being a high-income social marker to a source of social pressure for the lower class. It proposes the concept of deluxurisation to explain the downward and upward changes in luxury meaning.

The Impact of Luxury Brand Attachment on Consumer-Brand Relationship Anwar Sadat Shimul, Curtin University

Michael Lwin, Curtin University

Scholars have primarily investigated luxury brand from the perspective of purchase intention, consumer perception, limited availability, brand equity, brand prominence, self-congruity, and luxury consumer value. There have been a

considerable past studies on luxury brand and consumers' attachment to the brand. However, no study has conceptualized luxury brand attachment as a unique and separate construct in the consumer brand relationship. Although few studies have incorporated the emotional brand attachment in the luxury product category, these studies are limited to the consumers' brand attachment levels rather than consumers' luxury brand attachment. The twofold goals of this research are -1) to investigate the role of luxury brand attachment on consumer brand relationship by examining the relationship with trust, commitment, satisfaction and loyalty, and 2) to examine the interrelationships among trust, commitment, satisfaction and loyalty from luxury branding context. This research will provide meaningful insights for the brand managers, brand strategists and advertising managers.

> Sharing the Love in **Online Luxury Communities** Luke Butcher, Curtin University Nathan Currie, Curtin University

Consumption in the 21st century is evolving, and the value one ascertains from a luxury product is no longer confined to envious stares on the street or appreciative glances at a café. Online brand communities (OBC) provide members the forum to validate, copulate, connect, and indulge, in a manner that is both intimately personal and collectively social. This research examines the nature of OBC engagement







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through a phenomonology methodology employing netnographic data collection. discovering some intriguing results pertaining to cultural capital, identity construction, and cognitive and affect drivers of socialization. Such research is vital to understanding these highly participatory virtual environments, and reveals fresh insights to luxury practitioners seeking to engage and retain highly-involved "enthusiast" consumers.

SESSION 3.1 **COUNTERFEITING IN** LUXURY BRANDS

Unpacking Yin and Yang of Luxury Beef and Food Counterfeiting in China

Karen Miller, University of Southern Queensland Faeze Rezazade, University of Southern Queensland

Luxury brand managers are attracted to the Chinese market because of its size, growth and influence accounting for 25% of the global market worth USD\$1190 billion dollars. The typical Chinese luxury consumer exerts influence because s/he spends three times more on luxury items when travelling overseas than what is spent domestically in China. While the global luxury market comprises of nine segments: luxury cars, designer furniture, fine food, luxury wine and spirits, personal luxury goods, luxury cruises, luxury hospitality, yachts and private jets, most of the luxury literature focuses on fashion. The purpose of this study is add to the broader luxury literature by looking specifically at the luxury market of fine foods and beef and the conundrums these markets face in the Chinese luxury market. The conundrums are the yin and yang of the beef luxury market in China.

In China, beef is a luxury good and demands a much higher price than pork, mutton and poultry. Because of the rapid growth in demand for meat in China, China's meat imports increased by 725% in terms of total value. China has a reputation for counterfeiting luxury goods, and beef is no different. In 2012 when Australian Wagyu beef commanded in excess of \$150 per kg there were instances of counterfeiting in China. The following year, in 2013 more than 22 tonnes of fake beef was seized. The beef seized was made from pork, the seizure occurred after more than 1, 500kgs had already been sold. In other occurrences, more than 22 fake or inferior meat products were seized which had E.coli levels that seriously exceeded standards and more than 904 people were arrested in 2013 for meat related offences. When looking at the luxury literature, much of it addresses the demand side of counterfeiting when the buyer knowingly buys a fake, replica or counterfeited product or the buyer purchases fakes and/or counterfeits because s/he is unable or unwilling to pay for the original. Very little research seems to focus in the direction of the effects of counterfeiting for the luxury brand, or ways of dealing with counterfeiters and/or strategies to help brand managers (or owners). Most of the literature in relation to counterfeiting of luxury brands considers the various types: such as, knock offs, reversed engineered, stolen or







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copied replicas, disaggregates, imitators, or fraudsters and most of this literature relates to the fashion sector of luxury brands.

When looking at the various segments of luxury (i.e. fashion, luxury wine & spirits, luxury cars, fine foods etc.) there appears to be little research or discussion on the luxury segment of fine foods. Fine foods is a luxury segment, and when compared with the fashion segment, fine foods is likely to have different types, opportunities and challenges. With this paper we extend discussion on luxury counterfeiting to consider and add food counterfeiting to the context of the luxury sector; and the effects of counterfeiting on fine foods such as luxury beef. This area is of concern to luxury brand managers in the fine food sector because the counterfeit food industry is estimated to be worth about \$49 billion a year. This paper discusses various anti-food counterfeiting strategies to extend the conversation in the brand luxury literature.

Why some Consumers Buy Counterfeit Luxury Products when they could Afford the Genuine Ones? A Tale of Two Cultures Norizan Kassim, King Abdulaziz University Naima Bogari, King Abdulaziz University Mohamed Zain, King Abdulaziz University

This paper examines factors that influence attitudes and purchase intention toward counterfeit luxury products in seeking social status amongst 658 consumers conveniently collected via survey questionnaires in Jeddah, Saudi Arabia and Kuala Lumpur, Malaysia. Data were analyzed using descriptive statistics, independent-samples t-test, hierarchical multiple regression and structural equation modelling. Quality, price, popularity, and status signaling represent the main motivating factors for their brand choices among the two groups of urban We found differences consumers. in consumption behaviors of the products among them. Status consumption has no impact on their attitude towards the products because of possible social consequences, but it does positively moderate the influence of their social lts insecurity. impact on value status consciousness depends on the importance one places on it. The findings support previous studies where status consumption and value moderate the influence consciousness attitude towards the products. Some practical implications of the findings are given.

Sellers and Buyers of Counterfeit Products via Digital Platforms: Stories from the Dark Side Park Thaichon, S P Jain School of Global Management Sara Quach, Swinburne University of Technology

This research aims to explore the intention to trade of both seller and buyer of counterfeit products via online platforms. The study adopted a qualitative, inductive approach to data collection, using a sample of 22 in-depth interviews with counterfeit sellers and 31 indepth interviews with buyers who have







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purchased counterfeit luxury products in Vietnam. The results show that price difference is still a major motivation for purchasing counterfeit products. Counterfeit goods can also be associated with several positive emotions and other motivations such as rebellion. In addition, social networking sites, such as Facebook, are channels for counterfeit effective selling products due to their interpersonal and operational advantages. This research is one of the first studies to look into both seller and buyer in the same study. The study also has a unique feature in that it includes interviews with owners of online counterfeit stores.

The Counterfeit Shopaholic: The Case of US Travellers Min Teah, Curtin University Matthew Liu, University of Macau

The purpose of the study is to examine the counterfeit shopping behaviour while travelling overseas. While research surrounding counterfeit behaviour has been around for decades, the understanding of counterfeit shopping behaviour of travellers is lesser understood. The influence of fun, status consumption and shopping motives are tested on attitudes towards counterfeits of luxury brands and purchase intention. Data was collected using a research panel in the US and analysed using SPSS. The findings are valuable for policy makers, brand practitioners and academics.

SESSION 3.2 LUXURY BRANDING STRATEGIES

Understanding Luxury Consumption Behavior in Vietnam: A Research Agenda

My Lan Nguyen, Vietnam National University Viet Dung Trinh, Vietnam National University

Luxury is defined as 'an inessential, desirable item that is expensive or difficult to obtain' and yet many people still desire it. It is not uncommon that people save up for a product that usually beyond of their affordability. For the scope of this paper, luxury consumption is buying something that beyond one's affordability. This paper aims to understand this consumption behavior in Vietnam by examining the relationships between materialism, perfectionism, hendonism, social adjustive and their impact on how young people choose outfits for first day of work.

> Communicating Authenticity in Product Packaging: The Case of Luxury Korean Red Ginseng Creams Sean Lee, Curtin University

Billy Sung, Curtin University Aaron Lim, Curtin University Vanessa Quintal, Curtin University

Korean luxury cosmetic products have recently begun to draw on traditional remedies for general dermatological health; a trend







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particularly evident with anti-aging creams. The uniqueness to Korea of these ingredients has become the unique selling point of such products, and marketers have developed a wide array of creative marketing strategies to promote them. However, the success of these products is a double edged sword, and has created a market for me-too and counterfeit products. As such, the communicating the product's authenticity has become paramount to the ongoing success and sustainability of such products.

In the context of luxury cosmetics, the communication of authenticity relies heavily on its promotion; and is often communicated through the informational and promotional labelling on the product. These elements of product packaging influence perceptions of quality which in turn impact on attitude and purchase intention. This is a key consideration for the successful marketing of these products. Yet, till this day only a few studies have examined authenticity in terms of the packaging of products.

This study employs the Indexical-Iconic approach to authenticity and examines the differential impact of the kinds of authenticity communicated; specifically, through informational packaging. It also investigates the role perceived value plays in the formation of attitude and behavioural intention toward luxury Korean red ginseng creams.

Design-Driven Luxury Brands

Ravi Chitturi, Lehigh University Pallavi Chitturi, Temple University James M. Maskulka, Lehigh University

We know that luxury brands such as ROLEX and much greater profit Lexus garner margins compared to the non-luxury brands such as TIMEX and Hyundai, but why? In this the relationship research we explore attributes between design-driven luxury consumers' willingness-to-pay. The and results show: 1) luxury design attributes that enhance hedonic benefits offered by a product evoke greater feelings of anticipatory delight at the time of purchase; 2) functional design enhance utilitarian benefits attributes that offered by a product evoke greater feelings of anticipatory satisfaction, but not delight, time of purchase; 3) consumers at the are willing-to-pay more when they experience anticipatory feelings greater of delight luxury attributes evoked due to compared anticipatory feelings of to satisfaction evoked due functional to attributes. This research shows that luxury can significantly improve profit attributes margins by evoking greater feelings of anticipatory delight at the time of purchase compared to functional attributes.

Young Consumer's Irrational Motives of Retail Borrowing

Michael Lwin, Curtin University Anwar Sadat Shimul, Curtin University



The purpose of the research is to investigate young customers', irrational



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borrowing has also been examined. A convenience sampling method was employed. Self-administered and online survey questionnaires were distributed among 236 university students in Western Australia. The return yielded 171 usable questionnaires, the data from which were analyzed using SPSS 22. The findings support the influence of anomia, thrill-seeking, and status consumption on the attitude toward retail borrowing. In addition, a strong positive relationship between attitude toward retail borrowing and retail borrowing intention has been found. Previous studies have mainly focused on the rational motives of retail borrowing in the UK and USA. This study incorporates the irrational motives into the construct from Australian perspective.

SESSION 3.3 SINFUL LUXURY CONSUMPTION

Is there a Relationship between Perceived **Differentiation and Pricing Power?** Multi-country Evidence from Luxury and Standard Whisky Categories

Jenni Romaniuk, University of South Australia Justin Cohen, University of South Australia Tommy Ha, University of South Australia

This research tests whether a higher level of perceived brand differentiation correlates with higher actual or perceived price, and if this relationship differs for luxury/premium whisky brands when compared to standard whisky brands. Testing across the UK, US, and Taiwan reveals a stronger positive relationship for premium than standard whisky categories.

Creating Satisfaction and Attachment to Parks Vanessa Quintal, Curtin University Sean Lee, Curtin University

Despite acknowledged social and physical health benefits of parks, there exists limited research on the energising impacts of parks on time-poor lifestyles. This study conceptualises park personality by identifying a set of attributes that tap into the dimensionality of parks. In doing so, it determines how park personality, and park image, impact on satisfaction and subsequent attachment to parks. Initially, focus groups will identify park personality attributes that will be examined by expert panels. Three main studies are intended for stroll parks in Western Australia, South Australia and Victoria. The research instrument will comprise selfadministered pen-and-paper and online surveys. Theoretically, the study offers researchers a park personality scale, empirically tested in Australia. Methodologically, it applies established theory and method to new technologies to identify distinct visitor segments for their emotional attachment to parks. Managerially, findings owners a framework for provide park understanding visitor satisfaction and addressing each visitor segment.







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Measuring the Influence of Scarcity on the Perceptions of Luxury: The Case of a Boutique Luxury Chocolate Brand Siobhan Hatton-Jones, Curtin University Min Teah, Curtin University

The main aim of this research is to provide a conceptual model and framework in order to test different shelf display formats; which is the simultaneous measure of shelf organisation and level of scarcity. This is done in order to ascertain their effects on consumers' perception of luxury, product evaluation and purchase intention within a luxury retail context in order to further literature surrounding luxury retail. The key finding of this research shows that perceived more influential than scarcity is shelf organisation as a whole, with the most favourable shelf display being high scarcity organised whilst most unfavourable is low scarcity disorganised. Product Evaluation's mediation effect is only found in the high scarcity cells, and null in low scarcity.

The Impacts of NFU (need for uniqueness) on WOM (word of mouth): Considering the Difference Between Luxury and Ordinary Goods Akinori Ono, Keio University Mai Kikumori, Toyo University Haoying Wang, Keio University

It has been found that high needs-foruniqueness (NFU) consumers are unwilling to generate (positive) word-of-mouth (WOM) because WOM results in the adoption of the product and decreases uniqueness. However, previous studies have focused on only one (avoidance-of-similarity) of three types of NFUavoidance of similarity (AOS), unpopular choice counter-conformity (UCC), and creative choice counter-conformity (CCC). In this study, we examine how different types of NFU affect WOM generation with the product and the receiver types as moderators. The results of the ANOVA showed that high AOS consumers as well as high UCC consumers are more unwilling generate WOM, whereas high CCC to consumers are more willing to generate WOM, and the effects are greater when the consumers talk about a highly identity-related luxury goods to in-group persons. The implication of this study might help firms understand what factors would provoke or prevent WOM generation.

SESSION 4.1 LUXURY LIFESTYLE CONSUMPTION

From Country-of-Origin Towards Culture-of-Origin; Branding Chinese for Luxury Pia Polsa, Hanken School of Economics Fan Xiucheng, Fudan School of Management

Currently business research used the concept of country-of-origin or country image but ignores image-of-culture. Research on Country-of-Origin







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effect has been centered on the standardized products made from factory with the focus on the functionality and technological innovation of the product. Emerging economies are usually at a disadvantage position due to their brief history of industrialization. In the postmodern societies and in the age of globalization, branding power rely more and more on soft elements of brand, specifically cultural meaning customers associated with certain brands and brand values which the firm holds. Thus, this paper will conceptually discuss the concept of culture-oforigin and provide research agenda on the topic, and utilizing Chinese culture and recent branding practice as an empirical example.

Conceptualising Perceived Risk and Past Experience on Intention to Engage in **Cosmetic Procedure** Abhi Sood, Curtin University Vanessa Quintal, Curtin University

This study conceptualises a decision-making framework that examines the impacts perceived risk and past experience have on intention to engage in cosmetic procedure. It will utilise a 10 minute self-administered questionnaire that targets 300 adult respondents using а convenience sampling approach at shopping malls, train stations and universities located within metropolitan Perth in Western Australia. Theoretically, this study provides researchers with a decision-making framework that explains perceived risk and past experience for their impacts on intention toward engaging in cosmetic procedures. Managerially, this study helps practitioners to identify and understand critical antecedents that drive engagement in cosmetic procedures.

> **Consumers' Perception of** Shiseido in Australia Weiwei Zhang, Curtin University Min Teah, Curtin University

The cosmetics industry continues to grow exponentially and is currently worth over \$3.5 billion with hundreds of new products entering the market every year. With the emerging internet market and a greater demand for lower costs, firms are looking at new ways they can drive sales. Although much research has explored consumer perceptions within the cosmetics industry, there is little within, more specifically, the skincare industry. Hence, this study aims to gain further insights into factors which affect consumer's intention to purchase skincare products. Data has been collected using self-administered questionnaires and analysed using multiple regression. This study offers a number of methodological and managerial contributions. Managerially, this paper provides retailers, practitioners and policy makers with further insight into way in which they can drive skincare product sales. Methodologically, the paper takes a unique perspective compared to most papers by using real consumers rather than simply students like previous studies.







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How does Brand Orientation contribute to Brand Performance and does Competitive **Intensity Matter?**

Thomas Lee, Curtin University Aron O'Cass, University of Tasmania Phyra Sok, Monash University

The importance of fostering brands and maximising their performance is a common refrain in the literature. However, there is limited understanding of the brand-building processes underpinned by specific organisational philosophies and capabilities that are critical to brand success. Drawing from the resource-based literature, we offer theoretical and empirical account of how and when the interplay among three specific factors - brand orientation, market orientation and brand management capability, contributes to brand performance. Using data from a sample of firms operating in the consumer goods sector, we find that brand orientation is positively related to brand management capability and subsequent brand performance via market orientation. The results also show that the indirect effect of brand orientation on brand management capability through market orientation is stronger when competitive intensity is high.

SESSION 4.2 **EMOTIONS IN** LUXURY BRANDING

Applying Psychophysiological Methodologies in Luxury Marketing Billy Sung, Curtin University

Luxury brand is known to offer premium product, provides pleasure as a central benefit and connects with consumer on an emotional level (e.g., Hagtvedt & Patrick, 2009; Kapferer, 1997; Kumar & Garg, 2010; Vignerson & Johnson, 2004). For instance, the aesthetic qualities and design of luxury products are known to induce positive emotions such as pleasure and happiness (Kumar & Garg, 2010; Dubois & Laurent, 1996). Recent research has also shown that emotions such as pride and envy is a key antecedent and consequence of luxury consumption (McFerran, Aquino, & Tracy, 2014; Sung & Phau, 2016; Van de Ven, Zeelenverg, & Pieters, 2011). In fact, hedonic value is a fundamental determinant of consumers' value perception and purchase intention toward a luxury product, regardless of culture (e.g., Dubois, Czellar, & Laurent, 2005; Vignerson & Johnson, 2004; Widemann, Hennig, & Siebels).

The study of emotion and hedonic experience is therefore of paramount in luxury marketing. When compared to self-report approach, psychophysiological measures provide a more objective measure of consumers' emotional and







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hedonic experience, even when such experience implicit and unconscious. This is paper, therefore, provides an overview of different psychophysiological methodologies (e.g., skin conductance, heart rate, brain wave, pupillometry, and eye tracking) and their application to luxury marketing. Specifically, this demonstrates the paper use of psychophysiological methodologies to: (1)measure elements of emotion (i.e., valence, arousal, and motivation); (2) differentiate similar yet different emotions such as contentment, interest, and excitement; (3) explore unconscious cognitive processing such as attention that provide accompanies emotions; and (4) managerial insights pertaining to the workings of luxury consumers' minds.

Me, My Brand and I: **Consumer Responses to Brand-Related Rejection - The Role of Brand Identification** and the Source of Rejection

Dina Khalifa, Glasgow Caledonian University Paurav Shukla, Glasgow Caledonian University

Integrating the social rejection and brand threat this research examines how literature. consumers respond when the luxury brand they identify with is rejected by their social peers. Across two studies, it is observed that, consumers who identify with a brand, a threat to the brand elicits defensive behavioural response whether it's stemming from an in-group or an outgroup. However, consumers who dis-identify with the brand only exhibit defensive behaviour when the brand is rejected by an out-group. High brand identifiers report higher need for belonging and negative affect following threat while brand dis-identifiers are not affected. The findings further delineate consumer responses to luxury brand related rejection in reflexive and reflective stages of rejection. The study extends previous work on rejection and offers a number of managerial implications

A Study of Agonistic Behaviour of Luxury **Brand Consumption** Elaine Sutrisna, Curtin University

Min Teah, Curtin University

Consumer behaviour often can well be understood by observing animal behaviour. The numerous similarities between consumers and animal behaviour have made it possible. One of the common behaviour can be seen when they competing for resources. Numerous literature in biology has found that animals perform social behaviour known as agonistic behaviour to obtain the desired resources. A similar behaviour can also be found in consumers yet limited studies have identified the parallels between the two. Therefore, this paper aims to extend the theory of agonistic behaviour from the discipline of biology and ethology into marketing by drawing the parallel of agonistic behaviour of animals to human in competing for luxury brands. Specifically, the effectiveness of different scarcity conditions (scarcity due to high demand and scarcity due to low supply) towards consumers' competition will be investigated.







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Moreover, the relationship between personality traits, social factors, and consumers purchasing behaviour under different scarcity conditions will be identified. This study contributes in providing a strong theoretical foundation in marketing by extending the theory from biology and science to marketing. Further, this study builds an empirical research approach by testing different product categories to generalise the results and using real brands, product, and price as the stimulus to create a sense of reality. This study will also provide insights into the strategic brand planning for brand managers. Specifically, it identifies the most suitable scarcity condition to promote luxury products. Lastly, this study will contributes in building marketing campaign which could stimulate consumers to purchase the desired brands instead of alternatives and counterfeits products.

Exploring the Use of Less Prominent Branding by Luxury Brands Graham Ferguson, Curtin University

One of the key arguments to explain the consumption of luxury fashion brands is that displaying them increases the consumer's status. The simplest way to signal this brand-based status to others is to prominently display the branding on the product. However, research has shown that luxury fashion brands offer both prominently and subtly branded products. Applying this to the consumers themselves, the current paper uses visual preferences for publicly consumed luxury products to show that for preference subtle branding varies

substantially across consumers. These differences are explained by consumer traits: need for status and susceptibility to influence; and by consumer characteristics: liking for the brand, wealth, prior purchases and domain specific culture capital. Using these characteristics the current paper identifies and profiles three clusters of consumers in the US market for luxury handbags that explain some of the variation in branding subtleness available from these brands.

From practical perspective, marketers of luxury fashion brands are seeking to understand who and why consumers are choosing one level of branding over another on essentially the same product. Understanding the drivers of these preferences and therefore behaviours allows marketers to better target their branding design options to the appropriate target audiences and therefore achieve better results. At the same time delivering value propositions that are better suited to the consumer. From a theory perspective, understanding the typologies of consumers and their behaviors also allows us to predict the reaction of different types of consumers in different consumption situations to different levels of brand subtlety. This has important implications for how we design our research for particular types consumers and consumption situations, and for how we can help practicing marketers.





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SESSION 4.3

LUXURY BRANDING ONLINE

From Connoisseur Luxury to Mass Luxury: Co-Value Creation and Destruction in the Online Environment

Sara Quach, Swinburne University of Technology Park Thaichon, S P Jain School of Global Management

This exploratory study examines the process of value co-creation and co-destruction between luxury brands and consumers from the consumer perspective using the resource theory. The study adopted a qualitative, inductive approach to data collection using a sample of 24 in-depth interviews with luxury customers, both local residents and tourists, in Thailand. Love, status, information, and services are the four main types of resources involved in online interactions between luxury brands and customers. The cocreation and co-destruction of the luxury brand includes experience conversations and sophisticated interactions between many parties, such as the brand itself, staff, customers, and other related groups, for example consumption communities and social networks. However, it is acknowledged that customers have different expectations, determining the way in which they use their resources in interaction with the brands.

Antecedents of Luxury Brand Hate

Douglas Bryson, ESC Rennes School of Business Glyn Atwal, Univ. Bourgogne Franche-Comté Peter Hultén, Umeå School of Business and Economics Klaus Heine, emlyon business school

This study analyses the relationships of the antecedents of extreme negative affect towards luxury brands, also referred to as luxury brand hate. The direct and indirect antecedents examined are drawn from the literature: (1) consumer dissatisfaction with the luxury product or service; (2) negative stereotypes of luxury consumers held by others; (3) country-of-origin; (4) negative word-of-mouth; (5) perceived corporate social performance of the luxury brand; and (6) attitude towards advertising of the luxury brand. Questionnaire data is collected from a snowball sample of luxury brand consumers in France and SEM analyses are performed. Results indicate that consumer dissatisfaction, negative stereotypes of luxury brand users and negative word-of-mouth are direct antecedents, while country-of-origin and perceived corporate social performance are precursors to the direct antecedents of brand hate. The value of this research is that it begins to develop an understanding of the origins of luxury brand hate. Implications for academics and practitioners are discussed.







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Consumer Traits and iPhone Consumption in China: A Comparison between iPhone Owners and Non-iPhone Owners

Gong Sun, Central University of Finance and Economics Jie Li, Shanghai University Wangshuai Wang, Shanghai Jiao Tong University Zhiming Cheng, Macquarie University Steven D'Alessandro, Charles Sturt University Lester Johnson, Swinburne University of Technology

The iPhone is an iconic brand in China. In this paper we examine the impact of various personality traits, namely attention to social comparison information, need for uniqueness and quality consciousness, on purchase intentions for the iPhone among a sample of iPhone owners (N=174) as well as non-iPhone owners (N=171). We find quality consciousness more important for iPhone owners and attention to social comparison information to be more important for non-iPhone owners. Implications and future research directions are discussed.







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