Do product features actually add value for consumers? A laddering analysis on new luxury products

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“There has long been an implicit concept that consumers can be defined in terms of either the products they acquire or use, or in terms of the meanings products have for them or their attitudes towards products”
Tucker (1957, p. 139)

Abstract

Purpose of the paper: This paper aims at analyzing product perception, product preferences and purchase motives for obtaining a better understanding of consumer purchasing behavior with regard to new luxury goods. Our objective is to comprehend which attributes drive consumers to purchase new luxury products, and what are the values pushing them to their choices.

Methodology: We applied laddering interviewing, which is a technique referring to the means-end theory. By finding linkages between product attributes, user consequences, and final values, this methodology allowed for identifying how consumers perceive self-relevant consequences of new luxury products. The results of the 26 interviews are reported in the Hierarchical Value Map.

Findings: We found that people are mostly driven by values of happiness, self-image, self-fulfillment, and social recognition in crystal tableware choice. In particular, the values elicited by respondents fall into two main categories: a) values that are centered around the self (e.g., self-image); b) values connected to or dependent on third parties (e.g., give prominence to my family/guests; social recognition; high status). Those values are sought by respondents in particular attributes of crystal tableware, such as design, brightness, high quality, and brand.

Research limits: A limitation of this study is that it analyzes only one market sector.

Practical implications: By understanding better the relationship between product attributes and consumers’ choices in new luxury goods consumption, managers can improve product design and advertising campaigns.

Originality of the paper: Our analysis allows shedding lights on the means-end chain characterizing consumer behaviors for the purchase of new luxury goods, which is still an overlooked phenomenon from an empirical point of view.

Key words: new luxury; means-end theory; consumer behavior; crystal tableware; product attributes; masstige; HVM.
1. Introduction

In the last two decades, the trading up of middle-market consumers to higher levels of quality and taste has made the market for luxury growing at an unprecedented pace (Truong et al., 2009; Silverstein and Fiske, 2003). Business factors, demographic and cultural shifts, as well as social forces have been acknowledged as the main drivers of this terrific increase in luxury demand. Globalization and the resulting wealth-creation have accelerated this change through increasing disposable incomes, lowering unemployment rate, lowering production costs, and increasing work rate among women (Truong et al., 2009). Subsequently, the mixture of a better education, together with a desire for product personalization, and cultural curiosity, have made middle-market consumers more “sophisticated and discerning consumers with high aspirations and substantial buying power and clout” (Silverstein et al., 2008).

Both researchers and practitioners agree that middle-market consumers’ profile has changed a lot. Many terms have been used to describe this new phenomenon, such as democratization of luxury (Kapferer, 2006), mass affluence (Nunes et al., 2004), and new luxury (Silverstein et al., 2008). In other words, this phenomenon represents the emergence of affluent market segments (Chow et al., 2001) and implies the establishment of a new base of younger, modern, and well-paid consumers, who aim at exclusivity and uniqueness, but cannot afford luxury products (Kastanakis and Balabanis, 2012). Thus, the expansion of luxury consumption has given prominence to a new luxury buying behavior that is characterized by an elitist connotation of luxury and being at the intersection of mass consumption and exclusivity (Kastanakis and Balabanis, 2012).

New luxury refers to “products and services that possess higher levels of quality, taste and aspiration than other goods in the category but are not so expensive and to be out of reach” (Silverstein et al., 2008). In particular, new luxury represents a specific segment lying at the lowest tier of the wider luxury market, and consisting of a) accessible super-premium, b) old-luxury brand extensions, and c) mass prestige (masstige) goods. New luxury products are less exclusive in terms of both accessibility and price than luxury ones (Vigneron and Johnson, 2004).

Middle-market consumers buy new-luxury goods for different reasons that are mainly related to emotional fulfillment, imitation and self-elevation (Kapferer, 2010). Hedonic motivations like self-rewards, communicating a desired self-image, and emulating the lifestyle of upper classes (Truong et al., 2009) drive the increasing consumption of new luxury goods. Accordingly, a growing interest has emerged in better understanding new luxury consumption behaviors (Bian and Forsythe, 2012). Consumer motives for luxury consumption have been generally divided in two main categories, due to intrinsic reasons and extrinsic ones. Self-esteem and self-rewarding experience guide luxury purchases that are intrinsically oriented. Status and conspicuousness, instead, motivate extrinsically oriented consumption aiming at signaling wealth and affect others’ perception of the consumer (Truong and McColl, 2011): people having less status, but are willing and able to buy new luxury goods, engage
in conspicuous or bandwagon consumption, which make the exhibition of status motivated by more public than private reasons (Truong et al., 2009; Kastanakis and Balabanis, 2012). Accordingly, the luxury market has become a very segmented market, which not only includes members of the wealthiest social class but also those belonging to more modest classes (Yeoman and McMahon-Beattie, 2006; Truong et al., 2009) who try to replicate the lifestyle of higher social classes in order to attain esteem and envy - what Veblen (1899) called “pecuniary emulation”.

Meaning, storytelling, image are some of the many concepts used either by academics or practitioners to describe and analyze contemporary consumption in developed countries. Accordingly, as hedonic reasons motivate the choice of new luxury goods, it becomes extremely important to investigate the specificities of the growing number of consumers willing to buy super-premium products. Product features per se do not justify consumers’ behaviors anymore (Kastanakis and Balabanis, 2012). From the late 1980s, studies analyzed more deeply the concept of product meaning (Hirschman and Holbrook, 1982; Kleine and Kernan, 1988) and the importance of functional and emotional roles in the consumption experience, trying to link consumers’ purchase decisions and values in a theoretical framework, with the most important being Gutman’s means-end theory (Belk, 1988; Furby, 1978). After the classic approach (Nicosia, 1966; Sheth, 1973) and the postmodern approach (Firat and Venkatesh, 1995; Brown, 1993, 1995), the emerging approach has started to address the phenomenon of consumer decision-making - especially for new market segments - by looking at the digital transformation of consumers’ habits, attitudes and behaviors (Weill and Woerner, 2015). Fournier (1991, p. 736) said that “the concept of consumer behavior has been broadened greatly” to include also a “renewed interest in the subjective and emotive aspects of consumption”. Many studies of consumer behavior have focused on different aspects of shopping experiences and products purchasing related to luxury goods, paying close attention to the symbolic nature of consumer choices (Hoyer and Stokburger-Sauer, 2012).

Although many aspects of contemporary consumer behavior towards luxury goods and brands have been disclosed by the literature, there is still a lack of empirical research on the causes of new luxury consumption. Researching these causes is critically important from a marketing point of view, in order to elaborate positioning strategies for new luxury brands (Truong et al., 2009; Nwankwo et al., 2014; Kapferer and Valette-Florence, 2016).

2. Purpose

Why do consumers buy new luxury goods? In which way can the means-end theory explain the relationship between consumers’ values and new luxury consumption, if any?

The aim of this paper is to obtain an in-depth understanding of consumer purchasing behavior with regard to new luxury products. In particular, we would like to understand:
1 which attributes drive consumers to purchase new luxury goods; 2 which values push them during the purchasing choices.

We use the conceptual framework of Gutman’s (1982) means-end theory to reach these goals.

The rest of the paper is organized in five parts. Section 3 briefly explains Gutman’s means-end chain model. Section 4 presents the methodology followed for our analysis, going in-depth into showing sample recruitment, laddering technique, study procedure, and content analysis. The laddering interviewing process is treated as a technique to explore the associations between attributes and values at the base of the means-end chain model. Section 5 presents the results of laddering interviews, aimed at reaching a greater insight into the belief structures of consumers with regard to new luxury products. The Hierarchical Value Map (HVM) shows how the consumers in our sample link product attributes to product consequences, and, ultimately, to personal values for our group of products. The final section summarizes and concludes, and identifies limitations and opportunities for further research.

3. The means-end approach

The means-end chain theory has developed, together with other theories in cognitive psychology, to analyze and understand how consumers perceive self-relevant consequences of products. The recognized father of the approach is Jonathan Gutman, whose contribution to consumer behavior in marketing can be considered seminal. Over the past fifty years, however, a different approach to the study of consumer behavior has argued that the rational choice theory (Katona, 1953; Howard and Jagdish, 1969; Belk, 1975) is incomplete as an approach for understanding how consumers make decisions for the products they purchase (Bettman et al., 1998). It is worth recognizing that the concept of “bounded rationality” (Simon, 1955) has been the fundamental point of departure of recent literature on consumer behavior, which has stressed the fact that decision makers have limitations on their capacity for processing information. The notions of bounded rationality and limited processing capacity are consistent with the fact that people often do not have well-defined preferences; instead, they may construct them as needed for decision processes. Thus, as Bettman et al. (1998, p. 188) said, “consumer preference formation may be more like architecture, building some defensible set of values, rather than like archaeology, uncovering values that are already there”. These reasons are consistent with the increasing attention paid to the emotional aspect of consumption, which is very close to those facets of behavior that relate to the hedonic, multisensory, and fantasy aspects of the purchasing experience (Hirschman and Holbrook, 1982).

Shopping research has long focused on rational characteristics of choice, assuming that consumption is determined by the law of supply demand and occurs independently of other actors in the market (Kastanakis and Balabanis, 2012). This approach has largely referred to the traditional economic view of products as objects that need to maximize utility, which
is measured through the tangible attributes of the product (Hirschman and Holbrook, 1982). However, since the 1950s, the trend in the literature has changed quickly, and symbolic, hedonic, and emotive aspects have gained a lot of relevance over the utilitarian perspective. A growing body of research has highlighted the importance of hedonic and symbolic values by acknowledging the multiple channels used by consumers to experience products and services (Hirschman and Holbrook, 1982; Wilhelms et al., 2017; Fabbrizzi et al., 2018). Many scholars have started to recognize the importance of hedonic consumption by showing the significance of active motives and hedonic aspects in consumption behavior (Alba and Williams, 2013; Mundel et al., 2018). The purchase and use of material products like cars, for example, are mostly driven by symbolic value and by the pleasure derived from their usage (Mann and Abraham, 2006; Steg et al., 2001). Other scholars, using a goal-framing approach, explained that hedonism is the predominant goal - over the gain and normative ones - in governing consumers’ behaviors. Thus, the subjective meaning assigned to a product supplements the tangible attributes it possesses (Hirschman, 1981), and hedonic consumption is very often linked to imaginative constructions of reality (Singer, 1966). As noted by MacKay (1999, p. 182), a product or a service is an “amalgam of rational and emotional factors” and “emotions play a part in every purchase decision”. Hopkinson and Pujari (1999), for example, have shown that a strong relationship exists between the level of hedonism and the level of involvement in the specific consumption situation. Thus, the higher the latter, the higher will be the level of hedonism experienced in the consumption event. Accordingly, an important result is that the level of hedonism varies across products depending on the changing level of involvement.

In this context, the means-end chain theory builds on different works, and in particular on Rokeach, who produced seminal works on attitudes and beliefs (1968) and on values (1973). His suggestions were gathered by Vinson et al. (1977), and Young and Feigin (1975), which can be considered as the first marketing papers on this theoretical string. Research on values as a powerful force in governing the behavior of individuals in all aspects of their lives has been an important starting point for Gutman’s theory.

From a marketing point of view, a consumer’s personality can be interpreted as a peculiar whole by the products - goods and services - he consumes, as lately stated by the postmodern theory of consumption (Firat and Venkatesh, 1995). Given this framework, the means-end chain is today widely used as the leading theory for understanding relationships between consumers’ choices and values (Hüttel et al., 2018; Tey et al., 2018). Gutman’s means-end model is based on two important assumptions: (i) values, defined as “preferred end-states of existence” (Gutman, 1982, p. 63), play a dominant role in guiding behavior; (ii) people cope with the tremendous diversity of products that potentially satisfy their values by grouping them into sets or classes so as to simplify the process of making choices.

“Means-end theory is conceived as a cognitive linkage connecting consumers’ values to product choices, represented by chains linking attributes (means) to the consumer’s desired consequences, and personal...
values (the ends)” (Manyiwa and Crawford, 2001, p. 55). The means-end approach assumes that consumers organize information about products at three levels of abstraction - or categorization - which are hierarchically linked: (i) attributes, (ii) consequences, (iii) values (Cohen, 1979; Gutman, 1982; Olson and Reynolds, 1983; Reynolds and Gutman, 1988). Attributes, which are the physical and surface properties of products, are the bases to describe and differentiate products. Consequences are direct or indirect physiological or psychological results that consumers expect to reach from his/her behavior. Values are the desirable end-states of existence (Gutman, 1982). In this sense, a product attribute (means) is not relevant in and by itself, but the choice process is driven by the consumer's research of desirable consequences, which contributes to the attainment of his or her personal values (end) (Roux et al., 2017). “The associations in the mind of the consumer between product attributes, self-relevant consequences and personal values are labeled means-end chains” (Nielsen et al., 1998, p. 455).

4. Methodology

The context

We chose crystal tableware as the context for our analysis. The choice of crystal tableware as an observation field is relevant for two main reasons, which are particularly important for our study: a) crystal products represent a key example of new luxury goods, as they reside in the category of accessible super-premium products, but still affordable and accessible; and, b) consumer decisions to purchase crystal products are not principally due to physical and functional characteristics, but for signaling wealth and status. Home furnishing, within which the crystal tableware category is included, can be associated with those product categories characterized by a strong relationship between consumption and objectives related to self-image. Crystal tableware is typically bought not for its specific functional attributes, but instead for satisfying hedonic and symbolic goals related to the self (Kapferer and Valette-Florence, 2016). Indeed, high prices are not fully explained by functional qualities - “Baccarat Cristal glasses are much more fragile than usual glasses” (Kapferer and Valette-Florence, 2016, p. 121) - but for their singularities built by the intangibles, like heritage, social recognition and distinction, and membership to a VIP club (Karpik and Scott, 2010).

This purchasing process is consistent with Gutman's means-end theory because consumers were thought to “view products as symbols imbued with attributes that extend beyond their immediate physical nature” (Hirschman, 1981, p. 4), and to prefer those with images which are congruent with self-image (Douglas and Isherwood, 1977). This concept is expanded by Belk et al. (1982, p. 4), who explicitly said that “examining the relationship between self and consumption through the congruence of self-images and images of owned or desired products has revealed a number of product categories in which there is significant image congruence”.

We report in the following table a detailed description of the crystal tableware category.
The sample

For the laddering interview, 26 respondents were recruited. All of them were female because the purchase of both household goods and gifts is principally carried out by women (Mainieri et al., 1997). All respondents were between 25 and 65 years old, with a narrow majority of those between 30 and 50 years old. Six respondents were students. The educational level was relatively high; all had high-school diplomas and 15 had a university degree. 3 respondents were foreigners, but they have been living in Italy for several years. The group of people that has been interviewed represents a convenience sample, recruited on the basis of direct or indirect relationships. The origin was diversified: we had people living in Italy but coming from different regions and cities, such as Emilia Romagna (Bologna and Parma), Lazio (Rome), Lombardia (Brescia), Puglia (Bari), Toscana (Siena) and Veneto (Padua).

We have decided for a quite inhomogeneous group of people, thinking that diversified information could be more useful to an in-depth understanding of crystal purchasing choices. Our purpose was not to create the basis for statistical evaluations, but rather to find out what values and beliefs underlie certain behavior patterns. Accordingly, the idea to cover different ages was also driven by the will to get a comprehensive picture of the phenomenon by taking into account both real and potential consumers of crystal goods. We report in Table 2 the distribution of our sample.

Moreover, we had an in-depth interview with the Marketing Manager of RCR Cristalleria Italiana S.p.A., the leading Italian firm in crystal production. This inquiry allowed us to better focalize the whole sector and the customer picture, taking into account that such an enterprise also retails its products.
The laddering technique

The laddering technique is highly related to the means-end chain approach to consumer behavior. Laddering, as an in-depth interviewing (soft laddering) and analysis methodology, is used for understanding “how consumers translate the attribute of products into meaningful associations with respect to self, following means-end theory” (Reynolds and Gutman, 1988, p. 12). Data collection also can occur through questionnaires (hard laddering). The central aspect of the laddering technique is to keep the focus on the person rather than on the product, which is only a means to reach higher levels on the abstraction hierarchy.

Once the product category has been chosen by the researcher, the laddering technique consists of two phases. First, the interviewee is encouraged to elicit which attributes or features are of importance to the choice of products within a category; then, taking as a point of departure the attributes elicited by the interviewee, a series of why-questions (i.e., ‘why it is important for you?’) is posed, with the aim to link real attributes with product consequences and personal values (Søresen and Askegaard, 2007). This technique allows the interviewer to go up the ladder of answers, trying to understand the process of abstraction proposed by the respondent. If some less abstract categories have been omitted, the researcher must “ladder down”, asking questions of the type ‘how is that result achieved?’ The sequence of why-questions usually stops when the respondent continues to rephrase the same answer or cannot come up with any more responses. A full ladder is established when “the elicited means-end chains will link the very concrete attributes of the product with the abstract concepts of life values and goals” (Søresen and Askegaard, 2007, p. 65). The result of laddering should be a series of means-end chains of different lengths, linking attributes to consequences and values.

In the present study, we conducted laddering interviews to construct means-end chains in order to understand the process that lies at the bottom
of consumer choice of crystal tableware. In particular, the objectives of the interviews were to:
- identify attributes of crystal tableware that are recognized as important by consumers who buy or might buy crystal tableware;
- identify the type of consequences that arise from the attributes elicited, and which motivate interest in crystal tableware;
- identify personal values that are directly or indirectly linked to the attributes and consequences mentioned in the ladder of answers.

The following example of our study demonstrates the abstraction process occurring in the laddering interview:

Interviewer: You said that an important attribute of crystal tableware, such as glasses, is its transparency. Why is it so important to you?
Respondent: Because when I’m drink wine with my friends, it’s important to exactly see its color and movement.
Interviewer: Why is the view of the wine color and movement so important to you?
Respondent: Well, I prefer to see what I’m drinking.
Interviewer: Why is it important to you to see what are you drinking?
Respondent: I think that drinking wine is not a simple action of refreshing oneself; rather, a moment of conviviality in which the drink savoring is very important. And, I can totally enjoy my drink if I’m able to combine its flavor with color and movement.
Interviewer: Why is enjoying drinks important for you?
Respondent: It’s easy! If I invite someone for dinner or for a drink, I think that I have to offer the best I have to my guests. If I use crystal glasses for wine that allow us to combine what I said before, I’m surely at the top and I make my home guests feel welcome. This helps me in enjoying meals and drinks.
Interviewer: Why is making your home guests feel welcome important for you?
Respondent: It gives me a feeling of self-fulfillment and happiness.

This example is important to show that consequences may not directly lead to values in any case, but may lead to other consequences which are on a higher level in the abstraction ladder. The ladder corresponding to the previous interview is the one represented in Figure 1.

At this moment, it is important to notice that not every chain must irrevocably reach the highest abstraction level, ending up in a value. This is often due to the fact that a respondent simply did not want to talk about personal emotions and values and refused to reach a certain level of abstraction (Leitner et al., 2008). In such cases, we tried to use certain interview techniques that helped us to overcome some of these barriers, but sometimes finishing ladders was very difficult.
The procedure

The interview with the Marketing Manager of RCR Cristalleria Italiana S.p.A. lasted about 1.45 hours. Besides a lot of general questions regarding the sector, different brands, internal value chain, strategies, etc., many questions regarded the enterprise perception of customers and the creation of customer value. This was very useful because it went very in-depth into understanding the type of consumers acquiring crystal tableware and their consumption behavior. This interview formed the basis for recruiting respondents.

The 26 respondent interviews were conducted in January 2011, each with an average length of 45 minutes. According to Reynolds and Gutman (1988), the choice of products attributes is essential for obtaining good results from the laddering interview. There is no default technique to elicit the most important product characteristics, and, for that reason, different strategies (e.g., evoking the situational context, negative laddering, etc.; see Reynolds and Gutman, 1988) were proposed. Basically, the laddering proceeded in the usual way, but sometimes we used negative laddering, in which respondents mentioned negative attributes, to uncover higher level negative consequences, then reversed in positive ones. For the study at hand, we decided to let the respondents name different attributes considered important in crystal tableware. Hence, at the beginning of the interview we asked the respondents general questions about crystal and their consumer habits regarding tableware. Then they were asked to mention the most important attributes which draw their attention during the purchasing choice. Most of them mentioned 2 or 3 attributes with which we constructed ladders.

It is possible that ladders split up into two separate means-end chains indicating that interviewees related different values to one particular device characteristic. These branched-out ladders were taken into account as two separate ladders (Leitner et al., 2008). Therefore, the number of final values does not exactly match with the number of mentioned attributes and subsequent consequences. With the number of 83 ladders, we had abundant material to construct the Hierarchical Value Map (HVM) and to develop considerations and analyses.
**Content analysis and Implication Matrix**

Reynolds and Gutman (1988) provide a detailed description of the construction process of the Hierarchical Value Map (HVM). In our study, we closely stuck to the analysis process proposed. Three steps had to be considered: establishing Content Codes out of the sum of respondent's statements; building ladders for each individual respondent; and finally bringing them together in one Implication Matrix that served as the basis for the HVM (Leitner et al., 2008). The first stage in the analysis of laddering data was a content analysis of the means-end chains as obtained from individual respondents in order to categorize by hand all data into attributes, consequences, and values (Table 3).

After establishing Content Codes, we built on them to analyze each ladder sequence from attributes to consequences to abstract values. Every respondent's statement had to be displayed by Content Code. The result was a list of ladders described by Content Codes representing the sequence of statements elicited by each respondent.

*Tab. 3: Content codes and number of mentions*

<table>
<thead>
<tr>
<th>Code</th>
<th>Attributes</th>
<th>No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>Great Design</td>
<td>21</td>
</tr>
<tr>
<td>02</td>
<td>Brightness</td>
<td>11</td>
</tr>
<tr>
<td>03</td>
<td>Transparency</td>
<td>2</td>
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<tr>
<td>04</td>
<td>Thinness</td>
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<tr>
<td>05</td>
<td>Sonority</td>
<td>3</td>
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<tr>
<td>06</td>
<td>High quality</td>
<td>13</td>
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<tr>
<td>07</td>
<td>Brand</td>
<td>7</td>
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<tr>
<td>08</td>
<td>Easy to clean</td>
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<tr>
<th>Code</th>
<th>Consequences</th>
<th>No.</th>
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</thead>
<tbody>
<tr>
<td>I</td>
<td>Easy to use</td>
<td>4</td>
</tr>
<tr>
<td>II</td>
<td>Enjoy drinks/meals</td>
<td>11</td>
</tr>
<tr>
<td>III</td>
<td>Celebrate important occasions</td>
<td>16</td>
</tr>
<tr>
<td>IV</td>
<td>Luxurious home atmosphere</td>
<td>12</td>
</tr>
<tr>
<td>V</td>
<td>Make home guests feel welcome</td>
<td>9</td>
</tr>
<tr>
<td>VI</td>
<td>Make a good impression</td>
<td>16</td>
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<tr>
<td>VII</td>
<td>Last long</td>
<td>7</td>
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<tr>
<td>VIII</td>
<td>Save money</td>
<td>2</td>
</tr>
<tr>
<td>IX</td>
<td>Prevent infections</td>
<td>3</td>
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<tr>
<th>Code</th>
<th>Values</th>
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<tr>
<td>B</td>
<td>Self-image</td>
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</tr>
<tr>
<td>C</td>
<td>Self-fulfilment</td>
<td>13</td>
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<tr>
<td>D</td>
<td>Happiness (and emotional security)</td>
<td>15</td>
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<tr>
<td>E</td>
<td>Social recognition</td>
<td>13</td>
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<tr>
<td>F</td>
<td>Give prominence to my family/home guests</td>
<td>9</td>
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<tr>
<td>G</td>
<td>High Status</td>
<td>10</td>
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<tr>
<td>H</td>
<td>Wellbeing</td>
<td>5</td>
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Source: our elaboration
Following this procedure, the ladders of all respondents could be summarized in a two-dimensional matrix indicating the direct and indirect relationships between attributes, consequences, and values (Table 4).

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<tr>
<td>II</td>
<td>Enjoy drinks/meals</td>
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<td>Make home guests feel welcome</td>
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<td>6</td>
<td>1</td>
<td>5</td>
<td>1</td>
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<tr>
<td>VII</td>
<td>Last long</td>
<td>2</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<td>VIII</td>
<td>Save money</td>
<td>2</td>
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<td></td>
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<tr>
<td>IX</td>
<td>Prevent infections</td>
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</tr>
</tbody>
</table>

Source: our elaboration
Each row shows how many direct and indirect relationships (before and after the period) one attribute or consequence has in each of the other elements.

Each row shows how many links one attribute or consequence has in each of the other elements (numbers before the period show direct relationships, while numbers after the period indicate indirect links) (Reynolds and Gutman, 1988). Indirect links mean that there is at least one consequence between two items. The Implication Matrix, for example, indicated that the attribute “great design” (01) has two direct relationships to the value “self-image” (B) and four indirect relationships.

The creation of the HVM has to take into account the need for balancing retention and synthesis of data. For this purpose, we had to choose a cut-off value to find only the important connections between attributes, consequences, and values, determining, in that way, which relationships had to be represented in the HVM and which ones had to be eliminated. Since a Hierarchical Value Map displays only the strongest links, we had to choose accurately the cut-off level to maintain a relevant representation of the relationships found during the laddering interviews (Reynolds and Gutman, 1988). The information necessary to make the decision about the cut-off level is presented in Table 5.

**Tab. 5: Cut-off levels and active linkages**

<table>
<thead>
<tr>
<th>Cut-off</th>
<th>(1) Active cells</th>
<th>(2) Number of active cells as a proportion of all cells</th>
<th>(3) Active linkages</th>
<th>(4) Number of active linkages as a proportion of all linkages</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>82</td>
<td>29%</td>
<td>227</td>
<td>100%</td>
</tr>
<tr>
<td>1</td>
<td>64</td>
<td>22%</td>
<td>207</td>
<td>91%</td>
</tr>
<tr>
<td>2</td>
<td>30</td>
<td>10%</td>
<td>141</td>
<td>62%</td>
</tr>
<tr>
<td>3</td>
<td>23</td>
<td>8%</td>
<td>119</td>
<td>52%</td>
</tr>
</tbody>
</table>

Source: adapted from Pieters et al., 1995

Table 5 lists the number of active cells in the Implication matrix for cut-off levels of 0 through 3 (column 1). For example, with a cut-off level of 2, a total of 64 cells are active. Table 4 also expresses the number of active cells at each cut-off level as a proportion of the number of all possible cells in the implication matrix (column 2). Column 3 of Table 4 shows how many relationships between attributes, consequences, and values are retained when non-active cells are ignored. Column 4 indicates which proportion of the total number of connections actually made by respondents is accounted for by a cut-off level of 0 through 3 (Pieters et al., 1995). Reynolds and Gutman (1988, p. 23) state that “a cut-off of 4 relations with 50 respondents and 125 ladders will account for as much as the two-thirds of all relations among elements”. Moreover, according to Pieters et al. (1995, p. 239), “one may compare the proportion of active cells in the implication matrix (column 2 in Table 4) to the proportion of all connections between items accounted for at a given cut-off (column 4)”. We chose a cut-off level of two in our study, counting not only the direct linkages but also the total number of relationships (direct and indirect)
in each cell. This means that relations lower than two, considering direct and indirect ones, were not taken into account when constructing ladders.

At this cut-off level, we can account for the 62% of all linkages between items made by subjects (column 4), using only 10% of all possible cells in the implication matrix (column 2). For example, the attribute “great design” (01) has 3 direct relations to the consequence “enjoy drinks/meals” (II). Row 11 shows that this consequence has a strong connection to the value “happiness (and emotional security)” (D) with 7 direct relations. This ladder has been taken into account, considering the fact that the sum of links between each items is always bigger than 2.

“In choosing this cut-off level, we tried to account for a large percentage of the total number of connections that subjects made between attributes, consequences, and values with a relative small number of cells in the implication matrix” (Pieters et al., 1988, p. 238).

5. Results: Hierarchical Value Map

The result of our study, the Hierarchical Value Map (HVM), is represented in Figure 2. The attributes (rounded forms) are listed at the bottom level, while the values are shown at the top in grey. In the middle, we find the consequences (rectangular forms) that link attributes and values hierarchically. With this HVM, we can better understand which attributes of crystal tableware are the most important to consumers and, hierarchically through consequences, which individual values they could satisfy. All items refer to the Content Code in Table 3. The thickness of lines represents the strength of relation: the thicker it is, the stronger it is.

Figure 2 represents that, “great design” (01), “high quality” (06), and “brightness” (02) as attributes, “celebrate important occasions”, “make a good impression”, and “luxurious home atmosphere” as consequences, and “happiness (social security)”; “self-image”, and “social recognition” as values, tend to be the most popular mentioned concepts during the laddering interview. In particular, the most elicited chains were: “great design - make a good impression - social recognition”; “great design - celebrate important occasions - self-fulfillment or happiness (social security)”); “great design - make a good impression – self-image or social recognition”; “brightness - enjoy drinks/meals - happiness”, “high quality - last long - happiness (social security)”; and “great design - luxurious home atmosphere - social recognition”.

It is worth highlighting the fact that the life values elicited by respondents mainly fall into two main categories:
1. values that are centered around the self (e.g. self-image);
2. values that are strictly connected to third parties or that also involve wellbeing (i.e., give prominence to my family/guests) or that also depend on third parties (i.e., social recognition, high status) as well.

Regarding the first group, values that refer to personal satisfaction and happy life are included, such as self-esteem (A), self-image (B), self-fulfillment (C), and happiness (emotional security) (D). What is immediately apparent is that these values are the most mentioned by respondents, with the exception of self-esteem (A) (see Table 2).
The thickness of arrows corresponds to the strength of relation between elements (the sum of direct and indirect relations).

The concepts of self-image and self-fulfillment that originated from the laddering interviews give primary importance to the perception that others have of the respondent who is being subjected to the laddering interview. Obviously, this first category of values is also very connected to third parties, and in particular to how others regard respondents’ behaviors and choices. Actually, the concept the respondent has on the “self” does not only depend on how she considers herself, but also, and perhaps most important, on how others judge her behavior and her choices. In the consumer behavior literature, self-concept has generally been identified as a multidimensional concept comprising five components: the ideal self, the apparent self, the social self, the perceived self, and the actual self (Burn, 1979; Markin, 1979; Sirgy, 1982; Heath and Scott, 1998). What emerged as very important in these laddering interviews was the “social self” concept. Markin (1979), in describing all the components of self, depicted the “social self” as “how a person thinks others perceive her/him”. This is actually what our respondents consider fundamental for reaching the values of self-esteem (A), self-image (B), self-fulfillment (C), and happiness (D). Crystal tableware purchasing is mostly directed toward the protection and enhancement of respondents’ self-concept; consumers purchase crystal goods in order to develop a particular self-image (self-concept) (Heath and Scott, 1998).

Within the second category, values elicited during the laddering interviews have a more general dimension in the sense that the importance of the “self” is subordinated to broader concepts, which include the
fundamental role played by third parties but which are less focused on the “self” though. In this group, we find values such as social recognition (E), offer to family/guests (F), high status (G), and wellbeing (H), that underline the “social” sphere of some life values. This can be interpreted as an explanation for human lives being highly interconnected, not only due to general issues such as spatial proximity, but mainly due to the impact that, in this case, other people can have on respondents’ behavior and wellbeing.

The “social” dimension constitutes the essence of the analysis of our study and appears strong in both categories. The distinction between them is fuzzy and, actually, they are very interconnected: the role played by third parties, in terms of opinions, assessments, and recognition, is crucial to respondents’ perception of the “self”.

It is clearly evident that values associated with crystal tableware purchasing are highly dependent on the consideration of other people and, consequently, they are mostly driven by them. The role of third parties also lies behind the consequences derived from crystal tableware attributes and leading to final values. Here, the consequences most mentioned by respondents are “celebrate important occasions” (III) and “make a good impression” (IV), followed by “luxurious home atmosphere” (IV) and “enjoy drinks/meals” (II). As we can see, they are all related to social interaction. Celebrating important occasions and having a luxurious home atmosphere are seen as means to show purchasing choice to guests. In that way, respondents feel sure regarding gaining approval of and recognition for their behavior, which are feelings that mainly drive crystal tableware purchasing.

6. Discussion and implications

The objective of this study was to identify the attributes driving purchasing behavior of new luxury products and, more specifically, the specific values pushing consumers in to their choices. Different key values have been identified - both centred on the self and connected to third parties - “happiness (social security)”, “self-image” and “social recognition”, being the most important. Accordingly, the effect of consumer attitude on purchase intent of new luxury goods has been empirically examined. Thus, the findings of this study provide valuable insights on new luxury products consumption, and several conclusions can be discussed, both from a theoretical and managerial point of view.

First, new luxury goods have hedonistic and symbolic meanings more than functional ones. In particular, the consequences of new luxury purchasing have essentially self-relevance, which results from social judgment about individual choices. The example of crystal tableware seems particularly relevant within this context. Indeed, the respondents perceive crystal tableware as a mean for achieving individual and social values, of which the most important are “self” concept and social recognition. Consumers are not very much functionally oriented in selecting new luxury products, rather their behavior is significantly affected by the
meaning with which goods are identified in the marketplace. This argument suggests that consumers purchase new luxury goods for reasons other than functionality, and highlights the idea that their main motivation is to develop a particular self-image (self-concept) (Freire, 2014; Kapferer and Valette-Florence, 2016). More specifically, our study advances our knowledge on the psychological causes of new luxury consumption patterns, by identifying the specific attributes searched for in these specific products and linking them to some relevant consequences and to final consumers’ values. Therefore, starting from tangible aspects that affect the consumption of mass luxuries, we are able to reach higher, intangible motivations driving the choice of new luxury goods. We think that empirically researching these causes is also critical for elaborating positioning strategies for new luxury brands (Dubois et al., 2005; Truong et al., 2009).

Second, with regards to the research on luxury marketing, this study provides empirical evidence of positioning strategies of new luxury brands. The laddering analysis has confirmed that consumers perceive new luxury goods much closer to the level of exclusivity of the traditional luxury segment than the lower-category products. However, their price is much closer to premium goods. In this respect, our study makes use of an empirical investigation for crumbling existing taxonomies differentiating products into luxury products and other goods (Truong et al., 2009; Kastanakis and Balabanis, 2012). Indeed, we have demonstrated that the emergence of new luxury goods, as a new market segment, has made this differentiation very blurred, as exclusivity and prestige - that were typically required by consumers of luxury products - are also required by middle-class consumers. Accordingly, new ad-hoc marketing strategies are needed for this type of products.

Third, our study also provides major managerial implications. In particular, it shows that consumers tend to choose brands that are perceived to be consistent with their values and that express their social self (Zhang and Kim, 2013; Liao and Wang, 2009). This aspect tremendously affects the messages that new luxury goods’ marketing managers have to convey to their actual and potential customers. New luxury brands have to discover how they are perceived and have to increase their degree of attractiveness by improving the social meaning that the brands provide. In particular, they need to combine a reasonable price premium and a prestige differentiation strategy. New luxury firms need to invest money to create aspirational brands, which channel the idea of prestigious consumption. It is important to include middle-class consumers who cannot usually afford luxury products, but who are looking for strengthening their social image (Kapferer, 2010). This corroborates the idea that new luxury brands have to develop marketing strategies that are in line with conspicuous or bandwagon consumption, driven more by public reasons than private ones (Truong et al., 2009; Kastanakis & Balabanis, 2012). Therefore, they have to convey the message that new luxury distinguishes a consumer from the masses, but at the same time does comply with conventional values socially accepted. Accordingly, every marketing message going in the direction of transferring a message of “pecuniary emulation” (Veblen,
which expresses “some forms of generally valued, accepted from the majority uniqueness (and not alienate consumers with excessive snobbery) could be particularly suitable for popular luxury products” (Kastanakis & Balabanis, 2012, p. 1406).

Limitations and future research

The laddering technique is, surely, a quick and structured way for analyzing consumers’ behavior and values in the marketplace. However, one common criticism to the means-end approach is that “when asking the question “why,” artificial levels of abstraction can occur because the respondents can answer in a “rational” way, trying to find arguments to justify their behavior” (Veludo-de-Oliveira et al., 2006, p. 631; see also Botschen et al., 1999). Grunert et al. (1996) elaborated other potential problems in the execution of laddering interviews, such as the possible elicitation of irrelevant attributes, unclear situational dependence of the answers given by the respondent, multiple answers on single probes, and answers that have come about only by putting heavy pressure on the respondent. A possible solution was that of “letting the respondent produce a natural and redundant flow of speech” (Sørensen and Askegaard, 2007, p. 67). However, another problem can arise from this solution when questions become too personal, hence inhibiting the respondent’s natural flow of speech (Veludo-de-Oliveira et al., 2006).

As for future research, it would be very interesting, at an academic and managerial level, to apply the laddering technique to other contexts different from the one proposed in this study. In particular, future studies could investigate the means-end chain associated with the purchase of other types of new luxury in order to understand whether results stay similar or not (e.g., home furniture, fashion complements, etc.). From a methodological point of view, future research might apply the same approach to an analogous market sector, but adjust the questionnaire for avoiding directive questions in order to give more answer opportunities to the interviewee. It would be interesting, then, to compare the results obtained in order to see if something changes - in terms of the values that drive consumers to purchase new luxury goods - when questions are asked using different approaches.

References


Appendix 1. Interview guideline

- Do you prefer to buy tableware products in crystal or other materials? What are the determinants of your choice?

- Are you the person who would purchase crystal tableware?

- In your opinion, is the purchasing of crystal tableware for particular occasions or not? If so, when?

- Which are, in your opinion, the most popular crystal types of tableware?

- Which brands of crystal tableware do you know?

- Would you recommend the purchase of crystal tableware to your friends?

- Are you pleased with crystal tableware that you have purchased in the past?

- Will you intend to buy crystal tableware in the future?

Laddering interview scheme

Attributes 1

Why is it important? Why is it important?

Attributes 2

Why is it important? Why is it important?

Attributes 3

Why is it important? Why is it important?

Attributes 4

Why is it important? Why is it important?

Attributes 5

Why is it important? Why is it important?

Source: adapted from Bagozzi et al., 2003

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