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RESEARCH ARTICLE

AN ANALYSIS OF LUXURY BRAND PURCHASING BEHAVIOR

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ABSTRACT

It is the developed countries with capitalism that creates luxury brands. However, there are many developing countries with people willing to buy luxury products. In 21st century of global economy, sales of luxury goods are ever increasing. Especially, in case of developing countries, as their income level increased, the demand for luxury goods has increased as well. However, increase in consumer's income level cannot fully explain constant demand for luxury goods. So, behavioral economics that studies decision making psychology of consumers is needed. Recently, theories on neuroscience are helpful in the research on behavioral economics. It is likely that consumers that purchase luxury goods base their decisions on emotions and not on rationality. However, the specific mechanism that provokes people's emotion is still a mystery.

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INTRODUCTION

Luxury products have been important objects of consumption for the past decades, and are desired by most people. They have shaped fashion and its trends, and formed the consumption culture as a whole. What defines luxury is a profound question; what is luxury today may become tomorrow's necessity. Currently, research on luxury goods, brands and consumption is in vogue (Kambiz Heidarzadeh Hanzaee *et al.*, 2012). However, luxury as a subject of research is nothing new. Luxury has been defined by the necessities: Luxury goods were objects of desire that exceeded basic needs. There are many factors that influence consumers' perceived values, motivations and beliefs about products (Kambiz Heidarzadeh Hanzaee *et al.*, 2012). It is important for luxury researchers to know why consumers buy luxury, what they believe luxury is and how their perceptions of luxury value affects their decision making process (Kambiz Heidarzadeh Hanzaee *et al.*, 2012). This study focuses on branded luxury products, particularly the category of "personal luxury goods". This category is accessible to the major population due to its affordable price range. Consumers who have access to goods in the "personal luxury goods" category represent a more heterogeneous group of people from a diverse economic background. This study brings a conceptual understanding by analyzing the elements through which consumers construct the experience of luxury.

These insights also offer a basis that should account went seeking to establish and sustain the luxuriousness of a brand, and thus making these findings valuable for marketing practitioners.

Ambiguity on Luxury

Anyone can make a statement about luxury, but no one has a deep insight into its definition. Despite the fact that the concept of luxury has been an object of research in economics, the lack of a clear conception of luxury is still evident. Luxury has had different meanings at different times, in different contexts among different people. David A. Aaker, in his book "Building Strong Brands, He emphasizes that a brand is more than a product, and that the focus is on identity as something coherent, essential and constant (Stine Kjær Pilgaard, 2010). The Father of Advertising, David Ogilvy says "A brand is a complex symbol. It is the intangible sum of a product's attributes, its name, packing and price, its history, reputation and the way it is advertised. A brand is also defined by consumers' impressions of the people who use it as well as their own experience" (Stine Kjær Pilgaard, 2010). Traditional studies of economics are based on the concept that a consumer will make strategic, rational choices that will give them a benefit. Due to this fact, it is unsuitable to understand and analyze luxury brands with traditional studies of economics. This calls for the conceptualization of behavioral economics. This specific field of economics incorporates psychology and traditional economics in an attempt to give a better

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understanding of brands such as luxury brands. Thus, Behavioral economics is the only suitable method to analyze luxury brands (Colin).

The Emergence of the Unconscious

Traditional economics is based on human rationality, so the spending behavior is assumed to be based on rationality. Consequently, the predicted spending behavior would seek the highest profit. Classical and neoclassical economics assume the standard model of the human actor Economic Man, they have used as a foundation for decades, Economic Man makes logical, rational, self-interested decisions that weigh costs against benefits and maximize value and profit to himself. Economic Man is an intelligent, analytic, selfish creature who has perfect self-regulation in pursuit of his future goals and is unswayed by bodily states and feelings (Craig Lambert, 2006). Unfortunately, traditional economics does not factor in the unconscious behaviors of humans. Humans operate with a mixture of the conscious and unconscious parts of the brain, and this is ignored by traditional economics. Floyd's unconsciousness became a foundation of behavioral economics (Colin). In contrast to traditional economics, behavioral economics is a study of unstable human beings. All human behaviors are not entirely dominated by rationality, whereas they are influenced by unconsciousness. That is to say, unconsciousness interferes in human behaviors when people open their eyes, while it presents in their dreams when they close their eyes. Human beings are constantly given conditions of selections and they will go through a situation to choose one of them. A bias is always involved in the process of making a decision by humans (Colin Camerer, 1999). This is a circumstantial evidence that involvement of unconsciousness is related with human behaviors. Traditional economic theories assume that individual agents are highly rational and willful, judge probabilities accurately, and maximize their own wealth might prove useful, but, psychology shows that those assumptions are systematically false (Colin Camerer, 1999). Economists have to look for interesting ways to study economics based on psychology.

The areas of human brain are divided into cognitive zone and limbic zone. As the former controls rationality while the latter manages sensibility, they both have an effect on each other. The human brain is comprised of highly complicated structure than our expectation, and the specific mechanism is still mystery. It is difficult to understand economic behaviors without knowledge of human psychology. As a science of the mind, psychology is equipped with the ability to analyze how being human affects the process of doing science (Lisa Feldman Barrett, 2009). Psychology has largely used phenomenological categories to ground our scientific investigations into the mind and behavior (Lisa Feldman Barrett, 2009). A study that emphasizes the importance of adopting psychology as a tool in understanding economic issues is the initiation of behavioral economics. People rarely answer in detail when others ask them why they bought luxury products. If someone requires them to explain the purpose of possessing the items, the consumers will answer as though they exactly know the reasons while they do not know the specific reasons. It is not the fact that customers who bought luxury items are not able to answer the exact reasons for purchasing the products, but most of them honestly answer the reasons. However, there are a lot of errors among their answers after analyzing its contents. With the perspectives of

third party, customers could know that buying luxury products is consequently the result of their ludicrous judgement. Behavioral economics explains why we procrastinate, buy, borrow, and grab chocolate on the spur of the moment (Craig Lambert, 2006). According to standard economic theory, Such problems as below should not arise, People act irrationally in that they overly discount the future, they do worse in life because they spend too much for what they want now at the expense of goodies they want in the future. People buy things they can't afford on a credit card, and as a result they get to buy less over the course of their lifetimes (Craig Lambert, 2006).

The Psychology, Another Approach to Economics

In the traditional economic theory people are described as if they discount future income exponentially. However, it turns out that real-world behavior systematically deviates from this theory (Floris Heukelom). It has been proposed as both a description of what people *should* do to maximize their well-being, and to describe what people *actually* do when faced with intertemporal decisions. Both applications of the model are controversial (Floris Heukelom). Economics need psychology for correctly pointing to the fact that behavior of real-world individuals systematically deviates from the predictions of traditional economic theory. Psychology has furthermore correctly encouraged economics to test their theories experimentally before adopting them. Economics should go back to concise model building in order to create positive theories that provide good predictions using psychology (Floris Heukelom). Behavioral economics is a new field of study, which analyzes how psychological situation in customer's brain has influence on pattern of purchase behaviors. The perspectives toward the world vary from individual to individual, and the differences would effect on pattern of purchase behavior. People have the two ways of thinking their mind: 'self-perception' and 'the other perception'. A perception of how an individual thinks about oneself is known as 'self-perception.' A perception of how the other person thinks about oneself is known as 'the other perception.' Self-perception, an individual's ability to respond differentially to his own behavior and its controlling variables, is a product of social interaction (Daryl Bem, 1967). It would be impossible to know behavioral economics if people do not understand the process of self-perception. They believe that they own abilities in reasonably judging on every situation. For instance, people say they want to save for retirement, but at the same time can be observed not to do so (Floris Heukelom).

In other words, they do not recognize errors on their intuition. From the perspective of third party, it is unreasonable behaviors that general women are willing to overspend on getting luxury bag although it is much more expensive than their salaries. Human beings have ability in making excuses for unreasonable behavior their own. Postmodern consumers interpret and use the products and messages differently from their original purpose, reshape and adapt them to personal use. A luxury brand can be defined as an outstanding brand, justifiably priced highly and destined, at least primarily, to a select group of the social-economic elite (Stine Kjær Pilgaard, 2010). While the wealthy elite are still spending freely, 60% of the luxury market, however, is based on the demand from the middle-class consumer who is faced with a decline in private capital (Stine Kjær Pilgaard, 2010). People tend to attribute a good result to circumstance, whereas they see a bad result as to

blame for themselves. Most people are not willing to overcome the hardship they faced because they consider a current bad result as their destiny. If bought products of luxury brands, people forecast that they could be feel happiness than they have never felt before. If bought products of luxury brands, people expect that others would not ignore them anymore. If bought products of luxury brands, people foresee that the brighter future would be coming to them after getting self-esteem. A person who buy lottery every week would expect that happiness could be continued if the owner won the lottery. Getting luxury goods gives meanings to as a symbol of successful life or a tool of material ostentation. People who primarily take 'the other perception' into consideration rather than satisfaction tend to have a high probability of purchasing luxury products. They regard having luxury products as a part of valuable life, so to speak, they buy luxury items as they think that it is the way of living blissful life.

Behavioral Economics over Luxury Buying Decision-Making

Human brains work to grasp the meaning of a text. For instance, a banana reminds people of yellow color and a monkey. People generally connect the word of an apple with the image of fruit as well as the US technology company. Association process that located in human brains is a section of unconsciousness. Association process has an impact on human behavior. Especially, Behavioral Economics is a study on the effect of association process on economic behavior. Association process in human brains is a result of intuitive thinking. If people rely on intuitive thinking rather than rational thinking, they will be dominated by unconsciousness. A word of 'Luxury' arouses human mind towards association process, such as becoming successful, ostentation, showing off, enviousness, jealousy, minority, and rich people. Buying to impress other is an internal personal value that drives a motive for luxury fashion brands consumptions. Consumers get affected easily by this internal drive to create a favorable image in society (Kamolwan Tovikkai, 2009). Therefore, to explain consumer behavior in relation to luxury brands, personal value aspects such as consumer ethnocentrism, materialism, conformity, the need for uniqueness and vanity (Kamolwan Tovikkai, 2009). The consumption of luxury brands activates an aspect of the self that reflects the internalization of concepts associated with being a valuable member of society. As a result, when people consume a luxury brand they are more likely to engage in behavior that is consistent with being a valuable member of society, which we refer to as socially valued behavior (Keith Wilcox *et al.*). Luxury is intrinsically linked to self-interest and mere exposure to luxury can activate related mental representations affecting cognition and decision-making (Roy, 2010). People pursue luxury in part to fulfill certain personal desires. In other words, the very notion of luxury involves increasing pleasure beyond basic functionality, they buy luxury goods not merely to impress social others or gain symbolic status, but also to fulfill self-directed pleasures or gratification for themselves (Roy, 2010). If someone asks people who bought luxury products about the question "Why did you buy luxurious items in a tight financial situation?", and then everyone will answer different reasons. Some people said that luxurious brands are a symbol of a wealth, and the idea of luxurious brands that comes from the unconscious part of their mind had influence on stimulating their desire to purchase it. On the other hand, other people believe that buying luxurious brands represent a

sign of self-satisfaction while association process of the idea came up inside an area of unconsciousness. A cause of purchasing luxurious products is misprediction. In general, people unconsciously judge others who possess or wear luxury products by wealthy people. Anyone who currently has low income dreams of being a wealthy person. However, since people only regard them as commonalty, they believe that others ignore them or do not deeply think about their value. Therefore, a person will eventually buy luxurious brands due to an error in estimating others' perspectives that other people will regard him or her as a man of wealth. Owning a luxury fashion product can represent owner's social status which also can communicate the image of success and prestige (Kamolwan Tovikkai, 2010). The first and most straightforward type of bias is revealed by a direct comparison between judgment and criterion (Geoffrey, 1996). In order for investigators to document that a judgmental sin of imprecision has occurred among individual judges, they must first specify how the judgments of perfectly unbiased individuals should be distributed (Geoffrey, 1996).

Similarity Judgements is also one of causes of forecast errors. Human beings generally apply similarity judgements to a situation in which students who get accepted to Harvard University are remarkably good at studying. In the past, a student with an average grade was accepted to Harvard University not for the grades but instead as a legacy for one's outstanding athletic skills. It is the foundation stage of similarity judgements where people unconsciously tend to prefer simple decision. A and B had graduated from the same girl's high school. After graduation, A encountered B who was wearing high price of fur coat in department store. A believed that B has spent happy married life, but B actually went the department store to return the fur coat because she was bankrupt after she got divorced with a rich man. Similarity Judgements is an outcome of stereotype. A person who wears luxurious wrist watch is rich. Someone who drives sumptuous sedan lives successful life. A woman has high-priced bag looks happy. All these are results of stereotype. Luxury is more than satisfying human needs and desires, it's further associated with dream, Luxury is anything that is desirable and more than necessary and ordinary (Guo *et al.*, 2013).

Pricing Mechanism over Luxury Brand

Capitalism does not exist without a market (Ver Eecke). It is the fundamental principle of capitalism that price of goods and services are determined on the basis of a market. Supplier and demander are both placed on a market. The current market does not always represent offline physical space. It is also built on online virtual space. The price of products is decided by added value of material and labor. It is common knowledge that products of simple labor are cheaper than goods of skilled labor. Of course, value of material is one of components in pricing. The products of luxurious brands is comparatively expensive than other goods because it produced by premium material with skilled labor. Luxury brands invest a large sum of funds for media advertising. It is essential to consistently advertise their brands in order to make and keep a certain image of the brands. However, the cost of luxurious brands is not fully made of material cost, labor charge, advertising expense, and proper margin. A scale of margin in luxurious brands is known as a secret which only major executives know to keep their trade secrets. Applied extra margin in a value of luxurious brand is reflected in a high price of the brands.

Brands have some sort of intangible quality over and above the pure functionality of whatever product they grace. This is what we've called brand 'equity' but it's always been difficult to pin down, explain and make tangible (Phil Barden, 2014). Consumers are willing to pay £2-3 for a coffee in Starbucks yet they know, objectively, that for the price of two cups they could buy a whole jar of coffee in a supermarket. So they must be buying something else, Some sort of value applies over and above the physical product (Phil Barden, 2014). Framing explains how brands influence purchase decisions: Brands operate as the background framing the perception and, with it, the experience of the product. Branded products appear superior to unbranded although, objectively, the product is identical. Framing of brands increases the perceived value and the willingness to pay a premium price – even for objectively identical products (Phil Barden, 2014). Luxury goods are generally sold at very high prices due to their design, aesthetics and quality. Although the price often represents the quality, this might change depending on the product, On the other hand, an expensive product might be directly perceived to have high quality (Hümeýra Aslım Bilge, 2015).

The value of brand takes a large proportion of price formation in luxurious brands. The value of luxury brands is not able to be converted into dollars and it is one of business secrets that companies own. Maintaining a high price of the luxurious products is one of methods to keep the value of its brand. It is complementary relationship that a high price supports the value of luxurious brands and vice versa. It is generally said that luxurious brands are made by premium quality, elegant design, the image of logo. However, it is hard to define brand formation of value in luxurious brands as one sentence. In other words, luxury brands do not entirely consist of the image of logo or products through advertisement. The process of establishing a brand is more complicated and elaborated than general expectation. Comprising a large part in the value of luxurious brands are the following factors: high-quality, a high price, a great reputation, a logo representing symbol, magnificent ads, outstanding liquidity, sophisticated design and so on. In addition, the uniqueness of insisting small production system will be one of factors on value of the brands. Consumers' emotional needs are the key elements in defining the concept of luxury. Consumers experience luxuries as symbolic resources constituting important tangible cues that allow them to define themselves and to transfer the brand's social symbolism, such as exclusivity, authenticity, quality, uniqueness and culture, into their own aspired identities (Nadine Hennigs *et al.*, 2012). Luxurious brands maintain premium price with a purpose, and they do not hold any bargain sale at department stores. A high price is the factor that places a curb on general consumer's expenditure. The companies manufacture luxurious goods intentionally continue to retain a high price of the products to make the image of its uniqueness and rareness that only wealthy people can easily access to. In other words, they adhere to have a policy of excessive margin which go beyond the cost of production.

Thoughts of Contemporary Consumers on Luxury Brand

Luxury brand creates perceptions of luxury by high price, excellent quality, authenticity, history and tradition, scarcity. From the psychological point of view, luxury goods are considered to be products that nobody needs, but everybody wants. Luxury is the expression of imagination, hopes and dreams of the consumer not hers real needs (Razvan Zaharia,

2015). Emblem and luxurious brand are in inseparable relationship. Symbol is the identity of luxury brands. The fact that attached logo of luxury brands is the only way to be symbol will not true. A design signature of luxury brands plays a pivotal role in symbol of brands. As time passes by, this design concept does not allow essential revision but a few modifications while it pursue historicity. The designs of luxurious products represent a symbol of its brand, but packing designs of the products are also additional element. The symbols of luxury brands are significant because it have the greatest influence on consumer awareness. All of luxurious brands have their unique trademarks. A special symbol of luxurious brands can heighten an effect on raising the status of people who have luxurious items. Anyone has an eagerness to hold high social status. Luxurious brands work as a tool to satisfy the social desire from human beings. Luxurious brand's symbol satisfies the consumer's desire of accomplishment. It is because these symbols give a perception to the others in regards to how much effort the owner has put into his/her past. Luxury consumption is generally associated with a desire to impress, to make statements about oneself and to create identity or develop a sense of belonging (Beverly Wagner *et al.*). Empirical evidence suggests that consumers enjoy the challenge of purchasing a brand that matches well with their own values and the personality of the consumer impacts on the final selection of a brand reflecting his self-concept (Beverly Wagner *et al.*). Luxurious brand companies put in a lot of effort and invest a lot of money for the symbol's design and image. The high level of strategy they use is by creating a brand symbol that will remain for a long time in the consumer's memory creating the consumers to become loyal to the brand product. In other words, those companies try to keep the symbol design as long as possible as the luxurious brand symbol stimulates the desire to buy products the most. Consumers think that luxurious brands are the most definite way of satisfying their desire. It is because luxurious brands stimulate not only the basic desire of the consumer but also cultural desire. Human beings are animals that keep aware of one's identity and always tries confirm it. People try their best to secure their place in the society through ownership of luxurious brand products. At the same time, they want to be included in the luxurious culture and pursuit strong self-satisfaction by owning those brand products. Luxury consumers are less interested in the price than quality, product properties and consumption performance. Consumers would experience a heightened feeling of hubristic pride from using a luxury brand, as compared to a non-luxury equivalent of the same

Product (Brent McFerran *et al.*, 2014) Consumers who experience authentic pride as a result of their perceived accomplishments may respond with greater feelings of license to be more profligate in their spending habits (Brent McFerran *et al.*, 2014). The price only serves as a proof of quality for these consumers; and they know what they want and use their own consumption judgment (Ergin Uzgoren *et al.*, 2012). Luxury shopping allows a consumer to fulfill a dual need for a status and a desire to indulge in pleasurable experiences (Beverly Wagner *et al.*). David Aaker defines brand identity as a unique set of brand associations which represent what the brand stands for and imply a promise to customers from the organization members (Stine Kjær Pilgaard, 2010). The brand identity is what provides direction, purpose, and meaning for the brand (Stine Kjær Pilgaard, 2010). The identity contains dimensions, which is highlighted in order to define the core-

and extended identity of the brand (Stine Kjær Pilgaard, 2010). The core identity is defined by Aaker as the timeless essence of the brand, central to both the meaning and success of the brand, which contains the associations most likely to remain constant as the brand travels to new markets and products (Stine Kjær Pilgaard, 2010). When the reasons behind the consumers purchasing those luxurious brands are analyzed, there is always more than one reason. All of those consumers have their own unique reason for purchasing the luxurious products. As the reason for purchase is part of the inner side territory, it is hard to completely know through surveys. The act of purchasing a luxurious brand product shows that there has been a change in the consumer's mind and the action is a result of the thought built up in their minds. The reason for purchasing luxurious product is different between the middleclass and the upper class that are in the top 1% of the earning population. Luxurious brand are not the consuming target for wealthy people. All of the consumers are luxurious brand buyers or at least latent consumers. The products of luxurious brands are highly expensive, so it is difficult for average office workers to buy the items as their birthday gifts. From the perspective of traditional economics, it is hard to explain that a worker buys high-priced luxury items though it is more expensive than over two times of one's salary.

That is to say, people who have rational thinking should not high-end products. This is because that behavior does not meet the level of their income. All gorgeous watches, high fashion, necklaces, rings, handbags, shoes are goods of luxury brands that appeared to others' eyes. Capable of being touched and handed are the common factors of luxury brands. It is rare to find someone who only purchases luxurious products for their satisfaction. Most consumers buy luxurious goods by having other-perception. According to Aristoteles, man is by nature a social animal. People normally desire to be respected by a society in which they live. The standard of judgement in capitalist society is money. A rich person who has great amount of property seems to have excellent personality as well. Luxurious brands are symbols of rich people and their ostentation. The companies sell luxurious products only place greater emphasis on dignity than their products. In other words, the consumers of luxurious brands imply that they possess elegance. Every human being in capitalist society wants to be a rich, whereas it is only applicable to the top 1% of minority. It is reasonable that the top 1% of the upper class tend to purchase luxurious products to show off themselves. Those in the middleclass who can't afford to become rich are unable to become wealthy but the level of desire to look rich is comparably the same to that top 1% of the upper class. In order for the middleclass to look rich, the most certain way would be to own a luxurious brand. Having luxury brands is the strongest way to get vicarious pleasure for customers of the middle class who have desire to be seen as the upper class. Alfred Adler was a French psychologist, a one-time follower of Sigmund Freud who became disenchanted with Freud's emphasis on the influence of unconscious factors as motivators in human behavior.

Freudian approach to personality bases on the idea that unconscious needs are the essence of human motivation. Neo-Freudian personality development. Traits theory has a more quantitative perspective and relates personality rather to a set of features (Razvan Zaharia, 2015). In the Neo-Freudian vision, personality is no longer seen as a consequence of

unconscious sexual instincts, but rather, as a result of the role of the individual in the society (Razvan Zaharia, 2015). Adler approached the feeling of inferiority and individuals need to set high goals to reduce the complex of inferiority, the need to enter into relationships with each other to reduce tensions (Razvan Zaharia, 2015). Thus, consumer behavior may be caused by the desire of individuals to escape the complex of inferiority: certain products are associated with success; therefore those products are preferred in consumption (Razvan Zaharia, 2015). While Adler subscribed to the notion that underlying motivations play a part in directing personality, he introduced the notion of ego psychology in an effort to give equal importance to the role of conscious factors in determining behavior. According to Adler, all humans experience feelings of inferiority as children and spend the rest of their lives trying to compensate for those feelings. As people replace the dependence of childhood with the independence of adulthood, the feelings of inferiority persist in varying intensity in different people. For some people, the sense of inferiority serves as a positive motivating factor, as they strive to improve themselves in an effort to neutralize the negative feelings of inferiority.

Some, however, become dominated and, as a result, crippled by an overwhelming sense of inadequacy. These people, whose thoughts are so overtaken by these feelings that they cannot function normally, are said to have an inferiority complex. The opposite of inferiority complex, a superiority complex, can also result from the inevitable early feelings of inferiority, Adler believed. This results when a person overcompensates and places too much emphasis on striving for perfection. Childhood experience will be saved on an area of unconsciousness. Accumulated experiences will be a source of establishing unconsciousness. Most people continue to keep their bad childhood experience into a section of unconsciousness. Inferiority feeling in childhood has a great influence on a whole life of the person. A sense of inferiority results from self-awareness and comparative awareness. Human beings always evaluate themselves in comparison with other people. Having tall stature, a lot of money, outstanding studying skills, ability in singing well, and good sociability can be major causes of inferiority feeling. People who have ever lived in severe poverty tend to be possessive of money. They try to do their best to get out of a life of poverty. They believe that becoming a rich is only way to overcome a sense of inferiority. Luxury brand is the most definite way to let people overcome poverty and inferiority as well as show off superiority to others. Thus, Adler's inferiority feeling is also necessary reason for buying luxurious products. Human beings always evaluate themselves in comparison with other people.

Neuroscience over Luxury Brand

During the last decades neuroscience was mainly used for a better understanding of physical activities in the human brain, Nowadays methods and procedures used in brain research can be used to address economic issues (Esther Kolar, 2014). Neuroscience it is possible to get a more complete and objective understanding of consumer's desires, which may consequently assist companies to adjust their marketing strategies (Esther Kolar, 2014). The key to the human buying decision can be found in the implicit alliance between physical attributes of a product and the associated mental concepts as below (Esther Kolar, 2014).

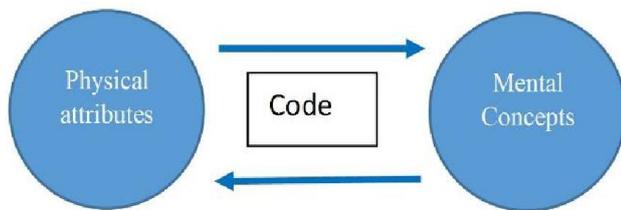


Figure 1. Mental Concepts: cited from reference 22

Human brain is composed of the cerebral cortex and the limbic system which covers up the cortex. Cerebral cortex is responsible for the cognitive (conscious) domain and the limbic system is in charge of the emotional (unconscious) domain. Desire and ambition is the product of unconsciousness (emotional domain). Luxurious brand possesses correlation with the limbic system's vitality. A human's brain system is a three-dimensional structure. fMRI is essential in order to identify the rather each area of the brain is active or not (Hilke Plassmann *et al.*, 2012). Through the fMRI, it is possible to identify which part of the brain is active. By computing differences in regional blood oxygenation in the brain across different conditions, fMRI can reveal regions that are more metabolically active (Tyler *et al.*, 2008). The goal of consumer neuroscience is to adapt methods and theories from neuroscience combined with behavioral theories, models, and tested experimental designs from consumer psychology and related disciplines such as behavioral decision sciences to develop a neuropsychologically sound theory to understand consumer behavior (Hilke Plassmann *et al.*, 2012). Neuroscience can bring to the table to advance our understanding of the consumer psychology of brands (Hilke Plassmann *et al.*, 2012). When the desire to purchase luxurious brand is arises in the brain, the part that is concretely active is the limbic system and not the cerebral cortex. Specifically, it is the anterior cingulate gyrus that is active in the limbic system. Anterior cingulate gyrus is the boundary area of the cerebral cortex and the limbic system. The rewarding emotion, empathic ability, the capacity to be emotionally moved is decided by the anterior cingulate gyrus. The hippocampus located in the limbic system is responsible for long-term memory but it also further stimulates the desire to buy luxurious brand. The part of the brain that stimulates the desire to buy luxurious products is not from the cerebral cortex which is responsible for rational thinking and judgment but from the limbic system that controls emotions. In order for luxurious brands to trigger the desire to buy those products, they need marketing strategies that can stimulate the limbic system.

Conclusion

Even though luxury products are unnecessary, they are something that everyone wants. Expensive brands are symbols of capitalism that has its foundation on people's greed. However, thoughts of consumers who purchase luxury goods are too complex. One can predict behavior pattern of consumers that purchase luxury goods only by using behavioral economics. From the position of merchandiser that sells luxury goods, to constantly feedback by establishing a model that can predict consumer's psychological change is the only way to prolong the life of the brand. Through this research, I learned that consumers do not always make rational decisions; and especially if they are buying luxury goods, it is likely that emotional factors are going to affect their decision making.

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