

(Not) Made in Italy: Can Sustainability and Luxury Co-exist?

Vertica Bhardwaj and Sergio C. Bedford

Abstract In the past, *luxury* often resonated with a tradition, superior quality, and a pampered buying experience, something that only very privileged few could afford. In recent years, the meaning of luxury has become profoundly different and transitioned into a phenomenon that primarily focuses on selling expensive designer brand names with a mere illusion of exclusiveness and superior quality to the masses. As a result of the mass luxury phenomena, a designer handbag or watch no longer serves the same purpose as before. Today owning a luxury brands does not transmit reliable information about its wearer's socioeconomic status or background. With such dramatic changes in luxury industry, a large body of consumer research has looked into understanding why individuals seek luxury brands and high-end logo-ed merchandise across the globe. However, until recently, a rather unexplored area remains in the domain of 'sustainable' consumption of luxury brands. The overall question arises of the role of consumers with regards to sustainable practices in luxury industry and how these practices influence decisions or intentions to indulge in a behavior. For instance, does it matter to the consumer if a 'Made in Italy' handbag was actually made (in-part) off-shore in a factory? Does lack of transparency in manufacturing process and information play any role in forcing consumers to rethink about their perception of luxury brand and, of course, *luxury* itself? This chapter outlines a conceptual framework that explores factors that influence perception on consumption of sustainable luxury. It is built upon the idea that luxury brands acts as a psychological meaning of self-expression and symbolic association that individuals aspire to create or maintain. The ultimate goal of this chapter is to explore whether consumers are increasingly becoming conscious of the adverse effects of the social, moral, and environmental imbalances

V. Bhardwaj (✉)

Merchandising and Consumer Sciences, School of Family and Consumer Sciences,
Texas State University-San Marcos, San Marcos, TX 78666, USA
e-mail: vertica@txstate.edu

S.C. Bedford

Retail and Consumer Sciences, The University of Tennessee,
244A Jessie Harris Building, 1215 W. Cumberland Ave., Knoxville,
TN 37996-1911, USA

created by luxury brands. Based on existing theoretical and empirical insights from *Theory of Impression Management* and *Value-Attitude-Behavior* paradigm, it becomes evident that psychological determinants, such as symbolic value perception (i.e., self-directed and others-directed perception of the symbolic association with luxury brands), tendency to conform, *moral judgment* (i.e., ability to rationally engage one's knowledge in performing actions that are responsible to the society), and hedonism, as well as individuals' attitude toward and involvement with sustainable luxury brands can represent antecedents of intentions to purchase sustainable luxury. This exploratory work will be first of its kind and will contribute to the limited literature on consumers' perception toward sustainable luxury.

1 Introduction

Luxury industry has flourished for the past 10 years, but the good times have started to stall

Fflur Roberts, Global Head of Luxury Goods Research

In the past, *luxury* often resonated with a tradition, superior quality, and a pampered buying experience, something that only very privileged few could afford. Luxury brands are often associated with prestige because of their superior craftsmanship, premium quality, and iconic and exclusive designs. These have been ostensibly emphasized to be authentic, and reflect concomitant respect for artisans and the environment, that fosters values of both quality and sustainability. The appetite for luxury has increased manifold in recent years. Consumers' have shown a steep increase in the demands for luxury brands such as Louis Vuitton, Burberry, Gucci, and Prada, to name a few. Unlike previous decades when the market for luxury brands didn't exhibit high growth patterns—when such brands were mainly for the privileged few, the growth of current luxury market has been phenomenal, increasing from US \$317 billion in sales in 2015 to an expected sales of US\$328 billion by 2016 and projected growth of 9% annually by 2010 (Bain & Co. 2014).

Buying 'luxury (brands)' has become a mass-phenomena. Among many reasons, the vast reach of the contemporary advertising, digital advances, product placement via media and marketing channels, brand awareness, and constantly increasing social acceptance among peers has even boosted democratization of luxury. As a result, the craftsmanship has waned and (once) an exclusive designer handbag, jewelry, or a watch no longer serves the same purpose as before. Today owning a luxury brands does not transmit reliable information about its wearer's socioeconomic status or background. Unfortunately, the widespread notion that a luxury brand still symbolizes the same essence as it did years ago has only exacerbated its effects.

Among other changes in luxury industry in the past decade, the most prominent one is routine manufacturing of luxury fashion labels in China (Passariello 2011). European brands such as Burberry, Armani, Prada, and Dolce & Gabbana have shifted their manufacturing to factories in China in the last few years. These

factories do not necessarily classify as factories like Rana Plaza in Bangladesh (known for factory collapse); rather they are often equipped with technology based machinery to manufacture goods in order to achieve the craftsmanship that luxury brands often claim to be associated with (Bain 2015). Undoubtedly, the quality of luxury goods manufactured in (some) of these outsourced factories has remarkably improved and is getting better over time. Besides quality, overseas manufacturing process also gives an advantage to quickly respond to the exponential demands for luxury fashion products such as bags, scarves, sunglasses, watches etc. across the globe. What remains uncertain is whether consumers are aware of such changes, and whether it really matters to them or not? For instance, it is expected that consumers associate a luxury watch to be Swiss, expensive perfumes and cosmetics to be French, their cars to be German, and their designer clothing, handbags, and shoes to be from Italy or France. Paradoxically, if their handbag is not French, it may not hold the same reputation as it did before. So far, the literature on consumer behavior that looks into luxury consumption has explored various motivations and antecedents that explain purchase consumption toward luxury brands.

As consumers become more sensitive to their eco-consciousness about various products they buy and consumer on a regular basis, they have high expectations from the fashion companies, especially in the luxury industry, to use practices in running their business that are 'actually' eco-conscious. Brands that merely claim to be sustainable or eco-conscious are scrutinized by their followers and have received severe backlash. For instance, brands such as Burberry, Hugo Boss, and Ralph Lauren have been criticized enough recently for not being 'true' to be a sustainable brand as they claim to be in their social responsibility reports (Passariello 2011). Figure 1 shows some examples that were made public as a result of the above mentioned scrutiny.

With this background, this chapter is an attempt to initiate a discussion on sustainable luxury and see how it can change perceptions towards sustainable consumption among individuals. This chapter outlines a conceptual framework (see Fig. 2) that explores factors that influence perception on consumption of sustainable luxury. It is built upon the idea that luxury brands acts as a psychological meaning of self-expression and symbolic association that individuals aspire to create or maintain. The ultimate goal of this chapter is to explore whether consumers are increasingly becoming conscious of the adverse effects of the social, moral, and environmental imbalances created by luxury brands. The first portion of this chapter attempts to look into what we understand by 'sustainable luxury' and discussed various dimensions that help readers to expand their understanding of the same. Next, the theoretical background builds the foundation of this conceptual research. Following, the literature review examines previous research on motivations to buy luxury in general and specific to sustainable consumption of luxury brands. Finally, the chapter closes with a discussion of possible future research approaches and managerial implications as opportunities to develop marketing campaigns that adequately respond to consumers' values and motivations.

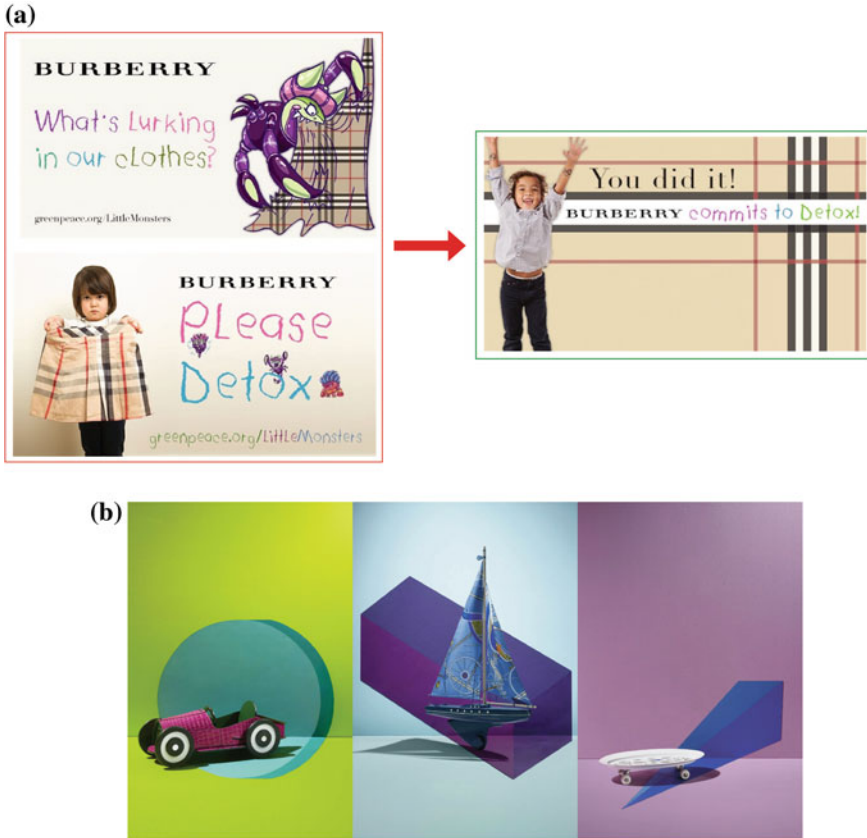


Fig. 1 a Burberry commits to toxic free clothing for kids by 2020. *Source* Greenpeace.org. b The petit h collection by Hermes: showcasing their eco-friendly upscale up-cycling efforts

1.1 Defining ‘Sustainable Luxury’

Sustainable consumption, in general is complex to understand simply because there are more than 50 definitions and circumscriptions of sustainability that exist (Faber et al. 2005). In line with the authors, each of these attempts to define sustainability from a perspective of either a marketer, an environmentalist, a sociologist, or an economist, to name a few—essentially pointing to the fact that it is discipline oriented. Keeping in mind the most accepted and versatile definition that addresses a need to “meet the needs of the present without compromising the ability of future generations to meet their needs” (WCED 1987, p. 43), we argue that it is important to take a holistic approach to integrate our understanding of ‘sustainability’ as a concept. Therefore, instead of proposing another definition, we treat it as a conceptual foundation that may have different interpretations depending on the

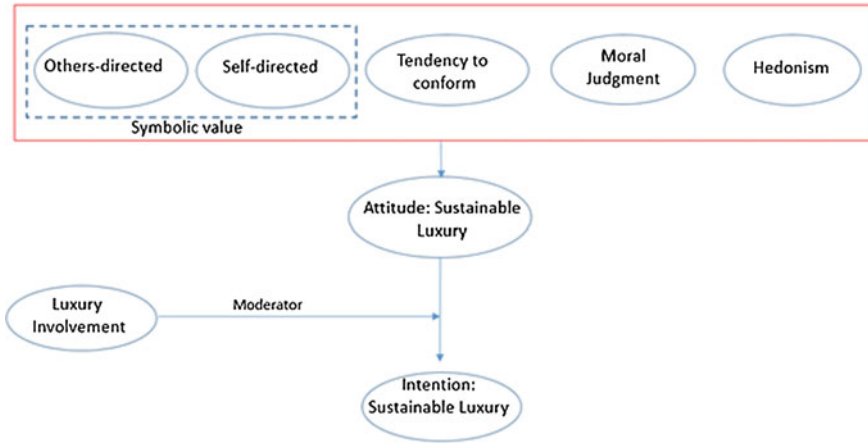


Fig. 2 Conceptual model

product/brand in question. Moreover, situational factors such as lack of information, lack of availability of sustainable options, high price points, simple and basic designs etc. may force individuals not to be inconsistent when making a purchase decision for a sustainable product (Dickson 2001; Shaw et al. 2006).

In an attempt to broaden the scope of ‘Sustainable’ luxury, there is a need to follow multidimensional approach encompassing three broad areas, often referred to as Triple Bottom Line concept (TBL) that underpins and reviews how luxury brands contribute to economic, environmental, and social impact to the society, not necessarily in that order (Gardetti 2011; Goworek et al. 2012). These three dimensions can be further broken down into: product transparency, packaging, raw material sourcing, production and manufacturing, reusability/recyclability, animal-friendliness, philanthropy and fair labor conditions—essentially pointing to an entire value chain in the luxury industry. Each of these dimensions should be considered equally critical to qualify a luxury brand as ‘sustainable’. For instance, luxury brands that scrutinize to ensure that they are using ethically sourced leathers and furs, providing a living wage to factory workers, and minimizing waste in the packaging process when sending the final products to the retail stores can be qualified to be considered as ‘sustainable’. On the other hand, a luxury brand that has been known for in-house manufacturing that recently moved majority of production overseas to meet high demand in the market may not qualify to be classified as ‘sustainable’. Adding to the lack of a clear understanding of sustainability, luxury and sustainable consumption are often looked as opposite concepts. For instance, sustainable consumption inherent ethically-grounded values of altruism, restraint, and moderation in contrast with luxury’s inherent hedonism, aestheticism, rarity, affluence, and at times superfluity (Carrier and Luetchford 2012). It is highly likely that consumers often fail to understand or simply ignore to address the relation between these two juxtaposed concepts. The potential confusion for

consumers to differentiate luxury and sustainable luxury rekindles interest in a key questions: how should ‘Sustainable luxury’ be defined? ‘Luxury’ and ‘Sustainable’ luxury has been looked upon as different concepts; more specifically as two extremes of a continuum. This is evidenced in recent study where individuals showed unfavorable responses for luxury products that were made from recycled materials (Achabou and Dekhili 2013). If these two concepts are looked as a continuum, then it is up to the individuals to judge whether they perceive luxury brands/products as either ‘luxury’ or ‘sustainable’. For instance, it is worth exploring whether they perceive a luxury automobile, expensive watches, clothing, perfumes, and accessories as ‘luxury’ or as ‘sustainable luxury’? Taking all these different perspectives in account, this chapters attempts to open the dialog to explore multi-disciplinary approach in understanding sustainable luxury from the mindset of a consumer. As consumers become increasingly concerned about products they buy and where they come from, an argument can be made that they should have same concerns about luxury products as well.

1.2 Sustainability in the Luxury Industry

Recent years have found that consumers are becoming increasingly aware of sustainable development and seek sustainable luxury products. With this change, luxury brands have also made structural decisions to include sustainable development as a theme in running their businesses. However a majority of the retailers have been criticized for not being sustainable. Studies find that the luxury industry is still behind other industries, as far as some stating that sustainable and luxury is incompatible (Kapferer 2010). For instance, diamonds mined from areas of conflict, has created a change in the jewelry industry (DeBeers 2009). Media has also reported instances of racial discrimination and Prada was exploited for using Chinese immigrants in Italian sweatshops (Davies et al. 2012). Although there have been numerous cases that identify unethical and unsustainable issues in luxury brands, very little laws and enforcement has been done to regulate the industry.

Studies find that luxury brands have both the opportunity and the responsibility to promote sustainable consumption. The trends in sustainable development will naturally evolve luxury brands and create a market for sustainable luxury products. While consumers are showing more interest in sustainable products and have altered their behaviors to be more sustainable, the industry has not seen change happening as radically, however, the luxury industry has already seen changes. For instance, Cartier is a member of the Responsible Jewelry Council, an organization provides certification that diamonds and gold used to make their jewelry comes from socially and environmentally stable areas (Achabou and Dekhili 2013). Ethical fashion shows have become a norm since 2004 and continue to be a big part of Fashion Week (Davies et al. 2012). In addition, a number of luxury brands have adopted recycling processes, even including a collection of accessories, origami, and keepsakes in their collection *Petit h* by Hermes using fabric scraps and seconds

from their workshops (Achabou and Dekhili 2013). As shown in Fig. 1, *Greenpeace's detox* campaign has driven luxury retailers such as including Burberry, Dolce and Gabbana, and Valentino to reduce and eventually eliminate the use of hazardous chemicals by 2020 (Chua 2014a, b). While some designers have incorporated a more sustainable approach in their manufacturing and sourcing, it has still not been an industry norm, as many do not consider it an obligation or duty to their customers. Overall, the key to successfully achieve 'sustainability' in luxury products is to make informed decision at the design stage, share proper information specifying the use of materials which are not toxic, proper labelling to name a few.

2 Theoretical Background

2.1 Theory of Impression Management

Modern luxury has become a medium of self-expression and often a way to impress others, especially for aspirational masses (Chandon et al. 2016). With this in mind, current research is grounded under the *Theory of Impression Management*, pointing to the fact that people are highly affected by their internal drive to create a favorable social image from their purchase behavior outcomes (Eagly and Chaiken 1993; Mandrik 1996). The notion 'to impress others' has been often the basic motivation behind consumption of luxury products as a way to pursue ideals and aspirational lifestyle. Numerous conceptual models and empirical studies on luxury brand consumption have pointed to the tendency of consumers to be associated with high social status, and identified as being fashionable, stylish (Ko and Megehee 2012).

2.2 Value-Attitude-Behavior Paradigm

This study is underpinned on the conceptual framework of value-attitude-behavior (V-A-B) model proposed by Homer and Kahle. Past research in sociology has frequently employed V-A-B model which implies that "the influence should theoretically flow from abstract values to mid-range attitudes to a specific behavior" (p. 638) indicating that values influence attitude, and attitude in turn influences behavior. Values are enduring beliefs that may affect individual's views and have been characterized as determinants of specific attitudes and outcome behavior. Ultimately, consumers buying behavior has been found to include values and motivations (Parsons and Shillis 1967).

Values lead a consumer to specific behaviors based on their beliefs; motivations lead a consumer to purchase based on the products ability to fulfill certain needs (Nwankwo et al. 2014). In recent years, the luxury fashion industry has seen a shift from an overindulgent, wasteful system to one that has included sustainability,

overcoming counterfeit products, poor labor standards and illegally sourced materials Hennigs et al. 2013). As consumers concern for sustainability has shifted, luxury brands have had to shift as well in order to maintain relevance (Hennigs et al. 2013). This study argues that as consumers become more conscientious about the environment by being more sustainable (recycling, fair trade, etc.) they expect luxury brands to do the same. Consequently, luxury brands awareness of the shift in consumer values should lead to a natural progression of sustainable luxury.

3 Conceptual Model

A sustainable consumer may reflect wider range of motivations that influence decision making; thus creating complexity in identifying various motivations with respect to sustainable luxury. This can be supported by the hierarchical structure of the decision making process—individuals may be driven either by functional (utilitarian) value or attributes of the products as a way to problem-solving, or by psychological, emotional, and social motivations (Reynolds and Olson 2001). Adding to the list of motivations, Shaw et al. (2006) refer to self-expression, aesthetic satisfaction, and group conformity as other potential motivations toward sustainable fashion products. In line with this, we propose a set of motivations including: symbolic value, tendency to conform, moral judgment, and hedonism that may be potential antecedents to attitudes and intentions for consumption of sustainable luxury. In addition, product involvement has often been cited to have an influence on purchase intentions. Therefore, we argue that luxury involvement will play a key role to understand intentions in the context of sustainable luxury. The proposed conceptual model is shown in Fig. 2.

3.1 *Determinants of Sustainable Luxury Consumption*

Numerous conceptual and empirical studies have examined the interaction of values, attitudes, goals, and motivations on behavior toward luxury brands and sustainability separately. Recent literature has started to highlight the need to focus on consumption of sustainable luxury (Achabou and Dekhili 2013; Steinhart et al. 2013; Lundblad and Davies 2015). Among handful of studies that have examined luxury with respect to sustainability, a recent research explored the extent to which consumers associate luxury brands with recycled material. In their examination, Achabou and Dekhili (2013) discovered the propensity of consumers to consider recycled material in luxury purchase. Unlike expected, the respondents indicated negative perceptions about luxury product made with recycled material. They further indicated that they didn't have any desire to buy 'sustainable' luxury as it is not perceived to have the exclusivity and prestige, irrespective of what brand it is. The findings from other studies are somewhat contradictory. For instance, Steinhart

et al. (2013) found positive reactions from consumers about luxury products that claim to benefit the environment either by reducing deforestation or global warming. This study proposes to examine the motivations that depict consumers' intentions to purchase 'sustainable luxury', which is an area that remain primarily unexplored, both conceptually and empirically.

3.2 Symbolic Value

It is well established that people make inferences about others based on product selection and usage, especially in public (Belk 1988). This becomes extremely relevant for luxury brands as they have strong symbolic associations to social status, power, prestige, affluence, and recognition to within a social context (Dubois and Laurent 1994). Symbolic value, the extent to which individuals attach psychological connections, in the context of sustainable luxury can be either 'self-directed'—as a way to reward themselves; or 'others-directed'—as a way to signal wealth, power, and social class of individuals (Shukla and Purani 2012). Based on findings from previous research on luxury consumption (e.g., Nwankwo et al. 2014; Shukla and Purani 2012; Wong and Ahuvia 1998), it can be argued that individuals that rely on luxury brands to create an impression on others are likely to violate sustainable consumption of luxury brands rather than actively engaging with them. This is supported by the findings from Xianchi and Fries (2008) that suggest that powerful individuals believe they have greater capacity to be resistant toward normative influence that makes them more likely to behave in socially-unacceptable ways. On the contrary, individuals who aspire for luxury brands as a way to reward themselves are likely to be open to have favorable attitudes and intentions to purchase sustainable luxury.

3.3 Tendency to Conform

In the modern society, individuals tend to adopt a mentality to conform to the social groups that share a common culture and opinions with a desire for public compliance or to gain social acceptance (Bearden and Rose 1990). People try to "keep up with the Joneses" with the social groups that they belong to and with those of a similar socio-economic stature (Seth et al. 2011). Though conformity may be somewhat synonymous to symbolic value, theoretically it is a related yet different concept in the context of luxury brands. Specifically, individuals may purchase luxury brands as a way to express their uniqueness instead of showing off their wealth and status or desire for public compliance (Amaldoss and Jain 2005). Previous studies indicate the need to maintain one's appearance and reputation in public creates an ever-escalating desire to purchase luxury brands. Riff (1989) has described conformity as a negative trait and suggested individuals need to have an

internal locus of evaluation, whereby one does not look to others for approval but evaluates oneself by personal standards. On the other hand, Smith (1985) considered the ability to conform to role expectations, keeping aside personal preferences, as a commitment to the society that signifies strength and maturity of the individual. Previous research suggests that individuals who have a high tendency to conform value luxury products more as they are publically consumed and have high visibility among one's social class; versus commodity or necessity products that are often used in private. In line with Achabou and Dekhili (2013), it can be argued that individuals who have high tendency to conform will likely to have favorable attitudes toward luxury, instead of 'sustainable' luxury.

3.4 Moral Judgment

The most basic human value or motivation is believed to aim at consumption optimal for one's and society's well-being, in that order. In our discussion, we include moral judgment, i.e., an ability to judge what's right and what's not, in the context of sustainable luxury consumption to be a critical factor in understanding the relationship between attitudes and intentions to behave. This is in line with previous studies that have looked into moral judgment in contexts other than luxury brands. These studies suggest that moral judgments indicate one's ecological and social awareness, as well as one's ability to rationally engage in performing actions that are responsible to the society (Furnham and Valgeirsson 2007; Green and Smith 2002; Nill and Shultz 1996). Tan (2002) suggested that moral judgment allows individuals to evaluate how far certain actions might be perceived as ethically acceptable. Furnham and Valgeirsson (2007) examined ethical judgments toward consumption of counterfeit luxury brands. In doing so they suggest that consumers with a high standard of moral judgment may perceive a higher risk associated with counterfeit consumption. Due to minimal research on ethics or moral judgment toward sustainable luxury, it is unclear whether existing literature on moral judgment would be applicable in the sustainable luxury context. We argue that this is an area that needs further exploration in the form of mixed methods to get a deeper understanding of the construct.

3.5 Hedonism

It has been well established that consumers are predisposed to consuming luxury products as they are associated with the belief that products bring a sense of joy, happiness. Luxury consumption is associated to carry an emotional value that provides an intangible benefit and intrinsic enjoyment (Vigneron and Johnson 2004). Moreover, since luxury products offer an excellent quality and deliver pleasure and sensory gratification to individuals, it is apparent that one's perceived

level of hedonism is related to positive perception of consumption of luxury brands. A large amount of literature on hedonism or hedonic value has mainly focused on consumption of luxury brands. However, it is yet to be explored whether availability of sustainable luxury provides similar experiential value. Due to scarce literature in this domain, a big question remain unanswered: can sustainable luxury provide its user the same level of experiential value?

3.6 Attitudes and Intentions Toward Sustainable Luxury

In the interest of exploring ‘Sustainable luxury’, it becomes important to understand what consumers think of it. By focusing on their relevant attitudes and related behavior such as disposal activities, purchasing choices, and transfer of ownership of products, useful insights can be helpful to identify policies and strategies to circulate sustainable luxury. Studies suggest that consumers are moving from ‘conspicuous’ consumption to a more ‘meaningful’ consumption model (Carr 2013). This so called “ethics era,” where consumers are looking for sustainable luxury products demonstrates that consumers have adapted their buying habits and have become aware of the effects that their purchase may have on the rest of the supply chain (Crane and Matten 2007; Davies et al. 2012; McGoldrick and Freestone 2008). Luxury consumers have also purchased more timeless styles that are of higher quality instead of purchasing trendier pieces as an attempt to purchase something that may address social and environmental concerns they may have (Kendall 2010).

In general, there has been a controversy in recent decades as marketers and consumers alike do not see the relationship between these seemingly different constructs. On one hand, luxury brands have acted upon consumers’ demands for products to be more sustainable finding that consumers reacted positively to sustainable luxury products. For instance, Gucci developed an eco-friendly handbag collection made from leathers that came from Rainforest Alliance Certified ranches (Ki and Kim 2016). In addition, Stella McCartney developed biodegradable materials that allowed them the ability to refrain using leather and fur. On the other hand, consumers have also reported negative attitudes toward luxury brands that are made of recycled materials (Achabou and Dekhili 2013). While there have been significant strides towards sustainable luxury on the manufacturers’ side, consumers ultimately have to make a decision to seek out sustainable luxury products.

3.7 Luxury Involvement

(Product) involvement has been studied since 1947 by psychologists, who identified involvement as the relationship between a stimulus either consciously or subconsciously being related to the ego (Sherif and Cantril 1947). Product involvement

indicates how consumers assign importance to product categories based on their inherent needs, values and interests (Bian and Moutinho 2011). Existing research suggests that product involvement plays an important role in shaping intentions to purchase in the decision making process. Subsequently, involvement is attributed to explain a large percentage of consumer purchasing behavior (Quester and Lim 2003). It is imperative to understand consumer product involvement, particularly with sustainable luxury products, to better understand consumers' intention to purchase these.

Previous research indicates that for consumers who have high involvement with brands, the decision process undergoes extensive stages of information search and criteria evaluation (Bian and Moutinho 2011). Owning luxury products has been identified as a manifestation of one's social self as consumers who own luxury products use them to communicate status, wealth, and in turn, both social and economic powers to those who see them (Beckham and Voyer 2014). As a result, consumers who display higher levels of (luxury) product involvement are more familiar with the brand image, characteristics of the products, and have an internal reference of the price (Lin 2013).

The study further suggests that consumers who purchase luxury products spend more time and effort to ensure that the products quality, features, and benefits align with their interests and expectations. As involvement with luxury products increase, consumers expect to have personal and symbolic gains to compensate for the high product price (Dubois and Duquesne 1993). Moreover, consumers who experience high involvement with luxury products establish close relationships with the brands including: brand satisfaction, trust, affective commitment, and loyalty (Choo et al. 2012). Quester and Lim (2003) also reported that high involvement with brands is a precondition to building loyalty for the brand. In a similar vein, consumers with high involvement with luxury products leads to customer equity (Kim et al. 2012). As a result, this equity benefits the luxury company; creating lifetime customers (those with high involvement) become the most profitable for the brand, increasing WOM, willingness to pay premiums, and repeat purchasing (Kim et al. 2012).

Considering the results from empirical studies on involvement construct mentioned above, it is our contention that luxury involvement will play a critical role in moderating the relationship between attitudes towards and intentions to purchase sustainable luxury. As consumers purchase luxury products regularly, they display positive attitudes towards luxury goods. Consumers who buy from luxury brands often expect to pay a premium for a high quality product; and as suggested throughout this chapter, there has been a shift in luxury consumers to purchase sustainable products. This attitude shift has created a new era in the luxury consumer. This so called "ethics era," where consumers are looking for sustainable luxury products demonstrates that consumers have adapted their buying habits and have become aware of the effects that their purchase may have on the rest of the supply chain (Crane and Matten 2007; Davies et al. 2012; McGoldrick and Freestone 2008).

4 Conclusion

Sustainability in regards to luxury has gained traction recently in press and fashion magazines; however, it is still a fairly new topic in the field of academia. It is evident that sustainability, along with innovation, are considered to be the biggest and most recent trends in the industry (Tutty 2016). As the awareness grows in the industry and among individuals, luxury industry cannot ignore the concerns in the TBL concept—including environmental impacts, human rights and wellness, and other social practices associated with their products. In view of identifying and understanding consumption of sustainable luxury on a broad level, the primary goal of this chapter was to establish a multidimensional framework to further the dialog regarding consumption behavior for sustainable luxury.

Although there have been moves to create a co-existence of luxury and “sustainability,” the industry needs to continue developing a sustainable luxury market. As consumers gain more interest in sustainable luxury, the industry needs to be ready provide a clear message about its benefits to individuals and society; and increase availability of sustainable luxury (Davies et al. 2012). For those luxury brands that employ more sustainable tactics will allow them to sustain brand differentiation and establish a lasting relationship with their customers (Achabou and Dekhili 2013). As indicated by the authors, consumers gaining interest in sustainable products coupled with high luxury involvement are likely to have a lasting relationship with these brands.

Luxury brands that become more sustainable will find that consumers can take part in the co-creation of a sustainable luxury brand; allowing them to have a sense of responsibility toward the environment and humankind in general. Luxury brands should shift their product offerings to encompass sustainable practices. Specifically, offering timeless cuts, durable products, and incorporating natural materials can entice both consumers seeking sustainable products as well as those who have not been exposed to sustainable luxury previously (Lundblad and Davies 2015). In addition, shifting luxury brand offerings to include repairing, recycling, and repurposing products will allow the consumers to see an extended usable life of the product and ultimately increase awareness of sustainable behavior (Lundblad and Davies 2015). Ultimately, consumers are willing to pay more for a product when they know that it was made under conditions that support the TBL concept, which will manifest into continued brand value and loyalty for the luxury brands (Kapferer 2010; Hennigs et al. 2013).

As with most consumer products, promoting and marketing consumption of sustainable luxury requires identifying key market segments, understanding the motivations and needs of each segment. Strategic efforts in spreading awareness could boost the speed with which people embrace sustainable luxury practices to become a new norm; however, it is up to luxury brands to act first and show their involvement in sustainable development for consumers to understand its merits. In brief, the industry needs to take an active stance in realizing its responsibility to lead sustainable efforts, as being ethical, and being seen to take concrete actions by

bringing institutional changes to engage its customer in accepting the co-existence of sustainable luxury.

There is no beauty in the finest cloth if it makes hunger and unhappiness

—Mahatma Gandhi

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