

# Anything Worth Doing: The Ambiguity of Values in Sustainable Luxury

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**Abstract** The 21st century is believed to be the rise of the ethical consumer who is concerned about a broad spectrum of issues ranging from the environment and animal welfare to societal concerns, including human rights. Ethical and environmental consumerism is regarded as a mainstream phenomenon in contemporary consumer culture related to all product categories and continues to build momentum around the world. Existing research finds evidence that even the average consumer prefers e.g., fair trade coffee and chocolate, organic cotton and cosmetics produced without animal testing. The ethical buyer, who is “*shopping for a better world*”, is increasingly concerned about the consequences of consumption and “*intends to make certain consumption choices due to personal and moral beliefs and values*”. Since the consumption of luxury provides the possibility to *express the deepest values*, there appears to be a close association to the concept of ethical consumerism. Nevertheless, a critical perspective on the economic reality supports the assumption that there exists an enormous gap between articulated individual values and behavioral intention and actual shopping behavior. Against this backdrop, the following key question has arisen: *Is the ethical consumer little more than a myth?* To shed light on this important question with special focus on the luxury market, in our paper, we investigate the relationship between (a) the set of core values and norms guiding consumer behavior defined as “*desirable goals, varying in importance, that serve as guiding principles in peoples’ lives*” (Schwartz in J Soc Issues 50(4):19–45, 1994, p. 21) with special focus on environmental orientation on the one hand and (b) dimensions of customer perceived value understood as the “*consumer’s overall assessment of the utility of a product (or service) based on perceptions of what is received and what is given*” (Zeithaml in J Mark 52(3):2–22, 1988, p. 14) on the other hand. We suggest that customers’ general ethical and environmental orientation is translated into actual consumer behavior as represented by the demand for sustainable excellence in all business practices. Only if

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consumers perceive superior value reflected in all respects of a certain brand or product, they are willing to bridge the gap between basic ethical value orientation and actual ethical consumption.

**Keywords** Environmental value orientation · Customer perceived value · Sustainability excellence · Luxury industry

## 1 Introduction

The issue of sustainability is one of the central challenges for all countries in the world and for companies in their production processes. The continuous population growth and rapid economic development demand innovative environmental and ethical solutions from both businesses and governments. With reference to the luxury industry, the concepts of luxury and sustainability, however, appear at first glance in contrasting relationship: While luxury is often associated with superficial pomp and extravagance, sustainability addresses responsible consumption, social justice and the protection of natural resources (Pascaud 2011; Brundtland 1987). In this context, luxury companies have been criticized for risky working conditions, local river pollution, deforestation, sourcing of blood diamonds and the use of hazardous chemicals what negatively impacts upon corporate reputation and brand image (Kapferer and Michaut 2015; Sarasin 2012; Konietzko et al. 2014). The consideration of sustainability is therefore an important aspect in order to ensure the survival of the brand and a long-term competitive advantage (Girón 2014; Kapferer 2015).

Reasoning that luxury consumers typically belong to a wealthy, cultured global elite that has increasing interest in the environment and society (Bendell and Kleanthous 2007), they “*want the brands they use to reflect their concerns and aspirations for a better world*” (Bendell and Kleanthous 2007, p. 5). As the consumption of luxury provides the possibility to express one’s deepest values (Belk 1988; Jenkins 2004), there appears to be a close association of luxury to the concept of ethical and environmental consumerism. The ethical buyer demands products that meet his/her moral principles and boycotts companies involved in unethical practices (e.g., Barnett et al. 2005; Muncy and Vitell 1992). Expecting “*convincing answers to questions of environmental and social responsibility*” (Bendell and Kleanthous 2007, p. 8), consumers either reward or punish companies that stress or ignore the importance of social and environmental excellence (Grail Research 2010).

A critical perspective on the economic reality has led to the discussion if the ethical consumer is nothing more than a myth (e.g., Carrigan and Attalla 2001; Devinney et al. 2010). Global consumers tend to turn a blind eye to political and ethical malpractices of their favorite brands (BBC 2002) and believe the government, the market, companies or the overall system to be responsible for sustainability practices—not themselves (Devinney et al. 2010). Reflecting the enormous gap between articulated individual environmental values and actual shopping behavior, the present chapter investigates the relationship between

- a. the set of core values and norms guiding consumer behavior defined as “*desirable goals, varying in importance, that serve as guiding principles in peoples’ lives*” (Schwartz 1994, p. 21) with special focus on environmental orientation on the one hand and
- b. dimensions of customer perceived value understood as the “*consumer’s overall assessment of the utility of a product (or service) based on perceptions of what is received and what is given*” (Zeithaml 1988, p. 14) on the other hand.

We suggest that customers’ general ethical and environmental orientation is translated into actual consumer behavior as represented by the demand for sustainable excellence in all business practices. Only if consumers perceive superior value reflected in all respects of a certain brand or product, they are willing to bridge the gap between basic ethical value orientation and actual ethical consumption.

The chapter is organized as follows: In the next paragraph, the theoretical background of the concept of environmental orientation and luxury value perception will be presented. After that, a taxonomy of value-based environmental orientation is discussed that links egoistic, altruistic and biospheric environmental orientation with the four dimensions of luxury value perception. This model is used for the evaluation of business practice in terms of sustainability excellence in the perspective of the customer. Finally, the chapter concludes with a discussion of next research steps and managerial implications to help managers in the luxury industry improve the efficiency and effectiveness of their sustainability practices.

## 2 Theoretical Background

### 2.1 Environmental Value Orientation

Usually defined as abstract standards and goals with the ability to shape human lives, value orientation has been reported to be one of the most influential factors for the description and prediction of human environmental beliefs and behavior (Howard and Woodside 1984; Pitts and Woodside 1984; Rokeach 1973; Richins and Dawson 1992; McCarty and Shrum 1994). Values are “*centrally held, enduring beliefs which guide actions and judgments across specific situations and beyond immediate goals to more ultimate end-states of existence*” (Rokeach 1968, p. 161). Similar to the definition of Schwartz (1994) reflecting on values as guiding principles in peoples live, both definitions clearly illustrate that values go beyond the evaluation of specific objects or situations. Rather, they embody value specific modes of conduct and end states of existence (enduring goals in life). Accordingly, consumers’ specific value system serves as a basis of individual behavior, the emergence of needs as well as of the formation of attitudes toward certain objects (Rokeach 1968).

The “[...] inevitability of “limits to growth,” the necessity of achieving a “steady-state” economy, the importance of preserving the “balance of nature,” and the need to reject the anthropocentric notion that nature exists solely for human use” (Dunlap and Van Liere 1978, p. 10) clearly describes the emergence of a new world view, in which the necessity of environmental protection and the reduction of degradation is of great importance along with a higher environmental concern and awareness—The New Environmental Paradigm (Dunlap and Van Liere 1978). Furthermore, environmental problems “in which self-interest choice is detrimental to shared resources in the environment and environmentally cooperative choice is beneficial to the environment” (Cho 2012, p. 22) is often considered as a social dilemma (Dawes 1980; Parks 1994; Steg 2003). As social beings, humans are often required to make decision whose consequences are not confined to oneself, but—as an essence of social interdependence (McClintock and Allison 1989)—affects the welfare of those around them (Messick and Brewer 1983; Cho 2012). In challenging phases of social conflicts—and the continuum between acting to one’s own interests or the best interest of a reference group (Dawes 1980; Messick and Brewer 1983; Geller 1995; Parks 1994; Steg 2003)—altruism serves as a basis to “value outcomes that benefit others and can be motivated to act to prevent harm to other” (Stern et al. 1993, p. 324). By treating environmentalism as a form of altruism, pro-environmental behavior can occur as a secondary effect due to arising concerns regarding the welfare of other human beings (Stern et al. 1993). In everyday life, humans face numerous conflicting situations and take decisions, which could possibly have positive consequences for themselves but negative consequences for the environment and the society at the same time. To encourage consumers’ ethical and environmental behavior, with regard to luxury consumption in particular, it is important to gain a deeper insight into specific value orientations which may influence their perception about products and behaviors and their willingness to act in a pro-environmental and pro-social manner.

## **2.2 Customer Perceived Value and Sustainability Excellence in the Luxury Industry**

Understood as the responsible and efficient use of resources as well as the consideration of ethical values in the form of social justice, intergenerational responsibility and the observance of human rights (Fien and Tilbury 2002; Girón 2014; Kapferer 2010), sustainability and ethics in the value chain preserve a company’s legitimacy and prevents from reputation threats (Cervellon and Wernerfelt 2012; Bhaduri and Ha-Brookshire 2011; Sarasin 2012). Once associated with “*indulgence, extravagance, sheer look-at-me bling—the antithesis of responsibility*” (Simpson 2012), the luxury industry has started to addresses various dimensions of

deeper value embodied in the companies' core business and reflected in the sourcing, manufacturing, marketing and distribution of luxury brands. With regard to consumption values that directly explain how consumers evaluate luxury brands and why they choose to buy or avoid them (Sheth et al. 1991), sustainability excellence is driven by the customer's subjective expectations and individual perceptions of luxury value. Based on the core elements of luxury value as proposed by Wiedmann et al. (2007, 2009) and the sustainability diamond of Hennigs et al. (2013), the key dimensions of value-based social and environmental excellence as perceived by the consumer can be specified as follows:

*Financial Value:* Addressing direct monetary aspects of a product such as the price and the resale price of the product, the discount or the investment made, luxury goods are generally associated with a premium price and a limited demand. The exclusivity and uniqueness of luxury products implies that fewer products are produced compared to mass market production and thus fewer resources are used (Kapferer 2010; Hennigs et al. 2013). Moreover, consumers often consider the purchase of luxury goods as a long term investment and since luxury goods have a long-lasting value, the possibility of resale at a secondhand (vintage) market exists (Bastien and Kapferer 2013; Kapferer 2010).

*Functional Value:* An important characteristic of luxury brands is the consistent premium quality and the long-term life of the products (Nueno and Quelch 1998; Blevis et al. 2007; Lim et al. 2012). Because durability is a core aspect of luxury and sustainability, the longevity reflects the important relationship of the luxury concept with sustainability excellence (Kapferer 2010; Hennigs et al. 2013). As stated above, the appreciation of a luxury product increases when it is perceived as rare and unique. Given that luxury products often rely on rare materials such as precious pearls or unique skins and leather, the luxury industry is highly dependent on preserving the earth's resources. Besides, craftsmanship, tailor-made and hand-made products differentiate luxury from mass production. Therefore, the entire supply chain has to be included in a promising sustainability strategy and refrain from the exploitation of workers in low-wage countries.

*Individual Value:* Focusing on the customer's identity, hedonistic and materialistic values, the ethical orientation of the consumer has a direct impact on the purchasing behavior (Tsai 2005; De Pelsmacker et al. 2005). In this sense, individuals who identify with the group of green consumers express their interest in environmental and social consumption. As consumers use brands to reflect their own concerns and aspirations (Bendell and Kleanthous 2007), they expect convincing information about the brand's environmental and social responsibility (Grail Research 2010).

*Social Value:* Considering that consumers use the symbolic meaning of brands to reveal their identity and their social status within society (Sarasin 2012; Husic and Cacic 2009), more ethical oriented consumers are expected to think not only about the effect a purchase has on themselves with reference to their social group(s), but also on the world around them (Harrison et al. 2005; Davies et al. 2012). Modern

customers are more concerned about sourcing practices and working conditions in the country of manufacture and demand that luxury brand companies improve environmental and social standards (Davies et al. 2012; Cervellon and Wernerfeldt 2012; Sarasin 2012).

In an attempt to combine both research streams, customers' general ethical and environmental value orientation on the one hand and customer perceived value reflected in all respects of a certain brand or product on the other hand, the following paragraph presents a taxonomy that forms the basis of the assessment of value-based environmental orientation.

### **3 A Taxonomy of Value-Based Environmental Orientation**

The current paper specifically addresses the gap within existing literature on the nature of individual environmental value orientation combined with customer perceived value of sustainable luxury. Having reviewed the literature on what constitutes a luxury brand, greater attention is now required on how consumers' perception of luxury differs based on their individual value orientation. Accordingly, there is a need for a taxonomy, which classifies different consumers with reference to their environmental value orientation, and equally considers their perception of luxury as an important classification scheme. To reach this goal, the theories used for the classification will be represented to subsequently interlink and describe their characteristics.

#### ***3.1 Dimensions of Environmental Value Orientation***

The values hold by an individual are thought to be a motivating force for the perception of one's environment as well as for specific decisions to engage in pro-environmental behaviors (De Groot and Steg 2008; Dietz et al. 2005). Several theories have categorized environmental values in different ways. Thompson and Barton (1994) for example distinguish between two value systems that significantly influence environmentally responsible behavior. Ecocentrism has its focus on intrinsic values of the ecosystem, whereas anthropocentric individuals' belief that humans wellbeing is a major importance and represents a main reason for environmental protection. In the current paper, we rely on the theory of Stern et al. (1993) which is based on Schwartz's (1977) theory of altruism. Since human behavior is not exclusively explained and predicted by altruistic orientations and individuals consider the consequences of their behavior for themselves as well as for nature, Stern et al. (1993) distinguish between three different types of value orientation:

1. The *altruistic value orientation* is about “concern for the welfare of other human beings” (Stern et al. 1993, p. 326).
2. The *biospheric value orientation* focuses on “concern with nonhuman species and the biosphere” (Stern et al. 1993, p. 326).
3. The *egoistic value orientation* addresses environmental protection as humans’ self-interest.

### 3.2 Dimensions of Sustainability Value Perception

As stated above, customer perceived value generally combines functional, economic, emotional value and social aspects of a product (or service) (Sheth et al. 1991; Smith and Colgate 2007; Sweeney and Soutar 2001). With special focus on the performance of luxury brands and products, the financial, functional, individual and social dimension of luxury value constitute the customer’s evaluation (Wiedmann et al. 2007, 2009). While the *financial value* refers to direct monetary aspects expressed in dollars and cents that one is willing to spend to obtain a product (e.g., value for money, price, discount) (Ahtola 1984; Monroe and Krishnan 1985), the *functional value* addresses basic utilities and benefits such as quality, uniqueness, usability, reliability, and durability (Sheth et al. 1991). In contrast to that, the *individual value* focuses on the arousal of affective states such as enjoyment, amusement and happiness, whereas the *social value* represents the human desire for social recognition, status and prestige and the willingness to impress their social group and to meet reference group-related expectations. In line with Hennigs et al. (2013), the aforementioned dimensions of luxury value form the customer’s subjective expectations and individual perceptions of sustainability excellence in luxury brand management.

The taxonomy as presented in Table 1 combines both types of values (individual value vs. product/brand-related value perception) and forms the basis for the empirical application to the context of sustainable luxury in the next paragraph.

Given the widespread use of values in marketing research to understand beliefs, attitudes, motives and behaviors, the current taxonomy examines the role of values as a determinant of customer perceived sustainability excellence of luxury products as well as internal driver of environmentally conscious behavior. We assume that, based on their different manifestation of values (environmental orientation), consumers differ in their perception of luxury in general and the sustainable augmentation of luxury products in particular.

**Table 1** Taxonomy of values

|                             | Egoistic value orientation   | Altruistic value orientation   | Biospheric value orientation   |
|-----------------------------|--|--|--|
| Financial value perception  | <ul style="list-style-type: none"> <li>• Rarity leads to rising values of luxury products</li> </ul>   | <ul style="list-style-type: none"> <li>• High pollution costs for the whole society/humanity</li> </ul>  | <ul style="list-style-type: none"> <li>• Nature as a cultural capital of a country</li> </ul>  |
| Functional value perception | <ul style="list-style-type: none"> <li>• Uniqueness</li> <li>• Improvement of durability</li> <li>• Health benefits of fair trade and organic products</li> <li>• Enhanced quality of life</li> </ul>  | <ul style="list-style-type: none"> <li>• Threats to health for society</li> <li>• Enhanced quality of life for societal members</li> </ul>   | <ul style="list-style-type: none"> <li>• Climate change</li> <li>• Extinction of animal and plant species</li> <li>• Destruction of Nature</li> <li>• Quality of life</li> </ul> |
| Individual value perception | <ul style="list-style-type: none"> <li>• Nature provides pleasure and recreation</li> </ul>  | <ul style="list-style-type: none"> <li>• Satisfaction/Happiness from making others happy/Sharing Happiness and by enhancing societal well-being</li> <li>• Philanthropy</li> </ul> | <ul style="list-style-type: none"> <li>• Maintaining diversity of animal and plant life</li> <li>• Promoting welfare of the planet</li> <li>• Autarky</li> </ul>                 |
| Social value perception     | <ul style="list-style-type: none"> <li>• Good standing, when considered as sustainable</li> <li>• Being part of a movement (veganism, new religions)</li> <li>• Standing out from the crowd</li> </ul> | <ul style="list-style-type: none"> <li>• Avoiding exploitation</li> <li>• Preference for fair trade/no child labor</li> <li>• Thinking of future generations</li> </ul>            | <ul style="list-style-type: none"> <li>• Protecting animals</li> <li>• Standing out from the crowd</li> <li>• Being part of a movement</li> </ul>                                |

## 4 Empirical Application to the Context of Sustainable Luxury

### 4.1 The Value of Egoistic Environmental Orientation

Consumers with a strong egoistic tendency are primarily focused on their own advantage and wellbeing. Nevertheless, even this group of consumers may express concern for sustainability related issues, particularly when their own lives are affected or high costs occur to themselves (Pereira and Forster 2015). Their personality is characterized by authority, social power, wealth and being influential (Roobottom 2004). The increased (monetary) value of sustainable luxury products represents one aspect of customers' perceived financial value. As “*luxury value is based on its objective rarity—rare skins, rare leathers, rare pearls, rare materials, rare craftsmanship*” (Kapferer 2010, p. 41), the success of luxury is dependent on the sustainability of its resources, showing that the concepts of luxury and sustainability go hand in hand. The high price of rare materials and luxury products have a positive role in determining high quality



(Wiedmann et al. 2007) and as high quality materials are perceived as long lasting and durable, sustainable luxury products increase in value over time. Thus, the rarity and scarcity of resources and luxury products enhance the product value (Lynn 1991), whereby serving as a long-term benefit for selfish individuals.

The egoistic orientation has even an impact on the perception of a products functional value. The aforementioned rarity and scarcity, which is related to the uniqueness of a product, as well as the quality and durability of luxury products and brands, contribute to an increased value creation of luxury goods over time.

Even though, organic and fair trade products share characteristics of luxury goods (Campbell and Li 2003; Schmidt et al. 2016), quite diverse reasons for their consumption exist. The personal benefits derived from the consumption of sustainable products are of great importance for egoistic consumers. Among these are the increased personal health benefits of organic products (Botonaki et al. 2006; Chryssohoidis and Krystallis 2005; Harper and Makatouni 2002), the perceived safety of organic farming (Kouba 2003; Sangkumchaliang and Huang 2012), the absence of harmful chemical fertilizer and the believe to have a higher nutritional value (Tregear et al. 1994; Baker et al. 2004; Pino et al. 2012; Squires et al. 2001; Lea and Worsley 2005). Hence, all this factors increase the personal well-being and quality of life of the consumer (Schifferstein and Ophuis 1998; Williams and Hammitt 2001; Zanolli and Naspetti 2002) and lead to the satisfaction of egoistic motives.

Similar aspects account for individual values ascribed to a product, since recreational activities such as tourism, contributes to perceived hedonistic values of the natural environment. Nevertheless, even if recreational behaviors (e.g., snow-mobiles, jet skis) increase the pleasure-seeking perspective of egoistic consumers, there is a simultaneous destruction of the natural environment (Schultz 2002). As egoistic consumers would “[...] *oppose protection of the environment if the personal costs are perceived as high*” (Stern and Dietz 1994, p. 70), the loss of nature and wildlife as a recreational area entails high costs as well and enhances its perceived value and individual conservation efforts.

Considering the social status and the need of admiration the social value plays a crucial role in shaping preference for a specific product. Hence, the usage of sustainable luxury products may have a positive influence on the societal status of its buyer and serves moreover as a communicator of altruism and pro-environmental behavior—as a strategy of forming good impressions (Griskevicius et al. 2010; Coste-Manière et al. 2016). Additionally, consumer demand for socially and environmentally friendly products is motivated by the need of being part of a movement (see Fig. 1) or a specific lifestyle (just for the sense of belonging), such as in the case of a veganism.

## 4.2 The Value of Altruistic Environmental Orientation

Consumers with strong social-altruistic values judge environmental issues on the basis of costs to or benefits for other people: specific individuals such as family and friends, a neighborhood or community, a social network, a country, future



**Fig. 1** Egoistic orientation in luxury product advertising: the desire to be appreciated. Sources [http://38.media.tumblr.com/tumblr\\_m84xucpMDy1qc1vog.png](http://38.media.tumblr.com/tumblr_m84xucpMDy1qc1vog.png); [http://nadechedezwart.com/wp-content/up-oads/2015/05/11191616\\_428636800641370\\_2081907089\\_n.jpg](http://nadechedezwart.com/wp-content/up-oads/2015/05/11191616_428636800641370_2081907089_n.jpg)

generations, or the humanity in general (Stern et al. 1993). As they focus on people other than self and perceive themselves as interconnected with others, they are driven by the desire to gain rewards or to avoid harmful consequence for others (Schultz 2000). Against this backdrop, altruism can be defined as a behavioral disposition that is aimed at the personal wellbeing of others, treating others fairly and maximizing others' benefits (Van Lange 2000)—regardless of demographic, biological, or personal characteristics (Corral-Verdugo et al. 2010). In the context of sustainability, altruism supports pro-environmental behaviors and promotes happiness (Corral-Verdugo et al. 2011). Driven by a “warm glow of giving” (Andreoni 1989, 1990; Boyce et al. 1992; Menges 2003; Nunes and Schokkaert 2003), social-altruistic consumers receive personal satisfaction and experience a feeling of well-being when acting environmentally conscious, protecting other individuals and thus contributing to the improvement of the common good environment (Ritov and Kahnemann 1997). Those actions aim at conditions that allow an equitable access to the use of natural resources (Ehrlich and Ehrlich 2004), moderate consumption of natural resources (De Young 1996; Iwata 2001), and assistance of others in need (Pol 2002).

In detail, altruistic environmental orientation focuses e.g., on effects of polluted air and polluted water on public health because it harms people all over the earth and reduces the quality of life for everyone, even for future generations. Moreover, social and ethical issues arising from poor labor standards, the use of sweatshops and child labor are in the focus of altruistic consumers' attention. Here, to preserve the rights and health of employees, codes of conduct for companies and their suppliers are of particular importance. In a luxury context, the mining of precious metals and stones and the use of blood diamonds to fund conflicts in Africa has been widely discussed. To reinforce consumer confidence in diamond, gold and platinum metals, the jewelry industry has set up an organization called the Responsible Jewellery Council (RJC). Certified membership aims to demonstrate the commitment to ethical, social, environmental, and human rights practices within the jewelry supply chain.

In sum, leading luxury brands (e.g., *Bulgari* supporting *Save the Children* or *Armani's Acqua for Life* charity campaign) have understood the importance of



**Fig. 2** Altruistic orientation in luxury product advertising: the desire to benefit others. Sources <http://www.patek.com/en/communication/news/product-advertising>; <http://www.luxurydaily.com/giorgio-armani-supports-unicef-tap-project-with-app/armani-3-420/>

philanthropic or altruistic efforts as a powerful competitive differentiator and are more likely to align with the core values of increasingly critical customers (see Fig. 2). As a consequence, altruistic consumers are more likely to recommend and buy (even for a premium price) products or services from luxury brands that participate in philanthropic efforts, whereas brands that seem altruistically irresponsible are not trusted or even boycotted (American Express Publishing’s Luxury Summit 2012). Even if corporate sustainability actions are often claimed to be green-washing, it has to be stated that their ethical actions serve as a role model in the industry and in the customer perspective. Referring to the example of *Armani’s Acqua for Life* program, over 880 million liters of clean water have been generated since the project started in 2011 ([www.acquaforlife.org](http://www.acquaforlife.org)).

### 4.3 The Value of Biospheric Environmental Orientation

Despite egoistic and altruistic oriented consumers, whose aim for acting sustainably is the human welfare (either for themselves or other human beings), biospheric oriented individuals are concerned of the ecosystem and the biosphere as a whole (De Groot and Steg 2009). From a financial perspective, the cultural and natural heritage of a country is of high value and humans have the responsibility to protect them. The ideology of biospheric oriented consumers is often related with a frugal or simple lifestyle in which the conservation of natural resources is supported through the avoidance of unnecessary buying, expending and wasting of resources (De Young 1991). Functional benefits of their preferred products and brands result from the avoidance of environmental change and destruction of nature as well as the conservation of animal and plant species during the production and consumption process of products or even travel experiences (Radder and Han 2015). Hence,

biospheric consumers pay high attention to the social and environmental augmentation of specific products and brands and are highly engaged in actions for environmental protection (Van der Werff et al. 2013).

Feeling as a part of the broader natural world fulfills the individual and emotional needs of biospheric consumers, which goes along with a high quality of life and is strongly related to ecological behavior and anti-consumerism (Mayer and Frantz 2004). Since individuals “[...] view themselves as belonging to the natural world as much as it belongs to them” (Schultz 2002, p. 67) empathic reactions towards nature as well as the willingness to help increases as a result of perceived relationship closeness (Cialdini et al. 1997). Through connectedness to nature “*the self is expanded to include the natural world, behavior leading to destruction of this world will be experienced as self-destruction*” (Roszak 1995, p. 504). Further, perceived individual values from nature connectedness and a biospheric oriented value system and ideology is the experienced well-being and overall life satisfaction (Mayer and Frantz 2004; Howell et al. 2011), among others characterized by autonomy, personal growth and positive relatedness (Capaldi et al. 2014).

By choosing sustainable product alternatives, consumers satisfy their social need for an entirely protected biospheric system and simultaneously fulfill their necessity to belong to the broader natural world and to feel like a valued member of a community (Kellert and Wilson 1993; Myers 2000). At the same time, biospheric consumers want to stand out from the crowd and demonstrate their exclusiveness by their autonomy and partially self-sufficient lifestyle. They feel as being part of a



**Fig. 3** Biospheric orientation in luxury product advertising: the desire to protect natural beauty. Source <http://www.iwc.com/en/help-protect-the-galapagos-islands/>

movement where luxury means to free themselves from the system and to live a life in harmony and unity with nature.<sup>1</sup> Hence, biospheric consumers would choose products and brands that reflect their connectedness to the entire biospheric system even if they tend to avoid overconsumption. Consumers are more likely to buy brands that meet their expectations connected to their very specific lifestyle and worldview and enhance the welfare of all living organisms in the world. The watch manufacturer *IWC Schaffhausen* for example is part of the *Charles Darwin Membership Program* which scientifically explores the fragile Galapagos biotope and supports the conservation of the stunning world natural heritage. As a program partner, they created a luxurious chronograph called *Galapagos Island* (see Fig. 3).

## 5 Conclusion

Against the backdrop of serious challenges such as counterfeiting, fast fashion, the democratization of luxury as well as increasingly conscientious consumers, luxury marketers have to accept sustainability excellence as a fundamental market responsibility. The focus of this chapter was on the value-based assessment of sustainability in the luxury industry. To empirically assess the relationship between environmental orientation and customer value perception, a taxonomy has been presented and explained against the backdrop of luxury consumption. Consideration of sustainability is a value-driving aspect that impacts upon the customer buying decision: Consumers increasingly demand environmental-friendly and socially responsible products and perceive that particular luxury companies as pioneers and trendsetters hold the responsibility to use their high profits for implementing sustainability in all aspects of the value chain.

As discussed in this chapter, consumers evaluate the sustainability performance of luxury brands based on financial, functional, individual, and social components and in line with their individual environmental value orientation: egoistic, altruistic or biospheric. To verify that the luxury industry's commitment to sustainability is far more than hypocrisy and a sheer response to outside pressure, each management decision has to be reflected from the customer's perspective and the value that consumers attach to the multifaceted product attributes.

In this context, it has to be stated that the perception of luxury goods and products is situational contingent and depends on consumer specific needs and experiences (Wiedmann et al. 2007). Therefore, the assessment of the depth and sincerity of sustainability initiatives has to be regarded from an individual and cultural value perspective. It has been shown in accordance to post-materialism theory that environmental concern increases as societies grow more prosperous

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<sup>1</sup>The *Free and Real* project serves as an example for this kind of lifestyle. Their *«Telaiathrion Project»* hopes to put in actual perspective, that a self-sufficient sustainable society that is based on true incentives and selfless giving, can exist, and that can be applied to practice in everyday life, and that even if the entire culture of humanity adopted it could flourish. (Free and Real, n.d.).

(Inglehart 1995; Franzen and Meyer 2010). Consumers in wealthier nations are more willing to engage in global environment protection as compared to individuals that face pressing economic problems. In consequence, based on the taxonomy as presented in this chapter, cross-cultural studies focusing on the individual value orientation and the evaluation of the sustainability performance of luxury brands are a key challenge and useful direction for further research.

We make a living by what we get, but we make a life by what we give.  
Winston Churchill

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