

**A COMPARISON OF PERCEPTIONS OF LUXURY:
THE CASE OF FINLAND AND THE UK**

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ABSTRACT

Vigneron and Johnson (2004) developed a Brand Luxury Index (BLI) scale using data collected from students in Australia. In theory, the BLI makes it possible to compare the perceptions of luxury brands between different nationalities. This paper attempts to compare the perceptions of four different luxury brands in Finland and the UK. The results of the study found that there were significant differences in terms of the perception of luxury brands between the Finnish and British samples. We conclude that the BLI scale needs to undergo evaluation in different contexts. Further, cultural factors may play an underestimated and important role in the influence of consumers' perceptions of luxury brands. Further research might investigate the validity and reliability of the BLI framework and the possibility of developing country and product specific BLI style scales.

KEYWORDS: Luxury, Consumer Behavior, Brand Management

INTRODUCTION

The objective of the Vigneron and Johnson (2004) Brand Luxury Index (BLI) was to empirically develop a conceptual framework for perceptions of luxury brands and a scale for the measurement of these perceptions of luxury. The researchers (Vigneron and Johnson, 2004, p.485) described the semantic differential scale as a measure of the “degree of luxuriousness” that would “*allow an estimate to be made of the amount of perceived luxury of a luxury brand.*” This has important implications for luxury brand management as underlined by Kim and Johnson (2015, p.430), “*Consumers must believe that a prestige brand embodies luxuriousness because it is the psychological benefits that compensate for the high prices characterizing prestige brands, particularly in recessionary times.*”

This also has particular relevance if we accept that there are different levels of luxury. De Barnier et al. (2012) distinguish between accessible, intermediate and inaccessible luxury. Moreover, it is argued that the overexposure of many luxury brands can potentially lead to the commoditization of luxury (Makkar et al., 2014). For example, many luxury brands have integrated lower-cost products into their range, notably accessories. Further, the development of entry-level luxury brands or diffusion brands allow a wider range of customers to access the brand.

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The democratization of luxury is indeed a global phenomenon as observed by Atwal and Bryson (2017, p.38), “*International luxury brands in China and India face the dilemmas of accessing new consumers, capitalizing on new distribution and communication channels, while at the same time maintaining the overall exclusivity of the brand itself.*”

In the BLI framework, Vigneron and Johnson (2004) distinguish personal and non-personal perceptions that are strongly correlated. Non-personal perceptions consist of perceptions of conspicuousness, uniqueness, and quality, while personal perceptions are perceptions of hedonism and extended-self. Their scale development was based on data collected from an Australian sample of students and had been validated and shown to be highly reliable by the original developers.

RESEARCH OBJECTIVES

The overall objective of this cross-cultural research study was to compare the perceptions of four luxury brands (Rolls Royce, Louis Vuitton, Giorgio Armani and Rolex) between samples from Finland and the UK. We chose the UK due to its cultural similarity to Australia and Finland to its dissimilarity. The original BLI scale that was developed by Vigneron and Johnson (2004) was used to measure perceptions of luxuriousness along five dimensions, and globally with the entire index. Thus, the following propositions were set:

- P1:** The perception of conspicuousness is not the same in Finland as in the UK,
- P2:** The perception of uniqueness is not the same in Finland as in the UK,
- P3:** The perception of quality is not the same in Finland as in the UK,
- P4:** The perception of hedonism is not the same in Finland as in the UK,
- P5:** The perception of extended-self is not the same in Finland as in the UK, and
- P6:** The overall perception of luxuriousness is not the same in Finland as in the UK.

THEORETICAL BACKGROUND

It is widely acknowledged that the defining characteristics of a luxury brand are significantly different and unique compared to non-luxury brands. Vickers and Renand (2003) suggest that luxury and non-luxury goods can be differentiated according to functional, experiential and interactional symbolic dimensions. A similar interpretation has been given by Chevalier and Mazzalovo (2008, p.viii) who suggests that a luxury brand “*is one that is selective and exclusive, and which has an additional creative and emotional value for the consumer.*” Given this background, the perception of luxury is an important aspect to understand consumer behavior and thereby the development of luxury brand strategies. Vigneron and Johnson (2004) make a conceptual distinction between personal and non-personal perceptions that are strongly correlated and break down into five underlying factors. An overview of these five perceptions is discussed below.

Perceived conspicuousness

The concept of conspicuous consumption was introduced by Veblen (1899) who developed a theory in which consumers use product prices as a means of flagrantly displaying their wealth. It is within this defined context that perceived conspicuousness refers to the perceptions of price and social status associated with the identified brand. The public consumption of luxury goods is closely associated with social status (Bearden and Etzel, 1982) which is consistent with the notion of loud signaling (Han et al., 2010). Developing this argument, the notion of status consumption is discussed by Eastman et al. (1999, p.130), *“the motivational process by which individuals strive to improve their social standing through conspicuous consumption of consumer products that confer or symbolize status for both the individual and surrounding others.”*

Perception of uniqueness

The perception of uniqueness refers to the perceptions of exclusivity and rarity of the brand (Vigneron and Johnson, 1999; Keller, 2009, Dubois and Paternault, 1995). Tian et al. (2001) suggest that the consumer need for uniqueness can be attributed to creative choice counter-conformity, unpopular choice counter-conformity, and avoidance of similarity. This has also been described through the snob-effect (Leibenstein, 1950) and identified as an important motivation for luxury consumers when making their brand choice, *“Neo-traditional luxury shoppers desire uniqueness and exclusivity for their money; they do not value the democratization of luxury”* (Atwal et al., 2009, p.47).

Perceived quality

The perception of quality of a brand refers to the perception of superiority of the brand. The literature has supported the importance of high quality that is associated with the luxury brand offering (Quelch, 1987). Husic and Cacic (2009) found that luxury consumers perceive quality as a brand determinant. According to Dubois et al. (2001, p.11), *“the mental association between luxury and quality is so strong that for some respondents, the two words are almost synonymous.”* However, there is evidence to suggest that the quality credentials of luxury brands are not always taken for granted. A study by the Luxury Institute found that 64% of wealthy consumers believe luxury goods are priced too high relative to the value they deliver (Atwal et al., 2009).

Perception of hedonism

The perception of hedonism of a brand refers to the perception of sensory gratification and pleasure expected from the consumption of the brand (Vigneron and Johnson, 2004). Hedonistic consumption is associated with multi-sensory pleasure, fantasy, and fun (Hirschman and Holbrook, 1982). Atwal and Williams (2009) discuss the notion that aspects of contemporary luxury consumption reflect the phenomenon of postmodernism that views consumers as emotional beings concerned with achieving pleasurable experiences. It has been documented that a shift in consumer values has placed a greater emphasis on consumers searching for luxury brand experiences (Miller and Mills, 2012).

Perception of extended-self

The perception of extended-self of a brand refers to the ability to enhance one's self-concept through the possession of a brand (Vigneron and Johnson, 2004). Consumers use possessions to create their own identity (Belk, 1988) and brands have therefore symbolic significance for consumers (Bhat and Reddy, 1998). According to Elliot (1997, p.286), consumers consume products for *"the symbolic meaning of those products as portrayed in their images."* This appears to be of particular relevance for luxury brands in which the badge value of the brand can be matched according to an evoked set of associations. Dubois et al. (2001, p.13) conclude that by *"giving access (even if it is only a temporary one) to a dream-like world, luxury enhances one's self-concept. When enjoying luxury goods, one feels beautiful, strong, powerful, freed from the frustrations of daily life."*

METHOD

The research design developed for this study can best be summarized as descriptive and cross-sectional. Data collection proceeded with the application of a self-administered questionnaire. Each page of the questionnaire consisted of a picture of a luxury brand, together with a question on recognition of the luxury product/brand and followed by the BLI items developed by Vigneron and Johnson (2004).

The BLI consists of seven-point semantic differential items. Thus items at each end of the scale are bipolar words that yield semantic connotations. The Centre point on the scale can be interpreted as an impartial opinion. Respondents checked the box that best indicated their perception of the brand for each item in the index. In total, there are 20 items in the index, providing a scale measure for each the five constructs discussed above. The total mean value for each construct is summed to create the index and obtain the respondents' overall perception of luxuriousness (Vigneron and Johnson, 2004). Reliability and validity issues of the scale and subscales were addressed in the original research study conducted by Vigneron and Johnson (2004) and thus were not the focus of this study.

A pool of 15 potential brands out of 50 was created from a recognition pre-test of 106 international students at a French business school. The pool was then used in focus groups in Finland and the UK to identify the most recognizable brands and photos that best identified the brand. Four brands that were most highly and equally recognizable were retained. Those that were retained were Rolls Royce (RR), Louis Vuitton (LV), Giorgio Armani (GA) and Rolex (RX). The original questionnaire was prepared in English and translated into Finnish, then back translated to English. Several iterations were performed before agreement was found. A mixture of non-probability sampling techniques was chosen. Specifically, a quota sample using a mix of face-to-face convenience sampling in shopping centres and online snowball sampling was used to collect the data.

In order to ensure that the sample was as representative as possible of the British and Finnish luxury consumer population, two filters were used to determine whether to retain the respondents' completed questionnaire: (1) respondents with incomes less than 75% of GDP/capita were excluded, and (2) respondents who did not recognize at least two of the four brands were excluded. We reasoned that members of these groups were not frequently luxury brand consumers, or

potential consumers, and thus outside our desired target populations. A chi-square goodness-of-fit test indicated that there was no significant difference in the gender and age category distribution in the British and Finnish samples. Data were collected until the target quota of 275 British and 275 Finnish respondents are meeting our criteria was fulfilled. Data analysis was conducted using SPSS.

FINDINGS

The analysis examined whether there are significant differences between the luxury perceptions between the samples from Finland and the UK. All six propositions demonstrated that there were significant differences in perceptions. The analysis used the Mann-Whitney U test as all data were not normally distributed as determined by the Kolmogorv-Smirnov test at a level of $p < .05$.

P1: The perception of conspicuousness is not the same in Finland as in the UK.

A significant difference was revealed in the levels of conspicuousness for Rolls Royce, Louis Vuitton, Giorgio Armani and Rolex between Finnish and British respondents. Roll Royce: Finnish respondents ($Mdn = 2.5$, $n = 260$); British respondents ($Mdn = 3.0$, $n = 237$), $U = 20953.50$, $z = -6.22$, $p = 0.00$. Louis Vuitton: Finnish respondents ($Mdn = 3.5$, $n = 227$); British respondents ($Mdn = 4.0$, $n = 210$), $U = 15512.00$, $z = -6.33$, $p = 0.00$. Giorgio Armani: Finnish respondents ($Mdn = 4.0$, $n = 256$); British respondents ($Mdn = 4.0$, $n = 229$), $U = 25742.00$, $z = -2.33$, $p = 0.02$. Rolex: Finnish respondents ($Mdn = 3.3$, $n = 264$); British respondents ($Mdn = 3.8$, $n = 234$), $U = 27554.50$, $z = -2.09$, $p = 0.04$ (refer to Tables 1 to 4).

Table 1: Mean rank for the conspicuousness dimension for Rolls Royce

	Nationality	N	Mean Rank	Sum of Ranks
RR Conspicuousness	British	237	290.59	68869.50
	Finnish	260	211.09	54883.50
	Total	497		

Table 2: Mean rank for the conspicuousness dimension for Louis Vuitton

	Nationality	N	Mean Rank	Sum of Ranks
LV Conspicuousness	British	210	258.63	54313.00
	Finnish	227	182.33	41390.00
	Total	437		

Table 3: Mean rank for the conspicuousness dimension for Giorgio Armani

	Nationality	N	Mean Rank	Sum of Ranks
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GA Conspicuousness	British	229	258.59	59217.00
	Finnish	256	229.05	58638.00
	Total	485		

Table 4: Mean rank for the conspicuousness dimension for Rolex

	Nationality	N	Mean Rank	Sum of Ranks
RX Conspicuousness	British	234	263.75	61716.50
	Finnish	264	236.87	62534.50
	Total	498		

P2: The perception of uniqueness is not the same in Finland as in the UK.

A significant difference was revealed for Rolls Royce and Louis Vuitton. Rolls Royce: Finnish respondents ($Mdn = 3.5$, $n = 256$); British respondents ($Mdn = 4.0$, $n = 233$), $U = 24501.50$, $z = -3.62$, $p = 0.00$. Louis Vuitton: Finnish respondents ($Mdn = 4.3$, $n = 228$); British respondents ($Mdn = 4.5$, $n = 206$), $U = 19433.50$, $z = -3.12$, $p = 0.00$ (refer to Tables 5 and 6).

Table 5: Mean rank for the uniqueness dimension for Rolls Royce

	Nationality	N	Mean Rank	Sum of Ranks
RR Uniqueness	British	233	270.84	63106.50
	Finnish	259	224.60	58171.50
	Total	492		

Table 6: Mean rank for the uniqueness dimension for Louis Vuitton

	Nationality	N	Mean Rank	Sum of Ranks
LV Uniqueness	British	206	237.16	48855.50
	Finnish	228	199.73	45539.50
	Total	434		

No significant difference was revealed in the levels of uniqueness of Giorgio Armani and Rolex. Giorgio Armani: Finnish respondents ($Mdn = 4.3$, $n = 256$); British respondents ($Mdn = 4.3$, $n = 223$), $U = 27412.50$, $z = -0.755$, $p = 0.45$. Rolex: Finnish respondents ($Mdn = 4.0$, $n = 264$); British respondents ($Mdn = 4.1$, $n = 228$), $U = 28524.00$, $z = -1.00$, $p = 0.32$.

P3: The perception of quality is not the same in Finland as in the UK.

A significant difference was revealed in the levels of quality of Rolls Royce, Giorgio Armani and Rolex. Rolls Royce: Finnish respondents ($Mdn = 3.6$, $n = 261$); British respondents ($Mdn = 2.8$, n

= 237), $U = 20304.00$, $z = -6.64$, $p = 0.00$. Giorgio Armani: Finnish respondents ($Mdn = 4.0$, $n = 255$); British respondents ($Mdn = 3.8$, $n = 225$), $U = 25571.50$, $z = -2.06$, $p = 0.04$. Rolex: Finnish respondents ($Mdn = 3.8$, $n = 261$); British respondents ($Mdn = 3.2$, $n = 227$), $U = 23232.00$, $z = -4.12$, $p = 0.00$ (refer to Tables 7 to 9).

Table 7: Mean rank for the quality dimension for Rolls Royce

	Nationality	N	Mean Rank	Sum of Ranks
RR Quality	British	237	204.67	48507.00
	Finnish	261	290.21	75744.00
	Total	498		

Table 8: Mean rank for the quality dimension for Giorgio Armani

	Nationality	N	Mean Rank	Sum of Ranks
GA Quality	British	225	226.65	50996.50
	Finnish	255	252.72	64443.50
	Total	480		

Table 9: Mean rank for the quality dimension for Rolex

	Nationality	N	Mean Rank	Sum of Ranks
RX Quality	British	227	216.34	49110.00
	Finnish	261	268.99	70206.00
	Total	488		

No significant difference was revealed in the levels of quality of Louis Vuitton between Finnish respondents ($Mdn = 4.2$, $n = 230$) and British respondents ($Mdn = 4.2$, $n = 206$), $U = 22007.50$, $z = -1.29$, $p = 0.20$.

P4: The perception of hedonism is not the same in Finland as in the UK.

A significant difference was revealed in the levels of hedonism of Louis Vuitton, Giorgio Armani and Rolex. Louis Vuitton: Finnish respondents ($Mdn = 4.0$, $n = 230$); British respondents ($Mdn = 4.0$, $n = 204$), $U = 20417.50$, $z = -2.39$, $p = 0.02$. Giorgio Armani: Finnish respondents ($Mdn = 4.3$, $n = 254$); British respondents ($Mdn = 4.0$, $n = 224$), $U = 23248.00$, $z = -3.49$, $p = 0.00$. Rolex: Finnish respondents ($Mdn = 4.0$, $n = 265$); British respondents ($Mdn = 4.0$, $n = 230$), $U = 24153.00$, $z = -4.05$, $p = 0.00$ (refer to Tables 10 and 11).

Table 10: Mean rank for the hedonism dimension for Louis Vuitton

	Nationality	N	Mean Rank	Sum of Ranks
LV Hedonism	British	204	202.59	41327.50
	Finnish	230	230.73	53067.50
	Total	434		

Table 11: Mean rank for the hedonism dimension for Rolex

	Nationality	N	Mean Rank	Sum of Ranks
RX Hedonism	British	230	220.51	50718.00
	Finnish	265	271.86	72042.00
	Total	495		

No significant difference was revealed in the levels of hedonism of Rolls Royce between Finnish respondents ($Mdn = 4.0$, $n = 261$) and British respondents ($Mdn = 4.0$, $n = 237$), $U = 30405.00$, $z = -0.33$, $p = 0.74$.

P5: The perception of extended-self is not the same in Finland as in the UK.

A significant difference was revealed in the levels of extended-self of Rolls Royce, Giorgio Armani and Rolex. Rolls Royce: Finnish respondents ($Mdn = 4.5$, $n = 258$); British respondents ($Mdn = 4.0$, $n = 235$), $U = 23176.00$, $z = -4.54$, $p = 0.00$. Giorgio Armani: Finnish respondents ($Mdn = 4.3$, $n = 256$); British respondents ($Mdn = 4.0$, $n = 227$), $U = 25789.50$, $z = -2.14$, $p = 0.03$. Rolex: Finnish respondents ($Mdn = 4.0$, $n = 260$); British respondents ($Mdn = 4.0$, $n = 226$), $U = 24276.00$, $z = -3.32$, $p = 0.00$ (refer to Tables 12 and 13).

Table 12: Mean rank for the extended-self dimension for Rolls Royce

	Nationality	N	Mean Rank	Sum of Ranks
RR Extended Self	British	235	216.62	50906.00
	Finnish	258	274.67	70865.00
	Total	493		

Table 13: Mean rank for the extended-self dimension for Giorgio Armani

	Nationality	N	Mean Rank	Sum of Ranks
GA Extended Self	British	227	227.61	51667.50
	Finnish	256	254.76	65218.50
	Total	483		

No significant difference was revealed in the levels of extended-self of Louis Vuitton between Finnish respondents (*Mdn* = 4.3, *n* = 225) and British respondents (*Mdn* = 4.3, *n* = 197), *U* = 21695.00, *z* = -0.38, *p* = 0.71.

P6: The perception of luxuriousness, as measured by the BLI, is not the same in Finland as in the UK.

A significant difference was revealed the overall perceptions of luxuriousness of Louis Vuitton and Rolex. Louis Vuitton: Finnish respondents (*Mdn* = 4.0, *n* = 220); British respondents (*Mdn* = 4.2, *n* = 191), *U* = 16755.50, *z* = -3.54, *p* = 0.00. When checking for the direction of the difference in the mean rank for Louis Vuitton, the luxury values were higher for the British data. Rolex: Finnish respondents (*Mdn* = 3.9, *n* = 254) and British respondents (*Mdn* = 3.7, *n* = 215), *U* = 24053.00, *z* = -2.22, *p* = 0.03. When checking for the direction of the difference in the mean rank, the luxury values for Rolex was higher for the Finnish data (refer to Tables 14 and 15).

Table 14: Mean rank for the overall perceptions of luxuriousness for Louis Vuitton

	Nationality	N	Mean Rank	Sum of Ranks
Perception of Luxury LV	British	191	228.27	43600.50
	Finnish	220	186.66	41065.50
	Total	411		

Table 15: Mean rank for the overall perceptions of luxuriousness for Rolex

	Nationality	N	Mean Rank	Sum of Ranks
Perception of Luxury RX	British	215	219.87	47273.00
	Finnish	254	247.80	62942.00
	Total	469		

No significant difference was revealed in overall perceptions of luxuriousness of Giorgio Armani and Rolls Royce. Giorgio Armani: Finnish respondents (*Md*= 4.2, *n*= 246); British respondents (*Mdn* = 4.1, *n* = 215), *U* = 23765.00, *z* = -1.88, *p* = 0.06. Rolls Royce: Finnish respondents (*Mdn* = 3.6, *n* = 246) and British respondents (*Mdn* = 3.6, *n* = 220), *U* = 25736.00, *z* = -0.91, *p* = 0.36. Table 16 gives an overview of the rejected and retained null hypotheses and thus summarizes the mixed support for our initial propositions.

Table 16: Summary of rejected and retained null hypotheses

Proposition	Null hypotheses rejected (Alternative hypotheses accepted; support for Proposition demonstrated)	Null hypotheses retained
P1: The perceptions of conspicuousness are not the same in Finland as in the UK	H ₀₁ : There is no significant difference in the perception of conspicuousness of Rolls Royce between Finland and the UK H ₀₂ : There is no significant difference in the perception of conspicuousness of Louis Vuitton between Finland and the UK H ₀₃ : There is no significant difference in the perception of conspicuousness of Giorgio Armani between Finland and the UK H ₀₄ : There is no significant difference in the perception of conspicuousness of Rolex between Finland and the UK	
P2: The perceptions of uniqueness are not the same in Finland as in the UK	H ₀₅ : There is no significant difference in the perception of uniqueness of Rolls Royce between Finland and the UK H ₀₆ : There is no significant difference in the perception of uniqueness of Louis Vuitton between Finland and the UK	H ₀₇ : There is no significant difference in the perception of uniqueness of Giorgio Armani between Finland and the UK H ₀₈ : There is no significant difference in the perception of uniqueness of Rolex between Finland and the UK
P3: The perceptions of quality are not the same in Finland as in the UK	H ₀₉ : There is no significant difference in the perception of quality of Rolls Royce between Finland and the UK H ₀₁₁ : There is no significant difference in the perception of quality of Giorgio Armani between Finland and the UK H ₀₁₂ : There is no significant difference in the perception of quality of Rolex between Finland and the UK	H ₀₁₀ : There is no significant difference in the perception of quality of Louis Vuitton between Finland and the UK
P4: The perceptions of hedonism are not the same in Finland as in the UK	H ₀₁₄ : There is no significant difference in the perception of hedonism of Louis Vuitton between Finland and the UK H ₀₁₅ : There is no significant difference in the perception of hedonism of Giorgio Armani between Finland and the UK H ₀₁₆ : There is no significant difference in the means of the perception of hedonism of Rolex between Finland and the UK	H ₀₁₃ : There is no significant difference in the perception of hedonism of Rolls Royce between Finland and the UK

<p>P5: The perceptions of extended-self are not the same in Finland as in the UK</p>	<p>H₀17: There is no significant difference in the perception of extended-self of Rolls Royce between Finland and the UK</p> <p>H₀19: There is no significant difference in the means of the perception of extended-self of Giorgio Armani between Finland and the UK</p> <p>H₀20: There is no significant difference in the perception of extended-self of Rolex between Finland and the UK</p>	<p>H₀18: There is no significant difference in the perception of extended-self of Louis Vuitton between Finland and UK</p>
<p>P6: The perceptions of luxury are not the same in Finland as in the UK</p>	<p>H₀22: There is no significant difference in the perception of luxury of Louis Vuitton between Finland and the UK</p> <p>H₀24: There is no significant difference in the perception of luxury of Rolex between Finland and the UK</p>	<p>H₀21: There is no significant difference in the perception of luxury of Rolls Royce between Finland and the UK</p> <p>H₀23: There is no significant difference in the perception of luxury of Giorgio Armani between Finland and the UK</p>

DISCUSSION AND IMPLICATIONS

The study revealed that there are significant differences in the perceptions of luxury dimensions between Finnish and British respondents as well as in an overall evaluation of luxuriousness across all four products examined.

However, these results come with caveats: (1) the BLI scale has not been shown to be valid and reliable outside of Vigneron and Johnson’s initial work; (2) cross-cultural differences might play a central role in determining perceptions of luxury; or (3) both. Significantly, Vigneron and Johnson (2004) recommended that the scale should be tested with actual luxury consumers and applied in other cultures.

Interestingly, the literature has identified shortcomings of the original BLI study. Doss and Robinson (2013, p.435) used the BLI scale to compare young US female consumers’ luxury perceptions of both authentic and counterfeit Coach brand handbags and concluded that the BLI framework is “*dimensionally unstable and the proposed framework for the study of brand luxury would benefit from additional conceptual investigations.*” Furthermore, in a study of luxury consumers in Taiwan, Christodoulides et al. (2009) reported that the use of the BLI revealed “*some concerns with the scale’s dimensionality, which warrant additional research attention.*”

In one attempt, Kim and Johnson (2015) developed a revised BLI index which included the following five dimensions: quality, extended-self, hedonism, accessibility, and tradition. The accessibility dimension “*measures how readily available the brand is to consumers*” (Kim and Johnson, 2015, p.440) while the tradition dimension considers “*attributes linked to the origin or/and history of a prestige brand*” (Kim and Johnson, 2015, p.441). This suggests a growing concern within the literature of the BLI’s psychometric robustness and implies that BLI items need substantial improvement before being reliably applied in luxury research.

The idea that cultural differences are important in the concept of luxury is consistent with numerous studies (e.g., Tidwell and Dubois, 1996; Kapferer and Bastien, 2009; Dubois et al., 2005). More recently, Hennigs et al. (2012) confirm in a ten country research study that the luxury value perception varies significantly across countries. Similarly, Godrey et al. (2013) reported in a six country study that strong cross-cultural differences exist in the evaluation and meanings of luxury. Shukla (2012) has also noted differences in the influence of value perceptions on consumer purchase intentions in developed and emerging markets.

A better understanding of the nature and extent of influences of culture in determining the perception of luxury is therefore required. Christodoulides et al. (2009) point out that in a collectivist culture, brand luxury might be associated with conformity and conspicuousness, whereas in a more individualist culture, brand luxury emphasizes the aspect of uniqueness.

Likewise, it is acknowledged that Finland has an extremely feminine culture. This is in stark contrast with the masculine British culture, which is characterized by competition, achievement, and success. This implies that role differentiation is strong, and successful people are more likely to display their success to others (De Mooij, 2006; Hofstede, 2001). Further, the UK can be considered as a highly individualistic society which has given rise to a culture of hyper-consumerism. This might explain why the comparison of the conspicuousness subscale found differences in the perceptions of all four brands across these two cultures.

CONCLUSIONS

It is suggested that the future research examines the validity and reliability of the BLI given increasing concerns with this instrument, investigate the impact of cultural differences on the perception of luxury, and the potential need for the development of the country, or even product/service specific BLI type scales. There are indeed important managerial implications given the increasingly global scale and scope of the luxury industry.

Practitioners will need to consider that cross-cultural differences can play a critical role in developing locally relevant marketing strategies. The specificities of each country means that the perception of a luxury brand such as status can be more or less prominent compared to other cultural environments.

For practitioners and academics alike, use of the BLI should be tempered with caution until future research provides us with more answers to these concerns.

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