Gordon Institute of Business Science
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Co-creation of value: the key drivers of value which customers seek and obtain from luxury brands and how these differ between genders

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ABSTRACT

The aim of this study was to identify the key personal and socially orientated drivers of consumption within an emerging economy to provide a useful comparative study to the existing studies done in Western societies. The study explored the co-creation of value process within the luxury goods market and assessed whether the key value drivers differed between male and female luxury consumers in emerging markets. The study further aimed to determine if and how luxury brand organisations in emerging markets could co-create value through the use of the key drivers identified. A qualitative, cross-sectional, exploratory research method was selected and a total of 13 respondents were interviewed, utilising semi-structured in-depth interviews.

Findings revealed that all six key value drivers tested were present in both the male and female decision-making process to purchase luxury goods within an emerging market, with differences and similarities in the key value drivers delineated. The findings also demonstrated that emerging market luxury goods consumers seek to be part of a co-creation of value process and are open to two-way communication with the luxury brand organisations. Finally, the results indicated ways in which luxury brand organisations in emerging markets could co-create value by using the key drivers identified in the study.

KEYWORDS

● Co-creation ● Luxury brands ● Value drivers ● Gender differences ● Emerging market

DECLARATION

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

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CHAPTER 1: INTRODUCTION TO RESEARCH PROBLEM

1.1 Research title

Co-creation of value: The key drivers of value which customers seek and obtain from luxury brands and how these differ between genders.

1.2 Research motivation

Having worked within the retail side of the luxury goods market for many years, the creation of unique customer experiences and how these drive sales and consumer brand perception has always interested the researcher. The aim of the research was to identify the key consumer drivers of value for males and females, both intrinsic and extrinsic, that drive the luxury goods market and how these key drivers for both genders impact the way the organisations brand and position themselves within the luxury goods market (Truong, 2010; Truong, McColl, & Kitchen, 2010).

More recent perspectives and frameworks have identified the limitations in the traditional product-dominated logic and have documented the rise of services marketing, relationship marketing and brand relationships (Payne, Storbacka, Frow & Knox, 2009). Although creating value is not a new concept to marketers, the co-creation of value is a more recent term which is being used and undertaken by brand managers and marketers in various industries. This is due to businesses becoming aware of the fact that their brands are essentially holistic, and that the company values need to be co-created and shared in order to be successful in the turbulent environment (Schultz, 2009). Consumer involvement and soliciting customer participation in the value creation process has become vital for organisations to ensure that the exchange process and relationships among the market actors are increasingly central (da Silveira, Lages & Simões, 2013). The customer becoming co-creator of value is a proposition central to service-dominant logic, which emphasises the advancement of customer-supplier relationships through interaction and conversation (Payne, Storbacka & Frow, 2008).

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There is limited information available on the topic of value co-creation due to it being a relatively recent concept. The mutual creation and enjoyment of value in marketing is gaining credence and the development and collaboration to create better understanding of value and exchange are becoming the focus of marketers (Payne et al., 2008). The academic studies conducted on the concept of value co-creation have been predominantly conceptual and most data collection methods have been done utilising quantitative studies, with very few focusing on the luxury goods market, specifically in emerging markets. The aim of this research study was to test the conceptual framework created by Tynan, McKechnie and Chhuon (2010) within an emerging market and either confirm or refute the suggested six key value drivers consumers seek and obtain from luxury good brands and whether these differ between genders. The information gathered and results of this study will aid luxury good organisations within emerging economies to take cognisance of what key value drivers consumers seek from their luxury goods and services, whether they are providing these value drivers to their clients and how to tailor their brand offerings to best suit the consumers wants and needs. This study further aimed to contribute to the theoretical understanding of the key value drivers consumers seek from luxury goods within an emerging market, to assess whether the key value drivers differ between genders and to identify if these drivers are aligned with studies conducted in Western societies.

1.3 Trends in the luxury goods market

According Tynan et al. (2010) the luxury goods market has seen rapid growth over the past couple of decades. Although the demand in the West has slowed down due to the credit crunch, the demand for luxury brands is still growing rapidly in emerging markets such as Asia, China, India, The Middle East, Russia and Latin America (Stokburger-Sauer & Teichmann, 2013; Shukla & Purani, 2012; Tynan et al., 2010).

The value for the luxury goods market globally is estimated to be worth more than $263 billion (Tynan et al., 2010) and is expected to be valued at $374.85 billion by 2020 (Jones, 2015). The increase in growth in the luxury goods market has been significantly more than the non-luxury goods market, especially in the emerging economies (Tynan et al., 2010). According to Shukla and Purani (2012), 85% of all the new luxury stores opened within the past decade were in emerging markets. This provides an opportunity for luxury brands that have predominantly done business in Western societies, to

explore emerging markets and identify new opportunities to expand the availability of their products and services, and thus expand their global reach.

According to literature available, the appeal of luxury brands is no longer confined to mature wealthy women (Nueno & Quelch, 1998). When recent studies are analysed, most luxury purchases were made by men, with only twenty percent of the sales representing men's products (Nueno & Quelch, 1998). This raises certain questions regarding the marketing and sales of the luxury goods to consumers and whether the key value drivers consumers seek are the same for both males and females, regardless of the type of product or service being purchased.

As stated by Nueno and Quelch (1998), wealthy consumers from emerging markets are accepting the luxury brands from the West as the benchmark or standard, meaning that the products accepted and sold as luxury goods in the West are what consumers consider luxury goods in emerging markets. European brand owners are facing tough economic times and there is minimal growth in the West, which means that these brand owners are globalising at an increasing rate to tap into the emerging markets, especially in Asia (Nueno & Quelch, 1998).

1.4   Research problem

As there is large growth potential in developing countries within the luxury goods market, and the values and consumer perceptions in these markets may differ vastly from those in first world economies, further research into luxury goods within emerging markets is required (Shukla & Purani, 2012; Tynan et al., 2010; Vickers & Renand, 2003). Understanding the key value drivers in consumer experience that influence brand perceptions within a developing country such as South Africa could contribute to the understanding of what drives consumer experiences and how these vary between genders. It could further illuminate how and whether these differ from first world countries and what marketers and luxury goods companies can do in terms of marketing within developing economies to remain sustainable.

Experiential marketing has become increasingly popular and is the foundation of many recent advances (Atwal & Williams, 2009). "Experiential marketing takes the essence of a product and amplifies it into a set of tangible physical and interactive experiences" (Atwal & Williams, 2009, p. 341). Research across various literatures affirms that there is a trend that consumers are trading up for products that meet their aspirational needs

and that there is a continuous ambition to raise to the next level of those immediately above them (Atwal & Williams, 2009; Truong et al., 2010). This in turn causes fashionable luxury to spread (Truong et al., 2010). Traditionally, it was acknowledged that the consumption of luxury brands was motivated by socially-orientated consumption. Essentially, socially-oriented consumption includes status seeking, appearance and the motivation to impress others (Atwal & Williams, 2009). However, recent views are emerging that indicate there are two types of luxury brand consumption, namely personally-orientated and socially-orientated consumption (Tsai, 2005).

According to Kapferer and Bastien (2009b), the marketing of luxury goods is complex and often counter-intuitive. If the "classical" marketing approach is taken, the luxury goods organisations could find themselves failing instead of becoming sustainable (Tynan et al., 2010). This study aimed to provide a clearer understanding about what consumers seek in attaining from luxury brand goods within an emerging economy, whether luxury brand organisations are providing the key consumption drivers' consumers seek and whether luxury brand organisations are creating value through a process of co-creation, taking into consideration both personal and social orientated consumption.

Currently there is literature available that investigates the perceived differences in consumer behaviour within the luxury goods market, but the current focus tends to lean towards traditional marketing methods and on the socially orientated reasons for consumers' purchases of luxury brands (Ballantyne, 2006; Prahalad & Ramaswamy, 2004a; Truong, 2010). Researchers (Mascarenhas, Kesavan & Bernacchi, 2004; Prahalad & Ramaswamy, 2004a; Prahalad & Ramaswamy, 2004b; Vargo, Maglio & Akaka, 2008) have identified the need to assess value co-creation through unique customer experience that identifies the key elements that drive consumer perceptions of brands which lead to purchases. Previous research (Shukla & Purani, 2012; Tynan et al., 2010) has been predominantly focused on Western/developed societies such as the United States and the United Kingdom, leaving the exploration of luxury goods within emerging markets open for further research.

1.5   Research objectives

Limited research has been conducted that addresses the meaning of value co-creation and the value co-creation process within the luxury goods market (Payne et al., 2008; Tynan et al., 2010). From the studies done, varying methods of understanding which key consumer behaviours impact on the purchasing decisions have emerged. Previous research (Roper, Caruana, Medway & Murphy, 2013; Truong, 2010; Tsai, 2005) has acknowledged the premise that consumers purchase luxury brands to impress others, but can no longer be cited as the only driver in consumption patterns. A study into the personal and socially orientated drivers of consumption within an emerging economy will provide a useful comparative study to the existing studies done in Western societies and on the co-creation of value process within the luxury goods market.

The objective of this research study was to:

I.   Establish if the key drivers of value as posited by the model of Tynan et.al. (2010) are as relevant in emerging markets as in developed markets.

II.   Investigate whether male and female luxury consumers seek different key drivers of value in emerging markets.

III.   Understand if and how luxury brand organisations in emerging markets could co-create value through the use of the key drivers identified in objective I and II.

1.6   Conclusion and brief outline of the study

Chapter 1 introduced some background information on the luxury goods market and stated the changes in the economic environment within the luxury goods market, both in the West and in emerging economies. The research problem and research objectives were explained and background was given on socially-orientated and personally-orientated values, which in turn impacts the value co-creation process within the luxury goods market.

Chapter 2 provides the theoretical foundation for this study. An analysis of the relevant literature, including the value co-creation process, what the process entails and the six key consumer value drivers that are critical in the value co-creation process within a luxury goods market are explored.

The circumscribed purpose for the research is defined in Chapter 3 through three research questions. Succeeding chapters provide empirical evidence on how each of the research questions were explored. Outcomes of the findings are elaborated on and recommendations based on the research findings are put forward.

Chapter 4 outlines the research methodology, including the research design, population, unit of analysis, sampling frame, method and size, the measurement instrument, the data gathering process, concluding with the analysis approach and limitations.

An analysis of the results and how these are related to the research questions stated in Chapter 3 is presented in Chapter 5. An in-depth analysis of the findings and how these correlate to the research questions and relevant literature follows in Chapter 6. Chapter 7 features the fundamental findings of the study, including recommendations to businesses and academics looking at the luxury goods industry within emerging markets. The research study concludes with the researcher's recommendations for future research.

CHAPTER 2:   LITERATURE REVIEW

2.1   Introduction

This chapter aims to provide perspective and insight into the key constructs of value types sought by consumers and value co-creation as presented in the study conducted by Tynan et al. (2010) through a review of the relevant literature. Tynan et al.'s (2010) conceptual study emphasised the various interactions that take place between luxury brand owners, their consumers and members of their networks, which aid in differentiating luxury brands and co-creating superior value propositions. The researcher sought to develop the initial study by Tynan et al. (2010), by incorporating differences in these key value drivers sought by the genders in luxury brands. This section reviews the definition of luxury brands, the different consumption patterns between the genders and the various personal and social reasons for luxury brand consumption, as well as the term value juxtaposed to the term co-creation of value, concluding with the specific key value drivers consumers seek from luxury brands.

2.2   Luxury brands

Although many studies have been conducted to understand the definition of a luxury good, there are many varying opinions among academics and practitioners and no definitive definition available. According to the Oxford English Dictionary (2001), a luxury item is "something that is expensive and enjoyable but not essential" (Soanes, 2001, p. 539). Sekora, (as cited in Tynan et al., 2010) defined luxury as anything unneeded. It should be noted that there are perceived differences regarding what constitutes a luxury good. There may be varying factors that impact an individual's perception of a luxury good and this may be dependent on the specific person and context concerned. The socio-economic context needs to be defined when considering different perspectives. The perspectives will differ significantly from an affluent nation to a country with low economic conditions (Vigneron & Johnson, 2004). For some, a Mercedes Benz may constitute a luxury motor vehicle, whereas for others, a Bentley is better categorised as a luxury motor vehicle.

With this in mind, Vigneron and Johnson (2004) described luxury as the very top category of prestige brands. Grossman and Shapiro (1998) defined luxury goods as

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products that people consume to display prestige and status while the functional use of the product over another product is negligible. In contrast to these simple definitions, there are those that incorporate the various aspects of what drives consumption of luxury brands into their definitions. Nueno and Quelch (1998) described luxury brands as "the brands whose ratio of functionality to price is low, while the ratio of intangible and situational utility to price is high" (Nueno & Quelch, 1998, p. 61). Juxtaposed to this definition, Vickers and Renand (2003) consider luxury goods as emblems of personal and social identity, discerning between luxury and non-luxury goods in terms of functionalism, experientialism and symbolic interactionism.

According to Nueno and Quelch (1998), traditional luxury brands all share the following characteristics:

- A heritage craftsmanship, often from the original designer e.g. Tiffany's.
- Consistent delivery of premium quality.
- A recognisable design, without the consumer needing to look at the label to know the brand.
- A limited production run.
- A global reputation.
- An association with the country of origin.
- The personality and values of its creator.
- An element of uniqueness to each product.

In light of the above, for the purpose of this study the researcher used the definition for luxury brands as "high quality, expensive and non-essential products and services that appear to be rare, exclusive, prestigious and authentic and offer high levels of symbolic and emotional/hedonic values through customer experience" (Tynan et al., 2010, p. 1158). This definition is utilised when categorising the term luxury brand within this study.

2.3 Luxury brand marketing

Against a backdrop of changing growth in the global luxury market, it is critical for luxury marketers to understand the reasons behind consumer luxury purchases, what the consumers accept as luxury, and how the perception of luxury value affects the consumers' buying behaviour (Wiedmann, Hennigs & Siebels, 2009). The research

conducted by Stokburger-Sauer and Teichmann (2013) clearly affirms that men differ from women in their responses to luxury brands and consumption patterns. The past research on gender differences revealed that men strongly follow task-orientated, life goal thinking, while women follow communal goals directed towards social and emotional relationships with others (Stokburger-Sauer & Teichmann, 2013). As a result of these differences between the perceptions of the genders to luxury brands, marketers should consider basing their strategies on the different values the particular consumer segments seek from the luxury good brands, which in turn could increase the purchase value. It is therefore advised that marketers should take cognisance of the gender's need for varying value drivers and incorporate these into their marketing communications (Stokburger-Sauer & Teichmann, 2013). As the market for luxury brands has seen tremendous growth over the last decade and is seemingly resistant to the economic downturn, the discernment of the way the market responds to luxury brands, as well as the role of gender in this exchange is very important (Stokburger-Sauer & Teichmann, 2013). Marketers of luxury brands should be mindful that women value a myriad of aspects when purchasing luxury brands, as they place more importance on the quality, uniqueness and social value of luxury products than men (Wiedmann et al., 2009).

Atwal and Williams (2009) warned that managers of luxury brands need to be careful when utilising traditional methods of marketing and need to stay ahead of their consumers. This is in line with Kapferer and Bastien's (2009) view that numerous luxury brands have suffered due to the use of "classical" marketing methods being applied. In order to successfully build luxury brands and make the brands sustainable, the classical marketing rules need to be forgotten and the traditional marketing practices need to be overhauled by luxury brand marketers (Kapferer & Bastien, 2009).

2.4   The role of gender in the consumption of luxury brands

Research on the differences in gender consumption generally reveals that different life orientations of the genders influence the individual's consumer behaviour (Stokburger-Sauer & Teichmann, 2013). Segal and Podoshen (2013) suggested that men are more materialistic than women and have also been shown to possess more self-monitoring traits than women. O'Cass and McEwen (2004) found that younger men placed greater importance on the conspicuousness of product use; however the category of the

product seemed to influence this, as women were significantly more involved than men in the conspicuous consumption of high-fashion clothing and apparel. It was suggested that this was due to the fact that the use of apparel and high fashion clothing communicated their status and identity to others (O'Cass & McEwen, 2004). While women were found to be more involved with fashion, men were found to be more involved with durable goods such as cars (Segal & Podoshen, 2013). This is aligned with the findings of Dittmar, Beattie and Friese (1995), who stipulated that men tend to buy instrumental and leisure items that promote independence and activity, while women tend to purchase symbolic and self-expressive goods that emphasise personal appearance and emotional aspects of the individual.

According to Stokburger-Sauer and Teichmann (2013), men generally follow life goals and are task-orientated in thinking towards performance-motivated acting. In contrast to this, women tend to follow communal life goals that are aimed at social and emotional relationships with others. As women are more responsive to disparate kinds of key value drivers which luxury brand goods confer to the consumer, they should have a more positive attitude towards luxury brands than men, especially in categories which express the self and present one's identity, e.g. fashion, accessories and watches (Amaldoss & Jain, 2005). Mitchell and Walsh (2004) claimed that men are less conscious about appearance and clothing, which could stem from the fact that in many societies, women fulfil the role of the attractive gender and men exhibit weaker sensitivity to the opinions of their friends. Bakewell and Mitchell (2003) postulated that women enjoy the shopping experience and spend considerable time and energy in the process, becoming more involved and spending longer periods of time engaged in the process. On the contrary, men prefer to purchase quickly and spend less time and energy on the purchasing process.

Traditionally, emphasis was placed on issues of interdependence of women versus the independence of males and it was suggested that gender differences in awareness and decision making between the genders was clear (Meyers-Levy, 1988). In line with this, Prakash (1992) claimed that the role designs between men and women reflected two opposite basic orientations. It was understood that women defined their identity in consonance with their environment and with the interaction of others, whereas men generally displayed an individualistic character of autonomy and independence. In contrast to this, Kapferer (2010) believed that mating dominates today's society and evolutionary and socio-cultural theories of mate selection posit gender differences whereby women and men use different cues to select their mates for successful

reproduction (Stokburger-Sauer & Teichmann, 2013). According to Stokburger-Sauer and Teichmann (2013), it is recognised that gender roles are becoming increasingly blurred, where males are adopting female traits and women possess more male traits. If this is the case, it would significantly impact the key values the different genders seek from the luxury brands. An experiment performed by Griskevicius et al. (2007) induced mating goals in men and the findings showed that this increased their eagerness to spend on conspicuous luxuries but not on basic necessities. The study revealed that women's mating goals boosted public but not private helping. These findings supported the claims made by Prakash (1992). According to Wiedmann et al. (2009), women value a myriad of aspects when purchasing luxury brands and more specifically, they dominate the quality, uniqueness and social value segments as key drivers for luxury brand consumption. Even with the noted changes mentioned above, gender roles are still deeply anchored in society and little is known about the role of gender for luxury brand consumption (Stokburger-Sauer & Teichmann, 2013).

2.5   Value: Definition and evolution of the term

Values can generally be regarded as beliefs that model the collection and assessment of desirable behaviours, and in this context, directly explain why customers choose to purchase specific luxury goods (Wiedmann et al., 2009). According to Smith and Colgate (2007), the term customer value has various meanings, and encompasses the customers' perceived value, as well as the value created for the organisation. One definition describes value as a consumer's preference and evaluation for those product attributes, performances and after-effects arising from use that aids in achieving the consumer's intention (Woodruffe-Burton, 1998). Holbrook defined customer value as an "interactive, relativistic preference and experience" (cited in Smith & Colgate, 2007, p. 8). Simpler definitions describe value as something a customer attains from the purchase, e.g. benefits, versus what they pay for the product or service, resulting in a sentimental bond with the product (Smith & Colgate, 2007).

Value creation is not a new concept to the world of marketing and an early conceptualisation of a consumer needs value framework is evident from studies completed in 1986 by Jarwarski and MacInnis (cited in Smith & Colgate, 2007). The framework described three consumer needs that the authors believed reflected the value dimensions, which included functional needs, symbolic needs and experiential needs. From this perspective, the objectives of the organisations were to achieve the

organisational and personal objectives by creating superior customer value in exchange for a monetary return (Smith & Colgate, 2007).

The traditional approach to luxury brands catagorised the consumer as an object of research by conceptualising the interaction between consumers and marketers (Roper et al., 2013). Historically, the economic view of value creation was the notion that organisations use knowledge and skills to provide a needed service or product to the consumer, which provided the consumer with value and the organisation with monetary return. The purpose of all economic exchange was for the organisation to make and distribute things to be sold (Vargo et al., 2008). The traditional understanding of creating value occurred inside the organisation through its activities, while consumers remained outside the firm, i.e. the "outside-in" approach (Prahalad & Ramaswamy, 2004b). Following Porter's frame of reference, the consumer and firm each had separate roles of consumption and production and the roles were value exchange and extraction, not value creation. This meant that the traditional concept of value creation was centred on the company and that all communication flowed in one direction, from the firm to the consumer (Prahalad & Ramaswamy, 2004b).

2.6   Value co-creation

From the 1980s, the existing perspectives of professionals and academics changed to incorporate relationship marketing, quality management, services marketing and brand relationships (Payne et al., 2009). From the 2000s, a new era in the literature commenced, where branding and marketing became a social and dynamic process which involved establishing a network of relationships between the brand and its stakeholders through social interaction (Santos-Vijande, del Rio-Lanza, Suárez-Álvarez & Diaz-Martin, 2013). Researchers now use the term co-creation to describe the interaction and dialogue that takes place between the luxury brand organisation, the consumer and the suppliers, where these stakeholders become active players in the process instead of being a passive audience (Payne et al., 2009). With the introduction of the World Wide Web, technologies, convergence of industries, outsourcing and globalisation, consumers are becoming increasingly involved in the process of defining what value means to them and being a part of creating value. By co-creating the experience with their consumers, luxury brand marketing managers can create the basis for holistic brand value structures (Atwal & Williams, 2009). Consumers now have the ability and access to scrutinise, evaluate and analyse the industry's value offerings

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through various dialogue and select which luxury brand organisations with which they wish to form a relationship based on their views of how they feel value should be created for them (Prahalad & Ramaswamy, 2004b). This indicates a trend where value is the result of negotiations between the luxury brand firm and the individual consumer (Prahalad & Ramaswamy, 2004b). Organisations need to acknowledge that they no longer act in isolation and that consumers now seek to exercise their influence throughout the process, thereby co-creating value (Prahalad & Ramaswamy, 2004a). According to Prahalad and Ramaswamy (2004a; 2004b), the concept of co-creation is concerned with the joint creation of value by the customer and the organisation, not merely the organisation trying to appease the customer. This is only possible through continuous active dialogue which co-creates personalised experiences for the consumers and assists in joint problem definition and problem solving between the relevant parties. Co-creation emphasises the consumer-company interaction as the aim of value creation (Prahalad & Ramaswamy, 2004b).

According to Schembri (2006), consumers assign interpretation of value by socially constructing it through their use of language. The model created by Schembri (2006), which analyses a range of customer perspectives of service quality, allows for the exploration of the key elements of consumers' language use that organises meanings and categories involved in their luxury brand consumption (Roper et al., 2013).

2.6.1   The co-creation model

Figure 1: A model for co-creating the brand relationship experience (Payne et al., 2009).

Customer Learning			Additional sources of brand knowledge
Customer processes	**Co-creation & Brand Relationship Experience**		Customer to customer interaction
	Hedonic value Subjectivity & Experiences	Emotion, Cognition & Behaviour	Consumer Communities User Innovation & Design
Encounters			Employee to customer interaction
	Co-creation opportunities	Planning	Implementation & metrics
Supplier processes	**Co-creation & Brand Relationship Experience Design**		Stakeholders' endorsements & events
			Channels & origination
Organisational Learning			Other brands

The co-creation model outlined in Figure 1 above is a combination of the frameworks developed by Keller (2003) and Payne et al. (2009). The framework clearly illustrates the interdependency between all the relevant stakeholders within the value creation process, delineating the importance of these inter-dependencies in truly co-creating shared value for all involved. By utilising the framework, organisations' begin to understand the true benefits of creating shared value, how this impacts the profitability of the organisation and how the economic and societal benefits outweigh the costs (Porter & Kramer, 2011).

According to Payne et al. (2009), the model consists of four main components, which are:

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1. The customer's value creating process; which is the co-creating and experiencing a brand relationship.
2. The supplier's value creating process; which is the designing and co-creating a brand relationship experience.
3. Encounters; where ongoing interactions are involved in creating these experiences.
4. Impact of additional sources of brand knowledge.

The next section considers a combination of frameworks created by Tynan, et al. (2010) and Shukla and Purani (2012) that identify the key drivers of value that consumers seek when purchasing and consuming luxury goods, which forms part of the co-creation model seen above. These frameworks also incorporate the possible differences in the key values sought by the different genders.

2.7   Key drivers of value

The co-creation of value requires a multiple participation of service systems, which integrate the various resources available through an exchange to ensure that value is created (Vargo et al., 2008). Historically, there has been a general consensus that the consumer consumption of luxury goods was a socially driven value which aimed at showcasing a wealthy consumer's ability to purchase luxury brand goods in order to gain social status (Ballantyne & Varey, 2006; Prahalad & Ramaswamy, 2004b; Truong, 2010). In recent years, researchers such as Prahalad and Ramaswamy (2004a), Shukla and Purani (2012) and Tynan et al. (2010) have provided more insight into the reasoning behind consumer behaviour, why consumers purchase luxury brands and the key values consumers seek from luxury brands. There is a general theme that is evident throughout the recent literature that identifies both personal and social drivers in the decision to purchase luxury goods and how these may vary according to gender. Throughout the analysed literature on the co-creation of value, the main types of value customers seek are identified as similar, yet the weighting of importance of the value may differ depending on gender. Each of these key types of value drivers are underlined and expanded on individually in the section that follows.

2.7.1 Utilitarian/functional value perceptions

According to Vocabulary.com (2015), the definition of utilitarian is something designed to be useful or functional. Smith and Colgate (2007) described functional needs as those that prompt the search for products that solve consumption-related problems and have the desired characteristics. Woodruffe-Burton (1998) suggested that there are three key angles of functional values, and these include: 1) correct and appropriate attributes; 2) appropriate performances; and 3) appropriate outcomes. Tynan et al. (2010) confirmed that utilitarianism focuses on logical function, concerned with the scope to which the product or service performs the desired function and findings show that consumers expect a luxury product to be unique enough to be differentiated, usable and of good quality (Shukla & Purani, 2012). Examples of this can be seen through the Louis Vuitton brand, originally designed to build great trunks that could withstand world travel and Christian Dior, creating clothes of functionality and superior quality (Shukla & Purani, 2012).

Superior quality is an attribute taken for granted with all luxury brand goods and this portrays the message that the premium price for the product indicates higher levels of quality than for a non-luxury good (Tsai, 2005). This gave rise to the Veblen Effect, which became known as "a willingness to pay a higher price for a functionally equivalent product, but one perceived to be more prestigious" (Truong et al., 2010, p. 347). Veblen suggested that the process of conspicuously consuming is part of the formulation of a biased social system of classification. In relation to gender, Veblen's work validated that the consumption of females was engineered more to extol the social status of men, which in the time of Veblen held true due to women earning substantially less than men (Segal & Podoshen, 2013).

In alignment with these authors, Tsai (2005) found that the symbolic and utilitarian dimensions underpin the personal orientation of consumer purchases. The personal utilitarian benefit indicated that consumers' individual attitudes and tastes for quality played a part in the decision to purchase luxury goods (Tsai, 2005). The utilitarian approach is categorised with an intrinsic or personal orientated approach, meaning that the drivers to purchase are pursued for autonomous reasons. It follows then that intrinsically motivated consumers are more likely to value quality than those who are extrinsically motivated (Truong et al., 2010).

2.7.2 Self-directed symbolic/expressive value perceptions

According to Wiedmann et al. (2009), it is generally acknowledged within consumer behaviour theory that the self-image coherence moderates the relationship between a person's self-image and the image of a product. Smith and Colgate (2007) defined symbolic/expressive value as the degree to which consumers connect or affiliate psychological meaning to a product. Self-gift giving is seen as a form of self-communication and this is carried out by satisfying one's own aspirations and is perceived as a personally symbolic benefit. This in turn facilitates the expression of the consumer's internal self (Tsai, 2005). Aspirations constructs stem from self-determination theory, which is concerned with people's innate psychological needs and inherent growth partiality (Truong et al., 2010). Studies have revealed that there is a close relationship between a consumer's goal pursuits and their psychological need (Truong et al., 2010). These goals can be either extrinsic or intrinsic, meaning that the alignment with the consumer's internal self refers to the way the individual perceives him/herself (Tsai, 2005). This provides the consumer with meaning, fulfilment and satisfaction (Truong et al., 2010). Gudykunst and Lee (2003) explained that self construals allow an individual to mentally create a clear boundary that separates the self from others and gives preference to personal goals over group goals. Consequently, the individual's own feelings, thoughts and actions are differentiated from others (Tsai, 2005).

The study conducted by Roper et al. (2013) further confirmed this line of thought, emphasising the subjective nature of luxury, where the self and personhood were enduring features of the consumption discourse. The study delineated the difference between personal and impersonal pronouns and structured the discourse of two categories, namely "self" and "other" (Roper et al., 2013).

2.7.3 Outer-directed symbolic/expressive value perceptions

Outer-directed symbolic perceptions become critical in the context of luxury goods due to the status perceived through ownership of luxury brands and the sign-value it provides the consumer (Shukla & Purani, 2012). According to Shukla and Purani (2012), consumers have an increasing need to identify themselves and to express and enhance their image with significant others. This supports the study conducted by Tsai (2005) which classified the individual need to identify one's self as social-identification, whereby the brand is deemed a common icon for certain social groups, thereby

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assisting the consumer in strengthening their membership within those groups. Conspicuous consumption theory argues that affluent people consume luxury goods in order to parade their wealth and gain social status (Truong et al., 2010). It is also evident that certain brand associations lead to marketplace recognition and economic success due to the value consumers place on these (O'Cass & McEwen, 2004). Contrary to these views, O'Cass and McEwen (2004) stated that consumers' views have changed since Veblen's time and the overt display of wealth and position has changed, where power and status are now conveyed in more subtle ways. These views however seem to contradict the marketplace behaviour of consumers who seek to denote image and status through the brands they purchase (O'Cass & McEwen, 2004). Shafique, Ahmad, Abbass and Khurshid (2015) reiterated that consumers attempt to improve their social standing through the consumption and use of branded products, which reflect a person's status to his/her surroundings. Essentially, the products are consumed to display the consumer's wealth and are evidence of the consumer's desire to belong to an elite class.

Consumers have a tendency to imitate the buying behaviour of the group to which they aspire to belong (Truong et al., 2010). This in contrast to Roper et al.'s study (2013) that revealed that consumers of luxury goods clearly indicated that they do not comply to the commercial, flock-like mentality of a brand-duped crowd. The study exposed that the consumers were mocking the brand conformists and showed a preference to assert themselves over the luxury brand (Roper et al., 2013). The outer-directed value perceptions can be categorised as extrinsic goals, whereby consumers tend to be concerned about how they are perceived by others and the desire to receive other aspirational groups praise and rewards (Truong et al., 2010). This socially-orientated value perception has an immediate effect on impression management, where the brand serves as a prominent symbol for the customer (Tsai, 2005). In addition to this, the functional value of uniqueness also bolsters an individual's need for uniqueness, exclusivity and discernment, which can only be realised when the consumption and use of a certain brand is given to exclusive clientele (Wiedmann et al., 2009).

2.7.4   Experiential/hedonic value perceptions

Hedonic consumption refers to the consumer behaviour that relates to multi-sensory and emotional aspects of the consumer's experience, where luxury brand products provide intangible and subjective experiences (Shukla & Purani, 2012). The experiential pleasures directed at the consumer's self feature feelings of ecstasy, bliss

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and contentment and are essential elements that consumers discern when forming their own hedonic experience (Tsai, 2005). In accordance with the above, Woodruffe-Burton (1998) believed that hedonic value is concerned with the manner in which a product creates appropriate feelings and emotions for the consumer. Individualism and a focus on hedonic values tend to be prevalent in Western countries, but this may vary in more a collectivist society such as Asia (Truong, 2010). Studies in the field of luxury consumption have revealed that luxury goods are likely to provide such idiosyncratic intangible benefits (Wiedmann et al., 2009). Some organisations have focused on the sensory values available to them to create an ambiance, aesthetic appeal, feel and tone within the stores, while other organisations' focus on the emotional and social-relational values such as enjoyment, fun, excitement, bonding and personal interaction to appeal to their customers (Woodruffe-Burton, 1998).

Atwal and Williams (2009) attested that there has been a change in mind-set regarding the perceptions of luxury and this has shifted away from a transactional relationship to a holistic experience (Atwal & Williams, 2009). With the understanding that experiential marketing is vital to the value perceptions of the luxury good consumer, the co-creation of value through holistic and individualised product and service experiences is vital to marketers who want to co-create value with the brand and their consumer. This was clearly evident in the results of the study conducted by Roper et al. (2013), where through the unfolding discourse with the respondents, it was continuously emphasised that the experiential nature of their consumption was a key driver to value perception in luxury goods.

Sentimental value is a non-feature related utility that is derived from positive associations with a significant other or with a special event or time in a person's life (Yang & Galak, 2015). The concept of hedonic adaptation refers to the need for people to constantly spend money to upgrade their current experiences in order to experience the same level of happiness (Yang & Galak, 2015). It was proposed by Yang and Galak (2015) that the happiness evoked by purchases based on a functional value decreases over time, whereas sentimental purchases tend not to diminish. This is due to the fact that the associations that these purchases or gifts evoke linger over time, bringing back fond memories of a person or experience. With this in mind, this provides luxury brand organisations with an opportunity to utilise this knowledge by engaging their customers with their brand and product for special occasions or experiences in the consumers' lives.

2.7.5 Relational value perceptions

The relational value perceptions are understood to enhance the understanding of consumers' loyalty to a brand and facilitates in-depth knowledge about consumers' needs and aspirations. Furthermore, a luxury brand relationship perspective may enhance the understanding of the roles that brands play in the consumers' lives (Breivik & Thorbjornsen, 2008). To explore the form and dynamics of interactions between consumers and luxury brands, Fournier (1998) provided a framework to better understand the relationships consumers form with brands. Toward this end, Fournier argued that brands can serve as viable relationship partners and consumer brand relationships are valid at the level of lived experience (Fournier, 1998). For a relationship to truly exist there needs to be interdependence between the partners that collectively affect, define and redefine the relationship (Fournier, 1998). This can only take place through continuous dialogue and knowledge exchange with all relevant parties involved. The study by Grisaffe and Nguyen (2011) reiterated that luxury good organisations reap financial rewards when consumers develop strong emotional ties with the brands because the emotional bonds manifest in repurchase and loyalty to the brand. This means that profitability and revenue are less likely to be vulnerable to disruption as ultimate loyalty evolves, ensuring a repeat purchase (Grisaffe & Nguyen, 2011). The luxury brand organisations should focus on meeting the consumers' wants and needs in value-producing and differentiated ways, as this can result in strong emotional attachments to the brand (Grisaffe & Nguyen, 2011).

With this being said, drivers of possession attachment could differ from the drivers of brand attachment (Grisaffe & Nguyen, 2011). This is evident when a consumer is sentimental about a singular special possession they have, such as an inherited item from a grandfather rather than the branded item itself.

2.7.6 Cost/sacrifice value perceptions

One of the most important defining characteristics of a luxury brand is the premium pricing strategy (Keller, 2009). Research has indicated that in the case of luxury brands, higher prices generally signify higher quality and this plays a positive role in the consumer's perception of the luxury product's quality and overall value of the brand, which in turn elevates the uniqueness and desirability of the brand (Shukla & Purani, 2012). Juxtaposing this, the study by Roper et al. (2013) illustrated two themes concerning the ethics of spending. The first was a self-disciplining; balancing practice

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and the second was the problematisation of character (Roper et al., 2013). The study revealed that respondents, free from monetary constraints, restrain themselves, seeking to justify and balance their spending (Roper et al., 2013). Some luxury items are not regarded as valuable due to the high price tag, but in terms of the sentimental value. Consumers distinguish between the objective or actual price of the product and the perceived or judged cost of the product (Wiedmann et al., 2009).

There is a trend indicating that the price of female luxury brands are in most cases significantly higher than the price of male luxury brands. However, there are a few categories where male luxury brand products are more expensive than the females' product (Stokburger-Sauer & Teichmann, 2013). There is a lack of evidence concerning the reasoning behind why prices for female luxury brands are significantly higher than the prices for male luxury brands; however, this could assist in confirming that women place higher importance to their physical appearance than men, consequently displaying higher preference to luxury brands than men (Stokburger-Sauer & Teichmann, 2013). The higher demand by women for luxury brands could in turn raise the price for these products.

2.8   Recapitulation of Literature Review

This chapter provided insight into the literature and theoretical background pertaining to the six key drivers of value which consumers seek in purchasing luxury brands. Each of these key drivers were discussed and reviewed in this chapter to provide the foundation for the framework utilised in this study, which was based on Shukla and Purani's (2012), conceptual model (as shown in Figure 2 below), with an addition of the relational key value driver from Tynan et al. (2010). Tynan et al. (2010) emphasised the need to empirically test the value perceptions framework to extend the validity and reliability of the theoretical foundations. The researcher aimed to test this framework within an emerging market and either confirm or refute the theoretical foundations as set out by Tynan et al. (2010) and Shukla and Purani (2012). The researcher further aimed to contribute to the theoretical foundations by comparing the differences in gender and examine if new insights were discovered through empirical testing.

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Figure 2: Customer value framework for luxury goods (Tynan et al., 2010).
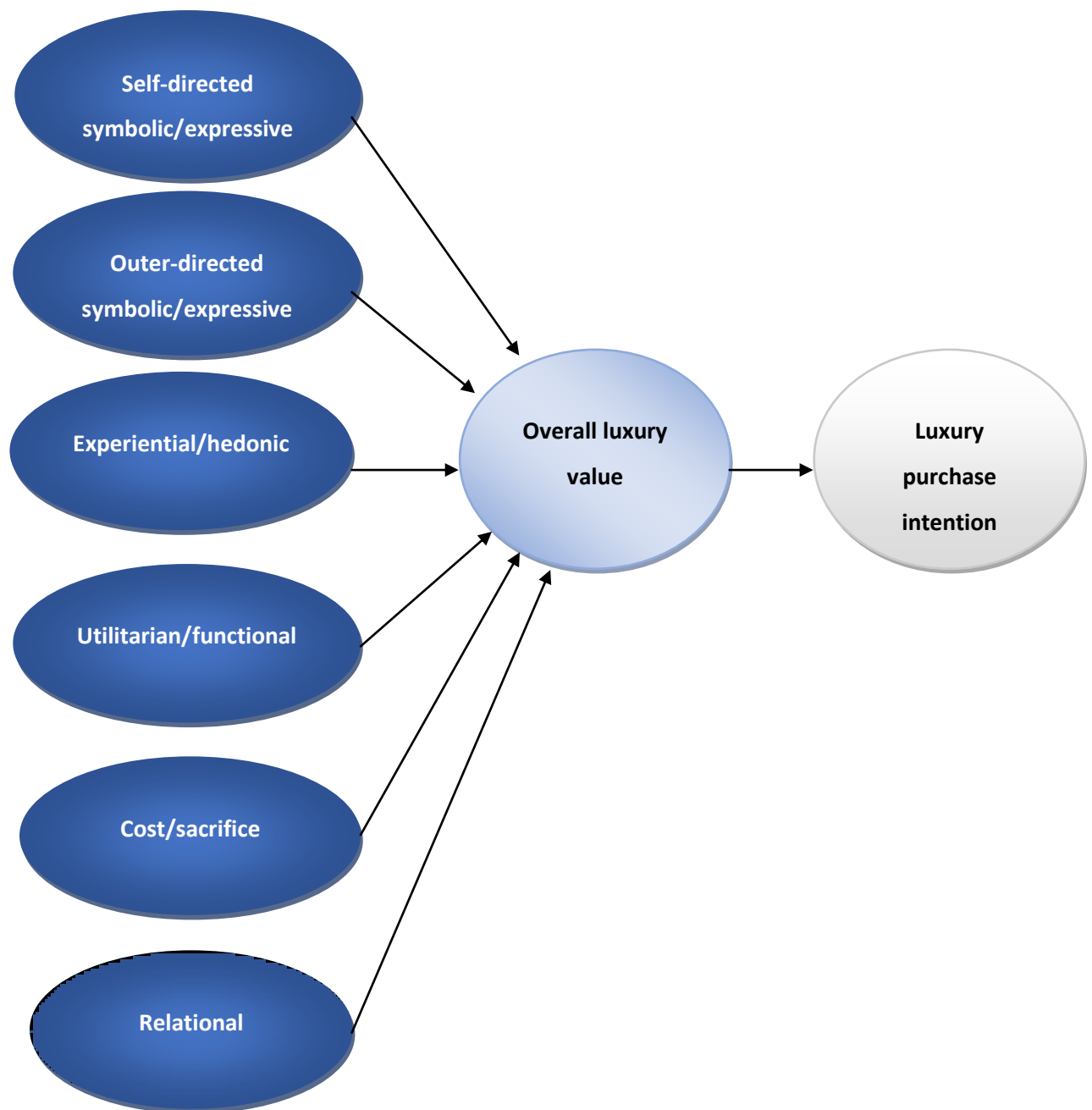
CHAPTER 3:   RESEARCH QUESTIONS

The aim of this study was to establish whether the six key drivers of value that consumers seek in luxury brand purchases in developed economies, as indicated by Tynan et.al. (2010) are generalisable to emerging markets or whether these differ. Furthermore, the study assessed whether these key drivers of value perceptions vary between genders. In conclusion, the study sought to establish how luxury brand organisations can co-create value utilising these six key value drivers.

3.1   Research question 1

What are the six key drivers of value that emerging market consumers seek in luxury brand products?

The research question sought to confirm whether all six key drivers of value listed below are present in a consumer's decision to purchase luxury goods. If all six key value drivers are not present, this question aimed to identify which key value drivers are present when consumers make a decision to purchase luxury goods. The six key drivers tested were as follows:

- Functional/Utilitarian values
- Cost/Sacrifice values
- Relational values
- Experiential/Hedonic values
- Extrinsic/Outer-directed symbolic values
- Intrinsic/Self-directed symbolic values

3.2   Research question 2

Do the six key drivers of value sought from luxury brands differ between genders?

The aim of this research question was to identify whether all six key drivers of value are present and relevant in the decision to purchase luxury goods for both genders. The research question further aimed to explore the importance of each key value driver for

the two genders, and compared the results of the two genders and ranked the importance of each value driver for the two genders.

3.3 Research question 3

How can luxury brand organisations co-create value utilising the six key value drivers?

The aim of this research question was to identify whether luxury good consumers would like to co-create with the brands they purchase from; how they would like to co-create with the luxury brands they purchase from; and how these luxury brand organisations can incorporate the key value drivers the consumers seek from the luxury brand into co-creating with the luxury good consumer.

3.4 Conclusion

The answers to the research questions were obtained from a combination of semi-structured personal interviews with consumers, as well as luxury brands, case studies, in-store observations and netnography. The information gathered in this study would provide marketers and managers of luxury brand goods with the key value drivers consumers seek to obtain from the luxury goods. The study's research results would emphasise the differences between the genders and the values they seek. The information garnered from the research study would also explain how the luxury goods organisations can provide these value perceptions to consumers through the co-creation of value.

CHAPTER 4:   RESEARCH METHODOLOGY

4.1   Introduction

The purpose of this study was to aid luxury good organisations within emerging economies in better understanding the key drivers which consumers sought from their luxury goods and services, whether the organisations provided these value drivers to their clients and how the organisations could tailor their brand offerings to best suit the consumers' wants and needs. This study further aimed to contribute to the theoretical understanding of the key value drivers consumers sought from luxury goods within an emerging market, and assessed whether the key value drivers differed between genders and identified if these drivers were aligned with studies conducted in Western societies. This chapter outlines the exploratory research undertaken by the researcher. Within this chapter, the choice of methodology selected, population, unit of analysis utilised, sampling method and size, the measurement instrument, the data gathering process, analysis approach and limitations are discussed.

4.2   Research design

The research design is the framework that planned the action undertaken for this research project (Zikmund, 2003). The research design selected by the researcher was based on the objectives of this research study and those were incorporated to ensure that the research study answered the research questions presented in Chapter 3 (Zikmund, 2003). Through the exploratory research, this study aimed at identifying the six key value drivers consumers sought and obtained from luxury brands, whether these drivers differed between genders and how the luxury brand organisations co-created value through the key value drivers. The exploratory research conducted was able to constantly narrow the scope of the research topic and convert discovered theories into defined ones, incorporating the research objectives as formulated in the previous chapter (Zikmund, 2003). The exploratory study provided the researcher with greater understanding of the concept of the six key value drivers, how these value drivers differed between genders and how consumers would like to participate in the co-creation process with luxury brands, which led the researcher to learning more about the particular findings (Zikmund, 2003).

A deductive approach which involved the testing of the theoretical propositions created by Tynan et al. (2010) was used by the researcher. The researcher utilised a research strategy designed for the purpose of its testing (Saunders & Lewis, 2012).

4.3 Methodology

A qualitative, cross-sectional, exploratory research method was selected by the researcher. This method provided a "snapshot" of one period in time in order to distinguish certain consumer behaviours within the luxury goods market, allowing the researcher to screen alternatives and discover possible new ideas (Saunders & Lewis, 2012; Zikmund, 2003).

Qualitative research uses a pragmatic approach that seeks to understand experiences in a "real world setting" where the researcher does not pursue manipulating the experiences of interest (Golafshani, 2003). Qualitative research was selected due to the possible diversity of the subject matter. It allowed for the understanding of the respondents' world and was primarily concerned with discovery. Through qualitative research, the researcher was able to gather a richness and detail in the data, which allowed for a tolerance of ambiguity and contradictions (Barbour, 2008). This research method allowed for the prospect of alternative explanations (Denscombe, 2007). The researcher sought to gain understanding, illumination and extrapolation to similar situations through the use of qualitative research (Golafshani, 2003). Aligning with the objectives of this study, qualitative research allowed the researcher to search for patterns and interrelationships between the six key value drivers consumers sought from luxury goods, allowing for an intensive study of the objectives (McCracken, 1998).

4.4 Population

The population within this study encompassed the complete group of consumers and luxury brand suppliers based in Gauteng, who shared a set of similar characteristics and purchased and/or supplied luxury brand goods (Zikmund, 2003). The similar characteristics shared by luxury goods consumers and suppliers included consumer perceptions, attitudes towards the concept of luxury, the functional and psychological needs of the consumers and consumption patterns of the consumers.

4.5 Unit of analysis

The research focused on an individual level of investigation, interviewing respondents on a one-on-one basis. The individuals interviewed included senior managers and/or owners of the luxury good organisations, as well as the consumers of the luxury brands. The study aimed to analyse the relationships between luxury brand organisations and their consumers, specifically the relational value perceptions, cost/sacrifice perceptions, the self and outer symbolic/expressive perceptions, experiential/hedonic perceptions and how these various concepts and experiences of the respondents were similar or different, in order to gain answers to the research questions identified in Chapter 3.

4.6 Sampling

4.6.1 Sample frame

The sampling frame is the list of constituents from which the sample was drawn (Zikmund, 2003). For this study, the sampling frame would have encompassed all luxury consumers and all luxury goods brands in South Africa. In this case, the sampling frame did not exist and as a result, the researcher made use of a non-probability sampling method.

4.6.2 Sampling method

The selected snowball sampling method is a non-probability sampling method through which the original respondents are selected by probability methods, and information and referrals to additional respondents are gathered from the original respondents. This sampling method was selected for the study due to the difficulty in identifying and accessing the relevant sample of respondents (Saunders & Lewis, 2012; Zikmund, 2003). As the size of this market was extremely small, a smaller sample size with the snowball method was a clear advantage. Sample qualifiers for respondents included, but were not limited to:

- Current, regular consumers of luxury brands as laid out in the population. This encompassed a group of consumers based in Gauteng, whose perceptions,

attitudes towards the concept of luxury, their functional and psychological needs and consumption patterns were similar to one another.

- Current owners, suppliers, managers and employees interacting with consumers within the luxury goods market in Gauteng.
- Experts within this field of study, who had a vast knowledge and experience within the luxury goods market, both in emerging markets, as well as the West. This allowed the researcher to compare the results from this study to the current norms within the luxury goods market and how these were similar or different in emerging markets when compared to Western societies.

The respondents' organisations across the three selected industries served as the three case studies for the researcher, similar to that of the study done by Tynan et al. (2010). The researcher conducted 10 hours of in-store observations within these organisations' retail outlets over a series of different days and times, both during the week, as well as on weekends. The researcher further gathered relevant information on the selected organisations, as well as other luxury brands through online netnography over a period of time, utilising lurking on various online media, blogs, Instagram and websites relevant to luxury brand organisations. This reinforced consistency, adding to the comparability of this study to the study conducted by Tynan et al. (2010). Although the conceptual study done by Tynan et al. (2010) was conducted over a period of 15 months, the researcher's time constraints did not allow for a study over a similar time period and therefore this study was conducted over a three-month period.

4.6.3   Sample size

The methodology and number of interviews selected by the researcher was based on the conceptual study by Tynan et al. (2010) in order to compare the findings of this research to the conceptual study that was conducted. The consistency of utilising similar quantities and methodologies assisted the researcher in confirming or refuting the six key value drivers that consumers sought when purchasing luxury goods as stated in the study conducted by Tynan et al. (2010). This also allowed the researcher to ascertain whether the six key value drivers were similar in an emerging market to that of a Western society, and whether the key value drivers differed between the genders. The researcher conducted four personal in-depth interviews with senior practitioners within selected luxury goods organisations and nine personal in-depth interviews with customers of luxury brands. The respondents consisted of both male

and female respondents from different age categories. The number of interviews selected was also influenced by the size of the population available to the researcher and the accessibility of the individuals within this population group.

4.7 Research instrument

4.7.1 Design

This study was based on the model developed by Tynan et al. (2010), as well as other supporting literature. As such, the author collected data similarly to the method employed by Tynan et al. (2010) to make the data collected comparable. As with the conceptual study conducted by Tynan et al. (2010), the researcher collected data from three different industries, namely automobiles, jewellery/watches and fashion. The conceptual study utilised a luxury department store as one of the categories studied, however, as South Africa has no real luxury department stores, this category was substituted for the watch and jewellery category. The selection of more than one category ensured that the findings were consistent across industries and were not category specific. Simplistically, the researcher assessed whether the six key value drivers for consumers were authentic across luxury brand goods in general. The methods selected consisted of the following:

- A semi-structured, in-depth interview method was selected based on the researcher's interest in understanding why the consumers sought certain key value drivers from luxury brands. This research method was particularly applicable to exploratory research as it allowed the researcher to ask many questions and probe for elaboration after the respondents answered the questions, while still remaining focused on the topic through a common structure and sub-areas of interest (Gillham, 2005). This method also allowed the respondents to talk freely and exhaustively about the topic (Zikmund, 2003). The personal interaction of the interview allowed the researcher the opportunity for feedback, to probe for complex answers to open-ended questions when necessary and the level of participation was high (Zikmund, 2003). The researcher's use of in-depth interviews was due to the interest in understanding the actual experiences of the respondents and the meaning they make of their experiences (Siedman, 2006). The semi-structured in-depth interview guideline the researcher created consisted of a clear list of issues to be discussed, but

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was flexible in terms of the order in which the topics were considered (Denscombe, 2007). The researcher utilised this method of data collection as it facilitated a strong element of discovery, while the structured focus allowed for the identification and analysis of commonalities (Gillham, 2005).

- Case studies of the companies selected within the three luxury brand industries were conducted. The case studies focused on a few particular phenomena, with a view to investigate the participating companies in depth by identifying the relationships among functions, processes and individuals (Zikmund, 2003). This approach allowed the researcher to cope with the complexity and subtlety of real-life situations, especially the process of relationships within the setting (Denscombe, 2007). The case study approach was suitable to use parallel to other qualitative methods, as was done in the conceptual study done by Tynan et al. (2010). Case studies foster the use of multiple sources of data, which in turn facilitates validation of the data collected through triangulation (Denscombe, 2007).

- Netnography, which is a branch of Ethnography, but with the application to a computer-mediated environment was utilised (Xun & Reynolds, 2010). Ethnography is a collection of qualitative methods used in the social sciences that focuses on the close monitoring of social practices and reciprocal action. Ethnography produces written or illustrated accounts of particular cultures, groups or institutions (Gillham, 2005). Netnography follows the same guiding principal as ethnography, but through the use of various online tools such as websites, forums and blogs. This qualitative method enabled the researcher to interpret and build theories about how and why social processes occur. Through netnography, the researcher focused on gathering multiple forms of evidence to support or refute the research objectives set for this study. The researcher utilised the following to peruse online methods of data collection for the netnography:

    1) Lurking (where the researcher observed online communities, but did not actively participate).
    2) Surfing various luxury brand home pages.
    3) Luxury brand blogs.
    4) Instagram.

- In-store participant observations, which allowed the researcher to collect direct data by witnessing events first hand and observing what actually happened in

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the store environment (Denscombe, 2007). This type of observation enabled the researcher to understand the culture and processes of the groups being investigated and was suitable for the qualitative study being done (Denscombe, 2007). It also allowed the researcher to observe the customers within a natural setting, which was unobtrusive and passive. The information that was collected included the elements such as the participants, setting, purpose, frequency, duration and social behaviour (Zikmund, 2003).

4.7.2   Reliability and validity

The use of reliability and validity are prevalent in quantitative research and are now being considered as pertinent in qualitative research studies as well (Golafshani, 2003). Traditionally, validity in qualitative research involved determining the degree to which the assertions made by the researcher corresponded to the reality being studied, however, different approaches to validity within qualitative research have emerged (Cho & Trent, 2006). Golafshani (2003) explained validity as the determination of whether the research truly measures what it was intended to measure and analyses the extent to which the research results are truthful. According to Cho and Trent (2006), validity is an interactive process between what is being researched and the researcher and is aimed at acquiring higher levels of accuracy and consensus. For this qualitative research paper, the researcher aimed to attain credibility and transferability, which provided the lens for evaluating the findings of the research (Golafshani, 2003).

The researcher utilised a triangulation technique, which deployed multiple methods of data collection in an attempt to overcome the weakness that flows from utilising one method of data collection (Cho & Trent, 2006). Triangulation is a strategy to improve the validity and reliability of the research or interpretation of the findings (Golafshani, 2003). The researcher sought to be credible by formulating the questions to be answered in conjunction with *a priori* theory which was measured and tested (Cho & Trent, 2006). The researcher proposed validity and reliability in the qualitative research that was conducted by reflecting on what was pertinent specifically to the scope of this research study (Cho & Trent, 2006) and by engaging in multiple methods of data collection, such as in-store observations, personal in-depth interviews and recordings, which enabled the researcher to utilise a diverse construction of realities (Golafshani, 2003).

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4.7.3   Pre-test

In order to learn whether the research structure was appropriate for the study, the researcher conducted pilot tests on three respondents similar to the research group, which included both male and female respondents (Siedman, 2006). The researcher conducted the pilot tests to test the respondents' understanding of the questions asked and to analyse the possible changes in wording, question focus, question order and question redundancy or replacement that may be have been necessary (Gillham, 2005). The pilot tests revealed a duplication of some questions, and introduced possible new avenues to be explored that were not included in the initial interview schedule. The necessary changes were made to the semi-structured interview schedules by the researcher before commencing the data collection from the respondents identified for this research study. This allowed the researcher to reduce error due to inaccurate design (Zikmund, 2003).

4.8   Data collection

The data was collected from employing various methods. These included semi-structured, in-depth interviews with individual respondents, with clear topics of the conversations defined. A semi-structured, in-depth interview method of data collection was selected due to the general exploratory information the researcher attained from the interviews (Saunders & Lewis, 2012). The semi-structured, in-depth interview allowed the researcher to elicit relevant and analytically rich data (Barbour, 2008). The interviews were audio recorded by the researcher for later transcription to take place. This allowed the researcher freedom to focus on the interview and what was being said and also to observe behaviours and the environment for the duration of the interview. The audio recordings provided the researcher with a repeatable and mobile resource for multiple hearings and access for later use (Nikander, 2008). Preparation for this data collection method included secondary research on the respondents and the companies from which they purchased luxury goods. The secondary research was done whereby the researcher analysed data on the selected organisations through various online media such as websites, blogs, advertisements and the like.

For the semi-structured interviews, an interview schedule or guide was created for both the customers as well as the managers/owners of the organisations selling the luxury goods. This assisted the researcher in structuring the course of the interviews,

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ensuring that an outline of the main topics which needed to be covered was included during the interview. Simultaneously, this form of data collection allowed the researcher the openness to change the arrangement and question configuration to follow up on answers given by the interviewees during the interview (Kvale, 2007). As the questions and answers were open-ended, there was more emphasis on the respondent elaborating on points of interest (Denscombe, 2007).

The interview schedule questions were categorised into the six key value drivers, as specified in Chapter 2 to ensure that the data gathered was sufficient to meet the research objectives of the study. The measurement questions for luxury in general and each of the six key value drivers and are presented in Tables 1 to 7 below.

Table 1: Luxury Goods

Main Questions	Additional Questions	Clarifying Questions
• What does luxury and luxury branding mean to you? • When you think of luxury goods, what comes to mind? • Has travel impacted on your knowledge and purchase of luxury goods? • What are the key characteristics/benefits you look for in a luxury brand? • Are there any down sides to luxury brands? • Do you purchase products mostly for yourself or for others? • How important is the brand heritage and craftsmanship of the luxury brand?	• Tell me more about that please? • What are these preferences? • What influences these preferences? • What proportion is for yourself in relation to others?	• Can you explain what you mean by that? • Why / Why not? • What is the reason for that?

Table 2: Utilitarian/functional value perceptions

Main Questions	Additional Questions	Clarifying Questions
• Do you purchase luxury goods to fulfil a specific function? • How important is the functional use of the product? • How important is quality in terms of the luxury products you purchase?	• If you didn't need it, would you purchase it? • Does the product need to satisfy your functional needs in its entirety? • Does the product need to be the best in its class in terms of performance? • Tell me more about that please?	• Can you explain what you mean by that? • Why / Why not? • What is the reason for that?

Table 3: Self-directed symbolic/expressive value perceptions

Main Questions	Additional Questions	Clarifying Questions
• What personal benefits do you receive when purchasing luxury goods? • Do you purchase luxury products to treat yourself or give yourself gifts? • Do your personal and life goals affect your luxury goods purchases? • To what extent do friends, family and peers affect your luxury goods purchases?	• Tell me more about that please?	• Can you explain what you mean by that? • Why / Why not? • What is the reason for that?

Table 4: Outer-directed symbolic/expressive value perceptions

Main Questions	Additional Questions	Clarifying Questions

• Does the way others perceive you play a role in what luxury brands you purchase?
  • Do you believe people formulate an impression of you based on the brands you purchase?
  • Do the brands you purchase facilitate in you expressing yourself to others?
  • Do the luxury goods products you purchase enhance your personal image?
  • Do you find that you form social groups through common icons?
  • Do friends, family
	• If you see others with products that appeal to you, does this drive you to make the purchase for yourself?
	• Tell me more about that please?
		• Can you explain what you mean by that?
		• Why / Why not?
		• What is the reason for that?

Main Questions	Additional Questions	Clarifying Questions
and peers purchases influence your purchases?		

<div style="text-align: center;">and peers purchases influence your purchases?</div>

Main Questions		
• and peers purchases influence your purchases? • Do you purchase certain luxury good products to discern/distinguish yourself from others? • How important is the brand name, logo or mark on the luxury good product? • How important is trend and fashionability?		

Table 5: Experiential/hedonic value perceptions

Main Questions	Additional Questions	Clarifying Questions
• How does the packaging and environment in the store and online impact on your luxury good purchases? • If you could select any method of purchasing your products, what would your preferred method be? • How does purchasing the luxury good products make you feel?	• Ambience? Aesthetic appeal? Feel and tone within the stores? • In-store? On-line? • How do values such as bonding, excitement and personal interaction impact on your purchases? • Tell me more about that please?	• Can you explain what you mean by that? • Why / Why not?

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Table 6: Relational value perceptions

Main Questions	Additional Questions	Clarifying Questions
• Would you like to be involved in the process of creating the products and experiences you receive from luxury brands with the luxury brand organisations (e.g. personalised experiences or joint problem solving)? • How does the impact of your experiences with the luxury brand impact on your future purchases and loyalty?	• What specifically would you like to work on with the luxury goods companies? • Tell me more about that please?	• Why / Why not?

Table 7: Cost/sacrifice value perceptions

Main Questions	Additional Questions	Clarifying Questions
• In your opinion, what is the relationship between luxury and price? • Does a higher price signify a better quality to you? • Does the price of the product impact your perception of the luxury brand? • Are you sentimental about the luxury good products you purchase?	• Please can you elaborate on what you mean by that?	• Why /Why not?

The researcher also gathered data from in-store observations within the retail stores of the selected organisations. This method of data collection allowed the researcher to

observe and understand the processes that took place at store level and to observe the customers within a natural setting, which was unobtrusive and passive.

The researcher collected information on the luxury brand organisations and their consumers by surfing various luxury brand home pages, lurking on relevant luxury brand websites, blogs and Instagram posts. Collectively, these data collection methods constituted the data gathering process employed by the researcher.

4.9 Data analysis

The data was analysed utilising the semantic text analysis software tool Leximancer. It is a useful instrument for researchers to explore a large text-based data set where manual coding would be too time consuming (Reyneke, 2011; Zaitseva, 2013). Leximancer is a data-mining tool that enables the researcher to tell a story. Ideas, concepts, and relationships are identified and the key concepts and actionable insights are depicted through powerful interactive network cloud visualisations and data exports (Leximancer, n.d.). Leximancer performs conceptual (thematic) as well as relational (semantic) analysis using different algorithms for each stage (Reyneke, 2011) and the process is labelled unsupervised semantic mapping of natural language (Zaitseva, 2013). The tool measures frequency of each word that is used and then calculates the co-occurrence (Zaitseva, 2013). The advantages of using this data-mining tool include providing a fairly unbiased method of reviewing complex textual data sets; it assists the researcher in discovering "hidden" structures that fall outside of preconceived frameworks and allows research-driven tailored analysis (Zaitseva, 2013).

4.9.1 Steps of the data analysis

Step 1: Data preparation

Each individual interview was transcribed verbatim from speech into a written electronic text document. The researcher utilised transcripts, as this brings immediacy and transparency to the experience under study by allowing audiences access to inspect the data on which the analysis is based (Nikander, 2008). The number of overlaps, self-editing and hesitations were kept constant throughout the transcription process (Nikander, 2008).

Step 2: Coding the data and tests run

The individual transcripts were then divided into various other transcripts, which combined information in various ways to test various concepts. The respondents' data were combined for each individual question asked within the six key value drivers' categories in order to run the data in a way that would provide detailed information on the research questions specified in Chapter 3. In addition to the above, this process was repeated for males and females separately, as well as for the consumers and brands separately.

4.9.2   Analysis of the results

Leximancer allowed the researcher to identify seminal concepts that emerged from the interviews with the various respondents, as well as pertinent ideas and actionable insights. This analysis was reflected by means of interactive visualisations which were then interpreted by the researcher (Leximancer, n.d.). The concept maps indicated key themes represented by large circles, with concepts indicated by dots on the maps (Reyneke, 2011). Larger and darker themes and concepts indicated greater importance in the text, while overlapping or concepts in close proximity indicated that these appeared close together in the text analysed (Reyneke, 2011).

4.10   Ethical considerations

Research ethics refers to "the appropriateness of the researcher's behaviour in relation to the rights of those who become the subject of a research project, or who are affected by it" (Saunders & Lewis, 2012, pg. 74). A consent form was given to each respondent to sign, to ensure that trust, confidentiality and ethics were adhered to. No respondents were coerced into or incentivised for participating in this study.

4.11   Research limitations

- Qualitative research may be subject to interpreter bias, as the research is subjective in nature and it is difficult to determine a true interpretation. This in turn has an adverse effect on reliability. By combining various methods of data collection (triangulation), the researcher aimed to minimise the bias through screening alternatives, gathering background information and scrutinising case studies (Zikmund, 2003).

- The sample size was small, which could have restricted the generalisability of the findings. The researcher aimed to reduce this limitation by interviewing respondents and studying organisations from three different luxury goods industries.

- By utilising the snowball sampling method of data collection, bias was likely to enter the study, as respondents were likely to share common interests and have similar characteristics. By utilising interviewees across three different industries and genders, the researcher aimed to reduce the bias of the snowball sampling method.

- The in-depth interview process required a highly skilled interviewer and this data collection method was time consuming and expensive. The success of the research was dependent on the interviewer's skill in acquiring the necessary outer reactions, as well as the respondents' subconscious motivations (Zikmund, 2003).

- By only studying organisations within the Gauteng region, the study was limited in terms of generalisability. The researcher aimed to reduce this limitation by selecting luxury good organisations within different categories to make it more generalisable.

- The respondents interviewed did not encompass all of the cultures present in South Africa. There are various cultures at play within the South African environment and these variations could impact the consumer behaviours and the purchasing decisions of luxury brands, especially when recognising that some cultures are more collectivist, rather than individualistic in nature.

4.12   Summary

This chapter outlined the research methodology that was followed by the researcher. Through the methods outlined in this chapter, the respondents provided a rich quality of data which enabled the researcher to adequately address the research objectives outlined in Chapter 3, which in turn provided the opportunity to add further insight into the topic of study. The following chapter presents the results of the data analysis.

CHAPTER 5: RESULTS

5.1 Introduction

The results of the data collection process presented below are in the order of each of the research questions outlined in Chapter 3. As stated in Chapter 4, a qualitative, cross-sectional, exploratory research method was selected by the researcher. A total of thirteen in-depth interviews were conducted over a period of five weeks, nine of which were with luxury good consumers and four were conducted with senior managers or directors of luxury good organisations. The in-depth interviews with each interview candidate were completed in approximately 60 minutes. The researcher met with the respondents predominantly within their working environment, while two of the interviews took place at a coffee shop. With permission granted by the respondents, the interviews were recorded by the researcher and were then transcribed for later data analysis.

5.2 Respondent summary

The sample of respondents and a brief description of each respondent interviewed by the researcher for this study are identified in Tables 8 and 9.

Table 8: List of respondents – Consumers

Gender	Brief description	Age category	Reference
Male	Student and dependent born into privilege and inheritance.	17-25	Respondent 1
Male	Employee at family firm. Born into privilege and inheritance.	17-25	Respondent 2
Female	Self-employed. Married with one child.	26-35	Respondent 3
Male	Senior manager within financial institution. Married with two children.	26-35	Respondent 4
Male	Senior manager/chartered accountant. Not married.	26-35	Respondent 5
Male	Owner and director of multiple businesses. Married with three children.	36+	Respondent 6
Female	Non-practising attorney and house wife. Married with two children.	36+	Respondent 7
Female	Attorney and senior manager within a firm. Married with two children.	36+	Respondent 8
Female	Practising attorney and director on the board of family firm. Married with two children.	36+	Respondent 9

Table 9: List of respondents – Luxury good organisations

Male	CEO of three luxury automobile brands.	36+	Respondent 10
Male	Director of luxury apparel business.	36+	Respondent 11
Male	Director of watch company supplying luxury brands.	36+	Respondent 12
Male	Director of luxury apparel business.	36+	Respondent 13

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5.3 Research question 1

What are the six key drivers of value that emerging market consumers seeks in luxury brand products?

The results of the data for all respondents combined in terms of luxury in general shown in Figure 3 below affirm that all six key value drivers that were tested are present in the consumers' decision-making process when purchasing luxury goods. The themes are depicted by the various coloured bubbles and the concepts are depicted by the grey dots within the various themes. The themes highlighted in Figure 3 include all of the following key value drivers:

1. Functional/Utilitarian values: Identified by the grey concept dots labelled **product**, **terms**, **quality**, **value**, **goods** and **important**.
2. Cost/Sacrifice values: Identified by the grey concept dots labelled **buy**, **price**, **product**, **value for money** and **brand**.
3. Relational values: Identified by the grey concept dots labelled **fashion**, **South African** and **different**.
4. Experiential/Hedonic values: Identified by the grey concept dots labelled **love**, **try** and **travel**.
5. Extrinsic/Outer-directed symbolic values: Identified by the grey concept dots labelled **brands**, **people**, **things**, **different** and **time**.
6. Intrinsic/Self-directed symbolic values: Identified by the grey concept dots labelled **year**, **bought** and **car**.

It was evident that there were more male than female respondents interviewed, which impacted the collective ranking of the key value drivers that were most important to the respondents. However, three of the six key value drivers were highlighted as more important to the consumers than the other three. These drivers' importance is evident by the three largest bubbles on the map in Figure 3 below, namely the two green bubbles and one red bubble. The three most important value drivers identified in the results are classified in order of importance as indicated below.

1. Extrinsic/Outer-directed symbolic values (which crossed over into Intrinsic/Self-directed symbolic values).
2. Functional/Utilitarian values.
3. Cost/Sacrifice values.

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Each of these value drivers are discussed individually below. The differences in the key value drivers for both genders are comprehensively explored in research question two in the section that follows.

5.3.1 Extrinsic/Outer-directed symbolic values

Within this key value driver, the most important concepts identified by consumers included **brands**, **people**, **look** and **differentiation** of self to others, which were depicted by the grey concept dots labelled in Figure 3. These highlighted concepts are identified by larger grey dots within the red and green theme bubbles below. It was noted that the three most important themes or value drivers identified by the consumers had significant overlap between the various themes. In other words, the consumers did not see one value driver in isolation, but viewed these key value drivers together, as evidenced by the three large red, beige and green colour bubbles which overlap with the key concept words depicted by grey dots falling within all three theme bubbles. The results also emphasised the male domination in the luxury goods purchases and the specific categories the male consumers preferred to purchase. These included the grey concept dots labelled **fashion**, **watches**, **jewellery** and **cars**, which can be identified within the red, beige and green theme bubbles below. Alternatively, the females preferred items such as handbags, shoes, apparel and accessories.

It was noted that the extrinsic/outer-directed symbolic values developed into intrinsic/self-directed symbolic values as the respondents matured in age. The younger respondents were openly far more concerned about personal brand image and how they are portrayed to their peers, whereas the more mature respondents had worked through those feelings and felt that they had already established their personal identity, which led to more intrinsic/self-directed symbolic values. This being said however, the extrinsic/outer-directed symbolic values continued to remain a key value driver throughout all respondents, but the mature respondents placed less emphasis on it when discussing luxury goods.

Exclusivity was another key factor involved all of the respondents' choices of luxury good purchases. The need to feel separate from the masses or distinguish themselves was a driving factor in spending more on limited editions or numbered pieces. It was interesting that although the majority of respondents were very clear that family, friends and peers had very little influence on their purchases, many comments were made

which supported the outer-directed value which assessed consumers' purchasing of luxury good products to portray a certain image to those around them, emphasising their ability to purchase products unattainable by others. Even so, it was very important to most of the respondents that the luxury brand logos on the products purchased be subtle. One of the main reasons for this finding was the fear and/or expectation of how others perceive them, based on the luxury good products they purchase. These points are supported in the quotes below, emphasising the feedback from respondents in support of the research findings.

> *"It is not something I set out to do and say: Now I am going to wear brands. It is just something that happens. You know I have been a working girl for a long time so you think: I deserve it. People also want you to and expect you to be well dressed. I think they would be disappointed if you arrived in just anything"* (Respondent 9).

> *"I think in my mind, because of our socio-economic environment, it can reflect negatively. I think the message often is that it has to do with a certain level of snobbery which I don't want to be associated with. I don't like it. That is also why I wear things that are not available around here and not recognisable as such. It is often a very conflicting situation where I will walk around with a pair of boots that will cost more than the income that someone will earn in the next five years. But there is the other side of the coin, which is I am in a position to do that, so why not"* (Respondent 7).

"It has to be unique, so it can't be a dime a dozen....when everybody has it, it isn't fun anymore. Because then you look exactly the same as everybody else" (Respondent 4).

"There are some people that wear luxury because they want to stand ahead of other people. That is a fact. It is an ego trip" (Respondent 6).

"I think that it says something about my personality. It is the way you distinguish yourself and make yourself exclusive" (Respondent 3).

> *"She likes it because it is hot. Let's be honest, in a South African context, a car is very much a status symbol. And it says a lot about the person, depending on what car they drive. It is probably the most outward expression of a person and their personality"* (Respondent 4).

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"The younger consumers are more inclined to purchase watches as a social status thing and to entrench their personal brand. As they get older, they look for more subtle pieces. The perfect example of this is a Tag Heuer because they are cheaper and entry level and typically that is tied to the profile of the buyer" (Respondent 12).

"The old money guys don't care, they buy what they want, but the younger guys who have recently made it want people to know they have arrived" (Respondent 10).

The in-store observations and netnography also supported the above findings. Consistently, it was found that the males were buying the luxury good products, even though the females were present in many of the stores, with a few exceptions. Customers seemed to look for the new collections within the stores they identified with; supporting the finding that trend is important to the consumers. Browsing was generally done alone within the stores, even though others had accompanied them into the store. When customers tried on pieces, it was generally the females who sought input or an opinion from a spouse, family or friend. Very few customers entered the store alone, most were with a spouse, family or friends. This contradicts the statements from respondents in the in-depth interviews, but supports the findings that consumers do care about the opinions of others and take these into consideration when purchasing their luxury goods.

Lurking on the online media of the luxury brands highlighted uniqueness, signature items aimed at setting the consumer apart and being extraordinary. There was no emphasis on a specific gender and it was generally based on the category being viewed and who that category was aimed at. A few examples of words, quotes and advertisements in support of the points discussed from luxury product websites can be seen below.

"Be unique," "be extraordinary," signature," "exclusive," "bespoke" (Bentley, n.d.).

"An appreciation for the finer things in life through consumption of luxury goods, services and unforgettable experiences. We connect today's affluent and modern connoisseur to the best in luxury lifestyle news and trends" (JustLuxe, 2015).

Figure 3: Combination of all respondents concerning luxury goods
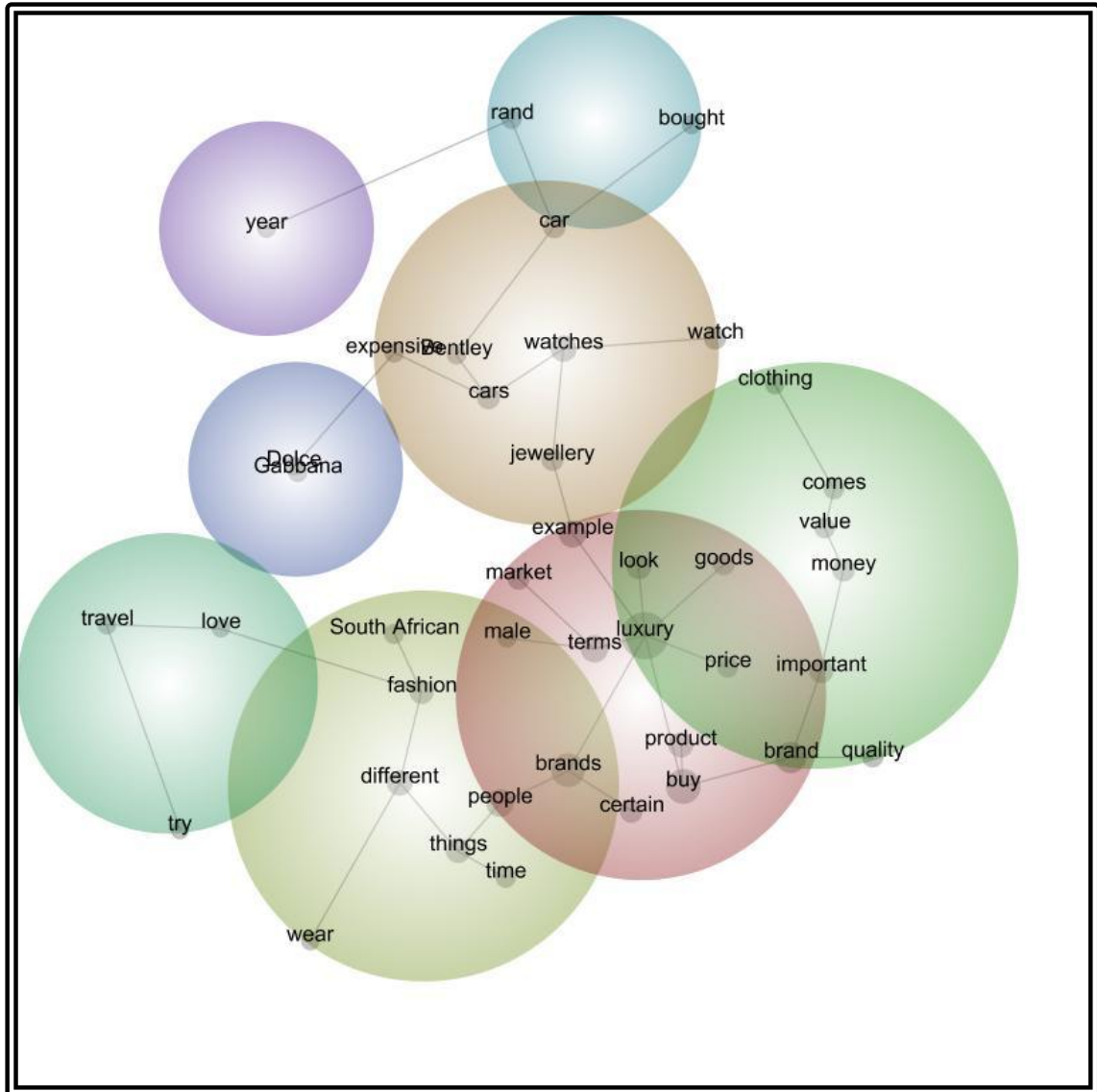
5.3.2 Utilitarian/functional value perceptions

Within this key value driver, the most important concepts identified by consumers included **quality**, **value**, **goods** and **important**. These concepts are identified by larger grey dots within the red and green theme bubbles in Figure 3. Quality was undeniably one of the most important factors for consumers to consider when purchasing luxury goods, yet it was also an assumed "given" that the luxury goods purchased provided superb quality. The heritage and craftsmanship of the luxury brands were very closely aligned to quality in the respondents' minds and these two aspects were very important in most cases. This finding was category specific and was most often referred to within the watches, jewellery and cars categories. The opposite often held true within the

fashion category, as this category seemed predominantly driven by trend and the latest in "hot trending" items. The respondents felt that in the fashion industry, there were many new up-and-coming designers that may not have the heritage in terms of years behind the brand, but the product offerings were fashionable and trendy, which is a vital component in the typical fashion purchase.

From the interviews with the respondents, it was evident that the consumers did not relate price and quality together in the most expensive brands. This is confirmed by the results presented in Figure 3, where price and quality were not categorised into the same theme and the two were not linked through concepts or concept dots and grey lines joining concepts together. The respondents affirmed that a higher price of luxury goods did not signify a better quality product. In instances where the luxury brand product purchased failed to meet the expected quality requirements, the respondents were admittedly reluctant to purchase from the brand involved going forward; however, this changed completely depending on the reaction of the luxury brand organisation to the problem or complaint.

The functional use of the luxury good was another key feature that the respondents considered when purchasing products. They felt that it would be a shame to pay significant amounts of money for a product that did not fulfil the intended function. With that being said, it was also acknowledged by the respondents that their purchase of luxury good products were not based on real needs but rather a desire to have the luxury good product. The functional use of a product was not a deal breaker when purchasing the luxury good products. The respondents would still purchase the desired product, even if the functional use of the product was inferior to a similar product of another brand. It was also noted that there were two main reasons behind purchasing many luxury good products: First was for the enjoyment and use of the product by the respondent, and second was for investment purposes, in which case, many of the products purchased were not used.

The points discussed for this key value driver are supported in the quotes below.

"So luxury is more a synonym for quality" (Respondent 8).

"Crazy important, quality is a given. I mean the question of quality is not tied to a 200 or 300 year old brand" (Respondent 12).

"I think quality or craftsmanship rather, is part of the luxury goods definition. Heritage is very important. I like a brand that has been around for a while, especially in watches and jewellery. I think that if know where your grandfather bought his first Brioni suit, that translates and you feel like you are part of, not a fraternity, but like some sort of club. It also shows the brand has managed to weather the storm for a long time" (Respondent 2).

"There has to be a relationship between value and quality and at times there isn't" (Respondent 11).

"Remember there are two different types of purchases. You either buy for financial investment or you buy for wow. Functionality is very important to me. You have to separate it though. If you are buying it as an investment, then it doesn't really fulfil a function. But if it is for me, it has to fulfil a function, otherwise I don't buy it" (Respondent 6).

While conducting netnography and lurking online on many of the luxury brands' websites, key messages and advertisements focusing on the heritage and craftsmanship of the luxury brands were found to be easily visible to consumers. Heritage and craftsmanship, which are closely aligned with quality in the consumers' minds, were emphasised as key components of the luxury brands. These components were clearly visible in the messages and adverts online, with wording leveraging on these important aspects that are important to luxury brand consumers and what they look for in a luxury brand. Examples of these can be seen below.

"And to measure them all, for nearly two centuries, the work of our lives.... Jaeger-LeCoultre" (Luxury Society, 2015).

"The beginning of a lasting tradition" (Patek, 2015).

5.3.3 Cost/Sacrifice values

Within this key value driver, the most important concepts identified by consumers included **buy**, **price**, **product**, **value for money** and **brand**. These concepts are identified by larger grey dots within the red and green theme bubbles in Figure 3 above. The respondents acknowledged that the prices of the products impact the perception of the brands, where higher priced products signified higher prestige brands, making these brands and products more alluring. The respondents

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emphasised the importance of exclusivity and being distinguished from the rest of the market and the price of the products was a key factor in enabling this exclusivity, due to only a small percentage of the South African population being able to afford these luxury good products. Similarly, the respondents also acknowledged that simply because the price of a brand might be higher, this does not signify better quality products. Almost all of the respondents confirmed that they probably pay for the brand strength in the market and not necessarily the quality and functionality of the product.

The respondents were concerned about receiving value for many, but were unable to define what value for money meant to them. The price was irrelevant to the respondents when discussed, but the two key factors continuously mentioned were value for money and loving the products they purchased. As long as these two important aspects were present in the consumer's perception, they would spend any amount to attain the luxury good products they wanted.

The above feedback was confirmed by the various in-store observations. In many of the luxury goods stores, the products did not have price tags on the items, and the customers only received the final invoice at check out. The researcher never observed customers looking for price tags or asking the price of the products that interested them. This affirmed that the consumers were not interested in the price of the product, but more importantly were concerned with whether they loved the item and felt that they were receiving value for money. The same held true for many luxury brand websites, where prices of items were unavailable online. Examples included Chanel, Hermes and Louis Vuitton (Channel, n.d.; Hermes, 2015; Louis Vuitton, n.d.). Examples of what the respondents had to say regarding price and luxury is provided below.

"To me there isn't a relationship. If I don't like it, I don't buy it. The price doesn't make a difference to me" (Respondent 6).

> *"I think it is a very difficult one. I think there isn't a relationship between the price and the luxury good. Because luxury for me is that only a select few people can afford to buy it. If the average guy can afford to buy the product, it's no longer luxury. Exclusivity is key in terms of luxury"* (Respondent 13).

"It is more brand related rather than luxurious or better quality of product" (Respondent 12).

"So the higher the price, you perceive it as a high end brand. I then get drawn to the higher prestige brand" (Respondent 1).

"It all depends on the brand awareness and how strong the brand is in the market and that is what dictates the price" (Respondent 2).

5.4 Research question 2

Do the six key drivers of value sought from luxury brands differ between genders?

Figure 3 showed that the six key value drivers are present in the consumer decision-making process to purchase luxury goods for these respondents. For research question 2, the researcher analysed the differences between the genders for each of the key value drivers after performing separate Leximancer maps for each of the key value drivers for both genders. It is evident from the findings of the research that most of the key value drivers sought by consumers from luxury brands differ between the genders. Each of these is discussed in detail.

5.4.1 Combination of all value drivers for female respondents

Figure 4 below present's evidence that all six key value drivers are present within the female decision-making process to purchase luxury goods. Key words such as **use**, **wear**, **special**, **design**, **expensive**, **different**, **price**, **people**, **feel**, **experience**, **fashion**, **brands**, **look** and **quality** cover the six key value drivers and are depicted by the larger grey concept dots labelled within the various coloured theme bubbles. It can also be noted that there are many more connections between the various concepts for females and many are important to the female respondents. This is evident by the larger grey concept dots that are all interconnected within the various coloured theme bubbles. It can also be noted that there is overlap between the themes, which means that the female respondents related the key value drivers and used these key words and ideas close together when talking about luxury good products and brands.

Figure 4: Combination of all value drivers for female respondents
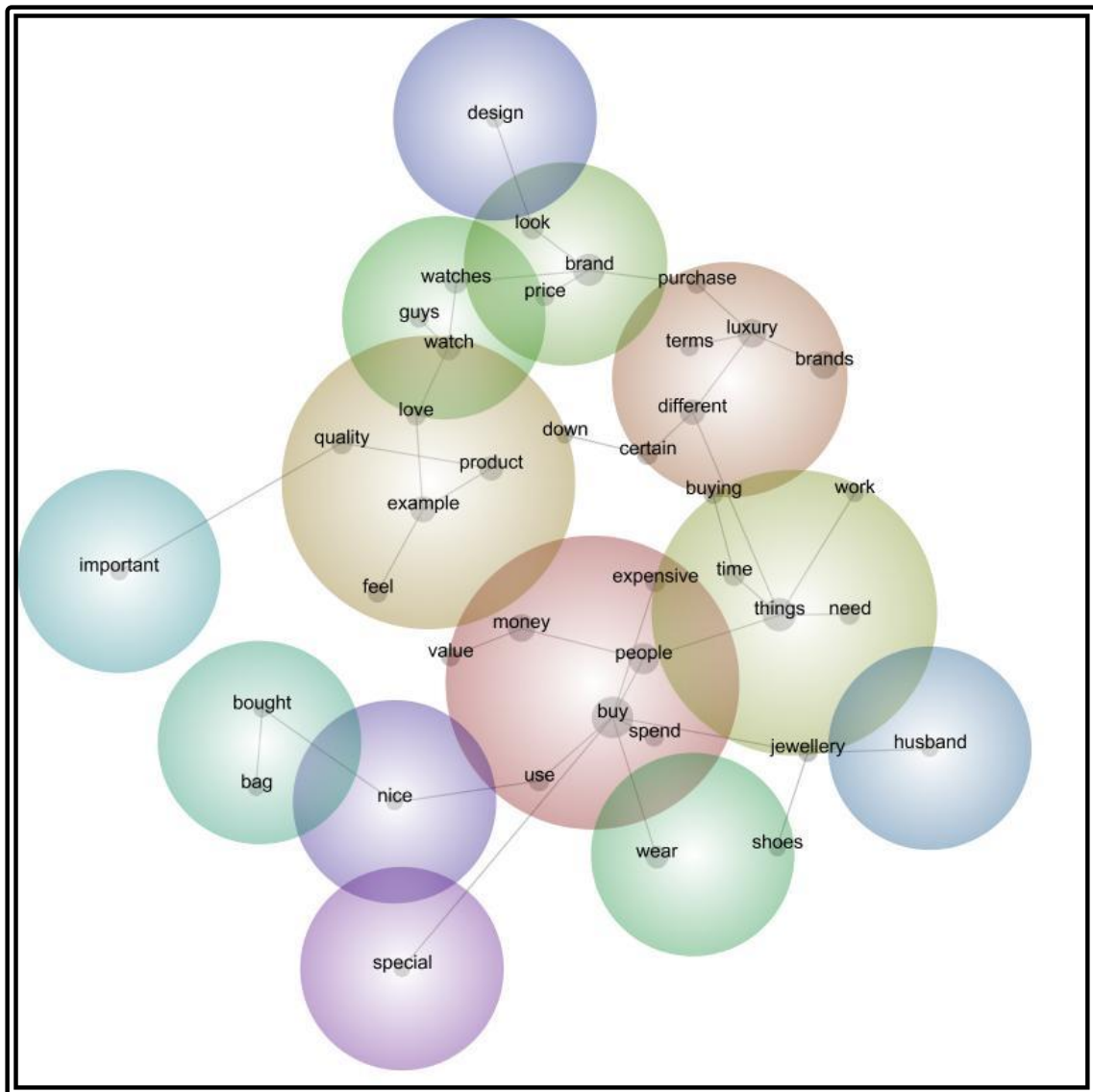
5.4.2   Combination of all value drivers for male respondents

As with the female respondents, from Figure 5 it is evident that all six key value drivers are present within the male decision-making process to purchase luxury goods. Key words such as **quality**, **price**, **feel**, **brands**, **experience**, **different**, **people** and **person** cover the six key value drivers and are depicted by the larger grey concept dots labelled within the various coloured theme bubbles. It is interesting to note that the connections between the various concepts for males are fewer than for females, which can be seen by the larger grey concept dots interconnected within the various coloured theme bubbles. However, it is also interesting to note that there is significantly more overlap between the themes for males than for females, which means that the male

respondents related the key value drivers and used these key words and ideas more closely together when discussing luxury good products and brands than females did. This made it more difficult to identify the most important key value drivers for the male group of respondents, as many of the value drivers were viewed as interrelated.

Each of the six key value drivers is discussed and the genders are compared individually in the sections that follow.

Figure 5: Combination of all value drivers for male respondents

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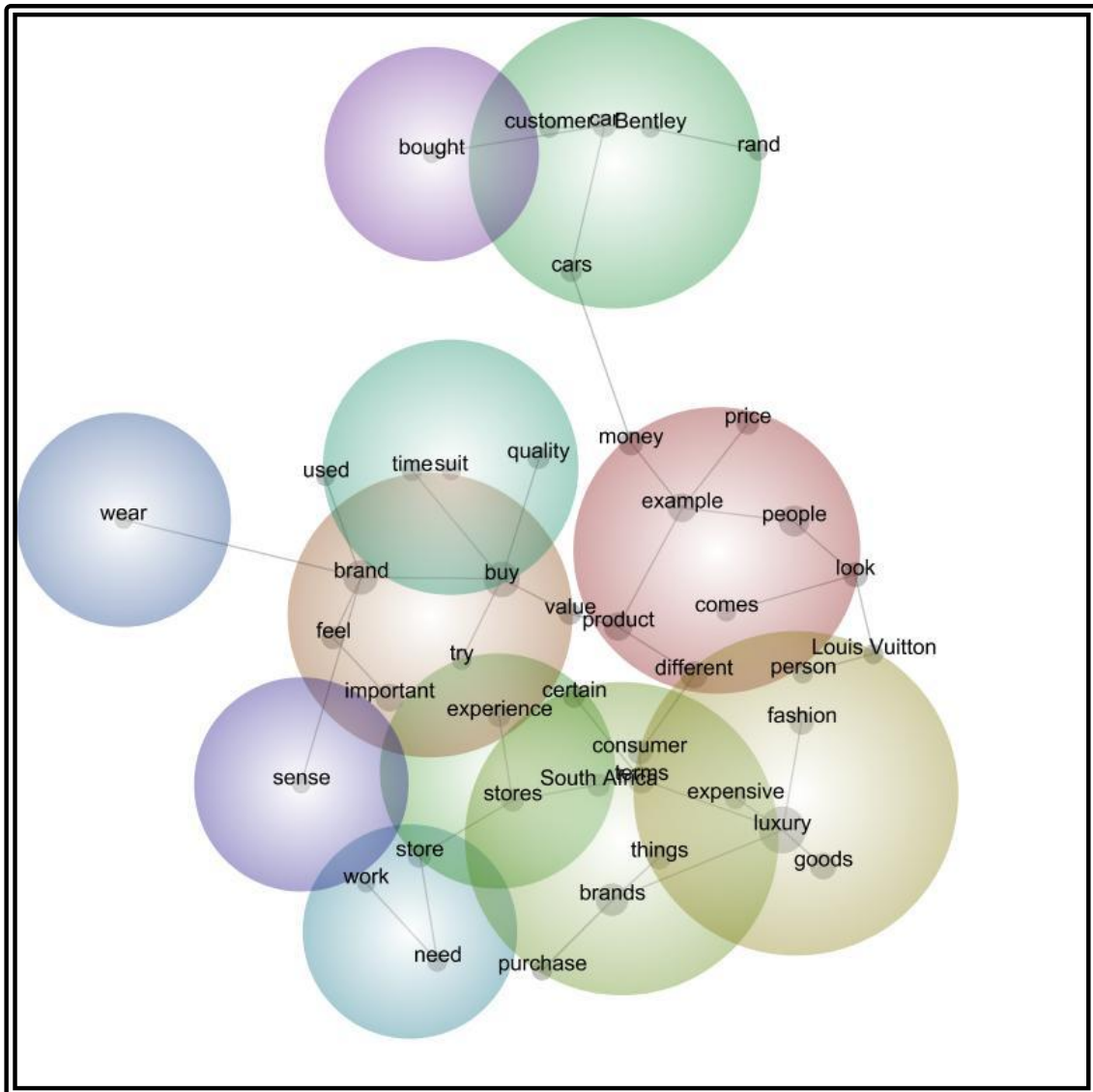
5.4.3　Combination of all female respondents concerning functional/utilitarian values

As seen by the large grey concept dots in the red, gold, beige and green theme bubbles in Figure 6, the female respondents identified that buying products that they love, can use and need are most important to them in terms of the functional/utilitarian values. Second, the actual functionality and quality of the luxury good items are also important to the female respondents. It was interesting to note that the respondents mentioned that quality was very important, but when asked to rank the most important factor, the love for the product outweighed quality in most instances. This is noted by the smaller grey concept dots for **quality** and **functionality** compared to those of **buying**, **product** and **important**.

Figure 6: Combination of all female respondents concerning functional/utilitarian values
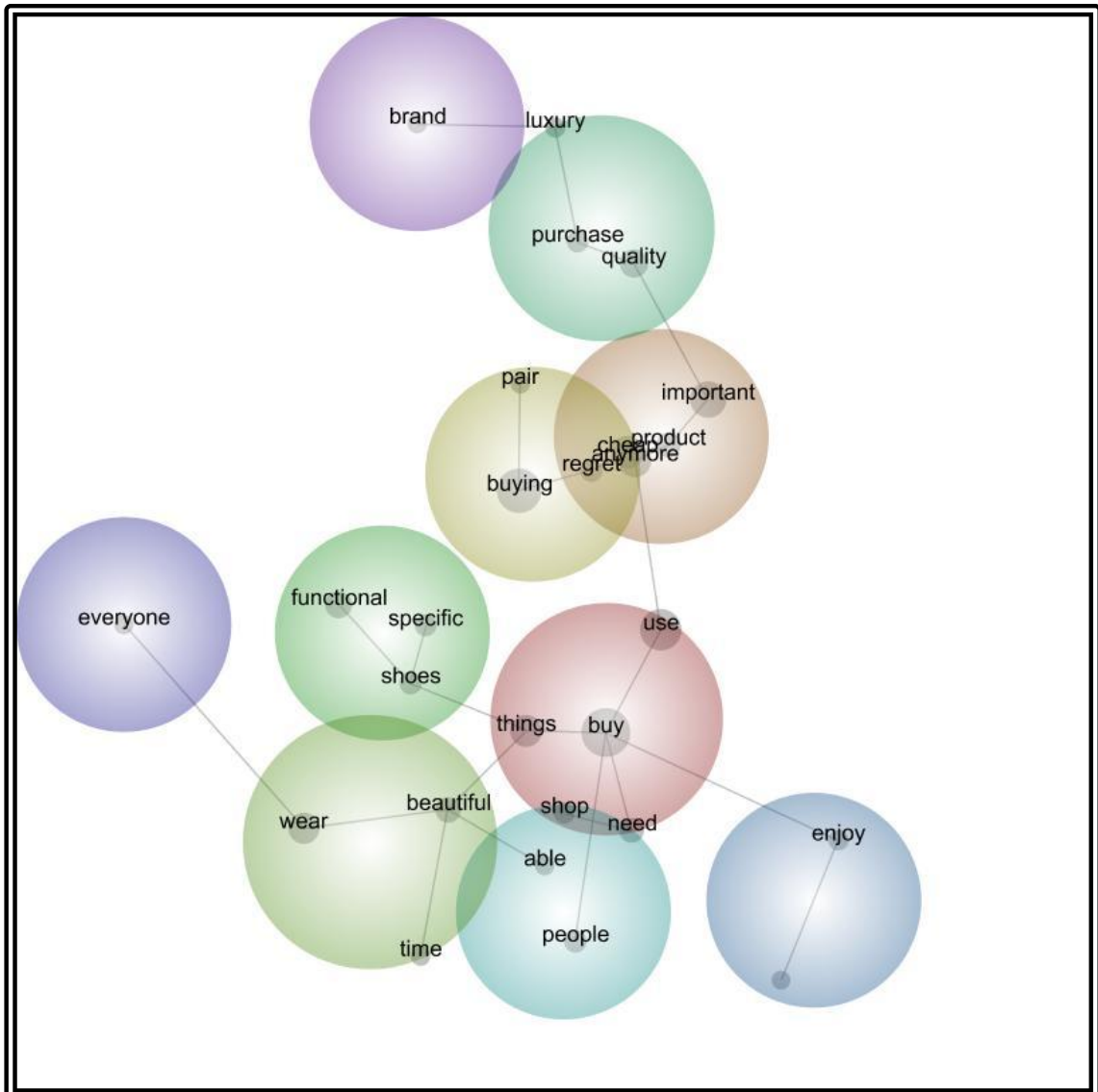
The quotes below delineate the findings of the female respondents concerning functional/utilitarian values.

> *"Oh I must love it! At first it is an emotional connection to whatever the item is, then you move on to rationalising it and that is a question of how much it costs and how does it work with the rest of my wardrobe. For me though, there has to be an affinity with the product, it must connect with me." "I have a pair of shoes that I can only wear on specific occasions when I know I am not going to do a lot of walking in them because they are not the most comfortable, but they are*

so beautiful, even if they are not the most functional. So I will wear them if all I have to do is walk in and out of the venue" (Respondent 7).

"So from a functional perspective, I don't always worry too much about that. I don't like to be classed the same as everyone else with what I wear, so I try to wear things that are unique and different" (Respondent 8).

"Quality is important. I am quite a practical person, so if I buy a beautiful outfit, I will want to be able to wear it with ease. I don't like quirky things that are a pain every time you put it on or take it off." "I have got some pens that I haven't used and I regret not using them, I want to use them. I don't like buying things for the sake of buying it, I buy it because I like it, I can use it and enjoy it" (Respondent 9).

5.4.4   Combination of all male respondents concerning functional/utilitarian values

In contrast to this, the male respondents identified the quality and functionality as most important to them and all conversation was related to buying, using and wearing luxury goods that meet the quality and functionality required by the customer. This is affirmed by the large grey concept dots labelled **functionality**, **quality**, **buying** and **important** in the red and green theme bubbles in Figure 7 below. All concepts were closely linked for the male respondents, identified by the significant number of large grey concept dots all interconnected within the red and green theme bubbles. The male respondents identified the utilitarian/functionality of the product as a key value driver in isolation and did not make as many links to other value drivers when discussing the luxury goods as the female respondents.

The male respondents emphasised two types of purchases, namely investment and for one's self. The importance of functionality differed depending on the type of purchase. For investment pieces, the functionality aspect was not present. Value and appreciation were the key factors involved in the decision-making process to purchase investment pieces, but if the purchase was for one's self, functionality was fundamental. The male respondents also affirmed that purchasing certain luxury products such as watches, was a way to invest your money into something that would not lose value but could be liquidated quickly. In many instances, it was mentioned that most spouses and people

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in general were unaware of the value of these goods, so it was a useful and convenient way to hoard wealth.

Examples of quotes in support of the above findings are presented:

> *"It has to be the best! I don't want it if it is not good enough; it has to be the best. To me quality and then functionality are most important. Functionality is very important to me. You have to separate it though. If you are buying it as an investment, then it doesn't really fulfil a function(ality), but if it is for me, it has to fulfil a function, otherwise I don't buy it"* (Respondent 6).

"I think that quality and craftsmanship are part of the luxury goods definition" (Respondent 2).

> *"Look, I am not going to buy anything that doesn't work, so it has to deliver on what I need it to deliver on. For example, look at my watch and my car, just because you put a badge on it, doesn't mean I am going to compromise on what it needs to deliver on...I am more functional than form"* (Respondent 4).

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Figure 7: Combination of all male respondents concerning functional/utilitarian values
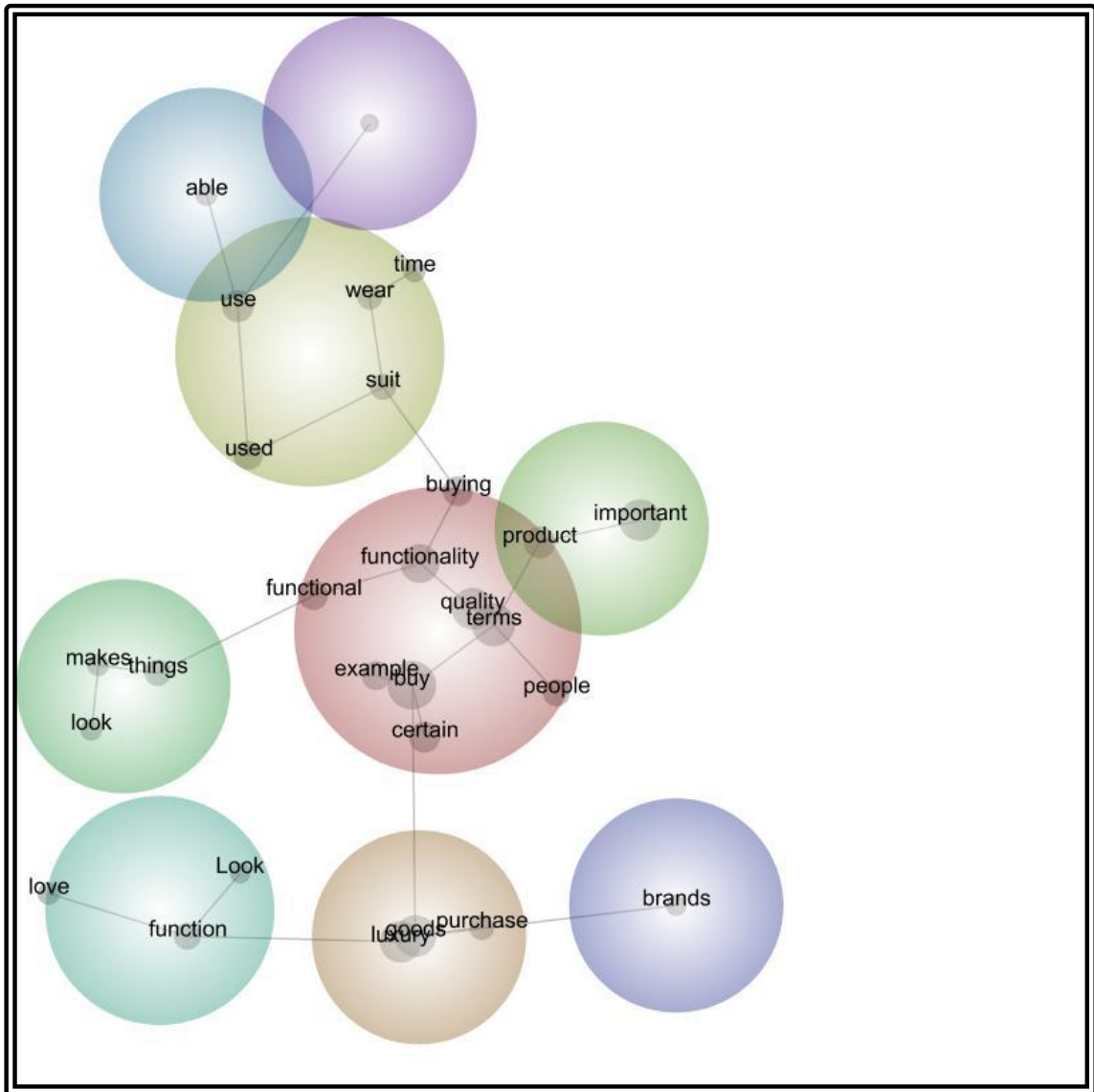
5.4.5 Combination of all female respondents concerning cost/sacrifice values

The female respondents indicated that the price of the product did not impact their perception of the brand, nor did a higher price indicate better quality. The respondents acknowledged that the quality of most luxury good products is similar to one another and customers receive the same kind of value for money from the various products purchased. The female respondents did however emphasise that the various luxury brands price their products higher in order to distinguish themselves from other brands

and capitalise on the strong brand image that they convey. This is affirmed in Figure 8, where the most important concepts are indicated by the large grey dots labelled **expensive**, **different**, **brand**, **price**, **product** and **quality** within the red theme bubble. These concepts are all in close proximity and are categorised into the same theme, hence indicating that they are closely related.

Figure 8: Combination of all female respondents concerning cost/sacrifice values
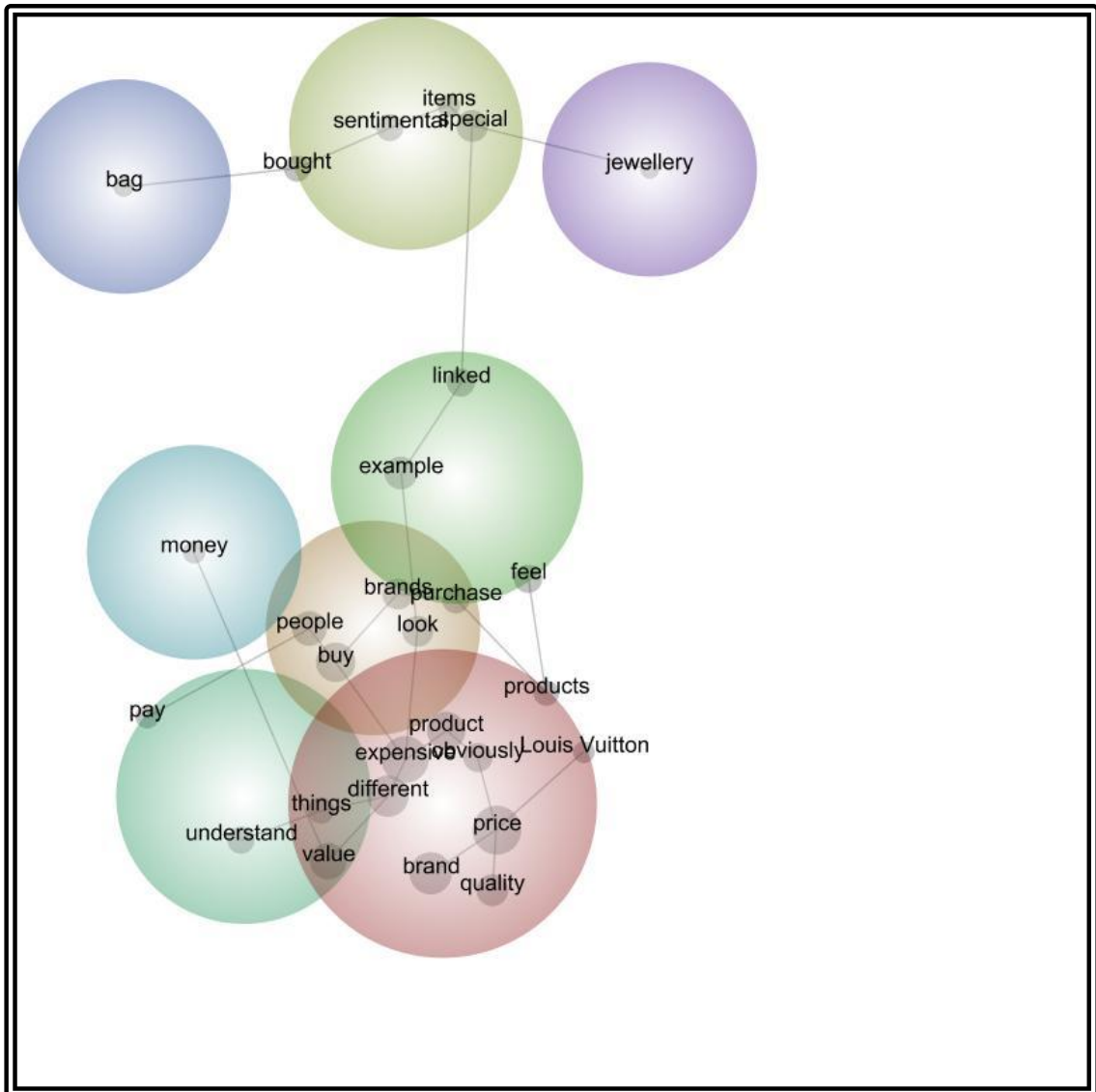
The female respondents indicated that they were sentimental about some of the items they either purchased or received as gifts, however this was related more to the special occasion or the person who gave the gift to them. The items delineated as most sentimental to the female respondents were jewellery items and handbags, although

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shoes and clothes were mentioned to a lesser extent. This is evident from the grey concept dots labelled **sentimental**, **special**, **jewellery**, **bought** and **bag** in the green and purple theme bubbles in Figure 8.

Examples of the female respondents' statements concerning the cost/sacrifice key value driver are presented in the quotes below.

> *"Not as sentimental about shoes. Jewellery I would say I am more sentimental about and bags as well, because at least you can personalise the bag by putting your name in there or have whatever you want inscribed, so it's something you can maybe pass onto your daughter one day"* (Respondent 3).

> *"I mean I have clothing I bought in a shopping spree in London which are not nearly as sentimental as my very first Gucci handbag, which I can remember I bought in Venice....so definitely there are some items that are more sentimental and it is almost as if they have stories that come with them"* (Respondent 7).

"I assign sentimentality to special occasions or items for special occasions, like jewellery from my husband" (Respondent 8).

"So two different brand watches have exactly the same features, but the prices differ quite a lot. It comes down to the brand" (Respondent 12).

"Unfortunately the more luxurious it is perceived to be, the more expensive it is. They definitely capitalise on that" (Respondent 7).

> *"Louis Vuitton is the best example. I love Louis, but they have had price increases that their bags are now in different price ranges and I don't think they offer value anymore. There are other beautiful bags that you can get that offer more value in terms of their offering"* (Respondent 9).

5.4.6 Combination of all male respondents concerning cost/sacrifice values

Unlike the female respondents, the male respondents indicated that the price of the products impacts their perception of the luxury brand. However, similar to the female respondents, the males felt a higher price did not necessarily signify a better quality product. Again, the respondents acknowledged that the quality of most luxury good products are similar to one another and that they receive the same kind of value for

money from the various luxury products purchased. The male respondents explained that there is a positive relationship between the price of the luxury goods and the perceived value of the product. This group was willing to pay more for exclusivity and a limited number of items made for the luxury good brands than their female counterparts. The points discussed can be seen in Figure 9 below in the red, beige and gold theme bubbles, containing the large grey concept dots labelled **brand**, **quality**, **products** and **luxury**, which are concepts closely linked according to the respondents.

Figure 9: Combination of all male respondents concerning cost/sacrifice values
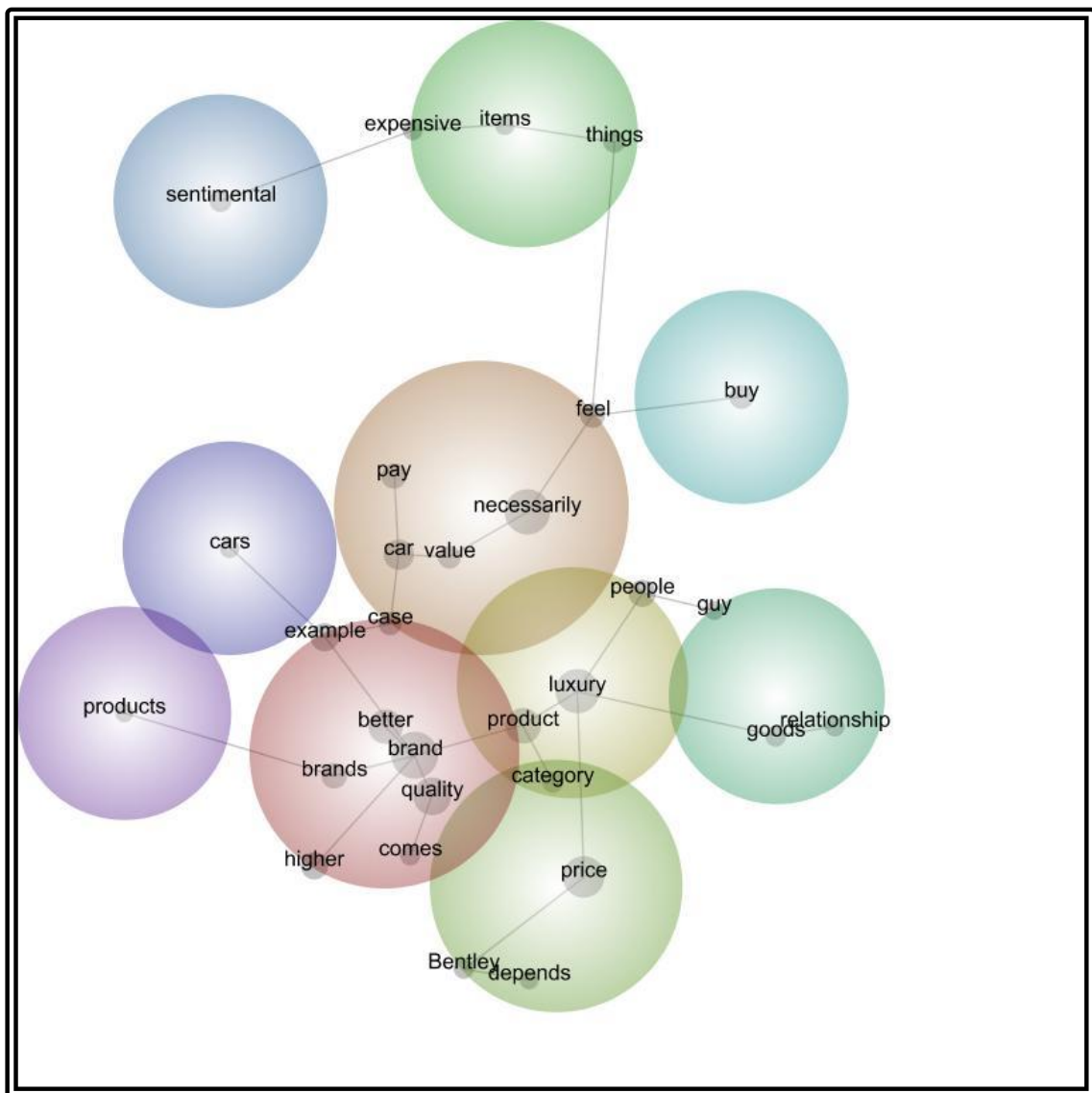
Many of the male respondents indicated that they were sentimental about the items they either purchased or received as gifts, and this was usually inclined to relate to their life goals. However, similar to the female respondents, the sentimentality was also

related to special occasions or people. The male respondents in particular seemed to look forward to being able to pass certain items down to their children and through the generations. Examples of the male respondents' statements about the cost/sacrifice key value driver are presented in the quotes below.

"I am very sentimental. It is a reward mechanism for myself, so linked to that, one would like to retain these possessions over time as sort of an acknowledgement tool. I will probably pass down my items to family, hopefully one day" (Respondent 5).

"I will keep them in the family and pass them down to children one day. I actually form an emotional attachment to the brands that I do purchase. I really do love the items that I buy" Respondent 1).

"They do see higher priced brands as better products" (Respondent 10).

"I don't think the price can give me any more quality than I am already getting from the product. You sometimes get a lower priced product that is a better quality product offering, it is just the brand name and reputation that allows you to charge more" (Respondent 11).

5.4.7   Combination of all female respondents concerning relational values

The female respondents acknowledged that in-store experience with the brand was quite important, yet with this in mind, they were more loyal to the brand rather than the people servicing them within the store. If they encountered a bad experience with the brand in one store, they would purchase the same brand from another store; they remained loyal to the brands they loved. It was interesting to note that when they found a store that gave the expected level of service and in store experience, long-term relationships were formed, so much so that they would trust the sales consultant to recommend and select items that would complement existing pieces in their wardrobe. The female respondents also enjoyed the thought of a personal shopper service, where items are individually selected for them and then brought to them in the privacy of their own home or office, instead of having to walk around the various stores themselves. This appealed to the respondents due to lack of time, remaining anonymous with their purchases and having an expert advise them on different looks. These points are

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delineated by the grey concept dots labelled **experiences**, **feel**, **service**, **brand experiences** and **personal** in the red and purple theme bubbles in Figure 10 below.

Figure 10: Combination of all female respondents concerning relational values
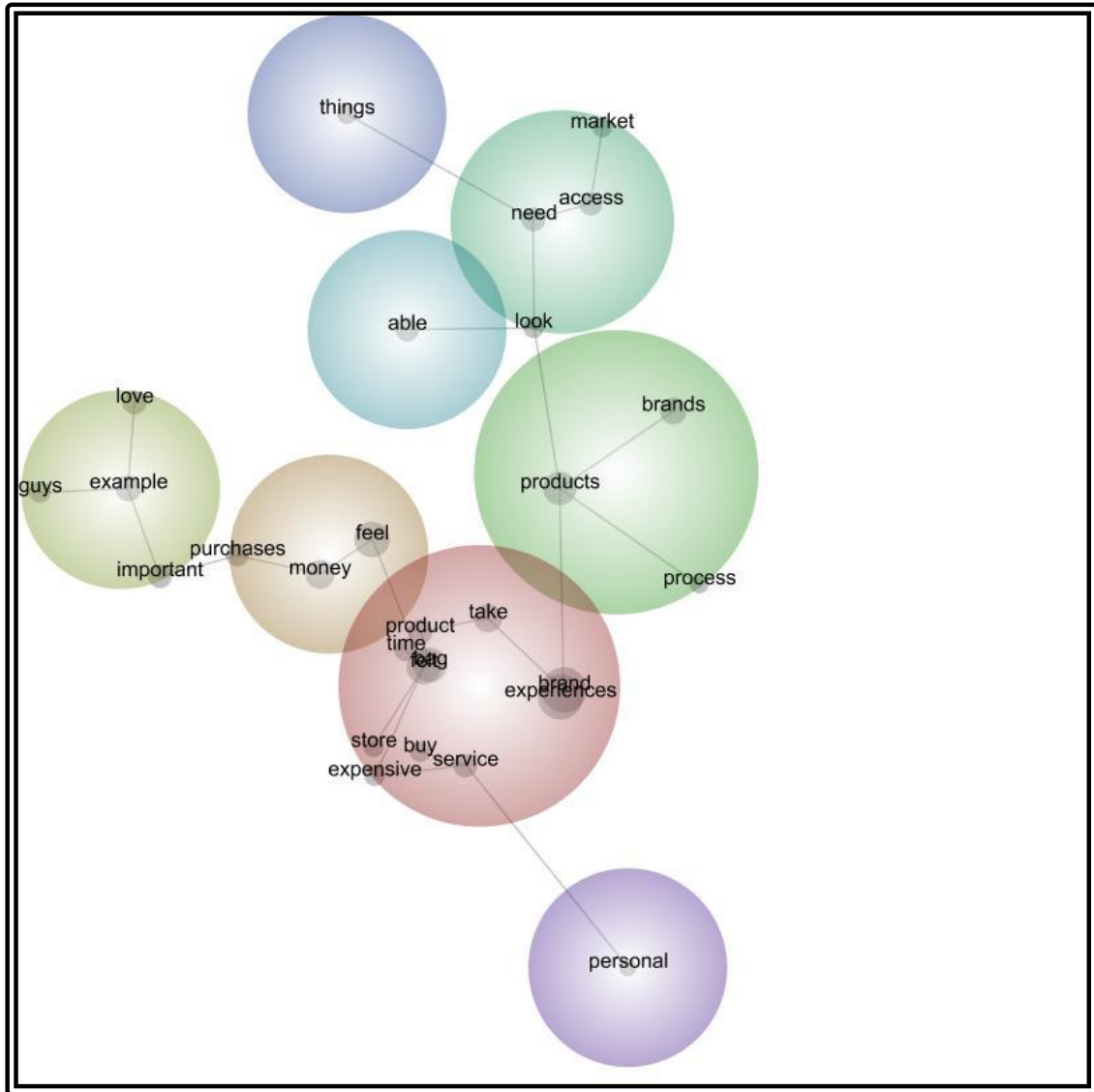
Examples of quotes from the female respondents relating to the relational key value driver follow.

"The good experiences reinforce the brand loyalty, but the experiences for me don't override the brand" (Respondent 7).

> *"Service is important and also knowledge of product by the store is important. There are some stores that are able to promote and sell their products better*

than others and they get to you know, they then recommend and say what will look great" (Respondent 9).

*"We have clients that start forming personal relationships with us, where they actually send us pictures of their child's graduation and that kind of thing" (*Respondent 12).

5.4.8 Combination of all male respondents concerning relational values

In contrast to the female respondents, the male respondents are less forgiving of the luxury brand if the service experience is bad. Most explained that they would not go back if the brand does not deliver exceptional service, especially when paying the price of luxury brand goods. The loyalty to the brand was disregarded when the expected service was not delivered by the brand.

It was interesting to note that the male respondents enjoyed personalised service much more than their female counterparts. They enjoyed the personalised service of the sales staff knowing their name and assisting wherever necessary. It was also interesting to note that the male respondents liked the idea of brand loyalty being passed down from generation to generation, which was not mentioned by the female respondents at all. The idea that your grandfather and father used to buy a specific brand of suit meant that you already had an established relationship with the luxury brand, along with an entrenched sense of loyalty to the brand. These points are delineated by the large grey concept dots labelled **brands**, **luxury**, **environment**, **difference**, **stores**, **terms**, **service** and **experience** in the red, gold, beige and green theme bubbles in Figure 11.

Figure 11: Combination of all male respondents concerning relational values
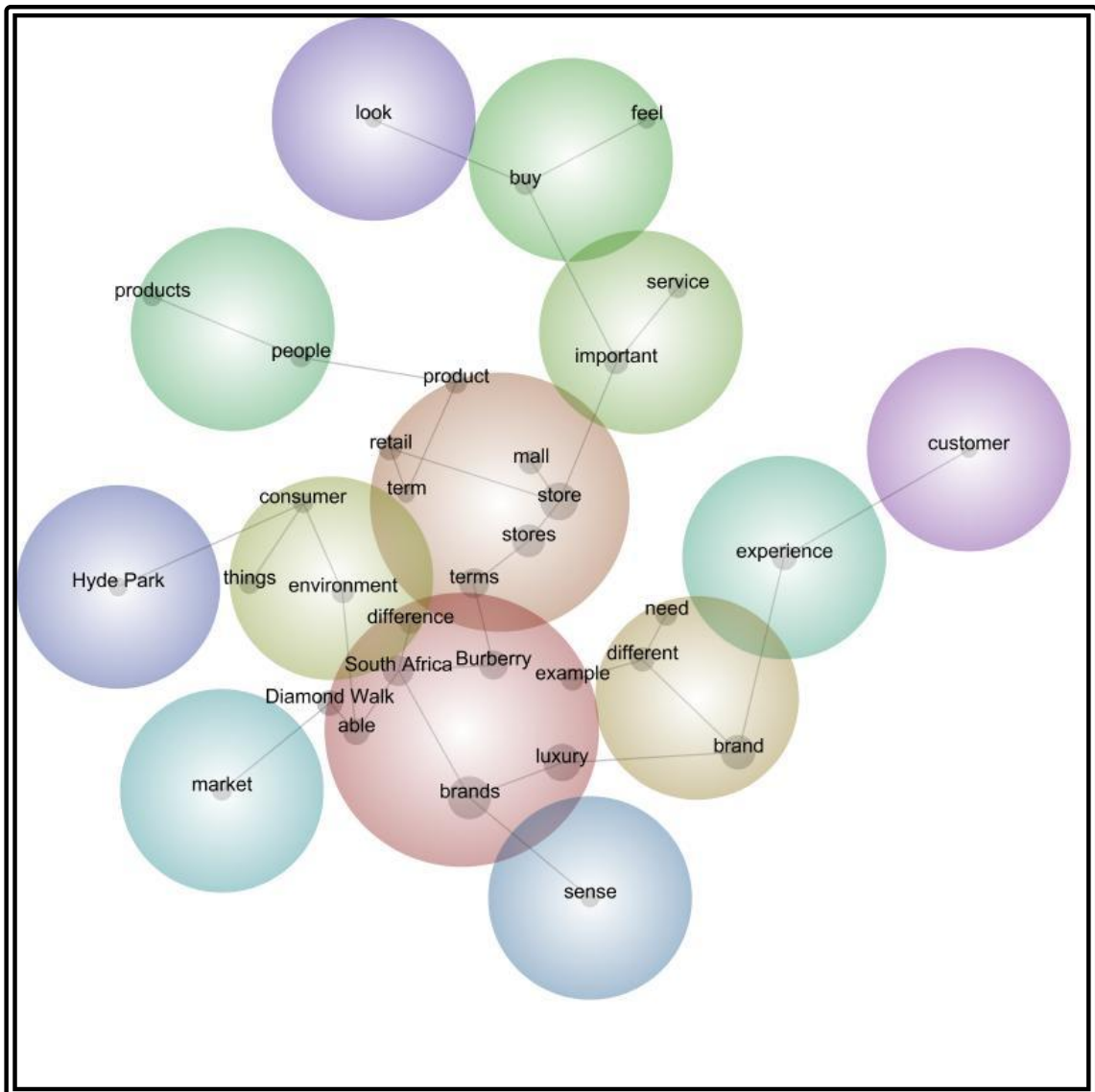
It is evident that there are more concepts involved for male respondents when discussing the relational value driver than for the female respondents. This is evident from the many concepts that are present in the theme bubbles and how these all interrelate to one another within the theme bubbles. Further evidence for the above is provided in the quotes below.

> *"Initially the establishment and building of brand loyalty to these brands comes down to my first interaction with these brands. If I have a good experience, I will remain loyal to them. With bad experiences, I have disregarded them as luxury brands"* (Respondent 5).

"If you have a bad experience, you never go back. But I will give the guy an opportunity, I believe that you can falter and for me the after-sales service is very important" (Respondent 6).

"The gentleman dropped everything to help us and that's what I really like. You know someone is passionate [about] what they do when they come and tell you, you know know it was made with this material and handmade. Knowledge and expertise of the sales staff is very important" (Respondent 1).

"The luxury good is about an experience and not just in the store, but in the mall as well. From the parking lot to the other consumers in the mall, it is important in terms of the experience in luxury" (Respondent 13).

5.4.9   Combination of all female respondents concerning experiential/hedonic values

The female respondents predominantly preferred to shop in-store, but if the brand is known by the respondents, they are more likely to shop online. The main reason for the preference is the desire to feel the product and see the fit of the product. In order for online shopping to take place, the sizing and fit of the product is usually well known and unvarying to the customer. The other contributing factor to the in-store preference is the experience gained through the interaction with the sales assistants and aesthetics in the store; the feeling of being pampered.

The packaging was not an important factor for the majority of the female respondents. Although they acknowledged it was initially nice to experience the packaging, most admonished that they throw the packaging away which feels wasteful to them. They would prefer receiving value in terms of product than expensive packaging.

By purchasing luxury good products, the female respondents emphasised feeling special, proud, comfortable with their purchases, satisfied in knowing they have their own unique style and relieved to have pieces for various occasions. All the factors mentioned are identified by the large grey concept dots labelled **store experience**, **prefer**, **purchase**, **online shopping**, **things**, **need** and **buy** in the various coloured theme bubbles in Figure 12. Examples of quotes in support of the experiential/hedonic values are also stated below.

"In terms of the packaging, well you have that feeling for five seconds then what do you do with the gorgeous packaging? You don't want to throw it away but you never use it again. I mean it is important but I would rather get a less luxurious package and get the money off of the price of the product. Packaging to me is not important, it is the actual product" (Respondent 9).

"The store is very important. The shopping experience is very important... the store and aesthetics is more important to me than packaging" (Respondent 7).

"In-store, I prefer it. I don't purchase online because if you are going to spend that much money, you need to see the product" (Respondent 3).

Figure 12: Combination of all female respondents concerning experiential/hedonic values
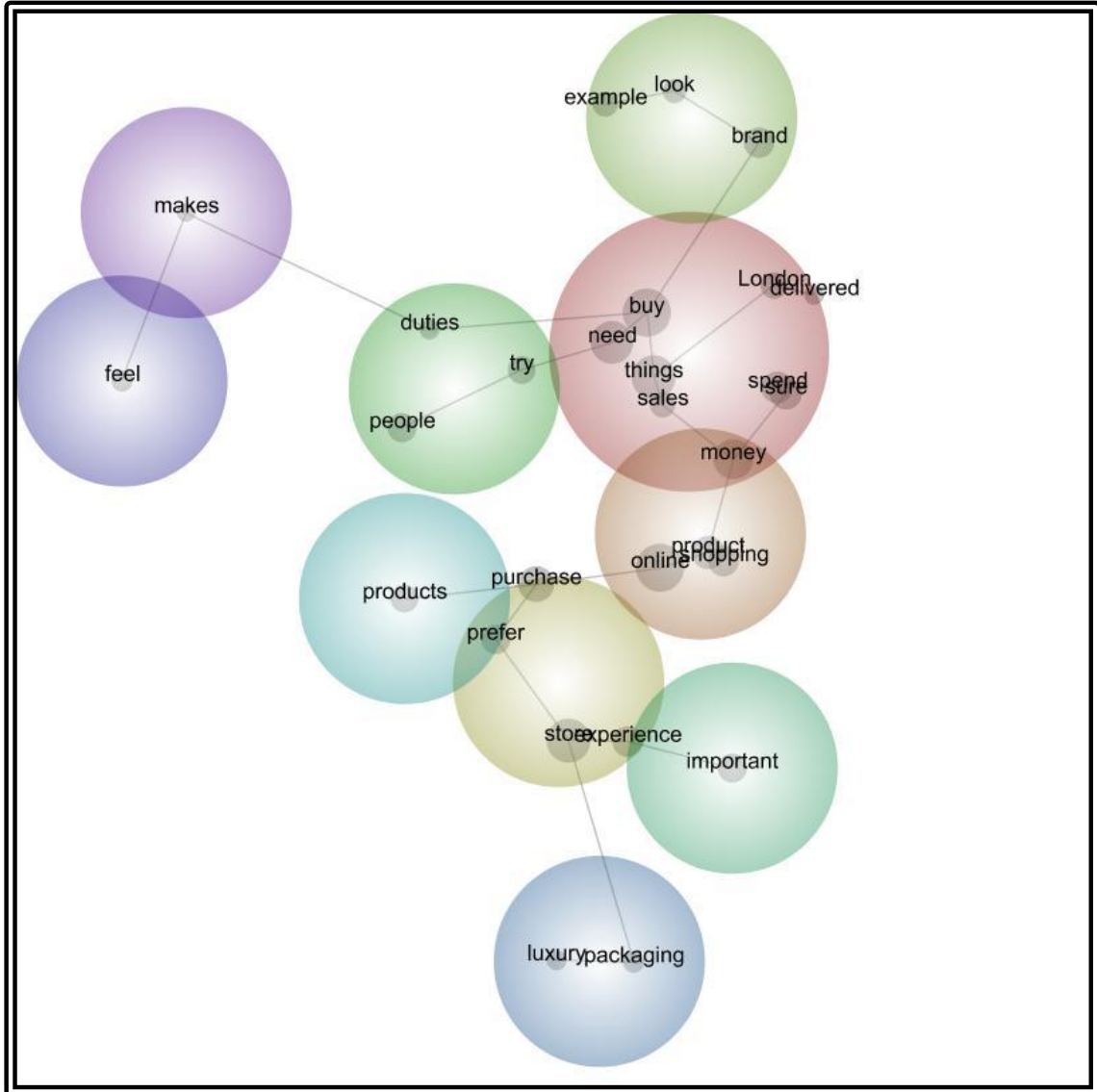
5.4.10   Combination of all male respondents concerning experiential/hedonic values

In contrast to the female respondents, the male respondents felt the packaging was important and made a significant difference to the experience of purchasing a luxury good. In their view, it rounded off the appreciation of having spent a great deal of money on a particular item and made them feel special. The experience of unwrapping it again at home felt good, like giving themselves a gift, which tied in heavily to the fact

that the male respondents purchased many of their luxury goods based on life goals. It gave them a sense of deserving and accomplishment after working hard for something and attaining a goal.

The male respondents emphasised feeling good and confident when purchasing and using the luxury goods. They also felt that it gave them an edge in the work place when entering the board room with confidence and a perceived higher status level.

As with the female respondents, the male respondents preferred to shop in-store than online. The respondents attributed this preference to the same reasons as the female respondents. The most important concepts for the male respondents are presented by the large grey concept dots labelled **store**, **care**, **purchase**, **products**, **view**, **packaging** and **experience** within the various coloured theme bubbles in Figure 13.

Figure 13: Combination of all male respondents concerning experiential/hedonic values
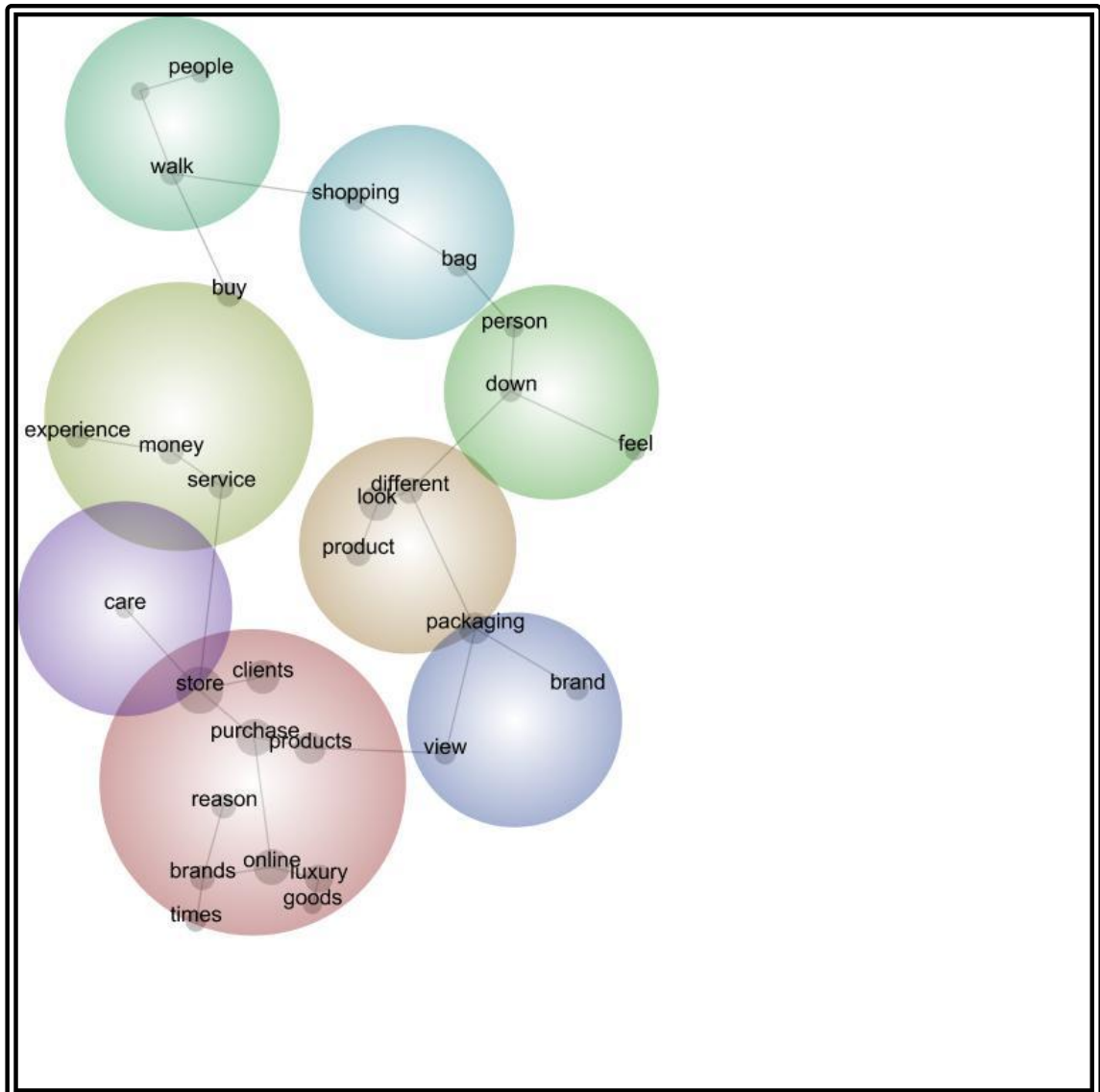
The points emphasised by the male respondents regarding the experiential/hedonic values are quoted below.

> *"I shop in-store. Luxury goods, unless you could get something really good, I would never shop online. Like I said, I think the service is built into the price. You want to see the product being wrapped; you want to go through everything"* (Respondent 2).

> *"I like the packaging for some odd reason. I really like that! I think it is the notion and the care that they have put into the fact that you have spent a bit of money*

on this particular item and it feels a bit more special. They have taken the care to wrap it up and there is an experience in re-opening it" (Respondent 4).

"The way they wrap up the product makes a difference to me. Part of the overall shopping experience for me is when I purchase the product and it is presented to me. If it is presented to me in an unattractive manner, it is somewhat degrading to me. The esteem that I rate the brand then drops" (Respondent 5).

"Also, sometimes it can signify a sense of accomplishment. If you have wanted something, you work hard for it and have the ability to pay for it" (Respondent 2).

"The first perception of people not knowing you will draw certain conclusions. Therefore a person coming in with those products and creating those perceptions are already going to have a head start, irrespective. And we have seen it unfortunately in this market, where changes came into board levels who didn't have the competencies at board level, but needed to compete at a certain level" (Respondent 13).

5.4.11 Combination of all female respondents concerning extrinsic/outer-directed symbolic values

The extrinsic/outer-directed value driver was similar for both the female and male respondents and most of the main points delineated in Section 5.3.1 apply to both the male and female respondents. For the extrinsic/outer-directed value driver for the female respondents, the most important concepts identified by the respondents included **people**, **things**, **buy**, **brands**, **wear**, **money**, **luxury purchases** and **certain brands**, which were depicted by the large grey concept dots within the red, beige and green theme bubbles in Figure 14. The female respondents clearly articulated that their purchases were intrinsically motivated and not influenced by friends, family and peers (the external environment), yet consistently throughout the interview, the external environment and how others view the respondents was often mentioned. As discussed in Section 5.3.1, the female respondents emphasised the need to be individualistic, non-conforming to the norm and different to the masses and they felt that by purchasing the luxury goods they do, it aids in this quest for exclusivity. It was also clear that when discussing this key value driver, the female respondents identified many concepts which were interrelated. This can be seen by the many grey connected concept dots within the various theme bubbles in Figure 14 below.

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Figure 14: Combination of all female respondents concerning extrinsic/outer-directed symbolic values
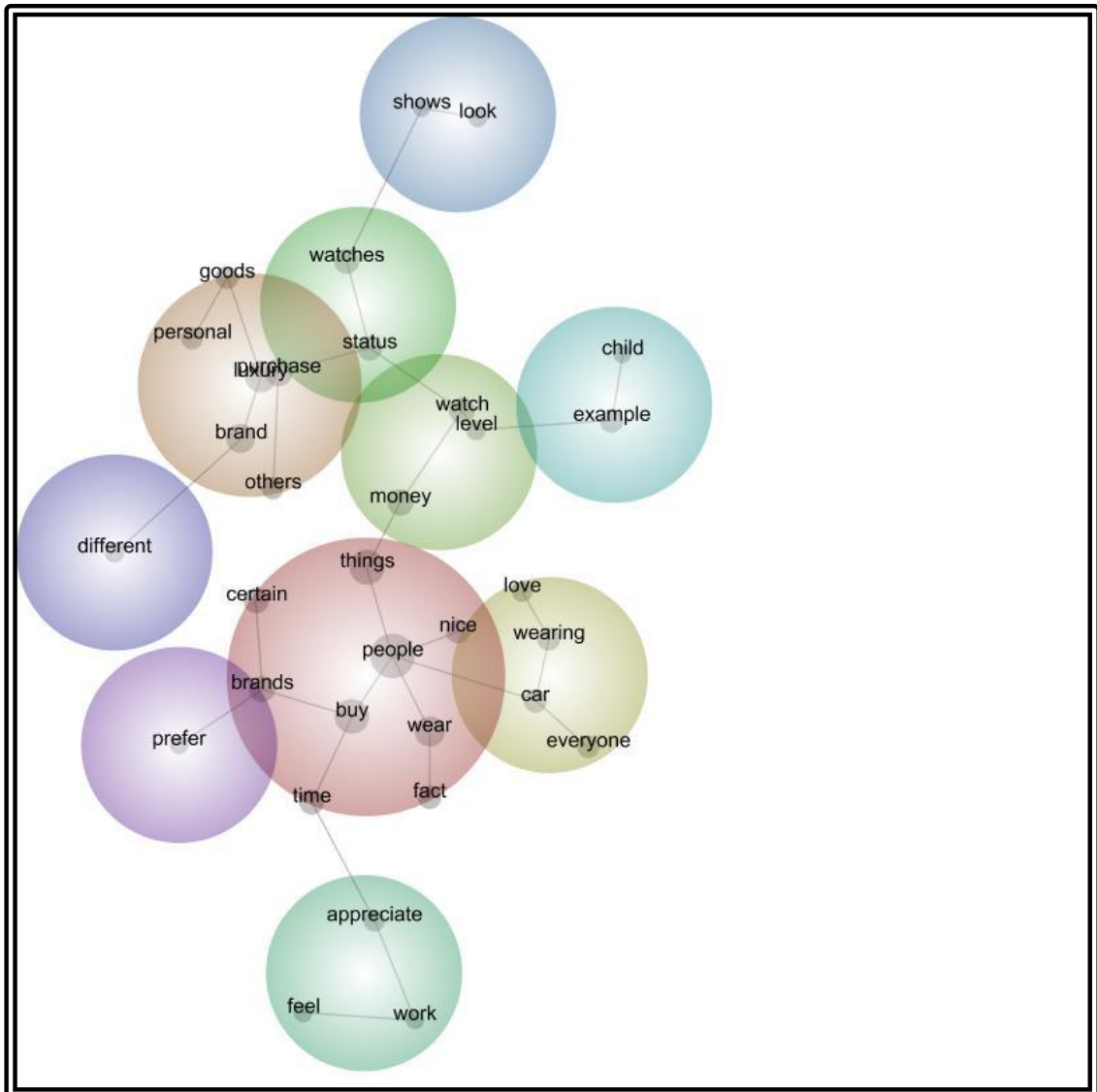
The quote below emphasises the feedback from respondents in support of the research findings.

> *"Some people regard me as a trend setter, which [I] prefer. So if I see something somebody else is wearing that is special to them, I won't go and copy them. But if I wear something that is special, people will go and copy it, which I am not crazy about. It doesn't make me feel good because I give them the respect of not copying them. I think I should be allowed that little bit of exclusivity"* (Respondent 9).

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The in-store observations supported the extrinsic/outer-directed symbolic key value driver for the female respondents. The researcher observed female customers asking for the latest collections and the customers were well-informed about the latest trends. It was interesting to note that the female respondents favoured accessories and shoes more than fashion; however, this depended on the store in which the researcher was conducting in-store observations.

The online lurking provided further support to the findings for female respondents, highlighting the latest trends and collections on most of the landing pages, making suggestions on different looks that can be created and drawing on the important factor of differentiating oneself from others, creating unique looks and a personal image (Dior, n.d.; Gucci, 2015; Louboutin, n.d.; Versace, n.d.). Luxury fashion blogs further supported this trend, emphasising items from new collections from various designers and various items that can be teamed together to created different looks (Chutzpah, 2015). A few examples of quotes from the female respondents stressing the three most important key value drivers can be seen below.

> *"Exclusivity is one of the major factors for me when I purchase a luxury brand; that not everybody has access to it. I think it is a bit different and I am not a fashion slave.....but I prefer brands that are not readily available in stores. The way I keep up with trends is I would go [to] the place and the main fashion centre of the city, walk the streets a bit to get a sense of what is available and generally you find out brands copy each other"* (Respondent 9).

> *"Style is important....fashionability as well is quite important, so style. I don't buy it because everybody likes it, it has to fit with me, so I like to go for things that are more individualistic and really say something about me"* (Respondent 3).

"Yes, I hate the fact that I think I was the first person in Johannesburg to have a Bottega Veneta bag and now I am seeing them everywhere" (Respondent 7).

> *"I find that it has to do with the fact that I am more aware of international trends than local trends, so I am liking things and buying things ahead of time here in South Africa. So it is not a question of everyone wearing it, she has that, they have that and I need it, it is more of an awareness of what is happening internationally and of course liking a specific trend"* (Respondent 7).

"Most of the time I prefer brands that it is not obvious what brand it is" (Respondent 8).

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5.4.12   Combination of all male respondents concerning outer-directed symbolic values

For the extrinsic/outer-directed value driver for the male respondents, the most important concepts identified by the respondents included **luxury**, **people**, **perception**, **important**, **brands**, **goods**, **look**, **fashion**, **product**, **money** and **different**, which were depicted by the large grey concept dots within the beige, gold, red and green theme bubbles in Figure 15.

Figure 15: Combination of all male respondents concerning outer-directed symbolic values
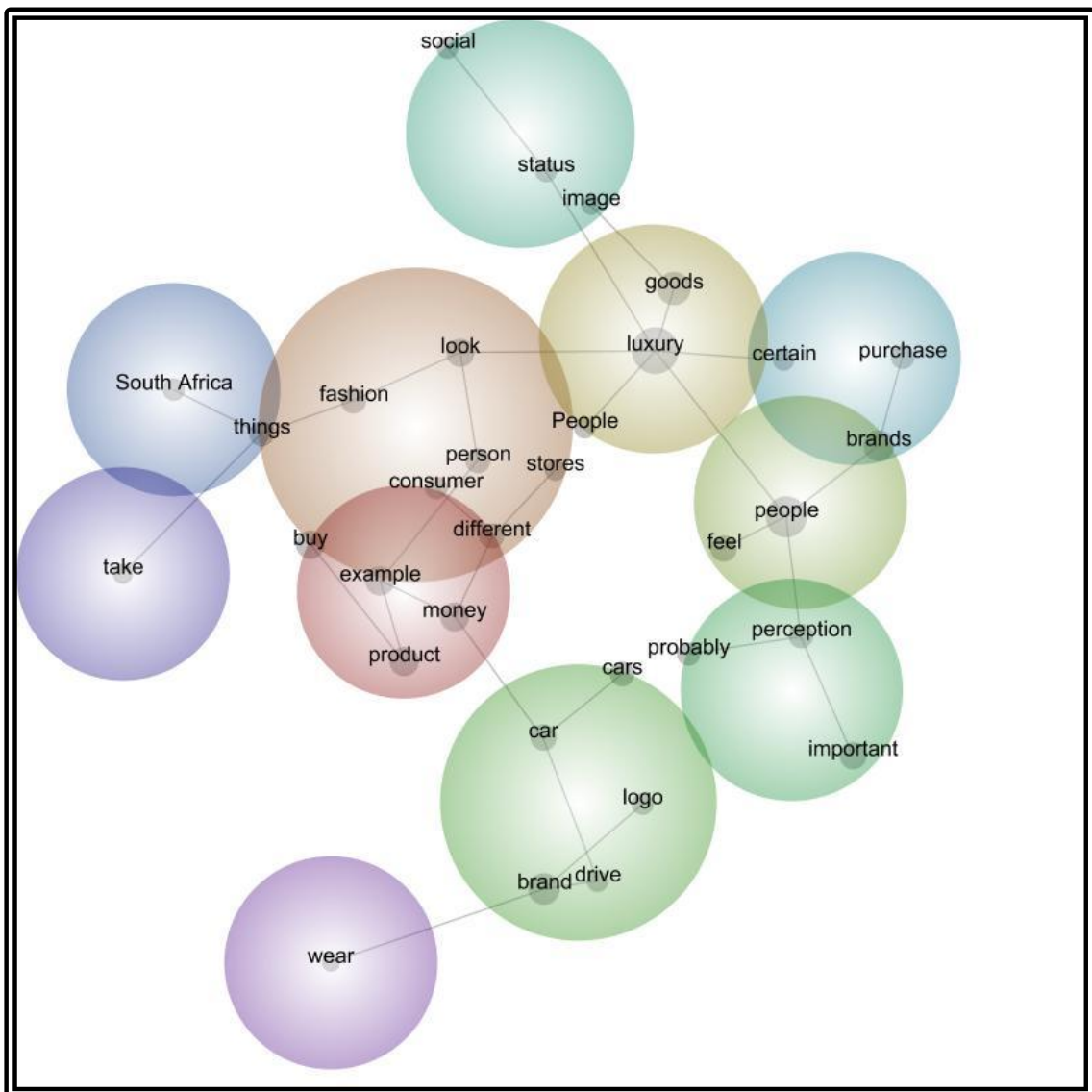
As indicated in Section 5.4.11, the extrinsic-outer-directed value drivers for both the male and female respondents were similar and therefore, as this was discussed in Sections 5.3.1 and 5.4.11, only the most important concepts are mentioned in this section.

As with the female respondents, the male respondents reiterated that their purchasing of luxury goods was for self-fulfilment, with no regard to the external environment. However, as with the female respondents, the external environment impacted the purchasing decisions of the respondents. The need for exclusivity and to be different from the masses was a vital point that was often articulated. In contrast to this though, if there was a social group at work or at a club that the respondents aspired to be part of, they would purchase the same brand and similar products in order to be affiliated with the brand and their peers. This being said, the respondents very rarely belonged to social groups formed by the luxury brands by owning certain brands. The main reasons for this were time constraints and privacy concerns. It was also interesting to note that the male respondents emphasised the social status that came with the purchasing of luxury goods, especially with regard to watches and cars, as these were the items visible to the majority of people they came into contact with, whereas a house was not visible to the majority.

The following quotes stress the salient points discussed above.

> *"You can't take your house with you. You can't take your paintings around with you......A good pair of shoes, a good belt and a good watch comes around with you all the time and I think that does enhance a person's image"* (Respondent2).

"I don't want to sound like a hypocrite, but without that being my intention, things like my cars are outwardly visible. Those are the things people see" (Respondent 4).

"I choose brands that I feel express my personality. So my luxury goods like my vehicles, the houses etcetera also link the people I hold in high esteem" (Respondent 5).

5.4.13 Combination of all female respondents concerning intrinsic/self-directed symbolic values

The key concepts mentioned by the female respondents for the intrinsic/self-directed key value drivers were **personal**, **things**, **spend**, **buy**, **husband**, **jewellery**, and **life goals**, which are depicted by the large grey concept dots within the red, gold and green theme bubbles in Figure 16. However, it is important to note that life goals did not impact the female respondents' luxury good purchases. In fact, 100% of the respondents claimed that life goals made no impact on their luxury good purchases.

The female respondents made it very clear that their purchases were mostly treats for themselves or treats and gifts from their husbands. The respondents identified personal gratification, satisfaction, social status, self-confidence, the feel good factor and the use of the product as the personal benefits derived from consuming luxury goods. Along with these personal benefits came a deep sense of awareness that the products they consume cost more than what many of the population earn in a year. This caused a certain degree of discomfort and sensitivity to their surroundings when using the luxury goods purchased.

"I don't tie it to life goals. There are no material things that I aspire to in my life goals. I think those are justifications to do something extravagant" (Respondent 9).

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Figure 16: Combination of all female respondents concerning self-directed symbolic values
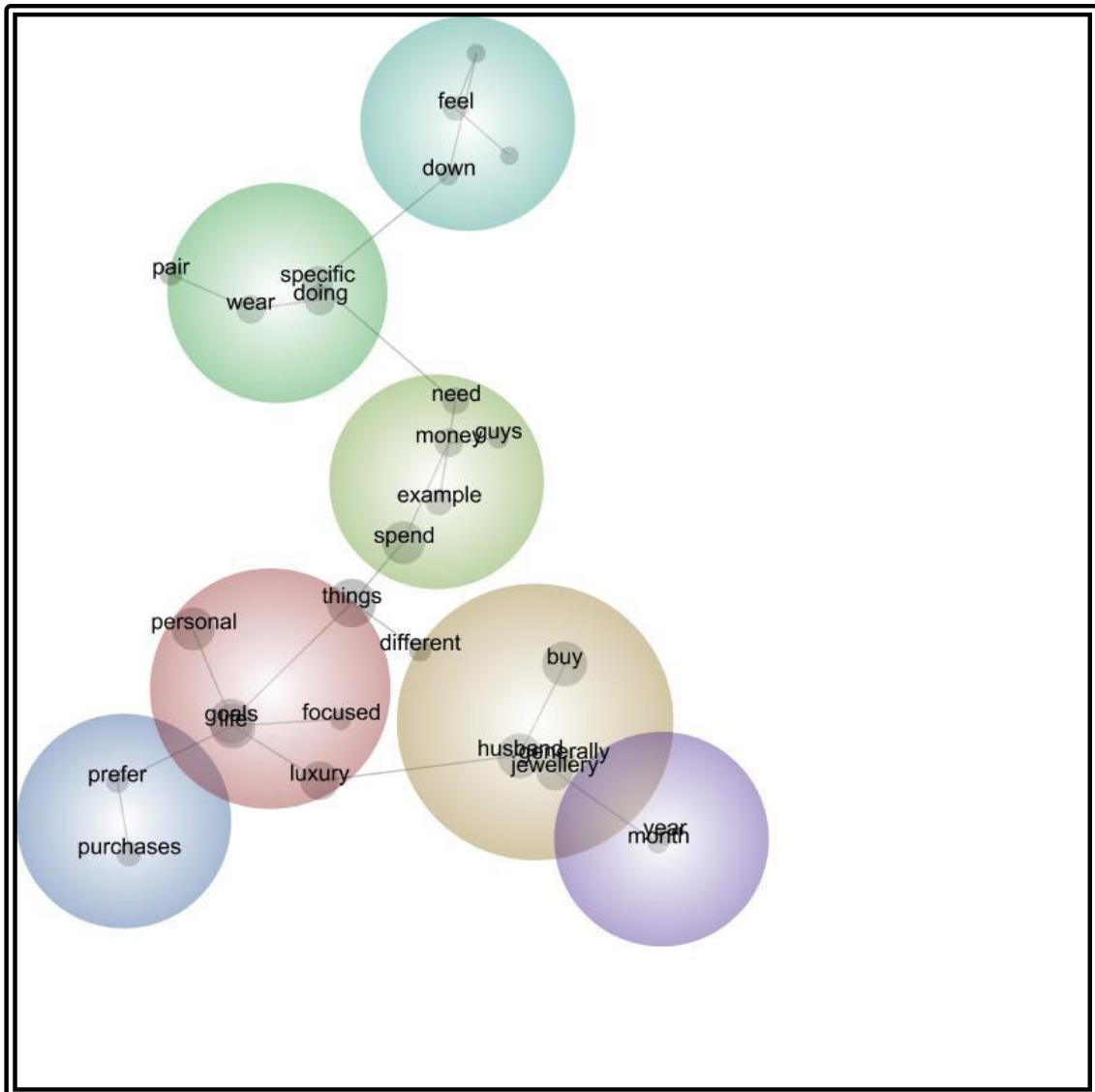
5.4.14 Combination of all male respondents concerning self-directed symbolic values

The key concepts highlighted by the male respondents for the intrinsic/self-directed key value drivers were **luxury**, **buy**, **spend money**, **need**, **purchase** and **feel**, which are depicted by the large grey concept dots within the red, gold and green theme bubbles in Figure 17. However, it is important to note that in contrast to the female respondents, life goals impacted heavily on the luxury good purchases of the male respondents. In fact, 100% of the male respondents claimed that their life goals impacted their luxury good purchases. The respondents felt that they needed to earn their luxury good

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purchases and setting life goals was the best way to self-motivate and develop. It was also acknowledged that the purchases were reward mechanisms for reaching important milestones in their lives.

Figure 17: Combination of all male respondents concerning self-directed symbolic values
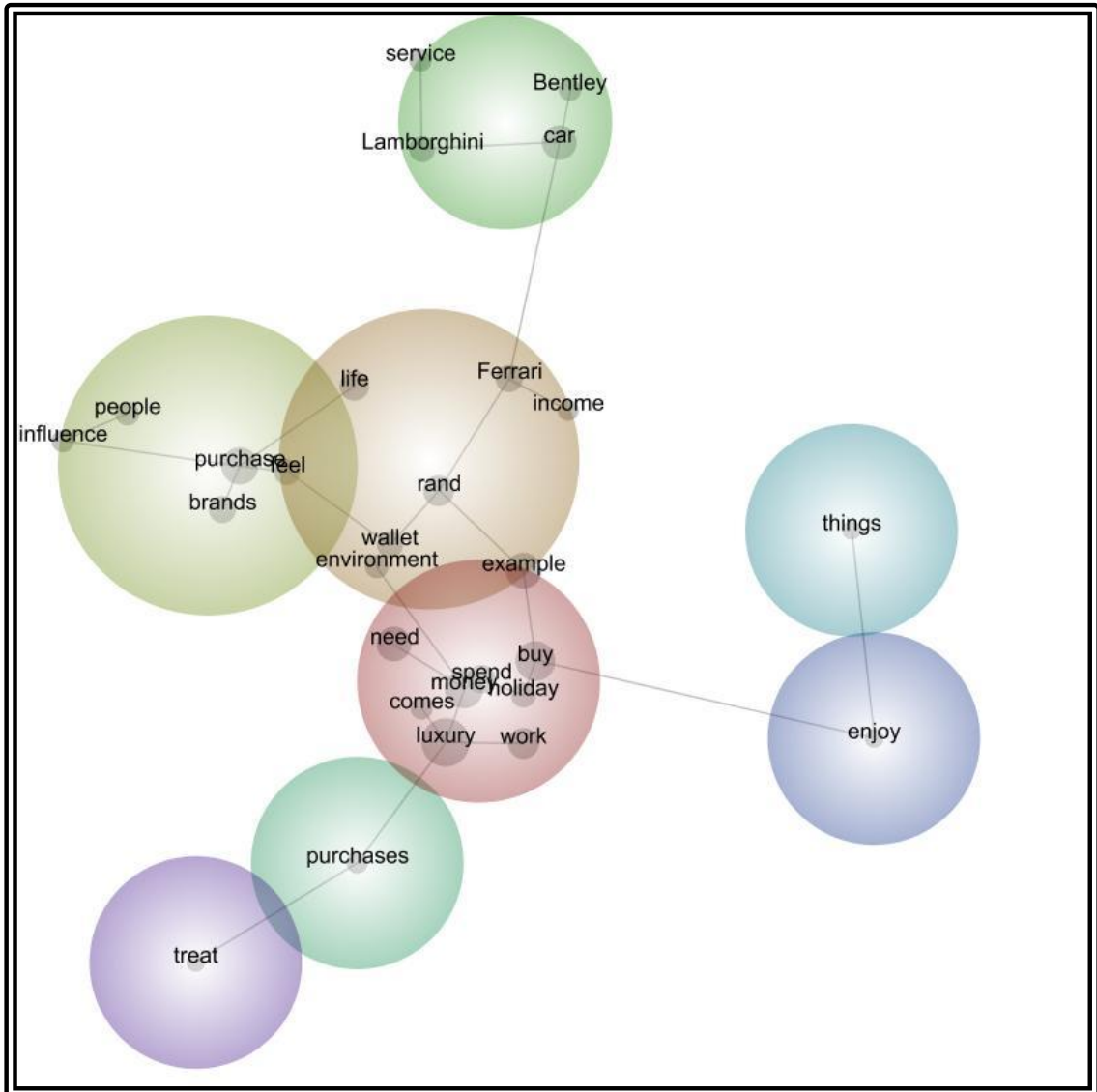
The personal benefits when consuming luxury goods identified by the male respondents included self-accomplishment, self-confidence, satisfaction, gratitude, self-integrity and pride. Unlike the female respondents, the male respondents were less concerned about the inequality of incomes. The following quotes denote the main points discussed above.

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"It is definitely life goal orientated and it has helped me progress and helped with self-development as well" (Respondent 5).

"I would need to earn it to purchase it. If I had all the money in the world, I wouldn't go buy anything I wanted. There has to be a sense of earning, as sense of deserving as well" (Respondent 2).

5.5 Research question 3

How can luxury brand organisations co-create value utilising the six key value drivers?

The results indicated that luxury brand consumers desire open, two-way dialogue with the luxury brands and would love the opportunity to co-create with the brands that they love. However, there is a gap between the expectation of the luxury brand consumers and those of the luxury brands. This is discussed in detail in the following sections.

5.5.1 Customers response to co-creation

It was evident from the results indicated in Figure 18 that most luxury brand consumers would love the opportunity to co-create unique items with the various luxury brand organisations. From the nine customer respondents, only one was uninterested in the opportunity to co-create products. The respondents indicated that they would love to be involved in the design aspect of the products, where they are afforded the opportunity to add something unique that portrays their style and taste to a product already designed by their favourite designers. It was not the concept of designing their own product or piece that interested them, but rather the feeling of being included in the process and allowing the luxury brand to add something personal and unique of theirs to the piece. This also supported the crucial aspect of exclusivity and personal brand image which is a key value driver for both genders when purchasing luxury goods. Examples of the customers' opinions regarding co-creating products with the luxury brand organisations are presented below.

"I would love to, that would be quite cool! That's very cool. I mean it's the sentiment of one, right? The fact that a brand has conformed a piece specifically around me and that says something!" (Respondent 4).

"An opportunity to tailor a more general item to me and make it unique by adding something of my own, yes I would love that" (Respondent 7).

"And if I could add something like my own personal touch or my personal style, something that would make it uniquely me, I think that would be amazing" (Respondent 3).

Figure 18: Customers response to co-creation
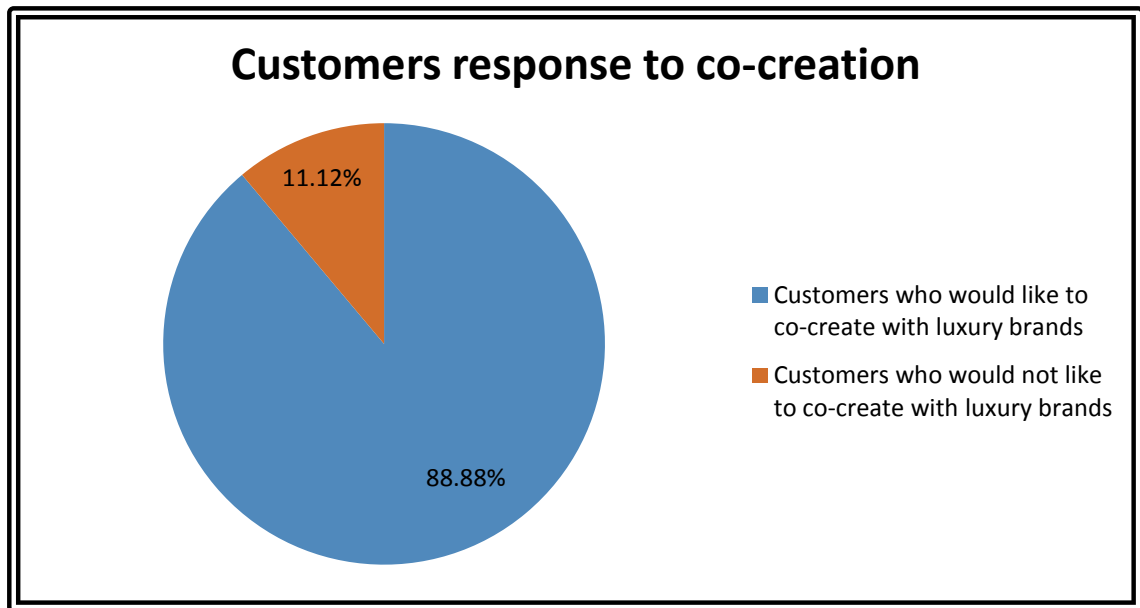
5.5.2   Luxury brands' response to co-creation

Of the luxury brand organisations interviewed, only half indicated the possibility of co-creating products with their customers. The half that were open to co-creating were already involved in the process of involving their customers in the design of their product, though this was limited to selecting colours, fabrics and combinations of existing options available. The organisations acknowledged the importance of this process, along with how exclusivity is important to their customer base and stated that it was the reason for embarking on the co-creation process. One of the organisations has been co-creating products with their customers for many years, whereas the other organisation had only recently commenced this process earlier in 2015.

The organisations that were not open to the co-creation process emphasised that the South African luxury goods market is too small and the costs are too high to warrant the process. The companies reiterated that the products were unlikely to be improved upon and if investment was the driver behind the purchase, customising the item would

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devalue a piece purchased. The examples and results of these statements are evident in Figure 19 and the quotes below.

> *"What the guys also do is purchase say for example a certain Rolex which has a thick gold strap and then they do their own diamond work and design. In a general sense though it is like cars, a R400 000.00 watch is perfect, you are not going to change anything because whatever you do is going to mess it up, especially if it is an investment piece"* (Respondent 12).

> *"They will choose their fabrics, they will choose their buttons, choose their lining and everything else; their own customised suit. They will even embroider your initials on the inside of the sleeve if you want"* (Respondent 11).

Figure 19: Luxury brands response to co-creation
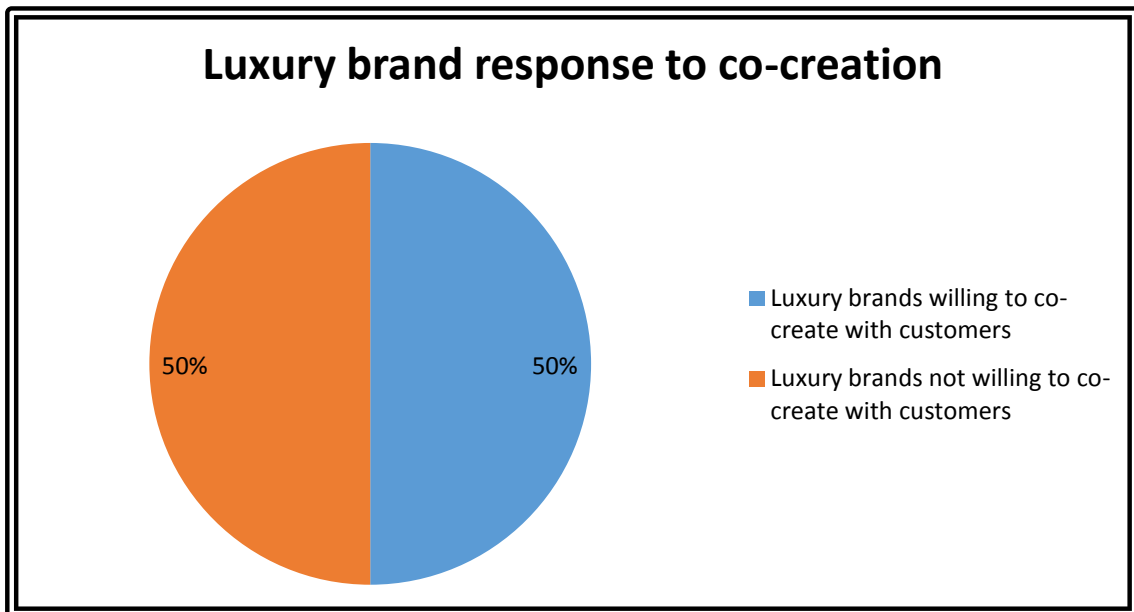
5.6 Conclusion

In Chapter 5, the results were presented for each of the research questions investigated. The results of the research clearly demonstrate that the six key value drivers tested are in fact present in the consumers purchasing decisions of luxury brands. Furthermore, the results emphasised that there are various differences in the value drivers tested between male and female consumers in most of the key value drivers, which influences the reasons for the purchase and consumption of luxury goods.

The results also confirmed that luxury good consumers are looking for the opportunity to co-create products with the luxury brand organisations and are open to two-way dialogue that creates value for all stakeholders involved, in turn developing strong and long-term relationships with the brands they love.

In Chapter 6, the results of Chapter 5 are discussed, critically evaluated in contrast to current literature. Chapter 6 also identifies whether the study's findings support or refute the statements made in the literature reviewed in Chapter 2.

CHAPTER 6: DISCUSSION OF RESULTS

6.1 Introduction

The purpose of this chapter is to discuss the findings of Chapter 5 in the context of the theory reviewed in Chapter 2 and the research questions presented in Chapter 3. The literature review provided insight into the conceptual studies conducted by Tynan et al. (2010) and Shukla and Purani (2012), which provided the basis for the constructs developed in Chapter 3. As such, this chapter discusses the findings in order of the research questions presented in Chapter 3.

6.2 Research question 1

What are the six key drivers of value that emerging market consumers seeks in luxury brand products?

As all six key value drivers are found to be relevant to the luxury goods consumers in their decision-making process to purchase luxury goods in this study, the research findings confirm the conceptual framework created by Tynan et al. (2010). The findings also confirm that emerging market luxury good consumers are not vastly different from luxury good consumers in the West in the key value drivers they seek and obtain from the luxury goods they purchase. As delineated by Wiedmann et al. (2009), there is changing growth in the global luxury market and the findings of this research aid in assisting marketers of luxury brands to understand the reasons behind the consumers' purchases of luxury goods, as well as to market the products in emerging markets. As the findings demonstrated, consumers' perceptions of luxury goods, the perceived value they receive and their buying behaviours are similar to that of consumers in the West; however, there are differences between the genders that marketers need to be aware of when creating various product and marketing offerings in the emerging market.

The findings affirmed that the emerging market luxury brand consumer seeks to be unique and individualistic, which means that they are not willing to conform to the norm and specifically look for differentiated products and services; this includes the shopping experience and keeping abreast of latest trends in fashion. This supports the findings

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of Atwal and Williams (2009) and Kapferer and Bastien (2009), who stated that managers of luxury brands need to stay ahead of their consumers and not utilise traditional marketing methods, as these are unlikely to be successful or sustainable.

The three most important key value drivers found in the study are discussed individually in the sections that follow; thereafter the key differences between the genders are discussed in relation to the theory presented in Chapter 2.

6.2.1 Extrinsic/Outer-directed symbolic values

It was historically thought that consumers' consumption of luxury goods was aimed at showcasing a wealthy consumer's ability to purchase luxury goods in order to gain social status, and although recently researchers such as Prahalad and Ramaswamy (2004b) and Truong (2010) provided additional insight regarding the various reasons behind consumer purchases, the outer-directed symbolic value driver is still one of the key value drivers behind consumers luxury brand purchases, as confirmed by the results obtained in this study.

As seen in Figure 3, the consumers did not see the various key value drivers in isolation, but valued a myriad of aspects when purchasing luxury brands. This research study's findings confirm the findings of the study conducted by Wiedmann et al. (2009), although Wiedmann's study highlighted these findings as more specific to women than men. This study builds on Wiedmann's findings and reveals that the findings are applicable to both genders and could possibly provide further evidence for the study conducted by Stokburger-Sauer and Teichmann (2013), who indicated that gender roles are becoming increasingly blurred, where males are adopting female traits and women possess more male traits.

As stated in Section 5.3.1, the respondents are very conscious of personal appearance and personal brand image, especially the younger respondents, which are significantly more concerned about personal brand image and peer perceptions. This confirms the study by O'Cass and McEwen (2004), which found that younger men placed greater importance on the conspicuousness of the products purchased, depending on the category involved. The research results also confirm the domination of males purchasing luxury goods, especially durable goods such as cars and watches, whereas women are found to be more involved in high fashion clothing, accessories and apparel. This further supports the findings of O'Cass and McEwen (2004) and Segal &

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Podoshen (2013). However, this contradicts the findings of Mitchell and Walsh (2003), who claimed that men are less conscious about appearance and clothing and are less sensitive to opinions of friends. It is thought that males dominate luxury good purchases due to the male domination within the business environment and the earning power of these individuals.

The findings of this research also aligned with the findings of Dittmar et al (1995), which stipulated that men tend to buy instrumental and leisure items, while women purchase goods that emphasise personal appearance and the emotional aspects of the individual. This was seen in the preference the males had towards cars and watches and women's affinity for accessories and fashion. According to the research findings, exclusivity was one of the most important factors driving the consumers luxury good purchases, which according to Shukla and Purani (2012), displays the increasing need consumers have to identify themselves and express and enhance their image to peers. According to Tsai (2005), this in turn facilitates the expression of the consumers' internal self. This then provides the consumer with meaning, fulfilment and satisfaction. The findings further support the studies conducted by Gudykunst and Lee (2003) and Tsai (2005), which reiterates that self construals allow the consumers to create clear boundaries between themselves and others, which differentiates their thoughts and actions from others.

6.2.2 Utilitarian/functional value perceptions

As delineated in the study by Tsai (2005), superior quality is a crucial attribute of luxury goods which is taken for granted by the consumers in the research findings. The consumers felt that quality is a given and that heritage and craftsmanship are very closely aligned to the quality of the product. The respondents felt that luxury brands with long standing heritage need not be questioned regarding quality; it was automatically expected. The consumers do not perceive a higher priced luxury product to be of better quality, which contradicts the findings of Tsai (2005), which states that the premium price for the luxury good indicates higher levels of quality and is perceived as such. The respondents felt that once you reach a certain level of luxury good, the quality of all of the products are of a similar standard, therefore the price differential between the brands are not due to the variance in quality of the products, but strength of the brand names.

Functionality is another pertinent factor considered to be very important to the consumers in this research study. They felt that if they are paying such large amounts of money for the luxury brand product, the product needs to fulfil the specific function for which the product was purchased. This confirms the findings of the study conducted by Smith and Colgate (2007), which described the need for the luxury good products to solve consumption-related problems and deliver on desired characteristics, which also aligns with Woodruffe-Burton's (1998) view that the products should have the appropriate attributes, performance and outcomes. Although functionality is a key value driver and the respondents considered it as one of the most important factors, some of the respondents admittedly purchased products for other reasons, not specifically for functionality, and in some cases, they have never used the luxury goods products they have purchased in the past or these have been presented as gifts. This was not only isolated to male respondents when discussing investment purchases, but was also applicable to the female respondents.

6.2.3 Cost/Sacrifice values

Although the findings demonstrated that higher priced products do not signify better quality products to the consumers, it impacts the consumer's perception of the brand, where higher priced products signify more prestigious and sought after brands. This aligns with the study performed by Shukla and Purani (2012), which stated that a higher price plays a positive role in the consumer's perception of the overall value of the brand, which in turn elevates the uniqueness and desirability of the brand.

The respondents emphasised exclusivity and differentiation as a key factor in purchasing luxury goods, and the high price of the products aids them in the quest for this exclusivity due to the low number of people able to afford the luxury good products in South Africa. These findings confirm the study done by Wiedmann et al. (2009), which claimed that the price together with the functional value of uniqueness bolster the consumer's need for discernment and uniqueness, which the consumers believe are realised through the consumption of certain brands only available to exclusive clientele. As discussed in Section 5.3.3, respondents are concerned with receiving value for money, especially the younger generation, but when asked to define value for money, they were unable to do so. There are currently varying views about consumers' perceptions of value, which includes, but is not limited to Woodruffe-Burton (1998), whose definition describes value as a consumer's preference and evaluation of the products attributes, performances and after effects from the use of the luxury product.

A simpler definition from Smith and Colgate (2007) explains value as something the customer receives from the purchase. As the respondents were unable to articulate the meaning value, this could provide researchers an opportunity to explore the luxury goods that consumers consider to be regarded as value for money, and this in turn could aid marketers of luxury brands to position their market offerings appropriately, considering that consumers are continually seeking value for money. Luxury consumers are becoming increasingly younger and interestingly, this aligns with the Accenture Consulting article by Jacobson, Florio and Salvador (2011) that highlights luxury shoppers are becoming increasingly younger and that value and price are key considerations when making a purchase decision.

6.3 Research question 2

Do the six key drivers of value sought from luxury brands differ between genders?

As shown in Section 5.4, there are various differences in the key value drivers between the genders, the decision-making processes and what is important to both male and female respondents. Each of the key value drivers for both genders is discussed individually in detail in the sections that follow, commencing with a brief general overview of all the key value drivers combined for females and males.

6.3.1 Female respondents

As discussed in Section 5.4.1, the female respondents make many more connections between the various concepts than the male respondents do, which was affirmed by Figures 4 and 5. These results support the findings of Meyers-Levy (1998) and Prakash (1992), which emphasised the interdependence of women versus the dependence of males which also impacts the decision-making process and how these differ between the genders. The findings of these researchers also claimed that women define their identity in consonance with their environment and with the interaction of others, which supports the results of this research.

6.3.2 Male respondents

Although the female respondents connect many more concepts together as discussed in Section 6.3.1, the male respondents seem to interrelate the various themes more so than their female counterparts. This could be due to the fact that the male respondents do not view the different key value drivers as separate from each other, but see the decision-making process to purchase luxury goods as a singular action. This was suggested by Bakewell and Mitchell (2003) in their study that claimed that men seek to purchase quickly and spend less time and energy on the purchasing process.

6.3.3 Female respondents concerning functional/utilitarian values

The female respondents are clear in communicating the need to love and use the luxury good products that they purchase and they feel that the high quality of the product is an assumed given. This aligns with the findings of Shukla and Purani (2012), which showed that consumers expect the luxury good products to be differentiated, usable and of high quality, an example of this being Louis Vuitton luggage trunks. This also supported the study conducted by Tsai (2005), which also stated that superior quality is an attribute taken for granted with all luxury brand goods. Many of the female respondents felt an emotional connection to their purchases, which is very personal and they felt it is a representation or extension of themselves. These findings align with the findings of Stokburger-Sauer and Teichmann (2013), which showed that women tend to direct their purchases towards social and emotional relationships rather than purchases based on functionality alone.

6.3.4 Male respondents concerning functional/utilitarian values

In contrast to the female respondents, the males identified quality and functional use of the product as the most important aspects to them, which align with the study done by Stokburger-Sauer and Teichmann (2013) that stated that men follow task-orientated thinking in their consumer behaviour in purchasing luxury goods. It was however very interesting to note that the male respondents view the luxury good purchases in two different categories, which includes 1) for investment purposes and 2) for themselves. If the purchase is for investment purposes only, the functionality of the product is not a relevant factor to the respondent; however, if the purchase is for personal use, the functionality of the product is critical. This could be due to men generally not being emotionally attached to their purchases and the decision to purchase either investment

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products or products for usage is a logical and task-orientated action. However, as noted in Section 6.3.6, men are sentimental about the luxury good purchases they make. No literature was found in support of these research findings and it is suggested that further empirical testing be done to explore the two different views males have on functionality and the reasons for these views.

6.3.5   Female respondents concerning cost/sacrifice values

The female respondents indicated that higher priced luxury good products do not impact their perception of the luxury brands or the quality of the brand as mentioned above, which was in contrast to the male respondents views. This is very interesting, as it contradicts the findings of Amaldoss and Jain (2005) that found that women have a more positive attitude towards luxury brands than men, especially in categories that express an individual's identity. The reasons that impact female perceptions of luxury brands and why they hold one brand in higher esteem than another was not clear. Most respondents indicated that it is about loving the brands they purchase, along with the designs and how these represent their personalities, but there are no concrete reasons for why one brand is better than another. This provides an opportunity for further research exploration on the females' perception of luxury brands and what impacts female brand perception within an emerging market.

The female respondents acknowledged being sentimental about some of the luxury products they own, but admittedly felt that the sentimentality they experienced is related more to the person or special occasion attached to the product, rather than the brand or product itself. These findings are consistent with those of Yang and Galak (2015), which found that sentimental value, was derived from positive associations with a significant other or with a special event or time in a person's life. This provides luxury brand organisations the opportunity to capitalise on this knowledge and leverage on special occasions marked in their consumers' lifetime and to create a love for and loyalty to the brand through the positive emotions evoked by purchasing the brand.

6.3.6   Male respondents concerning cost/sacrifice values

Unlike the female respondents, the higher priced luxury brands provided the male respondents the perception of a better brand, or a brand that was held in higher esteem. Although these findings confirm the findings of Truong et al. (2010), which shows the willingness of consumers to pay a higher price for a functionally equivalent

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product, but one perceived to be more prestigious, this contradicts the study done by Amaldoss and Jain (2005), as it was the males rather than the females that had a more positive attitude towards the luxury brands. The male respondents also indicated that they felt a higher priced luxury brand has the perception of delivering greater value to the consumer. These findings of the feelings of the male respondents could support the findings of Smith and Colgate (2007) that postulated that value is the benefit versus what the customer pays for the product, resulting in a sentimental bond with the product, but this would require further exploration and empirical testing.

It is interesting to note that most of the male respondents are sentimental about the luxury brand products they consume and these are in most cases tied to their life goals, which confirms the findings of the studies done by Segal and Podoshen (2013) and Stokburger-Sauer and Teichmann (2013), which indicated that men generally follow life-goals and are task-orientated in thinking towards performance motivated acting. By achieving these goals, men gain a sense of self-achievement, pride and deserving.

6.3.7   Female respondents concerning relational values

It is interesting to note that the female respondents are more loyal to the brand than the store or sales staff assisting them within the stores. The respondents acknowledged that the in-store experience was very important, yet poor sales service within a store would not deter them from purchasing the brand they love or in fact tarnish their view of the brand. This is an important factor for luxury brands to take cognisance of, as according to Breivik and Thorbjornsen (2008), the relational value perceptions of the consumers enhance customer loyalty to a brand and facilitate understanding the consumers' needs. However, if the female customers move from store to store in search of good service, the opportunity to build personal relationships with the customers is hindered. Even with the complex databases available that contain relevant information on the consumer, this is unable to create the two-way dialogue critical to luxury brands and marketers of luxury brands in creating shared value.

The female respondents confirmed that they would shop in the same store repeatedly if the customer experience was great, and confirmed that building trust with the sales staff would enhance the experience, especially if consultants were skilled and trusted enough to recommend pieces and combinations to complement their existing wardrobe. This emphasises the importance of the relational value driver to luxury brands, as luxury brand organisations reap financial rewards when consumers develop

strong emotional ties with brands that manifest in repurchase and brand loyalty, as shown in the results of the study done by Grisaffe and Nguyen (2011).

6.3.8 Male respondents concerning relational values

In contrast to the female respondents, the male respondents are far less forgiving of brands that deliver poor experiences through their dealings with the consumer. The respondents felt that if the service or in-store experience does not live up to their expectation, then they should move onto a luxury brand that delivers on the expected level of service, especially after having spent a significant amount of money. This again relates to the luxury brands the criticality of the relational experience with the consumer, if the brand is to retain the customer over a long period of time and develop brand loyalty. It was mentioned by the respondents that if they already have a good relationship developed with the brand, they are more likely to forgive slip-ups or errors in service, although this depends on how the luxury brand handles complaints or customer enquiries.

The male respondents felt pride in using the brands that their fathers and grandfathers used, thus passing the loyalty to the brand down through the generations. Luxury brand organisations should focus on meeting their customers' needs in value producing and differentiated ways in order to create strong emotional attachments to the brands that can be passed down through the generations, as suggested by Grisaffe and Nguyen (2011).

6.3.9 Female respondents concerning experiential/hedonic values

Shopping in-store is the preferred method of purchase for the female respondents due to the desire to feel the product, try it on, interact with the brand and have the in-store experience. These findings support the findings of the study done by Bakewell and Mitchell (2003), which claimed that women enjoy the shopping experience and spend considerable time and energy in the process. Meyers-Levy (1988) suggested that this is due to the interdependence of women versus the dependence of men, though this research study could not confirm or refute these claims.

The female respondents emphasised their personal feelings as feeling special, proud, comfortable and individualistic through the purchase of luxury brands, which are important characteristics for them. These findings are critical, as according to the

findings of Tsai (2005), the experiential pleasures directed at the consumer's self and the feelings of bliss, contentment and happiness are essential in forming their own hedonic experience. Although these feelings tend to indicate an individualistic society, there are various cultures within the South African context, which may include cultures of a more collectivist society and further research should be done to explore this, focusing on whether the different cultures do in fact impact on the hedonic values consumers have when purchasing the luxury brands.

The female respondents feel that the packaging is not of great importance to them and that they would prefer additional product or a reduced price as compensation for less elaborate and costly packaging. There is a sense of wastage due to the fact that the packaging is ultimately thrown away. Luxury brands that specifically sell to females could assess how they can utilise the money spent on packaging their products on creating products or services that the consumers consider as value, but further exploration into this is recommended.

6.3.10 Male respondents concerning experiential/hedonic values

As with the female respondents, the males preferred the in-store experience as the preferred method of purchase and for similar reasons. In contrast to the female respondents, the packaging is a critical factor for most of the male respondents. They felt that after spending a significant amount of money on a product, by packaging it in a less expensive packaging would reduce the prestige of the purchase and cheapen the experience. It would also deprive the male respondents of the sense of accomplishment in opening a gift to themselves that they worked hard for or a reward in reaching a goal or milestone in their lives. The male respondents also emphasised feeling good and confident when purchasing the luxury brands. With these findings in mind, as Atwal and Williams (2009) stated, it is important for luxury brands to change their mind-set from a transactional one to a more holistic experience for the consumer, so that there is a co-creation of value through individualised product and service experience. According to Woodruffe-Burton (1998), luxury brand organisations can utilise various sensory values available to them, such as aesthetic appeal, ambience, feel and tone within the stores. However, from the findings of this research, it is critical for luxury brands to understand the components that are important to the South African luxury goods consumer and how these differ in gender, as these needs will be catered for differently within the luxury brand stores.

6.3.11 Female respondents concerning extrinsic/outer-directed symbolic values

As discussed in Section 6.2.1, the extrinsic/outer-directed symbolic value driver is similar for both the male and female respondents. Although the other key five value drivers are present in the purchasing process of luxury brand consumers, luxury brand marketers need to pay attention to these when marketing to luxury brand consumers, as according to the research findings the outer-directed symbolic key value driver remains the primary key value driver to the consumers in level of importance. This supports the findings of Ballantyne and Varey (2006) and Truong (2010), which claimed that consumer consumption of luxury brands is a socially driven value which aims at showcasing a wealthy consumer's ability to purchase luxury goods in order to gain social status.

As discussed in Section 5.4.11, the female respondents articulated that the luxury goods they purchase are intrinsically motivated purchases, yet throughout the interview process, family, friends and peers featured significantly in the conversations and were found to be important to the respondents in the decision-making process to purchase luxury goods. This supports the findings of Stokburger-Sauer and Teichmann (2013) that stated that females follow communal goals directed towards social and emotional relationships with others. These findings confirm the findings of Meyers-Levy (1988), which places emphasis on the interdependence of women versus the dependence of males.

As found in the study conducted by O'Cass and McEwen (2004), women are significantly more involved in the conspicuous consumption of high fashion clothing, apparel, and this research study confirms accessories (especially handbags) were specifically found to be the greatest purchase made by women. The need to be individualistic and unique stands out as one of the most important characteristics when purchasing luxury brands for the female respondents, which aligns with the findings of Dittmar, Beattie and Friese (1995) that stated that women make purchases that are symbolic and self-expressive, highlighting personal appearance and the emotional aspects of the individual.

Many luxury brand organisations leverage on these important aspects when marketing their products, though some organisations seem to be losing sight of the need for unique and individual products that their consumers seek. By moving towards co-

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creation, the luxury brands that have become more "commercial" in the consumers' perspectives are able to recapture that feeling of exclusivity and uniqueness through the two-way dialogue and interaction with their consumers.

6.3.12   Male respondents concerning extrinsic/outer-directed symbolic values

As stated in Section 5.4.12, the male and female respondents' findings for the extrinsic/outer-directed symbolic value driver were similar. As with the female respondents, the male respondents expressed that the luxury brands they purchased are for self-fulfilment, however, through the interview dialogue it was evident that the external environment has a significant impact on the purchasing decisions of the male respondents, even more so than the female respondents. The perception people form of their personal image and of their social status is critical to the respondents. The male respondents believe that through the clothes they wear at board room and executive level, the accessories such as a luxury watch and car, all enhance an individual's social standing in a business environment and that gains a certain level of respect for a person. The male respondents also felt that these items make the person more appealing to others in that they would exude an aspirational level for others to look up to. These research results support the findings of the experiment conducted by Griskevicius et al. (2007), which demonstrated that due to mating goals, men increase their eagerness to spend on conspicuous luxuries and not basic necessities. The results also support the findings of Shukla and Purani (2012) that stated that the outer-directed symbolic perceptions are critical in luxury good purchases due to the status perceived through ownership of the luxury brands and the sign-value it provides the consumer, as well as the increasing need of the luxury good consumer to identify themselves and enhance their image with significant others. However the results of the research study's findings contradict the findings of Mitchell and Walsh (2004) that claimed that men are less conscious about appearance, stemming from societies where women fulfil the role of the attractive gender and men exhibit weaker sensitivity to the opinions of friends.

The male respondents often aspire to belong to groups that they feel hold social status, or something they aspire to, which affirms the findings of Shafique et al. (2015) that reiterated that consumers attempt to improve their social standing through the consumption of and use of branded products, which reflects a person's status to his/her surroundings. In other words, luxury brands are consumed to display the consumer's

wealth and this is evidence of the customer's desire to belong to an elite class. It also affirms the study done by Tsai (2005) that stated that through the purchase of certain luxury brands and products, the brand is deemed a common icon to the consumer, facilitating social-identification and memberships with that specific social group.

6.3.13 Female respondents concerning intrinsic/self-directed symbolic values

The luxury good purchases for the female respondents are not linked to life goals at all. The female respondents feel that by intimating that purchases are linked to life goals is a way for individuals to justify the purchase. This differs significantly to the male respondents and contradicts the findings of Truong et al. (2010), which found that there is a close relationship between all consumers' life goal pursuits and their psychological needs. Truong et al. (2010) suggested that life goals could be linked either extrinsically or intrinsically to purchases, and this provides an opportunity for further research. The exploration of the relationship between goal pursuits, whether these are extrinsic or intrinsic and how these differ between males and females should be explored further to provide empirical evidence for the differences in purchasing behaviour for the self-directed symbolic value driver.

The female respondents emphasised that purchasing luxury brands is mostly self-gift giving and this gives them a sense of gratification, self-confidence, social status and enhances the feel-good factor. These results align with the study done by Smith and Colgate (2007), which found that self-gift giving is a form of self-communication and satisfies one's own aspirations and is seen as a personally symbolic benefit.

6.3.14 Male respondents concerning intrinsic/self-directed symbolic values

The male respondents emphasised self-accomplishment, self-confidence, satisfaction and self-integrity as the personal benefits derived from the consumption of luxury goods. As stipulated before, the male respondents clearly articulated that the purchase of luxury goods is linked closely to life goals and milestones, which supports the findings of Segal and Podoshen (2013) and Gudykunst and Lee (2003) that demonstrated that men are more materialistic than women and that self construals allow the consumer to separate the self from others and gives preference to personal goals over group goals.

Unlike the female respondents, the male respondents are less concerned about the economic inequalities in the country and this does not impact their purchase decisions at all. This could provide evidence about why the males preferred the luxury brand packaging to the female respondents, as the female respondents felt that walking around with branded packaging attracts judgement from peers.

6.4 Research question 3

How can luxury brand organisations co-create value utilising the six key value drivers?

6.4.1 Customers' response to co-creation

The findings of this research revealed the strong desire of the luxury good consumers to work together with luxury brands in co-creating products and services to create shared value. The respondents were visibly excited when discussing the topic and were open to dialogue and contributing information to the luxury brands. This reiterates what Schembri (2006) suggested, which is that consumers assign interpretation of value by socially constructing it through the use of their language.

The respondents also confirmed that they would pay a premium for the products and services created through the co-creation process. The respondents felt this was an amazing opportunity to make luxury products even more exclusive and unique, but more importantly, to connect on a personal level with the brand and products they sell. This is very important, as one of the key characteristics from the findings, is the opportunity for luxury goods to afford customers to portray their personal brand image. These findings also emphasise the importance of what Santos-Vijande et al. (2013) stated regarding branding and marketing, which has become a social and dynamic process involving a network of relationships between the brand and its stakeholders through social interaction.

Although the respondents were eager to participate in the co-creation process, they were unsure of how and what they would like to contribute to the process. This denotes the opportunity luxury brands have to explore how they can co-create with consumers. The numerous ways in which the value of co-creation can take place are significant, which provides opportunity for further research exploration into what specific activities

contribute the most value to all stakeholders involved, especially within the luxury goods market in an emerging economy.

6.4.2 Luxury brands' response to co-creation

The findings indicated that many luxury brands do not participate in the co-creation concept, nor are they considering embarking on this in the near future. This could have negative consequences on the sustainability of the brand, as the luxury brand consumers have clearly indicated that they are seeking this kind of value creation from brands going forward. As such, Prahalad and Ramaswamy's (2004a) recommendations become prevalent, in that that luxury brands acknowledge their consumers, which is that they no longer act in isolation and that consumers now seek to exercise their influence throughout the process. It is critical that the joint creation of value by the consumer and the organisation takes place if luxury brands are to remain relevant in the consumers' lives, especially with the amount of substitutes available to consumers.

From the results garnered, it is recommended that luxury brand organisations take cognisance of their customers' desires to be involved in the co-creation of the products they purchase. Allowing the customers the opportunity to co-create on the design side and add unique touches and details which make the luxury goods more exclusive and ultimately more appealing to the customer will enhance the brand loyalty and purchasing habits of the customers. The consumers are willing to pay a premium in order to attain the unique and exclusive items if they are involved in the creation and design process. By embarking on the co-creation process, the luxury brand organisations will incorporate the most important key value drivers of the customers, which are extrinsic-outer-directed values (by making the product exclusive and unique), functional/utilitarian values (by the value created through high quality, handmade items), cost/sacrifice values (through the charge of a premium in order to co-create products), relational values (through the two-way dialogue that takes place in the co-creation process and the long term relationships built), experiential/hedonic values (through the experience and joy the customer receives), intrinsic/self-directed symbolic values (through the unique products the customers receive and the pleasure this derives for them).

As the respondents expressed that they are sentimental about purchases and products linked to special occasions, luxury brand organisations should leverage this and

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incorporate it into the co-creation process, by tying first occasions and special moments to pieces, ranges or collections throughout the customer's life, including all milestones within the customer's life cycle. The customers like to remember the stories that come with the products when they repeatedly use them, as it brings back fond memories of good times and the special people in their lives. By utilising sentimentality, luxury brand organisations have the opportunity to help the customer form an emotional attachment to the brand and their products.

6.5 Co-creation of value model

In answering the research questions, the researcher has developed the Co-creation of Value Model, as depicted in Figure 20 below. The model depicts the six key value drivers for both male and female consumers ranked in order of importance according to the findings of the research study. The two-way arrows indicate the open dialogue and flow of information between the customers and the organisation, which in turn, co-creates the overall value of luxury for the consumers and the organisations involved. The theoretical and managerial implications of this model are discussed in Chapter 7.

Figure 20: Co-creation of value between male and female consumers and the organisation
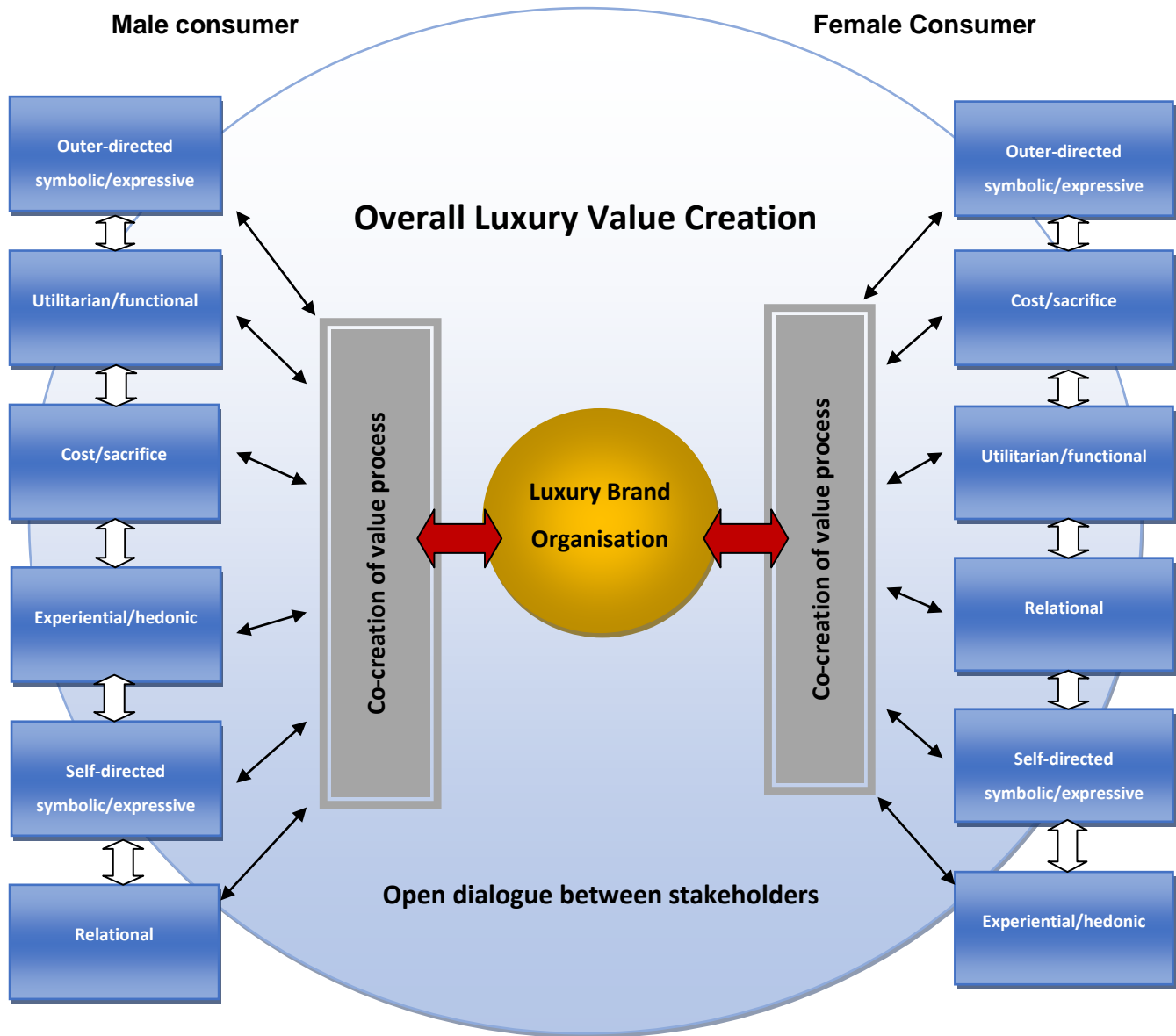
6.6   Conclusion

The aim of this study was to understand the meaning of value co-creation and the value co-creation process within the luxury goods market and to test the personal and socially orientated key value drivers of consumption within an emerging economy and compare these to existing studies done in Western societies. This research was completed through empirical testing of the model established by Tynan et.al. (2010).

The study further sought to investigate whether male and female luxury consumers seek different value drivers in emerging markets and assessed understanding how luxury brand organisations in emerging markets can co-create value through the use of the key drivers identified in the study.

CHAPTER 7: CONCLUSION

7.1 Introduction

Limited research has been conducted on the meaning of value co-creation within the luxury goods market (Payne et al., 2008; Tynan et al., 2010). The need to understand the key consumer behaviours impacting on the purchasing decisions of males and females within an emerging economy has become important, especially when the rapid growth of the luxury goods market within emerging markets is considered (Shukla & Purani, 2012; Stokburger-Sauer & Teichmann, 2013; Tynan et al., 2010).

This chapter reviews whether the research objectives identified in Chapter 1 have been met by the research study and recapitulates the findings of the research in light of the existing literature and the research questions laid out in Chapter 3. Contributions of the findings, implications for academics and management of luxury brand organisations, as well as the limitations of the study are outlined. The chapter concludes with recommendations for future research and explains model created from the research findings to aid managers and academics in co-creating shared value between the consumers and the organisations within the luxury goods markets, taking into consideration the differing consumer behaviours between males and females in their purchasing decisions.

7.2 Research background and objectives

The grounding to this research study is the conceptual framework developed by Tynan et al. (2010), which emphasised the six key value drivers which consumers seek when purchasing luxury goods. The study sought to identify the personal and socially orientated drivers of consumption within an emerging economy in order to provide a useful comparative study to the existing studies done in Western societies and to provide insight on the co-creation of value process within the luxury goods market. The study also assessed whether male and female luxury consumers seek different key drivers of value in emerging markets and aimed to understand if and how luxury brand organisations in emerging markets could co-create value through the use of the key drivers identified.

7.3 Findings summary

The objectives of this study as laid out in Chapter 1 were met and all of the research questions were answered. The research study has established that the six key value drivers as posited by the model of Tynan et al., (2010) are as relevant in emerging markets as in developed markets. As the study by Tynan et al. (2010) did not rank the key value drivers in order of importance in the findings, it is unclear if all of the value drivers tested are valued by emerging market customers as much and in the same way as customers in developed markets.

The results of the study emphasised the differences between male and female consumers in the key value drivers they seek when purchasing luxury goods in an emerging market and identified that there are opportunities for organisations to co-create value through the use of key value drivers identified in the model posited by Tynan et al. (2010). The luxury good consumers seek opportunities to interact with and openly communicate with the luxury brand organisations. It is critical that luxury brand organisations take cognisance of the drivers that their customers seek and pay attention to the customers' considerations of value, especially if they are to remain relevant in the customers' lives and continue to be sustainable into the future.

7.4 Theoretical implications

As there is large growth potential in developing countries for the luxury goods market, understanding the key value drivers in consumer experience that influence brand perceptions within a developing country such as South Africa could contribute in understanding what drives consumer experiences. Coupled with the fact that very little is known about the differences in gender roles for luxury brand consumption as noted in Stokburger-Sauer and Teichmann's study (2013), this research study contributed to the academic field by testing the conceptual model posited by Tynan et al. (2010) within an emerging market and combining it with an analysis on gender role differences in luxury brand consumption within an emerging market to determine how these elements combined can be utilised by luxury brand organisations to co-create shared value. The results of this study conducted in an emerging market can thus be compared to studies done in developed countries and comparisons regarding similarities and differences in the findings contribute in understanding the key value

drivers present in consumer decision making within the luxury goods market as a whole.

7.5 Managerial implications

As delineated by Tynan et al. (2010) and Payne et al. (2008), limited research has been done to address the meaning of value co-creation and the value co-creation process within the luxury goods market. This study identified the willingness of the luxury brand consumers to embark on the co-creation of value process with the luxury brand organisations and highlights the current gap between what the consumers desire and the actual delivery of value by the luxury brand organisations.

The study revealed that currently, many of the luxury brands within South Africa do not believe that the co-creation of value process and the costs involved with the process are beneficial enough to warrant the investment into the process going forward. However, the results of this study and the information gathered will aid luxury good organisations within emerging economies to take cognisance of what key value drivers consumers seek from their luxury goods and services, how these differ between genders, whether they provide these value drivers to their clients and how they can tailor their brand offerings to best suit the consumers' wants and needs. This information can in turn be utilised to embark on the process of value co-creation, which can be developed over time, as the open communication and dialogue between the consumer and the organisation creates opportunity for the luxury brands to create shared value and remain relevant in the luxury brand consumer's life. Allowing the customers the opportunity to co-create on the design side and add unique touches and details which make the luxury goods more exclusive and ultimately more appealing to the customer will enhance the brand loyalty and purchasing habits of the customers. By embarking on the co-creation process, the luxury brand organisations will incorporate the most important key value drivers of the customers.

Luxury brand organisations should leverage the customer's sentimentality and the co-creation process, by tying first occasions and special moments to pieces, ranges or collections throughout the customer's life and should include all milestones within the customer's life cycle. Through this, luxury brand organisations have the opportunity to help the customer form an emotional attachment to the brand and their products.

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Luxury brands that specifically sell to females should also investigate how they can utilise the money spent on packaging their products on creating products or services that the consumers value.

7.6   Theoretical implications

Based on the findings of this study, which tested the conceptual framework posited by Tynan et al. (2010), the researcher has developed a framework as shown in Chapter 6, Figure 20. The framework incorporates the gender differences in the consumer decision making process and how these elements can be utilised by organisations to co-create shared value within the luxury goods market, both for the consumers and the organisation.

The framework was formulated by considering that luxury brand organisations utilise the most important key value drivers identified in the consumer decision making process, to develop products and services that create shared value for all stakeholders involved, taking into consideration the difference between the genders in the key value drivers that influence the purchasing decisions. The aim was to assist luxury brand marketers to remain relevant in the consumer's life, deliver on what the consumer desires and ensure that the luxury brand is profitable and sustainable in the foreseeable future.

7.7   Limitations of the research

The limitations to the research study need to be taken into consideration and are presented below.

- Qualitative research may be subject to interpreter bias, as the research is subjective in nature and it is difficult to determine a true interpretation. This in turn has an adverse effect on reliability. By combining various methods of data collection (triangulation), the researcher aimed to minimise the bias through screening alternatives, gathering background information and scrutinising case studies (Zikmund, 2003).

- The sample size was small, which could have restricted the generalisability of the findings. The researcher aimed to reduce this limitation by interviewing

respondents and studying organisations across three different luxury goods industries.

- By utilising the snowball sampling method of data collection, bias was likely to enter the study, as respondents were likely to share common interests and have similar characteristics. By drawing on interviewees across three different industries and genders, the researcher aimed to reduce the bias of the snowball sampling method.

- The in-depth interview process required a highly skilled interviewer and this data collection method was time consuming and expensive. The success of the research was dependent on the interviewer's skill in acquiring the necessary outer reactions, as well as the subconscious motivations of the respondents (Zikmund, 2003).

- By only studying organisations within the Gauteng region it limited the generalisability of the study. The researcher aimed to reduce this limitation by selecting luxury good organisations within different categories to make it more generalisable.

- The respondents interviewed did not encompass all of the cultures found within South Africa. There are various cultures at play within the South African environment and these variations could impact the consumer behaviours and the purchasing decisions of luxury brands, especially when recognising that some cultures are more collectivist, rather than individualistic in nature.

7.8   Opportunities for future research

I. As identified in Chapters 2 & 6, there are numerous ways in which value can be co-created. Specific value creating activities need to be elaborated on, which provides opportunity for further research exploration into what specific activities contribute the most value to the stakeholders involved, especially within the luxury goods market in an emerging economy.

II. Truong et al. (2010) suggested that life goals could be linked either extrinsically or intrinsically to luxury good purchases. Taking into consideration the findings of this study and the differences found between male and female respondents with regard to life goal orientated purchases, exploration of the relationship between goal pursuits, whether these are extrinsic or intrinsic and how these

differ between males and females should be explored further to provide empirical evidence for the differences in purchasing behaviour for the self-directed symbolic value driver.

III. Luxury brands that specifically sell to females need to explore how they can better utilise the money spent on packaging their products in creating products or services that the consumers value. Further exploration into what the female consumers would consider a value-add is thus recommended.

IV. The study found that the respondents' personal feelings when purchasing luxury goods are individualistically driven, which, as discussed, is critical when consumers form their own hedonic experience through the purchase of luxury brands. These findings tend to indicate an individualistic society. There are various cultures within the South African context, which may include cultures of a more collectivist society and further research should be conducted to explore this, focusing on whether the different cultures do in fact impact on the hedonic values consumers have when purchasing the luxury brands.

V. The findings postulated that males create a sentimental bond with the product, more so than the female respondents. Further exploration and empirical testing on how luxury brand organisations can leverage these findings should be conducted.

VI. The findings demonstrated that a higher priced luxury good product does not impact on the female respondent's perception of a luxury brand, which was significantly different to the findings of the male respondents. This provides an opportunity for further research exploration on the females' perceptions of luxury brands and what impacts female brand perception within an emerging market. This could benefit luxury brands specifically aimed at the female market of luxury brands.

VII. Male consumers categorised their luxury good purchases into two categories, as noted in Chapters 5 & 6 and although it was found that men follow task-orientated thinking in their consumer behaviour in purchasing luxury goods, they were sentimental about the purchases they made. No literature was found to support these research findings and it is suggested that further empirical testing be done to explore the two different views males have on functionality and the reasons for these views.

VIII. The consumers emphasised they consider value for money as a key characteristic when purchasing luxury goods, however, the consumers were unable to articulate what value means to them. This could provide researchers

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an opportunity to explore what luxury good consumers consider as value for money, and this in turn could aid marketers of luxury brands to position their market offerings appropriately, considering that consumers are continually seeking value for money.

7.9 Conclusion

This study was conducted to test the conceptual framework posited by Tynan et al. (2010) to confirm whether the six key value drivers initially posited were relevant in the decision-making process of luxury good consumers within an emerging market. The study included analysing the differences in the decision-making process between the genders and assessed how these key value drivers can be utilised to create shared value between the luxury good consumer and the luxury brand organisation.

Current literature on the meaning of co-creation of value, the key value drivers consumers seek when purchasing luxury goods and how these differ between genders was reviewed in order to theorise the formulation of the research questions, which assisted in achieving the research objectives.

In-depth interviews, netnography and in-store observations were conducted to collect primary data from luxury good consumers and organisations within South Africa. Leximancer was utilised to analyse the findings and to identify whether all key value drivers tested were present in the luxury good consumer's decision-making processes. It aided in examining the relationships between the various key value drivers and how these differed between genders.

Investigation of the data confirmed that all six key value drivers posited in the conceptual framework created by Tynan et al. (2010) are present in the emerging market luxury good consumer's decision-making process. The findings further delineated the differences and similarities of the key value drivers identified between male and female consumers in their decision-making processes. Finally, the study revealed that luxury good consumers are eager to participate in a value co-creation process and are open to two-way dialogue if the luxury brands are willing to create this opportunity for their customers. It is therefore recommended that luxury brands utilise these findings to create shared value for all stakeholders involved.

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APPENDICES

Appendix 1: Interview schedule for luxury good consumers

Introduction of interviewer

Hello, my name is Bronwen Smith. Thank you for giving up this time to speak to me about the luxury goods you purchase and the possible influences behind your purchases of luxury goods.

Allow respondent to introduce themselves

To begin with, I was wondering if you could tell me something about yourself (probes: where you were born, where you grew up, work and family, who live with, involvement in community)

During the interview, I would like to discuss the following topics:

- The luxury goods you purchase
- The functional needs or problems these purchases solve for you
- Who you purchase the products for
- The symbolic meaning you attain from these purchases/consumption. In other words, how the purchasing of luxury goods make you feel.
- How the purchase of luxury goods expresses or enhances your social image.
- What experiences you have when you purchase or use luxury goods.
- What relationship you have with the Brands and organisations you purchase from.
- What the price of the brand signifies to you.

Luxury Goods

Main Questions	Additional Questions	Clarifying Questions
• What does luxury and luxury branding mean to you? • When you think of luxury goods, what comes to mind? • Has travel impacted on your knowledge and purchase of luxury goods? • What are the key characteristics/benefits you look for in a luxury brand? • Are there any down sides to luxury brands? • Do you purchase products mostly for yourself or for others? • How important is the brand heritage and craftsmanship of the luxury brand?	• Tell me more about that please? • What are these preferences? • What influences these preferences? • What proportion is for yourself in relation to others?	• Can you explain what you mean by that? • Why / Why not? • What is the reason for that?

Utilitarian/functional value perceptions

Main Questions	Additional Questions	Clarifying Questions
- Do you purchase luxury goods to fulfil a specific function? - How important is the functional use of the product? - How important is quality in terms of the luxury products you purchase?	- If you didn't need it, would you purchase it? - Does the product need to satisfy your functional needs in its entirety? - Does the product need to be the best in its class in terms of performance? - Tell me more about that please?	- Can you explain what you mean by that? - Why / Why not? - What is the reason for that?

Self-directed symbolic/expressive value perceptions

Main Questions	Additional Questions	Clarifying Questions
- What personal benefits do you receive when purchasing luxury goods? - Do you purchase luxury products to treat yourself or	Tell me more about that please?	- Can you explain what you mean by that? - Why / Why not? - What is the reason for that?

give yourself gifts?		
• Do your personal and life goals affect your luxury goods purchases?		
• To what extent do friends, family and peers affect your luxury goods purchases?		

Outer-directed symbolic/expressive value perceptions

Main Questions	Additional Questions	Clarifying Questions
• Does the way others perceive you play a role in what luxury brands you purchase? • Do you believe people formulate an impression of you based on the brands you purchase? • Do the brands you purchase facilitate in you expressing yourself to others?	• If you see others with products that appeal to you, does this drive you to make the purchase for yourself? • Tell me more about that please?	• Can you explain what you mean by that? • Why / Why not? • What is the reason for that?

• Do the luxury goods products you purchase enhance your personal image? • Do you find that you form social groups through common icons? • Do friends, family and peers purchases influence your purchases? • Do you purchase certain luxury good products to discern/distinguish yourself from others? • How important is the brand name, logo or mark on the luxury good product? • How important is trend and fashionability?		

Experiential/hedonic value perceptions

Main Questions	Additional Questions	Clarifying Questions
- How does the packaging and environment in the store and online impact on your luxury good purchases? - If you could select any method of purchasing your products, what would your preferred method be? - How does purchasing the luxury good products make you feel?	- Ambience? Aesthetic appeal? Feel and tone within the stores? - In-store? On-line? - How do values such as bonding, excitement and personal interaction impact on your purchases? - Tell me more about that please?	- Can you explain what you mean by that? - Why / Why not?

Relational value perceptions

Main Questions	Additional Questions	Clarifying Questions
• Would you like to be involved in the process of creating the products and experiences you receive from luxury brands with the luxury brand organisations (e.g. personalised experiences or joint problem solving)? • How does the impact of your experiences with the luxury brand impact on your future purchases and loyalty?	• What specifically would you like to work on with the luxury goods companies? • Tell me more about that please?	• Why / Why not?

Cost/sacrifice value perceptions

Main Questions	Additional Questions	Clarifying Questions
• In your opinion, what is the relationship between luxury and price? • Does a higher price signify a better quality to you? • Does the price of the product impact your perception of the luxury brand? • Are you sentimental about the luxury good products you purchase?	• Please can you elaborate on what you mean by that?	• Why /Why not?

Conclusion of interview
Would you like to add anything onto our discussion? Thank you once again for giving up your valuable time to speak to me, I greatly appreciate your feedback.

Appendix 2: Interview schedule for luxury good suppliers

Introduction of interviewer

Hello, my name is Bronwen Smith. Thank you for giving up this time to speak to me about the luxury goods you purchase and the possible influences behind your purchases of luxury goods.

Allow respondent to introduce themselves

To begin with, I was wondering if you could tell me something about yourself (probes: where you were born, where you grew up, work and family, who live with, involvement in community)

During the interview, I would like to discuss the following topics:

- The luxury goods you sell and/or produce
- The functional needs your products and services fulfil for the customer
- How the production and distribution of your luxury goods express or enhances your brand image.
- What experiences do you customers have when purchasing your products and services
- What relationship you have with your customers
- What the price of the brand signifies to your customers and how the price impacts your brand positioning

Luxury Goods

Main Questions	Additional Questions	Clarifying Questions
• What does luxury and luxury branding mean to you? • When you think of luxury goods, what comes to mind? • What are the key characteristics/benefits your customers look for in your brand? • Are there any down sides to luxury brands? • Are purchases made predominantly by men or women? • Do customers purchase for themselves or for family and friends? • How important is the brand heritage and craftsmanship of the luxury brand?	• Tell me more about that please? • What influences these preferences? • What proportion men? What proportion women? • What proportion is for self? What proportion is for others?	• Can you explain what you mean by that? • Why / Why not? • What is the reason for that?

Utilitarian/functional value perceptions

Main Questions	Additional Questions	Clarifying Questions
• Do your customers purchase luxury goods to fulfil a specific function? • How important do you believe, is the functional use of the product to customers? • How important is quality in terms of the products they purchase?	• If the customers did not need the product, would they purchase it? • Does the product need to satisfy the customers' functional needs in its entirety? • Does the product need to be the best in its class in terms of performance? • Tell me more about that please?	• Can you explain what you mean by that? • Why / Why not? • What is the reason for that?

Self-directed symbolic/expressive value perceptions

Main Questions	Additional Questions	Clarifying Questions
• What personal benefits do your customers receive when purchasing your products? • Do customers	• Tell me more about that please?	• Can you explain what you mean by that? • Why / Why not? • What is the reason for that?

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purchase luxury products to treat themselves or to give gifts to others? • Do the customer's life goals affect their luxury goods purchases?		

Outer-directed symbolic/expressive value perceptions

Main Questions	Additional Questions	Clarifying Questions
• Do the products your customers purchase facilitate in expressing themselves to others? • Do the products your customers purchase enhance their image? • Do you as an organisation form social groups through common icons for customers? • How important is the brand name,	• Do customers request products they have seen other people using/wearing? • Tell me more about that please?	• Can you explain what you mean by that? • Why / Why not? • What is the reason for that?

logo or mark on the luxury good product to the customers? • How important is trend and fashionability to the customers?	127	

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Experiential/hedonic value perceptions

Main Questions	Additional Questions	Clarifying Questions
• How does your interaction as an organisation with your customers' impact sales? • What is the preferred method of purchase utilised by customers? In-store? On-line? • How does the packaging and environment in store and online impact on sales?	• Ambience? Aesthetic appeal? Feel and tone within the stores? • How do values such as bonding, excitement and personal interaction impact the company's sales? • Tell me more about that please?	• Can you explain what you mean by that? • Why / Why not?

Relational value perceptions

Main Questions	Additional Questions	Clarifying Questions
• Would you involve the customer in the process of creating the products and experiences created through your brand? (e.g. personalised experiences or joint problem solving) • How do the customers' experiences with your brand impact on future sales?	• Why would you involve the customer? / Why wouldn't you involve the customer? • Which areas specifically? • Tell me more about that please?	• Why / Why not? • Can you explain what you mean by that?

Cost/sacrifice value perceptions

Main Questions	Additional Questions	Clarifying Questions
• In your opinion, what is the relationship between luxury and price? • Does a higher price signify a better quality to the customers? • Does the price of the product impact perception of the luxury brand? • Do customers make sentimental purchases?	• Please can you elaborate on what you mean by that?	• Why /Why not?

Conclusion of interview
Would you like to add anything onto our discussion? Thank you once again for giving up your valuable time to speak to me, I greatly appreciate your feedback.

Appendix 3: Ethical Clearance Letter

Gordon Institute of Business Science
University of Pretoria

Dear Bronwen Smith

Protocol Number: **Temp2015-01510**

Title: **Co-creation of value: the key drivers of value which customers seek and obtain from luxury brands**

Please be advised that your application for Ethical Clearance has been APPROVED.

You are therefore allowed to continue collecting your data.

We wish you everything of the best for the rest of the project.

Kind Regards,

Adele Bekker