



UNIVERSIDADE CATÓLICA PORTUGUESA

Different Personality,
Different Consumption:
How Conservatives and Liberals Act Upon
Luxury

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Abstract: Along time, research has been focused on exploring how thoughts and feelings may be linked to their political ideology. Yet, little research has been made regarding how this political ideology influences consumer behaviour. The present research examines the effect of political ideology on luxury consumption. With a study focused on how conservatives and liberals act upon luxury, we are able to establish that conservatives and liberals do not act the same way, confirming the idea that more conservative individuals are more susceptible to social comparisons and are, therefore, more likely to seek status through consumption products or services that enable them to differentiate themselves from others.

Keywords: political ideology, conservatives, liberals, luxury, conspicuous consumption, social comparison.

Crisis & The “New” Luxury Consumption

Some years ago, we were able to define different consumer categories according to their income, and, with that, we had a perception of the consumers' wealth. Consumers with greater wealth were most likely to consume luxury goods, due to their level of income.

With the crisis scenario around 2009, the gap between rich and poor has widened considerably, since “The rich get richer and the poor get poorer” (Kharas, Homi & Gertz, Geoffrey 2010). Previously, we were able to see a greater difference between consumers, and define them in groups A, B, C, D, E and F. Nowadays, due to this increasing gap, we are most likely to observe classes A, C and D, since the medium to medium high class (B) has decreased substantially. (Nickell, Stephanie 2012)

Mainly due to the crisis, and despite the fact that the gap has been increasing, we are still able to observe that there are new consumers entering the market, called “the newly wealth”. According to the International Monetary Fund data regarding the GDP PPP, these consumers arrive from emerging economies that have not felt the crisis, or felt it in a smooth way, such as China, Angola, Russia, Brazil or others (International Monetary Fund, GDP PPP data 2000 - 2018).

With their increasing purchasing power, these consumers are the ones most responsible for the world-wide revenues of luxury goods firms, the Chinese accounting for around 11% of these revenues (The Economist 2005), being that most of the buying is done abroad (Bain & Company 2012).

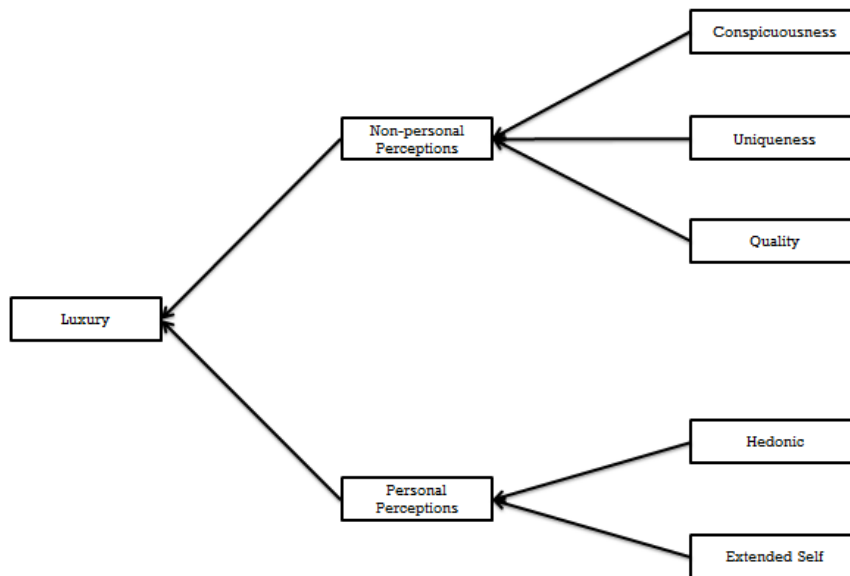
What is Luxury?

Most of the definitions of luxury describe it as something inessential but conducive to pleasure and comfort, or as something expensive or hard to obtain.

According to the Oxford Latin Dictionary, luxury stands for an “extravagant lifestyle”. The meaning of “extravagant” depends on a common idea about what is normal at a specific date, in a specific region, to an average person. The Oxford

Dictionaries define luxury as a “state of great comfort or elegance, especially when involving great expense”.

The perception of luxury may be divided in two fields, as Vigneron & Johnson proposed in their paper “Measuring perceptions of brand luxury” (Vigneron, Franck, Johnson, Lester W. 2004), the non-personal perceptions and the personal perceptions. The first have to do with social oriented behaviour, such as the display of status, whereas the last are related to products or services that match with the consumers’ attitudes or tastes.



(Vigneron & Johnson 2004)

The non-personal perceptions are divided into three drivers, conspicuousness, uniqueness and quality. I propose we analyse each of them separately, so that afterwards we are able to develop a well constructed idea regarding the actions of conservatives and liberals towards luxury.

Conspicuous Consumption

For many years, we were able to see consumers purchasing goods or services for the specific purpose of displaying one's wealth [8], and by purchasing luxury goods, consumers had the objective of displaying elitism through labels (Bainbridge, Jane 2013). This type of consumption behaviour is called conspicuous consumption, being it a means to show one’s social status, especially when the goods and services that are publicly displayed are too expensive for other members of one’s class [8].

Sociologically speaking, this kind of consumption and display happens as a means of attaining or maintaining a social status [10]. Veblen argued that the higher classes consumed conspicuously to create a gap or differentiation between them and the lower classes, while the lower classes consumed so they could be associated with the higher classes (Veblen, Thorstein 1994).

Uniqueness

This dimension is based on the idea that exclusivity and rarity make goods or services more desirable due to their accessibility. When products have a higher price or are perceived as expensive, this uniqueness dimension is even bigger. Uniqueness describes something that guarantees the consumer that others won't make a similar consumption. When this is not the effect, there is expected to be a decrease on the demand, since a great number of consumers of a product or service will reduce its uniqueness element. (Jahn, Benedikt, Kunz, Werner H., Meyer, Anton, 2013)

Quality

The quality dimension is based on the perception that luxury products or services offer superior quality.

Hedonism

From the Greek *hēdonē*, which means pleasure, hedonism is defined as the pursuit of pleasure or sensual self-indulgence (Veblen, Thorstein 1994). This hedonic dimension gives emphasis to the consumers' search for pleasure, thus it reflects the pursuit of more emotional benefits.

Vigneron and Johnson state that consumers focused on self-directed pleasure taken from luxury brand products do not care so much about signalling effects on peers or social groups, by consuming a luxury product or brand.

(Jahn, Benedikt, Kunz, Werner H., Meyer, Anton, 2013)

Extended Self

When referring to luxury products, the extended self presents the idea that these products have some meaning to their consumers' identity, which reflects more of a personal motivation, rather than a social comparison (Belk, Russel W. 1988). In spite of

this, according to Belk's (1988) theory of the extended self, and quoting Megehee's and Spake (2012) "*individuals define themselves, in part, by what they own. Certain possessions signal to others an individual's self-concept or identity. Possession, display, and use of luxury brands are powerful and transformative and shouts to the world, "Look at who I am!"*" "

Conspicuous "Oversharing"

These emerging consumers, the "newly wealth", have great interest in luxury brands and can be called conspicuous consumers, acquiring luxury goods or services to publicly display their economic power.

As stated by James Lawson in Ledbury Research, "Being a conspicuous consumer is getting harder and harder" (The Economist 2005), because we see more people trying to access luxury brands to obtain a certain status. Yet, if everyone acts the same way, luxury starts being more and more ordinary. Conspicuous consumption is acquiring a new shape that involves the music industry, the media and, most of all, the social networks. We may call it conspicuous "oversharing", as consumers are using sharing as a means to reach a status symbol.

We may be observing the start of a new luxury brands era, where luxury starts to be more of a mass market rather than a niche market.

Regarding brand strategy consultancy, Stuart Dickinson, the Futurebrand creative director, said: "Memories are more important than products, so it is natural that we want to share these". Taking this quote and analysing the idea behind it, we are able to understand that the story behind the purchase is as or more important than the product itself. Bearing this in mind, we can come to the conclusion that the definition and use of luxury may be changing, mainly due to the enormous massification luxury suffered as a consequence of the crisis in 2009.

Taking this into account, sharing enters both perception paths, the non-personal and the personal. Since perceptions have a common variable, which is sharing, we're trying to understand if this changes the way consumers behave.

The New Sharing Era

In such a scenario, the traditional luxury goods or services included in the habits of consumers may change, since they may not want to look as Bobos. Bobos is an abbreviate form of the words bourgeois and bohemian, suggesting a fusion of two incompatible social classes, used by David Brooks in “Bobos in Paradise”. (Brooks, David 2001)

Socially speaking, Wikipedia defines conspicuous consumption as a kind of “consumption and display that happens as a means of attaining or maintaining a social status” [10].

As a reply to the increasing conspicuous consumption, very wealthy, above the average, people, may be entering an era of conspicuous non-consumption. This is based on the idea that you as a consumer are tremendously wealthy, you have more money than you know how to spend. Philanthropy is one of the most common ways of showing your wealth in a different manner. Other examples are high investments in areas such as sports, where we have multimillionaires investing their money to gather top players and coaches to have dream teams.

For instance, imagine you were a wealthy person, and still are. At first, you consumed luxury brands as a conspicuous consumption action, consciously or unconsciously, as a normal action for someone with such wealth. With these consumption habits, you were able to show your status. Meanwhile, nowadays, there are other “players” entering the market with different behaviours, showing through them that your wealth is increasingly difficult.

We are now watching more and more consumers trying to show their wealth, either by acquiring a big quantity of items or simply by sharing it.

With social networks exploding everywhere, showing your life is getting easier, and watching other peoples’ lives is also getting easier. Sometimes, even if you don’t want to be updated on that, the information just “pops up” in your face. But just like you, many others do the same.

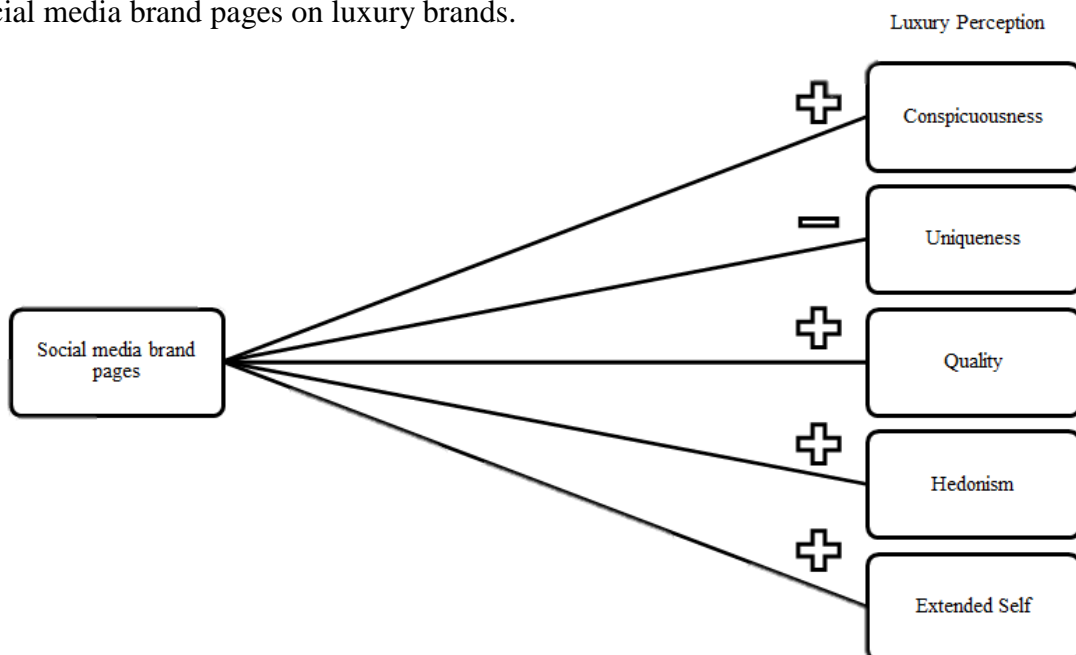
As time passes by, the social media are getting more and more important as a vehicle for luxury brands, because the more time passes without luxury brands

embracing the social media, the more they risk being shut out of conversations about their products. (David Dubois, 2013)

At first, there was a niche of consumers; nowadays, as a consequence of globalization, everyone is able to turn this niche into a mass effect. Even brands have to implement this “social globalization” effect into their roots, as recent empirical evidence suggests that consumers engage intensely in conversations about luxury and premium brands. In fact, they disproportionately talk about premium and luxury brands, and do so especially when talking online. At first sight, the value created by luxury is generated by the distance between the brand and the consumer. This distance enables the consumer to dream with the brand, by imagining what it would be like to have it. (David Dubois, 2013)

The present article aims to address this issue, by trying to understand the difference between how conservatives and liberals consume and interact with luxury goods. This research will enable us to see if conservatives act the same way as liberals towards luxury goods and if one group influences the other.

Jahn and Kunz, in their article on “The role of social media for luxury brands – motives for consumer engagement and opportunities for businesses”, question if the social media work for luxury brands, and present us a scheme about influential areas of social media brand pages on luxury brands.



(Jahn, Benedikt, Kunz, Werner H., Meyer, Anton, 2013)

In the scheme presented above, we are able to see that they considered that social media pages are able to increase all luxury perceptions, except the perception of uniqueness. At first sight, this idea may seem logically reasonable, but let us try to focus in each variable and see the “two sides of the coin”. I propose we approach this scheme, not only considering the social media brand pages effect (Facebook as an example), but also including other social interactions such as Instagram or Facebook users’ posts, and the music industry. Examples like this have to be seen as creators of consumers’ experience, result of the sharing and interactions.

Conspicuousness.....

As said previously, sociologically speaking, this kind of consumption and display happens as a means of attaining or maintaining a social status [10]. Jahn & Kunz (Jahn, Benedikt, Kunz, Werner H., Meyer, Anton, 2013) state that “All friends of the fan can see the membership in the brand page community. So he can show which brand he identifies with or wants to be associated with”. I see this as one side of the coin, yet, there is still the other side. For instance, imagine that someone you do not identify with also has a membership in the brand page community. Would you actually like to be associated with that person by sharing the same interests and tastes?

Conservative individuals are more susceptible to social comparisons (Fernandes, Daniel, Ordabayeva, 2014) and are, therefore, more likely to seek status through consumption. In spite of this, they may not be as willing to share that consumption as liberals, so their “sharing status” is a little bit more low profile. Along the past years, they tried to differentiate themselves from others simply by purchasing luxury products. Nowadays, with new consumers in the market, and (Schlenker, Barry R. and Chambers, John R. and Le, Bonnie M. 2012) the view on conservative ideologies being frequently defined as a defence system against threats (Jost, John T., Napier, Jaime L., Thorisdottir, Hulda, Gosling, Samuel D., Palfai, Tibor P., Ostafin Brian, 2007), conservative consumers may change their consumption habits due to the fact that “one of the core tenets of conservatives ideologies is the belief that there is a natural hierarchy among people” (Jost, John T., Glaser, Jack, Kruglanski, Arie W., Sulloway, Frank J. 2003). Taking into account the emergence of the newly rich consumers from a variety of countries, not all of them conservative, yet acting the same way by purchasing luxury goods, the present article aims to understand if the current situation influences the

conservatives' consumption and way of acting towards luxury brands, since they are the ones most likely to perform a conspicuous consumption.

Uniqueness

Jahn & Kunz (Jahn, Benedikt, Kunz, Werner H., Meyer, Anton, 2013) defend that the uniqueness decreases when luxury brands start their social media page, mainly due to the fact that the page will most likely have a great number of fans. This does not only happen with brand pages, but also with the growing public exposure and increasing sharing behaviours.

Conservatives are the ones most likely to consume products or services that enable them to differentiate themselves from others.

Quality

As stated before, the quality dimension is based on the perception that luxury products or services offer superior quality.

The brands' sharing may cause consumers to have a higher quality perception towards luxury brands. Yet, when many consumers "speak" about a brand, some may have complaints regarding the quality of products or services, which damages the brand image, affecting the opinion of many followers.

In spite of this, we can agree that quality may not be directly influenced by social interactions.

Regarding the personal perceptions, brands' social pages may have good results on the hedonic perspective, by providing a good experience to brand consumers, and also good results on the extended self perception, by allowing the consumer to build a relationship with the brand and connect his/her personality with theirs. (Jahn, Benedikt, Kunz, Werner H., Meyer, Anton, 2013)

Hedonism

If we consider this driver the search for pleasure, we can say that both liberals and conservatives search for it. Yet, the increasing sharing and interactions with luxury brands may decrease both types of consumers' hedonic search perception for luxury.

Extended Self.....

As said previously, the extended self perception shows up as the idea that a product has some meaning to their consumer's identity. When the mass effect reaches luxury products or services, the idea that the product/service has some meaning to the consumer's identity may change.

We can consider conspicuousness as one of the most relevant variables presented in this scheme, since luxury consumption is many times primarily described as a conspicuous consumption. Despite this consideration, the other variables cannot be ignored; yet, we can say that they are influenced by conspicuousness and that the consumer takes it as an influential driver. (Jahn, Benedikt, Kunz, Werner H., Meyer, Anton, 2013)

Insights and idea construction

Based on the literature review presented, we are able to formulate seven hypotheses and to verify their veracity.

Hypothesis 1: Taking the last approach regarding the "new sharing era" into consideration, we are able to construct a hypothesis that will test the respondents' will to share.

Hypotheses 2 to 6: We were able to conclude that conservatives have a higher interest in consuming products or services that enable them to differentiate themselves from others, since they are more susceptible to social comparisons. Thus, the next five formulated hypothesis are constructed around this idea.

Hypothesis 7: The last hypothesis is based on the social influence of luxury exaltation by more liberal individuals and the effect this has on the branding perceptions of the consumers.

Different Personality, Different Consumption: How Conservatives and Liberals Act Upon Luxury

This thesis is presented with a specific study, based on the prediction that luxury consumption habits differ between conservatives and liberals. The study was prepared to test seven main hypotheses. Each hypothesis has its own objective.

The study was performed through a questionnaire analysis (attachment B) that gathered one hundred male (43%) and female (57%) respondents, with ages from fifteen or more, with an average of thirty years old, whose household annual income average is around forty thousand euros.

Respondents were asked a variety of questions, which allowed us to verify the proposed hypotheses. The first question in this questionnaire helped us to understand the respondents' personality, by using a scale where they were asked to define themselves as more conservative or liberal individuals.

In Hypothesis 1 (H1), the goal is to understand the differences between conservatives and liberals when showing and sharing experiences publicly. In Hypothesis 2 (H2), the intention is to apprehend if there is difference between the opinion construction regarding luxury, depending on the respondents' personality. In Hypothesis 3 (H3), the present article aims to acknowledge if there is a difference between conservatives' and liberals' brand preferences. Hypothesis 4 (H4) is directly connected with the knowledge regarding luxury brands; I aim to understand if the conservatives' knowledge is superior to the liberals'. Hypothesis 5 (H5) intends to observe the different branding influence to the different respondents. Hypothesis 6 (H6) will enable us to recognize if there's difference between conservatives' and liberals' luxury related behaviour patterns. The goal of hypothesis 7 (H7) is to understand the different responses of conservatives and liberals regarding luxury exaltation.

Study: Differences between the conservatives' and liberals' behaviour regarding luxury goods

Hypothesis 1: Conservatives are more reluctant to show or share their experiences publicly, unlike liberals.

In hypothesis 1, I intend to understand if there is any difference in the sharing motivation and habits between the two types of consumers in analysis, testing the hypothesis that conservatives are more reluctant to show or share their experiences publicly, and believing that liberals are more likely to share than conservatives.

To understand if there is any difference, participants were presented with a variety of questions related to their online social behaviour.

a) *Account on Social Network*

In this first observation, we are able to determine that there is no correlation between the respondents' conservatism level and the fact they have or not an account in a social network ($\text{sig} > 0.05$). (Image 1a)

b) *Weekly Posts*

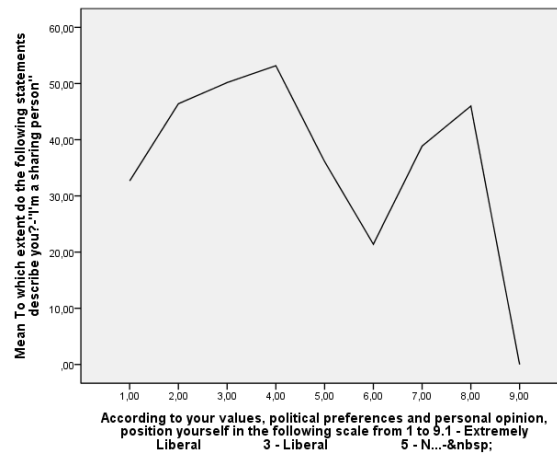
When correlating both variables, the conservatism level and the posts/sharing made by the respondents per week, we are able to determine that there is no correlation between the subjects since $\text{sig} > 0.05$. (Image 1b)

c) *Social Network Luxury Brand Fan or Follower*

Respondents were asked if they are luxury brand followers in social networks. Analysing the data, we are able to verify that there is no correlation between the respondents' conservatism level and their being or not luxury brands followers (Image 1c).

d) Respondents' Will to Share

Respondents were asked to which extent they identified with two statements: "I'm a sharing person" and "I don't share as much as I wished". After testing the correlation between these statements and the participants' conservatism level, we are able to see (image 1d) that there is a significant correlation between the conservatism level and the statement "I'm a sharing person".



In the graphic presented above, we can observe that the more conservative individuals consider themselves to be, the less they consider themselves to be "sharing persons".

Conclusion

Taking the analysed data into account, having or not having a social network account, the number of posts and the following of luxury brands, correlated with the conservatism level, we are able to conclude that there is no significant difference between being conservative or liberal. Nevertheless, more liberal than conservative individuals consider themselves to be more sharing persons. Despite the fact that conservatives are more prone to social comparisons, they don't act differently from liberals in terms of sharing or showing their experiences.

Thus, we can reject Hypothesis 1, which stated that conservatives are more reluctant to show or share their experiences publicly, unlike liberals.

Hypothesis 2: Conservatives have a higher opinion construction towards luxury

In hypothesis 2, participants were asked to evaluate a variety of brands in a scale from one to seven, concerning the level of luxury they attribute to the brand. (1 = none luxurious; 3 = somewhat luxurious; 5 = very luxurious). The article aims to acknowledge that conservatives have a higher opinion construction towards luxury.

a) *Opinion Construction*

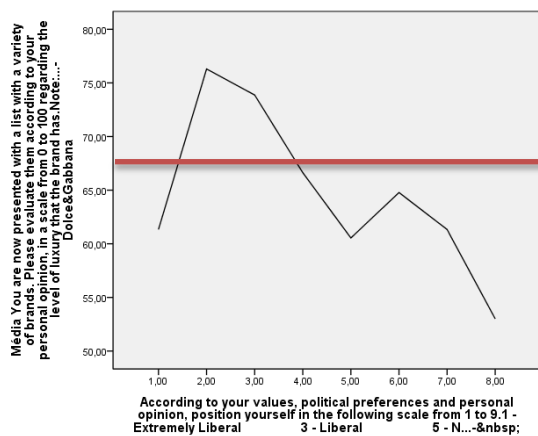
To test this hypothesis, we analysed the data input from the respondents and verified the correlation between the variables of the level of conservatism and the luxury level evaluation regarding the brands (image 2a).

As we can assess, only Dolce & Gabbana and Diesel have a significant value when correlated with the conservative or liberal position of the respondents.

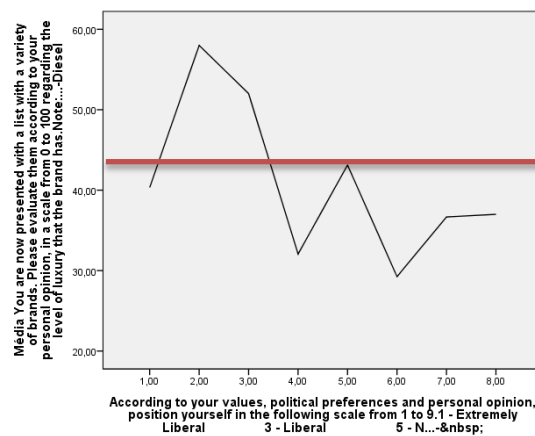
The brands' average regarding the respondents' evaluation is 67, 5 for Dolce & Gabbana and approximately 43 for Diesel (image 2b).

As we can see, the more conservative an individual is, the lower is the luxury level he attributes to Dolce & Gabbana, as well as to Diesel.

Dolce & Gabbana



Diesel



Conclusion

Taking the analysed data concerning the opinion construction versus the conservatism level into account, we are able to conclude that there is significant difference between being conservative or liberal regarding two brands within a list of twenty five (image 2a). In both brands, the more conservative the individual is, the less luxury he attributes to the brand.

The expected results for this hypothesis were different from the ones gathered, since we can't observe a significant difference between different respondents in the opinion construction towards luxury.

Thus, with these results, we can reject Hypothesis 2, which stated that conservatives have a higher opinion construction towards luxury, since both liberals and conservatives have similar evaluations regarding the presented brands.

Hypothesis 3: Brand preferences differ between liberals and conservatives

In hypothesis 3, respondents were asked to mark the brands they prefer in a list with a great variety of brands. I expect conservatives to have different preferences from liberals, the first being more prone to more luxurious brands. (image 3a).

a) Top ten preferred brands

1	Hugo Boss	37
2	Polo Ralph Lauren	37
3	Cartier	37
4	Prada	36
5	Chanel	36

6	Calvin Klein	35
7	Massimo Dutti	34
8	Hermès	31
9	Louis Vuitton	30
10	Armani	25
10	Lacoste	25

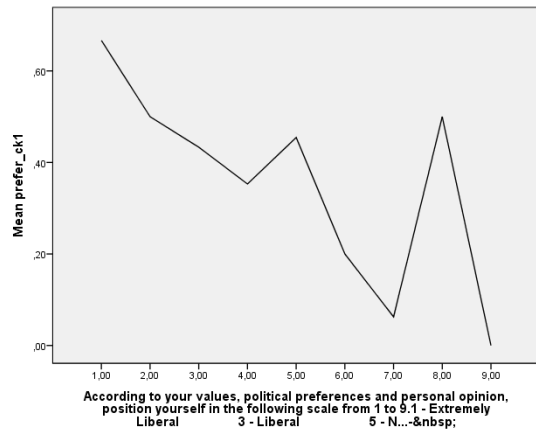
The coloured table shows the top ten chosen brands by respondents, when they were asked to choose between five and ten brands that they would prefer to buy.

b) Preferred brands

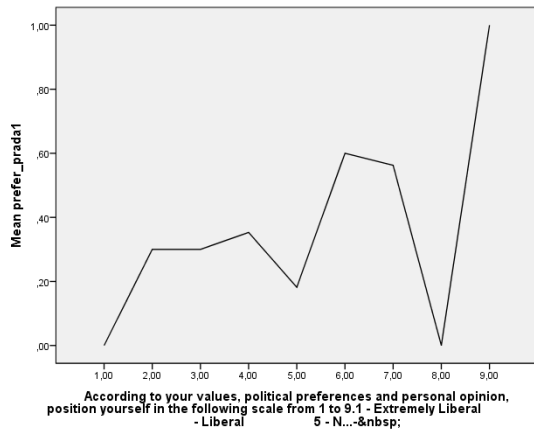
To test the difference between the choices of liberals and conservatives, I have recoded the variables concerning the respondents' brand preferences into a new variable, assuming a value equal to zero to missing cases and a value equal to one to the response case. After this recode, I was able to test the correlation between the choices.

There is a significant correlation between both variables in the following brands: Calvin Klein, Prada, Hugo Boss, H&M, Longchamp, Chanel, Dior, Cartier, Hermès and Diesel (image 3b).

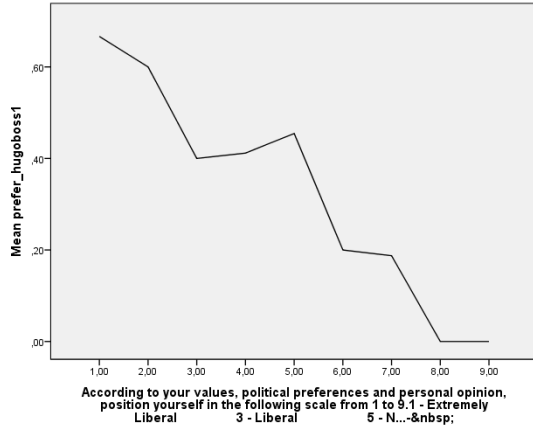
Calvin Klein



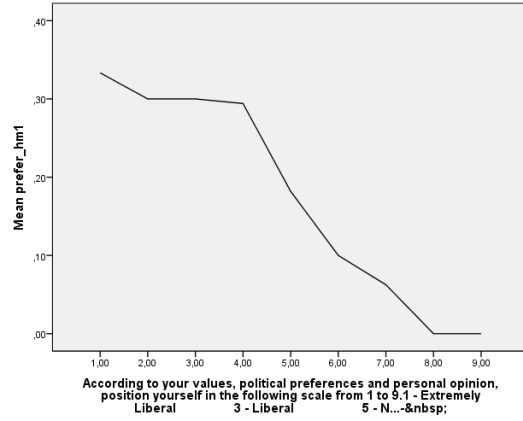
Prada



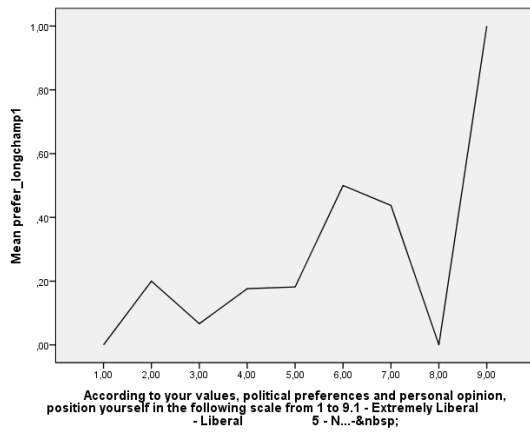
Hugo Boss



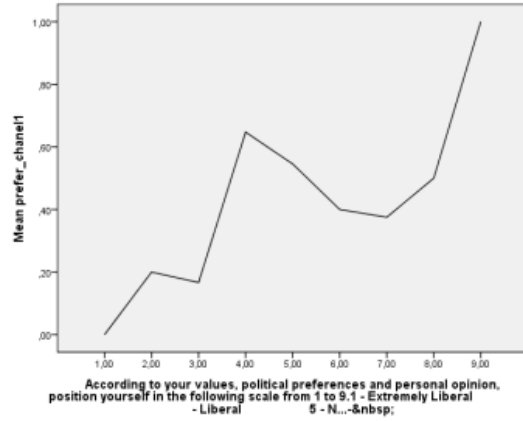
H&M



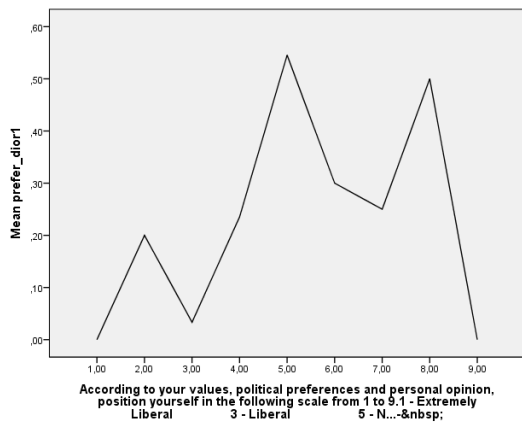
Longchamp



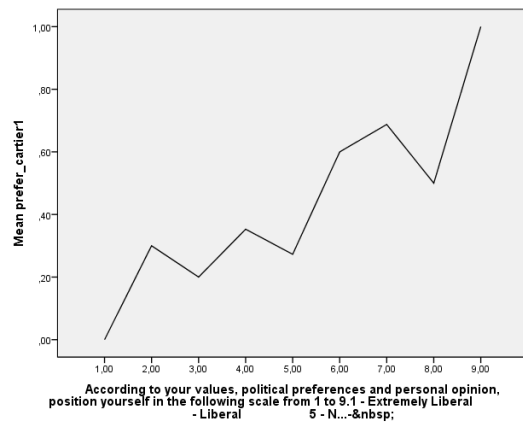
Chanel



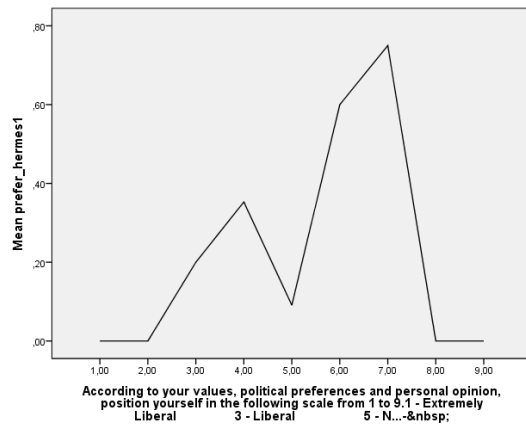
Dior



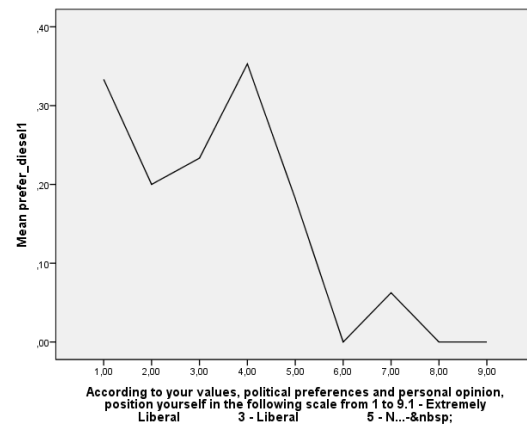
Cartier



Hermès



Diesel



Conclusion

From the brands mentioned above, we can determine that the more conservative an individual positions himself to be, the more certain brands are preferred, for example Prada, Longchamp, Chanel, Dior, Cartier and Hermès. The other brands are mostly preferred by more liberal individuals.

Looking at the top ten chosen brands, Polo Ralph Lauren, Massimo Dutti and Louis Vuitton are the brands that are mostly preferred by both types of respondents.

In this case, we are able to agree that hypothesis 3 is verified as expected, since conservatives were expected to have a bigger preference for more luxurious brands. Thus, brand preferences do differ between liberals and conservatives, since conservatives, when compared with liberals, prefer more luxurious brands.

Hypothesis 4: Knowledge regarding luxury brands differs between liberals and conservatives

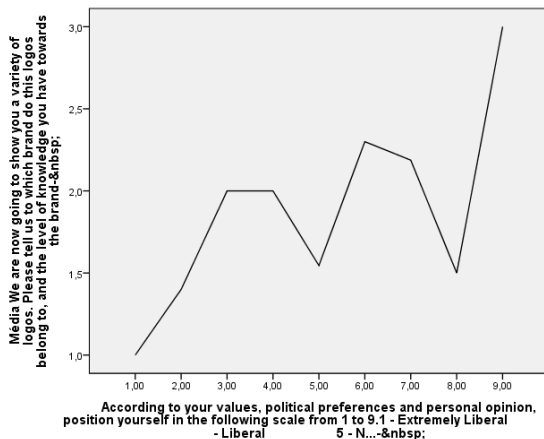
Hypothesis 4 is tested by showing to the respondents a variety of logos, some belonging to regular brands and others to luxury brands. We expect to see conservatives identifying more easily with luxury brands than liberals. Their behaviour will allow us to check if conservatives have indeed a higher knowledge of luxury brands.

a) Knowledge

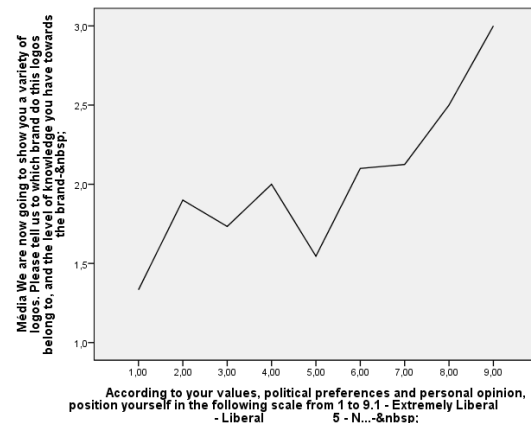
To test hypothesis 4, the correlation between the variables level of conservatism and knowledge of the brands was analysed.

As we can see in image 4a, which represents the output of the tested correlation, there are two brands where there is significant correlation with the conservatism level. Both Hermès and Givenchy are better known by more conservative respondents,

Hermès



Givenchy



Conclusion

Hermès and Givenchy are two luxurious brands. With the analyzed results, we can observe that more conservative individuals, as expected, have a higher knowledge of these brands. Due to their search for differentiation, conservative individuals are most likely to purchase more luxurious brands, and therefore, to be better informed about them. Thus, we are able to verify hypothesis 4 and agree that the knowledge regarding luxury brands differs between liberals and conservatives.

Hypothesis 5: Branding influences conservatives and liberals in a different manner

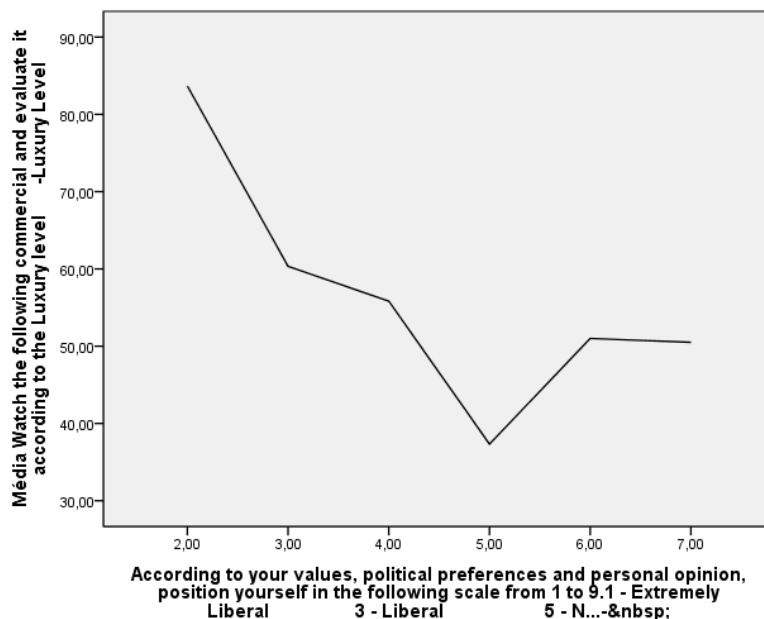
To test hypothesis 5, a video was presented to the participants. In the questionnaire, there were three introductions to the shown video. Different introductions were showed to the respondents (liberals or conservatives).

In the first video, respondents were manipulated with the statement that the presented commercial belonged to the brand H&M. In the second video option, respondents were manipulated with the statement that the presented commercial belonged to the brand Prada. The last video was presented as a regular commercial, with no associated brand.

a) No brand reference

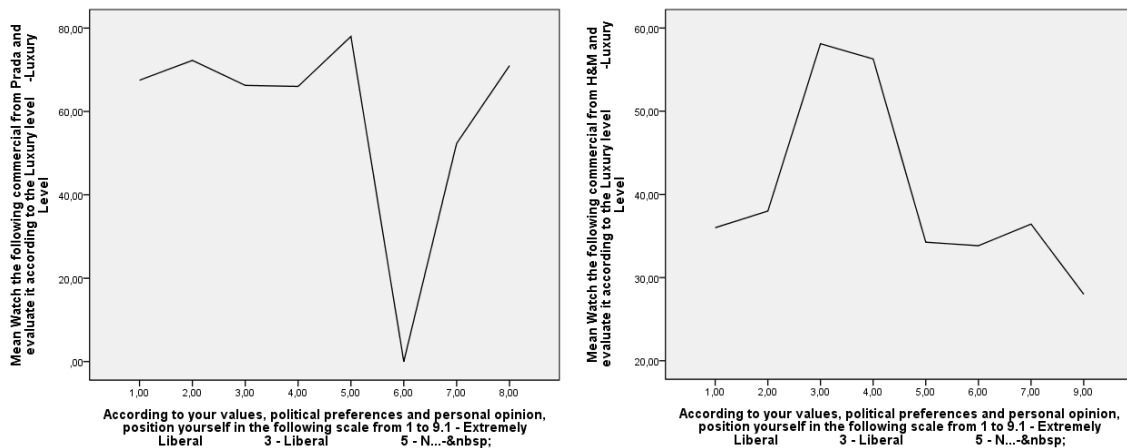
As we can observe in image 5a, there is a significant correlation between two of the variables tested ($\text{sig} < 0.05$), the respondents' level of conservatism and the evaluation of the video without brand reference.

In image 5a1, we can determine that when a brand is not presented in the sentence that introduces the video, more conservative respondents attribute a lower luxury level to the video.



b) Brand reference presence

As we can see in images 5b1 and 5b2, respondents tend to consider the video less luxurious when a less luxurious brand is stated (H&M), whereas when a more luxurious brand is stated (Prada), the video is also evaluated as being more luxurious.



Conclusion

As we intended to verify, more conservative individuals attribute less luxury to an unbranded commercial, since they are the ones most likely to consume products or services that enable them to differentiate themselves from others. Yet, both conservative and liberal individuals attribute a higher luxury level to a Prada commercial than to an H&M commercial.

With such results, we are able to verify hypothesis 5, which stated that branding influences conservatives and liberals in a different manner, since conservatives do act differently when the brand is not showed.

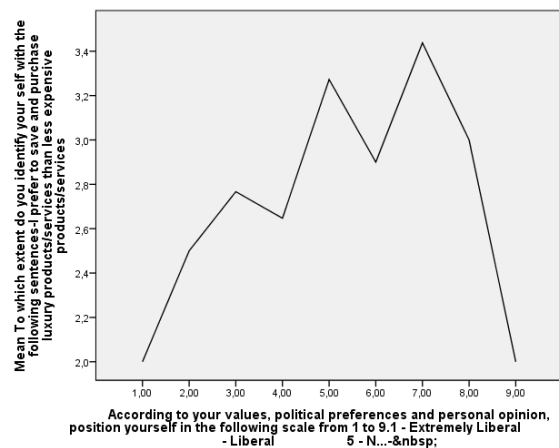
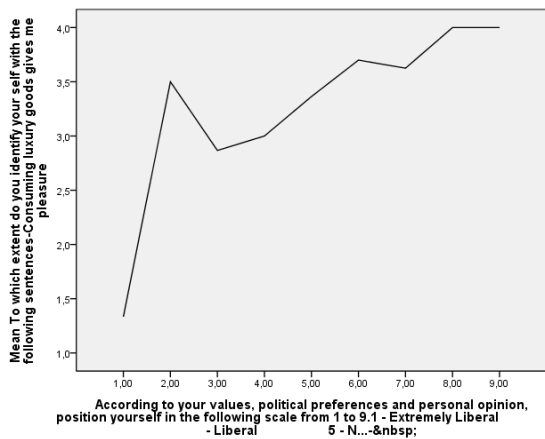
Hypothesis 6: The conservatives’ behaviour pattern is more luxury-oriented than the liberals’

Hypothesis 6 intends to test the different behavioural patterns of conservatives and liberals regarding a more luxury-oriented conduct. Conservatives are expected to be more luxury-oriented than liberals.

To test this hypothesis (H6), respondents were presented with a variety of sentences and asked to define to which extent those sentences described their mind-set (1=Strongly Disagree; 2= Disagree; 3= Neither Agree / Disagree; 4=Agree; 5= Strongly Agree).

- a) We have to test the correlation between the variables to understand if there is a significant correlation between the conservatism level and the mind-set of the respondents. As we can observe in image 6a, the two statements which have a significant correlation with the level of conservatism of the respondents are “Consuming luxury goods gives me pleasure” (sig. <0.01), and “I prefer to save and purchase luxury products/services than less expensive products/services” (sig. <0.05).

With such values proving significant statements, we can conclude that the more conservative a person defines him/herself to be, the more he/she agrees on the fact that consuming luxury gives him/her pleasure; and the more conservative an individual is, the more he/she is willing to save money to purchase luxury goods rather than less expensive ones.



- b) The variables presented in image 6b have a similar behaviour, regarding the responses of liberal and conservative individuals. The ones evaluated above the average, “I consider myself an innovative person”, “I don’t care much about signalling status”, “Luxury is quality”, and “It's all about the money" are highlighted in green. These values above the average give us the information that respondents are more in line with these corresponding statements.

Conclusion

From this reading, we can agree that both types of respondents, liberals and conservatives, act the same way, by having a similar behaviour pattern towards luxury. In spite of this, the conservatives’ behaviour pattern is more luxury-oriented than the liberals’. When approaching two specific variables: “Consuming luxury goods gives me pleasure” and “I prefer to save and purchase luxury products/services than less expensive products/services”, more conservative individuals affirm that they achieve pleasure when consuming luxury, and that they prefer to save money to purchase luxury rather than less expensive products. As expected, conservatives are more luxury-oriented than liberals, for they seek a more personal achievement and are willing to save more than liberals to attain it. Thus, we cannot reject hypothesis 6, which states that the conservatives’ behaviour pattern is more luxury-oriented than the liberals’.

Hypothesis 7: Conservatives act negatively towards luxury exaltation by more liberal individuals

To test hypothesis 7, a short version of a video clip where luxury is exalted was showed to the respondents. The video presented had a strong reference to the brand Versace, showing Versace clothes and accessories, added to the fact that the video clip song was called Versace; after its visualization, we expect to see a decrease in the conservatives' luxury level evaluation of the brand Versace, compared with the evaluation made when testing hypothesis 2.

a) *Conservatism level VS before and after video visualization evaluation*

As we can see in image7a, there is no correlation between the evaluation of Versace before and after the video was showed, and the level of conservatism of the respondents (sig.>0.05).

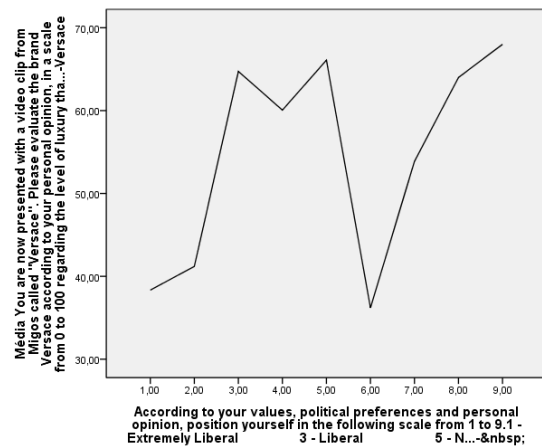
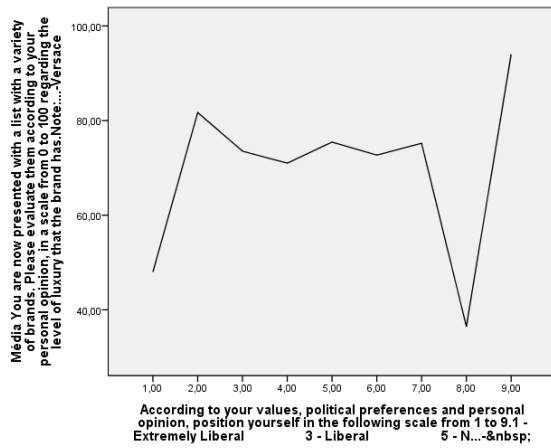
Creating a new variable that represents the difference between the evaluation with and without the video, we are able to correlate it with the respondents' personality, conservative or liberal (image 7.1a).

With this information, we are able to conclude that both conservative and liberal respondents have the same response behaviour regarding Versace's luxury level, in both scenarios.

b) *The luxury level before and after the visualization of the video*

Taking basic statistics into account, more specifically, the average value (image 7b) among all respondents before the visualization of the video, Versace had an average value of approximately 73, regarding its luxury level. After the visualization of the video, the average evaluation regarding Versace's luxury level scored a value around 56.

As we can determine, both liberals and conservatives decreased their value evaluation of Versace after watching the video clip.

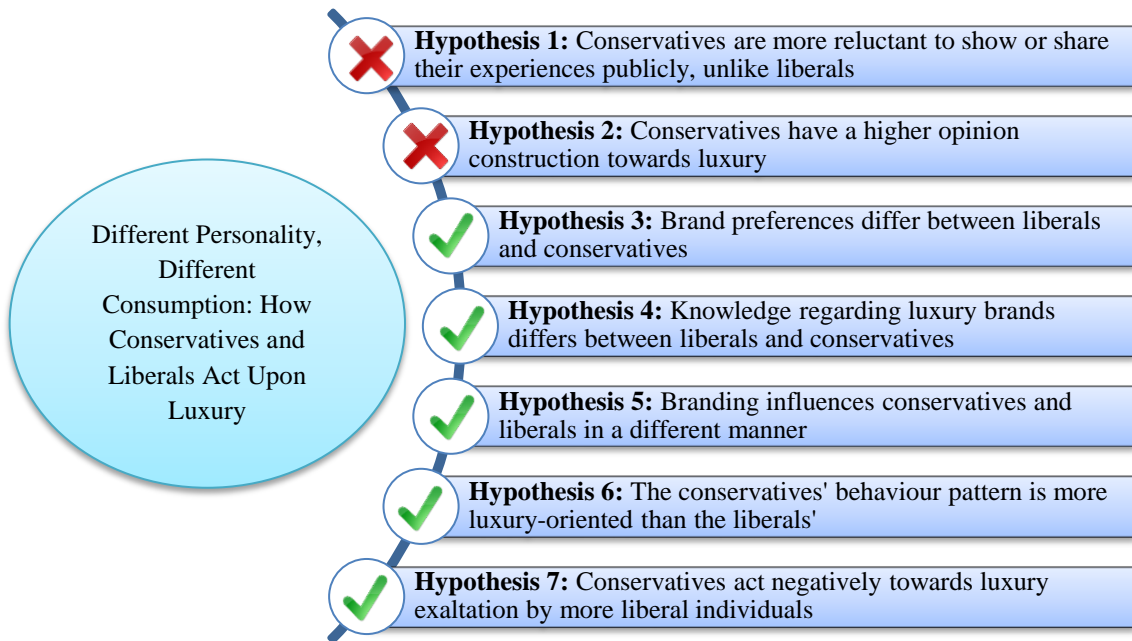


Both liberals and conservatives act the same way in terms of the evaluation of the video, after which they both agree that the brands' luxury level has decreased.

Conclusion

Hypothesis 7 stated that conservatives act negatively towards luxury exaltation by more liberal individuals. We can agree with this statement and verify hypothesis 7. Yet, not only conservatives but also liberals act negatively towards luxury exaltation by more liberal individuals.

Final Thoughts



With this study, we are able to attain some knowledge, which can be used by luxury brands regarding real life consumers, providing valuable information that can be used by marketers in their targeting decisions. Using a step by step approach, I will try to provide you some thoughts on this matter.

Both liberals and conservatives have a similar social media behaviour, by sharing their experiences somewhat in the same way (hypothesis 1). With this information, we are able to predict that when a conservative shares some experience with a luxury good/service, it is also predictable that a liberal will share it somewhat in the same way. Connecting hypothesis 1 with hypothesis 7, in which we were able to observe that both liberals and conservatives act negatively towards luxury exaltation by more liberal individuals, we can expect that the sharing/luxury exaltation on social media has the same effect. Considering this information, we can conclude that the sharing and exaltation of luxury may damage the brand that is being announced.

Hypothesis 2 confirmed the idea that, nowadays, both liberals and conservatives have a similar opinion construction towards luxury brands, and with this input, we are able to say that brands were able to transmit similar perceptions to both types of individuals presented in this study.

In hypothesis 3, we are able to conclude, as expected, that brand preferences differ between liberals and conservatives, since more conservative individuals are the ones most likely to consume products or services that enable them to differentiate themselves from others. More conservative individuals prefer brands such as Prada, Chanel or Longchamp, whereas liberals prefer Diesel or H&M.

Hypothesis 4 enables us to see, as expected, that more conservative individuals consider themselves to have a higher knowledge of more luxurious brands.

Hypothesis 5 allows us to understand that conservatives are more influenced by the absence of a brand in a commercial, since they attribute less luxury to an unbranded commercial. This result derives mostly from the fact that conservatives are the ones most likely to consume products or services that enable them to differentiate themselves from others.

Hypothesis 6 shows us that conservative individuals take more pleasure from the fact of consuming more luxurious products than liberals. It also provides us the information that conservative individuals are more willing to save money in order to purchase luxury products/services rather than less expensive products/services.

Finally, Hypothesis 7 allows us to understand that the luxury exaltation by more liberal individuals harms the brands' luxury level evaluation. Understanding this kind of reaction by consumers may be a great input for luxury brands, since they have to decide whether to expand their communication and reach all consumers, or to remain faithful to their "luxury level" and proceed with caution towards the new consumers.

The present study had the purpose of understanding how liberals and conservatives act upon luxury. With it, we are able to understand that they act differently and are mostly influenced by each other, but also by the way brands interact with them. This study provides relevant information, in which companies can rely on when making their decisions about how they should act upon the new social era, new markets and consumers.

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Attachments

A

Image 1a

Between-Subjects Factors

	Value Label	N
Do you have an account in any social network?	1 Yes	92
	2 No	8

Tests of Between-Subjects Effects

Dependent Variable: According to your values, political preferences and personal opinion, position yourself in the following scale from 1 to 9.1 - Extremely Liberal 3 - Liberal 5 - N...-

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	9,496 ^a	1	9,496	2,832	,096
Intercept	680,296	1	680,296	202,879	,000
Account_Social_Network	9,496	1	9,496	2,832	,096
Error	328,614	98	3,353		
Total	2213,000	100			
Corrected Total	338,110	99			

a. R Squared = ,028 (Adjusted R Squared = ,018)

Image 1b

Correlations

		Approximately how many posts / sharings do you perform weekly? - Facebook	Approximately how many posts / sharings do you perform weekly? - Instagram	Approximately how many posts / sharings do you perform weekly? - Twitter	Approximately how many posts / sharings do you perform weekly? - Tumblr	Approximately how many posts / sharings do you perform weekly? - You Tube	Approximately how many posts / sharings do you perform weekly? - Google +	Approximately how many posts / sharings do you perform weekly? - Others
According to your values, political preferences and personal opinion, position yourself in the following scale from 1 to 9.1 - Extremely Liberal 3 - Liberal 5 - N...- 	Pearson Correlation	-,024	-,120	-,121	-,166	-,219	,050	,097
	Sig. (2-tailed)	,824	,500	,591	,753	,135	,780	,336
	N	92	34	22	6	48	34	100

**. Correlation is significant at the 0.01 level (2-tailed).

b. Cannot be computed because at least one of the variables is constant.

Image 1c

Correlations

		Are you fan or follow any luxury brand?
According to your values, political preferences and personal opinion, position yourself in the following scale from 1 to 9.1 - Extremely Liberal 3 - Liberal 5 - N...- 	Pearson Correlation	-,071
	Sig. (2-tailed)	,480
	N	100
Are you fan or follow any luxury brand?	Pearson Correlation	1
	Sig. (2-tailed)	
	N	100

Image 1d

Correlations

		To which extent do the following statements describe you?-"I'm a sharing person"	To which extent do the following statements describe you?-"I don't share as much as I wished"
According to your values, political preferences and personal opinion, position yourself in the following scale from 1 to 9.1 - Extremely Liberal 3 - Liberal 5 - N...- 	Pearson Correlation	-,213*	-,067
	Sig. (2-tailed)	,033	,505
	N	100	100

*. Correlation is significant at the 0.05 level (2-tailed).

Image 2a

Correlations

		You are now presented with a list with a variety of brands. Please evaluate them according to your personal opinion, in a scale from 0 to 100 regarding the level of luxury that the brand has.Note:...-Dolce&Gabbana	You are now presented with a list with a variety of brands. Please evaluate them according to your personal opinion, in a scale from 0 to 100 regarding the level of luxury that the brand has.Note:...-Diesel
According to your values, political preferences and personal opinion, position yourself in the following scale from 1 to 9.1 - Extremely Liberal 3 - Liberal 5 - N...- 	Pearson Correlation	-,210*	-,270**
	Sig. (2-tailed)	,040	,010
	N	96	91

*. Correlation is significant at the 0.05 level (2-tailed).

**.. Correlation is significant at the 0.01 level (2-tailed).

Image 2b

Descriptive Statistics

	Mean
You are now presented with a list with a variety of brands. Please evaluate them according to your personal opinion, in a scale from 0 to 100 regarding the level of luxury that the brand has. Note:....- Dolce&Gabbana	67,7500
You are now presented with a list with a variety of brands. Please evaluate them according to your personal opinion, in a scale from 0 to 100 regarding the level of luxury that the brand has. Note:....- Diesel	42,9121

Image 3a

1	Hugo Boss	37	6	Calvin Klein	35
2	Polo Ralph Lauren	37	7	Massimo Dutti	34
3	Cartier	37	8	Hermès	31
4	Prada	36	9	Louis Vuitton	30
5	Chanel	36	10	Armani	25
			10	Lacoste	25

Image 3b

Correlations

		prefer_ck1	prefer_prada1	prefer_hugoboss1	prefer_hm1	prefer_longchamp1	prefer_chanel1	prefer_dior1	prefer_cartier1	prefer_hermes1	prefer_diesel1
According to your values, political preferences and personal opinion, position yourself in the following scale from 1 to 9.1 - Extremely Liberal 3 - Liberal 5 - N... 	Pearson Correlation	-,280**	,217*	-,273**	-,240*	,325*	,228*	,215*	,369*	,385*	-,212*
	Sig. (2-tailed)	,005	,030	,006	,016	,001	,023	,032	,000	,000	,034
	N	100	100	100	100	100	100	100	100	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Image 4a

Correlations

		We are now going to show you a variety of logos. Please tell us to which brand does this logos belong to, and the level of knowledge you have of towards the brand- 	We are now going to show you a variety of logos. Please tell us to which brand do this logos belong to, and the level of knowledge you have towards the brand-
According to your values, political preferences and personal opinion, position yourself in the following scale from 1 to 9.1 - Extremely Liberal - Liberal 	Pearson Correlation	,209*	,215*
	Sig. (2-tailed)	,037	,031
	N	100	100

*. Correlation is significant at the 0.05 level (2-tailed).

Image 5a

Correlations

		Watch the following commercial from H&M and evaluate it according to the Luxury level - Luxury Level	Watch the following commercial from Prada and evaluate it according to the Luxury level - Luxury Level	Watch the following commercial and evaluate it according to the Luxury level - Luxury Level
According to your values, political preferences and personal opinion, position yourself in the following scale from 1 to 9.1 - Extremely Liberal - Liberal 	Pearson Correlation	-,283	-,200	-,401*
	Sig. (2-tailed)	,085	,273	,028
	N	38	32	30

*. Correlation is significant at the 0.05 level (2-tailed).

b. Cannot be computed because at least one of the variables is constant.

Image 6a

Correlations

		To which extent do you identify your self with the following sentences- Consuming luxury goods gives me pleasure	To which extent do you identify your self with the following sentences- I prefer to save and purchase luxury products/services than less expensive products/services
According to your values, political preferences and personal opinion, position yourself in the following scale from 1 to 9.1 - Extremely Liberal 3 - Liberal 5 - N...-	Pearson Correlation	,307**	,248*
	Sig. (2-tailed)	,002	,013
	N	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Image 6b

Descriptive Statistics

	N	Mean
To which extent do you identify yourself with the following sentences-I'm a follower	100	2,73
To which extent do you identify yourself with the following sentences-I consider myself an innovative person	100	3,36
To which extent do you identify yourself with the following sentences-I consider myself a luxury fan	100	2,85
To which extent do you identify yourself with the following sentences-Luxury allows me to stand out	100	2,70
To which extent do you identify yourself with the following sentences-Luxury labels allow me to display elitism	100	2,84
To which extent do you identify yourself with the following sentences-I consume luxury goods as mean of attaining/maintain social status	100	2,29
To which extent do you identify yourself with the following sentences-What I own defines me	100	2,54
To which extent do you identify yourself with the following sentences-I don't care much about signaling status	100	3,40
To which extent do you identify yourself with the following sentences-Luxury products enable me to extend myself	100	2,49
To which extent do you identify yourself with the following sentences-Luxury is quality	100	3,55
To which extent do you identify yourself with the following sentences-"It's all about the money"	100	2,96
To which extent do you identify yourself with the following sentences-I prefer to buy luxury products than less expensive products	100	2,62
Valid N (listwise)	100	

Image 7a

Correlations

	According to your values, political preferences and personal opinion, position yourself in the following scale from 1 to 9.1 - Extremely Liberal 3 - Liberal 5 - N...- 	You are now presented with a list with a variety of brands. Please evaluate them according to your personal opinion, in a scale from 0 to 100 regarding the level of luxury that the brand has.Note:...- Versace	You are now presented with a video clip from Migos called "Versace". Please evaluate the brand Versace according to your personal opinion, in a scale from 0 to 100 regarding the level of luxury tha...- Versace
According to your values, political preferences and personal opinion, position yourself in the following scale from 1 to 9.1 - Extremely Liberal 3 - Liberal 5 - N...- 	Pearson Correlation Sig. (2-tailed) N 100	1 -,007 947 99	-,015 885 100

Image 7.1a

Correlations

		According to your values, political preferences and personal opinion, position yourself in the following scale from 1 to 9.1 - Extremely Liberal 3 - Liberal 5 - N...- 	dif
According to your values, political preferences and personal opinion, position yourself in the following scale from 1 to 9.1 - Extremely Liberal 3 - Liberal 5 - N...- 	Pearson Correlation	1	,021
	Sig. (2-tailed)		,836
	N	100	99

Image 7b

Statistics

		You are now presented with a list with a variety of brands. Please evaluate them according to your personal opinion, in a scale from 0 to 100 regarding the level of luxury that the brand has.Note:...-Versace	You are now presented with a video clip from Migos called "Versace". Please evaluate the brand Versace according to your personal opinion, in a scale from 0 to 100 regarding the level of luxury tha...-Versace
N	Valid	99	100
	Missing	1	0
Mean		72,9899	56,3700

Correlations

		You are now presented with a video clip from Migos called "Versace". Please evaluate the brand Versace according to your personal opinion, in a scale from 0 to 100 regarding the level of luxury tha...-Versace	You are now presented with a list with a variety of brands. Please evaluate them according to your personal opinion, in a scale from 0 to 100 regarding the level of luxury that the brand has.Note:...-Versace
You are now presented with a video clip from Migos called "Versace". Please evaluate the brand Versace according to your personal opinion, in a scale from 0 to 100 regarding the level of luxury tha...-Versace	Pearson Correlation	1	,141
	Sig. (2-tailed)		,163
	N	100	99

Attachments

B

(Questionnaire)

Block 4

My name is Pedro Sampaio Claro, MsBA student at Católica Lisbon School of Business and Economics. As part of my master's thesis, serves the present questionnaire to help me with a consumer study.

Thank you in advance for your availability to complete this questionnaire.

Block1

According to your values, political preferences and personal opinion, position yourself in the following scale from 1 to 9.

1 - Extremely Liberal 3 - Liberal 5 - Neutral 7 - Conservative 9 - Extremely Conservative

1	2	3	4	5	6	7	8	9

Do you have an account in any social network?

- Yes
- No

Which one(s)?

- Facebook
- Instagram
- Twitter
- Tumblr
- You Tube
- Google +
- Other

Are you fan or follow any luxury brand?

- Yes
- No

Approximately how many posts / sharings do you perform weekly?

Facebook	0
Instagram	0
Twitter	0
Tumblr	0
You Tube	0
Google +	0
Others	0
Total	0

To which extent do the following statements describe you?

0	10	20	30	40	50	60	70	80	90	100
---	----	----	----	----	----	----	----	----	----	-----

"I'm a sharing person"											
"I don't share as much as I wished"											

You are now presented with a list with a variety of brands. Please evaluate them according to your personal opinion, in a scale from 0 to 100 regarding the level of luxury that the brand has.

Note: this question is most time consuming. Please don't rush your responses

	0	10	20	30	40	50	60	70	80	90	100	Not Applicable
Lacoste												<input type="checkbox"/>
Calvin Klein												<input type="checkbox"/>
Versace												<input type="checkbox"/>
Bvlgari												<input type="checkbox"/>
Prada												<input type="checkbox"/>
Hugo Boss												<input type="checkbox"/>
Gintare												<input type="checkbox"/>
Polo Ralph Lauren												<input type="checkbox"/>
H&M												<input type="checkbox"/>
Longchamp												<input type="checkbox"/>
Dolce&Gabbana												<input type="checkbox"/>
Massimo Dutti												<input type="checkbox"/>
Gucci												<input type="checkbox"/>
Armani												<input type="checkbox"/>
Gap												<input type="checkbox"/>
Chanel												<input type="checkbox"/>
Sacoor												<input type="checkbox"/>
Abercrombie & Fitch												<input type="checkbox"/>
Louis Vuitton												<input type="checkbox"/>
Dior												<input type="checkbox"/>
Tommy Hilfiger												<input type="checkbox"/>
Cartier												<input type="checkbox"/>
Hermès												<input type="checkbox"/>
Fendi												<input type="checkbox"/>
Diesel												<input type="checkbox"/>
Fred Perry												<input type="checkbox"/>





From the following brands mark the ones you prefer (Minimum 5 brands ; Maximum 10 brands)

- Lacoste
- Calvin Klein
- Versace
- Bvlgari
- Prada
- Hugo Boss
- Gintare
- Polo Ralph Lauren
- H&M
- Longchamp

- Dolce & Gabbana
- Massimo Dutti
- Gucci
- Armani
- Gap
- Chanel
- Sacoor
- Abercrombie & Fitch
- Louis Vuitton
- Dior
- Tommy Hilfiger
- Cartier
- Hermès
- Fendi
- Lee
- Diesel
- Fred Perry

We are now going to show you a variety of logos.

Please tell us to which brand do this logos belong to, and the level of knowledge you have towards the brand

	Don't Know It	I've seen it	Know it well
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



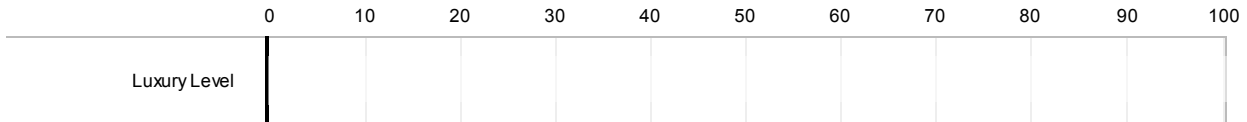
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Block 2

Watch the following commercial from H&M and evaluate it according to the Luxury level



(video edited so that the Prada brand doesn't show up)

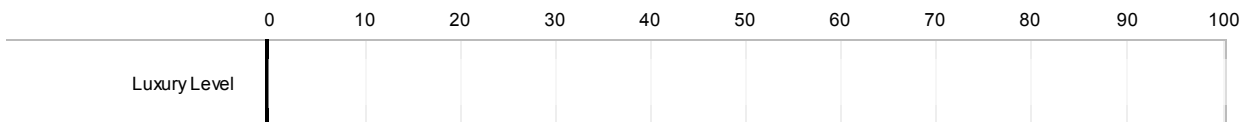


Watch the following commercial from Prada and evaluate it according to the Luxury level

PRADA



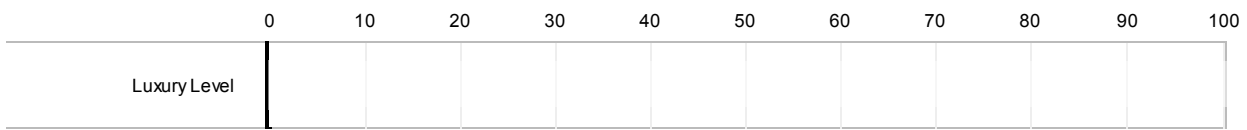
(video edited so that the Prada brand doesn't show up)



Watch the following commercial and evaluate it according to the Luxury level



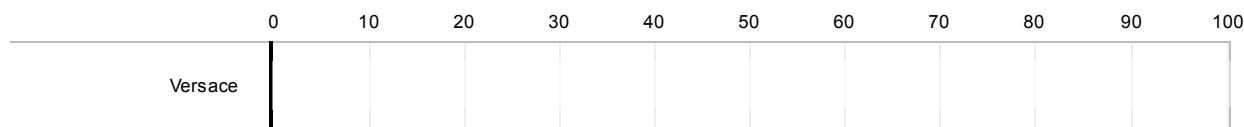
(video edited so that the Prada brand doesn't show up)



Default Question Block

You are now presented with a video clip from Migos called "Versace". Please evaluate the brand Versace according to your personal opinion, in a scale from 0 to 100 regarding the level of luxury that the brand has





Gender

- Male
- Female

Age

- 15-19
- 20-24
- 25-29
- 30-34
- 35-39
- 40-50
- 50-60
- 60+

Household Annual Income

- 10.000€ or Less
- 10.000€ - 25.000€
- 25.000€ - 50.000€
- 50.000€ - 75.000€
- 75.000€ - 100.000€
- 100.000€ - 150.000€
- +150.000€