



Contents lists available at ScienceDirect

Journal of Business Research

journal homepage: www.elsevier.com/locate/jbusresArt as a means to recreate luxury brands' rarity and value[☆]

Claude Chailan

EM Strasbourg Business School, HuManiS EA 7308, Université de Strasbourg, France

ARTICLE INFO

Keywords:

Brand
Art
Luxury
Rarity
Brand value

ABSTRACT

The present study analyses the different binding modes that link art and luxury brands in an attempt to determine the links between the two, in particular the role of art in the creation of luxury uniqueness.

Four main types of relationship were identified that link luxury brands and art following an in-depth analysis of the practices of the major global luxury brands. These binding modes are: Business Collaboration, Patronage, Foundations and Artistic Mentoring.

A model is presented which assesses the relevance of each of the 'art to luxury brand' binding modes, in accordance with the brand's timeline and the intensity of its engagement.

The study defines a typology of the links and ties between art and luxury brands, and explains how each contributes to the brands' incomparability, designed to neutralize the risks stemming from the industrialization of luxury.

1. Introduction

Over the last twenty years, luxury has emerged as an industry featuring corporate giants, extremely elaborate management processes (Brun & Castelli, 2013; Kapferer & Michaut, 2015), strict financial policies (Becker & Nobre, 2013; Som & Pape, 2015) and a sophisticated business model (Chevalier & Mazzalovo, 2012). Luxury firms thus engage in practices similar to those observed on the mass market, with high launch and advertising costs, an ever-growing number of new products, shorter product lifespans, and the need for short-term financial results, whilst simultaneously seeking to maintain the perception of selectivity and rarity (Brun & Castelli, 2013; Sicard, 2010). The extensive body of literature on the subject concurs that the luxury sector is now a tiered market where exceptional elitist luxury coexists with accessible, trivialized, and demythologized mass luxury (Berthon, Pitt, Parent, & Berthon, 2009; Chattalas & Shukla, 2015; Dubois, Laurent, & Czellar, 2005; Lipovetsky & Roux, 2003). The world of luxury duly appears as an antinomian synthesis of financial logic versus aesthetic logic, and productivity constraints versus traditional craftsmanship, which could ultimately lead to a loss of rarity value and consequently a loss of prestige (Dubois & Laurent, 1994; Kapferer, 2014), especially at a time when a growing middle class in emerging countries is increasingly hungry for luxury goods (Bian & Forsythe, 2012; Granot, Russell, & Brashear-Alejandro, 2013; Silverstein & Fiske, 2003). This situation challenges the ontological dimension of exclusivity and rarity associated with luxury. The problem is that as a steadily growing number of consumers buy luxury goods, the perceived

value of the latter decreases for many of the customers who consider rarity to be the key component of a luxury purchase (Godey et al., 2013; Lipovetsky & Roux, 2003; Sicard, 2010; Wiedmann, Hennings, & Siebels, 2007).

Within the same timeframe, several major luxury brands have linked their name with the most *en-vogue* artists. Prestige brands are increasingly ready to put their identity in the hands of renowned artists and designers in order to appear avant-garde and elitist (Kapferer, 2014; Lee, Chen, & Wang, 2015; Thomas, 2007). Longchamp bags have been revisited by Jean-Luc Moerman; Marc Newson renovated the Jaeger-LeCoultre Atmos 561 clock; and James Rosenquist, Philip Starck and Richard Prince have all designed scarves for Louis Vuitton. Bridging art and luxury is not new: we just need to think of the Mondrian dress by Yves Saint Laurent, and the friendships forged between Louis Vuitton and the Impressionists, and between Coco Chanel, Stravinsky and Cocteau. The novelty is that these sporadic relationships have now become almost systematic (Fillis, 2011; Schroeder, 2006) and the worlds of art and luxury are growing closer every day.

These changes have led to the need for a clearer understanding of the relationship between art and luxury brands. Clarification of the relations between the two sectors could shed new light on the field of luxury, leading to a better understanding of key aspects of luxury brand management (Berthon et al., 2009; Emile & Craig-Lees, 2011; Granot et al., 2013). However, the question of the links between luxury goods and the arts is only marginally covered by scholars in the field of luxury (Bian & Forsythe, 2012), and one aspect that is almost never mentioned is the role of art in the construction of the scarcity value and uniqueness

[☆] This research did not received any specific grant from funding agencies in the public, commercial, or non-profit sector.
E-mail address: claudc.chailan@em-strasbourg.eu.

of luxury products (O'Reilly, 2011).

The overall goal of this study is therefore to examine the role of art in the creation of luxury uniqueness through an analysis of the different binding modes that link art with luxury brands. By binding modes, we refer to the type and nature of the relationship between an artist or an artistic event and a luxury brand.

The article is divided into three sections. Section one describes the situation relative to the brand paradox that luxury companies face, and the relational modes between art and luxury identified in the existing literature. Section two presents the literature to date with an analysis of the binding modes that connect luxury brands and art. The final section presents a conceptual model that encapsulates the structural links between luxury brands and the world of art.

2. Research background: art in the face of the luxury brand rarity paradox

Researchers have long highlighted the role of products and brands as a means of self-expression (Belk, 1988; Levy, 1959), satisfying the need for uniqueness in the customers' mind (Malhotra, 1988; Sirgy, 1982; Wang & Griskevicius, 2014). This is especially true of luxury goods. Luxury brands convey an important symbolic sense of social stratification and hierarchical organization (Han, Nunes, & Drèze, 2010; Park, 2014; Wilcox, Kim, & Sen, 2009), with subtle, discreetly embedded symbols that display their superiority (Kapferer, 2012; Lipovetsky & Roux, 2003). The decision to purchase a luxury product depends not only on the material needs satisfied by the product, but also on social needs (Amaldoss & Jain, 2005). Conspicuous consumption conveys social status (Eastman & Eastman, 2011; Van Herpen, Pieters, & Zeelenberg, 2009; Veblen, 1899), social association (Braun & Wicklund, 1989; Wang & Griskevicius, 2014) and social dissociation (Corneo & Jeanne, 1997; Han et al., 2010), with high prices frequently perceived as a differentiator of social status (Kapferer & Laurent, 2016; Kastanakis & Balabanis, 2012; Rucker, Dubois, & Galinsky, 2011). Luxury goods thus reflect rank in society due to their rarity (Kapferer & Bastien, 2009), highlighting their customers' uniqueness (Amaldoss & Jain, 2005; Emile & Craig-Lees, 2011; Tynan, McKechnie, & Chhuon, 2010). A common denominator in this wide-ranging field of research is the acknowledgement that a key motive for luxury goods purchases is the access it gives consumers to exclusivity and rarity, which boosts self-esteem, expresses identity and signals status (Hung et al., 2011). Consequently, the paradox of the luxury brand is that the very nature of a luxury product implies scarcity, whilst at the same time, luxury firms need to grow sales by extending their products' presence and availability of. A paradox is a proposition which contains, or appears to contain, a logical contradiction (Högström, Gustafsson, & Tronvoll, 2015) and, by extension, a situation in which two opposing aspects conflict (Chailan, 2015). The luxury brand paradox is thus one of massification and popularization vs. rarity (Wetlauffer, 2001).

For this reason, luxury marketers need to do something vastly different to get the luxury dimension across to consumers and to underscore the exclusive dimension of their products (Kapferer & Laurent, 2016; Lee et al., 2015). Traditionally, luxury's scarcity has been linked to the artisanal aspect of the product, extremely high prices, limited supply, and a very selective distribution network. However, in an industry where sales are estimated at 250 billion euros (Bain and Company, 2015), this is no longer enough. The rarity aspect has thus been reviewed and combined with other, subtler factors such as art. For this reason, many luxury brands have systematically and significantly strengthened their ties with art and artists in recent years. To give just a few examples, Anselm Reyle designed Dior bags, Stuart Vevers re-interpreted some Escher drawings for Loewe, Piet Mondrian's color blocks served as an inspiration for Céline handbags, and Daniel Buren created silk scarves for Hermès. The aim is to re-introduce exclusivity, inspiring consumers by using art as a distinguishing feature (Braun & Wicklund,

1989; Chattalas & Shukla, 2015) since art remains widely associated with a set of social and cultural codes that restrict its intelligibility.

While in many ways it has in itself become a consumer product (Hagtvedt & Patrick, 2008; Schroeder, 2006), art is difficult to define since it encompasses a plurality of meanings and experiences. For some, art is primarily an experience - "The touchstone of all art is thus seen to be the aesthetic experience and not a definition" Berleant (1964) - while others - inspired by Heidegger's theory of art - consider it as a learning process (Berthon et al., 2009). Setting aside these opposing views on the nature of art, there appears to be an innate tendency in humans to appreciate and pursue aesthetic pleasure (Townsend & Sood, 2012), and the inherent non-functionality of aesthetics (Heine & Phan, 2011) can be meaningfully understood in terms of consumer perceptions of aesthetic product features, creating a link between high aesthetics and a luxury image (Berthon et al., 2009; Chailan & Valek, 2014). However, while many luxury firms have adopted an art-related strategy, the literature is relatively silent on the types and meaning of the links connecting art and luxury brands. On the other hand, careful analysis of a large body of literature helped us to identify three distinct approaches that link luxury brands with the world of art.

The first approach, which is also the most historically traditional, is sponsoring. For Joy, Wang, Chan, Sherry, and Cui (2014), "the luxury brand is the patron of art". This patronage may take the form of direct financial support for activities of general interest, museum exhibitions or actions linked to art (Kapferer, 2014).

Second, luxury brands can also develop art-related collaboration to produce products through a business relationship (Baumgarth, Lohrisch, & Kastner, 2014; Lee et al., 2015). As artists take part in the design of certain luxury products, it elicits a value of otherness, being elsewhere, in a different time and a different world (Chen, 2009).

The creation of foundations is also frequently mentioned (Baumgarth et al., 2014; Joy et al., 2014; Kastner, 2014) as a third form of liaison. Foundations provide a lasting bond between the luxury brand and art. For some scholars (Chen, 2009), luxury brands even become hybrid institutions, embodying elements of both art galleries and museums.

Given its many facets, art is therefore a valid support for an approach based on exclusivity, rarity and difficult access (Meisiek & Barry, 2014). However, of the 1516 arts-related papers identified by O'Reilly (2011) in his review of management journals, only 116 relate to 'art and business'. A better understanding of the links between art and luxury brands thus remains a key issue.

3. Method and data

Our study adopts a micro-process oriented approach, echoing calls (Johnson, Melin, & Whittington, 2003; McGuinness, 2008; Salvato, 2003) for an 'activity-based' view of branding in the broader field of management. An activity-based view focuses on the detailed processes and practices that constitute the day-to-day activities of organizational life (Helfat & Peteraf, 2015; Johnson et al., 2003).

To gain a better understanding of the way luxury brands converge with the arts to restore exclusivity and distance for their products, we focused on the links between art and some of the main French and Italian luxury brands. Together, these two countries account for around 55% of global luxury goods sales (Altgamma, 2015; Fontagné, 2013), representing the largest proportion of the global luxury goods sector for both historical (Lipovetsky & Roux, 2003) and cultural reasons (Morand, 2012). It was therefore logical to focus on luxury brands from these two countries.

The data come from an analysis of publicly available reports from companies that are members of the Comité Colbert in France and the Altgamma Association in Italy. These two associations include most of the key players in the luxury industry in each country, and have very strict membership criteria. Membership is by nomination only, providing a guarantee for brands who are already members that any new

Download English Version:

<https://daneshyari.com/en/article/7425541>

Download Persian Version:

<https://daneshyari.com/article/7425541>

[Daneshyari.com](https://daneshyari.com)