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Social benefits of brand logos in presentation of self in cross and same gender influence contexts

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A R T I C L E I N F O

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A B S T R A C T

This research predicts that luxury versus non-luxury self-display enhances status and produces advantages in human social interactions. Across three experiments, findings support the following conclusions. First, luxury versus non-luxury brand logos associate positively with displayer wealth and status. Second, people wearing clothes with luxury brand logos receive preferential treatment over those not wearing luxury brand logos. Third, a person wearing a luxury brand logo while soliciting charitable donations receives larger contributions than a person not wearing a luxury brand logo. Fourth, cross-gender contexts are more effective than same-gender contexts for requester and target in influencing consumer donation behavior. Conclusion: luxury self-display may increase deference and compliance in presentations-of-self because conspicuous displays of luxury qualify as a costly signaling trait that elicits status-dependent favorable treatment in human social interactions.

1. Introduction

1.1. Background

People are willing to pay a premium to own and display luxury brand logos possibly in order to achieve social status in their "presentation of self in everyday life" (Goffman, 1959). Status is defined as a high status or position or rank in a society that can be compared with others on any dimension that is considered to be important by that society (Hyman, 1942). People interact with others in their everyday lives and want to be seen by others as valuable and worthy. For this reason, people often manipulate their symbolic image. By manipulating symbolism that is visible to others, people attempt to make other people evaluate their social status or wealth more favorably (Shin, 2002).

Specifically, research in charitable giving indicates that social comparison and compliance can increase donations. In natural field experiments involving fundraising for public radio, Shang and Croson (2006) find that potential donors compare themselves with other donors to the same nonprofit, and given an ambitious social comparison (i.e., mentioning a donor that gave a large amount) can induce lower-level donors to be slightly more generous. Weyant (1996) suggests modifying known compliance techniques (e.g., foot-in-the-door, door-in-the-face, low-ball, and legitimization-of-small-donation) to improve results of requests for charitable donations.

The preference for purchasing, using, and displaying expensive things — despite the ability to buy cheaper items that fulfill the same function — is known as conspicuous consumption. According to Veblen (1899/1994), the purpose of conspicuous consumption is public display of economic power and prestige in order to evoke envy in others. Veblen suggests that the leisure class cannot earn respect from people around them only by accumulating wealth; they must flaunt their wealth. Luxurious feasts or expensive gifts, for example, serve as a means to show off wealth. In the phenomenon of conspicuous consumption, luxuriousness is very important to the process of flaunting wealth effectively beyond practical interest or practical value. Veblen stresses that enormous costs are required beyond immediate usefulness or practical interest in order to flaunt one's wealth, even to the point of profligate squandering that may otherwise seem unreasonable.

In psychological research, the desire for status is an important driving force in the luxury consumption market (Dreze & Nunez, 2009; Griskevicius et al., 2007; Haselton, Mortezaie, Pillsworth, Bleske-Rechek, & Frederick, 2007; Mandel, Petrova, & Cialdini, 2006; Rucker & Galinsky, 2008). Evolution theory argues that humans' preference for luxury consumption is attributable to a universal tendency toward signaling characteristics that may increase status (Cummins, 2005; Miller, 2009; Saad, 2007).

However, a comprehensive evolutionary explanation toward conspicuous consumption suggests that flaunting wealth is a psychological adaptation mechanism, which means that conspicuous consumption is the expenditure of cultural capital as status-signaling strategy. Thus,

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conspicuous consumption may be an adaptive status-signaling strategy (Nelissen & Meijers, 2011).

While providing support for the idea that people gradually adapt to displays of luxury, this study will reveal that wearing clothes with a luxury brand logo in Korea may produce benefits in social interactions. In particular, two experiments will be conducted to test the contention that people recognize luxury brands and preferentially treat people who display a luxury brand logo. This research will also compare the effects on perceived status and compliance to requests from a person wearing non-luxury brand clothes and another wearing luxury brand clothes.

1.2. Purpose and significance

In the 2008–12 global financial crises, consumption declined most obviously in developed countries. During the same period, however, emerging markets in the Asia–Pacific region experienced an annual growth rate of 15.7% (Global Industry Analysts, 2010). Between 2006 and 2010, South Korea's luxury market grew 12% annually and reached US$4.5 billion (about 4.8 trillion won) in 2010 (McKinsey, 2011). In a survey of 1000 Korean consumers who usually spend 1 million won or more for luxury brands annually, respondents who agreed with the statement, “Having a luxury brand is not a special thing as before,” increased from 21% in 2010 to 45% in 2011.

Understanding this luxury fever or excessive consumption is important to understanding highly-developed economic societies, such as South Korea. In a modern advanced-economic society, desire is not likely just a desire for certain things, but a desire for differentiation (i.e., a desire as social meaning). Social difference here means that people differentiate themselves by purchasing and using goods that show social status. What creates this difference is no more than symbolism, the reason people prefer and desire luxury brands. The luxury brand logo is a symbol that shows off a person's status more so than simply trying to distinguish one's self from others, and consumers are willing to pay more to achieve this differentiation when the boundaries between classes are unclear. A luxury brand is an important means for improving social standards or status relative to other people in one's social group (Barkow, 1975).

As luxury markets continue to grow in Asia, and in South Korea in particular, research is needed to study the effects of brand logos on social status, preferential treatment, and other benefits. Accordingly, this research here aims to demonstrate in Experiment 1 that displaying a luxury brand logo in social interactions in Korea leads other's to recognize the social status or wealth of the wearer. Also, it aims to demonstrate in Experiments 2 and 3 that displaying a luxury brand logo can lead to preferential treatment and, in some cases, financial gain in social interactions.

Global Industry Analysts' global strategic business report (2010) projects that the global market for various luxury goods will reach US $307 billion in 2015. The report predicts that the Asia and Pacific regions will experience the fastest growth of market volume expansion of luxury goods consumption by continuing the region's high growth with an annual average growth rate of 16%. As spending on luxury goods continues to increase, even the poor in developing countries are willing to pay a premium to the brand item (Van Kempen, 2004). According to Van Kempen (2004), people in developing countries pay more for designer labels not because of their superior quality but for what they symbolize.

2. Theoretical background

2.1. Costly signaling theory

Costly signaling theory (Grafen, 1990; Zahavi, 1975; Zahavi & Zahvi, 1997) explains why individuals will expend time, money, and other resources to indicate to others that they can afford to do so, and thus elevate their status in the eyes of others. Both humans and animals engage in costly signaling behaviors. Empirical support for costly signaling theory is available in behavioral ecology, anthropology, and animal signaling science (Gurven, Allen-Arave, Hill, & Hurtado, 2000; Lotem, Fishman, & Stone, 2002; Smith & Bliege Bird, 2000; Sosis, 2000). Anthropologists, ecologists, and biologists include altruistic or seemingly irrational behavior in decision-making to study adaptation based on the principal of “costly signaling” or “handicap” — concepts of social theory that have existed for a long time.

From the perspective of behavioral theorists, activities that cost too much individually but that benefit the group collectively (e.g., overt altruism or extravagant expenditure of resources for show) are a form of social competition. An individual who shows leniency a lot or sacrifices himself or herself gains much higher status (Fried, 1967; Veblen, 1899/1994). This approach appears in various forms including conspicuous consumption, extravagant ads, and accumulation of symbolic capital.

Akin to signaling in sociological theory, costly signaling involves strategic communication in an anthropological context. What is difficult to perceive directly can be enacted through expensive behaviors that differentiate the sender of the signal from the perceivers (other individuals or groups). Costly signaling theory maintains that obvious extravagant epideictic behavior may act as a reliable indicator of desirable individual characteristics that cannot be observed in other conditions. Self-advertising that he or she possesses certain attributes or items makes a person more attractive to other people (e.g., partner, spouse, or ally) to gain some benefit from this behavior. The cost that is spent on behavioral signals is an indicator of the underlying disposition or attribute and ensures trustworthiness. For example, excessive spending on costly brand labels (versus less expensive items) is a reliable indicator of wealth.

Signaling theory presents an interesting opportunity to combine meaning, social value, and ritual-centered approaches for strategic actors in the social sciences. Many social anthropologists acknowledge the role of symbolic capital that induces individuals' behaviors but do not include empirical-positivistic verification (i.e., findings from experiments with random assignment of participants to treatment and placebo groups). Costly signaling theory covers issues of symbolic value with empirical data as well as makes verifiable predictions drawn from the established individual strategies and theories associated with evolutionary dynamics (Bliege Bird & Smith, 2005).

2.2. Conspicuous consumption of status as costly signaling theory

Costly signaling theory serves to support the proposal that the display of luxury goods infers status onto the displayer (Miller, 2009; Saad, 2007). Costly signaling theory states that individual's extravagant behavior acts as a reliable signal of the displayer's exalted status (Zahavi & Zahavi, 1997). Signal is a recognizable act or form that represents a certain property of the environment. For example, the cost related to signaling in terms of energy, danger, time, and money guarantees the related trustworthiness of the signal conveying the underlying attribute or disposition. This is also called the “handicap principle” (Zahavi & Zahavi, 1997).

The handicap principle means that if a signal is to be reliable, the high cost of the property of the signal must accompany it. Displaying that the signaler has the ability to possess and show off such a property makes the entity that does not have such a property handicapped.

The peacock's tail is a typical example of the handicap principle. By making its large colorful tail stand, the peacock shows its ability to overcome parasites and predators. The high cost in resources to produce this brilliant tail constitutes a significant handicap. The peacock's big colorful tail increases its attractiveness to the peahen and accordingly increases the opportunity to mate. Such a display is seen as a sort of signal that trustworthiness (i.e., the biggest brightest tails belong to the best mates) derives from the cost spent. This handicap principle says that