

## MK7227 Postgraduate Dissertation

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U1249750

**Green Marketing by Luxury Brands: An exploratory study to analyse the luxury consumer perspective regarding pro-environment campaigns by the luxury brands.**

A dissertation submitted in partial fulfilment of the requirements of the Royal Docks Business School, University of East London for the degree of  
**Master of Business Administration**

**2015-05**

**15000 words**

I declare that no material contained in the thesis has been used in any other submission for an academic award

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## **Abstract**

This study is an exploratory research to critically evaluate the relationship between green marketing and luxury brands from the luxury consumer perspective. The focus of the study is on the knowledge, preference and support of luxury users for the 'responsible' and 'environment friendly' luxury products.

Qualitative data was collected by carrying out face to face interviews, as the views, opinions and the way consumers give meaning to luxury are important. Primary data was collected, by conducting eight in-depth interviews with luxury consumers in London. The sample was selected by 'purposive sampling'.

The research findings highlighted the non-existent knowledge in the luxury consumer segment of any philanthropic activities or green marketing by luxury brands. Luxury consumers generally do not see a relationship between green marketing and luxury, but there is also a recognisable lack of support for environment friendly luxury. The utilitarian, hedonic and symbolic value of luxury is at the top of consumer's mind while purchasing, whereas luxury consumers are not significantly influenced by the environment, ethics and the societal well being. Consequences of overconsumption and their actions are usually not at the forefront of consumer's minds when making purchasing decisions.

Imparting education and awareness is seen to be crucial for the success of green marketing by luxury brands. The consumers should feel capable of bringing a change as well as understanding the impact of their purchase decisions.

Further Research is required around luxury brands and how they operate, as there is very little literature that specifically looks at luxury marketing, luxury brands in combination with green marketing, pro environmental behaviours and corporate social responsibility (CSR) campaigns by major luxury brands.

## **Acknowledgement**

I would like to use this opportunity to thank my parents for their constant trust and love for me. I am also grateful to my husband for providing me with the opportunity to study and keeping me motivated throughout the course. I want to apologize to my little bundle of joy, for ignoring him during my course as well as for not spending enough time with him. However his warm hugs and bright hopeful smiley eyes always provided some stress relief when I needed it most. Last but not least, I would like to thank Mr. Ayantunji Gbadamosi for the guidance and feedback he provided throughout my dissertation.

## **1 Introduction**

### **1.1 Purpose**

This dissertation represents an exploratory research to discover the relationship between green marketing and luxury brands from the luxury consumer perspective. This chapter provides information about the background, focus of the study, research objectives, research questions as well as the research methodology.

### **1.2 Background**

The sales and worth of luxury brands are in billions of dollars and they are experiencing a steady increase every year. In 2007, the luxury industry was estimated to be worth approximately £77 billion (Bendell and Kleanthous, 2007). The ownership and obsession of owning luxury items is intense and evident all around the world and not limited to a certain class, but manifests it-self across multiple consumer segments. However there is very little academic research and literature on luxury branding and luxury marketing, specifically lacking the focus on luxury brands from multi-dimensional angles of branding and key marketing concepts (Keller, 2013; Zinkan, 2005; Fionda and Moore, 2009; Vickers and Renand, 2003; Achabou and Dekhili, 2013).

‘Luxury brand awareness has emerged as an integral element of consumer culture, however this sector is not given much attention by academics and scholars’. The research lacks the in-depth coverage about the significance, growth, production and marketing of luxury brands (Fionda and Moore, 2009).

On the other hand, the environmental issues, sustainability, green marketing, ethical approach in businesses and environmentally friendly products have created a buzz. There had been increased interest in the issues facing the present and future of the planet, which can make the survival for future generations difficult. Global warming, climate changes and sustainability had been under the attention of media and NGO’s (Non-

Government Organisations). More and more green businesses are in the process of emerging and establishing themselves, while other businesses have adapted their products, to respond to consumer demand for green products (Sharma and Gadenne, 2014).

Luxury brands and environment are both becoming the focus for marketers as well as the consumers. Nonetheless these two are hardly ever discussed together in the academic literature. Reports by Bendell and Kleanthous (2007) and the Ledbury Research Company (2008) were one of the first to combine the topics of environment and luxury, 'Luxury brands have the opportunity as well as the responsibility to promote responsible consumption' (Bendell and Kleanthous, 2007).

### **1.3 Focus**

The examinations of demographics show that green consumers are highly educated and belong to upper class. There are contradictory results on other demographic characteristics, however most of the studies found a positive relationship between social class and green consumer behaviour. Luxury items have a high price tag associated with them and are not made for everybody, thus it can be assumed people with high incomes are mostly the users of luxury items. Consequently, users of luxury goods should be green consumers and vice versa, green consumers should be consumers of luxury items. This relationship however cannot be supported by any currently existing literature. Research by the Ledbury Research Company (2008) supports the view that people who have wealth are also anxious about the environment and luxury products, which damage the environment are not considered classy or prestigious by them (Bendell and Kleanthous, 2007; Pillai, 2013; Roberts, 1996; Diamantopoulos et al., 2003).

Hence this research will seek to analyse the relationship and significance of green marketing by luxury brands, for luxury consumers. The focus will be primarily on the consumers of luxury brands and their views, opinions, feelings and interpretations about the relationship, knowledge as well as the

importance placed to the ethics, environment and societal well being when buying luxury brands.

#### **1.4 Objectives**

The reports published by Ledbury Research Company (2008) and Bendell and Kleanthous (2007) elevated the apprehensions about the supply chains of luxury brands that were often neglected and kept private. Some brands have come under the attention like 'Garnier' for ethnic biased attitude, 'LVMH' which owns some of the biggest brands like 'Louis Vuitton' (LV) was unlisted from the FTSE4Good Index for the weak fulfilment of supply chain obligations. In another case, the sweatshops of the brand 'Prada' were exposed for using Chinese immigrants.

The questions raised from such news are: Did these incidents cause any damage to the sales or reputation of these luxury brands? Do the consumers of these brands recall any of the news? Are consumers, even aware about these incidents? Will the news affect the consumer purchase decision or will they continue buying these luxury brands, despite their negative publicity? While these questions remain unanswered, they can be helpful in understanding the impact of green or ethical luxury, and its significance to consumers. The existing literature on green marketing and luxury brands, fail to answer these questions.

The objectives of the study are:

- To critically evaluate the awareness and concern in luxury consumers about the environmental issues and green marketing.
- To investigate the level of knowledge in luxury consumers about green marketing initiatives by luxury brands.
- To determine the feelings of luxury consumers about 'green luxury' (luxury products that have environment friendly attributes and follow the 'triple bottom line' principle).
- To explore if there is support of 'green/ ethical luxury' by the consumers of luxury goods.



- To discover the most important luxury product attributes for making a luxury purchase decision, and if eco-friendliness plays a role in the decision making process.
- To critically evaluate, if luxury consumers see any association or a relationship between green marketing and luxury brands.
- To investigate the views of luxury consumers about the increase in sales of luxury brand by pursuing green marketing.
- To examine the luxury consumer's perspective on the suitability of green marketing for luxury brands.

### **1.5 Research question**

In the academic literature, the marketers and luxury companies are blamed for environmental damage, however the impact of consumers is overlooked. Consumers are a driving force for the marketers as well as for the success of luxury companies. This study will focus on the luxury consumer's knowledge and perception about green marketing by luxury brands. This study will attempt to answer the following research questions:

- Analysing the perceived benefits expected from luxury purchases by the luxury consumers, and are environmental friendly attributes important for them?
- Does the luxury consumer have knowledge and awareness about the pro-environment and CSR (corporate social responsibility) campaigns by the luxury brands?
- Can the environmental attributes in luxury products have any significant impact on the purchase decisions of luxury consumers?
- Can green marketing help in the growth of luxury companies?

### **1.6 Research methodology**

The aim of this exploratory study is to look at relationship between luxury brands and green marketing from the perspectives of the luxury consumers. This research belongs to the 'interpretivist' paradigm, which signifies the

importance of qualitative data to be used in this study (Saunders et al., 2007). Primary data will be collected from the luxury consumers, by conducting face-to-face in-depth interviews in prestigious Central London locations where a multitude of luxury brands have found a home.

The qualitative data looks at the knowledge, importance and awareness found in the luxury consumers, about green marketing in luxury brands. The interviews were semi-structured and responses from the interviews were recorded in written form. The respondents were selected by purposive sampling, the key criteria for choosing the interviewee was to have experience with the purchase and usage of luxury brands (Collis and Hussey, 2013). The chosen sample size for this particular study was eight luxury consumers.

In addition to the primary data collection, secondary data was collated by looking at a variety of scholarly journal articles, books and reports relevant to the study, to gain a more holistic understanding of the topic, as well as to identify any existing gaps and contradictory views of various authors/literature. This study seeks to provide a basis for further research to be conducted analysing the relationship between green marketing and luxury brands.

## **2 Literature review**

### **2.1 Introduction**

This chapter focuses on reviewing existing literature on luxury consumers, luxury brands and green marketing. This leads to the identification of contradictions, consensus as well as gaps that are present in the literature to understand the consumer behaviour and attitude towards 'ethical luxury' and green marketing by luxury brands.

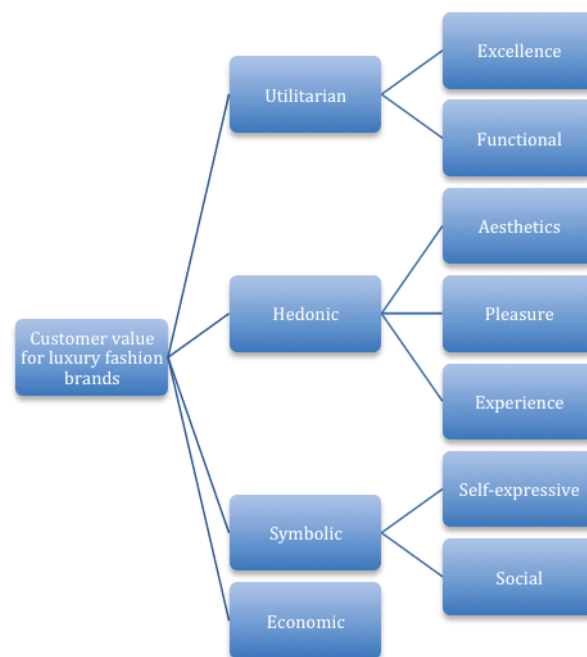
### **2.2 Luxury significance**

'Luxury items are becoming a necessity' (Husic and Cicic, 2009, p.235). 'Iconic brands like Chanel, Prada, Dior and Cartier influence the beliefs and behaviour of billions of people' (Bendell and Kleanthous, 2007, p.4). Luxury

items provide their possessors the chance to openly present and flaunt their wealth, status and dominance (Roper et al, 2013). 'A new social protocol where, your identity and self worth are determined by the visible brands on your body' (Husic and Cicic, 2009, p.233).

### 2.2.1 Luxury customer value perception

'Customer value implies the reason and desire an individual seek through luxury consumption' (Choo et al., 2012, p.84). Choo et al. (2012) divides the values of luxury customers, into four different categories of utilitarian, hedonic, symbolic and economic, which are then further refined at a deeper level to provide a more granular understanding of luxury consumer values (Figure 1).



**Fig 1**

**Proposed Model of Customer Value for Luxury Fashion Brands, Choo et al. (2012, p.86).**

The proposed model suggests that the luxury consumer looks for various benefits, and different values are expected from the acquisition of luxury items. The luxury consumers have different set of criteria and values expected from their luxury purchases. Husic and Cicic (2009) saw a positive relationship of luxury consumption with superior quality (utilitarian value)

and brand image (symbolic value). Deeter-Schmelz et al. (2000) presented some important factors for luxury consumers; superior quality (utilitarian), social status (symbolic), awareness of trends (hedonic) and the store ambiance (hedonic), these four factors can create value for luxury products. Vigneron and Johnson (1999) looked into luxury consumers and came up with conceptual five perceived values, which positively affect luxury consumers; Veblen effect, snob effect, bandwagon effect, hedonic effect and perfectionism effect. These effects talk about premium quality, high price, social status, self-concept and trend following. Choo et al. (2012) has talked about the values of consumers shifting towards the utilitarian features of the luxury products, however luxury consumers do consider the tangible as well as the intangible benefits of their luxury purchase. Still, all of the studies on luxury consumers referenced above do not talk about the importance of environmental attributes, ethics, sustainability or green marketing.

The literature discusses the luxury purchase criteria to be linked with the utilitarian, hedonic, symbolic and economic characteristics of luxury products, there is no discussion of environment or society in the literature on consumer value perception.

### **2.2.2 Veblen effect**

Veblen's theory of the leisure class was one of the first studies that helped in understanding the idea of conspicuous consumption. It talked about the consumption of luxury by using noticeable and obvious items, like handbags or shoes with brand name or logos visible all over them. The pure conspicuous consumer, was defined as someone who gets gratification when they get a response from the spectators around them, and not from the other tangible benefits or worth of the product. These people pay more attention to the high prices that can impress others, than the practicality and usage of the product. In the minds of the conspicuous luxury consumers, it helps them to fit in with the people they admire and aspire (Mason, 1993; Davies et al., 2012; Roper et al, 2013; Achabou and Dekhili, 2013; Choo et al., 2012). The outside reflection of the purchasers of those luxury items and their perceived importance by others, justifies their willingness to pay higher

prices in order to be associated with the people that belong to an upper segment of society.

### **2.2.3 Luxury lies in the eyes of the beholder**

It is difficult to find an exact definition for luxury, as well as reaching a consensus on the range of names, which represent the luxury brand segment. Coco Chanel said 'luxury is the necessity that begins where necessity ends' (Husic and Cicic, 2009). Luxury is very idiosyncratic, virtual and has a lot of elements working together.

Berthon et al. (2009) explains it briefly, that a same luxury good can mean different things at different times to the same or different people. It can depend on the reference group, attitude, ambiance, level of wealth and experience. Some brands can be a luxury brand for some and just a major brand for others, looking at the multiple lists of luxury brands, shows the lack of coherence. This explains the complexity for defining luxury, still there had been some characteristics that are seen as very important, and are mostly present in the luxury brands (Davies et al., 2012; Husic and Cicic, 2009; Choo et al., 2012). Luxury is mostly linked to great craftsmanship, exclusivity, limited accessibility, excellent quality and superb customer service.

Historically, luxury used to be limited to the individual's belonging to the upper class only, but nowadays people from middle class and young professionals are also craving and buying luxury products. The luxury usage for the purpose of bragging and feeling superior is present in all parts of the world. This has led to greed and competition, to get limited edition items, which are expensive, exclusive and not accessible to everyone. Customers are becoming more avaricious and their behaviour is turning more acquisitive (Davies et al., 2012; Roper et al, 2013; Achabou and Dekhili, 2013).

Bendell and Kleanthous (2007) believe that luxury is only 'authentic' when it looks at a bigger picture and does not ignore the triple bottom line (people, planet, profit). 'Authentic luxury brands are those that provide the greatest

positive contributions to all affected by their creation and that identify their customers as having the means and motivation to respect both people and the planet'. Conversely there has been no discussion or research on this definition of 'authentic luxury' or about brands that are authentic and fits into this definition. This signifies the lack of literature that looks into the linkage between the positive societal aspects of luxury.

### **2.3 Luxury becoming mainstream**

'Consumers are willing to offer a considerably high amount of money for luxury products' (Husic and Cicic, 2009, p.231). Luxury is like an addiction and a passion for the majority of consumers. Luxury purchases can be made in food, wine, car, holiday, handbags, shoes, private jets, etc.; in short luxury can be anything and everything now. The consumers are confronted with luxury items and services wherever they go and all the time.

If we look at the historic performance of the luxury brand Louis Vuitton, 20 years ago their aggregated sales were in the region of US \$20 million per year. In the past 20 years, those sales have now increased to an impressive US \$1.9 billion; earning the most valuable brand label for seven successive years. The brand worth has reached a total of US \$25.09 billion, and it keeps increasing every year. This remarkable success would be destined to be a case study for brand growth, however there is no notable literature or media news available about this brand, its operations, marketing, manufacturing and environmental impacts, which can help understand the keys to their success. (Roberts, A., 2012; Vickers, J., and Renand, F., 2003; Achabou, M. and Dekhili, S., 2013; Ledbury Research Company, 2008).

'The era of mass marketing had begun' (Husic and Cicic, 2009, p.234), Tom Ford a luxury brand and owner of the Tom Ford brand, criticizes luxury brands as they have lost their exclusivity and are too commercial now, specifically pointing out LV, 'It's like McDonald's: the merchandise and philosophy behind it is very similar. You get the same hamburger and the same experience in every McDonald's, same with Vuitton' (Thomas, D., 2007, p.326). The big successful luxury brands have lost their defining

characteristics, they are not rare, exclusive, limited and prestigious any more (Thomas, 2007; Bendell and Kleanthous, 2007). Husic and Cicic (2009, p. 235), also criticise luxury brands, 'charging high prices on exclusivity while selling your product to everyone'.

## **2.4 Environment friendly luxury**

The other side of luxury, which is not very prestigious or exhibited, is the environmental impacts of luxury businesses on the planet, people and the society in general. The reports by Ledbury Research Company (2008) and Bendell and Kleanthous (2007) highlight these issues. The environmental awareness and concern has been in people's conscious since the 1980's but historically that concern was mostly focussed on commodity products that have low value and are used every day. Luxury goods have been completely ignored and given a free pass on environmental duties and responsibilities. It was pointed out by these reports, 'Luxury brands have the opportunity as well as the responsibility to promote responsible consumption' (Bendell and Kleanthous, 2007; Davies et al., 2012; Achabou and Dekhili, 2013). Although this aspect of the luxury has been often overlooked by media as well as in the academic literature. The reports published by Ledbury Research Company (2008) and Bendell and Kleanthous (2007) elevated the apprehensions about the supply chains of luxury companies, which were often neglected and kept private (Davies et al., 2012).

These reports highlighted that luxury should have a deeper meaning. Consumers of luxury have knowledge, wealth, and concern for the environment. Customers are not looking for luxury, which is made in dark rooms and sweatshops with child labour or people being treated badly. It is important for them to know, who made it, as well as how it was made. The used materials used and the superior manufacturing quality is important to the consumers of luxury goods. The luxury consumers are interested in understanding how these luxury powerhouses are giving back to the world (Ledbury Research Company, 2008; Bendell and Kleanthous, 2007).

‘In Europe, Japan and the US about 30–40% of luxury consumers claims to be concerned with purchasing responsibly’ (Ledbury Research Company, 2008, p.18). However other studies have seen contradicting results, that shows that when it comes to luxury, consumers are not pro environment and are more guided by their own personal choices and desires which affects their purchasing decisions (Davies et al., 2012; Achabou and Dekhili, 2013).

The results of the study by Achabou and Dekhili (2013) concluded that recycling is not linked with prestige, when it comes to apparel. Recycled materials and recycling is not positively associated with luxury however in case of commodities it might be expected all the time. Subsequently this shows a contradiction to the reports by Ledbury Research Company (2008) and Bendell and Kleanthous (2007).

Both, Ledbury Research Company (2008) and Bendell and Kleanthous (2007) suggest that luxury brands need added value to differentiate them selves, as they are not exclusive anymore. This added value can be derived from pro environment behaviour, green marketing campaigns and addressing the triple bottom line.

#### **2.4.1 ‘Fallacy of clean luxury’**

Davies et al. (2012) talked about the ‘fallacy of clean luxury’, which explains the positive perceptions of consumers about luxury. Consumers perceive luxury companies having very little undesirable influences and effects on the society. When consumers think about luxury there is so much positivity and enthusiasm, that it surpasses the need to look and find out the impacts that the luxury brands have on the society and the environment. The quality and brand image are at the top of the mind and the working conditions for the employees and production processes of these companies, are at the bottom of factors influencing the purchase decision.

General perception of the public is that wastage and pollution are attributes normally linked to products that are not luxurious. Luxury however is associated with limited availability, classic, timeless, craftsmanship, exclusivity and superior quality. The consumer’s luxury brand perception



supports the 'fallacy of clean-luxury' (Achabou and Dekhili, 2013; Davies et al., 2012).

The owners and designers of luxury brands on the contrary have a feeling, that luxury has lost its reputation as well as exclusivity, 'luxury fashion brands these days are too available, everything is too uniform, and the customer business is too pedestrian', Tom Ford also says, 'all these handbags ads make me sick. It's so formula, and it's foolish that customer's are not going to tune out, and they aren't as bored with it, as we are' (Thomas, 2007, p.326).

In this context, several questions come to mind: Do consumers consider or search for the background and the story of luxury brands? Do they think that it is important for luxury brands to be environmentally friendly? The answers are not readily available in the literature, however it has been pointed out that, 'it is just not in the conscience of everybody that every day luxuries such as designer handbags or jewellery, could have been made under conditions of exploitation and brutality' (Davies et al., 2012, p.46). This apparent lack of knowledge and awareness of consumers of luxury goods is in direct contrast to the reports by Ledbury Research Company (2008) and Bendell and Kleanthous (2007) which claim there is an existing awareness, knowledge, concern and willingness to change in luxury users.

#### **2.4.2 Luxury and environment**

The literature does not signify the importance of ethics and sustainability for the luxury brands or the luxury consumers. The environment should be taken seriously by the luxury brands, as the overconsumption of earth's finite resources will affect everyone, 'if everyone were to live like an average European, three planets would be needed to provide adequate quantities of natural resources and for the average North America, five planets would be required' (Bendell and Klenthous, 2007). This shows a massive amount of pressure on the earth and its ecosystems. A minority of the world's population consumes the majority of the earth resources. This over consumption cannot continue indefinitely and impending problems need to be solved by people together, as there are clear signs visible that the earth

cannot support this exploitative lifestyle; with the climate change, resource depletion, extinction of certain species, landfill sights being already full, water and air quality becoming poorer (Bendell and Kleanthous, 2007; Achabou and Dekhli, 2013; Davies et al., 2012; Phau and Prendergast, 2000).

Businesses understand the consequences that they will face if they will not take the responsibility and work towards solving this problem. Many countries are forcing big corporations to comply with stricter ecological goals. While social responsibility is taken seriously by non-luxury companies, the question remains unanswered and undisclosed if luxury businesses apply the same due diligence on their social and ecological responsibilities (Roberts, 2012; Diamantopoulos et al., 2003).

Luxury brands have been criticised, as they are leading to a world of materialism and overconsumption, as ravenousness to own luxury as well as conspicuous consumption is increasing, so is the dissatisfaction in people who are unable to afford it. The contrasting realities are ironic, 'clean water, safe food, breathable air, a peaceful community are already a scarce luxury for many people' (Bendell and Kleanthous, 2007).

Luxury businesses have the resources to change ambitions and actions of their customers, they can make anything a passion, obsession, fashion and a trend. The luxury businesses can make their design, production, distribution and marketing decisions based on sustainability, in addition to that they can inspire other businesses and the consumers to change their lifestyles (Ledbury Research Company, 2008; Bendell and Kleanthous, 2007).

## **2.5 Green marketing**

'Marketing has often been blamed as a key force in driving unsustainable over-consumption' (Peattie, 2001, p.1). Green marketing emerged as a new way for marketers to change the negative perception of the marketing department. However it does require the cooperation and collaboration of the different departments of the company to achieve the goals of green marketing and it cannot be isolated to just the marketing department.

'Green marketing as a holistic management process, is responsible for identifying, anticipating and satisfying the requirements of customers and society in a profitable and sustainable way' (Rex and Baumann, 2007). Green marketing looks for the future generations of consumers and have a bigger picture focus in its agenda, it thinks on the principles of sustainability (Green and Peloza, 2014).

In the green marketing the customer focus is still there but with the added attention to the society and communities wherever the company operates (McDaneil and Rylander, 2007). Green marketing is about marketing endeavours, which are carefully crafted, to be able to look after the environmental issues and the 3P's, people, planet and profit (Arseculeratne and Yazdanifard, 2014).

When green marketing is discussed, examples of companies like Body Shop, McDonald, Volvo and 3M are cited but there are no names of luxury brands in the academic literature. The non-luxury companies have successfully implemented green marketing in their business culture (Peattie and Crane, 2005). The survey result by Coddington (1990), Gallup Poll (1990), Roper (1992) show a picture that is quite contrasting to the studies carried out by researchers on consumers, as well as by the sales of the eco-friendly products. According to these surveys, there is a very high percentage of environmentalists, green consumers and a high concern for the environment. However a study conducted in (1991) by Simmons market research bureau concludes that consumers in reality are not making green purchases. The Simmons study shows that there is still some inconclusiveness with regard to the actual impact and success of green marketing, as shown by low market share of green products, as well as the lack of reliability and validity in the other survey results.

### **2.5.1 'Green gap' in consumer behaviour**

The term 'green gap' has been repeatedly used in the literature about green marketing, it is the difference found in the consumer's 'concern' for the environment and their 'genuine purchases' of green products. The survey done by Nielson (2011) in the UK showed that almost 83 per cent consumers

agree that something should be done to save the planet, but only 22 per cent said that they would pay more for green products. This is the attitude and behaviour gap of green consumers, which is affecting the success of green marketing (Fowler and Close, 2012). There can be multiple reasons for the high percentage; one major factor can be social desirability bias. The societal norms and values makes people feel that they should actually address environmental issues, as it is considered 'right' in the society, however this might not be their personal feeling or thought and they might act differently in private settings (Roberts, 1996; Diamantopoulos et al., 2003). However reports by Ledbury Research Company (2008) and Bendell and Kleanthous (2007) do not take this gap into account while discussing luxury consumers. They are more theoretical in nature and based on the assumption that human beings will make logical purchasing decisions.

The consumers in the study by Davies et al. (2012) have discussed the lack of information available about the environmental characteristics of luxury brands. In addition to that they believe that as luxury purchases are fairly irregular, they find it tiresome to look or search for the environmental attributes of luxury products and the companies. Davies et al. (2012) also concludes that people are not willing to pay anything extra for products that are made ethically. Consumers also think that ethical or pro environment luxury will not make any huge impact (Davies et al., 2012). These findings shows a stark contrast to the report published by Ledbury Research Company (2008) and Bendell and Kleanthous (2007) and can be found on the complete other side of the scale.

The consumers are becoming increasingly aware of the problems that will affect the future of the planet. Businesses understand the consequences that they will face if they will not take the responsibility and work towards solving this problem. There are natural disasters that have occurred, changes that are taking place and non-renewable resources are depleting at an alarming rate. This concerns many people in general, but do they think or take any responsibility, associated with this destruction and environmental damage,

which is caused by overconsumption or by luxury businesses? (McDaniel and Rylander, 1993).

It has been researched by the Ledbury Research Company (2008) that people who have wealth are anxious about environment, and luxury products, which causes damage to the environment, are neither classy nor prestigious for them (Bendell and Kleanthous, 2007). Christian Loubotin critiques, 'luxury is not consumerism, it's educating the eyes to see that special quality' (Thomas, 2007).

## **2.6 Responsible luxury**

The Ledbury Research Company (2008) and Bendell and Kleanthous (2007) have discussed the responsible luxury brands, these brands consider the triple bottom line (people, planet, profits). Some luxury brands are taking actions to respond to the emerging trends of consumer concern and their demand for responsible luxury. Stella McCartney, DeBeers group and Gucci are a few examples which are making efforts to bring a change. They are looking out for sustainable materials, ethical supply chains and donating generously for helping others, however the literature does not focus on their philanthropic efforts. These are the only reports that discusses and discloses the altruistic as well as mal practices by luxury brands. They have also discussed the certifications about the ethical diamond mining, no dirty gold and taking initiatives to minimize the negative effects of the luxury businesses on the society, in general. Luxury is not limited to the utilitarian, hedonic and symbolic values anymore, luxury brands are expected to provide more than this, 'the entire brand promise is under scrutiny. This includes the guarantee of excellent quality, highest standards of materials, expert craftsmanship, exclusivity, responsibility and the impact of the purchase on wider society' (Ledbury Research Company, 2008, p.19). On the other hand, the literature on luxury consumers does not take these humanitarian efforts into account.

## **2.7 Consumer preference**

Some research indicates that businesses which excel in the environmental and societal aspects by utilising green marketing can gain sustainable competitive advantages to others which do not display those attributes. However a critical factor in the purchasing decision of consumers remains the quality of the product, with regard to commodity purchases or luxury purchases. This implies that the quality of the product drives the purchasing decision of customers and that companies need to ensure that the quality of products and services are not undermined by the environmental attributes of the product; whether luxury or non-luxury (Achabou and Dekhili, 2013; Husic and Cicis, 2009; Choo et al., 2012; Davies et al., 2012).

## **2.8 Divergence in the concepts of luxury and environmental concern**

Some authors do not see the association between the concern for the environment and the consumption of luxury items. They see them distinctly different, with contrasting motives. Those authors criticise the notion of expecting green behaviours from luxury consumers, by discussing the deeper motives behind the environment friendly behaviours and the luxury consumption. They suggest that the concern for the planet and environment is rather related to philanthropy, moderation and morals but that luxury consumption is about self-gratification, over indulgence and flamboyance of worldly materials. These opposing concepts raise the question how users of luxury goods can be expected to be thoughtful and affectionate towards the society and the environment? (Achabou and Dekhili, 2013).

Wyer et al. (2014), also supports the same view that ethics and capitalism are opposite, they cannot be linked positively with each other and cannot work together. It is hard to act morally in a society, which is deeply rooted in capitalism. These views are in contrast to the reports by Ledbury Research Company (2008) and Bendell and Kleanthous (2007).

## 2.9 Complexity of consumer behaviour

Pickett et al. (1993) points out that care needs to be applied in making assumptions about consumer behaviour, as consumer behaviour is complex and cannot be simplified or categorized by market segmentation. The consumers classified as green can be green in some buying decisions and have a different set of criteria of selection in buying something else. Hence consumer behaviour is difficult to predict and generalize.

Social norms are also significant in consumer behaviour, whether we look at the green marketing literature or the literature about luxury consumers. Reference groups and social norms are a strong motivator of consumer behaviour and on their purchase decisions (Rettie et al., 2012). The strength of communal, group and neighbourhood forces cannot be underestimated, as people can get encouraged by this motivational factor, in addition to the values and social norms found around them (Bamberg, 2003). Consumers adopt 'pro social' behaviour when there are surrounded or seen by others, 'social desirability' is an important factor in green purchasing (Green and Peloza, 2014). This is true in case of both luxury usage as well as green marketing, as both are associated with the reference group, pro social behaviour, social desirability which effects the consumer choices.

The results of the study by Sharma and Gadenne (2014) conclude that 'there is a strong association between environmental attitudes and practices and a lesser cut still significant association between social influences and environmental practices'. This conclusion needs to be however caveated as the respondents in their study were already green consumers displaying a green lifestyle, thus this result are biased and cannot be generalised on luxury consumers.

## 2.10 The consumer knowledge

While there has been a buzz around green marketing and sustainability since the 1980's, consumers are still lacking the in depth knowledge about the environmental issues that are caused by the choices in their lifestyle and influenced by the operation of the businesses. There is a need to cultivate

the knowledge in the consumers in general to understand the concept of sustainable consumption, the greenness and environment friendly attributes of the products to help them in making their purchase decisions based on this criteria (Roberts, 1996; Vaishnavi et al., 2014). The available literature talks about the high percentage of consumers being aware about the environment, however there is a lack of granularity specifically around the environmental knowledge / awareness of luxury consumers. The reports by Ledbury Research Company (2008) and Bendell and Kleanthouse (2007) are the only reports that claim that luxury consumers are concerned and are looking for 'clean ethical luxury', while studies by Davies et al. (2012) and Achabou and Dekhili (2013), contradict those views by stating that luxury consumers are not looking for green attributes in their luxury purchases.

### **2.11 Summary**

The existing literature on green marketing is mostly related to commodity products and there is no direct correlation or link within that literature to green marketing by luxury brands. There is some literature that links sustainability and ethics with luxury brands, but has a limited scope, as the amount of research is scarce.

Research has so far not been conclusive with regard to the purchase behaviour and motivation of consumers of luxury goods, and many contradicting views are present. Therefore no conclusion can be drawn from the studies about the motivations and criteria for choosing luxury brands. Nevertheless, good quality and social desirability are seen as important attributes for consumers in luxury as well as green purchases. This has been repeatedly examined and concluded by the researchers about luxury purchases as well as green products purchases.

The literature is also inconclusive on the consumer awareness about environmental issues and sustainability. There are research findings, which suggest that the consumers are concerned, aware and knowledgeable. While on the other hand some authors criticise the lack of understanding and concern in the consumers, and imparting knowledge is seen crucial.



There are opposing views on the expectations and value perception of luxury consumers from their luxury purchases. There are contradicting views about what consumers want and expect from their luxury acquisitions, either its utilitarian features, hedonic or symbolic value. This study will look further in these areas to answer the research questions.

### **3 Research methodology**

#### **3.1 Introduction**

This chapter is dedicated to the research methods, which have been used for the collection of primary data in this study. The research philosophies, data collection, reasons for selecting the methods and data analysis are discussed in this chapter.

The awareness of the research paradigm is important as well as helpful for the researcher, as the researcher's journey from start to finish can signal the advantages as well as the possible problems that can occur at any stage of the research process. The research paradigm also helps in choosing the type of data required, methods for data collection, problems associated with the chosen methods and also with the analysis of the collected data. Törnebohn explains, 'the greater the researcher's awareness of his own paradigm, the better the research that he can carry out' (Gummesson and Bratt, 1988, p.20).

#### **3.2 Research philosophy**

'The research paradigm is a philosophical framework that guides how scientific research should be conducted' (Collis and Hussey, 2013, p.43). When we look at the epistemology, there are two broad research paradigms, one is 'positivism' and the other is 'interpretivism'.

This research focuses on green marketing and luxury brands, it is concerned about the feelings, views and opinions of the luxury consumers, thus it belongs to the 'interpretivist' perspective in epistemology.

Interpretivism believes that everything cannot be explained by quantifying, it is rather about how the 'social world is interpreted, understood, experienced, produced or constituted' (Mason, 2002, p.3).

The interpretivist approach is linked to the qualitative approach of data collection, and the primary data source is the way people see, understand, views and gives meaning to the world around them (Mason, 2002).

### **3.3 Data collection method**

Approaches within the 'interpretivist' paradigm are qualitative methods of data collection (Collis and Hussey, 2013). The face-to-face interviews with the respondents are chosen to collect primary data for this research. As the ontological attitude suggested that the information, views, ideas, thoughts, descriptions, occurrences and communications are significant to this research and can be helpful in answering the research question (Mason, 2002). To make the research more reliable, the luxury consumers were accompanied and observed while buying luxury products.

It is unfair to say, that qualitative or quantitative are better than the other, moreover it depends on the research and the researcher, where they seem more fitting and appropriate (Gummesson and Bratt, 1988) subsequently in this case, qualitative method of data collection seemed more appropriate.

### **3.4 Suitability of this approach**

This research is about consumer views and opinions, and people cannot be detached from social settings of which they are a part. The perceptions of people are important for this research, to understand what they do, how they feel and why they do certain things. These people centric factors point for this research to be conducted using the 'interpretivism' framework, as people are important for this research, and they will be the source of primary data collection (Collis and Hussey, 2013; Smith et al., 2012; Saunders et al., 2007).

The chosen methodology was suitable for understanding the opinions and feelings of the luxury consumers. In addition to this, the selected research

topic has not been discussed in the literature before, and this approach is suitable for exploring / discovering this topic. The qualitative research stresses on the characters and qualities of things and on procedures and connotations that cannot be quantified (Denzin and Lincoln, 2008). It helps in 'understanding the experiences and imaginations of the research participants' (Mason, 2002, p.1). The findings generated from the 'interpretivist' approach are discussed in literature, regarding their high validity, 'findings in a high degree of validity' (Collis and Hussey, 2013, p.130).

Eight in depth face-to-face semi structured interviews were conducted with luxury consumers. Semi structured interviews provides respondents with flexibility, control, do not limit the responses, allow thoughts and feelings to be expressed, which are insightful for the researcher. There is also significance in observing the body language in face-to-face interviews, as non-verbal cues can signal towards the enthusiasm, excitement, boredom, distractions and any confusion emerging during the interview. A commonly accepted view on communication between two parties is that 93% of all communication is non verbal, of which 55% are communicated through body language, 38% of communication is conducted through the tone of one's voice and only 7% is what one actually says. By conducting interviews on the phone or collating data through questionnaires an important part of the overall message and therefore data gets lost (Gummesson and Bratt, 1988; Mason, 2002; Bell, 1999). Face-to-face interviews were therefore critical to collating the necessary data for this research.

The questionnaires and structured interviews would not have been suitable for this research, as apart from the research paradigm, they rely on the verbal/written response, lacks the non-verbal responses, are formal and do not give flexibility to the respondents for their responses and takes away the ease of expressing their views about the topic, which are all important for this research.

### **3.5 Research ethics**

It is the responsibility of the interviewer to explain the respondents as much as possible about the research, the reason for selecting them for the interview, what will be expected of them and what will be done with their responses (Mason, 2002).

Firstly the respondents were asked if they could be interviewed for a master's dissertation. If they said 'yes', it was made sure that they fit into the selected sample for this study, thus were consumers of luxury brands living in London. If the individuals were not a user of luxury products, they were not interviewed after explaining the reason. The next step was to ask for the informed consent. The individual's were neither offered money nor forced for the interview. The respondents were briefed about the usage of responses for the study in the dissertation and anonymity of their personal details. They were guaranteed that their details and their responses will be only used for the purpose of the study and their real names will not be used. The individual's under eighteen years were not interviewed, since this was decided before the start of the study, and all the participants who were interviewed, were in the age range of 27–45, both males and females luxury users, living in London (ethics approval form in appendix C).

### **3.6 Sample selection**

The findings from qualitative research are criticised to have low reliability however high validity as intense and thorough data is produced (Collis and Hussey, 2013; Bell and Bryman, 2011). In this study, the sample size of eight respondents was chosen. Purposive sampling is done as the selection of respondents was based on their experience with luxury brands (Collis and Hussey, 2013).

The interviewees were chosen in central London, around the areas of Regent Street, Old Bond Street, New Bond Street, as most of the stores of luxury brands are located in these areas. The individual's who were interviewed were from middle class to upper class, had a luxury item that they were using at the time of the interview or had bought it on that day, and were

coming out of a luxury store. They were asked for the appropriate time and place on which they can be interviewed. Consequently four of the interviewees asked to be interviewed in the same location, while four were conducted in the homes of the respondents.

### **3.7 Conducting interviews**

Semi structured interviews helped to cover the main topics and areas that were important for the research, generated new ideas and also gave respondents, the flexibility to respond in a manner that suits them and their thoughts (Fisher et al., 2004). Interruptions were minimized but were occasionally used, to help and keep the interview on the desired track (Mason, 2002).

The interviews were recorded by producing written transcripts. The duration of the interviews varied, depending on the amount of information that was shared by the respondent, interviewee interest/ enthusiasm in the topic and the amount of knowledge about the topic. However the respondents answered all the questions, some responses as brief as a simple 'yes', 'maybe' or a 'no', while some were in multiple paragraphs.

### **3.8 Interview questions**

It is crucial to test the questions, to see if they are understandable, comprehensible, that the style is simple and not offensive to the participants. The questions were practiced and tested on five university students and their feedback about the interview questions was taken (Mason, 2002).

The interview was not completely un-structured, the questions were already prepared to keep focus on the objectives of the research as well as to avoid missing any points during the interview. The answers were not chosen or listed for the interviewees, and they had the freedom to answer the questions in the manner that seemed appropriate to them. They can either explain it or just respond by a simple 'yes' or 'no'. However probes were

used, when explanations of their answers seemed important for the research objectives.

The questions were asked in the similar sequence with all the participants. The questions started with general inquiries about their luxury purchases to slowly progress to the topic of green marketing.

Open ended, closed ended and hypothetical questions were used in the interviews. Probes were used as well to gain understanding of ideas that excited the luxury consumers and were seen helpful for the research objectives (Collis and Hussey, 2013).

After the interviews, a written document was produced which listed the main ideas and details from the interviews. Some comments about the respondents were written down as well (interview questions and responses provided in appendix A and B). The place and its ambiance, where the interviews were conducted are important too, as they can affect the responses of the interviewees (Saunders et al., 2007).

### **3.9 Problems associated with the research method**

The 'interpretivist' research paradigm and the qualitative data collection are often criticised as the 'values' of the researcher plays an important role in all stages of the research and can affect the reliability of findings. The data can be valid but lack reliability and the conclusions cannot be generalised on the entire population. The strength of this method lies in the flexibility and probing into the complexity, so repetition of the same kind of results is highly unlikely (Saunders et al., 2007; Gummesson and Bratt, 1988).

Written records tend to lack information about the non-verbal data observed and even if some notes are taken about the non-verbal communication, it is difficult to fully record all verbal and non verbal cues and some can be missed. While an interviewee can repeat what they previously said if you missed something communicated during the interview, non-verbal communication cannot be seen again and the reliance on written notes is more critical. The written transcripts contain both the verbal and the non-verbal data from the interviews (Gummesson and Bratt, 1988; Mason, 2002).

To reduce the bias of one researcher, a 4-eye approach was taken and another researcher attended the interview to take additional notes of the interview to ensure that a more complete recording of the verbal/non-verbal communication is available.

### **3.10 Validity and reliability**

Reliability looks at exactness and correctness of the conclusions whereas validity on the other hand 'refers to the extent to which a test measures what the researcher wants it to measure and the results reflect the phenomena under study' (Collis and Hussey, 2013, p.53). It has been discussed in the literature that the research carried out under the 'interpretivist' paradigm lacks the reliability (Saunders et al., 2007; Berg, 2009). The strength of this method lies in the flexibility and probing into the complexity, so repetition of the same kind of results is highly unlikely. The same primary data can lead to different interpretation and analysis of data, by different people, thus the same findings might be difficult to be generated by different people looking at the same data. The verbatim reporting by the respondents is used in the data analysis and some respondents were either observed or accompanied during their luxury purchase, to make the findings more reliable. Though the respondents were very clear and open about their views and feelings, the results have high validity.

The conclusions from this research cannot be generalized on the entire population. Response bias can be caused by the view of respondents about the interviewer, socially desirable answers and not providing with the depth of information that is required by the researcher. However it is hard to rule out bias, from any method of data collection. The respondents were very specific in their responses, they did not try to hide their lack of awareness and concern on certain issues (Saunders et al., 2007; Gummesson and Bratt, 1988).

### **3.11 Data analysis**

The interview transcripts were used to conduct data analysis. A conceptual framework has to be created and the data has to be transformed into

categories for the analysis. The raw data has to be organized and reduced to make it understandable and useful (Mason, 2002; Saunders et al., 2007).

The analysis was iterative and going through the data multiple times was necessary for understanding the data as well as for not missing any useful information. The primary data was reduced and organised, while keeping the research objectives in mind. The first step was the coding or categorising of data, the codes or categories should be meaningful and useful for grouping the relevant data. The applicable categories or codes were designed by taking the objectives and the research questions in mind. The next step was the 'unitisation' of data, by ascribing useful units of data to the codes/ categories that were developed. These 'units' of data can be a word or multiple sentences. The data should be arranged logically and it should be manageable. The process of producing categories and reorganising it led to the emergence of relationships and themes in the classified data. The analysis continued until the data became applicable and meaningful to the research objectives (Saunders et al., 2007).

## **4 Data analysis**

### **4.1 Introduction**

The method for analysing data is inherent on the research paradigm as well as whether the data is quantitative or qualitative (Collis and Hussey, 2013). This chapter discusses the interpretation and analysis of the primary data collected by interviewing eight luxury consumers in London. The data analysis led to the research findings in this chapter.

The objectives of the study will be revised here for the data analysis.

#### **4.1.1 Objectives of the study**

The following are the objectives of the study:

- To critically evaluate the awareness and concern in luxury consumers about the environmental issues and green marketing.



- To investigate the level of knowledge in luxury consumers about green marketing initiatives by luxury brands.
- To determine the feelings of luxury consumers about 'green luxury' (luxury products that have environment friendly attributes and follow the 'triple bottom line' principle).
- To explore if there is support of 'green/ ethical luxury' by the consumers of luxury goods.
- To discover the most important luxury product attributes for making a luxury purchase decision, and if eco-friendliness plays a role in the decision making process.
- To critically evaluate, if luxury consumers see any association or a relationship between green marketing and luxury brands.
- To investigate the views of luxury consumers about the increase in sales of luxury brand by pursuing green marketing.
- To examine the luxury consumer's perspective on the suitability of green marketing for luxury brands.

## 4.2 Analysis

Some key themes and sub themes emerged in the data analysis.

Key criteria for luxury purchase

- Product attributes.
- No importance of environmental/ ethical attributes in luxury products.

Knowledge of luxury consumers

- Understanding about 'green marketing'.
- Awareness in luxury consumers, about the corporate social responsibility (CSR) and green initiatives taken by the luxury brands.

Attitude of luxury consumers

- Positive perception and attitude about luxury (no awareness about the unethical practices by the luxury brands in the luxury consumers).
- Negative perception about green/ pro environment luxury products.

- The relationship seen between luxury brands and green marketing by the luxury consumers.
- Unsuitability of green marketing for the growth and sales of luxury brands.

#### **4.2.1 Key criteria for luxury purchase**

The key criteria for the luxury purchases showed remarkable consensus among all eight respondents. Superior quality was seen mandatory in luxury products, consumers relate the high prices with high quality, the perceived quality and perceived value is important for them. The other important product features are the design of the product, functioning of the product, right price and the brand image. None of the luxury consumer mentioned ethical practices, eco-friendly design, environment friendly materials, sustainable business practices, anti animal testing or green/ ethical/ sustainable marketing campaigns to be on the list of attributes that are important to their luxury purchase decisions. It is similar to the consumer value perception discussed in the literature by Choo et al. (2012), Husic and Cicic (2009) and Vigneron and Johnson (1999).

#### **4.2.2 Premium quality, design, price and performance**

The luxury customers look for the quality of their purchase and it motivates and justifies their luxury purchase, 'quality is not negotiable' (Ledbury Research Company, 2008, p.13). This is seen as one of the most important criterion used by the consumers to justify the high prices of the luxury items. The design, right price and superior performance are also important for choosing a specific luxury product. It had been emphasized in the literature about luxury brands and in understanding the luxury customer value. Choo et al. (2012), Vigneron and Johnson (1999), Deeter-Schmelz et al. (2000) and Husic and Cicic (2009), have discussed high quality and performance to be very influential on luxury consumption and in the creation of value for the consumers.

As the respondents were promised about the anonymity of their names, the first two initials of their names are used with their gender by attaching M (male respondent) and F (female respondent).

The luxury consumers emphasized on the quality, design, performance, brand image and the price of luxury products.

*‘It’s from the detailed finishing to the obvious details that are important in the luxury items, this helps them in setting apart from counterfeits as well as other brands. Chanel bags are for a lifetime’ (AiF).*

*‘When I am paying £800 for a pair of black shoes from Christian Louboutin, I expect comfort and peace of mind that those shoes will not break during my long commutes around London’ (IfF).*

*‘Quality is very important for me, and this is the reason for not buying non-luxury brands. You can imitate the design, colour and logo, but you cannot reproduce the same quality. The quality differentiates products from each other, even without looking at the logo, I can touch and tell if it is a luxury brand or a fake replica’ (AbF).*

*‘The quality, comfort and design of ‘Jimmy Choo’ shoes are remarkable and unmatched, I am a loyal customer’ (MiF).*

It had been difficult to come up with the definition of ‘luxury’ with so much criticism and contradictions about the classification and definition of luxury in the literature. However ‘premium quality’ is seen to be present in all the definitions of luxury in the literature. The superior quality is seen as a motivating factor to acquire luxury by Ledbury Research Company (2008, p.13), ‘quality was seen by our panel as the most significant factor behind the selection of a luxury item’.

The luxury might not be exclusive, the quality is the one thing that luxury brands cannot afford to loose, as luxury consumers are not ready to compromise on this specific attribute, ‘quality is not negotiable’ (Ledbury Research Company, 2008, p.13). This is in agreement with the authors, Deeter-Schmelz et al. (2000), Husic and Cicic, (2009), Thomas (2007) and

Bendell and Klenrhous (2007), who have all discussed the importance of premium quality in luxury products for the consumers.

The quality, design, performance, price are important criteria for the selection of certain luxury products, similar to the literature about the customer value perception by Choo et al. (2012), Husic and Cicic (2009) and Deeter-Schmelz et al. (2000). In none of the interviews, the purchasing decision for luxury goods was driven by the luxury brands views on environmental hazards, anti-animal testing, business ethics, sustainable operations or anything related to the thought for the planet or its inhabitants. The analysis suggests that consumers of luxury products do not consider the effect of their luxury purchase on the society, communities, planet and its inhabitants.

This led to the opposing results from the reports by Bendell and Kleanrhous (2007) and Ledbury Research Company (2008), which highlighted that the environment and environmental attributes in luxury products are important to the consumers, and that the consumer wants to know about the value chain of the luxury products. None of the interview participants hinted or pointed towards the ethics, sustainability or green features of their purchases being a motivational driver in the choice of luxury brand. They did not relate luxury with environment and the negative effects of luxury businesses. These findings support the findings by Davies et al. (2012) about the 'fallacy of clean luxury'.

#### **4.2.3 Knowledge about green marketing**

The literature on green marketing boasts about the high percentage of environmentalists and green consumers, 'consumers of luxury brands have knowledge, wealth and concern for the environment', Bendell and Kleanrhous (2007) and Ledbury Research Company (2008) generalise the luxury consumers to be aware about the environment issues and are enthusiastic and motivated to solve them.

The literature also recognises the green gap in consumer attitude and behaviour as well as the lack of knowledge found in them. The low level of

in-depth knowledge has been discussed as a hurdle for the success of green marketing and imparting this understanding is seen crucial by various authors Roberts (1996), Steinhart et al. (2013), Vaishnavi et al. (2014), Rettie et al. (2012), Wong et al. (1996), Rex and Baumann (2007), Davies et al. (2012) and McDaniel and Rylander (1993). When the interviewees were asked about their understanding or knowledge about green marketing, they seemed confused. The findings are similar to the discussion on the lack of awareness and knowledge in consumers.

The low level of enthusiasm and brief responses signalled low awareness and no interest in green marketing. When the respondents were asked, if they had heard or have knowledge about 'green marketing', most of the consumers seemed confused and said 'no'. The interviewees could not see any connection between green marketing and luxury products even after a definition of the green marketing term was given to them. This leads us back to the 'fallacy of clean luxury' by Davies et al. (2012), that people do not relate negative feelings and negative environmental impacts with luxury.

The respondents failed to elaborate their thoughts about green marketing. The lack of knowledge also decreased their enthusiasm. This shows that respondents had little or no understanding about the green marketing. They only tried guessing or had noticed something subconsciously; however they were confused and looked puzzled.

*'Is it about animal testing?' (KaF).*

*'I have heard about sustainability!' (IfF).*

*'I have never heard about it' (JaM).*

*'To be honest, I don't know anything about it.'* (ShM).

*'Is it about organic food items?' (MiM).*

*'Do you mean energy efficiency?' (MaM).*

*'I do understand that it is some kind of marketing' (AbF).*

The lack of in-depth knowledge has been attributed to be the problem with the low level of success for green marketing in the literature. Various authors have emphasized on increasing the level of knowledge and understanding of consumers about the environment, sustainable consumption, ethics and eco-friendly initiatives across the value chain. The consumers need to understand that they can make a difference with certain life style changes. Roberts (1996), Vaishnavi et al. (2014), Rettie et al. (2012), Wong et al. (1996), Rex and Baumann (2007), Davies et al. (2012) have all criticized the low level of knowledge and understanding of consumers about the environmental issues, sustainability and overconsumption.

The results of the analysis contradict findings from Bendell and Klenthouse (2007) and Ledbury Research Company (2008), which claimed that the luxury consumers are aware and looking for luxury, which is altruistic and eco-friendly. The interviewed luxury consumers were unaware of green marketing and of anything related to the environmental friendly programs by luxury brands. Thus the level of acquaintance with the ecological issues and its solutions was quite low or non-existent.

#### **4.2.4 Knowledge about eco-friendly luxury**

Some of the reviewed literature tries to convince that luxury consumers are aware and knowledgeable about the environmental problems. The report by Ledbury Research Company (2008) talked about the environmental certifications that are used by the luxury brands as a proof of their ethical stance and humanitarian principles of doing business, by giving back to the communities, doing businesses only with the ethical suppliers, reforestation and recycling as the consumers are increasingly becoming aware and concerned about the negative effects of the businesses. Bendell and Klenthouse (2007) also had similar findings about the consumers who want to understand the processes, people and effects on planet while purchasing luxury brands. Thus the consumers were asked about their understanding (eco-friendly luxury), incidents (if they have encountered any), event (events hosted by luxury companies for a good cause) or a luxury brand that they

can recall, have heard or have come across, which does something good for the environment.

The interviewed consumers had no information about any positive efforts made by the companies owning the luxury brands for the environment or the people. They were loyal customers of the luxury brands but had no idea, nor first hand experience with the philanthropic efforts made by luxury companies. The consumers did talk about Gucci being their favourite brand and being loyal to Gucci, on the other hand they did not mention or talked about any of Gucci's CSR campaign.

AiF is a 28 year old housewife who has volunteered for anti-animal testing campaigns on various occasions, *'I do understand environment friendly products, anti-animal testing campaigns and ethical treatment of employees, and I do buy luxury brands, however I have never seen or heard about a luxury brand doing or promoting any of this'*.

AbF is a 31 year old student who gets pocket money from her parents. She calls herself addicted, to luxury. She does have a lot of knowledge about luxury brands. She can see people using something and can tell about the authenticity of that item. However her knowledge about the environmental initiatives made her less proud of her luxury consciousness, *'I have never heard or thought about any CSR campaign, environment friendly designs or collection or anybody in luxury stores asking me to donate or let go of the luxurious packaging for saving some trees or recycle anything. I don't think any luxury brand does it, otherwise I would have noticed'*.

MiF is a fashion blogger and is always looking for latest trends and styles, she seemed confused: *'I don't think that any brand is doing anything for the environment or green marketing'*.

This is however untrue and luxury brands are taking initiatives for the environment and communities that gets affected by their operations. Davies et al. (2012) and Ledbury Research Company (2008) have conversed about these brands. However the literature on luxury as well as the luxury consumers themselves lacks the knowledge about these initiatives, which

can be the result of selective memory. The consumers might only pay attention to things that are important to them while ignoring others.

When the respondents were asked about their views and opinions about the green marketing and luxury brands, they lost the enthusiasm and there was serious concern about the suitability of these two concepts working together. Their body language showed signs of discomfort and unsure attitude towards this idea.

KaF is a housewife of a successful businessman in London; *'if somebody has to think about ethics and environment, then don't buy luxury at all'*.

*'The clientele of luxury brands is loyal and will come back to them anyways, then why would the luxury brands put effort or make changes?'* (MiF).

*'I think the luxury users are selfish, we purchase for ourselves and our selfish motives, refusing to look at the wider picture. We just ignore the future and people who are getting negatively affected by luxury'* (AiF).

*'I don't think that green marketing is suitable for luxury brands, they can do it for the sake of doing good, but I don't think we as consumers want anything green in our luxury items, we might like that in food, but not in our luxury items'* (AbF).

There was sarcasm, negative feelings and low level of concern for anything about ethics, sustainability or green marketing in the luxury brands. The consumers did agree that the luxury brands can try, but they also admitted that this would not affect the sales of the luxury items or their purchase decisions. This is quite similar to the findings by Achabou and Dekhili (2013) and Davies et al. (2012) who concluded that people are not willing to pay anything extra for products that are made ethically. Furthermore the interview respondents also think that ethical or pro-environment luxury will not make any huge impact. However the findings of this study are in contrast to the presented findings by Bendell and Kleanthous (2007) and Ledbury Research Company (2008), which made claims about the strong support for 'authentic', ethical luxury by the luxury consumers.



#### 4.2.5 Sales of environment friendly luxury products

The reports by Bendell and Klenthouse (2007) and Ledbury Research Company (2008) were at their time ground breaking as they talked about the consumers rejecting luxury items, which are produced unethically or by negatively affecting the lives of people and planet and making way to profits. They talked about the consumer demand for ethical and clean luxury products. It has been highlighted in the literature that green marketing can provide the companies and products with a sustainable competitive advantage and can lead to increase in sales. This in turn would translate in higher sales for ethical, green and sustainable luxury products.

This was not confirmed in the conducted interviews for this research. On the contrary, when the luxury consumers were asked about the relationship to see or if they believed that ethical eco-friendly luxury items could increase the sales of the luxury brands, or if they would prefer eco-friendly luxury purchases, the responses were negative. The luxury consumers did not see any relationship between green marketing and the growth in sales for luxury brands. They also admitted that this would not make any difference to their purchase decisions.

*'I don't think that it will make any difference to me' (JaM).*

ShM is an established banking consultant who buys luxury items ranging from cars to the crockery, *'I think people who buy luxury are not looking for the environment friendly qualities of luxury; luxury is very idiosyncratic'.*

*'I base my decisions on the benefits I get from luxury; green marketing is not for luxury. I think that green marketing can be good for the brand image but not when it comes to decision-making' (AbF).*

*'I cannot base my decisions on the eco-friendly criteria, there is so much more going on while doing luxury shopping, that thinking about the planet or future cannot make any difference to my choice' (AiF).*

The luxury consumers have a set criteria for choosing and buying luxury products; price, quality, design and prestige linked with the product, overshadow the need to look at the environmental aspects of the product.

There is a lack of literature that tries to link both these concepts together, however Davies et al. (2012) and Achabou and Dekhili (2013) discuss the lack of enthusiasm about ethics and environment found in the luxury consumers.

The finding from the data analysis shows an agreement with Davies et al. (2012) and Achabou and Dekhili (2013) and is dissimilar to the research findings by Ledbury Research Company (2008) and Bendell and Klenthous (2007). The respondents did see a relationship between the positive brand image and green marketing. The interviewees had a strong and persistent attitude, that they will not prefer a luxury item for its eco-friendly nature.

#### **4.2.6 Negative perception about eco-friendly luxury**

It has been discussed in the green marketing literature, that people are ready to compromise on non-luxury product attributes to buy green products, however Bendell and Klenthous (2007) as well as Ledbury Research Company (2008) have emphasised the importance of product attributes as well as the triple bottom line for the luxury consumers as a decision making criteria.

When the interviewed consumers were asked about the reason for their lack of enthusiasm for the ethical environmental friendly luxury, it was observed that they had a negative perception about the green products.

When parting their opinions about environmentally friendly luxury products, most interviewees admitted in having no prior experience with green products, neither luxury nor non-luxury, though they still had the opinion, that green products cannot match the attributes of conventional luxury products.

The respondents had negative opinions about the inferior quality, poor designs, inadequate performance and higher prices for pro-environment luxury products. They believe that the luxury products which are produced while using different materials, processes and design criteria, which are good for the environment, are going to be different from the conventional ways of designing, producing and marketing. Those products will not be able to compete with the conventional luxury products. The conventional

luxury products does not address the triple bottom line, thus they don't need to compromise on the product features.

#### **4.2.6.1 Quality perception**

The interviewed consumers had a negative perception about the quality of pro-environmental luxury.

*'When I think about luxury I think about quality, but when I think about eco-friendly luxury products, I imagine inferior quality. The quality cannot be the same' (MiF).*

*'Eco-friendly luxury products will not be able to withstand the test of time, it is difficult to trust that something produced by compromising on the materials and production processes, can be similar to the normal products' (AiF).*

The luxury consumers perceive the quality of green products, to be lower than the quality of conventional products. They admit that they will not be able to trust the quality of green luxury products.

#### **4.2.6.2 Price perception**

The respondents also had a negative perception about the prices of environment friendly luxury.

*'Luxury is already expensive, I wonder how much will they, (luxury companies) charge us for adding the environmental friendly features in their items, I will not pay extra for this' (IfF).*

*'I will not pay a premium price for luxury products that are not made with the finest materials, they cannot justify the high price tags to me' (JaM).*

The green products have been perceived to be more expensive than the competing conventional products. This is a point, which has been discussed in the green marketing literature as well. Consumers believe that they will have to pay added cost for the added benefits of the green products. This was reflected in the conducted interviews with the luxury consumers and their unwillingness to pay for the added advantage of green attribute

(however they had no example of green products which are priced higher than the conventional products). The interviewees do not see any positive effects of eco-friendly luxury, which is directly affecting them in a short time period. They see the environmental or societal characteristic of a product as an extra and unnecessary, so they can let go of it and save their money by not buying ethical luxury.

#### 4.2.6.3 Design perception

The respondents had low expectations from the designs of pro-environment luxury. They believe that the designs of eco-friendly luxury will be unattractive and very basic.

*‘When I think of luxury and environment together, I imagine minimalistic ordinary output and simple styles. Obviously those design are good for the world with less pollution and everything, but I do like conventional intricate luxury items’ (AiF).*

*‘Design, trends, colours are very important to me, the designs should catch attention. The designs, packaging and presentation of organic foods make me think about the designs of ‘ethical’ luxury’ (MiF).*

The luxury customers had a negative perception with regard to the aesthetics of the eco-friendly luxury products. They perceive the environment friendly luxury items having minimal, simple and lack of fashion features in them. They believe that catching up with the latest trends, quick changes in styles and creativity cannot function fully with the ecological limitations that are posed on the green products.

#### 4.2.6.4 Performance perception

There was low level of trust and expectations in the performance of environment friendly luxury.

*‘I want companies to bring solar energy cars, but it is a different story that whether, I will buy or use it. I will not be able to believe it until everyone else is using it, trusts it and it performs like our normal cars’ (MaM).*

*'We are spoiled with choice and consuming the best that we can afford. I don't think that we will be able to compromise on our expectations and experiences, the bar has been set very high' (ShM).*

*'I eat green food but I would not wear the green products, especially as they cannot match the luxury products, they will not be able to meet out high expectations of quality, prestige, innovative, creative, latest designs and performance' (AiF).*

The data analysis shows the lack of faith in the functionality of products produced with the triple bottom line in mind. The consumers confess that it is hard to imagine the same performance from the eco-friendly luxury products. They associate the luxury items with the superior performance and functioning, however when they compare the performance of conventional luxury with eco-friendly luxury, they perceive lower level of performance from the green products.

The data analysis shows the negative perception of luxury consumers about the eco-friendly luxury products. The negativity is not the result of a bad experience but a perception that is present in consumers. Luxury consumers agree that they are not the consumers of green products and they do not look for ecological features even in their normal daily groceries or routine shopping, but they still are consistent in their lack of trust in the items, which are produced on different principles and with a different philosophy behind them. This highlights the biased attitude present in the luxury consumers towards the products, which are made on the principles of sustainability, efficiency and are ecologically friendly. The consumers have not used or looked into the product attributes of green products, however they associate them with inferior product features. That perception is not going to change without a wider education of the public on green issues, eco-friendly production of goods in parallel to all industries promoting the benefits of them, while maintaining or even increasing the quality of their products.

### 4.3 Summary

When the consumers were asked about their expectations from their luxury purchases, it was observed that there were certain attributes that were seen mandatory for the luxury consumers. The premium quality, excellent performance, latest design and trust in brand were very important attributes influencing the purchasing decision for all the eight interviewees. All the interview respondents were enthusiastic when the interview started off, while asking them about their luxury purchases and experiences. The answers were detailed, cheerful and excitement was seen in the body language of the respondents. The respondents were very keen to spell out the name of the luxury brands, which they could not pronounce. Respondents in general loved talking and discussing the luxury brand consumption. Luxury consumption is seen as an integral part of their lives as well as their lifestyle and personalities.

The findings of this research are contradictory to the findings of the reports by Bendell and Kleanthous (2007) as well as Ledbury Research Company (2008). The research on ethics and sustainability by Davies et al. (2012) and Achabou and Dekhili (2013) and their conclusions are quite similar with the research findings of this study. Nonetheless this is an exploratory research and the objectives and research questions are novel and have not been given much attention in the academic literature, so these findings can be helpful for further research in this area.

The luxury consumers are unaware as well as unenthusiastic about ecological characteristics in their luxury purchases. They associate the greenness of the product with high price, inferior quality, poor designs, unsatisfactory performance and low reliability. This also points out to the results of the study by, Achabaou and Dekhili (2013), which concluded that using recycled materials in the luxury apparels is not seen, as 'luxurious' or 'prestigious' by the luxury consumers. The findings of this research show that green attributes in luxury items are seen as non-luxurious, and that they do not attract consumers. The luxury consumers are not ready to pay extra for the added benefits of environment friendly luxury products, in

addition to this, the consumers agree that green marketing and pro environment luxury will not make any huge impact on the sales as well as the purchase decisions of the consumers. This is similar to the findings of Davies et al. (2012).

The low level of knowledge found in the luxury consumers about overconsumption, sustainability, ethical businesses, eco-friendly value chains and green marketing will be discussed in the conclusion as well as the recommendations again. Nevertheless these finding may be in contrast to the reports by Bendell and Kleanthous (2007) and Ledbury Research Company (2008), it is still in consensus with other studies which have pointed out the lack of knowledge and understanding as a huge problem for the success of green marketing in general, for luxury as well as non luxury products by Roberts (1996), Vaishnavi et al. (2014) and Davies et al. (2012).

## **5 Conclusion**

### **5.1 Introduction**

This chapter delivers the conclusion of this study and answers the research questions. In addition to this, the limitations of the study are also discussed in this section.

### **5.2 Main conclusion**

The data analysis leads to the conclusion that there is a lack of detailed and thorough understanding about the sustainable consumption, green products and green marketing in the luxury consumers of London. The dearth of acquaintance makes them unaware about the problems associated with the overconsumption of resources, polluting the environment as well as the changes in lifestyle that are necessary for a sustainable future of the world in the long run.

There is a need to cultivate the knowledge in the consumers in general to understand the concept of sustainable consumption, the greenness and environment friendly attributes of the products to help them in making their

purchase decisions based on this criteria (Roberts, 1996; Vaishnavi et al., 2014).

It is widely believed that the information about the environment is crucial in leading to sales of green products. There has been a buzz about green marketing for a long time, however luxury consumers still lack the in depth understanding and there is an urgent need to cultivate their knowledge and assist them recognising the concept of sustainable consumption, the greenness and environment friendly attributes of products available in the market and to help them in making informed purchase decisions. This is similar to the discussion on the lack of awareness and knowledge in consumers by, Roberts (1996), Steinhart et al. (2013), Vaishnavi et al. (2014), Rettie et al. (2012), Wong et al. (1996), Rex and Baumann (2007), Davies et al. (2012) and McDaniel and Rylander (1993).

Luxury consumers should feel responsible for the choices they make and should understand, that the products that they are using are made from materials extracted by dislocating communities, by contaminating drinking water, by polluting air, by cruelly testing on animals, by killing precious endangered species, etc., all this for the sake of making limited edition handbags and shoes (Ledbury Research Company, 2008; Bendell and Kleanthous, 2007).

In addition to the dearth of knowledge, the luxury customers do not take the ethics, environmental impacts or corporate social responsibility initiatives of the luxury brands into account. They are not ready to look at luxury from a broader view, they admit about being self centred and selfish when it comes to the ownership of luxury. Thus this study could not find any support for the idea of 'environment friendly luxury'. The consumers have negative perceptions about eco-friendly luxury and they confess that they do not see any relationship or association between luxury and the environment, altruism or philanthropy. The negative perception about eco-friendly products is not going to change without a wider education of the public on green issues, eco-friendly production of goods in parallel to all industries



promoting the benefits of them, while maintaining or even increasing the quality of their products.

### 5.3 Research questions

**Analysing the perceived benefits expected from luxury purchases by the luxury consumers, and are environmental friendly attributes important for them?**

The research leads to the conclusion, that the luxury consumers are concerned about the utilitarian features (quality and performance) and hedonic (aesthetics) features of their luxury acquisitions.

The superior quality is the most important attribute as the quality differentiation helps the consumers in justifying the premium prices of luxury brands. The high quality gives consumers a sense of satisfaction, trust and pride in their luxury items. However the brand name printed on the items and big logos were mostly seen 'unnecessary' and 'unattractive' by the consumers, which signifies that the consumers do not want very obvious signs or brand names on their items, instead of that they want subtle cues, high quality, superior performance and designs that helps them differentiate from non-luxury as well as other luxury brands.

The luxury consumers do not expect or look for environmental features in their luxury purchases. In their list of criteria, quality comes on the top, followed by designs, brand image, performance, price in a descending order, while ethics or environment does not even come to their mind. The luxury consumers do not ask, search or look into the details of the environmental attributes of the luxury products; they do not give importance to the pro environment campaigns by luxury companies while buying luxury items.

**Does the luxury consumer have knowledge and awareness about the pro-environment and CSR (corporate social responsibility) campaigns by the luxury brands?**

The luxury consumers in London have very little or no acquaintance with the concepts of green marketing, sustainability and ethical/ unethical practices

in general, as well as specifically by the luxury brands. The luxury consumers are not aware about the environmental campaigns and altruistic activities by the luxury brands. The respondents claims to be loyal luxury consumers and well aware of the trends, news, latest designs, collections and brand affiliations of the luxury companies, however they have no idea about anything that affects the lives of people, society or the environment either positively or negatively in relation to luxury brands.

When it comes to the interrelatedness of the green marketing with the triple bottom line, pollution, over consumption of resources, ethics and sustainable future with the luxury brands, luxury consumers are unable to see the affiliation between these concepts as well as the failure to produce an explanation about their own definition or understanding about the relationship.

The luxury consumers in London have not came across any green marketing campaigns or any movements by luxury companies that are focused towards the triple bottom line. This leads to the conclusion that either the luxury companies lack philanthropy and humanitarianism and their sole aim is profit maximization or that luxury consumers have a lack of knowledge about corporate philanthropy. The latter is true, as it has been evident in the report by Ledbury Research Company (2008) that luxury companies are using their resources to bring a change and investing in corporate social responsibility (CSR) campaigns, however as the consumers do not expect or value humanitarianism from the luxury brands, they are not paying attention and ignoring the efforts from the luxury companies.

### **Can the environmental attributes in luxury products have any significant impact on the purchase decisions of luxury consumers?**

As mentioned above, the consumers value the utilitarian features, symbolic and hedonic values of the luxury brands and their key criteria for the selection of luxury products does not take the ethics, environment and sustainable future into focus. The consumers have never considered, searched or asked about the impacts of the luxury companies on the communities, society or the planet. When respondents were asked, if they

would prefer luxury items with eco-friendly attributes, they responded negatively. The consumers had views that pro environment luxury will not make a noteworthy difference in the sales and growth of luxury brands. This leads to the conclusion that the consumers will not be affected with the eco-friendly attributes in the luxury items, as they expect inferior product attributes from green products. The presence of green or environmental attributes actually repels them and makes them vary about the product attributes of green goods. This negative perception is a barrier for the lack of interest and support for the green products from the luxury consumers.

### **Can green marketing help in the growth and sales of luxury companies?**

The consumers admit that they will not prefer their luxury purchases on the basis of ethics, environment and sustainability. The consumers explain their low level of interest as the lack of trust they have in anything that is made differently from the conventional process, which they perceive to be producing the quality they seek.

The data analysis leads to the conclusion that green marketing cannot increase the sales and growth of luxury companies, the brand image can be enhanced by doing CSR efforts. Green marketing and ecologically friendly products are seen inferior in the eyes of consumers and can have a negative impact on the sales of products. The consumers are not willing to buy or pay for unconventional green luxury products. The consumers do not associate green attributes, eco-friendly materials and pro environment production processes with luxury. They see a negative relationship between green marketing and luxury brands. The consumers do not believe that they will prefer eco-friendly luxury to the conventional luxury.

The introduction of environment friendly luxury by the luxury brands will not be able to attract or gain the interest of the luxury consumers, as the consumers do not value or expect any altruistic motives and green campaigns by the luxury brands. There is a perception that luxury brands will put a premium price tag on their eco-friendly products while lowering the quality of their products. This may be one of the reasons why luxury

consumers do not pay attention / ignore (conscious or unconsciously) green marketing (if present) by luxury brands.

#### **5.4 Limitations of the study**

It had been mentioned earlier that 'interpretivist' approach is criticised for its low level of reliability, as the same results cannot be produced from the same data, as the values, objectives and interpretations of researchers can be different, which in turn result in different data analysis and conclusions (Saunders et al., 2007; Berg, 2009; Collis and Hussey, 2013). The verbatim responses have been used and quoted, along with spending time and observing the luxury consumers while their luxury purchase, to make the study more reliable.

The results cannot lead to generalisations, hence cannot be applied on the entire population of luxury users, as the sample size was small and the respondents were limited to central London. It cannot be ignored that sample bias and selection bias have more effect on this study, as the sample size is small.

### **6 Recommendations**

#### **6.1 Purpose**

This purpose of this chapter is to provide the recommendations that emerge after carrying out the research. In addition to the recommendations, future research areas are also highlighted.

#### **6.2 Theoretical implications**

It has become evident that the information available in academic literature is insufficient to establish a relationship between green marketing, luxury brands and luxury consumers. The four main studies in the reviewed literature, which try to link these areas are the reports by Ledbury Research Company (2008), Bendell and Kleanthous (2007), Davies et al. (2012) and Achabou and Dekhili (2013) which have been mostly used to compare the findings of this study.

This study is an exploratory research and has its limitations and a limited scope. However deeper and thorough research is required to look at the luxury consumers, luxury brands and the environment and ethics. The available literature on luxury brands is consumer value focused and needs a broader perspective to be able to understand luxury brands and the values expected from the luxury products by the green consumers.

Luxury brands are taking steps towards a more green business ethic and making changes in their approach, but those are mostly ignored and not paid attention to by the consumers as well as the existing literature. The same applies to the negative impacts and actions of luxury brands, which have been overlooked by the consumers, media and academic literature.

The worth and sales of luxury brands are in billions, nevertheless the literature does not give much heed to them. The literature needs to focus on the success/ failure/ redemption stories, operations, marketing, manufacturing, triple bottom line and environmental campaigns by the luxury brands. The strength of media cannot be denied and it can affect the consumers in a positive way by educating and imparting awareness about sustainable future.

### **6.3 Managerial implications**

The results of this study should not be taken as demotivating or a failure for the environment friendly/ ethical luxury. The conclusion points out to the fact that the subtle cues are not enough for the consumers and that the communication about the positive endeavours by luxury brands need to be more memorable and should have a deeper impact.

The diverse and complex value chains of luxury companies are no excuse for insufficient control over suppliers as well as any malpractices in the production of their goods. There is an obligation to make things right or stop doing business within those locations and with those suppliers. The luxury brands should understand that they are accountable for all the parts of their value chain and the affects they have on the communities,

environment and the society. Global supply chains should be managed effectively and efficiently by the luxury brands.

Luxury businesses have the resources to change ambitions and actions of their customers, they can make anything a passion, obsession, fashion and a trend. They have enormous brand power, the ability to change the preferences, thoughts and tastes of millions of people throughout the world. The brand worth and sales of the luxury brands is in billions of dollars, they have large amount of financial resources and their products are not as price sensitive as the other products with lower value. The luxury businesses can make their design, production, distribution and marketing decisions based on sustainability, in addition to that they can inspire other businesses and the consumers to change their lifestyles

Different departments in the luxury company should work together from the design stage, to production and marketing stages to come up with products that are beneficial for the people, communities and the environment. Environmental policies should be given importance across all the departments and not just taken as just another regulatory or unnecessary endeavour.

All the stakeholders should join forces and help the company in applying the best practices of responsible behaviour. Shareholders, employees, suppliers, communities and customers should work together towards this goal. Alliances can be beneficial, as green expertise by one partner and resources by another can be helpful in devising green marketing strategies.

#### **6.4 Wider social implications**

Imparting thorough understanding about the environmental issues that are linked to the over consumption of resources as well as the significance of sustainable consumption is very important. The luxury as well as the non-luxury consumers should be able to relate and understand that their routine and non-routine buying behaviours, choices and decisions, has an impact on the lives of others as well as on the future of the planet.

The reports from Ledbury Research Company (2008) and Bendell and Kleanthous (2007) might have been refuted in this study, yet there is a message and some valid real world examples in these reports. Luxury consumers should broaden their horizons and look for more than the personal motives or feeling superior. The luxury consumers should think about other people and communities getting affected by their support and purchase of specific brands.

It is not implied that consumers should stop consuming luxury, however they should be able to make informed decisions and act responsibly. The only way is to ask questions, look for information and look at a broader picture with future generations, planet and its inhabitants in mind.

Providing the consumers with the information by different institutional bodies can be helpful for the sustainability. This can be achieved by educating consumers with the help and attention of NGO's, governments, luxury brands, independent reports, media attention, academic literature and publically disclosing companies for their ethical or unethical actions. The more, the public is informed, the better their decision making will get (Wong et al., 1996).

Luxury consumers should be able to feel empowered and responsible, that their actions or inactions can actually make a difference. If they feel that they can bring any change, they are more likely to act in a positive way. To bring maintainable long-term change, consumers must be motivated to show acceptable behaviours, which promote eco-logical choices that ensures the worlds health. If the consumers of luxury goods and other common goods have to make an effort, make compromises, bring changes in their lifestyles or have to give up using luxury products, green actions will be less likely to succeed. Green behaviour needs to be embedded into the conscious of the wider public, as normal and conventional or permanent behaviour change will be made very difficult.

## 6.5 Further research

This research highlights some of the gaps and unexplored areas in the existing literature, and seeks to provide insightful and useful knowledge for future research on luxury consumption. Further research and studies are required to truly link green marketing by luxury brands and the behavioural aspects of consumers of luxury goods to each other.

The marketing approach followed by the luxury brands is different yet not discussed or differentiated in the literature. This can be a starting point for future research on luxury brands. Luxury brands are the purest examples of branding, they need to be studied in detail. The stories of hard work, success, failure and lessons along their journey need to be explored.

There is still concern found in the academic literature about the level of knowledge and awareness found in the consumers. Further studies are required to assess the level of consumer knowledge before actions are taken to impart environmental education to the wider public. The literature should look for the most effective ways of educating luxury consumers (about the importance alongside with the need for sustainability, ethics and environment friendly consumption).

Furthermore, some analysis on the most efficient use of marketing and communication about the environmental and societal campaigns by luxury brands is also required.

Lastly, the consumer's decision-making process takes the exclusivity, noticeability, superiority and the individual's own insights into account. If the motive behind the acquisition of luxury is personal recognition and acknowledgement by peers then the question need to be asked why the need to gain respect from others while pleasing one selves cannot include attaining luxury goods that are morally justifiable, are good for the environment but at the same time fulfil all criteria which make them desirable to the consumers? There are currently no answers available in the existing literature to shed further light on this dilemma and therefore should be subject of future research.



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## **Appendices**

### **A: Interview 1**

Interview with respondent: KaF

Gender: Female

Age: 29

Profession: Housewife

Income: above £100,000 per annum

Q- Do you buy luxury items?

A- Yes I do.

Q- How often do you buy luxury items?

A- At least every 3 to 6 months, or sometimes multiple times in the month.

Q- What triggers your luxury purchase?

A- I leave my child with the nanny and I go out with my friend for the whole day, we spend our time in 'Harrods' or 'Selfridges'. Then we browse around the luxury brands and buy similar item, recently we purchased 'Valentino shoes' in same design and the same colour. Otherwise it's my husband who buys luxury items for our daughter or me. He likes dressing her in 'Burberry' clothes. All three of us wear luxury stuff, but my husband says that he needs to wear luxury all the time, especially with his clients.

Q- What luxury items do you normally purchase?

A- I buy handbags, shoes and luxury accessories.

Q- Which luxury brands do you like?

A- Chanel, Louis Vuitton and Burberry.

Q- What do you like about your favourite luxury brands?

A– Well, my favourite brand is Chanel. It signifies class, sophistication and it's a classic brand. When you enter the store of Chanel, you start feeling like a sophisticated lady.

Q– Why do you buy luxury brands?

A– I cannot buy bags or shoes that are non-luxury. Luxury brands signify high quality and performance. I have trust in luxury brands that they will provide me with excellent products. The brand name is important for me, as it signifies prestige.

Q– How do you choose your non-luxury brands while shopping for routine purchases?

A– I just go to 'Primark' and buy the basics, so I think low prices are important for me while making the normal purchases. I go to 'Tesco' for grocery shopping. I would say that lower prices are important in daily purchases.

Q– Do you want something more from the luxury brands?

A– Keep providing us with high quality and unique designs.

Q– What do you feel is the competitive advantage of the luxury brands?

A– I think it is the brand name and the brand image. They have established their brands by continuous high quality and designs, and now we trust these brands.

Q– Which non-luxury brands do you like?

A– I like Primark for the cheap one time usage stuff, specially as my daughter is growing up fast, I buy clothes for her from there and throw them after using once or twice.

Q– Have you heard about green/ ethical/ or sustainable marketing?

A– Yes I have.

Q– What do you understand by this term?

A– 'Is it about animal testing?'

Q- Have you ever come across green/ ethical or sustainable marketing by luxury brands?

A- I don't think so.

Q- What do you think can be the reason for the luxury brands for not pursuing green marketing?

A- I don't think that people who buy luxury products really care about all of this. As a luxury consumer, all I expect from my luxury items is great design, high quality and long lasting performance. I think as long as I am getting all of that, I am satisfied. Luxury brands must be aware of their consumer wants, and they might have noticed that we do not expect or demand this.

Q- Have you ever thought about the environmental aspects of your luxury purchases?

A- No I have not.

Q- What do you understand by the term 'environmental aspects of luxury items'?

A- No leather use, no animal testing, no fur or mink and replacing all that with PU, synthetics and organic cotton bags.

Q- Do you have any concerns or reservations about the 'clean and green luxury'?

A- If somebody has to think about ethics and environment, then don't buy luxury at all. I don't want any changes in my luxury items.

Q- Have you ever come across green marketing by non-luxury brands?

A- Yes, I have.

Q- Can you name a brand?

A- Body Shop.

Q- Have you used a green product?



A– No I don't think so and if I have, I would have picked it up without knowing about it, but I have never searched for them.

Q– Would you consider buying a luxury item that is environmental friendly?

A– I don't think so.

Q– What is the reason for that?

A– I don't think it will have the high quality. I want my bags with crocodile skin, python skin or calfskin, as it signifies quality and beauty. I will not use things made out of cloth, PU or plant materials.

Q– Do you believe that green marketing can increase the sales of the luxury products?

A– No.

Q– Do you feel that green marketing is suitable for luxury brands?

A– Luxury brands can try it, but I don't think it will increase the sales or attract people. As people who want luxury, don't really care about all this. If someone wants green products or ethical luxury, they should not buy luxury items at all.

## **B: Interview 2**

Interview with respondent: AbF

Gender: Female

Age: 31

Profession: Student

Income: above £ 60,000 per annum

Q– Do you buy luxury items?

A– Yes, all the time.

Q– How often do you buy luxury items?

A– There is no strict rule, depends on what I feel like buying, but at least once every month.

Q– What triggers your luxury purchase?

A– If I see a new fashion trend on the runway or magazine, I want to own it before it becomes common and mainstream.

Q– What luxury items do you normally purchase?

A– I buy clothes, handbags, shoes and accessories.

Q– Which luxury brands do you like?

A– I like Fendi and Gucci.

Q– What do you like about your favourite luxury brands?

A– The quality of Fendi is great, the designs are sophisticated and subtle, they look elegant. Gucci is my second favourite, it is a comfortable, not very expensive brand, which can be used daily with peace of mind, that it will not break.

Q– Why do you buy luxury brands?

A– Quality is very important for me, and this is the reason for not buying non-luxury brands. You can imitate the design, colour and logo, but you cannot reproduce the same quality. The quality differentiates products from each other, even without looking at the logo, I can touch and tell if it is a luxury brand is a fake replica. So I trust the quality and I know that it will perform well.

Q– How do you choose your non-luxury brands while shopping for routine purchases?

A– I look for the cheaper options, I go to Asda and do my grocery shopping there, however, I only go for fine dining in luxury restaurants.

Q– Do you want something more from the luxury brands?

A– I want more classic designs, which are timeless and do not go out of fashion quickly. As I am investing so much money in the luxury items, I

cannot just throw them away if they go out of fashion. I also want luxury brands to stop the counterfeiters, as it damages the exclusivity.

Q– What do you feel is the competitive advantage of the luxury brands?

A– I think it is the history, story and the positive image they have established by giving us the classic pieces as well as the introduction of new trends every season. Over the years, these brands have made an important and valuable perception in our minds, their brand personalities are so real. You can imagine Chanel having a classy, sophisticated and snobby personality. However if their qualities will get affected, so will be our trust in them.

Q– Which non-luxury brands do you like?

A– I like Zara, they make stylish and sophisticated clothes.

Q– Have you heard about green/ ethical/ or sustainable marketing?

A– I am not sure about this.

Q– What do you understand by this term?

A– I do understand that it is some kind of marketing.

Q– Have you ever come across green/ ethical or sustainable marketing by luxury brands?

A– I have never heard or thought about any CSR campaign, environment friendly designs or collection or anybody in luxury stores asking me to donate or let go of the luxurious packaging for saving some trees or recycle anything. I don't think any luxury brand does it, otherwise I would have noticed.

Q– What do you think can be the reason for the luxury brands for not pursuing green marketing?

A– They might not be able to deliver the same quality, designs and functionality with the green products, so that is why they stayed away from disappointing their customers with inferior products.

The other reason can be the lack of interest of luxury consumers in green marketing, and why should luxury brands bother about all this, if the consumers are not interested.

Q- Have you ever thought about the environmental aspects of your luxury purchases?

A- Not really, it never occurred to me.

Q- What do you understand by the term 'environmental aspects of luxury items'?

A- That how much pollution is caused while the production of the luxury items.

Q- Do you have any concerns or reservations about the 'clean and green luxury'?

A- No.

Q- Have you ever come across green marketing by non-luxury brands?

A- Yes, I have.

Q- Can you name a brand?

A- Body Shop and Lush. Lush is actually very good, it is against animal testing, recycling the packaging, no use of plastic bags and no harsh chemicals in their products.

Q- Have you used a green product?

A- Yes I buy Lush products all the time, but the reason is not green marketing. The reason for using Lush is the high quality and it suits my skin.

Q- Would you consider buying a luxury item that is environmental friendly?

A- I base my decisions on the benefits I get from luxury, green marketing is not for luxury. I think that green marketing can be good for the brand image but not when it comes to decision-making.

Q- What is the reason for that?

A– I will not be able to trust my luxury products, at the back of my mind I will keep doubting them. As I am not an environmentalist, I cannot base my luxury decisions on the environmental criteria.

Q– Do you believe that green marketing can increase the sales of the luxury products?

A– No I don't think so. The luxury brands have loyal clientele as well as people who dream about them, save money over the years to buy a Chanel bag. These brands already have too much power and sales.

Q– Do you feel that green marketing is suitable for luxury brands?

A– I don't think that green marketing is suitable for luxury brands, they can do it for the sake of doing good, but I don't think we as consumers want anything green in our luxury items, we might like that in food, but not in our luxury items.

## C: Ethics committee approval



**Date: 6<sup>th</sup> March 2015**

Dear Laila,

<b>Student Name:</b>	Laila Husain
<b>Student ID Number</b>	1249750
<b>Project Title:</b>	Green Marketing and Luxury Brands: An Exploratory Study on Consumers of High End Branded Items
<b>Project/Dissertation Module Code:</b>	MK7227
<b>Supervisor Name:</b>	Ayantunji Gbadamosi

I am writing to confirm the outcome of your application to the University Research Ethics Committee (UREC), which was considered at the meeting on **Friday 27<sup>th</sup> February 2015**.

The decision made by members of the Committee is **Approved**. The Committee's response is based on the protocol described in the application form and supporting documentation. Your study has received ethical approval from the date of this letter.

Should any significant adverse events or considerable changes occur in connection with this research project that may consequently alter relevant ethical considerations, this must be reported immediately to SREC. Subsequent to such changes a revised research ethics application form should be completed and submitted to SREC.

### Approved Research Site

I am pleased to confirm that the approval of the proposed research applies to the following research site.

<b>Research Site</b>	<b>Student Name/Local Collaborator</b>
University of East London	Laila Husain

**Approved Documents**

The final list of documents reviewed and approved by the Committee is as follows:

<b>Document</b>	<b>Tick where included</b>
SREC Application Form	✓
Participant Information Sheet	✓
Consent Form	✓
Questionnaire/Interview guide	✓
Letter of Consent (Organisation or Company)	

Approval is given on the understanding that the [UEL Code of Good Practice in Research](#) is adhered to.

**Please ensure you retain this letter for your records.**

With the Committee's best wishes for the success of this project.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'R. Bianchi', written over a horizontal line.

**Dr Raoul Bianchi**  
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