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Master Thesis

What motivates people to purchase sustainable luxurious products rather than more luxurious non-green products?

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To my supervisor, that has sustained me till the end of this project.

To my family, that has always supported me throughout this wonderful and arduous journey.

To my friends that have always been with me besides the distance.

To myself, hoping that this is just one of the many successes that I will achieve in my life.

Abstract

This Master thesis aims to analyze what motivate consumers to purchase sustainable luxurious products rather than more-luxurious non-green products. In order to do so, the degree of liking of luxury and the sensitivity to sustainability have been considered as variables that could affect consumers' behavior.

An online survey has been developed to answer the research question. Participants were questioned about their preference towards different product's categories, and manipulated with two between-subjects motive conditions.

The results obtained do not validate the hypotheses, and thus cannot be considered as useful materials to extend the already existing theoretical frameworks. However, they may be used as an element of reflection for future research and can be useful for those companies operating in the luxury sector in terms of avoiding certain processes developed in the study.

Finally, the current social and economic situation that the entire world is facing may have been a major distraction for the participants involved in the study, that may have not facilitated the realization of the study.

Keywords: Luxury, Sustainability, Consumer Behavior, Purchase Intention, Status Competition, Environmental Conservation, Marketing.

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Introduction

Nowadays, sustainable development is one of the dominant themes in current society. Currently, people are concerned about environmental issues, and they are adapting their behaviors to the world's development needs. Companies understood that investing in those practices that are fundamental for the preservation of the environment and its eco-system may lead to an increase of the brand reputation, and recognition in the market. Education and information have shifted the way how individuals think and behave, giving more emphasis to the sustainable actions that everyone can do to better off the planet.

Brands are moving in parallel with the cultural change, investing in sustainable practices and initiatives in order to satisfy the new needs and wants of the more environmental consumers. This also involves luxury brands, which are committing themselves to convince the world that green and gold is possible. While in the past luxury and sustainability were considered two sides of a coin, nowadays they can co-exist and even converge. Consumers' purchase intentions, partly motivated by the mindset shift mentioned above, and the new trends of the actual society, are then motivating luxury brands to be part of new sustainable initiatives and development.

Given these considerations, knowing consumers' purchase intentions is essential to develop the right strategy to address them in the correct way. Luxury brands' managers should understand which are customers' expectations, motivations, behaviors, and how to handle them. Having that said, this Master Thesis aims to discover the reasons behind the sustainable luxurious products purchases, and consequently the corresponding trade-offs that consumers are willing to do when choosing a sustainable luxurious product rather than a non-green luxurious product, and vice versa.

Therefore, this study strives to answer one main research question, namely "What motivates people to purchase sustainable luxurious products rather than more luxurious non-green products?", considering the sensitivity to sustainability, and the degree of liking of luxury as moderators.

In order to answer the question, a specific structure will be followed. In the first section, I will examine the concept of luxury and its facets, and provide a full description of its characteristics, together with an overview of consumers' consumption behavior, an analysis of the luxury market, of the atypical luxury

business model, and finally an outline of the new luxury consumers. In the second chapter I will discuss the concept of sustainability and its dimensions, jointly with an analysis of consumers' perceptions towards it. In the third chapter, I attempt to answer one of the most frequent question about these two concepts, "Is luxury compatible with sustainability?". In the fourth chapter, I will develop my hypotheses that are going to be tested in the following sections. Moreover, in the fifth chapter, I explain the methodology and data collection will be provided, and in the subsequent section I report the pre-test and the analysis of the results. Finally, in the last chapter, the main conclusions and suggestions for future research.

1. Luxury and consumers' behavior

1.1. Luxury and the dimension of Rarity

Researchers have been trying to provide several definitions of luxury, remaining consistent across disciplines and ages. Unfortunately, there is not a widely-accepted definition of what constitutes a luxury brand (Ko, Costello, and Taylor, 2019), since luxury is a relative concept (Mortelmans, 2005) and consequently prior research is characterized by "…a lack of clarity regarding a definition, operationalization, and a measurement of brand luxury" (Miller and Mills, 2012). Thus, the notion and the measurement of luxury can be highly subjective, even though luxury is not an inherently subjective construct (Godey et al., 2012). Also, despite some attributes that can contribute to elevate a product in such a way as to make it a luxurious product (e.g. premium pricing or superior quality), is the consumer's perception that plays the major role in the evaluation of the product as such.

According to Ko, Costello, and Taylor (2019), a luxury brand is a branded product or service that consumers perceive to be high quality; offer authentic value via desired benefits, whether functional or emotional; have a prestigious image within the market built on qualities such as artisanship, craftsmanship, or service quality; be worthy of commanding a premium price; and be capable of inspiring a deep connection, or resonance, with the consumer. A strong definition of a luxury brand should be operationalized in a way that the concepts it contains can be measured (Ko et al., 2019). There are three often used scales: Kapferer (1998), Dubois, Laurent, and Czellar (2001), and Vigneron and Johnson (2004). De Barnier et al (2012) have proposed a hybrid scale that combines eight of the dimensions

presented in the original scales: elitism, distinction and status, rarity, reputation, creativity, power of the brand, hedonism, and refinement. Each measure is essential to differentiate luxury from fashion goods, premium products, and ultra-premium products (Kapferer and Bastien, 2012).

The concept of rarity is one of the key dimensions of luxury, and it embodies different shades of the same color. Romanee Conti vineyards limits its production to a few thousands bottles of wine per year, as does Patek Philippe with its watches collection, or Ferrari with its car production. These are examples of the myth of luxury as a rarity business (Kapferer, 2012). Rarity creates a feeling of uniqueness and exclusivity, lying in the consumers' perception of the product, and enabling them to differentiate through its consumption. That is why luxury in the past was the consequence of social stratification, while now it creates social stratification in countries in which it did not previously exist (Kapferer and Bastien, 2009). Luxury goods have always been linked to an objective or physical rarity/scarcity. However, the perception of it has been evolving throughout the years to a more modern concept that enacts a qualitative rarity and can also be associated with a virtual rarity. Kapferer (2012) tried to provide a clear distinction of the three types of rarity that can be observed in the luxury products.

Objective rarity is related to the availability of the raw materials or other elements, directly connected with limited production; it is based on the scarcity effect, which consequently drives desire among consumers, and that may arise from a lack of supply or a surplus of demand (Kapferer, 2012). Scarcity tends to dissatisfy shareholders, as they do not perceive it as an advantage for the industry, because it does not allow the fast growth. Moreover, sustainable luxury may struggle in creating a feeling of desire, once its elements may be considered less prestigious than a classical luxurious product. For instance, Stella McCartney, based on her conviction as a vegan, refuses to use leather in her fashion brand products (Kapferer, 2012). Therefore, her craftsmen make use of alternative materials, even those that are commonly perceived as less luxurious. This is a typical premium for a fashion brand, but it lacks the dream factor attached to luxury (Kapferer, 2012).

Qualitative rarity embodies a level of over-quality that runs contrary to all the trends of modern industrialized production processes and defies all laws of value analysis (Kapferer, 2012). It can be established through the production process when handwork is needed, and through non-delocalization policies, that permit to

maintain the culture and the historical reference embedded in the product (Kapferer, 2012). A precious red ribbon on each Chloé fragrance bottle or the uniqueness of the seal on each Royal Salute bottle of whisky represent few examples of this concept.

Finally, virtual rarity is directly connected with the feeling of exclusivity and privilege (Groth and McDaniel, 1993). It can be achieved through limited editions, that increase desirability via "ephemeral rarity", selective distribution, and communication (Kapferer, 2012). For instance, Louis Vuitton has always refused to introduce a brand-owned fragrance, because it refuses to sell anywhere but in its own stores (Kapferer, 2012). Regarding communication, Chanel usually advertises its most prestigious product line, rather than the more accessible one, in order to nurture consumers' dreams (Kapferer, 2012). Luxury brands also hire celebrities as brand ambassadors to spread their message, showing that not everyone can attend their social events, but rather only a chosen few able to represent the brand (Kapferer, 2012).

1.2. Luxury consumption behavior

Originally, economists used to believe that consumers' spending decisions occurred in isolation and independently of other actors in the market (Kastanakis and Balabanis, 2012). However, a variety of theories motivates luxury consumption, the majority of which are social in nature. One of the oldest refers to conspicuous consumption (Veblen, 1899), which assumes that *"individuals consume in a highly visible manner to signal wealth to others who then infer status and power"*. This theory has been further developed by Bearden and Etzel (1982), which found out that luxury goods utilized in public are more likely to be conspicuous goods.

However, individual differences play a central role in determining consumer preferences towards luxury consumption. Particularly, relational traits, such as an interdependent self-concept and the susceptibility to normative influence, tend to promote an assimiliation goal (Kastanakis and Balabanis, 2014). Differently, dissociative traits, such as an independent self-concept and the need for uniqueness, drive snob luxury consumption and promote a contrast goal (Kastanakis and Balabanis, 2014). This means that not always consumers display luxury goods to associate with the majority of the luxury consumers, but sometimes they desire to dissociate from them by establishing uniqueness, and acquiring dissociative status.

Mauss (1954) bound conspicuous consumption to gift giving, demonstrating that irrational gift exchanges took place to gain status in an "economy of prestige", and so influencing the signaling theory, which declares that individuals may engage in behaviors that could seem costly for the associated benefits in social prestige (Bliege, Bird, and Smith, 2005).

Another relevant theory refers to social comparison, which has been used in a variety of situations to explain different luxury consumption motivations. Wiedemann, Hennigs, and Siebels (2009) suggested that people may use a luxury brand to conform to social standards, since they tend to adapt to the opinion of their membership groups. Mandel, Petrova, and Cialdini (2006) further developed the idea that social comparison impacts not only one's feeling of self-satisfaction, but also preference for luxury brands. This research shows that comparisons with successful individuals are likely to increase luxury brand preferences only when the depicted success is easy to imagine (Mandel, Petrova, and Cialdini, 2006). When the situation displays a success that is difficult to portrait, it did not increase the desire for luxury brands, but instead it did decrease it for such brands. (Mandel, Petrova, and Cialdini ,2006).

Another motivation may be found in the self-concept theory. It relates to how a person feels about his/herself (Gil, Kwon, Good, and Johnson, 2012), motivating him/her to purchase luxurious products. For instance, Kastanakis and Balabanis (2012), found that consumers with an interdependent self-concept care more about the social function of luxury consumption, while those with an independent self-concept care more about emphasizing hedonic, utilitarian, and self-communication goals. They revived the so-called bandwagon effect, which represents *"the desire of people to purchase a commodity in order to get "into the swim of things"; in order to conform with the people they wish to be associated with; in order to be fashionable or stylish; in order to appear to be "one of the boys"* (Leibenstein, 1950).

Consumer culture theory refers to the fact that consumers use possessions to form and alter their identities in order to fit their projections of who they are and hope to be (Belk, 1988), while value in the possession and consumption is held in the ability to extend one's self (Hung et al., 2011).

Finally, the theory of uniqueness, which suggests that individuals develop the need to differentiate themselves from others when there is too much similarity

in their social environment, making it a potential motivation for luxury compensation (Snyder and Fromkin, 1977). The scarcity effect makes luxury goods a strong category for those attempting to exhibit uniqueness to others (Bian and Forsythe, 2012).

In general, all the aforementioned theories have been influential in the literature, providing rich conceptual perspectives and points for reflection.

1.3. The Luxury market

As Bernard Arnault, founder and CEO of Moët Hennessy Louis Vuitton (LVMH), said, "Luxury is the only sector that can provide luxurious margins" (Kapferer and Tabatoni, 2011). Even in times of financial struggles, the luxury market always seems to react positively, demonstrating that it is the high-end, inconspicuous, and fully priced products that are selling well (Clifford, 2011). Since 2011, the US luxury market grew once again. In fact, in the same year, lots of new acquisitions of luxury companies and brands were managed by investment funds in Asia and Middle East. The investors believed that the sector forecasts for growth were remarkable, especially in those emerging markets such as the BRIC (i.e., Brazil, Russia, India, and China) countries and the CIVETS (i.e., Colombia, Indonesia, Vietnam, Egypt, Turkey, and South Africa). Research financial analysts indicate that luxury market growth is directly correlated with GDP growth because the latter creates a middle class and foster optimism (Kapferer, 2012). Consumers in these markets are more willing to spend money on new available products, especially those that endow status and fulfil self-achievement. Consumers tend to buy local brands or global FMSG brands to satisfy their needs, while luxury foreign brands to spoil themselves (Kapferer, 2012). People in these countries love visiting new luxury malls and shops, claiming their right to luxury. Consequently, luxury brands are now engaging in a very dynamic store-expansion strategy. For instance, Louis Vuitton in 2015 had already 50 stores across 29 cities in China (Fashion Network, 2015). Increasing the brand penetration first boosts the brand recognition and image in that market, but then it could reach a tipping point beyond which the luxury status will dilute (Kapferer, 2012). Luxury brands, in that sense, need to be focus on their main goals without losing their prestige and exclusivity, and trying to maintain their status.

Nowadays, the luxury market is one of the most profitable. Following the analysis of Bain & Company (2018), the global luxury market grew to nearly €1.2 trillion in 2018, up 5% from 2017, in particular regarding personal luxury goods, at-home and out-of-home luxury experiences, and luxury toys. After a brief pause in 2016, the personal luxury goods market returned to a stable growth, and Europe remained the top region for luxury sales (Bain & Company, 2018). Chinese consumers accounted for 33% of global luxury purchases, and since 2015 luxury spending in China has grown twice as fast as spending by Chinese consumers abroad (Bain & Company, 2018). Despite the growth of owned retail, wholesale remained the dominant channel for luxury goods, while online luxury reached 10% of the total market (Bain & Company, 2018). Finally, the second-hand market for personal luxury goods has grown 9% per year since 2015 (Bain & Company, 2018).

Considering the market trends ahead, Bain & Company (2018) forecasted that the global personal luxury goods market should grow from 3% to 5% per year through 2025, with a particular focus on the growth driven by China and Chinese consumers. By 2025, they will account for 46% of the global market (up from 33% in 2018), making the majority of their purchases in China, up from 24% in 2017 (Bain & Company, 2018). Furthermore, luxury consumers will purchase more and more online, with sales reaching a 25% penetration by 2025, up from 10% in 2018 (Bain & Company, 2018). Finally, luxury consumers are getting younger and more diverse. In particular, Generation Y and Z will constitute 55% of the global luxury goods market by 2025, offsetting the decline in sales among older consumers (Bain & Company, 2018). Profitability will stabilize around 20% in the coming years (Bain & Company, 2018).

1.4. The new luxury consumer

A major drive behind the growth and the expansion of the luxury market is the emergence of new luxury consumers. These people start purchasing luxury at a younger age compared to their parents, and they represent the social evolution of the old luxury consumer (Giovannini, Yingjiao, and Jane, 2015).

As mentioned before, Generation Y and Z will constitute the majority of the global personal luxury goods market in 2025 (Bain & Company, 2018). Consequently, marketers started to focus more on these younger generations, adapting their product offerings, communication and engagement strategies, and

distribution channels according to their needs and wants. Despite their young age, these consumers are highly brand conscious (Fernandez, 2009), and are willing to "trade up to higher levels of quality and taste" by purchasing luxurious products. They also exhibit high levels of materialism, brand-signaling importance (Loroz and Helgeson, 2013), and status consumption (Eastman and Liu, 2012). They tend to have a high level of self-esteem (Logan, 2008), however they do not seem to be as brand loyal as the older consumers.

Based on these traits, Giovannini, Yingjiao, and Jane, developed a study that shows how younger consumers entered the luxury market because of the emergence of a "new category" of luxurious products. In fact, these "possess higher levels of quality, taste, and aspiration that other goods in the category, but are not so expensive as to be out of reach" (Silverstein and Fiske, 2008). For instance, fragrances or sunglasses branded Gucci, or Chanel, present lower prices than the classic luxurious product, and so they attract younger aspirational consumers. Brands such as the ones mentioned above, make luxury more affordable and accessible, increasing the number of clients willing to pay to access the brand, and so initiate them to the brand universe.

Accordingly, marketers should change the way they interact with them. This study shows that displaying affluence and heritage may not be the most effective way to advertise luxury for the younger generations. In order to successfully target these new luxury consumers, brands should understand even better their personality traits and consumption behaviors. They should build brand awareness, prestige, and exclusivity in a way that allures the younger generation of consumers.

In this chapter, a definition of the luxury concept, a deeper analysis of luxury consumption behavior, and an overview of the luxury market and its new consumers have been discussed in order to have more information that will help to answer the main research question. Particularly, the luxury consumption behavior will be key in the analysis of the motives that lead consumers to purchase sustainable luxurious products rather than more luxurious non-green products.

2. Sustainable development and consumers' perception

2.1. Definition of the sustainability concept

After the analysis of the luxury concept and all its facets, it is time to look at the other face of the coin. Sustainability can be viewed as "meeting the needs of the present without compromising the ability of future generations to meet their own needs" (Brundtland Report, 1987). This definition focuses on the importance of the conservation of nature while consuming (Strong, 1997), and challenges the practices of companies and brands, from their supply chain to consumers' retail experience (Kapferer and Michaut, 2014). Nowadays, all industries feel the necessity to be involved in the sustainable development, preserving raw materials, avoiding pollution, and guarantying safe manufacturing of their products.

This concept has been further analyzed by considering three dimensions, which have been so-called "the triple bottom line": economy, environment, and society (Elkington, 1994, 2000).

According to Elkington (2000), the main characteristics of the economic bottom line on the organizational level comprise the value of the organization in terms of its financial (cost reduction), physical, human, and intellectual capital. With the persistent economic crises, consumers and society are deeply involved into the economic sustainability due to insecurity, financial risks, and job losses. The environmental bottom line refers to natural capital, which can be divided into critical natural capital, and renewable, replaceable, or substitutable capital. This dimension concerns all the environmental issues that affect the current society, including the global climate change.

Finally, the social bottom includes the human capital in terms of public health, skills, and education, but also the health of society in general. The social dimension concerns the well-being of individuals and communities as a noneconomic form of wealth. While this dimension shows the tension between the interests of business and society, a meeting of interests can be achieved when firms follow the sustainable development, meaning that responding from a micro perspective would certainly benefit the macro-level.

All these dimensions provide a better understanding of all the sustainability facets, showing how business practices can concretely impact each of them, and so

inspiring managers, stakeholders, and academics, to sustain this discussion with key theories and different perspectives.

2.2. Sustainable consumption behavior

The sustainability of economics and society not only relies upon the sustainability of the production processes, but also upon the sustainability of the consumption processes (Dong et al, 2018). Therefore, consumers have a crucial role in driving toward sustainable production and development (Fien and Tilbury, 2002).

Sustainable consumption can be defined as *"the purchase and use of products with lower environmental impacts, such as eco-friendly products, with recycled or reduced packaging and low energy use"* (Gordon et al., 2011, Muster, 2012). Consequently, a change in mentality occurs, since people need to understand that extending the usage of a product, and reducing the frequency of purchase, rather than promoting shared use, can only bring benefit to society (Jackson, 2008).

Sustainable consumption was first introduced by the Oslo Symposium, a Norwegian Christian conservative conference that points out several issues, such as meeting people needs, improving the quality of life and resource efficiency, and minimizing waste. Even though there are lots of definitions of sustainable development, some studies refer to *"general consumer behavior in everyday life related to purchase, reuse, and recycling"* (Dong et al., 2018). This "general" behavior can be further analyzed into four dimensions: environmental sustainability behavior, unneeded consumption, savings, and reusability (Bulut et al., 2017), meaning that sustainable consumption behavior includes green purchasing behavior, and reuse and recycling behaviors.

In the past, there has been several studies that pointed out some influential factors leading to sustainable consumption behaviors. For instance, Cornelissen Pandelaere, Warlop, and Dewitte (2008) found that the cueing of common ecological behaviors leads individuals to opt for environmentally-friendly products with greater frequency. Particularly, they demonstrated that those who are cued with commonly performed environmental behaviors tend to look actively for ways to adjust their behaviors in order to minimize their environmental impact (Cornelissen et al., 2008). Thus, positive cueing increases the perceived "diagnosticity" of common environmental behaviors in inferring an actor's environmental attitudes, and vice versa for uncommon environmental behaviors

(Cornelissen et al., 2008). This means that cueing people with common environmental behaviors influences their pro-environmental self-perception in a stronger way than cueing with uncommon environmental behaviors (Cornelissen et al., 2008).

Moreover, Lee, Levy, and Yap (2015) demonstrated that environmental attitude and sustainable consumption behavior are enhanced by the so-called consumption values (i.e., functional values, social values, emotional values, and epistemic values) through place identity. The theory of consumption values supposes that choice is influenced by multiple, independent consumption values, which contribute each one in a different way depending on the choice situation (Lee, Levy, and Yap, 2015). These values derive *"from the individuals' experience and interaction with the product or service and determine the strength and direction of the relationship between the consumer and the product"* (Woodall, 2003). However, value of consumption experience is not sufficient to motivate sustainable consumption behavior. Lee, Levy, and Yap (2015) argued that motivation to protect rather than excessively consume relies on the development of place identity, namely the individual's sense of self in a physical environment. Studies demonstrated how people with a strong sense of place identity are more willing to preserve the environment (Uzzel, Pol, and Badenas, 2002).

Overall, studies show that psychological needs (i.e., need for autonomy, need for affiliation, and need for control) influence consumers' material possession love, which consequently affects sustainable consumption behavior towards durable products (Dong et al, 2018). Accordingly, it is highly important to understand consumers' emotional demands of durable products as explained by the theory of self-determination. For instance, individuals aim to achieve the fulfillment of their autonomy needs, expressing themselves by owning a specific durable product.

All these key theories and studies point out different perspectives regarding sustainable consumption behavior, showing that psychological needs are the main drivers that affect this process.

2.3. Luxury commitment to Sustainable practices

As mentioned before, sustainability has become one of the main themes in current society. All industries are trying to focus on sustainable practices, some more than

others. Even though other sectors may be more relevant to the cause of sustainability, the luxury brands have often been criticized from a sustainability perspective, and therefore they need to maintain intact their reputations. They are in the spotlight, even receiving global attention from sustainable development activists and watch groups (e.g., Greenpeace) (Kapferer and Michaut, 2014). In particular, the main criticism refers to hidden parts of the supply chain, such as raw material sourcing (e.g. checking the source of all animal skins, gold, and gemstones), animal treatments (e.g. the anti-foie gras lobby, the abuse of crocodiles' skin, and the illegal seals hunting), human work conditions (e.g. gold extraction), manufacturing methods polluting the local environment (e.g. mercury for tanning skins), or destruction of the environment (e.g. endangered tree species used in the luxury business, and the abuse of rare water resources by luxury golf clubs and hotels in poor countries) (Kapferer and Michaut, 2014). Another issue of sustainability concerns the economic and social equilibrium, or its lack. Therefore, luxury brands should take into account the reputational risks, especially considering modern communication techniques, that allow activists and consumers to spread news rapidly and widely (Kapferer and Michaut, 2014). Also, the new luxury consumer is more environmentally responsible, and pretends that luxury brands would take sustainable development into consideration.

In the recent years, many initiatives have been introduced in order to promote these practices. For instance, Gucci Group, Tiffany & Co, Mulberry Group, Cartier, Burberry Ltd, and LVMH, are all founding member of the sustainable luxury working group, a global nonprofit organization that aims to develop sustainable business strategies and solutions through consulting, research, and cross-sector collaboration (BSR, 2019). Another peculiar action was carried out by the famous Italian chef Massimo Bottura, owner of the multi-awarded Osteria Francescana, in Modena. Together with his wife, he founded the Food for Soul foundation in 2016, creating several spaces where people in situation of "social vulnerability" could feel welcome and have a warm meal along with the local community.

These were only few examples of how luxury brands are trying to adapt with the sustainable development trend of the current society. Overall, they discovered the necessity to change the internal mindset of the organization,

adapting to the new customers' expectations, and to the requirements of the market, in order to have an immediate benefit in terms of brand image and reputation.

3. "Is luxury compatible with sustainability?"

Nowadays, the sustainable development plays a key role in all business decisions, including the luxury sector. In the recent years, many researchers have been trying to address one main question: *"Is luxury compatible with sustainability?"*.

According to Kapferer and Michaut (2014), sustainable development is highly correlated with the reputational risk that concerns luxury brands, due to their visibility and commitment to quality. Furthermore, *"there is an increasing tendency to support the idea that sustainability can create value"* (Kapferer and Michaut, 2015).

Although in the past these two concepts might be perceived as completely unrelated or even in opposition, currently they can co-exist and even converge. Particularly, the features of durability and rarity represent a touchpoint between luxury and sustainability. Durability impacts the environment, since its long life reduces waste of natural resources, helping them to preserve through time. Also, luxury is related with the concept of objective rarity (Kapferer, 2012), namely the availability of scares raw materials besides rare craftsmanship. Therefore, its value relies upon the uniqueness of natural resources and thus on environmental sustainability.

However, luxury and sustainability present potential elements of contradiction such as ostentation, pleasure, and superficiality opposed to the social harmony, the altruism, and the moderation of sustainable development (Kapferer and Michaut, 2015).

Moving on to the customers' perspective, studies demonstrated that although a minority of consumers really care about sustainability when coming to the purchase decision, the expectations are very high with respect to the sustainable orientation of luxury brands. *"Sustainability has become an implicit need without having previously been an expressed one"* (Berger et al., 1993). In general, Kapferer and Michaut (2014), identified three types of luxury buyers, according to their perceptions of the contradiction between luxury and sustainability: those that do recognize the contradiction, those that do not, and those who do not have an opinion about it.

The motives behind the contradiction have been identified in the consumers' perception of luxury as superficial, and of luxury as the cause of the social unrest, which consequently feeds inequality (Kapferer and Michaut, 2014).

Overall, although luxury consumers' interest in sustainable development when purchasing luxurious products has revealed to be small, luxury brands should still consider investing in the sustainable development, taking into account the raise of the new luxury consumers, and the trends of the current society.

3.1. Sensitivity to sustainability

Sensitivity to sustainability issues varies a lot towards the entire population. Nowadays, some people seem to be really concerned about the environmental issues that are affecting our planet, trying to contribute by their own means to limit the excessive consumption and adopting pro environmental behaviors. On the other hand, there are still many individuals that do not care about sustainable development and prefer to ignore the situation around us.

Kapferer and Michaut (2014) measured the so mentioned sensitivity to sustainability using an existing scale developed by a survey organization called BVA for the French National Energy Saving Agency. By comparing their sample of luxury buyers and the national population, they highlighted the individual differences between the two samples, and investigated whether attitude towards sustainability have an influence on their sample population's perception of luxury (Kapferer and Michaut, 2014).

The picture emerging from their study shows a three-part segmentation: luxury buyers that are critical and even guilty, those that do not have an idea, and those that do not consider luxury harmful at all (Kapferer and Michaut, 2014). Overall, the majority of them think that luxury should not be exemplary in terms of sustainable development, because they consider it as far cleaner than many other industries in which sustainability efforts could have a higher and more immediate impact (Kapferer and Michaut, 2014).

Considering the relevance of their study, an extract of their BVA item-scale will be used in this research as a predictor.

3.2. Degree of liking of luxury

Kapferer and Michaut (2014) proceeded their analysis by evaluating the degree of liking of luxury towards their sample representative. In order to do so, they used another item based scale and then highlighted the individual differences.

Particularly, they measured several items related to the perception of luxury, the perception of the contradiction between luxury and sustainability, and potential drivers. Finally, they later develop a factor analysis to extract the dependent and explanatory variables (Kapferer and Michaut, 2014).

According to their results, the participants exhibited a high level of love for luxury and share a feeling that luxury corresponds to a superficial way of life.

Since the purpose of this study is different from what they tried to demonstrate, only part of their scales will be used to predict the results.

4. Hypotheses development

Previous literature has demonstrated that consumers' sensitivity to sustainability varies according to several circumstances (Kapferer and Michaut, 2014). Those that are more sensitive to sustainability has proved to be more disenchanted with mindless consumption and its impact on society (Kozinets and Handleman, 2004). Consequently, they constantly look for the more sustainable alternatives in their consumption, or even decrease it, purchasing only the necessary (Kapferer, and Michaut, 2014). Therefore, these individuals may be more willing to go for the green luxurious product rather than the more luxurious non-green one.

H1: Sensitivity to sustainability affects participants' consumption behavior; in particular:

H1 (a) Participants with a high sensitivity to sustainability will show a higher motivation to purchase sustainable luxurious products rather than more luxurious non-green products; whereas **H1 (b)** those with a low sensitivity to sustainability will show a lower motivation to purchase sustainable luxurious products rather than more luxurious non-green products.

According to Osgood's balance theory (1955), and Heider's congruence theory (1958), people who love luxury should excuse any ethical issues or minimize them,

in order to maintain a cognitive balance. Therefore, these individuals may be less willing to go for the sustainable luxurious product.

H2: The degree of liking of luxury affects participants' consumption behavior; in particular:

H2 (a) Participants with a high degree of liking of luxury will show a lower motivation to purchase sustainable luxurious products rather than more luxurious non-green products; whereas **H2 (b)** those with a low degree of liking of luxury will show a higher motivation to purchase sustainable luxurious products rather than more luxurious non-green products.

A traditional perspective suggests that status motivates people to choose the more luxurious product (Godoy et al., 2007). However, previous research does not consider the situation in which consumers may choose the prosocial green product alternative (Griskevicius, Tybur, and Van den Bergh, 2010). Choosing the more luxurious non-green product may suggest that the buyer is selfish and uncaring about the environment. Therefore, costly signaling theory suggests that status motivates people to value self-sacrifice and choose the less-luxurious sustainable product (Griskevicius, Tybur, and Van den Bergh, 2010). Here, status is intended as achieved through prestige, namely gained through conferred deference (Henrich, and Gil-White, 2001).

H3: Status motives influence participants' consumption behavior; in particular:

H3 (a) Activating status motives will increase participants' motivation to purchase sustainable luxurious products rather than more luxurious non-green products; whereas **H3 (b)** controlling status will decrease participants' motivation to purchase sustainable luxurious products rather than more luxurious non-green products.

5. Methodology and data collection

Understanding how consumers develop the decision-making process is one of the key aspect in marketing research. Companies need to know their needs and wants in order to adapt their product/service offering accordingly. The current research aims to study the motives behind consumers' decision making process regarding the purchase of sustainable luxurious products rather than merely luxurious

products. In particular, the trade-offs that consumers would be willing to make when shifting from a mere luxurious product to a green luxurious product.

In order to answer the main research question, a predesigned online questionnaire will be proposed. Surveys are used to capture a wide variety of information, such as socio-demographics, attitudes, lifestyles, decisions and actions, and measuring the relationship between desires, preferences, motives, and goals. The main advantages of proposing this methodology are the low cost and higher speed, the direct access, the more accurate results, and the easiness to contact specific target groups. However, some limitations need to be considered, such as the low response rate, the lack of control over the identity of respondents and the miss opportunity to clarify questions.

The study presents two between-subjects motive conditions: status and control. Status motives are elicited by having participants read a short scenario that has already been used in previous research, showing remarkable results (Griskevicius et al., 2009). In the story, people are asked to identify themselves in a post-graduation situation, where the main character is looking for a job, and he decides to go work for a big company that offers the greatest chance of moving up. The scenario describes the first day of work, focusing on the high-status features of the workplace. Respondents learn that they will have the opportunity to moving up by hardworking for the entire duration of the internship. The situation ends as the reader consider advancing in status compared to his or her same-sex peers.

On the other hand, in the control condition, respondents are asked to read a scenario that elicits a similar level of affect as the previous one. Particularly, the situation is about losing a ticket for an imminent concert and searching for it. After the main character finds the ticket, he or she heads off to the concert with a friend (Griskevicius, Cialdini, and Kendrick, 2006).

Finally, a second control condition is presented in the questionnaire. Here, respondents do not have to read any scenario, but they are simply asked to answer the next section based on the emotions that they are feeling in that exact moment. This condition has been introduced to ensure that potential results were not influenced by any driver of the control story.

These conditions are randomized, and are specifically designed to test H3, showing that status motives increase respondents' motivation to purchase the sustainable luxurious product rather than the non-green more luxurious one.

In the next part of the questionnaire, respondents are asked to imagine themselves going to buy two different products: a car, and a dress. These products have been specifically chosen because they are already available in a more sustainable and a conventional version in the actual market, and are currently following the main trends of the moment.

Respondents are solicited to indicate their position on a continuous scale towards the two profiles of the same product category. Specifically, they are asked to imagine that the two profiles are equally priced and manufactured by the same brand. A brief description of each profile is offered together with a fictional image of the product.

For instance, both the cars are manufactured by the fictitious brand Bolton, and have the same price, that is voluntarily not specified in order to not affect respondents' perceptions towards the two profiles. Bolton ED55 Elite comes with a superior performance dimension, disposing of a 335-horsepower turbo engine, and a full equipment with leather seats, and a stereo system. Moreover, the luxury dimension is emphasized through the carbon-fiber interior parts, and the 10" led display.

On the other hand, the Bolton ED70 Eco-trend shows a superior environmental dimension, with an 80 Eco-score, and the use of recycled components. However, this car profile is clearly inferior on the performance dimension, having a 170-horsepower electric engine, and on the luxury dimension, with standard cloth seats, a basic stereo system, and a 6" high-definition display. A full description of the two profiles can be found in the Appendix 5.1.

A similar choice is asked for the other two product profiles. A screening question, concerning the sex of the respondents, is asked before showing the fictional image of the dress, a male's one if the participant is a male, a female's one vice versa. A full description of the two profiles can be found in the Appendix 5.2.

The third block is composed of several statements that measure both the degree of liking of luxury and the sensitivity to sustainability, the two moderators of this study. Particularly, respondents are demanded to indicate whether they agree or not with twelve statements that have already been used in previous research, showing successful results (Kapferer and Michaut, 2014). These assertions are specifically designed to validate H1 and H2, showing that participants with a high sensitivity to sustainability will be more willing to buy the more pro-social product

profile, while those with a high degree of liking of luxury will be more willing to go for the more luxurious non-green product profile.

Furthermore, participants are asked to declare if they have ever purchased a new luxurious product. This question will be used to compare those that are new to this world, to those that at least once bought such a product category.

Finally, respondents are questioned with few demographics such as the age interval, and the occupation.

Surveys allow individuals to answer based on hypothetical situations, therefore almost anyone could fill in the survey and give his/her opinion. However, an optimal sample population would consist in those people that at least once purchased a luxurious product. The study aims to have at least 200 respondents, in order to have a valid sample representative.

6. Pre-Test

Before conducting the study, a pre-test has been sent to a small sample of respondents, in order to validate the motive conditions and the perceptions of the different product profiles.

Therefore, 66 people (39 men, 27 women) were asked to read one of the two motive conditions, and subsequently indicate whether they agreed that the story provoked a "desire for social status" and a "desire for prestige" (Griskevicius, Tybur, et al., 2009). As expected, compared to the control story, the status condition elicited a higher desire for social status (4.46 vs. 1.84 means on a 1-5 scale, where 1 is fully disagree, and 5 is fully agree, sig. <.001), and a higher desire for prestige (4.40 vs. 1.68 means, sig. <.001). The results highlighted the respondents' awareness on the two between subjects' motive conditions, meeting the initial expectations.

Moreover, since I hypothesized that status motives should stimulate people to be more environmentally friendly, and thus purchase the sustainable luxurious product rather than the more luxurious one, I also decided to pretest the product choices. Therefore, the respondents saw either the two sustainable products or the two mere luxury products, and then indicate on a scale from 1 to 5, the extent to which they agreed that the owner of these specific products was altruistic, caring, and nice. As predicted, compared to the mere luxury products, the owner of the two sustainable products has been seen as more altruistic (4.45 vs. 1.82 means,

sig.<.001), more caring (4.18 vs. 1.94, sig. <.001), and nicer (4.24 vs. 2.30, sig. <.001). These results demonstrate that people who own any of the two sustainable products relative to their counterparts, were perceived as more prosocial.

A detailed overview of the pre-test can be seen in the Appendix 6.1.

7. Results

7.1. Sample representativeness

After having analyzed the results given by the Pre-Test, the full survey has been developed on Qualtrics and then launched in the market. As stated before, the study aimed to reach at least 200 respondents, a consistent sample size to validate the three developed hypotheses.

The survey has been opened the 1st of April and subsequently closed the 21st of the same month. During this period, 285 answers were collected, however only 207 of them were fully complete. Therefore, 78 answers have not been considered due to incomplete answers, and missing or outlier values.

The results suggest that 50.7% of the respondents are females and the remaining 49.3% are males, mainly belonging to the age interval 19-34 years old (60.9%), and 51-66 years old (23.7%). Finally, the majority of respondents are either full-time students (30.4%), employed (29.5%), or students and part-time workers (15.5%).

Sex_SUM

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	102	49.3	49.3	49.3
	Female	105	50.7	50.7	100.0
	Total	207	100.0	100.0	

Table 1. Sex demographics

Please, indicate your age interval:

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18 or less	1	.5	.5	.5
	19–34	126	60.9	60.9	61.4
	35–50	14	6.8	6.8	68.1
	51–66	49	23.7	23.7	91.8
	67 or more	17	8.2	8.2	100.0
	Total	207	100.0	100.0	

Table 2. Age Interval

What is your occupation?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Full-time student	63	30.4	30.4	30.4
	Student and part-time worker	32	15.5	15.5	45.9
	Employed	61	29.5	29.5	75.4
	Retired	17	8.2	8.2	83.6
	Other	34	16.4	16.4	100.0
	Total	207	100.0	100.0	

Table 3. Occupation

Finally, the majority of the respondents declared to have purchased at least one brand new luxurious product before (79.2%), while only few of them declared the opposite (20.8%).

Have you ever purchased a brand new luxurious product?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	164	57.5	79.2	79.2
	No	43	15.1	20.8	100.0
	Total	207	72.6	100.0	
Missing	System	78	27.4		
Total		285	100.0		

Table 4. Purchase of a Brand New Luxurious Product

7.2. How does the sensitivity to sustainability affect respondents 'consumption behaviour?

Sensitivity to sustainability is a variable that can affect consumers' behavior in different ways. One of the purposes of this study is to determine if this variable could affect participants' consumption behavior towards a two products' choice. To do so, respondents have been questioned whether they agreed or not with several

statements, linked with both luxury and sustainable issues (Kapferer and Michaut, 2014). All the statements can be found in the Appendix 7.1.

7.2.1. Factor Analysis

In order to combine the variables corresponding to each statement, a Factor Analysis have been run. This technique allows to analyze the structure of the interrelationships among large number of variables, by defining a set of underlying dimensions (factors). All the variables considered for the analysis have been measured on a ratio scale (from 1: I definitely disagree to 5: I definitely agree).

Factor analysis is a trial error technique and this implies several attempts to reach the final output. First, I run a full factor analysis, considering all the twelve statements included in the study. This led to a reduction to three main dimensions.

KMO and Bartlett's Test

Kaiser–Meyer–Olkin Measure of Sampling Adequacy.		.718
Bartlett's Test of Sphericity	Approx. Chi-Square	568.960
	df	66
	Sig.	.000

Table 5. KMO and Barlett's Test Full Factor Analysis

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.155	26.294	26.294	3.155	26.294	26.294
2	1.873	15.612	41.906	1.873	15.612	41.906
3	1.559	12.992	54.897	1.559	12.992	54.897
4	.891	7.422	62.319			
5	.827	6.889	69.208			
6	.702	5.848	75.056			
7	.670	5.586	80.642			
8	.642	5.350	85.992			
9	.546	4.551	90.543			
10	.424	3.536	94.079			
11	.397	3.305	97.384			
12	.314	2.616	100.000			

Extraction Method: Principal Component Analysis.

Table 6. Principal Component Analysis

Secondly, another factor analysis has been run, in order to get the items related to the three factors. Additionally, a scree plot shows the eigenvalues, namely the amount of variance accounted for by a factor, against the number of factors in order of extraction.
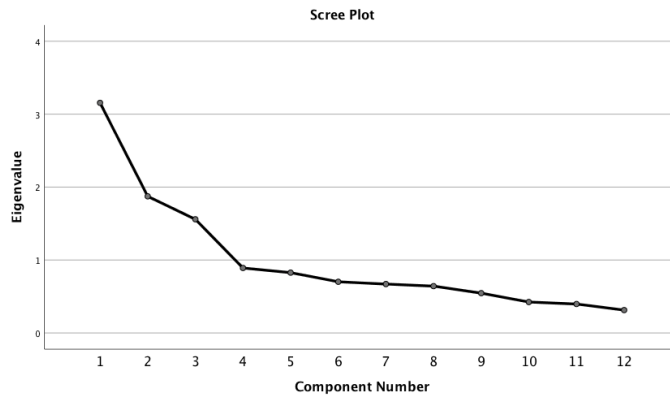
Figure 1. Scree Plot

Finally, I run a third factor analysis with a varimax procedure, an orthogonal method of rotation that minimizes the number of variables with high loadings on a factor, enhancing the interpretability of the factors.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.155	26.294	26.294	3.155	26.294	26.294	3.100	25.829	25.829
2	1.873	15.612	41.906	1.873	15.612	41.906	1.779	14.822	40.652
3	1.559	12.992	54.897	1.559	12.992	54.897	1.709	14.245	54.897
4	.891	7.422	62.319						
5	.827	6.889	69.208						
6	.702	5.848	75.056						
7	.670	5.586	80.642						
8	.642	5.350	85.992						
9	.546	4.551	90.543						
10	.424	3.536	94.079						
11	.397	3.305	97.384						
12	.314	2.616	100.000						

Extraction Method: Principal Component Analysis.

Table 7. Principal Component Analysis with Varimax Rotation

To validate the results, a reliability test has been run. The results highlight that two of the three factors are relevant, showing a Cronbach's alpha $>.7$. One of these two corresponds to the variable that I will call *sensitivity to sustainability*, which consists of the mean of six of the twelve statements presented to the participants. To see the full list of the statements and the reliability test, please look at the Appendix 7.2.

7.2.2. Spotlight Analysis

After having reduced the dimensions to two factors, it is time to analyze if sensitivity to sustainability affected or not respondents' consumption behavior towards the two products choice. To do so, I developed a spotlight analysis, namely

a technique that allows to compare the mean satisfaction score of two groups at specific values of the continuous covariate (Spiller, Fitzimons, Lynch, and McClelland, 2012). This analysis has been run considering the sensitivity to sustainability as the moderator, thus the dimension has been transformed into a categorical variable. Furthermore, I followed a median split method and considered the moderator on the low-high levels, considering the observations above the median as the high level, and the observations below the median as the low level.

Figure 4. represents the grouped scatter plot of the degree of liking of luxury factor (independent variable) against the car choice (dependent variable), considering the sensitivity to sustainability as the moderator on a high-low level. From the plot, it is clear that there is not a predictable pattern, namely the two variables are not correlated. As one can see from the Table 7., the Pearson coefficients are very low and the corresponding p-values are not significant both on the low and the high levels (p-value low: .051, p-value high: .281). Furthermore, the R^2 is too small on both levels (R^2 low: .041, R^2 high: .010), meaning that the model does not explain in a good way the variance of the dependent variable.
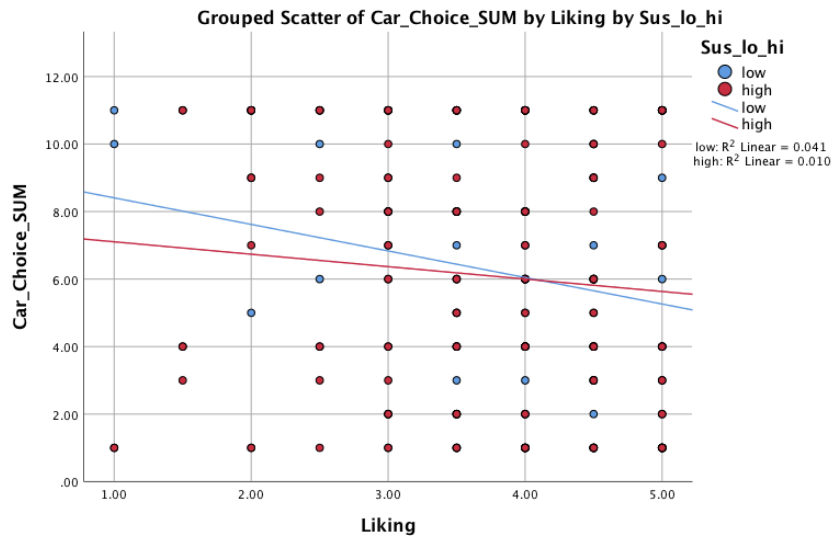
Grouped Scatter of Car_Choice_SUM by Liking by Sus_lo_hi

Figure 2. Scatter Plot of Car Choice by Degree of Liking of Luxury, using Sensitivity to Sustainability as the Moderator

Correlations

Sus_lo_hi				Liking	Car_Choice_S UM
low	Liking	Pearson Correlation		1	-.202
		Sig. (2-tailed)			.051
		N		94	94
	Car_Choice_SUM	Pearson Correlation		-.202	1
		Sig. (2-tailed)		.051	
		N		94	94
high	Liking	Pearson Correlation		1	-.102
		Sig. (2-tailed)			.281
		N		113	113
	Car_Choice_SUM	Pearson Correlation		-.102	1
		Sig. (2-tailed)		.281	
		N		113	113

Table 8. Correlations between Car Choice and Degree of Liking of Luxury

Figure 3. shows instead the scatter plot of the degree of liking of luxury (independent variable) against the male/female dress choice (dependent variable), using the sensitivity to sustainability as the moderator. Here, the variable M_F_Sum has been recoded by summing the male and female choices into only one variable. The plot does not point out a predictable pattern as well. Moreover, the Pearson correlation coefficients are clearly small and the associated p-values are not significant (p-value low: .499, p-value high: .464). Again, the R^2 is too small to

explain a sufficient portion of the variance of the dependent variable (R^2 low: .007, R^2 high: .006).

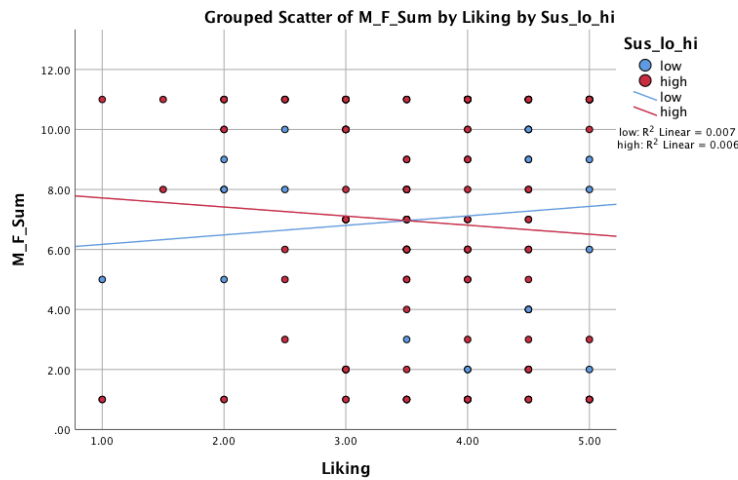Figure 3. Scatter Plot of Male/Female Dress Choice by Degree of Liking of Luxury, using Sensitivity to Sustainability as the Moderator

Correlations

Sus_lo_hi			Liking	M_F_Sum
low	Liking	Pearson Correlation	1	.084
		Sig. (2-tailed)		.499
		N	94	67
	M_F_Sum	Pearson Correlation	.084	1
		Sig. (2-tailed)	.499	
		N	67	67
high	Liking	Pearson Correlation	1	-.080
		Sig. (2-tailed)		.464
		N	113	86
	M_F_Sum	Pearson Correlation	-.080	1
		Sig. (2-tailed)	.464	
		N	86	86

Table 9. Correlations between Male/Female Dress Choice and Degree of Liking of Luxury

7.2.3. Implications

Kapferer and Michaut (2014) demonstrated how consumers' sensitivity to sustainability varies according to different circumstances, and people who are very environment caring may look for the more sustainable alternatives in their consumption. Therefore, they limit their purchase to what is strictly necessary,

becoming more willing to buy long-term green luxurious products rather than more luxurious ones.

From the results obtained, I cannot validate **H1**, because the analysis does not show statistically significant results. Accordingly, I cannot accept the statement hypothesized that sensitivity to sustainability affects participants' consumption behavior. Moreover, I should reject that participants with a high sensitivity to sustainability will show a higher motivation to purchase sustainable luxurious products rather than more luxurious non-green products, and vice versa for those with a low sensitivity to sustainability.

Several factors may have influenced these results. Considering the current situation, respondents may have been manipulated by the Covid-19 spread, and all the implications connected to this. Due to this outbreak, people might be disconnected to the reality, distracted, or overthinking. Also, those respondents that had to answer to the inverted preference scales for each product choice, may have been careless about it. Moreover, looking at the duration in seconds that participants took to fill in the survey, it is evident that many of them dedicated a very small amount of time to its completion, probably skipping or not carefully reading the scenario they were presented with.

7.3. How does the degree of liking of luxury affect respondents 'consumption behavior?

The degree of liking of luxury is a variable that can affect consumers' behavior in different ways. Another purpose of this study is to establish if this variable could affect respondents' consumption behavior towards a two products' choice. The same procedure to validate H1 has been followed to assess this question.

7.3.1. Factor Analysis

As stated in paragraph 7.2.1., a factor analysis has been run in order to reduce the twelve statements into three factors. After three dimension reductions, the variable degree of liking of luxury has been obtained through the mean computation of two of the twelve statements presented to the respondents.

In particular, "I love luxury brands" and "I appreciate the extreme quality of luxury goods" are the two items included into the so-called degree of liking of luxury. The reliability test shows a Cronbach's alpha of .726, meaning that these dimensions are measuring the same thing, and so are relevant for the study purpose.

Reliability Statistics

Cronbach's Alpha	N of Items
.726	2

Table 10. Reliability Test

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Please, indicate whether you agree or not with the following statements, being 1 = I definitely disagree, and 5 = I definitely agree: – I love luxury brands	3.93	1.155	.571	.
Please, indicate whether you agree or not with the following statements, being 1 = I definitely disagree, and 5 = I definitely agree: – I appreciate the extreme quality of luxury goods	3.52	1.348	.571	.

Table 11. Item-Total Statistics

7.3.2. Spotlight Analysis

After the extraction of the degree of liking of luxury variable, I developed a second spotlight analysis, considering this time the just mentioned variable as the moderator. Similarly, the variable has been recoded into a categorical one, and then split in two levels; high degree of liking of luxury to those who show a value above the median in the factor associated, and low degree of liking of luxury to those who show a value below the median.

Figure 4. represents the grouped scatter plot of the sensitivity to sustainability factor (independent variable) against the car choice (dependent variable), considering the degree of liking of luxury as a moderator on a high-low level. In this case, we still do not see a clear predictable pattern and the statistics do not show significant results. Particularly, Table 11. shows very low Pearson correlations, meaning that there is no linear relationship between the variables. Furthermore, the p-values for both the low and high levels are not significant (p-value low: .842, p-value high: .243). Finally the R^2 is at the minimum in both circumstances.
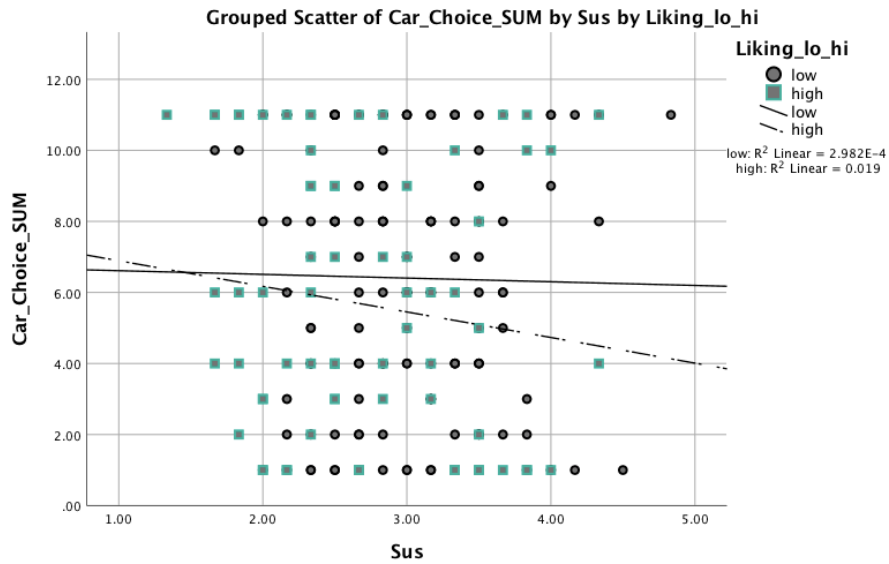
Figure 4. Scatter Plot of Car Choice by Sensitivity to Sustainability, using Degree of Liking of Luxury as the Moderator

Correlations

Liking_lo_hi			Sus	Car_Choice_S UM
low	Sus	Pearson Correlation	1	−.017
		Sig. (2−tailed)		.842
		N	135	135
	Car_Choice_SUM	Pearson Correlation	−.017	1
		Sig. (2−tailed)	.842	
		N	135	135
high	Sus	Pearson Correlation	1	−.139
		Sig. (2−tailed)		.243
		N	72	72
	Car_Choice_SUM	Pearson Correlation	−.139	1
		Sig. (2−tailed)	.243	
		N	72	72

Table 12. Correlations between Car Choice and Sensitivity to Sustainability

Figure 5. instead, shows the scatter plot of the sensitivity to sustainability (independent variable) against the male/female dress choice (dependent variable), using the degree of liking of luxury as a moderator. Again, the dependent variable has been recoded as explained in chapter 7.2.2. This figure follows the same pattern as the previous already analyzed. In fact, p-values are not statistically significant on both levels (p-value low: .305, p-value high: .665), and the Pearson correlation coefficients are too small as one can see in Table 12. Finally, the R^2 are too small

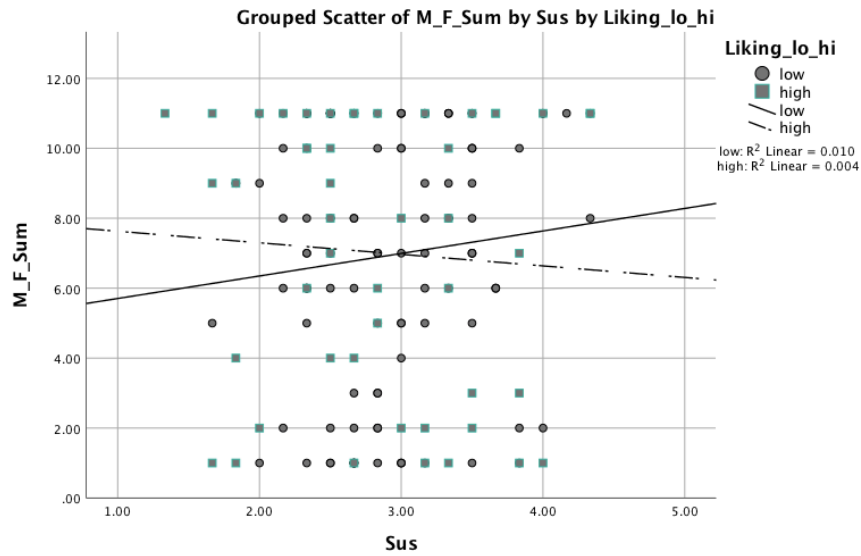and not high enough to explain a considerable portion of the dependent variable's variance.

Figure 5. Scatter Plot of Male/Female Dress Choice by Sensitivity to Sustainability, using Degree of Liking of Luxury as the Moderator

Correlations

Liking_lo_hi			Sus	M_F_Sum
low	Sus	Pearson Correlation	1	.101
		Sig. (2–tailed)		.305
		N	135	105
	M_F_Sum	Pearson Correlation	.101	1
		Sig. (2–tailed)	.305	
		N	105	105
high	Sus	Pearson Correlation	1	-.064
		Sig. (2–tailed)		.665
		N	72	48
	M_F_Sum	Pearson Correlation	-.064	1
		Sig. (2–tailed)	.665	
		N	48	48

Table 13. Correlations between Male/Female Dress Choice and Sensitivity to Sustainability

7.3.3. Implications

According to previous research (Osgood, 1955, and Heider, 1958), luxury lovers are not influenced by any ethical issue or they minimize them in order to maintain a cognitive balance. Therefore, they may be more willing to purchase the non-green luxurious product, instead of the sustainable one.

The analyzed results do not show any significant pattern in what hypothesized in chapter 4. Particularly, I cannot accept **H2**, namely that the degree of liking of luxury affects respondents' consumption behavior. Accordingly, I should reject the hypotheses that participants with a high degree of liking of luxury show a lower purchase intention over the sustainable less-luxurious product rather than the non-green luxurious one, and vice versa for those that show a low degree of liking of luxury.

Again, the results may have been influenced by many factors, including the ones mentioned in chapter 7.2.3. The Covid-19 spread, the duration in seconds, and the low-attention in filling the survey could be the reasons for the not statistically significant results.

7.4. Do status motives influence respondents' consumption behavior?

One of the main purposes of this study is to establish whether participants could be influenced in their consumption' behavior by eliciting status motives. Thus, a randomized sample of respondents read a short introductory story aiming at arousing status motives. The report suggests that 65 out of 207 participants read the status scenario (31.4%), while the remaining ones either read the control scenario or nothing (68.6%). For convenience purposes, the two control conditions were thus combined for the analysis, consistent with the prediction that they did not differ in any of the dependent measures.

Regarding the car choice, the entire sample has been analyzed comprehending both males and females. Participants had to express their preference on a continuous scale from 1 to 11, where 1 stands for the more luxurious product, and 11 for the green luxurious product. However, in order to check the attention of the respondents, the preference scale was inverted for half of them. The two variables generated from the choice have been combined into one, called Car_Choice_SUM.

To verify the significance of the results, I run an independent samples t-test, with the dependent variable measured on a continuous scale (Car_Choice_SUM), and the independent variable that consists in two categorical, and independent groups (Scenario). Looking at the p-value (p=.954, >.05), it is evident that the means of two groups are almost identical, therefore the results are not statistically significant. In fact, from the Levene's Test for equality of variances I do not reject that the variances of the two groups are equal (p=.737).

Group Statistics

	Scenario	N	Mean	Std. Deviation	Std. Error Mean
Car_Choice_SUM	Control	142	6.1549	3.69837	.31036
	Status	65	6.1231	3.61208	.44802

Table 14. Group Statistics Car Choice

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Car_Choice_SUM	Equal variances assumed	.113	.737	.058	205	.954	.03185	.54985	−1.05224	1.11594
	Equal variances not assumed			.058	126.898	.953	.03185	.54502	−1.04665	1.11036

Table 15. Independent Samples T-test Car Choice

For what concerns the dress choice, participants have been split into two sub-samples. They were asked to assess their sex (male or female), and subsequently were shown an image of a dress corresponding to the sex declared. Both products present the same features, and the same continuous scale have been used to measure respondents' preference.

The same procedure has been developed to measure the significance of the results obtained. I run an independent sample t-test, considering the Male_Product_SUM as the dependent variable, and the Scenario as the independent variable. Looking at the Levene's test, I cannot reject that the variances of the two groups are equal (p=.052). Furthermore, the means' difference of the two groups are not statistically significant (p=.783), so I cannot reject that the two means are equal.

Group Statistics

	Scenario	N	Mean	Std. Deviation	Std. Error Mean
Male_Product_SUM	Control	73	6.6301	3.41364	.39954
	Status	29	6.4138	3.95074	.73363

Table 16. Group Statistics Male's Dress Choice

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Male_Product_SUM	Equal variances assumed	3.855	.052	.276	100	.783	.21634	.78410	−1.33929	1.77198
	Equal variances not assumed			.259	45.515	.797	.21634	.83537	−1.46566	1.89835

Table 17. Independent Samples T-test Male's Dress Choice

Finally, a last independent sample t-test has been run to evaluate females' preference towards the dress product choice. Here as well, the Levene's test for equality of variances is not consistent, meaning that I do not reject that the variances of the two groups are equal (p=.803). Moreover, the means' difference of the two groups is not statistically significant (p=.698).

Group Statistics

	Scenario	N	Mean	Std. Deviation	Std. Error Mean
Female_Product_SUM	Control	69	7.6667	3.83738	.46197
	Status	36	7.3611	3.79588	.63265

Table 18. Group Statistics Female's Dress Choice

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Female_Product_SUM	Equal variances assumed	.062	.803	.389	103	.698	.30556	.78607	−1.25343	1.86454
	Equal variances not assumed			.390	71.773	.698	.30556	.78336	−1.25613	1.86724

Table 19. Independent Samples T-test Female's Dress Choice

7.4.1 Implications

Godoy et al. (2007), suggested that status motivates people to choose the more luxurious product. However, as mentioned in the hypotheses development chapter, costly signaling theory suggests that status instead leads consumers to value sacrifice and therefore to choose the less-luxurious green product, when this alternative is present (Griskevicius, Tybur, and Van den Bergh, 2010).

Analyzing the results of these tests, both theories seem not to be validated, because respondents did not show any statistically significant difference in doing their choices when presented with a status motive condition. Taking this for granted, I cannot accept **H3**, meaning that there is no association between the variables studied, namely status motives do not influence participants' consumption behavior.

As mentioned in the previous implications, the motivations leading to these results may be a lot, including the Covid-19 outbreak, the low participants' attention, and the duration in seconds to fill the survey.

8. Main conclusions and future research

8.1. Limitations and Future directions

Several were the limitations that have been faced during the entire development of this thesis.

One limitation regards the product choice presented to the respondents. In fact, they were questioned about a context-specific situation of psychological behavior after being presented with a status scenario. Future research involving the actual purchasing of the products may add some useful information and overcome the limitations of the current study. Particularly, consumers were asked to base their choices on a minimal product description, that might have not fully involved them.

Secondly, the study addresses men and women in the same manner, while generally the first ones are more likely to "show off" (Griskevicius, Tybur, and Van den Bergh, 2010). Thus, future research could consider this assumption and develop a different strategy to address consumers of both sex.

Another limitation concerns the sample representative of the study. As a Master student, it was easier to reach those respondents that are more similar to my profile (19-34 years old, students). This sample is certainly one of the main growing targets for luxury brands, but in many occasions, they may be less willing to pay a

premium/high price for a luxurious product. This lead to less involvement and may not represent the ideal sample representative for the study. Also, 207 participants are a sufficient number to conduct a Master thesis, but may not be an ideal sample representative for a deeper market research study. Future research should involve a more variegate sample and be sure that it corresponds to the target that the brands want to address.

Also, developing a Master thesis means adapting to some rules and respecting the expected delivery time. Particularly, the data have been collected in almost 20 days, and then analyzed in one month.

Regarding the limitations of the results, the Covid-19 outbreak has had a significant impact on the final outcomes. As stated before, this was not an easy time to reach people and to let them be fully involved in the completion of the online questionnaire. This lead to incomplete answers and outlier values that have not been considered in the final analysis. Also, it is predictable that even the data used to extract the final outcomes may have been compromised or not fully sincere due to this pandemic. However, this situation was unpredictable and nobody could do anything about it. Thus, future research should be done when the global situation will be more certain for everybody.

8.2. Conclusion

The main purpose of this Master Thesis was to establish what motivates people to purchase sustainable luxurious products rather than more luxurious non-green products, considering the sensitivity to sustainability, and the degree of liking of luxury as moderators. Previous research (Griskevicius, Tybur, and Van den Bergh, 2010) have already proven the significance of this analysis and with this study I wanted to confirm the relevance of the study for the current society.

However, the results did not show any statistically significant findings, demonstrating that participants have not been influenced in their choices by any type of moderators (sensitivity to sustainability and degree of liking of luxury), and motive conditions (control and status). Although the respondents have shown their preference towards the two product choices, it was not possible to identify a predictable pattern that justified their choices, meaning that they made their selections based on their personal taste and product preferences.

The two between-subjects motive conditions have not been able to outline a statistically significant pattern, not influencing as hypothesized the participants' purchase intentions. In fact, there is no evidence of any type of associations between the product choice made and the scenario presented to the respondents.

Moreover, the two moderators included in the study, namely the degree of liking of luxury and the sensitivity to sustainability did not manipulate as predicted participants' choices. Even though they did demonstrate to care about the sustainable development, they still did consider the more luxurious product as the primary choice and vice versa.

In conclusion, the hypotheses of this study cannot be accepted considering the results obtained from the data analysis, and the research question needs further research to be verified or either an alternative methodology.

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Appendix

5.1. Car's product profiles

Product 1

Bolton ED55 Elite
- High-performing 335-horsepower turbo engine
- Fully equipped with leather seats, and full stereo system
- Interior parts in carbon-fiber reinforced plastics
- 10" led display
- *Eco-score: 40

Product 2

Bolton ED70 Eco-trend
- 170-horsepower electric engine
- Standard cloth seats, and basic stereo system
- 90% composed by recycled materials
- 6" high-definition display
- *Eco-score: 80

*Eco-score= the higher the Eco-score, the better the environmental performance of the vehicle. Various damage categories are considered: global warming, air quality (health effects and effects on ecosystems), and noise.

5.2. Male and Female Dress' product profiles
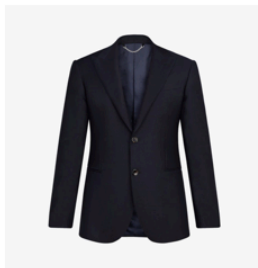
Product 1

VL Black Wool Blazer
- Made of the finest materials
- Details in prestigious leather
- Produced externally
- *Untraceable production process

Product 2
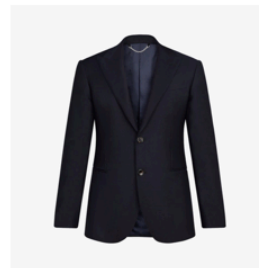
VL Eco-trend Blazer
- Entirely produced with recycled components
- Made of natural fibers
- Produced locally
- *Traceable production process

*A product is traced if it is possible to reconstruct the whole production cycle, starting from the origin of single elements that compose it to the single production phases, ending with the passage to the consumer.

Product 1

Product 2

Cadet Salmon Dress
- Made of the finest materials
- Details in prestigious leather
- Produced externally
- *Untraceable production process

Cadet Eco-trend Dress
- Entirely produced with recycled components
- Made of natural fibers
- Produced locally
- *Traceable production process

*A product is traced if it is possible to reconstruct the whole production cycle, starting from the origin of single elements that compose it to the single production phases, ending with the passage to the consumer.

6.1. Pre-Test

Please read carefully the following scenario, and try to relate with the main character and experience the emotions they are feeling.

- Control Scenario

Imagine that it's Saturday afternoon. You worked hard all the week and you have been looking forward to this weekend. You and a friend have two tickets for a sold-out concert that is happening tonight. Both of you are really excited for the upcoming event, so that you can already feel your heart beating faster than normal.

As you are getting ready for the concert, your friend calls to tell you that she is coming in about an hour. Therefore, you decide that it is time to get the tickets from your drawer. You open it, but they are not there. You search deeper, but they are not there either.

You stop to have a breath and tell yourself to calm down. Where are the tickets? That is what you are repeating to yourself. You start searching in your backpack…nothing. You start getting worried. What if you lost the tickets? What is your friend going to think?

You search everywhere, the laundry, the closet, no tickets anywhere. You are feeling upset. You think back to when you had the tickets and try to retrace your steps. You remember putting them in the drawer, so you search again…nothing.

You run to the kitchen and start looking, they are not there either. You just realized that you lost them, and you can obviously cannot go to the show without them.

Suddenly you hear a knock on the door. Your friend is here, what are you going to tell her? Should you lie? Probably not. As you walk toward the door, you get ready to talk, take the blame, and hope that everything will be okay.

As you are about to tell her everything, she yells "Are you ready?", and pulls out the two tickets from the pocket. Your eyes get wide, your friend has the tickets! She had them the whole time. You cannot believe you forgot. You do not think you have ever felt so relieved in your life. You and your friend will get to go to the show after all. Things are going to be just fine.

Now, you are even more thrilled than before. Your relief turns into elation. It is as though you just found the winning lottery ticket. Your friend is dying to get to the concert, and so are you. Both of you run out the door, turn up the stereo, and head off to the most thrilling show of your life.

- ## Status Scenario

Imagine you recently graduated from University. You were offered several jobs and decided to go to work for a well-known and powerful company. Besides paying well, it offers you the greatest chance of moving up, assuming you have the right skills to do it.

As you pull into the parking lot on your first day of work, you immediately notice that the lot is full of expensive new cars. Walking to your building, you see these impressive vehicles and think about the car you should get now that you've graduated, perhaps an upscale luxury sedan or a new sports car. You imagine yourself driving through the town in a sparkling new car and you feel yourself becoming more motivated. Entering the lobby, you're impressed by how upscale everything looks, the antique furniture, the artistic decorations, the designer clothing. You're thrilled to be working at such a prestigious company and you feel that this is exactly the kind of job you deserve.

As you wait, another person sits down next to you, and a minute later a third person also takes a seat. The two are dressed in a brand-new business suits, and they're about the same age as you. Each one briefly looks at you, smiles, and says hello. Both of them look a little nervous and you feel that these are probably new colleagues. You feel both excited and a little anxious. Looking at their facial expressions and their body pressure, you feel a sense of competition in the air. You realize this job isn't a game.

Your new boss finally comes out and greets everyone. As all three of you walk into the office, everyone sits down. "You're all really fortunate to be here. The company hires only a few people out of thousands application each year". Hearing that sends a rush of pride through your body.

"In the next few month, the three of you will both work independently and together. You're going to know each other pretty well". The atmosphere seems to be more relaxed.

But the boss continues: "Starting today each one of you will get a small cubicle, but we don't expect you to stay there. After 6 months, one of you will be fired". Hearing this news sends a shiver down your spine. You quickly scan the room, and the two other people seem to show a confident side to the new boss. You remind yourself that you were hired for a good reason and that you deserve a spot at the top. You sit up straighter and put on a confident expression.

"Although one will be fired, the person who does the best will not only get a promotion, but they will get a large bonus and will be put on the fast track to the top. I see a lot of potential in all of you, but only one will make it into one of those big offices. You have 6 months to show everyone what you're made of".

You know there will come a day in 6 months when your boss will again call the three of you into the office. You're both anxious and excited. As your boss finishes the speech, you're so eager to get started your new job. Finally, your boss stops and points at each of you in turn, "Go out and show us what you've got!" Your eyes open wide and a rush of adrenaline pumps through your body. You feel like letting out a yell and running out the door to get started. Seeing your colleagues in the background, you walk out the office with a rush of anticipation, hoping to achieve something that few people ever have the chance to do.

- ## Scenario Stimulus Check

Please, indicate from 1: Fully disagree, to 5: Fully agree, to what extent do you agree that the story you read provoke:

	Fully disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Fully agree
Desire for social status	O	O	O	O	O
Desire for prestige	O	O	O	O	O

- Sex Screening Question

Are you male or female?

Male

Female

- Male Product Profiles

Considering the following products, please indicate from 1= Fully disagree, to 5= Fully agree, to what extent do you agree that the owner of these products is:
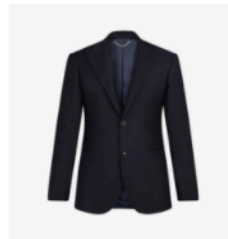
	Product 1	Product 2

Bolton ED70 Eco-trend
- 170-horsepower electric engine
- Standard cloth seats, and basic stereo system
- 90% composed by recycled materials
- 6" high-definition display
- *Eco-score: 80

*Eco-score= the higher the Eco-score, the better the environmental performance of the vehicle. Various damage categories are considered: global warming, air quality (health effects and effects on ecosystems), and noise.

VL Eco-trend Blazer
- Entirely produced with recycled components
- Made of natural fibers
- Produced locally
- *Traceable production process

*A product is traced if it is possible to reconstruct the whole production cycle, starting from the origin of single elements that compose it to the single production phases, ending with the passage to the consumer.

	Fully disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Fully agree
Altruistic	O	O	O	O	O
Caring	O	O	O	O	O
Nice	O	O	O	O	O

- Female Product Profiles

Considering the following products, please indicate from 1= Fully disagree, to 5= Fully agree, to what extent do you agree that the owner of these products is:

	Product 1	Product 2

Bolton ED55 Elite
- High-performing 335-horsepower turbo engine
- Fully equipped with leather seats, and full stereo system
- Interior parts in carbon-fiber reinforced plastics
- 10" led display
- *Eco-score: 40

*Eco-score= the higher the Eco-score, the better the environmental performance of the vehicle. Various damage categories are considered: global warming, air quality (health effects and effects on ecosystems), and noise.

Cadet Salmon Dress
- Made of the finest materials
- Details in prestigious leather
- Produced externally
- *Untraceable production process

*A product is traced if it is possible to reconstruct the whole production cycle, starting from the origin of single elements that compose it to the single production phases, ending with the passage to the consumer.

	Fully disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Fully agree
Altruistic	O	O	O	O	O
Caring	O	O	O	O	O
Nice	O	O	O	O	O

7.1. Statements scale (Kapferer and Michaut, 2014)

Please, indicate whether you agree or not with the following statements, being 1 = I definitely disagree, and 5 = I definitely agree:

	I definitely disagree	I somewhat disagree	I neither agree nor disagree	I somewhat agree	I definitely agree
I love luxury brands	○	○	○	○	○
I appreciate the extreme quality of luxury goods	○	○	○	○	○
Liking luxury is liking a superficial way of life	○	○	○	○	○
I feel a bit guilty when I buy a luxury good	○	○	○	○	○
Luxury and sustainability are contradictory	○	○	○	○	○
Luxury should be exemplary in terms of sustainability	○	○	○	○	○
Long lasting luxury products match sustainability ideals	○	○	○	○	○
Sustainable development must look after other priority sectors than luxury	○	○	○	○	○
When I buy luxury products, I don't care about sustainability	○	○	○	○	○
Sustainability will kill the creativity and dream of luxury	○	○	○	○	○
Luxury is not ethical	○	○	○	○	○
Luxury encourages excess spoilage; sustainability encourages self-control, austerity	○	○	○	○	○

7.2. Sensitivity to Sustainability, reliability test, and items

Reliability Statistics

Cronbach's Alpha	N of Items
.754	6

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Please, indicate whether you agree or not with the following statements, being 1 = I definitely disagree, and 5 = I definitely agree: – Liking luxury is liking a superficial way of life	12.45	19.249	.414	.739
Please, indicate whether you agree or not with the following statements, being 1 = I definitely disagree, and 5 = I definitely agree: – Luxury and sustainability are contradictory	12.93	18.378	.527	.709
Please, indicate whether you agree or not with the following statements, being 1 = I definitely disagree, and 5 = I definitely agree: – Sustainable development must look after other priority sectors than luxury	11.99	19.815	.352	.756
Please, indicate whether you agree or not with the following statements, being 1 = I definitely disagree, and 5 = I definitely agree: – Sustainability will kill the creativity and dream of luxury	13.28	18.902	.462	.726
Please, indicate whether you agree or not with the following statements, being 1 = I definitely disagree, and 5 = I definitely agree: – Luxury is not ethical	13.08	17.149	.649	.674
Please, indicate whether you agree or not with the following statements, being 1 = I definitely disagree, and 5 = I definitely agree: – Luxury encourages excess spoilage; sustainability encourages self-control, austerity	12.48	17.717	.567	.697