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### THE ROLE OF SELF-BASED AND PUBLIC-BASED EVALUATION ON FORMING ATTITUDES TOWARD LUXURY AND NON-LUXURY BRANDS

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### ABSTRACT

### Introduction

Consumers form brand attitudes for numerous reasons. For example, they might feel positive toward a brand that has significant practical value to them. Consumers might also have favorable attitudes toward a brand based on its reputation among family members or friends. Which of these reasons could develop strong and positive brand attitudes? This is an important issue because every company wants to understand how to build a strong and positive brand attitude. To address this question, this study investigates brand attitudes toward luxury and non-luxury brands, in addition to identifying the factor or factors that have strong relationships to positive brand attitudes. The findings contribute to the academic theories regarding processes by which attitudes are formed, and provide practitioners with insights into what they should appeal to in brand advertisements.

## **Theoretical Background**

### Self-based and Public-based Evaluations for Forming Attitudes

Historically, attitude research assumes that attitudes are based on cognition (i.e., beliefs) and affect (Bodur, Brinberg, & Coupey 2000; Crano & Prislin, 2006). In this study, a new schema comprising of "self-based" and "public-based" evaluations was suggested as a foundation for brand attitudes in addition to the typical "emotional" and "cognitive" evaluations.

The term "self-based" evaluation refers to brand evaluations based on consumers' direct experiences, such as their personal product use. Consumers might, however, evaluate a brand without having ever used it because they are frequently exposed to word-of-mouth messages about said brand and its products. Therefore, brand attitudes might partly derive from their public reputations. This type of brand evaluation is referred to as "public-based" in this study. Therefore, a brand attitude could be based on four factors: self-based emotion, self-based cognition, public-based emotion, and public-based cognition.

In addition, this study follows Heine (2012, p. 60) and defines "luxury brands" as "images in the minds of consumers that comprise associations about a high level of price, quality, aesthetics, rarity, extraordinariness and a high degree of non-functional associations." Luxury brands are often used to signal the owners' social status (Rucker & Galinsky, 2009). This could not be true if they were not highly appreciated in public. In essentials, Luxury brands should have public reputation. Therefore, Hypotheses 1 and 2

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#### are as follows:

Hypothesis 1: A brand attitude is based on four factors, namely "self-based emotion," "self-based cognition," "public-based emotion," and "public-based cognition." Hypothesis 2: Public-based emotion and cognition scores are higher for luxury brands than for non-luxury brands.

### Predicting Positive Brand Attitudes

The most important factor for developing a favorable brand attitude among self-based emotion, self-based cognition, public-based emotion, and public-based cognition is not clear. Many scholars have pointed out that attitudes are generally based on emotion and cognition and although models on their relationships are conflicting (Bodur, Brinberg, & Coupey, 2000), a growing number of scholars acknowledge the importance of emotion (affect) on judgments and behaviors (Agarwala & Malhotra, 2008; Greifeneder, Bless, & Pham, 2011). Many studies on marketing and brand management have suggested the importance of affective, subjective, and sympathetic evaluations to consumer decision-making (see Fournier, 1998; Schmitt, 1999; Chaudhuri, 2006). These studies' results imply that emotions are more important than cognition for building positive brands attitudes.

A question arises as to whether self-based or public-based emotion has a stronger effect. The explanation should be found in light of humans' emotional nature. Self-based emotions (e.g., emotional attachment) are based on personal experiences, whereas public-based emotions (e.g., admiration) are based on public reputations. Therefore, public-based emotions might not reflect consumers' personal preferences. Furthermore, public-based emotions require social agreement on brands' reputation from individuals and entities around the consumer. This requirement can cause public-based emotion to be susceptible to others' opinions. Therefore, public-based emotions are personal, subjective, and relatively less mutable because they are based on personal experiences. They are therefore rooted in the consumers' minds. Based on this reasoning and the previous studies' results, self-based emotions should be stronger predictors than public-based emotions for brand attitudes.

Hypothesis 3: The effects of self-based emotions are stronger than the effects of selfbased cognition, public-based cognition, or public-based emotions on positive brand attitudes.

### Methods

The data for the analysis were collected through a consumer survey. Respondents were asked to name their favorite brand or brands and to evaluate it/them using brand evaluation scales (Sugitani, 2011; 2013). The scales comprised of items that measure brand attitude valence as well as cognitive and emotional evaluations toward a given brand.

### Participants and Procedure

The sample contained data from 211 randomly selected consumers between ages 25 to 60. On the Internet, the respondents named one or more of their favorite fashion brands and

## 2016 Global Marketing Conference at Hong Kong

completed a questionnaire with items measuring brand evaluation (see section 3.3). Participants also answered six questions assessing their personal characteristics.

### Brand Evaluation Scales

The brand evaluation scales comprise of 18 items previously found to be predictive by brand research studies (Nikkei, 2008; Thomson, MacInnis & Park, 2005; Park, MacInnis, Priester, Eisingerich, & Iacobucci, 2010). Brand attitude was measured on a seven-point Likert-type scale where 1 = extremely negative to 7 = extremely positive. Brand evaluations were measured on cognitive and emotional evaluation scales. Firstly, the cognitive evaluation scales comprised eight items that measured the extent to which the respondent assessed the brands as: (1) useful, (2) convenient, (3) helps me a lot, (4)userfriendly, (5) reliable, (6) high quality, (7) superior in quality, and (8) reputation in quality. Responses were made on seven-point Likert-type scales where 1 = strongly disagree to 7 = strongly agree.

Emotional evaluation scales comprised nine items that assessed the respondents' emotional evaluations of their chosen brands: (1) connected to it, (2) emotionally bonded, (3) part of me, (4) stylish, (5) cool, (6) high status, (7) describe me well, (8) fashionable, and (9) popular. Responses were made on seven-point Likert-type scales where 1 = strongly disagree to 7 = strongly agree.

## Personal Characteristics

Personal characteristics were measured by six items: (1) perceived susceptibility of self to friends' opinions, (2) perceived susceptibility of self to online word-of-mouth messages, (3) frequency of reading online word-of-mouth messages, (4) number of friends, (5) extent of interest in others' reputation assessments, and (6) perceived resistance of self to others' opinions. The responses were made on a seven-point Likert-type scale where 1 = strongly disagree to 7 = strongly agree.

# Method of Analysis

To test the hypothesis 1, confirmatory factor analyses of the cognitive brand evaluation items and the emotional evaluation items were performed. Based on the subsequent results, the four constructs' subscales (i.e., self-based emotions, self-based cognitions, public-based emotions, and public-based cognitions) were developed. The means of each score were compared between luxury and non-luxury brands by t-tests, which verified Hypothesis 2. Hypothesis 3 was tested using multiple regression analysis. The explanatory variables were the four constructs' subscales and the explained variable was brand attitude positivity. Finally, for exploratory purposes, logistic regression analysis for luxury brand choice was conducted, which showed how individual differences could predict luxury brand preferences.

### **Results and Discussion**

# Brand Evaluation as a Foundation of Brand Attitudes

Confirmatory factor analyses of the cognitive brand evaluation items and the emotional evaluation items were performed to verify the brand attitude constructs. The two factors,

self-based cognition and public-based cognition, emerged from the cognitive brand evaluation items. Furthermore, two other factors, self-based emotions and public-based emotions, were derived from the emotional brand evaluation items. Tables 1 shows the results of the promax rotated factor patterns and loadings. This result supported the new evaluative schema of self-based and public-based, as suggested in Hypothesis 1.

#### Comparison of Brand Evaluations of Luxury and Non-luxury Brands

Using t-tests, the means of each score from the four subscales were compared between luxury brands and non-luxury brands. In support of Hypothesis 2, public-based cognition (M = 4.91) and public-based emotion (M = 4.78) were significantly higher for luxury than non-luxury brands (public-based cognition: M = 4.51, t (203) = 2.73, p < .01; public-based emotion M = 4.04, t (201) = 2.68, p < .01). However, there were no significant differences between luxury and non-luxury brands on self-based cognitions (luxury M = 4.36, non-luxury M = 4.37) or self-based emotions (luxury M = 3.99, non-luxury brands regarding public-based emotion and cognition. There was no significant difference between the two regarding self-based emotion and cognition. The results thus completely supported Hypothesis 2.

## Predictors of Luxury and Non-luxury Brand Attitudes

The *t*-test results demonstrate the mean differences in consumers' evaluations of luxury and non-luxury brands. However, a multiple regression analysis revealed similarities between luxury and non-luxury brands regarding brand attitude predictors, as shown in Table 2. Only self-based emotions demonstrated significant positive relationships with luxury and non-luxury brand attitudes, suggesting that both attitude types become more positive as personal emotions toward them become more positive. The alternative ways of evaluating brands (i.e., self-based cognitions, public-based cognitions, and publicbased emotions) were not significantly related to either brand type. The results thus supported Hypothesis 3.

### Who Loves Luxury Brands?

For exploratory purposes, the data were further analyzed to investigate whether individual differences could explain who would prefer luxury brands (Table 3). The results of the logistic regression analysis found that respondents who were more concerned about others' opinions of them were more likely to name luxury brands as their favorites. Respondents who preferred restaurants where they were regular customers and were resistant to changing their brand attitudes also tended to favor luxury brands. Additionally, older and female consumers were relatively more likely to name luxury brands as their favorites. These results provide future research directions. The finding that consumers who had high interest in what others thought of them preferred luxury brands implicitly tells us the role of luxury brands. As shown above, luxury brands are highly evaluated in public-based emotion and cognition. People who are concerned about their self-image may utilize luxury brands' reputation to enhance their own reputation. People who have their favorite restaurants and have confidence in their attitude continuity were also likely to name luxury brands as their favorites. This result implies that high selfesteem should be positively related to luxury brand preference. However, further research is required.

## Conclusions

This study demonstrates that self-based emotion was the most important attitudinal factor among four attitudinal constructs for building strong, positive brand attitudes. The survey results imply that luxury brands are evaluated based on their reputations (measured as public-based cognition and public-based emotion). However, consumers did not form positive attitudes toward them using their public-based cognitions and emotions; their positive attitudes were instead based on their self-based emotions, such as emotional attachment. This study improves our understanding of how favorable brand attitudes are formed; it suggests that we should pay more attention to enhancing the personal brand experience rather than to improving public images or consolidating reputations, even for luxury brands.

*Keywords:* self-based evaluation, public-based evaluation, luxury brand, non-luxury brand, brand attitude

## References were omitted due to space constraints and are available upon request.

## Tables

	public-based cognition	self-based cognition		public-based emotion	self-based emotion
high quality reputation in quality superior in quality reliable user-friendly convenient helps me a lot useful	.94 .90 .84 .69	.83 .83 .67 .53	fashionable stylish cool high status popular connected to it part of me emotionally bonded to it	.84 .81 .71 .62 .61	1.00 .75 .68
Cronbach's α	.91	.82	describes me well Cronbach's α	.86	<u>.50</u> .83

Table 1 Factor analysis results for cognitive evaluation (left) and emotional evaluation (right)

	Luxury brands		Non-lu	Non-luxury brands		
	В	t-value	В	t-value		
Self-based cognition	30	-1.52	04	34		
Public-based cognition	.21	1.01	.10	.71		
Self-based emotion	.38	1.79†	.25	2.26*		
Public-based emotion	.02	.10	.14	.91		

Table 2 The effects of cognition and emotion (self-based and public-based) on luxury brand attitudes and non-luxury brand attitudes

 $^{+} = p < .10, * = p < .05$ , two -tailed tests

Table 3 The effects of age, gender, and personal characteristics on luxury versus non-luxury preference

	В	Wald	Ex(B)
Age	.05	7.13*	1.05
Sex	.78	3.95*	2.18
I often read comments posted to message boards on the Internet.		.53	.91
I have more friends than the people around me.		.08	1.05
I am nervous about what people think of me.	.30	3.85*	1.35
I can change my opinion more easily than the people around me.	24	2.24	.79
My attitude toward brands will not change in ten years' time.	.61	11.68*	1.85
I prefer to go to restaurants or pubs I have never visited before rather than where I am a regular customer.	79	4.23*	.45
I prefer to spend most of my time getting together with friends or family on holidays rather than alone.	.74	3.13†	2.10
At workplaces or schools, I want others to approve of my personality rather than competence.	32	.86	.72
I believe that people are basically moral.	33	.77	.72

 $^{+} = p < .10, * = p < .05$ , two-tailed tests