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The Identity of Luxury Brands

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Interest has been growing in the brand identity concept, because it offers a systematic approach for developing symbolic benefits, which are becoming more and more essential for brand differentiation. Although they are a distinctive feature of luxury brands and often even exceed their functional benefits, there still exists no comprehensive identity concept designed specifically for luxury brands.

Dependent on human identity, brands are also ascribed as having an identity. The brand identity comprises all brand associations that are intended by the company and corresponds with the intra-company self-perception of a brand, which determines precisely how the brand should appear to the external target groups. The elements of brand identity are roughly divided into two main components. The first component covers the physical-functional, mainly product-related associations, while the other component includes the abstract and emotional brand associations. The latter corresponds closely with the concept of brand personality. This paper aims to present a conceptual framework of luxury brand identity and its major functional and emotional dimensions.

For this purpose, the article proposes a qualitative methodology, including the Repertory Grid Method (RGM), and extends the areas of RGM application to the development of category-specific brand personality concepts, while also demonstrating its suitability for that purpose. The RGM was also combined with the preference differences technique, the critical incident technique and projective techniques. In contrast to previous studies that employ samples of students or other easy-to-reach segments, this study relies on face-to-face interviews with 31 German millionaires who are actual (heavy) luxury consumers. It is the first study concerning the luxury consumer behavior of German millionaires.

The functional and emotional characteristics of luxury products and brands, described by the respondents, were content-analyzed. The analyses of the functional characteristics suggest that consumers distinguish luxury products using six major characteristics. These include price, quality, aesthetics, rarity, extraordinariness, and symbolic meaning, and these were further complemented with sub-categories. Each luxury brand aims at evoking associations about these constitutive characteristics within their target group to at least some degree. Therefore, these characteristics are referred to as the "code of luxury" that every luxury brand has to comply with. Deepening the understanding of the functional characteristics helps to develop some guidance for trading-up mass-market goods, and to create luxury products and brands. As luxury brands are highly associated with their core products and are generally also defined by consumers' associations with their product characteristics, the functional dimensions also allow to define and to categorize luxury products and brands.

The content analyses of the emotional associations uncovered five luxury brand personality dimensions including modernity, which relates to the temporal perspective of a brand. According to the functional component, luxury products and brands are characterized with a high degree of non-functional symbolic meanings, which are covered to the biggest part by the luxury brand personality dimensions. These dimensions help marketers to analyze the symbolic meaning of brands and to create a personality for their own brand.

The paper concludes with an overview of further research possibilities concerning the functional and emotional characteristics of luxury products and brands, and their antecedents and consequences. Regarding antecedents, future research could, for instance, develop strategies about how to more effectively influence consumer perceptions regarding product and brand characteristics and luxuriousness. Regarding consequences, researchers could further investigate the relationships between luxury product characteristics and higher-level constructs of the means-end chain, such as purchasing motives and consumer values.