Should luxury brands say it out loud? Brand conspicuousness and consumer perceptions of responsible luxury

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A B S T R A C T

Recent literature suggests that consumers do not necessarily perceive luxury and corporate social responsibility (CSR) as compatible, which might result in unfavorable consumer responses toward responsible luxury. The present study addresses this issue by investigating the effects of an important aspect of luxury brands' branding strategy, namely, relative brand conspicuousness, on consumers' attitudes toward responsible luxury brands. A dual mediation process underlies these effects. Specifically, brand conspicuousness influences (1) the extent to which consumers perceive a responsible luxury brand as socially responsible and (2) consumers' perceptions of self-congruity with the brand. As well, consumers' self-identity moderates the latter effect. In turn, both perceptions affect consumers' attitudes toward the brand. The current research thereby stresses the need for luxury brand managers to evaluate how their strategies affect consumers' evaluations of their luxury brands when promoting responsible luxury; this article also provides important guidelines for effectively managing CSR and branding strategies together.

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1. Introduction

Corporate social responsibility (CSR), which reflects a company's "commitment to minimizing or eliminating any harmful effects and maximizing its long-run beneficial impact on society" (Mohr, Webb, & Harris, 2001, p. 47), is at the forefront of the global corporate agenda. Luxury brands are no exception. Many luxury brands already engage in CSR, and the notion of "responsible luxury" receives considerable scholarly attention too. Yet several studies suggest that consumers do not perceive luxury and CSR as compatible concepts. For example, Achabou and Dekhil (2013) show that consumers respond negatively to the use of recycled materials in luxury goods. In a survey of 966 luxury buyers (Kapferer & Michaut-Denizeau, 2014), 36.1% admit that the notions of luxury and CSR are not necessarily incompatible, but 33.8% emphasize this incompatibility, in part due to perceptions that luxury promotes superficial lifestyles and contributes to sustainability issues (e.g., uses polluting manufacturing processes, encourages overconsumption, symbolizes wealth inequality). Torelli, Monga, and Kaikati (2012) also show that when a luxury brand communicates about CSR, consumers perceive that something is not right and respond with lower evaluations than if the brand provides no CSR information. Yet according to Janssen, Vanhamme, Lindgreen, and Lefebvre (2014), when luxury brand products possess two specific characteristics—being scarce and enduring at the same time (e.g., diamond jewelry)—consumers' perceptions of the potential compatibility between luxury and CSR improve.

Other factors also might affect the perceived compatibility of luxury with CSR, and identifying these factors is of critical importance for luxury brands that want to develop and promote their responsible luxury but avoid the negative consequences of such a strategy (Torelli et al., 2012). In this sense, in addition to product characteristics, the branding strategy used to establish the product in the market likely matters. Luxury brands often rely on a brand conspicuousness strategy, in line with consumers' conspicuous consumption tendencies to consume highly visible goods to display their wealth and gain social status (Veblen, 1899). On the consumer side, conspicuousness is a central motivation for buying luxury items (Bagwell & Bernheim, 1996; Truong & McColl, 2011) and an important part of many modern lifestyles (Kastanakis & Balabanis, 2014). Because consumer segments differ in their status needs (Han, Nunes, & Drèze, 2010; Kapferer, 2010), companies might respond by strategically emphasizing or downplaying features of their products that can help consumers signal such conspicuousness. The present study investigates and shows that the extent to which a responsible luxury brand uses such a brand conspicuousness strategy affects perceptions of the compatibility of luxury and CSR and determines consumers' attitudes toward these responsible luxury brands. This study also highlights the mediating variables—CSR beliefs and perceived
self-congruity with the brand—that explain the effectiveness of a brand (in)conspicuousness strategy, for the specific context of responsible luxury brands, and puts forward consumers’ perceived self-identity as a moderator.

2. Theoretical framework and hypotheses

Despite many attempts to define luxury (e.g., Fionda & Moore, 2009; Vickers & Renard, 2003; Vigneron & Johnson, 2004), little consensus exists about the exact meaning. Chandon, Laurent, and Valette-Florence (2016, p. 300) highlight that “the luxury domain ... is tied unquestionably to consumers' perceptions of luxury brands.” As several scholars note (De Barnier, Falcy, & Valette-Florence, 2012; Kapferer & Michaut-Denizeau, 2014), a major difficulty in defining luxury and luxury brands stems from luxury’s idiosyncratic nature, in that “what is luxury to one may just be ordinary to another” (Phau & Prendergast, 2000, p. 123).

The purpose of this article is not to pursue a comprehensive overview of luxury definitions but rather to address aspects that might be relevant to responsible luxury branding. Whether consumers perceive a brand as a luxury brand may depend in part on the abstract brand concepts—or “unique, abstract meanings” (Park, Milberg, & Lawson, 1991, p. 186)—that they associate with that specific brand. As Torelli et al. (2012) note, abstract brand concepts interact with CSR information to affect consumers’ evaluations of responsible luxury brands. In particular, abstract brand–associated concepts (Park et al., 1991) can affect brand evaluations through automatically activated motivations (Chartrand, Huber, Shiv, & Tanner, 2008). Schwartz (1992) proposes four broad motivational values, which express and serve specific goals: self-enhancement, self-transcendence, openness, and conservation. Some values come in motivational conflict, such that the pursuit of one type inhibits the achievement of another (e.g., self-enhancement vs. self-transcendence; Maio, Pakizeh, Cheung, & Rees, 2009), whereas others are motivationally compatible (e.g., self-transcendence and openness). Drawing on Schwartz’s (1992) theory, Torelli et al. (2012) argue that CSR tends to be associated with self-transcendence values, such as caring for society, whereas luxury brands link primarily to concepts that emphasize self-enhancement values, such as conspicuousness, hedonism, or success (Haghtvedt & Patrick, 2009; Han et al., 2010; Mandel, Petrova, & Cialdini, 2006). Because CSR–associated self-transcendence values conflict with luxury–affiliated self-enhancement values (Maio et al., 2009; Schwartz, 1992), Torelli et al. (2012) find that consumers experience a sense of unease or disfluency in response to responsible luxury, and this unease in turn provokes unfavorable brand evaluations. However, the effect may vary with the relative conspicuousness of the branding strategy used by a responsible luxury brand.

2.1. Brand conspicuousness and CSR beliefs

Brand conspicuousness is the extent to which a brand blatantly draws attention to branded items, such as prominently displaying a logo on products and using attention-getting colors or designs. This definition draws on the concept of conspicuous brand usage, that reflects “situations in which a consumer blatantly draws attention to the brand, such as by flaunting or name-dropping” (Ferraro, Kirmani, & Matherly, 2013, p. 478). The definition also resonates with brand prominence, or “the extent to which a product has visible markings that help ensure observers recognize the brand” (Han et al., 2010, p. 15). Luxury brands might adopt a conspicuous branding strategy or else a more inconspicuous one. In the designer handbag category for example, some luxury brands (e.g., Bottega Veneta) adopt inconspicuous branding strategies, such that the brand mark appears only inside the bags, which feature sober designs and colors. Other brands (e.g., Louis Vuitton, Gucci) have a dual strategy; some Gucci handbags are sober and in plain colors (e.g., black), without any brand logo showing, but other bags prominently display the brand logo or monogram and use notable colors such as white, red, and green (see Fig. 4 in Han et al., 2010).

The brand conspicuousness strategy represents a critical choice that reflects luxury brands’ attempts to appeal to different types of luxury consumers (Han et al., 2010; Kapferer, 2010). A brand conspicuousness strategy offers a brand cue that consumers can use to express different aspects of their selves (Aaker, 1997; Escalas & Bettman, 2005; Sirgy, 1982) and reflect their signaling intentions (Han et al., 2010). Consumers with a high need for status prefer conspicuously branded goods to signal their distinction from mass consumers; consumers with a low need for status instead prefer inconspicuously branded products to signal similarity with peers. Wilcox, Kim, and Sen (2009) also emphasize that luxury products that rely on inconspicuous branding are less apt to fulfill consumers’ self-expression and self-presentation goals than are conspicuously branded ones.

When a luxury brand communicates about its CSR activities, relative brand conspicuousness also might affect consumers’ CSR beliefs, or the extent to which consumers regard the brand as socially responsible (Du, Bhattacharya, & Sen, 2007). Considering the connections between brand prominence and status signaling (Han et al., 2010), a conspicuous branding strategy likely increases the salience of the notions of wealth and status associated with luxury more than does an inconspicuous branding strategy. The salience of these concepts in turn may trigger a more pronounced sense of contradiction between CSR–associated self-transcendence values and luxury–associated self-enhancement values. When confronting conspicuous luxury brands that communicate some CSR engagement, consumers’ perceptions of the incompatibility between luxury and CSR may thus grow stronger, such that their CSR beliefs will be less favorable for conspicuous than for inconspicuous responsible luxury brands.

H1. Relative brand conspicuousness influences consumers’ CSR beliefs about responsible luxury brands, such that their CSR beliefs are less favorable for conspicuous (vs. inconspicuous) responsible luxury brands.

Even though several factors may influence consumer responses to CSR, including content–specific (e.g., congruence between CSR issues and the brand’s core business), brand–specific (e.g., reputation), and consumer–specific (e.g., personal support for the CSR issue) elements (Bhattacharya, Sen, & Korschun, 2011; Sen & Bhattacharya, 2001), a broad consensus in previous CSR research indicates that consumers’ CSR beliefs positively affect their brand evaluations (Brown & Dacin, 1997; Du et al., 2007; Lichtenstein, Drumwright, & Braig, 2004; Wagner, Lutz, & Weitz, 2009). For example, Lichtenstein et al. (2004) find that consumers with more positive CSR beliefs about a grocery store tend to buy more products from that store, and Wagner et al. (2009) uncover a positive relationship between CSR beliefs and consumers’ attitudes toward a company. Thus, the more consumers perceive a luxury brand as socially responsible—in part due to the branding strategy the brand adopts—the more positive their general attitudes toward this brand should be.

H2. CSR beliefs mediate the effect of brand conspicuousness on consumers’ attitudes toward the responsible luxury brand.

2.2. Effects of consumers’ self-identity and perceived self-congruity with the brand

Previous research acknowledges that CSR rarely is the most important criterion that consumers use to make purchase decisions (Luchs, Naylor, Irwin, & Raghunathan, 2010; Öberseder, Schlegelmilch, & Gruber, 2011). Davies, Lee, and Ahonkhai (2012) reveal that consumers’ propensity to consider CSR is even lower for luxury purchases than for non-luxury goods. That is, CSR beliefs likely mediate the effect of brand conspicuousness on consumers’ attitudes toward a responsible luxury brand, but those beliefs are unlikely to be the sole mediator of the effect.
Previous research on luxury consumption highlights the central role of consumers’ perceived self-identity—or the internal, personal aspects of the self—in decision-making processes (Davies et al., 2012; Vickers & Renand, 2003; Vigneron & Johnson, 2004). Tsai (2005) and Wiedmann, Hennigs, and Siebels (2007) also explain that consumers’ motivations for luxury consumption reflect not just social or signaling considerations but also individual, personal considerations, such as hedonism or self-identity. Thus, consumers may use luxury brands for self-presentation and self-expression purposes (Han et al., 2010; Wilcox et al., 2009), as well as to support and develop their own identity (Dittmar, 1994). Previous research suggests that consumers prefer brands whose personality traits appear congruent with their own (Sirgy, 1982), so motivations related to identity construction may be influential.

Even though CSR rarely is the main criterion for purchase decisions, previous research highlights that CSR offers one of the primary bases of consumers’ identification with brands (Bhattacharya et al., 2011). Consumer–brand identification is a key determinant of the creation and development of strong and meaningful relationships between a brand and its consumers, which can help consumers satisfy one or more of their self-definition needs (Bhattacharya & Sen, 2003). In particular, CSR says something about a brand’s values, in relation to important social issues (Brown & Dacin, 1997; Drumwright, 1996). Prior research also suggests that people have positive views of themselves as good, decent, and moral persons (Janoff-Bulman, 1992; Rimé, 2005). Because congruent values are particularly important in defining the extent to which consumers develop a sense of connection with a brand (Bhattacharya & Sen, 2003), consumers should perceive at least some congruence between themselves and socially responsible luxury brands.

However, perceptions of self-congruity with a brand also include various inferences that people make about a brand’s perceived personality (Bhattacharya & Sen, 2003)—or the perceived “set of human characteristics associated with a brand” (Aaker, 1997, p. 347)—which constitutes a key component of a brand’s identity (Geuens, Weijters, & De Wulf, 2009; Keller, 2008). As Aaker (1997) outlines, personality traits come to be associated with a brand directly, manifestly by the people associated with it (McCracken, 1989), and indirectly, through product-related attributes, advertising styles, or elements such as the brand’s name, symbols, or logo (Batra, Lehmann, & Sing, 1993). The relative congruence of a brand thus could reflect aspects of a brand’s personality that consumers acknowledge too. As a result, consumers’ attitudes toward conspicuous or inconspicuous responsible luxury brands may depend on how consumers view themselves (i.e., self-identity), as well as the congruity they perceive between their identity and that of the brand, depending on the relative conspicuousness of that brand. Specifically, with a more conspicuous display of the brand logo or more visible markings and colors, a conspicuous luxury brand likely appears more extravagant than an inconspicuous luxury brand; an inconspicuous luxury brand instead might seem more modest in its brand personality. This reasoning is consistent with the idea that conspicuousness violates social norms of modesty (Godfrey, Jones, & Lord, 1986).

Thus:

**H3.** Consumers’ self-identity moderates the effect of brand conspicuousness on consumers’ perceived self-congruity with a responsible luxury brand, such that (a) consumers with a more modest self-identity perceive higher congruity with inconspicuous responsible luxury brands, and (b) consumers with a more extravagant self-identity perceive higher congruity with conspicuous responsible luxury brands.

The congruence between brand personality traits and traits associated with individual self-concepts also positively influences consumers’ attitudes toward the brand (Aaker, 1999), as well as other important marketing constructs, such as product evaluations (Graeff, 1996; Sirgy, 1982), promotion effectiveness (Close, Krishnen, & LaTour, 2009), and brand loyalty (Kressmann et al., 2006). Thus, stronger perceived self-congruity should lead to more favorable consumer attitudes toward the brand. Perceived self-congruity accordingly functions as a second mediator in the proposed model.

**H4.** Perceived self-congruity with the brand mediates the joint effect of brand conspicuousness and consumer self-identity on attitudes toward the responsible luxury brand.

The overall theoretical framework appears in Fig. 1.

### 3. Methodology

#### 3.1. Design, stimuli, and procedures

To test the hypothesized effects of brand conspicuousness and the dual mediation process, this study employed a between-subjects experimental design that manipulated brand conspicuousness (conspicuous vs. inconspicuous branding strategy) and measured consumer self-identity (modest vs. extravagant). In a first task, respondents read about the launch of a hypothetical luxury brand called Sarine that offers leather bags. The use of this hypothetical brand ensured the absence of any a priori brand knowledge. Participants in the conspicuous (inconspicuous) branding condition read a brand description that emphasized its conspicuousness (or not), according to the (1) prominent (discreet) display of the brand name on (inside) the products and (2) perceived lack of discretion (discretion) of the brand (see the Appendix). Both scenarios included information about Sarine’s CSR activities (i.e., efforts to become more sustainable) and specifically emphasized the brand’s environmental responsibility. Environmental aspects represent a common manipulation of CSR (e.g., Wagner et al., 2009; Yoon, Görhan-Canli, & Schwarz, 2006) and has particular resonance for luxury brands that sell products such as clothes, shoes, and bags, due to the raw materials and production processes involved in making these items (Givhan, 2015). Respondents then completed several items that measured the focal variables. The questionnaire ended with some sociodemographic questions and items pertaining to two potential covariates: participants’ environmental consciousness (directly related to the CSR manipulation) and luxury consumption habits.

#### 3.2. Pretests

The manipulation was pretested on a sample of 57 students recruited from a European business school. Each participant was randomly assigned to one of two branding strategy conditions and asked to evaluate Sarine on four items measuring brand conspicuousness using 10-point Likert scales (1 = “Not at all,” 10 = “Very much so”): “How prominently does the Sarine bag display its trademark? (A trademark is a distinctive name, logo, symbol, motto or emblem that identifies a product, service, or firm)?”; “To what extent would this bag be recognizable as a bag produced by the brand Sarine?”; “To what extent does the Sarine bag try to draw attention to its brand name on the bag?”; and “To what extent does the brand Sarine use attention-getting colors, style, or designs?” The first two items were adapted from Han et al.’s (2010) measure of brand prominence. A factor analysis showed that all four items loaded on one dimension; the averaged scores formed a

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![Fig. 1. Research model.](image-url)
perceived brand conspicuousness score (Cronbach’s $\alpha = 0.89$). As expected, participants perceived a higher level of brand conspicuousness in the conspicuous branding strategy condition ($M = 7.18$) than in the inconspicuous branding strategy condition ($M = 4.58$; $t(55) = -5.105, p = 0.000$).

A second pretest, with a new sample of 61 students, also confirmed that the inconspicuous luxury branding strategy made self-enhancement goals less salient and self-transcendence goals more salient, compared with the conspicuous branding strategy. Each participant was randomly assigned to one of the two branding strategy conditions and asked to complete Schwartz et al.’s (2012) indexes that measure self-enhancement (15 items) and self-transcendence (12 items) values. For each item, respondents had to evaluate the extent to which a buyer of a Sarine bag would fit the description (e.g., “It is important to him/her to own expensive things that show his/her wealth”; “It is important to him/her that people recognize what s/he achieves”; “It is important to him/her that every person in the world have equal opportunities in life”; “It is important to him/her that everyone be treated justly, even people s/he doesn’t know”), using a 7-point Likert scale (1 = “Not at all like the buyer,” 7 = “Very much like the buyer”). As expected, participants gave lower scores on the self-enhancement index and higher scores on the self-transcendence index in the inconspicuous than in the conspicuous branding strategy condition ($M_{self-enhancement} = 3.7$ vs. 5.0; $t(36) = -5.160, p = 0.000$; $M_{self-transcendence} = 5.0$ vs. 4.3; $t(36) = -5.160, p = 0.000$).

3.4. Sample

Because this study involves the luxury industry, the recruitment of respondents focused on upper- and upper middle-class consumers, including (potential) luxury consumers, in the form of posts on websites and online forums targeting people interested in premium goods. All participants were invited to complete the online survey; those who agreed were randomly assigned to one of the two experimental conditions. Of the 124 participants who completed the survey, 61% were women, and their ages ranged between 19 and 57 years ($M = 26.86$ years). In addition, when asked whether or not they consume luxury goods, 68.5% of the participants identified themselves as luxury goods consumers.

4. Main results

As expected, relative brand conspicuousness influences consumers’ CSR beliefs about responsible luxury brands. In support of H1, the test results indicate that participants in the conspicuous branding strategy condition expressed significantly less favorable CSR beliefs ($M = 4.65$) than participants in the inconspicuous branding strategy condition ($M = 5.44$; $t(122) = 4.261, p < 0.001$). The effect of CSR beliefs on consumers’ attitudes toward the brand also was significant and in the expected direction ($\beta = 0.404$; $t(118) = 5.561, p < 0.001$). Consistent with H3, brand conspicuousness and consumers’ self-identity exerted multiplicative effects on consumers’ perceived self-congruity with the brand ($\beta = 0.738$; $t(118) = 3.027, p < 0.001$), as Fig. 2 reveals. As predicted in H3a, the spotlight analysis shows that participants with a more modest self-identity (−1SD) perceived significantly lower self-congruity with a conspicuous brand ($M = 2.66$) than with an inconspicuous brand ($M = 4.22$; $\beta = -1.565$; $t(118) = - 5.375, p < 0.001$). For participants with a more extravagant self-identity (+1SD), similar levels of perceived self-congruity emerged for both conspicuous ($M = 3.44$) and inconspicuous ($M = 3.48$; $\beta = -0.041$; $t(118) = -0.13, p > 0.05$) brands, in contrast with H3b. Finally, perceived self-congruity with the brand had a significant, positive effect on consumers’ attitude toward that brand ($\beta = 0.291$; $t(116) = 5.143, p < 0.001$).

The test of the dual mediation model depicted in Fig. 1 relied on the PROCESS bootstrapping method (Hayes, 2013). PROCESS does not provide a default model to estimate a moderated mediation for one mediation path and a non-moderated mediation for the other, but it is possible

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Table 1

<table>
<thead>
<tr>
<th>Concept measured</th>
<th>Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSR beliefs</td>
<td>I believe Sarine’s sustainability claim is credible.</td>
</tr>
<tr>
<td></td>
<td>Sarine is environmentally responsible.</td>
</tr>
<tr>
<td></td>
<td>Sarine seems to protect the environment.</td>
</tr>
<tr>
<td>Attitude toward the brand</td>
<td>Sarine fits to sustainability.</td>
</tr>
<tr>
<td></td>
<td>Sarine has a lot of beneficial characteristics.</td>
</tr>
<tr>
<td></td>
<td>I have a favorable opinion about Sarine.</td>
</tr>
<tr>
<td></td>
<td>Buying Sarine is a good decision.</td>
</tr>
<tr>
<td>Self-congruity with the brand</td>
<td>I think Sarine is a satisfactory brand.</td>
</tr>
<tr>
<td></td>
<td>Sarine is consistent with how I see myself.</td>
</tr>
<tr>
<td></td>
<td>Sarine reflects who I am.</td>
</tr>
<tr>
<td></td>
<td>Sarine is a mirror image of me.</td>
</tr>
<tr>
<td></td>
<td>Sarine is very much like me.</td>
</tr>
<tr>
<td></td>
<td>People similar to me wear Sarine.</td>
</tr>
<tr>
<td>Consumer self-identity</td>
<td>Discreet–extravagant</td>
</tr>
<tr>
<td>Environmental consciousness</td>
<td>Modest–opulent</td>
</tr>
<tr>
<td></td>
<td>I am concerned about the environment.</td>
</tr>
<tr>
<td></td>
<td>I am willing to make sacrifices to protect the environment.</td>
</tr>
<tr>
<td></td>
<td>The environmental conditions affect the quality of my life.</td>
</tr>
<tr>
<td>Luxury consumption habits</td>
<td>Do you consume luxury goods?</td>
</tr>
</tbody>
</table>

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Fig. 2. Effect of brand conspicuousness × self-identity on perceived congruity.

to attain the estimates for such a model by estimating models 4 and 7. Model 4 estimates the significance of the (non-moderated) indirect effects of brand conspicuousness on attitude toward the brand; both indirect effects (through CSR beliefs and self-congruity) need to be significant. Model 7 tests the moderation of the mediation paths; the conditional indirect effects of brand conspicuousness on attitude toward the brand need to differ at different values of self-congruity, and the index of moderated mediation needs to be significant for self-congruity. The indirect effect through CSR beliefs in model 4 is the same as the indirect effect model 7 would provide, if it were possible to exclude the self-identity moderation of the brand conspicuousness → CSR beliefs path from model 7. Results confirmed the dual mediation process (total effect mediated = 0.501, SE = 0.123, 95% confidence interval [CI95] = [−0.774, −0.284]). In support of H2, CSR beliefs mediate the effect of brand conspicuousness on consumers’ attitude toward the brand (indirect effect = −0.091, SE = 0.083, CI95 = [−0.474, −0.143]). In support of H4, consumers’ perceived self-congruity with the brand mediates the joint effect of brand conspicuousness and consumers’ self-identity on consumers’ attitude toward the brand (indirect effect = −0.279, SE = 0.083, CI95 = [−0.474, −0.143]). The conditional indirect effect is significant for the mean − 1SD (modest self-identity) (B = −0.46; SE = 0.13, CI95 = [−0.753, −0.230]) and mean (B = −0.23; SE = 0.09, CI95 = [−0.437, −0.096]) levels of consumer self-identity but non-significant for the mean + 1SD (extravagant self-identity) level (CI95 = [−0.217, 0.167]). In other words, consumers perceive an inconspicuous branding strategy as more congruent with their identity than a conspicuous strategy, unless they have a more extravagant identity. The perceived congruence with the inconspicuous strategy also increases with an increasingly modest identity. This higher congruence then results in more positive attitudes toward the brand. For consumers with a more extravagant identity, brand conspicuousness exerts no indirect effect on attitude toward the brand through self-congruity; the indirect effect only goes through CSR beliefs. Table 2 summarizes the results of these regression models. It also highlights the significant effect of environmental consciousness on both self-congruity and CSR beliefs (for the sake of completeness, PROCESS model 11, including environmental consciousness as a second potential moderator, was estimated; none of the interaction terms comprising environmental consciousness were significant, however).

5. Discussion

Brand conspicuousness influences both the extent to which consumers perceive a responsible luxury brand as socially responsible and consumers’ perceptions of self-congruity with the brand. The current study reveals that a responsible luxury brand that adopts an inconspicuous branding strategy triggers more favorable CSR beliefs than one with a conspicuous branding strategy; the use of such a branding strategy also leads consumers with a modest self-identity to perceive greater congruity between themselves and the responsible luxury brand. In turn, CSR beliefs and self-congruity affect consumers’ attitudes toward the responsible luxury brand.

These findings suggest that the branding strategy adopted by a luxury brand is more of a self-identification cue for consumers with a modest (to average) self-identity than it is for consumers with a more extravagant self-identity. Perhaps extravagant consumers consider all luxury products, whether inconspicuously or conspicuously branded, as means to support and develop their identity, whereas other consumers consider more carefully whether each luxury item they buy is consistent with the notions of discreetness and modesty that they use to define themselves. As noted previously, conspicuousness violates social norms of modesty (Godfrey et al., 1986). Thus, while CSR beliefs explain the effect of the branding strategy adopted by the responsible luxury brand on attitudes toward the brand for all consumers, self-congruity only explains this effect for consumers with a less extravagant identity.

### Table 2

<table>
<thead>
<tr>
<th>Mediation:</th>
<th>Total indirect effect</th>
<th>SE</th>
<th>CI95</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mediator: CSR beliefs</td>
<td>−0.510</td>
<td>0.123</td>
<td>−0.774 to −0.284</td>
<td>0.002</td>
</tr>
<tr>
<td>Mediator: self-congruity</td>
<td>−0.231</td>
<td>0.091</td>
<td>−0.442 to −0.081</td>
<td>0.002</td>
</tr>
</tbody>
</table>

### Conditional indirect effects of brand conspicuousness on attitude toward the brand (model 7)

<table>
<thead>
<tr>
<th>Self-identity level</th>
<th>β</th>
<th>SE</th>
<th>CI95</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>−0.190</td>
<td>0.095</td>
<td>−0.387 to −0.014</td>
</tr>
<tr>
<td>Mean</td>
<td>−0.278</td>
<td>0.083</td>
<td>−0.478 to −0.142</td>
</tr>
<tr>
<td>Mean</td>
<td>−0.366</td>
<td>0.127</td>
<td>−0.665 to −0.149</td>
</tr>
<tr>
<td>Mean</td>
<td>−0.456</td>
<td>0.133</td>
<td>−0.753 to −0.230</td>
</tr>
<tr>
<td>Mean</td>
<td>−0.234</td>
<td>0.087</td>
<td>−0.437 to −0.096</td>
</tr>
<tr>
<td>Mean</td>
<td>−0.102</td>
<td>0.095</td>
<td>−0.217 to 0.167</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Index of moderated mediation (model 7)</th>
<th>Index</th>
<th>SE</th>
<th>CI95</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mediator: CSR beliefs</td>
<td>−0.085</td>
<td>0.074</td>
<td>−0.242 to 0.048</td>
</tr>
<tr>
<td>Mediator: self-congruity</td>
<td>0.215</td>
<td>0.074</td>
<td>0.093 to 0.382</td>
</tr>
</tbody>
</table>

*a* All models are estimated with 10,000 bootstrap samples.  
*b* Not estimated in model 4. The results for model 4 are in parentheses.  
*c* The R²-square change between the model that includes consumer self-identity and brand conspicuousness × consumer self-identity, versus one without them, is significant (ΔR² = 0.08, F-change(2, 118) = 6.771, p = 0.002).  
*d* All conclusions remain identical when these variables are excluded from the models.

Furthermore, the significant effect of environmental consciousness on perceived self-congruity with the brand confirms the notion that the more consumers care about a specific CSR domain, the more likely
they are to identify with a socially responsible brand, as previous research on consumer–brand identification suggests (Bhattacharya & Sen, 2003). The significant effect of environmental consciousness on consumers’ CSR beliefs also suggests that environmentally conscious consumers perceive a brand that develops pro-environmental activities as more socially responsible than consumers who are less sensitive to environmental causes. This effect might be due, at least in part, to the trend by which consumers’ support for a cause increases their motivation to process information relevant to it (Du, Bhattacharya, & Sen, 2010). This account is consistent with Haws, Winterich, and Naylor’s (2014) findings that, due to motivated reasoning (Kunda, 1990; Verplanken & Holland, 2002), green consumers—who have a strong “tendency to express the value of environmental protection through [their] purchases and consumption behaviors” (p. 337)—evaluate various attributes of a product positioned as environmentally friendly, including non-environmental attributes, more favorably than do non-green consumers.

5.1. Theoretical contributions

Previous research indicates that consumers do not necessarily perceive luxury and CSR as compatible (Achabou & Dekhilli, 2013; Kapferer & Michaut-Denizeau, 2014), but the current study indicates an important influence of brand conspicuousness in this context. By demonstrating how brand conspicuousness affects consumers’ evaluations of responsible luxury brands, this research contributes to literature on consumer responses to CSR, which tends to focus on non-luxury goods (Sen & Bhattacharya, 2001; Yoon et al., 2006). Specifically, this study highlights how the interplay between a specific luxury branding strategy and CSR shapes consumers’ CSR beliefs and attitudes. In highlighting that a brand (in)conspicuousness strategy influences the perceived compatibility between luxury and CSR—depending on whether the branding strategy makes luxury-associated self-enhancement values more or less salient—this research uncovers an aspect of consumers’ reactions toward responsible brands that is specific to the luxury sector. This research also complements recent findings that outline the influences of other factors, such as brand-associated concepts and product characteristics, on consumers’ perceptions of the compatibility between luxury and CSR (Janssen et al., 2014; Torelli et al., 2012).

Finally, this study extends previous work on brand prominence (Han et al., 2010; Wilcox et al., 2009). Han et al. (2010) highlight that some segments of consumers prefer prominently branded luxury products, whereas others prefer less prominently branded ones, depending on their social, status-related signaling intentions. The current investigation adds that brand conspicuousness, which encompasses brand prominence, can communicate about the brand personality. When luxury brands communicate about CSR, more modest consumers’ preferences stem from both the CSR beliefs they form about the brand and the congruence they perceive between their own self-identity and the brand’s personality (whereas preferences depend solely on CSR beliefs for more extravagant consumers).

5.2. Managerial implications

These findings have important and timely implications for luxury brand managers. Modern consumers expect companies to be socially responsible (Cone Communications & Ebiquity, 2015; Fombrun, 2005; Golob, Lah, & Jančič, 2008). Previous research suggests that CSR might not affect consumers’ luxury purchase decisions much (Davies et al., 2012), but the luxury sector has suffered various ethical scandals, placing luxury brands under intensified scrutiny, as exemplified by WWF’s Deeper Luxury report (Bendell & Kleanthous, 2007), which reveals the results of an analysis of the environmental and social performance of various luxury brands’ owners. Although many luxury brands have developed CSR programs and increasingly disclose information about their CSR engagement, the risk that consumers do not perceive luxury and CSR as compatible persists, which could have devastating impacts for responsible luxury brands (Torelli et al., 2012). Therefore, luxury brand managers must consider the various factors that affect consumers’ responses to responsible luxury.

In researching consumers’ preferences for luxury brands, Han et al. (2010, p. 27) emphasize that “although branding experts typically advise marketers to ensure that their brand is clearly and prominently displayed on products, this prescription may not hold for some luxury goods, particularly those at the high end of the product line.” The current research extends this recommendation by noting that luxury brand managers should carefully evaluate how their branding strategies affect brand evaluations, according to the proposed guidelines for managing CSR and branding strategies together. Specifically, luxury brands that choose a conspicuous branding strategy to mark their products likely will struggle to communicate credibly about CSR activities, because the branding strategy prompts less favorable beliefs about the brand’s socially responsible character. This effect likely occurs because a conspicuous branding strategy makes the self-enhancement goals associated with luxury salient, and thereby reinforces the perception that luxury and CSR are not compatible. In addition, consumers with more extravagant self-identities do not perceive conspicuous brands as more congruent with their self-identity than inconspicuous brands are; conspicuous brands do not appeal more to extravagant consumers than inconspicuous brands do, and they do not appeal at all to consumers with a more modest self-identity. Therefore, a luxury brand that engages in CSR and wishes to communicate about those activities might benefit more from adopting an inconspicuous branding strategy. Such a strategy should prompt more positive consumer attitudes toward the responsible luxury brand, by triggering more favorable CSR beliefs, as well as stronger perceptions of self-congruity for consumers with modest to average, rather than extravagant, self-identities.

5.3. Limitations and further research

This study provides several important findings, as well as some limitations that offer potential avenues for further research. First, study participants received little information about the brand’s CSR activities and had only one opportunity to examine the stimuli. In addition, the current study used a hypothetical brand to limit the effects of consumers’ prior brand knowledge and awareness of brands’ socially responsible and irresponsible practices. In a real-life setting, consumers may be exposed to CSR communications on many occasions over the course of months or years or already have knowledge about existing brands’ CSR actions. Consumers’ CSR beliefs might not be systematically less favorable in the case of a luxury brand that adopts a conspicuous branding strategy if this brand is already well known for its CSR engagement. On the other side, allegations of irresponsible acts may moderate the effects highlighted in this study. Additional research therefore should investigate the effects of existing brand reputations and the brand’s CSR history. Another option would be to vary the CSR track record of the company (e.g., CSR versus no CSR); in the current study, the fictive brand was always framed as a sustainable brand. In that case, the consumer’s green identity (or “CSR identity”, more broadly) seemingly could have a moderating effect, beyond the influence of modest versus extravagant identities, on both mediation paths.

Second, most people in the study sample were luxury goods consumers, but some of them were not (31.5%). The study design statistically controlled for the influence of luxury consumption habits; these habits served as a covariate in the analyses, and the results revealed no significant influence of this variable (see Table 2). Nevertheless, respondents indicated their luxury consumption habits on a self-reported measure. The notion of luxury may depend on the context and the people involved (Vigneron & Johnson, 2004), so further research might beneficially combine objective and subjective measures to identify luxury consumers.

Third, the stimuli used in this study emphasize the brand’s environmental responsibility, on the basis of a sustainable production process, similar to the claims of several real-world luxury brands (e.g., Gucci, Hermes, Prada, Louis Vuitton, Stella McCartney). However, brands can be socially responsible in other ways too. For example, Fendi developed several charity initiatives surrounding the opening of flagship stores in London and New York (Zargani, 2015). Many LVMH brands, including Louis Vuitton, Bulgari, and Fendi, signed the United Nations’ global Women’s Empowerment Principles in 2013, committing to fight against gender discrimination, ensure health and safety at work, and promote education (BusinessWire, 2013). From a theoretical perspective, no reason exists to believe that the results of this study would differ for other facets of CSR, but further research should replicate the present study with other types of CSR activities.

Fourth, the stimuli focus on a luxury brand that offers leather bags, without any manipulations of product scarcity or ephemeralism, which also could alter responsible luxury perceptions (Janssen et al., 2014). Further research should investigate the effects of brand conspicuousness in combination with other factors that moderate perceptions of compatibility between luxury and CSR, because the combination likely affects the extent to which brand conspicuousness influences consumers’ CSR beliefs perceptions.

Fifth, the manipulated brand strategy in this study was either conspicuous or inconspicuous. However, several luxury brands, such as Gucci and Louis Vuitton, adopt dual strategies. Consumers’ CSR beliefs about the brand and self-congruity perceptions may develop differently in that case—a question that remains for further exploration.

Sixth, the second pretest confirmed that an (in)conspicuous luxury branding strategy makes self-enhancement goals more (less) salient and self-transcendence goals less (more) salient. These results provide preliminary empirical evidence that perceptions of luxury-associated self-enhancement goals and CSR-associated self-transcendence goals likely drive the effect of the branding strategy adopted by the responsible luxury brand on consumers’ CSR beliefs. However, further additional empirical support is needed to provide definite evidence for this psychological process.

Finally, ethical issues pertain to various types of products (e.g., animal testing for cosmetics, blood diamonds for jewellery), but some luxury products may be more readily associated with ethical concerns than others. For example, fur products remain highly controversial in the luxury sector (LeTrent, 2013). If a luxury brand offers products associated with ethical concerns in consumers’ minds, CSR beliefs may tend to remain unfavorable, regardless of the relative conspicuousness of the brand. Such an association likely represents an important boundary condition of the effects observed in this study, as well as another interesting avenue for research.

Appendix A. Stimuli in the study

A.1. General background information

A fashion company wants to launch a new luxury brand for bags called Sarine. Sarine engages in corporate social activities in favor of sustainability: The company claims that the materials stem from a sustainable cotton fabrication, which avoids toxic pesticides and herbicides to reduce toxic emissions. Moreover, organic farms provide the leather for the production.

A.2. Inconspicuous branding condition

Sarine stands for luxury and high quality bags. The brand itself uses a very striking style [is only detectable to those who know the style and model of Sarine], as the brand logo and name are highly visible outside [hidden inside] the bag. The brand expresses extravagance, opulence and eccentricity [modesty, discreetness and decency], but also environmental responsibility due to its sustainable production process.

References
