

Psychological Factors That Influence Preference for Luxury Brands: Effect of “Openness to Experience¹” on Psychological Factors for the Development of Purchase Intentions

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Abstract

Fujiwara & Nagasawa [1] performed an empirical analysis on the relationship between personality traits and purchase intentions for food and car luxury brands² by using the Big Five personality traits. The results revealed that consumers with high levels of Openness to Experience showed high purchase intentions for those brands. The objective of this study was to refine those results and to reveal the characteristics of psychological factors regarding the development of purchase intentions for consumers with high levels of Openness to Experience. As a result of empirical analysis using multiple regression analysis, this study demonstrated that satisfying the need for Differentiation from Others was particularly important in developing purchase intentions for those consumers with high levels of Openness to Experience for both food and car luxury brands.

Keywords

Luxury Brand, Japanese People, Psychological Factor, Purchase Intention, Food, Car

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¹One of the dimensions of the Big Five personality traits. The Big Five personality traits is a theory that has organized the various constructs on personality traits which have been used in the past into a framework consisting of five factors, namely Extraversion, Agreeableness, Conscientiousness, Neuroticism, and Openness to Experience [1].

²As for the definition of luxury for this study, see Fujiwara & Nagasawa [2].

1. Introduction

Fujiwara & Nagasawa [2] verified differences in the degree of effect of the four psychological factors (Differentiation from Others, Conformity to Group Norms, Avoiding Cognitive Dissonance, Quality Evaluation) that constitute Japanese people's preference for luxury brands on the development of purchase intentions for luxury food and car brands (GODIVA, TORAYA, DOM PERIGNON, FERRARI, ROLLS-ROYCE and PORSCHE). The study revealed the general special characteristics for luxury food and car brands.

Furthermore, as a related study, Fujiwara & Nagasawa [1] performed an empirical analysis on the effect of the five dimensions of personality traits (Extraversion, Agreeableness, Conscientiousness, Neuroticism and Openness to Experience) on the development of purchase intentions for the luxury brands mentioned above by using the Big Five personality traits, which had received much attention in recent years when discussing personality trait theory. The results suggested that those consumers with high levels of Openness to Experience showed high purchase intentions for luxury brands for all subject brands.³ The features of Openness to Experience were as follows: "They are intelligent, thoughtful, and polite. They have a great deal of curiosity and are very knowledgeable. They accept things calmly in a matter of fact way, and think about things analytically. They enjoy fantasizing things, and are able to comprehend art or complex and abstract ideas. Because they are able to look into the future, they are able to handle everything calmly [3]"

In order to make the study more exhaustive, this study, in light of the study results described above, would reveal the characteristics of psychological factors concerning the development of purchase intentions among consumers with high levels of Openness to Experience. This would reveal what psychological factors were responsible for developing purchase intentions for those consumers who showed high purchase intentions for luxury brands, which was expected to contribute to the selection of effective luxury brand strategies.

2. Validation Methods

A multiple regression analysis will be performed on the high quartile of Openness to Experience⁴ with purchase intentions for the subject brands⁵ as explained variables, and the four psychological factors (Differentiation from Others, Conformity to Group Norms, Avoiding Cognitive Dissonance, Quality Evaluation) as explanatory variables.⁶

The sum of the scores for the questionnaire answers on the four psychological factors will be assigned synthetic variables: X_{DO} , X_{CG} , X_{CD} , and X_{QE} in order. These will be the explanatory variables. Next, β_{DO} , β_{CG} , β_{CD} , and β_{QE} in order will be assigned as standard partial regression coefficients for the explanatory variables. Assuming that β_0 is the constant term, the following multiple regression model Equation (1) will result. Hypothesis will be constructed under the assumption that if a standard partial regression coefficient shows a significant positive correlation, it will mean that each psychological factor has a direct positive effect on purchase intention for the subject brands.

$$PI = \beta_{DO} \cdot X_{DO} + \beta_{CG} \cdot X_{CG} + \beta_{CD} \cdot X_{CD} + \beta_{QE} \cdot X_{QE} + \beta_0 \quad (1)$$

3. Hypotheses

In this chapter, Hypotheses will be constructed regarding the effect of the four psychological factors (in order) on the development of purchase intentions for the high quartile of Openness to Experience. The hypotheses will be based on the personality traits for the high quartile of Openness to Experience (described above) as well as the results of the multiple regression analyses (which did not use a system of personality trait classification) performed by Fujiwara & Nagasawa [1] (see **Table 1**).

³Purchase intentions for DOM PERIGNON, FERRARI, ROLLS-ROYCE, and PORSCHE all showed a highly significant correlation among those consumers with high levels of Openness to Experience compared to those with low levels of Openness to Experience. Although GODIVA and TORAYA did not show a significant positive correlation, consumers with the dimension of the highest levels for the two brands showed high purchase intentions, just as with the other brands.

⁴By using quartiles, the top 25% of the questionnaire results were assigned as the high quartile as a means to measure Openness to Experience. For details, see Fujiwara & Nagasawa [1].

⁵For the three food brands, gift purchases account for the majority of sales [2], and the questions asked in the questionnaires concerned purchase intentions for gift purchases.

⁶The variables are all based on questionnaires, which are to be answered on a scale of 1 (I strongly disagree) to 7 (I strongly agree).

Table 1. Results of multiple regression analyses: for all, no classification by personality traits ($n = 500$).

	Brands	Standard Partial Regression Coefficient				Adjusted R^2
		β_{DO}	β_{CG}	β_{CD}	β_{QE}	
Food	GODIVA	0.243 ^{***}	0.017	0.275 ^{***}	0.184 ^{***}	0.357 ^{***}
	TORAYA	0.221 ^{***}	0.120 ^{**}	0.246 ^{***}	0.142 ^{**}	0.339 ^{***}
	DOM PERIGNON	0.436 ^{***}	0.075	0.172 ^{***}	0.015	0.361 ^{***}
Car	FERRARI	0.465 ^{***}	0.053	0.175 ^{***}	-0.043	0.336 ^{***}
	ROLLS-ROYCE	0.504 ^{***}	0.026	0.067	0.021	0.307 ^{***}
	PORSCHE	0.563 ^{***}	0.016	0.105 [*]	0.003	0.401 ^{***}

Note: Significance level * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$.

3.1. Hypotheses on Differentiation from Others

One of the qualities of a person with a high level of Openness to Experience, as described above, is their “devotion to art”. Furthermore, Kapferer [4] points out that many luxury brands incorporate artistic elements into their marketing strategies. Nettle [5] points out that people with high levels of Openness to Experience have a strong need to express themselves and describes them as those who constantly seek ways to express themselves and attempt to express themselves in a variety of ways including media, photographs, music, and movies. Differentiation from Others can be thought of as being correlated with the need for self-expression.

Therefore, it can be inferred that the psychological factor of the need for self-expression through artistic luxury brands will have a direct positive effect on the development of purchase intentions for the high quartile of Openness to Experience. Thus, the following hypotheses should hold true.

Hypothesis 1. For the high quartile for Openness to Experience, Differentiation from Others will have a direct positive effect on purchase intention for subject luxury brands in the category of food.

Hypothesis 2. For the high quartile for Openness to Experience, Differentiation from Others will have a direct positive effect on purchase intention for subject luxury brands in the category of car.

3.2. Hypotheses on Conformity to Group Norms

Nettle [5] describes people with high levels of Openness to Experience as having a resistance against norms. People who are not overly concerned about their public image come to mind.

Therefore, it can be inferred that Conformity to Group Norms will not have a direct effect on the development of purchase intentions for the high quartile of Openness to Experience. In Table 1, TORAYA was the only subject brand that showed a positive correlation. In this case, however, it was inferred that the brand would not show a positive correlation. Thus, the following hypotheses should hold true.

Hypothesis 3. For the high quartile for Openness to Experience, Conformity to Group Norms will not have a direct positive effect on purchase intention for subject luxury brands in the category of food.

Hypothesis 4. For the high quartile for Openness to Experience, Conformity to Group Norms will not have a direct positive effect on purchase intention for subject luxury brands in the category of car.

3.3. Hypotheses on Avoiding Cognitive Dissonance

Cognitive Dissonance refers to the psychological burden that results, for instance, if a consumer discovers a defect with a product after making the purchase and if they discover the benefits of another product, which they didn’t choose [6]. In other words, the term Avoiding Cognitive Dissonance, as it is used here, refers to the psychological factor that involves, quite literally, avoiding that psychological burden. Based on this definition it is believed that this psychological factor is a reflection of the consumer’s absolute loyalty towards the brand thinking that “It has to be this brand.” It would be hard to imagine that the personality trait of Openness to Experience would influence this psychological factor. In other words, it can be inferred that the results will be similar to Table 1. Thus, the following hypotheses should hold true.

Hypothesis 5. For the high quartile for Openness to Experience, avoiding Cognitive Dissonance will have a direct positive effect on purchase intention for subject luxury brands in the category of food.

Hypothesis 6. For the high quartile for Openness to Experience, avoiding Cognitive Dissonance will have a direct positive effect on purchase intention for FERRARI and PORSCHE only.

3.4. Hypotheses on Quality Evaluation

As described above, people with high levels of Openness to Experience tend to “think about things analytically”. This can be interpreted to mean that this trait is what makes the consumer calmly assess the cost-effectiveness of luxury brands in terms of their functional benefits. Kapferer & Bastien [7] point out that luxury brands are by no means practical. Therefore, it can be inferred that Quality Evaluation will not show a significant correlation for purchase intention for all subject brands. Thus, the following hypotheses should hold true.

Hypothesis 7. For the high quartile for Openness to Experience, Quality Evaluation will not have a direct positive effect on purchase intention for subject luxury brands in the category of food.

Hypothesis 8. For the high quartile for Openness to Experience, Quality Evaluation will not have a direct positive effect on purchase intention for subject luxury brands in the category of car.

4. Analyses of Results and Observations

Table 2 summarizes the results of the multiple regression analyses. The results of verification of the hypotheses validity (see **Table 3**) will be collated based on these results. The results will be examined in order.

4.1. Result of Differentiation from Others

In **Table 2**, the standard partial regression coefficient β_{DO} showed a significant positive correlation for all brands. This result supported Hypotheses 1 and 2. It is also worth noting that β_{DO} in **Table 2** resulted in higher figures

Table 2. Results of multiple regression analyses: High quartiles for openness to experience (n = 99).

	Brands	Standard Partial Regression Coefficient				Adjusted R ²
		β_{DO}	β_{CG}	β_{CD}	β_{QE}	
Food	GODIVA	0.377***	0.020	0.213	0.160	0.408***
	TORAYA	0.293***	0.125	0.241***	0.203	0.486***
	DOM PERIGNON	0.641***	0.098	0.138	-0.123	0.488***
Car	FERRARI	0.587***	-0.007	0.162	-0.059	0.421***
	ROLLS-ROYCE	0.718***	-0.100	-0.031	-0.023	0.420***
	PORSCHE	0.689***	-0.094	0.023	0.007	0.430***

Note: Significance level * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$.

Table 3. Results of hypothesis tests.

	Hypothesis	Verification Results
H1	For the high quartile for Openness to Experience, Differentiation from Others will have a direct positive effect on purchase intention for subject luxury brands in the category of food.	Supports hypothesis
H2	For the high quartile for Openness to Experience, Differentiation from Others will have a direct positive effect on purchase intention for subject luxury brands in the category of car.	Supports hypothesis
H3	For the high quartile for Openness to Experience, Conformity to Group Norms will not have a direct positive effect on purchase intention for subject luxury brands in the category of food.	Supports hypothesis
H4	For the high quartile for Openness to Experience, Conformity to Group Norms will not have a direct positive effect on purchase intention for subject luxury brands in the category of car.	Supports hypothesis
H5	For the high quartile for Openness to Experience, Avoiding Cognitive Dissonance will have a direct positive effect on purchase intention for subject luxury brands in the category of food.	Partially supports hypothesis
H6	For the high quartile for Openness to Experience, Avoiding Cognitive Dissonance will have a direct positive effect on purchase intention for FERRARI and PORSCHE only.	Partially supports hypothesis
H7	For the high quartile for Openness to Experience, Quality Evaluation will not have a direct positive effect on purchase intention for subject luxury brands in the category of food.	Supports hypothesis
H8	For the high quartile for Openness to Experience, Quality Evaluation will not have a direct positive effect on purchase intention for subject luxury brands in the category of car.	Supports hypothesis

compared with the results in **Table 1** for all brands and that the figures were also significantly higher than those for β_{CG} , β_{CD} , and β_{QE} .

These results suggest that, people in the high quartile of Openness to Experience, who have a devotion to art as well as a strong need for self-expression, use artistic luxury brands as a means of self-expression and that Differentiation from Others (which is satisfied when consumers are able to express themselves) is a factor in the development of high purchase intentions for both food and car luxury brands. It can be inferred from these results that Differentiation from Others, compared with the other psychological factors, is a particularly important psychological factor in the development of purchase intentions for both food and car luxury brands.

4.2. Result of Conformity to Group Norms

In **Table 2**, the standard partial regression coefficient β_{CG} did not show a significant positive correlation for all brands. This result supported Hypotheses 3 and 4. Given that people in the high quartile of Openness to Experience, as stated in the hypotheses, are not overly concerned about their public image, the results suggested that Conformity to Group Norms does not have a direct positive effect on the development of purchase intentions.

The popularity of Louis Vuitton in Japan is often cited when discussing the relationship between Conformity to Group Norms and luxury brands. In fact, 50% of female office workers in Tokyo own Louis Vuitton shoes [8]. Kapferer [4] cites the influence of Confucian thought in Asia as an explanation for this trend. In other words, Kapferer's claim is that strong individuality is not permitted in Confucian thought and because of that Japanese people start wearing Louis Vuitton (the brand that everyone else is wearing) because they have a strong desire to conform to group norms, unlike people in Europe and the United States where individualism is valued. Since this is not a study on Louis Vuitton, any further discussion would be difficult. However, it can be inferred from the verification results of this study that there is a strong possibility that Kapferer's claim does not necessarily hold true when the high quartile of Openness to Experience own Louis Vuitton shoes. Given that Conformity to Group Norms is a psychological factor that is rarely seen among people in the high quartile of Openness to Experience, the claim that Japanese female office workers owning Louis Vuitton shoes is influenced by Confucian thought may not be exactly accurate.

4.3. Result of Avoiding Cognitive Dissonance

For food brands, the standard partial regression coefficient β_{CD} , contrary to the hypothesis, did not show a significant correlation for GOVIVA and DOM PERIGNON in **Table 2**. For car brands, the standard partial regression coefficient β_{CD} , also contrary to the hypothesis, did not show a significant correlation for FERRARI and PORSCHE. Only TORAYA showed a positive correlation. These results partially supported Hypotheses 5 and 6.

Based on these results, it can be interpreted that people with high levels of Openness to Experience do not necessarily have absolute loyalty towards the subject luxury brands, with the exception of TORAYA. This can be explained by the tendency for people with high levels of Openness to Experience to "change jobs frequently" and "be distracted easily," which Nettle [5] pointed out. In other words, it can be concluded that people with high levels of Openness to Experience who have such fickle personalities are not likely to have absolute loyalty towards a particular luxury brand. As for the reason why β_{CD} showed a significant positive correlation, it can be interpreted that the brand is recognized as a one-of-a-kind, absolute brand that cannot be replaced with any other brand in the gift item market, in which TORAYA is a leading brand.

4.4. Result of Quality Evaluation

In **Table 2**, the standard partial regression coefficient β_{QE} did not show a significant correlation for all brands. This result supported Hypotheses 7 and 8. Given that people in the high quartile of Openness to Experience, as stated in the hypotheses, calmly assess the cost-effectiveness of products in terms of their functional benefits, the results suggest that Quality Evaluation does not have a direct positive effect on the development of purchase intentions for luxury brands which do not necessarily offer cost-effectiveness in terms of their functional benefits, just as Kapferer & Bastien [7] pointed out.

5. Discussion and Conclusions

Table 4 and **Table 5** provide summaries of results of **Table 1** and **Table 2**. In these tables, a circle indicates that

Table 4. Effect of psychological factors on developing purchase intentions according to product category: For all, no classification by personality traits ($n = 500$).

Category	Differentiation from Others	Conformity to Group Norms	Avoiding Cognitive Dissonance	Quality Evaluation
Luxury Foods	○		○	○
Luxury Cars	◎		○	

Table 5. Effect of psychological factors on developing purchase intentions according to product category: for the high quartile for openness to experience ($n = 99$).

Category	Differentiation from Others	Conformity to Group Norms	Avoiding Cognitive Dissonance	Quality Evaluation
Luxury Foods	◎			
Luxury Cars	◎			

the results of the standard partial regression coefficients show a significant correlation in at least two of the three subject brands for each product category. Moreover, a double circle indicates that the standard partial regression coefficients show a significant correlation in all three subject brands and that the psychological factors for all three brands result in higher figures than the other psychological factors.

The results in **Table 5** suggest that satisfying the need for Differentiation from Others among people in the high quartile of Openness to Experience (consumers who show high purchase intentions for luxury brands) is particularly important in developing purchase intentions for both luxury food and car brands.

During the dawn of the era for research into luxury brands, Rae [9] and Veblen [10] cite Conspicuousness, which is correlated with Differentiation from Others, as the psychological factor that influences consumers' preference for luxury brands. Since that time, many studies have been accumulated and those studies demonstrate that many psychological factors aside from Conspicuousness exist, namely Uniqueness, Quality, Extend-self, and Hedonism, among others [11]. However, that discovery complicates the development of luxury brand strategies. That is to say business persons, sadly, no longer have a clear idea as to what psychological factors-among the many that influence a preference for luxury brands-they should aim to satisfy when developing luxury brand strategies. Under such circumstances, this study demonstrates through empirical analysis the importance of Differentiation from Others for both luxury food and car brands. It can be said that this study contributed to making this discovery. This study, however, does not shed light on specific elements of the luxury brands that satisfy this psychological need. This issue needs to be examined more closely in future studies.

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