



#### **Consumer Interests and Environmental**

#### **Responsibility Initiatives in Luxury Contexts:**

The Moderating Role of Message Framing and Organization Nature

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# MOTIVATION

**Recently, how consumers respond to the information disclosure on the responsibility initiatives of luxury businesses is garnering mounting scholarly attention** (Amatulli et al., 2018; Anido Freire & Loussaïef, 2018; Diallo et al., 2021; Russell & Russell, 2010; van Doorn et al., 2017; Wong & Dhanesh, 2017).

**Corporate responsibility initiatives may <b>positively or negatively** affect evaluations of **luxury brands?** The current studies are inconsistent:

**Negatively**(Torelli et al., 2012; Achabou & Dekhili, 2013; Davies et al., 2012; Griskevicius et al., 2010).

**Positively**(Janssen et al., 2014; Kapferer, 2010)

To reconcile these contradictions, this paper drawing on Schwartz's model of values, assesses the moderating roles of message framing (responsibility-focused or dignity-focused) and organizational nature (established vs. entrepreneurial organizations) in the relationship between consumers' interests and the environmental responsibility (ER) messages of luxury businesses.



### THEORY

Schwartz's model of value(Schwartz, 1992) indicates that people pursue 4 types of values:

1.Self\_x0002\_enhancement2.Openness to change3.Self-transcendence4.Conservation





### THEORY

Responsibility-focused messages usually provoke self-transcendent values.

"It is our responsibility to handle environmental change".

Dignity-focused messages highlight the superior dignity of consumers who are engaging in ER initiatives.

"We enhance our human dignity by confronting environmental change". Self-enhancement, consumers' interests might increase.



#### THEORY

For established luxury businesses,

Consumers might think the responsibility initiative does not align with the conspicuous value the established brands can provide;

For entrepreneurial luxury brands,

Consumers might expect them to be more responsible, as they started in a period in which the world is confronting severe environmental challenges



#### **HYPOTHESES**

Responsibility-focused framing transfers the value of universalism and benevolence but not any self-enhancing value. Thus, responsibility initiatives may not significantly increase consumers' interest in luxury brands.

The incompatible value between luxury brands and ER messages applies to established businesses whose brands are mature.

H1a: The responsibility-focused messages of luxury businesses will not significantly enhance consumers' interests in the brands of established luxury businesses.

H1b: The responsibility-focused messages of luxury businesses will significantly promote consumers' interests in the brands of entrepreneurial luxury businesses.



#### **HYPOTHESES**

Since the sense of elitism espoused by a Dignity-focused message is compatible with selfenhancement, consumers' interests might increase

The organizational nature will moderate this positve effect

H2a: Dignity-focused messages can increase consumers' interests in luxury brands for both established and entrepreneurial businesses.

H2b: Dignity-focused framed ER message can increase consumers' interests significantly more toward luxury products for entrepreneurial luxury businesses than for established luxury businesses



### **METHOD**

An online experiment that is a 2 (established vs. entrepreneurial organizations) x 3 (ER message framing: non vs responsibly-focused vs dignity-focused) between-experiment (组间实验).

25000人, 600人愿意参加, 520作答

1. Sent pre-surveys via a university mail system to identify consumers' experiences and knowledge of luxury brands.

Brands	Country Origin	
Dunhill		
Hermes		
Boucheron		
LOUIS VUITTON		
Gucci		
Yves Saint Laurent		
Dior		
Burberry		
Prada		
Zegna		



## Step2. Sent them different invitations to subscribe to a product catalog about a fictitious luxury brand. Received 520 valid responses.

#### **{T4}**

We are an entrepreneurial luxury brand enterprise. We mainly provide various kinds of high-quality high-end leather bags to customers all over the world. We sincerely invite you to subscribe to our product e-catalogs. In this electronic catalog, we will show you our popular products of the season, which have first-class design and craftsmanship. If you subscribe to our brochure, you will also enjoy many discount opportunities.

Our planet and environment are experiencing severe challenges. We advocate that as human beings it is our responsibility to protect the environment. As a result, all of the leathers used in our collections are a by-product of food production and conform to high ethical standards. We try our best to ensure there is a minimal impact on the environment.

#### **{T6}**

We are an entrepreneurial luxury brand enterprise. We mainly provide various kinds of high-quality high-end leather bags to customers all over the world. We sincerely invite you to subscribe to our product e-catalogs. In this electronic catalog, we will show you our popular products of the season, which have first-class design and craftsmanship. If you subscribe to our brochure, you will also enjoy many discount opportunities.

We advocate that as human beings we enhance our dignity by engaging in environmental protection. Our sustainable luxury goods uphold the tenet of environmental protection, resource recycling, ecological harmony, and green consumption. We hope that our customers have the same pursuit of aesthetics and environmental protection as ours, and we hope that our customers will practice this concept with us.



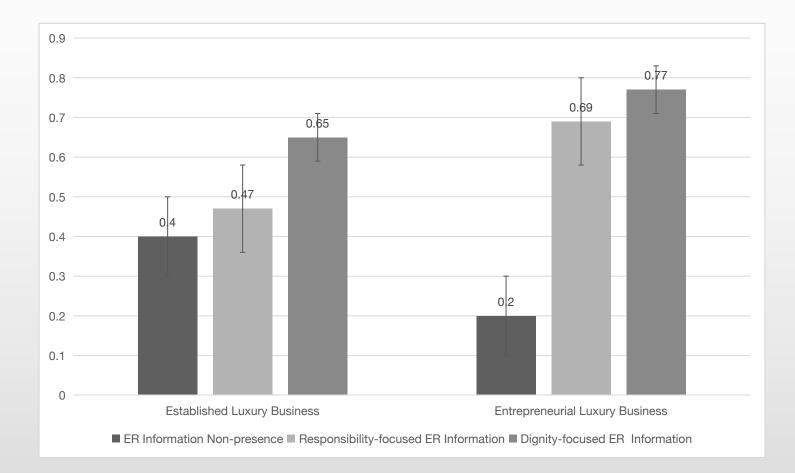
## **EXPERIMENTAL DESIGN**

Conditions	Number of valid Responses
T1: Control of non-ER information	89
T2: Entrepreneurial business	92
T3: Responsibility-focused message	93
T4: Responsibility-focused message & Entrepreneurial business	85
T5: Dignity-focused message	78
T6: Dignity-focused message & Entrepreneurial business	83



#### RESULTS

Figure 1 Consumers' interests across established and entrepreneurial brands





#### RESULTS

Table 2 Regression results			
	(1)	(2)	
VARIABLES	Agreement ratioResponsibility-focused message	Agreement ratioDignity-focused message effect	
	effect		
Female	-0.00203	0.129	
	(0.141)	(0.147)	
Age	-0.0465	-0.00461	
	(0.0367)	(0.0431)	
Economics	0.0135	-0.238	
	(0.142)	(0.151)	
Education years	-0.0159	-0.0368	
	(0.0553)	(0.0575)	
ENT	-0.470**	-0.531***	
	(0.203)	(0.204)	
RESP	0.409**		
	(0.198)		
CNT_x_RESP	0.804***		
	(0.287)		
DIT		0.655***	
		(0.212)	
ENT_x_DIT		0.864***	
		(0.293)	
Constant	0.929	0.436	
	(1.106)	(1.237)	
Observations	359	342	

Standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1



### CONCLUSIONS

Responsibility-focused messages do not increase consumers' interests in established luxury businesses, while they can increase those interests in entrepreneurial luxury businesses.

Dignity-focused messages can promote consumers' interests for both established and entrepreneurial businesses, and the positive effects for entrepreneurial businesses are more pronounced than for established businesses.

This research has some limitations. First, all participants come from China; future studies can explore the relation using participants from other cultural backdrops. Second, we investigate the relationship between consumers' interests and ER messages in luxury contexts. Consumers' decisions to purchase are complex. Future studies can examine the association between consumers' actual purchasing decisions and ER messages in luxury contexts.