BACKGROUND
The phenomenon of conspicuous consumption is not new. Veblen (1899, 1994) described conspicuous consumption as expensive, luxury consumption, which provides evidence of wealth and status. In post-modern society the primary objects of consumption have become images and experience used by the middle class and the masses to demonstrate uniqueness or similarity with significant others. This paper focuses on the bandwagon effect in conspicuous consumption. In the study the bandwagon effect is treated as increased demand for luxury goods due to their popularity, especially among famous people.

PARTICIPANTS AND PROCEDURE
Three studies were carried out. The samples consisted of 60 teenagers, 76 female students and 73 students and postgraduate students. The concept of the aspirational group was induced through the advertisement of a luxury product with reference to famous people and by direct reference to the aspirational group. Three different methods to measure a propensity to conspicuous consumption were applied: the amount of money spent on the luxury product, the size of the luxury brand logo, and the doubling of the luxury brand logo.

RESULTS
The results show that the activation of the idea of the aspirational group enhances willingness to pay more for a luxury product, to double the luxury brand logo and the preference for a visible luxury brand logo at a tendency level.

CONCLUSIONS
The results experimentally supported the bandwagon effect within luxury conspicuous consumption previously established in correlative studies.

KEY WORDS
conspicuous consumption; the bandwagon effect; aspirational group; experiment

An experimental study of the bandwagon effect in conspicuous consumption

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BACKGROUND

The global market of luxury goods has grown very quickly. The traditional luxury sector’s value in 1985 was estimated to be around 20 billion dollars, but in 2010 its value had already reached 250 billion and is expected to reach 376 billion dollars by 2017 (Kastanakis & Balabanis, 2012, 2014). This value may be even higher if estimates include various categories of premium products. New luxury markets include for example China, which is the number one market for Hennessy cognac and the world’s second-largest market for fashionable clothing and leather goods (Zhan & He, 2012). In the modern post-materialistic society luxury consumption is not limited to the privileged few, but has become more affordable to the middle class and masses (Chaudhuri & Majumdar, 2006, 2010; Granot, Toya, Russell, & Brashear-Alejandro, 2013). The democratization of luxury also allows teenagers to use luxury goods as a means of social distinction (Gil, Kwon, Good, & Johnson, 2012). What is more, access to the luxury world is possible not only by buying goods but also by renting them (Yeoman, 2010).

The motives underlying buying or renting luxury goods are mainly social. Veblen (1899, 1994), in his theory of the leisure class, presented socially developed strategies for strengthening or improving social status, such as conspicuous leisure and conspicuous consumption. Both strategies are based on the idea of waste: conspicuous leisure relates to wasting time and conspicuous consumption to wasting money by purchasing very expensive, luxury products. The usefulness of these goods is less important than their distinctive function and the ability to locate their owners on the prestige ladder. Veblen explained the motives of conspicuous consumption entirely from the perspective of status. Individuals engage in conspicuous consumption due to the perceived social equilibrium between price and status. Expensive, luxury consumption operates as a means of status signaling, providing evidence of wealth and therefore status. Leibenstein (1950) extended the analysis of conspicuous consumption and to the prestige effect (Veblen effect) added a description of the snob effect and the bandwagon effect. Leibenstein (1950, p. 189) defines the bandwagon effect as “the extent to which the demand for a commodity is increased due to the fact that others are also consuming the same commodity” and the snob effect as “the extent to which the demand for a consumer good is decreased owing to the fact that others are also consuming the same commodity”. All three effects – ostentation, snobbery, and the bandwagon effect – may be included among motivational factors based on interpersonal orientation. Vigneron and Johnson (1999) distinguish five types of motivation underlying the acquisition of luxury products, which are of a personal or social nature. Hedonism and perfectionism are personal motives. The former is connected with searching for pleasures in the consumption of goods and the latter with the desire to possess the highest quality goods. Besides affective and utilitarian benefits, personal motives also include symbolic benefits – goods are used to express the inner self (Coulter, Price, & Feick, 2003; Hemetsberger, von Wallpach, & Bauer, 2012; Putoni, 2001; Tsai, 2005; Vigneron & Johnson, 1999, 2004; Wong & Ahuvia, 1998). Ostentation, snobbery, and the bandwagon effect are social motives. Ostentation is a type of motivation described by Veblen connected to the demonstration of social status. The need to be unique underlines the snob effect and it is associated with the search for unusual, original, and unique products. The desire to be fashionable, and the need to be included within an aspirational group, expressed in the search for fashionable products used by significant others, are responsible for the bandwagon effect (Vigneron & Johnson, 1999). These products should have primarily a high iconic or verbal visibility index (Heffetz, 2004), and be a signal of scarcity due to limited supply, not due to high demand (Gierl & Huettl, 2010).

The majority of research devoted to the social orientation of conspicuous consumption focuses on status seeking (Amatulli, Guido, & Natarajan, 2015; Frieh & Mechtel, 2014; Kaus, 2013; Kim & Jang, 2014; Mazzocco, Rucker, Galinsky, & Andreson, 2012; O’Cass & McEwen, 2006; Ordabayeva & Chandon, 2011; Rucker & Galinsky, 2009; Saad & Vongas, 2009; Truong, Simmons, McColl, & Kitchen, 2008). Only a small number of studies have been designed to analyze conspicuous consumption from the point of view of other social motives, such as snobbery and the bandwagon effect (Kastanakis & Balabanis, 2012, 2014). This article focuses on the bandwagon effect within conspicuous luxury consumption. Bandwagon consumption occurs when consumers buy certain categories of luxuries due to their popularity, especially among famous people, movie stars, and celebrities (Amaldoss & Jain, 2005; Chaudhuri & Majumdar, 2006, 2010; Kastanakis & Balabanis, 2012, 2014; Leibenstein, 1950; Vigneron & Johnson, 1999, 2004). Such products guarantee social approval because they signify success, fame, and membership within relevant status groups. Kastanakis and Balabanis (2012, 2014) have shown that the self-concept orientation regulates the snob effect and the bandwagon effect. People with a strong, independent self, who are prone to dissociating themselves from other consumers, prefer non-relational, individualistic snobbish patterns of consumption. Furthermore, the relationships between the independent self and the snob effect are mediated by the need for uniqueness. The stronger the anti-conformism and desire to mark one’s distinctiveness, the greater is the snob effect. On the other hand, people with a strong dependent
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self, and those who emphasize their similarity to some other consumers, choose products that enjoy approval and recognition among members of these groups. The relationship between the dependent self and the bandwagon effect depends on the strength of one’s susceptibility to normative influences. Customers with a dependent self and with a strong propensity to indulge the expectations of aspirational groups try to purchase products that are popular within the reference group (Kastanakis & Balabanis, 2012, 2014). Similar results from Tsai, Yang and Liu (2013) demonstrate significant relationships between a consumer’s need for uniqueness, their susceptibility to normative influence and the snob effect, and the bandwagon effect.

The purpose of this study was to analyze bandwagon consumption through several experimental approaches, because the previous studies were only of correlative nature. The study was intended to determine whether the activation of the aspirational reference group concept has an impact on a propensity to conspicuous luxury consumption. It was expected that the activation of an aspirational reference group would enhance the propensity to conspicuous consumption. The aspirational reference group has a strong influence on luxury consumption due to conformity process, especially identification influence. Attitudes towards products, consumer choices made by non-membership desired groups are used by individual as a guide for their own attitudes and behavior. Contrary to normative influence, identification influence is not based on rewards or sanctions (Amaldoss & Jain, 2005; Bearden & Etzel, 1982; Bearden, Netemeyer, & Teel, 1989; Deutsch & Gerard, 1955; Grimm, Agrawal, & Richardson, 1999; McGuire, 1968; Park & Lessig, 1977; Zinkhan & Lascu, 1999). The symbolic meaning of products used by significant others helps individuals to construct, maintain, and express the desired identity. Therefore individuals choose products congruent with the social image of aspirational groups. Nowadays celebrities, such as movie and music stars, have become cultural icons. They serve as visible signs of wealth and fame – “stars” (Experiment 1, Experiment 2) – and by direct references to famous people (Experiment 3).

The amount of money spent on the luxury product for luxury goods due to their popularity, especially among famous people. The concept of the aspirational group was induced through the advertisement of a luxury product with reference to consumer icons – “stars” (Experiment 1, Experiment 2) – and by direct references to famous people (Experiment 3). The amount of money spent on the luxury product (Experiment 1), the size of the luxury brand logo (Experiment 2, Experiment 3), and the doubling of the luxury brand logo (Experiment 2) were used as the indicators of the propensity to conspicuous consumption (see: Griskevicius et al., 2007; Lee & Shrum, 2012; Tyler et al., 2012; Wang & Griskevicius, 2014).

STUDY 1

The purpose of Study 1 was to establish whether an activation idea of the aspirational group through the advertisement has an impact on the willingness to pay more for the luxury product. It was expected that the amount of money spent on the luxury product would be higher in the group with activation of the idea of the aspirational group through the advertisement (experimental group) than in the group without activation of the idea of the aspirational group (control group).
PARTICIPANTS AND PROCEDURE

Participants

Sixty teenagers (33 schoolgirls, 27 schoolboys, $M_{age} = 18.23$ years, $SD = 0.47$) were randomly assigned to experimental ($n = 30$) or control conditions ($n = 30$).

Procedure

Ad frame. Participants were told the study was intended to examine consumers’ evaluation of an advertisement. Participants received an advertisement for an iPhone. In the experimental condition participants saw a picture of the iPhone and read the slogan “All your favorite stars already have it, and you?” while those in the control condition only saw the picture of the iPhone (visible, publicly consumed brand of product indicated as luxury in pre-test studies conducted in the comparative group).

Manipulation check. After watching the advertisement, participants were asked to complete a missing letter in a word. Two words were presented; each word could be completed in a different way, with one option referring to the world of famous people and the other option referring to a more neutral reference – without any association with famous people. The words to complete were the following:

1/ o d a (fashion/water, in Polish moda/woda);
2/ s ł _ w a (fame/words; in Polish sława/słowa).

Amount spent on luxury product. The participants reported the maximum amount of money they would spend to acquire the iPhone.

RESULTS

The $t$-test revealed a significant effect for manipulation ($t(58) = -2.41, p < .020$). Participants in the experimental condition more often created words referring to the world of famous people and the other option referring to a more neutral reference – without any association with famous people. The words to complete were the following:

1/ _ o d a (fashion/water, in Polish moda/woda);
2/ s ł _ w a (fame/words; in Polish sława/słowa).

Amount spent on luxury product. The participants reported the maximum amount of money they would spend to acquire the iPhone.

The purpose of Study 2 was to establish whether activation of the idea of the aspirational group through the advertisement has an impact on the propensity to display a luxury brand logo. It was expected that the average size of a luxury brand logo would be larger in the group with activation of the idea of the aspirational group through the advertisement (experimental group) than in the group without activation of the idea of the aspirational group (control group). Furthermore, it was expected that the luxury brand logo would be doubled more often in the experimental group than in the control group.

PARTICIPANTS AND PROCEDURE

Participants

Seventy-six female students ($M_{age} = 23.40$ years, $SD = 1.40$) were randomly assigned to experimental ($n = 40$) or control conditions ($n = 36$).

Procedure

Participants were asked to solve three tasks. The first task was similar to the Stroop test. Participants saw the name of a color on the screen and were asked to write it in the frame below (there was a discrepancy between the color name and the font of the color). In the second task, participants had to link together the different lines. In the third task, participants had to count all the squares within a picture. From the beginning of the first task until the end of the third task, the right side of the screen contained a dynamic advertisement for “stax” headphones. The product and brand were not chosen at random. The target customers were women and men. The product had not yet been marketed.

The amount of money spent on luxury product in the group with references to aspirational group and in the group without references to aspirational group.

Figure 1.
been advertised, and thus participants did not have any associations with the logo. In the experimental group and the control group, the formal features of the advertisement were the same; the differences concerned the content of the ad. The experimental group saw a picture of the headphones, the brand name “stax”, and the slogan “Feel like a movie star”. The control group only saw the picture of the headphones and the “stax” brand name.

Manipulation check. After completing the third task, respondents were asked to fill in gaps in the words. Two words were presented, with each presenting the possibility of being completed in a different way – one option referring to famous people and one option being neutral. The words to complete were the following: 1/ sz a m p _ n (champagne/shampoo; in Polish szampan/szampon), 2/ s l _ w a (fame/words; in Polish sława/słowa). It is important to note that after completing the third task, the advertisement did not appear.

Logo size. Participants were supposed to create a T-shirt they would like to wear. Respondents could change the view of the front and back of their T-shirt. They could change the shirt’s color and could also include the Yves Saint Laurent logo, the size of which was also alterable. The default color of the T-shirt was gray with the colors to choose from blue, yellow to green. The default size of the logo was 140 × 140 px, with a 40 × 40 px minimum and maximum of 450 × 450 px.

Doubling of the logo. The Yves Saint Laurent logo could be placed both on the front and on the back of the T-shirt.

RESULTS

The t-test revealed a significant effect for manipulation (t(65) = –5.77, p < .001). Participants in the experimental condition more often created words referring to famous people (champagne and fame) (M = 1.58, SD = 0.62) than participants in the control condition (M = 0.58, SD = 0.77).

The t test revealed an effect for activation of the concept of the aspirational group through the advertisement (t(74) = –1.93, p < .060, d = –.44), but only at the tendency level. Respondents who in performing their tasks were accompanied by the advertisement with the slogan “Feel like a movie star” put a larger Yves Saint Laurent logo (M = 232.11, SD = 139.53) than participants in the control group (M = 176.03, SD = 112.97). Furthermore, a significant effect for activation of the idea of the aspirational group through the advertisement was observed in the doubling of the logo (χ² = 6.36, p = .010). In the experimental group (n = 17) participants put the Yves Saint Laurent logo on the front and the back of their T-shirts twice as often as the control group (n = 8).

STUDY 3

The purpose of Study 3 was to establish whether the direct activation idea of the aspirational group has an impact on propensity to display a luxury brand logo. It was expected that participants with the aspirational group activation (experimental group) would be more willing to choose a T-shirt with a larger Ralph Lauren logo than participants without the activation concept of an aspirational group (control group).

PARTICIPANTS AND PROCEDURE

Participants

Seventy-three students and postgraduate students (34 female, 39 male, Mₚ = 27.01 years, SD = 3.28) were randomly assigned to experimental (n = 36) or control conditions (n = 37).

Procedure

Participants were told the study would be similar to a game. They were asked to recognize a person/animal based on clues given to them. In the experimental group, the people to be recognized were well-known and wealthy, including Beyoncé, Bill Gates, and Angelina Jolie. In the control group, the animals to be recognized were also easily identifiable: a lion, a dog, and a bee. Participants first read clues and tried to guess who (experimental/what (control) it was. If the answer was incorrect, participants were given the next clue. There were four clues; the clues at the beginning were more difficult than the clues at the end. If the answer was correct, a picture of the person (or animal) was displayed on the computer screen, and the next session began for a different person (or animal). The pictures also appeared after the four clues were given. For example, the clues about Angelina Jolie included: “membership of the Council on Foreign Relations”, and “has three of her own children and three adopted children”; the clues about the lion were: “it is a wild carnivore”, and “the males have a mane.”

Manipulation check. After recognizing the person/animal, participants were asked to complete the missing letter in a word. Three words were presented, each of which could be completed in a different way and referring to the financial success of famous people or with a neutral connotation, lacking associations with money. The words to complete were the following: 1/ k _ s a (loot/scythe, in Polish forska/farsa); 2/ f _ r s a (brass/farce; in Polish forska/farsa); 3/ _ l o t o (gold/mug, in Polish złoto/złoto).

Logo size. Four pictures of T-shirts with the Ralph Lauren logo were presented, aimed at female or male customers depending on the participant’s sex. The logo
differed in size: 20, 28, 40, 54 mm. The participants reported which T-shirt they would choose.

RESULTS

The t-test revealed a significant effect for manipulation ($t(70) = -2.76, p < .010$). Participants in the experimental condition more often created words referring to money (loot, brass, and gold) ($M = 2.42, SD = 0.60$) than participants in the control condition ($M = 1.92, SD = 0.91$).

The t-test revealed a significant effect for aspirational group activation ($t(70) = -2.02, p < .050; d = .47$). As predicted, participants with the aspirational group activation were willing to choose a T-shirt with a bigger Ralph Lauren logo ($M = 36.50, SD = 15.01$) than participants in the control group ($M = 30.38, SD = 10.51$) (see Figure 2). Consistent with the hypothesis, the activation of the aspirational group enhanced preferences for a clearly visible logo.

DISCUSSION

The purpose of this study was to analyze bandwagon consumption from several experimental approaches, due to the correlative nature of previous studies. Through three experiments, I am able to provide evidence that the activation of the aspirational reference group concept significantly affects the propensity to conspicuous consumption. Participants watching advertisements that included references to significant others were willing to pay more for a luxury product and doubled the luxury brand logo on created T-shirts more often than participants watching advertisements without explicit references to significant others. It was also observed that the ad with the slogan "Feel like a movie star" encouraged respondents to place a larger luxury brand logo than the ad without the slogan, but only at a tendency level. Furthermore, the activation of the idea of the aspirational group by direct reference to famous people, e.g. Beyoncé or Angelina Jolie, enhanced preferences for a clearly visible luxury logo. Participants with aspirational group activation chose a larger Ralph Lauren logo size than participants without an activation notion of an aspirational group. The results of the experiments presented herein demonstrate that the activation of the aspirational reference group concept might enhance the propensity to conspicuous consumption probably due to the conformity process, especially to identification influence. The symbolic meaning of products used by significant others helps individuals to construct, maintain, and express desired identity. Therefore individuals choose products congruent with the social image of aspirational groups – nowadays celebrities, such as movie and music stars.

The influence of media figures on conspicuous consumption also connects with the activation of goals and norms (Lindenberg, Joly, & Stapel, 2011). The media figures enhance willingness to purchase and display the luxury brands via the activation of materialistic goals. Luxury brands are socially recognized and visible signs of wealth and fame – materialistic goals. Furthermore, luxury products are perceived as more psychologically distant than ordinary goods. The psychological distance of luxury connects with the exclusiveness and unfamiliarity with luxury goods. Well-known, wealthy people are socially distant, but on the other hand they are perceived as proximal to luxury, and thus may be treated as vehicles to world of luxury. In the study the activation of the idea of modern significant others enhances consumer willingness to purchase and display the luxury brand. To sum up, the results experimentally supported the bandwagon effect within luxury conspicuous consumption previously established in correlative studies (Kastanakis & Balabanis, 2012, 2014; Kim & Jang, 2014; Tsai, Yang, & Liu, 2013). Thus, the replication of Experiment 2 in a group consisting of men should demonstrate the bandwagon effect to more of an extent.

Furthermore, an important issue concerns the logos of the luxury brands presented to participants. The logos were chosen in pre-test studies conducted in the comparative groups – Yves Saint Laurent in the female student group and Ralph Lauren in the post-graduate student group. Nerveless, the aspirational reference group concept significantly affects the propensity to conspicuous consumption from several experimental approaches.

Figure 2. The size of luxury brand logo in the group with activation concept of aspirational group and in the group without activation concept of aspirational group.
these brand logos might be perceived differently by participants; thus, in further studies the possibility of choosing a logo from some set of brands should be offered.

As was mentioned, only a small number of studies do not apply an entirely status-seeking perspective and attempt to explore other social motives of conspicuous consumption. Inclusion of the bandwagon effect and snob effect in the analysis allows us to better understand the complex nature of conspicuous consumption in post-modern society. The effect of the bandwagon effect on consumer behavior can be moderated by personality characteristics and situational influences. Therefore, future research should examine which personality traits and what situations might enhance the bandwagon effect within luxury consumption.

References


