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Examining the Relationship of Brand Love &
Brand Loyalty to Luxury Fashion Brands in
Russia.

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АННОТАЦИЯ

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Название ВКР	Изучение взаимоотношений бренда и лояльности бренда к роскошным модным брендам в России.
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Описание цели, задач и основных результатов	<p>Основная цель этого тезиса: понять antecedents любви бренда и его влияние на лояльность бренда к потреблению люксовых брендов в России как развивающегося рынка. Задачами диссертации являются:</p> <p>(1) выявление пробелов в исследованиях.</p> <p>(2) углубленный анализ существующей литературы о потреблении роскоши, любви к бренду и лояльности к бренду, а также генерации гипотез, основанных на литературе.</p> <p>Основные результаты диссертации: анализ гипотезы, созданной для того, чтобы показать связь antecedents любви бренда с любовью к бренду и итоговый результат любви бренда к лояльности к бренду, а также изучение ограничений, предоставление рекомендаций для дальнейшего исследования.</p>
Ключевые слова	Роскошь, любовь к бренду, доверие к бренду, лояльность к бренду, Россия

ABSTRACT

Master Student's Name	Yvonne Konadu Acheampong
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Description of the goal, tasks and main results	<p>The main goal of this thesis: To understand the antecedents of brand love and its effect on brand loyalty of the consumption of luxury brands in Russia as an emerging market.</p> <p>The tasks of the thesis include:</p> <p>(1) identification of research gaps.</p> <p>(2) an in-depth analysis of the existing literature on luxury consumption, brand love and brand loyalty as well as generation of hypothesis based on literature.</p> <p>The main results of the thesis: analysis of the hypothesis generated to show the relationship of the antecedents of brand love on brand love and the concluding outcome of brand love on brand loyalty as well as the examination of limitations, the provision of the recommendations for further research.</p>
Keywords	Luxury, Brand love, Brand trust, Brand loyalty, Russia

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1 Introduction

1.1 Research Background and motivation

Most studies that have been conducted over the past years on luxury consumption focused mainly on Western markets with few concentrations on the Eastern European markets. During the past years, emerging countries such as Brazil, Russia, India and China have seen a significant increase in their luxury sector (Som, 2011). There has been a 70% increase of luxury consumption in the emerging countries as against the 53% of luxury consumption in the more mature markets (EU, US and Japan)¹. According to the research conducted by Bain & Company, there are nine segments of luxury consumption which is led by the consumption of luxury cars, luxury in the hospitality sector and consumption of personal luxury brands. Altogether, these three luxury sectors account for a total of more than 80% of the total market share. The analysis conducted by the World Bank Group in “Doing business 2015” report, ranked Russia 62nd for a country with a favorable business environment. Currently, Russia is ranked 35th among 190 economies with an upward shift up from the 62nd ranking place in 2015 to the 40th place in 2016 and the 35th place in 2017². Not only has Russia been able to move up its ranks, but it has also been considered as the biggest emerging economy in the world with a great potential for growth for luxury brands (Bain & Company, 2013).

The concept of luxury has been a rising interest topic for most researchers which has attracted research from almost every discipline. The previous understanding of luxury brands was that, they were goods or services that were exclusively limited to a minority group of consumers with difficult consumption gains by the majority of consumers (Nueno & Quelceh, 1998). The outcome of the research that was conducted to challenge this understanding showed that, currently, luxury brands are more affordable for most consumers especially for the middle-class due to the surplus of their disposable income (Hauck & Stanforth, 2007). Most managers in the luxury sector are currently altering their strategies and philosophies to suit consumers’ preferences. Unfortunately, they are experiencing a drawback in their attempt to change their strategies due to the insufficient scale of measurement of consumers’ consumption of luxury brands (Daswani and Jain, 2011). This is due to the fact that; modern luxury has evolved over the years into an actively growing sector. Nevertheless, an understanding of the luxury consumer’s consumption is essential for a long-term strategy for managers (Euromonitor 2013). An analysis of the market share for personal luxury brands shows a worldwide record high consumption of €262 billion in 2017. There is an estimated growth for the next three years with

¹ <http://www.bain.com/publications/articles/luxury-goods-worldwide-market-study-fall-winter-2017.aspx>

² <https://tradingeconomics.com/russia/ease-of-doing-business>

everything being constant, to be at an increasing rate of 4%–5%, with personal luxury brands estimated to reach €295–€305 billion by 2020³.

The general concept of branding as a marketing tool has been proven to be an essential tool, as it helps a brand to distinguish itself from its competitors. Branding over time becomes a great asset for a brand due to the intangible factors associated with it. Brand as an asset incorporates attributes such as; the brand experience, brand image, brand trust and brand personality that results in brand loyalty and brand management (Baek, Kim, & Yu, 2010; Brakus, Schmitt, & Zarantonello, 2009; Ekinci & Hosany, 2006; Lee, Back, & Kim, 2009). The branding concepts such as brand love and brand loyalty which will be examined further in this research, have over the years been an active research topic (Albert et al., 2009; Amine, 1998; Batra et al., 2012; Carroll & Ahuvia, 2006; Moussa, 2015; Singh & Pattanayak, 2014).

To give a better understanding on the concept of brand love, several researches have been conducted that showed two contexts of the usage of love relating to brands (psychological and interpersonal contexts). The psychological context of expressing love such as “I love my family” can also be used in the interpersonal consumption context such as “I love my car” (Aaker, 1997; Fournier, 1998; Ahuvia, 2005; Batra et al., 2012). The understanding of consumers’ consumption of luxury brands and brand love was previously addressed from the context of brand differentiation. Studies later showed a different concept - brand engagement as the main reason for their consumption (McEwen, 2005). However, a new marketing concept which is currently adopted by most researchers to help with the understanding of consumer’s consumption is based on the concept of brand love (Carroll and Ahuvia, 2006; Fetcherin and Heinrich, 2014). Brand love is the ability of consumers to get emotionally involved with a brand due to the passion and satisfaction they feel towards the brand. Coincidentally, it becomes their first choice when purchasing a brand due to the element of brand trust they develop towards the brand (Thomson, 2005) and also the intention to continually repurchase the particular brand due to the specific satisfaction received from it (Singh & Pattanayak 2014).

Brand loyalty has been proven through several researches as an asset of a brand’s competitive advantage (Auh et al., 2007; Chaudhuri and Holbrook, 2001; Johnson et al., 2006; Kandampully et al., 2015). With this understanding, most managers are designing and creating strategies to help establish strong brand connections with their consumers. The idea to develop and establish a brand connection with consumers has been proven by research that, a higher level of consumers’ loyalty increases the financial performance of a brand (Park et al. 2010).

³ <http://www.bain.com/publications/articles/luxury-goods-worldwide-market-study-fall-winter-2017.aspx>

Fashion brands are considered as goods that consumers continually try to create a bond with (Solomon, 1986). However, researchers are indecisive about the differences of how such bonds are created and the extent to which consumers get involved with the brand (Martin, 1998; Radder & Huang, 2008).

1.2 Research Gap

Luxury brands can be considered as one of the goods that generally have an intangible worth as they are mostly associated with prestige and status (Miller & Mills, 2011). There are several researches that have been conducted into the understanding of why consumers engage in the consumption of luxury brands. Due to the differences in culture, especially in Asia and the emerging countries, managers of the global luxury fashion brands need to understand the consumer's perception of their brands in order to strategize accordingly (Shukla, Singh, & Banerjee, 2015). However, there has been insufficient in-depth studies on the consumption of luxury in the emerging countries such as Russia (Kaufmann et al., 2012). The 70 years of communism in Russia where it was a centrally-concentrated economy might currently have far more ranging implications on consumers' consumption behavior and perception. After the changes on the macro-economic level of the country, Russian consumers have become more value conscious (McKinsey, 2011) with significant changes in their consumption behavior.

Previously, collectivistic characteristics were related to the Eastern developing countries and individualistic characteristics to the Western developed countries (Hofstede, 2011; Shukla, 2012). Currently, research shows a different pattern of the emerging countries catching up in most aspects with the developed countries (Nielsen, 2013). Presently, Russia together with China and India are referred to as the "golden triangle" of a new class of consumers. The new class of consumers are mostly the new wealthy consumers who crave luxury brands⁴. Researches that have been conducted on luxury brands in Russia, focused mainly on consumers' perception of luxury (Kaufmann H., Vrontis D., Manakova Y., 2012) with little research on the effect of brand love on brand loyalty.

Due to insufficient research knowledge on the understanding of Russian consumers in relation to brand loyalty, the checklist of attributes that contribute to the creation of brand love by Russian luxury fashion consumers are not sufficient to draw a conclusion on the development and sustainability of a long-term relationship of consumers with the luxury fashion brands they consume. This research aims to contribute to the existing research in this area.

⁴<http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.628.4670&rep=rep1&type=pdf>

1.3 Research objective and question

The research problem generated from the research gap shows that, despite there has been series of research on the concept of luxury consumption and brand love, there has been little information known about the factors that contribute to consumers' love for luxury fashion brands and more importantly, their decision to remain loyal in their consumption. There is also the paradoxical understanding of a booming consumption of luxury fashion brands in the Russian market with the present national and global economic crisis of the country. Hence, the primary research objective of this research is to firstly determine the factors that lead consumers to develop a feeling of brand love for luxury fashion brands. With the understanding of the first objective of this research, the relationship between brand love on brand loyalty is examined. The secondary objective is to use the understanding of the previous objective of this research, to help broaden the knowledge of luxury global brands, already operating in Russia or just entering the market, to understand the Russian consumer pertaining to how to establish and retain a long-term relationship with them.

Russian consumers are now in the state of having many brand options to choose from (Andreeva & Bogomolova, 2008). This has become a worry for most managers as they try to understand the methods to use to get consumers to choose them over other brands. Hence, this research through its analysis has identified and established some scope as well as some limitations which are presented in the empirical part.

The research questions that will help guide this research towards the intended objective of understanding the antecedents of brand love which leads to the creation of brand loyalty on the consumption of luxury fashion brands in Russia are:

- What are the consumers' perceptions of fashion luxury in Russia?
- What are the motives for Russian consumers to buy fashion luxury brands?
- What are the features of consumer loyalty toward fashion luxury brands in Russia?

These guided questions should help address the main research question - "Do the factors that contribute to brand love facilitate the development and establishment to brand loyalty to luxury fashion brands in Russia?"

Therefore, by the end of this research, the analysis conducted should help contribute to the understanding of the attributes that influence consumers' consumption of luxury brands from the context of brand love and its leading effect on brand loyalty. There is also the managerial applicability: the understanding of consumers' consumption of luxury brands to help create and develop a better strategy to retain them for the long-run.

1.4 Organization of study

This research follows the exploratory research design. Exploratory research design follows the trail of giving the range of causes and alternative options to an identified problem (Sandhursen, 2000). This research is structured into six chapters namely; introduction, research motivational context, literature review, methodology, analysis of data and discussion.

Chapter 1: Introduction. An overview of the current Russian luxury consumption, the understanding of brand love and brand loyalty as well as the importance of this research and how this research was undertaken.

Chapter 2: The literature review. An in-depth understanding of brand love as a concept. The antecedents of brand love are then examined. The understanding and examination of the concept of brand loyalty and the connections of the antecedents of brand love on brand loyalty.

Chapter 3: Research context. Discussion on the whole concept of luxury and the luxury fashion market both from the global and Russian context. Lastly, the generation of hypotheses.

Chapter 4: Methodology. An investigation into the methodology used in the study; the research method, the design of the questionnaire, choosing of samples and its collection.

Chapter 5: Analysis of data from the questionnaire and its findings to the hypotheses generated.

Chapter 6: Discussion of the analysis with the presentation of conclusion and recommendations. It also presents the limitations, suggestions for future studies and both theoretical and managerial implications.

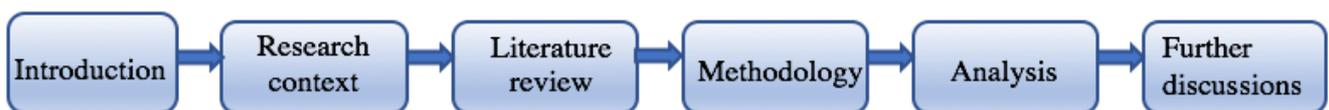


Figure 1 Exploratory research design

The two forms of data collection will be used; primary and secondary data collection. The primary data source will be collected through a survey. The survey conducted will help explore the understanding of the research gaps in the form of a questionnaire data. The secondary form of data sources will be through a thorough analysis of articles, books, reports and journals gathered through the St. Petersburg Graduate School of Management database. The research structure begins with an in-depth understanding of the topic conceptually and hypotheses generation, to collecting an online survey and lastly analysing the data in SPSS.

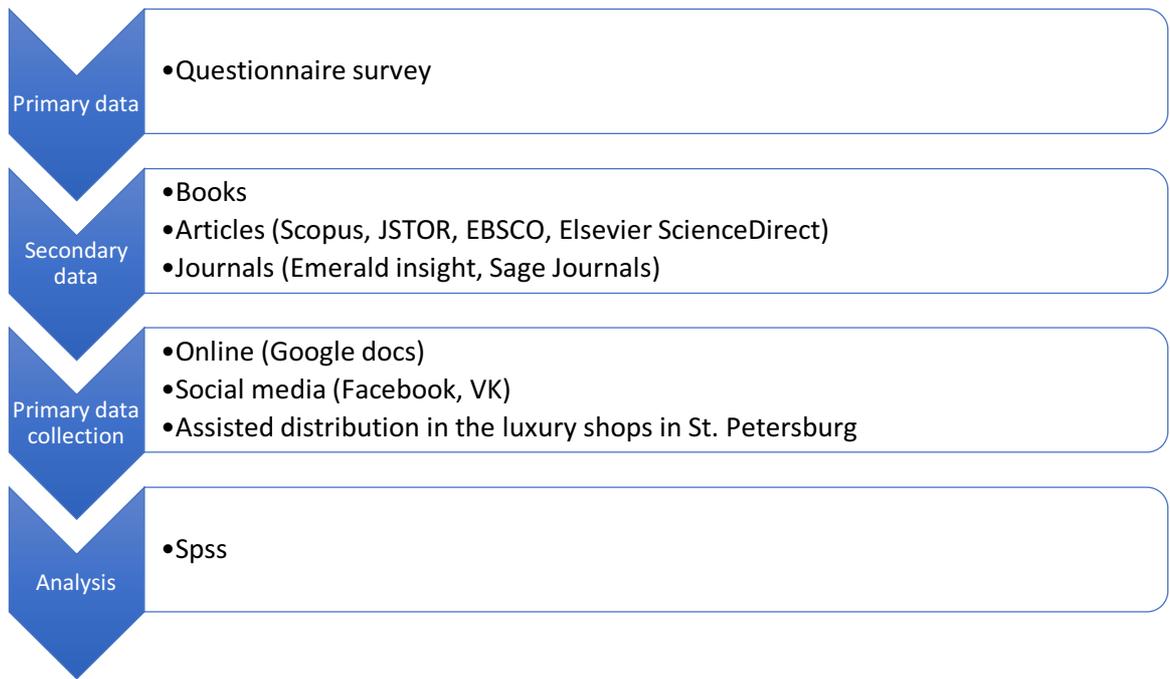


Figure 2 Research tactics

2 Conceptual background

According to Keller (2003) a brand is a name, term, sign, symbol, a design, or a combination of all, that seeks to differentiate brands from one another. The understanding of the concept of brand from the consumer's perspective are the attributes; logical or emotional, real or illusionary, tangible or invisible that comes with the satisfaction of consumption of a brand (Ambler, 1992). Luxury brands range from a variety of goods and services and vary in terms of their functional uses, but they all do end up providing the symbolic and experiential benefits such as the prestige along with higher social status that is mostly associated with brands (Kapferer & Bastien, 2009; Keller, 2009). The basic motives for the consumption of luxury brands by consumers is seen as the indirect way for them to impress others (Kastanakis & Balabanis, 2014), as well as other personal and hedonic factors (Dubois, Czellar, & Laurent, 2005; Shukla, 2012). From previous researches, it was observed how brand names and images have the capability of providing status elevation (Han, Nunes, & Dreze, 2010), socio-psychological benefits (Wiedmann et al., 2009) and as they involve a higher cost of consumption, so to some extent; great sacrifices (Shukla & Purani, 2012).

2.1 Definition of Brand love

Over the years, there has been several studies on brand love with differences in definitions between researchers. Several research interests and approaches to the understanding of brand love has found that satisfaction is not a strong factor to explain the concept of brand love (Jones and Sasser, 1995). Brand love from the context of psychology, is the interpersonal bond (Guerrero and Andersen, 2000) that shows the affectionate relationship between two parties (Shaver et al., 1987) and their passion to sustain and keep the relationship (Shaver et al., 1996). Consumers are more likely to invest their time, and resources into brands that they love (Park et al., 2010). When consumers are encouraged to express themselves using brands, there is the development of a higher level of brand love towards such brands (Albert and Merunka, 2013; Huber et al., 2015; Drennan J. et al., 2015).

The concept of brand love in relation to consumer–brand relationship is under further research and currently, a growing field of interest for brand managers. Brand love among one of its many definitions, can be defined as the attitude of one person towards another through their feelings, thought and behavior (Rubin 1973). This ideology has led to the existence of many constructs, all attempting to define brand love through the understanding of the nature of consumer brand relationships, such as through brand communities (Marzocchi et al., 2013; Bagozzi and Dholakia, 2006; Wallace & Chernatony), brand attachment (Malär et al., 2011;

Ranaweera & Menon, 2013; Munnukka J. et al., 2015) and emotional branding (Thompson et al., 2006; Kudeshia C. et al., 2016). Due to many controllable and uncontrollable factors, consumers may tend to switch to competitor's brand after some time (Reichheld, 1996). But with the understanding of brand love, it is possible to keep the percentage of the satisfied consumers committed to the brand (Carroll and Ahuvia, 2006).

The concept of brand love can also be explained from the view of positive emotions towards the brand (Batra et al., 2012; Keh, Pang and Peng, 2007; Ismail A.R., 2012; Fetscherin & Conway, 2013), through the relationship motivated by intrinsic and/or extrinsic rewards for consumers. The positive emotions consumers develop towards a brand can be explained through the correlation of love to interpersonal love feelings (Brakus et al., 2009; Carroll and Ahuvia, 2006; Keh et al., 2007; Shimp and Madden, 1988), the association of a brand with human personality traits (Aaker, 1997), consumers' repurchase intentions (Thomson et al., 2005; Carroll and Ahuvia, 2006; Batra et al., 2012; Loureiro et al., 2012; Fetscherin et al., 2014) and their behaviour in relation to brand engagement (Carroll and Ahuvia, 2006; Kaufmann 2012; Batra et al., 2012).

The study of Sternberg's triangular theory of love (Sternberg, 1986) which identified brand love from the aspect of intimacy, passion and commitment, has been widely used when conceptualizing brand love of consumers (Kohli et al., 2014). Further research was conducted on the approach of Sternberg's paradigm of interpersonal love with the adaption of the study to the concept of brand love based on consumer-object relations. The authors argued the point of such a relationship to be based on three psychological processes: the emotion, motivation and cognition of consumers (Shimp and Madden, 1988; Whang et al., 2004; Sakar A., 2011). Another concept with the adaption of Sternberg's triangular theory of love was developed based on a person-to-person approach. It showed a close relation to the interpersonal love concept (Fournier, 1998). Brand love from the emotional attachment to brands was further analysed by Thomson et al. (2005), who developed a measurement scale to identify the emotional attachments to brands.

The study conducted by Batra et al. (2012) is considered as one of the real pioneers of brand love. In the study, the researchers analysed the concept of brand love as well as its consequences. They related the consequences to seven brand love dimensions: (1) positive attitude, (2) self-brand integration, (3) positive emotional connection, (4) separation distress, (5) long-term relationship, (6) a passion-driven behavior, and (7) attitude strength. However, the term brand love first appeared in the study of Carroll and Ahuvia (2006) of which their main focus was the understanding of the antecedents and outcomes of brand love. The research

conducted focused on hedonic and self-expressive brands with their positive effect on brand love. The research defined brand love as the emotional attachment of a satisfied consumer to a brand (Carroll & Ahuvia, 2006). The study established five brand love dimensions: (1) the passion for the brand, (2) brand attachment to the brand, (3) positive evaluation of the brand, (4) positive emotions to the brand and (5) the love declarations towards the brand.

The concept was later adapted and proven by Patwardhan and Balasubramanian (2011) and showed the outcome of how consumers stay loyal to the brands they are emotionally attached to. With growing interest in the concept of brand love, another study examined the relationship paradigm through the social psychology conceptualization of love (Albert, Merunka, and Vallette-Florence 2008). The authors identified 11 dimensions of brand love; (1) beauty, (2) dreams, (3) self-congruity, (4) duration, (5) memories, (6) trust, (7) attractions, (8) uniqueness, (9) passion, (10) pleasure and (11) declaration. The study concluded on how different categories of brands may generate different love feelings towards a brand by the consumer. The explanation of brand love either from the interpersonal love theory or from psychological declaration of love, mostly consider brands from a uni-dimensional concept (Carroll and Ahuvia, 2006) or as a multi-dimensional concept (Albert and Merunka, 2013). Interpersonal love is mostly considered as one-sided concept of brand love (Shimp and Madden, 1988; Whang et al., 2004; Batra et al., 2012). Fournier (1998), also contributed to the understanding of the concept of brand love, by conducting a research and identified six possible relationships to the concept of brand love, such as; (1) the love and passion, (2) a feeling of self-connection, (3) brand quality, (4) commitment to the brand, (5) interdependence, and (6) intimacy to the brand.

Table 1. Literature review of brand love

Title	Author(s)	Year	Source	Content
Consumer-object relations: a conceptual framework based analogously on Sternberg's triangular theory of love.	Shimp T.A., Madden, T.J.	1988	Advances in consumer research, 15, 163-168.	Eight concepts were derived which range from non-liking to loyalty.
Consumers and their brands: developing relationship theory in consumer research.	Fournier S.	1998	Journal of consumer research, 24, 343-375.	A relationship-inspired study to provide a framework for the relationships consumers form with brands.

Falling in love with a product: The structure of a romantic consumer-product relationship.	Whang, Y.O. et al.	2004	http://www.acrwebsite.org/volumes/v31/acr_vol31_107.pdf 31(1989), 320–327.	A comprehensive study based on theories of interpersonal love
Some antecedents and outcomes of brand love	Carroll, Barbara a. Ahuvia, Aaron C.	2006	Springer Science Market Let, 17, 79-89.	Brand love linked to brand loyalty and effect of positive WOM. Concluded that love is more for products perceived as hedonic compared to utilitarian ones
When consumers love their brands: Exploring the concept and its dimensions	Albert, Merunka, & Valette-Florence	2008	Journal of Business Research, 61(10), 1062–1075. doi:10.1016/j.jbusres.2007.09.014	Exploring the feeling of love towards brands similar to those towards people. Comparing results in France to those in America.
Brand attachment and brand attitude strength: conceptual and empirical differentiation of two critical brand equity drivers	Park, C.W., MacInnis, D.J., Priester, J.R., Eisingerich, A.B. & Lacobucci, D.	2010	Journal of Marketing, Vol. 74 No. 6, pp. 1-17:No+Title#0	Discuss brand attachment, and differentiate it from brand attitude strength.
Romancing with a brand: a conceptual analysis of romantic consumer- brand relationship	Sarkar, Abhigyan	2011	http://www.managementmarketing.ro/pdf/articole/212.pdf 6(1), 79–94.	Literature review of customer-brand relationship, differentiating brand loyalty from brand love and how the concept can be useful for marketing strategy formulation and implementation
Effects of brand love, personality and image on word of mouth: The case of fashion	Ismail, A. R.	2012	Journal of Fashion Marketing and Management, 16(4),	Studying the impact of brand personality, brand image and WOM on brand love

brands among young consumers			pp. 386–398. doi:10.1108/13612021211265791	
Brand love	Batra, Ahuvia, & Bagozzi (2012)	2012	Journal of Marketing, 76(March), 1–16. Retrieved from http://journals.ama.org/doi/abs/10.1509/jm.09.0339	Investigating the nature and consequences of brand love including concepts of brand loyalty, WOM and resistance to negative information
The role of brand love in consumer- brand relationships	Albert, N., & Merunka, D.	2013	Journal of Consumer Marketing, 30(3), pp. 258–266.	Proposing and testing antecedents and consequences (brand identification, brand commitment and brand trust) of brand love.
Brand love: Interpersonal or parasocial love relationship?	Fetscherin, M., Conway, M.	2013	Emerald Journal of Consumer Marketing	Consumer-brand relationships are more similar to a parasocial love (much knowledge about the brand) than of an interpersonal love relationship
The effect of product category on consumer brand relationships	Fetscherin et al.	2014	Journal of Product & Brand Management , Vol. 23 No. 2, pp. 78-89.	Brand love positively influences brand loyalty and both, influence positively WOM and purchase intention.
Brand love in progress – the interdependence of brand love antecedents in consideration of relationship duration	Huber, F., Meyer, F. and Schmid, D.A.	2015	Journal of Product & Brand Management, Vol. 24 No. 6, pp. 567-579.	The effects of the antecedents of passionate brand love in general vary with increasing relationship duration.
Spreading love through fan page liking: A perspective on small scale entrepreneurs	Kudeshia, C., Sikdar, P. and Mittal, A	2016	Computers in Human Behavior, Vol. 54, pp. 257-270.	The study reveals a positive relationship between “liked” brands on Facebook fan-page and brand love.

2.1.1 Brand love related concepts

The first related known concept also known as the pioneer of brand love concepts – is interpersonal love concept. This construct focuses on the extreme positive emotional valence and exclusivity (Langer, Schmidt & Fischer 2015). Interpersonal love is defined as the unconditional and beneficial concept related to a brand, whereas brand love as a concept is one that needs to deliver and show an element of excellence to be accepted and loved by consumers (Kaufmann et al. 2016). Most researchers adapt the theory and concept of Sternberg's triangular theory of love as a way to explain interpersonal love (Sternberg, 1986; Shimp & Madden, 1988). His theory presented the three components of which love exists: intimacy, passion and commitment. Intimacy as defined by the theory, relates to the emotions one feels in a love relationship, with passion being the driver of romance and commitment starts with the conscious decision to fall in love, and stay with the decision, in order to preserve the love and these three factors are inter-correlated as they are constantly complimenting each other (Sternberg, 1986). Love becomes complete or consummate love when all three dimensions are present in an almost equal degree (Sternberg, 1986). Eight types of interpersonal love were proposed based on the assumption of the presence or absence of one or more of these three components which generates brand loyalty in consumers.

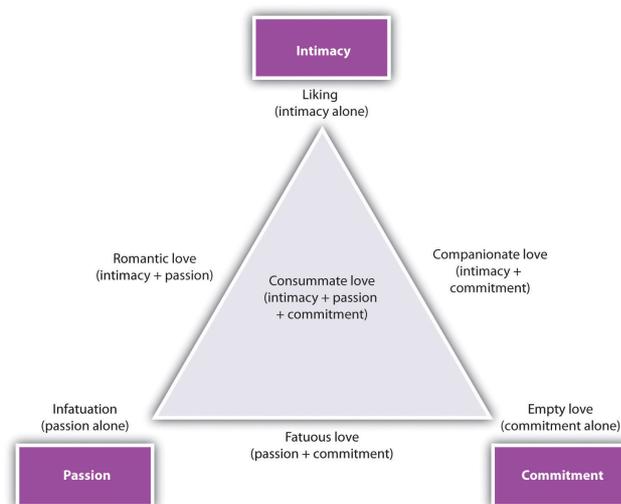


Figure 3 Sternberg's triangular theory of love

The next concept related to brand love is the lovemark concept. It was firstly introduced in the book of the same title written by Kevin Roberts. He generated the idea that, brand love is the only way to make a brand unique. Lovemark as a concept is defined as a good or service that inspires brand loyalty to a greater extent (Saatchi & Saatchi, 2012). Thus, the concept of lovemark is what makes brands desirable to be loved by consumers. In his book, Roberts highlighted the three most essential facets of brand love; mystery, sensuality and intimacy. A

combination of all three facets develops a strong brand love as they are difficult to imitate. Lovemark, has a strong dimension as it commands both respect and love.



Figure 4 Factors of lovemark

The last concept is the brand romance concept. This concept was introduced by Patwardhan & Balasubramanian (2011) who considers brand romance as the development of attitudinal loyalty (Aurier & De Lanauze, 2011) and it is a better concept of predicting brand loyalty (Patwardhan & Balasubramanian, 2011). Three dimensions namely; pleasure, arousal and dominance are the facets that has to be considered with brand romance.

2.1.1.2 Antecedents of brand love based on brand loyalty

Prior researches explored the antecedents of brand love using the approach adopted by Batra et al. (2012), which includes the approach based on brand quality (Batra et al., 2012; Rauschnabel and Ahuvia, 2014), brand personality (Rauschnabel et al., 2016), a utilitarian attribute and the concept of brand anthropomorphism (Rauschnabel and Ahuvia, 2014) as well as brand experience and self-congruity (Aaker, 1997). Through the understanding of brand love as a concept, there has been the identification of various antecedents. Brand love conceptualization can be examined from the view of excitement and satisfaction (Roy et al., 2016), through self-expressive brands and hedonic goods (Carroll and Ahuvia, 2006), the concept of brand trust and brand identification (Bergkvist and Bech-Larsen, 2010; Albert et al., 2013) and social identity (Vernuccio et al., 2015). The latter studies conducted on the antecedents of brand love, showed an overlap with some of the dimensions of the brand love scale by Batra et al. (2012). Other research, relayed the consequences of brand love by consumers which includes the effect on brand loyalty (Batra et al., 2012; Carroll and Ahuvia, 2006; Bergkvist and Bech-Larsen, 2010) or the influence on the active participation in a brand community (Bergkvist and Bech-Larsen, 2010).

Table 2. Literature review of antecedents and consequences of brand love

Author	Topic	Brand Love Antecedents	Brand Love Consequences
Carroll & Ahuvia 2006	Brand love	<ul style="list-style-type: none"> • Hedonic goods • Self-expressive brand 	<ul style="list-style-type: none"> • Brand loyalty • Word-of-mouth
Bauer et al., 2007	Brand passion	<ul style="list-style-type: none"> • Brand uniqueness • Self-expressive brand • Prestige • Hedonic brand 	<ul style="list-style-type: none"> • Positive word-of-mouth • Purchase intention
Albert et al., 2009	Emotional attachment to brands	<ul style="list-style-type: none"> • Affection • Passion • Connection 	<ul style="list-style-type: none"> • Loyalty • Positive word-of-mouth • Trust
Bergkvist & Bech-Larsen 2010	Brand love	<ul style="list-style-type: none"> • Sense of community • Brand identification 	<ul style="list-style-type: none"> • Brand loyalty • Active engagement
Batra et al. 2012	Brand love	<ul style="list-style-type: none"> • High quality • To express both current and desired self-identity • An emotional bond 	<ul style="list-style-type: none"> • Self-brand integrity • Positive emotional connection • Long-term relationship
Albert & Merunka 2013	Brand love	<ul style="list-style-type: none"> • Global identification • Brand trust 	<ul style="list-style-type: none"> • Brand commitment • Word-of-mouth
Japutra et al., 2014	Brand attachment (emotions, self-connection)	<ul style="list-style-type: none"> • Experience • Responsiveness • Quality • Reputation 	<ul style="list-style-type: none"> • Intention to recommend and purchase
Sarkar 2014	Brand love	<ul style="list-style-type: none"> • Nostalgic experiences from brand • Hedonic product 	<ul style="list-style-type: none"> • Impulse buying • Active engagement
Wallace et al., 2014	Brand love	<ul style="list-style-type: none"> • Self-expressive brand 	<ul style="list-style-type: none"> • Word-of-mouth
Karjaluoto et al. 2016	Brand love	<ul style="list-style-type: none"> • Self-expressive • Brand trust • Hedonic product 	<ul style="list-style-type: none"> • Word-of-mouth through experience & price
Kaufmann et al. 2016	Brand love	<ul style="list-style-type: none"> • Self-expressiveness • Brand attachment 	<ul style="list-style-type: none"> • Sense of community • Brand trust • Brand loyalty

2.2 Brand Trust

The concept of brand trust is defined as the sure expectations of a brand's reliability to deliver its stated promises (Delgado et al., 2003) and the confidence of the consumer to rely on the brand to deliver its stated function (Chaudhuri and Holbrook, 2001). Brand trust involves the element of risk, ambiguity, and mutual interdependence (Mayer et al., 1995). Brand trust creates an element of confidence that one will find what one desires from the other party without fear (Deutsch, 1973). Brand trust, acts as a powerful tool in a brand's success (Morgan & Hunt, 1994) through how consumers assess the reliability of the brand (Kabadayi & Alan, 2012). Brand trust from a consumer's perspective, has the characteristics of the brand being consistent, competent and honest (Andaleeb, 1992; Doney and Cannon, 1997; Larzelere and Huston, 1980). Brand trust which has been conceptualized on the idea of a brand-consumer relationship, is mostly referred to as the intangible resource and substitute for human contact between the brand and its consumers (Sheth and Parvatiyar, 1995; Zehir et al.2011). As trust is earned and gradually built upon, it begins with the continuous consumption of the luxury brands, and eventually develops into a long-term commitment to the brand (Kapferer & Bastien, 2009). Hence, when there is a strong brand trust, it leads to positive outcomes such as positive attitudes towards the brand, a stronger commitment and brand loyalty (Knox et al., 1993) and it becomes the focal factor that greatly contributes to brand love (Albert et al., 2008; Drennan et al., 2015).

2.3 Brand Image

The marketing strategies adopted by managers for a brand is the primary factor that influences a consumer's perception. Brand image creation and maintenance has shown to be a prerequisite to brand management (Park et al., 1986) as it is an intangible asset of a brand that increases its brand equity through the reputation created (Kahle and Kim, 2006). Brand image has the material attributes such as the packing, the brand name which helps describes its characteristics to the consumer (Dobni and Zinkhan, 1990; Padgett and Allen, 1997; Aperia and Back, 2004; Ballantyne et al., 2005). Despite brand image represents the emotional perceptions of consumers to specific brands (Low and Lamb, 2000), it is also the set of beliefs a consumer holds onto about a particular brand, based upon intrinsic and/or extrinsic attributes (Aaker, 1994; Garcia Rodriguez and Bergantinos, 2001). Brand image was defined as the subjective perceived ideology of consumers towards a brand (Robert and Patrick, 2009). The held-on perception of consumers is the response and reaction of consumers to a brand name, symbol and perceived quality (Magid & Cox, 2006). Different values have been identified as dimensions of brand image. Aaker (1996) identified three dimensions to brand image; (1) the

functional values of a brand - brand value, (2) the consumers' perception - brand characteristics and (3) brand associations. Another dimension that was constructed by Biel (1992) examined brand image through the dimension of (1) the brand's image, (2) the company's image and (3) the competitors brand.

Brand image concept has the effect of firstly forming a favorable brand perception for the consumers which in turn, has an influence on the consumer's behaviour. The perception generates into a positive effect on brand loyalty or word-of-mouth (Hyun & Kim, 2011). Secondly, it has the effect to create a strong brand reputation thereby, influencing the aspect of brand love. Consumers through this brand love, are willing to pay premium prices for the brand (Kwon and Lennon, 2009). Lastly, it has a strong influence on brand loyalty through their evaluation of the brand (Chen & Myagmarsuren, 2001).

2.4 Emotional Attachment

Emotional commitment to a brand, generally encompasses attributes and elements within both the triangular theory of love by Sternberg and the lovemark theory. Symbolic attributes of a brand relate to the intrinsic needs of consumers for emotional satisfaction, self-expression, status and social approval (Aaker, 2009; Keller, 1993; Solomon, 1983). Consumers that form an emotional relationship and attachment to a brand, are mainly due to the brand's unique characteristics (Thomson et al., 2005). Emotional attachment incorporates factors such as brand commitment, brand satisfaction and brand love (Thomson et al., 2005). Emotional attachment is a vital focal point particularly for the luxury fashion market, with brands readjusting their focus to create a connection with consumers to build upon brand loyalty (Cailleux et al, 2009). Prior research has identified brand love to have a passionate component which is the degree of passionate emotional attachment to the brand (Carroll and Ahuvia, 2006). Brand loyalty and emotional commitment to brands go hand-in-hand, because without the element of commitment there is no loyalty (Amine 1998).

2.5 Repurchase Intention

Higher prices and prestige go hand-in-hand when it comes to the consumption of a luxury brand. This makes consumers highly conscious of the brands they choose to associate with (Vigneron & Johnson, 1999). When consumers derive a certain amount of satisfaction from a brand, it creates a halo effect and its credibility becomes important for repurchasing decision (Han et al., 2010; Shukla, 2011; Griffin, 2002). Consumers who are emotionally attached to a brand have the likelihood to repurchase the same brand in the future (Chiu et al.,

2009; Dodd et al., 1991; Carroll and Ahuvia, 2006; Batra et al., 2012). Repurchase intention begins with the perception of higher quality of the brand (brand love) and eventually the development of brand loyalty towards the brand (Kotler and Keller, 2011). Consumers past experience with a brand also has a strong influence on repurchase (Atwal & Williams, 2009).

2.6 Need for Uniqueness (NFU)

Despite everyone identifies themselves to a particular society, family or a group, the nature of humans makes one want to be unique in their own way from the rest of the people. Most consumers feel uncomfortable or threatened when they can be associated with others as they feel a loss of self-identity. The only way out is through material possessions as they can create a differentiation of oneself to others. Consumers are generally willing to possess and acquire a unique brand along with the higher price (Amaldoss & Jain, 2005). NFU is one of the expressions by consumers in the pursuit of brand consumption to convey and portray an individual identity (Tian, Bearden, & Hunter, 2001). Luxury brands due to their high prices, are perceived as higher quality and of restricted distribution, of which among other factors has become a tool to convey uniqueness for an individual (Vigneron & Johnson, 2004) and due to their recognizable designs and logos they visibly help to communicate to the world the consumers' intrinsic values.

2.7 Brand Loyalty Concepts

1. *General concept*

Prior research referred to brand loyalty as consumers' attachments to brands (Schultz & Bailey, 2000; Algesheimer et al., 2005). The concept of brand loyalty has over the years been studied by many researchers (Cheng & Rashid, 2013; Kumar & Shah, 2004; Choi et al., 2011; Hsu et al., 2011; Omar et al., 2013; Sabet et al., 2014; Boahene & Agyapong, 2010; Chang & Wang, 2011; Saeed et al., 2014; Sharma et al., 2013; Chinomona & Dubihlela, 2014; Pi & Huang, 2011; Lee & Hsieh, 2011; Liu-Thompkins & Tam, 2013). Previous research has shown the various antecedents that contribute to brand loyalty such as brand name, brand quality and price (Singh & Pattanayak 2014; Amine, 1998; Brosdahl, 2013; Li & Petrick, 2008).

2. *Managerial implications*

Currently, most managers view brand loyalty as an important factor for the survival of their brands (Reichheld et al., 2000). Brand loyalty is the commitment towards a brand (Sahin, Zehir, & Kitapci, 2011) and the repeated purchase actions of consumers which has the tendency to raise a brand's profit by up to 25-100% (Reichheld et al., 2000; Floor & Raaij, 2006). During

the decision-making process of purchasing a brand, consumers tend to lean more towards the brand they prefer, love and trust (Brown, 1992). Brand loyalty is brought on through the awareness of the emotional bonding and experience towards the brand (Mugge, Schifferstein & Schoorman, 2008). Past experiences does have a strong influence on how a brand is perceived by a consumer (Lynch, Marmorstein & Weigold, 1988; Dick et al., 1990).

3. *Utilitarian or Hedonic brands*

The understanding of brand love and its relation on brand loyalty begins with the understanding of the brand either as a utilitarian or a hedonic brand. Emotional motives are the basis for the consumption of hedonic brands (Sloot, Verhoef & Franses, 2005) and they tend to have a stronger influence on brand loyalty than utilitarian brands (Jones et al, 2006). Recent research has shown a paradox of utilitarian and hedonic brands and their effect on brand loyalty. Brand loyalty for utilitarian goods tend to be weaker, since the functions the consumer seeks do not pertain to one brand (Sloot, Verhoef & Franses, 2005). The study results from Carroll and Ahuvia (2006) showed the negative effect of hedonic goods on brand love as hedonic goods with relatively high benefits tend to provide the consumer with more incentives for variety seeking (Carroll & Ahuvia, 2006).

4. *Asset Value*

Brand loyalty have also been studied from the viewpoint of how significant it is in the face of strong competition for a brand (Li and Green, 2011). In the face of strong competition, positive word-of-mouth of the brand goes a long way in winning over new consumers (Keller, 1993). This in the long-run increases the future market share, brings in good numbers for sales, increases profit of the brand, hence the success and growth of a brand (Eakuru and Mat, 2008; Devi and Menezes, 2016; Severi & Ling, 2013). Brand loyalty in other words, is the intangible value of a brand that was created based on the strategic marketing decisions undertaken by the managers of the brand in the face of the competition (Ramaseshan et al., 2013). Also, with the market situation of having many options to choose from, consumers prefer to trust names of brands that are popular (Singh & Pattanayak, 2014).

5. *Brand Switching Habit*

When consumers develop loyalty towards a brand, price becomes less of a concern (Vázquez Casielles & Álvarez Álvarez, 2007; Singh & Pattanayak, 2014). Despite price isn't considered a major factor, the different markets of consumables, durables and service markets influences brand loyalty due to the brand switching habit (Rundle-Thiele & Bennett, 2001). The consumable market such as the fashion market often has different brands with lots of options to choose from for the consumer. The switching habit is frequent in this market due to the search

for variety among other factors by the consumer. The durable goods market such as automobiles and furniture have less brands to choose from, hence less switching habit of consumers. Brand loyalty in this market is mostly over a long period of time due to longer period of switching brands. In the service market, (telecommunications, healthcare) consumers tend to be more loyal as they do have a great influence on brands (Rundle-Thiele & Bennett, 2001). The risks involved in this market are mostly higher with the services provided than with the brands consumed, hence less switching habits of consumers (Rundle-Thiele & Bennett, 2001).

6. Behavioural or Attitudinal Factor

Based on previous research, brand loyalty can be measured and examined from either a behavioural or attitudinal factor (Amine, 1998; Odin & Valette-Florence, 2001; Pappu et al., 2005; Liu-Thompkins & Tam, 2013; Saili et al., 2012). The concept of behavioural approach is the continuous consumption of the same brand by the consumer. The attitudinal approach looks at the positive attitude and commitment of the continuous consumption of the consumer and the consumer's intention to remain loyal to the brand (Tellis, 1988; Dick and Basu, 1994; Amine, 1998; Odin et al., 2001). Behavioral brand loyalty fails to accurately explain why consumers with repetitive purchasing behaviour sometimes switch to buy competitive brands (Allan & Bubinson, 1996). Therefore, to accurately measure brand loyalty, it is best to use both approaches as with behavioural approach, brand loyalty enhances the brand's profit while attitudinal loyalty helps a brand to put in measures which are difficult for the consumer to be disloyal to them (Kumar & Shah, 2004).

7. Brand Resonance Model

Also, brand loyalty can be explained with the brand resonance model of Keller (2001). The brand resonance explains the relationship that a consumer develops with a brand and the relation to it. In the study of Keller (2001), brand resonance was associated with long-term relationship of a brand. The functional and emotional associations that consumers form with brands generated the brand resonance model. Majority of managers currently strive for the consumer attachment at the top of the model as it is linked to increase in brand profits (Cobb-Walgren et al, 1995; Lassar et al, 1995; Kim & Kim, 2005; Xu & Chan, 2010; Kayman & Arasli, 2007; Hsu et al, 2011).

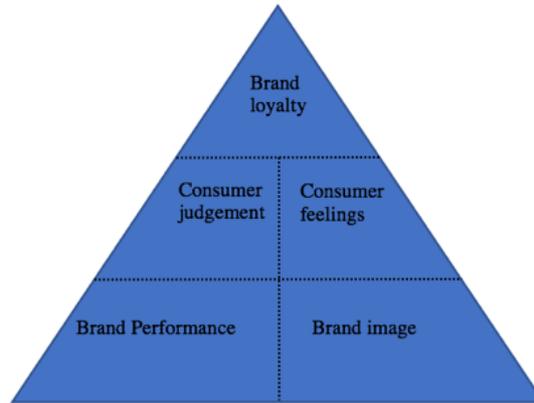


Figure 5 Modified brand pyramid (Keller, 2001)

2.8 Brand love and brand loyalty

When a consumer begins to love a brand, then they actually become very emotional and passionate about the brand (Carroll and Ahuvia, 2006). Because of this strong emotional bonding, they are expected to consume the same brand repeatedly ignoring other competitive brands (Carroll and Ahuvia, 2006).

Different levels of brand loyalty were identified from the studies of Oliver (1999). Brand loyalty can be – cognitive, affective, conative and action or behavioral loyalty. Cognitive, affective and conative loyalties are perceptions of the consumer that are hardly are realized. With cognitive loyalty, consumers do have knowledge of alternative brands. Affective loyalty looks more at the emotional liking and connection to the brand. Consumers have strong intentions to remain loyal to the brands with the decision to repurchase the brand for conative loyalty. Action loyalty is the loyalty that takes places when they are no obstacles such as strong marketing from competitors (Oliver, 1999).

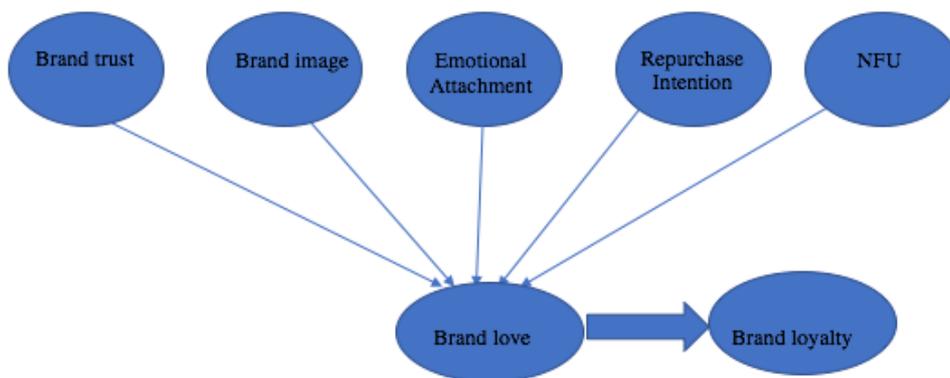


Figure 6 Conceptual Framework

3 Research Context

3.1 Overview of the Russian Economy

The economic sector in Russia is one of the country's sector that has changed more rapidly and unexpectedly. The first decade of transition for Russia after the collapse of the Soviet Union from a centrally-controlled economy to a market economy was disastrous. The nominal gross domestic product (GDP) fell from \$516 billion in 1990 to \$196 billion in 1999; a 60% plunge in the economy⁵. Through the recommendations of the International Monetary Fund (IMF), the government began to privatize many Russian industries during the 1990s with the exception of the energy and defence sectors as they are the backbone of the Russian economy. The privatization process however, has turned over most of the state-owned companies to a concentrated number of the politically-affiliated oligarchs⁶. Over the years, Russia has been able to emerge as the world's leading natural gas exporter as well as the second largest oil producer after Saudi Arabia. Through the strong foundation of its energy sector, it has been able to pay off its debt to the Paris Club creditors and to the IMF⁷.

The Russian economy plunged to a 7.8% in 2009 due to the 2008-2009 global plummet of oil prices. With the quick intervention of the Russian central bank, the Russian economy began to grow with an increase of 4.5%, 4.3% and 3.4% in 2010, 2011 and 2012, respectively, before dropping slightly to a 1.3% in 2013 and 0.6% in 2014. After the collapse of the Soviet Union, Russia has intergraded itself into global economic affairs and has been able to structure a long-term socio-economic development for the country for up to 2020.

Russia over the subsequent years has been able to triple its GDP per capita at Purchasing Power Parity (PPP takes into account the relative cost of living and inflation rates) from a \$9,889 to \$27,900. This has positioned Russia at the top with the highest GDP per capita at PPP among the other BRICS countries, with the next highest being China- \$16,624. With the recent economic crisis of the country, the central bank has maintained a strict fiscal and monetary policy which has helped overcome the inflation problem, increased drastically the average nominal monthly wage (11-fold increase; \$61 to \$652) as well as a decrease of 13% to 5.2% in unemployment⁸. The changes and actions by the central bank has helped the country experience an annual growth of 2% in 2018⁹.

⁵ <https://www.focus-economics.com/countries/russia>

⁶ https://www.expatica.com/ru/about/Russia-facts-Economy_104185.html

⁷ <https://russiapedia.rt.com/basic-facts-about-russia/economy/>

⁸ <https://www.rt.com/business/417135-putin-presidency-economic-growth-russia/>

⁹ <https://themoscowtimes.com/articles/russias-economic-recovery-remains-a-challenge-60359>

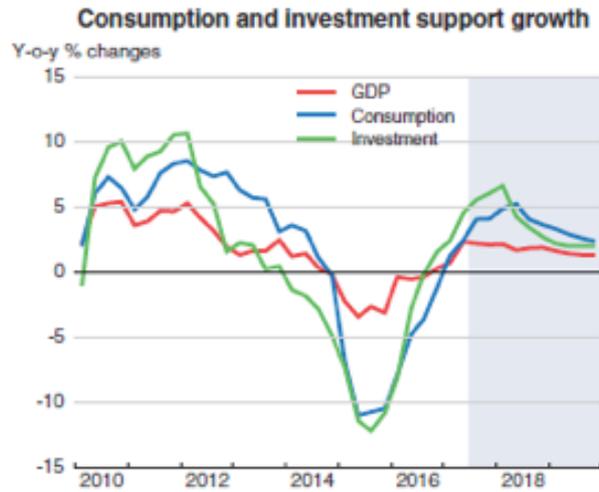


Figure 7 Overview of Russian economy¹⁰

According to recent statistics, the Russian economy is projected to grow at a steady pace with a stable growth at 1.8% in 2019¹¹. The evidence can be seen with the ruble staying flat in February 2018 with respect to the US dollar¹². Recent report by Sberbank analysts expect consumers’ consumption to continue to grow faster than the GDP in the coming years. This is due to the rise in nominal wages as it is the important factor of a household’s income. Currently, consumers’ consumption in Russia is driven by a recovery in their real disposable income hence, bridging the gap of income inequality. The assumption is based on the stability of global oil prices, better business investments in the country as well as improved credit conditions. The Russian economy is shifting from a conservative ideology to a more consumer sovereignty ideology. Better conditions of the domestic situation and external conditions have helped the current gradual growth of the economy¹³.

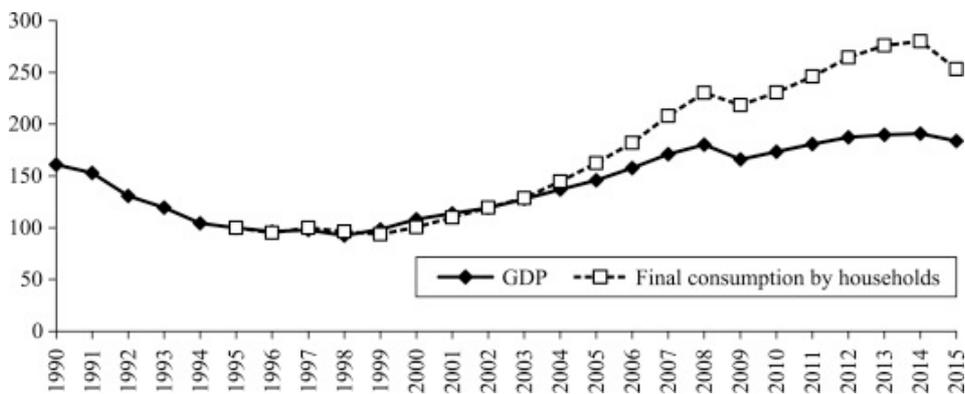


Figure 8 Russian household consumption

¹⁰ <https://www.oecd.org/eco/outlook/economic-forecast-summary-russia-oecd-economic-outlook.pdf>

¹¹ <https://www.focus-economics.com/blog/growing-and-contracting-economies-of-2018>

¹² <http://www.worldbank.org/en/country/russia/brief/monthly-economic-developments>

¹³ <http://www.4-traders.com/SBERBANK-ROSSII-PAO-6494829/news/SBERBANKR-Consumption-is-back-as-a-driver-for-the-Russian-economy-but-it-is-not-strong-enough-to-26118860/>

3.2 Luxury as a Concept

Despite most of the researches that have been conducted on the concept of luxury, the first academic literature on the concept can be traced back to the period where there was a new emergence of economic class, mainly made up of wealthy consumers in the United States (Ahmed et al., 2002). There have been many researches on the topic of luxury concept under different categories, because what might be luxury to one person may just be an ordinary brand to another (Phau, Gerard, 1998). The concept of luxury was categorized from different sources of luxury brands (Aaker, 1997). It can also be addressed from the economic context (Veblen, 1899; Leibenstein, 1950), from the marketing context, (Dubois & Duquesne, 1993; Dubois et al., 2001), from the culture, socio-demographics, symbolic value and consumer perception (Ahmed et al., 2002) and from the psychological context (Vickers & Renand, 2003; Vigneron & Johnson, 1999). Most of the research conducted on the concept of luxury agree with the view of luxury being a subjective point of view. Luxury is the rare, hedonic goods, services and/or experiences consumers with surplus income consider as a thing beyond the necessities of life (Kapferer et al., 2014). Luxury consumption is linked to the comfort and the exclusive lifestyle that comes from its consumption (Dubois and Czellar, 2002) as well as, the expressive feeling of desire and emotion (Allérès, 2008). In recent times, luxury brands can't be considered exclusive to a group of consumers who were mostly the rich and elite (Yeoman and McMahon-Beattie, 2006; Wiedmann et al., 2009). Luxury branding can be viewed as the dream and wishes that deal with the emotional associations of consumers to the brand (Kapferer & Bastien, 2009) and they are the visible icons and symbols known to consumers that in its own way, represent the lifestyle of a specific social group (Hennigs et al., 2012; Nia and Zaichkowsky, 2000). The intangible worth of prestige attached luxury brands, is what consumers mostly strive for (Miller & Mills, 2011). Some consumers consider the possession of luxury brands as one of their privileges in order to gain their desired superiority in society (Bhar & Reddy, 1998).

The main goal of luxury fashion branding is to build confidence in its consumers through consistency and the ability to establish a long-term relationship with them (Hameide, 2011). Luxury fashion branding as a branch concept of luxury, has also become a growing interest of research. This is because, luxury fashion branding entails the attributes such as the superiority of the brand, innovation, quality, and craftsmanship which according to research, creates both value and profit for consumers and brand companies (Hameide, 2011).

The fast pace of globalization and creation of new market segments, is causing a growth in the value of the luxury industry. Among the factors that account for the fast pace of this

industry, is the growth of the client base in emerging countries such as China, Russia, India and the Middle East (Okonkwo, 2009). The current luxury consumers are individualistic in nature, smart, sophisticated and with their own preferences and opinions (Okonkwo, 2007). Most consumers now associate the consumption of luxury brands to the gain of a social status in society. Consumers create an identity based on their personalities or wishful personalities and consume luxury brands as a way to establish and sustain that identity (Wattanasuwan, 2005). Recent research shows the correlation of the luxury market growth to the growth of GDP¹⁴. The market of the luxury sector is soon to experience a new segment creation. The new segment will be mainly made up of the middle-class, especially in the BRIC countries (Brazil, Russia, India, and China) and soon to take a boast in the CIVETS countries (Colombia, Indonesia, Vietnam, Egypt, Turkey, and South Africa; Kapferer, 2014). The creation of the new segments can be attributed to the saving attitude of consumers in the BRIC and CIVETS countries. In these countries, most consumers don't usually save up for their retirement but enjoy the consumption of brands to confer status (Kapferer, 2014).

Table 3 Features of Luxury Brands¹⁵

Main Features	Supplier Features	Tangible Features	Intangible Features
Price		Price	
Quality	Supplier's expertise	Material	
	Difficulty of production	Principles of production	
		Labor	
		Good features	
		Size of the brand	
Aesthetics			Aesthetics
Rarity		Rarity	
Uniqueness			Uniqueness
Symbolism			Symbolism

¹⁴ <https://www.strategyr.com/PressMCP-6169.asp>

¹⁵ <http://hss-khazar.org/wp-content/uploads/2015/02/3humeyra-ready-1-1.pdf>

3.3 Six Dimensions of Luxury

There are certain characteristics that were identified by Nueno and Quelch (1998) as common within luxury brands. They are the creativity, the design, exclusiveness (Dubois & Laurent, 1994). A research was conducted by (Dubois, Laurent & Czellar, 2001) to verify these characteristics. Six dimensions were identified from their research which are; unique quality, aesthetics, price, ancestral heritage or history, scarcity and extravagance.

1. *Unique quality*

Luxury consumers expect to receive not only an aesthetic value from the brands they consume but also a practical value through the materials used (De Barnier et al., 2006). Consumers expect to receive a certain level of assurance and reliability from the brands they consume considering the price they are paying (Dubois et al., 2000).

2. *Aesthetics*

The dimension of aesthetics takes into account the design, color that creates the exclusiveness of the brand. Consumers are aware of the psychological benefits from the consumption of luxury brands (Chaudhuri & Majumdar, 2006; Danziger, 2005).

3. *Price*

Most luxury brands are highly priced due to the high quality raw materials among other costs that it needs to produce the sophistication so desired by consumers (Mortelmans, 2005). Hence, most luxury brands adopt the premium pricing strategy as a way to differentiate themselves from competition while strengthening the brand through the emphasis of its high quality and exclusivity (Okonkwo, 2007).

4. *Ancestral heritage or history*

The stories about the origin of a brand helps add the indirect, intangible unique attribute of the luxury brand (Catry, 2003). A brand with long history of sustainability has shown to create brand trust among consumers (Kapferer, 1998).

5. *Scarcity*

Consumers perceive that, the rarer the brand, the more exclusive it is. Scarcity of a brand shows the prestige associated with it as it can't be owned by the mass (Dubois and Paternault, 1995). Hence, luxury brands are in high consumption when they aren't available everywhere at every time for the consumer (Heine, 2011).

6. *Extravagance*

According to McCracken (1998), he identified the six dimensions as interrelated, as consumers mostly consume luxury brands for the intangible benefit they receive from it.

Table 4 Six functional dimensions of luxury

Unique quality	Exceptional raw materials, craftsmanship & artisanship
Aesthetics	Stylish, work of art, creative, beauty
Price	Expensive, premium pricing
Ancestral heritage and history	Long history, great tradition
Scarcity	Restricted access & distribution, tailor-made or on request
Extravagance	Interconnected to the 5 dimensions, intangible satisfaction, prestige

3.4 Overview of Russian Luxury Market

Luxury can be referred to as the goods or services that elicit a high value standard of consumers and a strong social involvement and recognition (Shukla 2011; Wiedmann, Hennigs, & Siebels 2009). The luxury market is estimated to grow 9% annually by 2015-2021 (Bain & Company, 2015), which is expected to reach 465 million by 2021 as compared to 390 million in 2014¹⁶. Presently, the luxury sector is worth roughly €915 billion and estimated to reach about €1,260 billion by 2024¹⁷. The Russian luxury consumer unfortunately, had no possibility to consume luxury brands before the early 1990s unlike most of the Western countries. The Russian luxury sector currently includes a variety of goods and services such as; apparel and accessories, yachts, cars, cosmetics, tourism (Quans, 2011), for its high net worth individuals (HNWI). Eighty-four of the world's richest, worth a total of over \$366 billion, call Russia home and are mostly situated in the Moscow. Recent statistics shows the increased number of billionaires in Russia from 8 to 110 since 2000 (Forbes, 2015). Russia is the 15th largest economy by nominal GDP and the 6th largest economy by purchasing power. Currently, the Russian luxury market represents about 4% of the total global luxury consumption. This number however, is driven by a relatively small number of consumers with very high spending power, typically shopping at the top end of the spectrum¹⁸.

The luxury market chains with a lot of outlets for its prêt-à-porter in Russia includes Swatch, Armani, Hugo Boss, Zegna, Michael Kors, Dolce & Gabbana, Gucci and Valentino; based on the companies' estimations¹⁹. These outlets are located in geographic places with HNWI, that is, in Moscow, Saint-Petersburg, Yekaterinburg and Krasnodar and altogether they

¹⁶ <https://www.igi-global.com/chapter/the-luxury-fashion-market-in-russia/151757>

¹⁷ <https://www.bcg.com/d/press/20february2018-altagamma-true-luxury-global-consumer-insight-184693>

¹⁸ <http://www.strategiaesviluppo.com/blog-archive/2015/12/2/luxury-market-in-russia>

¹⁹ <http://ceeretail.com/news/281529/russian-luxury-market-returns-to-growth>

account for 70 % of luxury consumption in Russia. Moscow is the center of luxury consumption in Russia and also the city that sets the trend of consumers' consumption (Andreeva & Bogomolova, 2008). Saint-Petersburg is the second capital to Moscow economically and in the consumption of luxury brands. It has gradually adapted to a higher level of lifestyle as over the years, the city has been experiencing a growth in investments from companies and government. Yekaterinburg, has become a city destination for the northern region areas of Russia, as most consumers find it easier to indulge in their luxurious consumption without having to make long trips to the Southern part of the country. With increasing development in Krasnodar, some luxury companies have moved their outlets to this newly emerging region (Euromonitor, 2015).

Between 2013 and 2015, Russia's luxury market has been unstable with an annual consumption of €5.5 billion in 2013 before it plummeted to €4.3 billion in 2014, and €3.2 billion in 2015 before experiencing a rise of €3.5 billion in luxury consumption in 2016²⁰. The Russian luxury market has grown approximately by 5-10% since 2016 to January 2017 with an estimated amount of €3.4-3.5bn (Exane BNP Paribas; Contactlab). Despite the Russian economic situation, the appetite for luxury consumption especially luxury fashion consumption is apparently growing as ever. The report from the market research made by the Fashion Consulting Group Russia (FCG) showed that, over 60% of well-off Russian consumers were not dependent on the ruble's recession for their clothing budget²¹. The economic crisis in the country only shows how consumers have had to replace their international shopping experience in New York or London with shopping locally either in Moscow or St. Petersburg.

The reason for most luxury brands shops currently in Russia can also be explained through the growing number of Asian tourists to Russia mainly for the purpose of shopping. There has been a 30% increase of Asian tourists (Chinese) to Russia as of 2015-2016 (The Russian tourism department; Rostourism). The doubling increase of the yuan as compared to the ruble, has made Asian consumers shift their shopping experience to Russia as it's cheaper compared to the brands in Europe and also geographically closer²².

3.5 Luxury Fashion Market in Russia

The capital city of Russia, Moscow which is an international city with cosmopolitan consumers, is also the country's leading distributor of luxury fashion brands, to all groups of people and to all generations with a total market of approximately \$4-5 billion p.a. There are

²⁰ <http://economists-pick-research.hktdc.com/business-news/article/International-Market-News/Retailers-Look-for-Windfall-in-Resurgent-Russian-Luxury-Goods-Sector/imn/en/1/1X000000/1X0A8Y24.htm>

²¹ <https://fashionunited.uk/news/retail/luxury-segment-most-stable-in-russian-fashion-market/2016071221055>

²² <https://fashionunited.uk/news/retail/luxury-segment-most-stable-in-russian-fashion-market/2016071221055>

five main luxury fashion distributors in Moscow: Mercury (exclusive distributor of more than 60 luxury brands; Armani, Balenciaga, Bulgary, Dolce & Gabbana, Gucci, Fendi), Podium, Bosco di Ciliegi (Kenzo, MaxMara, La Perla, Paul & Joe etc), Crocus group and JamilCo (Burberry etc) as well as DLT Department Store in St Petersburg. Moscow houses brands such as, Burberry, Escada and Christian Dior which is located at the expensive residential areas such as Stoleshnikov Pereulok and Kutuzovski Prospect has boutique brands such as Gucci and Prada. The Russian luxury fashion sector has over the years, developed its international fashion trade shows and fashion weeks which has seen a huge growth. The Russian luxury consumer spends 60% on luxury brands than the other global consumers²³. There has been a resurgence of the domestic luxury sector due to the recent ban imposed on most of the Russian oligarchs.

3.6 The Luxury Global Consumer Insight

Following the 7th anti-law of luxury, “make it difficult for clients to buy Luxury” (luxury has to be earned, it must have a desire relation with a longing for the brand), the 8th anti-law of luxury, “protect true clients from non-clients” (segregation) and the 10th anti-law of luxury, “communicate to those you are not targeting luxury” (get more consumers familiar with the brand through prestige or brand awareness) the true luxury consumer can be categorized. The true luxury consumer can be categorized into; (1) tourists; consumers looking for new destinations of their consumption, (2) "HENRYs" (High Earnings, Not Rich Yet), (3) the middle class in emerging countries and (4) the millennials.

An understanding of the true-luxury consumer is vital for every business as their consumptions are made based on either extrinsic drive (to impress others; watches, cars, clothes) or for their intrinsic drives (for oneself; exquisite interior, exquisite furniture). The current luxury consumer strives for the balance of intrinsic values (timeless, craftsmanship, quality) and extrinsic values (brand visibility, customization, sexiness). The global luxury consumer can be segmented into the following groups;

- Absolute luxurer (8%)- “luxury is my commodity” - Luxury to these range of consumers is about having something exclusive and customized and are interested in brands with limited editions as they get these brands as rewards to themselves.
- Megacitier (9%) – “The world is my city” – they tend to focus more on quality as well as exclusiveness of the brand. They averagely keep themselves well-informed on the latest trends by targeting few brands at a time.

²³ <http://fashionweek.com/russia-luxury-fashion-retail/>

- Experiencer (11%) – “Luxury is real only when shared” – these group of consumers are generally outgoing and sociable in nature. The consumption of luxury comes to them as a unique experience while they try to achieve a level of sophistication with the brand.

- Fashionista (11%) – “In fashion I trust” – these group of consumers should be easy to attract with the right strategies as they are known to buy brands on impulse. They love the idea of being a trend-setter and the fact that luxury makes gives them a higher sense of sexuality as they are very critical about fashion and luxury in general.

- Status seeker (9%) – “I show then I exist” – this group have a strong sense to opinions of others about them and their brands. They mostly target the well-known global brands as they don’t generally like to experiment with brands and use their consumption as a means of showing off their wealth and status in society.

- Little prince (6%) – “I’m too cool for school” – they are the class of consumers who are younger than the rest of the groups. They find luxury interesting through the idea of creativeness and innovation. They also like to interact directly with brands, but on the other hand they are impulsive buyers.

- Socialwearer (3%)– “Green carpet” – the idea of social responsibility of the brand as well as the origin or “made-in-origin” is important to them. They have emotional connection to brands with quality and try to sustain their relationship with the few brands they consume.

- Classpiritinal (13%)– “I saw it on my boss” – they are a complicated group as they follow luxury brands from brand trust but they are unsophisticated luxury consumers. Value for the brand they consume is important to them.

The Absolute Luxurer is growing by increasing their spending, while the Megacitier and Social Wearer are growing by luxury consumer numbers²⁴.

3.7 The Russian Luxury Consumer Insight

Russian consumers are known worldwide for their love to consume luxury brands (Andreeva & Bogomolova, 2008). The Russian consumer’s consumption of luxury is to a conspicuous and status-seeking consumption. The capital, Moscow is ranked third in the world with 66 billionaire residents, ahead of Hong Kong and Shanghai with 64 and 50 billionaire residents respectively. The current Russian consumption of luxury dates back to the lack of opportunity to consume luxury brands for 70 years due to the communism period. This has impacted their understanding of luxury consumption as well as their perception and behavior

²⁴ <http://download.repubblica.it/pdf/2014/economia/slow-fashion.pdf>

towards luxury brands. Russians seek to distinguish themselves with the consumption of unique brands (Skrinnikov 1997; Barnier, Rodina, & Valette-Florence, 2006) and the symbolic consumption of brands (Veblen, 1899) give consumers a perceived social status and prestige in the society (Moore & Birtwistle, 2005). Russian consumers are considered as one of the highly sophisticated consumers in the luxury sector ((Andreeva & Marmi, 2012). The Russian culture has been under the influence of both the Eastern and Western cultural traditions. This has given the Russian consumer characteristics such as; impulsiveness, sincerity, pride as well as other important values such as; family, security, independence. The Russian population can be classified into the following groups using the income criteria of the population:

1. The poor – mostly huge families with young children and retired persons and are about 30% of the population.

2. The second-class – this is mostly the working-class. They are mostly scientists, teachers, doctors, engineers and other government- employees and are estimated to be about 40% of the population.

3. The middle-class – employees in this group make a little more than the average employee as they work for companies that generally benefit from the market economy and they are estimated to be 20%. This class of consumers, are those who have generally earned a higher education and earn above average.

4. The upper-class - mostly owners of private business, company directors, or consumers with access to huge inheritance with 10% of the population belonging to this group. They mostly consist of Russia's elite politicians, oligarchs, celebrities.

In the 1990s a new generation of wealthy Russians also called new Russians were born. Consumers in this period, based their consumption on logos and price and were mainly reserved for a small minority of the population. The 2000s saw a creation of a new social class; the middle and upper-middle class that seek out new experiences. The new social class addition is due to the Russian attitude of not saving (18% of the population). The 2010s was evident with Russian consumption based on important values such as: aesthetics, quality and history. A recent study in trying to understand the Russian luxury consumer consumption of brands, identified the following groups.

1. The Avantgarde (8%) - They are generally young consumers with their own vision of life. They are willing to try alternative brands but independent in their decision making.

2. The selectives (42,2%) - They are selective with their consumption as they try to consume brands that match their own taste and style. They are young, well educated, and tend to be independent in their decision making with a high personal income.

3. The independents (41,7%) - These consumers do not have a general preference to branded or non-branded fashion brands. They tend to be mostly middle-aged, conservative consumers who seek the opinions of others in their consumption. They value higher quality and comfortable brands but they are very price sensitive.

4. The indifferents (8%) - These consumers are indifferent to changes in fashion and are mainly elderly consumers, with low level education and low personal incomes, hence very price sensitive and opinions matters to them²⁵.

3.8 Research Hypotheses

H1: Functional values have an effect on brand trust

Russian identity over the years has been identified as unique due to many peculiarities of the Russian consumer. Brand trust is believing the information of quality and signals of brands (Erdem & Swait, 2004) which creates the element of brand prestige through the characteristics of the brand. Brand prestige positions a brand at a relatively high status (Baek et al., 2010; Steenkamp et al., 2003) using functional attributes such as creativity, style (Baek et al., 2010). Consumer's perception of the functional attributes of a brand built through the purchase and usage enhances the brand credibility hence the brand trust towards the brand. Facets such as brand trust and brand credibility have a more positive effect on brand perception than the brand name (Jensen and Klasturp, 2008). This is because of the perception of the attributes associated with the brand image and /or brand characteristics by the consumer. Brand trust usually results from the social or psychological benefits and feelings related to the consumption of the brand (Berthon, Hulbert & Pitt, 2001). Hence, brand trust is a prerequisite for brand purchase intention and brand loyalty.

H2: Brand trust has an effect on brand love

Brand trust precedes the understanding of brand love in a consumer-brand relation. Brand trust influences the consumer's behavior towards brands (Chaudhuri and Holbrook, 2001). There has been research to show the relationship between brand trust and the establishment of brand love by consumers (Albert and Merunka, 2013). Brand trust gets consumers to grow their love for the brands they consume (Patwardhan and Balasubramanian, 2011; Albert and Merunka, 2013).

²⁵ <http://www.acrwebsite.org/search/view-conference-proceedings.aspx?Id=11666>

H2a: Reputation (brand name) has an effect on brand love

Any negative information or word-of-mouth about a brand negatively affects its financial returns (Luo, 2007, 2009) and also to some extent the employee's morale (Kimmel and Audrain-Pontevia, 2010). Reputation can be considered as one of the primary contributors to how consumers perceive quality of a brand. With brand reputation, consumers expect similarity of quality in brands from the past (Milewicz and Herbig, 1994). Consumers expect brands to meet their expectations through consistency from the brand, as any mixed signals from the brand breaks brand trust and brand love for the brand (Herbig and Milewicz, 1995). This is because, consumers tend to feel a certain amount of passion for the brands they love and consume (Pawle and Cooper, 2006).

H2b: Self-expression has an effect on brand love

H2c: Affection has an effect on brand love

Self-expression and affection are also referred to as intimacy (Hatfield, 1988) or attachment (Fisher, 2006). A brand must identify both the personal and social identity of consumers (Catalin & Andreea, 2014). Prior research has identified the need for brands to reflect consumers inner and social self as the degree of brand love to reflect these identities are great (Aron and Paris, 1995).

H3: Social values are influenced by changes in price

H3a: Social values have an effect on switch in brands

Social brand value is the perceived value of consumers during their interactions and engagements with other users. Brand love relating to social value, is the willingness of consumers to pay a price premium for brands like everybody else. When consumers love a brand, they find themselves leaning more towards the idea of belonging to a particular society. They therefore create and contribute to the community-sense of the brand (Fueller et al., 2012).

H4: Brand love has an effect on switch in brands

When consumers love a brand, it helps in distinguishing normal brands from loved brands (Danne, 2015). It becomes a challenge for competitors to attract consumers who have developed a strong love towards the brands they consume (Bradley et al., 2007). Consumers are presently creating bonds with brands or goods (Daskou and Hart, 2002; Thomson et al., 2005) and with the option of having many options to choose from, consumers may switch between brands when they cannot find what they require (Verbeke et al., 1998). This creates a halo effect on brand loyalty as with the deep commitment of consumers to repatronize a particular brand, the marketing efforts has less effect on them (Oliver 1999, 34).

H5: Consumers with prejudiced opinions have a higher brand trust than those who don't

Prejudice is the constructed opinion by consumers on elements of variables that are usually preceded by unreasonable objection (Garcia et al., 1996). Previous opinions on brands do have an effect on brand loyalty (Hou and Wonglorsaichon, 2011) due to the lack of trust in the brand. The opinions and prejudices of consumers, explain how they view issues (Plummer 1974). When consumers get past their prejudiced opinions, they develop an element of brand trust, it creates a long-term bond with the brand (Hasan et al., 2014).

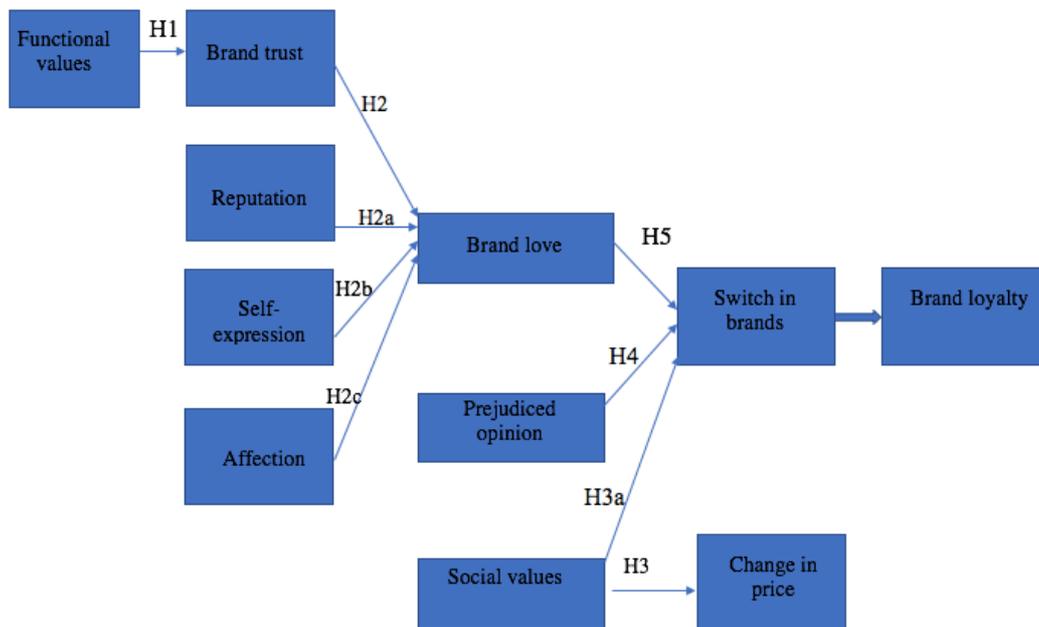


Figure 9 Research Hypothesis

4 Methodology

A lot of research have identified the consumption of luxury brands as not only related to design and superior quality, but also as a way for consumers to establish the perceived higher status in society (Baugh & Davis, 1989; Solomon & Rabolt, 2004). Although, there has been research on how the extra value from luxury brands that consumers desire and love can confer on them, there is a lack of close studies on the long-term relationship of brand loyalty on consumers especially in the Russian market. The objective of this study focuses on all income-class of the Russian population and their reasons for staying loyal to luxury fashion brands in Russia. Therefore, consumers with less income that consume luxury fashion brands from time-to-time are considered as well as individuals with relatively medium-high incomes. The questionnaire generated was based on literature review and included multi-choice, attitudinal scaled questions and a small number of open-ended questions to be distributed to Russians living in St. Petersburg.

The research took on the approach of using both primary and secondary data collection for the understanding and justification of the study. The primary data collection consisted of the generation and distribution of survey questionnaires. The secondary data collection of the research was done through internet search. The Internet search was done mainly through the database connected to GSOM (Graduate School of Management University). The initial approach for searching and gaining a better understanding of the research was to focus on the concept of brand love. By systematically following up the sources and references obtained from the searches made, an in-depth understanding was gained into the antecedents of brand love and its outcome on brand loyalty. A total of 88 respondents was gathered of whom 22 were male respondents and 65 were female respondents. The snowball sampling which is a non-probability sampling was used as it is useful when there is difficulty in reaching the respondents (Dillman, 2000).

4.1 Primary Data Instrument

There is a long history of the correlation between qualitative research and marketing (cited in Keller, 2008) which is mostly used to explore consumer brands and perceptions. The method used for most researches are both qualitative and quantitative research (Perry, 1998), but the quantitative approach was applied to this research. In order to achieve the goal of this research, the effect of the variables (brand love and its antecedents) was examined on the independent variable (brand loyalty). The primary data was gathered through an Internet online survey through firstly social media (Facebook, VK) and assisted distribution to luxury shops in

St. Petersburg. Google forms was used to create a self-administered questionnaire due to the low cost associated with it and the generation of a higher response rate from participants as the questionnaire is completed at their own pace and time. The idea of a self-administered questionnaire, helps to show the respondent's opinions and beliefs (Saunders, Lewis and Thornhill, 2003) and helps reach the right respondents who engage in the survey at their convenience (Saunders et al., 2003).

4.2 Sampling

The sampling chosen for this study was the snowball sampling due to the limited contacts of the author. It is a distinct approach of convenience sampling proven useful in conducting research in specialized population and the most effective method to reach these respondents (Valdez & Kaplan, 1999). A hidden population is one that can't be easily distinguished and this makes sampling them difficult (Morgan, 1996; Valdez & Kaplan, 1999) as they intentionally or inadvertently shield themselves from the public (Watters & Biernacki, 1989). The method of snowball sampling has been used in several researches such as; in the study of gangs (Patrick, 1973), criminals (Fitzgerald, 1996). With snowball sampling, it helps to locate, access, and involve the hidden populations as the population is not randomly collected but based on referrals. The main problem with this sampling is the "gatekeeper bias". The "gatekeeper bias" is the problem of where the people who facilitate the contact between the researcher and the potential respondents, may hinder the results by failing to contact respondents because of their prejudices (Groger, Mayberry & Straker, 1999).

4.3 The questionnaire

The questionnaire consisted of three sections which included questions relating to demographics, antecedents of brand love and brand loyalty. The questionnaire was developed on the basis of literature review of the research done on Russian consumers and the concept of brand love and brand loyalty. The questionnaire consisted of 46 questions, 30 rating scale mostly adopted from Wiedmann et al., (2009) along with modified question concept from different authors (Tina, Bearden & Hunter, 2001; Dick, & Basu, 1994; Solomon, M. 2004) and the demographics factors. The questionnaire was firstly developed in English, and professionally translated into Russian in order to reach a wider sample size.

4.4 Construct measurement and research reliability

Likert-type scales are widely and generally the accepted scale that is used in measuring the opinions and perceptions of respondents (DeVellis, 1991). Thus, this scale was the appropriate scale for the measurement of consumer's brand love of luxury fashion brands through the antecedents of brand love in order to be able to evaluate its effect on brand loyalty. A 5-point Likert-type scale have been found to be a reliability of responses (Lissitz & Green, 1975 cited in Hinkin, 1995). Hence, a 5-point scale was generated to produce the sufficient variance of responses and reliability in the responses. Measures constituted the following values: 1= strongly agree, 2= agree, 3= neutral, 4= disagree and 5= strongly disagree. The survey was published both in English and in Russian language due to the snowball sampling adopted and indicated the expected time to be spent which was a maximum of fifteen minutes.

The data has to be consistent and true in order for it to be useful to the goal of the research. A research validity construct of using Cronbach's alpha was chosen. Cronbach's alpha helps measure the internal consistency for reliability (Hinkin, 1995). The rationale for the analysis of internal consistency is to examine the inter-correlation. A favourable and reliable result of item-total correlation should exceed 0.50, with Cronbach's alpha coefficient exceeding 0.70, and inter-item correlations should exceed 0.30 (Hair et al., 2006).

4.5 The scope of research with limitations

Firstly, the limitation identified is the scope of the sample size obtained. A larger sample size creates the higher possibility of attaining statistical significance and increasing the accuracy of the data (Hair et al., 2006). Another limitation is the concentration of the research on human subjects hence, the ethical values had to be paid attention to. Also, since this research aims at providing an understanding of the topic to provide possible directions, the findings can't be generalized due to the research design and sampling choices.

5 Data analysis

1. Reliability (Cronbach's Alpha) is statistics analysis used mainly by authors to show and prove that the tests and scales (mostly the Likert type scale) used adopted for the research are fit (Cronbach, 1951). Cronbach's alpha is regularly adopted for studies in science education as in 2015, 69 published papers in 4 leading science education journals adopted it as a measure of reliability. Some research papers have also offered indications of alpha having a threshold or cut-off as an acceptable, sufficient or satisfactory level. This was normally seen as ≥ 0.70 (five instances) or > 0.70 (three instances) although one article more vaguely referred to "the acceptable values of 0.7 or 0.6" (Griethuijsen et al., 2014).

2. Demographic variables most studies have showed that demographic variables influence the outcomes of consumer brand loyalty, hence they should be considered as the most fundamental research variable of any study relating to brand loyalty. The demographic variables originate from the major sources of those related to consumers' basic personal information. This study examines six variables that describe consumers' basic personal information: gender, age, occupation, relationship status, residence, income level and an additional source of income.

3. Frequency tables: is used to analyze the number of time of an observation in a data. It is usually used as a method of organizing the raw data in a compact and understandable form by displaying the results in either an ascending or descending order, together with the number of times each score occurs in the data set.

4. Regression analysis: Multiple and hierarchical regressions were used to explore the causal relationships between brand loyalty and the dimensions of brand image, consumer behavior, and cognitive response. Regression analysis helps establish the relationship between the independent and dependent variables of the data generated (Field, 2013).

5. Welch's Test for Unequal Variances (unequal variances t-test): this test must be used for the comparison of the central tendency of two unrelated samples. It is used to compare if the average difference between the two observed groups is by a random chance or not. The unequal variance t-test aims to understand by how far apart the two means of the two observed groups are.

5.1 Findings

5.1.1 Cronbach's alpha

Cronbach's alpha as discussed earlier, is used to calculate the reliability of items that uses the Likert-type scale. The higher the Cronbach's alpha coefficient which ranges from 0 to 1.0, the increased reliability of the scale. A 30-item question of 5 Likert-type scale was used. The test of Chronbach’s Alpha to show reliability and consistency resulted in .986, which shows a high internal consistency (≥ 0.70).

Table 5 Reliability Statistics

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.986	.988	30

5.1.2 Frequency Statistics

Frequency statistics was the appropriate method to analyze the demographics of the survey. The total number of respondents that participated in the survey comprised of 88 respondents. 74.7% of the respondents were females and 25.3% were males. This shows that majority of consumers of luxury fashion brands are female who like to express their identities with the consumption of luxury brands.

Table 6 Frequency Statistics - Gender

		Gender			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	female	65	74.7	74.7	74.7
	male	22	25.3	25.3	100.0
Total		87	100.0	100.0	

The distribution of age shows a majority of the respondents were between the ages of 25-34 (41.4%), followed by 15-24 (40.2%). Conclusion can be drawn that, at the age of 25-34 in Russia, most consumers are in the working field and are trying to establish themselves with a social group. The age ranges from 45-54 and 55- 64 had the lowest consumption of 5.7% and 1.1% respectively. The 35-44 age group had a total of 11.5% from the total population.

Table 7 Frequency Statistics- Age

		Age			Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	15-24	35	40.2	40.2	40.2
	25-34	36	41.4	41.4	81.6
	35-44	10	11.5	11.5	93.1
	45-54	5	5.7	5.7	98.9
	55-64	1	1.1	1.1	100.0
	Total	87	100.0	100.0	

The respondents are concentrated in St. Petersburg with the majority being employed (54%). The employed consumers usually are surrounded in their everyday life by people of different class and groups. They tend to feel the need to create for themselves a social identity with luxury consumption. The same reasoning can be applied to the student (36.8%). The entrepreneurs (5.7%) have already created an identity for themselves hence, to them luxury consumption acts as a contributing factor to their identity.

Table 8 Frequency Statistics- Occupation

		Occupation			Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	student	32	36.8	36.8	36.8
	employed	47	54.0	54.0	90.8
	senior citizen	2	2.3	2.3	93.1
	unemployed	1	1.1	1.1	94.3
	entrepreneur	5	5.7	5.7	100.0
	Total	87	100.0	100.0	

The relationship status showed an interesting analysis, as majority of consumers in a relationship (34.5%) consumed more than the other groups. The consumers in a relationship can be said to use luxury brands to express their perceived identity in the relationship.

Table 9 Frequency Statistics- Relationship status

		Relationship status			Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	single	28	32.2	32.2	32.2
	married	24	27.6	27.6	59.8
	divorced	4	4.6	4.6	64.4
	separated	1	1.1	1.1	65.5
	in a relationship	30	34.5	34.5	100.0
	Total	87	100.0	100.0	

The analysis of consumer's income was examined from the yearly income and the possibility of consumers having other sources of income, such as a great inheritance. Majority of the respondents earn under 150000 rubles as yearly income (54%), with a tie of the population earning 160000-300000 rubles and 310000-450000 rubles per year (12.6%), respectively. However, 19.5% of the population have other sources of income which helps explain how 6.9% of respondent earn over 750000 rubles and 5.7% earn 610000-750000 rubles as yearly income.

Table 10 Frequency Statistics -Income

		Income			Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	under 150000p	47	54.0	54.0	54.0
	160000-300000p	11	12.6	12.6	66.7
	310000p - 450000p	11	12.6	12.6	79.3
	460000p - 600000p	7	8.0	8.0	87.4
	610000p – 750000p	5	5.7	5.7	93.1
	over 760000p	6	6.9	6.9	100.0
	Total	87	100.0	100.0	

		Other sources of income			Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	yes	17	19.5	19.5	19.5
	no	70	80.5	80.5	100.0
	Total	87	100.0	100.0	

Also, the misunderstanding of luxury and premium brands have been a concern in research. Respondents were asked to state the luxury fashion brands they buy. This was done in order to know if consumers can tell the difference between premium brands and luxury

brands. Fortunately, only 2% of the respondents could not tell the difference between premium and luxury brands as they listed premium brands.

To understand consumers consumption of luxury fashion brands, a frequency data analysis was done to know their reasons. (Appendix 3). From the table, it shows that most consumers consume luxury fashion brands on special occasion (29.9%) which is to highlight their social status as on special occasions, it brings together different class of consumers of the same or perceived social status. The idea of status followed with a 23% of respondents agreeing to be the reason for their consumption. Other components which mainly comprised of comfort, quality and durability was the next reason for consumers (18%). Habit cannot be said to be the reason for luxury fashion brand consumption in the Russian market (9%).

5.2 Testing hypotheses

5.2.1 Multiple regression

To test the significant relationship between the antecedents of brand love and brand loyalty using the factor of switching brands, multiple regression analysis was employed. This analysis was carried out to determine whether firstly there is a relationship between the antecedents on brand love and examine the effects of the factors on brand loyalty. The entire results for the hypotheses will not be presented. However, the hypotheses can be found in Appendix 4-6.

Table 11. Hypothesis and the Outcomes

HYPOTHESIS		OUTCOME
H1	<i>Functional values have an effect on brand trust</i>	accepted
H2	<i>Brand trust has an effect on brand love</i>	accepted
H2a	<i>Reputation (brand name) has an effect on brand love</i>	rejected
H2b	<i>Self-expression has an effect on brand love</i>	accepted
H2c	<i>Affection has an effect on brand love</i>	accepted
H3	<i>Social values are influenced by changes in price</i>	rejected
H3a	<i>Social values have an effect on switch in brands</i>	rejected
H4	<i>Brand love has an effect on switch in brands</i>	accepted
H5	<i>Consumers with prejudiced opinions have a higher brand trust than those who don't</i>	rejected

The functional values such as sophistication, high quality, uniqueness are the values that consumers hold high in their ability to trust brands. When a brand provides these functional attributes, the consumers feel safe to continually consume these brands believing in the history,

heritage and prestige of the brand. Reputation (the brand name) is something consumers have knowledge of to make their first decision of purchasing a luxury brand. However, with continuous consumption, brand name does not matter to the consumer as they have reached a level of loving and trusting the brand to consider the effect of the brand name on their consumption.

Effect of Reputation, Self-expression, and Affection on Switching Brands due to the change in prices								
SUMMARY OUTPUT								
<i>Regression Statistics</i>								
Multiple R	0,65							
R Square	0,42							
Adjusted R Square	0,40							
Standard Error	0,84							
Observations	87,00							
ANOVA								
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>			
Regression	3	43,00	14,33	20,30	0,00			
Residual	83	58,61	0,71					
Total	86	101,61						
	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	0,648109	0,335703	1,930601	0,056947	-0,019591	1,315810	-0,019591	1,315810
Reputation	0,209626	0,083654	2,505877	0,014168	0,043242	0,376009	0,043242	0,376009
Reveal my Personality	0,244350	0,073297	3,333686	0,001282	0,098565	0,390136	0,098565	0,390136
First Choice (Affection)	0,390395	0,078568	4,968876	0,000004	0,234126	0,546664	0,234126	0,546664

Figure 10 Multiple regression of reputation on changes in price

They however, strongly associate their trust, love and loyalty to a brand based on the effect of how the brand can help them express their uniqueness. With a level of uniqueness comes a level of social status, prestige and great benefits of the consumption of the brand. Despite the Russian luxury fashion brand consumer appreciates a sense of community, they tend to have an indifferent reaction to the comments and behavior of other people towards their consumption.

SUMMARY OUTPUT								
<i>Regression Statistics</i>								
Multiple R	0,443399494							
R Square	0,196603111							
Adjusted R Square	0,147010711							
Standard Error	0,922091729							
Observations	87							
ANOVA								
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>			
Regression	5	16,85363222	3,370726445	3,964379805	0,002882582			
Residual	81	68,87050571	0,850253157					
Total	86	85,72413793						
	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	1,3514249	0,3676281	3,6760656	0,0004243	0,6199603	2,0828894	0,6199603	2,0828894
8. I think luxury fashion brands must have a high price to show good quality as compared to other brands.	0,1429105	0,0938625	1,5225513	0,1317657	-0,0438465	0,3296675	-0,0438465	0,3296675
8. I think the luxury fashion brands I buy reveal my personal values	0,2497606	0,1042851	2,3949795	0,0189293	0,0422660	0,4572552	0,0422660	0,4572552
8. I would be happier if I could afford more luxury fashion brands	0,1277743	0,0932903	1,3696418	0,1745839	-0,0578441	0,3133927	-0,0578441	0,3133927
8. I enjoy spending on things that aren't practical to create a more distinctive personal image	-0,1835890	0,0954782	-1,9228380	0,0580150	-0,3735606	0,0063826	-0,3735606	0,0063826
8. I take the opinions of those close to me into consideration	0,0697849	0,0900367	0,7750719	0,4405540	-0,1093598	0,2489296	-0,1093598	0,2489296

Figure 11 Multiple regression of social values on switch in brands

6 Discussion

As mentioned in the literature review section, there is a gap that have been left from previous studies, especially the study for luxury fashion consumption in Russian consumers. Russian consumers associate the consumption of expensive luxury fashion brands with evidence of their success. Luxury brands to the Russian consumer are associated with absolute symbols of wealth, prestige, status, and power. Prior researchers have attributed concepts of brand attachment as a motivator to consumers repurchase intention (Assiouras et al., 2015; Japutra et al., 2014). Such similarities can be seen with the Russian luxury fashion consumer. The passion driven behavior from emotional attachment and need for uniqueness are positive predictors of repurchase intention, brand affection and self-expression of the Russian luxury fashion consumer. This means that, Russian luxury fashion consumers who are passionate about the brand image attributes they desire, are more aware of the brands that offer such attributes. Thus, the relationship they have established facilitates their perception of the brand and develop the desired attributes of love for such a brand. Fortunately, the Russian luxury fashion consumer doesn't consider brand name (reputation) as something vital as they prefer quality, uniqueness and variety more important than brand name. The research also shows that, the Russian consumer's perception and opinion of brand image and the need for uniqueness has some similarities from the concept of Widemann et al's (2009) study of luxury fashion brands value which were based on social, individual, functional and financial aspects.

From the research, a brand's characteristics and the experience from using the brand is a factor that encourages the Russian consumer to repurchase the brand and not to switch to other brands. As portrayed by the Russian luxury fashion consumer, it strengthens the view of previous researches that have been conducted which emphasized on the point of a brand entailing the unique features and sequentially representing the whole experience a consumer can have with the brand (Keller & Lehmann, 2006; Mallik, 2009). The secure feeling and less feeling of risky investments pertaining mainly to high quality is what generally creates an unbreakable trust between the Russian consumer and the brands they consume. When the safety and reliability factor are met by the brands they consume, the Russian consumers tend to fully trust the brand. They trust the attributes of the brand they believe it has to make them unique (quality, unique, fashionable). Also, previous research has shown that it is necessary to understand the emotional needs and desires of consumers in order to be successful (Gobé, 2009). To the Russian luxury fashion consumer, luxury brands go far beyond brands of mere consumption. They take the role of a symbolic, non-verbal form of self-expression and social dialogue which helps achieve the purpose of conveying their unique self-identity to the world.

The research found that, consumers who had prejudiced opinions before making an actual purchase of a brand, eventually changed their prejudiced opinions. Their prejudiced opinions currently have little or no effect on their current or future purchases as they trust the brands they consume. Their prejudiced opinions change due to the level of emotional attachment and self-expressiveness they find from the luxury brands they consume. Brand loving consumers become more loyal in their consumption because they experience less risks with the brands they consume. They have become more resistant to negative information about the brand and prefer not to switch brands, as they receive all the benefits from the brands they currently consume. Nevertheless, the respondents for this research can be classified as young, middle-class shoppers with the ideology of having a great social status and setting themselves apart from the general population.

This study examined brand loyalty using the factor of switch in brands. The study showed that generally, Russian luxury fashion brands consumers do stay loyal to the brands they love because of the generation of trust. Russian consumers in general, do not like to make risky investments and particularly to the Russian luxury fashion consumer, the brand must exhibit firstly a great degree of exclusivity and uniqueness. This will result in their continuous consumption. This is evident currently with their continuous purchases of luxury even in the present Russian economic crisis situation. The Russian consumer is one who is strong-willed and despite they value families and sense of community, they do trust and believe in their opinions and decisions concerning the brands they consume. The research found that social attributes such as the opinions of others, purchases for achievements or considering how their uniqueness will impact consumers, has very little effect in Russian luxury fashion consumption.

Overall, this research depicts how the Russian luxury fashion consumer over time generally develops a degree of interpersonal love through strong trust for the brands they consume. The current Russian luxury fashion consumer, is one who is more of an “Experiencer”, a “Fashionista” and a “Status seeker”. They tend to agree more with the brand romance concept which generates a strong level of attitudinal loyalty. They eventually, make a conscious decision to stay loyal to the brand as they find it difficult to switch between brands due to the benefits of self-expression of uniqueness and sophistication from their consumed brands. Apparently, price, opinions of others matters less, as with the brands they consume they send out the message of how they want to be perceived.

6.1 Recommendations and Conclusion

The findings from this research provides useful insights and information for marketers who will want to put the consumer first. The Russian luxury fashion consumer is one to be generally treated based on the 7th and 8th anti-law of luxury. Consumers in Russia generally place much value on quality, sophistication and more importantly on the fact that the brand will help accomplish the dream of helping them be unique in the society. With such an understanding, it should open up possibilities for them to create strategies that appeal to the target audience to help retain them and continue to maintain a long-term attitudinal loyalty relationship with them. Through this knowledge, companies can reduce the cost of having to acquire new consumers but rather, build on the relationship with the current loyal consumers mainly through developing the brand to bring out the aspect of its uniqueness. Marketing managers should firstly identify the two different of consumers; the real connoisseur and status seeker and the appropriate means that should be chosen in reaching them. The Russian consumer is more of a status seeker and the right communication channels and strategies should be adopted when reaching them.

Vigneron and Johnson (1999) studies suggested that luxury brands are competing based on the capability to remind the consumer of their exclusivity, amplify brand awareness, superior quality, a well- known brand identity and consumer's loyalty. Likewise, in this research, it shows that in order to maintain the luxury brand's prestige, the luxury brands need to maintain good brand awareness, carefully choose their marketing strategy and improve brand exclusivity. This research examined relationships among factors influencing consumer purchasing of luxury brands in Russia: identity, perceived quality, symbolic/status consumption, and uniqueness. The positive indicator of purchasing luxury brands and the need of uniqueness, symbolic/status consumption, and self-identity indicate the fact that, most Russian consumers want to avoid similarity, but, at the same time, they want to possess the status symbols that are used to symbolize personal and social identity to the brand. With the understanding that brand perception and brand image are the most important assets (Aaker, 1996), marketing managers must know which strategies are more suitable and less risky to create a better brand equity. The marketing strategies must incorporate factors of brand development and branding communications management to help create a strong and good brand perception which in the long-run leads to a strong brand loyalty from consumers.

6.2 Limitations & Suggestion for Future Studies

Despite the goal to understand Russian luxury fashion consumers loyalty to the brands they consume, the limitation of this research was the sample size of respondents. The demographic region of respondents from St. Petersburg limits the general understanding of Russian consumers especially with St. Petersburg being more of an urban region. Therefore, the research may not have presented the whole social class needed for this research as the uppermost social class was not fully represented in the research. This is because, such respondents are rare and difficult to reach. Moreover, this research was conducted in a short time frame.

Exploration of the concept of brand loyalty across the country should be researched further. Also, it would be beneficial to conduct a study of luxury brands with a huge sample size and to include both Russians and foreigners living in Russia. Finally, with the consumers' perception of luxury brands explained through this research, future research should investigate further any other values connecting luxury brands to different consumers to help identify the social norms of the various cultures living in Russia and examine how the norms impact the ideology and perception of Russian consumers to luxury consumption. Brand identity and uniqueness turned out to have a significant bearing on consumption of luxury brands in Russia. The research concerning brand love should also study the connection between brand love, brand identity and financial performance measures such as sales, shares, profit or brand growth. Currently, most of the research conducted on brand love focuses mainly on consumer surveys. However, a different approach of studying the hard link between brand love and financial performance should be adopted. This can measure the relationship between brand love and financial performance through the connection of consumers' surveys to reliable databases containing information about their consumption behavior. This approach may pave a new direction towards the understanding of brand love, brand identity, consumers consumption and financial performance. Personalized strategies should be used in reaching consumers, because despite consumers are indifferent to brand name, they like to know they can have varieties.

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Appendix

1. Table 1. Russia's Economy Data²⁶

LABOUR	Actual	Q2/18	Q3/18	Q4/18	Q1/19	2020
<u>Unemployment Rate</u>	5.00 percent	5.2	5.3	5.5	5.1	5.8
<u>Employment Rate</u>	59.30 percent	66.3	64.79	65.9	64.56	66.2
<u>Wages</u>	39800.00 RUB/Month	42500	40000	53000	42000	56500
<u>Wage Growth</u>	6.50 percent	4	4.2	4.2	5.66	3.3
<u>Minimum Wages</u>	11163.00 RUB/Month	11163	11163	11163	12000	12000
<u>Population</u>	146.88 Million	147	147	147	147	148
<u>Retirement Age Women</u>	55.00	55	55	55	55	57
<u>Retirement Age Men</u>	60.00	60	60	60	60	62
<u>Wages Low Skilled</u>	18300.00 RUB/Month	15200	15200	15200	19500	20000
<u>Wages High Skilled</u>	46100.00 RUB/Month	42800	42800	42800	46800	47000
<u>Living Wage Family</u>	28300.00 RUB/Month	29700	29700	29700	31100	31100
<u>Living Wage Individual</u>	20400.00 RUB/Month	37000	20400	37000	20400	39200

²⁶ <https://www.focus-economics.com/countries/russia>

2.

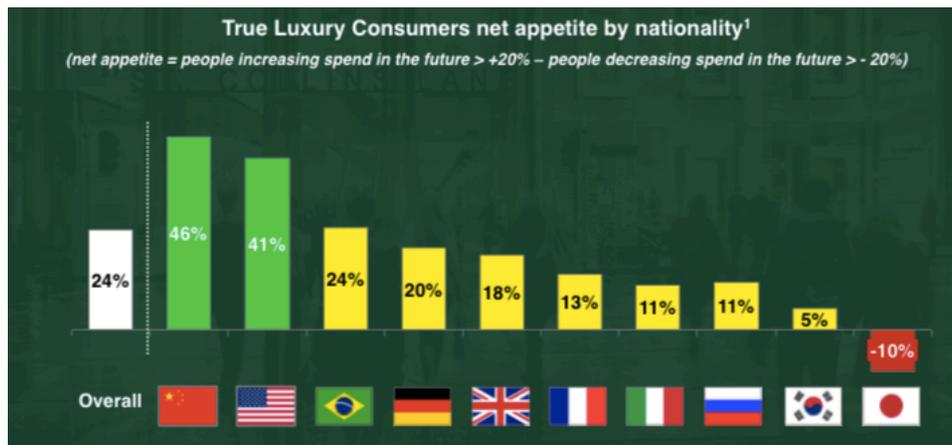


Figure 1 Luxury consumers consumption ²⁷

3.

Table 2 Frequency statistics

Reason for your consumption of luxury fashion brands

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	habit	9	10.3	10.5	10.5
	tradition	13	14.9	15.1	25.6
	status	20	23.0	23.3	48.8
	special occasion	26	29.9	30.2	79.1
	other	18	20.7	20.9	100.0
	Total	86	98.9	100.0	
Missing	System	1	1.1		
Total		87	100.0		

²⁷ <http://www.brand-news.it/wp-content/uploads/2017/02/BCG-Altgamma-True-Lux-Global-Cons-Insight-2017-VExtract.pdf>

