In this article the «brand» concept is considered as a sociocultural phenomenon of the modern society being the carrier of the specific meanings structured in the prism of the brand perception by J.-N. Kapferer. All three components of the today’s brand formation process have been studied: «information sender», «information transmitter» and «information receiver». In this research the «information receivers» have been studied in the context of the process of luxury brands’ consumption and, correspondingly, can be structured according to the consumption matrices of J. Young and F. Vigneron, subsequently providing the notion about the behaviour characteristics of the luxury brand consumers. It should be noted that luxury brands are considered in this article as the meaning forming phenomena which possess social structuring properties, thus contributing to the formation of social and value basis in the society. Moreover, special attention is paid to differences between luxury brands and premium-level brands basing on the materials of the analysis of Apple Co. marketing strategy.

Keywords: brand, brand-management, history of luxury brands, brand identification prism, middle class in Russia, dimensions of luxury brands: history, art, fashion, matrix of consumers of luxury brands, luxury and premium levels.

The concept of «brand» holds an important place in the modern conception of marketing, which proves the fact that instruments to form a brand today become a part of integrated marketing communications between companies in all spheres of economy. But special attention nowadays should be given to the brands of luxury. First of all, this is determined by social and economical prerequisites of the society development in Russia and the necessity for the determination of new drivers of growth for Russian economy, based on the internal demand and not on the level of busyness of industrial capacities, as it used to be before.

As regards to social and economical prerequisites we should note that dialectically qualitative changes are converted into quantitative changes once they cross a certain boundary – a measure, which in our case is equal to the buying power of different groups of population. By conducting research on the correlation interrelations between the phenomena of luxury brands and the development of the middle class, we can come to a conclusion that their origins lie not only in the sphere of economics, but in the
sphere of social and cultural relations, which connect all spheres of life of mankind.

As for economical stimulating, according to the conception of V. Vishwanath and G. Mark (Vishwanath and Mark, 2007), the existence of luxury brands in certain sectors of economy directly influences the size and profitability of the market in general.

Bearing these prerequisites in mind, we can formulate a hypothesis concerning the fact that the development of the brand market of a high price sector directly influences the self-determination of the individuals of the middle class. And here brands act as stratifying visual markers and contribute to the development of economy in general. Thus, a new correlation occurs – a correlation between the quantity of brands of high price sector and the level of development of the whole Russian society, and especially between the potential of the profitability growth of consumer markets, based on the demand, and the level of political stability in the society.

Methodological tools in this case are defined by a set of existing foreign and domestic theories of brand management, mass consciousness, and the myth-forming function of advertising communication. The basis of the study underlies the works by J.-N. Kapferer (Kapferer, 2008) concerning theories of the formation of economic value added (EVA) and its registration under the prism of brand perception, and research papers O. Karlova (Karlova, 2001) on creative thinking as a fundamental factor of development capital for the consumer all markets and the myth-forming function of advertising. Besides, it covers information on the latest developments in the field of brand management of luxury goods, where the key is a set of eighteen rules of anti-marketing by J.-N. Kapferer and V. Bastien, which are applied to simulate the process of formation of luxury brands in the Russian context.

In order to confirm or refute hypotheses we have analyzed components of the process of brand management: the brand itself, the prism of brand perception, «construct-model» of brand formation, three basic platforms of luxury brand, consumers, and some of the special economic phenomena arising from the consumption of luxury brands.

Resting on the analysis of contemporary definitions of brands – legal, economic and psychological – we formulated a working definition of brand with a glance to its ability to form new meanings, which makes the phenomenon of brand similar to the phenomenon of myth for its «over-cultural» qualities and the ability to go directly to the archetypes in Jung's understanding of (Jung, 1997). We used the following definition of myth: «mythologem (from the ancient Greek μῦθος – legend, tradition, etc., Greek. Λόγος – thought, reason) – the term used to refer to mythological plots, scenes, images, which are characterized by global spreading, universality and which have a wide distribution in the cultures of the world. The term «mythological archetype» is also used. (Kuznetsov, 2000). The concept of «brand» is close to the concept «mythologem» primarily in the sphere of meaning making in accordance with the availability of quality of storytelling (narrating). Brand has a meaning that, according to the definition of G. Frege can be interpreted as «mental content, which is reflected and absorbed by the understanding of a linguistic expression» (Abushenko, 2003).

Therefore at the same time other «incarnations» of the brand are considered: the brand as a symbol, as the name of an object and the concept. In addition, if we analyze the notion of a «global brand», then primary attention should be given to such its qualities as comprehensiveness, lack of boundaries of existence and values of universal mankind nature.
With constant interaction with high-quality product or service the consumer gets a positive experience that can contribute to a belief in the «infallibility» of advertising information. Otherwise, in contact with low-quality goods a consumer becomes convinced in unfair advertising. Brand is an absolutely different story: it is not just an advertisement of a product, service or company, but it is their steady image, formed by a variety of advertising means. Thus the brand as a sacral «kernel» of meaning of a stable mythologem has its own intrinsic value, relatively independent of the actual quality of the goods (which explains the effectiveness of forgeries), in this way effectively neutralizing the threat of quite rational arguments in favor of other «non-branded» goods or services.

In this regard, as practice shows, for the destruction of a brand (especially a luxury brand), the existence of the goods or services of a reduced quality is not enough: there is a need for a mechanism of a «social exclusion» in relation to the brand as an independent phenomenon. A brand which is promoted in the mass consciousness means not only a positive assessment of the individual, but the social experience – and this positive transpersonal assessment becomes a socially «sacral» in a way: we trust this particular assessment, not the product. Taking all this into account, the working definition of a brand was formulated as follows: brand – it is a semantic phenomenon, which tells about the distinctive features of a product or service, which is formed in the mass consciousness in the emotional and imaginative communication, which depends on the total social interaction experience of consumer-class with product or service and depends on the social identity of the consumer.

It should be noted that the brand is formed as a construct, the model with the help of mass media and mass consciousness is the main domain of the brand. Focusing on the latter, each individual is capable of forming his emotional and rational assessment of the brand, based on factors such as their own loyalty, involvement, awareness, etc. This means that the brand is a particular reflection in a large set of individual consciousness.

In some way selected, designed and specified meanings allow brands to fully use the full potential as a dominant visual feature of the middle class in Russia, and hence provide some psychological factor of accumulation of the representative of the middle class united by the same meanings.

From the perspective of structuring of a brand’s meanings we used the prism of perception by J.-N. Kapferer, which allowed us to arrange distinctive features of a brand in a hexagonal fashion, which in this case serve as fundamental building blocks of the meanings, which the brand contains. It should be noted that the prism of perception in this approach – is not only a framework to be followed in the communication, but also the multivariate aspects of the prism, which allows to «manage» the perception of the brand. One of the main conditions of the prism – the brand does not exist without communication (advertising or non-advertising), which means that according to the communication model of C. Shannon, we must consider the addressee and addresser.

It is the process of communication which creates a brand that is transmitted by someone or something, formed by the mass consciousness and reflected in the perception of an individual, where it obtains additional emotional characteristics and rational arguments. The signal sender is characterized by the prism in the terms of «physical features» and «individuality» and the recipient – the concepts of «reflection» and «self-image.» In its turn the process of message transmission is influenced by quality factors of environment in which communication is carried out, namely the
Comparing the concepts of «mythology» and «brand» in the development of a working definition of the brand showed some differences. Thus, the mythology, in our opinion, abstracted from the factor of the recipient, its destination as it is undefined, extra-personal. Whereas the brand is a kind of mythologem, aimed at «humanizing» of the goods in the process of transforming the client into a loyal customer, and later in the follower. Thus, a successful brand is a special and unique fusion of imagery and sound, capable of uniting people into a group. At the same time such a mechanism of brand-building as the direct use of cultural myths is also possible.

Thus, the mythologem of Zeus as the supreme God of the ancient pantheon of ancient Greeks, has a physical visualization in the form of lightning: the amphorae Zeus was depicted as an anthropomorphic figure with lightning in his hands. The belief in Zeus and other gods of ancient Greece united people, regardless of the characteristics of consciousness of individuals: mythologem was common in the public consciousness outside and independent of a particular human experience, as it was a «consecrated» collective experience. In today's world, any brand, named «Zeus», can include in the facet of «individuality» a number of associative characteristics of the Greek God, such as «powerful», «invincible», «violent», «all-powerful,» while appealing to meanings related to the mythologem.

To match the working definition of the prism of brand perception we took a Krasnoyarsk brand of shopping retailing stores «Innokentievsky». This brand is very well known in Krasnoyarsk in 1970, when the first store of the retail chain
was opened, which in effect became a symbol of the whole neighborhood. For reasons of incompatibility with old Soviet values and new environment, the management decided to rebrand or, following our definition, to replace meaning-making forms. In the context of this research we managed to offer to the company contemporary forms and symbols that can absorb all the meanings discussed. Thus, the physical characteristics of the retailer’s chain have been established: the convenient location close to home, high quality service, comfortable self-service, personalization using loyalty cards. To stress the individuality we singled out the qualities that would characterize the brand. A «portrait» of the brand was formed (similar to the visualization of the myth of Zeus) – man, an expert to work in the house and the house in specialized gloves, overalls.

We should stress that special attention in the communication should be paid to the parameter «culture,» primarily because it is extremely fruitful in inclusions of meanings of various cultural mythologems into a brand of product or service. This kind of phenomena exists in all countries. Thus, the following mythologem is always relevant for Russia – «the West is always better»: the desire to belong to a group that consumes values of Western countries, in this case it exists in the framework of the cultural facet in the prism of perception. It can be used in building brands of European goods for the care of the house and garden, with optimization of all processes to achieve maximum comfort.

The qualitative characteristics of the consumer, such as «self-image» and «reflection» are designed to show how a person defines himself in the consumption of this product, and as a consumer proves to himself the importance of the product or service. So, by purchasing goods in the retail network «Innokentievsky» a customer buys both – the product and knowledge, the information that can be applied at home. Besides, the brand is ready to assure the buyer that it can teach him new skills concerning constant improvement of his home.

The central promise of the brand, its mission should lie in the kernel of the prism of perception. It is convenience for the considered brand of «Innokentievsky». The brand promise must necessarily be transmitted by means of advertising communication, with slogans based on it. Promise not only differentiates the brand, but serves as a key element in the framework which guarantees a consumer his «exclusiveness».

No doubt, all of these ways of meaning structuring are needed to facilitate the assimilation of the values of selected brands by consumers. At the same time it is necessary to know which asset has been generated in the mass consciousness, if we want to evaluate how successful the chosen strategy of brand management is (and therefore selected meanings).
Simply speaking, the whole process of brand building can be viewed as a construct, a model of creating an image that is offered by O. Karlova. In fact, the process of selection is reduced to a constant selection of meanings for a brand and its broadcasting by the mass media. In turn, the necessary and relevant meanings are selected in the mass consciousness, so that at the level of the mass media there is a constant search for matches of meanings of the brand and expectations, demands, and consumers.

Determination of the direct search for congruent meanings and expectations, which is referred to as «brand management» lies at the heart of the strategic management of brand equity to develop and maintain a favorable brand perception. Of course, functionally it is a part of the management process, which includes all management functions, regardless of the quality of managed assets. Accordingly, the mechanism of the brand building within the brand management is a search for a match between consumer expectations and the distinctive properties of the product. Communication in this sense is carried out by the mass media. This scheme can be represented as a construct of model: brand – mass media – consumers.

Considering directly luxury brands, we need to stress that there are three main phenomena which play a fundamental role in the socio-cultural context: money (price, wealth), fashion and art. Defining the interaction of each of these phenomena with luxury goods, we can determine the degree of their influence on consumption of goods, and the extent of their participation in the communicative reasonableness of purchases. Money and luxury are theoretically in the public consciousness are the analogues: the more expensive product, so it can be more confidently attributed to the luxury market. But in reality, in today’s Russian regional market, it is difficult to create sustainable brands of luxury by following this logic, because the relationship between high price and luxury is not detected. Starting from the definition of money by George Simmel (Simmel, 2008) in his book «Philosopie des Geldes» (from Fr. - «The Philosophy of Money»), namely: «Money – is the embodiment of trade between people ... if the economic value of things lies in the sphere of interchange between people, the money itself – is the embodiment of these relations, which reached autonomy », one could argue that money, as a product of relationships in society established by the monetary policy of the state, is not the only and most important measure of social stratification, which is known to have been even in primitive society. In other words, the very existence of money, namely the presence of luxury goods identifies a certain social status. Here it is important that money acts as an empty, abstract concept, while luxury denotes certain items. Money is only a means to help an individual to associate himself with certain meanings and move to another social stratum, which is more attractive for the individual.

So, the money is only a means of acquiring luxury and luxury is a marker of social stratification rights; thus, a desire to belong to a certain strata turns «raw material» – money – in a socio-cultural product – luxury.

Price in this case does not play a crucial role; it is rather a supporting factor for the purchase, but in any case it is not an essential element. Therefore, the communication concerning luxury goods does not imply talking about the price: it is a matter of «goes without saying».

The second socio-cultural phenomenon, influencing the luxury brands is fashion. A number of major luxury brands – Giorgio Armani, Pierre Cardin, LVMH – these are «homes of high fashion» that set the tone of the whole society. But on a broader scale, the luxury brands exist in other sectors of the economy. As already mentioned, the demand for luxury brands is based on needs
of a person to highlight himself, but also need for fashion lies in this sphere, but rather in the horizontal than the vertical stratification.

Fashion is driven by standardization and urbanization: the desire to adapt to the environment, conform to a particular season (spring, summer, autumn-winter) and the status of a particular group of people. Fashion acts as a human biorhythm, attenuated in humans due to urbanization, and supports social differentiation of the masses of people living in big cities.

Luxury brand and a work of art also have a lot of similarities: their value increases over time, both feature anti-utilitarianism, they are social markers. And finally, they are still artificially and skillfully made and have great tempting potential.

However, these phenomena also have differences. The creator of luxury goods does not have a claim on universal and eternal values, it is not the creative process and its outcome that are of high value for him, but it is the production and trade of the subject. True masterpieces of art have no boundaries, whereas luxury goods are specially created for specific audiences with predefined psychological and social characteristics. In addition, when compared to a unique work of art a luxury item acts as a prototype: creating a single copy, it has the potential to be replicated in a limited series. And the mission of such items is not so much to harmonize man with the world and God, but to serve as «an embodiment of dreams», which causes a desire to possess, a desire that captures the consumer. We must not forget that works of art often serve as items of luxury, but it is not their primary function. The creator of luxury items is primarily a businessman and marketer, although history remembers such great examples of design as works by Salvador Dali.

Correlating with the price, fashion and art, luxury brands create a very stable market, supported not only by such terms as the product life cycle and demand as the basic human psychological attitudes. This market has always existed, but has evolved with appearance of mass-only hardware multiplier and the media.

Researchers have identified a number of approaches to the definition of consumer groups in order to correct positioning of products and advertising support. Analysis of consumers may be performed using the method of applying the matrix of effects of perception by V. Vigneron (Vigneron and Johnson, 1999) and the matrix of social groups are structured with respect to their relationship to the specific (signaling) social status.
status G. Young (Young, 2010). The result was a version that allows you to calibrate the middle and base classes by the criterion of the desire to consume luxury brands that has allowed a certain extent, to get ideas about methods that can guide in the process of formation of the middle class with the luxury brands.

According to the first matrix of B. Vigneron there are the following effects:

- Hedonistic effect: a sensual pleasure from the consumption of luxury goods, purchase of valuable experience, «best use».
- Perfectionist effect: the consumption of a high quality product, «handmade».
- Veblen effect: in terms of consumption it means a desire to demonstrate superior status through social markers (conspicuous consumption).
- Snob effect: consumption due to the fact that the goods are very rare and unique.
- The effect of «the ruling party» (Bandwagon effect): consumption in connection with the desire to belong to a particular social group.

A certain type of indicator is critical in this classification for each of the groups represented. For hedonists, perfectionists consumption is important for themselves, and the price here has little effect on their final choice. At the same time, the price is more important for both groups with the effect of Snob, and for those who want to attract the attention of the audience, and to tell everyone to what social class they belong to. Especially often this effect is seen in the Russian reality in connection with a strong social stratification. Attracted by the effect of «ruling party» are ready to emphasize their belonging to
Olga A. Karlova and Eduard S. Kevbrin. Luxury Brands as a Dominant Visual Sign for the Middle Class in Russia

Fig. 5. Combining the effects of social groups and motivating consumers to buy

a certain group publicly, but at a modest price: for example, government agencies, each has a gold badge of the Russian flag, emphasizing the importance of associative connections.

As for the second matrix we should note that the four groups of consumers of luxury brands are symbols of «poseur», «upstarts», «patrician» and «proletariat.» Poseurs have a low income, but a strong desire to get a higher status. In fact, this group of people are consumers of counterfeit goods of luxury brands, because on the one hand they have a low level of income, on the other hand they want to be associated with a more affluent social class. This social group is characterized by mimicry, i.e., imitation, they are ready in every way to emphasize their visual «relationship» with the more affluent. This is the reason why pieces of clothing with large outlines of known luxury brands of D & G, LV, Armani are so popular in developing countries. Almost all of the things which are consumed in this segment are counterfeit products.

Consumers – «upstart» (Parvenu) – this is the most economically powerful social class, who see that the poorer social classes consume the same brands and strive to dissociate themselves from the plebeians as well as a poseur. It is this layer of people who want to «shout down» all the neighbors and «get them drown» with bright eye-catching social «markers.» There is a separate product line for such people in any company that produces luxury goods. For example, there is a special line of Gucci glasses inlaid with a large signature with the name of TM. The company has provided Mercedes-Benz S-Class range with a large sign on the hood. In fact, this class is the most inclined to use Veblen effect.

Patricians use brands of luxury brands in order to emphasize their belonging to the class. As we already mentioned, this category of people follows a certain class of codes. Sufficient economic and social capital gives them the right to act in a society free enough. So they use a «low signals» («non-prominent signals»). It may be hidden inscriptions of brands, special clothing or cut material. A restrained (modest) style is inherent in this kind of social class, and the remaining groups may refuse to accept it.

And finally, the «proletarians» (Proletarian), which feature a low income, low status of its own as it requires no effort to «signal» about it. Nevertheless, the wish for a different desired status actively drives the group.
By combining the two methods of classification, we find the effect of separation on four areas: income level, the desire to imitate, a thirst for publicity and the price of the product. When combining the motives of consumption and consumer groups, we obtain the following information. Except for the factor «the amount of income» which, at first glance, the logic of combining violates «the proletariat» and «poseur» with the effects of «snob», «perfectionism» and hedonism, all other parameters fall within the logic of correlation. At the same time, the exception proves the behavioral deviation of consumers, which we identified earlier – the desire to acquire luxury «at all costs» does not directly depend on the financial condition of members of one group or another. Brands of luxury affect all social groups regardless of their material wealth.

It should be noted that the strategy of brand management of luxury brands can be used not only for high-price brands, but the ones that are more accessible to wider groups of the public. In this case, it is not always necessary to use the luxury brands as a way to support the development of social consciousness, instead of, perhaps, one may use the strategy of luxury brands to successfully develop the market with premium products that are a step below luxury brands.

Analysis of the market brand strategy of Apple suggests that the interference of strategies is possible. The first factor is the existence of a unique founder. In the case of Apple it is Steve Jobs. He is a magnetic, charismatic, and inspired by the idea of a world where computers are assistants of man, not the oppressors. The figure of the creator in the perception of people is illusory and unattainable: apart from conferences and official presentations, Steve Jobs appears nowhere else and it makes his personality look «sacred». The second factor – the presence of the company’s history, beginning from the 1970s. The exterior design of products is also important. The company used very rare materials in the design: glass, plastics, ultra-modern aluminum for iMac. Exterior design of the product has a direct relation to art, since it was created by famous contemporary artists.

The next factor is the selective distribution. Waiting for a few weeks for a new product from Apple is a normal practice. This is artificial expectation, but it allows you to create an excessive demand for goods. Cultural support for the origin of the brand is also substantial. Like any luxury brand, the place of origin of the product directly affects the potential for its development. Today, the California Apple depends on the 20 associations that are created by the Silicon Valley and are related to innovations and modern cutting edge technologies. We cannot but notice a common fashion for this product, it emphasizes the horizontal differentiation in the society. We want to emphasize the vertical hierarchy in terms of access to the product through its price and availability and to single out the fact that its prices are far higher than similar products on
the market of smartphones. The market of the latest achievements of the company is IPhone. This market is constantly filled with forgeries of a much lower quality, but everyone gets access to the brand. The presence of «gray market» suggests that the brand is popular. Many luxury brands match this criterion of «viability»: the more interest is shown to the brand, the more «plebeian» and «poseur», obsessed with ideas of «snob» and «ruling party», want to buy it.

It is worth of note that this unique economic effects arising from the consumption of luxury brands, can directly affect macroeconomic performance, which makes them popular in economy in general. The first effect to be associated with the process of consumption of luxury goods is the «Ratchet effect», which is known in the economy as a motto «forward only», and it manifests itself in the consumer behavior in unexpected ways. Having faced a difficult financial situation, a rich man nonetheless is difficult to part with the luxuries, trying to save as much as possible.

According to the basic economic law, the higher the price, the lower demand, lower the price, the higher the demand. But on the luxury market at higher prices, demand is only increasing. Working only on the market of luxury goods, constantly changing in a big way, the criterion of time allows us to sell «Champagne 1985» more expensive every day with the increasing demand.

The third effect is described in the research of Silverstein and Fiske (Silverstein and Fiske, 2004). This is the so-called effect of «at all costs». It reveals itself when an individual is willing to spend more time and effort to buy luxury goods. For example, young girls in Japan are willing to work in various obscene works only in order to earn enough money to buy a bag from LV.

In their book J.-N. Kapferer and V. Bastien speak on the «consumption for themselves» and «consumption for others.» In the first case, a person, based on the hedonic effect, consumes luxury to self-gratification, in the second case – in order to confirm the special social code.

In the pursuit of the possession of meanings implied by brands consumers are capable of many irrational actions, generating the macroeconomic effects, which are not amenable to logical analysis. But in general they are able to exert a positive influence on the situation in the country as a whole, contributing to capital accumulation and the formation of self-consciousness of the nation. It should be noted that the formation of a new defined meaning, structuring and transferring of them to the advertising communication, , along with other mechanisms of development of the middle class in Russia, may contribute to the accelerating of the consolidation of this important social class. And macroeconomic effects generated by different groups of consumers may be one way to fix the changes in society. In this sense, the luxury brands, appealing to the social and economic aspects of society, have the potential to become its visual markers.

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Бренды товаров роскоши
в качестве визуальных знаков
среднего класса в России

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В статье рассматривается феномен бренда в качестве социально-культурного явления в современном обществе, который выступает носителем определенных смыслов, структурированных в призме восприятия бренда Ж.-Н. Капферера, и все три составляющие процесса формирования брендов сегодня: непосредственно «отправитель информации», «передатчик» и ее «получатель». В данном исследовании «получатели информации» изучаются в контексте процесса потребления брендов роскоши, и, соответственно, могут быть структурированы согласно матрицам потребления Дж. Янга и В. Вигнерона, что впоследствии дает представление о поведенческих характеристиках потребителей брендов класса люкс. Также необходимо отметить, что бренды роскоши рассматриваются в этой статье как смыслообразующие феномены, которые обладают социоструктурирующими свойствами, способствующими формированию социально-ценностной базы в обществе. Кроме того, отдельное внимание уделяется отличиям брендов роскоши и брендов товаров премиум-класса на материале анализа маркетинговой стратегии Apple Co.

Ключевые слова: Бренд, бренд-менеджмент, история брендов товаров роскоши, призма восприятия бренда, средний класс в России, взаимодействие брендов роскоши с социокультурными явлениями: история, искусство, мода, матрица типологии потребителей брендов роскоши, бренды класса люкс и премиум.