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# Journal of Retailing and Consumer Services

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## Editorial

### Editorial introduction: Luxury services focusing on marketing and management



#### A B S T R A C T

Although recently the luxury service industry has rapidly grown and become an important segment, there are limited studies to understand customers' behavior in the luxury service setting. Thus, this special issue of the Journal of Retailing and Consumer Services aims to expand the scope of luxury brand marketing and management research by focusing on emerging luxury services. Accordingly, the special issue includes papers which fulfil the following criteria: (1) describe unique attributes of luxury services, (2) identify the antecedents of consequences of customers' positive response and decision making, and (3) apply theory to luxury service practices. The eight articles accepted for this special issue are summarized in this editorial introduction.

Improvements in customers' quality of life have facilitated the growth of the luxury industry for both products and services. The luxury industry is growing rapidly and has become an important market segment (Kim et al., 2010). The numbers and sales of luxury brands are increasing (Jeong and Park, 2006). The overall volume of the luxury market increased by 5% in 2018 and reached \$1.3 trillion globally (Bain and Company, 2018). Also, the luxury service industry has been experiencing this same growth. For instance, the global luxury hotels market was estimated around \$153.82 billion in 2015 and is anticipated to reach about \$194.63 billion by 2021 (Zion Market Research, 2019). Given industry and market circumstances, luxury brand marketers and managers must understand customer behavior including experience, satisfaction, and decision-making behaviors for consumption to achieve sustainable growth. In the luxury literature, researchers have focused on the effect of customer experiences with luxury product brands (Prentice and Loureiro, 2018). The perspective on the multidimensional experience with luxury products emerged only recently.

Customers' attitudes and behaviors in the luxury service setting are different from product consumption behavior, but just as important because it can contribute to their value, performance, voluntary support and action, and competitive advantages. In line with this, in the tourism and hospitality industry, scholars have applied the multidimensional characteristics of customers' service experience to differentiate from the traditional product experience perspective (Mohsin and Lockyer, 2010; Wu and Liang, 2009). For instance, according to Chang et al. (2016), customers' perceived quality, value, innovativeness, and popularity with the luxury brand lead their loyal behavior. Similarly, service-dominant logic explains the link between customers' perceived value of service and service experience (Grönroos, 2011; Helkkula et al., 2012; Vargo and Lusch, 2008). Given the increasing competition among luxury service brands, luxury companies should be able to measure and monitor customers' response toward the service brand to differentiate themselves from their competitors effectively (Godey et al., 2016). Understanding how to manage the luxury service brand, sustain a personal

link with customers, and retain the current customers is increasingly critical.

Although previous studies have suggested the important role of understanding customers' brand-related behavior, this phenomenon is far less researched in the luxury service context. Furthermore, there is a lack of research to explore the luxury service experience across different settings (e.g., online, offline, and counterfeit). Thus, this special issue aims to answer the following questions: (1) How do luxury-service attributes contribute to customers' responses?, (2) What is the relationship between established constructs in the luxury service context?, and (3) How are online luxury experiences differentiated from offline luxury services? To answer these questions, 28 empirical studies were reviewed and eight articles accepted for inclusion in this special issue and these studies have contributed to the advancement of understanding of luxury service marketing and management.

The first three studies of this special issue focused on cultivating customers' experience in the luxury hospitality and tourism setting.

Kim and Park (entitled: The effect of interior color on customers' aesthetic perception, emotional state, and behavioral responses) expand previous knowledge of luxury hotel customers' behavior by identifying the aesthetic-related attributes (i.e., classical aesthetic and expressive aesthetic) that influence customers' psychological mechanisms. This study applied the Stimulus-Organism-Response (S-O-R) paradigm to understand the role that customers' aesthetic perceptions of a luxury hotel room had in customers' emotional and behavioral responses. The findings demonstrate that the impact of customers' aesthetic perceptions (e.g., muted and bright colors) on customers' responses varies in the luxury hotel context.

Gong et al.'s article (entitled: The Consequences of Customer-Oriented Constructive Deviance in Luxury-Hotel Restaurants) investigated the consequences of customer-orientation in the luxury hotel setting. They found a positive impact of constructive deviance on customer loyalty, and a negative influence on employee loyalty. Also studied was the moderating role of service and ethical climates in the

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relationship between customer-oriented constructive deviance and stakeholders' loyalty. The findings of this study highlighted the importance of monitoring luxury service employees' unethical behavior.

Batat (entitled: Pillars of sustainable food experiences in the luxury gastronomy sector: A qualitative exploration of Michelin-starred chefs' perceptions) used multiple qualitative studies to identify the dimensions of sustainable food experiences in the luxury restaurant industry. The results of this study contribute to the existing luxury services literature by proposing that the chefs' definition of sustainable luxury food experiences (e.g., functional and experiential attributes) and the motivational factors which lead to their sustainable behavior are important in the luxury service field. Considering the limited studies which attempt to apply ground theory, this study provides the theoretical basis for future luxury gastronomy studies.

The next two articles examined issues related to customers' experience with luxury online shopping.

Ryu's article (entitled: nline Luxury Goods with Price Off or Onsite Luxury Goods with Luxury Services?: Effects of Situation-Specific Thinking Styles and Socio-Demographics) investigated the difference in customers' cognitive processes when purchasing online at a discounted price and buying luxury goods in-store with additional luxury services. The findings showed that customers adopted a rational thinking style in the online context, whereas experiential thinking style was evoked in the offline context. Findings put the emphasis on the importance of developing different online and offline marketing strategies to enhance the luxury shopping experiences. Klaus (entitled: The End of The World as We Know It? The Influence of Online Channels on the Luxury Customer Experience) studied luxury customers' journey in the online luxury experience. He identified luxury customer segments including the purists, opportunists, and e-lux buyers. Due to the lack of studies which focused on customers' online luxury experience, this study provides useful theoretical and practical guidelines for designing online platforms.

The next three studies focused on customers' consumption behavior in the luxury setting.

Han and Kim, (entitled: Role of consumption values in the luxury brand experience: Moderating effects of category and the generation gap) studied the impact of functional, symbolic, experiential, and zero-moment-of-truth values on luxury customers' patronage behavior in Korea by investigating customer intention through the emotional response process of flow and compatibility using the stimulus-organism-response framework. By examining the difference between young and old shoppers in terms of their luxury experience, this study could be beneficial for the luxury brand marketer in guiding them to design personalized experiences. Räisänen et al.'s article (entitled: Exploring consumers' subjective shopping experiences in directly operated luxury brand stores) identified important determinants of customers' luxury shopping experience such as extraordinary service excellence, unique multi-sensory emotional experiences, and a feeling of personal importance and assurance. Considering the lack of empirical evidence on customers' experience in the luxury retailing context, this research expands our knowledge by conducting one-on-one interviews with luxury customers in Monaco.

Finally, Hawkins (entitled: The moderating effect of need for belonging and communal-brand connection on counterfeit purchasing) examined the role of customers' characteristics and communal-brand

connection in the counterfeit consumption context. Similar to counterfeit goods, counterfeit services also can negatively influence customers' behavior, such as co-destruction, as customers feel deceived and are unable to retain full control over the conversation. Due to the lack of studies which examine the customers' socio and brand-related characteristics simultaneously, this study provides useful guidelines for luxury brand managers to enhance their performance by understanding customers' counterfeit consumption behavior.

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Jungkun Park\*

Hanyang University, South Korea

Jiseon Ahn

Taylor's University, Subang Jaya, Malaysia

E-mail address: [anji.yaongc@gmail.com](mailto:anji.yaongc@gmail.com).

\* Corresponding author.

E-mail address: [viroid2007@gmail.com](mailto:viroid2007@gmail.com) (J. Park).