

COLUMNS

Compensation culture and the world of luxury

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Jeremy Haines

By **Jeremy Haines**

The world of luxury is essentially based on a European precedent one of heritage, hierarchy and layers of closely codified status. Evidence for it can be found in the nature of the deeply embedded iconography of luxury.

Brands and their logos, come adorned with insignia, crests and shields derived from the world of heraldry and medieval symbolism. We barely notice that the laurel wreaths and eagle's wings that embellish modern-day high performance brands can be traced back to Roman origins from two thousand years ago.

So why are these reassuring badges of quality required?

Sublime thinking

The principles of luxury have been embraced around the world. But with growing disposable income outside Europe and North America, there is an increasing tendency to avoid the rigid hierarchy of European conventions.

Of course, many countries have well-developed imagery and symbolism based on their own culture, while others have chosen to subvert or disrupt the originals with more creative or colorful interpretations. The Dom Perignon tribute to Andy Warhol is a case in point.

As the appetite for luxury goods spreads, the need to understand the motivations that drive decision-making across and not simply within a geography increases.

What unites consumers rather than divides them and how to market brands towards shared motivations?

The answer lies in the psychology that drives consumption itself and, as ever, with human desires and aspirations, it is riddled with apparent tensions and contradictions.

The early psychologists believed that people have a basic need to cleans or purify their instinctive desires.

The concept, known as a sublimation, is one in which base drives manifest themselves in more lofty or socially acceptable substitutions, be they artistic, religious, intellectual or even philanthropic.

At the very least, in a modern context, people are inclined to seek a rational justification for their own emotionally driven actions.

Recent economic turmoil has heightened sensitivity around the justification of an extravagant lifestyle, while not diminishing its attractiveness. And this is in a context in which consumption is more culturally acceptable, even essential to economic prosperity.

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Irrend spotters point to the growth in less ostentatious, more covert luxury, with the rise of services such as private islands or executive protection.

The likelihood is that instead of secrecy, the justifications will simply become more elaborate and more comprehensive.

Channeling correctly

Recent examples of luxury brands demonstrating social and cultural compensation are Tod's funding of the restoration of the Coliseum or Conde Nast's venturing into educational efforts.

It is possible to give some shape to these contradictions and how they play out in people's minds.

On closer examination, however, all motivations are authentic human aspirations, neither good nor bad, simply a reflection of whether our urges can be reconciled with what is socially or culturally acceptable.

Some cultures manifest these conflicts in ways that are deep rooted.

In France, for example, luxury is not simply pleasure or gratification. It is elevated to an art form to be a reflection of one's sophistication and connoisseurship, the demonstration of an ability to appreciate beauty.

With Anglo Saxon and typically more protestant-influenced cultures, philosophical aspirations are replaced with a respect for hard work and dedication. For them, it is the functional instead of the intellectual and the idea that pleasure has been earned.

It is perhaps no coincidence that we see a number of ways in which respect for work or time put in substantiates the value of what comes out.

Some contemporary trends that signify this theme:

The growth of craftsmanship embodying the value of manual labor and traditional technique

Respect for heritage and longevity, reputations established over generations

Taking things more slowly or aged for longer

Looking back rather than forward, retro styling

Here, too, we find the explanation for the use of ancient symbolism in performance branding as there is nothing more motivating in the ephemeral world of winners and losers than to hark back to the achievements, the training, the sheer hard work and heroism of Olympians from millennia passed.

Jeremy Haines is director of [Haines McGregor](#), a London brand development consultancy. Reach him at jeremy.haines@hainesmgregor.co.uk.