Caught in the masstige: The battle between peer pressure and consumer wisdom

While buying luxurious products on a budget might sound simple, the reality is different. Masstige brands are a new segment of brands in the luxury market that are similar to traditional luxury brands. The difference lies in masstige brands being priced below traditional brands' high prices, focusing instead on middle-class consumers. When considering consumers' intention to purchase masstige brands, purchase hesitation, which describes a consumer's reluctance to finalise a decision when purchasing a product, emerges as a phenomenon. This phenomenon is often caused by peer feedback, which is common in luxury purchases. For brands, purchase hesitation can foster negative perceptions of a product, directly affecting sales. Understanding this factor of consumer behaviour is therefore crucial for marketers looking to position and promote masstige brands effectively. This study aimed to determine whether consumers make wise masstige brand purchases (consumer wisdom) or if they purchase due to peer influences (conspicuous consumption and bandwagon effect) and the impacts thereof on purchase hesitation.

A study was conducted by Gugu Khumalo, a Master's student in the Department of Marketing Management, to explore the factors contributing to purchase hesitation, focusing on the bandwagon effect, conspicuous consumption, and consumer wisdom (responsibility, perspective, and reasoning), using the social cognitive theory as underpinning. Data was collected via a survey link hosted on Qualtrics and distributed on the researcher's networks (Instagram and LinkedIn), which, in turn, were shared within their networks across South Africa. A total sample of 343 was realised and the data was analysed using regression analysis.

Findings indicated that the bandwagon effect, which refers to the tendency to do something because everyone else is doing it, significantly predicts conspicuous consumption, consuming products to show off their wealth or to be noticed, and purchase hesitation. Additionally, making wise decisions using past experiences and perceived future consequences to inform masstige purchase decisions (perspective)

decreases the chance of purchase hesitation. Not surprisingly, consumers who make wise decisions to balance their spending with their available personal resources (responsible) are often more hesitant to purchase. Conspicuous consumption and reasoning, which refers to adequately applying information to inform masstige purchase decisions, are not significant predictors of purchase hesitation.

The findings of this study reveal that South African consumers are significantly influenced by the bandwagon effect, indicating that they rely on others' purchasing behaviour when making their own purchase decisions. Moreover, responsible (wise) South African consumers tend to make more deliberate and cautious decisions, reducing purchase decisions. In contrast, if consumers use their past experiences, they are more likely to purchase and less hesitant. This showcases how social influences and personal wisdom shape consumer choices, aligning with their needs and values. The social cognitive theory suggests that external influences shape purchase behaviour through cognitive processes when shopping for masstige brands.

Implementing strategies such as analysing sales data to gain insights into customer spending, addressing concerns of masstige brands, creating educational campaigns highlighting the long-term value of masstige products, using testimonials to promote product benefits, introducing limited edition products to create exclusivity and developing websites for masstige product comparison, can help appeal to both social and introspective consumers to optimise masstige brand appeal and purchase decisions.

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