

Heritage as a luxury privilege. Proposal and testing of a brand heritage image scale (BHI).

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This study focuses on the proposal and testing of a *brand heritage image* scale (BHI), defined as the system of beliefs and opinions connected to the heritage of a brand. The scale development process has been conducted through three phases: a) an *item generation stage* based on a content analysis of the web communication of brand heritage carried out by top 30 luxury holdings (Deloitte, 2018); b) an *item purification stage*, including an exploratory factor analysis (EFA) based on a survey on the perception of brand heritage of 3 luxury brands; c) an *item validation stage*, encompassing a confirmatory factor analysis (CFA) of the measurement scales identified in the exploratory step. Results identified a total of 4 factors and 14 items underlying the brand heritage image of a brand.

Keywords: brand heritage, brand image, scale development, luxury brands.

1. Introduction and purposes

Companies are gaining awareness that the exploitation of history and legacy are able to convey confidence in the mind of their customers. Brands that can incarnate stability, longevity and familiarity have a strategic chance to enrich their identity with values of authenticity and integrity. Brand heritage can be interpreted as that dimension of brand identity devoted to the traceability of the brand in the collective memory. Instead of a historical vision that sees the heritage rooted only in the past, brand heritage also embraces the present and future dimensions, representing longevity as a promise to stakeholders that the core values and brand performance are authentic and real (Mainolfi, 2018; Napolitano et al., 2018; Wiedmann et al., 2012).

Even though marketing scholars recognise the importance of heritage as a distinctive and irreproducible asset of brand identity (Aaker, 1996; Urde et al., 2007; Hudson, 2011) - for example Urde et al. (2007: 4-5) define the brand heritage as “a dimension of a brand’s identity found in its track record, longevity, core values, use of symbols and particularly in an organisational belief that history is important”-, at the present there are no contributions that have proposed an operationalisation of the construct of brand heritage. Based on a thorough literature review on brand heritage we have been able to identify only two studies on the categorisation of heritage components. However, these proposals entail a prevalently inductive approach and do not seem to be capable of completely recovering the theoretical domain of the construct. The first study can be found in Hakala et al. (2011) where, starting from the certainty that “definitions of brand heritage don’t explain how to measure brand heritage per se” (Hakala et al., 2011: 449), the authors propose a measurement model based on history, consistency and continuity of core values, product brands and use of symbols. The second is in a recent study by Wuestefeld et al. (2012) in which the authors propose a measurement instrument based of formative indicators, obtained through exploratory interviews. Fifteen items emerged from this analysis: continuity, success images, bonding, orientation, cultural value, cultural meaning, imagination, familiarity, myth, credibility, knowledge, identity value, identity meaning, differentiation and prestige. Looking at the

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items, the extreme heterogeneity and – at the same time – overlapping of factors do not help to stigmatise the phenomenon of brand heritage.

To address the aforementioned lacuna within the existing literature, this study proposes and tests a valid and reliable scale for the measurement of the brand heritage image, interpreted as the system of beliefs and opinions evoked by the heritage of a brand. Following recommendations provided by Churchill (1979) and Sweeney and Soutar (2001), the research process was splitted in three main stages: a) item generation; b) refinement of the measurement scale; c) scale validation.

2. The first stage of the study: the item generation process

The first phase of the study was based on a qualitative exploratory research aimed at generating a first list of items able to provide an operationalization of the theoretical domain of the brand heritage image. Specifically, the item generation process was based on an explorative content analysis conducted on the web communication of brand heritage carried out by companies belonging to the luxury corporations ranked in the first 30 positions of the Deloitte Report “Global Powers of Luxury Goods 2018”. The content analysis included the official websites of 88 brands (see Appendix 1). The choice to focus on luxury is related to the fact that the heritage aspect is a crucial part of a luxury brand as it has to appear both “perfectly modern to the society of the day and at the same time laden with history” (Wiedmann et al., 2012: 566). Based on the preliminary assessment of the brand heritage literature (Dion & Borraz, 2015; Cooper et al., 2015; Hakala et al., 2011; Urde et al., 2007), the following keywords were used for the selection of texts to be included in the analysis: “heritage”, “brand heritage”, “history”, “traditions”, “identity”. Both keywords and documents were written in English. Selected texts were analysed through the software Nvivo 12. Data analysis consisted of several iterative stages (Bolasco, 2005; Carley, 1993): 1. Data pre-treatment; 2. Analysis of corpus; 3. Identification of theme words (*high frequency words*).

Starting from the analysis of adjacent words and sentences related to the *theme words*, it was possible to identify a system of nodes centred on four main conceptual categories (longevity, manufacture, pioneerism, design) with 11 sub-categories and a total of 35 items that synthesise brand heritage image domain as defined by the selected documents. According to the procedure suggested by Wong et al. (2012), the list of items identified through the content analysis were evaluated by a panel of three academic experts to judge whether the items were appropriate and suitable as a measure of brand heritage image on a 10-point scale. The inter-rater reliability was evaluated through the Spearman’s coefficient and scores showed a significant correlation, with an average coefficient of 0.51 (MacLennan, 1993). Two items with a mean value <5 were removed from the list; therefore, 33 items were retained for the next step.

3. The second stage of the study: the refinement of the Brand Heritage Image scale

The items derived from the first stage were refined through a quantitative stage based on a survey aiming to evaluate the perceived image of brand heritage of three luxury brands. Namely, brands under investigation were: Louis Vuitton, Burberry, Salvatore Ferragamo. This choice was motivated by the desire to compare the main heritage luxury brands of the countries (France, UK and Italy) that are characterised by a long tradition of luxury fashion productions (Altagamma, 2018). The first step of the second stage was the development of

a structured questionnaire including the 33 items. The evaluation was based on a 7-point Likert scale. Before starting the survey, the questionnaire was pilot tested on a small sample in order to ensure that statements were clear and understandable. The first data collection was conducted during December 2018 and January 2019. The sample was composed by Italian citizens. Respondents were recruited online thanks to the publication of an informative post on social network pages (Facebook and Instagram). A total of 600 questionnaires was included in this stage of the data analysis (200 for each brand). Sample demographics showed that respondents were balanced in terms of gender with a slight prevalence of the 25-34 age range.

Following the process recommended by Churchill (1979), an iterative scale purification procedure was adopted to obtain a parsimonious scale. Separate analyses were conducted for each sample. The first step was a reliability analysis based on the item-to-total correlations: based on research of Kim (2014) a correlation value of less than 0.5 was considered a cut-off limit (Tian et al., 2001). The three samples showed similar results and items with low item-to-total correlation in at least two samples were deleted. As a result of the analysis, 29 items were retained from the original 33. In the second step, the 29 items were factor analysed using a principal component with Promax oblique rotation method (Gerbing & Anderson, 1988) in order to identify the structure of brand heritage image construct. The suitability of the explorative factor analysis was first examined according to the Kaiser-Myer-Olkin (KMO) measures of sampling adequacy and Bartlett's test of sphericity. Bartlett's test of sphericity was appropriate for all the three samples (Burberry 4759.27, $p < .000$; Vuitton 5445.95, $p < .000$; Ferragamo 3986.82, $p < .000$). Moreover, the KMO measure was appropriate for the three datasets (Burberry= 0.94; Vuitton=0.94; Ferragamo=0.93), demonstrating an excellent sampling adequacy (Kaiser, 1974).

According to Flynn and Percy (2001) a 0.5 cut-off factor loading value was adopted for the item selection, and items were deleted if the cut-off value was below the limit in at least two samples. As a result of this stage 9 items were deleted (Grace & Griffin, 2009; Richins & Dawson, 1992). Another exploratory factor analysis was conducted on the remaining 20 items. Combining the screen test proposed by Cattell (1966) and the theoretical basis of the scale (i.e., Eigenvalues greater than 1, Kaiser-Guttman criterion), the exploratory factor analysis identified 4 factors with a total of 14 items showing a significant factor loading in at least two samples. Cronbach's alpha showed that the four factors were sufficient reliable with values ranging between 0.78 and 0.91. The 4-factor solution was able to explain 73% of the average variance (Louis Vuitton, 71.29; Burberry, 71.87; Salvatore Ferragamo, 76.44). Items with higher factor loadings influenced the choice of labelling the four factors, that were named as follows: product features, aesthetics, legacy and values, pioneerism.

Table 1 - Results of the exploratory factor analysis

	Louis Vuitton Sample 1 (n=200)	Burberry Sample 2 (n=200)	Salvatore Ferragamo Sample 3 (n=200)
PRODUCT FEATURES			
Valuable handicraft products	0.948	0.907	0.959
High quality materials	0.906	0.801	0.920
High quality manufactured products	0.823	0.732	0.907
High value artisan tradition	0.682	0.662	0.667
Products expression of the French/British/Italian artisanal tradition	-	0.784	-
<i>Cronbach Alpha</i>	<i>0.87</i>	<i>0.85</i>	<i>0.91</i>
<i>% Variance explained</i>	<i>47.24</i>	<i>49.43</i>	<i>49.93</i>

AESTHETICS			
Brand with a valuable aesthetic profile	0.824	-	0.823
High creativity of design and style	0.779	0.630	0.630
Products conceived as artistic creations	0.774	0.581	0.692
Refinement of shapes	0.675	0.732	0.696
Sophisticated design	0.764	-	-
Products expressing unconventional beauty	-	-	0.544
Products with a high aesthetical value	-	0.707	-
<i>Cronbach Alpha</i>	<i>0.88</i>	<i>0.86</i>	<i>0.90</i>
<i>% Variance explained</i>	<i>8.60</i>	<i>10.16</i>	<i>11.08</i>
LEGACY & VALUES			
High relevance of the founder's values	0.752	0.796	0.608
Everlasting company values	0.906	0.887	0.778
Strongly connected to family values	0.860	0.879	0.945
Long-lasting brand	0.786	-	-
Brand expression of a timeless history	0.827	-	-
<i>Cronbach Alpha</i>	<i>0.85</i>	<i>0.85</i>	<i>0.88</i>
<i>% Variance explained</i>	<i>8.27</i>	<i>6.84</i>	<i>9.18</i>
PIONEERISM			
Brand able to anticipate style and trends	0.622	0.751	0.920
Brand with a pioneeristic vision	0.581	0.724	0.599
Innovative brand	0.963	0.809	0.998
<i>Cronbach Alpha</i>	<i>0.80</i>	<i>0.78</i>	<i>0.79</i>
<i>% Variance explained</i>	<i>6.75</i>	<i>5.44</i>	<i>6.25</i>
% Total variance explained	71.29	71.87	76.44

4. The validation of the Brand Heritage Image scale

In the final stage the validity of the 4-factor structure was tested with a confirmatory factor analysis using the maximum likelihood estimator of Lisrel 8.80. A new survey was carried out during March 2019 among a probabilistic sample of tourists visiting the Salvatore Ferragamo Museum in Florence. To establish a sampling frame, we analysed museum attendance data during the last year and studied the days with the highest audience members. With the permission of management, it was possible to personally interview visitors (who had given their consent) at the end of the visit. About 450 visitors were approached, 380 valid questionnaires were obtained. Assuming a total finite population of 41300 visitors per year at a confidence level of 95% a sample size of 380 should guarantee an estimate of the population proportion with an error not greater than 0.05 assuming the worst-case scenario for the estimate of the population variance (Fleiss et al., 2003).

Respondents were asked to evaluate the brand heritage image of Salvatore Ferragamo on the basis of the 14 items identified through the EFA. The reliability of the scale was then analysed by examining Cronbach's alpha and by calculating construct reliability estimates. Cronbach's alpha, ranging from 0.71 to 0.91, indicated an adequate internal consistency (Cronbach's alpha score > .7, Nunnally & Bernstein, 1994). The construct reliability estimates ranged from 0.75 to 0.91, thus indicating the good internal consistency of the multiple indicators for each construct. Similarly, the average variance extracted (AVE) exceeded the suggested value of 0.50 (Fornell & Larcker, 1981; Bagozzi & Yi, 1998), therefore convergent validity of the latent constructs was confirmed. The discriminant validity was also confirmed: squared correlations between any two constructs were not greater than the corresponding value of the AVE. With respect to the overall fit of the measurement model, results showed that Chi-square value was significant ($\chi^2 = 366.116$) and the main fit indices' values were satisfactory with CFI = 0.97, GFI = 0.89, NNFI = 0.97 and RMSEA = 0.09 (Hooper et al., 2008; Hu & Bentler 1995).

Table 3 – Results of the confirmatory factor analysis

	Mean (St. dev.)	λ . Scores (Stand. coeff.)	Cronbach's Alpha	C.R.	Average Variance Extracted (AVE)
PRODUCT FEATURES			0.91	0.91	0.68
Valuable handicraft products	6.39 (0.94)	0.783			
High quality materials	6.31 (0.97)	0.853			
High quality manufactured products	6.41 (0.97)	0.800			
High value artisan tradition	6.39 (0.91)	0.821			
AESTHETICS			0.81	0.78	0.54
Brand with a valuable artistic profile	6.13 (1.04)	0.749			
High creativity of design and style	6.15 (1.04)	0.849			
Products conceived as artistic creations	6.20 (1.03)	0.787			
Refinement of shapes	6.02 (1.12)	0.760			
LEGACY & VALUES			0.80	0.81	0.60
High relevance of the founder's values	5.94 (1.12)	0.825			
Everlasting company values	5.84 (1.21)	0.715			
Strongly connected to family values	6.01 (1.11)	0.798			
PIONEERISM			0.71	0.75	0.55
Brand able to anticipate style and trends	5.92 (1.12)	0.768			
Brand with a pioneering vision	5.72 (1.18)	0.822			
Innovative brand	5.93 (1.13)	0.795			
Fit Statistics:					
$\chi^2 = 332.282$; d.f. =74 (p<0.001); RMSEA = .09; NFI = .97; NNFI= .97; CFI= .98; GFI= .88					

5. Conclusion and implications

The study proposes and tests a valid and reliable scale for the measurement of the brand heritage image (BHI). Although literature on brand management recognises that heritage components play a significant role for the perception of a brand, the measurement of such components have been largely neglected by empirical research. In this study, based on a content analysis on the web communication of 88 brands belonging to the luxury corporations ranked in the first 30 positions of the Deloitte Report “Global Powers of Luxury Goods 2018” and on two surveys involving a total of 980 respondents and 3 target luxury brands we defined brand heritage image through 4 main factors, including a total of 14 items. The study aims to fill a gap emerged in the literature that has so far failed to operationalise the construct. Findings indicate that it is possible to identify four pillars underlying the emersion of the brand heritage image. The roots of the brand (*legacy and values*) are the cognitive space where the trust between a consumer and a company is created. This trusty link finds its tangible expression in the distinctive characteristics of the products (*product features*). From here, through a pioneering vision (*pioneerism*) and the exaltation of the aesthetic and artistic components (*aesthetics*), the brand can be carried into an omni-temporal dimension where functional and symbolic features blend into a dreamlike space where beauty, art and creativity reign.

In terms of managerial implications, findings are able to support companies in the evaluation of the perceived image of their inheritance assets and, consequently, in the adoption of strategies aiming to nourish the heritage as a precious component of the brand identity. Therefore, heritage management should aim at translating brand heritage into product narratives, supporting product's iconization where permanent and seasonal rules coexist. As well, at a time when the “masstige” trap may erode the attractive power of the traditional qualities and features associated to luxury, the nourishment of the brand heritage can create a valuable protection for luxury brands. However, a clear limitation of this study was the lack of a cross-national invariance test

for the proposed scale. Therefore, future research will be called to evaluate the invariance of the proposed scale across different country samples.

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Appendix 1

DELOITTE RANKING	COMPANY NAME	SELECTION OF LUXURY BRANDS	COUNTRY OF ORIGIN
1	LVMH Moët Hennessy-Louis Vuitton SE	Louis Vuitton, Fendi, Bulgari, Loro Piana, Emilio Pucci, Acqua di Parma, Donna Karan, Loewe, Marc Jacobs, TAG Heuer, Benefit Cosmetics	France
2	Compagnie Financière Richemont SA	Cartier, Van Cleef & Arpels, Montblanc, Jaeger-LeCoultre, Vacheron Constantin, IWC, Piaget, Chloé, Officine Panerai	Switzerland
3	The Estée Lauder Companies Inc.	Estée Lauder, M.A.C., Aramis, Clinique, Aveda, Jo Malone; Licensed fragrance brands	USA
4	Luxottica Group SpA	Ray-Ban, Oakley, Vogue Eyewear, Persol, Oliver Peoples; Licensed eyewear brands	Italy
5	Kering SA	Gucci, Bottega Veneta, Saint Laurent, Balenciaga, Brioni, Sergio Rossi, Pomellato, Girard-Perregaux, Ulysse Nardin	France
6	The Swatch Group Ltd.	Omega, Longines, Breguet, Harry Winston, Rado, Blancpain; Licensed watch brands	Switzerland
7	L'Oréal Luxe	Lancôme, Biotherm, Helena Rubinstein, Urban Decay, Kiehl's; Licensed brands	France
8	Ralph Lauren Corporation	Ralph Lauren, Polo Ralph Lauren, Purple Label, Double RL, Club Monaco	USA
9	Chow Tai Fook Jewellery Group Limited	Chow Tai Fook, Hearts on Fire	Hong Kong
10	PVH Corp.	Calvin Klein, Tommy Hilfiger	USA
11	Rolex SA	Rolex, Tudor	Switzerland
12	Hermès International SCA	Hermès, John Lobb	France
13	Lao Feng Xiao Co.,Ltd.	Lao Feng Xiang	China
14	Michael Kors Holdings Limited	Michael Kors, MICHAEL Michael Kors	UK
15	Coach, Inc.	Coach, Stuart Weitzman	USA
16	Tiffany & Co.	Tiffany & Co., Tiffany	USA
17	Prada Group	Prada, Miu Miu, Church's, Car Shoe	Italy
18	Burberry Group plc	Burberry	UK
19	Hugo Boss AG	Boss, Hugo, Boss Green, Boss Orange	Germany
20	Fossil Group, Inc.	Fossil, Michele, Relic, Skagen, Zodiac, Mis t Licensed brands	US
21	Giorgio Armani SpA	Giorgio Armani, Emporio Armani, Armani, A/X Armani Exchange	Italy
22	Swarovski Crystal	Swarovski	Austria
23	Coty Inc.	philosophy, JOOP!, Lancaster, Calvin Klein fragrance; Licensed fragrance brands: Marc Jacobs, Chloé, Davidoff	USA
24	Pandora A/S	Pandora	Denmark
25	Chow Sang Sang Holdings International Limited	Chow Sang Sang	Hong Kong
26	Christian Dior Couture SA	Christian Dior	France
27	Puig S.L.	Carolina Herrera, Nina Ricci, Paco Rabanne, Jean Paul Gaultier, Penhaligon's; Licensed fragrance brands	Spain
28	Luk Fook Holdings (International) Limited	Luk Fook	Hong Kong
29	OTB SpA	Diesel, Maison Margiela, Viktor&Rolf, Marni	Italy
30	Gitanjali Gems Ltd.	Gili, Nakshatra, Sangini, Asmi, Passion Store	India