

Original Article

Social benefits of luxury brands as costly signals of wealth and status

Rob M.A. Nelissen*, Marijn H.C. Meijers

Department of Social Psychology, Tilburg University, Tilburg, The Netherlands

Initial receipt 5 August 2010; final revision received 21 December 2010

Abstract

Drawing from costly signaling theory, we predicted that luxury consumption enhances status and produces benefits in social interactions. Across seven experiments, displays of luxury — manipulated through brand labels on clothes — elicited different kinds of preferential treatment, which even resulted in financial benefits to people who engaged in conspicuous consumption. Furthermore, we tested preconditions in which the beneficial consequences of conspicuous consumption may arise and determined the proximate mechanisms underlying them. The present data suggest that luxury consumption can be a profitable social strategy because conspicuous displays of luxury qualify as a costly signaling trait that elicits status-dependent favorable treatment in human social interactions.

© 2011 Elsevier Inc. All rights reserved.

Keywords: Conspicuous consumption; Costly signaling theory; Status; Consumer behavior; Social interactions

1. Introduction

Contemporary consumer culture can be characterized by its primacy on material expenditure as a means of establishing and defining social relationships (de Botton, 2004; Frank, 1999; Miller, 2009; Schor, 1998). According to Verdict Research Co.'s (2007) *Global Luxury Retailing* report, global expenditure on luxury products will hit \$450 billion a year by 2012. (Of particular relevance to the present research, branded clothing alone accounts for 41.9% of that amount.) Even impoverished people in developing countries, who cannot afford food and shelter on a daily basis, are willing to pay a premium for branded products (Van Kempen, 2004). Why are people so keen on wearing brand-labeled clothes and owning other luxury-branded products to pay a premium for them?

The answer appears to be *to gain social status*. Status is defined as a higher position compared to others on some dimension (e.g., academic or athletic skill, physical attractiveness or wealth) that is deemed important by society (Hyman, 1942). In economics, it has long been recognized

that the subjective utility derived from expenditures that deliver no functional benefits may accrue from their merits as signals of social status (e.g., Bourdieu, 1984; Hirsch, 1976). The preference for more expensive over cheaper yet functionally equivalent goods has been famously referred to as conspicuous consumption by Thorstein Veblen (1899/1994). Psychological research has confirmed that the desire for status is an important force driving the market for luxury goods (Dreze & Nunez, 2009; Griskevicius et al., 2007; Haselton, Mortezaie, Pillsworth, Bleske-Rechek & Frederick, 2007; Mandel, Petrova & Cialdini, 2006; Rucker & Galinski, 2008, 2009). From an evolutionary perspective, it has been argued that the human preference for luxury consumption originates from a universal tendency for signaling traits that might increase status (Cummins, 2005; Miller, 2009; Saad, 2007), a tendency shared by other social primates (e.g., de Waal, 1982).

Still, a comprehensive evolutionary account of conspicuous consumption not only requires proof that mental adaptations — in the heads of consumers — for displaying status traits also instigate luxury expenditures, but also requires proof that displays of wealth trigger mental adaptations — in the heads of perceivers — which ultimately guarantee that conspicuous consumption as a status-signaling strategy actually produces fitness benefits (for a similar argument, see Campbell, 1995). This is particularly relevant since it is not necessarily true that

* Corresponding author. Department of Social Psychology and TIBER (Tilburg Institute of Behavioral Economics Research), Tilburg University, PO Box 90153, 5000-LE Tilburg, The Netherlands.

E-mail address: r.m.a.nelissen@uvt.nl (R.M.A. Nelissen).

conspicuous consumption triggers responses that render it as an adaptive status-signaling strategy. It may be the case that conspicuous consumption is the result of a mismatch between evolved status-signaling systems and the affordances of modern life, for instance, because prehistoric needs for status signaling are exploited by artificial cues tailored by marketing strategists in much the same ways as evolved hedonic reward centers in the brain can be hijacked by modern means to produce addictive substances. Critically, to actually produce adaptive consequences, it is important that both signalers and receivers share the same beliefs about the meaning of conspicuous consumption.

Providing initial support for the idea that luxury displays may be an evolutionary adaptive strategy, the present article reveals that wearing brand-labeled clothing yields benefits in social interactions. Specifically, we will show in a series of field studies and under experimentally controlled conditions that people are more compliant and generous to people who display luxury and are even willing to pay a cost to affiliate with them. We will also reveal that these effects of luxury-branded clothing are driven by increased status perceptions of conspicuous consumers compared to people wearing ordinary clothing. From these findings, it can be tentatively concluded that conspicuous consumption increases the signalers' social capital through the formation of alliances that may yield protection, care, cooperation and even mating opportunities.

1.1. *Conspicuous consumption as a costly signal of status*

The idea that status may be accorded to displays of luxury can be explained by costly signaling theory (Miller, 2009; Saad, 2007). Costly signaling theory has been successfully applied as an account of wasteful displays in animal — including human — behavior (e.g., Bliege Bird & Smith, 2005; Cronk, 2005). It explains that apparently wasteful behavior may function as a reliable signal of desirable individual qualities (Zahavi & Zahavi, 1997). The costs involved in producing the signal, for instance, in terms of energy, risk, time or money, guarantee its reliability. This is also referred to as the *handicap principle*. The prototypical example of a costly signal is the peacock's tail: by supporting a big tail, the peacock shows he can counter parasites and predators, to which a luscious tail constitutes a considerable handicap. Hence, a large tail increases the peacock's attractiveness to other individuals (particularly peahens) and thus increases his mating opportunities. In a similar vein, displays of luxury may also serve as costly signals.

People may rely on a host of behavioral strategies to improve their social position. Depending upon circumstances, status can be derived from academic achievements, one's skills as a sea turtle hunter and even the ability to drink a lot of beer. Certain traits, such as physical attractiveness, may be universally associated with high status (e.g., Langlois et al., 2000). Another trait that seems to be widely

associated with high status is financial wealth or the possession of resources in general (de Botton, 2004; Frank, 1999; Godoy et al., 2007). Wealth is a desirable characteristic firstly because it implies the possession of abundant resources that are required to buy luxury products in the first place. Secondly, wealth is desirable because it may demonstrate the abilities and skills to acquire resources. Luxury labels may thus act as costly signals that enhance status, exactly as proposed by theories of conspicuous consumption (Plourde, 2008).

For conspicuous consumption — or any behavioral strategy whatsoever — to qualify as a costly signal, four criteria need to be met (cf. Bliege Bird & Smith, 2005): First, the signal must be easily observable. Second, the signal must be hard to fake (because of its associated costs). Third, the signal must be associated with an unobservable, yet desirable, individual quality, such as good genes, physical health or other. And fourth, the signal must ultimately yield a fitness benefit.

Brand labels are apt to meet the first criterion, because they are designed to be visible and recognizable. All of our studies constituted a formal test of this criterion by comparing the impact of a brand label to a no-label or to a non-luxury label control condition. Differences between conditions would imply that the brand label is indeed observable as a signal, which is the basic requirement for conspicuous consumption to have any effect on social interactions whatsoever.

Furthermore, it seems plausible that brand labels also meet the second criterion, which is that they must be costly to display for the signaler. The price premium that consumers pay to obtain brand-labeled instead of non-labeled, yet functionally equivalent, clothes makes them prototypical examples of costly signals. To verify this, we included the average retail value for all the brands used throughout the studies in this article in Study 1. It appears that shirts from the brands that we designated as luxury labels are indeed more expensive than similar shirts without a label or than shirts with a non-luxury label. Note that the second criterion does not require that the luxury display should be extremely expensive to act as a costly signal. Costly signaling theory assumes that signals will be reliable to the extent that producing the signal at a certain intensity (i.e., displaying a particular luxury label) will be relatively more expensive to someone who possesses the underlying trait (i.e., wealth) to a lesser extent (Searcy & Nowicky, 2005). Therefore, we may safely assume that all else being equal, individual differences in wealth will manifest themselves in luxury displays in a graded fashion, and that when we compare two individuals who differ in the intensity at which they display wealth, behavioral differences will ensue, irrespective of whether more intense levels of signaling are possible. Therefore, it is not necessary to use displays of extravagant luxury (e.g., Ferrari vehicles, Patek Philippe wristwatches or 30-ft. yachts) to study the social consequences of luxury consumptions in a costly signaling perspective.

The third criterion for a costly signal is that it must be associated with some unobservable, yet desirable, quality. This criterion implies that the signal is perceived as a status-enhancing quality because socially valued traits by definition increase one's status. As we assumed that the general trait that people associate with conspicuous consumption is wealth (but see the [General Discussion](#) for a more detailed consideration of this topic), we predicted that brand-labeled clothes are more readily associated with wealth and high status than non-labeled clothes. We tested this prediction in Studies 1, 3 and 5. In the latter two studies, we also tested whether status perceptions mediated the observed impact of conspicuous consumption. We wish to note in advance that we do not assume that, in general, inferences about wealth and status are made in a conscious fashion by human perceivers any more than a peahen makes conscious inferences about the peacock's genes from viewing his tail. All we argue is that once explicitly informed, people (unlike peahens) should express differences in perceived status if the trait under investigation is in fact a costly signal.

The fourth and final criterion is that displays of the costly signal must eventually yield a fitness benefit to the signaler. These fitness benefits ultimately derive from the effects of conspicuous consumption on the behavior of perceivers. Therefore, we will use the latter as a proxy for testing this criterion, as actual fitness benefits from luxury displays are virtually impossible to demonstrate. Specifically, we will investigate whether perceivers treat a person who wears luxury-labeled clothes more favorably than a person who wears ordinary clothes, irrespective of other characteristics of that person.

1.2. The present studies and relation with previous research

In spite of the fact that brands and products have long been recognized as a means for people to establish their social identity (Aaker, 1997; Belk, 1988), research on status-dependent, behavioral benefits of consumption in social interactions has been remarkably sparse. Early studies (e.g., Bouska & Beatty, 1968) suggested that people do indeed show a tendency for deference to outfits that are associated with high status. However, in this type of research, status was not associated with the price of the clothes, but with the social role of the person wearing them. Therefore, they are less relevant to the effects of status as derived from consumption. Other research suggests that people show more social restraint when they face others who display luxury. For instance, people do not honk as quickly when the traffic light turns green if the car ahead of them is more expensive (Doob & Gross, 1968). One reason may be that people in more expensive cars are also more likely to respond aggressively when being honked at (Diekmann, Gans-Jungbauer, Krassnig & Lorenz, 1996). This suggests that instead of showing preferential treatment in the face of luxury displays (i.e., expensive cars), people rather defer to

the potential threat of the person who owns an expensive car. Finally, a recent study revealed that people assumed submissive postures when confronted with a person who displayed luxury-branded items (Fennis, 2008).

Our research goes beyond previous work in three important ways: First, we extended previous findings on the behavioral consequences of conspicuous consumption in social interactions by establishing that luxury displays instigate overt actions that clearly comprise favorable treatment which might ultimately accumulate in actual fitness benefits to the person displaying luxury brands. That is, we investigated whether, in addition to the non-verbal submissive postures shown in previous research (Fennis, 2008), conspicuous consumption would also result in behavior yielding tangible benefits to the person displaying luxury. Secondly, studies have so far failed to establish that the observed consequences of luxury displays are actually the result of luxury displays serving as costly signals. Therefore, we tested whether the consequences of luxury displays break down if people can no longer make reliable inferences about the costs involved in producing the signal by the signaler. Thus we explicitly tested whether luxury displays are perceived as costly signals. Thirdly, we included a preliminary test of the proximate mechanism underlying the benefits of conspicuous consumption. Specifically, we investigated whether people expressed an increased tendency to favor conspicuous consumers.

In the remainder of this article, we first present four experiments documenting the consequences of conspicuous consumption in real social interactions, indicating that displaying luxury-brand labels does indeed result in increased perceptions of status and wealth (Study 1) and consequently elicits preferential treatment in social interactions (Studies 2–4). Subsequently, we present three laboratory experiments testing more specific assumptions underlying a costly signaling account of conspicuous consumption (Studies 5 and 6) and investigating whether the benefits from displays of luxury actually result from favorable treatment (Study 7).

2. Experiment 1: status perceptions

To test whether brand labels are associated with wealth and high status, we assessed people's perception of a person wearing either a brand-labeled shirt or a non-labeled shirt. We further investigated whether brand labels affect perceptions other than wealth and status that might also affect social interactions, such as perceived attractiveness, friendliness and trustworthiness.

2.1. Method

2.1.1. Participants and design

Eighty shoppers ($M_{\text{age}}=42.3$ years, $S.D.=16.8$, 68% female) in Tilburg, a large city (for national standards) in the south of the Netherlands, were approached in a mall on a

Wednesday morning in the spring of 2008.¹ They were randomly assigned to one of four conditions, depending on the label on the shirt of the person they were asked to evaluate: no label ($n=20$); an ordinary label, Slazenger, with an average retail price of €11.85 ($n=20$); and two luxury labels: Lacoste, with an average retail price of €34.95 ($n=20$), and Tommy Hilfiger, with an average retail price of €29.95 ($n=20$).^{2,3}

2.1.2. Procedure and materials

Participants were invited to participate in a study on “consumer impression formation” in exchange for a beverage in a local lunchroom. They completed the questionnaire while seated at individual tables in the lunchroom.

The questionnaire consisted of one page. The front side showed the same picture of a male person wearing a polo shirt on which the different labels (or no label) were digitally copied. On the backside, participants rated on a scale (1=*not at all*, 5=*very much*) the person’s status (items: “this person has high status”, “this person is respected”, $r=.77$), wealth (items: “this person is rich”, “this person has a lot of money”, $r=.93$), attractiveness (items: “this person is attractive”, “this person is good looking”, $r=.89$), kindness (items: “this person is kind”, “this person is friendly”, $r=.85$) and trustworthiness (items: “this person is trustworthy”, “this person is honest”, $r=.84$).

2.2. Results and discussion

Average ratings for the five traits are summarized in Table 1. Perceptions of status [$F(3,80)=2.83$, $p=.031$] and wealth [$F(3,80)=3.67$, $p=.009$] differed between conditions. Post hoc analyses revealed that when wearing a luxury brand-labeled shirt (i.e., Lacoste or Tommy Hilfiger), the person received higher status ratings and was perceived as wealthier than when wearing a non-labeled shirt or a shirt with an ordinary Slazenger label. Perceptions did not differ on any of the other dimensions that might affect the outcome of social interactions. There were no differences in perceived attractiveness [$F(3,80)=1.54$, $p=.200$], kindness [$F(3,80)=0.18$, $p=.946$] and trustworthiness [$F(3,80)=0.55$, $p=.701$].

These results suggest that a person who displays a luxury-brand label, but not an ordinary label, is indeed perceived as wealthier and receives higher status ratings than a person who does not display a label, as predicted by notions of conspicuous consumption. Ratings of other traits

¹ Perhaps readers may wonder whether the economic recession, which in the Netherlands started in the fall of 2008, sparked any sort of anti-luxury backlash. Therefore, we explicitly mentioned the approximate period of data collection in all studies. As can be seen, the effects of brand labeled clothing emerge both before and after the onset of the recession.

² Average retail prices were obtained from a website (<http://www.Twenga.nl>) on December 6, 2010. This website compares the retail prices of over 290,254,196 products from 140,489 online providers.

³ On December 6, 2010, the exchange value of €1 was US\$1.32 and £0.85.

Table 1

Average ratings (\pm S.D.) of perceived status, wealth, attractiveness, kindness and trustworthiness of the person in Experiment 1 (scale: 1–5), when wearing a shirt with no label, an ordinary label (Slazenger) or a luxury label (Lacoste or Tommy Hilfiger)

Perception	No Label		Slazenger		Lacoste		Tommy Hilfiger	
	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.
Status	2.91 ^a	0.99	2.84 ^a	0.91	3.50 ^b	0.68	3.47 ^b	0.74
Wealth	2.78 ^a	1.03	2.80 ^a	0.84	3.40 ^b	0.74	3.94 ^b	1.24
Attractiveness	3.80 ^a	0.88	4.13 ^a	0.69	4.10 ^a	0.87	3.41 ^a	1.24
Kindness	3.66 ^a	1.03	3.56 ^a	0.98	3.73 ^a	0.62	3.62 ^a	0.81
Trustworthiness	2.97 ^a	1.02	2.86 ^a	0.77	3.27 ^a	0.62	3.13 ^a	0.86

Means with different superscript letter^{a,b} differ significantly at $p<.05$. $n=20$ across conditions.

did not differ significantly between conditions, although it should be noted that sample sizes were rather small. Therefore, and because we only assessed a rather limited set of perceptions, we are reluctant to completely discard the possibility that people infer other potentially status-enhancing traits from branded clothing (see [General Discussion](#)). Still, it seems reasonable to consider perceived wealth as a primary status-enhancing quality affected by our manipulation of brand labels.

To test whether conspicuous consumption would also produce status-related benefits in social interactions, we first studied whether people were more likely to comply with a request from a person displaying a brand label than with a request from the same person wearing identical clothes yet without a brand label.

3. Experiment 2: compliance

3.1. Method

3.1.1. Participants and design

Forty-five shoppers ($M_{\text{age}}=36.8$ years, S.D.=12.4, 51% female) in a mall in Tilburg were approached by a female confederate on two consecutive weekdays in the spring of 2009. Participants approached on Day 1 ($n=23$), on which the confederate wore a green sweater with a Tommy Hilfiger logo, were assigned to the brand-label condition. Participants approached on Day 2 ($n=22$), on which the *same* confederate wore an *identical* green sweater without a logo, were assigned to the no-label condition. In this and all subsequent studies, the confederate was blind to the hypothesis underlying the study. (We realize that confederate blindness to the hypotheses underlying the study does not completely rule out experimenter effects. We will address this issue in more detail after Study 4.)

3.1.2. Procedure

The confederate, holding a clipboard, approached shoppers after making eye contact and when in appropriate range said: “Hello, do you maybe have time to answer a few

questions.” Only unaccompanied people were approached to avoid social influence from third parties on the participant’s decision. Frequency of consent was the dependent measure.

3.2. Results and discussion

Participants in the brand-label condition complied with the request on 52.2% of the occasions, compared to 13.6% in the no-label condition [$\chi^2(1,45)=7.92, p=.006$]. This supports the prediction that luxury displays yield benefits in social interactions. Next, we wanted to show that these benefits extended to financial outcomes as well. We also wanted to show that enhanced status perceptions in fact mediated the observed benefits. So, we investigated next whether brand labels influenced preferences for job applicants and the salary offers to them.

4. Experiment 3: social preferences

4.1. Method

4.1.1. Participants and design

Ninety-nine undergraduate students at Tilburg University ($M_{\text{age}}=20.4$ years, $S.D.=4.0$, 71% female) participated in this study in the spring of 2009 in exchange for partial course credit. They were randomly assigned to one of two between-subject conditions: brand label ($n=50$) or no label ($n=49$).

4.1.2. Procedure and materials

Participants were told that we were looking for a new laboratory assistant and were currently interviewing applicants. Undergraduate students from the faculty of social sciences at Tilburg University need to put in a total of 20 h of participation in laboratory experiments. We appealed to this interest when we told them that we wanted their opinions on one of the applicants, whose interview was recorded on video. It was explained that they each would see only one video of a single applicant, so that their evaluations were not influenced by undue comparisons. Participants watched a video on the computer screen while seated in individual cubicles.

In the video, a male confederate answered several questions posed by a female confederate, who was not visible on the screen. Both confederates were unaware of the hypothesis underlying the study. There were two versions of the video: In one version, the male applicant wore a white shirt with a Tommy Hilfiger logo that was clearly visible throughout the interview (brand-label condition). In the other video, the same person wore an identical white shirt without a logo (no-label condition). Apart from the logo, both videos were identical, including even the verbal slips of the applicant.

4.1.3. Measures

After watching the video, participants answered a brief evaluation form. They first rated to what extent they considered the applicant was suitable for the job as laboratory assistant on a seven-point scale (1=*not at all*

suitable, 7=*highly suitable*). Next, they indicated what net hourly wage (€5 or less to €12 or more) they thought this person should earn. Finally, they rated the applicants’ status (items: “this person has high status”, “this person is respected”, $r=.79$) on a seven-point scale (1=*not at all*, 7=*very much*). We also assessed perceptions of attractiveness, kindness and trustworthiness in this study, so participants completed the same trait rating as in Study 1. Again, we did not find significant differences on either of these dimensions between conditions, excluding them as possible explanations for the observed effects.

After participants completed the evaluation form, they called the experimenter. We asked several questions probing for suspicion about the design features and purpose of the study, but found no indication that any of the participants thought that the interviews were staged or suspected the true aim of the study. Finally, participants were fully debriefed and thanked for participation.

4.2. Results and discussion

Participants in the brand-label condition found the applicant more suitable for the job (scale: 1–7) [$F(1,99)=4.97, p=.028, M_{\text{brand label}}=5.28, S.D.=0.97, M_{\text{no label}}=4.76, S.D.=1.33$] and also suggested he should earn more [$F(1,99)=15.21, p=.007, M_{\text{brand label}}=\text{€}9.14, S.D.=1.47, M_{\text{no label}}=\text{€}8.36, S.D.=1.33$] than the applicant in the no-label condition. They also rated the applicant in the brand-label condition to be of higher status (scale: 1–7) than the applicant in the no-label condition [$F(1,99)=4.31, p=.041, M_{\text{brand label}}=3.92, S.D.=1.01, M_{\text{no label}}=3.48, S.D.=1.11$].

Suggesting that status differences accounted for these effects, regression analysis (cf. Preacher & Hayes, 2004) indicated that the indirect effect of brand labels on suitability ratings through perceived status was significant ($B=0.19, S.E. B=0.09, p=.049$), as was the indirect effect of brand label on wage through perceived status ($B=0.21, S.E. B=0.10, p=.048$).

5. Experiment 4: charity donations

In the previous study we found that luxury displays may also result in favorable treatment that yields financial benefits. Next, we wanted to see whether people would also be willing to pay for the financial benefit themselves. To do so, we investigated the influence of brand labels on donations to a charity fund. In conducting this study, we cooperated with the Dutch Heart Foundation, a well-known government-affiliated non-profit organization, which provides, among other activities, money for research on heart disease.

5.1. Method

5.1.1. Participants and design

Two-hundred and thirty inhabitants (61.7% female) from two zip code areas, which are both low socioeconomic status

neighborhoods, in Tilburg were approached by one of two female confederates during the annual collection for the heart foundation in the spring of 2009. Of these participants, 16.5% were classified as below 30 years of age, 45.7% were classified as between 30 and 50 years of age, and 37.8% were classified as older than 50 years. The confederates went door to door to solicit donations. Both confederates collected four consecutive evenings. They wore a polo shirt with a Lacoste logo during one half of the evening ($n=116$) and an identical polo shirt without a logo during the other half ($n=114$). The confederates alternated in wearing the labeled and the non-labeled shirt between themselves and between the first and the second half of the evening. This enabled a fully counterbalanced between-subject design in which participants were randomly allocated to one of four conditions in a 2 (Confederate: A or B) \times 2 (Shirt: label or no label) design. Both confederates were blind to the hypothesis underlying the study.

5.1.2. Procedure

The confederates rang the bell at every door in the neighborhoods, asking for a financial contribution to the heart foundation. They recorded the number of contributions and non-contributions. Each confederate used a different moneybox when wearing a shirt with and without a label. The contents of the moneyboxes were counted every evening. This allowed us to calculate the average donation for each confederate when wearing a shirt with or without a label.

5.2. Results

Average donations were higher in the brand-label condition than in the no-label condition [$F(1,229)=4.71$, $p=.031$, $M_{\text{brand label}}=\text{€}0.34$, $S.D.=0.56$, $M_{\text{no label}}=\text{€}0.19$, $S.D.=0.41$]. We did not find differences between confederates [$F(1,229)=0.06$, $p=.814$], nor did we find an interaction effect [$F(1,229)=1.17$, $p=.280$].

5.3. Discussion

So, luxury displays cause financially costly beneficial treatment in real life. The differences may seem small when strictly considering the absolute amounts donated in this study. However, because the statistical difference was very large, the impact of wearing brand-labeled clothing in collections like this is likely to become substantial over time and over repeated interactions. In fact, a quick-and-dirty calculation showed that, if the observed ratio of contribution in the label and the non-label conditions in our study (approx. 1.79) were extrapolated to the total amount received from charity donations by the Dutch Heart Foundation in that same year (€4,212,308.70), it would have covered the cost of 133 extra heart transplants (at approx. €25,000 per hart transplant), which is more than the average annual number of heart transplants in the Netherlands (approx. 40).

Readers may wonder whether the observed effects in this and the previous experiments may be the result of differences in nonverbal behavior of the confederates. Obviously, the confederates were aware of the clothes they wore. Because we wanted to show that the effects of brand labels were independent of the person wearing the clothes, we had to manipulate brand-label conditions within confederates. To some extent, this lack of control is inevitable when conducting field research with real confederates. Future studies may apply a more unobtrusive manipulation of conspicuous consumption, for instance, by having confederates wear caps with or without a brand label without knowing what is on the cap they are wearing. At least the confederates in the present studies were unaware of the underlying hypotheses. Moreover, they were trained to assume similar postures when interacting with participants (in Experiments 2 and 4) or when recording the video (in Experiment 3). We are confident that these instructions prevented differences between conditions in non-verbal cues of dominance and submissiveness. (The videotaped interviews used in Experiment 3 are available upon request for readers to independently verify this claim.) Finally, differences in non-verbal cues or other experimenter effects cannot account for the results of Experiments 1 and 5–7, in which we only used digitally manipulated pictures in a controlled laboratory setting.

To summarize, in four studies we have shown that conspicuous consumption by means of displaying luxury-brand labels on clothing increases perceived status and produces benefits in social interactions that are apparently associated with higher status perceptions of a person wearing brand-labeled clothes compared to a person wearing non-labeled clothes. We have accounted for this effect by presenting luxury-brand labels as costly signals of a desirable underlying quality (i.e., wealth). So far, our findings are consistent with this costly signaling framework. The reported effects show that conspicuous consumption meets the criteria of a costly signal (cf. Bliege Bird & Smith, 2005) in that it is observable, costly, associated with status and, ultimately, beneficial.

However, we have not directly tested whether brand labels are also *perceived* as costly signals. Nor have we investigated *why* they elicit beneficial treatment. Both issues will be addressed in the following three experiments. To answer the question of whether luxury labels indeed operate as costly signals, we tested two moderators of the previously reported consequences of conspicuous consumption that were derived from costly signaling theory. In Study 5, we tested whether luxury displays would no longer yield benefits if the label on the shirt was not that of a luxury, but of an ordinary, non-costly brand. In Study 6, we tested whether luxury displays would no longer yield benefits if people were not certain whether the luxury-labeled shirt actually belonged to the person wearing it. In Study 7, we investigated whether luxury displays yield benefits because people wearing brand-labeled clothing actually receive favorable treatment.

6. Experiment 5: costly vs. non-costly signaling

If brand labels are indeed perceived as costly signals of some underlying quality, they should only affect the outcome of social interactions to the extent that they are perceived as *reliable* signals. According to costly signaling theory, reliability is first and foremost determined by the relative costs involved in producing the signal (Zahavi & Zahavi, 1997). To show that brand labels only produce beneficial outcomes in a social interaction if they are in fact costly, we compared the effects of luxury (Lacoste) and ordinary (Slazenger) brand labels on people's offers in a social dilemma game.

6.1. Method

6.1.1. Participants and design

Ninety-three undergraduate students at Tilburg University ($M_{\text{age}}=21.0$, $S.D.=2.88$, 53.8% female) participated in exchange for partial course credit in the spring of 2008. They were randomly assigned to one of two between-subject conditions: luxury-brand label ($n=48$) or ordinary-brand label ($n=45$).

6.1.2. Procedure and materials

Participants came to the laboratory in small groups of approximately 8–10 people for a study on “financial negotiations”. Upon arrival, they were told that some people were already working. This prevented suspicion about their alleged partners not being part of the arriving group. Before being seated in individual cubicles, we took pictures using a digital camera. All participants were placed in front of an identical background. To increase credibility, the same background was used in the pictures of their alleged interaction partner. When seated in individual cubicles, they read instructions for the social dilemma game (cf. Van Lange, Otten, De Bruin & Joireman, 1997).

Participants learned they were to take part in a two-player financial interaction with another participant. They were handed €2 in 10-cent coins. This amount could be increased through a one-time, simultaneous exchange with their partner. Following standard rules of social dilemma games, every 10-cent piece that was transferred was doubled before being handed to the receiver. Money that was not transferred remained in the participants' possession and was not doubled. Examples of possible exchanges were provided and we thoroughly tested for comprehension. It was made clear that neither player knew the amount exchanged by the other beforehand.

The computer randomly assigned participants to one of two experimental conditions. A picture of their alleged partner appeared on the computer screen. Depending on the condition, this picture either showed a person who was wearing a polo shirt with a Lacoste logo (luxury-label condition) or the same picture in which we digitally replaced the Lacoste logo with a Slazenger logo (ordinary-label

condition). The picture remained on screen for the remainder of the study.

Participants then decided how much to transfer to their alleged partner. They put the money in an envelope, which was sealed and handed to the experimenter. Next, they completed a questionnaire, which asked them to rate their partner's status (items: “this person has high status”, “this person is respected”, $r=.76$) on a seven-point Likert scale (1=*not at all*, 7=*very much*). They also completed several questions probing for suspicion. No one expressed doubts about the authenticity of the interaction and only one participant was excluded for suspicion of the topic of study (the impact of brand labels). The analyses involved the remaining 92 participants. Finally, participants were debriefed and thanked.

6.2. Results and discussion

Transfers in the luxury-label condition exceeded those in the ordinary-label condition [$F(1,92)=6.15$, $p=.015$, $M_{\text{luxury label}}=\text{€}0.95$, $S.D.=0.54$, $M_{\text{ordinary label}}=\text{€}0.70$, $S.D.=0.43$]. Partners also received higher status ratings in the luxury- than in the ordinary-label condition (scale: 1–7) [$F(1,92)=3.93$, $p=.051$, $M_{\text{luxury label}}=3.38$, $S.D.=1.41$, $M_{\text{ordinary label}}=2.80$, $S.D.=1.39$]. Suggesting that differences in perceived status accounted for the label effect, regression analysis (cf. Preacher & Hayes, 2004) showed that the indirect effect of label on the amount transferred through perceived status was significant ($B=0.05$, $S.E. B=0.04$, $p=.050$).

Hence, only displays of luxury but not of ordinary brand labels yielded financial benefits in a social dilemma interaction. This finding suggests that brand labels are indeed perceived as costly signals that only result in status enhancement and produce beneficial social consequences to the extent that they are in fact costly to acquire. Moreover, we excluded the possibility that the previously documented findings were merely the result of a label effect and were not necessarily the results of a luxury-brand label. In the next study, we manipulated the reliability of the luxury-brand label in a different manner: through suggesting that the person with whom our participants were interacting was only incidentally wearing the brand-labeled shirt.

7. Experiment 6: intentional vs. incidental signaling

We manipulated the reliability of the luxury display by making participants believe that their interaction partner was wearing either his own brand-labeled shirt (intentional signal condition) or the brand-labeled shirt that the experimenter asked him to wear as part of the experimental procedure (incidental signal condition). If people know that the clothes someone is wearing are not his own, these clothes will not be perceived as reliable signals of traits of the person who is wearing them. People should

only make higher offers to a person displaying a luxury-brand label in a social dilemma if they believe that this person is in fact wearing his own shirt and not if they believe this person is incidentally wearing this shirt because he was told to do so as part of the experimental procedure. Obviously, we did not expect this manipulation to affect the offers made to the interaction partner wearing a non-labeled shirt.

7.1. Method

7.1.1. Participants and design

Eighty-three undergraduate students ($M_{\text{age}}=20.1$ years, $S.D.=1.23$, 62% female,) at Tilburg University participated in this study in the spring of 2010 in exchange for course credit. They were randomly assigned to either the label-intentional ($n=22$), label-incidentally ($n=21$), no-label-intentional ($n=21$) or a no-label-incidentally ($n=19$) condition in a 2 (Shirt: label vs. no label) \times 2 (Signal: intentional vs. incidental) between-subject design.

7.1.2. Procedure and materials

Procedures were identical to those reported in the previous study, except for the manipulation of reliability. Again, participants came to the laboratory in small groups for a study on “financial negotiations”. Again, we took their pictures using a digital camera before participants were seated in individual cubicles.

To manipulate reliability, we told the participants upon arrival that — as part of the experiment — some of them would be asked to wear a particular shirt, whereas others would simply be photographed in their own clothes. All participants were then shown the shirt that a subset of them would be asked to wear. This was done to ensure that, in all conditions, the salience of the clothes that the interaction partner was wearing would be equal.

In the intentional signal condition, participants were shown a plain white shirt as the shirt that some of them had to put on. This shirt was clearly different from the blue polo shirts that the interaction partner wore in the pictures that were shown during the negotiation. In the incidental signal condition, all participants were shown the exact same, blue, brand-labeled polo shirt that the target was wearing in the picture that was shown to participants during the financial negotiation in the label condition. In the no-label condition, the interaction partner was wearing the same shirt, but without the brand label.

Apart from this procedural distinction that constituted the manipulation of signal reliability, all procedures and instructions were identical to those reported in the previous experiment. Participants were given €2.50, again in 10-cent coins. Due to a programming error, participants in the no-label condition were informed that their interaction partner did not receive €2.50, but received €5 instead. As a result, average offers were consistently higher in the no-label than

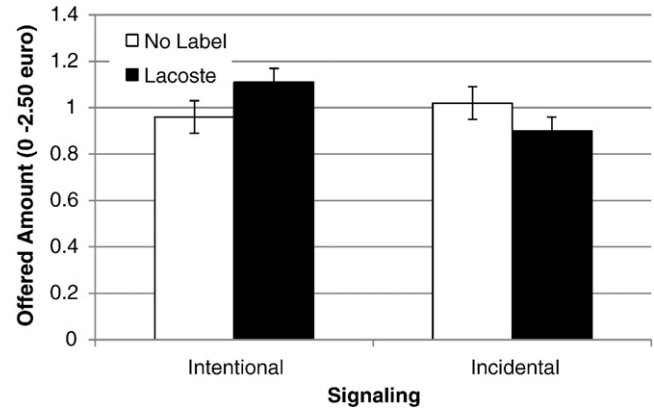


Fig. 1. Average social dilemma offers (\pm S.E.) to receivers who either intentionally or incidentally wear a shirt with or without a brand label in Experiment 6.

in the label conditions.⁴ To eliminate confounding, we standardized participants' offers around the mean offer in that particular shirt-label condition. The results reported below are based on these standardized offers.

7.2. Results

A 2 (Shirt: brand label vs. no label) \times 2 (Signal: intentional vs. incidental) ANOVA on (standardized) offers showed only a marginally significant interaction effect [$F(1,83)=3.49$, $p=.066$] (see Fig. 1). Neither the effect of shirt label [$F(1,83)=0.04$, $p=.836$] nor the effect of signal reliability [$F(1,83)=1.01$, $p=.318$] was significant.

Simple effects analysis confirmed that signal reliability only affected offers in the brand-label condition [$F(1,79)=6.02$, $p=.016$]. Offers to a person wearing a brand-labeled shirt were higher if participants believed that their interaction partner was wearing his own brand-labeled shirt ($M=€1.11$, $S.D.=0.26$) than if they believed their interaction partner was wearing a brand-labeled shirt because he was asked to do so by the experimenter ($M=€0.90$, $S.D.=0.45$). The reliability manipulation did not affect offers in the no-label condition ($M_{\text{incidental}}=€0.96$, $S.D.=0.12$, $M_{\text{intentional}}=€1.02$, $S.D.=0.8$) [$F(1,79)=0.28$, $p=.596$]. So, it seems that only intentional displays of luxury increase offers in a social dilemma game.

7.3. Discussion

Both Studies 5 and 6 indicated that luxury-brand labels only increase people's status and consequently yield benefits

⁴ A 2 (Shirt: brand label vs. no label) \times 2 (Signal: intentional vs. incidental) ANOVA on non-standardized offers showed only a significant main effect of shirt [$F(1, 83)=8.02$, $p=.006$], indicating that the offers were indeed higher in the no-label ($M=1.12$, $S.D.=0.21$) than in the label condition ($M=0.96$, $S.D.=0.35$), which is probably caused by the higher anticipated offers in this condition and thus justifies our analysis of standardized offers. Obviously, the use of standardized offers prevents the obtaining of a main effect of shirt as mean offers were standardized within conditions.

in a social dilemma interaction if they are costly to acquire and if they are not incidental displays of luxury. Both studies confirm that a costly signaling perspective may be fruitfully adopted to understand under what conditions conspicuous consumption will result in beneficial treatment in social interactions. Essentially, all factors that affect the perceived reliability of the brand label as a signal of some underlying status-enhancing quality will constitute moderators of the conspicuous consumption effect.

The results of Studies 5 and 6 also allow for some initial speculation about the proximate mechanism underlying the favorable treatment of conspicuous consumers. First and foremost, the higher transfers to people wearing luxury brand-labeled shirts cannot be the result of an outcome maximization strategy. In a simultaneous social dilemma game, a strictly self-interested motive to maximize payoffs would cause one to offer nothing, regardless of what the other player would offer. The observed positive offers cannot be reconciled with outcome maximization. This does not imply, however, that participants were favoring people who displayed luxury brands.

It could be the case that participants expected higher returns from a person wearing a shirt with a luxury-brand label. After all, this person is likely to be wealthier and therefore likely to offer more as the same offer represents a lower marginal utility to a person who has more money. In turn, participants might have felt obliged to match that offer. According to this line of reasoning, participants would have followed equity principles, and the benefit to conspicuous consumers — strictly speaking — would not have resulted from favorable treatment, but rather was an indirect result of the same principle governing all interactions but producing different outcomes because the brand labels affected people's perception of an equitable norm of return. This explanation may also account for the findings in Study 3, in which applicants wearing a brand-labeled shirt were perceived as more competent and were offered higher wages for a job as laboratory assistant. Still, the equity principle account has trouble explaining the brand-label effects on compliance (Study 2) and charity donations (Study 4), as there were no return expectancies in these studies.

Still, as the majority of our studies involved some kind of exchange or at the very least could not entirely exclude expectations of exchange on behalf of the participants, it is at this point premature to discard equity principles as an account for the observed effects of conspicuous consumption. To positively exclude an equity-based account for the effects of luxury displays, we investigated participants' offers in a dictator game (Hoffman, McCabe, Shachat & Smith, 1994). If conspicuous consumption still elicits higher offers in an anonymous, single-shot dictator game, in which the other player has no control over the outcome whatsoever, it seems unlikely that the effects of conspicuous consumption should be ascribed to any other motive than the actual favorable treatment of people who wear luxury brand-labeled clothing. Such status-dependent favorable treatment

is commonly observed in social interactions (e.g., Anderson & Kliduff, 2009; Boldry & Gaertner, 2006; Fiske & Berdahl, 2007; Henrich & Gil-White, 2001; Turner, 2005).

8. Experiment 7: offers in a dictator game

In a dictator game (Hoffman et al., 1994), one player (the participant in our study) decides how to distribute some endowment between himself and another person. The other person has no influence on the final outcome whatsoever; (s) he can only accept what is given. So, adherence to equity principles cannot account for differences in offers in a dictator game. If people still receive higher offers in a dictator game if they wear luxury brand-labeled clothes than if they wear non-labeled clothes, this would imply that the beneficial consequences of conspicuous consumption are the result of favorable treatment.

8.1. Method

8.1.1. Participants and design

Thirty-one undergraduate students at Tilburg University ($M_{\text{age}}=20.24$ years, $S.D.=2.67$, 55% female) participated in this study in the spring of 2010 in exchange for course credit. They were randomly assigned to one of two between-subject conditions: luxury-brand label ($n=16$) or no label ($n=15$).

8.1.2. Procedure and materials

Just like in both previous experiments, participants came to the laboratory in small groups for a study on “financial negotiations”. The procedures were also identical to those in the previous studies: pictures were taken of the participants against the same backgrounds as those of their alleged interaction partners, before each participant was seated in an individual cubicle where they all received instructions for the dictator game on a computer.

Participants learned they were to take part in a two-player financial interaction with another participant, in which some of them could earn money. They were asked to distribute €10 between themselves and another participant. Matches between participants, as well as the allocation of both players to their roles as distributor or recipient, were allegedly determined in a random fashion by the computer.

Participants saw a picture of their interaction partners on the computer screen. Depending on the experimental condition, this picture showed either a person who was wearing a polo shirt with a Lacoste logo (luxury-label condition) or the same picture in which we digitally removed the Lacoste logo. The picture remained on screen throughout the remainder of the study.

After they completed the instructions and were thoroughly tested for their understanding of the dictator game, participants entered their offers to the other player. Offers had to be rounded down to the nearest 10 cents. As was clearly explained in advance, a random number of participants would be paid in accordance with their decision.

That is, they would actually receive the amount they decided to keep for themselves.

After they typed in their offers, participants were probed for suspicion. None of the participants expressed any doubt about the authenticity of the interaction, nor did anyone correctly indicate the actual topic of this study. After everyone was finished, one participant in each session of the experiment was randomly selected, and this person was paid in accordance with his or her decision in the dictator game. Finally, all participants were thanked for their participation, fully debriefed and dismissed.

8.2. Results and discussion

Participants in the luxury-label condition transferred more money than participant in the ordinary-label condition [$F(1,30)=4.83$, $p=.036$, $M_{\text{luxury label}}=\text{€}4.54$, $S.D.=0.54$, $M_{\text{ordinary label}}=\text{€}3.61$, $S.D.=1.55$]. Because there is no exchange of money in a dictator game, equity principles based on higher return expectancies cannot account for the better outcome to the person wearing the luxury-brand label. It thus seems that the benefits of conspicuous consumption in social interactions result from preferential treatment of high-status interaction partners.

9. General discussion

Seven laboratory and field experiments supported the prediction that people treat a person who displays luxury brands more favorably than a person who does not or, more accurately, than the *same person* when he or she wears *identical clothing* without a brand label. This effect was not person- or sex specific (as different confederates of both sexes were featured throughout our studies), nor was it dependent upon a single brand label. Admittedly, we relied on a single manipulation of conspicuous consumption (brand-labeled clothing), which was chosen as it represents the largest share of the market for luxury products (Verdict Research Co., 2007). We readily admit that future research should apply different manipulations of luxury and may also benefit from including a more varied participant sample, preferably derived from cultural backgrounds that differ in terms of the value adhered to material possession as an indicator of social status (Von Rueden, Gurven & Kaplan, 2008).

We observed beneficial consequences of conspicuous consumption both in controlled laboratory settings — which allow for clear-cut manipulations but are limited in terms of ecological validity — and in a set of field experiments — which allow for a more naturalistic recording of the behavior under investigation, but are poor in terms of construct validity. As a set, however, our studies complement each other's weaknesses and even though some sample sizes were rather small, they produced highly consistent findings. Together, the results of these experiments can be perceived as a rationalization of the common preference for luxury-

branded items over functionally equivalent goods, as they attest to the potential benefits of conspicuous consumption in social interactions.

9.1. The effect

We started from the idea that financial wealth is a desirable characteristic, because it implies both the control of valuable resources and the skills to acquire them. Therefore, wealth is generally associated with social status (e.g., de Botton, 2004; Bourdieu, 1984; Hirsch, 1976; Frank, 1999). Based on predictions derived from costly signaling theory, we hypothesized that (1) luxury-brand labels on clothing would be perceived as signals of wealth and would therefore enhance a person's status as perceived by others and that (2), consequently, signs of luxury would elicit status-dependent preferential treatment in social interactions, which may ultimately even result in fitness payoffs to those who engage in luxury displays. These basic hypotheses were initially confirmed in a set of four field experiments, in which we showed that luxury, but not ordinary, brand labels were indeed associated with wealth and status (Study 1) and that this resulted in increased compliance with (Study 2), higher preference for (Study 3) and financial benefits to (Studies 3 and 4) people who wore clothes bearing a luxury label rather than identical clothing without a label. Furthermore, results from Experiment 3 (and 5) suggested that the benefits of conspicuous consumption were driven by enhanced status perceptions.

9.2. Boundary conditions of the effect: costly signaling theory

We subsequently conducted three laboratory experiments to test the theoretical underpinnings of the observed consequences of conspicuous consumption in social interactions in terms of possible moderators of the effect (Experiments 5 and 6) and in terms of the proximate mechanism underlying it (Experiments 7). Again, we drew on a costly signaling perspective (Zahavi & Zahavi, 1997) to derive the possible moderators for the effects of conspicuous consumption in social interactions. Costly signaling theory basically argues that apparently wasteful behaviors might develop as reliable indicators of some desirable individual characteristic that is otherwise unobservable. Individuals may benefit from engaging in this type of behavior because their self-advertisement as bearers of the trait makes them more attractive (i.e., increases their status) compared to other individuals, as partners, mates or allies. The costs involved in producing the behavioral signal guarantee its reliability as an indicator of the underlying trait. Hence, luxury-brand labels are reliable indicators of wealth precisely because they are costly relative to non-luxury items.

Based on costly signaling theory, we predicted that any factor that affects or undercuts the reliability of consumption as a signal, such as the availability of counterfeits and imitations, the possibility of buying on credit and the

opportunity for buying at a discount rate, will inhibit the beneficial consequences of conspicuous consumption. Consistent with this perspective, we found that when brand labels could no longer be perceived as reliable indicators of wealth, either because they were not costly to produce (Experiment 5) or because they were produced in an incidental manner (Experiment 6), the observed benefits extended to people displaying brand labels were no longer observed.

Several other likely moderators to the observed effects of luxury displays indicate limitations to the effects reported throughout this article. For one, the brands we used throughout our studies all had a positive image in the culture studied. It seems likely that a brand like Lonsdale, for instance, which is associated with right-extremist sympathies in the Netherlands, would not have elicited preferential treatment and may even result in less preferential treatment for many people. Similarly, if luxury displays become too ostentatious, they may also produce opposite effects. We focused on modestly luxurious labels precisely to avoid these types of intricacies in the perception of exclusive brand labels.

Apart from gaining more insights into the specific conditions under which costly signaling produces beneficial consequences, further research may also benefit from providing a more detailed view of the type of status-enhancing traits that are inferred from luxury displays. We explicitly adopted a generic perspective on what constitutes luxury and on how to explain its consequences in social interactions. Still, it is strongly recommended that future research identifies more clearly which fundamental evolutionary relevant traits might be signaled through having a lot of wealth. It may very well be that the possession of abundant resources is not the only, or even the most important, element of the message that is sent through conspicuous consumption. Various stable personality characteristics, such as conscientiousness, intelligence, ambition and other traits that underlie the ability to generate wealth, may be reflected in people's purchases (for a detailed analysis on the personality traits association with consumption, see Miller, 2009). Indeed, different brands and products are likely to elicit more refined associations than (high) status alone (Aaker, 2007; Fournier, 1998). Obviously, such nuances were not addressed in the present research.

9.3. Proximate accounts of the effect: status and other social preferences

We found that people who engaged in luxury displays received higher offers from participants even in a dictator game (Experiment 7), in which the receiving party has no influence or control whatsoever over the final outcome distribution. Therefore, it seems unlikely that differences in equity norms provide an adequate explanation of the beneficial treatment of people who engage in conspicuous consumption. It rather seems that luxury consumption elicits favorable treatment, as is commonly observed for high-status individuals

(e.g., Anderson & Kliduff, 2009; Berger, Rosenholtz & Zelditch, 1980; Boldry & Gaertner, 2006; Fiske & Berdahl, 2007; Henrich & Gil-White, 2001; Turner, 2005).

This rather broad characterization of the proximate mechanism underlying the effects of conspicuous consumption by no means precludes other perceptions and motives underlying the preferential treatment of high-status people. We already indicated that the reasons for the benefit to people who engage in conspicuous consumption may be analyzed in terms of more fine-grained psychological perceptions. For instance, had we investigated the effects of luxury displays in a trust game, we would likely have found that people wearing luxury brand-labeled clothing would have been perceived as more trustworthy. Similarly, we would expect that, in a group selection paradigm, people wearing brand labels would be preferred because they would be perceived as more similar to oneself. Also, remember that people considered the job applicant wearing the Tommy Hilfiger blouse in Experiment 2 as more capable for the laboratory-assistant job. We believe that these are all perfectly valid accounts of the general status effect at a more detailed psychological level.

Previous research suggests that status derived from general characteristics such as age or attractiveness is often transferred to situation-specific skills (e.g., knowledge of finances, being a good cook, friendliness) in a rather holistic fashion if other, more relevant, cues to these situation-dependent skills are lacking (e.g., Berger et al., 1980). The same type of 'halo effects' may underlie more detailed inferences of traits made from status based on wealth. Nevertheless, the effects of these more specific traits and skills are unique to particular types of social interactions in which they are particularly relevant, but they are unlikely to transcend these situations. Therefore, we chose to account for the consequences of conspicuous consumption at a more global level, by revealing that status from luxury displays is linked to the proposed evolutionary origins of social status. In doing so, we fully acknowledge that there are individual differences in the extent to which people value and accord status to material wealth (e.g., Belk, 1988; Richins & Dawson, 1992) and that there are differences at the level of social subgroups that determine the prestige value of particular brands and products.

Moreover, the beneficial consequences of consumption displays need not be driven exclusively by a status-based mechanism. Another way in which consumption may yield preferential treatment is through signaling loyalty to a particular group (e.g., Bearden & Etzel, 1982; Cosmides, Tooby & Kurzban, 2003; Escalas & Bettman, 2005). Preferential treatment that emanates from group membership produces various beneficial social consequences (for an overview, see Gintis, Smith & Bowles, 2001) that are explained in terms of parochial altruism rather than of status-based preference. Another possibility is that the social benefits for conspicuous consumers are primarily the result of a mating preference that attracts women to wealthy

men. Although our studies seem to imply that luxury displays also benefit women, as female confederates conducted Studies 2 and 4, future research could focus on sex differences in the observed effects to determine to what extent mating motives play a role in the observed effects of conspicuous consumption.

9.4. Implications of the effect: the fundamental consumerist delusion

The present research suggests that luxury displays may be a socially learned strategy that commands beneficial treatment from others. As such, our findings on the benefits of conspicuous consumption extend research showing that other status characteristics (like age, intelligence and specific skills or abilities) are associated with positive outcomes in social interactions (Berger et al., 1980), including financial rewards (Ball & Eckel, 1998; Weiss & Fershtman, 1998). The difference from other traits is that consumption need not be related to intrinsic qualities that merit preferential treatment. On the contrary, insofar as luxury displays advertise nothing but wealth or possession in general, the ensuing benefits, particularly financial ones, can even be considered perverse. This calls for consideration of the pervasiveness of these undesirable consequences of conspicuous consumption. For example, to what extent are job-selection procedures falsely biased by consumption cues of status rather than by cues that more reliably indicate a candidate's relevant traits and skills?

Miller (2009, p. 88) refers to the general belief that other people care more about acquired than about natural indicators of personal traits as the “fundamental consumerist delusion”. He elaborates that the fundamental consumerist delusion is the result of two marketing-inspired fabrications. The first is that expensiveness of consumed products can compensate poorness of individual traits. The second is that consumption is a more effective means of communicating traits than natural ways of interpersonal communication. The present findings suggest that something akin to the fundamental consumerist delusion indeed operates, at least in brief, one-shot, social interactions. The present findings therefore lend empirical reality to Miller's sinister view of the consequences of marketing and may thus serve as justification for protective measures in the public interest. Just as advertisements of substances exploiting evolved preferences for physiologically rewarding stimuli, such as high-caloric foods, alcohol and cocaine, either include a clear warning or are prohibited altogether, it may also be necessary to take measures to prevent marketers from exploiting evolved preferences for status signaling.

Acknowledgments

The authors are grateful to Geoffrey Miller, Vlas Griskevicius and an anonymous reviewer for their useful feedback to earlier drafts of this manuscript.

References

- Aaker, D. A. (2007). *Strategic Market Management*. New York.
- Anderson, C., & Kliduff, G. J. (2009). The pursuit of status in social groups. *Psychological Science*, 18, 295–298.
- Ball, S. B., & Eckel, C. C. (1998). The economic value of status. *Journal of Socio-Economics*, 27, 495–514.
- Bearden, W. O., & Etzel, M. J. (1982). Reference group influence on product and brand purchase decisions. *Journal of Consumer Research*, 9, 183–194.
- Belk, R. W. (1988). Possessions and the extended self. *Journal of Consumer Research*, 15, 139–168.
- Berger, J., Rosenholtz, S. J., & Zelditch, M. (1980). Status organizing processes. *Annual Review of Sociology*, 6, 479–508.
- Bliege Bird, R., & Smith, E. A. (2005). Signaling theory, strategic interaction, and symbolic capital. *Current Anthropology*, 46, 221–248.
- Boldry, J. G., & Gaertner, L. (2006). Separating status from power as an antecedent of intergroup perception. *Group Processes and Intergroup Relations*, 9, 377–400.
- Bourdieu, P. (1984). *Distinction: A Social Critique of the Judgment of Taste*. London: Routledge.
- Bouska, M., & Beatty, P. (1968). Clothing as a symbol of status: Its effect on control of interaction territory. *Bulletin of the Psychonomic Society*, 11, 235–238.
- Campbell, C. (1995). Conspicuous confusion? A critique of Veblen's theory of conspicuous consumption. *Sociological Theory*, 13, 37–47.
- Cosmides, L., Tooby, J., & Kurzban, R. (2003). Perceptions of race. *TRENDS in Cognitive Sciences*, 7, 173–179.
- Cronk, L. (2005). The application of animal signaling theory to human phenomena: Some thoughts and clarifications. *Social Science Information*, 44, 603–620.
- Cummins, D. D. (2005). Dominance, status, and social hierarchies. In D. Buss (Ed.), *The evolutionary psychology handbook* (pp. 676–697). New York: Wiley.
- de Botton, A. (2004). *Status Anxiety*. London: Penguin Books.
- de Waal, F. (1982). *Chimpanzee Politics: Power and Sex Among Apes*. London: Jonathan Cape.
- Diekmann, A., Gans-Jungbauer, M., Krassnig, H., & Lorenz, S. (1996). Social status and aggression: A field study analyzed by survival analysis. *The Journal of Social Psychology*, 136, 761–768.
- Doob, A. N., & Gross, A. E. (1968). Status of frustrator as an inhibitor of horn-honking responses. *The Journal of Social Psychology*, 76, 213–218.
- Dreze, X., & Nunez, J. C. (2009). Feeling superior: The impact of loyalty program structure on consumers' perceptions of status. *Journal of Consumer Research*, 35, 890–905.
- Escalas, J. E., & Bettman, J. R. (2005). Self-construal, reference groups, and brand meaning. *Journal of Consumer Research*, 32, 378–389.
- Fennis, B. M. (2008). Branded into submission: Brand attributes and hierarchization behavior in same-sex and mixed-sex dyads. *Journal of Applied Social Psychology*, 38, 1993–2009.
- Fiske, S., & Berdahl, J. L. (2007). Social power. In A. Kruglanski, & T. Higgins (Eds.), *Social Psychology: A Handbook of Basic Principles*. New York: Guilford Press.
- Frank, R. (1999). *Luxury Fever*. New York: The Free Press.
- Fournier, S. (1998). Consumers and their brands: Developing branding theory in consumer research. *Journal of Consumer Research*, 24, 343–373.
- Gintis, H., Smith, E. A., & Bowles, S. (2001). Costly signaling and cooperation. *Journal of Theoretical Biology*, 213, 103–119.
- Godoy, R., Reyes-Garcia, V., Huanca, T., Leonard, W. R., McDade, T., Tanner, S., Vadez, V., & Seyfried, C. (2007). Signaling by consumption in a native Amazonian society. *Evolution and Human Behavior*, 28, 124–134.
- Griskevicius, V., Sundie, J. M., Miller, G. F., Tybur, J. M., Cialdini, R. B., & Kenrick, D. T. (2007). Blatant benevolence and conspicuous consumption: When romantic motives elicit strategic costly signaling. *Journal of Personality and Social Psychology*, 93, 85–102.

- Haselton, M. G., Mortezaie, M., Pillsworth, E. G., Bleske-Rechek, A., & Frederick, D. A. (2007). Ovulatory shifts in human female ornamentation: Near ovulation, women dress to impress. *Hormones and Behavior*, *51*, 40–45.
- Henrich, J., & Gil-White, F. J. (2001). The evolution of prestige: Freely conferred deference as a mechanism for enhancing the benefits of cultural transmission. *Evolution and Human Behavior*, *22*, 165–196.
- Hirsch, F. (1976). *The Social Limits to Growth*. Cambridge, MA: Harvard University Press.
- Hoffman, E., McCabe, K., Shachat, K., & Smith, V. (1994). Preferences, property rights, and anonymity in bargaining games. *Games and Economic Behavior*, *7*, 346–380.
- Hyman, H. H. (1942). *The Psychology of Status*. New York: Columbia University.
- Langlois, J., Klakanis, L., Rubenstein, A., Larson, A., Hallam, M., & Smoot, M. (2000). Maxims or myths of beauty? A meta-analysis and theoretical review. *Psychological Bulletin*, *126*, 390–423.
- Mandel, N., Petrova, P. K., & Cialdini, R. B. (2006). Images of success and preferences for luxury brands. *Journal of Consumer Psychology*, *16*, 57–69.
- Miller, G. (2009). *Spent. Sex, Evolution, and Consumer Behavior*. New York: Viking Penguin.
- Plourde, A. M. (2008). The origins of prestige goods as honest signals of skill and knowledge. *Human Nature*, *19*, 374–388.
- Preacher, K. J., & Hayes, A. (2004). SPSS and SAS procedures for estimating indirect effects in simple mediation models. *Behavior Research Methods, Instruments, & Computers*, *36*, 717–731.
- Richins, M. L., & Dawson, S. (1992). A consumer values orientation for materialism and its measurement: Scale development and validation. *Journal of Consumer Research*, *19*, 303–316.
- Rucker, D. D., & Galinsky, A. D. (2008). Desire to acquire: Powerlessness and conspicuous consumption. *Journal of Consumer Research*, *35*, 257–267.
- Rucker, D. D., & Galinsky, A. D. (2009). Conspicuous consumption versus utilitarian ideals: How different levels of power shape consumption behavior. *Journal of Experimental Social Psychology*, *45*, 549–555.
- Saad, G. (2007). *The Evolutionary Bases of Consumption*. Mahwah, NJ: Erlbaum.
- Schor, J. B. (1998). *The Overspent American*. New York: Basic Books.
- Searcy, W. A., & Nowicki, S. (2005). *The Evolution of Animal Communication*. Princeton, NJ: Princeton University Press.
- Turner, J. C. (2005). Explaining the nature of power: A three process theory. *European Journal of Social Psychology*, *35*, 1–22.
- Van Kempen, L. (2004). Are the poor willing to pay a premium for designer labels? A field experiment in Bolivia. *Oxford Developmental Studies*, *32*, 205–224.
- Van Lange, P. A. M., Otten, W., De Bruin, E. N. M., & Joireman, J. A. (1997). Development of prosocial, individualistic, and competitive orientations: Theory and preliminary evidence. *Journal of Personality and Social Psychology*, *73*, 733–746.
- Veblen, T. (1899/1994). *The Theory of the Leisure Class: An Economic Study of Institutions*. New York: Dover Publications.
- Verdict Research Company (2007). *Global Luxury Retailing 2007*. London: Verdict Research Ltd.
- Von Rueden, C., Gurven, M., & Kaplan, H. (2008). The multiple dimensions of male social status in an Amazonian society. *Evolution and Human Behavior*, *29*, 402–416.
- Weiss, Y., & Fershtman, C. (1998). Social status and economic performance: A survey. *European Economic Review*, *42*, 801–820.
- Zahavi, A., & Zahavi, A. (1997). *The Handicap Principle: A Missing Piece of Darwin's Puzzle*. New York: Oxford University Press.