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Extended Abstract | *The 1st Research Innovations in Sustainable Marketing: A Global Virtual Symposium*

A Multi-Analytical Approach to Predict Value-Based Determinants of Sustainable Luxury Consumption: Roles of Conspicuous Ethical Self-Identity and Green Advertising Receptivity

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Keywords: artificial neural network, ethical self-identity, generational differences, green advertising receptivity, purchase intention, structural equation modelling, sustainable luxury, theory of consumption values

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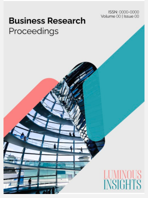
Extended Abstract: Nowadays, there is a prevalent environmental concern among luxury consumers, and sustainability has become a pervasive theme in the luxury industry. However, the existing sustainable consumption literature predominantly focuses on drivers of low indulgence, low value, and fast-moving commodity goods. This narrow focus inhibits our understanding of how sustainability influences the decision-making process of consumers for high-end luxury goods (Osburg et al., 2021). To address this gap, we explore the impact of six consumption value perceptions (functional, social, emotional, epistemic, conditional, and green) on consumers' purchase intentions of sustainable luxury products. We do this by building an integrated predictive framework based on the theory of consumption values paradigm (Sheth et al., 1991).

Using a survey-based dataset of 894 luxury consumers from the United States and employing a deep learning-based hybrid partial least squares structural equation modelling – artificial neural network approach, our study found that sustainable luxury is highly value-driven. Specifically, functional (β = .16, p<.001), emotional (β = .30, p<.001), epistemic (β = .25, p<.001), conditional (β = .13, p<.001), and green consumption values (β = .41, p<.001) exhibit significant positive relationships to sustainable luxury purchase intention, with the exception of social value (β = .05, p = .17). To validate the reliability of these linear effect sizes, we conducted a sensitivity analysis and identified non-linear relationships using a multilayer perceptron feedforward artificial neural network model. We ranked five input neurons (i.e., green, emotional, epistemic, functional, and conditional values) based on their normalized relative importance to the output neuron (i.e., purchase intention). Our results indicated that the green value (100%) was the most important predictor of purchase intention, followed by the emotional value (73.1%), epistemic value (47.0%), functional value (17.3%), and conditional value (16.7%).

Next, since the value-intention inconsistency in sustainable consumption is understood to be more prominent for luxury goods (Essiz et al., 2023) , we further elucidate two exogenous boundary conditions to our predictive framework: a theoretically grounded mediator (conspicuous ethical self-identity) and a moderator (green advertising receptivity) that buffer the link between consumption values and purchase intention, thereby strengthening the value-intention consistency



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in sustainable luxury. Our results indicate that conspicuous ethical self-identity partially mediates the relationship between functional value and purchase intention (β = .14, p<.001), emotional value and purchase intention (β = .25, p<.001), epistemic value and purchase intention (β = .19, p<.001), conditional value and purchase intention (β = .12, p<.001), green value and purchase intention (β = .35, p<.001). Moreover, it fully mediates the relationship between social value and purchase intention (β = .13, p<.001). Regarding the moderating effects of green advertising receptivity, our results indicate that it positively moderates the relationship between emotional value and purchase intention (β = .12, p<.001), epistemic value and purchase intention (β = .16, p<.001), as well as green value and purchase intention (β = .14, p<.001). However, green advertising receptivity does not significantly interact with functional, social, and conditional value in explaining purchase intention. Furthermore, our findings reveal cross-generational disparities between Gen Y and X regarding sustainable luxury consumption. Specifically, we find that compared to Gen X, Gen Y consumers have a stronger conspicuous ethical self-identity (MGenY = 4.15 vs. MGenX = 3.94, t-value = 3.29, p<.01) and are more receptive to green advertising (MGenY = 3.62 vs. MGenX = 3.36, t-value = 2.49, p<.05), resulting in a greater likelihood of making sustainable luxury purchases (MGenY = 3.66 vs. MGenX = 3.45, t-value = 2.55, p<.05).

Theoretically, we contribute to the theory of consumption values by introducing three new constructs - green consumption value, conspicuous ethical self-identity, and green advertising receptivity (Haws et al., 2014; Van Der Werff et al., 2013; Bailey et al., 2016) - and test their predictive validity in an underexplored consumption context, thereby enhancing our understanding of value perceptions and choice behavior related to sustainable luxury product consumption. Our research also adds to the growing body of literature on the psychographic, demographic, and behavioral characteristics of sustainable luxury consumers (Athwal et al., 2019; Osburg et al., 2021; Vanhamme et al., 2023) . Methodologically, our multi-analytical approach advances this research stream by capturing both linear and non-linear associations between constructs. Neural network modelling allows us to prioritize drivers of endogenous constructs with high predictive accuracy and cross-validate the significant effect sizes obtained through structural path analysis. From a managerial perspective, our findings recommend that luxury brand practitioners prioritize multidimensional value perceptions by highlighting the green, emotional, and epistemic benefits of sustainable luxury products. This will contribute to the development of conspicuous ethical self-identity and increase consumers' receptivity to green marketing communication efforts. Overall, understanding the subjective and multifaceted nature of sustainable luxury through individual consumption values is a vital first step for satisfying the changing needs of consumers and strengthening the perceived fit between sustainability and luxury.

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