How Luxury Brands Craft Product Preciousness in The Service Encounter

While premium goods are high-end products that offer superior quality and come with a higher price tag, luxury goods possess unique qualities that are shaped by cultural and historical heritage (Assouly 2013; Kapferer and Bastien 2009; Raggiotto et al. 2015). Unlike fashion, which is often subject to short-term trends and constant change, luxury is typically rooted in long-standing traditions (Assouly 2005). As a result, luxury brands tend to employ unconventional marketing strategies that deviate from standard mass marketing approaches (for specific details, see Dubois and Duquesne 1995; Kapferer and Bastien 2009).

We follow Assouly (2005), who emphasizes that philosophical reflection on luxury draws attention to its symbolic uses with little regard for the material form that it takes (clothes, cars, housing, tourism, jewelry, cuisine, perfumes), and toward the postures, ways of speaking, interests, and relationships to time and space that luxury organizes. We also follow Dion and Arnould (2011), who suggest it is not the objects that furnish us with a definition of luxury but the relationships that develop with regard to them. Consumption of luxury is often discussed in terms of aspirations for elite status or to assert symbolic dominance over others. Moreover, there is no intrinsic luxury good; instead, retail marketing systems organize and govern not only access to luxury (e.g., DeBeers' distribution strategy that keeps diamonds artificially scarce, Dubois and Duquesne 1995) but how luxury is materialized and expressed in particular cultural contexts. Luxury offers hedonic appeal, which is multi-sensorial; luxury is affect-rich, connecting with customers on an emotional level. Consequently, luxury has a high "ratio" of intangible value to price (Hagtvedt and Patrick 2009; Nueno and John 1998; Vigneron and Johnson 2004).

Beyond conventional explanations focused on ostentation (Leibenstein 1950; Veblen, 1899/2004; Han, Nunes and Drèze 2010), symbolic domination and social distinction (Bourdieu and Delsaut 1975; Dion and Borraz 2017) or hedonism end emotions (Hagtvedt and Patrick 2009; Lipovetsky and Roux 2003; Welté et al. 2022), we argue that successful luxury management relies on crafting goods preciousness. Therefore, we ask: "How do luxury brands craft goods preciousness?" We address our research question through the theoretical framework of the sociology of valuation and evaluation (SVE).

Theoretical Background

Valuation as a Qualification Process

A Pragmatic sociology of valuation

The sociology of valuation and evaluation (SVE) investigates the process and criteria used for assessing and identifying the systems, institutions, and cultural and social frameworks that support or reinforce them (Lamont and Thévenot 2000). Studies have also delved into the analytical differences between two aspects of valuation, namely evaluating and valorizing. This has led to the spiral of "valuation-valorization-evaluation" (Vatin 2013). Because some goods have a distinctive, unique nature (for instance, art objects), their singularity raises uncertainty in the market (Karpik 2007). Dissonance arises when there is instability or multiple value systems for measuring value during valuations (Hutter and Stark 2015). In this way, the market is the place where producers fight to provide the criteria of judgment that ensure the quality of the goods they provide and equip consumers with instruments to make judgments.

Pragmatic evaluation through acts of valuation. In a pragmatist approach (Hutter and Stark 2015, p. 5), value is not a mental representation, a quality given per se, but a quality that must be performed (Dewey 1948) through evaluative practices or "acts of valuation". That is to say, value is visible through the observation of practices by which actors manifest the value they assign to an object (Brosch and Sander, 2016; Heinich, 2017; Trébuchet-Breitwiller, 2015). Those practices implement what Dewey (1948) called a 'valuation', which can be positive (valorization) or negative (devalorization). Examples of value as a process of valuation are art criticism (Dewey 1948; Muniesa and Helgesson 2013), or the evaluation of performances in teaching and research (Antal et al. 2015).

Valuation as a procedure: market devices. Valuation is a procedure by which goods acquire value and depends on various tools employed by market participants to make calculations and assessments (Beckert and Musselin 2013; Fourcade 2011; Vatin 2013). Therefore, the value of a good is not inherent but rather a consequence of the market mechanism that involves valuation processes, which assign value to a good (Cochoy and Dubuisson-Quellier 2013). This field of research shed light on how collective market devices aid in mitigating uncertainty (Karpik 2007) and facilitating the coordination of supply and demand via market mediation mechanisms, between professionals of marketing - designer, packager and merchandiser (Barrey, Cochoy & Dubuisson-Quellier, 2000), and produce the qualifications of both products and consumers (Dubuisson-Quellier, 2010). Consequently, an assemblage of diverse market devices is required for conducting economic transactions, which may be impersonal, discursive, material or technical (Callon 2007). For instance, market actors have to establish the conversion of higher order values into measurable and testable qualities to rank products (Nøjgaard 2022). Through this network view of valuation, valuation is realized through a process in an assemblage of market infrastructure, competencies, actors and discourses (Arsel 2015). In this sense, following Callon and Muniesa (2005), we consider the luxury market as a collective device that allows compromises to be reached, not only regarding the nature of the goods to be produced and distributed, but also concerning the value that should be attributed to them.

Valuation as a process of qualification

Value is obtained by action, in the process of qualification or requalification. This process has been introduced by the 'Economics of convention', where the notion of 'qualification' is central in the analysis (Eymard-Duvernay and Thévenot, 1983; Eymard-Duvernay, 1986; Callon, 2009). It implies that the actor, far from passively evaluating a given object, actively participates in its very definition: that is 'exactly what Dewey was after as he used the word "valuation", against the dualist one of evaluation' (Hennion, 2015: 48). Here the new French economic school meets Dewey's pragmatist approach around the notion of 'qualification', as a possible equivalent of 'valuation' (Trébuchet-Breitwiller, 2015: 171–2). The sociology of valuation and evaluation (SVE) literature underscores the significance of valuation micro-practices (Lamont 2012) that are essential for the functioning of the market. These encompass evaluation technologies, evaluation criteria, customary rules or conventions within the field, the evaluators' self-concept, and the role played by non-human elements and evaluation instruments.

Through such valuation practices, individuals engage in qualification activities. First, market participants engage in various activities for measuring such as *identification, categorization, commensuration and legitimization* of products (Dubuisson-Quellier 2013; Lamont 2012). Second and simultaneously to measurement, individuals engage in verbal and non-verbal appropriation of the things, displaying emotional *attachment* and *judgement* and legitimation. Three, this process involves situations *of valuation*, in time and place configurations.

Qualifying value through measurement

Evaluation begins with the *identification* and *categorization***,** classifying an entity such as an object or person, by determining which group it belongs to (Zuckerman 1999, Hannan et al. 2007, Navis & Glynn 2010, Rao et al. 2005). Second, *legitimation* or consecration pertains to the acknowledgement, both by oneself and others, of the value or significance of an object, whether it be a person, an action, or a circumstance. The presence of third parties and/or arbitrators is essential for categorization and legitimation. Bourdieu (1993) displayed how evaluators are gatekeepers in the production of the symbolic capital that provides such legitimation, because they have the capacity to establish standards of judgment and the authority to legitimize, also enabling individuals to maintain their existing positions. An example of such a performative act (Austin 1962) of legitimation is the expert speech, ensuring the value by the mere power of his word: "I certify that this painting is indeed by the hand of Rembrandt." (Heinich 2019). Last, *Commensuration* is a social process (Espeland and Stevens 1998) that requires comparing different entities according to common metrics. Conditions of economic coordination are key for establishing standards of correspondence or the elucidation of the issues for non-commensurable goods (Karpik 2007).

Attributes of things. There are several specific attributes of things that participate to measure their value: scarcity, seniority, universality, and sacredness. In our understanding of luxury, these attributes amplify the value of things, making them more precious (Heinich 2019), resonating with traditional definitions of luxury, exhibiting exclusivity and singularity (Dion and Borraz 2017; Kapferer 2015), universal understanding, magic and sacralization (Abélès and Beuvier 2019; Dion and Borraz 2015). Assessing the quality of goods raises the question of whether it is universal or singular, between a *community regime* and a *singularity regime* (Heinich 2019). It distinguishes between the seniority that is recognized by everyone and the new, or secret quality that is recognized only by a select few.

Qualifying value through emotional appropriation: attachment and judgments

If the measurement is primarily expressed in numbers (price), *attachment* is mainly expressed through actions, with or without words. The more careful, constant, organized, or even institutionalized the care is, the more precious the thing will be perceived, regardless of the measured value assigned to the object. Examples of that attachment value are the favorite teddy of a child or someone's diary.

As Pomiès and Arsel (2022) highlighted, *taste judgment***s** are therefore subjective enunciative evaluations that individuals raise as qualities of the things, showing their own legitimacy in the process. Example of that will be the mere expression of what individuals like or dislike such as : "this is a very beautiful color". In this sense, taste judgments are performative in the same way as are legitimation acts that aim to certify the measured value of things: they establish an order in which things' value is legitimate.

Situations of valuation: place and time

Valuation is a contested process that takes places in critical moments (Antal et al. 2015) or "situations of valuation". Situations are characterized by a particular social assemblage of persons and things, social-technical achievements (Callon et al. 2007; McKenzie et al. 2007; Çaliskan and Callon 2010; Araujo et al. 2010; Zwick and Cayla 2011). Situations are given by sites and moments: specific sites of valuation are spatially marked (examples) and moments of valuation are given with a beginning and an end. Eventual contestations on the valuation with dispute and contention may appear during the process of valuation (Antal et al. 2015).

Consumers in the qualification process

As market actors compete to attract consumer decisions and preferences, market devices emerge from intense competition among producers, retailers, and other business experts. Ultimately, these market devices equip consumers with valuation criteria to recognize and assess products and make informed choices (Cochoy 2004). Market devices enable the dissemination of stabilized principles of value as criteria for product valuation, and consumers will be able to categorize, qualify, and commensurate products (Dubuisson-Quellier 2013).

As a result, the valuation of products is an extensive process that involves both supply and demand. Moreover, while producers are struggling to establish these criteria, they then have to shape consumers' perceptions of products and modify their preferences and valuation categories. Studying how brands establish the preciousness of perfumes, Trébuchet-Breitwiller (2015) demonstrated that valuation is a "disinterested" act established in an aesthetically curated relationship with customers for assessing the quality of a perfume. By doing so, the producers endow consumers with more reflexivity and expertise. Similarly, Pomiès and Arsel (2022) investigated the coffee consumption and display how consumers transpose their aesthetic disposition by answering to qualification, captation and activation market work processes.

In this research, we investigate the qualification process that producers put in place at the touchpoints with consumers. Looking at micro-practices on the POS, we look at how luxury brands craft the preciousness of products in their relationships with consumers.

Method, Data Collection, and Sampling

Framed along an interpretive paradigm and adopting a CCT sociological perspective (Arnould and Thompson 2005; Hollebeek and Belk 2021), this study draws upon narratives from interviews and social media posts to explore how luxury preciousness is constructed in the service encounter.

The representative sample comprises 20 interviewees, all employed in luxury brands, with varying ages, genders, nationalities, professions, and mobility backgrounds. The number of interviewees aligned with the evidence-based recommendation of 12 interviews (Guest et al. 2006). Data saturation (Glaser and Strauss 2017) was attained through the completion of individual in-depth interviews, with each interview lasting between 30 and 60 minutes for almost 10 hours of recording. In-depth conversations followed a semi-structured guideline (McCracken 1988) and revolved around how assistants create luxury preciousness and the consumers' reactions.

Summary of Findings: The retailer sets up the object's qualification works, which make it precious

We display how retailers organize the making of preciousness during the luxury ceremony. The first set of actions is grounded on ***identifying the product*** itself. Assistants engage first with the consumers in a script of material-based characteristics (material, technics, quantification process) and simultaneously engage in a script of immaterial-based characteristics, displaying the figure of the craftmanship and connecting to the "sacred" dimension at the heart of luxury. To do so, assistants set and use unique storytelling.

Second, assistants will aim at ***aesthetizing the product*** through codified manipulation (using specific vocabulary and particular accessories for the ceremony – e.g., gloves, tray). They will create a situation of valuation and offer the classification of goods, elaborating comparisons between products and displaying them with other valuable goods.

Third, engaging with consumers in ***amplifying the product*** evokes experts' judgment on the object (critics, artisans, celebrities, other consumers) and stories associating history and celebrities with iconic products.

Fourth, assistants will incorporate the clients' subjectivity in the qualification process and ***attach them to the product***. Through custom sequencing, they adapt to the consumers' brand literacy. Making the consumers handle the products makes them develop bodily connections and emotions.

Discussions

Our approach to luxury preciousness develops in the service encounter, and we show that, beyond the products' attributes, preciousness emerges as an outcome during the ceremony at the point of sale. We make several contributions to the crafting of preciousness.

First, by building "critical moments," the sales assistants and managers construct situations of valuation, making the valuation of preciousness felt by participants and recognizable to observers. The luxury ceremony is the spectacle (Muniesa and Helgesson 2013) where value-precious criteria are revealed.

Second, we show that the construction of preciousness should be managed between Heinich (2020) 's two qualification regimes. Because the definition of luxury is exclusive, unique, and singular through scarcity of materials or uniqueness of bespoke, it is grounded on a *singularity regime* (Karpik 2007). However, at the same time, brands must build on the universality of the judgment criteria to make the products worldwide, grounded on a *community regime* (Heinich, 2020).

Third, we argue that beyond the products' preciousness, brands are making the consumers' preciousness. The sales assistants not only make the product precious but also teach the consumer how to build their own evaluation process, which will lead to the product's perceived value through cognitive work done by the consumer. At the end of this process, the consumer himself is granted a precious value: assistants craft the product's preciousness to build consumers' preciousness.

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