Factors Influencing Consumer Purchasing Behavior Regarding Luxury Brands

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Abstract: The luxury market in India is undergoing rapid growth, driven by enriched earning salary and profits in both urban and rural areas, a young demographic advantage, heightened visibility in retail, advertising, and greater consumer exposure. Factors such as fashion, lifestyle, social value, and the willingness to spend are influencing modern shoppers to purchase luxury brands to fulfil their psychological needs and boost their self-esteem. Owning luxury merchandise has become a statement of one's essence. This research aimed to delve into the complex dynamics of consumer purchasing behavior (CPB) in relation to luxury branded products. The study utilized several factors, including Materialism, Price-Quality considerations, Social Status aspirations, and Brand Trust, as independent variables, to examine their potential impact on the dependent variable, Consumer Buying Behavior (CBB). Data were collected through a well-designed structured questionnaire distributed to 180 respondents who displayed a specific interest in luxury fashion clothing. The data collection process involved emailing the questionnaire to friends and colleagues, and the responses were systematically gathered and analyzed using the statistical software SPSS. It is important to note that the sample population of 180 respondents had limited diversity and may not fully represent the entire population, indicating a scope for further improvement in future research endeavors.

1 INTRODUCTION

The complexities arising from varying individual interpretations of luxury and external influences play a pivotal role in defining luxury consumption and shaping consumer psychology. These encounters significantly influence consumers' desires for luxury goods and services, as well as the types of luxury signals they acquire, ultimately affecting their buying behavior. The purchase of iconic and ephemeral luxury items signifies high social status and creates an impression that the buyer has acquired these brands through their hard work, expecting to gain esteem from onlookers (Dubois et al., 2021). This study reveals that luxury items possess diverse and hedonistic qualities, motivating consumers to acquire them in order to uphold their societal standing and make an impression on others. Globally, and particularly in Asia, the consumption of luxury goods has seen a significant increase (Wiedmann et al., 2009). Indian consumers hold a perception that encourages them to purchase luxury goods, which they view as status symbols to display publicly and enhance their social standing (Gokhale et al., 2021). The luxury consumption tendency has remained prosperous subsequently from the early 1990s, with India's luxury market predicted to reach the US$200 billion mark by 2030, driven by several factors such as the exponential growth of the ultra-rich, the emergence of numerous entrepreneurs and unicorns, the increasing financial strength of the middle class, and the expanding influence of e-commerce in level II and level III cities(Bain & Company, nd).

Subsequently, the worldwide luxury goods business is undergoing extensive development in India. The luxury attire business has steadily enchanted the consideration of promotion experts and practitioners due to its remarkable growth trajectory. The allure of a luxurious lifestyle and the aspiration to align with Western standards have fueled the surge in the consumption of luxury goods. This phenomenon is particularly conspicuous among Indian consumers, who are progressively diverting their expenditures towards tangible material possessions and experiencing a surge in materialistic inclinations (Gokulkumari et al., 2023) .

Consumer buying traits in the luxury brand industry, particularly in clothing, are often influenced by market trends and the emulation of famous personalities from around the world. Some consumers are drawn to these brands for the prestige they offer, while others are captivated by their designs, styles, and the quality of materials used. Price frequently inaugurates a regular and plays a central role in defining a luxury product, with quality being a prominent distinguishing feature. Materialism grips a momentous place in the significances of this cohort of shoppers, as it not only serves the snob effect but also enhances their social status.

2 LITERATURE REVIEW

The rapid evolution of emerging technologies and changing social landscapes are causing shifts in consumer desires, inspirations, and behaviors within the global luxury industry. Advances in international logistics and the prevalence of e-commerce platforms have made it easier for consumers to purchase goods online, providing luxury brands with unprecedented accessibility to consumers with just a click(Jain, 2020). In a study employing an evolutionary theoretical approach to predict consumer behavior, the researchers considered various factors, including risk inclination, competition, luxury depletion, self-control, sequential favorites, and relationships in the context of consumer behaviors(Durante, 2019). They also explored current inclinations and developments in the mindset of luxury depletion, investigative new drivers, forms, and magnitudes of luxury consumption, particularly the interplay of tensions that influence consumers' perceptions of luxury and their future consumption (Shrivastava et al., 2023).

The research identified a favorable influence of hedonistic motivations on consumers' choices to purchase luxury brands. This underscores the notion that luxury products go beyond addressing merely practical needs but also cater to consumers' desire for sensory and emotional gratification. The study underscores the significant role played by hedonic motivations in shaping consumers' perceptions of luxury companies, underscoring the significance of the sentimental and sensory pleasure associated with luxury brands. Furthermore, the study revealed that consumers with a greater interest in trendy apparel tend to have a more favorable view of luxury businesses, emphasizing the role of fashion consciousness in luxury consumption (William, 2022).

Another aspect explored in the research was the perception of Indian luxury buyers regarding the value of a brand and how this perception influences their purchase intentions. The study established a positive relationship between consumers' actual purchases of luxury products and their intentions to buy, underlining the impact of past buying behavior on future buying intentions (Nagpal and Ravindra, 2017). A distinctive aspect of this study centered on delving into the concept of "brand affection" toward luxury brands in the Indian market. This quantitative investigation sought to elucidate the intricacies surrounding consumers' emotional attachment to luxury products and employed correlation analysis as the primary analytical technique. (Syed et al., 2022).

The Indian luxury apparel market is booming, with consumers increasingly drawn to high-end brands and products. This trend is being driven by a number of factors, including a desire to lead a luxurious lifestyle, identify with Western counterparts, and shift their spending habits toward material goods. Materialism is also on the rise in India, and consumers are more likely to purchase luxury goods as a way to express their success and social status.

The growth of the Indian luxury apparel market is also being fueled by a growing middle class, rising disposable incomes, and increased exposure to luxury brands. The market is expected to continue to grow in the coming years, as these factors continue to drive consumer demand. In short, Indian consumers are increasingly buying luxury apparel because they want to look and feel their best, they want to be associated with high-end brands, and they have the money to do it. (Abbas et al., 2023).

The research utilizing event-related potentials delved into the underlying social motivations of consumers when it comes to acquiring premium products, drawing insights from the framework of functional theories of attitudes .It revealed how consumers' preferences and brain activity are influenced when exposed to fake and real luxury products with or without visible logos. The study emphasized the role of brand authenticity in meeting consumers' social objectives (Shahid et al., 2021). Another research effort concentrated on millennials' purchasing behavior of luxury brands, particularly the

influence of purchasing power and social media interaction. Consumerism emerged as a significant factor influencing millennials' favorable sentiments toward luxury companies, with an emphasis on materialism and hedonic appeals. The study noted that luxury managers must consider the desire for individuality when marketing to millennials (Nagpal et al.,2020).

In a study focusing on young Chinese consumers' purchase of high-end luxury cosmetics, the researchers found that factors such as product involvement, perceived quality, individual branding, and monthly branding had a significant impact on consumer attitudes and intentions, beyond mere brand awareness. This study provided valuable insights for the development of effective marketing strategies for high-end cosmetics (Kostritsa et al., 2020). The researchers also conducted a study on the antecedents of luxury car purchases, considering factors such as price, style features, fuel efficiency, social value, safety, and brand, along with their impact on purchase intentions. The study highlighted the importance of these factors in influencing the buying intent of luxury cars, emphasizing the need for marketers to align their products with consumers' social goals (Tao et al., 2022).

Another study examined the factors influencing consumer buying behavior towards reasonably priced luxury brands in India. The research explored how consumers' desire for up-to-date fashion trends and the impact of reduced purchasing power influenced their consumption choices. It emphasized the importance of monitoring consumer experiences with affordable luxury brand offerings and the socio-psychological aspects affecting consumer behavior (Rajput et al., 2021). The study investigated the relationship between attribute materialism and customers' intents to buy sustainable luxury goods, revealing that sub-traits like "possessiveness, lack of generosity, and envy" were positively correlated with such intentions. However, consumer attitude showed a negative correlation with purchasing intentions for sustainable luxury products, providing insights into the factors influencing Indian luxury shoppers' decisions (Burnasheva et al., 2019).

Moreover, the exploration observed the relations between "cultural orientations, materialism, status purchasing, and the bandwagon effect on intentions to acquire luxury goods". The study found that individualist societies tend to be more materialistic than collectivist ones. However, in India, where collectivism and interdependence are prominent, materialism's relationship with purchase intentions for luxury products was not significant, emphasizing the role of social factors in shaping consumer behavior (Bhattacharya et al., 2023). The study on millennials' attitudes and purchase intentions regarding luxury fashion brands introduced the balancing hypothesis, which suggests that the development of positive attitudes and purchase intentions is influenced by the balance or imbalance between certain factors. This extended the understanding of the equilibrium theory's applicability to decision-making about luxury fashion products (Zhang et al., 2019).

3 RESEARCH GAP

The existing body of literature reveals a notable research gap in the context of the luxury footwear market in India. While there is a growing interest in this market, there remains a substantial lack of comprehensive research examining the various factors that influence consumers' decision-making when it comes to purchasing luxury footwear. Prior studies have principally relied on qualitative methods, such as "interviews and focus groups" and have not delved deeply into the intricacies of CBB, particularly regarding the impact of social status and materialism on customer preferences and behaviors related to luxury footwear in India (Bhattacharya et al., 2023). Furthermore, most of the earlier research has barely concentrated on precise characteristics of luxury footwear CCB, such as the influence of brand image or price, failing to provide a comprehensive understanding of the multitude of variables that affect CCB in this domain. Therefore, there is a pressing need for a quantitative research study in this area, one that encompasses multiple premium brands, in order to thoroughly explore and analyze the diverse factors that shape customer purchasing behavior for luxury footwear in India (Gokhale et al., 2021), (Kumari et al., 2023). In light of this research gap, the study's objectives and hypotheses have been formulated to address the following key aspects:

3.1 Objectives of the Study

- To investigate how price, materialism, brand trust, and social status influence consumer buying behavior (CBB)

3.2 Hypothesis of the Study

- Quality has a substantial impact on consumer buying behavior (CBB).
- • Materialism plays a significant role in influencing CBB.
- • Brand trust and experience exert a notable influence on CBB.

- • Social status is a significant determinant of consumer buying behavior (CBB).

4 RESEARCH METHODOLOGY

This study employs a descriptive research approach, which aims to provide a precise and systematic description of a specific population, situation, or phenomenon. The research process follows a carefully designed step-by-step procedure, commencing with data collection and progressing to the development of a conceptual model. To collect primary data, a series of structured questionnaires were crafted, utilizing a Likert scale. Additionally, secondary data sources, including papers, journals, and articles, were consulted to enhance the research's background knowledge. The study has sample size of 185 respondents who had experience with luxury clothing brands. Statistical analysis was conducted using IBM SPSS 24 software.

4.1 Data Analysis and Interpretation

Table 1: Reliability.

Factor	α
Trust	.756
SS	.868
Materialism	.859
PQ	.785
CBB	.870

The αvalues for all five components are robust, ranging from 0.759 to 0.856. These values affirm the precision and reliability of the research instrument used to measure these factors.

Table 2: Model Summary.

R	R2	Adj R2	Std Error
.689	.458	.398	.648

Table 3: Annova.

Sum of Squares	Df	Mean Square	F	Sig
14.89	4	4.405	7.28	.000

CBB serves as the dependent variable, while the independent variables include trust, SS, materialism, and PQ. The model fit summary, these independent factors collectively explain 45% of the variance in the dependent variable, as denoted by the modified R2 of 0.458. It is worth noting that the remaining 59% of the variation in consumer purchasing patterns is likely influenced by additional variables that were not incorporated into the model.

5 FINDINGS & CONCLUSIONS

The study revealed that when selecting luxury Indian clothing brands, consumers place significant emphasis on several factors. These include trust in the brand, the MA, of the product, their SS, within their peer group, as well as the PQ of the product. This relationship was confirmed through regression analysis. The conclusions of this study provided valued intuitions for managers of luxury clothing brands, shedding light on the key elements consumers consider when intending to purchase a luxury product. By focusing on the primary variables identified in this analysis, businesses can formulate "marketing strategies that resonate with their target audience, ultimately leading to increased sales". Nonetheless, it is crucial to recognize the study's constraints. The sample size could be large for generalizability. Furthermore, the study's limited array of clothing brands for consumer selection may influence the breadth of the results. Finally, it's worth noting that other pertinent variables, not incorporated in the analysis, could exist, given that the study primarily focused on examining the correlation between a select set of independent variables and CBB.

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