A Study on Factors Effecting the Buying Behavior of Consumers towards Selected Luxury Fashion Product with special reference to Delhi (India)

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Abstract : This study recognizes and examines the buying behavior factors that influence luxury brand purchase intention in the Indian context with respect to Delhi. Present study discussed the existing knowledge pertaining to luxury brand consumption and a conceptual framework is developed based on the review of literature. India's favorable demographic profile, the growing middle class, high disposable income and young population, has helped the Indian luxury market witness a tremendous growth. This research paper identifies drivers of luxury brand purchase intention for the Indian consumers amidst this growth and analyses how it differs based on demographic variables such as age, gender and income. A questionnaire was administered to 385 respondents of different age, income and gender groups within the city of Delhi. The data was then analyzed using factor and frequency analysis in SPSS. Three factors have been extracted. The factors affect the buying luxury goods are categorized into attitude, purchasing behaviour, purchase intention. Attitude include perception regarding luxury goods and social value. Most people intend to purchase luxury goods in the future.

Keywords: Buying behaviour, luxury brands, attitude, purchase intention, purchase behviour

1.   Introduction

Aspirations and desires seem to drive the luxury business in India, a rising and emerging country. The luxury apparel market in India is no different. The affluent class was associated with luxury things in the past. Luxurious things were predominantly consumed by the wealthy and royal individuals (Christodoulides et al., 2009). Changing socioeconomic variables and increased disposable incomes have caused the common Indian to desire more and superior for himself. The Indian middle class is a significant portion of the market that drives the Indian economy. Luxury appears to be a kind of escape, pleasure, or a method to stand out from the crowd for the super-rich and hopefuls. They purchase luxury because it makes them feel good. The industry appears to be driven by ego, with customers feeling special and unique. The expansion of the luxury sector in India is being driven by the aspiring and young middle class, as well as their developing "brand consciousness" (Garlapati & Suresh, 2020).

1.1 Background of the study

McKinsey estimates that the global luxury goods market will decrease by around 35 to 39 percent in 2020, based on current trends. Despite the global economic recession, the Indian luxury industry is expected to exceed $200 billion by 2030. (Jain, 2020). The modern Indian luxury consumer base is developing, thanks to a growing middle and upper middle class with more disposable income. As India's consumer base continues to increase and its spending habits become more permissive, luxury businesses face the greatest challenge. India has emerged as one of the world's most promising investment destinations, attracting multinational brands from around the world. Turkey, Thailand, and Argentina are far behind India in terms of luxury spending. Singapore and Australia are also rising at a quicker pace (Garlapati & Suresh, 2020).

1.2 Statement of the problem

The luxury brands of the world are particularly interested in the developing Indian market. Companies have begun to think "Indian" in order to acquire a foothold in the Indian market. Indian values, beliefs, and psychology have to be understood by them (Jain et al., 2017). Indians have different purchasing habits than people in Western countries. Each individual's behaviours are influenced by others' impressions in India. Individualism is a hallmark of Western societies. Instead of relying on the opinions of others, they rely on their own (Wong and Ahuvia, 1998). The results of earlier study in this area undertaken in Western countries cannot be extrapolated to India, for this reason.

1.3 Research objectives

1. To understand the relationship between demographic variables (gender, age, and income) and purchase of luxury product.
2. To investigate the factors that affect purchase behaviour of Indian consumers towards luxury products

1.4 Research questions

Qus.1 What is relation between purchase of luxury products and demographic variables?

Qus.2 What factors affect the purchase of luxury products?

1.5 Research methodology

Primary research is being conducted. Present study begins with exploratory research and progresses on to descriptive research as time goes on Using questionnaires, data was collected via survey.

1.6 Significance of the study

Consumers in India are getting more educated, smart, and demanding as a result of globalization. Over the past decade, the shopping habits of Indian consumers have seen a significant transformation. Consumer views in India are changing at a quick pace because it is one of the youngest countries in the world. Indians are becoming more conscious of luxury products, and they believe that owning global brands provides them a sense of power and prestige in front of their social circles. Therefore, the focus of this study is on the reasons why customers in emerging nations - particularly in India - select luxury brands from abroad. The purchasing

power of consumers has increased as a result of higher income levels. This has led to a far greater adoption rate of global luxury brands by consumers. Luxury brands have become a status symbol for Indian consumers.

1.7 Possible contribution to the knowledge

The underlying purpose of this research is to build knowledge on the nature of consumer responses to luxury attributes. This knowledge contributes to researchers' understanding of consumer perceptions about luxury brands, and how these perceptions are elicited in similar or different manner to that of non-luxury brands and contribute to the *what makes luxury different* debate. On the practitioner side, this knowledge contributes to practitioners' better understanding brand performance and the impact of marketing activities.

2. Literature Review

(Eng & Bogaert, 2010) explored luxury literary creation and offered some justification for the conduct of luxury consumption in India. They have shown that psychological and cultural influences in Indian culture play a key role in influencing luxury consumption. They proposed that little tolerance for homogenous luxury tastes would enable Indian customers to adopt the cultural characteristics of the extravagant consumption of luxury and the show of wealth in social functions.

(Wang & Foosir, 2010) designed this work focuses on factors linked to consumer behaviour in the purchasing of luxury products in China. The goal of this analysis was to examine the consumer behaviour of luxury goods in China and to evaluate the factors that influence luxury consumption. The study centered on the inspiration, cultural aspect and brand value of Chinese luxury consumers. The findings indicate that Chinese customers were influenced to purchase luxurious goods by interpersonal effects viewed by others as having an impact on the customer, and to buy luxury goods for their own personal benefit, which were personalized to customer individual desires and free from external intervention.

Haataja (2011) examined attitudes of young people, i.e. their values, emotions and buying plans, towards expensive products. Some of the respondents have demonstrated optimistic views towards luxurious goods. Half of the young men, more or less, became leisure buyers. The degree of usage, possible buying plans and affluent behaviour of the respondents may be classified into four groups: strong, normal, prospective and uninterested luxury consumers. The results have concrete administrative or commercial consequences as they indicated that various campaign approaches should be implemented to satisfy the demands of specific customer segments.

Godey (2012) studied factors influencing the purchasing of branded products by the customer and, more importantly, the joint influence of the company and the country of origin on the buying decision. The study identified certain items that better define the luxury market for customers. The author also explored the conditions for the decision to buy expensive products.

(Mukherjee, et al., 2012) conducted a survey of 300 Indian customers to assess their brand knowledge, purchase behaviour, and attitudes of foreign brands. According to the research, brand purchase in India differs by product category. The Indian customer is price-sensitive, and they are also not familiar with foreign brands. Indian customers are trying out new brands and would want to see more international brands enter the Indian market.

Kim (2012) examined the effect of the social media ads of luxury fashion companies on consumer interactions and buying intentions. Test goals and theories have been formulated to fulfil the aim of the research and the findings have been extracted by suitable protocols to draw conclusions. Findings suggested that the SMM luxury lifestyle brand was a highly successful marketing tool.

Li & Mousseaux (2013) analysed young buyers from BRIC countries tend to have a more mainstream perception of luxury apparel, suggesting that luxury is still correlated with a more obvious form of showcasing prestige and money, and that the inclusion of luxury products in social media does not lead to an exclusive picture. Social networking may be used as an important medium of contact for luxury fashion brands because it tends to create emotional links between customers and brands.

(Srinivasan, et al., 2014) investigated consumers' perception toward luxury goods in Mumbai (India). A systematic questionnaire was used to collect data from 500 persons between the ages of 18 and 35. The survey discovered that the greater quality of the product is the primary motivation for purchasing luxury items. Another factor is that purchasing luxury products provides consumers with joy and happiness. It makes them feel good by making them happy, stress-free, and stress-free. Those also desire others to appreciate them because of their social position, and buying such things helped them to separate themselves from people from lesser social strata. Age and the unique value of luxury items have been proven to have a positive relationship, however gender has no relationship with the unique worth of luxury products.

According to Boguslaw's (2015) research, when it comes to purchasing premium apparel, shoppers take into account a number of factors. Customer decision-making is influenced by demographics, social qualities, and other motivators and obstacles. In reality, the most important motivators / barriers in the purchase of luxury fashion products have been identified as size, cost, style, and brand identity. Self-congruity and individuality are the two most essential personality attributes in comparison. Furthermore, consumers' buying intentions have been regarded as being influenced by usability and reputation.

Reis, (2015) analyzed the consumer behavior towards purchase of luxury brands and found that Consistency, size, appearance, originality, extraordinariness, and significance are all important factors of the decision to acquire luxury goods. Variables affecting buying behaviour, as well as the decision-making cycle, were included in the consumer behaviour system. According to theory, in the case of pricey goods, market purchase behaviour is illogical. The number of sales made by respondents is extremely low, and the majority of respondents' regard transactions of some interest described in this study is narrow.

Soh et al. (2017), examined the influence of friends and family on customer behavior and found it is to be significant. It is important to explore the function of family and friends in various cultures. A few research studies have looked into the role of self-indulgence, with varied results. Similarly, the impact of materialism has been uneven. Further investigation into the moderating and mediating roles of materialism, vanity, and culture is required.

(Jain & Khan, 2017) Using theory of planned behaviour, explored the impact of beliefs on consumer purchase behaviour for luxury fashion brands in the Indian context. All three beliefs – attitude, subjective norm, and perceived behavioural control – were

positively and significantly associated to attitude, subjective norm, and perceived behavioural control, according to the findings (PBC). PBC as well as real consumer purchasing behaviour for premium fashion labels were found to be positively influenced by NB.

(Jain, et al., 2017) discovered that in a collectivist culture like India, subjective norm has a bigger influence on buying intentions than attitude. The subjective norm has the greatest influence on customers' intents to purchase luxury things, according to research. The second most important element impacting respondents' purchasing intentions was determined to be their attitude. The link between PBC and purchasing intent was discovered to be minimal. There was no discernible link between purchasing intention and actual purchase behaviour.

(Bahal & Dave, 2018) looked into how the modern consumer's value perception influences their consumption of luxury brands, particularly garments and accessories, in India. To summarize, customers' purchase behaviour is influenced by a variety of values, both favorably and adversely. Other factors such as functional, financial, and individual self, which impact the consumer's luxury purchasing, are social incentives such as demonstration of power, display of social standing, and connection with the middle class. In terms of luxury consumption, Asian consumers are vastly different from Western consumers, and Asian customers are covetous and money-minded.

(Romaniuk & Huang, 2019) examined if the brand usage and attribute prototypicality effects on customers' perceptions of non-luxury brands also hold true for luxury brands. The study discovered that baseline reaction levels for brands on luxury traits are driven by brand consumption and attribute prototypically patterns.

Eastman & Shin, (2019) examined the relationship between college student consumers and luxury labels. In their minds, an array of things and labels satisfy their luxury wants. When their wages increased, they would be able to increase their ability to enjoy themselves. Students' ideas of luxury were also confirmed by research findings, which underscored the critical role that social media, friends, and family play in influencing their luxury consumption and providing insight into how to develop an emotional connection with them. When premium marketers sell college students entry-level goods as if they were premium buyers, they will establish brand ties with them.

Abdullah & Yu (2019) identified market identity, societal power, social media commercials, tv advertisements, place of origin, prestige use, acquisition of innovation, assumption of price-quality, and honesty. The first seven elements influenced welcoming behaviours in a positive way. Social network advertisement expression was the most important effect factor, followed by social power and novelty. Certain attitudes are negatively impacted by the inference variables for honesty and price-quality; the credibility component tends to have a greater influence in depth. It was found that positive perceptions substantially influence the willingness to acquire such things.

(Arora & Kishor, 2019) examined the characteristics that influence Indian consumers' purchase intentions towards luxury fashion brands by adapting and including the theory of planned behaviour (TPB) along with an external variable, brand image, in their study. All four variables - brand image, attitude, subjective norms, and perceived behavioral control - were found to have a positive association with purchase intention, according to the study's findings. In addition, purchasing intention has a beneficial influence on actual purchase behaviour. In addition, brand image has a beneficial impact on both attitude and purchase behaviour.

(Kim, 2019) examined whether there are any differences in the views of service quality between high- and low-/middle-income Generation Y luxury shoppers on luxury fashion brands' official e-commerce sites Efficiency and online appearance were the two most important e-service quality dimensions for high-income Generation Y luxury fashion consumers. Order/delivery management, personalization, and trust were critical elements in determining overall e-satisfaction for low- and middle-income Generation Y luxury fashion shoppers.

(Jain, 2020) investigated the luxury consumption habits of Gen Y consumers, particularly in emerging markets such as India. Conspicuous value and luxury purchasing intention were found to be related through attitudes and subjective norms. A substantial difference was also found in mediation effect between customers who had a low or high demand for status, as well as between consumers who had a low or high desire for uniqueness.

(Garlapati & Suresh, 2020), In the Indian context, looked at the psychographic and demographic characteristics that influence luxury brand purchasing intention. In the midst of this expansion, the authors identified drivers of luxury brand purchase intention for Indian customers and examined how it differs based on demographic variables including age, gender, and income. Functionality was discovered to be one of the most important value variables influencing the purchase intention of Indian luxury fashion consumers. Self and other directedness are linked to the other recognized value components. The influence of age and income on purchasing intent is also substantial. It was also observed that purchasing intention differs by age and income level.

Bazi, (2020) studied that consumers who engage with brands on social media were important to social media managers; however, there was also a lack of in-depth studies on the factors of consumer interaction with luxury brands. This study provided a theoretical context for the motivations behind customers' perceptual, emotional and behavioural involvement with luxury brands. This study described 13 motivations divided into macro-dimensions: perceived material significance, brand-customer interaction, hedonic, aesthetic, socio-psychological.

(Jhamb, et al., 2020) evaluated the post-purchase behaviour of a group of young, educated people in Chandigarh and its satellite cities, which are located in India's highly rich northwest area. The empirical findings show that sensory, intellectual, behavioural, and affective experiences all play a role in forming customer attitudes toward luxury companies.

(Wang, et al., 2021) used a cross-cultural framework of Hofstede's cultural dimensions namely power distance, individuality, and indulgence to examine how consumption ideals in China and the UK affect customers' approval of luxury firms' sustainability initiatives. The study found that hedonic demands drive consumers' purchase intentions in China and the UK, using structural equation modelling to analyse 677 survey responses from actual luxury goods consumers in the two countries. The study also discovered that customers' purchase intentions in China are adversely correlated with the need for uniqueness in sustainable luxury items, whereas the desire for conformity is positively correlated. In the United Kingdom, however, these effects are reversed.

Research Gaps:

Luxury goods are a marketing paradigm that is gaining popularity among researchers and marketing practitioners. Many of the surveys stared at the parameters and elements of brands and didn't focus on the impact of brand experience. With the increasing market for luxury goods, which is one of the most lucrative and highest-growing markets, concentrated work is required, more so in emerging markets. Different literature on luxury brands focuses on purchasing customer motives and consumer preferences such as (Amatole, 2011; Boguslaw, 2015; Dey, 2017; Goyal, 2014). There are a very few studies that deal with buyer behaviour of luxury products in capital of India.

3. Research Methodology

3.1 Research Design

This study aims to identify the buying behavior of people towards luxury products. The research design applied for this study is descriptive and empirical. The objective of the descriptive research is to describe the different features of the research problem. This exposes potential relationships between variables whereas empirical work relies solely on experience or observation. Empirical research is data-based analysis, drawing conclusions that can be confirmed through observation or experimentation.

3.2 Sample Size: The population of Delhi in 2021 is estimated at **31,181,376** (World Population Review, 2021)**.** The sample size is 385 people belonging to the all age of people residing in Delhi. The participants were mostly students or professionals, belonging to middle and upper middle class and both the genders. This sample of people calculated by using the following formula given by Cochran.

The Cochran formula for large sample is:

$$n_0 = \frac{Z^2 pq}{e^2}$$

Sample size = 385

Where,

Z= z value (1.96 for 95% confidence interval)

p = Percentage of population picking a choice, expressed as decimal (0.5)

e = Margin of error (0.05)

So, n = 385

3.3 Sampling Technique

This sample has been taken by simple random sampling method. This technique is used to generate representative samples by removing bias in the voluntary response and by defending it against bias in the report.

3.4 Data Collection

3.4.1 Primary Data

There are many forms of data collection – mail, internet, database, questionnaires, interviews, etc., that are all related to research. Both primary and secondary data is used in this study. A structured questionnaire with closed ended questions is used to collect the data. Gathering information from consumers of luxury brand products through questionnaires was used in collecting primary data. An adapted questionnaire is used to understand the behavior of consumers towards purchase of luxury products. The reliability and validity of questionnaire has been checked through pilot survey. Questionnaires will be distributed to respondents and collected all the necessary information required for the study. All the questionnaires are filled from outside the shopping malls and outlets of luxury products throughout the capital (Delhi).

3.4.2 Secondary Data

Secondary data is collected from mainly journals, articles, and books. Previous researches from various authors were found from databases that include Emerald, Proquest, EBSCO, and etc. These sources of data provided useful background information on the luxury fashion brands and luxury goods market, as well as indicating investigations that had already been taken place. Additionally, previous research identified areas of studies that have not been explored before. Secondary data provided relevant information that is used in designing the survey questions and identifying the problems that has occurred rendering significantly.

3.5 Scope of the study

In the North India, maximum consumption is recorded in Delhi/ NCR with Punjab and Haryana succeeding it. The region wise luxury spending enunciates that North India is the major contributor outcome.

3.6 Research tools:

Once all primary data is gathered from the online questionnaire, then they will be analysed by using a statistical method. In this study, the statistical data analyses in the form of IBM SPSS Software 21 with the help of Microsoft Excel were conducted by applying Descriptive Statistics, Factor Analysis and Cross Tab. As a result, the data that has been analysed will be presented in the form of tables.

4. DATA ANALSIS

Descriptive Statistics

Based on the 385 questionnaires distributed, the various findings are mentioned below: The frequency distribution for respondents' gender has indicated that most respondents were male in the sample. The bulk of survey respondents fell in above 39 years in the age range. In the surveyed most respondents had an annual family income varying from 5 to 8 lakhs. It is noted that mostly people purchase expensive products in every six months and the source of information is social media. Respondents

were given 12 widely found explanations for purchasing luxury products and were asked to score each explanation based on the value they add to these explanations when buying luxury products. Majority of the sample agreed on they buy the products at near festivals or occasions.

1. **Gender wise distribution of respondents**

Table 1: Frequency and percentage of respondents by demographic characteristic w.r.t Gender

Particulars	Frequency	Percentage
Male	198	51.42
Female	187	48.58
Total	385	100

Source: estimated through questionnaire

The above frequency table 4.1 shows frequency distribution for gender of respondents. Out of 385 respondents surveyed, 187 (48.5%) were female and 198(51.42%) were male. Most respondents in the survey were male.

2. **Age**

Table 2: Frequency and percentage of respondents by demographic characteristic w.r.t Age

Particulars	Frequency	Percentage
18-25	26	6.75
25-32	66	17.14
32-39	95	24.6
Above 39	198	51.5
Total	385	100

The above frequency table 4.2 shows frequency distribution for age of respondents. Out of 385 respondents surveyed, respondent groups aged between 18 to 25years were 26 (6.75%). The number of respondents between age group between 25-32 years were 66(17.14%). Respondents between age group 32-39 were 95(6.75%) and above 39 age group were 198(51.5%). Most respondents in the survey fall in the age group between above 39.

3. **Family Income**

Table 3: Frequency and percentage of respondents by demographic characteristic w.r.t Family Income

Particulars	Frequency	Percentage
2 to 5 lacs	18	4.6
5-8 lacs	174	45.19
8-15 lacs	143	37.14
Above 15 Lacs	50	12.9
Total	385	100

The above frequency table 4.3 shows frequency distribution for family income of respondents. Out of 385 respondents surveyed, about 174 (45.19%) had an annual income ranging between 5 to 8 lacs followed by 143 (37.14%) had an annual income in between 8 to 15 lacs followed by 50 respondents (12.9%) had an annual income above 15 lacs followed by 18 (4.6%) had an annual income of 2 to 5 lacs. Most respondents in the surveyed had an annual family income ranging between 5 to 8 lacs.

4. **How much are you buying premium brand products?**

Table 4: Frequency and percentage of respondents how often do they purchase luxury brand products?

Particulars	Frequency	Percentage
Every three months	57	14.8
Every six months	276	71.7
Once in a year	52	13.5
Total	385	100

The above frequency table 4.6 shows frequency distribution for frequency of luxury product purchase. Out of 385 respondents surveyed, 276 (71.7%) purchase luxury products in every six months followed by 57 respondents (14.8%) who buy luxury products in every three months followed by 52 (13.5%) buy luxury products rarely.

5. **Source of Information**

Table 5: Frequencies of Source of Information about luxury fashion products

Particulars	N	Percentage
Social media (Instagram, Facebook etc.)	197	51.2
Fashion Magazines	56	14.5
Friends	73	18.9
Online advertisements	59	15.4
Total	385	100

From the table 4.7 we conclude that out of the total 385 respondents, mostly people i.e. 197 (51.2%) influenced through watching social media ads followed by the respondents that got information through their friends were 73 (18.9). 59 people said that the source of information was online advertisements and 56 people responded the fashion magazines as the source of information.

6. Purchase Occasion

Table 6: Purchase Occasion

Particulars	Frequency	Percentage
Festive offer	106	27.5
Seasonal	79	20.5
At any point	152	39.48
Special offer	48	12.47
Total	385	100

In above table, out of the total 385 responses, 152(39.48%) accounted for at any point of time, 79(20.5%) accounted for Seasonal, 106 (27.5%) accounted for Festive Offers, and 48(12.47%) accounted for Special Offers. We concluded that Purchase Occasions for purchasing luxury products it can be seen that people purchase luxury products at any point of time is the top most reason and Special Offer is the bottom reason for purchasing luxury products.

Table 7 Analysis of Source of information, Purchase occasion and Buying Frequency of luxury products with reference to gender

		Gender		Total
		Female	Male	
Information	Social Media	90 (45.6%)	107(54.3%)	197
	Fashion Magazines	42(75%)	14(25%)	56
	Friends	38(52.05%)	35(47.9%)	73
	Online advertisement	17(28.8%)	42(71.1%)	59
Total		187	198	385
Occasion	Festive offer	78(73.5%)	28(26.4%)	106
	Seasonal	28(35.4%)	51(64.5%)	79
	Special	20(41.6%)	28(59.3%)	48
	At any point	61(40.1%)	91(59.8%)	152
Total		187	198	385
Buying Frequency	Every three months	32(56.14%)	25 (43.8%)	57
	Every six months	130(47.1%)	146(52.8%)	276
	Once in a year	25(48.07%)	27(51.9%)	52
Total		187	198	385

Source: calculated from SPSS 20

According to table 7, 71.1% of males and 28.8% of females receive information from online advertisements. 75% of females get information from Fashion magazines while only 25% of males get information from Fashion magazines. In contrast to this, around 52% of females receive information from friends, while 47.9 % of females receive information from friends. Majority of males got information through social media as compare to the females.

The comparison between purchasing occasion and gender reveals that 40.1% of females buy luxury goods at any point where 59.8% of males buy luxury goods at any time. Most of the females i.e. 73.5% of total purchase during the festivals while only 26.4 % of males make purchase on festivals according to the sample size. Similarly, majority of males purchase on special and seasonal offers.

Based on the result, the frequency of buying luxury goods indicates that 56.14% of females buy luxury goods after every three months and around 47 % of females buy about after every six months. Compare to the males, 43.8% of males buy luxury goods after every three months averagely while 52.8% of males make purchase after every six months. 48% of females and 52% of males buy on yearly basis.

Table 8 Analysis of Purchase occasion and Buying Frequency of luxury products with reference to income

	Income	Total

		2-5 lacs	5-8 lacs	8-15 lacs	Above 15 lacs	
Information	Social Media	8	115	59	15	197
	Fashion Magazines	2	20	32	2	56
	Friends	3	24	33	13	73
	Online advertisement	5	15	19	20	59
Total		**18**	**174**	**143**	**50**	**385**
Occasion	Festive offer	6	85	12	3	106
	Seasonal	7	15	38	19	79
	Special	3	7	15	23	48
	At any point	2	67	78	5	152
Total		**18**	**174**	**143**	**50**	**385**
Buying Frequency	Every three months	4	12	19	22	57
	Every six months	8	149	94	25	276
	Once in a year	6	13	30	3	52
Total		**18**	**174**	**143**	**50**	**385**

Source: calculated from SPSS 20

According to table 8, people from the income level 5-8 lacs gain information of luxury products through social media while 59 people from the income level 8-15 lacs got information of luxury products through social media. Majority of respondents having income 5-8 lacs buy frequently after every six months. People of income between 5-8 lacs buy mostly on festive offers while people having income between 8-15 lacs make purchases of luxury goods at any point of time.

Table 9 Analysis of Purchase occasion and Buying Frequency of luxury products with reference to Age

		AGE				Total
		18-25 years	25-32 years	32-39years	Above 39 years	
Information	Social Media	10	25	32	130	197
	Fashion Magazines	2	8	11	35	56
	Friends	8	19	33	13	73
	Online advertisement	6	14	19	20	59
Total		**26**	**66**	**95**	**198**	**385**
Occasion	Festive offer	8	38	12	48	106
	Seasonal	12	11	26	30	79
	Special	3	3	15	27	48
	At any point	3	14	42	93	152
Total		**26**	**66**	**95**	**198**	**385**
Buying Frequency	Every three months	4	12	19	22	57
	Every six months	8	149	94	25	276
	Once in a year	6	13	30	3	52

Total	26	66	95	198	385

Source: calculated from SPSS 20

According to table 9, majority of respondents aged above 39, purchased luxury products after getting the information through social media and at any point of time. People between the age 25-32 years, make purchase after every six months.

Factor analysis

To achieve second objective, factor analysis has been done.

To measure scale reliability and internal consistency, Cronbach's alpha is used. The minimum acceptance value for Cronbach's alpha is 0.70. Value for Cronbach's alpha is 0.765 that reflects the internal consistency of the data.

Factor Analysis: An exploratory factor analysis of 12 reasons for purchasing luxury products was performed on the data collected from 385 respondents from Delhi.

Table 10: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.659
Bartlett's Test of Sphericity	Approx. Chi-Square	644.59
	Df	68
	Sig.	.000

Source: Extracted by researcher from SPSS 20

Five-point Likert scale ranging from 1= strongly disagree to 5= strongly agree is used to analysed the statements. The study is analysed by the way of exploratory factor analysis using Principle component analysis with Varimax rotation. The KMO value for the study is 0.659 which is above the threshold value of KMO (0.60) which shows the sample adequate (Table 10). The three factors, which have been extracted from the analysis, have shown the Eigenvalue greater than 1(Table 11). The three factors named as Attitude, purchase behaviour, purchase intention.

Table 11: **Total Variance Explained**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.539	35.390	35.390	3.539	35.390	35.390	2.937	29.366	29.366
2	1.886	18.857	54.248	1.886	18.857	54.248	1.923	19.228	48.594
3	1.131	11.305	65.553	1.131	11.305	65.553	1.696	16.959	65.553
4	.956	9.562	75.115						
5	.711	7.115	82.229						
6	.542	5.420	87.649						
7	.444	4.436	92.086						
8	.368	3.682	93.768						
9	.252	2.516	94.284						
10	.323	1.619	95.468						
11	.172	1.630	98.692						
12	.169	1.716	100.000						

Extraction Method: Principal Component Analysis

Table 12 shows that communities are greater than 0.5 for each variable. Community values should be 0.5 or more noteworthy for a better estimation of factor analysis. The three factors have extracted from 12 statements which are shown below (Table. 2) as per the statements contains in particular factors.

Table 12: Communalities

	Initial	Extraction
Your attitude toward purchasing luxury goods is positive.	1.000	.764
Luxury goods are worthwhile	1.000	.791

Successful people buy luxury goods.	1.000	.763
I buy because people around me have luxury fashion goods	1.000	.766
I feel social pressure to buy luxury	1.000	.749
The people around me who I listen to could influence me buy luxury fashion goods	1.000	.709
Experience purchasing of luxury goods gives satisfaction.	1.000	.740
Luxury goods are a symbol of social status	1.000	.621
I buy luxury goods because I believe product quality is good	1.000	.607
I mostly buy luxury fashion goods for giving as gifts.	1.000	.762
I mostly buy luxury fashion goods for myself.	1.000	.779
I would buy luxury brands regardless of their price.	1.000	.703

Source: calculated from SPSS 20 software

Table 13: Factor loading, Cronbach's alpha, AVE and SCR

Component	Items	Factor loading	Cronbach's Alpha	Scale Composite Reliability	Average Variance Extracted
Attitude	Your attitude toward purchasing luxury goods is positive	.764	.723	.845	0.52574
	Luxury goods are worthwhile	.763			
	Successful people buy luxury goods.	.749			
	I buy because people around me have luxury fashion goods.	.766			
	I feel social pressure to buy luxury	.791			
Purchase intention	The people who I listen to could influence me buy luxury fashion goods	.709	.698	.829	0.52469
	Experience of purchasing of luxury goods gives satisfaction.	.740			
	Luxury goods are a symbol of social status.	.621			
	I will try to buy luxury fashion goods in future.	.607			
Purchase behaviour	I buy luxury goods because I believe product quality is good.	.762	.688	.822	0.52184
	I mostly buy luxury fashion goods for myself.	.779			
	I would buy luxury brands regardless of their price	.703			

Source: extracted from SPSS 20

In above table 13, there are three factors that have been extracted from the data analysis. The three factors that are extracted in the study by using factor analysis have been named as attitude, purchase intention and purchase behavior. Attitude cover 29.36% of the total variance. Purchase intention covers 19.22% of the total variance and the factor purchase behaviour covers 16.95% of the total variance.

There are five statements that fall under the first factor i.e. attitude towards buying the luxury products. The factor loadings for the item people feel social pressure to buy luxury products and they own them because people around them are having those products are more comparatively than other items. In the second factor, most prominent item towards the purchase intention of luxury goods is people feel satisfied or gratified to own a luxury product. In the last factor i.e. purchase behaviour, items like people mostly buy for themselves because they believe that quality is superior of luxury products. To check convergent validity, Average Variance Extracted (AVE) is used as a criterion. Average Variance Extracted (AVE) is greater than threshold value i.e. 0.05. Scale Composite Reliability (SCR) is established to be >0.7 in all cases, which are fulfilling the threshold limit shown in table (Simmering, 2016).

CONCLUSION

Based on the questionnaires distributed, the various findings are mentioned below:

Indian consumers are changing-disposable income is rising, consumption patterns are changing, and the level of brand consciousness is rising (Mukherjee, et al., 2012). To study the objectives of the project, a survey was conducted in which 392

respondents actively participated, 385 respondents included in the survey of purchase of luxury product and response of 7 people are incomplete in the survey. Out of those 385 respondents, consists 187 females and 198 were males.

In the project, while studying the variables in regards to gender, result indicates that most of males and females acquire information from social media. This can be found from the analysis that fashion magazines are in the bottom for buying Luxury Products. From the purchasing occasions of luxury goods, it can be found that people buy luxury products at any moment is the highest factor, and the special offer is the bottom for the purchase of luxury products. Based on the results, the frequency of buying luxury goods indicates that most of females and male buy luxury goods after every six months averagely.

Respondents were given 12 widely found explanations for purchasing luxury products and were asked to score each explanation based on the value they add to these explanations when buying luxury products statements have been given to the student to analyse the factors. From factor analysis, three factors have been extracted. The factors affect the buying luxury goods are categorized into attitude, purchasing behaviour, purchase intention. Attitude include perception regarding luxury goods and social value. Most students intend to purchase luxury goods in the future. Students have different buying behaviours to purchase luxury items, mostly people buy for themselves while some people also purchase luxury goods to give as gifts.

Recommendations

Understanding the reasons behind consumer purchasing decisions for luxury fashion products is seen as a problem for marketers.

Through this study, it is clear that the purchasing of expensive goods depends on the consumer's mindset and desire to purchase them. Marketers have been able to use this development to produce products. Consumers can benefit from products that provide greater consistency. Marketers should also design such promotions in such a way that consumers can accept these reasons for the purchase of luxury products, as can be seen in this study.

Another fascinating finding found in this study is that the bulk of students influenced by the online advertisements. Marketers will start recognizing which luxury goods have been more purchased by young customers, who would then be able to attract other buyers to buy such items.

Advertisers will also remember that media use has a significant impact on consumers, and they can offer more advertising and bring more pop-ups on social media on luxury goods for optimum productivity in enticing customers.

Limitations of the study

The study has few limitations and also paves the way for the future research. The present study is focused to Delhi. Though the findings may be standardized to the other metro cities of India. The future studies could be undertaken in the other developing countries with the intention to make cross- cultural assessment. The present study could be further researched at the global level to understand the perception of the luxury consumers across different counties and cultures.

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29. Appendix

QUESTIONNAIRE

A Study on Purchase Intentions of Consumers towards Selected Luxury Fashion Products with special reference to Delhi

1. Gender
☐ Male   ☐ Female
2. Age (in Years)
☐ 18-25   ☐ 25-32   ☐ 32-39   ☐ Above 39
3. Family annual Income (in lakhs)
☐ 2-5 Lacs   ☐ 5-8 lacs   ☐ 8-15 lacs   ☐ Above 15 lacs
4. Do you buy any luxury good?
☐ Yes   ☐ No
5. How much are you buying premium brand products?
☐ Every 3 months   ☐ Every 6 months   ☐ Once in a year
6.What is the source of information about luxury fashion products for you?
☐ Online Adds   ☐ Social Media   ☐ Fashion Magazine   ☐ Friends
7.When do you prefer the most to buy luxury fashion products?
☐ Festive Offers   ☐ Seasonal Offers   ☐ At any point of Time   ☐ Special Day Offers
8. Factors for purchasing luxury goods (You are expected to score any of the following statements on a scale ranging from 1 to 7 where 1 indicates strong agreement and 7 indicates strong disagreement and 4 indicates that you are neither in agreement nor in disagreement)?

    a) Your attitude toward purchasing luxury good is positive.
        ☐   ☐   ☐   ☐   ☐   ☐   ☐
    b) Luxury goods are worthwhile.
        ☐   ☐   ☐   ☐   ☐   ☐   ☐
    c) Successful people buy Luxury goods.
        ☐   ☐   ☐   ☐   ☐   ☐   ☐
    d) I buy because people around me have luxury fashion goods
        ☐   ☐   ☐   ☐   ☐   ☐   ☐
    e) I feel social pressure to buy luxury fashion goods.
        ☐   ☐   ☐   ☐   ☐   ☐   ☐
    f) The people around who I listen to could influence me buy luxury fashion goods.
        ☐   ☐   ☐   ☐   ☐   ☐   ☐
    g) Experience of purchasing of luxury goods gives satisfaction and gratification.
        ☐   ☐   ☐   ☐   ☐   ☐   ☐
    h) Luxury goods are a symbol of social status.

☐   ☐   ☐   ☐   ☐   ☐   ☐

i)   I buy luxury goods because I believe product quality is superior.

☐   ☐   ☐   ☐   ☐   ☐   ☐

j)   I mostly buy luxury fashion goods for giving as gifts.

☐   ☐   ☐   ☐   ☐   ☐   ☐

k)   I mostly buy luxury fashion goods for myself.

☐   ☐   ☐   ☐   ☐   ☐   ☐

l)   I would buy luxury brands regardless of the price.

☐   ☐   ☐   ☐   ☐   ☐   ☐