Research Article

An Explanatory study on Indian Young Consumers’ Luxury Consumption: The Underlying Relationship of Interpersonal Influence, Brand Image, Brand Consciousness and Demographic Components with Luxury Brand Purchase Decision

Samit Chakraborty†

†Department of International Fashion Retailing (BPI), School of Materials, The University of Manchester, Manchester, UK

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Abstract

This research project provides a deep comprehension of how interpersonal influence, brand image, brand consciousness and different demographic components are related to Indian young consumers’ luxury brand purchase decision. Young Indian consumers of different gender (male and female) and age groups (18-27 and 28-35) have been considered as samples for this study. Through this research it has been observed that which single factor among interpersonal influence, brand image, brand consciousness is given maximum priority by Indian young consumers while making their selecting a brand or making a luxury brand purchase decision. From the result it has been explored that interpersonal influence has been given maximum priority or considered mostly by respondents compared to brand image and brand consciousness. Different sub-factors of these items have been also found influential in consumers’ decision-making process. From the analysis it has been also deduced that interpersonal influence, brand consciousness, brand image and luxury consumption vary differently across gender and age. In most cases, no significant difference was found within gender and age groups based on interpersonal influence, brand consciousness, brand image and luxury consumption except in one circumstance where a significant difference was found between Indian young male and female consumers based on interpersonal influence.

Keywords: Luxury, Purchase decision, interpersonal influence, brand image, brand consciousness.

1. Introduction

Though luxury consumption has always been an attractive topic among marketing specialists, the retail market still lacks sufficient information about optimising the luxury market and analysing consumers’ attitude towards luxury consumption (Vigneron and Johnson, 2004; Wiedmann, Hennigs and Siebels, 2009). Additionally, today people of Western countries are not only the buyers of luxury products; people from the East have become also passionate in purchasing luxury fashion items (Roberts, 2010). The current luxury-spending boom over there, signifies the growth of luxury fever as well as luxury consumption among the consumers of different ages. But the consumption pattern may vary from one socio-economic group to other. It may also vary person to person according to their need and desire (Frank, 1999). In order to make the topic more specific it has been tried to study the variables-interpersonal influence, brand image, brand consciousness and demographics such as age and gender that contribute differently in Indian consumers’ luxury consumption. (Mukherjee et al., 2012; Shukla, 2011; Srinivasan, Srivastava and Bhanot, 2014A, 2014B). The exploration of underlying relation between Indian demographics and luxury consumption will be signified in this research paper. The target age group will consist of young consumers from 18 to 35. Though different luxury product categories are now traded in India and expected flourish tremendously in future, designer apparel and footwear, luxury accessories, jewellery, and watches are mostly consumed by Indian consumers (Euromonitor, 2015).

The purpose of this research is to analyze how interpersonal influence, brand image, brand consciousness are related to demographic components (age and gender) and luxury brand consumption. Basically retailers form their strategies based on consumers’ shopping behavior. There are few researches that have showed an extensive analysis on Indian consumers’ luxury brand buying behavior (Shukla, 2011). But most of the earlier researches relating to Indian consumers’ luxury brand purchasing behavior are mainly based either on investigating the influence of hedonic, materialism and uniqueness.
factors or the impact of demographic contents on consumers’ luxury consumption. In those studies the altogether analysis of interpersonal influence, brand consciousness, brand image and demographic components was not done. By studying this research they might consider reorganizing their formats of building brand identity, brand image and marketing strategies in India because this country has become a crucial luxury market for international luxury brands (Euromonitor, 2015). Therefore, the literature review as well as hypotheses will be established based on the following research questions:

RQ1: Which single factor among interpersonal influence, brand image and brand consciousness do Indian consumers most crucially consider while purchasing luxury brands?
RQ2: Do interpersonal influence, brand image, brand consciousness and luxury consumption vary significantly across gender and age groups or do they vary by a small extent?

2. Luxury and its consumption

2.1. Theoretical Concept of Luxury

The term luxury is originated from the Latin word “luxus” (overabundance, indulgence, opulence, debauchery). Several attempts have been made to define luxury and notify consumers’ attitude towards it (Schultz and Jain, 2015). Though different researchers have focused on defining the term (Catry, 2003; Tyrnan, McKechnie, and Chhuon 2010), most of the definitions seemed superficial, non-objective and developing (Kapferer, 1998), which might be due to the changing nature in personality, place and period. Jiang, Nagasawa and Watada, (2014, p. 1289) have presented a clear and comprehended definition of luxury mentioning luxury brands as connotation of following four aspects- “evoke exclusivity, have a well-known brand identity, enjoy high brand awareness and perceived quality, and retain sales levels, and customer loyalty”. Luxury brands are recognized as a symbol of individuality due to having different unique attributes (Bian and Forsythe, 2012). Similarly, we can define luxury brand as a brand that is the major medium based on which consumers make a relation with a luxury company. The affinity and aspiration for luxury products are generated and sustained in consumers’ mind by this association with the brand (Okonkwo, 2007). Luxury brands represent the image of high position in the society (Mukherjee et al., 2012). Researches available on luxury branded strategy of luxury branding have mainly pointed to the definition, luxury consumption and purchase intention (Miller and Mills 2012). Those researches showed that in Countries like China and India are people of different age, gender and socio-economic groups are consuming a bulk amount of luxury products (Kumar, Lee and Kim, 2007). For instance, luxury is now not confined within Indian rich people, middle class people also consume luxury due to an increase their disposable income (Batra et al., 2000). This research will present an extensive study on Indian young consumers’ luxury consumption and emphasize few of the factors that they consider while purchasing from luxury brands.

2.2. Luxury Brand Purchase Decision

Generally consumers’ buying decision is related to need or problem recognition, information search, selection of alternatives, purchase action and post purchase activities. Consumers’ brand choice or selection depends on the information that they gather from their past experience, commercial sources or from friends and family. Society, culture and psychographics element also influence their purchase decision. Apart of price, features, quality, availability consumers’ product and brand selection largely depends on advertising, brand image, brand consciousness, word-of-mouth publicity, previous experience (Kotler and Armstrong, 2012; Jobber, 2010; Heinemann, 2008). The influence of these factors is also related to different types of motivations that encourage consumers to buy luxury products. The motivations may arise from the intention of fulfilling any social conformity, enriching someone’s own personality, becoming more accessible and attractive to surrounding groups (Sun, 2011). The symbolizing content of luxury products, or their ability to meet customers’ demand might be the reasons that motivate consumers to buy luxury products (Dubois and Duquesne 1993; Wells and Prensky, 1996).

2.3. Luxury Market in India

It has been anticipated that by 2025 global consumers will be more inclined on luxury products that the present time. The growing markets of Asia will lead the luxury market (Bain, 2014). As per Deloitte’s (2014) report India has been the world’s largest luxury market in 2012. The luxury retail market went up to $ 5.75 billion in 2012 and is forecasted to grow three times by 2015 compared to its current volume (Atkearney, 2011). The luxury market is expected to grow more than 25% more and estimated to touch $15 billion in 2015 (Kaushik, 2014). Though luxury products are sold in India both in store and e-store, the largest part is sold in luxury stores and malls and consumers purchase a little proportion through online (Euromonitor, 2015). Ramchandani and Coste-Maniere (2012) found in their research that Indian consumers had mostly bought fashion products (~21%), watches (~18%) and jewellery (~17%) in comparison with other luxury product categories, which has been demonstrated in the following figure 3. Several changes in the demographics of Indian people have extended consumers’ ability to purchase luxury brand. The impacts of globalization and increasing number of employments have influenced India’s young generations’ luxury brand consumption (Gupta, 2011, 2012). Materialism also affects their buying behavior.
(Gupta, 2011, 2012). Therefore, different scholars have categorized Indian luxury from their own point of views.

![Fig. 1: Consumption percentages (%) of luxury goods by Indian consumers (Ramchandani, and Coste-Maniere, 2012)](image)

Mckinsey (2007) reported that, seekers, strivers and global Indian were the major consumers of luxury products. Their consume luxury products consumption vary based on their annual disposable income. A brief overview of these types of Indian consumers has been presented below-

<table>
<thead>
<tr>
<th>Consumer Type</th>
<th>Average Monthly Income</th>
<th>Belonging Social Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seekers</td>
<td>25,000-60,000 rupee</td>
<td>Middle Class</td>
</tr>
<tr>
<td>Strivers</td>
<td>60,000-100,000 rupee</td>
<td>Upper Middle Class</td>
</tr>
<tr>
<td>Global Indian</td>
<td>&gt;100,000 rupee</td>
<td>Rich</td>
</tr>
</tbody>
</table>

From the table it is seen that rich global Indian earn comparatively much more than middle class seekers, whereas the comparison between seekers and strivers shows a moderate difference.

3. Literature Review

3.1. Theoretical Concept of Interpersonal Influence

Interpersonal influence or social influence may be referred to group force to adapt something (Bearden, Netemeyer, and Teel, 1989; Burnkrant and Cousineau, 1975; Galdini 2001) as well as it possesses influence on brand choice (Stafford, 1966). Bearden, Netemeyer, and Teel (1989, p. 474) defined consumers’ receptiveness to interpersonal influence “as the need to identify or enhance one’s image with significant others through the acquisition and use of products and brands, the willingness to conform to the expectations of others regarding purchase decisions, and/or the tendency to learn about products and services by observing others and/or seeking information from others”. Interpersonal influence can be discussed under two further aspects- a) normative interpersonal influence and b) informational interpersonal influence (Bearden, Netemeyer, and Teel, 1989).

Different researches have established a relationship between normative and consumer’s consumption (Clark and Goldsmith, 2006). Normative influence may be defined as the inclination to match other’s expectations (Burnkrant and Cousineau 1975). Value expressive and utilitarian influences are two further subdivisions of normative influence that has been studied in different researches as of consumer behavior (Bearden and Etzel 1982; Park and Lessig 1977).

Informational influence includes the tendency of people to make choices based on the information derived from other to reduce any uncertainty which may be obtained directly from other or by observing the behavior of other people (Clark and Goldsmith, 2006; Park and Lessig 1977). Consumers can make correct choice of product purchase based on informational interpersonal influence (Cialdini and Goldstein, 2004; Hoffmann and Broekhuizen, 2009).

In earlier ages the people of developed markets like USA, UK and Japan predominantly consumed luxury products. But his scenario has dramatically shifted to emergent markets like BRIC (Brazil, Russia, India and China) (Shukla, 2010). The early history of India reveals that luxury products were always consumed by the upper class people of this country (Voight, 2007). The emerging economy of India has now extended consumer groups in the luxury fashion sector, which now also includes people from middle class. Several international luxury retailers are finding potentiality in Asian market (Eng and Bogaert, 2010).

3.1.1. Interpersonal Influence and Luxury Brand Purchase Decision

In earlier ages the people of developed markets like USA, UK and Japan predominantly consumed luxury products. But his scenario has dramatically shifted to emergent markets like BRIC (Brazil, Russia, India and China) (Shukla, 2010). The early history of India reveals that luxury products were always consumed by the upper class people of this country (Voight, 2007). The emerging economy of India has now extended consumer groups in the luxury fashion sector, which now also includes people from middle class. Several international luxury retailers are finding potentiality in Asian market (Eng and Bogaert, 2010).

3.2. Theoretical Concept of Brand Image

According to Keller’s (1993) definition, brand image is referred to as “perceptions about a brand as reflected by the brand association held in consumer memory”. Keller (2003) also mentioned that brand image represents the quality and beneficial aspects of the brand perceived by consumers and demonstrates the comprehension of consumers’ expectation from
retailer (Park, Jaworski, and MacInnis, 1996). Actually brand image carry consumers’ attitude and expressions towards the brand (Roy and Banerjee, 2007). Brand image plays an important role in influencing consumer’s purchase intention for luxury products (Chevalier and Mazzalovo, 2008; Kapferer and Bastien, 2009; Okonkwo, 2007, Shukla, 2011) because consumers assume the attribute of luxury products based on retailer’s brand image (Phau and Prendergast 2000). Advertising of brands through physical and online media, celebrity endorsement enabled luxury brand retailers to develop their brand image in India (Atwal and Jain, 2012). Successful brand image includes an interactive relation between brand and consumers, which influence consumers’ purchase consumption (Jara and Cliquet, 2012).

3.2.1. Brand Image and Luxury Brand Purchase Decision

Erdem, Swait, and Valenzuela(2006) also observed that people from collectivist market and developing countries prefer to brand image during making their purchase decisions. It has also been studied in Yoo and Donthu (2001) and Shukla’s (2010) researches that, customers from collectivist regions are like to purchase the products of those brands which are highly accepted in the society. Since India holds a collectivist market, its consumers are show significant susceptibility to brand image during purchasing luxury products (Shukla, 2011). Thus, strong brand image of international retailers have established themselves as more trustworthy than local brands in India(Kinra, 2006).

3.3. Theoretical Concept of Brand Consciousness

Brand consciousness and consumer behavior have been studied by differnt researchers of the world (Mukherjee et al, 2012). Brand consciousness can be defined as the tendency of a consumer to easily recognize or recall a particular brand that is existing firmly in his/her mind (Aaker, 1996). Consumers’ purchase decision is heavily influenced by brand consciousness and it is closely related to market outcome as well (Huang and Sarigöllü, 2012). Consumers prefer to buy products from a familiar brand rather than from an unfamiliar brand (Hoyer and Brown, 1990) because consumers’ purchase consumption, brand selection and product choice are driven by brand consciousness (Keller, 2003). Brand conscious can enable consumer to differentiate products of a particular brand under several conditions (Keller, 1993). Perceived quality of luxury products is also affected by brand consciousness of consumers. On the other hand luxury brand consciousness is influenced by fashion equity, cultural aspects and technological development(Jung Jung et al, 2014). Consumers’decision to purchase premium brands is related with their brand consciousness (Anselmsson, Bondesson and Johansson, 2014). Consumers build awareness about a brand based on the products that the brand supplies to them (Keller, 2001). Srinivasan, Srivastava and Bhanoth (2014A, 2014B) discussed in their studied different demographics had responded to luxury brand purchase based on different factors that also included the impact of brand awareness on luxury consumption. For instance Taiwanese well literate young women luxury consumption is influenced by price, brand awareness, brand origin and brand image.

3.3.1. Brand Consciousness and Luxury Brand Purchase Decision

Brand behaviour of Indian consumers have been little analysed in earlier researches. In a ranking of world’s topmost brand aware countries India held the third position (Mukherjee et al, 2012). The purchase consumption of Indian young generation is influenced by superior product quality, stylish design and brand awareness. Many of them love to go for shopping in those luxury retailing shops that might provide them a wide range of fashion items(Tanksale, Neelam and Venkatachalam, 2014).Rajput, Kesharwani and Khanna (2012) found that both male and female shoppers have more or less similar towards luxury brand consciousness.

3.4. Demographics and Luxury Brand Purchase Decision

According to the recent market trend today's consumers like to choose assorted options in making their purchase decisions (Lee and Hwang, 2011). Hence, it will be wise and beneficial to study the demographic components to analyze consumers' demand and pattern of consumption so that luxury fashion retailers can develop various kinds of market planning for various sections of consumers (Blackwell, Mniard and Engel,2006). Demographic elements such as gender and age will be discussed in this research to show their impact on Indian young generations’ luxury brand consumption.

3.4.1. Gender and Luxury Brand Purchase Decision

Gender is one of the crucial characteristics that can affect consumers’ attitude. Both male and female have disparity in their outlook towards luxury fashion brands (Lee and Hwang, 2011) because they usually process information in various ways (Dube and Morgan, 1996; Maheswaran and Meyers-Levy, 1990). Besides, both of these genders assess products and service from different perspectives. (Mattila, 1999) spotted that men distinguished luxury brands by their names while women showed contradictory attitude. Gardyn (2002) also found that men were comparatively more desirous to have a lavish way of life than women. One of the interesting facts postulated by (Beaudoin, Lachance and Robitaille, 2003) was that women consumers and invention in luxury fashion are closely related and it is firmer than the relation between innovativeness and male consumer. According to a consumer study, in India male consumers consumes more luxury products than
female consumers because to conform their social status and luxurious lifestyle. But when it is about accessories of luxury brand, female consumers cover the widest range of this section, whereas men like to purchase apparel clothing (Dewan, 2010). Moreover, a group of women purchasers like to shop luxury products to get a feel of joy and mental satisfaction. Rajput, Kesharwani and Khanna (2012) developed some key analysis on Indian male and female consumers’ luxury fashion products consumption. According to their analysis Indian male and female consumers are equally interested in shopping but men expend more than female while purchasing from luxury fashion brands. They did not find any significant effect of gender on Indian consumers’ luxury brand purchase decision. Similarly several scholars argued that gender did not possess any significant impact on luxury consumption (Srinivasan, Srivastava and Bhanot, 2014A). So our assumption is that there is no significant difference between Indian young male and female based on interpersonal influence, brand image, brand consciousness and luxury consumption.

3.4.2. Age and Luxury Brand Purchase Decision

Here we will discuss about the influence of age on luxury brand consumption. The age group that has been selected to analyze in this research belongs to 18-35. Young generation’s buying behavior has always got more attention in researches compared to aged people’s buying behavior, because according to retailers, young people has always represented the largest proportion of consumers (Twenge, 2014). Different researchers have found strong relation between young aged consumer group and luxury consumption. Young consumers showed a strong inclination to be influenced by materialism, interpersonal influence, social status and self-image compared to elder people of India.

This research paper has mainly focused on the people of aged from 18-35 years old consumers. Fashion retailing has been experienced as up warding growth since last few decades and according to a recent report the size of the youth fashion market was 486 billion rupee and among these population, young consumers aged from 18-27 from top most cities have spent more than 208 billion rupee. On the other hand some researches showed that consumers aged between 28 and 35 have comparatively high level of earning than the counterpart groups. Earlier researches only showed that consumers’ luxury consumption depends on age group, but no one of them demonstrated which particular age range (18-27 or 28 to 35) that contributed mostly in luxury consumption.

3.5. Hypothesis Development

On the basis of the above study the following hypotheses can be developed to answer the research questions-

- Hypothesis 1A: There is no significant difference between Indian young male and female consumers based on their luxury consumption.
- Hypothesis 1B: There is no significant difference between Indian young male and female consumers in terms of interpersonal influence.
- Hypothesis 1C: There is no significant difference between Indian young male and female consumers in terms of brand image.
- Hypothesis 1D: There is no significant difference between Indian young male and female consumers in terms of brand consciousness.

Hypothesis 2A: There is no significant difference between Indian young consumers of different age groups (18-27 and 28-35) based on their luxury consumption.

Hypothesis 2B: There is no significant difference between Indian young consumers of different age groups (18-27 and 28-35) in terms of interpersonal influence.

Hypothesis 2C: There is no significant difference between Indian young consumers of different age groups (18-27 and 28-35) in terms of brand image.

Hypothesis 2D: There is no significant difference between Indian young consumers of different age groups (18-27 and 28-35) in terms of brand consciousness.

The authors can write the conclusion as a whole in a paragraph or by making points. An example is given as under.

**Fig. 2** Conceptual model (1) on the relation of luxury brand purchase decision with interpersonal influence, brand image and brand consciousness (Shukla, 2011, p. 244)
4. Methodology

Quantitative research is basically constructed from primary data. Primary data are collected to test the hypotheses, which will also be used in this research. Because of having these implications, researcher decided to employ quantitative research approach for this research. Survey methods will be adopted as research methods with a view to collect the data that support the literature review and hypotheses because it was considered as the most suitable method to collect data from a large size of sample, which was a requirement to carry out this research. A structured questionnaire will be developed to test the hypotheses for analyzing the relationship of interpersonal influence, brand image, brand consciousness and luxury consumption with demographic components. The accuracy of the questionnaires and effectiveness of the questions can be further evaluated by making a pilot survey. For the final questionnaire snowball sampling was again employed, because through this method it was tried to collect the information from the people who usually buy luxury products. The survey was also uploaded in social networking sites to get maximum responses, but since it was only for Indian young consumers, people who represent that nationality were requested via mail and message to respond. This exploratory technique enabled researcher to ask the known participants to distribute the survey link among their surrounding luxury consumers (Babbie, 2011). SPSS 22 (Statistical Package for Social Science) software was used to analyse the initially collected data. Descriptive statistics, validity test, reliability test, factor analysis, t-test and ANOVA (analysis of variance) methods will be applied to analyse the result. The pilot study was also undertaken to ensure the reliability in final survey. In order to be sure about the reliability of the questionnaire determining the Cronbach’s alpha will also assess the internal consistency or correlation among the scaling tools. The co-efficient value of Cronbach’s alpha is expected to exceed 0.70 (Sun, 2011). Hair (2006) suggested that the sample size required for factor analysis should be 5 times the variables. The result has been analysed based on a sample number of 110 and 16 rating scale variables (relevant to interpersonal influence, brand image and brand consciousness). So, the paper has got 6.875 responses per item, which is enough to prevent any computational complexities. Exploratory factor analysis will be applied in this research project to find out which specific variable or factor and sub-factors mostly contribute in Indian young consumers’ luxury brand purchase decision (Pallant, 2010). From the t-test the means of two independent variables are analysed to find out any similarity or difference among those two variables. The standard value of significance level (p) has been set at 0.05. For instance, luxury consumption of different gender and age groups will be tested by t-test. The variability of interpersonal influence, brand image and brand consciousness will also be tested against age and gender based on t-test (Pallant, 2010).

5. Data analysis and Results

From table-1 it can be seen that among 110 respondents 53.6% were male and 46.4% female. 72.7% of them were between 18-27 years whereas 27.3% were from 28 to 35. The professional status shows that more than half of the respondents (50.9%) are studying and 40.9% and 8.2% are employed and unemployed respectively. Among the respondents Bachelor’s degree holder are maximum (47.3%) and 42.8% have done higher studies. Out of 110 respondents 65.5% live in Tier 1 i.e., metropolitan cities and rest of them (34.5%) live in Tier 2 and Tier 3 cities. The luxury consumption indicator shows that 44.5% of the Indian young consumers spend below 10K rupee on an average per month for purchasing luxury fashion products, 39.1% spend 10 K to 30K rupee, 12.7% spend between 30K to 100K rupee and only 3.6% spend more than 100k rupee.
Table 2 Frequency analysis of different demographic components both in numbers and percentages

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>59</td>
<td>53.6</td>
</tr>
<tr>
<td>Female</td>
<td>51</td>
<td>46.4</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18-27</td>
<td>80</td>
<td>72.7</td>
</tr>
<tr>
<td>28-35</td>
<td>30</td>
<td>27.3</td>
</tr>
<tr>
<td>Professional status</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Studying</td>
<td>56</td>
<td>50.9</td>
</tr>
<tr>
<td>Unemployed</td>
<td>9</td>
<td>8.2</td>
</tr>
<tr>
<td>Employed</td>
<td>45</td>
<td>40.9</td>
</tr>
<tr>
<td>Educational qualification</td>
<td></td>
<td></td>
</tr>
<tr>
<td>School Passed</td>
<td>8</td>
<td>7.3</td>
</tr>
<tr>
<td>Bachelor's Degree</td>
<td>52</td>
<td>47.3</td>
</tr>
<tr>
<td>Master's Degree</td>
<td>40</td>
<td>36.4</td>
</tr>
<tr>
<td>PhD</td>
<td>7</td>
<td>6.4</td>
</tr>
<tr>
<td>Others</td>
<td>3</td>
<td>2.7</td>
</tr>
<tr>
<td>City</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tier 1</td>
<td>72</td>
<td>65.5</td>
</tr>
<tr>
<td>Tier 2</td>
<td>30</td>
<td>27.3</td>
</tr>
<tr>
<td>Tier 3</td>
<td>8</td>
<td>7.2</td>
</tr>
<tr>
<td>Spending for luxury products on an average per month</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under 10K rupee</td>
<td>49</td>
<td>44.5</td>
</tr>
<tr>
<td>10K-30K rupee</td>
<td>43</td>
<td>39.1</td>
</tr>
<tr>
<td>30K-60K rupee</td>
<td>9</td>
<td>8.2</td>
</tr>
<tr>
<td>60K-100K rupee</td>
<td>5</td>
<td>4.5</td>
</tr>
<tr>
<td>Above 100K rupee</td>
<td>4</td>
<td>3.6</td>
</tr>
</tbody>
</table>

5.1 Reliability Test

Pallant (2010) suggested that the 0.7 would be considered as the ideal alpha value while expressing the reliability of scale items. From table-11, it can be observed that the Cronbach's alpha coefficient for interpersonal influence, brand image and brand consciousness are .65, .60 and .75 respectively.

Table 3 Reliability Statistics of Scale Items

<table>
<thead>
<tr>
<th>Factor</th>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interpersonal Influence</td>
<td>.653</td>
<td>6</td>
</tr>
<tr>
<td>Brand Image</td>
<td>.600</td>
<td>5</td>
</tr>
<tr>
<td>Brand Consciousness</td>
<td>.752</td>
<td>5</td>
</tr>
</tbody>
</table>

So, it can be said that reliability level of brand consciousness the value should be considered as preferable since it has value more than 0.7, whereas for interpersonal influence and brand image the values can be regarded as acceptable since their Cronbach’s alpha were above 0.6 (Huang, 2014; Pallant, 2011).

5.2 Validity Test

Discriminant validity facilitates a procedure to explore the ability of scale items to measure the focused variables. Therefore exploratory factor analysis was applied to investigate the Discriminant validity of the scales (Pallant, 2010), which has been presented below in a detailed way.

Table 4 KMO and Bartlett’s Test

| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | .755 |
| Bartlett's Test of Sphericity |     |
| Approx. Chi-Square | 624.698 |
| Df | 120 |
| Sig. | .000 |

From table 3 it can be seen that KMO value is .755 (minimum requirement 0.6) which is high enough and the Bartlett’s Test of Sphericity is significant, p=.000 (<0.05). So it can be inferred that the questionnaire is passed for factor analysis (Pallant, 2010).

5.3 Factor Analysis

Promax pattern matrix table-4 presented each items with a factor loading where any item with a factor loading less than 0.5 would be ignored. Therefore the factor with a factor loading of .492 (<.05) was deleted. The pattern matrix table- shows the items with higher loading are strongly interrelated. Besides, it also say that scale items with factor loading more 0.7 such as checking with friends about their brand selection, surrounding people's opinions, brands ability to impression on others, information gathering, intention to create unique self-image, store environment, customer service, and after sales support, intention to buy costly luxury brands, better product quality are considered as crucial points by Indian young consumers during purchasing from a luxury brand.

From the pattern matrix table mean loading for each variable was determined where the average loading for interpersonal influence, brand image and brand consciousness was found respectively .704, .686 and .678. Then by squaring each mean loading, their variance extracted was calculated which were .50, .47 and .45 respectively. Then average variance extracted (AVE) among these three factors were found as AVE between 1st and 2nd factors 0.49, between 2nd and 3rd factors 0.46 and 1st and 3rd factors 0.48. Then these average variance extracted were compared with the correlations between the factors (Pallant, 2010) as shown in the following component correlation matrix table 6.
Table 6 Component Correlation Matrix

<table>
<thead>
<tr>
<th>Component</th>
<th>Interpersonal influence</th>
<th>Brand image</th>
<th>Brand consciousness</th>
</tr>
</thead>
<tbody>
<tr>
<td>I would like to know what brands and products make good impressions on others’ (Clark and Goldsmith, 2006, p. 281).</td>
<td>.731</td>
<td></td>
<td></td>
</tr>
<tr>
<td>While purchasing luxury items and brands, I usually check with my friends that what items and brands they are purchasing</td>
<td>.770</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I look for others’ opinions while choosing any substitute from an available product category</td>
<td>.757</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Before purchasing an item from a particular luxury brand I collect information about the product.</td>
<td>.725</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product and brand reviews in fashion magazine, blogs and social media influence my luxury consumption</td>
<td>.652</td>
<td></td>
<td></td>
</tr>
<tr>
<td>“I achieve a sense of belonging by purchasing the same products and brands that others purchase” (Clark and Goldsmith, 2006, p. 281).</td>
<td>.590</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I intend to purchase from those luxury brands that create a unique image of mine before my friends</td>
<td>.795</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I avoid shopping from those brands which do not have any exclusive and renowned image</td>
<td>.693</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Store environment, customer service and after sales support influence my purchase decision</td>
<td>.747</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I love buying from those brands that endorse popular celebrities for advertising their products</td>
<td>.521</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I make my purchase decision based on earlier shopping experience</td>
<td>.676</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I usually shop from the brands that are familiar to most of the people</td>
<td>.544</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Generally I love to buy from costly brands</td>
<td>.769</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I love to buy from those luxury stores that are well known for its brand origin</td>
<td>.696</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I think expensive brands offer best quality products</td>
<td>.703</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 6 Component Correlation Matrix

<table>
<thead>
<tr>
<th>Component</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1.000</td>
<td>.202</td>
<td>.077</td>
</tr>
<tr>
<td>2</td>
<td>.202</td>
<td>1.000</td>
<td>.230</td>
</tr>
<tr>
<td>3</td>
<td>.077</td>
<td>.230</td>
<td>1.000</td>
</tr>
</tbody>
</table>

Difference in average variance extracted between 1st and 2nd factor = 0.5> their correlation square = .04, thus discriminant validity was established.

Similarly difference in average variance extracted 2nd factor and 3rd factor =0.47> their correlation square = .05, thus discriminant validity was established.

And difference in average variance extracted between 1st and 3rd factor = 0.48> their correlation square = .005, thus discriminant validity was explained.

The average factor loading also revealed that interpersonal influence contributed mostly in Indian young consumers’ luxury brand purchase decision; followed by brand image and brand consciousness respectively (Pallant, 2010). So it can be inferred that, interpersonal influence acts as more influential factor in Indian young consumers’ luxury brand purchase decision compared to brand image and brand consciousness.

5.4 T-test

Hypotheses 1A to 1D and 2A to 2D that were based on the individual relationship of gender and age with luxury consumption or spending, interpersonal influence, brand image and brand consciousness were tested by t-test. It has been suggested that if the p value (sig. 2-tailed) is found more than 0.05, then there would not be any significant difference between two variable groups (Pallant, 2010). The following hypotheses will be tested based on t-test.

Hypothesis 1A. There is no significant difference between Indian young male and female consumers based on their luxury consumption.

From tables-6th and 7th equal variance assumed (sig. =.568>.05) it can be inferred that, there is no significant difference between male (M= 1.92, SD= 1.09) and female (M=1.75, SD= .913); t=-1.042, p=.074 (>0.05) based on their luxury consumption. It means that Indian young male consumers’ consume or spend more on luxury brands than female consumers, but the difference in consumption is not significant (male =1.92> female=1.75) (Pallant, 2010). Hence the hypothesis is accepted.

Table 7 Group statistics for comparing luxury consumption between male and female

<table>
<thead>
<tr>
<th>Gender</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>59</td>
<td>1.92</td>
<td>1.087</td>
</tr>
<tr>
<td>Female</td>
<td>51</td>
<td>1.75</td>
<td>.913</td>
</tr>
</tbody>
</table>

How much do you spend on an average per month for shopping luxury products?
Hypothesis 1B. There is no significant difference between Indian young male and female consumers in terms of interpersonal influence.

From the independent sample t-test presented in Table 8 with equal variances assumed (sig. = 0.075 > 0.05) it can be inferred that, there is a significant difference between male (M=3.31, SD=.64) and female (M=3.24, SD=.79); t = -2.42, p = .017 (>0.05) in terms of interpersonal influence. Hence the hypothesis is rejected because the result indicates that consideration of interpersonal influence generating items (looking for a brand that can create impression on others, friends and family, others’ opinion, brand reviews, intending to achieve a sense of belonging like others) contribute significantly in Indian young female consumers’ purchase decision compared to male consumers (female > male = 3.21) (Pallant, 2010).

Hypothesis 1C. There is no significant difference between Indian young male and female consumers in terms of brand image.

As per earlier t independent sample t-tests, with equal variances assumed (sig. = 0.385 > 0.05) it can be inferred that, there is no significant difference between male (M=3.55, SD=.58) and female (M=3.43, SD=.66); t = .985, p = .327 (>0.05) in terms of brand image. It indicates that brand image constructing factors (ability of brand to create unique image of consumer, exclusive image of brand, store environment, and customer service, celebrity endorsement) are given more priority by Indian young male consumers than that of female consumers (male > female = 3.43) while purchasing from a luxury significant, but the mean difference between them is not significant. Thus the hypothesis is accepted.

Hypothesis 1D. There is no significant difference between Indian young male and female consumers in terms of brand consciousness.

As per earlier t independent sample t-tests, with equal variances assumed (sig. = 0.081 > 0.05) it can be inferred that, there is no significant difference between male (M=3.24, SD=.64) and female (M=3.31, SD=.80); t = -.562, p = .575 (>0.05) in terms of brand consciousness. It indicates that Indian young female consumers act as more brand conscious than male consumers, when they make their luxury brand purchase decision (female > male = 3.24), but the deviation is not significant. Hence the hypothesis is accepted.

Hypothesis 2A. There is no significant difference between Indian young consumers of different age groups based on their luxury consumption.

As per earlier t independent sample t-tests with equal variances assumed (sig. = 0.074 > 0.05) it can be inferred that, there is no significant difference between consumers of different age groups- 18-27 (M=1.78, SD=.87) and 28-35 (M=2.00, SD=.131); t = -1.042, p = .3 (>0.05) based on their luxury consumption. It indicates that, the extent of luxury consumption is little more in 28-35 aged Indian young consumers than in 18-27 age groups (28-35 = 2 > 18-27 = 1.78), but the difference is not significant (Pallant, 2010). Thus the hypothesis can be accepted.

Hypothesis 2B There is no significant difference between Indian young consumers of different age groups in terms of interpersonal influence.

As per earlier t independent sample t-test with equal variances assumed (sig. = 0.575 > 0.05) it can be inferred that, there is no significant difference between consumers of age groups- 18-27 (M=3.35, SD=.602) and 28-35 (M=3.28, SD=.600); t = .582, p = .562 (>0.05) in terms of interpersonal influence. Thus the hypothesis can be accepted since the result indicates that 18-27 aged Indian young consumers give more priority to interpersonal influence items (looking for a brand that can create impression on others, friends and family, others’ opinion, brand reviews, intending to achieve a sense of belonging like others) while making luxury brand purchase decision compared to 28-35 aged young consumer groups (18-27 = 3.35 > 28-35 = 3.28) but this difference is not significant.

Hypothesis 2C There is no significant difference between Indian young consumers of different age groups in terms of brand image.

As per earlier t independent sample t-tests with equal variances assumed (sig. = 0.549 > 0.05) it can be inferred that, there is no significant difference in terms of brand image between consumers of age groups- 18-27 (M=3.53, SD=.63) and 28-35 (M=3.44, SD=.59); t = .639, p = .524 (>0.05). It indicates that though 18-27 aged consumers emphasize brand image constructing factors (ability of brand to create unique image of consumer, exclusive image of brand, store environment, and customer service, celebrity endorsement) more than 28-35 age groups (18-27 = 3.53 > 28-35 = 3.44) during purchasing from a luxury brand, the difference in their brand images is not significant. Therefore the hypothesis can be accepted.

Hypothesis 2D. There is no significant difference between Indian young consumers of different age groups in terms of brand consciousness.
As per earlier t independent sample t-tests with equal variances assumed (sig. = .831 > 0.05) it can be inferred that, there is no significant difference between consumers aged from 18-27 (M=3.32, SD=.71) and 28-35 (M=3.16, SD=.73); t= 1.047, p=.30 (>0.05) in terms of their brand consciousness. It indicates that 18-27 aged young Indian consumers act as more brand conscious luxury buyers compared to consumers of 28-35 age groups (18-27= 3.32>28-35 = 3.16) while selecting a luxury brand or making a purchase decision, but the deviation is not significant. Therefore the hypothesis can be accepted.

Discussion and Conclusion

The research has discovered that interpersonal influence and its constructing factors have significant influence on Indian young consumers’ luxury fashion. Factors like brands ability to create impression on others, checking with friends about their brand selection, surrounding people's opinions, information gathering, intention to create unique self-image, store environment, customer service, and after sales support, intention to buy costly luxury brands, better product quality are considered crucially by majority of Indian young consumers while selecting or purchasing from a luxury brand which are always considered as critical factors selection of brands, purchase decision and post purchase action (Jobber, 2010). This research has explored different scale items or sub factors that influence Indian young consumers’ luxury consumption. The extent of this influence has been demonstrated by explanatory factor analysis. The research has discovered that interpersonal influence and its constructing factors have significant influence on Indian young consumers’ luxury fashion. checking with friends about their brand selection, surrounding people's opinions, brands ability to create impression on others, information gathering, intention to create unique self-image, store environment, customer service, and after sales support, intention to buy costly luxury brands, better product quality are considered mostly by Indian young consumers while purchasing from a luxury brand influence their luxury brand choice. These factors are always considered as crucial factor involved in consumers’ purchasing behavior-information search, selection of alternative brands, purchase decision and post purchase action (Jobber, 2010). The research has also discovered some interesting associations of gender, age, income with interpersonal influence, brand image and brand consciousness. Earlier researchers who worked on luxury consumption did not take such initiative. This analysis might be considered as important issue for selection and analysis of market segment and target market. According to the findings although male consumers spend more on luxury products than female consumers, the difference is not significant. Additionally where many researches have shown that female consumers usually spend more than male consumers, this research found male consumers as more potential buyer of luxury goods than female. Besides, interpersonal influence rather than male consumers significantly influences female consumers' luxury brand purchase. On the other hand male and female consumers did not show any significant difference in considering brand image while purchasing from or selecting a luxury brand but it is worth mentioning that according to the finding male consumers consider brand image more seriously than female consumers. Female consumers were found more brand conscious than male consumers; although the extent of this difference was negligible. Two age groups (18-27 and 28-35) were also compared against monthly spending, interpersonal influence, brand image and brand consciousness. It was found that 28-35 age group young Indian people spend more on luxury fashion items than 18-27 aged consumers. On the other hand while purchasing luxury products 18-27 age group consumers consider interpersonal influence and brand image more strongly than the second group

Managerial Application

Indian fashion market has now become one of the attractive and profitable zones for luxury fashion retailers (Atkearney, 2014). But the domestic enriched market and various retailing policy has made it competitive to grow there organically very quickly (Alexander and Doherty, 2009). This research’s findings will provide recommendations to luxury brand retailers regarding how and which influential norms of interpersonal influence, brand image and brand consciousness Indian young consumers of different gender, age and income levels consider while purchasing from a luxury brand. Male consumers or 18-27 aged people might be more profitable target markets for luxury fashion retailers because they spend more on an average per month on luxury fashion items than their counterpart groups; although the difference is not vast among them. Therefore, retailers might have the opportunity to target a large market in India based on their demographics. Since contribution of interpersonal influence was in top in Indian consumers buying decision-making list retailers should concentrate on advertising, promotional tools and availability of information in feedback loop will assist consumers to purchase from a particular brand. Retailers will also need to be aware of the perception of its consumers about the brand. They will have to ensure customer engaging store atmosphere, previous shopping experience, improved customer service as well as after sales support, because these factors are regarded influential factors in Indian consumers’ luxury brand purchase decision. Since contribution of interpersonal influence was in top in Indian consumers buying decision making list retailers should advertise their customers’ reviews on their retailing sites. In social networking system they may ask their existing and loyal customers to recommend about the brand to their friends. Retailers can offer different promotional
tools to introduce and reinforce word-of-mouth marketing. If their crux customer segment is female consumers, then they develop peer mentors group or reference group who can suggest consumers about style and look, which will assist retailers to enhance their consumers’ engagement (Jobber, 2010; Kotler and Armstrong, 2012), because female consumers is significantly influenced by such factors than male consumers. If their target market is 18-27 age groups, then retailers should adopt same strategies, because this consumer group emphasizes interpersonal influence or reviews, information, social conformity more than 28-35 aged consumers or people having other income levels. Retailers will also need to be concerned about the perception of its consumers. They will have to ensure customer engaging store atmosphere, improved customer service as well as after sales support, because these factors are regarded influential factors in Indian consumers’ luxury brand purchase decision. Brands’ identity should be presented in such a way so that consumers perceive them as exclusive brand. Customers’ reflection will be also important while settling brand identity and reinforcing brand image, because Indian young consumers want luxury brand to create a unique image of them before their friends. Therefore retailers will have to understand what general people think about them and their consumers (Kapferer, 2004). If retailers’ target market is male or 18-27 age group, then they will have to analyze their brand image more critically, since these target markets emphasize these factors more than the other target markets mentioned in this research.

**Research Limitations**

There are some limitations of this research, which are worth to be mentioned. This research has been mainly conducted on the consumers from urban areas, but still now in India a large proportion of people lives in suburbs and rural area (Ramchandani, and Coste-Maniere, 2012), who were not considered here. Therefore the result does not necessarily represent the whole young population of India. The sample size was also a concerning issue for the researcher. A sample number of 110 people is sometimes regarded as undesirable size for statistical analysis. Therefore there might be some error in final result as well. Since it was a snowball sampling method, where researcher’s friends were requested to distribute to their surrounding people, the respondents might not respond sincerely, thinking that what distributors would perceive about them. This might bring a disparity on what they actually consider and what they have mentioned in the survey. Moreover the uneven distribution of different age groups might contribute in creating a minute statistical problem. Some Indian market statistics used in this research were done few years ago, whereas the economy of Indian is continuously evolving. So new updates should have been included in every point instead of old one, which is also a limitation of this study.

**Directions for Future Research**

Firstly the sample should be selected in a large proportion. 300-500 sample size from both urban and suburbs would be appropriate to represent whole young consumer group of India. Moreover if any wants then he/she can take initiative to do the similar research on consumers of China, Russia or Brazil, who are also from giant economy zone - BRIC (Deloitte, 2014). A cross-national examination among them would make this research more strong as well as interesting. The direct impact of interpersonal influence, brand image and brand consciousness on the amount of money spent on luxury fashion products should be investigated. Their correlation should be outlined in the further research. Secondly only fashion products were selected for this research the future researches must include other available category of luxury products that are now available or emerging in Indian luxury market. Researchers interested in this topic can take initiative to do the similar research on consumers of China, Russia or Brazil, who are also from giant economy zone - BRIC (Deloitte, 2014). The demographic components like education, city, occupation, income level and marriage might be included in the topic to examine their underlying relationship with Indian luxury brand purchase choice and consumption. They might also observe how Indian young consumers while purchasing from a luxury brand prioritize price, product features and quality. Lastly, new updates or statistics on market studies and research about luxury brands, products and consumers in India should be highlighted while conducting any future study.

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