



Impact Of Trait Of Vanity And Social Influence On Luxury Brands- A Study On Indian Luxury Consumers

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Abstract

While research has been conducted on the global phenomena of luxury brand acquisition, few studies have investigated the fundamental linkages impacting its purchase intentions. The purpose of this study is to examine the relative contributions of societal influence and the vanity trait and situate these interactions within a broader theoretical framework of ownership and consumer identity literature. This study adds academic support to the idea that vanity affects luxury brand purchase intention, casting doubt on both theoretical and administrative understandings of luxury brand consumption. As a result, the importance of semantic meaning in contemporary conceptualizations of premium brand value should be reconsidered in light of Indian customers. This study offers new methodological findings that prompt a reconsideration of the elements that impact purchase intention in the luxury brand consumption sector. The research illustrates the significance of social influence, vanity, and social media in the luxury market.

Keywords- luxury brands, purchase intention, social influence, trait of vanity.

Introduction

The definition of luxury varies according to time and place. What one person may consider luxurious may be considered anodyne and an ordinary necessity by another. This is most likely why Low (2010) asserts an inescapable subjective meaning of the word. Indeed, luxury's perception and concept are highly subjective. Sombart (1967) argues that the consumption of luxuries has been a central characteristic of capitalism since its inception. In his groundbreaking dissertation, Veblen (1899) proposed that the nobility's need for power and money, as manifested by the purchase of luxury goods, was instrumental in establishing industrial capitalism (see also Loader et al., 1991). Danziger (2005), on the other hand, maintains that luxury consumption is no longer motivated by a desire for prestige but rather by a desire for experience and self-indulgence. Individuals of diverse sex, cultures, and ages identify and appeal to luxury differently.

Thus, a luxury brand may be described as a branded product or service that customers consider to be: 1) Be of superior quality; 2) Have genuine value in the form of needs to search, whether practical or emotional; 3) Provide a respectable reputation in the market based on artisanship,

workmanship, or consumer satisfaction; 4) Be deserving of a hefty premium; and 5) Be capable of motivating a profound bond, or resonance, with the customer.

An analysis of the buying intention antecedents shows many significant internal and external antecedents that could have influenced consumers' buying preferences for fashion brands (e.g., Berthon et al., 2009; Hasan et al., 2015; Tsai, 2005). Despite these challenges, a more comprehensive understanding of how customers react to luxury markets continues to be missing (Berthon et al., 2009), especially among consumers in developing countries in Asia. This research explores the various antecedents to customer purchasing intention for luxury goods in light of the changing Indian premium market, the role of the luxury brand industry, and numerous findings on customer expectations and behaviors.

The luxury industry has become accustomed to insecurity in 2017. The global luxury industry has suffered from the 2016 Brexit vote and the US presidential election, and the depreciated pound has transformed the UK into the world's most affordable luxury market. There are indications that the sector is still doing so as it works its way back from a dismal year in 2016. Last year's stagnation – the personal luxury goods industry finished the year at £220bn (\$279bn, €249bn) after a stretch of stagnant rise – has been followed by sluggish but steady growth. According to Bain & Co., luxury revenues returned to positive single-digit growth of +4% in the first quarter of 2017.

Although this is not the 7–9% growth rate seen in the 1990s and early 2010s, it is moving in the right direction. According to a survey, the luxury market is projected to rise 30% this year, reaching USD 30 billion by December due to increased exposure to multinational luxury brands and growing buying power among the affluent class. Currently, the country's luxury sector is valued at USD 23.8 billion. “With rising youth exposure to foreign brands and the buying power of the upper class in small towns and cities where luxury vehicles, motorcycles, luxurious vacations, and resort weddings are popular, the demand is expected to reach USD 30 billion by year's end,” industry lobby ASSOCHAM said in a study today.

Economic development, which has resulted in increased urbanization and disposable income, has aided in the growth of luxury goods, the report states. “The expansion of luxury players' retail footprint and the increased entry of luxury brands into the country have resulted in a successful output for luxury goods,” it added. Additionally, the study predicted that the demand would rise fivefold over the next three years, with the number of millionaires forecast to triple over the next five years. ASSOCHAM predicts that high Internet penetration in small towns, along with a high level of disposable income, would result in about 100 million Internet purchases by 2020, resulting in a massive rise in luxury consumption. According to the survey, many fashion brands have become highly aware of their products and extremely sensitive to the needs and tastes of their target buyers, despite the luxury market's rapid growth. “They are investing in not just sales promotion but also in customer understanding.”

For decades, psychologists have learned that the more comfortable people are with something, the more likely they will enjoy it (Maslow 1937). Zajonc referred to it as the "simple exposure influence" in his analysis of terms familiarity and liking. Additionally, it is well-known in marketing that branding has a significant effect on brand recognition, and brand familiarity allows a brand more available in terms of product selection. Over and beyond real properties, brand recognition adds financial benefit to businesses. (1995; Lane and Jacobson; 2014).

Purchase intent relates to the desire to acquire a good or service and is determined by self-reporting (Seiders, Voss, Grewal, and Godfrey 2005). Fitzsimons and Morwitz (1996) argue that it is

critical to study purchasing intent and its impact on brands for two primary purposes. It's critical to understand the impact of advertisement on the commodity itself and the whole brand. Second, brand-level buying intentions and their behavioral consequences need further testing. Also, measuring buying motive has been shown to improve the likelihood of purchase.

The proposed study is novel because we are studying the direct effect of perception and social influence on Luxury brand perception. No study has been conducted in this regard in the Indian context. This research holds implications for both academics as well as industrial sectors. All the previous studies have not taken into account the role of perception and social influence.

Review of Literature

Luxury brands

The field of luxury labels is not new; in particular, several luxury brands date back to the early twentieth century and exemplify French heritage and a long line of family history. The luxury industry was established "with an emphasis on art and beauty" but has undergone dramatic changes due to globalization and market conditions (Stegemann 59). To fully comprehend the market, the term "luxury" must be analyzed. "The term "luxury" derives from the Latin terms "luxus" and "luxuria." Luxury is synonymous with extravagance, opulence, and rankness, according to dictionaries. The word "luxury" should have a favorable connotation of splendor. However, when used with the terms 'personal' and 'excess' and in a social sense, it acquires the derogatory connotation of decadence (Stegemann 59). Luxury products are often synonymous with price and exclusivity, which results in the automatic formation of distinct classes, those who own the commodity and those who do not. It's plain to understand that certain luxury labels develop a bad reputation with ordinary customers who cannot afford these goods.

With this development, "young buyers challenged the typical ostentatious consuming of luxury goods, being more sporadic and cautious in their purchases and carefully evaluating the brand's appeal" (Stegemann 60). This new clientele and growth altered the economics of the luxury industry and developed a "grey field" for distinguishing luxury goods. Although many buyers see the luxury industry negatively, the emphasis should be on the market's continued expansion. While the luxury brand business undoubtedly once catered to an exclusive clientele, it was believed their overall influence in today's marketplace is remarkable. Additionally, the authors concluded that customers could appreciate the success that benefits the economy and analyze their purchasing patterns before passing judgment on luxury brands. Additionally, it is believed that to advertise effectively to today's customers, it is important to consider whether the consumer perceives the commodity as luxury or not. College-aged adults, the majority of whom are millennials, have not only grown up in a modern age where knowledge is accessible in a matter of seconds, but they are still entering the work market and possessing considerable buying power.

Brand Perception

When a business understands how customers view its brand, it may use effective communication tactics (Keller 1993; Chen, Nelson and Hsu 2015). Consumers share their opinions and emotions regarding their preferred products on social media sites, influencing other consumers' brand views (Jansen et al. 2009; Hennig-Thurau et al. 2004). Despite the extensive studies on recommendation, nothing is known regarding how brand influences consumer-to-consumer recommendations (Ho-Dac, Carson and Moore 2013). This chapter examines various brand expectations and their effect on conforming to other people's suggestion intent. Finally, a chart summarizing the theories is

included. It is a set of attitudes about a company, including brand awareness, desire, buying purpose, and brand attitude. It is critical to investigate the factors underlying the connection between exposure to social impact and recommendation aim, as several recommendation studies have overlooked brand preferences (Arndt 1967). The brand perceptions of familiarity, liking, purchasing motive, and brand attitude were chosen based on a recent analysis (Venkatraman, Dimoka, Pavlou, Vo, Hampton, Bollinger, Hershfield, Ishihara, and Winer 2015) in which these metrics, referred to as standard survey measures, were used to assess the efficacy of ads. Wilson and Peterson (1989) discovered that a person's evaluative impression of a brand influences the recipient's response to a suggestion. According to them, asking participants to assess a brand (which may or may not have been previously unknown) develops an effective view of the brand, influencing how they respond to positive or negative facts regarding the brand after the assessment.

Social Influence

Solomon et al. (2006) characterize value as "a confidence in the desired end state that transcends particular circumstances and directs behavior selection." As a result, principles are critical throughout the consuming phase. Individuals can dress fashionably to show their professional status or social status and set themselves apart (Loureiro and De Araujo, 2014). Thus, social values are connected to what others believe and reflect an individual, organization, or culture (Wiedmann et al., 2009). Social values are often linked to social influence, which relates to a customer's interaction with other customers or a sales representative (Zhang et al., 2014). The social background can have an informative and normative effect on consumer expectations and behavior, especially with hedonic products (Wakefield and Stone, 2004). The former relates to customers' need to make rational decisions based on reliable sources (e.g., experts and opinion leaders). Conformity to the desires of other individuals or communities, such as families and near associates, is referred to as normative control (Bearden et al., 1989; Lord et al., 2001). Childers and Rao (1992) emphasize that although peers tend to have a greater impact on leisure or hedonic product consumption, family relations appear to have a greater influence on utilitarian product consumption. These results are correlated with an assertive community implying a desire for personal achievement and material prosperity, which is often correlated with masculinity, implying that people will look at themselves and their immediate kin, while in collectivist cultures, a greater focus is put on community wellbeing and commitment (Hofstede, 2001).

Trait of Vanity

Vanity is described as having a greater effect on the compulsive purchasing behavior of young consumers who place a premium on external attractiveness due to materialism's mediating position. Vanity can be described as follows: physical vanity and accomplishment vanity. Excessive consideration for and/or a favorable (and possibly inflated) perception of one's physical image is known as physical vanity. In contrast, achievement vanity is defined as excessive concern for and/or a positive (and possibly inflated) view of one's personal accomplishments is defined as achievement vanity. On both physical and achievement levels, Vanity exerts a greater impact on an individual's purchasing choice (Netemeyer et al., 1995). Physical vanity and achievement vanity had a greater positive effect on the purchasing intention of luxury brand consumers, although achievement vanity had a modest positive effect. Vanity was discovered to be specifically related to the use of luxury brands. Vanity for one's appearance and accomplishments have a strong beneficial correlation with buying intention. The association between vanity-prone individuals and their expenditure on international goods demonstrates that these customers want and buy foreign

garment labels that are associated with physical beauty and conspicuous consumption; vanity will affect the purchasing intentions of young consumers in Pakistan (Wasim Ahmad, et al., 2013).

Conclusion and Implications

Homburg et al. (2010), asserted that a person's perceived appearance is often reinforced by their external world. As a result, luxury consumption increases when that social influence asserts the affluent shoppers. Although this finding could be traced to several other studies, that can be tested empirically also. Increased advertising attention for foreign luxury products and an accompanying boost in global popularity and tourism will bolster this prospect. Luxury brand popularity is expected to continue to expand.

To begin, it is widely agreed that consumers use their possessions to reaffirm their identity and/or to build an image of who they want to be (Ahuvia, 2005). By including ego within the more commonly explored desires and motives for participation, like this study does, the actions and actions of individuals about non-necessities intake may be further deconstructed.

There are many possible reasons for the negative correlation between symbolic meaning and buying intention. This research examines purchasing purpose rather than behavior since intention has broader consequences and often benefits an individual's conduct (Ajzen and Driver, 1992). Along with the user's internal expectations, external influences often lead to the perceived worth of a possession. Increased advertising attention for foreign luxury products and an accompanying boost in global popularity and tourism will bolster this prospect. The luxury brand craze is expected to continue to rise in popularity. It can be easily concluded that luxury brand perception, the trait of vanity are the vital factors that impact the luxury consumption in the Indian context, and social media platform is helping a lot in gaining prominence of luxury brands.

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