



Research Paper

La Dolce Vita: Personal, Functional And Social Values Underlying Purchase Behaviour Of The Indian Consumer

Ruhi Ahuja

Class XII, Bluebells International School, New Delhi, India

ABSTRACT: The present research aims to analyse the purchase intentions of consumers who buy luxury goods. The research presents three main values that motivate an individual to purchase luxury goods. These values are personal, social and functional. A survey was conducted using of a sample size of 71 regular buyers of luxury branded products living in New Delhi and Mumbai. After taking a survey, data was analysed by correlating purchase intention and values underlying purchase behaviour. Results revealed that majority of consumers (52.1%) bought luxury products as they thought 'they were effective/good. Further, before purchasing a luxury item, the functional value is taken into consideration first, followed by personal value and not social value. The purchasing decisions of Indian consumers now seems to be guided more by their self-directed decisions rather than opinions of others.

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I. INTRODUCTION

Luxury has never been something easy to define, yet this mystery concept is something highly desired by one and all alike [1]. The term 'luxury' is generally used in our daily life to refer to products and services or a special lifestyle. The luxury concept still is not very clear, as ambiguity in the perception of luxury is very common.

India's luxury market is having a moment. From 2010 to 2014, the country's luxury sector grew by a whopping 74 percent. In 2021, the Indian luxury goods market was valued at over \$5 billion, and it is now expected to grow by another 10 percent over the next five years. It thus becomes crucial to understand why people buy luxury products.

It is believed that customers buy luxury products for two reasons- social salience and social identity [2]. This means that, people will be socially acceptable only if they purchase luxury goods. This would also lead them to hold an advantage over their companions when it comes to social standings. People also buy luxury items for symbolic as well as hedonistic factors [3]. Customers who are more concerned with their individuality are interested in creating a relationship with the good or service, gaining a satisfying experience from the buying products, and enhancing their individual preferences with the image of the product.

The present research aims to analyse the purchase intentions of people who buy luxury goods. The findings are collected through a survey of real-world luxury customers who make such purchases.

Specific objectives of this study are:

1. To understand what motivates consumers to buy luxury products
2. When purchasing luxury goods, what are the consumer's values?
3. Which values (personal, social or functional) influence purchase intention of consumers the most?

II. METHOD

The data collected for this study was collected using the survey method during a two week period. The questionnaire [4] is divided into two parts. The first part of the questionnaire outlines the various reasons one purchases luxury goods. These reasons were divided into- social, functional, and personal values.

- Social value focuses on the changes one makes according to the social circle they are a part of. For example, 'Luxury goods are important to me because they make me feel acceptable in my social circle'.
- Functional value is the benefits a product offers its customers along with its durability. For example, 'I believe luxury goods are of superior quality, You always have to pay a bit more for the best.'

- Personal values are beliefs and goals that motivate our actions. For example, ‘When in a bad mood, shopping for luxury goods enhances my mood’. Participants were asked to indicate their extent of agreement or disagreement with the given statement on a scale of 1 (strongly disagree) – 5 (strongly agree).

The second section of the questionnaire assesses consumers’ purchase intention, the inclination or motivation a customer has to buy a product. For example: ‘The probability that I would buy luxury brands within next twelve months is high’.

In the third section of the questionnaire, the participants were asked about their motivation to purchase luxury goods. They were asked to pick the options most applicable to them from the ones provided such as, *desire to impress others, display of my status, show that I am unique, to express myself, I think the brand is effective/good/makes good products, I relate myself with the product, it is a delightful experience, and my personal taste complements the image of the product.*

The last section consists of demographic data of the participants. Information regarding the participants’ age, gender, educational qualification, income, etc. was taken.

III. PROCEDURE

People who were actual users of luxury goods were contacted by means of purposive sampling. Previous studies have reported this method of data collection in many empirical studies. About a hundred consumers were contacted in Delhi, NCR, Mumbai, and Lucknow using a Google form, resulting in a final usable sample of 71 fully completed questionnaires. Informed consent was taken in the beginning before moving to the main questionnaire.

IV. SAMPLE

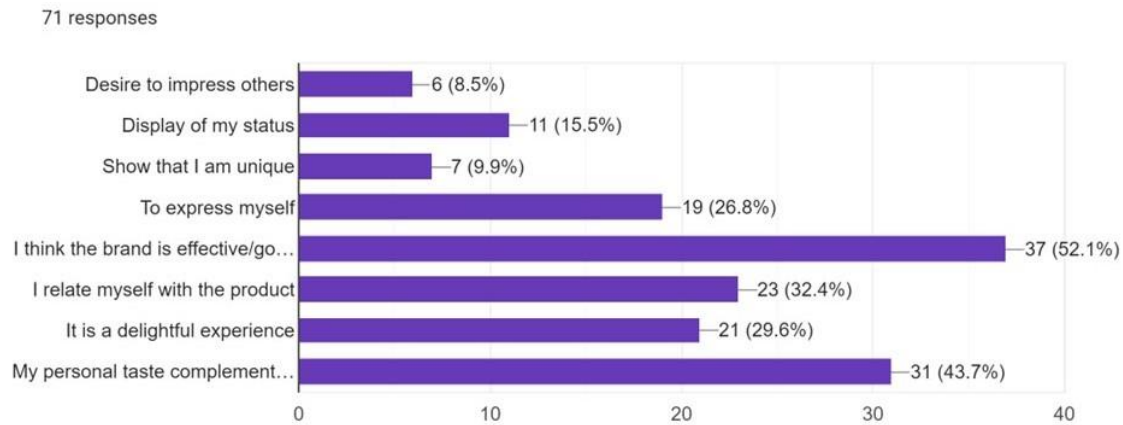
The total sample comprised of 71 respondents, of which 56 were females and 15 were males. Majority of the participants were married (64) and were above the age of 50 years (34). Most of the participants were residents of Delhi-NCR. Majority of the participants (28) had a Master’s degree, while 23 participants had a bachelor’s degree, 11 participants had a diploma and 9 participants had a doctorate. These details are presented in Table 1.

Table 1: Demographic details of the sample

AGE (IN YEARS)	GENDER	MARITAL STATUS	QUALIFICATIONS	CITY
20-30: 0	Male: 15	Married: 64	Bachelor’s: 23	Delhi: 46
30-40: 8	Female: 56	Unmarried: 7	Master’s: 28	Gurgaon: 21
40-50: 29			Diploma/Professional/Other: 11	Mumbai: 1
Above 50: 34			Doctorate: 9	Lucknow: 1
				Noida: 2

V. RESULTS

The data was analysed with the help of percentages and correlational statistics. Table 2 depicts various reasons for which people buy luxury branded products. As can be seen, majority of consumers (52.1%) bought luxury products as they thought ‘they were effective/good’, followed by 43.7% people purchasing the product as they feel that ‘their personal taste complements the image of the product’. Rather surprisingly, only 15.5% bought it to ‘display their wealth’ and 8.5% consumers bought it with a ‘desire to impress others’.



The next part of the results presents the values of consumers who buy luxury products. Table 3 reports the correlations obtained between various values and purchase intention. As can be seen, the functional value has the strongest effect on the purchase intention, followed closely by personal value. Participants mostly bought luxury branded products based on the functional value (i.e., the capacity of the product). Consumers link luxury products to good quality and are assured that they are getting additional value. Social value was found to be least related to purchase intention, similar to findings of the previous section. These results were quite astonishing because, it is mostly assumed that people buy luxury branded products to display their wealth and status in society. This did not emerge as an important motivation for the present sample of consumers.

Table 3: Correlation between purchase intention and values underlying purchase behaviour

Underlying value for purchase of luxury goods	Purchase Intention
Social value	0.45
Personal value	0.67
Functional value	0.69

Previous research has reported that social factors like the ability to persuade others, the demonstration of status, uniqueness, progress, and achievements, and also the brand's functional as well as personal effectiveness, affect consumers' perspectives of luxury value and motivating factors to buy luxury products. The findings of the present research are in contrast with previous research that found that in the Indian market environment, subjective norm is considered to be more important than any individual's own attitude when determining their luxury purchase intentions [5]. For example, it was found that the most important factor in determining luxury branded products is social value [4]. Indian consumers also reported subjective norm to be the most important determinant of the purchasing intentions for luxury fashion goods, followed by attitude [6].

However, the present study shows different results. It is surprising as one assumes that people purchase luxury branded products to display their wealth or power in society. The present sample of consumers, in contrast, buy luxury branded goods as they are better in quality and complements their taste. Perhaps the new Indian consumer is coming of age and is emerging to be an individualist rather than a collectivist. The purchasing decisions of Indian consumers now seems to be guided more by their self-directed decisions rather than opinions of others. Marketers of luxury products thus should help buyers understand the product-class attributes and what the brand has to offer that is unique from others [7].

The study has certain limitations. Results obtained using a sample size of only 71 from metropolitan cities of New Delhi and Mumbai may not be generalizable to those staying in smaller cities. Also, the self-report method is prone to social desirability.

VI. CONCLUSION

It may be concluded that consumers today are looking for high quality and attractive products that can be maintained. These products should also be complementing the personal taste of the buyers and should make them feel unique. Majority of the participants like to purchase luxury branded products as it helps them express themselves, and not to get socially accepted.

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