



Impact of age on purchase behaviour of luxury brands

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ABSTRACT:

Purpose and objectives of the study: In this study, we aim to understand the influence of age on the frequency of buying luxury products, influence to buy luxury products and intention to purchase the same brand that they have previously purchased. Also we study the different luxury value dimensions like financial value, functional value, individual value and social value and how these are influenced by age of the consumer.

Research Methodology: Data was collected from 1200 respondents in Mumbai. These people belonged to people of both genders, different occupations, income groups, religions, age groups, education and marital status.

Results: It is found that there is a relation between age and kind of luxury product that consumers intend to buy and the place from which they buy luxury brands. There is also a relation between age and influence to buy luxury products and intention to repurchase the brand. Younger people up to 40 years showed a higher rating towards financial value, materialistic value and self-identity value as compared to older people. Younger people up to 50 years showed a higher rating towards uniqueness value and snob value as compared to older people. There is a significant difference in perception of usability value among people of different age groups. People in the age group of 36-40 years showed a higher rating towards prestige value as compared to other age groups.

Managerial implications: Luxury brand companies can target the right target segment by understanding how age influences the purchase of luxury brands and whether there is any significant difference in financial value, functional value, individual value and social value with respect to age of the consumer. They can devise strategies to enable the right target segment to access their products easily.

Keywords: Age, luxury, purchase behaviour, luxury brands

I. INTRODUCTION

1.1 Purchase behaviour: The actions a person takes in purchasing and using products and services, including the mental and social processes that precede and follow these actions can be called as purchase behaviour. It helps us to answer questions such as:

- (i) Why people choose one product or brand over another?
- (ii) How they make these choices, and
- (iii) How companies use this knowledge to provide value to consumers

Purchase decision process: Behind the visible act of making a purchase, lies a decision that must be investigated. The purchase decision process is the stages a buyer passes through in making choices about which products and services to buy. There are five stages of purchase behaviour: (i) problem recognition (ii) information search (iii) alternative evaluation (iv) purchase decision (v) post purchase behaviour

1.2 Luxury brands: Luxury is no longer restricted today to only the rich and the selected few but is being used for mass marketing now. The concept of luxury has been changing dramatically across time and culture. Earlier, luxury was connected with things like wines, champagne, designer clothes and sports cars. These days, people have become richer and luxury is a blurred genre that is no longer the preserve of the elite. More and more consumers have increased their financial status as the old values of tradition and nobility have become less important. People are having much more disposable income in comparison to earlier generations, resulting in a tendency towards fulfilling personal needs and aspirations through experience. Therefore, it could be said that luxury is more about experience (Yeoman and McMahon-Beattie, 2010), rather than financial value. This is not to say that luxury is about status, but luxury is more than financial value. Indeed, they run hand in hand. The need for personal gratification and aspirations has led to greater emphasis on having things which make life

better and easy. It means that consumers want to improve their life. This is what Danziger (2005) and Israel (2003) mean when they say that luxury is not just restricted to trophies and status symbols but also covers things giving aesthetic experience and indulgence. This is also due to increasing purchasing power of women in society, which is a good sign for luxury markets such as wellbeing, clothes and tourism. We see that the earlier concept of luxury of consumption and elitism still prevails especially in emerging economies of China. In the recent times, the Global Financial Crisis has led consumers to re-examine their priorities and as a consequence, attitudes and behaviours towards luxury have changed.

In management field it is accepted to distinguish luxury products from necessary and ordinary products within their category by their basic *characteristics*. These include things like financial value, quality, aesthetics, exclusivity and status giving. All of these characteristics are relative terms. A *luxury product* is characterised by a relatively high rating on each of these dimensions compared to other products of its category (Trommsdorff and Heine 2008, p. 1670). Luxury brands are those whose ratio of functional utility to price is low while the ratio of intangible and situational utility to price is high.

1.3 Influence of age on purchase of luxury brands: Age is one of the important demographic variables which can have an influence on purchase behaviour of luxury brands. People of different age groups can respond differently to the various attributes of luxury brands. They may want to purchase them from different places or look for different dimensions of luxury value. The perception of different luxury values like functional value, financial value, individual value and social value can be different for people of different age groups.

II. STATEMENT OF THE PROBLEM/NEED FOR THE STUDY

In this study, we want to understand the influence of age on different aspects of purchase behaviour of luxury brands like frequency of buying luxury products, influence to buy luxury products and intention to purchase the same brand that they have previously purchased. Also we study the different luxury value dimensions like financial value, functional value, individual value and social value and how these are influenced by age of the consumer. Among the various demographic variables, we have selected age because perception of different dimensions of luxury value can vary for consumers of different age groups and luxury brand companies can use different strategies to cater to the requirements of these segments.

III. LITERATURE REVIEW

3.1 Luxury brands: The concept of luxury is complex and subjective and its meaning is dependent on various personal and interpersonal motives (Vigneron & Johnson 2004). In order to understand the meaning of luxury, we can first describe the nature of luxury, luxury goods, luxury brands and brand equity for luxury brands.

Roux & Floch (1996) say that luxury is not just about price, but also associated with pleasure, refinement, exclusivity and appreciation. A luxury product is also characterised by very limited supply and recognition of value by other people. Dubois, Laurent and Czellar (2001) proposed a definition of the nature and characteristics of the concept of luxury, and identified six properties of luxury products: 1) excellent quality, 2) premium pricing, 3) exclusivity, rarity and uniqueness, 4) aesthetics and good looks 5) ancestral heritage and 6) superfluosity.

Kapferer (1997, p.253; as cited in Vigneron and Johnson 2004) summarised luxury as defining beauty, enlightening and providing good taste. According to him, luxury products provide sensory pleasure and is the appendage of the ruling or elite classes.

Luxury brands can also be described as premium or high priced brands that consumers purchase to satisfy their psychological needs like materialistic, hedonic and social needs rather than for their economical and functional value (Nueno and Quelch 1998). Thus, luxury brands can be characterised as those which are conspicuous, unique and provide high social and emotional value and are of excellent quality (as explained by Vigneron and Johnson 1999).

Webster (2002) defines it simply as “non-essential items”. Cornell (2002) says that luxury can be characterised by a strong element of human involvement, scarcity or limited supply and value recognition by others. Similarly, Kapferer (1997) says that luxury exhibits beauty and aesthetics and can be applied to functional items. He also says that luxury has an enlightening effect and provides sensory pleasure. Berry (1994), similarly, characterizes luxury goods as items that rise desire and provide pleasure to its consumers. Also the concept of rarity and exclusivity has not been forgotten, being highlighted by Pantzalis (1995). On the other hand, McKinsey (1990 in Wiedmann, Hennings, and Siebels 2009) states that luxury goods are the ones that have the higher ratio of price-quality. Phau and Prendergast (2000) argue that luxury goods are those which exhibit exclusivity, brand image and identity, brand awareness and excellent in the minds of the consumers. Finally, Kapferer and Bastien (2008) argue that “luxury is qualitative and not quantitative” and is when “hedonism takes over functionality” as it has to be “multi-sensory and experiential” to each consumer. Thus, both authors claim

that luxury is only a true luxury when some part of it is handmade and the brand has the capacity to provide exclusive services to their consumers.

Hence, the service and/or good has to be able to transmit to the customer extra pleasure (Kapferer 1997) and a truly multi-sensorial experience (Kapferer and Bastien 2008), as consumers are increasingly seeking more personal fulfilment and aspiration through experience (Yeoman, McMahon-Beattie and Brown 2005 & Yeoman and Mc-Mahon-Beattie 2006). Luxury goods should present a high level of perceived quality (Phau and Prendergast 2000), as a high price (McKinsey 1990) and also a limited supply (Cornell 2002, p.47) to ensure the exclusivity and rarity required by customers (Pantzalis 1995; Phau and Prendergast 2000). Finally, we believe that luxury goods have to have some part of it handmade and that the brand has to be able to answer to customer's wishes and needs with special and customized offers (Kapferer and Bastien 2008).

Luxury products help to satisfy a consumer's functional needs and also fulfil him/her psychologically (Dubois, Czellar & Laurent, 2001). A particular good can be desired as a luxury only if the ownership of the goods is able to provide pleasure (Berry, 1994). In addition, luxuries are by definition always out of the reach of mass consumption (Berry, 1994) and exclusivity and rarity are therefore features connected to the concept of luxury (Pantzalis, 1995).

Luxury goods are premium goods with high quality products, aesthetic design supported by excellent service, purchased by people from the higher income bracket (Cheng, 2006). In the earlier days the term 'luxury' was applied to products that were rare and scarce and available to a small segment of the people (Sriviroj, 2007). The luxury items were out of reach of the ordinary people and considered rare. Today the luxury product market has increased manifold. The young are spontaneously aware of the luxury brands which reflect their desires and fantasies and these brands provide them with social status, comfort, good quality and self-esteem.

3.2 Influence of age on purchase of luxury brands:

Bernard Dubois and Gilles Laurent (1993) in their study explain that in all European countries, the purchase level of luxury brands follows a bell-shaped curve. It should be noted however that the right-hand (decline) part of the curve is much more regular than the left-hand (growth) side. This could reveal different "introduction to luxury" patterns in the various European countries (while, on the reverse, the level of interest in luxury goods would regularly decline for people over 49 years). In Italy and Spain, the maximum level of purchase is observed for the 25-34 year group versus the 35-49 group for the three other countries i.e. France, U.K. and Germany, thus revealing a quicker diffusion of the luxury concept even though these two countries also are the less wealthy ones in the group.

Koonnaree Wongsiriwat (2007) explains that the purpose of the study is to investigate the factors that influenced to brand equity of luxury handbags. The findings of this study indicate that demographic factors which are gender, age, education, occupation, income, marital status and number of children have a great significance to brand equity of luxury handbags and psychographic factors like value, attitude and lifestyle have a great significance to brand equity of luxury handbags.

Hauck & Stanforth (2007) in their study show that there are significant differences between cohort groups in their perceptions of luxury goods and services, especially between the oldest and youngest cohorts. The elasticity measures showed that for all three cohorts, certain goods and services were inelastic and, therefore, were considered not to be luxury goods. The reasons why people buy goods they do not need varied between cohorts.

Paurav Shukla (2008) in his study addresses the issue of conspicuous consumption among middle age consumers (40-60), focusing on the psychological and brand antecedents, using the context of automobile buying behaviour.

Ching-Yaw Chen et al. (2012) in their study explain that explore the differences in Taiwanese women's purchasing decisions towards two different categories: luxury goods and general products. Demographic variables like age, education, occupation, marital status, income play key factor in purchasing decisions. Taiwanese woman aged 21-40 years dominate luxury goods shopping most of them being well educated and independent. They consider product origin, functionality, prices, reputation, brand awareness, appearance and design rather than TV shopping, venting bad mood, endorsers influence or just for the sake of it.

Cesare Amatulli and Gianluigi Guido (2012) in their study compare elderly consumers who consider luxury goods mainly as status symbols – a situation which is known as “externalized luxury” – with elderly consumers who, on the contrary, perceive luxury goods mainly as an expression of individual style – so-called “internalized luxury” (Amatulli and Guido, 2011). Moreover, the socio-psychographic differences between elderly consumers who buy luxury goods mainly for status, or mainly for individual lifestyle, are pointed out. The results provide implications for marketing managers of luxury companies, who need to better understand and reach older consumers. In particular, these findings can help luxury marketing managers in planning specific communication strategies aimed at improving the effectiveness of brand image among elderly consumers.

Mohammad Ali Abdolvand and Nahid Reihani (2013) in their study aim to examine the consumption behaviour of luxury products among the young people (aging from 18 to 35 years). They have focused on the two fields of

brand association and psychological antecedents. The purchase of luxury watch has been studied as consumption behaviour. The findings show that two criteria such as brand association and psychological antecedents significantly affect the consumption behaviour of luxury products among the youth.

3.3 Dimensionalising Luxury:

Wiedmann, K.P., N. Hennigs & A. Siebels (2009) developed a luxury value model useful for studying the relationship between value perception and luxury consumption. Their model includes four luxury value dimensions: financial value, functional value, individual value and social value. Different authors have addressed different combinations of these luxury value dimensions. (a) Several authors have studied the *financial value* people derive from buying products they believe others cannot afford. Stokburger-Sauer & Teichmann (2013) say that despite the fact that the functional value of luxury brands is usually not substantially higher than other non-luxury brands, luxury brands can reach substantial price premiums in the market over non-luxury ones. (b) Luxury consumption has also been studied from the perspective of the *functional value* luxury goods provide. Simply stated, some people buy luxury goods because they believe they offer superior quality & perform better, that they are more user friendly, or more unique than their non-luxury-brand competitors are. Luxury brands are supposed to offer greater product quality & performance than non-luxury brands (according to O’Cass & Frost, 2002; & Vigneron & Johnson, 2004). Others have shown that perceived *usability value* drives purchases of luxury goods. Coulter, Price & Feick (2003) *have focused on the functional dimension of luxury brands*. Gardyn (2002); Chadha & Husband (2007) and Berthon et al. (2009) have studied about high reputation of luxury goods which illustrate functional, symbolic &/or experiential values in perception of owners. Atwal & Williams (2009) have said that luxury products no longer provide solely on functional values, but also, on emotional values and social values. Ko et. al. (2010) has emphasised on high quality value for luxury brands.

(c) Several researchers have studied the *social value* of luxury consumption. Vigneron & Johnson, 2004; Wiedmann et al., (2009); Han, Y.J., J.C. Nunes & X. Dreze, (2011), have studied the social orientation of luxury brands. Such social value has two sub-dimensions: *snob value and prestige value*. People seeking snob value derive value from buying scarce luxury goods that others cannot access. Prestige seeking consumers seek to conform to aspirational groups that consume such luxury goods to demonstrate that they belong to this group.

(d) *Individual value*: Lipovetsky & Roux (2003); Danziger, (2005); Geerts & Veg-Sala (2011); Srinivasan, Srivastava, & Bhanot, (2013) have studied the personal oriented consumption of individuals and called it as emotional luxury. Social value can be associated with Self-identity, materialistic and hedonism values.

IV. GAP ANALYSIS

Wong & Ahuvia (1998) have studied the impact of culture, social status, hedonic value and country of origin *but other demographic variables have not been considered*.

Vigneron & Johnson (1999), Wiedmann et al. (2009), Han et al. (2010) have focused on the personal orientation and social orientation for consumption of luxury brands *but impact of demographic variables like age on purchase of luxury brands has not been studied*.

Rolf-Seringhaus (2002) have considered the motivation of people for consuming luxury according to psychographics and dividing luxury consumers into three segments i.e. ‘Old money’, ‘Nouveau riche’ and ‘Excursionists’, *but other demographic variables like age on have not been considered*. Gardyn (2002), Chadha & Husband (2007), Berthon et al. (2009) have studied about high reputation of luxury goods which illustrate functional, symbolic &/or experiential values in perception of owners. *But impact of demographic variables like age on purchase of luxury brands has not been studied*.

The study by Seringhaus, F. H. Rolf (2005) considers the impact of culture on purchase of luxury brands *but other demographic variables like age have not been considered*. Also, the study by Nelson et al. (2005) shows the purchase behaviour of Indians towards local and international brands *but other variables like age, gender and education have not been considered*. Seringhaus (2005) has studied the presence of luxury brands online *but the impact of demographic variables like age on purchase of luxury brands has not been studied*.

Yeomann & Mc-Mahon-Beattie (2006) have said that modern societies seek more personal fulfilment and aspiration through experience, *but they have not concentrated on aspects like limited supply and high price*. Chaudhuri & Majumdar (2006) have found that consumers are motivated to purchase luxury products to enhance self-concept and materialistic value, *but other dimensions like quality and functional value have not been studied*. Chadha & Husband (2006) have divided the Asian economies into five stages of ‘Luxe Evolution’. They have studied the brand awareness, price factor, gifting of luxury brands, status value and aesthetic value of Chinese consumers and a similar study has been done for Indian consumers. *But impact of demographic variables like age on purchase of luxury brands has not been considered*. The study by Mandel et al. (2006) considers the psychographic profile of consumers *but demographic profile has not been considered*.

Wiedmann et al. (2007) have considered financial value, functional value, personal value, social value and luxury value for luxury brands *but impact of demographic and psychographic variables on purchase of luxury*

brands has not been considered. The study by Heilman et al. (2007) is an interesting study on consumer behaviour not undertaken by other authors but *other variables like age and income also need to be considered*. Fionda and Moore (2009) have emphasised on a clear brand identity, premium pricing, heritage and exclusivity as a characteristic of luxury brands *but other things like quality and product integrity have not been considered*. Berthon et al. (2009), in their article present a philosophical analysis of luxury brands, focusing on their aesthetics and degree of ephemerality. *The gap in the study is that purchase of luxury brands with respect to demographic variables like age, gender, education etc. has not been considered*. Atwal & Williams (2009) have said that luxury products no longer provide solely on functional values, but also, on emotional values and social values. *But impact of demographic variables like age on purchase of luxury products has not been studied*.

The study by Han, Young Jee et al. (2010) shows how purchase of luxury brands depends on wealth but *other factors like age, occupation, culture, personality, education and culture have not been considered*. The study by Lasaleta et al. (2010) considers the impact of wealth and psychographics on purchase of luxury brands *but other demographic variables have not been considered*. The study by WWD: Women's Wear Daily, (2010) considers the impact of culture and wealth on purchase of luxury brands *but other demographic and psychographic variables have not been considered*. The study by Mayne, Eric (2010) shows the impact of culture on purchase of luxury brands *but other demographic variables like age have not been considered*. Ko et al. (2010) has emphasised on high quality value for luxury brands, *but other dimensions of luxury value have not been considered*.

Abdolvand and Reihani (2013) examined the consumption behaviour of luxury products among the young people and concentrated on the two fields of brand association and psychological antecedents.

V. IDENTIFICATION OF VARIABLES

Based on the gap analysis, following variables have been identified.

The **dependent variable** is purchase behaviour of luxury products.

The **independent variables** are

- (i) Different dimensions of luxury value namely (a) financial value (b) functional value (c) Individual value (d) Social value (ii) Age of the consumer

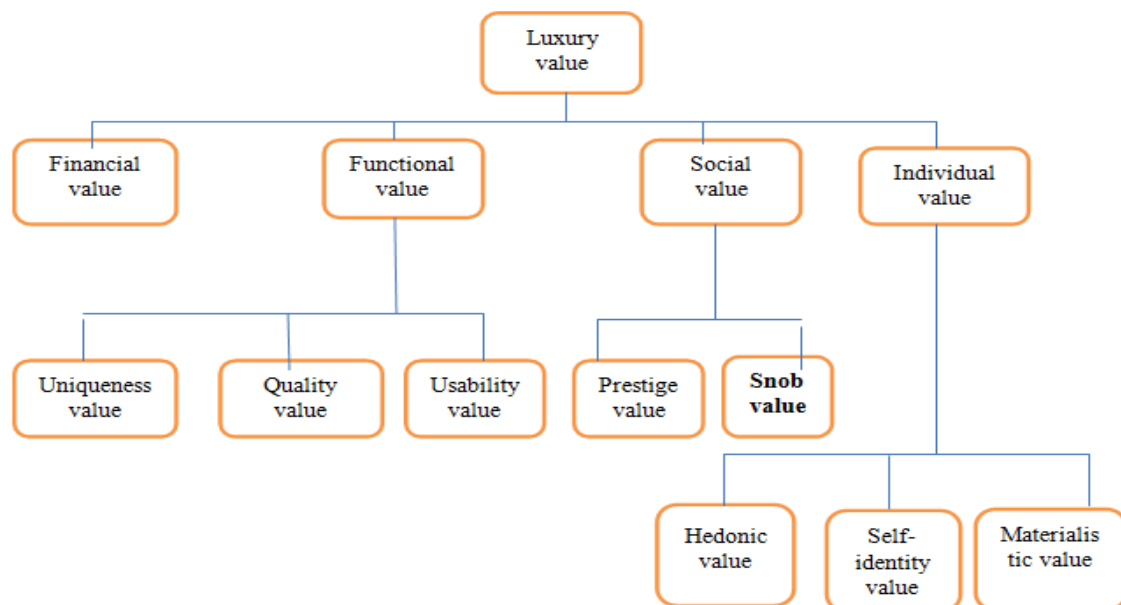
VI. THEORETICAL CONSTRUCT

Based on the gap analysis, following variables have been identified. The **dependent variable** is **purchase behaviour of luxury products**. The **independent variables** are

- (i) Different dimensions of luxury value (ii) Age

Considering the four main luxury dimensions and age into account, we have proposed the theoretical model shown in Fig. 1 and 2.

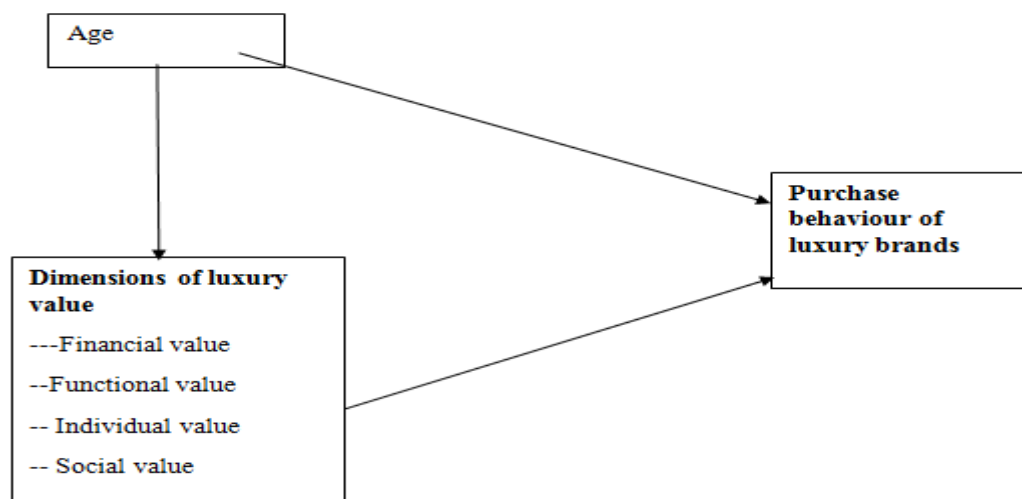
Fig.1



Adapted from Wiedmann's model, Academy of Marketing Science Review, 2007

With new additional variable as snob value

Fig.2



VII. OBJECTIVES OF THE STUDY

The objectives, mentioned below, will be considered:

- (i) To understand the different luxury value perceptions among consumers: Here we have identified four important luxury dimensions namely financial value, functional value, social value and individual value based on our literature review.
- (ii) To understand whether demographic variables like age influence the purchase behaviour of luxury brands.
- (iii) A conceptual model has been made to show the influence of age on the various luxury value dimensions on purchase behaviour of luxury brands.

VIII. FORMULATION OF HYPOTHESES

The hypothesis can be written as follows:

- (i) First, we want to test whether there is any relation between demographic variables like age and frequency of buying luxury brands, influence to buy luxury brands and intention to purchase the same brand previously purchased.

Srinivasan et al.(2014) in their study have found that demographic variables like gender, income, age, education, religion, ethnicity, marital status and occupation can influence the purchase of luxury products. Hence the following hypothesis can be taken:

H1: There is a relation between age and frequency of buying luxury brands

Srinivasan et al.(2014) in their study have also found that demographic variables like gender, income, age, education, religion, ethnicity, marital status and occupation are related to a consumer's influence to buy luxury brands. Hence the following hypothesis can be taken:

H2: There is a relation between age and influence to buy luxury brands

Srinivasan et al.(2014) have also found that demographic variables like gender, income, age, education, religion, ethnicity, marital status and occupation influence the intention to purchase the same brand previously purchased. Hence the following hypothesis can be taken:

H3: There is a relation between age and intention to purchase the same brand previously purchased

Similarly, we want to find whether age is related to the place from where a consumer buys luxury brands and also the kind of luxury product they intend to buy.

Hence we can have the following two hypotheses:

H4: There is a relation between age and the kind of luxury product a consumer intends to buy

H5: There is a relation between age and the place from where a consumer buys luxury brands

- (ii) Now, we want to test whether there is any significant difference in perception of different dimensions of luxury value with respect to age of the consumer.

We want to find whether financial value of the luxury brand is perceived differently by people of different age groups. Hence we can have the hypothesis as:

H6: There is a significant difference in perception of financial value among people of different age groups.

Similarly, we want to find whether the functional value of the luxury product is perceived differently by people of different age groups. Hence we can have the hypothesis as:

H7: There is a significant difference in perception of functional value among people of different age groups.

The individual value of the luxury brand can be perceived differently by people of different age groups. Hence we can have the hypothesis as :

H8: There is a significant difference in perception of individual value among people of different age groups.

Similarly, the social value of the luxury brand can be perceived differently by people of different age groups. Hence we can have the hypothesis as :

H9: There is a significant difference in perception of social value among people of different age groups.

IX. METHODOLOGY

To measure the underlying dimensions of consumers' luxury value perceptions, in this study we have used already existing tested measures (Tian *et. al.*, 2001; O'Cass & McEwen, 2004; Tsai, 2005; Wiedmann *et. al.*, 2009) and generated various items based on the literature review. The important components of luxury value dimensions are considered for constructing questionnaire items. 1200 respondents completed a questionnaire consisting of 57 items.

Sample characteristics and data collection:

The present research focuses on the purchase behaviour of consumers of luxury goods; thus, the target population is individuals from the middle class and upper middle class segment. In this case, judgement sampling and snowball sampling used to get the list of 2000 respondents and then systematic random sampling are used to select 1200 people. The *Kaiser-Meyer-Olkin measure of sampling adequacy* (KMO), with a value of 0.851, which is greater than 0.7 shows that the sample size was sufficiently large to conduct factor analyses, described in the results section of this study.

The study was done during the time period from April 2013 to February 2014.

The sample of respondents is from Mumbai and consisted of both genders, age ranging from up to 25 years to more than 50 years. They were people of different educational backgrounds, occupations, income groups, marital status and religions. A sample size of 1200 people was taken. The age groups considered were 0-25 years, 26-30 years, 31-35 years, 36-40 years, 41-50 years and more than 50 years. The respondents has monthly income groups as Rs. 50000-1 lakh, Rs. 1.1 lakhs -1.5 lakhs, Rs. 1.6 lakhs-2 lakhs, Rs. 2.1 lakhs-2.5 lakhs, Rs. 2.6 lakhs-3 lakhs, Rs. 3.1 lakhs-4 lakhs, Rs. 4.1 lakhs-4.5 lakhs, Rs. 4.6 lakhs – 5 lakhs, and more than Rs. 5 lakhs. This is as per the standards set by the Asian Development Bank and the 2005 Mckinsey report.

Data are collected using a structured questionnaire. All respondents completed the instrument in Mumbai and Navi Mumbai. The sample seems to well represent India's middle class and upper middle class educated urban people. The sample was fairly young with 44% of respondents younger than the age of 35 and 53% between the ages of 35 and 50 years. One third identified as business people while 40% identified as professionals. The remaining 27% respondents identified as retired or homemakers or service people. The respondents covered four types of ethnicities i.e. north, south, east and west of India. Sixty two percent were single. 92% were at least college educated with 47% indicating that they had completed post-graduate work. The monthly incomes ranged from Rs. 50000 to more than Rs. 5 lakhs. This is as per the standards set by the Asian Development Bank and the 2005 Mckinsey report.

X. QUANTITATIVE DATA ANALYSIS

The quantitative data analysis techniques used in this study are (1) Chi-square test (2) Factor analysis (3) Kruskal-Wallis H test

To understand the different luxury value perceptions among consumers, factor analysis will be first performed on the questionnaire. This will give us the important luxury value dimensions which influence the purchase

behaviour of luxury brands. Chi square test is used to see whether age is related to purchase behaviour of luxury brands. Also, Kruskal-Wallis H test is used to see how each dimension of luxury value is influenced by age.

XI. RESULTS

The study was intended to find how age influences the important luxury dimensions and also the purchase behaviour of luxury brands. It involved the following steps:

(a) According to the **factor analysis** results, a **nine- factor solution** which explains 56.2 % of total variance in 42 items was obtained. All items grouped meaningfully into the factors with high loadings. Factors with Eigen values more than 1 were considered. The nine factors were named as prestige value, self-identity value, quality value, uniqueness value, hedonic value, materialistic value, snob value, usability value and financial value.

(b) Reliability of the scales is measured by computing the Cronbach alpha. For all the nine factors used in this research, reliability values had a range between 0.7 and 0.83.

Testing of hypotheses summary results are given below.

XII. Summary of testing of hypotheses

Hypothesis	Test used	Significance value	Status of hypothesis	Comment
1. There is a relation between age and frequency of buying luxury brands	Chi square test	0.344	Rejected	There is no relation between age and frequency of buying luxury brands.
2. There is a relation between age and influence to buy luxury brands	Chi square test	0.000	Accepted	There is a relation between age and influence to buy luxury brands
3. There is a relation between age and intention to purchase the same brand previously purchased	Chi-square test	0.000	Accepted	There is a relation between age and intention to purchase the same brand previously purchased
4. There is a relation between age and the kind of luxury product a consumer intends to buy	Chi-square test	0.000	Accepted	There is a relation between age and the kind of luxury product a consumer intends to buy
5. There is a relation between age and the place from where a consumer buys luxury brands	Chi-square test	0.000	Accepted	There is a relation between age and the place from where a consumer buys
6. There is a significant difference in perception of financial value among people of different age groups.	Kruskal-Wallis H test	0.000	Accepted	There is a significant difference in perception of financial value among people of different age groups
7(a) There is a significant difference in perception of quality value among people of different age groups	Kruskal-Wallis H test	0.346	Rejected	There is no significant difference in perception of quality value among people of different age groups.
7(b) There is a significant difference in perception of uniqueness value among people of different age groups	Kruskal-Wallis H test	0.001	Accepted	There is a significant difference in perception of uniqueness value among people of different age groups

7(c) There is a significant difference in perception of usability value among people of different age groups	Kruskal-Wallis H test	0.030	Accepted	There is a significant difference in perception of usability value among people of different age groups
8(a) There is a significant difference in perception of materialistic value among people of different age groups	Kruskal-Wallis H test	0.037	Accepted	There is a significant difference in perception of materialistic value among people of different age groups
8(b) There is a significant difference in perception of hedonic value among people of different age groups.	Kruskal-Wallis H test	0.092	Rejected	There is no significant difference in perception of hedonic value among people of different age groups.
8(c) There is a significant difference in perception of self-identity value among people of different age groups.	Kruskal-Wallis H test	0.011	Accepted	There is a significant difference in perception of self-identity value among people of different age groups.
9(a) There is a significant difference in perception of prestige value among people of different age groups.	Kruskal-Wallis H test	0.000	Accepted	There is a significant difference in perception of prestige value among people of different age groups.
9(b) There is a significant difference in perception of snob value among people of different age groups.	Kruskal-Wallis H test	0.005	Accepted	There is a significant difference in perception of snob value among people of different age groups.

XIII. Findings:

(a) **From Chi square test:** When the influence of age on purchase of luxury products was considered, chi square test was used and the following results were obtained:

- (i) There is no relation between age and frequency of buying luxury products.
- (ii) There is a relation between age and kind of luxury product that consumers intend to buy. Younger people up to the age of 50 years prefer to buy apparel and mobile phones while people more than 50 years old prefer to buy apparel and watches.
- (iii) There is a relation between age and the place from which they buy luxury brands. People up to an age of 40 years prefer to buy luxury brands from malls and speciality stores whereas people more than 40 years old prefer to buy luxury brands from malls and company outlets.
- (iv) There is a relation between age and influence to buy luxury products. Younger people (up to 35 years) depend on themselves and their friends to buy luxury products whereas people more than 35 years old depend on themselves and their family to a greater extent.
- (v) There is a relation between age and intention to repurchase the brand. Younger people up to the age of 50 years show a more positive intention to repurchase the brand as compared to people over 50 years.

(b) **From Kruskal-Wallis H test:**

Kruskal-Wallis H test was used to find whether there is any significant difference in the perception of the different dimensions of luxury value with respect to age. The following results were obtained:

- (i) There is a significant difference in perception of financial value among people of different age groups. Younger people up to 40 years showed a higher rating towards financial value as compared to older people.
- (ii) There is no significant difference in perception of quality value among people of different age groups.
- (iii) There is a significant difference in perception of uniqueness value among people of different age groups. Younger people up to 50 years showed a higher rating towards uniqueness value as compared to older people.
- (iv) There is a significant difference in perception of usability value among people of different age groups.

(v) There is a significant difference in perception of materialistic value among people of different educational levels. Younger people up to 40 years showed a higher rating towards materialistic value as compared to older people.

(vi) There is no significant difference in perception of hedonic value among people of different age groups.

(vii) There is no significant difference in perception of self-identity value among people of different educational levels. Younger people up to 40 years showed a more positive rating towards self-identity value as compared to older people many of whom have given a neutral rating.

(viii) There is no significant difference in perception of prestige value among people of different age groups. People in the age group of 36-40 years showed a higher rating towards prestige value as compared to other age groups.

(ix) There is a significant difference in perception of snob value among people of different age groups. Younger people up to 50 years showed a higher rating towards snob value as compared to older people.

XIV. Conclusions: Using the chi-square test, it is found that there is a relation between age and kind of luxury product that consumers intend to buy and the place from which they buy luxury brands. There is also a relation between age and influence to buy luxury products and intention to repurchase the brand. There is a significant difference in perception of financial value among people of different age groups. Younger people up to 40 years showed a higher rating towards financial value as compared to older people. There is a significant difference in perception of uniqueness value among people of different age groups. Younger people up to 50 years showed a higher rating towards uniqueness value as compared to older people. There is a significant difference in perception of usability value among people of different age groups. There is a significant difference in perception of materialistic value among people of different educational levels. Younger people up to 40 years showed a higher rating towards materialistic value as compared to older people. There is a significant difference in perception of self-identity value among people of different educational levels. Younger people up to 40 years showed a more positive rating towards self-identity value as compared to older people many of whom have given a neutral rating. There is a significant difference in perception of prestige value among people of different age groups. People in the age group of 36-40 years showed a higher rating towards prestige value as compared to other age groups. There is a significant difference in perception of snob value among people of different age groups. Younger people up to 50 years showed a higher rating towards snob value as compared to older people.

XV. Benefits of the study: Knowledge of all relevant aspects of consumer perceptions of luxury can be useful for managerial practice. According to perceived values in luxury brands, different sets of luxury products and different types of advertising strategies should be applied for people of different age groups. Strategies should be used with focus on the more important values for each group. Even if consumers buy the same luxury goods, their perceptions about luxury values can differ, so the luxury market is heterogeneous and the role of product characteristics plays an important role. Thus, it is the marketer's duty to consider individual differences in evaluating luxury values and provide them products which satisfy their requirements.

XVI. Managerial implications: The results of this research have practical implications for marketers working in the luxury industry. The results suggest that a focus on designing and managing optimal products together with exclusivity can create positive emotions. To effectively react to the needs, wants and values of purchasers is vital, especially in an increasingly competitive global marketplace. Positioning and segmentation decisions have to be made on a global level. Companies should inform consumers about the high quality materials and handcrafting of luxury products and emphasise a unique, quality product. Consumer education can transpire in the form of advertising that stresses quality and/or labels, packaging, and supplementary facts that offer comprehensive information on genuine luxury products. Managers of luxury goods should emphasise the positive, functional, aesthetic and emotional experience of owning and using a luxury product. Knowledge and understanding of these differences and similarities can help in designing suitable marketing campaigns. From a market positioning perspective, monitoring the evaluative criteria of consumers can help marketers to recognise and focus on the specific luxury dimensions, with special reference to education. Luxury brand companies can understand people of different educational levels respond to the different luxury value dimensions and how the luxury products can cater to the requirements of each group.

XVII. Limitations and scope for further research: Firstly, a particular limitation of this study was that the respondents were all from Mumbai and Navi Mumbai and represented only one specific demographic group i.e. urban people of India. Thus, the results might vary if this study was repeated in different cities or regions of India. In terms of further research, therefore, researchers should consider expanding the study focus to different areas and different populations.

Secondly, we have considered the influence of education on the different luxury value dimensions and the purchase behaviour of luxury products. Other demographic variables like age, occupation, income group, gender, ethnicity and marital status can be considered to study their influence on purchase behaviour of luxury brands.

Thirdly, only the overall perceptions about luxury value have been tested. We can apply similar analysis for a specified luxury product or service.

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Table 1

Agegroup * howoftenbuy luxury products Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	21.933 ^a	20	.344
Likelihood Ratio	27.616	20	.119
Linear-by-Linear Association	2.888	1	.089
N of Valid Cases	1200		

a. 15 cells (50.0%) have expected count less than 5. The minimum expected count is .04.

Table 2: Agegroup * kindofluxuryproductyouintendtobuy Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	73.352 ^a	30	.000
Likelihood Ratio	75.717	30	.000
Linear-by-Linear Association	6.923	1	.009
N of Valid Cases	1200		

a. 13 cells (31.0%) have expected count less than 5. The minimum expected count is .46.

Table 3: Agegroup * fromwhereyoubuyluxurybrands Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	48.158 ^a	20	.000
Likelihood Ratio	45.141	20	.001
Linear-by-Linear Association	13.288	1	.000
N of Valid Cases	1200		

a. 8 cells (26.7%) have expected count less than 5. The minimum expected count is .21.

Table 4: Agegroup * influencetobuyluxuryproducts Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	68.294 ^a	25	.000
Likelihood Ratio	71.901	25	.000
Linear-by-Linear Association	1.563	1	.211
N of Valid Cases	1200		

a. 8 cells (22.2%) have expected count less than 5. The minimum expected count is .46.

Table 5: Agegroup * intentiontorepurchasebrand Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	43.628 ^a	10	.000
Likelihood Ratio	37.222	10	.000
Linear-by-Linear Association	.131	1	.717
N of Valid Cases	1200		

Table 1

Agegroup * howoftenbuy luxury products Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	21.933 ^a	20	.344
Likelihood Ratio	27.616	20	.119
Linear-by-Linear Association	2.888	1	.089
N of Valid Cases	1200		

a. 2 cells (11.1%) have expected count less than 5. The minimum expected count is 3.54.

Tables 6 to 13

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of willingtopaypremiumprice is the same across categories of agegroup.	Independent-Samples Kruskal-Wallis Test	.000	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of uniqueness is the same across categories of agegroup.	Independent-Samples Kruskal-Wallis Test	.001	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of ibegintostopusingwellknownproducts is the same across categories of agegroup.	Independent-Samples Kruskal-Wallis Test	.005	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of buyluxurybrandsforsatisfyingperson alneeds is the same across categories of agegroup.	Independent-Samples Kruskal-Wallis Test	.030	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of ibuyluxurybrandconsistentwithmych aracteristics is the same across categories of agegroup.	Independent-Samples Kruskal-Wallis Test	.011	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of iregardluxurybrandsasgiftsibuyfortre atingmyself is the same across categories of agegroup.	Independent-Samples Kruskal-Wallis Test	.092	Retain the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of iwillberecognisedandadmiredbyhigh society is the same across categories of agegroup.	Independent-Samples Kruskal-Wallis Test	.000	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.