SYNOPSIS

Luxury is the thread that binds class, wealth, and power into a socially recognisable symbol. Luxury provides a passage for material possessions that enable social segregation. Luxury cannot exist in isolation, for it to thrive it needs the platform of social class, they share a kind of dependency on each other. Differentiation, segregation, and distinction are the different parameters that influence the desire for luxury.

There has been much debate in literature about the utility of luxury in the traditional sense, it is not understood as a need in older works. However, a need may change with times and the social environment. Consumers may use different justifications to define a need that is unique to themselves. When this is extrapolated to a larger demographic under the same conditions as this unique consumer, one may find a cluster of consumers with the same need. Luxury is not something that a consumer may need to survive, but it becomes a necessity when the aspiration is to thrive. Luxury can symbolize aspects of reach, power, wealth, influence, ability, success, taste, distinction, uniqueness but most of all it signifies a desire; a desire to acquire an object of material consequence to convey that aspect to whoever is watching.

Social segregation in the context of this research is understood as social class. The construct of social class has been derived from the Social Class Worldview Model (Liu, 2001). Under this construct social class includes lifestyle, parental demographics, values, upward mobility symbolism, status & prestige and self-concept. Through the development of a conceptual framework each of these variables were operationalized to create an objective, measurable construct. Luxury consumption drivers were measured through Hennigs et al.'s (2012) model of luxury value perceptions. Luxury value perceptions have antecedent drivers influenced by financial, functional, individual, and social values as per this model. This model was amended with the addition of three new drivers namely economic culture value, symbolic value, and experiential value. A set of statements associated with each value was created and rated using a 5-point Likert scale. The third aspect that was considered for this research was the different luxury brand segments. Towards this end, the luxury brand segments were first differentiated based on theory as masstige, affordable super-premium, old luxury brand extensions, and old luxury brands. Post this, various brands were shortlisted under different categories such as handbags, clothing, watches, accessories and compartmentalized as per their segments. The

choices of brands were representative of the brand segment of their category and helped draw various conclusions.

This research tests the dimensionality of the new construct of luxury value perceptions, in addition to this, it also tests the relationships postulated between various parameters of social class, luxury value perceptions, and luxury brand segments. For this purpose, a sample of 658 eligible responses were collected through a structured questionnaire containing 49 items using snowball sampling technique. The responses were collected through google forms. The research was limited to urban centres of Gujarat such as Ahmedabad, Baroda, Rajkot, and Surat. Data analysis were conducted using appropriate parametric tests.

The data analysis revealed that the new scale of luxury value perceptions was valid, reliable, and generalizable. Significant differences are found between gender and functional value as well as economic culture value. Significant differences are noted between family structure and experiential value as well as different segments of various luxury brand categories. We note significant differences in occupation and annual household income with different segments of luxury brand categories. Different income groups reveal differences in their choice of luxury brand segments as well. There are distinct consumer clusters based on social class that reveal significant differences with luxury brand segments.

References

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