Influence of Financial Value on Purchase of Luxury Brands With Respect To Demographic Variables

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Abstract:
Purpose: In this study, we aim to understand the influence of financial value on the purchase of luxury brands. Also we want to find whether the perception of financial value differs with respect to demographic variables like gender, occupation, age. income, education, religion and marital status.
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 was found that financial value has a significant effect on purchase of luxury brands. There is a significant difference in perception of financial value among people of different age groups, gender, education levels and religions.
Managerial Implications: Luxury brand companies can target the right target segment by understanding how financial value influences the purchase of luxury brands and whether there is any significant difference in financial value with respect to the various demographic variables. They can devise strategies to enable the right target segment to access their products easily.
Keywords: Demographic variables,luxury, purchase behaviour, luxury brands, financial value

I. Introduction

1.1Defining luxury brands: Today, luxury is available not only to the elites and the rich but also to the masses. The meaning of luxury has changed a lot over the last few decades. Earlier, luxury was connected with smaller things like wines, cars, garments and watches. Now people have higher disposable income and they want to buy luxury brands to satisfy their personal needs and aspirations. Hence luxury can be associated more with emotional and experiential value (Kapferer&Bastien, 2008; Aaker, 2009; Yeoman &McMahon-Beattie, 2010; Siri Merethe Knag, 2012; Heine, 2012; Brun&Castelli, 2013; Hannah Koller, 2014; Bhanot et al., 2014, 2015; Sunghyup Sean Hyun &Heesup Han, 2015; Supriti Agarwal &Sonia Singh, 2015; and Shan Chen & Lucio Lamberti, 2015), rather than premium pricing. People also buy luxury products to display their status in society. Consumers want to derive pleasure and meet their aspirations and this leads them to buy luxury products. Israel (2003),Danziger (2005), Dijk(2009), Heine and Phan (2011) and Srivastava et al. (2014, 2015), Sunghyup Sean Hyun &Heesup Han (2015), Supriti Agarwal &Sonia Singh (2015) and Shan Chen & Lucio Lamberti (2015) explain that people buy luxury brands to get admired by society and also get personal experience of pleasure and aesthetics. 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. Hansen and Wänke (2011) and Siri Merethe Knag (2012) define luxury as something of excellent quality, which means that the ingredients or components of a luxury product are exceptional and superior to what is found in ordinary products. Heine &Phan (2011) and Siri Merethe Knag (2012), Sunghyup Sean Hyun &Heesup Han (2015), Supriti Agarwal &Sonia Singh (2015) and Shan Chen & Lucio Lamberti (2015) explain that luxury products have the attributes of premium pricing, excellent quality, beauty and aesthetics, exclusivity and provide self-esteem and admiration from society. Dijk (2009), Black &Myles (2012) and Danqing Yu (2014) explain that luxury goods are those whose consumption increases as income increases. This means that they have a high income elasticity of demand.

1.2 Luxury value dimensions: Luxury goods have a high reputation because they have good quality, are rare and exclusive and are premium priced. These characteristics illustrate functional, symbolic and /or experiential values in the perceptions of the owners or others (Gardyn, 2002; Chadha and Husband, 2007; Berthon et al., 2009; Ching-Yaw Chen et al., 2011; Seung Yoon Rhee et al., 2012; Anna Peshkova, 2013:Danqing Yu, 2014; Supriti Agarwal &Sonia Singh, 2015; Shan Chen & Lucio Lamberti, 2015) and luxury brands as goods or services contribute to shape the owner's social identity and self-esteem. It also helps them to express their ambitions and enables them to get accepted by that part of the society which possesses such luxury goods (Piacentini and Mailer, 2004; Park et al., 2008; Jing, 2011;Siri Merethe Knag, 2012; Sandra Loureiro et al., 2014; Supriti Agarwal &Sonia Singh, 2015; Sunghyup Sean Hyun &Heesup Han, 2015; Shan Chen & Lucio Lamberti, 2015).

Wiedmannet al. (2009) developed a luxury value model consisting of four main key dimensions of luxury value perception. The first one refers to the financial value of the product. This relates to its premium pricing on account of good quality and symbolic value. The second factor is the functional value of the product. This relates to the utility of the product to satisfy customer needs and requirements. It covers attributes like uniqueness, usability and excellent quality. The third dimension is the individual value of the product. This shows the personal orientation of the consumer towards luxury products. Luxury products help the consumers to express their identity, experience pleasure and show their success and achievements. The last dimension is the social value of the product. This shows that people buy luxury products because they want to be a part of the elites and get their admiration and want to distance themselves from the masses that do not possess these products. They want to attain prestige in society and do not want to buy those brands which the ordinary people can afford. This shows attributes like conspicuousness, prestige value and snob value. Yongjun Sung et al. (2015) have developed a theoretical framework for understanding the dimensions of luxury brand personality and a reliable and valid scale that measures these dimensions.

1.3 Financial value of luxury brands: It is related to the monetary aspects of luxury consumption and it addresses the actual price of these products. Luxury products are associated with a premium price. People want to buy luxury brands because they cannot be afforded by the middle or lower income classes. This differentiates them from others.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, Wiedmann et al., 2009, Srinivasan et al., 2014).Wiedmann, Hennings&Siebels (2009) explain that luxury goods are those that have a high ratio of price to quality. In a purely economic sense, luxury goods is the kind of goods for which demand increases as income rises, and goods that have a high income elasticity of demand (Dijk, 2009). People buy prestige brands to show their status and wealth and they are premium priced, as per general standards, and this increases the value of such a purchase (perceived conspicuous value).

II. Literature Review
2.1Defining Luxury: Luxury is an abstract concept that means different things to different people across different cultures. Laurent (1994) and Dubois et al. (2001) explain that people look for different attributes in a luxury product. Horiuchi (1984), Dubois & Laurent (1994), Pantzalis (1995), Dubois &Paternault (1997), Wong &Ahuvia (1998), Truong(2010), Heine (2011), Siri Merethe Knag (2012) and Yookyung Hwang et al. (2014) have written about the high price of luxury brands as an important attribute. Pantzalis (1995), Dubois &Paternault (1997), Siri Merethe Knag (2012), Jean-Noel Kapferer et al. (2014), Yookyung Hwang et al. (2014) and Shan Chen & Lucio Lamberti (2015) have emphasised on exclusivity and uniqueness of luxury brands.
Now luxury goods are accessible to a larger section of society. Wong &Ahuvia (1998), Shukla (2010) and Srinivasan et al. (2014, 2015) explain that luxury can be defined in different ways and has become more complex. Vigneron& Johnson (1999) explain that luxury products are at the top of the category of prestige brands and have physical attributes like excellent quality and uniqueness and psychological attributes like providing self-identity, prestige and pleasure. Luxury can be perceived differently by people and this perception is dependent on the individual and social motivations of the luxury consumers(Vigneron& Johnson, 2004; George Heinemann, 2008; Anna Peshkova, 2013;Hanna Salakari, 2013; Srivastava et al., 2014, 2015; Sunghyup Sean Hyun &Heesup Han (2015), Supriti Agarwal &Sonia Singh (2015),Shan Chen & Lucio Lamberti, 2015).
Luxury products fulfil not only functional but also psychological needs (Dubois et al., 2001).Horiuchi (1984); Dubois & Laurent (1994); Dubois and Paternault (1997);O'Cass& Frost (2002); Vigneron& Johnson (2004); Truong (2010);Ana Margarida Forja de Macedo de Carvalho (2012); Siri Merethe Knag (2012); RalucaCiornea(2014), Jean-Noel Kapferer et al. (2014), Shan Chen & Lucio Lamberti (2015), Supriti Agarwal &Sonia Singh (2015)and Yongjun Sung et al. (2015)have emphasised on the high quality of luxury brands. So luxury products have excellent quality, aesthetics, durability and reliability. Dubois (2004), Truong(2010), Heine (2011), Siri Merethe Knag (2012), Yookyung Hwang et al. (2014), Bhanot et al. (2014, 2015), Supriti Agarwal &Sonia Singh (2015), Sunghyup Sean Hyun and Heesup Han (2015), Shan Chen & Lucio Lamberti (2015) explain that luxury products are high priced to show the excellent quality that they possess. From an experiential standpoint, Kapferer (2005), SrichanSriviroj (2007), Dunn (2008),Truong(2010), Geerts& Veg-Sala (2011), JoshieJuggessur (2012), Stokburger-Sauer &Teichmann (2013) and Danqing Yu (2014) define luxury goods as those that provide sensory pleasure. Chaudhuri et al. (2011) define conspicuous consumption in the postmodern phase as deliberate behaviour of consuming visible products that are with scarce economic and cultural capital to communicate distinctive self-image to others. Han, Nunes, and X. Drèze (2011), Anna Peshkova (2013), Hanna Salakari(2013), Danqing Yu (2014), Yookyung Hwang et al. (2014), Supriti Agarwal &Sonia Singh (2015), Shan Chen & Lucio Lamberti (2015) and Yongjun Sung et al. (2015)found that people buy luxury goods and use them as status symbols to show their position in society. They buy luxury brands, not

for their good quality or aesthetics, but to display their success and financial power.This display of wealth through purchase of luxury brands is called as conspicuous consumption.Shan Chen & Lucio Lamberti (2015) have tried to explore the perception of luxury from the perspectives of Chinese upper-class consumers. They found that Chinese upper-class luxury consumers hold different perceptions for luxury in several aspects: price premium is a prestige in contrast to general Chinese consumers' "value-consciousness"; exclusivity is more valued by the upper-class and experienced consumers; more attention of the upper-class consumers has shifted to individual values from social values; brand value is of high importance; and there exist differences among consumers in different regions.

2.2 Financial value of luxury brands: Luxury brands are normally priced at a superior amount. The reason that this category is defined as luxurious is that they are not commonly accessible by a major portion of the community. The marked price plays a crucial role in determining the boundary where luxury products are situated in the society. Fionda& Moore (2009), Truong(2010),Nicola Stokburger-Sauer & Karin Teichmann (2010), L. Hudders et al. (2010), Ming Wei Sun (2011), Turunen&Laaksonen (2011), Heine (2011), Siri Merethe Knag (2012), María Eugenia Fernández Moya (2012), Heine (2012), Jean-Noel Kapferer et al. (2014) , Yookyung Hwang et al. (2014) and Srinivasan et al. (2014) have focused on the financial value of luxury brands.

2.3 Influence of demographic variables on purchase of luxury brands: According to Dubois & Laurent (1994) and Tidwell & Dubois (1996), the perception of luxury is influenced by demographics, lifestyle, habit and social environment.A study by Seringhaus (2002) found that luxury brand awareness and purchase is not linked to age, gender, marital status and location of residence. The purchase of luxury brands is associated more with income, education and occupation.A study done by KoonnareeWongsiriwat (2007) indicates that brand equity of luxury products depends on demographic variables like age, gender, occupation, education, income, marital status and number of children and psychographic factors like value, attitude and lifestyle.

According to SrichanSriviroj (2007), there seems to be no relation between gender and consumer behavior towards purchasing luxury brand products. A study by Ming Wei Sun (2011) indicates that there is no significant difference on consumers' luxury consumption based on demographic variables like age, gender, education, income and city.It was observed that income i.e. financial ability was an essential factor for luxury consumption.A study by Dr. Bushan D. Sudhakar and Arun Kumar Parise (2012) finds that there is a relation between gender and perception of luxury brand. People are moving from prestige brands to luxury brands. The people irrespective of gender are purchasing the luxury brand products with the perception that they are with good quality, give comfort and increase their social status in the society. Mansharamani et al. (2010) and Justin Akpi (2012) explain that many luxury consumers are part of an affluent, global élite that is increasingly educated and concerned about social and environmental issues.Dijk (2009), Black & Myles (2012) and Danqing Yu (2014) explain that luxury goods are those whose consumption increases as income increases. This means that they have a high income elasticity of demand.

III. Gaps In Literature Review

Hofstede (2001) and Oyserman (2006) have found that people with high power-distance will like to buy luxury brands more as compared to people with low power-distance. But impact of demographic variables on purchase of luxury products has not been considered.Conspicuous consumption relates to those luxury products which are publicly consumed (Seringhaus, 2002; Ward & Secondi, 2005; Ward &Chiari, 2008; Dijk, 2009;Klimczak et al, 2010; Siri Merethe Knag, 2012; Hanna Salakari 2013; Danqing Yu, 2014). But other dimensions like quality value, financial value and functional value have not been considered. Vigneron& Johnson (2004), Fionda& Moore (2009), Wiedmann et al. (2009), Truong(2010), Han et al. (2010), Paurav Shukla &KeyurPurani (2011) and Sandra Loureiro et al. (2014)have focused on the personal orientation and social orientation for consumption of luxurybrands but impact of demographic variables on purchase of luxury brands has not been studied. Byrne (1999) and Wattanasuwan (2005) have studied about luxury products as a status symbol but other dimensions like quality value, functional value, self-identity value and hedonic value have not been considered.Durvasula, Lysonski& Watson (2001) have studied cross-cultural differences in vanity and compared them in Eastern and Western cultures but other demographic variables have not been considered.Meffert and Lasslop(2003)&Trommsdorff and Heine (2008) have defined luxury brands as images in the minds of consumers that talk about premium price, good quality, beauty, aesthetics and exclusivity. Impact of demographic variables like gender, age, income and occupation on thepurchase of luxury products has not been considered.Chadha &Husband (2006) have defined luxury fashion brands as high quality products having a good reputation. This definition is effective by the inclusion of a range of products such as clothes and leather goods where these products are universally available and accepted as luxury products (Ahmed et al., 2002). However, Chadha and Husband's definition becomes limited when other luxury products, like wine/champagne,

automotives, cosmetics and jewelleries are taken into account.Chaudhuri &Majumdar (2006) have found that consumers buy luxury products to show their success and achievements and to enhance their self-esteem but they have not considered attributes like quality and functional value. Thakor&Pecotich (2007) have explained the impact of country of origin on brand personality but they have not considered the influence of demographic and psychographic variables on purchase of luxury brands. Hauck &Stanforth (2007) have studied the influence of age on purchase behaviour of luxury brands but they have not considered the influence of other demographic variables on purchase of luxury brands. Wiedmann et al. (2007) have considered functional value, financial value, individual value and social value of luxury brands but they have not considered the influence of demographic and psychographic variables on purchase of luxury brands. In the study by Benady. David (2008), financial factors affecting purchase of luxury brands have been considered but demographic variables have not been considered.Tynan et al. (2008) have considered four types of luxury value i.e. functional value, hedonic value, symbolic value and cost value. But impact of demographic variables on purchase of luxury brands has not been considered.Fionda and Moore (2009) have explained that brand image. high price and uniqueness are important attributes of luxury brands but they have not focused on quality, individual value and social value. Han, Berthon et al. (2009) explain that beauty and aesthetics are important attributes of luxurybrands. Influence ofdemographic variables like age, gender, culture etc. on purchase of luxury brands has not been considered.Atwal& Williams (2009) have focused on experiential and social value of luxury brands apart from their functional value. But impact of demographic variables on purchase of luxury products has not been studied.Ko et al. (2010) have focused on high quality value, but they have not focused on other dimensions of luxury value like financial value, individual value and social value. Jung & Shen (2011) and Shukla, Paurav (2011) have studied the cultural effects on consumer behaviour but other demographic and psychographic variables have not been taken into account. Hwang and Han (2013) have studied the impact of brand prestige on the luxury cruise industry, but other attributes of luxury like exclusivity, premium pricing and self-identityhave not been considered.Yu et al. (2013) studied the influence of self-identity, brand value and country of origin on the purchase intention of online luxury buyers. But demographic variables like age, gender and occupation have not been taken into account. Stokburger-Sauer and Teichmann (2013) explain that luxury brands are high priced because of their symbolic value even though their functional value is not significantly higher than that of non-luxury products. But they have not considered hedonic value and self-identity value in their study. Jean-Noel Kapferer et al. (2014) have studied the impact of counterfeit luxury goods and explained how exclusivity and exceptional quality -- the core values of luxury -- have been violated by these lower cost products. The gap in the study is that other dimensions of luxury value like functional value and social value have not been considered.Yookyung Hwang et al. (2014) explain that people prefer to buy luxury brands more for their exclusivity and public display of wealth than for premium pricing. But they have not considered dimensions likefunctional value and social value. Sandra Loureiro et al. (2014) study the influence of individual and social value on purchase behaviour of luxury brandsbut they have not considered thefunctional value of luxury brands.

Identification of variables: Based on the gap analysis, the following variables are identified in the present study.

The **dependent variable** is **purchase behaviour of luxury products**. The **independent variable** is **financial value**. The **moderating variables** are **demographic variables** like age, gender, occupation, income, education, religion and marital status.

Theoretical construct: Wiedmann (2009) has considered four main dimensions of luxury value namely financial value, functional value, individual value and social value. Here we consider financial value as a dimension of luxury brands and understand whether it has a significant influence on purchase of luxury brands. Also we want to find whether the perception of financial value differs along to people of different age groups, gender, occupations, income groups, educational levels, religions and marital status. The theoretical framework can be shown as follows:

Fig. 1
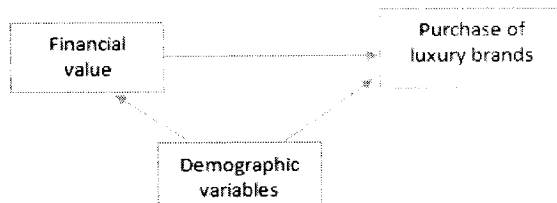
Objectives:
(i) To understand whether financial value has a significant influence on purchase of luxury brands
(ii) To understand whether the perception of financial value differs with respect to gender, age, occupation, income, education, religion and marital status.

IV.   Formulation Of Hypotheses

Financial value is related to the premium pricing of the luxury products. In order to find out whether financial value will have a significant influence on purchase of luxury brands, the first hypothesis can be taken as

H1: Financial value has a significant effect on purchase of luxury brands

Similarly, we want to find whether the financial value of the luxury product is perceived differently by people of different age groups, income, gender, occupation, ethnicity, marital status, education and religion. Hence we can have the hypothesis as:

H2: There is a significant difference in perception of financial value among people of different age groups, income, gender, occupation, ethnicity, marital status, education and religion

V.   Research Methodology

Since the study is drawn on only one sample at one time, the research design chosen is descriptive and cross-sectional. Cross-sectional design describes the purchase behaviour of luxury brands for the given population at a particular moment.

The nature of the questions in the present study implies that the **survey method** would be appropriate for this study.

In this study, primary data has been collected through self – administered questionnaires in order to investigate the research questions. Questionnaires are the main means of collecting quantitative primary data in marketing research (Malhotra, 2006). The present research includes the measurement of several constructs like dimensions of luxury value with rating scales in a survey questionnaire. Primary data has been collected using the probability sampling method and a self-administered questionnaire distributed to the respondents.

The questionnaire has three sections. The first section explores the participants' opinion about luxury products, their awareness and purchase of luxury brands and the factors responsible for buying luxury brands.

The second section of the questionnaire used existing scales used by Wiedmann et al. (2009) in their study "Value-Based segmentation of luxury consumption behaviour" for the financial dimension of luxury value.

The third section asked for the participants' general demographic information including location, level of education, gender, age group, occupation, marital status and monthly income.

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; Wiedmannet. al., 2009) and generated various items based on the literature review.

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 were used to get the list of 2000 respondents which were stratified on the basis of income. 1200 validated questionnaires were obtained.The Kaiser-Meyer-Olkin measure of sampling adequacy (KMO), with a value of 0.916, 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.

Data are collected using a structured questionnaire. All respondents completed the instrument in Mumbai, Delhi, Chennai, Kolkata and Bengaluru. The sample seems to well represent India's middle class and upper middle class educated urban people. Table 1 shows that males outnumbered the females. 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 latest Mckinsey report (2014-15). Table-1 shows the demographic profile.

Table-1 Kaiser-Meyer-Olkin measure of 0.916 higher than the minimum acceptable value of 0.5, shows that the sample size is large enough to factor analyse variables. Besides the Chi-square value or the Bartlett's Test of Sphericity, is significant at the level 0.000. Thus the sample size and the nature of the data are both fit for the analysis.

Sample adequacy for Factor analysis

Table for KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.916
Bartlett's Test of Sphericity	Approx. Chi-Square	15943.097
	Df	861
	Sig.	.000

Reliability of each of the scales was found using Cronbach alpha and was found to be more than the acceptable value of 0.7.

Type of luxury value	Cronbach alpha
Financial value	0.71

VI.   Data Analysis
It is divided into two parts: Descriptive analysis and inferential analysis. The descriptive statistics in the present study provided a profile of the total sample and a brief description of the data set. Inferential analysis deals with testing of hypotheses and validation of the model.

Test of normality: The normality of the data was tested using the Shapiro Wilk test.

The quantitative data analysis techniques used in this study are (1) Wilkoxon Mann-Whitney U test (2) Factor analysis (3) Kruskal Wallis H test. Wilkoxon Mann Whitney U test is used to see how the financial dimension of luxury value is influenced by gender. Kruskal Wallis H test is used to see how the financial dimension of luxury value is influenced by occupation, income, education, religion, age and marital status. These non- parametric tests have been used because the data does not follow a normal distribution according to the Shapiro Wilk test.

Structural equation modelling is used to find whether financial value has a significant influence on purchase of luxury brands.

'Financial value' consists of 3 statements. These are:

1. I think a luxury brand with a high price means good quality compared to other brands.

2. I think investment in a luxury product is worth its retail price.

3. I am willing to pay a premium price for luxury goods.

VII.   Results
The study was intended to find how financial value influences the purchase of luxury brands with respect to the different demographic variables.

Summary of testing of hypotheses are given in **Table-2**.

(i) It is found that financial value has a significant influence on purchase of luxury brands (H1).

(ii) There is a significant difference in perception of financial value among people of different age groups, gender, education levels and religions (H2).

VIII.   Discussion
The main purpose of this study is to understand whether financial value has a significant influence of purchase of luxury brands. Also we wanted to find whether the perception of financial value differs for people belonging to different age groups, gender, occupations, level of education, religion, income, ethnicity and marital status. Structural equation modelling was used to test the first hypothesis. It was found that financial value has a significant effect on purchase of luxury brands. Wilkoxon Mann Whitney U test and Kruskal Wallis H test were used to test the second hypothesis. It was found that there is a significant difference in perception of financial value among people of different age groups, gender, education levels and religions.

This validates our model given in Fig. 1.

A further analysis of perception of functional value of luxury brands gave the average ratings(1-5, one being the highest and five being the lowest).

Dimension of luxury value	Average rating
Financial value	2.41

The above table shows that respondents have shown a higher rating (closer to 1) towards functional value. **Hence we have validated our model in light of the data collected** and showed that financial value has a significant influence on purchase of luxury brands and it is perceived differently by people of differentage groups, gender, occupations, educational levels, income, ethnicity, religion and marital status.

IX. Conclusions

Using structural equation modelling, it was found that financial value has a significant effect on purchase of luxury brands. Using the Wilkoxon Mann Whitney U test and Kruskal Wallis H test, it was found that there is a significant difference in perception of financial value among people of different age groups, gender, education levels and religions.

Hence luxury brand companies should see that their products are premium priced and are available only to a limited section of the population.

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 belonging to different demographics. 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.

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. The products should be premium priced and should be affordable to only a few. 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 demographic variables. Luxury brand companies can understand how people of different demographics respond to the different luxury value dimensions and how the luxury products can cater to the requirements of each group.

Limitations and scope for further research: Firstly,a particular limitation of this study was that the respondents were all from urban areas 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 financial value on purchase of luxury products with respect to the different demographic variables. Similarly other dimensions of luxury value 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.

Fourthly, the study has limitations of time and experience available with the researcher.

Lastly, this study employed "snowball sampling" which is a type of non-probability sampling method. This method does not ensure that each unit will has anequal chance of being selected as in probability sampling; therefore, such samples are vulnerable to selection biases. The respondents were selected by researchers' friends' net- working, and therefore the study result may not present the whole social class and test results may only apply to the participating respondents.

This becomes the scope for further research.