MAJOR RESEARCH PROJECT

"CREATION AND CONSUMER PERCEPTION ON LUXURY BRANDS"

Submitted By

SRASHTI GUPTA

2K22/DMBA/130

Under the Guidance of

Dr. Deep Shree

DELHI SCHOOL OF MANAGEMENT

Delhi Technological University

Bawana Road, Delhi-110042

CERTIFICATE

This is to certify that **Srashti Gupta**, **2K22/DMBA/130** has submitted the Major research project titled "***Study on creation and consumer perception of luxury brands"***, in partial fulfilment of the requirements for the award of Master of Business Administration to Delhi School of Management, Delhi Technological University, New Delhi during the academic year 2023-24.

Dr. Deep Shree
Assistant Professor

DECLARATION

I, **Srashti Gupta**, student of Delhi School of Management, Delhi Technological University hereby declare that the Summer Internship Report on ***Study on creation and consumer perception of luxury brands*** submitted in partial fulfilment of the requirements for the award of the degree of Master of BusinessAdministration (MBA) is the original work conducted by me. I also confirm that neither I nor any other person has submitted this project report to any other institution or university for any other degree or diploma. I further declare that the information collected from various sources has been duly acknowledged in this Project.

Srashti gupta
2K22/DMBA/130

ACKNOWLEDGEMENT

ABSTRACT

The creation and perception of luxury brands are central themes in marketing research. This study investigates these aspects through a questionnaire-based survey targeting diverse consumer groups. The survey covers demographic information, perceptions of luxury brands, consumer behaviours, brand loyalty, preferences, and future market trends.

Respondents were asked to define luxury brands, identify associated attributes, name notable luxury brands, and rate factors influencing their perception of luxury. Results highlight quality, prestige, and exclusivity as primary attributes linked to luxury. Factors such as product quality, brand reputation, and exclusivity were identified as key influencers in perceiving a brand as luxurious. The study also reveals varying levels of brand loyalty influenced by quality, heritage, and brand image.

The survey investigates how people perceive luxury brands in relation to social media, marketing tactics, and cultural changes. It looks at new trends, such as the increasing focus on sustainability and moral branding in the luxury market.

This research provides insights into luxury branding dynamics and consumer behaviour, offering implications for marketers seeking to position their brands in the luxury segment. It contributes to a deeper understanding of luxury's evolving nature in today's market landscape.

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INTRODUCTION

1.1 Background

Building a luxury brand is about creating unique, top-quality products that scream exclusivity and class. It's all about shaping a unique brand image, aiming for wealthy customers, and using smart marketing to show off the luxury. Key parts include offering limited editions, custom services, and a story that echoes luxury vibes. Making sure every customer interaction feels high-end is essential for keeping the brand's luxury status.

"EFFECT OF CELEBRITY ENDORSEMENT ON CONSUMER'S BUYING BEHAVIOUR"

People have long looked up to celebrities as role models. By using the items they use, people aspire to be like them and live their lives as they do. Numerous brands and businesses take advantage of this circumstance by obtaining celebrity endorsements that entice consumers to purchase their products. Celebrity endorsements have shown to be a successful tactic for connecting with potential customers and increasing one's profile in the industry.This draws clients, which eventually raises output and profits for the business. Over the past 150 years, advertising has seen several phases of change, from classical to modern. Nowadays, using celebrities alongside their products is the best way for marketers to sway consumers. Celebrity recommendations may

Celebrity branding or endorsement involves using well-known personalities to promote products or causes. It's a powerful tool for enhancing advertisement credibility and brand image. Marketers leverage celebrities' charisma, trustworthiness, and attractiveness to influence consumer behaviour.

In today's advertising landscape, traditional methods have given way to more modern approaches focused on emotions and humour. Celebrities play an important role in capturing consumer attention and driving interest, desire, and action.

Nonetheless, choosing the ideal celebrity for a brand needs serious thought. For marketers to build a lasting relationship with customers, the celebrity's image must

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complement the brand's personality and goals. Done effectively, celebrity endorsement can significantly enhance brand value.

Celebrity endorsements come in two flavours: compensated and unpaid. Paid endorsements involve compensating celebrities to promote a product, while unpaid endorsements occur when celebrities genuinely endorse a product without monetary compensation.

Brands seek celebrity endorsements to increase brand visibility and credibility. By leveraging celebrities' wide-reaching networks and influence on social media, brands can attract consumer interest and drive sales.

Consumers today are sceptical of traditional advertising methods and prefer authentic endorsements from trusted sources. This is why influencers and celebrities who provide honest opinions about products hold significant sway over consumer purchasing decisions.

Authenticity is key in celebrity endorsements. Allowing celebrities to create content that feels genuine to their audience can result in more effective campaigns than scripted advertisements.

Celebrity endorsement is a promotional strategy falling under the "promotion" aspect of the marketing mix. It's often used during product launches to generate awareness and interest among consumers.

Overall, celebrity endorsement can be a potent tool for brands, but it requires careful planning and execution to avoid negative consequences. When done right, it can help brands stand out and gain consumer trust in a competitive market.

1.2 Problem statement

The concept of luxury brands has undergone significant evolution in recent years, influenced by shifts in consumer behaviour, societal values, and market dynamics. Understanding the creation of luxury brands and how consumers perceive them is essential for marketers and brand managers to effectively position and differentiate their offerings in a competitive market.

Despite extensive research on luxury branding and consumer behaviour, there remains a need to delve deeper into this relationship, particularly in the context of contemporary trends and consumer preferences. This study intends to investigate

the complexities involved in developing a luxury brand as well as the variables influencing consumers' ideas of what constitutes a luxury brand.

1.3 "Objective of the study"

The study aims to-

- comprehend how consumers define luxury brands and identify the key characteristics that define luxury.
- explore consumer perceptions of luxury brands, focusing on factors such as product quality, brand reputation, price, and exclusivity.
- Analyse how demographic factors like age, gender, income, and education influence consumers' perceptions of luxury brands.
- examines how marketing components affect consumers' opinions of luxury brands and how that affects their decision to buy.
- explore consumer loyalty towards luxury brands, identify factors driving loyalty, and assess preferences for new luxury brands and their willingness to try them.
- provide insightful information that will help brand managers and marketers create winning plans for establishing, promoting, and running premium brands in the marketplace.

1.4 "Scope of the study"

- The definition and characteristics of luxury brands are examined in this study, along with the variables affecting how consumers view these brands.
- The study investigates how consumers' perceptions of luxury goods are influenced by marketing factors such as product quality, price, exclusivity, and brand reputation, which in turn affects consumers' purchasing decisions.
- The study investigates customer inclinations for new luxury brands and their readiness to test them, as well as the elements that influence consumer loyalty to luxury brands.
- The study explores emerging trends and preferences in the luxury market, highlighting how these changes are reshaping the concept of luxury and influencing consumer behaviour.

LITERATURE REVIEW

- Tynan.Caroline , McKechnie.Sally and Chhuon.Celine's study on 'Co-creating value for luxury brands' study by Celine looked at that The market for luxury brands has expanded significantly over the last 20 years, but brand owners find it more challenging to ensure that their high-end goods are regarded highly enough by customers to justify their high prices in the current challenging economic environment.. According to recent service-oriented research, suppliers and customers are now co-creating value as a result of a shift away from a firm- and product-centric approach of value creation and towards one that prioritises individualised brand experiences. The authors of this paper use case study research to develop a theoretical framework of value categories for luxury enterprises, which helps them identify the processes of value creation in this particular context. The results demonstrate the range of interactions that occur between the owners of premium brands and their clientele.

- Kapferer,J.(1997) in "Managing Luxury Brands" stated that Even though luxury products constitute a separate economic sector in many nations, there is still some ambiguity surrounding the definitions of luxury and premium brands. What distinguishes the "upmarket" or "everyday" brand from the premium brand? Are the distinctions merely qualitative or fundamental to the nature of the luxury brand? Actually, the ambiguity in the definitions of luxury that are in use today emphasises the elimination of some distinctions that are still important when it comes to managing luxury brands versus, for instance, quality brands. Recalling the fundamental uniqueness of luxury brand management is crucial in an era where many luxury businesses are succumbing to big industrial corporations that have long engaged in mass marketing.

- Bian.Qin and Forsythe.Sandra on 'Purchase intention for luxury brands: A cross-cultural comparison' stated that this cross-cultural study explores the ways in which individual traits (like the need for individuality and self-monitoring) and brand-associated variables (like affective attitude and social-function attitudes towards luxury brands) influence consumers' purchase intentions for luxury brands in the United States and China. In total, 394 college students from the US and China participated in the survey. In order to ascertain how self-monitoring influences social-function attitudes towards luxury goods in the US and China, this study uses structural equation modelling, or SEM. Customers' buying intentions are positively impacted by social-function attitudes towards luxury brands through affective attitude. Attitude has a major mediating role between purchase intentions and attitudes towards luxury products in terms of social functions.

Luxury brands constitute a substantial share of global consumer goods sales. According to Roberts (2010), sales of high-end clothing, accessories, jewelry, watches, and related items were projected to reach 170 billion euros ($236 billion) worldwide in 2009. The primary markets for luxury brands have shifted from Western countries to the "new rich" regions of the East (Sherman, 2009). However, there are notable variations in the factors influencing consumers in collectivist versus individualistic societies when it comes to purchasing luxury brands. Understanding these cultural differences in consumers' motivations to buy luxury brands and the reasons behind them is crucial. It provides insights into the factors driving consumer behaviour and informs marketing strategies for global luxury brands.

Most existing research on cultural comparisons focuses solely on how cultural differences influence consumers' intentions to acquire luxury goods (Li and Su, 2007; Wong and Ahuvia, 1998). Responding to the call by Wilcox, Kim, and Sen (2009) for studies on the relationship between attitude and cultural identity within and across cultures, the current study investigates how consumers in Eastern and Western cultures form their purchase intentions for luxury brands. Specifically, it examines the impact of their need for uniqueness, self-monitoring, social-function attitudes, and affective attitudes on their purchase intentions. This approach allows for a deeper understanding of the factors shaping purchase intentions for luxury brands. Given the diverse individualistic and collectivist cultures in the two largest markets for luxury brands—the United States and China—there may be considerable differences in the reasons driving consumers' desire to purchase luxury goods.

This study adds to existing research by investigating how the need for uniqueness, self-monitoring, social-functional attitudes, and affective attitudes influence consumers' purchase intentions across two distinct cultures (collectivist versus individualist). It examines cross-cultural differences in the

underlying motivations for buying luxury brands.The functional theory of attitude is supported by the results, which demonstrate how attitudes influence behaviour and affect two crucial social functions. Additionally, this study demonstrates how emotions influence the establishment of purchasing intentions and are connected to central attitudes. Furthermore, by looking at how purchase intentions for luxury products are formed across cultural boundaries, the findings build on earlier research and theoretical development.

These results also have significant ramifications for luxury brands' cross-cultural and domestic branding initiatives. Marketers may tailor their marketing campaigns to most successfully appeal to the underlying purchasing motivations of customers in each market group only by knowing those motivations.

- Dhaliwal, Amrita, Pal Singh, Devinder, and Paul, Justin, in their study on "The consumer behaviour of luxury goods," provide a comprehensive analysis of various factors influencing consumer behaviour when purchasing luxury products. They summarise research findings and combine them through searches conducted in reputable databases. A total of two hundred and two studies were identified and categorised based on study type, themes, and specific analyses.

  The findings provide a comprehensive overview of various perspectives on luxury product-related behaviour studied in the past. The study identifies the antecedents of luxury purchasing behaviour and classifies them into four key categories: individual variables, psychological factors, cultural and social factors, and elements unique to luxury items. Additionally, the study presents a new model demonstrating the relationships between these antecedents and luxury consumer behaviour. Finally, the researchers propose a research agenda for future studies in this field.

- Godey, Bruno, in his study on "Social media marketing efforts of luxury brands: Influence on brand equity and consumer behaviour," highlights the lack of empirical evidence supporting the hypothesis that social media marketing initiatives influence customers' attitudes toward a company and the development of brand equity. To investigate these connections, the study focuses on five pioneering luxury brands in the industry: Burberry, Dior, Gucci, Hermès, and Louis Vuitton.

  The study utilises a structural equation model based on a survey of 845 luxury brand consumers from China, France, India, and Italy who follow these five brands on social media. This model aims to bridge the gaps in previous research on social media branding by specifically examining the connections

between social media marketing initiatives and their outcomes, including loyalty, willingness to pay a price premium, and brand preference.

The study evaluates social media marketing initiatives from firms using a comprehensive approach that takes into account five factors: trendiness, customisation, entertainment, engagement, and word of mouth.

- Foteini Yiangou, Ioanna Papasolomou, Alkis Thrassou, and Demetris Vrontis, in their study on "Social Media and Consumer Behaviour Towards Luxury Brands," discuss the recent surge in interest in social media (SM), which has transformed communication between organisations and their stakeholders. This shift has prompted brands to reassess their interactions with target markets. Luxury brand marketers have increasingly focused on customer-driven social media platforms dedicated to their brands, recognizing the crucial role of social media in their marketing strategies. Fundamental consumer behaviour concepts such as motivation, interaction, and social media serve as the theoretical foundation for this phenomenon.

  This chapter aims to investigate the relationship between social media (SM) and consumer behaviour towards luxury brands. Empirical data were gathered from 110 Cypriot SM users who actively seek information about luxury brands on social media platforms. The objective was to assess whether social media influences the behaviour of Cypriot consumers, regardless of gender, and to identify any significant behavioural differences between males and females. This study provides valuable insights and recommendations for luxury brands seeking to understand consumer behaviour and cultivate brand-customer relationships through the use of social media.

  In today's society, the rise of social media has heightened the importance of appearance and image. In the digital landscape, individuals place value on the image they present and the experiences they share with their followers. As a result, there is a growing desire among consumers to display the brands they own, use, or interact with. McCormick's 2016 study found that Millennials, born between 1981 and 1996, are social consumers who frequently share various aspects of their experiences on social media platforms.

  The concept of face consciousness, extensively explored in the context of luxury brand consumption by researchers such as Bao, Zhou, and Su (2003), as well as Wong and Ahuvia (1998), refers to the importance individuals place on their social identity. It is considered a significant motivator behind the consumption of name-brand products (Li and Su, 2007; Monkhouse, Barnes, and Stephan, 2012). Since the demand for counterfeit products often arises from consumers' desire for genuine luxury brands (Wilcox et al., 2009), it is essential to examine the role of face consciousness in copycat consumption (Chen, Zhu, Le, and Wu, 2014).

- Humaira Mansoor Malik and Muhammad Mehtab Qureshi, in their study on "The Impact of Celebrity Endorsement on Consumer Buying Behavior," aimed to investigate the influence of celebrity endorsement on consumers' purchasing intentions, specifically focusing on Pakistani consumers' perceptions. The research explores various characteristics of celebrity endorsement and their impact on buying intentions. A review of existing literature on celebrity endorsement was conducted to gain insights into different aspects of this phenomenon.

To understand the impact of various celebrity attributes on consumer behaviour, a quantitative approach was employed. Data were collected from 150 respondents through a structured questionnaire and analysed using SPSS software. The findings suggest that certain aspects of celebrity endorsement, such as gender, attractiveness, credibility, endorser type, and multiple celebrity endorsements, positively affect buying intentions. However, multiple product endorsements were found to have a negative relationship with consumer purchasing behaviour.

In summary, the study concludes that celebrity endorsement has a positive impact on consumers' buying intentions, emphasising its significance in marketing strategies.

In today's fiercely competitive world, consumers are bombarded with advertisements across various media platforms such as magazines, newspapers, billboards, websites, radio, and television. Marketers strive to capture even a small fraction of individuals' attention to showcase the unique characteristics of their products or brands. However, due to the overwhelming volume of advertisements, people often become desensitised to traditional marketing practices.

In response to this challenge, marketers are constantly seeking ways to grab consumers' attention, with celebrities proving to be effective tools in this regard. In the modern era, consumers tend to overlook most commercials and advertisements, but they are unlikely to ignore the allure of a celebrity. The impact of celebrity endorsement on advertisements and brands is significant, prompting businesses to frequently engage celebrities in their advertising campaigns.

To persuade consumers to consider a particular brand among many options, marketers complement the marketing attributes and imagery of the brand with celebrity endorsements. Believing that celebrities are influential spokespersons for their brands, advertisers invest substantial amounts of money in celebrity endorsement agreements each year. Many companies use

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celebrities in their advertisements with the hope of creating a unique position in consumers' minds.

- Kofi Osei-Frimpong, Georgina Donkor, and Nana Owusu-Frimpong, in their study titled "The Impact of Celebrity Endorsement on Consumer Purchase Intention: An Emerging Market Perspective," investigate the influence of celebrity endorsement and the moderating effect of negative publicity on consumer purchase intentions or attitudes in an emerging market. Employing a quantitative research approach, the study surveyed 500 respondents using a structured questionnaire.

  The findings suggest that a celebrity endorser possessing attributes such as attractiveness, trustworthiness, and familiarity has a positive impact on consumers' perceptions of quality, purchase intentions, and brand loyalty. However, negative publicity surrounding the celebrity endorser did not moderate consumer purchase intentions. This study provides significant theoretical and practical insights for researchers and practitioners regarding the utilisation of celebrity endorsers.

- *Celebrity endorsement in india*

Celebrity endorsements have been a prominent marketing strategy in India for decades. The concept is not new, with Leela Chitnis being the first Indian actress to endorse Lux soap back in 1941. However, the real surge in celebrity endorsements occurred in the late 1980s when stars like Tabassum (Prestige Pressure Cooker), Jalal Agha (Pan Parag), and Kapil Dev (Palmolive Shaving Cream) began endorsing brands. According to GroupM's Showbiz marketing report 2017, the celebrity endorsement market in India has steadily grown from 665 engagements in 2007 to 1660 in 2017.

In an era of digital disruption, brands face the challenge of capturing people's attention. Marketers believe that celebrity brand ambassadors provide a higher degree of consumer recall. This is because India is a country where people idolise film stars, cricketers, and politicians, making them influential figures. When these celebrities appear in advertisements promoting products, it captures widespread attention.

Today, celebrities like Shah Rukh Khan, Amitabh Bachchan, Deepika Padukone, and Virat Kohli endorse various brands, and the majority of India's population is familiar with them. Communication and engagement with the audience are crucial for any brand's strategy, and celebrities serve as the voice of that communication.

However, celebrity endorsements are no longer confined to film stars alone. Social media stars and sports personalities are also gaining traction in the endorsement space. The rise of social media has given birth to influencers who have made a name for themselves through platforms such as YouTube, Instagram, Twitter, and Facebook. Brands leverage these influencers to create word-of-mouth advertising across various categories.

While celebrities typically serve as the face of brand messages in traditional endorsements, influencers are perceived as the creators of the message in influencer marketing. For instance, Lily Singh (ISuperwomanII), an online sensation, was signed on by Pantene as their brand ambassador. Indian sports personalities like Vijender Singh, Sakshi Malik, PV Sindhu, and Sania Mirza are also gaining popularity as endorsers, particularly in categories that seek fresh faces.

Bollywood celebrities are becoming increasingly active on social media, sharing personal pictures and engaging with their peers. Brands have discovered a new avenue to convey their message through social media endorsements. According to the report, nearly one out of ten social media activities by Hindi film celebrities involves promoting a brand. Brands also prioritise online opinions and YouTube reviews to enhance their brand credibility. A celebrity's Twitter following or Facebook fan page strength is considered a significant asset for brands, with even second and third-tier actors amassing millions of followers on platforms like Instagram. Advertisers and brand managers acknowledge the importance of utilising this online presence to attract more consumers.
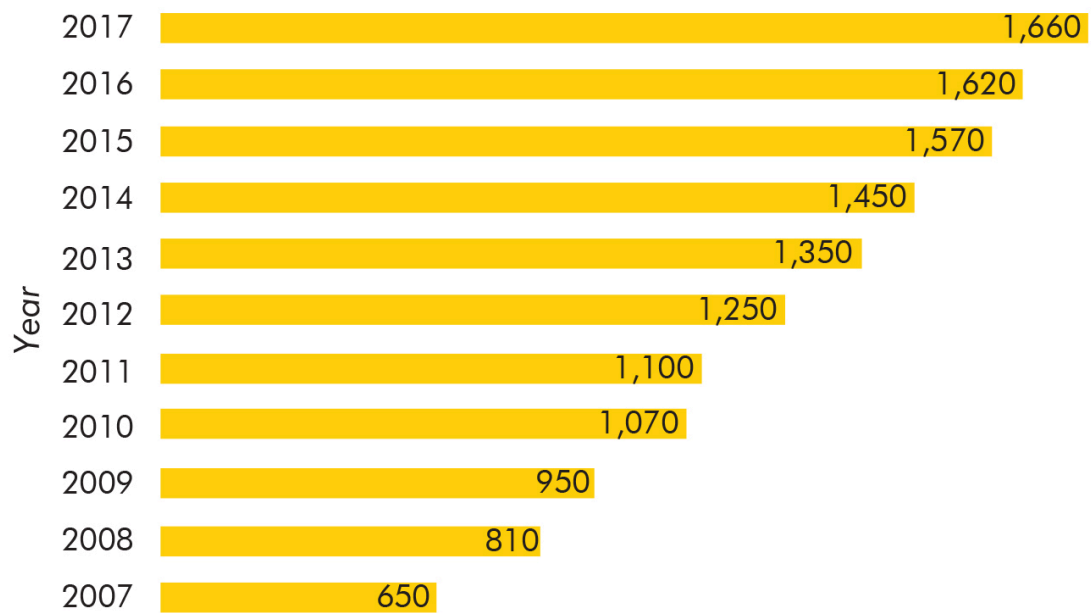
However, brands must consider factors beyond the star power of their endorsers, such as the likelihood of risk and brand fit. The report highlights that the top influencers in India possess several qualities that make them desirable as brand endorsers, including:

- Credibility and market perception: Demonstrating expertise and skills that resonate with consumers.
- Attractiveness: The influencer's likability, familiarity, and alignment with the brand.
- Star Power: The capacity to significantly influence consumer purchasing decisions.
- Relatability: The ambassador's ability to connect with consumers on a personal level.
- Return on Investment: The potential financial benefits for the brand.

Endorsements are increasingly transitioning from mainstream celebrities to influencers. The report predicts a continued shift towards key opinion leaders in the future. With today's fragmented media landscape, brands might choose either a single ambassador across all platforms or multiple faces for a campaign. A celebrity's presence and following on social media are crucial factors for brands when selecting endorsers. Social media enables brands to measure the effectiveness of influencer-led campaigns, providing instant and real-time feedback that facilitates quicker ROI calculations.

NEW
LUX
with BEAUTY OILS
FOR SATIN SOFT SKIN

Number of celebrity engagements

Year	Number
2017	1,660
2016	1,620
2015	1,570
2014	1,450
2013	1,350
2012	1,250
2011	1,100
2010	1,070
2009	950
2008	810
2007	650

Celebrity-led endorsements have steadily gone from Amitabh in 2007 to Aliaa in 2017

Source: ESP Properties

RESEARCH METHODOLOGY

By employing a research technique, a researcher can map out the planned trajectory of their inquiry, addressing a research issue in a systematic and logical manner. Methodology describes the procedures that a researcher will employ to conduct a study and generate authentic, accurate data that aligns with their aims and objectives. It outlines what data will be obtained, where it will be obtained from, how it will be collected, and how it will be evaluated.

A research methodology adds credibility to the subject and yields reliable scientific results. It also provides a comprehensive strategy that helps keep researchers on course and promotes a straightforward, efficient, and manageable process. Understanding the researcher's approach will assist the reader in comprehending the procedures used to reach the results.

When selecting a study approach, researchers have several options to consider. One of the most crucial decisions is whether to use qualitative, quantitative, or a combination of both data techniques. Researchers may focus on gathering data in the form of words, numbers, or a combination of both, but the data they collect will always be presented as descriptions or statistics.

The research design used for this project is Descriptive Research, which aims to accurately portray the participants and their behaviour. It involves detailing the characteristics of the individuals involved in the study.

Descriptive Research can be seen as a depiction of the current state of affairs, with the researcher having no control over variable factors. Unlike Analytical studies, which seek to understand why or how things are the way they are, Descriptive studies focus on simply determining, describing, or identifying what is.

The primary goal of Descriptive Research is to illuminate current issues or problems by gathering data that allows for a detailed description of the situation. Essentially, Descriptive studies aim to describe various aspects of a phenomenon, often emphasising the characteristics and behaviour of the sample population.

An important aspect of Descriptive Research is that, while it can involve multiple variables, only one variable is required to conduct a descriptive study. The three main purposes of descriptive studies are to explain, describe, and validate research findings.

Advantages of Descriptive Research:

1. Natural Observation:With the help of descriptive research, one can see phenomena in their original, natural settings and get a realistic picture of how they behave and interact.

2. Integration of Methods: This strategy offers the chance to integrate qualitative and quantitative data collection techniques, allowing researchers to fully comprehend the phenomenon they are studying.

3. Time Efficiency: Comparatively speaking, descriptive research takes less time than quantitative experiments, which makes it a more effective method for researching particular occurrences or subjects.

4. Effective Analysis: Descriptive Research is effective in examining non-quantifiable topics and issues, offering valuable insights into complex phenomena that may be difficult to quantify.

Disadvantages of Descriptive Research:

1. Statistical Limitations: The capacity to make inferences based on statistical analysis is limited by descriptive studies' inability to statistically test or validate the research problem.

2. Potential Bias: In the lack of statistical tests, research results may be biassed, which could produce skewed or untrustworthy conclusions.

3. Limited Repeatability:Because most descriptive studies are observational in nature, it is challenging to recreate the precise conditions and get consistent results.

4. Lack of Causation: Because descriptive studies only describe what is observed rather than explaining why it occurs, they are not helpful in determining the fundamental causes behind the phenomena that is being reported.

Primary data is used in this project

Sampling

Sampling is the method of studying a population by examining a subset of individuals selected from it. In this approach, a small group is chosen to represent the entire population, and conclusions are drawn based on the results.

Sampling involves choosing a subset of individuals from a larger population to estimate the characteristics of the entire population, making social investigation feasible and manageable.

The sampling technique utilised in this project is Convenience Sampling, a form of non-probability sampling where the sample is selected from a group of individuals who are readily accessible.

The sample for this project comprised college-going students and millennials, and the sampling area was restricted to the Delhi region.

The sample size for the survey was 100 people.

DATA ANALYSIS

Qualitative analysis

The aim of the data collected through the questionnaire titled **"Study on creation and consumer perception of luxury brands"**
The total number of respondents were 70. A synopsis of the responses collected through questionnaire along with the analysis is as follows-

Figure 1: Classification of gender

Gender
70 responses

- female
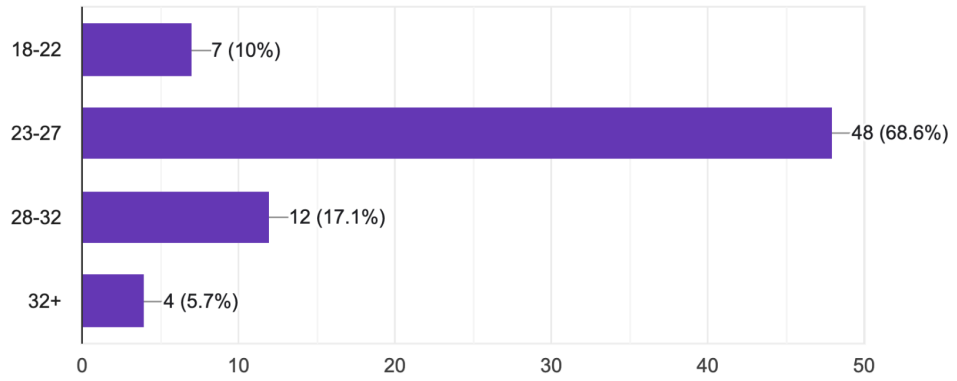- male
- other

28.6%

71.4%
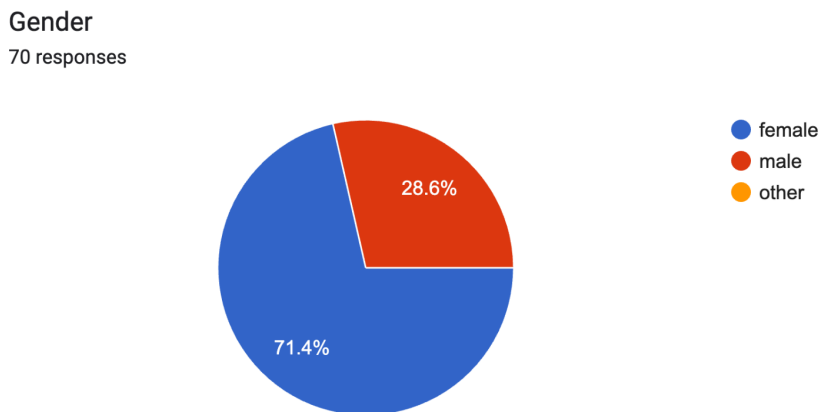
Source: own analysis

Out of 20 respondents 8 were female and 12 were male. Small number of women respondents can also be due to the small size of the study.
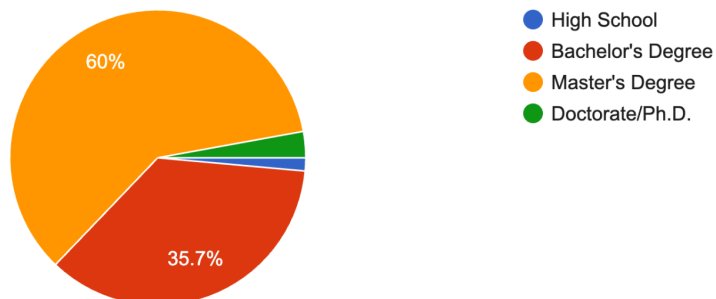
Figure 2: classification of age

Age*
70 responses

18-22	7 (10%)
23-27	48 (68.6%)
28-32	12 (17.1%)
32+	4 (5.7%)

Source: own analysis

Majority of the respondents are from 23-27 years of age

Figure 3: Education level

Education Level:
70 responses

- ● High School
- ● Bachelor's Degree
- ● Master's Degree
- ● Doctorate/Ph.D.

60%
35.7%

60% of the respondents are post graduates.

Occupation

70 responses
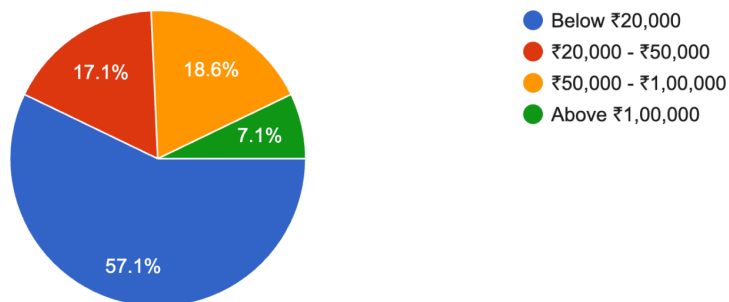

- ● student
- ● employed
- ● entrepreneur
- ● unemployed

34.3%

51.4%
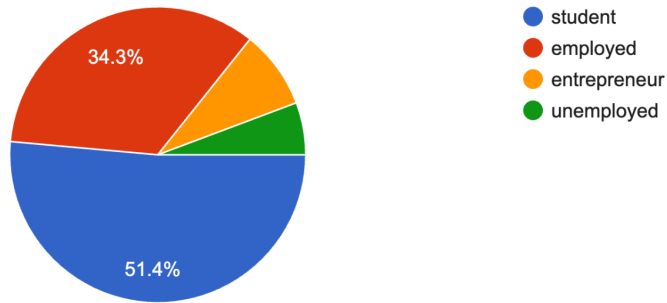
Only 24 respondents are employed whereas 38 are students.

Figure 4: Monthly Income

Monthly Income: Note : If you are a student or currently unemployed, Kindly choose the option "Below ₹20,000"
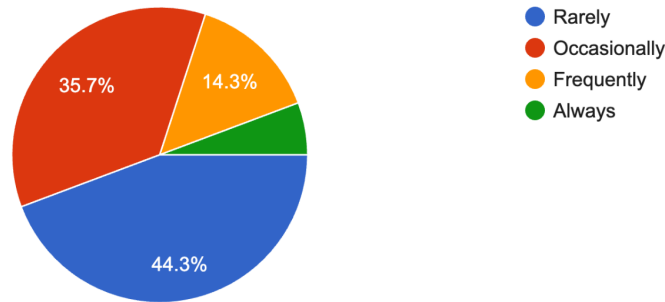
70 responses

- ● Below ₹20,000
- ● ₹20,000 - ₹50,000
- ● ₹50,000 - ₹1,00,000
- ● Above ₹1,00,000

17.1%   18.6%

7.1%

57.1%

30 respondent's monthly income is greater than 20000.

Figure 5:

How often do you purchase luxury products?
70 responses

Legend:
- Rarely
- Occasionally
- Frequently
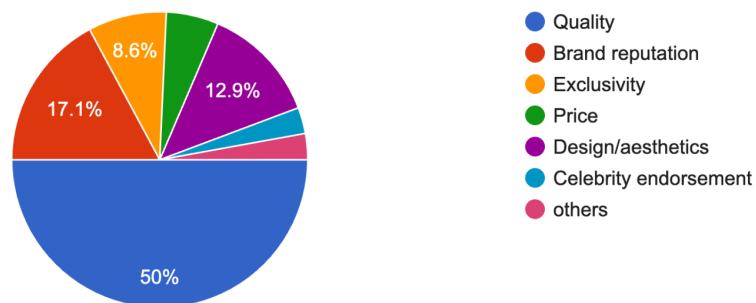- Always

35.7% 14.3% 44.3%

Only 6% of the respondents buy luxury products frequently while 45% does rarely

Figure 6:

What factors influence your decision to purchase a luxury brand?
70 responses

Legend:
- Quality
- Brand reputation
- Exclusivity
- Price
- Design/aesthetics
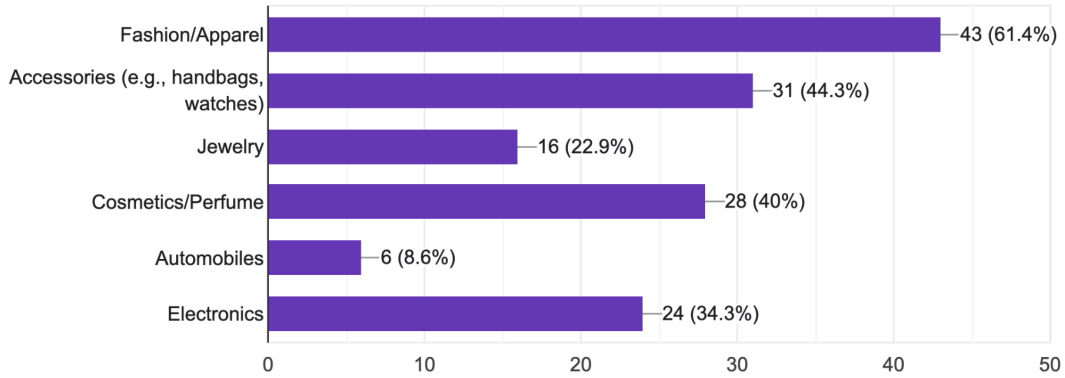- Celebrity endorsement
- others

8.6% 17.1% 12.9% 50%

Quality is the factor that majorly influences the decision to purchase luxury products followed by 17% for brand reputation , while just 3% of respondents are influenced by celebrity endorsement

Figure 7:

What types of luxury products do you typically purchase? (Select all that apply)
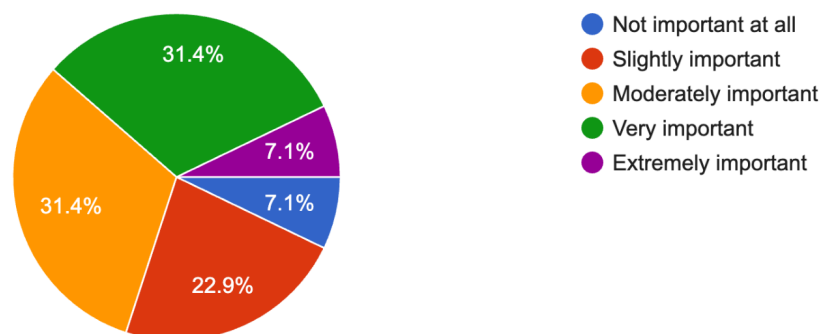70 responses

62% of the respondents purchase luxury fashion brands, while 45% of them spend on accessories.

Figure 8:

How important is the brand image in your perception of a luxury brand?
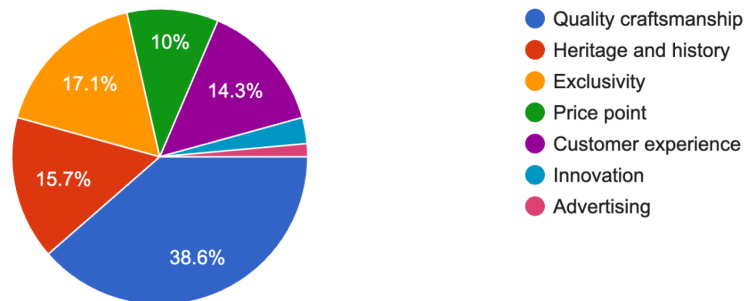70 responses

Brand image is important for the perception of luxury products.

Figure 9:

What do you think are the key elements that make a brand luxurious?
70 responses

- Quality craftsmanship
- Heritage and history
- Exclusivity
- Price point
- Customer experience
- Innovation
- Advertising

38.6% / 15.7% / 17.1% / 10% / 14.3%

According to the responses, Innovation is the key element that makes a brand luxurious.

Figure 10:

How do you think luxury brands differentiate themselves from their non-luxury counterparts?
70 responses

- Through pricing
- Quality of materials
- Brand reputation
- Marketing strategies
- Design and aesthetics

12.9% / 17.1% / 10% / 25.7% / 34.3%
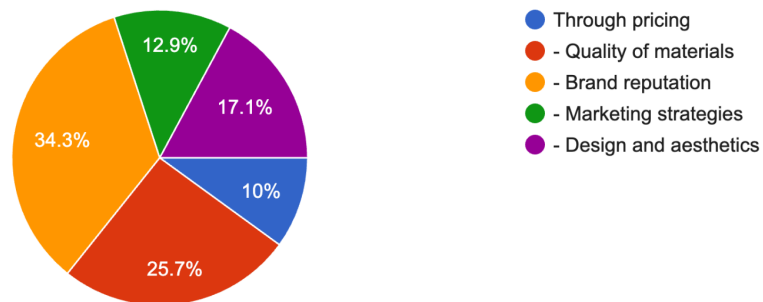
35% of the respondents think that brand reputation is what differentiates luxury brands.

Figure 11:

Do you think owning luxury items enhances one's social status?
70 responses
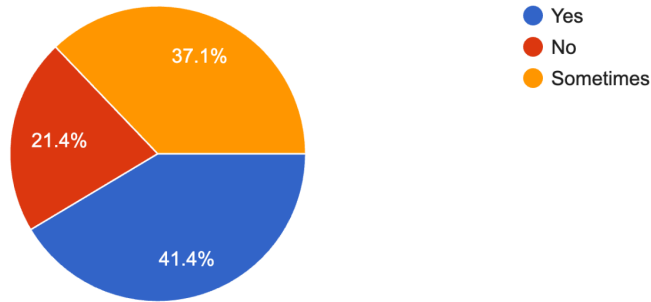
44% of the respondents feel that owning a luxury brand enhances one's social status.

Figure 12:

How do you think the perception of luxury brands has changed over the years?
70 responses
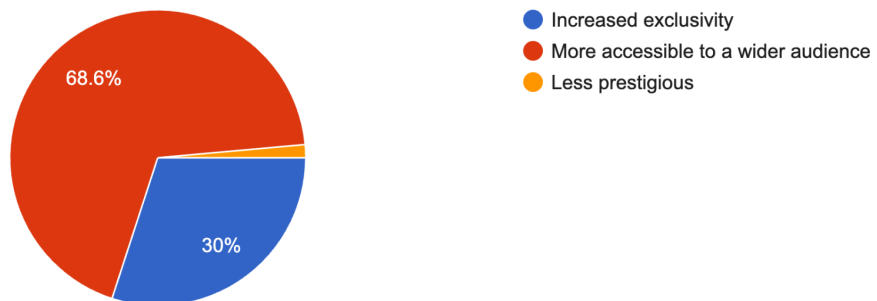
70% of respondents feel that now luxury brands are more accessible to a wider audience.

Figure 13:

What do you think are the biggest challenges luxury brands face today?(select all that apply)
70 responses

50% of respondents think that competition from emerging brands and changing consumer preferences are the biggest challenger that luxury brands face today.

RECOMMENDATIONS

The study utilised an exploratory approach with convenience sampling, so it does not assert complete generalizability or 100% accuracy of the results. The creation of luxury brands is a complex and contentious topic, and a single study cannot offer exhaustive findings.
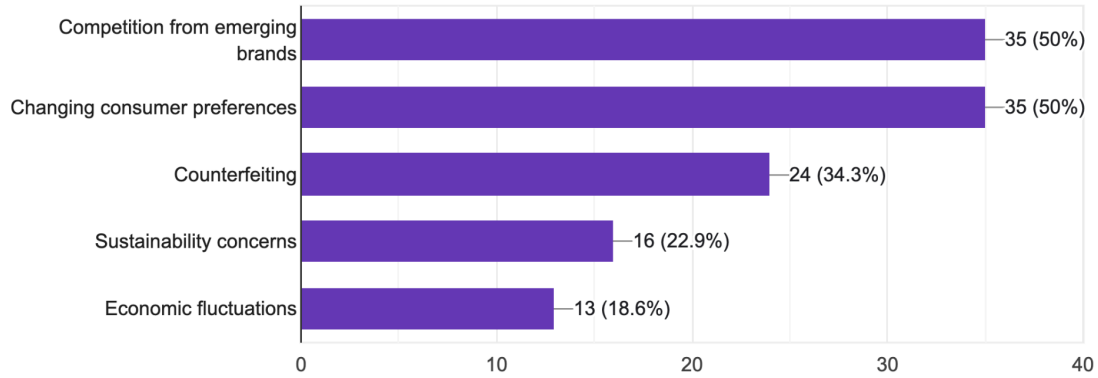
Therefore, there is potential for further research in the future. Other variables can be taken into account, and a larger, more diverse, and representative sample size with various demographics can be used to improve the generalizability of the study. Additionally, focus groups could be beneficial for exploring different dimensions of consumers' thoughts, beliefs, and behaviours regarding celebrity endorsement.

In future studies, a blend of quantitative analysis and qualitative methods like interviews and focus groups can offer more comprehensive insights and understanding of the research topics. This approach would enable researchers to delve deeper into the subject matter.

In summary, the combination of quality, brand reputation, and celebrity endorsement forms a potent promotional strategy, emphasising the importance for companies to carefully choose the most appropriate celebrity endorser to garner increased attention and captivated consumer interest. There is scope for future research to investigate additional variables and conduct more comprehensive studies for a deeper understanding of this phenomenon.

LIMITATIONS

Every study has limits, and before extrapolating the findings and making recommendations, it's critical to recognise them. These are some of the study's limitations:

-Due to the limited sample size, the population may not be accurately represented. As a result, the study's conclusions might not be very solid.

- The results can't be applied to a larger population because most of the respondents were students and young adults.

- The study focused solely on urban areas and neglected responses from rural areas, which may have provided different perspectives.

- Limited time and resources constrained the depth and scope of the research.

- The study solely relied on a quantitative approach, neglecting the potential insights that could have been gained from a qualitative approach.

- Respondents may not have filled out the questionnaire with full concentration, potentially affecting the accuracy of the results.

- Non-probability and convenience sampling were the methods of sampling that were employed, which could have biassed the results.

- The fact that the study was limited to Delhi limited the applicability of the conclusions to other areas.

CONCLUSIONS

The current study aimed to explore the perspectives of young people towards luxury brands to assess the value of Brand reputation, quality and substantial sums spent on celebrity endorsements. The findings reveal that the significant amounts paid to these celebrities by marketers have some influence.The findings show that celebrities' presence has an impact on students. Celebrities have a big influence on people's buying decisions because they help with product image development, recall, and brand awareness. Celebrity endorsements are thought to represent high-quality items, and the case studies in the study lend credence to this belief. Brand reputation and the quality that the brands offer is the major element that drives the interest of consumers. Talking about the challenges that these brands face are Competition from emerging brands and Changing consumer preferences.

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Study on creation and consumer perception of luxury brands

srashti_2k22dmba130@dtu.ac.in

Switch account

Not shared

* Indicates required question

Age* *

- [ ] 18-22
- [ ] 23-27
- [ ] 28-32
- [ ] 32+

Gender *

○ female

○ male

○ other

Education Level: *

○ High School

○ Bachelor's Degree

○ Master's Degree

○ Doctorate/Ph.D.

Occupation *

○ student

○ employed

○ entrepreneur

○ unemployed

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Monthly Income: *

Note : If you are a student or currently unemployed, Kindly choose the option "Below ₹20,000"

○ Below ₹20,000

○ ₹20,000 - ₹50,000

○ ₹50,000 - ₹1,00,000

○ Above ₹1,00,000

How often do you purchase luxury products? *

○ Rarely

○ Occasionally

○ Frequently

○ Always

What factors influence your decision *

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What factors influence your decision to purchase a luxury brand? *

○ Quality

○ Brand reputation

○ Exclusivity

○ Price

○ Design/aesthetics

○ Celebrity endorsement

○ others

What types of luxury products do you typically purchase? (Select all that apply) *

☐ Fashion/Apparel

☐ Accessories (e.g., handbags, watches)

☐ Jewelry

☐ Cosmetics/Perfume

☐ Automobiles

Untitled Section

Would you be willing to try a new luxury brand if it met your expectations? Why or why not?

Your answer

Which of the following brands do you consider as luxury brands? (Select all that apply) *

- [ ] Louis vuitton
- [ ] Zara
- [ ] Ck
- [ ] Westside
- [ ] Dior
- [ ] H&M

How important is the brand image in * your perception of a luxury brand?

○ Not important at all

○ Slightly important

○ Moderately important

○ Very important

○ Extremely important

What role does advertising and * marketing play in shaping your perception of a luxury brand?

○ Influential

○ Somewhat influential

○ Not influential

○ I don't pay attention to advertising/marketing

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How do you perceive the quality of luxury products compared to non-luxury products? *

○ Much higher quality

○ Somewhat higher quality

○ Comparable quality

○ Lower quality

○ I'm not sure

What do you think are the key elements that make a brand luxurious? *

○ Quality craftsmanship

○ Heritage and history

○ Exclusivity

○ Price point

○ Customer experience

○ Innovation

○ Other:

How important is heritage and tradition in the creation of a luxury brand? *

not important

  1   O

  2   O

  3   O

  4   O

  5   O

highly important

How do you think luxury brands differentiate themselves from their non-luxury counterparts? *

O Through pricing

O - Quality of materials

O - Brand reputation

O - Marketing strategies

O - Design and aesthetics

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enhances one's social status?

○ Yes

○ No

○ Sometimes

How do you think the perception of luxury brands has changed over the years? *

○ Increased exclusivity

○ More accessible to a wider audience

○ Less prestigious

What do you think are the biggest challenges luxury brands face today? (select all that apply) *

☐ Competition from emerging brands

☐ Changing consumer preferences

☐ Counterfeiting

☐ Sustainability concerns

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