

## **Impact of religion on purchase behaviour of luxury brands**

**Dr. R. Srinivasan, Dr. R. K. Srivastava & Prof. Sandeep Bhanot**

### **ABSTRACT:**

**Purpose and objectives of the study:** In this study, we aim to understand the influence of religion 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 religion 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 no relation between religion and frequency of buying luxury products. There is a relation between religion and kind of luxury product that consumers intend to buy. Hindus, Muslims and Christians prefer to buy apparel and mobile phones while Parsis have shown a preference for watches.

There is a relation between religion and the place from which they buy luxury brands. Hindus, Muslims and Christians prefer to buy luxury brands from malls and speciality stores while Jains prefer to buy luxury brands from company outlets.

There is no relation between religion and influence to buy luxury products. Also, there is no relation between religion and intention to repurchase the brand. It is also found that there is a significant difference in the perception of uniqueness value, quality value, self-identity value, materialistic value, hedonic value, usability value, financial value and prestige value with respect to religion.

**Managerial implications:** Luxury brand companies can target the right target segment by understanding how religion 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 religion of the consumer. They can devise strategies to enable the right target segment to access their products easily.

**Keywords** -Religion, luxury, purchase behaviour, luxury brands.

### **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 religion on purchase of luxury brands:** Religion is one of the important demographic variables which can have an influence on purchase behaviour of luxury brands. People of different religions 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 religions.

## **2. Statement of the problem/Need for the study**

In this study, we want to understand the influence of religion 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 religion of the consumer. Among the various demographic variables, we have selected religion because perception of different dimensions of luxury value can vary for consumers of different religions and luxury brand companies can use different strategies to cater to the requirements of these segments.

## **3. 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 religion on purchase of luxury brands:**

Vel K. et al. (2011) explain that luxury buying is an important trend in the Emirati society in the United Arab Emirates, whose purchase behaviour of the same has not been documented as yet. They study the various factors influencing the consumer’s purchase decisions on luxury products in the UAE. Findings indicated that family and peers were the key influencers of purchase decisions related to luxury products. These findings represent the social and cultural considerations to be taken into account in the marketing of luxury products in the UAE.

Amani Aqeel (2012) explains that there are three main factors that influence Saudi women in purchasing luxury fashion brands. These are need for quality, need for uniqueness and emotional value.

Rouhani Raeis Fereshtah & Hanzaee Heidarzadeh Kambiz (2012) investigate Iranian consumers' perception of German made Mercedes Benz and Japanese made Lexus luxury automobiles brands, that include five perceived values: conspicuousness, uniqueness, social, hedonic and quality on purchase intention. Also, the effects of demographic factors, like identifying the luxury brand preference on purchase intention of luxury automobiles in Iranian consumers, were studied. The main findings show that variables of hedonic, uniqueness and quality value were significantly higher than conspicuous and social values. They have more of a role in forming of luxury brand perception in Iranian Consumers. Alasaad Roula (2012) aims to investigate the impact that the value dimensions of luxury brands have on the attitude of Arab consumers towards luxury brands.

Moteshakereha H. Seyed et al. (2013) explain that during the past few years, there has been a growing trend on luxury good consumption among Iranian consumers. Many rich people change their mobile devices, purchase new expensive cars, etc. This paper investigates the effects of three factors including consumer perceived value, sensitivity to social norms and need for uniqueness on consumer’s intention to purchase luxury products based on the theory of planned behaviour.

Srinivasan et al. (2014) explain how uniqueness can be expressed in terms of three scales namely creative choice, unpopular choice and similarity avoidance and how these are influenced by demographic variables like age, gender, occupation, education, religion, monthly income and marital status.

### **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.

### **4. 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 religion 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 religion 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 religion 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 religion 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 religion, income, occupation, 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 religion 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 religion 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 religion, marital status, occupation, 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 religion, income, occupation, 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 religion on purchase of luxury products has not been studied*.

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 religion 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.

### **5. 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) Religion of the consumer

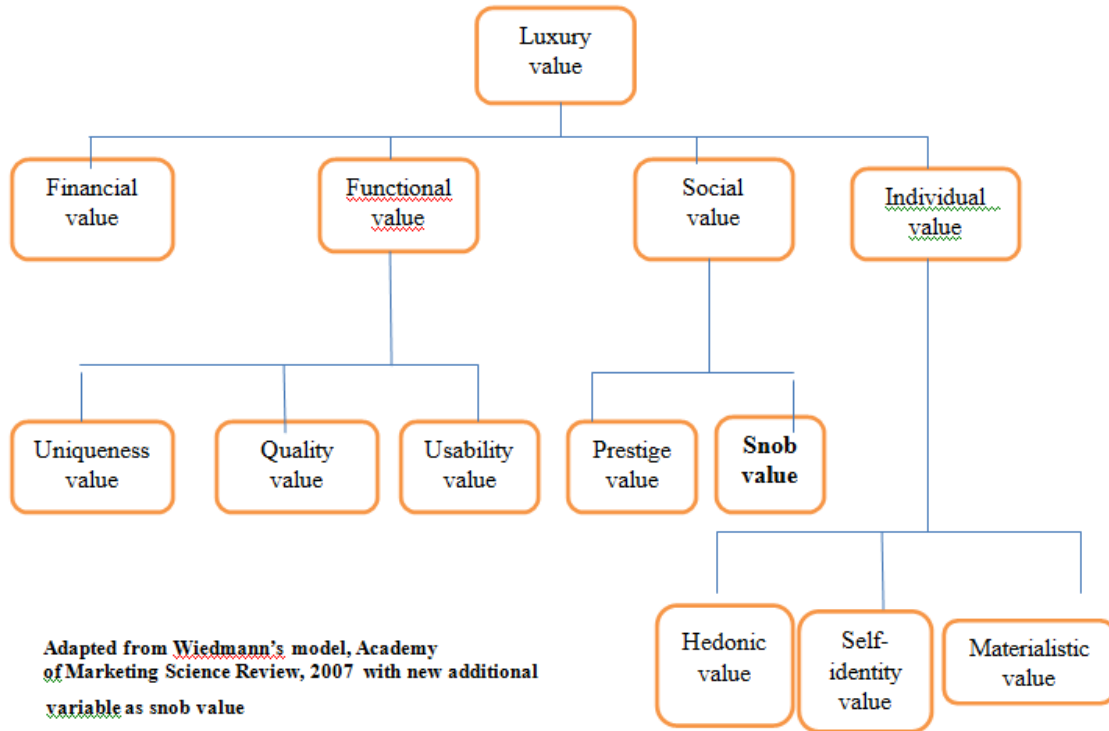
### **6. Theoretical construct**

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) **Religion**

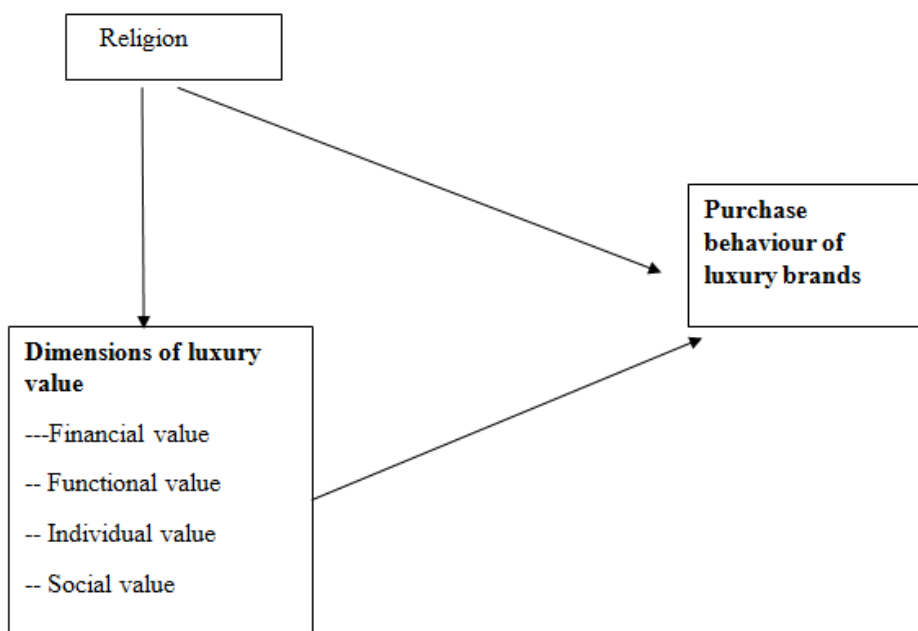
Considering the four main luxury dimensions and religion into account, we have proposed the theoretical model shown in Fig. 1 and 2.



**Fig.1**



**Fig.2**



### **7. 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 religion influence the purchase behaviour of luxury brands.
- (iii) A conceptual model has been made to show the influence of religion on the various luxury value dimensions on purchase behaviour of luxury brands.

### **8. 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 religion 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 religion 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 religion 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 religion and intention to purchase the same brand previously purchased**

Similarly, we want to find whether religion 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 religion and the kind of luxury product a consumer intends to buy**

#### **H5: There is a relation between religion 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 religion of the consumer.

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

#### **H6: There is a significant difference in perception of financial value among people of different religions.**

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

#### **H7: There is a significant difference in perception of functional value among people of different religions.**

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

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

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

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

### **9. Methodology**

To measure the underlying dimensions of consumers' luxury value perceptions, in this study we have used already existing tested measures (Tianet. *al.*, 2001; O'Cass& McEwen, 2004; Tsai, 2005; Wiedmannet. *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 January 2014 to December 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.

### **10. 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 religion 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 religion.

### **11. Results**

The study was intended to find how religion 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.

## 12. Summary of testing of hypotheses

Hypothesis	Test used	Significance value	Status of hypothesis	Comment
1. There is a relation between religion and frequency of buying luxury brands	Chi square test	0.870	Rejected	There is no relation between religion and frequency of buying luxury brands.
2. There is a relation between religion and influence to buy luxury brands	Chi square test	0.095	Rejected	There is no relation between religion and influence to buy luxury brands
3. There is a relation between religion and intention to purchase the same brand previously purchased	Chi-square test	0.061	Rejected	There is no relation between religion and intention to purchase the same brand previously purchased
4. There is a relation between religion and the kind of luxury product a consumer intends to buy	Chi-square test	0.016	Accepted	There is a relation between religion and the kind of luxury product a consumer intends to buy
5. There is a relation between religion and the place from where a consumer buys luxury brands	Chi-square test	0.026	Accepted	There is a relation between religion and the place from where a consumer buys
6. There is a significant difference in perception of financial value among people of different religions.	Kruskal-Wallis H test	0.017	Accepted	There is a significant difference in perception of financial value among people of different religions
7(a) There is a significant	Kruskal-Wallis H test	0.011	Accepted	There is significant

<b>difference in perception of quality value among people of different religions</b>				<b>difference in perception of quality value among people of different religions</b>
<b>7(b) There is a significant difference in perception of uniqueness value among people of different religions</b>	<b>Kruskal-Wallis H test</b>	<b>0.048</b>	<b>Accepted</b>	<b>There is asignificant difference in perception of uniqueness value among people of different religions</b>
<b>7(c) There is a significant difference in perception of usability value among people of different religions</b>	<b>Kruskal-Wallis H test</b>	<b>0.000</b>	<b>Accepted</b>	<b>There is asignificant difference in perception of usability value among people of different religions</b>
<b>8(a) There is a significant difference in perception of materialistic value among people of different religions</b>	<b>Kruskal-Wallis H test</b>	<b>0.000</b>	<b>Accepted</b>	<b>There is asignificant difference in perception of materialistic value among people of different religions</b>
<b>8(b) There is a significant difference in perception of hedonic value among people of different religions</b>	<b>Kruskal-Wallis H test</b>	<b>0.000</b>	<b>Accepted</b>	<b>There is a significant difference in perception of hedonic value among people of different religions.</b>
<b>8( c) There is a significant difference in perception of self-identity value among people of different religions</b>	<b>Kruskal-Wallis H test</b>	<b>0.022</b>	<b>Accepted</b>	<b>There is asignificant difference in perception of self-identity value among people of different religions</b>
<b>9(a) There is a significant difference in perception of prestige value among people of different religions</b>	<b>Kruskal-Wallis H test</b>	<b>0.000</b>	<b>Accepted</b>	<b>There is asignificant difference in perception of prestige value among people of different religions</b>
<b>9(b) There is a significant</b>	<b>Kruskal-Wallis H test</b>	<b>0.403</b>	<b>Rejected</b>	<b>There is no significant</b>

<b>difference in perception of snob value among people of different religions</b>			<b>difference in perception of snob value among people of different religions.</b>
---	--	--	--

### 12. Findings:

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

- (i) There is no relation between religion and frequency of buying luxury products.
- (ii) There is a relation between religion and kind of luxury product that consumers intend to buy. Hindus, Muslims and Christians prefer to buy apparel and mobile phones while Parsis have shown a preference for watches.
- (iii) There is a relation between religion and the place from which they buy luxury brands. Hindus, Muslims and Christians prefer to buy luxury brands from malls and speciality stores while Jains prefer to buy luxury brands from company outlets.
- (iv) There is no relation between religion and influence to buy luxury products.

(v) There is no relation between religion and intention to repurchase the brand.

**(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 religion. It was found that there is a significant difference in the perception of uniqueness value, quality value, self-identity value, materialistic value, hedonic value, usability value, financial value and prestige value with respect to religion.

### 13. Conclusions

Using the chi-square test, it is found that there is no relation between religion and frequency of buying luxury products. There is a relation between religion and kind of luxury product that consumers intend to buy. Hindus, Muslims and Christians prefer to buy apparel and mobile phones while Parsis have shown a preference for watches.

There is a relation between religion and the place from which they buy luxury brands. Hindus, Muslims and Christians prefer to buy luxury brands from malls and speciality stores while Jains prefer to buy luxury brands from company outlets.

There is no relation between religion and influence to buy luxury products. Also, there is no relation between religion and intention to repurchase the brand.

Using the Kruskal-Wallis H test, it is found that there is a significant difference in the perception of uniqueness value, quality value, self-identity value, materialistic value, hedonic value, usability value, financial value and prestige value with respect to religion.

### 14. 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 religions. 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.

### 15. 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 religion. Luxury brand companies can understand how people of different religions respond to the different luxury value dimensions and how the luxury products can cater to the requirements of each group.

### **16. 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 religion on the different luxury value dimensions and the purchase behaviour of luxury products. Other demographic variables like age, occupation, income, marital status, gender and ethnicity 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.

### **17. References**

- [1]. Abdolvand, M.A., Reihani, N (2013), 'The effect of brand association in psycho-social and psycho-personality antecedents: a conceptual model of conspicuous consumption among youth adults', *Research Journal of Applied Sciences, Engineering and Technology*, 6(6): 1012-1022
- [2]. Achabou, M.A., &Dekhili, S. (2013), 'Luxury and sustainable development: Is there a match?', *Journal of Business Research*, 66(10) : 1896-1903
- [3]. AlasaadRoula (2012), '*Investigation the effect of value dimensions of luxury brands on Attitude and buying behavior of Arab Consumers*', Brunel Business School - Doctoral Symposium
- [4]. Amani Aqeel (2012), '*Factors Influencing Saudi Women to Purchase Luxury Fashion Brand*', International Conference on Management, Behavioural Sciences and Economics Issues (ICMBSE'2012), Penang, Malaysia
- [5]. Atwal,G. and Khan,S. (2008), "Luxury Marketing in India: 'because I'm worth it'", *Admap*, World Advertising Research Centre, pp.46-48
- [6]. Chadha, R., & Husband, P. (2006), *The cult of the luxury brand: Inside Asia's love affair with luxury*, London: Nicholas Brealey International.
- [7]. Chaudhuri, H. R., &Majumdar, S. (2006), 'Of diamonds and desires: understanding conspicuous consumption from a contemporary marketing perspective', *Academy of Marketing Science Review*, 6 (11) : 256-267.
- [8]. Ching-Yaw Chen, Chia-Hui Chao, Yu-Je Lee and Tsai Pei-chuan (2012), ' Exploration of the differences in Taiwanese women's purchasing decisions towards luxury goods and general products', *African Journal of Business Management* Vol. 6(2), pp. 548-561,18
- [9]. Danziger, P. (2004), 'Meet the young affluents: How the "Want-It-All, Want-It-Now" generation is changing the luxury market and what luxury brands need to do about it.' Retrieved from [http://www.whypeoplebuy.com/cms/Home\\_Page/Speeches\\_Presentations.php](http://www.whypeoplebuy.com/cms/Home_Page/Speeches_Presentations.php)
- [10]. Dubois, B. and Laurent, G. (1993), 'Is There a Euro Consumer for Luxury Goods?',*European Advances in Consumer Research*, 1, pp. 58-69.
- [11]. Fionda, A. M., & Moore, C. M. (2008), 'The anatomy of the luxury fashion brand', *Journal of Brand Management*, 16 (5/6) : 347-363.
- [12]. Hauck, E.W. &Stanforth, N. (2007), "Cohort perception of luxury goods and services", *Journal of Fashion Marketing and Management*, 11 (2): 175-187.
- [13]. Heine, K. (2011), "*The concept of luxury brands*". *Luxury Brand Management*, No.1 TechnischeUniversität Berlin.
- [14]. Heinemann, G. (2008), Dissertation: '*Motivations for Chinese and Indian consumers to buy luxury brands*', AUT University, pp. 18-22, pp. 53-54.

- [15]. Kapferer, J.N. (1996), "Managing Luxury Brands", *Journal of Brand Management*, pp. 251-260
- [16]. KoonnareeWongsiriwat (2007), 'A Study of influences of values, attitudes and lifestyles (VALS II) on brand equity of luxury handbags in Bangkok'.
- [17]. Moteshakereha H. Seyed, Abtahib S. Masoumeh&Rahchamanic Ahmad (2013), 'An investigation on Iranian consumer behaviour towards famous luxury brands', *Management Science Letters* 3 (2013), pp.2245–2250
- [18]. Nueno, J.L. & Quelch, J.A. (1998), 'The mass marketing of luxury', *Business Horizons*, 41(6) : 61-68.
- [19]. Okonkwo, U. (2007), *Luxury fashion branding: trends, tactics, techniques*, Basingstoke:
- [20]. Palgrave Macmillan.
- [21]. O' Cass, A & Frost, H. (2002), 'Status Brands: Examining the Effects of Non-Product Related Brand Associations on Status and Conspicuous Consumption', *Journal of Product & Brand Management*, 11(2): 67-88.
- [22]. Paurav Shukla, (2008) "Conspicuous consumption among middle age consumers: psychological and brand antecedents", *Journal of Product & Brand Management*, 17(1): 25 - 36
- [23]. Phau, I., & Prendergast, G. (2000), 'Consuming Luxury Brands: The Relevance of the 'Rarity Principle'', *Journal of Brand Management*, 8(2): 122-138.
- [24]. Quelch, J.A. (1987), "Marketing the Premium Product," *Business Horizons*, 30(3): 38-45.
- [25]. Rolf-Seringhaus, F. H. (2002), 'Cross-cultural exploration of global brands and the internet', Paper presented at the 18th Annual IMP Conference, Dijon, France.
- [26]. RouhaniRaeisFereshtah&HanzaeeHeidarzadehKambiz (2012), 'Investigation of the Effects of Demographic Factors and Brand Perception on the Purchase Intention of Luxury Automobiles in Iranian Consumers', *World Applied Sciences Journal*, 17 (8): 1054-1065
- [27]. Savitha S. & Sathyanarayan K. (2015), 'Role of Socio –economic variables in the polarisation of luxury value of branded products: a study among the selected shoppers in Chennai', *International Journal of Scientific & Engineering Research*, 6(3): 179-185
- [28]. Sirgy M Joseph (1982), "Self-Concept in Consumer Behaviour: A Critical Review", *Journal of Consumer Research*, 9, December, pp. 287-300.
- [29]. Srichan Sriviroj (2007), 'Purchasing Luxury Goods: consumer behaviour of international students in the UK', Masters Dissertation in International Business
- [30]. Srinivasan, R, Srivastava, R.K. & Bhanot, S (2013), 'Study of the influence of demographic variables on purchase behaviour of luxury brands', *International Journal of Contemporary Management Studies*, 1(1): 181-195
- [31]. Srinivasan, R, Srivastava, R.K. & Bhanot, S (2014), 'Identifying luxury value dimensions for consumers and using these dimensions for market segmentation', *Sydenham Management Review*, 3(2): 83-90
- [32]. Srinivasan, R., Srivastava, R.K. & Bhanot, S. (2014), 'Impact of need for uniqueness on purchase behaviour of luxury brands', *Excel International Journal of Multidisciplinary Management Studies*, 4(6): 109-125
- [33]. Stoimenova Polloyna (2013), 'Country-of-origin effect in the luxury goods category: The impact of country of brand on the quality perception of luxury handbags', Master Thesis, Erasmus School of Economics
- [34]. Sun, M.W., (2011), 'Consumption of luxury fashion brands: The motives of generation Y consumers in China', MS Thesis, Auckland University of Technology
- [35]. Teimourpour H. & Hanzaee, K.H. (2011), 'The impact of culture on luxury consumption behaviour among Iranian consumers', *Journal of Islamic Marketing*, 2(3), 309-328.
- [36]. Tian, K.T., Bearden, W. & Hunter, G. (2001), 'Consumers' need for uniqueness: scale development and validation', *Journal of Consumer Research*, 28(1): 50-66.
- [37]. Vel, K., Captain, A., Al-Abbas, R. & Al Hashemi, B. (2011), 'Luxury buying in the United Arab Emirates', *Journal of Business and Behavioural Sciences*, Vol. 23, Issue 3, pp. 145-160.
- [38]. Vigneron, F., & Johnson, L. W. (2004), 'Measuring perceptions of brand luxury', *Journal of Brand Management*, 11(6): 484-506.
- [39]. Wiedmann, K., Hennigs, N., & Siebels, A. (2007), 'Measuring consumers' luxury value perception: A cross cultural framework', *Academy of Marketing Science Review*, 7 (7): 333-361.
- [40]. Wong, N.Y. & Ahuvia, A.C. (1998), 'Personal taste and family face: luxury consumption in Confucian and Western societies', *Psychology and Marketing*, 15(5): 423-41

- [41]. Yeoman I. (2011), 'The changing behaviours of luxury consumption', *Journal of Revenue and Pricing Management*, 10, pp. 47-50

**Web references**

- [1]. [en.wikipedia.org/wiki/Luxury\\_goods](http://en.wikipedia.org/wiki/Luxury_goods)  
 [2]. [www.pauravshukla.com/segmenting-luxury-brand-consumers](http://www.pauravshukla.com/segmenting-luxury-brand-consumers)  
 [3]. [www.luxurydaily.com/tag/emerging-markets/](http://www.luxurydaily.com/tag/emerging-markets/)  
 [4]. [www.luxurydaily.com](http://www.luxurydaily.com)  
 [5]. [blog.sina.com.cn/s/blog\\_53cbff2e0100krcd.html](http://blog.sina.com.cn/s/blog_53cbff2e0100krcd.html), (as seen on November 2014)  
 [6]. [www.msigroup.com](http://www.msigroup.com)

**Table 1: Religion vs how often buy luxury products Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	23.268 <sup>a</sup>	32	.870
Likelihood Ratio	22.973	32	.879
Linear-by-Linear Association	.244	1	.621
N of Valid Cases	1200		

**Table 2: Religion vs kind of luxury product you intend to buy Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	71.223 <sup>a</sup>	48	.016
Likelihood Ratio	69.584	48	.022
Linear-by-Linear Association	.061	1	.805
N of Valid Cases	1200		

**Table 3: Religion vs from where do you buy luxury brands Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	49.232 <sup>a</sup>	32	.026
Likelihood Ratio	44.152	32	.075
Linear-by-Linear Association	3.873	1	.049
N of Valid Cases	1200		

**Table 4: Religion vs influence to buy luxury products Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	52.096 <sup>a</sup>	40	.095
Likelihood Ratio	53.929	40	.070
Linear-by-Linear Association	.016	1	.898
N of Valid Cases	1200		

**Table 5: Religion vs intention to repurchase brand chi square tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	25.550 <sup>a</sup>	16	.061
Likelihood Ratio	28.858	16	.025
Linear-by-Linear Association	.663	1	.416



Tables 6-14

**Hypothesis Test Summary**

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of willingtopaypremiumprice is the same across categories of religion.	Independent-Samples Kruskal-Wallis Test	.017	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 religion.	Independent-Samples Kruskal-Wallis Test	.048	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 expressmyindividuality is the same across categories of religion.	Independent-Samples Kruskal-Wallis Test	.022	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 ibegin to stop using well known products is the same across categories of religion.	Independent-Samples Kruskal-Wallis Test	.403	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 should meet quality standards is the same across categories of religion.	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 buy luxury brands for satisfying person a needs is the same across categories of religion.	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 when in bad mood I buy luxury brands to alleviate burden is the same across categories of religion.	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 provides deeper meaning in my life is the same across categories of religion.	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 I will be recognised and admired by high society is the same across categories of religion.	Independent-Samples Kruskal-Wallis Test	.000	Reject the null hypothesis.

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