An improving economy and the rapid opening up of the Indian market has given rise to a group of affluent consumers who are eager to adopt latest fashion trends including the luxury brands. And though luxury consumers' demand in the West appears to be waning due to the credit crunch, property crash and a slowing world economy (Teather, 2008), the appetite for luxury brands is growing in the emerging economies of China, India, Asia, the Middle East and Latin America (Verdict, 2007; Chadha and Husband, 2006). The luxury market in India is growing and experts say; by 2015 a quarter of the luxury market will be between India and China (Mint Luxury conference, 2011).

The statistics prove that India is the next luxury destination. However as marketers, luxury brands are still wondering what will work for the Indian consumers? What are the motives behind luxury buying? What are the key influencers on the decision making process and so on. The objective of the research was to identify the motives behind and determinants of consumer decision making for luxury buying.

This was an exploratory study with focus on primary data and was restricted to Indian consumers based in Delhi, Mumbai and surrounding regions. The study has used different statistical techniques including structural equation modeling (SEM) to analyze the data through SPSS 20.0 and AMOS 7.0 version.
The main objective of this research was to gain an in-depth knowledge and to arrive at an understanding of the social and psychological motives behind luxury buying and to delve into the relationship between the different factors and key influencers in decision-making process.

The study found a very high awareness for luxury brands in respondents. The study indicated that luxury-buying behavior was motivated by various functional, social and hedonic motives. Marketing communication plays an important role in influencing consumer’s decision.

5.1 Findings Of The Study

The major findings of our research are summed up as under:

1. Gucci was the most purchased brand amongst the respondents, bought by 69% respondents in past one year, followed by Calvin Klein, which was owned by approximately 51% respondents. Armani and Versace both at 25% and 22% respectively followed the ownership/purchase of the above-mentioned two brands. Christian Dior, Ralph Lauren, Louis Vuitton, Chanel, Parada and YSL were owned by 19%, 17%, 16%, 14%, 14% and 9% respondents respectively.

2. The various value expressive and functional motives behind the purchase of luxury brands for Indian consumers identified by the study were: Self expression through possessions, Superior Quality assurance of luxury brands, Identification with brand personality, Lifestyle/fashion statement through ownership of luxury brands
and Value Perception. Self-expression through possessions is defined as individual's desire to display his/her characteristics, taste and class through material possessions. Superior Quality assurance is the commitment of quality and functional benefits that a brand offers. Identification with brand personality is the extent when an individual feels oneness with the brand. Lifestyle/fashion statement through ownership is when an individual makes lifestyle/fashion statements through possessions. Value Perception refers to the perception of value when the customer feels that the brand is worth the price.

3. Factor Analysis of different items trying to measure the social motives for luxury buying resulted in four constructs. The four factors found were identified to be, i) Status Symbol (majority i.e. 78.8 % of respondents said that owning a luxury brand positively exhibits your social persona). ii) Social recognition, iii) Need for social approval/belongingness- (Most i.e. 81.3 % respondents claiming that they belong or desired to belong to the affluent class and more than half i.e. 53.3 % respondents agreeing that they buy brands which are owned by people they appreciate) and iv) Peer pressure (Four- fifth i.e. 80.3 % of the respondents claiming that their friends owned expensive brands and 79.3% claiming that their friends owned luxury brands). These factors explained the social motives behind buying luxury brands. Derivation of these factors was also a part of meeting first objective partially.

4. Analysis of the third section of structured questionnaire led to the classification of different hedonic or emotional motives behind luxury buying. The four groups obtained on the basis of factor
analysis of this section were Need for uniqueness, Need for achievement, Need for relatedness, Motivation to succeed. This translated towards fulfilling the last part of first objective.

5. Factor analysis of the fourth section measuring the reasons behind rejection of high quality non-luxury brands over luxury brands pointed at five factors on the basis of principal component analysis, the factors were Rejection due to social admiration, Rejection due to social appeal, Rejection due to social recognition/perception, Rejection due to brand name/value/ownership, Rejection due to Quality Assurance (our fifth objective).

6. One of the key objectives of the study was to highlight the reasons for people rejecting non-luxury brands over luxury brands. For this the correlation and regression between the intentions for rejecting the non-luxury brands and other relevant parameters was evident. A very highly significant and positive relationship was found between Rejection of non luxury brands (RNLB) and Customer Brand Identification (CBI) (Pearson correlation- 0.712**) suggesting that luxury buyers who preferred and bought luxury brands over non- luxury brands had a very high identification with luxury brands. Similarly a highly significant and positive relationship (Pearson correlation- 0.553**) was found between Lifestyle and fashion statement (LSFS) and rejection of non-luxury brands, suggesting that respondents who bought luxury brands over non-luxury brands also bought the same to make lifestyle and fashion statement. Next parameter, which has a significant positive relationship with RNBL was Quality assurance and brand heritage
(QABH), (Pearson correlation- 0.696**), this suggested that people who preferred luxury brands to non-luxury brands also bought luxury brands because they perceived that the said luxury brand(s) delivers/signified high quality and had a good brand heritage. And, data also suggested significant positive relationship between RNBL and peer pressure (PP), (Pearson correlation- 0.565**), social recognition (SR) (Pearson correlation- 0.587**), and self-esteem (SE) (Pearson correlation- 0.690**), which indicated that people who bought luxury brands over non-luxury brands indulged in luxury buying due to peer pressure, social recognition or to enhance self-esteem.

7. A positive significant relationship was found between CBI and lifestyle/fashion statement (LSFS) (Pearson correlation- 0.649**) which suggested that consumers who bought luxury brands to make a statement about their lifestyle or fashion question also had high brand identification with the said luxury brands. The relationship between CBI and Quality Assurance and Brand Heritage (QABH) was also found to be high significant and positive with Pearson correlation 0.756**, which meant that people who perceived that the said luxury brand had a high quality and good brand heritage also had high identification with the brand. An equally highly significant and positive relationship was found between CBI and Peer Pressure (PP) (Pearson correlation 0.715**), which suggested that people who identified with the luxury brands and indulged in such buying also bought luxury brands due to peer pressure or to be part of their reference group. On examining the relationship between CBI and Social recognition (SR) the data again suggested a highly significant and positive relation (Pearson correlation 0.728**) which meant respondents who identified
strongly with luxury brands also indulged in luxury buying to satisfy their social recognition needs or perceive that buying luxury brands would enhance their social recognition. The last parameter where high significant and positive relationship was seen was between CBI and Self Esteem (SE) (Pearson correlation 0.787**), it suggested that among respondents who felt high identification with luxury brands also bought luxury brands because this helped them in enhancing their self esteem or so they perceived.

8. A significant and positive relationship was also found between LSFS and Quality Assurance and Brand heritage (QABH) (Pearson correlation 0.629**) suggesting customers who bought luxury brands to make a lifestyle and/or fashion statement also, bought luxury brands because of the high quality they promised or due to the heritage of the luxury brand. Their was positive relationship between LSFS and peer pressure (PP) (Pearson Correlation 0.695**) indicating that people who bought luxury brands to make a lifestyle and/or fashion statement also, bought luxury brands to keep up with peer pressure, between LSFS and SR (Pearson correlation 0.685**), indicating that such consumers also, bought luxury brands to enhance social recognition, between LSFS and SE (Pearson correlation 0.730**) buy luxury brands to enhance self esteem as well.

9. Highly significant and positive relationship was found between Quality Assurance/Brand Heritage (QABH) and Social recognition (SR) (Pearson correlation- 0.741**) - People who indulged in luxury buying to improve social recognition also saw luxury brands delivering high quality and/or had good brand heritage. And
between QABH and Self Esteem (SE) (Pearson correlation- 0.799**)
- People who bought luxury brands to enhance self esteem also saw luxury brands delivery high quality and/or had good brand heritage.

10. It was important for respondents to create good impression on their reference group however, celebrity endorsement (45.3 %) (in comparison to friends i.e. 19.1 %) were the most significant influence amongst the reference group on the decision making process. The data also saw a large percentage of respondents being aspired by celebrities as nearly two-third (61.6 %) reported that they aspired to the luxury brands endorsed by celebrities. Similarly the impact of advertisement and other marketing/PR communication on luxury buying was also very high (83.3 %).

11. Though the literature suggested that the luxury buying was often impulsive in nature, the study did not show very high impulsive behavior when it came to luxury shopping. Less than half the respondents (47.8 %) indicated that they might indulge in impulse buying for luxury brands. It can be explained due to respondents coming from different income groups. Rather almost half the respondent (50.3 %) admitted that they compared multiple outlets/luxury brands, before deciding on their choice of the brand. This could be explained due to changing profiles of Indian luxury buyers where we see not just the Affluents but Excursionists as well. Excursionists are those luxury consumers who buy and consume luxury goods only in specific circumstances, for them, buying and consuming a luxury item is not an expression of their lifestyle but rather an exceptional moment, sharply contrasting
with their daily life styles. These people indulged in low-ticket luxury items and were on a lookout for discounts or clearance sales and deals while making the luxury purchase unlike a regular luxury buyer.

12. The data also saw variations in the various needs based on the demographic differences in the sample. Test exhibited that women have a significantly higher need to be related than men. Luxury buyers in the age group 25-35 years have a significantly higher need to make lifestyle and fashion statements through their possessions when compared to rest of the age groups. In our sample, need for uniqueness reduced with the increase in levels of education. The data also exhibited that housewives in the sample had a significantly higher need for uniqueness followed by students and professionals.

13. The probability of luxury buyers rejecting high quality non-luxury brands over luxury brands is also affected by one's occupation. The results of the test exhibited that housewives and professionals in the sample had a significantly higher probability to reject non-luxury brands over luxury brands in comparison to students, business people and others. Also, housewives and professionals in the sample had a significantly higher probability to purchase luxury brands due to value perception.

14. The results of the test exhibited that with an increase in the levels of income, the need to buy luxury brands due to value perception was reducing, indicating that with increasing income
the motives for luxury buying are more self and value expressive in nature.

5.2 Suggestions For The Industry

The research primarily yields suggestions for industry on the basis of factors yielded by study of Indian luxury buyers.

1. For Indian luxury buyers, social and hedonic motives are stronger as compared to functional motives for luxury buying. The reason being functional superiority is expected to be present as hygiene factor for luxury brands in terms of high quality, high performance and durability.

2. Self-expression through possessions and identification with brand are two very highly significant value expressive motives for Indian luxury buyers. Hence they can be the centre point for the luxury brand communication for Indian market.

3. Since Identification with brand was found to be a very strong motive behind luxury buying and at the same time data suggested strong positive relationship between CBI and various other buying motives, it is imperative for the luxury brands to create and
maintain strong relationships with the consumers. The bond should not just be limited to a buyer-seller relation but efforts should be made to convert consumers into brand evangelists - i.e. consumers with such high and positive brand experience that they would become the spokespersons of the brand.

4. Impact of social influence on Indian luxury buyer is found to be quite strong, especially with the aspirational buyer where he/she is fulfilling the need for belongingness, recognition etc through luxury buying. It is also a sign to communicate to significant others that they have arrived. This can be used to target the growing aspirational buyer segment.

5. Role of celebrity endorsement is found to be very high for both in choosing a luxury brands as well as enhancing the aspirational value of the brand. So brands should choose their ambassador(s) very carefully and these ambassadors should share the values of the brand- in terms of what the brand stands for.

6. Data suggested high impact of marketing communication on buying decisions. So, again, brands should choose their communications and mediums carefully.

7. Different communication messages are recommended for different segments of luxury buyers of the basis of different motives and demographics. For example- as the data suggested a higher need for relatedness amongst women, the communication directed
at them should have the same value. Similarity distinct messages targeting the regular luxury buyers and aspirational buyers can be crafted.

8. As the data were also captured regarding various events/activities undertaken by luxury buyers, the brands may have various cross promotions with international luxury tour services providers, five and seven star hotels, fashion week invites, art exhibitions, polo events and premium clubs.

5.3 Suggestions For Further Research

1. The current study examined only the buyers of ten luxury brands available in India. The scope of future studies could be extended to other luxury brands both in product and service category.

2. The impact of luxury experience on repurchase intentions could be studied for the Excursionist consumer, who is occasionally indulging in luxury buying experience.

3. Different data mining techniques can be applied to study various trends and implications not covered by this study.
4. The impact of various advertising messages and channels could also be examined in future researches for a more focused marketing strategy.

5. Role and influence of social media on luxury buying is another area, which might be of interest to the future researchers as social media is establishing itself as a part of the marketing strategy of majority of brands.

6. Distinctness could be examined in the factors influencing the decision making for luxury brands and luxury services.