CHAPTER 8: SUMMARY & CONCLUSION:

Accepting factors like value, superiority and community position which resolve & help to additional be aware of changing factor influence buyer’s assessment creation

The learning will assist the current selling & advertising professionals towards improved put something in a new place regards to marketing, brand and promotion approach to confine the potential audience correct target market towards increasing the sale in period wherein financial system is facing the test amongst the economy.

Further, with the assistance of such studies, the force on marketing & commercial evidently an significant medium to endorse brand of commodities in addition factor which motivates the purchasing choice certainly centre towards ensuring that the marketing is implemented accurately and successfully.

Certifying successful implementation of policy, in what manner flexible factors variables like price, superiority, anticipated communal significance and expressive factors which influences customer purchase performance of luxury label commodities.

Findings:-

1. India’s is the world’s largest economy as per Gross Domestic Product in PPP.
2. India has been ranked 11th in the list of countries with highest number of HNWI population.
3. As per the world wealth Report, India has 198000 millionaires in 2014 compared to 156000 in 2013. There has been 200 per cent growth in HNI’s since the year 2006
4. Indian spending to grow by USD 4.2 trillion by 2017
5. The no of UHNI with a minimum of Rs 25 crores is expected to triple to 5 lacs in next 5 years
6. The luxury market has grown from Rs 36000 crore in 2012 to Rs 51000 crore in 2013 & leading towards Rs 84000 crore in next three years.
7. India is 2nd highest growing in Asia Pacific & growing at 25% dominated by jewellery
8. Globally, India is 5th largest market for luxury
9. Men like to signal their wealth through big luxury cars & luxury watches
10. Women like to flaunt through jewellery, designer bags & apparel
11. There has been a paradigm shift in the definition of the old luxury which has changed from ownership to experience.
12. The definition of luxury is different for different people & amongst different income group.
13. An unexpected new shopping trend wherein men and women are equally conscious of their appearance and wellbeing are pushing luxury brands to new altitude.
14. Both the consumers & luxury market are evolving.
15. People buy luxury for both, self-indulgence & for gifting others on occasions.
16. Quality, exclusivity & brand are the main attributing factors which influence purchase decision while buying luxury brands.
17. As we have exclusive luxury stores, people prefer mostly to buy from India rather than abroad
18. The Delhites prefer to buy luxury brands for monogram, bling & status, whilst Mumbai buy for experience & self-pleasure.
19. People do bargain, they are value conscious rather than price conscious.
20. Online luxury shopping is slow, as you need to see, touch & feel the products.
   Though there has been a gradual growth in online shopping for smart phones, cosmetics, sunglasses, apparel amongst the young female buyers.
21. Today, the prospective buyers are young, educated, well-travelled, awareness of the brand knowledge is very high.
22. Acquisition & ownership of brand gives a sense of freedom, achievement, happiness & self-fulfilment.
23. Today, buyers would not only buy exclusivity goods but also want to be 1st one to acquire the goods & flaunt amongst their peer & social group.
24. Customization of luxury goods has been increasing in travel, wedding, watch etc.
25. India is 3rd brand conscious country in the world
26. The inherited luxury does not like to buy counterfeit goods. Surprisingly, the new rich buyers do not mind buying counterfeit as they would like to flaunt in the society.
27. Today, the young women who are climbing the corporate ladder are independent & would like to celebrate their success & achievement by indulging in luxury goods.
28. Tier II Cities are showing tremendous growth in purchase of luxury items
29. Even the young middle class don’t mind saving for the whole year & indulging for their favourite luxury brand.
30. The buying differs among sex, income, city, culture, motivations & reasons to buy.
31. The luxury buyers are more judicious in their buying behaviour
32. The new luxury is about taking pleasure in embracing the luxury experiences & living “life to the fullest”.
33. The Indians are demanding & discerning in nature.
34. The new luxury buyers are young between 25 & 40 who are embracing the luxury brands.
35. The luxury brands needs to understand the nuances of the Indian luxury buyer & accordingly customized & localised the product.
36. As observed during the Diwali festival in 2014, the largest online portal Flipkart, snapdeal, ebay sold largest numbers of sunglasses & electronics in Tier II & Tier III cities.
37. India has about 70 luxury stores, while China has over 1,000 stores
38. There will be 585 million middle class by 2025
39. The worldwide, luxury commodities demand is worth $320 billion, by way of is 7% comprises of counterfeit is $22 billion. A study conducted by ASSOCHAM and Yes Bank stated that counterfeit
40. Luxury products in India and found some startling facts. Indian luxury goods market is presently to the tune of $8 billion, out of which 5% or Rs 2500 crore is fake.
41. 50% of the population is under the age of 25
42. As reported by Neilson survey, India is third brand conscious country after Greece & Honkong
43. Indian cities like Mumbai (2,440) and New Delhi (2,130) which is higher than Singapore (1,395), Shanghai (1,535) and Seoul (1,095). India’s financial capital, in fact, has a larger population of UHNW individuals than Beijing (2,415).
44. Consumers are now exploring new exotic gourmet, private equity funds & even exploring new vacations like space travel
45. Luxury buyers are seen in Tier 2 cities from Surat, Jaipur, Kanpur, Indore, Vadodra, Amritsar, Aurangabad, Coimbatore & Raipur
46. Luxury cars owners are the youngest compared to other countries globally
47. During the wedding’s or parties the UHNI’s would like to invite renowned celebrities actors
48. Luxury travel to exotic locations like Mediterranean & Caribbean islands are rising & even space exploration
49. India’s online luxury expected to grow by US$ 35 billion in 2016, jewellery growing by 42%, electronic by 38% & clothing by 35%
50. Mumbai does not like bling & boasts as compared to Delhites
51. Easy Finance options available through flexible loans & credit cards facilities
52. Liberalization in the retail sector through 100% FDI
53. Sports Personality & Celebrity endorsement motivates the influencing decision of the Indian buyer
54. Mobile enhances the traditional brand experience
55. Luxury, today is more about storytelling, the origin of brand & its history
56. NCR, Mumbai & Bengaluru remains on top of luxury
57. Luxury in India are perceived as investment
58. Young professionals & first generation entrepreneurs will be the future potential luxury buyers
59. Out of the 500 leading luxury brands 30% brands are present in India
60. India is currently fast-growing economy, rising incomes, increased exposure to global consumption practices and a younger population are factors that are favourable for the growth of luxury culture in the country.

61. India’s luxury goods worth $255 million, higher than Singapore & Australia

62. Luxury Home by DLF Camelia priced at Rs25 crores sold 35 units in 3 months, Trump Towers sold 100 units within a month

63. India's luxury goods market has been growing by more than $255 million a year, significantly stronger than Singapore and Australia

64. Luxury market growing at 18 per cent & projected at $15 million in 2016

65. Luxury is here to stay

Future of Luxury

The Indian Luxury Consumer has grown from “Aspirer” to “Acquirer”
The Indian luxury market though challenging is diverse, evolving, exciting & showing robust growth.

There has been an observant annual growth of 25 per cent in the luxury sector.

Its present and future is estimated to be at US$4.77 billion. The market in India is expected to increase three times its current share at US$14.73 billion by 2015. The countries grew to the prime destination for top-notch global brands. Luxury is viewed with status symbol and not always with necessity or dream.

As per the studies, India’s conventional luxury market which include individual private luxury goods such as jewellery, time piece, spa, and trip -- is valued at about US$6 billion. Luxury is further increasing upward at the rate of 15% to 20% per annum. The individual luxury commodities are valued at US$1.5 billion at a international grip

The income levels and awareness about global markets and trends for towns like Surat, Jaipur, Lucknow, Nagpur, Bhopal, Coimbatore, Kochi and Kanpur have risen drastically.

India has the largest working young population & 65 % of the population is the age bracket of 35 which is the highest potential market.

With a flourishing GDP after China, India, with a growth rate of 9% since 2010 is expected to reach the 7% level by 2016 with significant rise in ultra-wealthy households (219,000) with greater “Purchasing Power”. India’s luxury market stands at the 12th largest world with a persistent growth efforts towards $30 billion from 25% by 2015. The Technopak Survey predicts a rise in the jewellery sector which may help subside debt crisis through market for gold by registering a significant growth of 27% followed by clothing (16%); digital accessories (13%); and luxury watches, cosmetics and skincare at 8% each. Report published by C.B. Richard Ellis drubs India at 44th position lagging way behind China (9th position).

Expenditure patterns of the Global North, with earnings of $36,000 is shaped by the global as well as Indian standards and their expenditure is directed towards education,
travelling, quality standards and convenience. Indian Consumers ranging from $14,000-$36,000 spend less on luxury but more on education. Brand awareness is slowly growing for this group. They aspire to look for things that are better. However, the luxury sector has failed to creep into the lives of ‘Seekers’ or ‘Aspirers’, with an annual income of $1,500. Out of the four major metropolitan cities Delhi and Mumbai comprise of 43% of the richest Indian population while the remaining 60% of the country’s rich head from Kolkata, Chennai, Pune, Hyderabad, Bangalore, Ludhiana. Within this “new” India, the luxury consumption can be categorised under “old rich” and “nouveau rich”. Global trends have culminated the Indian Craftsmanship and art industry into a luxury sector especially in leather, embroidery and materials sector.

Luxury brand communication involves perception, aspiration and competition too. In a growing market, communication is extremely important. Sense of competition and jealousy puts tremendous pressure on consumption of resources too. People may be driven by sense of pride, envy and ego in order to grab the best possible things for luxury. Luxury goods may not always be envy driven but a mere respect for creation but belittling sensibilities affect and hamper production processes. The property sector adds to the wealth generation in India.

An increasing number of ultra-HNIs are buying assets in Singapore, London and Dubai. Between 2012 and 2013, India had more than 1 lakh Ultra-high net worth households were registered with minimum assets of 25 crore. This figure will triple to over 3.29 lakh households by 2017-18. The total net worth of this segment is also expected for each Rs. 380 lakh crore in 2017-18 from a current estimate of Rs. 86 lakh crore. Interestingly non-metro houses form almost half of ultra-high net worth individuals (HNIs). While 54% of the ultra HNIs are currently based in the metro cities, 14% are bring together in the top six cities of Bangalore, Ahmedabad, Pune, Nagpur, Hyderabad and Ludhiana.

**Luxury Abode**

The concept of luxury brands has grown since last 3 years & growing at a rate of 5 to 6 per cent.
Homes and houses we live in, determine the status-symbol, lifestyle, aspirations, competitions and pride. Income levels of the youth shape the demand for certain kinds of housing and property compilation. These form the facade of being a socialite with a luxurious living and rapidly growing High net-worth individuals (HNIs). Use of improved state of the art technologies add to the housing status of the people. Popular inclinations towards technology determine education, awareness and modernity.

Demanding factors for luxurious housing are as follows:

- Assets owned under HNI
- Dreaming a lifestyle
- Urban-rural gap & consumerism in India
- Global cultural exchanges
- Role of diaspora both here and abroad
- Fluctuating currencies
- Financial help on credit

Location and accessibility to general needs determine popular choices for housing and not just expanse or size.

Technological developments have added to the housing demands among people. Technology also determines luxury.

Ernst & Young report have lately found Indians to be inclined towards healthy lifestyle by means of organic food, periodic sittings for massage therapies, personal trainers suggesting as nutritionists and gymnasium consultants.

Branded Homes

Desires for big luxurious homes have been put on efforts and collaborations by international groups and brands such as World Towers residential project in Mumbai, Lodha Group with Italian designer Giorgio Armani’s interior design studio, Armani Casa which is expected in building a residential tower along with development of innovative techniques and mansions costing between 12 Crores and 100 Crores respectively.

Residential apartments made by Amanora’s has been very famous and demanding in Dubai.
Gauri Khan has been involved in the designing of Glitterati by KoltePatil Developers whereas, Twinkle Khanna has been a participant in designing YOO Phillipe Starck for the Panchshil and One North, along with Panchshil Developers respectively.

Trump Towers built by the Panchshil Property has been actually designed by Italian Designer. It also has a spa that adds to its beauty and recreation.

Ireo is one of the well-known real estate agencies that tied-up with Hyatt Hotels to set up a strong chain of Grand Hyatt Residencies in Gurgaon, which will be managed by Grand Hyatt costing between Rs. 11-25 crore. All five-star facilities will be made available to the buyers here.

Supertech, NCR based mix use developer has associated with Italian fashion brand Armani for offering designer abodes and to be sold through invitation at about Rs. 10 crores and also the implementation of Supernova Project in NOIDA.

3C along with Four Seasons Hotels and Resorts have been implementing projects to set-up branded residencies.

Luxury accommodations fulfil the needs and requirements of the extremely rich in the society and may widen the rich-poor gap and are dominated by the biggest global as well as local brands.

Golf is the game for the rich and elitists lately. Sports activities have also been brought into these accommodations for entertainment. These groups have been working towards improved golf courses and parks along with big houses for better status representation.

Polo is a royal sport that has been pushed further by M3M India through polo themed projects and suites in India. M3M leases out horses to polo players. M3M India further signed a venture with Equisport (a famous polo sport agency) to improve polo and the residential facilities for polo players.

Space maintenance and affordability issues have brought the concept of flats for which Medanta and Max are working jointly to provide better lifelines for people such as nearby health facilities to customers within the residential complex in Gurgaon.

Themed Villas
Villas, bungalows are types of homes and also involve art, architectural themes and cultural exchanges from Mexico, Spain, and Arabic. These accommodations have been equipped with hi end security digital, electronic scrutiny system, temperature control, wireless communication for web and in-house amusement are common in most of the luxury homes built by Emaar MGF with 4/5 BHKs built in Spanish art style. So as DLF which has come up with revolutionary projects in Gurgaon and other places.

Smart Homes

Advanced technologies such as digital locks, CCTVs and surveillance apparatus, temperature regulating facilities and wireless communications such as internet facilities at home. Some other technologies that have been used include sensors to enable residents to control ambiance and light, through pre-programmed machines.

Indian’s buy luxury homes for the following reasons:

1. Investment
2. Status
3. Comfort
4. Security
5. State of art facilities

Indian’s trend for buying homes abroad has shown tremendous growth. As per the knight frank Report, 17 % of Indian’s are investing in Dubai.

The researcher has interviewed people who have invested in Exclusive Private Gated Communities

Aamby Valley City is India’s first planned hill station & an exclusive gated community spread on large sprawling pristine area of more than 10,600 acres.

- Huge sprawling city of 10600 acres
- 91% area of land as open spaces
- Self-sustained city that offers best comfort index
• 25 kms of Shore Length, the city consists of 3 Man-made Lakes and 11 Water Bodies
• India’s First Fully Functional Private CAT II C Certified Airport & Sea Plane services.
• Well-developed physical and social infrastructure with uninterrupted Power Supply and Wi-Fi Connectivity
• British PGA approved 18 Hole floodlit championship Golf Course spread over 256 acres, with a fully equipped Golf Academy - Voted Best in Asia Pacific
• Superior offering of highly appointed fine dining restaurants and state-of-the-art recreational facilities like Adventure and Water Sports
• International School Aamby (ISA), a premier residential school with boarding facilities offering world renowned curriculums - IPC, Cambridge International Examination - IGCSE and IB
• 3 bed Intensive Care Unit with Tele Medicine & Tele Diagnostic facility
Conclusion

The major principle of the research was to recognize the fact the reasons for luxury consumption, factors which influenced their purchase decision & their perception about the luxury in India. Further it will be a learning experience to observe consumer from other countries & study their feedback in this regard.

With increase in people’s income, luxury purchase is directly related to their income. Even if consumer’s buy same luxury goods, the perceptions or the buying motives differs with every individual.

Even luxury councils like Mint Luxury Segment, Mr Sharma said that the key turning point would be the free-trade agreement with the European Union, which has been under conciliation since 2007, is expected to make some conclusive development by April 14 and 15.

India added a local source clause to FDI in retail, which is a deterrent to the luxury brands entering India. As per the FDI’s recent norms, a single brand retailer has to source 30 % from Indian partner which is a great boost to the Indian luxury industry.

Luxury brands needs to be socially responsible & join hands with NGO’s for corporate social responsibility, supporting global cause & environment.

Although, there are respondents who were students children & wife they still express to buy the luxury brands

This research study is limited to Mumbai & Pune. Consumers in different countries & cities have different culture & each one buy luxury goods for different personal reasons.

With the emergence of E-Media & technology, aspirational lifestyle, are the influencing factors to stimulating the consumer demand for luxury.

The luxury consumer’s preference has been shifted from the monogram to “Experience de jour”.

The recent announcement by the government of India regarding the partnership in FDI has widened the horizons. But will need a partner who will have to buy 30 % stake from local supplier.
Though, India’s market & consumers are different from the other countries. One needs to take care of the heritage & culture and localize the products accordingly to suit the Indian buyer’s.

As per the FDI’s recent norms, a single brand retailer has to source 30 % from Indian partner which is a great boost to the Indian luxury industry. Luxury brands needs to be socially responsible & join hands with NGO's for corporate social responsibility, supporting global cause & environment.

The young millionaires are welcoming the luxury brands & there is huge prospective to sell luxury brands in India among the prospective young super rich. Recently in August 2014, Arvind stores have announced to open 40 GAP stores in India as there has been high consumption of the luxury brands.

The research determine to resolve optimistically & will contribute towards the factors influencing the demand for luxury. This way the luxury goods will surly march towards great success & will stay forever.

Luxury is a constantly evolving and subjective concept . The experienced luxury customers like the royals, industrialists, celebrities and the traditionally rich families have always embraced the finesse of luxury brands and continue to do so. At the same time, the aspiration of the new young entrepreneurs beats in the centre of emerging India and has fuelled the luxury market in the country.
In conclusion, there has been enormous growth in HN I's from 1260000 to 1560000 in 2013.
India would be a favourable destination for luxury investors if India’s policy, tax reforms & regulatory act are in order. We need to liberalise our taxation policies & should have proper governance with regards to the ease of setting up of business.

In next 5 years, India is predicted to have a quadruple growth than the global luxury goods market.

There are some emerging Tier II cities like Ludhiana, Chandigarh, Surat, Jaipur, Raipur and Kanpur which have huge potential for luxury goods.

India is a heterogeneous with 1.2 billion populations from different background culture & tradition. India’s luxury market has witnessed growth of 6.5 % in 2012 to 8 % in 2013 to now 14 % in 2015.

Yes, the young super rich Indians are embracing the luxury goods & luxury is here to stay.

Hope the findings have relevance for researchers as well as practitioners, as the same can function as a checklist for any assessment, development, product launch and designing of a luxury brand.

The luxury industry in India is poised for significant expansion, given the favourable market landscape and expected regulatory boosts for the sector.

In whole the luxury commodities in retail worth in India is likely to develop by 63% (wherein India is moving forward than China on 59%) during the period.

This finding maintains the idea that some consumers prefer expensive and high quality brands that are considered prestigious (Amaldoss & Jain, 2005).

The study further divulge an innovative inclination in extravagance possession and enhance the current definition of luxury with hedonic i.e. Self-pleasure & experience dimension.

The marketers of the luxury goods must put into practice multiple business policy, tailoring to each region and target the High Net Worth Individuals, in a bid to successfully harness the tremendous potential of the Indian luxury goods.
The accurate taxation policies & strategies would go a long way in the enhancing the fortune of the Indian Luxury Market.

“The best significant concern is to estimate wherein consumers are affecting and in additional to be around them”. Philip Kotler.

Luxury is here to stay...in India.