The Influencing Factors of Luxury Consumption Tendency of Chinese Consumers[†]

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Abstract

With the continuous improvement of China's economy, China's luxury consumption has increased rapidly in the past decade. China has become the world's second largest consumer of luxury goods. Although there is still much room for the development of China's luxury consumption market, market management and consumption behavior are still immature. In addition, some data show that the consumption growth of China's luxury market has slowed down, and luxury brands are facing severe market tests, both opportunities and challenges. Therefore, it is of great practical significance to deeply study the purchase behavior of Chinese luxury goods. At present, most of the research on the purchase behavior of luxury consumers only stays on the appearance of consumption behavior, and there is little research on the motivation and purchase behavior tendency of Chinese consumers towards luxury brands.

Therefore, from the perspective of consumers, this paper made an empirical analysis on the relationship between luxury brand motivation and purchase behavior tendency. Taking Chinese luxury consumers as the research object, over 340 questionnaires are handed out. With 135 effective responses, it was found that luxury consumption motivation and consumer purchase tendency are closely related.

Keywords: Luxury consumption motivation, Purchase behavior tendency, Chinese luxury consumers

Introduction

The steady growth of China's economy, the steady and rapid growth of disposable income and the continuous accumulation of wealth of the rich are all signs of the arrival of China's luxury era (Kinga, 2021). In this regard, it is necessary to look at the luxury industry from the perspective of economics and the relevant factors related to luxury consumption from the perspective of consumption. Finally, through empirical analysis, this paper puts forward some suggestions for the development of Chinese luxury companies. Luxury consumption helps to increase domestic consumption demand and stimulate economic growth. This paper attempts to analyze the luxury industry, study the influencing factors of luxury consumers' consumption behavior, and put forward constructive suggestions for the development of luxury in China. Along with the global economic integration, the competition among enterprises in various countries is becoming more and more fierce. Research objectives of the research are as follow:

1) To study Chinese consumers' purchase tendency toward luxury products;

2) To examine the influence of associated motivational factors toward Chinese consumers' purchase tendency toward luxury products.

Literature review

Luxury is defined as a kind of consumer goods with uniqueness and scarcity beyond people's survival and development needs. Synonyms of luxury include Babylonian, hedonic, luxurious, luxurious, self-indulgent, frivolous, luxurious and magnificent. From the perspective of linguistics, luxury is sensory pleasure and self-indulgence.

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Luxury has 3 explanations in English dictionaries: 1) Enjoy particularly expensive things, special food and drink, clothes and environment, 2) Expensive and pleasant but not necessary things, 3) You don't often have happiness or advantages. From these 3 statements, we can see that luxury has 3 meanings: Good, expensive and unnecessary. The concept of luxury can be traced back to ancient Greece. People always combine luxury with desire. High quality goods are expensive and rare.

A common feature of luxury goods is that in addition to the so-called "spiritual needs", such as "autonomy", "creative consciousness", "life planning" or "freedom and justice", they are all related to the satisfaction of material or senses. Luxury goods are goods that can be easily and painlessly replaced. Ikeda (2006) mentioned in "luxury brings wealth": "luxury is a way of life regarded as luxury by the whole or part of their respective society, which is mostly determined by products or services."

Luxury goods are tangible or intangible products with the following characteristics: Relatively expensive, high quality and scarce. Due to excellent workmanship or unique design, it can bring strong aesthetic feeling and sensory stimulation, making it indispensable in life. Braun once mentioned in the leisure class that luxury goods are related to "conspicuous consumption". Luxury represents a high quality of life. Only a few people can afford the high price.

However, in China, some consumers spend months or even a year's wages on luxury goods, trying to improve their social status and the satisfaction of self-realization brought by luxury goods. Luxury goods have become a real "conspicuous consumption". In western society, luxury consumption is no longer just a means to show wealth. Most Western consumers have shifted from blindly pursuing expensive materials to a comfortable and elegant lifestyle. However, most Chinese consumers still blindly follow luxury goods with high prices and clear signals, that is, most Chinese luxury consumers are still immature and irrational consumers. In the book luxury and capitalism, Sombart et al. (1967) pointed out that luxury is the foundation of capitalism and has a decisive impact on the rise of capitalism. In the 19th century, Europe developed rapidly and became the golden age of luxury development. Louis Vuitton (1854), Hermes (1837), Deng Wei (1893), Cartier (1852) and many other classic luxury brands have sprung up today. These brands still exist, expand the market with excellent performance, publicity and good brands, and the value of the brand has spanned a century and continues to this day.

Luxury goods can also reflect some social problems. The church interpreted luxury as original sin from the source. At that time, the society did not accept it, but neither did it. People should be industrious and thrifty, and luxury is not allowed in spirit and material. Under the subjective attitude of the church and manor system in the middle ages, the luxurious life was suppressed.

After the 12th century, commercial capitalism and economic capitalism developed rapidly. Luxury goods flourished in this era, led by the royal family and nobility of France and Italy. As mentioned above, in the 19th century, the development of capital, society and economy caused people's illusion of goods and increased their desire for consumption. Luxury has also become a tool for the middle class to imitate the aristocracy, and many signs of luxury have appeared.

In today's society, the gap between the rich and the poor is widening, the social stratification system is developing, the registration quality is improving, and luxury goods are also introduced to varying degrees.

Paris has been the fashion center of Europe since the 19th century. The main driving force behind it is women at the Royal and aristocratic levels. The concept of designer brand also appeared at this time.

In the 19th century, the growing middle class in Europe replaced the aristocracy and began to shape the fashion of upper class society. This is important. In the 1970s, the United States not only focused on creating designer style, but also began to show the powerful power of brand building through mass media. Since then, the image and lifestyle created by the brand have become as important as the product design and the product itself.

Since the 20th century, luxury goods have come to Asia. In Asia, Japan's luxury market evolved from 2 avant-garde trends. In the 1980s, the rapid growth of Japan's economy enhanced Japan's consumption ability, and luxury goods became a popular consumer necessity. The world's top brands have seized the Japanese market. After Japan entered the heyday of luxury goods, Hong Kong's economy benefited from the development of the stock market in the 1980s and 1990s, and Hong Kong people's demand for luxury goods also increased greatly.

Since the 1990s, the income of luxury companies has increased rapidly, and major luxury brands have also begun a large number of mergers and acquisitions, making the global luxury market form 3 groups: LVMH, Richemont and PPR.

In recent years, the rapid economic development of Asian countries, including China, has gradually increased people's demand for luxury goods, and luxury goods began to take over other Asian markets except Japan. Asia has also become the world's largest luxury market. The economic development of China and India has spawned a new aristocracy, and the future of luxury goods lies in these developing Asian countries.

Purchase tendency is a manifestation of the concept of "behavior tendency" in social psychology in the field of marketing (Rhodes & Steers, 1979). Academic circles have many definitions of purchase tendency. This paper selects some representative definitions and summarizes them as follows.

Hassell and Kotler (2012) suggest that the buyer decision-making process consists of 5 stages: Need recognition, information search, evaluation of alternatives, purchase decision, and post-purchase behavior that the customer typically passes through before he purchases. AIDA (Attention, Interest, Desire and Action) is the most well-known and widely used hierarchy of effects model, which contains the stages of behavior change or attitude building (Hutter et al., 2013). In the specialized internet marketing world, a detailed analysis of customer behavior has revealed a few changes in the customer path to purchase. According to (MajlesiRad & Shoushtari, 2020), the modern purchase funnel describes the theoretical decision-making path from the moment of first contact with the brand to the ultimate goal of a purchase, including post-purchase behavior. Content at each phase of the funnel is relevant to the potential customer.

Purchase tendency, as an important indicator can predict the possibility of customers' future purchase behavior to a great extent, reflect the future trend of enterprises and predict the market prospect, which has important research value.

Hypothesis development

Following is a list of the hypotheses of this study based on the study's framework:

H1: The perceived flaunting value has significant influence on Chinese consumers' purchase tendency toward luxury consumption.

H2: The perceived unique value has significant influence on Chinese consumers' purchase tendency toward luxury consumption.

H3: The perceived social value has significant influence on Chinese consumers' purchase tendency toward luxury consumption.

H4: The perceived emotional value has significant influence on Chinese consumers' purchase tendency toward luxury consumption.

H5: The perceived quality value has significant influence on Chinese consumers' purchase tendency toward luxury consumption.

Conceptual framework

The current study is to study the purchase tendency for luxury goods under the context of Chinese market, therefore Chinese consumers' purchase tendency toward luxury consumption is set as the dependent variable (DV). Based on the luxury consumption motivation Model developed by Vigneron and Johnson (2004), and the factors which inferences the DV are set as the Independent variables (IV), which refer to perceived values including: attention, uniqueness, group identity, pleasure, and quality assurance. The research framework is then developed as following:
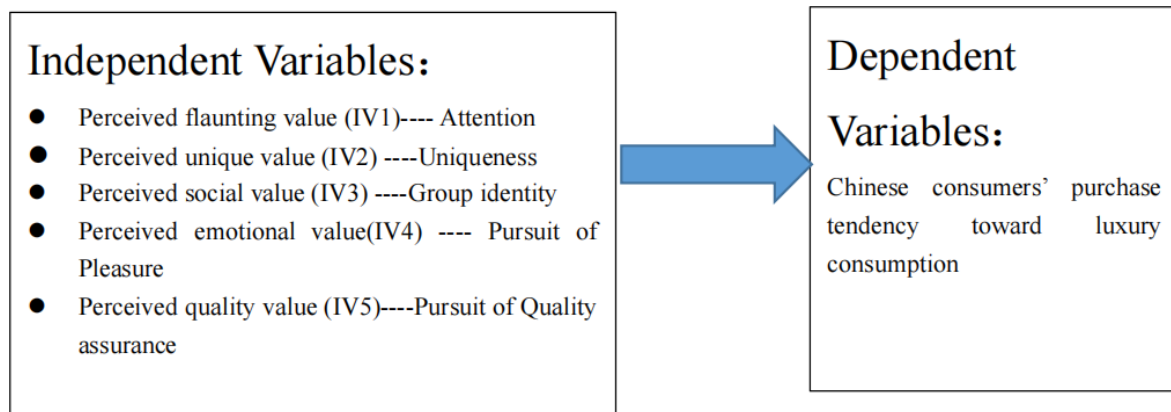
Figure 1 Conceptual framework.

It is worth to mention that "purchase tendency toward luxury products" in the study is defined as the status where a potential customer begins to think about a possible purchase triggered by something like an event, a change in circumstances, a pay raise, a need or even an advertisement (MajlesiRad & Shoushtari, 2020).

Methodology

The number of Luxury consumers in China by the end of 2018 was 10.2 million according to McKinsey China Luxury Report 2019. Sample size for this study is derived from sample size determinant table from Krejcie and Morgan (1970). Therefore, the sample size will be 384 for this study. Based on the objectives of the research, target respondents included in this study are 390 Chinese consumers from Luxury businesses. With variables and hypotheses clearly defined in advance of data collection, quantitative research designs tend to be more suitable for current study to measure variables and correlations.

Therefore, the research method used in this study mainly adopts the questionnaire survey method. Compared with other research methods, the questionnaire survey method can collect a large number of data required for cost-effective research. Burns and Bush (2011) also believe that the questionnaire has 5 benefits. In order to achieve the expected purpose of the study, the empirical data about the target population will be obtained through systematic questionnaire survey either online or in person. In this study, data collection is through a survey of Chinese consumers from Luxury businesses using questionnaires. Surveys are used because they allow researchers to collect data on opinions, behaviors, experiences, and characteristics by asking people directly. There will be minimal interference from the researcher as the researcher is collecting answers form respondents by distributing questionnaires. The respondents will not be influenced as the phenomenon is studied during their normally occurrence. The study setting is non-contrived as the study will not be influenced by any environment factors and will not have any manipulation. Respondents are expected to answer the questionnaire voluntarily without the manipulation. and interference from the researcher. The quantitative data will be collected over a period of 2 - 4 weeks.

To determine the significance of different indicators in this study, a 1 - 5 Likert scale will be used as the questionnaire design, in which 1 - 2 represent disagree, 3 represent neutral, and 4 - 5 represent agree. Using the LIKERT scale, we can turn qualitative data into quantitative data, and by analyzing the data, we can determine the correctness of hypothesis for the study. This study uses 2 parts of a questionnaire: The first part includes demographic information about the respondents. In the second part of the survey, which includes 10 statements relating to 5 IVs in the hypothesis. Respondents are asked to assess their perceptions towards luxury consumption motivation. There are no multiple choice questions.

In order to analyze survey questionnaires, quantitative data analysis will be used. The research questions cannot be answered by raw data. Analyzing the sample data, making estimations, and testing hypotheses will be possible through statistical analysis in the present quantitative research. In order to examine the relationship between the dependent variable (DV) and the independent variables (IV),

descriptive statistics including the mean values and standard deviation as well as Chi-square will also be employed, to test the research hypothesis.

Reliability test and validity test

A pilot test was carried out in order to test the reliability and validity of the questions. There were 3 participants involved, and the results are as follow:

Table 1 Reliability.

Reliability Statistics	
Cronbach's Alpha	**N of items**
0.915	10

The above table gives the results of Cronbach's alpha coefficient. It shows the result from item 11 - 20, which gave the ideas of luxury consumption motivation. A score of over 0.7 shows high internal consistency. In this case, $\alpha = 0.835$, which shows the questionnaire is reliable.

Table 2 Validity.

KMO and Bartlett's test.		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.698
Bartlett's Test of Sphericity	Approx. Chi-Square	341.051
	df	105
	Sig.	0.000

The above table gives the results of the Kaiser-Meyer-Olkin (KMO) Test, which measures sampling adequacy for each variable in the model and for the complete model. The statistic is a measure of the proportion of variance among variables that might be common variance. The lower the proportion, the more suited your data is to Factor Analysis. The value is 0.698, and the Sig. was less than 0.05, which indicated the sampling is relatively adequate.

Results and discussion

Findings of demographic factors

There were over 340 questionnaires distributed with 135 effective responses collected.

Table 3 Gender.

Gender					
		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	Male	46	34.1	34.1	34.1
	Female	89	65.9	65.9	100.0
	Total	135	100.0	100.0	

Among the respondents, 34.1 % of the respondents were male while 65.9 % were female.

Table 4 Age.

		Frequency	Percent	Valid Percent	Cumulative Percent
			Age		
Valid	18 - 25 years old	36	26.7	26.7	26.7
	26 - 30 years old	43	31.9	31.9	58.5
	31 - 45 years old	30	22.2	22.2	80.7
	over 45 years old	26	19.3	19.3	100.0
	Total	135	100.0	100.0	

According to above table, among the respondents, 26.7 % of the respondents are of 18 - 25 years old, 22.2 % are 31 - 45 years old. 19.3 % are over 45 years old. People of 26 - 30 years are the majority, which is of 31.9 %.

Table 5 Marital status.

		Frequency	Percent	Valid Percent	Cumulative Percent
			Marital Status		
Valid	single	65	48.1	48.1	48.1
	married	70	51.9	51.9	100.0
	Total	135	100.0	100.0	

According to above table, among the respondents, 48.1 % of the respondents are single while 51.9 % are married.

Table 6 Income.

		Frequency	Percent	Valid Percent	Cumulative Percent
			Income		
Valid	under 30k RMB	10	7.4	7.4	7.4
	Between 30k to 100k RMB	53	39.3	39.3	46.7
	Between 101k to 499 k	47	34.8	34.8	81.5
	Over 500k	25	18.5	18.5	100.0
	Total	135	100.0	100.0	

According to above table, among the respondents, the majority of the them have income of 30k to 100k (39.3 %) and 101k to 499k (34.8 %). The 18.5 % of the respondents have yearly income over 500k, which only 7.4 % earn less than 30k a year.

Findings on purchase tendency

Table 7 Decision makers.

	Who are your influencers for making decision to purchase?			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Families	40	29.6	29.6	29.6
	Friends, colleagues, and people from other social groups	65	48.1	48.1	77.8
	Mass media (e.g. Magazines, TV, ads)	25	18.5	18.5	96.3
	No one	5	3.7	3.7	100.0
	Total	135	100.0	100.0	

According to above table, it is clear that people who are close to the respondents are the main influencers of their luxury purchase. Almost half (48.1 %) of the respondents showed that friends, colleagues and other social connections are the main influencers, while 29.6 % of them considered families to be influential.

Table 8 Reasons for consuming.

	Why do you buy this product?			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Showing off	43	31.9	31.9	31.9
	Uniqueness	24	17.8	17.8	49.6
	Socializing	46	34.1	34.1	83.7
	Pleasure	14	10.4	10.4	94.1
	Product quality	8	5.9	5.9	100.0
	Total	135	100.0	100.0	

According to above table, it is clear that people but luxury products are mainly out of social related reasons, which are related to showing off to others (31.9 %) and socializing (34.1 %). The 17.8 % of people but luxury products for being special and unique, and 10.4 % of them for the pleasure the products bring to them, and only 5.9 % of them believe the product quality are the reason to make luxury consumption.

Table 9 Destination of consuming.

	Where are you going to buy?			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	In-store	79	58.5	58.5	58.5
	Online	56	41.5	41.5	100.0
	Total	135	100.0	100.0	

The above table indicated that 58.5 % of the respondents buy luxury products from stores, which 41.5 % of them purchase online. Therefore, online purchase has shown to be well accepted in the field of luxury businesses.

Table 10 Information.

	How do you get information about products and services?			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	word of mouth	55	40.7	40.7	40.7
	stores and shops	42	31.1	31.1	71.9
	Online media	38	28.1	28.1	100.0
	others	0	0	0	0
	Total	135	100.0	100.0	

The above table indicated that word of mouth (40.7 %) is a dominant channel for people to get information about luxury products, which is also consistent with the finding, where families and friends are found to be the main influencers for the luxury purchase. 31.1% of the respondents get information from stores and shops, and 28.1 % of the them acquired information through online media. No other channels are disclosed in the answers.

Table 11 Purchasing.

	How do you pay for your purchase?			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Cash	33	24.4	24.4	24.4
	Credit cards	64	47.4	47.4	71.9
	Loans	33	24.4	24.4	96.3
	Others	5	3.7	3.7	100.0
	Total	135	100.0	100.0	

The above table revealed that almost half of the respondents (47.4 %) choose to pay for luxury products by using credit cards. And there are same percentage of people choosing to pay by cash and loans (24.4 %). 3.7 % of them choose other ways to pay for their purchase.

Findings on luxury consumption motivation
Item 11 - 20 are designed to learn the luxury consumption motivation among consumers.

Table 12 Motivation.

Item	Statistics on luxury consumption motivation	Mean	Std. Deviation
11	I believe wearing luxury products will get me attention.	3.34	0.882
12	I will buy a luxury product for the attention it brings me.	3.08	0.754
13	I believe wearing luxury products will ensure me to be unique and special.	3.04	0.884
14	I will buy a luxury product for the uniqueness it brings me.	2.84	1.031
15	I believe wearing luxury products will make me well accepted by others.	3.43	0.787
16	I will buy a luxury product for the social value it brings me.	3.47	0.905
17	I believe wearing luxury products will bring me joy and pleasure .	3.36	0.860
18	I will buy a luxury product for the pleasure it brings me.	3.24	0.787
19	I believe luxury products are the assurance of the high quality .	2.86	1.031
20	I will buy a luxury product for the high quality it brings me.	2.86	1.031

The above table showed the mean and standard deviation value for each question item from 11 - 20. Among them, item16 has the highest mean of 3.47 with standard deviation value of 0.905, which indicates that respondents are generally agree that the social value is the main reasons for their purchase of luxury products. Items with Mean value under 3 indicate respondents' disapproval towards the statements. The Mean of item 14, 19 and 20 are all under 3, which show that the perceived flaunting value, social value, and pleasure are strongly related to people's luxury purchase, while the perceived uniqueness and high product quality are not the significant reasons for people to buy luxury products.

Findings on hypothesis

The hypothesis will be tested by use correlations. To find out if there is correlation between variables, there should be analysis involved. All bivariate correlation analyses, for example, express the strength of association between 2 variables in a single value between -1 and $+1$. This value is called the correlation coefficient. A positive correlation coefficient indicates a positive relationship between the 2 variables (as values of 1 variable increase, values of the other variable also increase) while a negative correlation coefficient expresses a negative relationship (as values of 1 variable increase, values of the other variable decrease). A correlation coefficient of zero indicates that no relationship exists between the variables. In this study, Pearson correlation will be employed, which allows us to analyze the association between variables of ordinal measurement levels.

Findings on H1: The perceived flaunting value has significant influence on Chinese consumers' purchase tendency toward luxury consumption

The correlation between the perceived flaunting value and Chinese consumers' purchase tendency toward luxury consumption.

Table 13 The correlation between the perceived flaunting value and Chinese consumers' purchase tendency toward luxury consumption.

		Q5: Products to purchase	Q6: Influencers for making decision	Q7: Reasons to purchase	Q8: Location to purchase	Q9: Information sources	Q10: Ways of payment
Q11 : I believe wearing luxury products will get me attention.	Pearson Correlation	-0.149	0.146	-0.047	-0.018	-0.310^{**}	0.303^{**}
	Sig. (2-tailed)	0.085	0.092	0.586	0.831	0.000	0.000
	N	135	135	135	135	135	135
Q12 : I will buy a luxury product for the attention it brings me.	Pearson Correlation	-0.088	0.005	0.070	0.029	-0.140	0.226^{**}
	Sig. (2-tailed)	0.309	0.953	0.420	0.740	0.106	0.008
	N	135	135	135	135	135	135
** Correlation is significant at the 0.01 level (2-tailed).							
* Correlation is significant at the 0.05 level (2-tailed).							

According to above table, the relationship between the perceived flaunting value and Chinese consumers' purchase tendency toward luxury consumption are measured by analyzing the correlation between Q11~Q12 and Q5~Q10.

It is noticed that the perceived flaunting value are significantly negatively correlated to the information sources and positively correlated to the ways of payment. To interpret the message, the more people acquire luxury consumption related information from their families and friends, the more likely they buy luxury products for showing off. And those who buy luxury products mainly for the flaunting value are less like to pay by cash, they are more likely to pay by loans and other ways.

According to above findings, it is concluded that the perceived flaunting value has significant influence on Chinese consumers' purchase tendency toward luxury consumption.
Therefore, H1 is accepted.

Findings on H2: The perceived unique value has significant influence on Chinese consumers' purchase tendency toward luxury consumption

The correlation between the perceived unique value and Chinese consumers' purchase tendency toward luxury consumption.

Table 14 The correlation between the perceived unique value and Chinese consumers' purchase tendency toward luxury consumption.

		Q5: Products to purchase	Q6: Influencers for making decision	Q7: Reasons to purchase	Q8: Location to purchase	Q9: Information sources	Q10: Ways of payment
Q13: I believe wearing luxury products will ensure me to be unique and special.	Pearson Correlation	−0.403**	0.150	0.084	−0.172*	−0.168	0.186*
	Sig. (2-tailed)	0.000	0.082	0.334	0.046	0.052	0.030
	N	135	135	135	135	135	135
Q14: I will buy a luxury product for the uniqueness it brings me.	Pearson Correlation	−0.267**	0.284**	0.144	−0.188*	−0.130	0.242**
	Sig. (2-tailed)	0.002	0.001	0.096	0.029	0.133	0.005
	N	135	135	135	135	135	135
** Correlation is significant at the 0.01 level (2-tailed).							
* Correlation is significant at the 0.05 level (2-tailed).							

According to above table, the relationship between the perceived unique value and Chinese consumers' purchase tendency toward luxury consumption are measured by analyzing the correlation between Q13~Q14 and Q5~Q10.

It is noticed that the perceived unique value is significantly negatively correlated to the products to purchase and positively correlated to the influencers of purchase and the ways of payment. To interpret the message, the more people appreciate the unique value of luxury products, the more likely they will buy luxury clothes, bags, and watches, which are easy to be noticed by others. And these people more tend to be influenced by people around them.

According to above findings, it is concluded that the perceived unique value has significant influence on Chinese consumers' purchase tendency toward luxury consumption.
Therefore, H2 is accepted.

Findings on H3: The perceived social value has significant influence on Chinese consumers' purchase tendency toward luxury consumption

The correlation between the perceived social value and Chinese consumers' purchase tendency toward luxury consumption.

Table 15 The correlation between the perceived social value and Chinese consumers' purchase tendency toward luxury consumption.

		Q5: Products to purchase	Q6: Influencers for making decision	Q7: Reasons to purchase	Q8: Location to purchase	Q9: Information sources	Q10: Ways of payment
Q 15: I believe wearing luxury products will make me well accepted by others.	Pearson Correlation	−0.197*	−0.010	0.097	−0.059	−0.365**	0.187*
	Sig. (2-tailed)	0.022	0.907	0.262	0.499	0.000	0.030
	N	135	135	135	135	135	135
Q16: I will buy a luxury product for the social value it brings me.	Pearson Correlation	−0.220*	0.014	0.034	0.208*	−0.280**	0.054
	Sig. (2-tailed)	0.010	0.870	0.698	0.016	0.001	0.531
	N	135	135	135	135	135	135

**Correlation is significant at the 0.01 level (2-tailed).

*Correlation is significant at the 0.05 level (2-tailed).

According to above table, the relationship between the social unique value and Chinese consumers' purchase tendency toward luxury consumption are measured by analyzing the correlation between Q15~Q16 and Q5~Q10.

It is noticed that the perceived social value is significantly negatively correlated to the source of information. To interpret the message, the more people appreciate the social value of luxury products, the more likely they will depend no word of mouth to buy luxury goods or stores, and less likely they will search for information online. According to above findings, it is concluded that the perceived social value has significant influence on Chinese consumers' purchase tendency toward luxury consumption. Therefore, H3 is accepted.

Findings on H4: The perceived emotional value has significant influence on Chinese consumers' purchase tendency toward luxury consumption

The correlation between the perceived emotional value and Chinese consumers' purchase tendency toward luxury consumption.

Table 16 The correlation between the perceived emotional value and Chinese consumers' purchase tendency toward luxury consumption.

		Q5: Products to purchase	Q6: Influencers for making decision	Q7: Reasons to purchase	Q8: Location to purchase	Q9: Information sources	Q10: Ways of payment
Q17: I believe wearing luxury products will bring me joy and pleasure .	Pearson Correlation	−0.145	0.151	−0.036	−0.041	−0.314**	0.276**
	Sig. (2-tailed)	0.093	0.081	0.681	0.639	0.000	0.001
	N	135	135	135	135	135	135
Q18: I will buy a luxury product for the pleasure it brings me.	Pearson Correlation	−0.181*	0.074	0.091	−0.109	−0.252**	0.149
	Sig. (2-tailed)	0.036	0.392	0.294	0.208	0.003	0.084
	N	135	135	135	135	135	135

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

According to above table, the relationship between the perceived pleasure and Chinese consumers' purchase tendency toward luxury consumption are measured by analyzing the correlation between Q17~Q18 and Q5~Q10.

It is noticed that the perceived pleasure is significantly negatively correlated to the source of information. To interpret the message, the more people appreciate the pleasure of consuming luxury products, the more likely they will depend no word of mouth or stores to buy luxury goods, and less likely they will search for information online.

According to above findings, it is concluded that the perceived pleasure has significant influence on Chinese consumers' purchase tendency toward luxury consumption. Therefore, H4 is accepted.

Findings on H5: The perceived quality value has significant influence on Chinese consumers' purchase tendency toward luxury consumption

The correlation between the perceived quality value and Chinese consumers' purchase tendency toward luxury consumption.

Table 17 The correlation between the perceived quality value and Chinese consumers' purchase tendency toward luxury consumption.

		Q5: Products to purchase	Q6: Influencers for making decision	Q7: Reasons to purchase	Q8: Location to purchase	Q9: Information sources	Q10: Ways of payment
Q19: I believe luxury products are the assurance of the high quality .	Pearson Correlation	−0.308**	0.167	0.047	−0.221**	−0.135	0.067
	Sig. (2-tailed)	0.000	0.054	0.592	0.010	0.118	0.438
	N	135	135	135	135	135	135
Q20: I will buy a luxury product for the high quality it brings me.	Pearson Correlation	−0.308**	0.167	0.047	−0.221**	−0.135	0.067
	Sig. (2-tailed)	0.000	0.054	0.592	0.010	0.118	0.438
	N	135	135	135	135	135	135

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

According to above table, the relationship between the perceived quality and Chinese consumers' purchase tendency toward luxury consumption are measured by analyzing the correlation between Q19~Q20 and Q5~Q10.

It is noticed that the perceived quality is significantly negatively correlated to the products to purchase. To interpret the message, the more people appreciate the quality of luxury products, the more likely they will buy luxury clothes, bags, and watches, which are personal items.

According to above findings, it is concluded that the perceived pleasure has significant influence on Chinese consumers' purchase tendency toward luxury consumption.
Therefore, H5 is accepted.

Conclusions

In general, the responses were rather moderate towards questions related to luxury consumption motivation. People who are close to the respondents are the main influencers of their luxury purchase. Almost half of the respondents showed that friends, colleagues and other social connections are the main influencers, while 29.6 % of them considered families to be most influential. People buy luxury products are mainly out of social related reasons, which are related to showing off to others and socializing. Online purchase is found to be a strong tendency in Luxury businesses. Besides, almost half of the respondents choose to pay for luxury products by using credit cards. It's detected that the perceived flaunting value, social value, and pleasure are strongly related to people's luxury purchase, while the perceived uniqueness and high product quality are not the significant reasons for people to buy luxury products.

H1 is proved to be acceptable, since the perceived flaunting value are found to have significantly negative relation to the information sources and positively correlation to the ways of payment. The result means that the more people acquire luxury consumption related information from their families and friends, the more likely they buy luxury products for showing off. And those who buy luxury products mainly for the flaunting value are less like to pay by cash, they are more likely to pay by loans and other ways.

H2 is proved to be acceptable, since the perceived unique value are significantly negatively correlated to the products to purchase and positively correlated to the influencers of purchase and the ways of payment. The result means that the more people appreciate the unique value of luxury products, the more likely they will buy luxury clothes, bags, and watches, which are easy to be noticed by others. And these people more tend to be influenced by people around them.

H3 is proved to be acceptable, since the perceived social value are found to be significantly negatively correlated to the source of information. To interpret the message, the more people appreciate the social value of luxury products, the more likely they will depend no word of mouth to buy luxury goods or stores, and less likely they will search for information online.

H4 is proved to be acceptable, since the perceived pleasure are found to be significantly negatively correlated to the source of information. To interpret the message, the more people appreciate the pleasure of consuming luxury products, the more likely they will depend no word of mouth or stores to buy luxury goods, and less likely they will search for information online.

H5 is proved to be acceptable, since the perceived quality are significantly negatively correlated to the products to purchase. To interpret the message, the more people appreciate the quality of luxury products, the more likely they will buy luxury clothes, bags, and watches, which are personal items.

Recommendations

Based on above findings recommendations are provided for luxury brands. As surrounding people and word of mouth are found to be the significant factors of influencing luxury consumption, luxury brands should consider to adjust their market channels accordingly. For example, they should encourage their existing customers to introduce their families and friends new customers. They should also pay close attention to the service and customer experiences, which will have great impact on the word of mouth. Besides, online purchase has been proven to be a major trend, which remind the luxury businesses to expand their business online by exploring online shopping experiences.

There are also some recommendations for future research. First, research aiming to include a better scope is recommended. It does not necessarily mean to include every city in China. However, the research will be more meaningful if the scope can be more specific.

Secondly, with only 153 effective responses, researchers are very hard to generate a clear idea of the whole picture. Therefore, a more effective data-collecting method are needed if there will be another similar study.

Thirdly, a more comprehensive research method should be employed. Due to the limitation of resources, the current study only used questionnaire for quantitative analysis. However, it will be more inclusive and more representative if the research can include more forms of data, such as qualitative approach. Questions should also be designed with more approaches. Only by asking respondents to rate the

questions sometime are quite limited. Some underlined problems may not be discovered. It is also recommended to ask them to write down some comments and ideas.

Although this study is first of its kind in the local context, a replication of this research in the future may be beneficial to help gain a better understanding on related topic. The researcher may consider conducting a longitudinal study to assess and confirm the relationships between independent and dependent variables that have been identified through the findings of this study.

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