Factors Influencing Consumer Purchasing Intention within Fashion Luxury Brand in Malaysia

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Abstract

The study of consumer purchasing behavior is a challenging and complex task for organizations. This study aims to understand the factors influencing consumer purchasing intention within fashion luxury designer handbags in Malaysia and the role of emotional intelligence that influences such decision-making process. The luxury fashion brand has emerged as one of the most cost-effective business and fast-growing brand segments over the last decade. However, numerous prior studies have focused on the factors that influence consumer purchase intention, and the intention of purchasing a luxury fashion brand. There is limited research which simultaneously captures the factors and emotional intelligence that help customers to adopt a luxury fashion brand. This study combines behaviours’ theories and study of emotional intelligence to bring together the main ideas of consumer purchase behaviour, and examines the effects on a specific characteristic of consumers’ (i.e., consumers’ need for uniqueness and self-presentations) and brand-associated variables (i.e., social norms attitude toward luxury brands and emotional intelligence).

Keywords: Consumer behaviour; decision-making process; emotional intelligence; luxury brand; Malaysia.

1. Introduction

The expression of “luxury” is commonly applied in our daily routine and referring to merchandises, services or a particular standard of living, it does not have an explicit understanding. According to Kapferer (1997), the luxury term “describes magnificence; it is art prevail to functional elements. Luxury items and goods, afford additional pleasure and praise entirely feelings at once” (p. 253).

It is a challenging task to determine boundaries of the luxury fashion industry. While trying to define luxury, there are a number of objectives coming to the mind, such as, price, importance, excellence rarity – although those extents are not completely satisfied. Those dimensions link to traditional consideration of the luxury product, where the significance is due to the internal lineament of the merchandise (Cerna 1995, Jellinek 1997, Al-Obthani & Ameen, 2018). The fashion and luxury brand business is a multi-billion dollar industry and numerous consumers are striving to use the luxury product as a way of forming and supporting their individuality. In 2017, globally luxury market was worth $1.2 trillion and remains to be attractive due to its great scope (Consultancy.uk 08 February, 2018). Nowadays, the 21st century, extravagance and luxury expenditure has gotten being prevalent (Kapferer and Bastien, 2009) in spite of the truth that there’s in total slight amount of the firms offering to the consumers’ extravagance or luxury items (Uche Okwonko, 2007, Al-Shamsi, Ameen, Isaac, Al-Shibami, & Sayed Khalifa, 2018).

‘Luxury’ such as a model, characterized inside the framework of socio-psychology as an outcome of its linking to a cultural philosophy, statement of actuality and way of living, whether or not it is individual or united (Megehee & Spake 2012). Chevalier and Massalovo (2008) characterize a luxury product as “product that being specific and elite, as well being an extra inventive and enthusiastic esteem for product users” (p.viii). Those characterization widens the common believes of shortage, elegance, as well great style related to extravagance products to include more cutting edge and comprehensive view of fashion items (Chevalier & Massalovo, 2008).

Luxury fashion goods can appear as clothing, handbags, jewellery accessories, watches, and perfume which consumers use or display, brings status and prestige to the owners aside from another functional benefit of the product (Vigneron and Johnson, 2004; Ameen & Ahmad, 2011). Overall, success and happiness seeking through consumption as the main establishing standard for society initially appeared in the West (Campbell, 1987; McCracken, 1988). Consumers’ society established a huge amount of cultures across the globe (Belk, 1988b). Through great attention of prosperity in the upper economic classes, this development of economy has increased the number of customers who are able to flow into the marketplace for a luxury good, (Nancy and Aaron, 1998). McKinsey and Co, done worldwide research in 1991 and study 14 different product categories. The study shows that the market for luxury merchandises was about 60 billion dollars (Dubois & Duquesne, 1993).
2. Literature Review

2.1 Attitude Towards Luxury Designer Brand

Rapid growth of luxury product consumption encouraged researchers to investigate several dimensions like attitude and intention of purchasing luxury product (Abd-Elaziz, Aziz, Khalifa, & Abdel-Aleem, 2015; Khalifa, 2015; Khalifa & Abou-Showk, 2014; Khalifa & Fawzy, 2017; Khalifa & Hewedi, 2016; Khalifa & Mewad, 2017). Zhang & Kim (2013) examine the causes that impact the attitude of consumers’ towards purchasing luxury brands. Researchers surveyed five fundamental causes: brand consciousness, social comparison, materialism fashion involvement and fashion innovativeness Zhang & Jung-Kim (2013). Additionally, they observed the impact of consumers’ attitude on luxury consumption intention. In general, the result of this research showed that consumers have a positive attitude towards purchasing luxury products. In particular, the three factors: brand consciousness, social comparison, and fashion innovativeness have an essential effect on attitude towards purchasing luxury fashion goods. Regarding luxury consumption motives, existing studies have demonstrated that behavior reverses from person to person rely on their susceptibility to interpersonal influence (Bourne, 1957; Mason, 1981; Bearden & Etzel, 1982; Horiuchi, 1984; Ameen & Ahmad, 2012; Bushman, 1993; Pantzalis, 1995). Consequently, the following hypotheses are proposed:

**H1:** Attitude Towards Luxury Fashion Brands has a positive effect on consumer purchase intention in Malaysia.

2.2 Subjective norms

Subjective norm is essential antecedent to the normative obligation of a luxury product. Subjective norms introduce deliberate social pressure (Ajzen & Fishbein, 1980; Alrajawy, Daud, Isaac, & Mutahar, 2017), and it comes to be reflected in an individual’s or a group to desire to carry out or not carry out, a certain behavior in accordance with the consideration of significant others, individuals or groups. Subjective norms have also been studied in terms of consistency in the behavior of the consumer literature for luxury items same as non-luxury product (e.g., Bearden, Netemeyer, & Teel, 1989; Kastanakis & Balabanis, 2012, 2014; Shukla, 2011; Mutahar, Daud, Ramayah, Putri, & Isaac, 2017). It’s obvious that subjective norms are essential and could provide a substantial effect on how consumers respond to the influence of others. (Verhoef et al., 2009). As well subjective norms could increase correspondence, particularly for a luxury product that are openly utilized product (Wiedmann, Hennigs, & Siebels, 2009) and might enhance to their bandwagon effect (Kastanakis & Balabanis, 2014). Moreover, past researches have recommended, assessing the effect of subjective norms on engagement, and emphasizing the significance of normative interpersonal stimuli in the scope of luxury utilization (e.g., Aldholay, Isaac, Abdullah, & Ramayah, 2018; A. Aldholay, Isaac, Abdullah, Abdulsalam, & Al-Shibani, 2018; Kastanakis & Balabanis, 2012, 2014; Shukla & Purani, 2012; Ameen & Ahmad, 2013; Shukla, 2011). Important others and their stimulus are also exposed to be very much related to the luxury product (Shukla, 2010). A significant relationship between subjective norms and normative commitment towards luxury brands, therefore, deserve to broaden examination. Consequently, the following hypotheses are proposed:

**H2:** Subjective norms have a positive effect on consumer purchase intention of luxury brands in Malaysia.

2.3 Brand credibility

A brand credibility model originated from the branding literature. Consequently, this concept, which relies heavily on the information economics, businesses could utilize brands as indicators to transmit the communications in a market arena that is described by defective and asymmetric information (Erdem and Swait, 2004; Erdem et al., 2002). According to (Erdem et al., 2002) improving brand credibility could growth consumers’ perceptions of brand value by affecting psychophysical processes of consumers’ through which objective excellence degree translates into perceived, subjective excellence degree. Significant of brand credibility is a model in luxury product consumption research, which has been discovered by several researches (Erdem & Swait 1998; 2004; Erdem et al. 2002; Erdem et al. 2006; Spry et al. 2011; Ameen, Almari, & Isaac, 2019). These scholars, Erdem, and Swait (1998) those authors the first to present the study of the importance of the idea to investigate the effect of Brand Credibility on buyers’ utility. Those writers recommend that the content clarity and credibility of brand signal might raise product value, reduce material expenditures, and perceived risk to the users. That coordination might growth consumers buying intention and adds a a significant to the equity of a product. Erdem and Swait (2004) detected that Brand Credibility influences consumers’ buying intention on product selection and speculation of other important information on purchasing selection, such as expenditures reduction, perceived risk and perceived quality constructs (i.e. CBE). On the other hand, this variation depends on the level of consumers’ perceived credibility of the product. Consequently, the following hypotheses are proposed:

**H3:** Brand Credibility has a positive effect on consumer purchase intention of luxury brands in Malaysia.
2.4 Social Media

Although strong discrepancy of luxury being élite and social media being reachable for everyone, social media and internet have turn out to be a significant role of the modern world and being an essential portion of the luxury operation (Kapferer and Bastien, 2012: 247). Research conducted by Azizul et al. (2014) surveys the online aspects which affect purchasers’ buying intention, perception, and assertiveness toward advertising on Facebook. According to Loredana, Francesca and Eleonora (2011), the attitude of travellers towards using the social network to obtain information for a selection of destination strongly stimulate their purchasing intention. Consumers’ motivation for participation in social networks produces an understanding of consumer activities Kristina H. (2011). Numerous researches appeared recently concentrating on consumers’ motivation, (e.g. Ross et al., 2009; Raaake and Bonds-Raacke, 2008; Grace-Faraglia et al., 2006; (Abou-Shouk & Khalifa, 2017; Al-Shamsi, Ameen, Isaac, Al-Shibami, & Sayed Khalifa, 2018; Mohamud, Khalifa, Abuelhassan, & Kaliyamoorthy, 2017; Nusari, Al Falasi, Alrajawy, Khalifa, & Isaac, 2018)). Several research on social media and user-generated media employ a uses and satisfaction approach (c.f. Shao, 2009; Park et al., 2009 (Al-Shamsi et al., 2018; Badran & Khalifa, 2016; Husin, Abou-Shouk, & Khalifa, 2013; Khalifa, 2015; Mohamud et al., 2017; Qoura & Khalifa, 2016)). Consequently, the following hypotheses are proposed:

H4: Social Media has a positive effect on consumer purchase intention of luxury brands in Malaysia.

2.5 Emotional Intelligence

Emotional intelligence has been found as controlling psychological force that could heavily stimulate sales and performance of the companies (Brown, Cron, and Slocum 1997), but the process in what way emotions are understood and engaged in advertisement and marketing exchanges still remaining remarkably limited (Bagozzi, Gopinath, and Nyer 1999). However numerous researches have observed particular emotions in marketing encounters such as anxiety and fear (Bagozzi and Verbeke 2000), passion and joyfulness (Chitturi, Raghunathan, and Mahajan 2008), appreciation (Palmatier et al. 2009), frustration and anger (Wagner, Hennig-Thurau, and Rudolph 2009), and shame and guilt (Agrawal and Duhachek 2010).

Although the significance of emotion in making a decision (e.g., Gohm and Clore 2002; Luce 1998; Pham 1998; Ruth 2001), studies have yet to completely realize in what manner purchasers’ using their emotions to make effective decisions. Studies remain to an emphasis on the present emotions in situations such as consumption, however, it’s better to understand the emotional processing capabilities and its significant impact on consumers’ performance outcomes (Kidwell, David M. Hardesty and Terry L. Childers 2008). Consequently, the following four hypotheses are proposed:

H5: Emotional intelligence has a moderating effect on the relationship between attitude towards luxury fashion brands and consumer purchasing intention of luxury brands in Malaysia.
H6: Emotional intelligence has a moderating effect on the relationship between subjective norms and consumer purchase intention of luxury fashion brands in Malaysia.
H7: Emotional intelligence has a moderating effect on the relationship between brand credibility and consumer purchase intention of luxury brands in Malaysia.
H8: Emotional intelligence has a moderating effect on the relationship between social media and consumer purchase intention of luxury brands in Malaysia.

3. Research Method

3.1 Overview of the Proposed Research Model

For this research, hypothetical variables and their relationships in the model were obtained from the existing literature of the models and theories that were set in the literature cited above. The suggested extended model can be seen in Figure 1 below. While investigating the suggested model, it can be seen that subjective norms (containing attitude towards luxury fashion brand and social influence) and brand credibility and social media affects consumers purchase decisions. These relationships are derived from Ajzen & Fishbein, 1980 whereas brand credibility took from Erdem & Swait 1998 and social media from Kapferer and Bastien, 2012. The proposed extended model examines the relationship between subjective norms, brand credibility, and social media as antecedent variables and emotional intelligence as a moderating variable to consumer purchase intention, which in turn explains consumer purchase intention as an output variable among consumers who using luxury fashion product in Kuala Lumpur. The proposed model has eight hypotheses to test.

Variables of this study will be measured using a Likert Scale which recommended in the previous studies (Isaac, Abdullah, Ramayah, & Mutahar, 2017; Isaac, Abdullah, Ramayah, Mutahar, & Alrajawy, 2017; Isaac, Abdullah, Ramayah, & Mutahar Ahmed, 2017). Analyzing Data will be through the second-generation multivariate data analysis technique which is SEM which leads to more accurate estimates (Osama Isaac, Abdullah, Ramayah, Mutahar, & Alrajawy, 2018; Osama Isaac, Abdullah, Ramayah, & Mutahar, 2018). The main reasoning for choosing SEM as a statistical method for this study is that SEM offers a simultaneous analysis (Isaac, Abdullah, Ramayah, & Mutahar, 2017a; Isaac, Abdullah, Ramayah, & Mutahar, 2017b; Isaac, Masoud, Samad, & Abdullah, 2016).
4. Implications

Since luxury fashion product business developed over a $180 billion worldwide industry in 2009 (Okonkwo, 2009). It is anticipated that the data resulting from this result will serve as a guideline of luxury branding exploration by examining unfamiliar but significant roles of various factors influencing consumers’ intention to buying a luxury product, and emotional influence on consumers’ intention. Examining those influences can contribute significantly to improving product relationship quality. This study can benefit and help to luxury brand managers to identify the potential buyers and to support brand strategies, those which will be effective for brand development. The implications are significant specified that the consumers don’t exclusively rely on a particular buyer segment thereby it is important for luxury fashion industry marketers “to realize and recognize where to looking for their consumers and who their consumers are, and what would be the main factors that determine their behavior” (Okonkwo, 2007, p. 70).

In broad terms, scholars agree that there is no deep explanation for the consumer intention of value dimension and factors influencing consumer decision that establish luxury accessories brands because the numerous value perceptions related to luxury accessories brands are unwell researched, understood poorly and under-investigated (Moon and Sprott, 2016; Hennigs et al., 2015; Loureiro and de Araújo; 2014; Miller and Mills, 2012; Shukla, 2012; Tynan et al., 2010; Berthon et al., 2009; Wiedmann et al., 2009; Vigneron and Johnson, 2004; Vickers and Renand, 2003); moreover, there are deficiency of studies on correlations of factual behavior with consumer’s emotions and moral norms Zeinab Rezvania al.,(2016).

5. Limitations and Suggestions for Future Work

This research population is limited to consumers purchase intention of a luxury product in Kuala Lumpur and will not include consumers buying the non-luxury product. This study will be conducted through a survey questionnaire and therefore no qualitative study will be applying here. Given the fact that emotional intelligence in consumers behavior has limited understanding, it might be difficult to prove. This research will rely on self-reported answers to evaluate consumers’ purchasing intention on luxury item through their emotional feelings. However, respondents professing their motivation to consume more of the luxury branded items using their emotions may not actually do so in reality.

6. Conclusion

It is plain to see that the importance of utilizing luxury brands is expanding whereas the luxury marketplace proceeds to contribute towards a noteworthy sum of financial activity within the industrialized world (Vigneron and Johnson, 2004). This research will fill the gap in previous research, by contributing and investigating emotional and subjective norms and the relationship between these and its impact on consumers’ intention of purchasing a luxury product. The recommended model will try to offer clarification to the results in the literature about the impact of social norms, social media and emotional intelligence on consumers’ intention on a luxury product. This research will contribute to consumer behavior literature and luxury brand literature, and examines the backgrounds that affect the foundation of consumer behaviors in the context of Malaysian consumers obtaining the luxury product.


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