Attitude and Purchase Intent for Luxury Fashion Goods: Cultural Differences between Americans and Chinese

Jung-Hwan Kim* · Bopeng Zhang

Associate Professor and Director of Graduate Studies, Dept. of Retailing, College of Hospitality, Retail, and Sport Management, University of South Carolina, USA*
Dept. of Apparel, Educational Studies, and Hospitality Management, Iowa State University, USA
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Abstract Expanding upon Zhang and Kim’s (2013) study involving Chinese consumers, this study investigated key factors that influence U.S. consumers’ attitude towards purchasing luxury fashion goods and purchase intent and examined what similarities and differences exist between the two consumer groups in relation to the key factors. A total of 414 respondents completed the online survey questionnaire. Structural Equation Modeling was utilized to analyze data. Brand consciousness, materialism, fashion innovativeness, and fashion involvement were significant factors that affect U.S. consumers’ attitude towards luxury fashion goods. Overall, the findings of the current study were greatly inconsistent with Zhang and Kim’s Chinese study. The inconsistency provides vital implications to luxury fashion retailers by showing that one size does not fit all and one strategy does not fit all markets.

Key words Brand consciousness, materialism, fashion innovativeness, fashion involvement, luxury fashion, attitude

Introduction

With the financial crisis in 2008 the total amount of luxury consumption in the U.S. crumbled. Sales of luxury fashion goods seemed to be at jeopardy with the widespread economic recession. Nevertheless, the U.S. has remained the world’s largest luxury goods market, accounting for over one-fourth of the overall value sales of luxury goods in 2012 (CPP-LUXURY.COM, 2012) and has returned to pre-crisis sales levels (LuxurySociety, 2013). As the broader U.S. economic situation slowly improves, the growth of the U.S. luxury goods market is expected to be more positive (Brand channel, 2012). As the evidence of this positive trend leading luxury brands such as Hermes and Prada are launching shops or expanding existing stores in the U.S (Mail online, 2013).

While the U.S. market waxes and wanes and recovers, China has become one of the most valuable luxury markets. Zhang and Kim (2013) examined influencing factors which affect Chinese consumers’ at-
titude towards purchasing luxury fashion goods and purchase intent. The five key factors considered were brand consciousness, materialism, social comparison, fashion innovativeness, and fashion involvement. According to the findings of the study, Chinese consumers buy luxury goods mainly for social recognition or to signal their wealth or to gain social status. However, the same attitude might not hold across cultures. In other words, consumers’ motivation towards purchasing luxury fashion goods would differ by culture, especially between Eastern and Western cultures. For example, symbolic values would be important to people in Eastern collective cultures which emphasize dependence and social acceptance, whereas personal value would be critical to people in Western individualist cultures which emphasize independence and individual initiative (Hofstede, 1980). To support this notion, Shukla (2011) found in association with luxury purchase intentions that consumers in Indian, a developing collectivist market, were more vulnerable to normative interpersonal influences than consumers in the U.K., a developed individualist market. Expanding upon Zhang and Kim’s (2013) study involving Chinese consumers, this study investigated key factors that influence U.S. consumers’ attitude towards purchasing luxury fashion goods and purchase intent in comparison to the Chinese luxury consumer data.

Within the global market luxury retailers are well advised to understand consumers’ attitudes towards luxury goods and purchase intent and the differences and similarities of consumers’ attitude based on cultural and geographical matters to better address unique characteristics of consumers in various regions. In this sense, comparing consumer groups in two culturally dissimilar countries would be vital to better satisfy consumers’ needs on a larger scale.

**Literature review**

**Luxury fashion goods**

The term “luxury” is defined as very high standard goods and services (Shukla, 2011), which are desirable and beyond necessary and ordinary (Heine & Phan, 2011). As a social phenomenon, luxury consumption has received considerable attention from both marketers and researchers for decades. Luxury fashion items comprise a wide range of product categories such as apparel, shoes, accessories, jewelry, perfume, and eyewear (Gao, Norton, Zhang, & To, 2009).

As the luxury industry becomes an influential sector in the field of fashion marketing, the concept of “luxury” has been updated with a more comprehensive understanding of luxury consumers’ attitudes. According to Berthon, Pitt, Parent, and Berthon (2009), luxury had been primarily considered as quality goods and their durability. However, symbolic value and luxurious experiences have been included in the expanded concept of luxury (Berthon et al., 2009). With reflection of this change, Berthon et al. (2009) conceptualized the term luxury goods with three components: the material, the social, and the individual. In their view, functional value (e.g., physical objects/product quality), individual experiential value (e.g., personal thoughts/perceptions, hedonic value), and symbolic value (e.g., status and images) blend together to conceptualize luxury brands (Berthon et al., 2009). Today, non-tangible attributes of luxury goods are imperative considerations that need to be understood in relation to consumers’ attitudes towards purchas-