

The relationship between brand image and purchase intention in luxury brands: a case study of Louis Vuitton

In Partial Fulfillment of the Requirements for the Bachelor of Science in Marketing

by

ZHONG Miao

1026020

May, 2020

ABSTRACT

The study provides insights into exploring the relationship between brand image, perceived quality, perceived value, and purchase intention about luxury brands. The objective is to examine how brand image impacts on purchase intention of luxury brands employing the case of Louis Vuitton. The study used a questionnaire to collect data from 236 valid participants. The results suggest that brand image positively impacts purchase intention directly. Consumers manifest to be concerned about brand image. Furthermore, the result indicates brand image has an indirect influence of purchase intention considering the perceived quality and perceived value. Regression analysis was conducted to run the data and figure out the result. The outcome may contribute to the luxury brand managers since they can develop appropriate strategies to enhance consumers' purchase intention.

TABLE OF CONTENTS

	Page
Abstract	1
Table of Content	2
List of Tables	3
List of Figures	4
1. Introduction	
1.1 Introduction	5
2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPM	MENT 6
2.1 LUXURY BRAND	6
2.2 Brand Image	
2.3 PERCEIVED QUALITY & BRAND IMAGE	
2.4 Purchase Intention & Brand Image	
2.5 PERCEIVED VALUE & BRAND IMAGE	
2.6 PERCEIVED QUALITY & PERCEIVED VALUE	
2.7 Purchase Intention & Perceived Value	
2.8 THE THEORY OF PLANNED BEAHAVIOR	
3. METHODOLOGY	10
3.1 DATA COLLECTION AND SAMPLE CHARACTERISTICS	11
3.2 RELIABILITY TEST	
3.3 CORRELATION TEST	
3.4 STATISTICAL METHOD	14
4. RESULTS AND DISCUSSION	10
4.1 Hypotheses Testing	120
CONCLUSIONS AND IMPLICATIONS	16
5.1 DISCUSSIONS	16
5.2 MANAGERIAL IMPLICATIONS	
5.3 LIMITATIONS AND FUTURE RESEARCH	
REFERENCE	18
APPENDIX	20

LIST OF TABLES

Table 1. Demographic information of the respondents	11
Table 2. reliability of constructive measurements	12
Table 3. Correlations	12
Table 4. Path coefficients for variables	13
Table 5. Summary of hypotheses testing results	13

LIST OF FIGURES

FIGURE 1. THE CONCEPTUAL MODEL

Introduction

In the present era, luxury consumption issue has attracted considerable attention. Brand plays a significant role in this consumption process. Widemann *et al.* (2009) argue that people know little about the way to refine the current market and maintain customer expectations in terms of the particular consumption environment. Differential from commodities in the everyday purchase, luxury goods typically manifests to be expensive as well as inessential. Concerning this kind of shopping, consumers ordinarily take further considerations due to the high price. Nevertheless, it is interesting to find that luxury consumption still appears to be instead welcomed. In today's marketplace, this phenomenon is whorthy to note.

Researchers led by Vigneron and Johnson (2004) underlined the possible importance of brand related-cues (eg. brang image) in recognizing luxury consumption. Furthermore, Chevalier and Mazzalovo (2008) observed that brand image building costs luxury brands an incommensurate amount of the whole budget. Based on Soltani *et al.* (2013), consumers are more likely to purchase a new product with a well-known brand name since it can guarantee that the quality of the identical brand is the same. Brand name and associated image appear to be critical extrinsic cues concerning purchase decisions of luxury products (Chevalier and Mazzalovo, 2008; Kapferer annd Bastien, 2009; Okonkwo, 2007). In this case, the brand image emerges to be a stimulation during the luxury purchasing process.

Neveetheless, does it mean a better brand image promotes customer purchase intentions of the luxury brand? Does the luxury brand indeed see a high perceived quality? Does the consumer deem the value of the luxury brand is worth the price? Thakor and Kohli (1996) and an unceasingly increasing number of researchers demand to evaluate the effect of the brand image towards purchase intention.

The study aims to explore the relationship between brand image and purchase intention regarding the perceived value and perceived quality of luxury brands. BrandZ is the world's largest brand equity database. According to the survey Top 100 most valuable global brands 2019 by BrandZ, Louis Vuitton appears to be the leader of Luxury Top 10 worldwide in 2019. Thus, Louis Vuitton will represent the research objective of this study.

The paper begins with a detailed literature review and hypothesis development. Followed by the section, the methodology consisting of the empirical test is to be introduced. Further, the results are to be figured out based on hypothesis testing. Eventually, the study will discuss conclusions and implications.

Literature Review and Hypotheses Development

2.1 Luxury Brand

Tynan *et al.* (2009) identify luxury brands as high quality, high-priced, and inessential goods or services, which are perceived by consumers as scarce, exclusive, reputable, and authentic. Tynan *et al.* (2009) also assumed luxury brands express superior symbolic as well as emotional value. Luxury brands "evoke exclusivity, own renowned brand identity, enjoy high brand awareness and perceived quality, and maintain customer loyalty" (Phau and Prendergast, 2001). Initially, luxury brands merely serve for the dignitary. Gardyn (2002) proposed the term "democratization of luxury," indicating the appearance of affordable luxury brands for the ordinary. For instance, Nagasawa (2007) displayed a comparison of Hermes, Louis Vuitton, and Coach. Hermes and Louis Vuitton, traditionally characterizing for the upper-class. Differentiated from them, Coach is considered to advocate providing middle-income people with the sophisticated feeling of luxury (Nagasawa, 2007).

2.2 Brand Image

By definition, brand image can be expressed as "perceptions about a brand as reflected by the brand associations held in consumer memory" (Keller, 1993). Thus, brand image is a subjective cognition from consumers, indicating how the customers feel about the brand. Simultaneously, it ordinarily results from externals such as advertisements or word-of-mouth among the users, but rather merely the product itself. Calori *et al.* (2000) also claimed that luxury brands proved to employ a sharp brand image in their marketing campaign. The reason can explain from customers' responses. For example, it is observed that a woman wearing a Gucci 'new britt' hobo bag worthy 695 USD looks a lot distinct, in contrast to a woman carrying a \$268 Coach 'Ali signature' hobo bag. The reason is that Gucci represents high-end luxury, while Coach symbolizes accessible luxury (Han *et al.*, 2010). Accordingly, an outstanding brand image is highly desirable for luxury brands. In terms of the brand image for Louis Vuitton, it is the symbolization of noble and elegance.

2.3 Perceived Quality & Brand Image

Perceived quality is described as the consumer's judgment on a commodity's general superiority and excellence (Zeithaml, 1988; Asker, 1991). Typically, perceived quality involves various characteristics such as service, quality, design, craftsmanship. Nevertheless, to ensure the perception of luxury, previous literature concerning luxury consumption underlines the significance of leadership in quality (Quelch, 1987; Roux, 1995). Rao and Monroe (1989) assumed that brand name is a significant indicator of product quality. Moreover, Gentry *et al.* (2001) revealed the fact that consumers tend to purchase for the superior quality reflected by the brand name. Consumers do not merely pursue the conspicuousness of brand name while buying luxury

brands. Consistent with these finds, Steenkamp *et al.* (2003) also found a majority of luxury brands are global brands suggesting better quality. Consequently, luxury brands seem to signal excellent quality to consumers.

Luxury brands are deemed to have the highest ratios of price to quality in the market (Mckinsey and Co., 1990). Nevertheless, Rao and Monroe (1989) argued that consumers consider higher rates as an indication of better quality. For instance, on the whole, the price of luxury goods is more elevated than conventional commodities. Accordingly, consumers may perceive that luxury goods have superior distinctions than traditional products. Meanwhile, Jahanzeb *et al.* (2013) found consumers are likely to distribute more value to a brand when they perceive the overall quality provided by the brand as excellent. To sum up, the study hypothesizes that customers are more willing to buy a brand with a more positive image since it can promote consumers' perceived quality of luxury brands.

H1. Brand image positively impacts on consumers' perceived quality of luxury brands.

2.4 Purchase Intention & Brand Image

In previous studies, brand image proved to affect consumers' purchase intention (Esch *et al.*, 2006). In other words, consumers typically place their purchase decisions based on the brand image (Kim and Kim, 2005). To be specific, according to Dolich (1969), brand image manifests its significance for the sake of its contribution to the consumers' determining whether to choose the brand for themselves. In terms of luxury brands, Chevalier and Mazzalovo (2008) claimed brand name and associated image are considered as essential exterior cues related to purchasing decisions. Aghekyan-Simonian *et al.* (2012) also add that a strong and favorable brand image invariably positively impacts on consumer perception of product evaluation. Moreover, Faircloth *et al.* (2001) found that a powerful, approbative, and exclusive brand image is optimistically correlated with eagerness to pay for premium prices. Luxury brands demand an additional premium employing their brand image as a vital component in their marketing campaign (Ait-Sahalia, 2004). Consequently, the relationship between brand image and purchase intention can be proposed positively.

H2. Brand image positively impacts on consumers' purchase intention about luxury brands.

2.5 Perceived Value & Brand Image

Perceived value generally represents "the consumer's overall assessment of the utility of a product, based on perceptions of what is received and given" (Zeithaml, 1988, p2). Previous marketing studies describe consumer perceptions of luxury value by functional, financial, individual, and social aspects (Vigneron and Johnson, 1999; Phau and Prendergrast, 2000; Yoo and Donthu, 2001). Consumers perceive value when the primary and additional benefits of a product are consistent with how they see and employ the product (Lai, 1995). Thus, perceived value can be considered as the consequence of perceived benefits. According to Belk (1988), the

benefits that luxury brands offer—in particular, the psychological benefits obtained from the luxury consumption experience, are capable of making luxury brands highly coveted choices. Hence, the consumers' perceived value towards luxury brands may comparatively be high. Provided that luxury brands possess positive images, the consumers are more likely to purchase luxury brands since the perceived value may increase. Therefore, the study hypothesizes a positive relationship between brand image and luxury consumers' perceived value.

H3. Brand image positively impacts on consumers' perceived value about luxury brands.

2.6 Perceived Quality & Perceived Value

Zeithaml (1988) proposed a conceptual model testifying that perceived quality has a direct impact on perceived value. Precisely, high perceived quality corresponds with high perceived value. Perceived quality decides on the appraisal of the benefits because high perceived quality makes it conceivable for consumers to believe that they acquire more benefits (Oh, 2010). Perceived quality value manifests to be the major variety of consumer's perception of value (Kim *et al.*, 2010). Thereby, the study can hypothesize that there exists a positive relationship between perceived quality and perceived value in luxury consumption.

H4. Perceived quality positively impacts on consumers' perceived value about luxury brands.

2.7 Purchase Intention & Perceived Value

Dodds *et al.* (1991) identify purchase intention as the possibility that a consumer will purchase a specific product or service. In other words, consumer's voluntariness to buy the product or service indicates their purchase intention. Perceived value is initially proposed as a primary contributor towards purchase intention (Chang and Wildt, 1994). Indeed, Previous studies directly suggest perceived value impacts on customers' purchase intention (Chen and Chang, 2012; Ponte *et al.*, 2015). Perceived value consists of consumers' predispositions and judgments. Based on Bao *et al.* (2011), consumers own anticipations while purchasing, and they are more likely to perceive the value once their expectations are further satisfied. In this case, Aghazadeh *et al.* (2014) optimistically concluded that consumers would purchase a specific brand provided that they have positive perceived value as well as purchase intention.

McKinsey Company (1990) defines premium prices as one characteristic of pf luxury products. It is found that perceived value may straightly foreshadow a consumer's willingness to purchase a premium price. (Netemeyer *et al.*, 2004). To be specific, Keller (1993) discovered that brand value perceived by consumers has a positive influence on a consumer's willingness to pay premium prices. Simultaneously, prior studies completed by Dodds *et al.* (1991) offer adequate evidence to demonstrate that perceived value has a positive influence on consumer willingness-to-buy.

Furthermore, Cornin *et al.* (2000) found that perceived value may be a more excellent indicator of purchase intention. Rust *et al.* (2004) also claimed to deliver value to consumers equals to develop loyal customers. Luxury brands correspondingly "maintain customer loyalty" (Phau and Prendergast, 2001). Thus, the study hypothesizes that the intention to purchase luxury brand is positive related to perceived value.

H5. Perceived value positively impacts on consumers' purchase intention about luxury brands.

2.8 The Theory of Planned Behavior – TPB model of behavior

In the field of marketing, the consumer decision-making process consists of four stages: motivation, information search, evoked set, and purchase (Solomon *et al.*, 2009). Consumers develop decision-making behavior from their perception of need as well as willing to satisfy in daily life. In terms of the course of luxury consumers' decision making, they typically desire to purchase the optimal luxury brand from available information. It leads to a relatively more significant impact on "recognition of need" (Ho *et al.*, 2016). This study stresses the impact of information on brand image on luxury consumers regarding their perception of value, quality, and willingness to purchase luxury brands.

The Theory of Planned Behavior (TPB) developed by Armitage and Conner (2001) broadens from the Theory of Reasoned Action (TRA) (Ajzen, 1991). The TPB interprets that attitudes towards behavior, subjective norm, and perceived behavioral control impact on intentions, which actuate practical behavior. Attitude refers to the favorable or unfavorable appraisal that an individual psychologically generates towards the behavior (Eagly and Chaiken, 1993). Subjective norm is defined as the perceived social stress, whether to activate the behavior (Aizen, 1991). Perceived behavioral control means the perception of the extent to complexity to perform certain behavior (Ajzen, 1991). It is found that attitude toward behavior, subjective norm, and perceived behavioral control manifests to influence an individual's luxury purchase intention to varying degrees (Ling, 2009). As individuals experience certain situations, the decision-making process is initiated.

The conceptual model is in **Figure 1**.

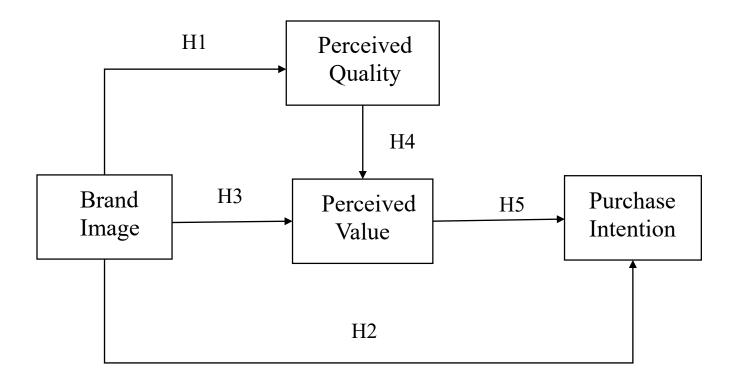


Figure 1. The conceptual model

Methodology

3.1 Data Collection and Sample Characteristics

To study the relationship between brand image and purchase intention in luxury brands, the research is designed as quantitative research. Data were all collected adopting a questionnaire via an online professional questionnaire website, and participants were random. The survey consists of demographic questions and measurement items. To be targeted, Louis Vuitton was selected to represent luxury brands in this questionnaire. After sifting through the questionnaire, 236 copies of questionnaire indicated to be valid for further analysis. **Table 1** displays the specific demographic information. For gender, 63.6% of participants were females. The age of respondents mainly falls between 20-25 and trends to be the young generation. In terms of monthly income, a majority of participants earn 2001-3000 RMB, and the group ranking second is 3001-5000 RMB. For frequency, 60.2% of respondents will purchase 1-3 times monthly in luxury brands.

Table 1. Demographic information of the respondents (%)

Items	Characteristics in %
Gender	Male: 36.4% Female: 63.6%
Age	Less than 20: 15.3% 20-25: 59.3% 26-30: 16.9% More than 30: 8.5%
Monthly Income	0-2000 RMB: 0.4% 2001-3000 RMB: 47.0% 3001-5000 RMB: 31.4% 5001-8000 RMB: 14.8% More than 8000 RMB: 6.4%
Monthly Frequency in Luxury Purchase	Never: 5.9% 1 to 3 Times: 60.2% 4 to 6 Times: 22.9% More than 6 Times: 11.0%

3.2 Reliability Test

In this study, Cronbach's Alpha was examined to evaluate reliability. According to the rules of thumb proposed by George and Mallery (2003), the Cronbach's alpha can be classified as following: $\alpha \geq 0.9$ – Excellent, $0.9 > \alpha \geq 0.8$ – Good, $0.8 > \alpha \geq 0.7$ – Acceptable, $0.7 > \alpha \geq 0.6$ – Questionable, $0.6 > \alpha \geq 0.5$ – Poor, and $0.5 > \alpha$ – Unacceptable. As shown in **Table 2**, the Cronbach's alpha coefficient varies from 0.939 to 0.953. The reliability of all the variables reached the level of excellence. It indicated that the internal consistency of items on the scale was considered to be high.

Table 2. Reliability and validity of constructive measurements

Variables	Cronbach's Alpha
Brand Image	0.953
Perceived Quality	0.940
Perceived Value	0.943
Purchase Intention	0.939

3.3 Correlation Test

Table 3 demonstrates the correlation between variables. As shown, the positive correlation reveals that there is a positive relationship between brand image and purchase intention. Moreover, brand image has a positive relationship with perceived quality as well as perceived value. Likewise, there is a positive relationship between perceived value and purchase intention. Furthermore, a positive relationship exists between perceived quality and perceived value.

Table 3. Correlations

	Purchase Intention					
Correlation MATRIX	Perceived I			1	.000	
Correlati	Perceived Quality		1	.352**	.379**	l (2-tailed).
	Brand Image	1	.308**	.389**	.322**	e 0.01 leve
		Correlation Sig. (2-tailed)	Correlation Sig. (2-tailed)	Correlation Sig. (2-tailed)	Correlation Sig. (2-tailed)	significant at th
-		Brand Image	Perceived Quality	Perceived Value	Purchase Intention	**. Correlation is significant at the 0.01 level (2-tailed).

3.4 Statistical Method

In this study, a questionnaire was presented in the Appendix. In the questionnaire, all items were measured by a seven-point Likert scale rating from strongly disagree (1) to strongly agree (7). Brand image was captured by five items from Kim and Kim (2005), and Kim and Hyun (2011). The study measured perceived quality employing five items based on previous academic work (Dodds *et al.*, 1991; Hightower *et al.*, 2002). To evaluate perceive value, the five items adapted from past studies (Dodds *et al.*, 1991; Johnson *et al.*, 2006). In terms of the dependent variable, purchase intention, the five measurement items developed from Lee *et al.* (2008), Grewal *et al.* (1998), and O'Cass (2004).

According to Cohen *et al.* (2003), hypotheses testing was conducted by employing regression analysis to tell the level of significance. Moreover, this study will run regression analysis via SPSS to find out the relationship between the independent variable and the dependent variable.

Table 4. Path coefficients for variables

	β	T Statistics	P Values
Path coefficients of	of direct effect		
BI -> PQ	0.308	4.959	0.000
BI -> PI	0.322	5.194	0.000
BI -> PV	0.389	6.463	0.000
PQ -> PV	0.352	5.751	0.000
PV -> PI	0.464	8.011	0.000

Notes: BI= Brand Image; PQ= Perceived Quality; PV= Perceived Value; PI= Purchase Intention

Results and Discussion

4.1 Hypotheses Testing

As shown in **Table 4**, the path coefficients intend to explain the relationship between the variables. Based on the p-value approach, once the p-value is less than 0.05, there is a relationship. Of all the hypotheses in this study, the p-value is calculated to be 0.000, which is less than 0.05. It indicates the relationships between variables exist. On the premise that the relationship exists, the coefficient, β , determines whether the relationship is positive or negative. Positive β refers to a positive relationship. Thus, the results of the hypothesis are shown as following (Summary of hypotheses testing results exhibited in **Table 5**):

Hypothesis 1 (Brand image positively impacts on consumers' perceived quality of luxury brands) is supported by the data ($\beta = 0.308$, p = 0.000 < 0.05).

Hypothesis 2 (Brand image positively impacts on consumers' purchase intention about luxury brands) is proved by the data ($\beta = 0.322$, p = 0.000 < 0.05).

Hypothesis 3 (Brand image positively impacts on consumers' perceived value about luxury brands) is confirmed with the data ($\beta = 0.389$, p = 0.000 < 0.05).

Hypothesis 4 (Perceived quality positively impacts on consumers' perceived value about luxury brands) is verified by the data ($\beta = 0.352$, p = 0.000 < 0.05).

Hypothesis 5 (Perceived value positively impacts on consumers' purchase intention about luxury brands) is accepted by the data ($\beta = 0.464$, p = 0.000 < 0.05).

Table 5. Summary of hypotheses testing results

No.	Hypothesis	Results
1	Brand image positively impacts on consumers' perceived quality of luxury brands.	Supported
2	Brand image positively impacts on consumers' purchase intention about luxury brands.	Supported
3	Brand image positively impacts on consumers' perceived value about luxury brands.	Supported
4	Perceived quality positively impacts on consumers' perceived value about luxury brands.	Supported
5	Perceived value positively impacts on consumers' purchase intention about luxury brands.	Supported

Conclusions and Implications

5.1 Discussions

The study aims to explore the relationship among brand image, perceived quality, perceived value, and purchase intention concerning luxury brands, in particular for Louis Vuitton brand. According to the questionnaire results, the brand image of Louis Vuitton is well managed, and the willingness to purchase this brand is relatively high.

The results show that the relationship between independent variable brand image and independent variable purchase intention is positive. The finding is in accordance with the prior study having dealt with brand image (Liu *et al.*, 2017). Thus, brand image could be regarded as a direct determinant of purchase intention. It implies that an excellent brand image appears to be the core of luxury brands. Brand image typically can represent a lot in which consumers will obtain various information.

One-way path between two variables in all the hypotheses proved to be consistently positive. Regarding the perceived value-purchase intention path, the result confirms the study of Salehzadeh and Pool (2016) that perceived value positively impacts on purchase intention towards luxury brands. Moreover, it is worthy to note that perceived value is a rather vital predictor of purchase intention since the coefficient is the highest. Consumers greatly long to perceive value while performing purchasing behavior. The result also reveals that the relationship between independent variable brand image and independent variable perceived quality manifests to be positive. It is consistent with prior research that brand image appears to be the precondition of perceived quality (Chiang and Jang, 2007). The outcome of the brand image-perceived value path is in line with the finding of Tu and Chih (2013) that brand image has a positive influence on perceived value. Additionally, the relationship between the independent variable perceived quality and independent variable perceived value demonstrates to be positive. It is consistent with the study of Zeithaml (1988).

Combined with the different paths mentioned above, brand image emerged as an indirect indicator of purchase intention about luxury brands. Consumers will enhance their perceived quality, perceived value about luxury brands due to better brand images. Eventually, it will lead the consumers to increase their purchase intention while considering the brand image of luxury brands positively.

In conclusion, the relationship between brand image and purchasing intention about luxury brands is positive, whether directly or indirectly. It means consumers commonly will take brand image into consideration while buying luxury brands.

5.2 Managerial Implications

The study suggests the relationship between brand image and purchase intention in luxury brands. Given the current results, it confirms the cognition that the brand image of luxury brands positively impacts on customers' purchase intention. Thus, luxury-goods companies can promote their brand image to enhance consumers' purchase intention. Simultaneously, the company can further become aware of the essence of brand image. A positive brand image typically generates from well-established brand associations comprising symbolic and functional improvements. Moreover, to maintain the consumer's perceived quality, the brand should concentrate on producing goods with excellent quality. Simultaneously, consumers' perceived value of luxury brands is one dominant contributor to increasing purchase intention of this study. Thus, it is imperative for the luxury brand managers to learn and satisfy customers' expectations. To increase perceived value, companies ought to provide consumers with superior shopping experience including the service. Specifically, luxury-goods companies can train the employees in a standard way, improve the environment of boutiques, upgrade post-sale service, and so on.

5.3 Limitations and Future Research

The limitation of this study results from several aspects. Initially, the sample size is insufficient to prove the general relationship. Likewise, the sample was collected randomly via the Internet and easily out of control of respondent groups. Third, the research objective may be unilateral that Louis Vuitton was selected to be the representative of luxury brands in this study. It is highly possible that the participants are biased against Louis Vuitton based on their subjective perception of the brand. Further, for those participants who are not familiar with the brand, they may casually fill the answer. Thus, the limited brand selection may cause the deviation of the result, and the result may not widely be applied. Eventually, to ensure the questionnaire's reliability and validity, the questions of the same part are typically designed to be similar. In this case, the expression of synonyms may lead to misunderstanding.

The case of Louis Vuitton covered a little part of studying the relationship between brand image and purchase intention in Luxury brands. For further research, the range of luxury brands can be extended to study. Moreover, the variables of the study can be diversified, such as demographic variables (eg. Gender, Income, Region).

REFERENCE

- Aaker, D. A. (1991), "Managing Brand Equity: Capitalizing on the Value of a Brand Name", *The Free Press*.
- Aghazadeh, H., Gholipor, R. and Bakhshizadeh E. (2014), "Effect of brand personality on repurchase intention via perceived value and brand loyalty (case study: Saman Insurance's Life Insured)", *New Marketing Research*, Vol. 3 No. 4, pp. 1–22.
- Ajzen, I. (1991), "The theory of planned behavior", *Organizational Behavior and Human Decision Processes*, Vol. 50, pp. 179–211.
- Armitage, C. J. and Conner, M. (2001), "Efficacy of the theory of planned behavior: A meta-analytic review", *British Journal of Social Psychology*, Vol. 40, pp. 471–499.
- Belk, R.W. (1988), "Possessions and the extended self", *Journal of consumer research*, Vol. 15 No. 2, pp.139-168.
- Boone, L. E. and Kurtz, D. L. (2002), Contemporary marketing, Harcourt College, Texas.
- Calori, R., Melin, L., Atamer, T. and Gustavsson, P. (2000), "Innovative international strategies", *Journal of World Business*, Vol. 35 No. 4, pp. 333–354.
- Chiang, C.F. and Jang, S.S. (2007), "The effects of perceived price and brand image on value and purchase intention: Leisure travelers' attitudes toward online hotel booking", *Journal of Hospitality & Leisure Marketing*, Vol. 15 No. 3, pp. 49-69.
- Chevalier, M. and Mazzalovo, G. (2008), Luxury brand management: A World of privilege. Chichester, Wiley.
- Chen, Y. S. and Chang, C. H. (2012), "Enhance green purchase intentions: The roles of green perceived value, green perceived risk, and green trust", *Management Decision*, Vol. 50 No. 3, pp. 502–520.
- Dodds, W.B., Monroe, K.B. and Grewal, D. (1991), "Effects of price, brand, and store information on buyers' product evaluations", *Journal of Marketing Research*, Vol. 28 No. 3, pp. 307-19.
- Dolich, I.J. (1969), "Congruence relationships between self images and product brands", *Journal of Marketing Research*, Vol. 6 No. 1, pp. 80-84.
- Eagly, A. H. and Chaiken, S. (1993), The Psychology of Attitudes, Harcourt Brace Jovanovich, San Diego.
- Faircloth, J. B., Capella, L. M. and Alford, B. L. (2001), "The effect of brand attitude and brand image on brand equity", *Journal of Marketing Theory and Practice*, Vol. 9 No. 3, pp. 61–76.
- Gardyn, Rebecca. (2002), "Oh, The Good Life", American Demographics, pp. 30-36.
- Gentry, J.W., Putrevu, S., Shultz, C. and Commuri, S. (2001), "How now Ralph Lauren? The separation of brand and product in a counterfeit culture", *Advances in Consumer Research*, Vol. 28, pp. 258–265.
- Han, Y. J., Nunes, J. C., and Dreze, X. (2010), "Signaling Status with Luxury Goods: The Role of Brand Prominence", *Journal of Marketing*, Vol. 74 No. 4, pp. 15–30. [SEP]
- Jahanzeb, S., Fatima, T., and Mohsin Butt, M. (2013), "How service quality influences brand equity: The dual mediating role of perceived value and corporate credibility", *International Journal of Bank Marketing*, Vol. 31 No. 2, pp. 126–141.
- Kapferer, J. N. and Bastien, V. (2009), "The specificity of luxury management: Turning marketing upside down", *The Journal of Brand Management*, Vol. 16 No. 5, pp. 311–322.
- Keller, K.L. (1993), "Conceptualizing, measuring, and managing customer-based brand equity", *Journal of Marketing*, Vol. 57 No. 1, pp. 1–22.

- Kim, M., Kim, S., Lee, Y. (2010), "The effect of distribution channel diversification of foreign luxury fashion brand on consumers' brand value and loyalty in Korean market", *Journal of Retailing and Consumer Services*, Vol. 17 No. 4, pp. 286–293.
- Lai, A. W. (1995), "Consumer values, product benefits and customer value: A consumption behavior approach", *Advances in Consumer Research*, Vol. 22, pp. 381–388.
- Liu, M.T., Wong, I.A., Tseng, T.H., Chang, A.W.Y. and Phau, I. (2017), "Applying consumer-based brand equity in luxury hotel branding", *Journal of Business Research*, Vol. 81, pp. 192-202.
- McKinsey & Co. (1990), The Luxury Industry: An Asset for France, McKinsey, Paris.
- Nagasawa, S. (2008), "Creating customer experience in luxury brands-comparison of Hermes, Louis Vuitton and Coach", *Waseda Business & Economic Studies*, Vol. 44, pp.25-39.
- Netemeyer, R.G., Krishnan, B., Pullig, C., Wang, G., Yagci, M., Dean, D., Ricks, J. and Wirth, F., "Developing and validating measures of facets of customer-based brand equity", *Journal of Business Research*, Vol. 57 No. 2, pp. 209–24.
- Okonkwo, U. (2007), Luxury fashion branding, Hampshire, Palgrave Macmillan.
- Oh, H. (2000), "The effect of brand class, brand awareness, and price on customer value and behavioral intentions", *Journal of Hospitality & Tourism Research*, Vol. 24 No. 2, pp. 136-162.
- Ponte, E. B., Carvajal-Trujillo E. and Escobar-Rodriguez T. (2015), "Influence of trust and perceived value on the intention to purchase travel online: Integrating the effects of assurance on trust antecedents", *Tourism Management*, Vol. 47, pp. 286–302.
- Quelch, J. A. (1987), "Marketing the Premium Product", *Business Horizons*, Vol. 30 No. 3, pp. 38-45.
- Roux, E. (1995), Consumer Evaluation of Luxury Brand Extensions, *EMAC Conference*, 1995, ESSEC, Paris.
- Salehzadeh, R. and Pool, J. K. (2016), "Brand Attitude and Perceived Value and Purchase Intention toward Global Luxury Brands", *Journal of International Consumer Marketing*, Vol. 29 No. 2, pp. 74–82.
- Steenkamp, J.B.E., Batra, R. and Alden, D.L. (2003), "How perceived brand globalness creates brand value", *Journal of International Business Studies*, Vol. 34 No. 1, pp. 53-65.
- Stone, R.N., and Gronhaug, K. (1993), "Perceived risk: Further considerations for the marketing discipline", *European Journal of Marketing*, Vol. 27 No. 3, pp. 39-50.
- Thakor, M. V. (1996), "Brand origin: conceptualization and review", *Journal of consumer marketing*, Vol. 13 No. 3, pp. 27-42.
- Tu, Y.T. and Chih, H.C. (2013), "An empirical study of corporate brand image, customer perceived value and satisfaction on loyalty in shoe industry", *Journal of Economics and Behavioral Studies*, Vol. 5 No. 7, pp. 469-483.
- Tynan, C., McKechnie, S. and Chhuon, C. (2009), "Co-creating value for luxury brands", *Journal of Business Research*, Vol. 63 No. 11, pp. 1156–1163.
- Vigneron, F. and Johnson, L.W. (1999), "A review and a conceptual framework of prestige-seeking consumer behavior", *Academy of Marketing Science Review*, Vol. 1 No. 1, pp. 1-14.
- Yoo, B. and Donthu, N. (2001), "Developing and validating a multidimensional consumer-based brand equity scale", *Journal of Business Research*, Vol. 52 No.1, pp. 1-14.
- Zeithaml, V. A. (1988), "Consumer perceptions of price, quality and value: a means-end model and synthesis of evidence", *Journal of Marketing*, Vol. 52 No.3, pp. 2–22.

APPENDIX

Questionnaire

Part 1: Profile

- 1. Gender
 - Male
 - Female
- 2. Age
 - Less than 20
 - **20-25**
 - **26-30**
 - More than 30
- 3. Monthly income/ expense in RMB
 - **0**-2000
 - 2001-3000
 - **3001-5000**
 - **5001-8000**
 - More than 8000
- 4. How often will you purchase luxury brands in a month?
 - Never
 - 1 to 3 Times
 - 4 to 6 Times
 - More than 6 Times

Part 2:

Note:

BrandZ is the world's largest brand equity database. According to the survey Top 100 most valuable global brands 2019 by BrandZ, Louis Vuitton appears to be the leader of Luxury Top 10 worldwide in 2019. Thus, Louis Vuitton will represent luxury brands in this questionnaire.

A. Brand Image	Rating from strongly disagree						
	(1) to strongly agree (7)						
1. I think Louis Vuitton brand is one of the best brands in the sector.	1	2	3	4	5	6	7
2. I think Louis Vuitton brand is well established in the market.	1	2	3	4	5	6	7
3. I can recognize Louis Vuitton brand among competing brands.	1	2	3	4	5	6	7
4. I can quickly recall the symbol or logo of Louis Vuitton brand.	1	2	3	4	5	6	7
5. I think Louis Vuitton brand is an honest brand.	1	2	3	4	5	6	7
B. Perceived Quality	R	ating	froi	m sti	rongl	y disa	gree
and the control of th		_	_		_	ree (7	_
6. I think Louis Vuitton brand quality is excellent.	1	2	3	4	5	6	7
7. I think Louis Vuitton brand quality is superior.	1	2	3	4	5	6	7
8. I think Louis Vuitton brand quality is outstanding.	1	2	3	4	5	6	7
9. I think Louis Vuitton brand quality is reliable.	1	2	3	4	5	6	7
10. I think Louis Vuitton brand quality is durable.	1	2	3	4	5	6	7
11. I think Louis Vuitton brand quality is dependable.	1	2	3	4	5	6	7
12. I think Louis Vuitton brand quality is of high quality.	1	2	3	4	5	6	7
C. Perceived Value	R	ating	froi	m sti	rongl	y disa	gree
CV 1 C1CC1/CU / UNUC		_	•		_	ree (7	_
13. I believe Louis Vuitton brand is a good value for the money.	1	2	3	4	5	6	7
14. I believe Louis Vuitton brand is considered to be a good buy.	1	2	3	4	5	6	7
15. I think Louis Vuitton brand has a good value considering its price.	1	2	3	4	5	6	7
16. I think Louis Vuitton brand is a good investment for money.	1	2	3	4	5	6	7
17. I think I will get my money's worth if I buy Louis Vuitton brand.	1	2	3	4	5	6	7
D. Purchase Intention	Rating from strongly disagree (1) to strongly agree (7)						
	1	$\frac{(2)}{2}$	3	4	5	6	7

19. I would seriously consider purchasing Louis	1	2	3	4	5	6	7
Vuitton brand.							
20. My likelihood of purchasing Louis Vuitton	1	2	3	4	5	6	7
brand is high.							
21. The probability that I purchase Louis	1	2	3	4	5	6	7
Vuitton is high.							
22. I intend to purchase Louis Vuitton brand	1	2	3	4	5	6	7
frequently.							
23. I plan to purchase Louis Vuitton brand more	1	2	3	4	5	6	7
often.							