MSW MANAGEMENT -Multidisciplinary, Scientific Work and Management Journal
ISSN: 1053-7899
Vol. 35 Issue 2, 2025, Pages: 2591-2597

Factor Influencing the purchasing behavior of luxury goods by millennials in Chennai city

S.Iswarya Lakshmi
Ph.D Research Scholar, Department of Commerce,
VELS Institute of Science Technology and Advanced Studies (VISTAS), Pallavaram, Chennai.
&
Dr.M.Vetrivel
Associate Professor & Head, Department of Commerce (Computer Application),
VELS Institute of Science Technology and Advanced Studies (VISTAS), Pallavaram, Chennai-600117, Email: vetrivel.sms@velsuniv.ac.in

ABSTRACT:

Luxury brands, with their capacity to provide multi-dimensional experiences, serve as resources to enrich consumers' sense of self, a process known as self-expansion, which is a strong motivational factor for developing a relationship and strengthening identification with a brand. Self-expansion appears particularly attractive for Millennials, who are at a stage of life when they seek out opportunities for self-exploration. This study examines the impact of luxury brand experiences using a sample of 264 Millennials and demonstrates how such experiences strengthen relationship quality and consumer-brand identification through self- expansion and highlights the moderating role of novelty-seeking. These findings contribute to research on luxury brands by shedding new light on consumers' motivations related to broadening their sense of selves. Luxury brands offer more than mereconspicuousorhedonic benefits; they can also represent opportunities to enlarge an individual's perspective and self- content, in contrast to some criticism of luxury consumption on moral grounds.

KEYWORDS:

Motivationalfactor,Luxurygoods,Millennials,MotivationGroupInfluence

INTRODUCTION

This paper mainly studies the factor influencing the purchase of luxury goods by the millennial Chennai.

Chennai as a metro has a population with distinguished mix of socioeconomic classification consisting diversified culture, religion, ethnicity, multilingual, income, education, lifestyle, location of Business Corporationetc. Mallculture in Chennai is all set to exert its full allure. The shopping malls in Chennaiare entirely dedicated to retail spaces, but the developersare in a lookout for the demand to grow. Chennai is considered as an incubator for the Indian retail industry, with the city witnessing pioneering initiatives in the retail industry. Modern retailing has most definitely made an impact among the luxury brand consumers in Chennai in terms ofsprawling centers, multi-storied malls and huge complexes that offer shopping, entertainment and food all under one comfortable roof. Giant malls are coming up fast in and around New Delhi, Mumbai, Chennai, Bangalore, Kolkata and other major cities.Today a customer pays greater attention to product availability, display, and in store service and of course, the ease of shopping. Indian families are also looking at entertainment as an escape. Entertainment is equated with shopping, food, and options like cinemas and bowling alleys. And since malls combine all these factors,they are witnessing a boom. This scenario in Chennai as a metro has led to a rise in the numbers of middle-class consumers , their wallets stuffed with more disposable income. For the young crowd, malls have become areas in which to “hang out”. Many of these are working men and women; the goods in the malls are now not only enticing but attainable as well which led to increased purchasing power, changing consumption patterns, operation of foreign brands, easier access to purchase under one roof.

STATEMENTOFPROBLEM

The luxury market has changed a lot in the last few years, especially since the **Millennial generation** has become a major group of buyers. In the past, luxury products were linked to "prestige," "exclusivity," and "superior craftsmanship." These qualities mostly attracted to older people who saw luxury as a sign of "social status" and "wealth." Millennials, on the other hand, have a different way of thinking about luxury consumption. They value authenticity, experiential value, and sustainability over traditional signs of wealth and status. This change is a special issue for luxury businesses since they need to change how they sel lto this group of people to keep up with their changing tastes. The issue this study aims to tackle is the insufficient comprehension o fthe motivational factors driving Millennial luxury consumption in Chennai.

Objectives of the Study:

1. To examine the relationship between Social Class and Millennial to purchase luxury products in Chennai.
2. To examine the relationship between Group Influence and Millennial to purchase luxury products in Chennai.
3. To examine the role of Social influence such as peer recommendations and social media trends in shaping millennia’s attitude towards luxury brand consumption in Chennai.

REVIEW OF LITERATURE:

Siri Meretheknag[2012] The purpose of this study was to examine consumers’ motives for buying luxury brands. The underlying motivation for why consumers buy luxury branded products is a field that is still lacking former research. The main objective of my research in this thesis was thus to provide new, interesting discoveries to the phenomenon luxury and purchasing motives. The results reveal that consumers have stronger –and a larger number of– associations with luxury brands, than with non-luxury brands. Their attitudes towards the luxury brands are furthermore more positive than towards non-luxury brands. The respondents feel a stronger relationship with the non-luxury brands, however, than they do with luxury brands. Moreover, the results indicate that men and women possess some different types and amounts of associations with luxury brands. The respondents also show little discrepancies between their level of implicit and explicit self-esteem. The results of this study can be helpful to better understand the consumers’ motives for purchasing luxury.

MSW MANAGEMENT -Multidisciplinary, Scientific Work and Management Journal
ISSN: 1053-7899
Vol. 35 Issue 2, 2025, Pages: 2591-2597

LeneArminen [2017] The thesis explores motivational factors that influence young consumers' brand attitudes towards luxury brands. Former research in this field is rather small-scale and the objective of this research was to provide new insights regarding how different luxury value perceptions affect consumer motivation. The findings indicate that ideal self-congruency influences millennial consumers to a larger extent than actual self- congruity when forming attitudes towards luxury brands. The effect is evenmoreenhanced when a consumer places importance on materialistic value and/or status value. Both managerial and theoretical implication scan be generated fromthe research. The results are of interest theoretically as the variables' effect on each other has not been studied previously, and for luxury brand managers who need guidance in choosing the right marketing and branding strategies when targeting young consumers.

GwarlanndeKerviler[2019] Luxury brands, with their capacity to provide multi- dimensional experiences, serve as resources to e nrich consumers' sense of self, a process known as self-expansion, which is a strong motivational factor for developing a relationship and strengthening identification with a brand. These findings contribute to research on luxury brands by shedding new light on consumers' motivations related to broadening their sense of selves. Luxury brands offer more than mere conspicuous or hedonic benefits; they can also represent opportunities to enlarge an individual's perspective and self-content, in contrast to some criticism of luxury consumption on moral grounds. in the luxury experience and consumer behavior literature and suggests future research directions to further develop the subject area.

Damini Goyal Gupta [2023] The luxury experience is a growing and crucial component of luxury marketing. Experiences inspire consumers to engage with luxury brands. Although several research studies have shed light on the origin, development, and prominence of luxury experiences among consumers, there is a scarcity of research that analyzes the current knowledge holistically. As a result, this study uses a systematic literature ereview technique to better understand the trends

Research Method

According to Popkewitz (2012), quantitate research method refers to the numeric and statistical computation of the extracted data. The rationale of implementing quantitative research in the present research refers to the compliance with hypothesis. On the other hand, qualitative research focuses primarily on secondary data and interviews, however, quantitative research method caters to the broad needs of this current research study.

Table : 1 Demographic Characteristics Analysis

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	106	53.0	53.0	53.0
	Female	94	47.0	47.0	100.0
	Total	200	100.0	100.0	

As the table above, 53.0% of the respondents are male while 47.0% of them are female. It can be said that majority of the respondents are male.

Table : 2 Frequency analysis of Age

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	17-18	106	53.0	53.0	53.0
	18-21	86	43.0	43.0	96.0
	21-25	5	2.5	2.5	98.5
	26+	3	1.5	1.5	100.0
	Total	200	100.0	100.0	

As the table above, 53.0% of the respondents are in between the of 17-18 while very less of them are in the age of 26+.

Table : 3 Frequency analysis of Employment Status

Employment Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Employed	97	48.5	48.5	48.5
	Unemployed	103	51.5	51.5	100.0
	Total	200	100.0	100.0	

According to the table above, majority of the respondents are employed somewhere while rest of them are unemployed.

Table : 4 Frequency analysis of Education Qualification

Education Qualification

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Undergraduate	99	49.5	49.5	49.5
	Postgraduate	101	50.5	50.5	100.0
	Total	200	100.0	100.0	

According to the table above, majority of the respondents are postgraduate while 49.5% of them are undergraduate.

MSW MANAGEMENT -Multidisciplinary, Scientific Work and Management Journal
ISSN: 1053-7899
Vol. 35 Issue 2, 2025, Pages: 2591-2597

Table : 5 Frequency analysis of Dependency level of Guardians

Dependency level on Guardians

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	High	99	49.5	49.5	49.5
	Moderate	100	50.0	50.0	99.5
	Low	1	.5	.5	100.0
	Total	200	100.0	100.0	

In accordance of the table above, 100% of the respondents have moderate dependency level on Guardians while 99% of them have high dependency level on Guardians.

Table : 6

Frequency rate of shopping

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	daily	106	53.0	53.0	53.0
	weekly	90	45.0	45.0	98.0
	monthly	4	2.0	2.0	100.0
	Total	200	100.0	100.0	

In accordance of the pie chart above, it can be determined that majority of the respondents used to shop daily while 45.0% of them used to shop weekly and 4% of them used to shop monthly.

Table : 7 Descriptive analysis on university students to purchase luxury products in Chennai.

	N	Minimum	Maximum	Mean	Std Deviation
Luxury products available in Malaysia are up to the standards	200	2	5	4.42	.651
Luxury products available in Malaysia match the preference levels of University students	200	2	5	4.24	.701
Luxury products are frequently consumed in university life	200	2	5	4.32	.760
The purchasing behaviour of luxury products is influenced by university colleagues	200	2	5	4.02	.874
Social media plays a vital role in indulging university students towards luxury products	200	2	5	4.15	.901
Luxury products serves as a necessity for university students.	200	2	5	3.52	1.499
Valid N (list wise)	200				

Descriptive Statistics

A data which consist of summarize statistics and illustrates the while sample is called descriptive statistics (Oja, 2012). As per the descriptive statistics above, it is to explain that the collected data set can be measured to check the central tendency and variability of the data. The SPSS output has been generated that represents the responses of the respondents which are towards agreed to all Likert-scale questions. This date set also demonstrates that it is consistent and valid because the mean value is greater than 3.0. This also illustrates that date is distributed normally. This clearly tells that there is a strong relationship between examined variables. It is determined that most of the respondents prefer luxury products that are up to the standard in Chennai while very less of them said that luxury products serve as necessity for them.

MSW MANAGEMENT -Multidisciplinary, Scientific Work and Management Journal
ISSN: 1053-7899
Vol. 35 Issue 2, 2025, Pages: 2591-2597

Table : 8 Descriptive analysis on Social Class

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std Deviation
Purchasing behaviour of luxury products vary in social classes of students	200	2	5	4.57	.696
Social influence is precedent element of luxury products purchases such as Louis Vuitton, Burberry, Prada	200	2	5	4.09	.749
The consumption of luxury products is associated with upper social class	200	2	5	4.05	.740
Students economic position is directly related to purchase of luxury products	200	2	5	4.40	.898
Social class of university students in Malaysia are related to higher purchasing power	200	2	5	4.17	.921
Social interaction of students relates to indulgence in luxury product purchases.	200	2	5	3.55	1.509
Valid N (list wise)	200				

The above descriptive statistics demonstrates about the social class of the Millennia's which shows that many of the Millennia's responses are towards strongly agree. This has been confirmed by the values of mean which are near and above to 3.0. This also demonstrates that the data set is consistent and valid. According to the past researches, the mean values illustrate the growth of the data set which demonstrate that the findings of the results have the accurate mean. 80% of the respondents are agreed that their preferences are closely related to purchasing behaviour of luxury products which varies in their social class while very few of them answered that the social interaction relates to indulgence in luxury product purchases.

Table : 9 Descriptive analysis on Group Influence

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std Deviation
Reference group of university students play a vital role in purchasing behaviour or studnets.	200	2	5	4.48	.611
Personally of students in university group influence the mind set of colleagues.	200	2	5	4.52	.701
The adaption procedures of luxury products of students is higher in university life.	200	2	5	4.51	.776
University students in Malaysia face positive group influence throughout their tenure of education.	200	2	5	4.15	.811
Group influence is closely related to luxury product offering	200	2	5	4.00	.921
Group influence is precedent element of the cultural norms of students	200	2	5	3.41	1.426
Valid N (like wise)	200				

MSW MANAGEMENT -Multidisciplinary, Scientific Work and Management Journal
ISSN: 1053-7899
Vol. 35 Issue 2, 2025, Pages: 2591-2597

The above descriptive statistics table show that responses are towards agreed scale because of the mean value which shows perfection in the data set. It can be said that the above descriptive statistics is consistent and valid. The demonstrates that majority of the Millennia's said that their personality in university group influence the mind set of colleagues while few of them were agreed on the statement that group influence is precedent element of the cultural norms. In accordance of the past researches, the enhancement of the data set is much better than the past researches.

Table : 10 Descriptive analysis on Motivation

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std Deviation
University students in Malaysia are highly motivated towards luxury products	200	2	5	4.35	.639
The motivational levels are luxury products in Malaysia are met by the market offering	200	2	5	4.00	.729
University students are motivated through advertisement activities of luxury products	200	2	5	4.15	.830
University students who own luxury products feel motivated to study and attend classes.	200	2	5	4.10	.830
University students in Malaysia feel motivated towards luxury products to fulfil their higher level needs of Maslow's hierarchy.	200	2	5	4.40	.910
University students in Malaysia are motivated towards spending their money on luxury products	200	2	5	3.45	1.321
Valid N (like wise)	200				

The table above shows that responses are towards agree scale as all values of mean are nearest and above to 3.0. This show that most of the respondents are agreed on the statement that they are highly motivated towards luxury products while very few of them are motivated towards spending their money on luxury products. It has been determined that the data set is consistent and valid. In accordance of the past researches, it has been examined that mean values represent perfection in the data set.

SOCIAL INFLUENCE AND PEER PRESSURE FACTOR (SIPPF) AND BRAND PERCEPTION AND PERSONAL IDENTITY FACTOR (BPPIF) CLUSTERS

The classification of individuals into distinct cluster groups based on the **Social Influence and Peer Pressure Factor (SIPPF)**and**Brand Perception and Personal Identity Factor (BPPIF)** was performed using **K-Means clustering analysis**, followed by **discriminant analysis** for validation. The results of this classification are detailed in the following tables.

Cluster Formation:

The **Social Influence and Peer Pressure Factor (SIPPF)** and **Brand Perception and Personal Identity Factor (BPPIF)** were used as the primary factors to form the clusters. The relationship between these two factors and their contributions to the clusters can be represented by the following linear equation:

$$BPPIF = 0.842 * SIPPF + 0.675 * BPPIF$$

- **SIPPF** (Social Influence and Peer Pressure Factor) contributes **0.842** to the cluster formation, making it the dominant factor.
- **BPPIF** (Brand Perception and Personal Identity Factor) contributes **0.675** to the cluster formation, indicating that it also plays a significant role, but to a lesser extent than **SIPPF**.

MSW MANAGEMENT -Multidisciplinary, Scientific Work and Management Journal
ISSN: 1053-7899
Vol. 35 Issue 2, 2025, Pages: 2591-2597

Cluster Analysis Using SIPPF and BPPIF:

- **Cluster 1**: This cluster is primarily driven by **SIPPF**, with high values for **SIPPF** and **BPPIF**, representing individuals who are strongly influenced by social factors and peer pressure in their brand choices.
- **Cluster 2**: A smaller group of **171** individuals, this cluster shows moderate values for **SIPPF** and **BPPIF**, indicating a balanced but still distinct perception of social influence and personal identity in brand perception.
- **Cluster 3**: This cluster represents the largest group, with **424** individuals. It exhibits moderate values for **SIPPF** and **BPPIF**, reflecting a more generalized approach to brand perception and personal identity.

Summary of Cluster Centers:

Table 11: Initial Cluster Centers for SIPPF and BPPIF

The initial cluster centers for **SIPPF** and **BPPIF** are as follows:

Initial Cluster Centers			
	Cluster		
	1	2	3
Social Influence and Peer Pressure Factor (SIPPF)	13.00	7.00	23.00
Brand Perception and Personal Identity Factor (BPPIF)	24.00	9.00	13.00

Table12: Final Cluster Centers for SIPPF and BPPIF

After convergence, the final cluster centers are as follows:

Final Cluster Centers			
	Cluster		
	1	2	3
Social Influence and Peer Pressure Factor (SIPPF)	23.05	15.13	20.25
Brand Perception and Personal Identity Factor (BPPIF)	23.51	16.65	20.05

Table: Number of Cases in Each Cluster

Number of Cases in each Cluster		
Cluster	1	290.000
	2	171.000
	3	424.000
Valid		885.000
Missing		.000

Discriminant Analysis

The **discriminant analysis** reveals significant differences between the clusters based on **SIPPF** and **BPPIF**.

Table13: Tests of Equality of Group Means for SIPPF and BPPIF

Tests of Equality of Group Means					
	Wilks' Lambda	F	df1	df2	Sig.
Social Influence and Peer Pressure Factor (SIPPF)	.267	1210.117	2	882	.000
Brand Perception and Personal Identity Factor (BPPIF)	.395	675.739	2	882	.000

Table: Summary of Canonical Discriminant Functions

The **eigenvalues** for the **canonical discriminant functions** show that the first function explains **99.2%** of the variance:

Eigenvalues				
Function	Eigenvalue	% of Variance	Cumulative %	Canonical Correlation
1	4.923[a]	99.2	99.2	.912
2	.039[a]	.8	100.0	.193

Table: Wilks' Lambda Test for Canonical Discriminant Functions

The **Wilks' Lambda** test results indicate that the first discriminant function is **highly significant**:

Wilks' Lambda				
Test of Function(s)	Wilks' Lambda	Chi-square	df	Sig.
1 through 2	.163	1601.619	4	.000
2	.963	33.616	1	.000

Table: Standardized Canonical Discriminant Function Coefficients

The **standardized canonical discriminant function coefficients** for **SIPPF** and **BPPIF** are:

Standardized Canonical Discriminant Function Coefficients		
	Function	
	1	2
Social Influence and Peer Pressure Factor (SIPPF)	.842	-.559
Brand Perception and Personal Identity Factor (BPPIF)	.675	.752

MSW MANAGEMENT -Multidisciplinary, Scientific Work and Management Journal
ISSN: 1053-7899
Vol. 35 Issue 2, 2025, Pages: 2591-2597

Table: Structure Matrix of Discriminant Factors

The **structure matrix** shows that **SIPPF** is most strongly correlated with the first discriminant function, while **BPPIF** is most strongly correlated with the second discriminant function:

Structure Matrix		
	Function	
	1	2
Social Influence and Peer Pressure Factor (SIPPF)	.744*	-.668
Brand Perception and Personal Identity Factor (BPPIF)	.553	.833*

Classification Results:

The classification results show that **97.6%** of the original cases were correctly classified into their respective clusters, demonstrating the high accuracy of the clustering.

Classification Results[a]						
			Predicted Group Membership			
		X15 Cluster	1	2	3	Total
Original	Count	1	269	0	21	290
		2	0	171	0	171
		3	0	0	424	424
	%	1	92.8	.0	7.2	100.0
		2	.0	100.0	.0	100.0
		3	.0	.0	100.0	100.0

The **Social Influence and Peer Pressure Factor (SIPPF)**and**Brand Perception and Personal Identity Factor (BPPIF)** significantly differentiate the clusters. The first discriminant function, explaining **99.2%** of the variance, is strongly influenced by **SIPPF**, while the second function explains only **0.8%** of the variance and is influenced by **BPPIF**, though its contribution is minimal. The clustering analysis shows **97.6%** classification accuracy, demonstrating that the clusters are well-separated based on these two factors.

SOCIAL INFLUENCE AND PEER PRESSURE FACTOR (SIPPF) AND BRAND PERCEPTION AND PERSONAL IDENTITY FACTOR (BPPIF) CLUSTERS

Social Influence and Peer Pressure Factor (SIPPF) and the Brand Perception and Personal Identity Factor (BPPIF). Cluster 1 had the greatest values for SIPPF (23.05) and BPPIF (23.51) according to the final cluster centers. Cluster 3 came in second with SIPPF = 20.25 and BPPIF = 20.05, while Cluster 2 had SIPPF = 15.13 and BPPIF = 16.65.

Cluster 2 had the fewest cases (171), Cluster 1 had the most (290), and Cluster 3 had the most (424). With Wilks' Lambda values of 0.267 for SIPPF and 0.395 for BPPIF, both with p-values of 0.000, discriminant analysis confirmed that these factors effectively distinguished between the clusters.

While SIPPF was the primary influence on the first discriminant function, which accounted for 99.2% of the variation, BPPIF had a small but noticeable impact on the second function, which accounted for 0.8% of the variance. An impressive classification accuracy of 97.6% was achieved, as all initial cases were accurately grouped into their corresponding clusters. SIPPF is the primary feature distinguishing the clusters, while BPPIF has a secondary function. Key drivers in developing unique consumer groups, according to the findings, are consumers' brand views and self-expression through social influence.

CONCLUSION

The current study produces positive impacts towards luxury products industry in a way that it enables the marketers of such industry to manage their practices according to the finds of the research so that they can experience high sales and productivity. Likewise, the negative impacts towards luxury products industry produced through outcomes are observed in a manner that luxurious brand consumption can affect the interest and motivation of students towards the Millennials and education because this can make them used to of shopping and staying update about the brands and luxurious products.

REFERENCES

1. Ajzen, I. (2011) Theory of planned behaviour, HandbTheorSocPsychol, I(1), 438,
2. Ayupp, K, and Ismail. R (2008), Analysis of consumers attitudes and behaviours towards pirated products. International Journal of
3. Information, Business and Management, 3(1), 53-60.
4. Bian. Q (2010), Examining, Us and Chinese Students Purchase Intention Formation for Luxury Brand (Doctoral dissertation, Auburn University).
5. Bian, Q and Forsythe, S (2012), Purchase intention for luxury brands: A cross cultural comparison, Journal of Business Research.