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Indian consumer preference for different branding attributes of the affordable luxury apparel market in India

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Abstract
Affordable luxury is developing at a rapid pace in a developing country like India. Growing number of HNIs and urban middle-class, which has a penchant for luxury brands, are some of the reasons for the growth of affordable luxury brands. Different consumers purchase these brands to satisfy different needs. Some do it for self-actualisation, some purchase luxury brands for their hedonic value and some for their conspicuous value. This paper discusses the preference of Indian consumers towards different affordable luxury attributes in apparels. A conjoint analysis was conducted with visible logo, price and nationality as attributes.

Keywords: Affordable luxury, Indian consumer, conjoint analysis

Introduction
India is a huge but complex market with an unstable consumption structure. Though a lot of global brands spot India as a market for luxury consumption, an important factor they need to consider is that the Indian market is very complex and diverse. The great Indian middle class is expanding and rising up the food chain to become sporadic consumers of luxury (Fashionunited, 2013) [10]. This relatively new class of aspirational households is being credited for the rise in luxury consumption in the country, thus confirming Dubois & Laurent's (1993) theory of luxury being meant for a "happy many" instead for a "happy few". Affordable luxury or premium luxury is very different from traditional luxury (Soundararaj & Sivakumar, 2019) [45]. There is a need to draw out the consumer preferences for different branding attributes of affordable luxury brands. This would help the affordable luxury brand managers better understand and reach their consumers.

Literature Review
Visible brand logo or symbol
Symbols have the inherent capacity to deliver strong messages (Neumeier, 2005) [28]. Brand logos have a big role in creating an unforgettable brand impression on the consumers. Logos/motifs/symbols are often used as a pattern on the product (like bags, jackets, belts, t-shirts, dresses, jackets etc.) (Baudenbacher, 2022) [6].
Logos on products are considered as a symbol of prestige by consumers. This trend is also referred to as Logomania. Logomania has made an appearance throughout the history of fashion (Slade-Brooking, 2016) [39].
Affordable luxury products are usually chosen by the consumer to provide them with the benefit of social approval. Purchasing the right product helps them garner a greater acceptance from their social groups (Wheeler, 2017) [43-44]. Consumers feel a certain pride in wearing a famous/ distinguishable monogram on their apparel (A, Lee, & Kim, 2009) [1].
There is another segment of consumers who focus on other attributes like quality of the product and look past the conspicuous aspect. This anti-branding trend is more popular with older age groups who do not believe in visible logos/symbols on their apparel (Machado, 2015) [23].
As luxury becomes more and more democratized through rising wealth in countries, old luxury shoppers are looking at alternate ways to generate exclusivity. There has been a swift shift among the younger generation who have an inclination to look unique without any pressure to flaunt expensive brand logos.

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Nationality

The Indian apparel sector has been one of the main benefactors for global brands since the introduction of economic reforms in the late 80s, (Saxena & Dutta, 2013) [37].

A lot of affordable luxury brands have entered the country, providing Indian consumers with the affordable luxury products that were only available to them abroad (Thomas, 2017) [41]. Hence, this segment of Indian retail industry is doing extremely well, estimated at a worth of around $200 million and growing at a rate of 40% (Euromonitor, 2017) [9].

Indian youth is increasingly favoring foreign western brands over Indian brands, thanks to their easy availability across multiple platforms (Deccan Chronicle, 2015) [7]. Global brands portray improved social image for Indians and connote status (Kinra, 2006) [19]. Even brands like Louis Philippe, Monte Carlo etc. are brands of Indian origin but have international sounding names to attract consumers.

On the other hand, Indians are increasingly buying brands and products that are made in India. In a study done in 2021, around 60% respondents across all age groups expressed a desire to replace foreign brands with Indian brands (Shashidhar, 2021) [38]. Indian brands' strengths include traditionally produced textiles and natural fiber

A lot of homegrown brands are also carving a niche for themselves in the affordable luxury segment. These brands have an East-meets-West sensibility. These brands combine great design with Indian materials and craftsmanship giving the chance to customers to buy local and at a price well within their reach. Despite this consumer evolution, homegrown players are still very small as compared to global brands. It is the international brands like Diesel, Michael Kors, Tommy Hilfiger, Calvin Klien, Armani Exchange etc. that dominate the affordable luxury sector in India (Thomas, 2017) [41].

Price

High price drives consumer demand for luxury products for high-end luxury brands (Kapferer & Valette-Florence, 2021) [17].

In the last few years, the luxury industry has expanded its price spectrum in specific brands which allows customers to shop at different price points that suits them. This has helped create more entry points for luxury shopping and satisfies demand for low prices among consumers (Allsopp, 2005) [2].

The consumption of affordable luxury apparel is derived by the aspirational Indian consumer who is someone who is sensitive to price. Affordable luxury brands provide a way to invest in status symbols that are far more affordable than the average luxury brand (Thomas, 2017) [41].

The price points range anywhere from Rs. 5000 – Rs. 25000 in affordable luxury market (Rao R, 2020) [34]. The price of these affordable luxury/ premium brands is more than most of the alternatives in the market (Kumar, 2018) [21]. For the purpose of the analysis, the price point can be divided into Affordable Luxury Basic (with a price range between Rs. 5000/- and Rs. 12,500) and Affordable Luxury Premium (with a price range between Rs. 12,500/- and Rs. 25,000/-). The affordable luxury consumer will look for the justifiable value derived from purchasing the product like a high quality to price ratio (Mundel, Huddleston, & Vodermeier, 2017) [25].

Research Objective

The objective of this paper is to identify consumer preferences towards different branding attributes for affordable luxury apparel brands.

Research Methodology

In this research, extensive review of the literature was done and important branding dimensions related to luxury branding were identified and a scale was created. This scale of branding dimensions was further validated and reduced with the help of a pilot study and a focus group discussion. A 5-point Likert Scale (with 1 being strongly disagree and 5 being strongly agree) was formed on 53 statements based on 10 reduced dimensions namely – Conspicuousness, Extended-self, Brand Pleasure, Brand Dream, Brand Associations, Brand Resonance, Brand Attachment, Sensory Brand Experience, Individual Value Dimension and Social Value Dimension. A Likert Scale is a psychometric scale used to represent people's attitudes on a topic (Nargundkar, 2008) [27].

Data collection was done across the four Indian cities of Delhi, Mumbai, Kolkata and Bangalore. 300 respondents were interviewed using questionnaires to collect the data. A questionnaire is a measuring instrument and can be in a scheduled interview form with a formalised set of questions (Kothari, 2004) [20]. The interviews were personal and self-administered. Personal interviews help collect deeper information and the self-administered technique is designed in such a way that the respondent can complete the questionnaire remotely without the interviewer being around (Rada & Domínguez-Álvarez, 2014) [32].

Exploratory factor analysis (EFA) was conducted to explore the underlying structure of the observed variables. 13 factors explained 67.107% of the total variance.

Conjoint analysis

Conjoint analysis determines the relative importance that the consumers attach to different attributes (Orme, 2009) [29]. All attributes have levels. This information is obtained from the different brand profiles composed of these attributes and their levels (Raghavarao, Wiley, & Chitturi, 2010) [33]. The consumers/ respondents are presented with options which are composed of different combinations of levels of these attributes. The respondents are asked to rank these options based on their preference (Rao, 2014) [35].

Conjoint analysis gives each attribute a value so that the utility or final values linked to the stimuli correspond with the input evaluations given by the respondents (Lutz, 2021) [22].

Conducting Conjoint Analysis

Finding the main features and their levels is necessary for formulating the problem. In the conjoint evaluation task, these characteristics and levels are employed to create the stimuli (Rao, 2014) [35].

In this conjoint analysis, a full-profile technique has been adopted, and the respondents have been asked to rate or score a collection of profiles in accordance with their preferences. A whole product or service is covered in each profile. Different combinations of factor levels for all attributes make up these profiles.

An Orthogonal Array

The fractional factorial design is used in the full-profile

technique. A reasonable subset of all conceivable combinations of the various attribute levels are shown in this design. The set that results is known as an orthogonal array. The primary effects for each factor level are intended to be captured by this array. It is thought that there are very few interactions between levels of one component and levels of another factor (Joergensen, 2016) [15].

The Experimental Stimuli
A different version of the product under investigation is represented by each collection of factor levels in an orthogonal design, which is presented to the respondents as a unique product profile. This makes it easier for the respondent to concentrate solely on the profile being assessed (Salcedo, 2017) [36]. The stimuli is standardized in that every profile looks the same physically aside from the unique combination of traits (Raghavarao, Wiley, & Chitturi, 2010) [33].

The analysis's goal is to comprehend how three product features affect the market. Brand visibility (Visible logo or symbol and no visible logo or symbol on the apparel), Nationality (Indian, International), and Pricing each have two tiers as such (Affordable Luxury Basic and Affordable Luxury Premium). Respondents were shown an orthogonal array that had 8 profiles. To prevent complication in the data collection process, the options were kept to a minimum. The respondents score the profiles according to their preferences.

Table 1: Orthogonal Design

	Card Id	1	2	3	Preference from 1 to 8
1	1	Visible Brand Logo or Symbol	International	Affordable Luxury Basic	
2	2	Visible Brand Logo or Symbol	International	Affordable Luxury Premium	
3	3	Visible Brand Logo or Symbol	Indian	Affordable Luxury Basic	
4	4	Visible Brand Logo or Symbol	Indian	Affordable Luxury Premium	
5	5	No Visible Brand Logo or Symbol	Indian	Affordable Luxury Basic	
6	6	No Visible Brand Logo or Symbol	International	Affordable Luxury Premium	
7	7	No Visible Brand Logo or Symbol	Indian	Affordable Luxury Premium	
8	8	No Visible Brand Logo or Symbol	International	Affordable Luxury Basic	

Table 2: Factor Name, Value, Label and Model Description

Factor Name	Value	Label	Relation to Ranks or Scores
Visible brand logo or symbol	1,2	Visible Brand Logo or Symbol, No visible brand logo or symbol	Discrete
Nationality	1,2	Indian, International	Discrete
Price Range	1,2	Affordable Luxury Basic, Affordable Luxury Premium	Linear

In order to determine the usefulness of each variable, Conjoint Syntax in SPSS is run, and then the simulation is conducted as well (Pallant, 2020) [30]. The utility (part-worth) scores and associated standard errors are displayed in the table for each factor level. More preference is indicated by higher utility values. As each utility is expressed in a single unit, the total utility for a given combination can be calculated by adding all of the utilities together.

Table 3: Utilities

		Utility Estimate	Std. Error
Logo	Visible Brand Logo or Symbol	0.957	0.134
	No Visible Brand Logo or Symbol	-0.957	0.134
Nationality	International	0.740	0.134
	Indian	-0.740	0.134
Price	Affordable Luxury Basic	-2.280	0.267
	Affordable Luxury Premium	-4.560	0.535
(Constant)		7.920	0.423

Table 4: Ranking Profiles in order of importance

Profile	Utility	Attributes description
Profile 1	7.337	Utility (Visible Brand Logo or Symbol) + Utility (International) + Utility (Affordable Luxury Basic) + Constant
Profile 3	5.857	Utility (Visible Brand Logo or Symbol) + Utility (Indian) + Utility (Affordable Luxury Basic) + Constant
Profile 8	5.423	Utility (No Visible Brand Logo or Symbol) + Utility (International) + Utility (Affordable Luxury Basic) + Constant
Profile 2	5.057	Utility (Visible Brand Logo or Symbol) + Utility (International) + Utility (Affordable Luxury Premium) + Constant
Profile 5	3.943	Utility (No Visible Brand Logo or Symbol) + Utility (Indian) + Utility (Affordable Luxury Basic) + Constant
Profile 4	3.577	Utility (Visible Brand Logo or Symbol) + Utility (Indian) + Utility (Affordable Luxury Premium) + Constant
Profile 6	3.143	Utility (No Visible Brand Logo or Symbol) + Utility (International) + Utility (Affordable Luxury Premium) + Constant
Profile 7	1.663	Utility (No Visible Brand Logo or Symbol) + Utility (Indian) + Utility (Affordable Luxury Premium) + Constant

Table 5: Importance values

Importance	Values
Logo	36.815
Nationality	27.658
Price	35.527
Average Importance Score	

The utility values for each component give an indication of how significant the factor was to the consumer's overall choice. In comparison to factors with smaller utility ranges, those with broader ranges play a bigger effect in the purchasing decision of consumers (Arrenberg, 2020) [5]. According to the findings from the above table, the price range has the second-largest impact on consumers' overall preferences after the visibility of a brand logo or symbol on the clothing. This indicates that there is a significant difference between product profiles with a visible logo or symbol and those without one. The least important differentiating characteristic is found to be nationality. It is important to note that the values of importance don't differ by a great deal, indicating that consumers regard all three traits equally.

Table 6: Coefficients

	B Coefficient
	Estimate
Price	-2.280

The regression equation is given as: $Y = bX$; $Y = -2.280X$
Y is the dependent variable i.e., Utility of any preference, and X (Price) is the independent variable. The above table shows the linear regression coefficients for those factors (price) specified as linear. The more the price, less the utility of the combination.

Table 7: Correlations

	Value	Sig.
Pearson's R	0.987	.000
Kendall's tau	1.000	.000
Correlations between observed and estimated preferences		

Two statistics, Kendall's tau and Pearson's R, are shown in the table 7. The correlation between the observed and estimated preferences is measured by these two statistics (Salcedo, 2017) [36]. Between the actual preferences and the estimated preferences from the preceding table, there has been found to be a strong correlation.
Results from Conjoint Analysis should be checked for validity, reliability, and accuracy. The goal is to assess how well the model predicts the set of preference assessments in various contexts (Pallant, 2020) [30]. It is evident from the table 7 that Kendall's tau is 1 and Pearson's R coefficient is.987. These two numbers are both greater than 0.9, which denotes a very strong correlation and good validity. At a 5% threshold of significance, both of these outcomes are noteworthy.

Conclusion
Affordable luxury clothes manufacturers' brand perception is greatly influenced by their logos. In terms of fashion apparel, the function of logos has changed over time. For consumers, logos used to serve as an initial assurance of the product's quality and authenticity. Affordable luxury apparel

with a visible logo, symbol, or monogram not only makes the wearer appear sophisticated but also identifies their social standing (A, Lee, & Kim, 2009) [1]. (Anand & Shacchar, 2004) [3].
Placing logos on clothing where they are visible is in high demand in the industry. The fact that an apparel company like Gap had to scrap their modified logo within a few weeks after receiving harsh online criticism from customers illustrates the significance of having a brand that can forge strong associations with the public (Grobert, Cuny, & Fornerino, 2016) [11].
Customers believe that a visible logo or symbol on the affordable luxury clothing boosts their snob appeal and makes them appear more respectable in public. According to a 2013 study, visible logos or symbols on apparel can have a significant and advantageous impact on consumers' purchasing decisions (Philliastides & Ratcliff, 2013) [31]. Companies should place a specific emphasis on brand design and work to establish strong and effective connections for consumers with their brand in addition to their promotions and exceptional customer service in order to attract customers (Anand & Shacchar, 2004) [3].
Pricing is closely related to the attribute of the visible logo or symbol and comes in at number two in importance value. Indian consumers with high aspirations are price conscious and enjoy a good deal! Out of the three attributes, nationality is the one with the lowest relevance value.
Affordable luxury consumers were offered 8 profiles from which they had to rank 1 to 8 depending on their preference and the importance that they gave to each profile. Conjoint analysis was performed to analyze consumer preferences. Out of the 8 profiles, the profile of a) visible brand plus logo b) international brand c) Affordable luxury basic price has the highest value and the profile of a) no visible brand or symbol b) Indian brand c) Affordable luxury Premium has the least value. Indian consumers are more likely to go for a brand whose apparel has lots of visible logo elements on it as consumers associate a visible brand logo with status and prestige. They are also more likely to go for an international brand when it comes to affordable luxury apparel. The affordable luxury consumer is price sensitive as well and would want to be value conscious even for products they consider as luxury that they can afford.

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