

FACTORS INFLUENCING UNIVERSITY STUDENTS' INTENTION TOWARDS PURCHASING LUXURY FASHION BRANDS

PRISCILLA MENING DIAN 2012762575

FACULTY OF BUSINESS MANAGEMENT UNIVERSITI TEKNOLOGI MARA SARAWAK

DECEMBER 2015

ABSTRACT

The purpose of this study is to investigate the factors influencing university students' intention towards purchasing luxury fashion brands. Also, this research is to investigate the relationship between factors influencing university students' intention toward purchasing luxury fashion brands with customer purchase decision. Last is to identify the most important factor influencing university students' intention towards purchasing luxury fashion brands.

The data set is collected through self-administered questionnaire and convenient non-probability random sampling method. A sample of 320 was collected from students at University Teknologi Mara, Kota Samarahan, Sarawak Malaysia. The findings revealed that there is a significant relationship between various factors towards purchase intention. Based on the results, it can be said that need for uniqueness provide more impact toward purchase intention as compared to other independent variables which are self-identity, need for status, need for conspicuousness, need for acceptance and materialism

The findings of this study are limited by the number of respondents, area and location, and the absence of other methods to obtain the results other than secondary research and questionnaire. This study is more important for companies or marketers to understand the consumer's purchase intentions of luxury fashion brands to be more competitive.

TABLE OF CONTENTS

Particular		Page
Abstract		iv
Acknowledgements		v
Table of Contents		vi-ix
List of Figures		x
List of Tables		xi
List of Appendices		xi
CH	APTER 1: INTRODUCTION Background of Study	1 - 2
1.2	Problem Statement	2 - 3
1.3	Research Questions	3
1.4	Research Objectives	4
1.5	Scope of Study	4
1.6	Limitations of Study	5
1.7	Significance of Study	5
1.8	Definition of Key terms	6-7
СН	APTER 2: LITERATURE REVIEW	
2.1	Introduction	8
2.2	Luxury Fashion Brands	8-9
2.3	Purchase Intentions	9 - 10
2.4	Self-Identity	10
2.5	Need for Status	11
2.6	Need for Conspicuousness	11- 12

CHAPTER 1

INTRODUCTION

1.1 Background of Study

Asian Country such as Malaysia, Singapore, Thailand, Indonesia and Philippines are niche markets with rising standard of living (Chada, R. & Husband, P., 2006). Accordingly, Southeast Asia is one of the key regions that luxury brands should not be ignored. As we know that, luxury fashion brands are high involvement products that are bought out of thoughtlessness, where both companies and marketers interested to have a clear understanding on the factors that influence consumers in their purchase intentions. According to (So, L.M., 2011), there is lack of research are needed to analyse and determine the relationship between the luxury fashion brands and the Generation Y purchase intentions. Thus, this were focus on university students as they are among Generation Y which have greater exposures towards luxury fashion brands, due to the availability of products alternatives and strong influencing of online media nowadays.

Even though it seems that the purchasing power of young higher school students' is not high, still they are constitute a sustainable target of marketer in selling their luxury fashions brands as they have various sources of income such as from family, scholarship, study loan, part-time work and so on. The relevance of using university students in this study is further strengthened by Yi-Nang Chang's(2005) study that showed students often use branded products to symbolize status and to be part of the so called "in-group'. According to Yuwa (2007), signified that young premium consumers who are part of Generation Y across Asia Pacific as Malaysia have an appetite for luxury brands due to their lifestyle and spending power.

CHAPTER 2

LITERATURE RIVIEW

2.1 Introduction

The study on link between, personality factors such as self-identity, need for status, need for conspicuousness, need for uniqueness, need for acceptance and need for materialism towards purchasing intentions as well as purchasing barrier or motivators. However, for a better understanding, this research proposal were provided separate literature reviews of the research that channels on the factors influencing university students' intention towards purchasing luxury fashions brands.

2.2 Luxury Fashion Brands

Regarding the steadily growing competition in the international market, brands have become an important component and play a primary part in marketing strategies. Brands can be defined as a set of mental associations, held by the customer, which add to the perceived value of a product or service. Luxury brands are known as unique, strong, and desirable positively. For marketers, a luxury brands suggests the best choice, while others see a brand as something the customers know and will react to. According to Kapferer (2009), brands are complex intangibles whose character is a property that emerges from a blend of attributes, some of them seemingly insignificant. Nevertheless, this paper does not investigate the intentions to buy just any brand or product, but the intention to buy luxury fashion brands.

Definition by Nueno & Quelch (1998), luxury brands as those whose ratio of functional utility to price is low while the ratio of intangible and situational utility to price is high. Luxury is a quality that can be defined in different ways, and due to the fact that the