THE DETERMINANTS OF PURCHASE INTENTION FOR SUBTLE LUXURY FASHION GOODS AMONG MALAYSIAN CONSUMERS

TING MAO SENG

UNIVERSITI SAINS MALAYSIA

2021

THE DETERMINANTS OF PURCHASE INTENTION FOR SUBTLE LUXURY FASHION GOODS AMONG MALAYSIAN CONSUMERS

by

TING MAO SENG

Thesis submitted in fulfillment of the requirements
for the degree of
Doctor of Philosophy

April 2021

ACKNOWLEDGEMENT

First and foremost, I would like to express my gratitude to the Graduate School of Business (GSB) management team, Universiti Sains Malaysia, for accepting me as a Ph.D. candidate. Thanks to Associate Professor Dr. Tan Cheng Ling and Dr. Christopher Richardson, who supported and agreed to be my Ph.D. application referees. Special and immense gratitude to my main supervisor, Dr. Goh Yen Nee, who has guided me throughout my Ph.D. journey. Her constant guidance, feedback, and moral support are the source of my inspiration and motivation to continue despite the various setbacks. I would also like to thank my co-supervisor, Associate Professor Dr. Salmi Mohd Isa, for her constructive inputs and comments.

My deepest gratitude is also extended to my internal examiners, Dr. Zurina Mohaidin and Dr. Shaizatulaqma Kamalul Ariffin. Their comments and critiques during the proposal defense had triggered me to explore further and enhance my research. I am also grateful to Prof. Ramayah Thurasamy for their statistical teachings. Finally, I am indebted to my beloved mother, Leong Kwee Heong, for her understandings and sacrifices during my Ph.D. study. I am also thankful to my sister and brother for their support and love.

TABLE OF CONTENTS

ACKNOWLEDGEMENT……………………………………………….………......ii

TABLE OF CONTENTS…………………………..………………………iii

LIST OF TABLES……………………………….…………………….….xii

LIST OF FIGURES………..……………………………………..……........xv

LIST OF ABBREVIATIONS……...……………………………....……….xvii

LIST OF APPENDICES…………………………………………..………….xx

ABSTRAK……...………………………………………………..…………xxi

ABSTRACT……...……………………………………………….………xxiii

CHAPTER 1 INTRODUCTION……………………….…………………..….1

1.0 Introduction……………...…………………………….…………………...……1

1.1 Overview of Luxury Consumption in the World………...………………....……1

1.1.1 Overview of Luxury Fashion Goods Consumption in the World……...…3

1.1.2 Overview of Luxury Fashion Brands in the World……………..………..7

1.1.3 The Rise of Inconspicuous Luxury Consumption…………………….…...10

1.1.4 Luxury Consumption in Malaysia………………………………….………...12

1.2 Research Problem……………………………………………………………..….13

1.3 Preliminary Study……………………………………………………………..….20

1.3.1 Findings and Implication of the Preliminary Study…………….......…..22

1.4 Research Objectives……………..………………………….………...………..26

1.5 Research Questions………...……………………………….………..………...27

1.6 Scope of the Study……..……………………………………………...….…….28

1.7 Significance of the Study……………………………….………….....…..…...29

1.7.1 Theoretical Perspectives………………………………………....……29

1.7.2 Practical Perspectives…………………………..……………....……30

1.7.3 Methodological Perspectives……………………..…..…………..….31

1.8 Key Terms…………………………...………………..…..……………32

1.8.1 Need For Uniqueness……...………………………..….…….………33

1.8.2 Utilitarian Value………..…………………………..……..…………33

1.8.3 Brand Self-congruency………………..……………...…….….……33

1.8.4 Perceived Knowledge…………………………..……...…………33

1.8.5 Descriptive Norm………………………...……..…….…………..33

1.8.6 Social Role…………………………...……..…….……………34

1.8.7 Self-concept………………………………………..…....………..34

1.8.8 Self-monitoring……………………………………...…..…………34

1.8.9 Self-esteem…………………..………………...….……………34

1.8.10 Consumer Pleasure…………………………….....….….……...34

1.8.11 Consumer Guilt……….…………………....………....……………34

1.8.12 Facilitating Conditions………...……………………..….………..35

1.8.13 Habit……………………..…………………………..…...…….……35

1.8.14 Purchase Intention……………………..…………….…...…………35

1.8.15 Readiness To Buy Behaviour……………………..…....……………35

1.8.16 Inconspicuous Consumption or Subtle Luxury Fashion Goods………...35

1.9 Organisation of the Chapters………………………….………...……35

CHAPTER 2 LITERATURE REVIEW……………...………………....….……37

2.0 Introduction………………………………..……………………...37

2.1 Choice of Behaviour Theories……………………………..…..……….38

2.1.1 Social Cognitive Theory (SCT)……………………….….….………38

2.1.2 Functional Theories of Attitudes………………………..…...………..40

2.1.3 Three-component View of Attitude……………………..…….……..41

2.1.4 Theory of Reason Action (TRA)……………………..…..……………..42

2.1.5 Theory of Planned Behaviour (TPB)…………………..….……………43

2.2 Underlying theories……………………..……………..……..………..45

2.2.1 Theory of Interpersonal Behaviour (TIB)…………….……………….46

2.2.2 Justification of Using TIB……………………………..…….…………49

2.2.3 Overcomes TRA and TPB's Weaknesses………………..……………49

2.2.4 Better Predictive Power………………..……………..……..……….52

2.2.5 Insightful Knowledge in Luxury Consumption Domain…….….……..52

2.2.6 Model Action Phases (MAP)……………………………….…………58

2.2.7 Justification of Using MAP……………………………..…….……..60

2.3 Review of Literature……………………………………..……..……62

2.4 Purchase Intention…………………………..…………………..…….……..62

2.5 Motivational Factors………………..……………………….……..……..73

2.6 Attitudinal Factors…………………………………………..…………..……74

2.6.1 Need For Uniqueness………………………………..……...…..……75

2.6.2 Utilitarian Value…………………………………....………..………76

2.6.3 Brand Self-congruency……………..……………………..……..……..77

2.6.4 Perceived Knowledge……………………………….……...….……78

2.7 Social Factors…………………………………………..……………..…..79

2.7.1 Descriptive Norm……………………………..……....………..80

2.7.2 Social Role……………………………………………….……….……81

2.7.3 Self-concept…………………………...……………...………..82

2.7.4 Self-monitoring…………..……………………………..…..………83

2.7.5 Self-esteem…………………………………………………...……….84

2.8 Affective Factors………………………………..…………………..……..85

2.8.1 Consumer Pleasure……………………………………………….…....……85

2.8.2 Consumer Guilt…………………………………….………......……86

2.9 Readiness To Buy Behaviour……………………………………..…...……..87

2.10 Facilitating Conditions……………………………………………..…..……93

2.11 Habit……………………………………………………………....………95

2.12 Proposed Conceptual Framework………………………………...………96

2.13 Gaps in the Literature…………………………………………..…..……..98

2.13.1 Inconsistent Use of Variables……………………………..…..……..98

2.13.2 The Relationship between Intention and Behaviour………….………99

2.13.3 Lack of Application of Triandis Model in Luxury Consumption Domain………………...………..…………………………..…....100

2.14 Hypotheses development………………………………………......…100

2.14.1 Need For Uniqueness (NFU) and Purchase Intention (PI)……..……101

2.14.2 Utilitarian Value (UV) and Purchase Intention (PI)……………..…...102

2.14.3 Brand Self-congruency (BSC) and Purchase Intention (PI)…..…...…103

2.14.4 Perceived Knowledge (PK) and Purchase Intention (PI)……...…..…104

2.14.5 Descriptive Norm (DN) and Purchase Intention (PI)………..……105

2.14.7 Social Role (SR) and Purchase Intention (PI)………………...………106

2.14.7 Self-concept (SC) and Purchase Intention (PI)……………....……107

2.14.8 Self-monitoring (SM) and Purchase Intention (PI)………..………108

2.14.9 Self-esteem (SE) and Purchase Intention (PI)……………..………109

2.14.10 Consumer Pleasure (CP) and Purchase Intention (PI)……....……..110

2.14.11 Consumer Guilt (CG) and Purchase Intention (PI)……….….…..…111

2.14.12 Purchase Intention (PI) and Readiness To Buy Behaviour (RTB)…...112

2.14.13 The Moderating Effect of Facilitating Conditions (FC)……...……...113

2.14.14 The Moderating Effect of Habit (HB)……………………………...…114

2.15 Summary of All Hypotheses……………………………………………..…..115

2.16 Summary of Previous Studies on the Independent Variables Influencing Purchase Intention………………………………………………………..115

2.17 Summary of Chapter Two…………………………………………..……..120

CHAPTER 3 RESEARCH METHODOLOGY…………………………..……121

3.0 Introduction…………………………………………………..………121

3.1 Research Paradigm……………………………………………..……121

3.2 Research Approach……………………………………………...………122

3.2.1 Epistemology…………………………………………...……122

3.2.2 Theoretical Perspective………………………………...……..124

3.2.3 Methodology……………………………………………...……..124

3.2.4 Research Methods……………………………………...……....…...125

3.2.5 The Approach Adopted by the Current Study…………………...……125

3.3 Research Design……………………………………………...……127

3.4 Population and Unit of Analysis…………………………………...……128

3.5 Sample Frame………………………………………………………...…....129

3.6 Sample Size Determination……………………………………...………130

3.7 Data Collection Technique……………………………………...……132

3.7.1 Mall Intercept Technique……………………………………..…...134

3.8 Common Method Variance (CMV)……………………………..……137

3.9 Questionnaire Design…………………………………………...……139

3.10 Construct Measurement…………………………………..……………142

3.10.1 Need For Uniqueness…………………………..………...…142

3.10.2 Utilitarian Value………………………………………...……..144

3.10.3 Brand Self-congruency………………………………..……145

3.10.4 Perceived Knowledge……………………………….....………..146

3.10.5 Descriptive Norm………………………………….....……….146

3.10.6 Social Role…………………………………..…..……...147

3.10.7 Self-concept……………………………………..…….……..148

3.10.8 Self-monitoring………………………………….……..……149

3.10.9 Self-esteem……………………………………....……..……..150

3.10.10 Consumer Pleasure……………………………...……..……..151

3.10.11 Consumer Guilt……………………………………...………152

3.10.12 Facilitating Conditions……………………………..………….153

3.10.13 Habit…………………………………………..…..……....154

3.10.14 Purchase Intention………………………………..…..……...155

3.10.15 Readiness To Buy Behaviour……………………..…..……..156

3.10.16 Attitude toward the Colour Blue as a Marker Variable………...……157

3.11 Pre-testing Study……………………………………....………..…158

3.11.1 Cognitive Interviewing…………………………….…..…..158

3.11.2 Discussion of Pre-test Results…………………………..….....159

3.12 Pilot Study…………………………………………………..…..….160

3.12.1 Discussion of Pilot Study Results…………………......……...161

3.13 Data Analysis Techniques………………………………………...…….161

3.13.1 Data Screening and Data Cleaning………………………………..162

3.13.2 Missing Value………………………………………....……..162

3.13.3 Descriptive Statistics……………………………………..….……163

3.13.4 Normality Testing…………………………………...…..……163

3.13.5 Measurement Model Analysis…………………………..……..…..163

3.13.6 Internal Consistency Reliability…………………………..…..…...164

3.13.7 Convergent Validity……………………………………………165

3.13.8 Discriminant Validity……………………………………………166

3.13.9 Structural Model Analysis……………………………………………167

3.13.10 Assessment for the Collinearity Issues……………………………………………168

3.13.11 Assessment for the Significance and Relevance of the Structural Model Relationship……………………………………………168

3.13.12 Assessment of the Level of Coefficient of Determination (R^2)……………169

3.13.13 Assessment of the Level of Effect Size (f^2)……………………………169

3.13.14 Assessment of the Predictive Relevance (Q^2)……………………………169

3.13.15 Assessment of Moderating Effect in PLS-SEM Using Orthogonalisation Approach……………………………………………171

3.14 Summary of Chapter Three……………………………………………172

CHAPTER 4 DATA ANALYSIS AND RESULTS……………………………173

4.0 Introduction……………………………………………173

4.1 Data Analysis Overview……………………………………………173

4.1.1 PLS-SEM Assumptions……………………………………………174

4.2 Response Rate……………………………………………175

4.3 Preliminary Data Analysis……………………………………………177

4.3.1 Data Editing and Data Coding……………………………………………177

4.3.2 Data Screening……………………………………………178

4.3.3 Missing Value……………………………………………179

4.3.4 Outliers Detection……………………………………………179

4.3.5 Normality Assessment……………………………………………181

4.3.6 Linearity Assessment……………………………………………183

4.4 Test for Non-response Bias……………………………………………184

4.5 Profile Respondents……………………………………………187

4.6 Assessment of the Measurement Model Analysis (Stage 1)……….……….…190

4.6.1 Internal Consistency Reliability………………………………………191

4.6.2 Convergent Validity…………………………………….....……..192

4.6.3 Discriminant Validity……………………………………...………195

4.6.4 Descriptive Statistics……………………………………...………..199

4.6.5 Common Method Variance Assessment………………….....…………203

4.7 Assessment of the Structural Model Analysis (Stage 2)………….…….…….205

4.7.1 Testing Direct Effect……………………………………..…..………..207

4.7.2 Hypotheses Testing Results on Direct Relationships……..……..……..210

4.7.3 Assessment of the Coefficient of Determination (R2)………….....……212

4.7.4 Assessment of the Root Mean Square Residual (SRMR)……….……..213

4.7.5 Assessment of the Effect Size (f2)……………………….....………..213

4.7.6 Assessment of Predictive Relevance (Q2)…………………...………..214

4.8 Testing Moderating Effect of Facilitating Conditions and Habit……...………216

4.9 Summary Results of the Hypotheses Testing………………………..….……..224

4.10 Summary of Chapter Four……………………………………...……….226

CHAPTER 5 DISCUSSION AND CONCLUSION…………………..…..…..…227

5.0 Introduction…………………………………………………….....………227

5.1 Recapitulation and Summary of Findings…………………………….………228

5.1.1 Research Question 1……………………………………...……….231

5.1.2 Research Question 2……………………………………...……….232

5.1.3 Research Question 3………..…………………………..….………...233

5.1.4 Research Question 4……………………………………...…………233

5.1.5 Research Question 5……………………………………...…………234

5.1.6 Research Question 6……………………………………...…………234

5.2 Discussion of the Research Findings on Direct Relationships…….….………235

5.2.1 Need For Uniqueness and Purchase Intention……………..……..…….235

5.2.2 Utilitarian Value and Purchase Intention………………..….……….236

5.2.3 Brand Self-congruency and Purchase Intention…………..……..……..237

5.2.4 Perceived Knowledge and Purchase Intention……………..…..………239

5.2.5 Descriptive Norm and Purchase Intention……………..……..…..…240

5.2.6 Social Role and Purchase Intention…………………..……….…….241

5.2.7 Self-concept and Purchase Intention…………………..………..…...242

5.2.8 Self-monitoring and Purchase Intention……………..…………..……..243

5.2.9 Self-esteem and Purchase Intention…………………..……….…….244

5.2.10 Consumer Pleasure and Purchase Intention……………..……..………245

5.2.11 Consumer Guilt and Purchase Intention………………..…….……..246

5.2.12 Purchase Intention and Readiness To Buy Behaviour…..……..………247

5.3 Discussion of the Research Findings on the Moderation Effect…..………..…..248

5.3.1 Moderation Effect of Facilitating Conditions……………..………..248

5.3.2 Moderation Effect of Habit…………………………..………..…249

5.4 Theoretical Implications…………………………………..…….…….251

5.5 Managerial Implications…………………………………..……...…..254

5.6 Methodological Implications……………………..…..………..……...258

5.7 Limitations of the Research…………………………..…………..……260

5.8 Directions for Future Studies………………………………..……….……..261

5.9 Summary and Conclusion………………………...……..……….………263

REFERENCES……………………………………………..……………..266

APPENDICES

PUBLICATION

LIST OF TABLES

Page

Table 1.1 The World Best Global Luxury Fashion Brands Value Scoreboards (2016-2019)……………………….……….………8

Table 1.2 Summary of the Preliminary Interview Respondents' Gender, Age and Occupation………………..…………….…………….……22

Table 1.3 Summary of the Preliminary Interview Respondents' Opinion ………..23

Table 2.1 Distinctive Between Constructs……….……………….…………50

Table 2.2 Summary Research of Applying Theory of Interpersonal Behaviour (TIB)……………………………………….…….………53

Table 2.3 Summary Research on Purchase Intention Of Luxury Goods and Services………………………….…………………….………..65

Table 2.4 Summary of The Previous Literature Studying the Behaviour Construct Using TPB and TIB……………..……...…...…………90

Table 2.5 Summary of All Hypotheses for the Study…………………..……..116

Table 2.6 Summary of Previous Studies on Independent Variable Influencing Purchase Intention…………………...……....……...…117

Table 3.1 Sample Size Recommendation in PLS-SEM Based on Effect Size………………………………………...............................132

Table 3.2 Total Number of Shopping Malls in Malaysia by State or Territory……………………………………………….…….…..133

Table 3.3 The ratio of Questionnaire Distribution to the Five States in Malaysia……………………..……………………………….. .135

Table 3.4 Number of Measurement Items in the Survey Questionnaire Form………………..………………………...…………….140

Table 3.5 Measurement Items Constituting Need For Uniqueness (NFU)…………………………………..…………………….. .143

Table 3.6 Measurement Items Constituting Utilitarian Value (UV)……...…...144

Table 3.7 Measurement Items Constituting Brand Self-Congruency (BSC)…………………….………….........145

Table 3.8 Measurement Items Constituting Perceived Knowledge (PK)……..146

Table 3.9 Measurement Items Constituting Descriptive Norm (DN)…….......147

Table 3.10 Measurement Items Constituting Social Role (SR)……...……...…148

Table 3.11 Measurement Items Constituting Self-concept (SC)……………..…...149

Table 3.12 Measurement Items Constituting Self-Monitoring (SM)……...……150

Table 3.13 Measurement Items Constituting Self-Esteem (SE)………...…...…151

Table 3.14 Measurement Items Constituting Consumer Pleasure (CP)……......152

Table 3.15 Measurement Items Constituting Consumer Guilt (CG)…………....153

Table 3.16 Measurement Items Constituting Facilitating Conditions (FC)…....154

Table 3.17 Measurement Items Constituting Habit (HB)…………...…...……..155

Table 3.18 Measurement Items Constituting Purchase Intention (PI)……….....156

Table 3.19 Measurement Items Constituting Readiness To Buy Behaviour (RTB)…………………………………………………...……….157

Table 3.20 Measurement Items Constituting Marker Variable (MV)…….…....157

Table 3.21 Summary of Key Constructs, Number Items, and Sources of Measured……….....................................………………...…….159

Table 3.22 Summary of Indicates For Reflective Measurement Model Analysis Using PLS-SEM……………………………………….……167

Table 3.23 Summary of Indicates for Structural Model Analysis Using PLS-SEM……………………………………………………..170

Table 4.1 Summary of the Rate of Response to the Questionnaires……….......177

Table 4.2 Mahalanobis Distance Value for Eight Respondents……………….....180

Table 4.3 Results of the Independent Sample T-Test for Non-response Bias………………………………….……………………...186

Table 4.4 Respondents’ Demographic Information……………..……………188

Table 4.5 Summary of Measurement Model Results……………...…..……..193

Table 4.6 Deleted Items and Their Description…………………….....……...195

Table 4.7 Discriminant Validity (Fornell-Lacker Criterion)…………….…...197

Table 4.8 Discriminant Validity (HTMT.85 Criterion)……………………..…...198

Table 4.9 Mean (M), Standard Deviation (SD), and Correlation between Constructs…………………………………………………………..202

Table 4.10 Comparison of R Square Values by Marker Variable Technique……………………………………………………..…205

Table 4.11 Results of the Hypothesis Testing Direct Relationships…………....215

Table 4.12 Results of the Moderation Effect Analysis of Facilitating Conditions (FC) and Habit (HB)…………………………...…….219

Table 4.13 Summary Results of the Hypothesis Testing……………………....225

Table 5.1 Hypotheses and Summary of Results of Attitudinal Factors………..231

Table 5.2 Hypotheses and Summary of Results of Social Factors…………....232

Table 5.3 Hypotheses and Summary of Results of Affective Factors………...233

LIST OF FIGURES

Page

Figure 1.1 The Global Luxury Market (in Euro Billion)……………………………3

Figure 1.2 Global Personal Luxury Goods Market from 2008-2019 (in Euro billion)………………..…………………………………….5

Figure 1.3 Global Personal Luxury Goods Market Value, by Regions (in Euro Billion)…………………………………………………….6

Figure 1.4 Global Personal Luxury Goods Market Value, by Consumer Nationality (in Euro Billion)……………………………………….7

Figure 1.5 Examples of Conspicuous Luxury Fashion Goods…………………...9

Figure 1.6 Examples of Inconspicuous or Subtle Luxury Fashion Goods……....12

Figure 2.1 Social Cognitive Theory…………………………………………40

Figure 2.2 Three-Component View of Attitude……………………………...42

Figure 2.3 Theory of Reason Action…………………………………………43

Figure 2.4 Theory of Planned Behaviour……………………………………45

Figure 2.5 Theory of Interpersonal Behaviour………………………………48

Figure 2.6 Model Action Phases……………………………………………..59

Figure 2.7 Key Model Action Phases of Interest for the Study………..……...61

Figure 2.8 Proposed Conceptual Framework………………………………...97

Figure 3.1 The Research Approach Framework…………..…………………122

Figure 3.2 Data Collection Procedure Diagram ………………………………136

Figure 3.3 Illustration of the Moderator Variable……………………………..171

Figure 4.1 Mahalanobis Distance Diagram – Eight Potential Outliers Found…180

Figure 4.2 Normality Test Histogram………………………………………182

Figure 4.3 Normal Probability Q-Q Plot……………………………………182

Figure 4.4 Homoscedasticity Test Results…………………………………….184

Figure 4.5 PLS-SEM Algorithm Direct Relationships………………………...208

Figure 4.6 PLS-SEM Bootstrapping Direct Relationships……………......….209

Figure 4.7 PLS-SEM Algorithm Before Interaction Term of FCxPI and HBxPI Introduced……………………...……………………….220

Figure 4.8 PLS-SEM Algorithm After Interaction Term of FCxPI and HBxPI Introduced……………...……………………………….221

Figure 4.9 PLS-SEM Bootstrapping Interaction of FCxPI and HBxPI…...….222

Figure 4.10 Interaction Effect of Facilitating Conditions, Purchase Intention, and Readiness To Buy Behaviour……….……….…..223

Figure 4.11 Interaction Effect of Habit, Purchase Intention, and Readiness To Buy Behaviour…………………………………....………224

LIST OF ABBREVIATIONS

AVE	Average Variance Extracted
BSC	Brand Self-congruency
CB	Covariance-Based
CFA	Confirmatory Factor Analysis
CG	Consumer Guilt
CI	Confidence Interval
CMV	Common Method Variance
CNFU	Consumers’ Need For Uniqueness
COVID	Coronavirus Disease
CP	Consumer Pleasure
CR	Composite Reliability
CV	Convergent Validity
D^2	Mahalanobis Distance
DN	Descriptive Norm
DUCP	Desire Unique Consumer Product
DV	Dependent Variable
EFA	Exploratory Factor Analysis
EU	European Union
f^2	Effect Size
FC	Facilitating Conditions
H	Hypothesis
H&M	Hennes & Mauritz
HB	Habit

HTMT	Heterotrait-Monotrait
IBM	International Business Machines
IV	Independent Variable
KL	Kuala Lumpur
KLCC	Kuala Lumpur City Centre
LV	Louis Vuitton
MAP	Model Action Phase
MCO	Movement Control Order
MSMA	Malaysia Shopping Malls Association
MTurk	Mechanical Turk
MV	Marker Variable
NFU	Need For Uniqueness
p	Significant Value
PBT	Public Bus Transportation
PI	Purchase Intention
PK	Perceived Knowledge
PLS	Partial Least Square
Q^2	Predictive Relevance
Q-Q	Quantile-Quantile
R^2	Coefficient of Determination
RTB	Readiness To Buy Behaviour
SC	Self-concept
SCT	Social Cognitive Theory
SE	Self-esteem
SEM	Structural Equation Modeling

SLT	Social Learning Theory
SM	Self-monitoring
SPSS	Statistical Package for Social Science
SR	Social Role
SRMR	Root mean Square Residual
t	Test Value
TIB	Theory of Interpersonal Behaviour
TPB	Theory of Planned Behaviour
TRA	Theory of Reasoned Action
UK	United Kingdom
USD	United States Dollar (Currency)
UV	Utilitarian Value
VIF	Variance Inflator Factor
XL	Extra large

LIST OF APPENDICES

Appendix A Preliminary Study Structure Interview Questions

Appendix B List of Shopping Malls in Malaysia

Appendix C Results of Pre-test

Appendix D Survey Questions

Appendix E Results of the Pilot Test

Appendix F Mahalanobis Distance (D^2) Value (From SPSS)

Appendix G Normality Test (A Graphical Method)

Appendix H Multivariate Skewness and Kurtosis

Appendix I Homoscedasticity Test SPSS Output

Appendix J Test of Non-response Bias

Appendix K Profile Respondents (SPSS Output)

Appendix L SmartPLS Algorithm Output (Convergent Validity and Reliability)

Appendix M SmartPLS Output (Discriminant Validity)

Appendix N Descriptive Statistics (Mean, Standard Deviation, and Pearson Correlation Values)

Appendix O The Comparison of R Square Before and After Adding a Marker Variable

Appendix P Results of Hypothesis Testing (PLS Output and Diagram)

PENENTU-PENENTU NIAT PEMBELIAN UNTUK BARANGAN FESYEN MEWAH YANG HALUS DI KALANGAN PENGGUNA MALAYSIA

ABSTRAK

Jualan barangan fesyen mewah di global telah merosot dengan ketara disebabkan oleh wabak COVID 19, dan banyak pakar meramalkan bahawa penjualan barangan fesyen mewah itu akan terus menurun pada tahun 2021 ditambah dengan penurunan keperluan membeli barang mewah yang ketara itu. Kedua-dua faktor tersebut telah menyumbang kepada peningkatan pembelian barang fesyen mewah yang tidak ketara. Oleh itu, tujuan kajian ini adalah untuk menyiasat penentu-penentu yang mempengaruhi niat pembelian barangan fesyen mewah yang tidak ketara dalam kalangan pengguna Malaysia. Penyelidikan ini menyumbang kepada cabang ilmu pengetahuan yang sedia ada dengan mengintegrasikan Teori Kelakuan Interpersonal (TIB) dan Fasa Tindakan Model (MAP) sebagai teori dasar. Kajian ini juga menyumbang pada peningkatan literatur mengenai niat membeli barang fesyen mewah dengan meneliti secara empirikal dari segi faktor sikap, sosial, dan afektif. Terdapat kekurangan kajian yang lalu yang mengkaji ketiga-tiga faktor serentak yang mempengaruhi niat membeli barangan fesyen mewah yang tidak ketara. Selain itu, penyelidikan ini juga mengkaji faktor-faktor kontekstual dan tabiat pengguna untuk menjelaskan hubungan antara niat pembelian dan tingkah laku pengguna Malaysian terhadap barangan fesyen mewah yang tidak ketara. Selain daripada sumbangan teori yang disebutkan, kajian ini memberi sumbangan kepada pemasar, pemilik, dan peruncit barangan fesyen mewah. Mereka harus menerapkan strategi edisi terhad dan pemperibadian untuk meningkatkan eksklusiviti produk, meningkatkan kesedaran pengguna tentang barang fesyen mewah yang tidak ketara melalui strategi pengendorsan, membuat promosi video yang menekankan kualiti produk fesyen mewah mereka yang tidak ketara, berinteraksi dengan pelanggan dengan melakar sejarah membeli-belah mereka dan mengumpulkan maklumat pelanggan, membuat atmosfera kedai yang sesuai untuk pengguna yang suka membeli barangan fesyen mewah yang tidak ketara, dan melibatkan pelbagai kempen tanggungjawab sosial korporat. Kajian empirikal tersebut yang melibatkan 386 pengguna Malaysia dan menggunakan kaedah Partial Least Square (PLS) menunjukkan bahawa nilai utiliti (UV), pengetahuan pengguna (PK), norma deskriptif (DN), peranan sosial (SR), pemantauan diri (SM), harga diri (SE), kesenangan pengguna (CP), dan rasa bersalah pengguna (CG) mempunyai kesan yang ketara kepada niat pengguna Malaysia terhadap pembelian barangan fesyen mewah yang tidak ketara. Kajian ini juga menunjukkan bahawa niat membeli (PI) pengguna Malaysia terhadap barangan fesyen mewah yang tidak ketara dan tingkah laku mereka yang menunjukkan kesediaan untuk membeli (RTB) barangan fesyen mewah tersebut mempunyai hubungan positif dan signifikan antara kedua-dua pembolehubah ini. Di samping itu, kedua-dua moderator seperti keadaan pemudahcaraan (FC) dan tabiat (HB) didapati menyumbang kepada hubungan antara niat membeli barang-barang fesyen mewah yang tidak ketara di kalangan pengguna Malaysia dan tingkah laku yang menunjukkan kesediaan mereka untuk membeli barangan fesyen mewah tersebut. Walaubagaimanapun, melalui kajian yang dijalankan, pembolehubah seperti keperluan untuk keunikan (NFU), kesesuaian jenama (BSC), dan konsep sendiri (SC) didapati tidak memberikan kesan signifikan terhadap niat membeli barangan fesyen mewah yang tidak ketara dalam kalangan pengguna Malaysia. Akhirnya, implikasi teori, pengurusan, dan metodologi sumbangan dibincangkan. Kekurangan penyelidikan ini dan cadangan untuk kajian masa depan juga didiskusikan.

THE DETERMINANTS OF PURCHASE INTENTION FOR SUBTLE LUXURY FASHION GOODS AMONG MALAYSIAN CONSUMERS

ABSTRACT

The global sales of luxury fashion products have dropped significantly due to the COVID 19 outbreak, and many experts foresee that the sales of the luxury market will continue to decline in 2021, coupled with the decline need of signaling wealth for conspicuous luxury goods. The two factors have contributed to the rise of inconspicuous luxury fashion goods consumption. Therefore, this study examines the factors that influence Malaysian consumers’ inconspicuous consumption or purchase intention of subtle luxury fashion goods. This study contributes to the existing body of knowledge by integrating both Theory of Interpersonal Behaviour (TIB) and Model Action Phase (MAP) as underlying theories. This study also contributes to a growing body of literature on luxury fashion goods' purchase intention by empirically examining the attitudinal, social, and affective factors. There have been very few past research that examined all three simultaneous factors that influence consumers’ purchase intention of luxury fashion goods. Furthermore, this research investigates the contextual factors and habits to explain the variance between purchase intentions and inconspicuous consumption behaviours. Apart from the theoretical contributions mentioned, this study suggests that luxury marketers, luxury owners, and luxury retailers should implement limited-edition and personalisation strategy to enhance product exclusivity, improve consumers’ awareness of the subtle luxury fashion items through endorsement strategy, create a promotion video that emphasises their subtle luxury fashion product quality, engage with customers by profiling their shopping history and collecting customer information, create heightened store atmospherics for inconspicuous consumers, and involve various corporate social responsibility campaigns. The empirical findings involving 386 Malaysian consumers using the Partial Least Square method revealed that utilitarian value, perceived knowledge, descriptive norm, social role, self-monitoring, self-esteem, consumer pleasure, and consumer guilt significantly impact Malaysian consumers' purchase intentions towards subtle luxury fashion goods. This study further showed a positive and significant relationship between these two variables: the Malaysian consumers' purchase intentions towards subtle luxury fashion goods and their readiness to buy these subtle luxury fashion goods. Additionally, both facilitating conditions and habits exerted a moderating effect on the relationship between Malaysian consumers' purchase intentions towards subtle luxury fashion goods and their readiness-to-buy behaviour on subtle luxury fashion goods. However, this study did not find need for uniqueness, brand self-congruency, and self-concept to be significant variables on Malaysian consumers' purchase intentions towards subtle luxury fashion goods.

CHAPTER 1

INTRODUCTION

1.0 Introduction

The first chapter of this study consists of an overview of the luxury products and luxury fashion goods consumption in the World, the rise of the inconspicuous luxury consumption phenomenon, and luxury consumption patterns in Malaysia. This chapter also further discusses the research problems and preliminary studies that contribute to developing research questions and research objectives. Following, this chapter will include a discussion of the significance of the study, definitions of key terms, and a brief outline of the study's organisation.

1.1 Overview of Luxury Consumption in the World

The study of the luxury consumption phenomenon has become prevalent in recent years (Zhang & Cude, 2018). Researchers show interest in luxury consumption-related research because the luxury market continually achieves steady growth year after year even during the economic downturn (Tsai, Yang, and Liu, 2013). Past literature has shared a luxury good's common core ideas: an over-priced product that far exceeds the functional value, offers a superior quality product, exclusive brand design, unique customer service, and selling at exclusive stores (Kapferer, 1998; 2010). Luxury goods have both tangible (e.g., quality) as well as intangible benefits (e.g., social recognition) to consumers. From the tangible benefits point of view, luxury branded products and services offer a high-quality product, authentic, functional value, and a prestigious image such as artisanship, craftsmanship, and service quality. Meanwhile, the intangible benefits to the consumer would be luxury goods offer a hedonistic shopping experience, making the owner 'noticeable' in public with a sense of success and belonging to a high-status group (Kapferer, 1998; 2010; Kapferer & Bastien, 2012; Ko, Costello & Taylor, 2017).

According to D'Arpizio, Levato, Zito, Kamel, and de Montgolfier (2019), the global luxury product markets can be divided into ten categories (see Figure 1.1). These categories include luxury apparel, accessory, and beauty goods (also known as luxury fashion goods in this study), luxury vehicles, luxury hospitality, luxury cruises, luxury furniture, fine food, fine wines and spirits, yachts, private jets, and fine art. Based on D'Aprizio et al. (2019, 2020), the global luxury consumption trend recorded nearly Euro 1.3 trillion (approximately USD 1.41 trillion) in 2019 and grew about 4% from 2018. Luxury cars, personal luxury goods, and luxury hospitality accounted for almost 80% of the total market. The luxury car market recorded the highest sales among other luxury markets, with Euro 550 billion in 2019, and grew by 7%. For personal luxury goods, also refer to luxury fashion goods outperformed the overall market in 2019, increased 4% overall from 2018, and recorded a high of Euro 281 billion (approximately USD 329 billion).

Meanwhile, the luxury hospitality market value was Euro 206 billion in 2019. The sales values of the rest of the luxury categories were Euro 231 billion in total last year. Figure 1.1 shows the global sales value for all ten luxury product markets.

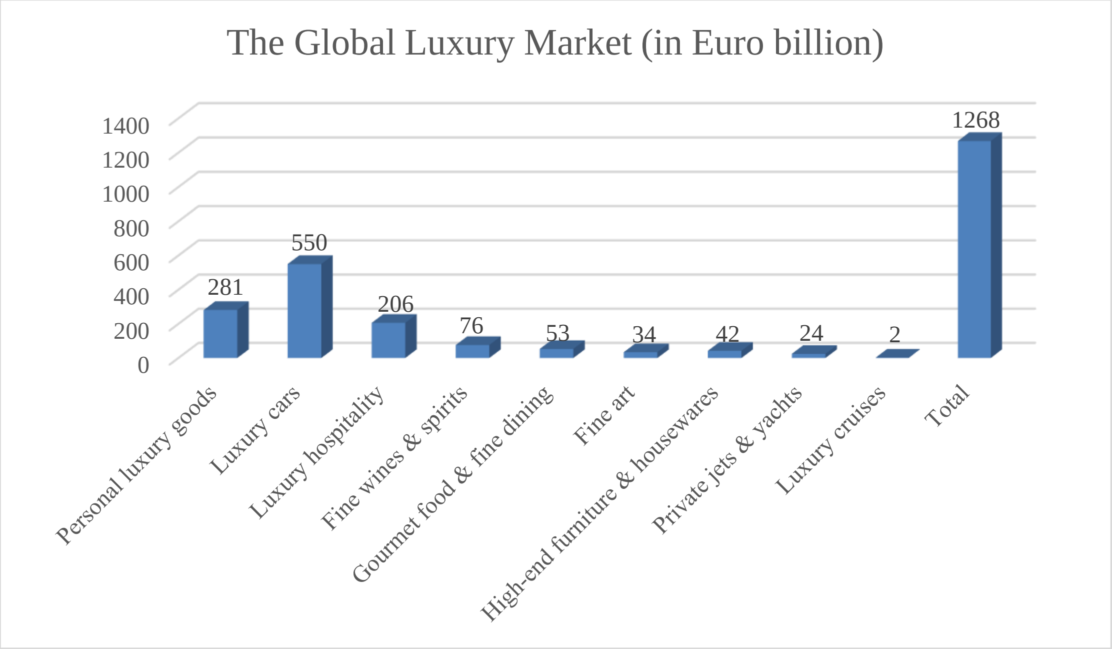


Figure 1.1: The Global Luxury Market (in Euro Billion)
Adapted from D'Arpizio et al. (2020)

1.1.1 Overview of Luxury Fashion Goods Consumption in the World

Luxury fashion-related goods refer to clothing, footwear, accessories, makeup, hairstyle, and body goods in this study. Luxury fashion goods offer a complete package of significant benefits to consumers in three aspects: 1) consumers' life, 2) the social and cultural environment, and 3) the growth of luxury sectors and the global economy (Okonkwo, 2016). First, luxury fashion goods are a form of identity and expression to others. When an individual decides to wear a dress, shoes, or carry a handbag, it relates to their appearance and grooming. He or she is making a statement to others about how they want to appear in the public eye.

Additionally, modern societies have a high need for status (Kapferer, 2010) coupled with the need to belong to a particular social group (Eckhardt, Belk & Wilson, 2015), making people choices of clothing that are influenced by fashion (Okonkwo, 2007). Second, from a social point of view, fashion has become so influential in current world affairs. For example, the United Nations and Salvation Army launched a series of fashion shows called '*Catwalk the World - Fashion For Food*' to encourage people to donate canned food for African countries (Sarpong, 2016). Hence, fashion has been linked to humanitarian aid. The contribution of fashion to other areas such as film, music, arts, and sports has also been witnessed and is growing (Okonkwo, 2007). Third, despite the slow economic growth in Europe and some emerging countries such as China, Brazil, and Russia, luxury fashion goods have been a steady growth in market share and profit for the luxury goods industry (D'Arpizio et al., 2019). Hence, the luxury goods industry is vital to the global economy's growth and boosts the local economy, creating jobs for local people (Okonkwo, 2016). As a result, this study focuses only on one luxury category, luxury fashion goods or personal luxury goods.

D'Arpizio et al. (2019; 2020) tracked down the global consumption of the personal luxury goods market from 2008 until 2019, shown in Figure 1.2. The personal luxury product category consists of luxury apparel, accessories, and beauty products (also known as luxury fashion goods in this study) were worth approximately € 281 billion in 2019, which was 4% annual growth if compared to last year's performance. According to D'Arpizio et al. 's (2020) data, luxury fashion brands are a multi-billion dollar industry and contribute to the current global economic growth. Despite the COVID-19 pandemic hit (Nagarajan, 2020) and the luxury industry in Japan, Europe, and the US markets have entered the mature stage, the consumption of luxury fashion goods is estimating to grow approximately 5% each year until 2025 (D'Arpizio et al., 2020). Based on the 'Global Powers of Luxury Goods' report by Deloitte Global (Bian Company, 2016), the spending on luxury goods in the last five years increased tremendously, approximately 70% in some of the emerging countries such as China, Russia, Middle East, and Southeast Asia region (Ng, 2017).

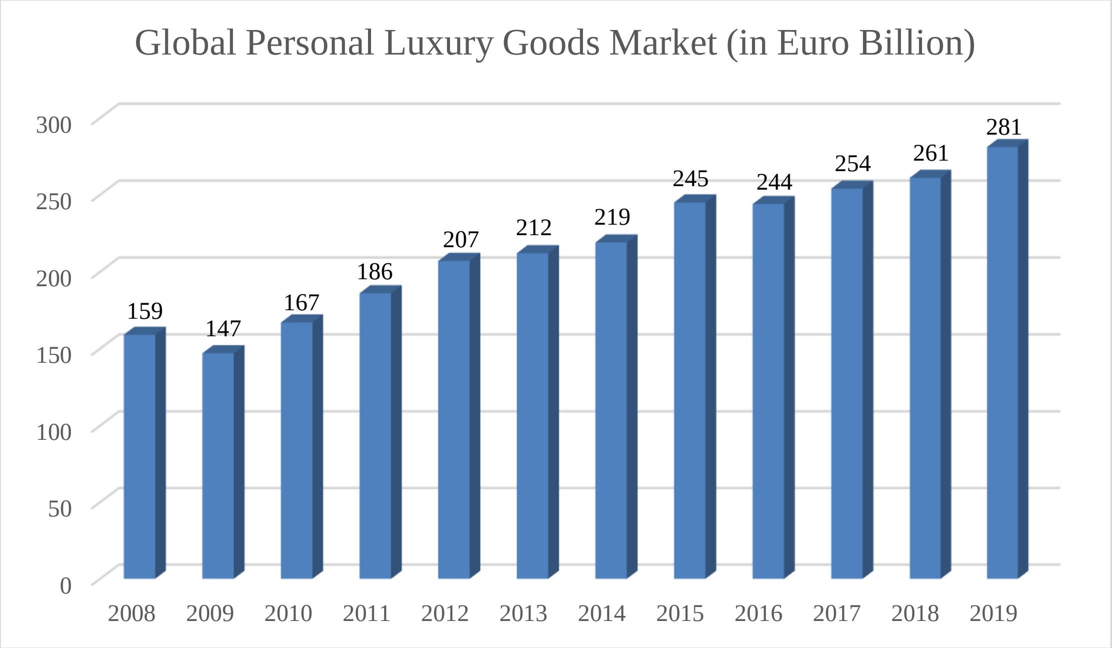


Figure 1.2: Global Personal Luxury Goods Market from 2008-2019 (in Euro Billion) Adapted from D'Arpizio et al. (2020)

In terms of distribution trends, D' Arpizio et al. (2020) state that two-thirds of sales were coming from retail sales and raised 11% in 2019. In comparison, the remaining one-third of sales were online sales and continued their tremendous rise, increasing by 22%. Online sales were influential in the region of the Americas, Europe, and Asia. Handbags and shoes were the two top categories sold online under the personal luxury goods category (D'Arpizio et al., 2019; 2020).

The global personal luxury goods market experienced growth across most regions (refer to Figure 1.3). Europe recorded positive growth trends in sales last year. Local consumption plus the spending on luxury goods from Chinese consumers in Europe contributed to the positive growth of retail sales by approximately 2% to Euro 87.1 billion (in USD 102.1 billion). Germany, France, United Kingdom, and Italy recorded a positive growth trend in personal luxury goods in 2019. Luxury sales in the Americas also posted a growth rate of 5% to Euro 84.3 billion in 2019. The United States, Canada, and Mexico were the strong performance of luxury retail sales in the region. The luxury retail sales across Asia except for Japan also recorded a high value.

Personal luxury goods rose 17% from 2018 to Euro 73.06 billion. China, Hong Kong, Macau, South Korea, Singapore, Thailand, Taiwan, Malaysia, Vietnam, and the Philippines were the strong performers in the region. Luxury purchases in Japan also hit high to Euro 25.3 billion, representing an 11% growth rate. Meanwhile, in the other areas of the World, luxury sales growth was flat, holding only Euro 11.2 billion. Consumers in the Middle East saw reduced disposable income due to a drop in oil prices and recent government spending restrictions (D'Arpizio et al., 2019; 2020).

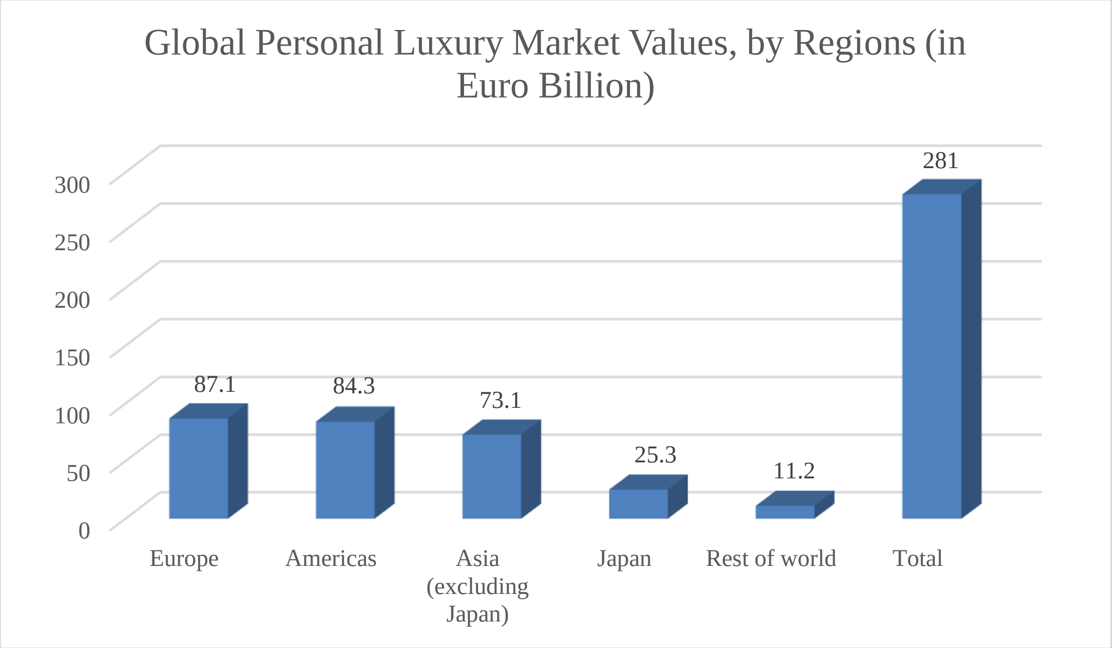


Figure 1.3: Global Personal Luxury Goods Market Value, by Regions (in Euro Billions) Adapted from D'Arpizio et al. (2020)

Regarding the spending of personal luxury goods by consumer nationality (refer to Figure 1.4), Chinese consumers led the positive growth trend, with 35% of global personal luxury goods spending by them, rose from 14.6% in 2018. Chinese consumers spent approximately Euro 98.4 billion (in USD 115.3 billion) buying personal luxury goods last year. Luxury sales for American consumers also increased around 10-15% from 2018, rose to Euro 61.8 billion. Meanwhile, luxury sales bought by European consumers also remained high at Euro 47.8 billion, with a 1% increase if compared to a year before. Japanese, other Asian, and the rest of the world consumers spent Euro 73 billion buying personal luxury goods last year (D'Arpizio et al., 2020).

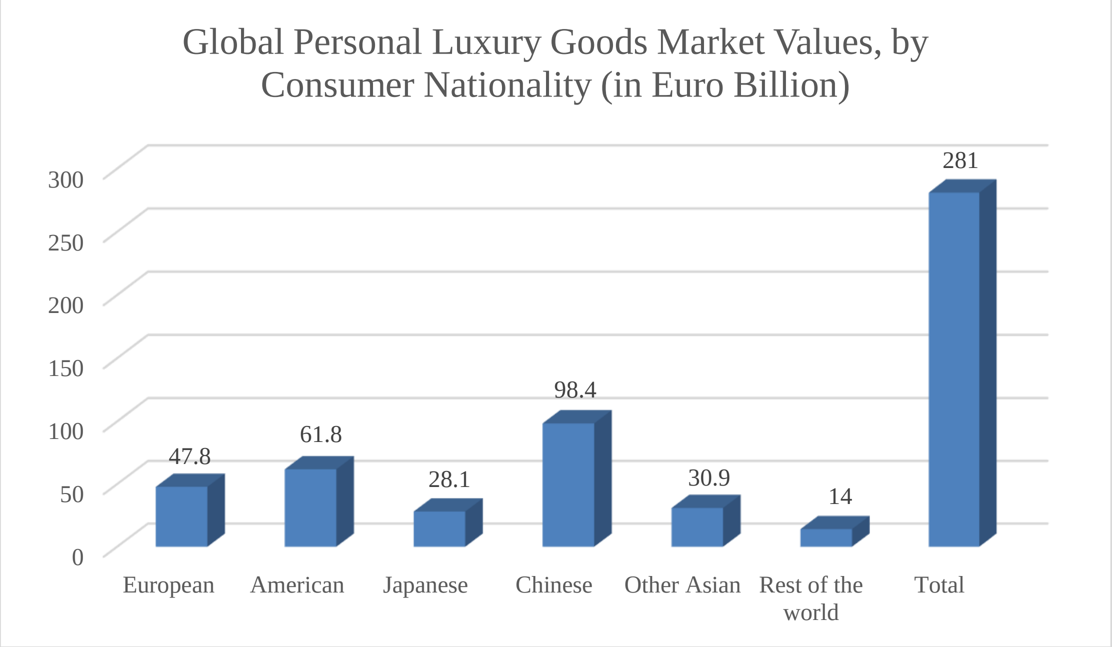


Figure 1.4: Global Personal Luxury Goods Market Value, by Consumer Nationality (in Euro Billions) Adapted from D'Arpizio et al. (2020)

1.1.2 Overview of the Luxury Fashion Brands in the World

More than a thousand luxury fashion brands are available in the market for consumers to buy around the World. According to Interbrand's Top 100 world best brands, the best global luxury fashion brands are based on their brand value. Its influence on the World's luxury fashion brands is Louis Vuitton, Chanel, Hermès, Gucci, Cartier, Tiffany & Co, Prada, Burberry, Dior, and Ralph Lauren (Interbrand, 2016; 2017; 2018; 2019). These Top 10 World Best Luxury Brands are not strangers to most Malaysians, and these brands can easily be found in Malaysian shopping malls (Tan, 2014; So et al., 2013). Table 1.1 shows the top ten most valuable and influential luxury fashion brands in the World. Based on the data, Louis Vuitton was the most expensive luxury brand in the World, with a brand value of approximately 32,223 million dollars in 2019. However, there are many fast-fashion brands (e.g., H&M and Uniqlo) where these fashion brands consider nonluxury fashion brands in this study. These brands target price-sensitive customers, and the price they charge is relatively low compared to luxury fashion brands shown in Table 1.1.

Table 1.1: The World Best Luxury Fashion Brands Value Scoreboard (2016-2019)

Brand Name	Ranking	Brand Value (US$ million) **2019**	Brand Value (US$ million) **2018**	Brand Value (US$ million) **2017**	Brand Value (US$ million) **2016**	Country of Origin
Louis Vuitton	1	32,223	28,152	22,919	23,998	France
Chanel	2	22,134	20,005	-	-	France
Hermès	3	17,920	16,372	14,210	12,833	France
Gucci	4	15,949	12,942	9,969	9,385	Italy
Cartier	5	8,192	7,646	7,547	7,738	France
Dior	6	6,045	5,223	4,587	4,909	Italy
Tiffany & Co	7	5,335	5,642	5,394	5,761	USA
Burberry	8	5,205	4,989	5,135	5,362	Britain
Prada	9	4,781	4,812	4,716	5,504	France
Ralph Lauren	10	-	-	-	4,092	USA

(Source: Interbrand, 2016; 2017; 2018; 2019)

The World most valuable luxury brands have one thing in common, these brands consider conspicuous luxury fashion brands because those branded goods usually having very recognisable and visibility logo, easily identify signature print, ability to signal and communicate meaning to others that one belongs to the elite group if consumers buy those branded goods (Berger & Ward, 2010; Eckhardt et al., 2015). Figure 1.5 shows six examples of conspicuous or loud luxury fashion goods that characterise either a visibility brand symbol or an easily recognisable signature print. They are: (1) the ubiquitous and easily noticeable 'LV' monogram canvas Flandrin Monogram women's handbag, (2) the huge 'Gucci' logo on XL Leather Tote Bag, (3) the large boy Chanel handbag, (4) the 'big pony' logo on Ralph Lauren's Polo Shirt, (5) the 'found everywhere' Bonia logo Dark Blue Monogram Annelise Long Zipper Wallet, and (6) the signature print of Hermes's H en Fil scarf 140.

Since more than a thousand luxury fashion brands are available in the market, this study will only focus on these Top 10 brands as luxury fashion brands example shown in Table 1.1. Other luxury fashion brands examples from Malaysia's such as Bonia and British India will be the focal point (Tan, 2014).

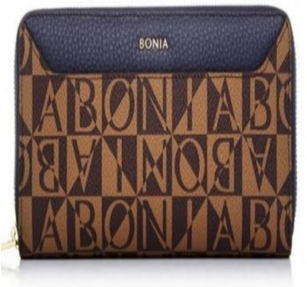
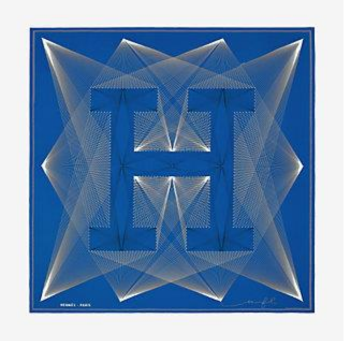
(1)	(2)	(3)
Louis Vuitton's Flandrin Monogram Leather Women Handbag (Louis Vuitton, 2019a)	Gucci's XL Leather Tote Bag (Gucci, 2019)	Large Boy Chanel Handbag (Chanel, 2019)
(4	(5)	(6)
		
Ralph Lauren's Classic-Fit Cotton Mesh Polo Shirt (Ralph Lauren, 2019)	Bonia's Dark Blue Monogram Annelise Long Zipper Wallet (Bonia, 2019)	Hermes's H en Fil scarf 140 (Hermes, 2019)

Figure 1.5: Example of Conspicuous Luxury Fashion Goods

1.1.3 The Rise of Inconspicuous Luxury Consumption

Thorstein Veblen's (1899/2003) idea of conspicuous consumption is one of the oldest concepts in consumer behaviour research and also the most critical thought in luxury goods consumption from an economic (Wiedmann, Hennigs & Siebels; 2007) and social standpoint (Kapferer, 2010; Wang & Griskevicius, 2014; Wilcox, Kim & Sen, 2009). According to Veblen (1899/2003), conspicuous consumption means an individual splurge on expensive luxury goods to display wealth rather than fulfill their basic needs to acquire, show, or maintain their status if compared to the general population. This phenomenon occurs due to the global economic changes and the emergence of the middle-income group after world war two. The two factors have contributed to an increased customer base for consuming luxury products and expanded a wide range of luxury product categories (Patsiaouras & Fitchett, 2012). People who have acquired wealth, especially those lacking good taste, actively embrace the luxury lifestyle to 'level up' their ostentatiousness by consuming luxury brands across various product categories (Seo & Buchanan-Oliver, 2015).

Increasing income on one side and democratizing and scaling down luxury to improve financial results have diminished luxury fashion brands' exclusivity in consumers' eyes (Eckhardt, Belk & Wilson, 2015; Granot & Brashear, 2008; Granot et al., 2013). The social status or image previously associated with such possessions has changed (Souiden, M'Saad & Pons, 2011). This may explain why an increasing number of consumers prefer buying subtle luxury fashion goods to differentiate their self-identity from the mainstream (Eckhardt, 2015; The Economist, 2005). This new phenomenon is known as inconspicuous consumption.

The definition of inconspicuous consumption in this study refer to consumer prefers buying the high quality of luxury goods, discreetly marked without being noticed by the masses but helpful in maintaining in-group boundaries (Berger & Ward, 2010; Eckhardt et al., 2015; Wilson, Eckhardt & Belk, 2015). Subtle luxury goods refer to high-quality luxury goods, discreetly marked and difficult being noticed by the masses. Whereas non-subtle luxury goods refer to conspicuous or loud luxury goods with a very recognisable logo, easily identify signature print, and signal and communicate meaning to others that one belongs to the higher status group good. For example, the wealthy group of consumers is preferred wearing Patek Philippe's watch instead of Rolex's watch because it is considered less drawn to the public eye (Kapferer, 2010). Consumers who are already wealthy have little to prove, and they like to buy a brand that only their family and peers can recognise (Bearden & Etzel, 1982; Han et al., 2010).

People have started to accept and buy subtly luxury fashion goods. The increasingly popular niche, discreet, and subtle luxury fashion goods have driven luxury brands to offer subtle features of luxury goods. Luxury fashion brands such as Louis Vuitton and Hermes, who offer conspicuous luxury fashion goods, have begun to respond to inconspicuous preference by offering subtle luxury goods. Figures 1.6 shows the six examples of subtle and discreetly marked luxury fashion goods. Past studies have identified that the best attributes to describe subtle luxury fashion products are these goods have no visible brand logo, discreet design, high-quality goods, tailored, trendy and innovative (Eckhardt et al., 2015, Wilson et al., 2015). Thus, inconspicuous consumption is considered an emerging luxury fashion market, and marketers in the luxury brands industry should pay attention to this new phenomenon of luxury consumption behaviour (Wilson et al., 2015).

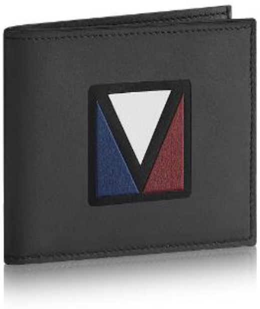
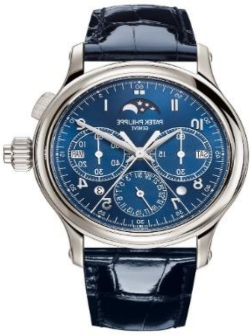
(1)	(2)	(3)
Shang Xia's Scarf Collection (Shang Xia, 2019)	Goat's Women Dresses line (Goat, 2019)	Bottega Veneta’s Large Tote Bag (Bottega Veneta, 2019)
(4)	(5)	(6)
		
Tom Ford's Private Blend Fragrance (Tom Ford, 2019)	Louis Vuitton's Ezip Wallet V Line (Louis Vuitton, 2019b)	Patek Philippe's The Grand Complication Collection, Platinum 5372P-001 (Patek Philippe, 2019)

Figure 1.6: Example of Inconspicuous or Subtle Luxury Fashion Goods

1.1.4 Luxury Consumption in Malaysia

Despite the slow growth of Malaysia's economy, the performance of various luxury goods categories in Malaysia still reported value growth from 2016 to 2018 (Euromonitor International, 2019). In 2019, Malaysia's luxury market was expected to perform better than the last three years due to Malaysian's disposable incomes has increased (Department of Statistics Malaysia, 2020). Moreover, the number of tourists who visited Malaysia had recorded high in 2019 has contributed to the increase in sales of luxury goods (Euromonitor International, 2019). Malaysia's luxury market is forecasted to constant value growth between 2013 to 2018, with 62 percent growth over that period (Chandran, 2014). In 2013, Malaysia's luxury market was estimated to be worth US dollar 1.2 billion (Young, 2013), and the luxury market in Malaysia will be predicted to grow to US dollar 1.94 billion by 2018. Therefore, D'Arpizio et al. (2019) updated Malaysia's luxury market as one of the six Southeast Asian countries that 'driving Asian growth' for the luxury market in Asia and Singapore, Thailand, Indonesia, and Vietnam, and the Philippines.

For the past ten years, the vast majority of high-end luxury fashion brands such as Chanel, Louis Vuitton, and Burberry have been opening their branches and can be easily found across Malaysia shopping malls. The luxury brand owners have confidence in Malaysia's luxury market with the steady domestic market spending on luxury goods and strong tourist number to promote growth for the luxury goods industry (Euromonitor International 2019). In Malaysia, luxury fashion goods are a form of aspirational spending; hence, the demand for luxury fashion items is high among Malaysian consumers (D' Arpizio et al., 2019). As a result, it is vital for luxury fashion brands to understand the motive of buying luxury fashion goods among Malaysian consumers. Moreover, the competition level among luxury fashion brands in Malaysia is intensely competitive; thus, luxury fashion brands require to offer something their competitors lack. Perhaps they can consider extending their line in the subtle luxury fashion goods, which might give them a competitive advantage. Therefore, it is vital to understand purchase intention on subtle luxury fashion goods among Malaysian consumers.

1.2 Research Problem

The global sales of luxury fashion products have dropped significantly due to the COVID 19 outbreak, and many experts foresee that the sales of the luxury market will continue to decline in 2021 (Nagarajan, 2020). More than a thousand luxury branded goods are available in the market for luxury shoppers, and different luxury fashion brands target different potential luxury buyers. A luxury brand who fail to interact and satisfy their customers will eventually lose the ability to retain their best customers and gain potential new customers. Worse case, their best customers will spend money on their close competitors who understand, engage, and satisfy them. In fact, there is a new luxury fashion consumption pattern known as inconspicuous consumption, which can help luxury owners generate more sales (Wilson et al., 2015; Zhang, 2019). Hence, it is vital for luxury owners, luxury marketers, or luxury retailers to understand who their potential luxury buyers are and their purchase intention of subtle luxury fashion goods.

Thomas (2007) suggests that the term 'luxury' is losing its shine in the twenty-first century due to the decline need of signaling wealth for status luxury goods, especially for those wealthy groups of consumers. The upper-class consumers are less drawn to status or loud symbols luxury goods (Pakulski & Waters, 1996; Eckhardt et al., 2015), such as the luxury branded items from Louis Vuitton, Chanel, Hermes, and Cartier. 'Wealthy consumers low in need for status want to associate with their own kind and pay a premium for quiet goods only they can recognise' (Han et al., 2010 p. 15). Besides, the increase of the nouveau riche and the middle-class group encourages luxury brands to make luxury products more affordable for the masses (Eckhardt et al., 2015) resulted in conspicuous luxury fashion brands losing their attractiveness. Moreover, the rise of the services such as short-term rental rather than owning (Bardhi & Eckhardt, 2012; Belk, 2014) and high-quality counterfeits luxury products (Penz & Stottinger, 2005; Ting, Goh & Isa, 2016; Wilcox, Kim & Sen, 2009) causing luxury products do not signal exclusivity the way they once did. Unlike the conspicuous luxury fashion goods, subtle luxury fashion goods can still maintain exclusivity due to those discreet luxury fashion goods hardly found in second-hand or rental shops and not available in the counterfeit market. Past studies have highlighted the importance of inconspicuous luxury consumption or purchase intention of subtle luxury fashion goods phenomenon, which will shape the traditional luxury goods (e.g., conspicuous luxury fashion goods) market (Berger & Ward, 2010; Eckhardt et al., 2015; Zhang, 2019). However, there is still a lack of knowledge among Malaysian consumers' purchase intention of subtle luxury fashion goods that might exist in the market.

Additionally, conspicuous consumption research has caught the attention of economists, scholars, and marketers. A considerably large number of previous investigations have studied the area of conspicuous luxury consumption. The past literature has attempted to identify the antecedents of luxury consumption behaviour (Godey et al., 2016; Kapferer & Valette-Florence, 2016; Liu, Perry, Moore & Warnaby, 2016), the conceptualisations of luxury brands (Chandon, Laurent & Valette-Florence, 2016; Heine, 2012; Ko, Costello & Taylor, 2017; Seo & Buchanan-Oliver, 2015), the attitude of luxury products (Dubois & Lurent, 1994; Zhang & Kim, 2013), purchase intention of luxury consumption (Bian & Forsythe, 2012, Salehzadeh & Pool, 2017; Zhang & Cude, 2018), the motivation of luxury consumption (Amtulli & Guido, 2011; Amatulli, Guido & Nataraajan, 2015; Ki, Lee & Kim, 2017; Wang & Griskevicious, 2014), cross-cultural comparison of luxury consumption (Godey et al., 2013; Giovanni et al., 2015; Seo, Buchanan-Oliver & Cruz, 2015), and counterfeiting luxury consumption (Penz & Stottinger, 2005; Ting et al., 2016, Wilcox, Kim & Sen, 2009). However, inconspicuous consumption of luxury goods or consumers' purchase intention of subtle luxury products has received less attention from scholars and marketers (Eckhardt et al., 2015; Shao et al., 2019). Very few empirical studies (Berger & Ward, 2010; Han et al., 2010; Seo & Buchanan-Oliver, 2015; Shao et al., 2019) have proved that consumers' existence inconspicuous consumption behaviour of luxury fashion goods.

Moreover, a large and growing body of literature has investigated the consumers' purchase intention for luxury products in Brazil (Loureiro & de Araujo, 2014), Canada (Souiden, M'Saad & Pons, 2011), China (Li, Li & Kambele, 2012; Wang et al., 2018; Zhang & Cude, 2018; Zhan & He, 2012), Germany (Schade, Hegner, Horstmann & Brinkmann, 2016; Stockburger-Sauer & Teichmann, 2013), Hong Kong (Chan, To & Chu, 2015), India (Bloch, Rao & Desai, 2011; Jain et al., 2017; Shukla, 2011), Korea (Kim, Kim & Lee, 2010), Morocco (Nwankwo, Hamelin & Khaled, 2014), Taiwan (Hung, Chen, Peng, Hackley, Tiwsakul & Chou, 2011), United States (Chattalas & Shukla, 2015; Kamal, Chu & Pedram, 2013), United Kingdom (Kastanakis & Balabanis, 2012; Shukla, 2011). Similarly, there has been growing literature studying the Malaysia consumers' purchase intention of conspicuous luxury goods (Cheah et al., 2020; Heaney, Goldsmitch & Jusoh, 2005; So, Parsons & Yap, 2013) and counterfeit luxury goods (Harun, Rahman, Mohd Suki & Hussein, 2012). Yet, Malaysia's inconspicuous consumption phenomenon is still unknown; hence, this study provides a significant opportunity to advance the understanding of the inconspicuous luxury consumption phenomenon in Malaysia.

Furthermore, there is considerably extensive literature using Theory of Planned Behaviour (TPB) (e.g., Jain et al., 2018; Loureiro & de Araujo, 2014) and Theory Reason Action (TRA) (Ting et al., 2016) as an underlying theory for understanding consumers’ purchase intention towards luxury goods. However, Amin et al. (2016), Kang et al. (2019), Pee et al. (2008) highly support the appropriateness of using the Theory of Interpersonal Behaviour (TIB) suggested by Triandis (1977; 1980) as a theoretical grounding to understand consumers’ intention then lead to the behaviour of a consumer product. Until recently, there has been little study on luxury consumption applying TIB as an underlying theory. Thus, this study may provide evidence of the suitability of applying TIB in the luxury consumption domain.

According to Ajzen (1991), if a person has a favourable attitude toward a product, that individual might have the intention to purchase that item. Schade et al. (2016) further explained that many attitudinal factors might influence consumer purchase intention for luxury products. First, one of the essential motives for driving people to engage in luxury consumption is enhancing the individual self (Sirgy, 1982; Kastanakis & Balabanis, 2014). Material possession often refers to acquire luxury goods can an extension of the individual self (Belk, 1988), and one way to distinguish oneself from others is to possess unique products (Snyder, 1977; 1992). Second, although luxury branded goods are considered to have the highest cost ratio, those goods are still appealing to consumers because the benefits of the product functions outshine the cost ratio (Zhan & He, 2012). Consumers own a luxury product for a utilitarian reason to enjoy the quality and durability of goods rather than the price tag of the goods (Tynan, McKechine & Chuon, 2010; Voss, Spangenberg, Gronhmann, 2003). Third, a luxury fashion brand can reflect individual beliefs and values (Giovannini et al., 2015). An individual who prefers to own subtle luxury fashion goods may want to convey their intrinsic value that they are not greedy. Little study has investigated how these attitudinal factors (e.g., uniqueness, utilitarian value, and brand self-congruency) influence Malaysian consumers' purchase intention of subtle luxury fashion goods. Therefore, this research intends to address the first questions by examining the impact of attitudinal factors on subtle luxury fashion goods' purchase intention.

According to Chung & Fischer (2001), the authors noted that the wealthy Hong Kong residents were devoted to conspicuous consumption in their homeland but less conspicuous consumption when they moved to Canada. That means an individual exposed to different cultures and social norms in one society may tend to conspicuous or inconspicuous luxury consumption behaviour. Other scholars have also identified the importance of social factors that may influence an individual luxury consumption pattern (Berger & Ward, 2010; McQuarrie, Miller & Philips, 2012). Besides, past research also found that people consume luxury products conspicuously or inconspicuously to gain respect and acceptance by the others with whom they are associated (Belk, 1985; Eastman, Goldsmith & Flynn, 1999; Berger & Ward, 2010). Therefore, individuals who have high self-concept and self-monitoring are sensitive to social image. They will buy subtle luxury products to gain respect and acceptance from the people they are hanging around (Snyder, 1974; Bian & Forsythe, 2012; Kapferer, 2010). Thus, this study wishes to examine the second research question, whether social factors influence Malaysian consumers’ purchase intention of subtle luxury fashion goods.

Additionally, a person buys subtle luxury fashion goods that may differentiate them from the masses, which might boost individual self-esteem. However, a lack of empirical research associates the social factors concerning consumers' purchase intention of subtle luxury fashion goods. Thus, this study's second research question will examine whether social factors (e.g., social norm, social role, self-concept, self-monitoring, and self-esteem) influence subtle luxury fashion goods' purchase intention.

Furthermore, luxury consumption activities may facilitate a positive emotion and experience in consumers' minds. Consumers buy subtle luxury fashion goods for a hedonic reason like sensory pleasure and gratification based on the product (Schade et al., 2016). Others buy subtle luxury fashion goods that avoid being labeled and associated as an individual who is materialistic (Belk, 1985; 2009) and likes to brag and show off one wealth to the masses (Veblen 1899/2003; Wang & Griskevicius, 2014). Based on Raid (2011), the author thinks that luxury fashion goods' producers should be focusing more on subtle, high quality, and craftsmanship of luxury fashion goods instead of conspicuous, loud, and non-subtle luxury fashion goods. Some consumers even feel guilty about being conspicuous (Belk, 2011; Berger & Ward, 2010). Thus, to avoid providing a negative impression and envy to others, an individual prefers to practice inconspicuous consumption behaviour (Belk, 2011; Eckhardt et al., 2015; Wilson et al., 2015). However, consumer pleasure and guilt will or will not affect their purchase intention of subtle luxury fashion goods that are poorly understood. Hence, this study's third research question investigates whether affective factors (e.g., consumer pleasure and consumer guilt) influence consumers' purchase intention of subtle luxury fashion goods.

Most of the past research studied the luxury consumption pattern until the purchase intention stage and without further investigated consumers' behaviour. In terms of behaviour construct, Kang et al. (2019) and Heckhausen (1987) highlight that the process transforms an individual from intention to the stage of actual action going through four different phases, namely pre-decisional phase, pre-actional phase, actional phase, and post-actional phase. This suggestion is known as a model of action phases (MAP). However, past studies have not treated behaviour in much detail. Thus, the fourth research question aims to fill the gap by understanding the relationship between consumers' purchase intention of subtle luxury fashion goods and the readiness to buy these luxury goods' behaviour.

According to Ajzen (2011), individual intents to purchase certain goods are proxy to the buying behaviour. There is an intention-behaviuor gap existing when consuming a product (Sutton, 1998). Harris and Hagger (2007) suggested that it is crucial to apply a moderator on the intention-behaviuor gap study due to the slight variance of the intention-behaviour relationship. In this case, an individual might have the intention to buy a luxury branded item. Still, that person is not ready to buy it due to some conditions and reasons such as lack of knowledge and financially unaffordable to buy those subtle luxury fashion goods.

Additionally, if a person has developed a habit regardless of whether they can financially support the luxury consumption behaviour or not, that person will have the high intention and eventually buy these luxury items even financially unaffordable (Belk, 1985; 2009). Hence, the facilitating conditions and habitual factors may moderate an individual purchase intention and readiness to buy behaviour of subtle luxury fashion goods. Therefore, the last two research questions concern the moderators' effect on the relationship between purchase intention and readiness to buy behaviour of subtle luxury fashion goods.

1.3 Preliminary Study

A preliminary study was conducted investigating inconspicuous consumption phenomena in Malaysia due to a lack of empirical study in this area. The purpose of conducting the initial study is to validate the problem statement and support the research objectives. The preliminary research is in the qualitative form intending to examine the factors (attitudinal, social, and affective) influence Malaysian consumers' purchase intention of luxury fashion goods. Open-ended structure questions and convenience sampling techniques were employed. The preliminary study open questions are included in Appendix A.

The preliminary interview took place at different cafés, schools, universities, and home interviews across Penang, Malaysia. The period of preliminary interviews was conducted from November to December 2019. The preliminary study's primary purpose is to obtain as much information as possible, contributing to the factors influencing Malaysian consumers' purchase intention of subtle luxury fashion goods. A total of twenty respondents agreed to participate in this preliminary study, and they are labeled as Respondent 1 to Respondent 20, respectively. They answered twelve open-ended questions. The first three questions are the filter questions to ensure the participants meet the requirement of being Malaysian who is 21 years old and above and has had experiences of buying luxury branded items before.

Inconspicuous consumption is still considered a new phenomenon (Eckhardt et al., 2015; Zhang, 2019), and Creswell (1998) recommended that 5-25 preliminary interview samples are sufficient for the qualitative approach. A preliminary interview was conducted with 20 respondents considered enough in this study. This preliminary interview aims to validate the problem statement and identify the key drivers that might influence Malaysian consumers' purchase intention of subtle luxury fashion goods. It is not trying to generalise the finding to all Malaysian.

Respondent 1 is a marketing executive. Due to his work's nature, Respondent 1 bought numerous luxury branded items to appear the right image in front of his clients. Respondents 2, 4, and 12 are working in the banking industry. Respondent 3, 7, 11, 15, and 19 are working as an educator. Respondents 5 and 13 graduated last year and now working in manufacturing. Respondent 6 and 16 are a manager in one of the multi-national companies. Respondent 8 is an administrator in the local company, and respondents 9, 17, and 21 are still studying in the local universities. Meanwhile, respondent 10 is a librarian, respondent 14 is an engineer, respondent 18 is a housewife, and respondent 20 works as a buyer. The respondents' age, gender, and occupation are summarised in Table 1.2.

Table 1.2: Summary of the Preliminary Interview Respondents' Gender, Age, and Occupation.

Participant	Age	Gender	Occupation
Respondent 1	30	Male	Marketing executive
Respondent 2	38	Female	Banker
Respondent 3	45	Female	Teacher
Respondent 4	39	Male	Banker
Respondent 5	23	Male	Planner and buyer
Respondent 6	60	Male	Logistic manager
Respondent 7	54	Female	Lecturer
Respondent 8	37	Female	Administrator
Respondent 9	22	Male	University's student
Respondent 10	35	Female	Librarian
Respondent 11	45	Male	University's dean
Respondent 12	39	Male	Banker
Respondent 13	23	Male	Planner and buyer
Respondent 14	50	Male	Engineer
Respondent 15	48	Female	Lecturer
Respondent 16	37	Female	Manager
Respondent 17	21	Female	University's student
Respondent 18	72	Female	Housewife
Respondent 19	40	Female	Lecturer
Respondent 20	37	Female	Buyer

1.3.1 Findings and Implication of the Preliminary Study

The preliminary study provided some critical information that the inconspicuous consumption phenomenon does exist in Malaysia. Most of the respondents did not seem aware of the subtle luxury fashion brands. In general, they consider buying subtle luxury fashion goods if they came across any luxury fashion brands that have subtle features on them. Although only 20 participants were interviewed in this study, the result indicated that Malaysian consumers prefer to buy subtle luxury fashion goods in general based on this preliminary study. The respondents' opinions are summarised in Table 1.3 based on the potential variables used in this study.

Table 1.3 Summary of the Preliminary Interview Respondents' Opinions

Potential Variable	Respondent	Respondents’ Opinions
Purchase Intention of subtle luxury fashion goods	2	"I bought a brand like Bottega Veneta online a few years ago. I bought a wallet three years ago, and I like the subtle design of this brand. I'll definitely rebuy this brand…".
	3	“I try to avoid wearing luxury fashion goods (finger pointed to loud luxury fashion item photo) and put up more makeup to work. I do not want to provoke negative judgments from my students. I'd rather buy this luxury fashion item (finger pointed to subtle luxury fashion item photo)…"
	16	"I did not know we have luxury fashion items that targeting subtle features. I would consider buying subtle luxury fashion branded goods when I go out shopping next time…".
Need For Uniqueness	6	"My wife and I love to shop at 'British India' in Gurney Plaza shopping mall because it has a unique design, and not many Malaysian buy this brand. British India is actually a Malaysian luxury brand. I'd spend money on luxury goods that are different and not many people choose. LV, Gucci, Hermes, they are not my choice at all because too many people own these brands…".
	18	"I used to attend a lot of charity parties, and I'm very particular if someone wears the same evening gown that I did and attends the same party, I would rather pay more to own a unique evening gown that no one has..".
Utilitarian Value	2	"When I first saw the wallet (Bottega Veneta) online, I already knew I was going to buy it. It is a handmade item, and the design look like the 'ketupat' (Bottega Veneta design symbolised the house's signature intrecciato woven leather), makes the goods look so sophisticated. I bought the wallet three years ago, and it is still looking like a new one; the quality of the item is superb…".
Brand Self-congruency	3	"I couldn't imagine myself buying this luxury brand item (finger pointed to conspicuous luxury fashion item photo)…".
	10	"I couldn't imagine myself wearing any LV brand items…".
	15	"I won't wear loud luxury fashion items. I dislike the brand that has a very huge and prominent logo like LV. I also dislike luxury fashion goods that have a very sharp colour in their print. I couldn't see myself wearing those loud luxury fashion goods. It wasn't me if I own one…".

Table 1.3 Summary of the Preliminary Interview Respondents' Opinions (continue)

Potential Variable	Respondent	Respondents’ Opinions
Perceived Knowledge	2	"Three years ago, I did not even aware of the existence of the Bottega Veneta brand. Normally, the luxury brands I know were LV, Chanel, Gucci, etc. When I first saw the Bottega Veneta wallet online, I loved the design and studied a little background about the brand. I realised that it is actually a luxury brand but using a low-profile marketing technique. The more I know about the brand, it increases my intention to own the product. Finally, I did buy the product…".
Descriptive Norm	3	"We're a conservative country; the society (Malaysia) might not widely accept us to wear too bright. I mean, if a person wore luxury branded items from head to toe. He or she would have been criticised for practicing conspicuous consumption…".
	19	"Normally I wear a luxury cloth or carry a handbag, I won't post a picture wearing or carrying those luxury brand on Facebook. I don't want my friend to know I own this brand. I dislike being labeled as conspicuous consumer…".
Social Role	3	"my family (refer to her husband and her son) share my fashion taste. We'll buy a brand (luxury) that only my family would know but not for everyone…".
	7	"I stay with my mom; we have a similar fashion style. My mom doesn't like to be noticed by everyone when coming to fashion, and conspicuous luxury brands like LV definitely won't be her fashion choice. My fashion taste influences by my mother…"
	15	"As a lecturer, I won't wear too conspicuous to work, I don't want to promote this behaviour to my students…".
Self-Concept	1	"I'm selling insurance, I constantly need to wear smart to show to my client how success I am…I buy luxury fashion items because I really need those goods to help me gain more sales..."
	12	"I know that I need to wear appropriately in front of my clients to gain their trust… I would go for a luxury fashion item because I want my clients to have a positive first impression when they first saw me…".

Table 1.3 Summary of the Preliminary Interview Respondents' Opinions (continue)

Potential Variable	Respondent	Respondents’ Opinions
Self-monitoring	4	"I need to meet my potential clients every day, I need to wear appropriately to present a good image in front of my clients. This is why I would go to the conspicuous brand because I want my clients to see how successful I'm…".
	7	"At my University, if you wear all branded items to work, you will look very weird to us. It is because, in my workplace, no one is wearing too conspicuous to work. It doesn't fit our culture. So far, I'm not really seeing anyone carrying an LV's bag to work…".
Self-esteem	2	"I carried this wallet to work and met my friends. I remember my co-workers and my friends asked me about my wallet. We talked about the wallet for an hour. Some of my friends also bought the same wallet. I felt like this wallet help me to gain friendship and enhancing my self-confidence…".
	6	"My wife and I love to shop at 'British India' in Gurney Plaza shopping mall because it has a unique design, and not many Malaysian buy this brand. British India is actually a Malaysian luxury brand…". Note: the respondent is actually wearing the brand that day.
Consumer Pleasure	2	"I'm delighted and excited about owning subtle luxury fashion goods. I'm satisfied because it has exceeded my expectation. Every time I see or touch the wallet, I have a feeling of joy and happiness. I do not know how to describe my feeling. I'm really excited just by looking at it…".
	6	" My wife and I love to shop at 'British India' in Gurney Plaza shopping mall because it has a unique design…".
Consumer Guilt	3	"if a person wore luxury branded items from head to toe. He or she would have been criticised for practicing conspicuous consumption…".
	7	"One of the reasons I won't consider buying conspicuous luxury branded goods is because I don't want to create envy, especially jealous people tend to be my peers and siblings. I know some of my friends and siblings are not afforded to buy these luxury goods. I feel uncomfortable and might have some guilt of showing off those luxury goods in front of them…".