The acculturation impact on luxury consumption motivations: a case of Chinese young consumers living in the UK

A thesis submitted for the degree of Doctor of Philosophy

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Abstract

Luxury products represent substantial worldwide sales; major markets of luxury products are no longer limited to Western countries, but have also expanded to Eastern "young generation" markets (Zhan and He, 2012). With a rapidly growing economy and globalisation, Chinese young consumers have become an important target for producers of luxury products. According to Wiedmann, Hennings, and Siebels (2009), consumption motivations are derived from values that are connected to cultural background. Nowadays, because Chinese consumers are more engaged with foreign societies, Western culture also produces significant influence on their preferences, motivation and behaviour (Zhan and He, 2012).

Although there is extant research which focuses on comparing cross-cultural influences on luxury consumption motivation of Western consumers and Eastern consumers, literature on luxury purchase motivation is only limited to a single country and scholars have ignored the influence of a foreign culture and acculturation on consumers (Beverland, 2004). This cultural study investigates (a) cultural orientation of Chinese young consumers living in the UK; (b) their current luxury consumption motivation; (c) a relationship between cultural orientation and luxury consumption motivation; and (d) if acculturation moderates the relationship.

An online questionnaire was used to collect data. This study chose two groups of Chinese young consumers living in London; group one focuses on consumers who have lived in London for less than one year; and group two concentrates on consumers who have been in London for more than five years. In total 488 valid respondents were collected on an official Facebook group named London Chinese Community. Structural equation modelling (SEM) was adapted in this study; findings provide a deeper insight of the acculturation influence on luxury consumption motivations of Chinese young consumers and provide significant implications for both theory and practice.

Acknowledgement

I am grateful to many individuals who have supported and helped me; this research would not have been completed without them.

First of all, I would like to thank my supervisor Dr. Maged Ali. I wish to acknowledge his endless support, invaluable ideas and advice throughout this research.

I also want to express my eternal acknowledgements to my parents for their invaluable encouragement, and unwavering psychological and financial support during the three years.

Finally, this thesis is dedicated to my parents.

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CHAPTER 1 INTRODUCTION

1.1 Research Background

Because of the economic downturn in many parts of the world, in traditional markets such as France, Italy and North America, luxury consumption has decreased. McKinsey and Company's report released that, in 2010 luxury sales within Europe were estimated to have plummeted to 8 percent and the US went down to 16 percent; even the biggest luxury market, Japan, has faced a drastic decline (McKinsey and Company, 2012). By contrast, McKinsey and Company (2015) pointed out that over recent decades, with the strong economic growth and global trade policies change, luxury consumption has still grown dramatically in China. McKinsey and Company (2015) reported that in December 2015, China accounted for about 20 percent of global luxury sales in 2015. According to new McKinsey research, by 2020 it will grow to 44 percent and will replace Japan to become the world's largest luxury market. According to trading economics (2017), disposable personal income in China increased to 33,616 CNY in 2016 from 31,195 CNY in 2015. The average disposable personal income in China was 8,701.82 CNY from 1978 until 2016, reaching an all time high of 33,616 CNY in 2016 and a record low of 343.40 CNY in 1978. In addition, because of the increased wealth, Chinese consumers' buying power has rapidly increased; the desire and demand for luxury products have expanded quickly; there have been a growing number of people who can afford luxury products in China (People's Daily, 2015).

In Western countries, the majority of luxury consumers are senior, which is contrasted with the Chinese market counterpart; Chinese customers aged 25-35 are the top spenders (China Daily, 2015). Also, People's Daily (2011) reported that the average age of Chinese consumers is 25 years younger than Americans and 15 years younger than Europeans. In fact, according to Lin and Wang (2011), luxury consumption motivation is heterogeneous across different generations. By focusing on a particular cohort, there are as many differences as similarities compared with others. Besides, the age group between 20 and 30 is the generation who grew up with the one child policy; they have become an important segment of luxury consumption (Atsmon et al., 2011). Therefore, it is worthwhile paying attention to this new group of wealthy consumers called China's "rich second generation" which has emerged in the luxury industry (McKinsey and Company, 2012). They have enough money to live in affluent surroundings, study abroad and purchase luxury products (McKinsey and Company, 2012). A distinct feature of these young consumers is that they are unique and more individualistic (Moor, 2005). Moreover, in modern history, because of the drastic economic and social environment changes experienced by young consumers, their lifestyle and consumption values are different even within the same cohort. There are various reasons to explain why young consumers purchase luxury products (Zhan and He, 2012). Due to the turbulent Chinese history, compared with the one-child policy generation the older generation lost their opportunities in education. As a result, parents project their dreams and hopes onto their children. In many wealthy families, parents push their children to study abroad. Their aims are not only to hope their children can have a highly educated background, but also to experience different cultures to broaden their horizons. As a result, this group of young Chinese start their lives afresh in foreign countries and are enthusiastic about purchasing luxury products (People's Daily, 2011).

A report released by People's Daily (2011) pointed out that 45 percent of Chinese consumers in the UK are between 18 to 34 years old; they spend 300 million pounds per year on luxury goods and in 2012 they were expected to spend 260 million pounds in London Luxury Quarter which is a new luxury shopping district promoted by New West End Co. In addition, the number of visas issued by the UK to Chinese visitors increased to 291,919 in 2013, which increased 39% in one year (People's Daily, 2015). According to McKinsey and Company (2015), the incomes of the typical Chinese middle class rose in 2015 by 5.2 percent, the first significant boost to middle-class pay.

With this in mind, many luxury companies have realised that their products need to catch young Chinese and make them target consumers. Because of this, luxury companies have tended to use new plans and strategies to attract Chinese young consumers living abroad. An increasing number of luxury brands have launched young series products to attract their attention. However, the current luxury consumption motivation is different from traditional luxury markets; it presents a significant challenge for luxury companies (McKinsey and Company, 2012). Therefore, the luxury consumption motivation of Chinese consumers, especially Chinese young consumers in the UK and factors which influence their motivations is a worthy topic to study.

General luxury consumption motivation of Chinese consumers is divided into conspicuous, snob and bandwagon; however, with China's development and Western cultures affiliation, consumer motivation may change (Zhan and He, 2012). According to Wiedmann, Hennings and Siebels (2009), consumption motivation is derived from value which is connected to culture; they also reported that only understanding luxury consumption in terms of common motivations is not sufficient; more research should give attention to Chinese young consumers' unique characteristics, individual cultural backgrounds and how these factors impact their motivations.

Culture is a nonrepresentational word to describe a group of people sharing a similar way of feeling, thinking and behaving (Thomas, 1997). According to Luna and Gupta (2001), human behaviour is influenced significantly by culture; in addition, people's behaviour usually reflects their culture value as well. For example, culture influences people's references, decision making, actions and world perception (McCort and Malhotra, 1993).

In a business context, culture might influence individuals' consumption cognition and consumer behaviour in different ways (Luna and Gupta, 2001). Moreover, cultural orientation of consumers also influences consumption motivation (Nicholls et al., 2003). Empirical research by Phau and Prendergast (2000) and Wong and Ahuvia (1998) pointed out that luxury consumption motivation is different between collectivist culture and individualist culture. More specifically, Triandis (1995) indicated that while individualistic and collectivistic cultures are different, in addition, he stated that both collectivism and individualism can be categorised into horizontal or vertical cultures. In horizontal cultures, people believe they are more or less similar or equal to others. However, people in a vertical society recognise themselves as radically different from others. People who have a high vertical dimension value accept inequalities and hierarchy within their society; conversely people who live in a horizontal culture emphasise equality and think everyone has equal status, rights and obligations. Thus, purchasing motivation of consumers in the same cultural society may be different and diverse. Nowadays, because Chinese consumers know more about foreign society, Western culture also produces significant influence on them.

Similar to culture, acculturation also has been defined in many ways within different disciplines. One of the mostly cited definitions of acculturation is defined as culture change that is initiated by the conjunction of two or more autonomous cultural systems (Berry, 1997).

There are several factors that can impact acculturation such as social norms, structure of a society, being in touch with people with different cultural backgrounds, overseas advertisement, travelling and life experience. In addition, consumer acculturation is a sub-level acculturation which can be explained as a socialisation process which includes acceptance of prescribed ways to communicate, use of media, and consumption (Laroche and Cleveland, 1997). It refers to how immigrants learn motivations, behaviours, values and attitudes which relate to consumption from the host culture and integrate them with their original or minority culture. Indeed, consumers' purchasing motivations are impacted through the acculturation process (Berry, 1997).

Moreover, Berry (1997) and Wong and Ahuvia (1998) emphasised that acculturation impacts consumers' cultural orientation which leads to changes in purchasing motivations, perceived values and beliefs with regard to luxury products. Even for the same product, consumers in different countries may not buy it for the same reason. Although Chinese young consumers desire luxury goods, their motivation varies greatly due to different background, variance cultural impact, acculturation level, life experience and education. Because cultural orientation is varied, motivation of purchasing luxury products may differ (Berry, 1997).

1.2 Research Problem

Although there are several extant researches focusing on comparing cross-cultural influence on luxury consumption motivation of Western consumers and Eastern consumers, literature on luxury purchase motivations is only limited to a single country and scholars have ignored the influence of foreign culture and acculturation on consumers (Beverland, 2004; Dubois and Duquesne, 1993; Vickers and Renand, 2003; Vigneron and Johnson, 1999). Moreover, so far, the majority of research on Asian acculturation has concentrated on the influence of acculturation with regard to media consumption (Lee and Tse, 1994), decision-making processes of consumers (Quester, Karunaratna and Chong, 2000), transformation of advertisement preferences and information system and online consumer behaviour (Khairullah, 1995). There is little literature that focuses on the influence of acculturation on Asian consumers related to luxury products.

As a consequence, when researchers attempt to investigate and explain the cultural influence on motivations of Chinese young consumers, findings may be not sufficient. This will lead to luxury companies ignoring the diversity and complexity of consumers' consumption motivations and will keep market characteristics and accommodate demands at a macro level. For example, companies may use the same Western countries' market plans for Chinese consumers. Similarly, few researchers describe young general consumers' motivations in the context of luxury consumption. Therefore, marketing strategies of luxury companies targeting Chinese young consumers may be insufficient. In order to improve sales in the Chinese young consumers' market, luxury companies should consider and understand the diversity of cultural background, acculturation level and tailor adaptable strategies.

Furthermore, despite Chinese young consumers becoming more significant, research is insufficient on their purchasing motivations regarding luxury products. According to Xiao (2005), there are three main factors that may lead to a lack of research.

The first one is in the luxury industry; some practitioners insist "the golden rule" for success is to be consistent, elegant and effective. They imagine what consumers want instead of asking them what they really want. Most luxury brand companies do not investigate if consumers' purchasing motivation changes and what is happening in the current luxury market (Dubois and Duquesne, 1993).

Secondly, some researchers believe that luxury consumption motivations are homogeneous in one cultural society; they have been overlooked even in one country. Purchasing motivation may be influenced by many factors such as family, background, education, experience, geographic distance and imbalanced development of different cities, and this will lead to different luxury purchasing motivations.

The final reason is that researchers and luxury companies have only noticed the drastic increase of Chinese young consumers recently (People's Daily, 2015); hence, valid data and extant research are limited in luxury markets.

Above all, there is great value in understanding young consumers' consumption motivations, not only the common traits and differences regarding luxury products, but also the cultural and acculturation influences on them. This study focuses on developing an analytical framework to understand existing scholars' research of purchasing motivations regarding the luxury industry of Chinese consumers living in Western countries. Moreover, valid data and meaningful understanding of luxury consumption motivation and influence by culture with regard to distinct groups of Chinese young consumers will be offered. Meanwhile, by understanding acculturation to purchasing motivation, this study will provide useful suggestions to luxury companies who have erroneous knowledge about young Chinese consumers' diversified cultural backgrounds and helping them to improve marketing strategies to be more suitable for Chinese young consumers.

1.3 Research Aim and Objectives

The purpose of the study is to understand current consumption motivations of Chinese young consumers who are used to purchasing luxury brands, and to find out reasons for and features of the rapid growth of luxury goods consumption. Furthermore, this research aims to probe how cultural orientation affects luxury consumption motivation and the acculturating impact on the relationship between cultural orientation and luxury consumption motivation of Chinese young consumers living in the UK.

The objectives of this research are:

- To analyse the current cultural orientation of Chinese young consumers living in the UK.
- To analyse the current motivations for young consumers to purchase luxury products.
- To understand how cultural orientation impacts luxury consumption motivation of Chinese young consumers.
- To investigate if the acculturation process moderates the relationship between cultural orientation and luxury consumption motivation of Chinese young consumers living in the UK.

1.4 Research Scope

This research aims to investigate how acculturation influences Chinese young consumers' luxury consumption motivation. The study starts with analysing and evaluating existing research that relates to luxury consumption motivation. As mentioned before, People's Daily (2011) pointed out that 45 percent of Chinese consumers in the UK are between 18 to 34 years old; therefore, this age group became the target population of this study. This study focuses on the top 30 luxury brands products. As the target customers of these brands include both male and female, gender is not considered during the sampling choosing stage. Another step for studying the cultural effect on Chinese young consumers would include participants living in the UK for less than one year and more than five years. Bell (1998) explained that immigrants' cultural values and norms may differ and some of them have changed after 5 years living in the dominated countries, caused by the culture, information and so on which have caused them to make adjustments to their lifestyle. In addition, according to People's Daily (2011) Chinese immigrants have become one of the most rapidly growing national groups in the UK. Therefore, this research focuses on social consumption motivation and quality assurance motivation of Chinese young consumers who currently have been living in the UK for more than five years, to understand how their cultural orientation and British culture impact their luxury consumption motivation. The participants from these two groups may hold different cultural characteristics. The central focus is to understand the differences and similarities of luxury consumption motivation affected by Chinese culture and British culture and how acculturation impacts them.

1.5 Research Methodology

A multi-sectional, quantitative online survey approach was used to collect data for this study, divided into two groups according to the duration of living in the UK (group one less than one year and group two more than five years). In total 488 Chinese young consumers living in the UK have been chosen. The respondents can be found in an official Facebook group named London Chinese Community. Based on the literature, the items of the questionnaire were developed to measure five constructs which include basic luxury consumption information, demographic information, consumers' cultural orientation, luxury consumption motivations and the acculturation process. The seven point Likert scale was used to measure the items of cultural orientation and luxury consumption motivations. A cultural life style index (CLSI) survey was used to test the acculturation process of participants and it was validated by using a test-retest technique. All items were adapted and modified from citation and tested scales. The structural equation modelling (SEM) and multi-group analysis techniques were used to examine the research hypotheses.

1.6 Research Contributions

The primary goal of this study is to examine whether luxury consumption motivation of young Chinese consumers has changed due to the impact of acculturation, and then evaluate how cultural orientation influences their intentions to purchase luxury brands, with the aim of developing a framework for analysing and explaining consumer motivation regarding luxury goods within a specific cultural context.

1.7 Outline of the Thesis

This thesis is structured over 7 chapters and reflects the developing nature of the study.

The first chapter provides an introduction into the background and significance of the study, and distinguishes the aim and objectives. It concludes with this review of the structure of the thesis.

Chapter Two is a Literature Review chapter which provides a multidisciplinary analytical review of theories and approaches in the four research areas where this study is based. Firstly, different definitions of luxury goods are discussed; then, luxury goods are divided into different categories. Thirdly, there are some existing theories of purchasing motivation of luxury goods including both Western countries and China. Additionally, research studies related to the effect of culture on luxury consumption motivations are analysed in order to differentiate this research from similar studies. The chapter highlights gaps and limitations in the field relating to the scope of this research.

Based on the existing and relevant theoretical frameworks, Chapter Three provides the conceptual model and explains the underlying dimensions and relationship of the acculturation impact and luxury consumption motivation among Chinese young female consumers living in the UK. In addition, research hypotheses are developed.

Chapter Four puts forward the research approach and methodology to be used in the empirical research. This chapter discusses and justifies the research philosophy and data gathering techniques chosen at various research stages such as the cultural study approach, the sampling technique, the conceptualisation, operationalisation and measurement scale of the research constructs. All measurements of constructs in this research were drawn from well-known literature. The selection of web-sites, participants, tasks, the experiential survey design and procedures, as well as the piloting phase, are also discussed. Online questionnaires were conducted as a method of data collection.

Chapter Five: this data analysis and results chapter provides an in-depth analysis of the empirical assessment of the research model. The chapter provides tests for validity and reliability of the measures and presents the statistical analysis of each hypothesis of the research model. In this chapter, the results in terms of interpretation of each hypothesis, linking findings with previous work in the field, are discussed. In addition, this chapter also discusses the exploratory findings in line with the literature review, leading to the identification of the research constructs, generation of the research hypotheses and design of the research hypothetical model.

In Chapter Six, the results and discussion of the research are presented. The chapter provides an overview of this research by highlighting the main arguments.

Chapter Seven demonstrates a conclusion of the results, implications and discussion of the research presented in this thesis. More specifically, this chapter introduces an overview of this study and highlights the main conclusions. Then, research contributions related to theory, methodology and practice are discussed. This is followed by the research limitations and further research directions. Lastly, a summary of the chapter is provided.

CHAPTER 2 LITERATURE REVIEW

2.1 Introduction

As an increasing number of Chinese immigrants are choosing to live abroad, there are new development opportunities for luxury companies and significant questions being raised relating to references and the perception of consumers who have diverse cultural backgrounds. However, in previous literature, research about various cultural effects on luxury consumption motivations of consumers who come from the same country have been neglected (Beverland, 2004; Dubois and Duquesne, 1993; Vickers and Renand, 2003; Vigneron and Johnson, 1999).

Based on the lack of previous studies about the cultural impact on luxury consumption motivations which was introduced in Chapter One, Chapter Two includes an analysis of established culture and consumption motivations theories, along with current research in the luxury market. Specifically, this chapter provides a literature review of three main areas of research which are luxury consumption motivations, cultural orientation and the acculturation process.

Firstly, this chapter starts with an overview of luxury products and the luxury market. Secondly, research relating to luxury consumption motivations of both Western consumers and Chinese consumers is discussed to achieve an evolutional and comprehensive theoretical review. Following this, literature on culture and acculturation is reviewed. For example, this section provides an overview of cultural models, cultural dimensions to compare differences and similarities between two countries and acculturation models. Fourthly, as a multidimensional system, cultural orientation and acculturation affecting consumption motivations regarding luxury products are reviewed. During this, the role of cultural variables and acculturation effects will be highlighted. Furthermore, by reviewing the literature, based on the research problem, a theoretical foundation can be established to build and propose research hypotheses.

The purpose of this chapter is to link this study to existing research and offer the background models, theories and approaches that will be useful to this research in following chapters. In the last part of this chapter, the shortage of existing literature is identified. The final part of this chapter ends with identifying research gaps which exist in the current literature.

2.2 Definitions of Luxury Products

As the luxury industry has increased dramatically during the last few years, luxury products can be found in many places and a growing number of brands want to launch their luxury products line. In order to understand the luxury market well, the meaning of luxury should first be known; in other words, the definition of luxury products should be identified. In addition, the question should be asked, why are consumers willing to spend much more money to purchase luxury items? Unfortunately, as the word “luxury” is subjective and there is not an objective and clear meaning, it is difficult to understand. According to Wiedmann, Hennings and Siebels (2009), there are many different forms of luxury definition and it is defined by the consumer’s experience and mood.

According to the Oxford Latin Dictionary the word “luxury" comes from the Latin word "luxus", which means over-indulgence, extravagant living, sumptuousness, opulence and luxuriousness. Luxury-society.com (2011) stated that from the beginning of civilisation, luxury has existed in many different forms. In old Western and Eastern countries, luxury products were very important in royal lives and high level class societies. Their use was limited to the elite classes. Its definition is very clear; luxury means poor people cannot have. It only belongs to the elite (luxury society.com, 2011).

With the development of society and the economy, defining luxury goods is difficult; different research fields give definitions of luxury goods from their own views (Dubois and Duquesne, 1993; Vigneron and Johnson, 1999). Based on academic literature, definitions of luxury goods come from a variety of disciplines, for example, history, sociology, economics and marketing (Berry, 1997; Leibenstein, 1950; Veblen, 1934; Bourdieu, 1984).

According to Shukla (2010), focusing on the dictionary definition of luxury goods, the Cambridge Dictionary, Webster Dictionary and Oxford Advanced Learners Dictionary interpreted luxury goods as expensive and non-essential items which can increase people’s comfort and pleasure.

The generalised definition of luxury goods refers to special goods which have a much higher experience value, including price, quality and brand, than use value. It is an independent and new field that has no previous impact from history, sociology, economics and marketing. Although luxury goods are extremely expensive, their prices still follow the law of value. Furthermore, based on brand value, the definition of luxury goods refers to goods with a high ratio of buying value and brand image. The function of luxury goods is to satisfy consumers’ needs and experience instead of transferring value.

From a historical point of view, Bailey stated that "each good needs to make people believe it is a kind of hedonism before becoming a desired luxury. The requisite connection with luxury and hedonism explains why luxury is enjoyed" (Bailey, 2005).

The definition of luxury pointed out by Sekora (1977) is “anything unneeded”. However, from a sociological view, luxury goods are necessary and dynamic, and can imply identity, status and superior rights (Berry, 1997). Berry (1997) said the main feature of luxury is a symbol of status. In addition, luxury has to be defined as goods which do not belong to daily life and development needs, but with unique and rare features. It is also known as non-necessities (Dubois and Duquesene, 1993).

Murphy and Enis (1986) pointed out, from an economic point of view, that luxury goods contrast to necessity goods. According to Cyclical Versus Non-Cyclical Stocks (2009), necessary goods are basic goods that people need every day and cannot live without, such as water, gas, power and food. In addition, economists describe the concept above by using an income elasticity of demand (EM) tool; they define luxury goods as those which increase in demand proportionally more than income rises, and it means luxury goods have high income elasticity of demand. For example, when 1>EM>0, the good belongs to necessary goods. However, when EM>1，the necessary one turns into an unnecessary good which includes luxury goods. On the other hand, demand of luxury goods has no direct relationship with income; most of the time its demand increases much more quickly than income rises. On the other hand, because income is not a sufficient condition to explain consumption, the purchase of luxury goods is not only determined by economic factors (Dubois and Duquesne, 1993).

However, many researchers have had an opposing opinion to the economic definition of luxury goods; they have thought and argued that luxury goods are necessary. Sombart (1913) classified luxury into quantity goods and quality goods; he noted that capitalism is a significant stimulus of industry development and luxury consumption can promote it. Ludwig von Mises (1980) pointed out that, according to liberalism, luxury is indispensible and necessary. Future more he also explained that luxury products are developing the rule of economy and productivity development (Ludwig von Mises, 1980). Luxury did not discard its negative meaning until the 20th century.

However, the criteria for defining luxury goods by economists have not been acceptable to marketing practitioners and researchers. ‘Luxury’ is used in different ways by marketing academics. Nowadays, although marketers commonly and currently use the word ‘luxury’ to describe a high level service or product to provide a particular offer to consumers and persuade them buy it (Dubois and Laurent, 1993), Hauck and Stanforth (2007) pointed out that a product may be a necessity for one person but a luxury for another. The concept of luxury goods also varies according to different societies (Kemp, 1998). As a result, it is difficult to find a universal definition of luxury goods in marketing. In order to develop a definition of luxury goods in the marketing field, researchers have made great effort and have criticised the lack of research (Beverland, 2004; Dubois and Laurent, 1993; Vickers and Renand, 2003).

For instance, Quelch (1987) proposed that luxury goods not only deliver tangible but also intangible meaning to consumers to satisfy their material and symbolic needs.

Luxury goods are the kind of goods which have a low ratio of functional utility to price and a high ratio of intangible and situational utility to price. Vigneron and Johnson (1999) define luxury as top level prestige brands and as it is subjective, thus, according to consumers' relationship with luxury consumption, they define luxury goods from their own understanding. Dubois, Laurent and Czellar (2005) thought 'prestige' comes from unique accomplishment, whereas the word 'luxury' should be merely treated as 'self-indulgence'.

In addition, Phau and Prendergast (2000) noted that the perception of luxury goods is either subjective or objective; indeed there are two different definitions of luxury which are 'old luxury' and 'new luxury'. The former focuses on the product itself and is defined by producers, while the latter one is related to experience and defined by consumers. They listed five necessary factors related to luxury goods which are well-known brand identity, exclusivity, high brand awareness and perceived quality, customer loyalty and retaining sales levels. Moreover, Seringhaus (2005) proposed that luxury brands should combine three kinds of emotions, which are congruity with self-concept, personality and relationship between these two emotions reflected in brand identity. Some researchers define luxury goods by comparing characteristics between luxury goods and mass consumption goods.

Riley and Lacroix (2003) proposed a variety of features to distinguish luxury goods (e.g. Chanel fragrance) from fast moving consumer goods (e.g. Dove soap). According to Riley and Lacroix (2003), target of luxury goods is niche market segments and has exclusive distribution. Consumers of luxury products are influenced by status and prestige when they make a purchase decision. Even more, after-sale and customer service of luxury goods are crucial and the success of luxury brands mainly arises from heritage and craftsmanship. On the other hand, the target market of fast moving consumer goods is mass market. Consumers normally and preferentially consider function and price when buying mass goods. In addition, the relationship between mass goods and consumers usually focuses on the point of sale and expresses the latest technology which is significant for mass goods. These different characteristics provide useful clues to identify luxury goods. However, Ainamo and Djelic (1999) stated that to define luxury goods based on characteristics may be outdated and inadequate because the features of luxury goods keep changing and evolving over time.

Besides, Beverland (2004) pointed out that these definitions of luxury goods only scratch the surface of marketing meaning; they do not provide empirical measurement. In order to improve the empirical definition of luxury goods, marketing researchers attempt to apply multidimensional models to achieve the goal (Dubois and Duquesne, 1993; Vickers and Renand, 2003; Wiedmann et al., 2009). Based on previous literature, Vickers and Renand (2003) suggested a three-dimensional model to classify luxury and non-luxury goods which includes experiential symbolic dimension, interactional symbolic dimension and functional symbolic dimension. Because the former two dimensions provide emotional pleasure, self-enhancement and cognitive simulation, so Vickers and Renand (2003) emphasised that luxury goods are more important to social and personal identity, and belong to experiential and interactional symbolic dimensions; however, non-luxury goods belong to the functional symbolic dimension.

Tsai, Yang and Liu (2013) pointed out that although a common definition of luxury products does not exist in the marketing literature so far, this literature shows an agreement that luxury products provide both private and social value and function. Specifically, apart from any functional utility, luxury products are viewed as symbols of personal and social identity, and consumer behaviour regarding luxury products is the result of motives of personal expression and sociability (Vigneron and Johnson, 2004). Therefore, research on consumer luxury consumption motivations should be conducted under the assumption that consumers can obtain both personal experience value and social function by purchasing luxury goods (Tsai, Yang and Liu, 2013).

2.3 General Features of Luxury Goods

When scholars or practitioners conduct research on luxury goods or consumers think about these goods, some particular features will come to mind. For example, luxury products such as Hermes handbags, Cartier jewellery and Rolex watches have common features which are high price, aesthetic design, reputation, superb quality, heritage, exclusivity, inaccessibility, desirability and reflection of personality (Dubois and Duquesne, 1993; Nueno and Quelch, 1998).

Above all, many researchers and practitioners have conducted studies into luxury products. Based on their researches, luxury goods basically have the following features:

Luxury is a changing, relative and developing concept. For instance, the cognition of luxury goods is related to the preferences and income of consumers. Besides, the concept of luxury goods is evolutional over time. A product is seen as a luxury good now; however, it may turn into an ordinary commodity in the future. Moreover, luxury products have high income elasticity of demand and price elasticity of demand. Luxury brands are needed limitedly but known widely. There is no direct relationship between recognition and demand of luxury goods. Consumers can only purchase luxury goods when they are affordable and other factors allowable. Luxury goods are scarce and limited in supply. There are two parts of experience value which are artificial scarcity and natural scarcity. In order to keep the experience value at a high level, suppliers maintain limited supply of their luxury products. The price of luxury products is also extremely high and stable. Due to the scarcity of luxury goods, their faith of price is “no discount".

Therefore, based on many presentations and definitions of luxury goods, the key factors and identifiers adopted in this study are expensive, premium quality and unnecessary products and services that are exclusive, scarce, aesthetic, extraordinary, prestigious, provide high levels of emotional value and are symbolic through consumers’ experiences. As a short conclusion, there are some key perspectives related to evidence of luxury goods’ definitions which are symbolism, functionalism, psychologism and experientialism, and these are related to affluence.

2.4 Categories of Luxury Goods

According to a report from Euro monitor, luxury products were divided into the following four segments: traditional luxury products, true luxury products, modern luxury living products and life's little luxury products. Perez, Camilo and Baklanova (2008) pointed out that traditional luxury products mainly include jewellery and fashion, fragrances, premium champagne and spirits. However, true luxury products are only for ultra-rich customers, for example, private jets, limited edition cars, haute couture etc. Consumers of true luxury products no longer consider money and price; they pay more attention to exclusivity. Modern luxury living products are becoming popular recently to provide appeal and status, for example, luxury technology, luxury service and experiences, online luxury consumption and high level travel. In addition, life's little luxury products means the kind of luxury products that have been designed and developed for mass market; their prices are affordable such as dresses, shoes, accessories and body care products.

Besides, according to size, they can be divided into large pieces and small pieces of luxury such as accessories, clothes, cars and houses (Zhan and He, 2012).

According to different entities, luxury goods can be divided into tangible and intangible goods. For example, tangible luxury goods include watches, clothes and handbags, whereas intangible luxury goods include some VIP experiences of travelling; according to different objects, luxury goods can be divided into public and private luxury (Zhan and He, 2012).

According to the different prices, luxury goods can be divided into entry-level luxury, mid-level luxury and top-level luxury (Nueno and Quelch, 1998). Entry-level luxury market penetration is high, and they have more customers compared with high-level luxury goods. Their price is higher than other goods with the same effect of general merchandise, such as perfume, clothing and leather goods. In addition, intermediate-level luxury goods have lower market penetration, face a relatively small number of consumers and have higher prices, such as high-end jewellery, cars and watches. Finally, prices of top luxury goods are definitely high and only status to a very limited number of people who are able to afford these goods, such as luxury villas, yachts and aircraft.

2.5 Luxury Market

Similar to the global economy, the luxury market has changed rapidly. From the19th century, target consumers for luxury businesses and companies were elite, mighty and superior rich people. However, from the 20th century, these companies changed their target to all people who can afford luxury goods (Franzen and Bouwman, 2001). According to the worldwide luxury market report of Bain and Company (2016), in 2012, the luxury market defied global turmoil, expanded to new markets and their sales volume grew seven percent. Indeed, in the current world, the business of luxury products has become one of the fastest-growing business segments and it is not limited to any segment and country but has expanded all around the world especially in emerging countries. Bain and Company (2014) pointed out that in the Chinese market, the number of global luxury consumers has increased from 90 million in 1995 to 330 million in 2013 and it has more than tripled over the past 20 years. Franzen and Bouwman (2001) pointed out that marketers and companies of the luxury business pay more attention to the increase of new and available goods to markets around the world. In the meantime, in order to tap into the interests of new affluent classes' consumers in emerging economic societies, many luxury companies launched flagship stores and outlet stores in these countries (Chevalier and Mazzalovo, 2008). Now, not only existing luxury companies are catching up on the trend of luxury consumption, but also other global brands intend to extend their new products to the luxury segment.

Since 2006, the World Brand Lab (WBL) has published "the World Top 100 Luxury Brands" each year. One interesting thing is that the top 30 luxury brands have always been changing; however, the other 70 brands have kept in stable positions. There are also other features found in this list. For example, firstly, apart from yacht and automobile companies in the global luxury market, other luxury companies are producing several kinds of products instead of only focusing on one or two. The enjoyable products including wine, champagne and other liquors obtain the largest market share which is 41%; other products like cosmetics and perfume take 16% of the market share; luxury clothes are lower than expectations, occupying 11% and watches and jewellery take 21%. Secondly, the luxury products are more divers; these luxury companies expand and launch their new products to different industries. The third feature is luxury brands are distributed regionally. In the top 100 list, 3 brands are from Japan, 23 brands are from France and 71 brands come from other European countries (World Brand Lab, 2012).

A report by McKinsey and Company (2017) claimed that developed countries still dominate the personal luxury market. However, because of the economic recession, demand of luxury products by these consumers has reduced. In the meantime, rising middle classes in emerging economies have taken over the luxury market. In 2016, sales of luxury products had already reached $302 billion worldwide, up 4.0 percent from 2011. Customers from developing countries snap up designer handbags, clothes, jewellery, watches, fine wine, champagne and spirits (McKinsey and Company, 2017).

China Daily (2017) reported that due to rising prices and mounting insecurity over jobs and pensions, demand for luxury products has been lacklustre in 2016 in both Western and Japanese markets. Focusing on emerging luxury markets, consumption power was led by the BRIC grouping including Brazil, Russia, India and China which make up for the shortfall. In later 2017, the BRIC countries will account for 11 percent of the total luxury sales with a combined retail value of over $33 billion, up from only 4.0 percent in 2007. This is forecast to rise to $59 billion, or 16 percent of global sales, by 2018 (China Daily, 2017).

McKinsey and Company (2017) further reported that, although currently Japan is the second largest market for luxury products, its market share has been shrinking as the country faces huge economic problems (China Daily, 2017). While benefitting from a fast-growing middle class and a fast-developing luxury distribution network, sales of luxury products of Chinese customers have consistently outperformed the global market. The importance of the Chinese luxury market has soared in recent years; signs have emerged of demand growth easing.

2.5.1 European Luxury Market

European countries have a long, noble history of civilisation. They are the original and leading markets of luxury goods, especially France. European aristocrats had already begun to use luxury silver tableware even before the independence of the USA. Although early luxury consumption was treated as corruption, it was still treated as a symbol of style and attitude, and impacted the later development of luxury consumption. Original luxury brands from Europe have been regarded as classic and typical luxury products until now.

In ancient times, luxury products did not derive from Europe. Actually, they were imported from old Eastern countries. Eastern countries have long mysterious histories; royal and noble members were extremely wealthy and luxury products became a necessity in their lives. In the list of the Top 100 luxury brands in 2008, over 71 brands had more than 50 years history and among them, 23 brands had a history of even more than 150 years (World Brand Lab, 2012).

Nowadays, typical European luxury brands still focus on the minority and noble elite. However, because luxury products are classified into typical and new luxury, European typical luxury brands are influenced by new luxury brands and are gradually losing their customers. In order to prevent this situation getting worse, European luxury companies have transferred their main products from noble luxury goods to democratic luxury goods. It shows new attitudes of luxury consumption and makes consumers become more mature. For example, their love and desire for luxury products is less conspicuous and more personal.

2.5.2 Asian Luxury Market

According to Campbell (1987) and McCracken (1988), from a historical view, consumption can bring happiness and enjoyment to people, and this theory firstly appeared in Western countries. Nowadays, because the economy has increased in a large number of cultures around the world, upper economic classes of people have become wealthier than before (Belk, 1985). As a result, many consumers are able to purchase luxury brands and enter the luxury market. According to Bain and Company (2014), luxury consumption in Asian countries such as China, Japan, Korea and Southeast Asia has accounted for more than 50% worldwide. In addition, the strategy of luxury brands such as Chanel, Gucci and Louis Vuitton is to conceptualise their products as a part of Western style materialism to attract consumers from Eastern countries. Brannen (1992) said that as a vast number of Western products have been imported to Japan it makes many Japanese people assume that Western consumption values have been brought along with these products. Besides, consumers from Asian and Western countries buy the same products, although they may have different reasons. According to Brannen (1992), products can be copied or moved easily, but the contents and meanings of them are difficult to transfer among different cultures.

2.5.3 Luxury Market in China

According to Capgemini and Merrill's report 'World Wealth Report' (2013), the number of 'High Net Worth Individuals' (HNWI) has been continuously growing. Asia-Pacific and North America, the two largest HNWI regions still drove global growth and expanded 9.4% and 11.5% in the HNWI population, as well as 12.2% and 11.7% in wealth. However, Asia-Pacific is the fastest major growing market of HNWI countries and expected to outpace North America in the future. More specifically, the report forecasted that by 2015 HNWI wealth will grow by 6.5% to 5.8 trillion US dollars annually, and it is mainly driven by growth in the Asia-Pacific region. In 2012, growth of HNWI numbers in China increased 14.3% and became the fastest growth rate in the world.

The purchasing power of Chinese consumers has had a high shock impact all around the world. It breaks many rules in the luxury market. According to the analysis of

Matsuyama (2002), demand of luxury consumption starts when GDP reaches 1000 dollars. When this number reaches 2000 dollars, luxury demand grows rapidly. Moreover, when GDP per capita increases close to 3000 dollars, development of luxury consumption has been comprehensive. Based on the economic rule of GDP and luxury consumption, the relationship between them should be that the latter one has twice the growth rate of the former one. Nevertheless, this GDP constraint is not suitable for the Chinese luxury growth rate. For example, according to Global Times (2012), brand director of BMW, Dr Auslan, showed that the growth rate of sales in China is 42% and it has already surpassed Japan. The growth rate of LV in China is 50%. This data shows that the luxury consumption growth rate in China is far from the world average which is 8% to 10%.

A number calculated by the Bain and Company (2014), 155.6 billion Chinese Yuan, was taken away from China for luxury purchases, and the average growth number of luxury consumption is 20% per year since 2000. Moreover, in 2012, luxury consumption in China has already outpaced the United States and Japan, becoming the largest luxury market (Bain and Company, 2014). Including consumption abroad, in 2012, Chinese consumers accounted for more than 20% of global luxury sales. There are about 250 million new middle class consumers rising up in China. They not only have enough economic ability to purchase luxury products but also desire to obtain them. In 2013, luxury consumption of Chinese consumers had increased over 25% compared with the previous year (Bain and Company, 2014).

News from China Daily reported that the most expensive Rolls-Royce car in 2006 and Bugatti Veyron car in 2008 were both bought by Chinese consumers. However, because of an unstable global economy and financial crisis, it is hard to predict future situations and opportunities of businesses especially in Western countries. The report of Bain and Company stated that, in 2008, the global sales volume of luxury products was 15.3 billion Euros and its growth rate reduced by 8%. The sales of typical luxury markets such as the USA, European countries and Japan have all decreased due to the financial crisis. But China escaped economic pain and its economy has been continually growing even after the global financial crisis. The reasons are that Chinese consumers' investments are mainly based in estate and global demand recovered after 2012.

Bain and Company (2014) estimated that, by 2030, China will share one-third of the world's GDP growth 32% of the global market and acquire the top position of the world. The Chinese luxury market shared 29% of the global luxury market, which equalled a four percentage point rise in 2013 and still remains in the highest position of luxury buyers.

According to China Daily (2017), China has become the world's second biggest market for luxury goods after the United States in five years, overtaking France, Britain, Italy and Japan. Chinese customers make from 30 percent to 50 percent of the luxury purchases all around the world. In addition, Bain & Company (2017) estimated that although their share of the global luxury market increased by one percent in 2016, they are still one of the most important target consumers for the global luxury industry, and will continue to be as the upper-middle class rises across the country in the coming year.

According to China Daily (2016), because of the new Chinese tariff policies, some brands lowering their China prices, and a devalued yuan, many goods still cost more in China than elsewhere, and Chinese customers are very aware and pay attention to price changes and global currency fluctuations. When the pound plunged because of the Brexit vote this year, Chinese customers flocked into the UK to take over the lower-priced luxury products market, while their currency-driven "explosive shopping" in Japan calmed when the yen rose in value.

Moreover, because Chinese government formulated many economic policies to improve and stimulate the economy, the Chinese economy recovered more easily than Western countries after the financial crisis. As a conclusion, all the data shows that the Chinese economy will continually grow, Chinese luxury consumption is booming and China is still one of the most important luxury markets in the world, while Europe and the USA are giving way. It shows a bright future for the Chinese market for luxury companies.

In current days, because the volume of sales of luxury products occupies a large scale in the Chinese market, if luxury companies want to maintain their strong power and winning position in the world, they have to perform well in the Chinese market. In addition, due to there being a large number of wealthy Chinese consumers, they can obtain a superior share of the Chinese market, sustain their brand image and have strong power to compete with counterparts (Chadha and Husband, 2006). In addition, there are some challenges which luxury goods companies have to face, such as demographic diversity, disparities in purchasing power and cultural differences (Cui and Liu, 2000). According to Wong and Ahuvia (1998), consumers from different cultures may purchase the same luxury products for different reasons.

Dubois et al. (2005) did an investigation to analyse attitudes of luxury consumption in twenty countries. He found that in 19 individualist countries respondents had a common definition of luxury products. However, in China, which is a typical collectivist country, the respondents had a different definition. Therefore, Chinese consumers may be very different from their counterparts in Western luxury markets. And to understand Chinese luxury consumption motivation in the context of culture is a significant and worthy phenomenon to investigate.

2.5.4 Luxury Market of Chinese Young Consumers

Because of the economic emerging, increasing globalisation and growing number of wealthy consumers, the Chinese market has become a battleground for many luxury corporations. Atsmon et al. (2011) pointed out that a distinct feature of Chinese luxury consumers is youth; he said that almost 50 percent of Chinese consumers are younger than 35 years old. Moreover, according to Bain and Company (2011), data also showed the same result that the main consumption power of the Chinese luxury market is in the hands of young consumers. This situation is opposite to Western countries' luxury markets which are dominated by senior luxury buyers (Ngai and

Cho, 2012). The young Chinese consumers' preferences, motivations and behaviours are quite different from the older generation even within the same culture and society. Bain and Company (2011) predicted that in the future, young consumers would continue to present and maintain a positive increase and attitude to buying luxury products. Because these young consumers are highly individualistic, their consumption motivation may be more complex and different.

From the 1980s, many luxury brands began to target Chinese consumers; they introduced their luxury products to them and aimed to guide Chinese consumers to understand their brands. Because they thought the luxury products could meet the conscious needs of Chinese consumers. As this study mentioned earlier, the average age of Chinese luxury consumers is decreasing steadily; however, the average age of Japanese, European and American consumers is increasing.

Nowadays, a new and fast growing power of luxury consumption has emerged among Chinese consumers who are called Generation Y. These luxury consumers have very different preferences, tastes, motivations and behaviour towards luxury products. According to McCrindle (2007), consumers in this demographic group normally were born between 1980 and 1994. In addition, they are unique compared with other groups, because they were born with the single child policy and grew up in an economic market, and older members in their families doted on them.

In a report from China.org.cn (2013), Brennan claimed that due to the development of the Chinese economy and one-child policy, the society places more emphasis on educational achievement and many wealthy Chinese families are sending their children to study abroad. According to a publication about the Chinese wealthy, named the Hurun report (2012), over 85% of affluent Chinese parents plan to send their children to the UK and the US to study at their universities. As a result, the overseas young Chinese become an influential market of luxury brands (Hurun report, 2012).

As a result, the Y Generation is more ambitious, confident, well-educated and open minded. In addition, these young luxury consumers are more cosmopolites, they have opportunities to travel or study abroad and become susceptible and influenced by foreign cultures (Ngai and Cho, 2012). The news released by the Bain and Company (2011) pointed out that Chinese young consumers who are living in the UK are a massive market for luxury products and real estate. One of the reasons is that they buy luxury products not only for themselves, but also for their friends and families living in China. According to Zhan and He (2012), a report of marketing survey showed that about 90% of young Chinese consumers would bring their luxury goods back to China; moreover, they would often be a consultant and guild to provide the newest trend of luxury brands and purchase them for their contacts in China. Indeed, they are treated and perceived as pioneers and experts of foreign lifestyle and fashion. Therefore, the overseas young Chinese can be seen as fashion leaders who can bring and influence luxury trends in the Chinese market and powerful luxury consumers in Western countries.

Moreover, McCrindle (2007) also pointed out that young Chinese consumers have other names which are “Echo Boomers” and “Millennials”; the upbringing of this generation was in economic independence and high technology ages. So they are willing to spend money on technology and quality brands to show their image, status and class. Compared with the older generation, Generation Y has grown up in a wealthy environment; they don’t have concerns about saving money and investment. Their parents have already prepared everything for them, so they can spend surplus savings to enjoy life and purchase luxury products (Liang, 2005).

China Daily (2016) reported that, Chinese young customers continue to spend more on luxury products than customers from any other country. In 2014 and 2015, the Chinese luxury market kicked into gear. In addition, due to the fast growth and changes of the internet and market, luxury brands have to invest in a comprehensive plan for Chinese customers that address market threats, e-commerce challenges and the expanding roles of social media (China Daily, 2016).

According to a report from Bain and Company, in order to keep the momentum going, luxury brands will continually focus on Chinese young customers, who will make up 45 percent of the personal luxury products market in just eight years (Bain and Company, 2016). This has been a particularly important issue for brands in China as young customers make up a growing proportion of the upper middle class and tend to have a greater disposable income to apply to high-end goods.

In addition, in order to attract consumers, banks decrease the standard of access to credit cards and personal loans to young consumers; therefore they have more ability to buy luxury products. Some research has shown that Chinese young consumers have higher consumption hobbies and they desire to follow fashion and purchase luxury products (Kalish, 2005; Liu, 2002). Therefore, in the rapidly increasing luxury market, to understand young consumers' consumption motivation and behaviour is critical for luxury brands.

More specifically, if luxury brands know the enormous potential consumption power of Chinese young consumers and understand their motivation and behaviour better, they can find out and adjust the popular trends to increase their sales. As most luxury brands come from Western countries, Coll (1994) stated that one of the reasons that Chinese consumers are interested in buying luxury products is so that they can be connected with Western countries' images and Western fashion styles, as that has become more and more popular to Chinese young consumers. In addition, these images can be reflected by luxury products, well-known brands and limited design clothes. All of these products can provide a rapid and useful way to show status and improve consumers' quality of life (Coll, 1994; Worthy, 1990).

Although luxury products are usually superior in quality, Chinese consumers do not pay much attention to this. Their aim in evaluating and buying luxury products is more focused on other functions such as increasing their status (Vigneron and Johnson, 2004). Moreover, purchasing luxury products can help consumers release work or study pressure and reward themselves (Stanger, 2003). Thus, with the influence of globalisation and increase of the Chinese consumer class, it is necessary to investigate the transnational young Chinese consumers and provide a theoretical approach to build marketing strategies for the luxury brands to catch up the new trend and fit in the changing global luxury market.

2.6 Consumption Motivation

According to Vigneron and Johnson (2004), consumer behaviour regarding luxury goods is thus the result of multiple motivations, i.e., three types of interpersonal effects on luxury goods consumption, namely Veblen effect, snob effect and bandwagon effect, and two types of personal effects, namely the hedonic effect and perfectionism effect. In order to analyse luxury consumption motivation, what defines motivation should be understood.

Motivation is the driving force of action; it causes the process from desire to will. From a psychological perspective, it reinforces and compels a desired goal into action. In other words, motivation is an idea and aspiration aiming to meet people's needs and arouse people's behaviour (Atkinson, 1978). It is a kind of excitation to drive humans in order to achieve their goals. Motivation has existed in different areas such as physiological, cognitive, social and behavioural areas. Specifically, motivation is rooted in physical needs such as sleeping, eating, resting and shopping. It may also originate from a basic impulse to optimise pleasure; in addition, it can minimise pain and maximise happiness. Furthermore, in a certain manner, motivation is significant reason for action and behaviour; the reason includes wishes, goals, desires and the activation of desire though to behaviour.

2.6.1 Hedonic versus utilitarian goods

Under the analysis of motivation, there is a lot of research focusing on how motivation impacts consumers' buying behaviour. Holbrook (1986) stated that products can be classified as utilitarian goods and hedonic goods for consumption purposes.

Because utilitarian products are normally functional, instrumental and provide cognitively oriented benefits, they are less arousing and express a rational appeal to consumers (Hirshman, 1985; Woods, 1960). Utilitarian products are based on consumers' needs and bought for practical uses. Examples are computers, microwaves, vans, detergents and security systems (Hirschman, 1985).

In contrast, hedonic products are multisensory; they are consumed for luxury purpose. Consumers purchase them for enjoyment, pleasure, excitement and fun, or to satisfy their emotional, experiential consumption and sensory gratification by buying the products (Woods, 1960; Holbrook, 1986), for example, designer clothes, handbags, flowers, sports cars, music, chocolates and luxury watches.

Indeed, consumption of hedonic products can arouse joyful emotions on taste, aesthetics, sensory experience and symbolic meaning (Holbrook, 1986). Broadly, in a less technical sense, researchers have used utilitarian and hedonic goods to categorise necessity and luxury goods. They implied that necessity goods are primarily consumed to meet utilitarian goals while luxuries are more required for hedonic pleasure (Strahilevitz and Myers, 1998; Kivetz and Zheng, 2006; Dubois, Laurent and Czellar, 2005).

2.6.2 Types of Motivation

There are countless reasons why a person might be motivated to perform an action or consume a product. According to Holbrook and Hirschman (1982), consumption can be attributed to two main reasons: utilitarian and hedonic.

Utilitarian motives are the kind of motives which consumers are driven by to complete a task. However, hedonic motivation is focused on experiencing something to gratify consumers personally. This is related to the classic motivational principle and is obtained from certain emotional and aesthetic feelings such as hate, love, joy and fear (Ahtola, 1985).

They are all about providing an experience. However, utilitarian motivation concentrates on what consumers want and hedonic is more about providing a pleasurable feeling or experience for them.

2.6.3 Maslow's Hierarchy of Needs

Based on previous research of human motivation in consumer behaviour, Abraham Maslow (1943) proposed his famous theory "Maslow's Hierarchy of Needs". It shows that motivation is related to different hierarchies of needs. The aim of this theory is to describe consumers' needs from basic to extravagant.

Maslow's Hierarchy of Needs is usually portrayed as a pyramid and has become a distinct way to represent the hierarchy; the pyramid includes five layers, with self-actualisation at the top and physiological needs at the bottom.

The four most basic and fundamental layers of the pyramid include needs which Maslow named them as "d-needs" short for "deficiency needs". These needs are physiological needs, safety and security needs, love and belonging needs and self-esteem needs. If these "deficiency needs" are not satisfied by people, they will feel tense and anxious. Maslow's theory also suggests that the basic level of needs should be met by people first before they strongly desire the higher level of needs. However, the human's brain and mind are complex and have the ability to run parallel processes at the same time. Hence, various motivations from different levels of needs may happen at once. Maslow stated these levels clearly and how these levels satisfy individual's needs such as "primary", "general" and "relative". On the other hand, an individual concentrates on a certain need at any time instead of following the order of needs. Thus, Maslow stated that different levels of motivation may occur in the human mind at any time, but he paid more attention to identifying basic motivation types and the order in which individuals should meet them.

There are five principle layers of needs as shown in Figure 2.1

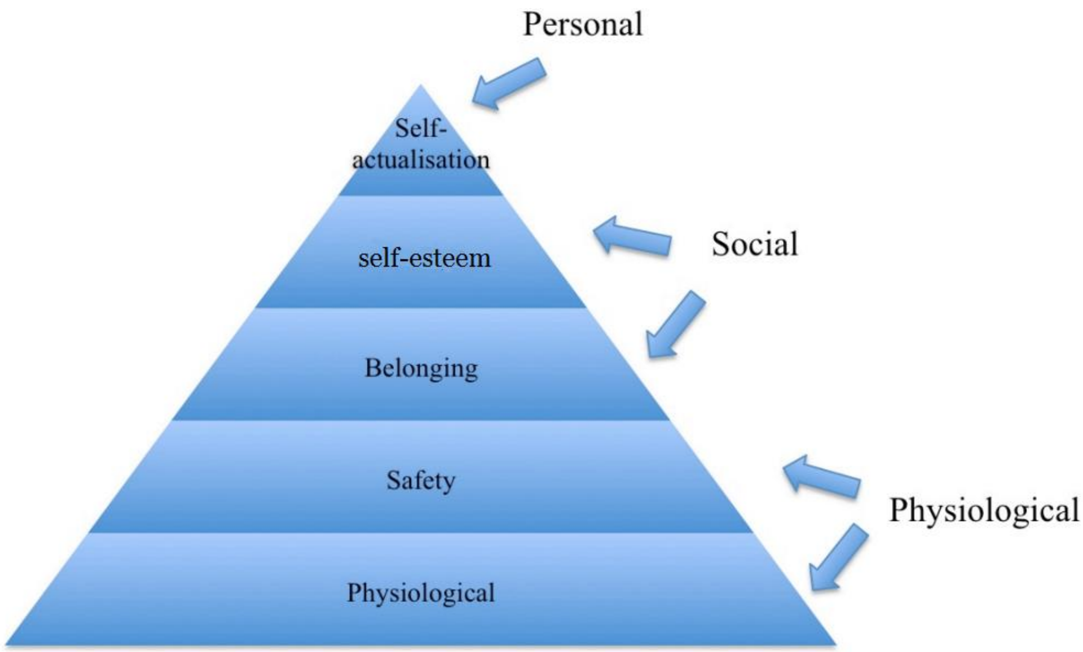


Figure 2.1: Abraham Maslow's Hierarchy of Needs (Abraham Maslow, 1943)

- Physiological needs

Physiological needs are basic requirements and needs of human survival. They are the most important needs that maintain human body and function. If these requirements are not met, humans cannot live. Thus, physiological needs must be satisfied first.

- Safety and Security needs

After physiological needs are relatively satisfied, people begin to seek satisfaction of safety and security needs and they dominate people's behaviour. Safety and Security needs include personal security, health security, financial security and unexpected incidents security. More specifically, in the case of physical safety, people may have trans-generational trauma or post-traumatic stress disorder (PTSD) if they experience childhood abuse, family violence, natural disaster or war. In addition, in the case of economic safety, due to the influence of a decrease in work opportunities and the economic crisis, people need to find ways to protect and maintain their assets through saving accounts, job security and insurance policies etc.

- Love and belonging

With their physiological, safety and security needs satisfied, people's love and belonging needs take precedence. This level of needs involves emotions and it is interpersonal. Sometimes, because of neglect, ostracism and shunning etc., people may feel deficiencies within this hierarchy of Maslow's theory. This can influence people's ability to maintain and form general and emotionally important relationships such as intimacy, friendship and family.

Maslow pointed out that people need to be part of social groups and feel they are acceptable and belong to these groups, regardless of whether the groups are small or large. For instance, small groups include partners, family members, friends, classmates, mentors and colleagues. Examples of large social connections may include sports teams, clubs, gangs, religious groups, co-workers and professional organisations. People need to feel love and be loved by others in both non-sexual and sexual ways. In the absence of feelings of love and belonging, many people become more and more sensitive to social anxiety, clinical depression and especially loneliness. Furthermore, based on the strength of pressure both from inside and outside, needs of love and belonging may surpass the physiological and safety and security needs and become more significant for people.

- Self-esteem

There are two versions of esteem noted by Maslow: one is a lower version and the other is a higher version. The lower one focuses on respect from others, while the higher one concentrates on respect from themselves. For example, the lower esteem includes needs of recognition, prestige, status and attention, whereas the higher esteem contains the need for mastery, competence, strength, independence, freedom and self-confidence. Because the higher esteem relies on people's experience and inner competence, it takes precedent over the lower one. Self-esteem is a person's judgement criteria of their own value.

Branden (1969) pointed out that all people need to feel respected; he divided self-esteem into two aspects: self-confidence (a feeling of capacity) and self-respect (a feeling of worth). People with low self-esteem will seek more glory, fame and respect from others. However, this will not help them to rebuild their self-esteem unless they feel confident in themselves internally. More deeply, it is hard to gain high level self-esteem if people have psychological imbalance problems such as depression. Most people have a sustainable and stable need for self-esteem; lack of it may cause helplessness, weakness and inferiority complexes.

According to Maslow (1954), originally, he thought that the needs of humans should have clear guidelines between different levels; however, he stated that the "hierarchies are interrelated rather than sharply separated". It shows that self-esteem and all other levels of needs are related closely to each other instead of strictly separated.

- Self-actualisation

Self-actualisation refers to a person who lives a life by fully and creatively achieving their potential by themselves. Maslow uses the quotation “What a man can be, he must be” to describe the basic meaning of self-actualisation. This level of need explains the full potential of people and how to realise that potential, namely, it means the tendency for people to actualise his/her potential. The needs of self-actualisation refer to the aspiration for self-fulfilment. In other words, it means people who desire to achieve everything he/she can. Nevertheless, people may perceive or concentrate on this kind of need more specifically such as someone may desire to be a perfect parent, while another may want to be an athlete. For more examples, needs of self-actualisation may be expressed in inventions, paintings and scientific research etc.

According to Maslow’s theory, people should seek to satisfy their basic needs first, such as a hungry man is willing to risk his safety to find food to eat. He has no time to consider the higher needs before his basic levels of needs are met. In contrast, when people’s basic needs are secure, they will begin to achieve their more luxury needs. In Maslow’s studies, he found that self-actualisation is similar to other hierarchies.

Although the theory of Maslow’s Hierarchy of Needs is normally stated as a precise hierarchy, Maslow improved his theory and explained that satisfaction of these needs does not follow the standard progress all the time. For instance, he mentioned that for some people, needs of self-actualisation may be more important even than some basic needs. For others, the needs for self-esteem may supersede the needs for love and belonging. More specifically in marketing, according to the theory (Maslow, 1954), generally, consumption of the most basic needs is driven from utilitarian motivation while higher level needs of the hierarchy are derived from hedonic motivation.

In activities of daily consumption, general consumer activity will go through a specific process: consumer needs generate consumer motivation; consumer motivation dominates buying behaviour, so that customers' needs are met. According to Maslow's Hierarchy of Needs theory, consumption of luxury goods belongs to the two top layers which are self-esteem and self-actualisation (Maslow, 1943).

2.6.4 The Asian equivalent to Maslow's Hierarchy of Needs

Although Maslow's hierarchy of Needs provides a useful theory to analyse human's needs and motivations, it may not be efficient among different cultures. According to Schutte and Ciarlante (1998) and Arnould and Thompson (2005), more attention is put on belonging and social needs in Asian countries and the hierarchy of self-actualisation is not suitable to Chinese society. Therefore, Schutte and Ciarlante (1998) improved Maslow's Hierarchy of Needs and developed a new theory named the Asian equivalent to Maslow's Hierarchy of Needs as shown in Figure 2.2. Elements of autonomy and independence are absent in the new theory while hierarchies of social needs are treated as the highest level.

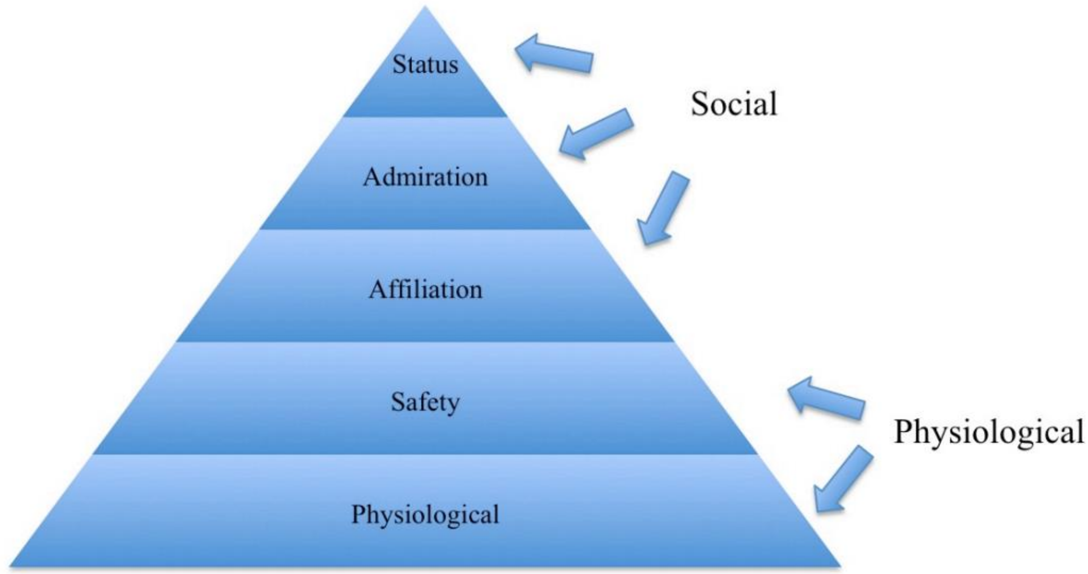


Figure 2.2: The Asian equivalent to Maslow's Hierarchy of Needs

(Source: Schutte and Ciarlante, 1998)

Based on Maslow's theory, levels of self-esteem and belonging are divided into three new levels which are status, admiration and affiliation (Schutte and Ciarlante, 1998). Apart from physiological needs, affiliation is the basic level of social needs. It is seen as acceptance and entrance into a group. When people have already been a part of the group and their need for affiliation has been satisfied, they will attend to strive for admiration. Admiration is usually reflected in respect of from others, and it can be earned through actions. In addition, once admiration has been achieved within the group, they begin to desire status of society. However, the need for admiration is more about feeling within part of an intimate group, and requirement of status. Schutte and Ciarlante (1998) stated that the need of for status is the same as Maslow's self-esteem; although the former is more obvious in conspicuous consumption.

From an economic perspective, luxury products have high price and quality; it means people desire luxury products for their rarity and high price. Furthermore, according to Dubois, Laurent and Czellar (2001), the aim of consumers purchasing luxury products is to build a higher social status instead of physiological use. It implies that people can achieve a higher status by purchasing luxury goods.

According to MacGregor (2009), Darwin's evolution theory explained that behavioural factors have already existed in survival instinct and the basic needs of species and human beings. Therefore, these needs drive humans to form a consumption motivation or "instinctual consumerism". As previously described in Abraham Maslow's Hierarchies of Needs theory, consumers are motivated by their needs and this theory builds a clear formulation to show factors which drive human behaviour. In addition, these needs are related to motivational factors and are the foundation of consumer behaviour.

2.7 Luxury Consumption Motivations

The topic of luxury consumption motivation is not completely new. Because luxury products have a superior image, incomparable value and impact in the global market (Keller, 1993), it has been an important element of the global economy (Wang, 2010). Academic research about this topic started in the 19th century. Since the1880s, many scholars from Western and Eastern countries did a lot of theoretical analysis of luxury consumer motivations and proposed a number of consumer motivation measurement scales and variables. In recent decades, with a growing interest in research about luxury consumption, there are more studies addressing this area, such as conspicuous and status consumption; measurement and construct issues of luxury brand value and cross-cultural impact on luxury consumption motivation (Wong and Ahuvia, 1998; Dubois, Laurent and Czellar, 2005).

2.7.1 Western Luxury Consumer Motivation Theories

Luxury consumer motivation research originated in Western countries; Western scholars have conducted research for more than 100 years. Thorstein Veblen (1934) established the foundations of luxury consumption motivation. In Veblen's book 'The Theory of the Leisure Class' (1934), he analysed and explained that new rich American purchase luxury products lavishly to gain social prestige through displaying their wealth. During those days, luxury consumption was used to satisfy people's needs in order to fulfil their social stratification. Their research mainly concentrated on both social motivation and personal motivation (Vigneron and Johnson, 1999). They identified a number of typical luxury consumer motivations, which provided many insights and inspiration for Chinese scholars to analyse luxury consumer motivations of Chinese consumers in later years.

Focusing on consumption motivation within a social context, Veblen (1994) first proposed conspicuous luxury motivation; he stated that people from the wealthy 'leisure class' are closely related to conspicuous motivation. He thought the main motivation of purchasing luxury goods was to communicate wealth, show off and achieve social status (Bagwell and Bernhcim, 1997).

The view of Leibenstein is consistent with Veblen. Leibenstein (1950) extended the research dimension of social motivation and included two new forms which are snob and bandwagon. Indeed, there are three kinds of social luxury consumption motivations in total: bandwagon, snob and conspicuous. The bandwagon buyers purchase luxury goods in order to obtain recognition from their reference group and society; normally they buy one luxury good because other people also purchase them (Dubois and Duquesne, 1993). Motivations of bandwagon consumers are that they are normally middle class and are willing to emulate the top level and elite. They usually buy entry level and lower price luxury goods such as perfume and accessories and consider this as a way to get close to the upper class (Alleres, 2003). Snobbish buyers aim to feel exclusive, different and obtain a unique value; they tend to be affluent and elite members of society.

According to Dubois and Duquesne (1993), these buyers purchase less luxury products if others purchase them as well, so they can disassociate themselves from others and highlight their distinction. Moreover, these kinds of consumers always pay attention to expensive, new, rare, unique and inaccessible luxury products which are difficult to find and buy (Alleres, 2003). Conspicuous buyers want to flaunt their wealth; and benefits, show their status and satisfy their vanity. Their pleasure of purchasing luxury products is derived from others' reaction (Mason, 1981). This is consistent with the view of Kapferer (1997); he claimed that luxury products ought to be seen by both consumers and others; their visibility is necessary. It is why designers make logos, signs and emblems on luxury goods and consumers can easily recognise the brand all around the world. Above all these three points show the perceived value of the luxury consumption dimension from a social-oriented view.

Furthermore, Mason (1981) emphasised the importance of luxury consumer motivation in social roles and status. Moreover, O'Cass and McEwen (2004) summarised the previous literature on social motivations into ‘status consumption’ and ‘conspicuous consumption’; they proposed that the former refers to the public image display while the latter relates to an ostentatious show of wealth and to gain prestige. Furthermore, Vigneron and Johnson (1999) extended the research and highlighted the fact that people pay more attention to contemporary consumption which can reflect and contribute to their identities. Vigneron and Johnson (1999) pointed out that consumers are willing to seek intangible benefits from luxury goods instead of functional utility; however, authenticity and high quality become less important for them (Garfein, 1989; Beverland, 2004).

Dubois and Laurent (1993) first proposed hedonism and perfectionism of consumer motivation. They thought hedonism consumer motivation mainly focused on obtaining the benefit of self-realisation and emotional pleasure; perfectionism aimed to obtain high-quality assurance of products. Furthermore they developed a 34-item scale form to do some deeper study and made a big contribution by proposing these two consumer motivations.

Vigneron and Johnson (1999) reviewed luxury consumption motivation and developed the concepts of conspicuous, snob and bandwagon motivations, depending on the different impact; they classified luxury consumer motivation into two groups. The first group is interpersonal effects, which are Veblen effect for perceived conspicuous value, snob effect for perceived unique value and bandwagon effect for perceived social value. The other group is personal effects which are hedonic effect for perceived emotional value and perfectionism effect for perceived quality value. Moreover, they established a framework (Figure 2.3) of five Western luxury consumer motivations and pointed out that these five motivations existed in luxury consumption at the same time. Many other scholars verified this Western consumer luxury motivation structure. However, in their further work, Vigneron and Johnson (2004) revised these motivations and switched the perfectionism effect to the interpersonal group and bandwagon effect to the personal group. This work shows that there are arguments and change existing in both of the two groups, especially in the luxury consumption motivation of global consumers.

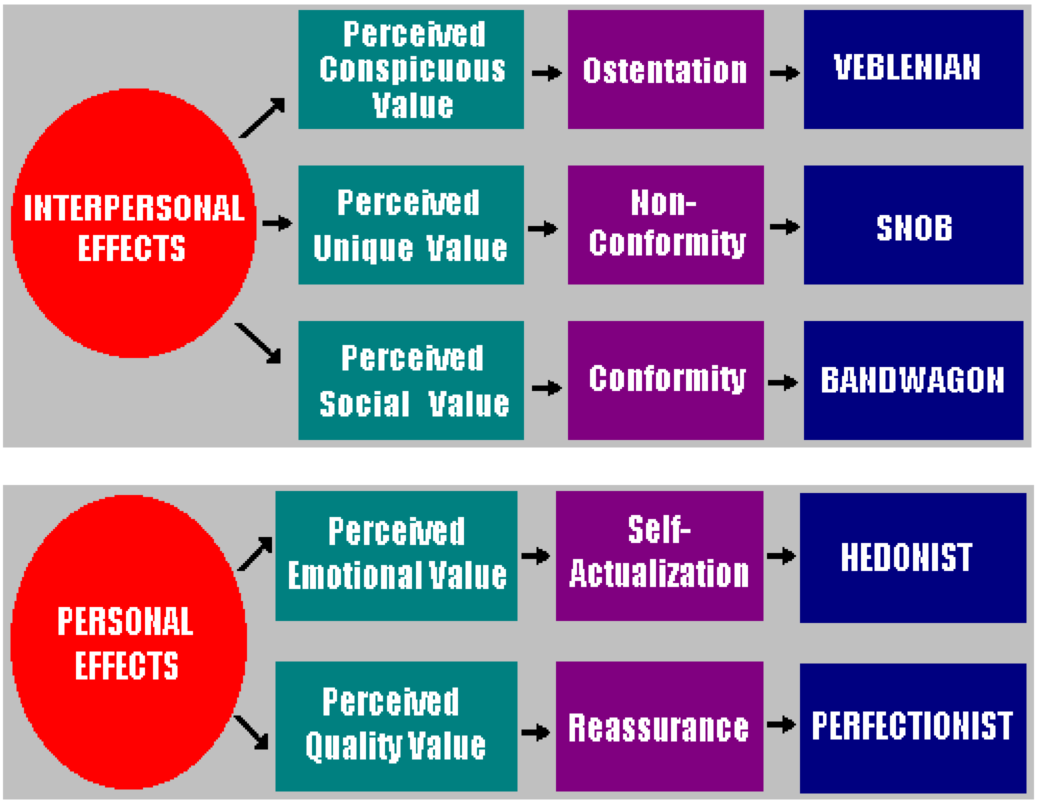


Figure 2.3: Interpersonal and Personal Effects on Luxury Consumption

Nevertheless these dimensions of luxury value perception are independent; they can all influence people's consumption motivation, value perceptions and behaviours in various degrees and also interact with others. All these dimensions are useful to segment and identify different kinds of luxury consumption motivations and consumers.

2.7.2 Chinese luxury consumption motivation theories

Based on the Western research of luxury consumption motivation, Chinese consumption motivation has developed; however, it is still at an early stage. According to Western research, some Chinese scholars combined Chinese traditional culture and way of consumption to do deeper and more localised research. In the same way as Western scholars, Chinese scholars also mainly focus on exploring two aspects which are social motivation and personal motivation. The McKinsey report (2011) classified Chinese luxury consumers into four groups: core luxury buyers, luxury role models, fashion fanatics and middle-class aspirants. Normally, the motivations of these consumers are not homogeneous when they are buying luxury products. Some consumers may buy to satisfy needs for them, while some of them purchase luxury products to impress others.

Wong and Ahuvia (1998) did more empirical research of Chinese luxury consumers and their consumer motivations. According to this research, they obtained a measure of the luxury consumer motivation dimension group. The results showed that a framework of Chinese consumption motivations consists of four dimensions: perfectionism, conspicuous, self-reward and status symbol.

Based on Vigneron's Western luxury goods consumer motivation structure, Lai and Chu (2006) combined this with Chinese Confucian culture and values and proposed the "Chinese luxury consumption motivation correction model". They classified Chinese luxury consumer motivation into social consumption motivation and personal consumption motives. Furthermore, social consumption motivations include bandwagon, snob, social, conspicuous and status symbol. Personal consumption motivations include hedonism, perfectionism, self-pleasure and self-reward.

Through much more research, Lai and Chu (2006) identified that there existed little snob and self-pleasing in Chinese luxury consumer motivation; however, there is a new luxury consumption motivation existing, namely status symbol. In addition, influenced by Confucian cultural values, China's luxury consumer motivations have some differences compared with Western countries. The differences are mainly reflected in three parts: interpersonal effects, pressure of bandwagon and consumption of gifts.

Combined with traditional Chinese values and consumption patterns, Zhu (2006) analysed the personal and social motivation of Chinese customers. More specifically, she explored reasons of Chinese consumption motivations of luxury goods. Zhu believes that compared with Western countries, Chinese luxury goods consumption behaviour is greatly affected by group consumption. Chinese people pay more attention to others' views and opinions; they are concerned more with the effects of social consumption than personal consumption, and focus on their recognition, face and human relations in society. These are interpersonal intermediaries and platforms of Chinese people in their daily lives.

Based on an analysis of advantages of the Chinese middle class, Xie (2006) proposed that the new middle class is a major consumer of luxury goods, and summarises five luxury consumer motivations into social-orientation (bandwagon, snob, and social) and personal-orientation (hedonism, self-pleasure).

Wong (2008) studied the luxury goods consumption motivation of Chinese customers from the perspective of the influence of Confucianism. On the other hand, Lai and Chu (2006) also did lots of research from the perspective of self-deconstruction of Chinese consumers. Although their research was distinctive, they reached the same conclusion; the luxury goods consumption motivation was influenced by society factors and cultural background, but they ignored the self-consumer of luxury goods.

However, Wang (2011) analysed the Chinese luxury consumer motivation from the perspective of individual self-verification and self-enhancement. She found that during the process of self-verification, Chinese customers will have verification of luxury consumer motivation; these are the status symbols, social and snob. In the self-enhancement process, customers will have enhanced social consumption motivations which are bandwagon and conspicuous and increased personal consumption motivations which are self-reward and perfectionism.

According to Henninger and Elisabeth (2017), Chinese young customers pay attention to quality consciousness and brand recognition, but they are less interested in being in being trendsetters. Overall, their aim of purchasing a luxury product is not for impulsiveness or comparison to other groups. Due to the distinct lifestyle characteristics of Chinese young customers, their consumption motivation regarding to luxury products appeared to be the pursuit of the ‘‘meaning of life.’’ Henninger and Elisabeth (2017) explained that a large portion of Chinese young customers expressed an interest in luxury items that send a ‘‘deeper message’’ and to which they can connect emotionally. They are willing to spend more money on luxury products that can last longer to promote sustainable consumption. They believe in making small differences in their daily life, and improving the quality of life for the people. There is, in fact, a rising trend which indicates that young Chinese customers are able to purchase luxury products concerned with caring about things outside their own living conditions. Social responsibility and environmental consciousness seem to have become the new ‘‘cool’’ motivations among Chinese young customers.

Based on the literature review above, important reasons were identified by the researcher for Chinese consumers to spend money on luxury goods which can be summarised below.

Firstly, the simply reason for the Chinese consumer purchase of luxury products is that they use luxury goods to enhance and improve their social status (Lai and Chu, 2006). Secondly, several middle-class consumers buy luxury goods for self-rewarding and achieving their objectives (Zhan and He, 2012). Thirdly, to some Chinese consumers, purchasing luxury goods also indicates that the consumers have good taste (Zhan and He, 2012). The fourth point is Chinese customers believe that the luxury brand products can improve their reputation (Ngai and Cho, 2012). Fifthly, to Chinese customers, the only one point that can identify status is brand awareness. Some customers have low brand awareness and some have good brand awareness (Wang, 2010; Ngai and Cho, 2012). Sixthly, price is also a reason. To most of Chinese people, the more popular the product is, the more expensive the price is. The reason for this study is that Chinese customers have a high price concept. They think if a product is more expensive, its quality is in of a higher level. The high price makes them believe the brand is good and well known. They will buy them without considering the price. The last point is Chinese culture. Chinese people like to send gifts to others to gain their goals. Therefore, luxury goods become a good way to indicate the status of gift senders and receivers. In the meantime, in China, social relationship is very important. Gifting luxury brands can also improve social relationships in China (Zhan and He, 2012).

2.8 Measurement of Luxury Consumption Motivations

Dubois and Laurent (1993) developed a 34-item scale: they focused on French students, measured their attitude towards luxury and proposed "hedonism" and "perfectionism" of consumer motivation. Zhan and He (2012) concentrating on the motivation of personal orientation developed a 28-item scale. In his research, there were 945 respondents from throughout Asia Pacific and two in Europe and the North America region. According to the result, he found that there are four dimensions existing in the motivation of self-directed orientation, which are self-pleasing, self-reward, internal consistency and perfectionism. He provided the new dimension of motivation of personal orientation.

By determining the relevant consumer motivation and combined analysis of the white-collar class, Xie (2006) began to do some empirical research aiming to investigate their attitude towards luxury goods and analyse their luxury consumer motivation. According to the survey results, she determined hedonism, perfectionism, bandwagon and self-pleasing as the major consumer motivations of the Chinese white-collar class.

Based on past international literature on consumer motivation, Wong (2008) used questionnaires for data collection to explore the luxury consumer motivation of young white-collar consumers in Shenzhen. Statistical studies showed that the luxury consumer motivations of the young white-collar class are: conspicuous, status symbol, snob, self-reward, internal consistency and perfectionism. There was a big difference between young men and women on four motivations which were conspicuous, status symbol, self-reward and self-pleasure. Women pay more attention to conspicuous and self-reward motivations; however, men focus more on self-pleasure.

Combined with the unique psychological motivations of women consumers, Wang (2009) proposed the integration of female consumers' luxury goods consumption motivation. Social motivations include conspicuous, snob, Veblen and status symbol. Personal motivations include perfectionism, hedonism, self-reward and irrational behaviour.

Furthermore, they conducted empirical studies. According to female luxury consumption motivation and a measurement scale of consumption motivation, they designed a 10-dimensional measurement scale of female luxury consumption motivation, using an online questionnaire survey. This survey selected women who have luxury consumption experience as samples and summed up a vanity factor, personal factors, interpersonal factors, quality factor, speculative factors and emotional factors. These are important elements of female luxury consumption motivation.

Wang (2010) applied a combination of qualitative and quantitative research methods and used group interviews and questionnaires to analyse the situation of the Chinese luxury consumer market segmentation. Finally, according to the results of her research, four types of luxury consumers in China were classified. In addition, she summarised their respective demographic data and characteristics of consumer motivation.

Furthermore, Wang (2010) conducted empirical studies of Chinese luxury consumption motivation and obtained a measure of a consumer motivation group. Then he proposed a corresponding strategy recommendation for luxury marketing. The results showed that the Chinese luxury consumption motivation framework includes three dimensions: perfectionism, conspicuous and self-reward. Wang (2011) did an in-depth interview of 20 luxury goods consumers and related professors in China, and summarised 20 kinds of motivations.

To sum up the above literature, luxury consumption in both Western countries and China includes two kinds of motivations which are social (interpersonal) and personal. Social (interpersonal) motivations include bandwagon, snob, social, status symbol and conspicuous. Personal motives include hedonism, perfectionism, self-pleasure, self-reward, internal consistency and quality assurance. Moreover, nowadays, in Western developed countries, luxury consumer motivation research has transferred from the early social bandwagon, snob and conspicuous to personal self-pleasing, self-gifting, internal consistency and quality assurance (Zhan and He, 2012).

2.9 Culture

Historically, although studies of consumer behaviour focused on individual differences, researchers have found that culture not only affects how individuals make purchasing decisions, but also influences marketing strategies (Blackwell, Miniard and Engel, 2001). They mentioned that the influence of culture is so essential and affects consumer behaviour broadly and deeply.

According to Williams (1985), culture is one of the most complex and difficult issues. It is rooted in social psychology, sociology, philosophy and anthropology. Culture has influenced every part of human existence (Markus and Kitayama, 1991). In addition, the significance of cultural issues has become more obvious in many disciplines. During the past decades, there is increasing interest in the impact of culture on consumption (Jun, Ball and Gentry, 1993). Whether that is true or arguable, social impact and norms prove that culture does play a significant role in people's consumption (Jun, Ball and Gentry, 1993). In the luxury market, some cultural philosophies supported that culture impacts luxury consumption while others disputed it. How exactly culture impacts on luxury goods consumption is very complex and difficult to understand. In the last decades, some practical research related to cultural issues was questioned especially cross-cultural phenomena issues (Ferraro, 1990). However, cross-cultural empirical studies in recent times (Dubois, 2001) have found a significant relationship between luxury consumption and culture.

The following section of this study will not try to produce a final definition of culture, but attempt to discuss, analyse and understand the culture concepts which are used in the current research. These concepts include definition of culture, culture characteristics, culture layers and cultural dimensions.

2.9.1 Definition of Culture

The first challenge in doing research related to culture is to understand what culture is. There are numerous definitions, dimensions and conceptualisations describing culture; some of them are discussed below.

The word "culture" has been defined in many ways. Depending on different disciplines, the various definitions emphasise different aspects of culture.

Leung et al. (2005) defined culture as beliefs, values, norms and behavioural patterns of a group. Hall (1976) asserted that values and beliefs can dictate the ways people behave, thinking, make decisions, solve problems and even organise their transportation, political, and economic systems. Groeschl and Doherty (2000) stated that culture includes many elements; some of them are explicit while others are implicit. The Majority of these elements can be explained as values, norms, behaviour and understandings. Therefore, culture is difficult and complex to define. More specifically, some researchers have claimed that culture refers to implicit and tacit artefacts such as coherent sets of beliefs, ideologies, basic assumptions, important understandings, collective will and shared sets of values (Jermier et al., 1991; Groeschl and Doherty, 2000). On the other hand, other researchers have proposed that culture is more explicit, for example, symbols, norms, practices, language, rituals, myths, ceremony and ideology (Jermier et al., 1991; Groeschl and Doherty, 2000; Hofstede, 1998; Pettigrew, 1979; Karahanna et al., 2005).

Dorfman and Howell (1988) stated that when researchers talk about investigations of cultural aspects, normally there are two theoretical systems studied which are a socio-cultural system and individual system. The former system is relevant for norms, institutions, roles and values and these factors exist outside people. The latter system is concerned with subjective culture and is reflected by people's perception of the culture system. Hofstede (1991) also defined national culture as "the collective programming of the mind which distinguishes the members of one group or category of people from another". He claimed that people share the same collective national character which represents their cultural mental programming and the mental programming forms people's beliefs, attitudes, values, expectations, behaviour, assumptions and perceptions of people who live in the same historical period in a specific geographic region (Myers and Tan, 2002; Mooij, 2004).

Therefore, culture is not only a feature of the individual; moreover, it impacts psychological processes which have a further effect on behaviour. Hofstede (1991) explained that culture is a complex mixture of people's personality traits and equal to collective mental programming such as groups, minorities, tribes and nations. On the other hand, Triandis (1972) pointed out that culture is a way which people perceive artificial parts of their environment. It includes the perception of norms, rules, values and roles. These can be impacted by different levels of culture, for example, gender, language, race, place, occupation and religion, and it also impacts interpersonal behaviour. Thomas (1997) stated that culture is an orientation system. This system is universal but typical of a group, organisation or society. In addition, this system contains symbols which are inherited from generation to generation and influences people's thoughts, perceptions and actions and proposes their affiliation.

2.9.2 Characteristics of Culture

According to the review, the existing definitions of culture vary greatly; researchers and authors have summarised them and concluded the following characteristics of culture:

- Culture is an aggregation of individuals who have common norms, values, beliefs, ideas and practices. These aggregations are known as cultural level and include many groups such as family, regional, occupational and national groups. Culture is not a feature of individuals (Olie, 1995; Myers and Tan, 2002).
- Culture is human-made elements which are shared through communicating with others and are passed along through generations; it is formed over a long period and is relatively stable (Olie, 1995).
- Culture forms are based on history. The development of a nation's culture needs a long time and is based on the nation's history. Moreover, it is also based on economic and demographic development, and its ecological and geography environment. So culture has historical dimensions (Olie, 1995; Myers and Tan, 2002; Walsham, 2002).
- Culture can be learned. People can learn culture from the outside environment and the group to which they belong (Olie, 1995).
- Culture has many kinds of layers, for example, rituals, symbols, norms, values and heroes (Hofstede, 1991; Olie, 1995; Karahanna et al., 2005).
- Culture increases the probability for survival and results in great satisfaction for

members in the group (Olie, 1995).

2.9.3 Culture Levels

Cultural research has emerged within marketing disciplines and it has been studied at various levels which include national (cross-cultural, macro) level, organisational level, group level (sub-culture, social class, professional etc.) and individual level (micro, subjective) (Triandis, 1972; Hofstede, 1984; Dorfman and Howell, 1988; Myers and Tan, 2002; Ali and Alshawi, 2004; Ali and Brooks, 2008).

Hofstede (1984) pointed out that national culture (cross-culture, macro culture) is shared by people in a country or a society. Similarly, organisational culture means culture which is shared by people who are working in an organisation. In addition, culture which is shared by people within a group, similar social class, profession or occupation is called group culture (sub-culture, social class, professional culture), such as a social class or a political party (Myers and Tan, 2002). On the other hand, individual culture involves subjective culture which is different from others within the same macro cultural background (Dorfman and Howell, 1988; Karahanna et al., 2005).

- National (cross-cultural or macro) Level

According to Adler (1997) and Bagchi et al., (2003), the definition of national (cross-cultural or macro) culture is a set of core norms, values and practices shared by members of a society or nation. Behaviour and values of each individual are the same as all other society members (Adler 1997; Bagchi et al., 2003).

Bian and Forsythe (2012) define culture at the macro level as the pure substance of the physical resources and perceptions, of the physical and mental techniques, which allow a society to persist. Thus, culture consists of artefacts, institutions and facts and it can be seen as a reservoir where people can share collective experiences and interpretations (Robey and Azevedo, 1994). There are a few empirical studies investigating the relationship between cross culture and luxury consumption (Wiedmann, 2007; Shukla, 2010; Bian and Forsythe, 2012). According to Hofstede, cultural research is complex and there are many different dimensions or taxonomies. A large amount of literature on culture and luxury consumption has identified and studied these dimensions, especially Hofstede's culture dimensions.

- Organisational Level

Adler (1997) and Bagchi et al. (2003) defined organisational culture as the culture which influences and is shared by people of an organisation. For example, corporate culture is one kind of organisational culture. It is defined as commonly shared values by employees, which direct the actions towards the purpose of the corporation. The role of organisational culture towards an organisation is similar to national culture towards a society or nation. Besides, organisational culture implies the important part of an organisation and behaviour of an individual. It is a significant factor to promote the development of an organisation (Heeg and Meyer-Dohm, 1994; Grabner-Krauter and Kaluscha, 2003).

The literature on organisational culture of Killmann et al., (1986); Sathe, (1983) and Dorfman and Howell (1988) stated that organisational culture may more or less influence staff of an organisation and may lead them away from their national culture . Compared with national culture taxonomies, the purpose of organisational culture is to classify the difference between organisations based on their values, norms and industry background (Leidner and Kayworth, 2006).

- Group (Sub-Culture) Level

Triandis (1972) claimed that within one organisation or nation, there can be many sub-cultures existing such as political parties, ethnic groups and professional associations etc. These sub-cultures may also influence people's norms, values and behaviour.

- Individual Level (Subjective Culture)

In the investigation of Dorfman and Howell (1988), they analysed the relationship between individual culture and individual behaviour, for example, the degree of new technology acceptance. The result of their analysis shows that individual culture (subjective culture) impacts the individual's behaviour and it may cause the opposite direction orientation of their group or national culture (Karahanna et al., 2005).

2.9.4 Interaction of Cultural Levels

Theoretically, the relative impact of different cultural levels on various individual behaviours is based on the nature of the behaviour under investigation. Therefore, national culture may have a predominant effect on behaviour which consists of a strong social component, terminal and moral values. However, organisational cultures may dominate behaviour which includes a strong task component or for those involving competence values or practices (Karahanna et al., 2005).

From the viewpoint of organisational positions, managerial and work behaviour not only are influenced by national culture, but are also impacted by other levels of culture such as organisational culture, group culture and other sub-cultures (Hofstede, 1991; Karahanna, et al., 2005). According to the Social Identity Theory, Straub et al., (2002) proposed the interaction of these levels of culture. They claimed that people's behaviour can be influenced by different layers of culture.

In Ali and Brooks' study which adapts Karahanna's cultural model, they developed the original model into a new one. They claimed that individual culture is the product of other levels of culture. Each individual has his/her own national culture; they may have different work experience, an educated background, religious orientation, ethnic group and so on, and these are all influenced by different sub-cultures. However, these various cultures may dominate and change depending on the situation. Cultures comprise people's unique culture and interaction with others, finally impacting people's behaviour and actions (Karahanna, et al., 2005).

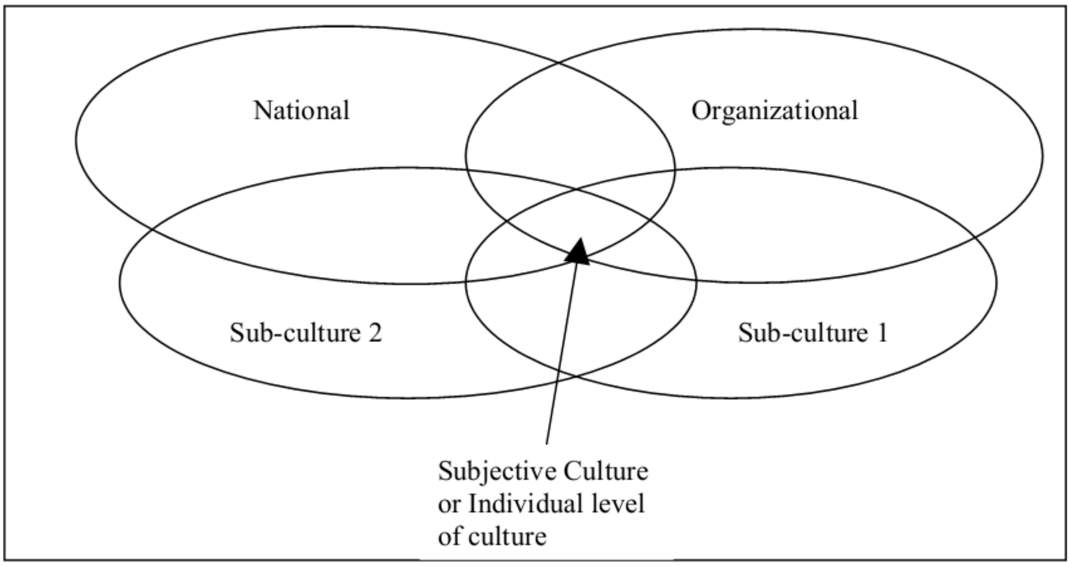


Figure 2.4: Interrelated levels of culture in Ali and Brooks (2008) (Adapted from Karahanna, et al., 2005)

2.9.5 Models of Culture

Although numerous scholars have attempted to investigate and quantify different aspects of culture, it cannot be traced until Hofstede published “Culture's Consequences” in 1980 which explored how to quantify and measure culture. In order to understand how to measure culture and how it influences consumption, culture needs to be analysed by using adaptive models into various dimensions (Hoft, 1996).

Traditionally, the aim of constructing cultural models is to explain humanity, explore diverse learning and learners and provide a theoretical framework for analysis, research and design of cross-cultural issues. Researchers organise and categorises cultural data to identify cultural variables and use these variables to create cultural models. In addition, cultural models compare differences and similarities of two or more cultures or sub-cultures by using these dimensions (Hoft, 1996). These cultural models are conceptualised and multi-disciplinary; the purpose of them is to investigate what is unknown, known and yet to happen. In the field of anthropology, cultural models make a holistic and cultural examination to find out shared knowledge and behaviour (Hall, 1976).

Some renowned cultural anthropologists built their cultural models by using questionnaires, focus groups, extensive interviews, surveys, observations and experience. In psychological disciplines, researchers create models of culture to explain an individual's mind processes (D'Andrade, 1990 and Quinn, 1987). In intercultural communication fields, researchers designed cultural models to explain value orientations, value systems and value similarities and differences in cross-cultural issues (Hofstede, 1980).

In the field of business, models of culture aim to help people understand more about cultural values, practices and how culture impacts and facilitates management (Javidan and House, 2001; Trompenaars and Hampden-Turner, 1994). Each model of culture has its own variable and scope to identify, understand and qualify cultural characteristics. However, Hall (1990) acknowledged that there is no single way to explain culture. Hofstede also claimed that each of these theories provides a "different way of cutting the same pie" (Hofstede, 2005). The research in the marketing area often adapts existing cultural models from other disciplines. Up until now, the most popular cultural model in cross-cultural researches is that of Hofstede.

The following section will discuss these models in some detail, which are mostly cited in cultural studies.

Hofstede's Cultural Model

Geert Hofstede first constructed his cultural model in 1981. He constructed a multinational survey which focused on the personal values of employees related to work. This survey covered 116,000 employees working in IBM and included 100 items. These employees come from 72 different countries, using 20 kinds of language and with 38 occupations. The survey was conducted twice, once in around 1968 and again around 1972.

According to the results of the survey, Hofstede (2005) stated that there are some aspects of cultural differences across nations: the degree of individuals' integration within groups, the differences of the social roles between women and men, the degree of dealing with inequality and the tolerant degree of the unknown. Then he classified these aspects into cultural dimensions. The original cultural model of Hofstede (1991) included four dimensions which are individualism-collectivism, reflecting people's attitudes to group membership; uncertainty avoidance, reflecting the acceptable degree of the threatened unknown; power distance, reflecting attitudes towards power and authority, and masculinity-femininity reflecting the values and importance of work goals by women and men. After he constructed the four dimensions cultural model, an independent research launched in Hong Kong led Hofstede to add a new fifth dimension which is called pragmatic. This new dimension describes the degree to which people can accept the fact that things happen around us that cannot be explained.

In 2010, Hofstede analysed data from the World Values Survey and found a new dimension which is indulgence versus self-restraint. They added this sixth dimension to Hofstede's cultural model in the 2010 edition of "Cultures and Organizations: Software of the Mind".

The work of Hofstede was established as fundamental in cultural, theoretical and empirical research. Many researchers and consultants in international communication and business use his cultural model to analyse the market under a different cultural background and to develop their business.

According to Ali and Brooks (2008), a number of criticisms pointed out that many theoretical and empirical researches rely on Hofstede's (2010) cultural model and are outdated and ageing. Hofstede (2010) himself explained and cautioned that culture relating to national position should be learned and dynamic. In contrast, his six dimension cultural model has not been updated for years and has been criticised as static (Triandis et al., 1995). Walsham (2002) also criticised Hofstede's cultural model as simplistic and crude. He explained that the nature and feature of culture should be reflexivity and should keep changing, while Hofstede's model treats culture as a static phenomenon. As a consequence, some existing marketing researches relying on his cultural model have already reached the warning age limit and the data perhaps is questionable and inaccurate.

Criticisms also exist of Hofstede's quantified approach. He used scores to represent each cultural dimension to compare relevant differences among countries. The strict quantification treats culture as soft factors become hard factors; this may ignore cultural change, difference of sub-culture and individual culture.

Edward Hall's Cultural Model

Edward Hall (1976) explained that culture is a program of behaviour. And in order to compare and contrast different cultural research projects, Hall attempted to establish "elemental unites of culture". Hall stated that a method that can identify and analyse the building blocks of culture is necessary; by using this method cultural difference can be compared impartially from one culture to another. According to Hall (1976), as a whole, culture can be seen as a communicable form which is deeper than the conscious awareness of participants. Hall has identified and pioneered what he calls the Primary Message Systems (PMS) that are present in every culture to support his research. There are in total ten PMS, which are interaction, association, subsistence, bisexuality, territoriality, temporality, learning, play, defence and exploitation. Each system involves a particular aspect of human activity and how culture is structured by it (Hall, 1976).

In order to investigate how people from different countries deal with the various situations, Hall (1976) claimed in his notable cultural model that all cultures are related to the ways people communicate (Wurtz, 2005). He presented four variables in his study which are Context, Space (Proxemics), Time (Chronemics) and Message Speed (information flow speed).

Compared with Hofstede's cultural model, Hall's model is less criticised because it neither eliminates intra-country differences explicitly nor quantifies culture strictly. Besides, his four (qualitative) categories of culture related to many different aspects and are based on real life experiences, ethnography, and anthropology. So it is as effective as Hofstede's (quantitative) dimensions. However, Hall's cultural model is less operational and only uses a few countries as examples, and positions of these countries along his categories are blurred, so less marketing researchers choose to use his model compared to Hofstede’s.

Trompenaars and Hampden-Turner’s Cultural Model

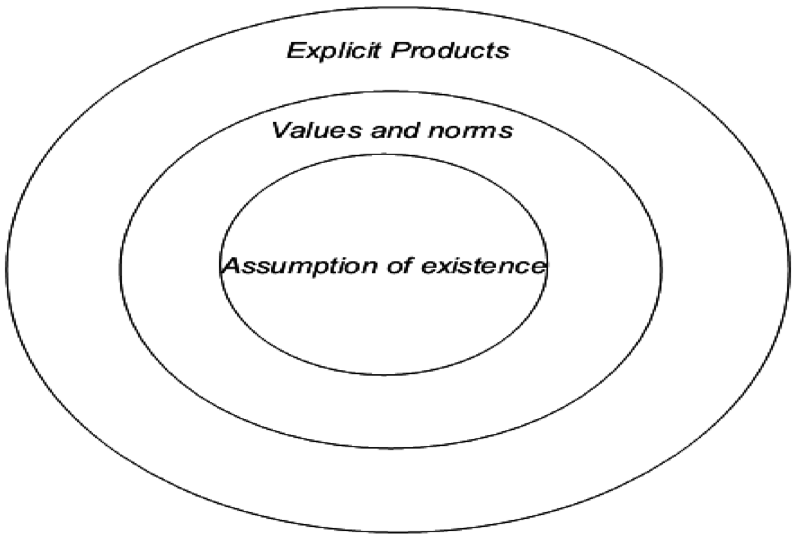


Figure 2.5: Trompennars and Hampden-Tuner’s cultural model

Trompennars and Hampden-Turner (1994) responded to Hall’s call. In their book “Riding the Waves of Culture”, they developed an operational model of culture to compare differences of culture. According to Trompenaars and Hampden-Turner (1994), culture is not only a common way to communicate with people but also a system to share beliefs, meaning, values and norms. They used a three layer Onion Model to conceptualise his cultural model shown in Figure 2.5. Moreover, Trompenaars and Hampden-Turner (1994) pointed out that these three levels of culture influence all behaviour and actions of people; however, the level of explicitness is hidden from awareness.

Trompenaar’s cultural dimensions have been less applied in the area of marketing because they were designed for business and management; the data may be limited in these fields. In addition, this cultural model has something in common with Hofstede’s, although it is less popular compared with Hofstede’s cultural model. So researchers prefer to use Hofstede's cultural dimensions to study cross-cultural issues.

Nisbett's cultural model

As Hall claimed, the aims of Nisbett's cultural model are to provide greater insight to compare the cultural differences between Western and East Asian cultures rather than give measurable cultural units. He proposed that people from either Western or Eastern countries have 'holistic' or 'analytic' mental processes/thought patterns. Cultural differences can be shown through these mental processes/thought patterns. Nisbett divided Western people into the analytic group and Eastern people into the holistic group. The differences between holistic cultures and analytic cultures are self perpetuating. They derived from different social practices, understandings, perception patterns and background. These elements will emphasise a different world view in return (Nisbett, 2003).

Gestelands' cultural model

In Gestelands' cultural model, he stated that cultures are different in their way of communication and formalities, the time perception and their priority relevance. Having said that, to any corporation or person planning to do business successfully in international markets, the cross-cultural patterns of business behaviour are important.

There are four dimensions in Gesteland's cultural model which include:

- Deal – focused cultures versus relationship – focused cultures: Deal-focused people are task-oriented. They focus on how to complete these missions or tasks and ignore the surrounding relationships. On the other hand, people in relationship-focus cultures, they are people-oriented in business relations; they often use roundabout style language in an indirect and subtle way.
- Informal cultures versus formal cultures: The cultural difference in informal and formal ways can dominate people's behaviour. In informal cultures, such as American, Italian and French, people prefer to communicate with others in a casual and flexible way. However, in formal cultures, for example, Chinese,

British and Japanese, people always communicate in a formal manner, and they treat communication as more polite and strict.

- Rigid-time versus fluid-time cultures: In rigid-time cultures and societies people are always punctual, their schedules are well planned and they follow schedules and agendas strictly. In contrast, in fluid-time cultures, people's lives are more flexible and unscheduled.
- Expressive versus reserved cultures: This culture dimension categorises ways of communication into two aspects; conversation in expressive cultures normally overlaps and people prefer intense eye contact. Nevertheless, euphemistical, moderate, one-off and indirect eye contact as ways of communication, are more acceptable in reserved cultures.

Compared with Hofstede's and Hall's studies and models, Gesteland's cultural model is simpler and less used in cultural research.

GLOBE Model

According to Hanges, Dorfman and Javidan (2013) GLOBE Model is a long-term programmatic research and an ambitious and continuous study of cultural issues. The model aims to explore the complex and profound influence of culture related to organisational effectiveness, leadership, human condition and economic competitiveness of societies. The GLOBE cultural model was designed to expand and improve Hofstede's (2001) cultural model. The original Hofstede's model had been developed by testing various hypotheses; however, the GLOBE model mainly focused on leadership topics. This model developed nine cultural dimensions. These dimensions were identified as independent variables which are Uncertainty Avoidance, Power Distance, Institutional Collectivism, In-Group Collectivism, Gender Egalitarianism, Assertiveness, Future Orientation, Performance Orientation and Humane Orientation. Each of the nine dimensions was subdivided into practices and values.

The GLOBE cultural model is derived from Hofstede's model; they have the same limitation, treating culture as a stable concept.

Dorfman and Howell's cultural model

According to Culpepper and Watts (1999), Dorfman and Howell are the first scholars to investigate cultural dimensions from an individual psychological perspective instead of from the area of national culture. Based on Hofstede's original cultural dimensions, Dorfman and Howell (1988) replaced them and developed new scales to measure culture. Their new cultural dimensions are no longer focused on a national cultural level; these dimensions are applicable to analyse a more micro unit. According to Robinson (1983), the new scales not only resolved the limitation of Hofstede's cultural model which is only adaptive for national culture measurement, but also created and refined the individual-level instruments to measure culture. Based on Hofstede's (2001) acknowledgement, the development of new individual cultural scales also showed that culture issues at an individual-level are indeed different compared with national culture level.

According to Wu et al., (2001) Dorfman and Howell's cultural model has been used widely to measure cross cultural studies (Fernandez, Carlson, Stepina and Nicholson, 1997). More specifically, Dorfman and Howell (1998) made a huge contribution to measure culture at an individual level by assessing all of the four original Hofstede's dimensions which are collectivism/individualism, masculinity/femininity, power distance and uncertainty avoidance. Furthermore, they added one new additional dimension which is called paternalism. The new dimension represents the appropriate extent of managers who take personal interests to their staff's private lives.

Similar to the GLOBE cultural model, the research of Dorfman and Howell (1988) focuses on organisational culture, leadership and management and how culture influences them. Moreover, the participants of Dorfman and Howell's cultural model were staff and managers, while this study focuses on an individual cultural level.

Therefore Dorfman and Howell's cultural model and scale are also not suitable for this study.

Triandis' cultural model

Triandis (1995) classified culture into two typical dimensions which are collectivism and individualism. He called them "cultural syndromes" which can reflect beliefs, attitudes, norms, values and categorisations shared by people. Based on the previous studies of culture, Triandis (1995) indicated and expanded that collectivism and individualism can be defined according to four characteristics: 1. how people define the self which can be interdependent or independent; 2. the priority of group goals and personal goals; 3. the importance of rationality compared with relatedness; 4. Emphasis on attitudes and norms as the key factors of social behaviour.

People who belong to collectivism view themselves as interdependent with others and are embedded in their group and society (Triandis, 1995). They concentrate on society and community and give priority to groups' goals and welfare over individuals'. In collectivist culture, norms are more important than attitudes. On the other hand, people with individualistic values treat themselves as independent from others; they believe that each person is a unique entity. They focus on personal goals instead of group goals.

More specifically, Triandis (1995) indicated that even individualistic or collectivistic culture is different. For example, individualism in the USA is different from individualism in Sweden, and the collectivistic culture of Israel is different to Japan. Both American individualism and collectivism in Japan pay attention to status and competition; however, both individualism of Sweden and collectivism of Israel emphasise equality (Triandis and Gelfand, 1998). As a result, Singelis, Triandis, Bhawuk and Gelfand (1995) and Triandis (1995) explained that collectivism and individualism are not only dichotomies they are a multidimensional concept of cultural constructs.

Furthermore, they stated that both collectivism and individualism can be categorised into horizontal or vertical. In horizontal cultures, people believe they are more or less similar or equal to others. However, people in vertical societies recognise themselves are radically different to others. People who have a high vertical dimension value accept inequalities and hierarchy within their society; conversely people who live in a horizontal culture emphasise equality and think everyone has equal status, rights and obligations.

As Singelis et al. (1995) and Triandis and Gelfand (1998) mentioned before, both collectivism and individualism may be horizontal or vertical, and these two dimensions can be divided into four different patterns depending on their relevant emphasis on horizontal or vertical. These four patterns are horizontal collectivism (HC), vertical collectivism (VC), horizontal individualism (HI) and vertical individualism (VI). Although people from horizontal collectivist cultures are interdependent and emphasise common goals of their groups, they do not obey authority easily.

In contrast, people who are vertical collectivist are willing to obey the norms of their groups and sacrifice their personal goals to fulfil and benefit the group goals. They emphasise and pursue authority. Similar to the discussion above, Singelis et al. (1995) and Triandis and Gelfand (1998) mentioned that people who perceive themselves as horizontal individualists have no interests to be different, to distinguish themselves from others or desire a high status; nevertheless they desire to be unique, independent and self-reliant. They pay more attention to individuality than to being distinctive. Moreover, people who are vertical individualists treat themselves as independent and different to others; they pursue high status, winning and desire to be unique and different through competing and other ways.

Triandis (1995) and Triandis and Gelfand (1998) explained that these four cultural dimensions followed and agreed with political systems which are analysed by Rokeach (1973); he indicated that freedom and equality dimensions are used to categorise countries and societies.

Singelis et al. (1995) developed a scale with 32 items to measure attitudes regarding HC, VC, HI and VI. They chose and tested undergraduate students in mainland US and Hawaii as their respondents. This scale is adaptive to the four dimension model and has reasonable internal consistency. Based on the 32 items measurement proposed by Singelis et al. (1995) further developed and improved a new scale to measure HC, VC, HI and VI. In this measurement, the original 32 items were decreased to 16 attitudinal items.

In addition, Triandis and Gelfand (1998) conducted four studies to test the effectiveness of the new scale. In study one, they chose participants from Korea and tested the viability of them. The results showed the distinction of viability in horizontal and vertical patterns by testing the HC, VC, HI and VI factors. Study two was conducted to investigate the divergent and convergent validity of the measurement by using a multi trait-multi method analysis.

This research not only contained attitudinal items, but also added several scenarios. The results indicated that the 16 items scale had a good convergent and divergent validity. Study three and study four were designed to test how HC, VC, HI and VI were relevant to other widely used measurements of individualism such as hedonism, self-reliance, emotional distance and competition and collectivism such as interdependence, sociability, family and integrity.

The results of these two studies provided support to the differences between the four cultural dimensions: people with horizontal collectivism had high scores on interdependence and sociability but low scores on family integrity; vertical collectivists had high scores on sociability and family integrity but low emotional distance from groups; people with horizontal individualism had high scores on self-reliance but low scores on competitiveness and vertical individualists emphasised competition and hedonism in comparison to horizontal individualists.

As a summary, study two, study three and study four were designed using American undergraduate students as samples and these four studies tested and supported the validity of the convergent and divergent of the measurement (Triandis and Gelfand, 1998).

Moreover, the aims of the new 16 items scales were not only to measure and reflect collectivism and individualism through one aspect, but also to indicate both structures of horizontal and vertical aspects of collectivism and individualism. Besides Triandis and Gelfand (1998) numerous researchers have conducted studies to investigate and explore the validity and features of the four dimensions of individualism and collectivism (Singelis, et al., 1995). All of the results of these researches proved the convergent and divergent validity of the four dimensions. In addition, according to the results of several cross-cultural researches conducted in Asian countries such as Korea, the four patterns of collectivism and individualism are not only adaptive to Western societies, but also fit Eastern cultures.

After Triandis and Gelfand (1998), Soh and Leong (2002) conducted a new research among American and Singaporean students. More specifically, this research used the 16 items measurement scale to test the cross-cultural validity of HC, VC, HI and VI at an individual level. Their results also indicated that the four dimensions were validly tested and measured by applying the 16 items, and the validity of cross-cultural studies was supported through adapting the individualism-collectivism dimension.

In order to measure horizontal (H) and vertical (V) collectivism (C) and individualism (I) in cultural areas, Triandis (1998) targeted university students in Hong Kong and Illinois as research samples. They developed and designed several scenarios covering different social situations related to the lives of university students. The results of this research showed that students in the Illinois mostly belonged to horizontal individualism, followed by horizontal collectivism; conversely most of the students from Hong Kong were horizontal collectivists and then horizontal individualists. In addition, the results also indicated that the numbers of university students who belonged to vertical individualism were similar in Illinois and Hong Kong. A reasonable explanation provided for the unexpected results was that as the economy grew rapidly and competitiveness increased, more people in Hong Kong have become individualists.

Many cultural studies focus on collectivism and individualism with four cultural dimensions (Triandis and Gelfand, 1998). In another study conducted by Triandis and Gelfand (1998), they did not get the expected results; unlike the result mentioned above, they found that American respondents did not focus more on vertical individualism. They explained that the reason may be because horizontal definitions of social relationships strongly related to individualism in students. Based on the analysis above, choosing a suitable sample is especially significant when investigating the relationship between consumer behaviour and cultural orientation on certain products.

Although many cultural researches concentrate on national or group level (e.g. American culture is generally considered individualist), in some researches, cultural orientation should be examined at an individual level. Therefore, the construct of collectivism and individualism is not only useful to compare culture at a national level, but also adaptive to investigate the differences of the individual level.

Some practical researches have indicated that individuals are different and have various cultural orientations even in one culture (Triandis, 1995), so it is inadequate to classify individuals into one cultural orientation. For example, many researches claimed Chinese as only collectivist and American as individualist; if this were the case; all consumers would buy the same products for similar reasons (Tse, 1996).

Consistent with Triandis (1995), also stated that Chinese people have both horizontal and vertical cultural dimensions. Specifically, Triandis (1995) analysed various Chinese respondents, concerning their values and goals. The results showed that around 40 percent of their values maintained horizontal collectivism and 30 percent was vertical collectivist; in addition, 15 percent of the values were vertical individualist and another 15 percent were horizontal individualist. Considering their goals, 50 percent of Chinese respondents were vertical collectivist, 30 percent held horizontal collectivism, 18 percent of them were vertical individualist and the last 2 percent belonged to horizontal individualism.

Triandis (1995) explained that in each culture, the cultural orientation of an individual contains different combinations within collectivism-individualism patterns and horizontal-vertical patterns. So when investigating and analysing issues about the relationship between consumer behaviour and cultural orientation, only characterising people with unified cultural orientation is over simplifying it. There are also only a few studies focusing on cultural orientation at an individual level.

According to Hofstede (2001), the difference between horizontal-vertical cultural orientations resembles the culture-level dimension of power distance, although there are several conceptual and structural distinctions (Cohen; Wu and Miller, 2016). For example, power distance is conceptualised in uni-polar terms from high to low. The horizontal-vertical classification contains individualism and collectivism to yield four distinct categories. A recent study by Vodosek (2009) provides some support for these relations. In his study, members of chemistry research groups at U.S. universities completed a scale to assess the relational models they applied to their group members (Cohen; Wu and Miller, 2016) and a scale to assess cultural orientations of horizontal and vertical IND and COL (Triandis and Gelfand, 1998). Results indicated relations between communal sharing and collectivism, between authority and vertical orientation and between equality matching and horizontal collectivism. These results emphasise the distinctions of both IND-COL and horizontal-vertical cultural orientations to explain preferences for relational models of sociality.

2.10 Culture and Consumption Motivation

Historically, the study of consumption motivation concentrated on individual differences; however, some researchers stated that environmental and external elements also influence an individual's consumption motivation. These elements not only impact the decision-making process of individuals, but also provide a foundation of marketing strategies (Blackwell, Miniard and Engel, 2001).

Basically, it can be concluded that there are four main factors which are characteristic of a person and his/her psychology, society and culture. Among these four elements, culture is the most significant element and external impact; it refers to a set of common rules to determine the people's motivations and behaviour on various social levels, families, individuals and their psychology (Blackwell, Miniard and Engel, 2001). According to Triandis and Gelfand (1998), people are brought up in different cultures and societies, for example, in most Western countries child-rearing patterns tend to teach independence, self-actualisation and self-reliance. On the other hand, child-rearing in Eastern cultures tends to emphasise how to affiliate to societies (Triandis and Gelfand, 1998). As a result, culture influences the whole growing up process of an individual, which further impacts his or her motivation and behaviour.

More specifically, the definitions of culture in the study mentioned above allow the speculation that culture can influence consumers' preferences, motivations and behaviour. Hofstede (1991) supported this speculation; according to his definition, culture is "the collective programming of the mind, which distinguishes the members of one group from another." This definition demonstrates the significant idea that culture influences people's behaviour. He explained that people think the same way because they have the same learning process within the same culture and society. According to Mourali, Laroche and Pons (2005), values of culture have influenced consumer behaviour and motivations. Culture as a complex and intricate concept, is difficult to measure.

Similarly, when it is embedded in consumer behaviour, it is also hard to measure. Even so, it cannot be ignored. Furthermore, McCort and Malhotra (1993) mentioned that culture difference leads to a variety of values; it impacts customers' cognitive processing and finally impacts customers' norms, attitudes and behaviour. According to the cultural definition of Kroeber and Parsons (1985), culture builds patterns of ideas and values that divide human behaviour; they claimed culture has an important and direct impact on human behaviour. The main researches concerning the relationship between culture and consumer motivation are discussed and summarised in the following section.

According to the research findings of McClelland (1961), he suggested that cultural differences lead to different consumers' motivations; culture can affect the consumption structure and decision making process of individuals. In addition, culture can be seen as a major variable when producers create products and transfer the meaning of the products to others. Blackwell, Miniard and Engel (2001) also stated that compared with other elements of the environment, culture can influence the whole process of consumers to make a decision.

Keillor and Fields (1996) claimed that culture is a significant element that impacts consumers' motivations and behaviour. Consumers are from different cultures and societies; when they purchase certain products, they may have a distinct understanding and perspective. More deeply, in different societies and cultures, services and products may not have the same meanings (Schutte and Ciarlante, 1998; Wong and Ahuvia, 1998).

According to Schutte and Ciarlante (1998), people consume products not only motivated by attributes of the products, but also affected by the cultural meaning which is embedded in the products. For instance, British consumers may purchase a Chanel handbag for self-pleasure and self-reward, while Chinese consumers may buy the same product to show off or affiliate to a social group. Kotler (1996) pointed out that culture deeply and broadly influences consumer motivation and behaviour. It not only affects human beings' cognitive processes, but also impacts their preferences. This can lead to different attitudes, cognition and affection. Before purchasing a product, consumers interpret and form judgements based on values, beliefs and norms which they learn in the culture they belong to. Due to the cultural differences, consumers' motivation and behaviour tend to be different. These two scholars also explained that when enterprises try to begin multi-national businesses and make strategies, the first thing they should consider is analysing the cultural features of the target market (Keillor and Fields, 1996).

Moreover, Keillor and Fields (1996) also showed that the meaning of culture can transfer from original cultural attributes to products and consumers. This conversion process can be completed through various vehicles related to consumption such as imitating and advertising. Scholars in this area have a consistent point of view; they state that culture is a necessary element to be mentioned in order to understand and explain consumers' motivation, and even to personality and situational impact. In addition, many international businessmen and marketers are also aware that having a deep understanding of cultural influences and cross-cultural issues is increasingly significant to the decision-making of consumers, especially in overseas markets.

2.11 Culture and luxury consumption

The luxury consumption is a kind of phenomenon which happens across national boundaries. Nowadays, as consumption of luxury products has become more normal and more consumers can afford to buy these products, the definition of luxury has been changing. Indeed, the traditional conspicuous consumption motivation has been transformed (Wiedmann, Hennings and Siebels, 2009).

In the global market, to understand why consumers purchase luxury products and how they perceive the value of luxury are critically significant for marketers and researchers. Moreover, they also should consider and distinguish how culture influences luxury consumption motivation.

In the global market, the same luxury products and brands are often consumed cross-culturally. Therefore, it can be assumed that demand of luxury products is not consistent in different cultures. It also posts an interesting question which is whether there is a relationship between culture and consumption of luxury. Some scholars have claimed that when researchers attempt to understand and analyse the motivations of consumers, they need to consider the cultural context (Antonides, 1998; Suerdem, 1993). These studies emphasise that culture has an important influence on consumers' consumption motivations. Moreover, culture also causes the differentiation among global markets. Even if consumers purchase a certain kind of luxury product, it does not mean they have the same consumption motivation when they come from different countries or cultural backgrounds.

According to Wong and Ahuvia (1998), when compared between Western and Asian countries, culture plays an important role in luxury consumption motivations. "The Western rationality inherent in most consumer theories needs to be reinterpreted through the eyes of Eastern reality"; when researchers investigate and incorporate these two concepts, they should handle them carefully. Because of cultural differences, it should be noticed that Western and Asian consumers buy luxury products maybe for different reasons (Wong and Ahuvia, 1998).

Furthermore, Mooij and Marieke (2017) claimed that the values associated with horizontal and vertical and collectivist and individualist orientations have implications for understanding consumption motivation across cultures. Consumption motivation reflects all aspects of human behaviour. On the other hand, what constitutes consumption motivation may differ as a function of cultural reflection. As a result, they have argued that distinct consumption motivation should emerge for people of different cultures (Mooij and Marieke, 2017).

Mooij and Marieke (2017) demonstrated that an individualist society, compared with a collectivist society, scored higher in personal consumption motivation and lower in social consumption motivation. In line with the result, they further argued that people may concentrate on different qualities in their personal motivation, and that will vary from one culturally relevant context to another (Mooij and Marieke, 2017). Among several studies, results showed that when an individualist versus collectivist cultural personal motivation is made salient, distinct social motivation goals are activated. When the social motivation is salient, people pay more attention to presenting their personal needs (Wong and Ahuvia, 1998; Zhan and He, 2012; Mooij and Marieke, 2017).

China's Luxury Consumption Culture

Culture has a significant influence on the luxury consumption of Chinese consumers (Wong and Ahuvia, 1998). Since ancient times, China has had a longer luxury consumption history than the Western countries. There are a lot of old Chinese luxury products still existing and displayed in many museums all around the world, such as paintings, chinese artefacts and porcelain. In Lu's study "Chinese history luxury consumption" (2008), he claimed that in Chinese ancient times, royal members, nobles and high class people pursued expensive artefacts, paintings, ceramics, silver and even gold tableware to show their social status and upper class lifestyles. Their aims were similar to luxury consumption in Western countries.

From the perspective of culture, Chadha and Husband (2006) did a study on luxury culture in Asia; they discovered there are five stages of luxury consumption motivation. These five stages range from "subjugation" to "way of life". In addition, luxury consumption of Chinese consumers were in the "show off" stage, which means people aim to display their status and wealth in the most conspicuous way through obtaining luxury products.

Wong and Ahuvia (1998) pointed out that the Chinese consumer buying behaviour is heavily influenced by certain values: face concept, collectiveness, family respect, superiority, glory and awareness of shame (Wong and Ahuvia, 1998). Family and collectiveness have an important impact on individual behaviour (Wong et al., 1999). More specifically, as China is a typical collectivistic country, people's success and wealth need to be identified by others (Hofstede, 1991). Chinese consumers try their best to present their self-image through purchasing expensive products to show their success (Vigneron and Johnson, 1999). For instance, in the social interaction patterns studies of Wong and Ahuvia (1998), they found that Western people paid more attention to stressing personal needs, whereas the Chinese focused on emphasising harmonious interactions within group members.

As a result, Chinese consumers are willing to perceive higher brand value and social meaning than products themselves (Wong and Ahuvia, 1998). They can get more recognition from others by having famous and expensive luxury brand products. The face concept of Confucius explains the reason for Chinese consumers purchasing luxury products; it is because they believe acquiring luxury products is equal to having prestige and respect. Respect is a very important etiquette in Chinese society; it can reflect people's upbringing and background. Respect can be seen as one of the fundamental needs of having luxury products. It is a key indicator to express social superiority within a social group (Wong and Ahuvia, 1998). This tradition impacts the perception of luxury products; in addition, people become more susceptible to others' appearance, image and lifestyles because these can establish and reveal people's status.

According to Wong and Ahuvia (1998), conspicuous consumption is an effective and fast way to catch others' attention. Therefore, buying luxury products becomes a channel to increase their social status. In Chinese, words such as appearance and image can be represented by one word, "face". The face concept is significant in Chinese society; it also refers to people's social status. According to Chinese scholars Li and Su (2007), Chinese consumers are more impacted by face, counterpart and peer group compared with Western countries. The consumption of luxury products is more concentrated to serve the social needs of consumers.

Li and Su (2007) explained that in China, consumption of luxury products is associated with face consciousness; the more expensive the product is the more face, higher status and prestige it can bring to consumers. For example, Louis Vuitton and Gucci bags are the most popular and the highest demand luxury brands in China (Phau and Prendergast, 2000). In addition, some research discovered that most Chinese consumers claim to buy luxury brands such as Gucci LV and Burberry, the best sellers in China are luxury products with clear visible logos because consumers like to show them to others (The Standard). Glory and awareness of shame can persuade and pressure people to be successful. Wong and Ahuvia (1998) stated that in China using luxury products can reflect people's success, and bring respect and glory to themselves and their families. It may also bring acceptance and esteem as a member of an elite group even without personal performance and achievements (Wong and Ahuvia, 1998).

Recently, however, Chinese consumers are becoming more knowledgeable about brands, and their preferences are shifting towards brands that satisfy individual needs (Ngai and Cho, 2012). Siu; Kwan and Zeng (2016) argued that it is not sufficient to understand luxury consumption only in terms of social luxury consumption motivation and how it impresses others. Because of China's wealth increases and the fact that more people can afford to purchase luxury products, consumption motivation should become more diversity and move away from social motivation to personal motivation. More attention needs to be paid to the Chinese customers' unique characteristics and their individual backgrounds.

Furthermore, due to the drastic societal and economic changes China has experienced in modern history, huge differences in values and lifestyle exist across different generational cohorts in China, especially compared to other parts of the world (Siu; Kwan and Zeng, 2016). In fact, Ngai and Cho (2012) indicated that Chinese consumer motivations are highly heterogeneous among different generations. In addition, considering the size of the Chinese population, as many differences as similarities among a particular generational cohort should be noted.

2.12 Consumer Acculturation

2.12.1 Introduction of Acculturation

Previous studies reveal associations between acculturation, ethnicity and consumer purchasing decisions (Berry, 1997). Similar to culture, acculturation also has been defined in many ways depending on different areas. One of the mostly cited definitions of acculturation is "acculturation may be defined as culture change that is initiated by the conjunction of two or more autonomous cultural systems' (Berry, 1997). In consumer research areas, according to Laroche and Cleveland (2007), the acculturation studies began in the early 1970s. Moreover, acculturation has been defined as a process by which those new to a society adopt the attitudes, values and behaviours of the dominant host culture. Berry (1997) explained acculturation as a process and transmission experience of cultural and psychological change by an individual that follows his or her intercultural contact.

Due to the result of direct contact with other cultures, original cultural patterns are changing not only on the part of the minority, but also in dominant groups (Laroche and Cleveland, 2007). They claimed that acculturation is generally related to migration; it reflects what happens and changes when people migrate from a minority culture to a new dominant culture. Laroche and Cleveland (2007) defined acculturation as a phenomenon in which immigrants either acquire the host culture or maintain their original culture. More specifically, acculturation is a process of re-socialisation, which includes acceptance of prescribed ways to communicate, use of media or consumption. Therefore, acculturation has relevance within consumption and consumer behaviour.

According to Laroche and Cleveland (2007), there are differences of acculturation at a national level and individual level. At national level, acculturation can happen through the changing of social norms and the structure of a society. In addition, at an individual level, acculturation occurs and is reflected in changes of psychological characteristics of the individual. There are several factors that can impact acculturation at an individual level, such as being in touch with people with different cultural backgrounds, overseas advertisement, travelling and life experience. The change in psychological characteristics can lead to changes in personal attitudes, behaviours, values and identity (Berry, 1997).

2.12.2 Models of Acculturation

In the literature review of acculturation, two models are most widely proposed to investigate the manner of the acculturation process. The first model is named the unidimensional model; it explains a continual process of acculturation. In this model, either ethnic minority culture or the host culture is conclusion. Berry (1997) explained that the unidimensional model assumes that after a period of time, people would gradually lose their original cultural identity and move to the host culture. Finally, people from the ethnic group merge into the mainstream culture and as a separate cultural entity, the original ethnic group and its different norms, values and customs disappears (Berry, 1997).

Furthermore, they explained acculturation as ranging from extreme unacculturation to extreme acculturation. The former point indicates ethnic culture is salient and the latter one shows that the original cultural pattern has disappeared and the host culture prevails. They also pointed out that people from ethnic groups merge into the host society eventually and give up their traditional customs, values, beliefs, norms and behaviours and adapt to those of the mainstream culture. Jun et al., (1993) claimed that when immigrants fully abandon their original cultural heritage and adapt to their host culture, they can be described and classified as “assimilated”.

According to Jun et al. (1993), in the middle of ethnic and host cultural extreme points, the unidimensional acculturation model demonstrates biculturalism. However, the model has limitations, for example, unidimensional models cannot distinguish individuals who have both ethnic culture and host culture, and it is inconsistent with the “extreme point theory” mentioned above.

More specifically, the allocated scores are based on respondents’ answers of single or multiple aspects of the acculturation process including language, social relationships, behaviour, norms, customs and cultural pride. All the responses and data collected from participants are used and analysed with a statistic system, then the system calculates and summarises average responses of all scale items; this would lose the ability to analyse bicultural adaptation of acculturation (Berry, 1997).

For instance, the scores of some respondents may mainly be in the middle of the scale; some others may have high scores and low scores for different items, or they may choose various answers among all items. After setting these data into an analysing system, the results may achieve the same overall mean score. Therefore, these respondents with different cultural orientation are all identified as bicultural, but the fact is only one section of them has the scores in the middle of the scale and so can be precisely defined as bicultural. Therefore, unidimensional acculturation models cannot analyse and reflect the pattern and process of acculturation accurately. However, Berry (1997) claimed that the bidimensional acculturation model can reflect ethnic minorities with aspects of the host culture and retain aspects of the original culture at the same time.

Mendoza (1989) also stated that the acculturation process can be determined by evaluating the level of minority individual assimilating to the host culture and the level of retaining their minority culture. Thus, unidimensional models primarily concentrate on determining the level of merging into a host culture, while the bidimensional models focus on the degree of both adapting into the host culture and maintaining the ethnic cultures.

Mendoza (1989) explained that the unidimensional models are used to measure mono cultural issues while the bidimensional models are referred to as multicultural. In addition, a study of Ryder et al. (2000) proposed four necessary criteria to prove the priority of bidimensional models over the unidimensional models and further explained that maintaining original cultural identity and adapting to host cultural identity were two independent aspects and characteristics in the measurement.

Ryder et al. (2000) also demonstrated a conclusion that the bidimensional models are more reliable to measure various ethnic groups. The reason is that Ryder et al. (2000) chose diverse samples as the target population, such as Asian and North American to analyse acculturation. The findings of their research and numerous literatures provide a great support for using bidimensional models to study acculturation.

2.12.3 Existent Studies on Acculturation

There are some scholars who have already completed research relating to acculturation and the difference of the acculturation process among generations in immigrant families. According to Berry (1997), the development of research regarding acculturation differences between generations is due to the young people of their families acculturating more quickly than the older members. He indicated that cultural adaptation from original culture to modern culture is much easier for the second and third generations of immigrants compared to the first (Berry, 1997). In addition, Berry and Kim (1988) stated that in immigrant families, the majority of parents maintain traditional cultural values strongly when they are in the host society, while young immigrants tend to leave their original values and original cultural orientation, and cause a generation gap with their parents.

Moreover, Berry (1997) conducted numerous researches about acculturation. He proposed three patterns to explain the acculturation process which are contact, conflict and adaptation. Berry (1997) described contact as an important aspect of the acculturation process which refers to the primal interaction between two cultures. The conflict pattern happens when people insist on maintaining their ethnic culture and refuse to be influenced by the host culture. The last pattern of acculturation named adaptation occurs in various ways. Berry (1997) further pointed out that these ways of adapting include assimilation, integration, separation and marginalisation.

According to Berry and Kim (1988), at the beginning of the acculturation process, the majority of immigrants tend to either turn back to their original culture or adapt to the host culture. Within this period, their attitude and behaviour may change (Huntington, 1993). However, eventually, most immigrants would be stable and settle into lifestyles they are happy with.

Berry and Kim (1988) also mentioned that ultimately, most immigrants would adapt to the host culture. In Berry's (1997) paper about acculturation, he indicated that immigrants would fit into stable lives instead of conflicting with two cultures and eventually adaptation would take place; this is the final stage of the acculturation process. Moreover, assimilation is not the only way to get to adaption; Berry (1997) concluded four different routes connected to adaptation, which are assimilation, integration, deculturation and rejection. This classification was similar to another fourfold form namely assimilation, integration, separation and marginalisation.

Assimilation describes a group of immigrants who are willing to have close contact with the host culture and do not maintain their original cultural identity proactively. It is the unidirectional process in which acculturation only happens towards the dominant group (Berry 1997).

However, integration is a bi-directional process which occurs when immigrants have the ability to maintain both their original culture and the host culture. It is not only reflected in immigrants developing contact with the hosting group by their own free will, but also the latter group accepts cultural diversity tolerantly. It means that both of the two cultures will change after a period of time.

Separation is used to explain the way immigrants maintain their original culture and avoid involving other cultures. Marginalisation occurs when immigrants divide themselves from both their original culture and the host culture. They are not willing to be involved in either their own culture or others'.

Marginalisation does not happen frequently. According to Berry (1997), immigrants mostly become marginalised because they have little opportunity to maintain their own culture and face segregation and discrimination from another culture. On the other hand, the attitude of the hosting group is also divers towards the acculturation process of immigrants, such as multi-culturalism, segregation, discrimination and "melting pot" (Berry, 1997).

However, Berry's acculturation framework has been criticised. Penaloza (1994) stated that although Berry's model has been used as the most popular and dominant in consumer acculturation studies, it has limitations. For example, the model treats acculturation as a linear process with four possible acculturation orientations. In addition, it also perceives acculturation as a dichotomous perspective instead of a continuous perspective.

Penaloza (1994) did a huge amount of research about acculturation related to ethnography. Based on her studies, she explained that assimilation may not happen during the process of consumer acculturation. Furthermore, she proposed a new framework instead of Berry's. The acculturation process which immigrants go through normally includes three steps: move into a new culture, translate the original culture and learn to live in the host culture.

Penaloza (1994) explained that there are four consumer acculturation practices in her framework: resistance against the hosting group; acculturation which involves adapting into the hosting group and maintaining their own identity; assimilation, which is adapting to the hosting group but leaving their own identity and segregation which means neither adapting to the hosting group nor maintaining their original culture.

Oswald (1999) supports Penaloza's opinion, claiming that people keep negotiating their cultural identities all the time rather than conforming to one culture simply as "swap culture". More specifically, she explained that consumer acculturation may happen towards assimilation at some times, but also change to resistance on other occasions. Some other scholars such as Askegaard (2005) also demonstrated that it is not necessary for consumers to conform to one culture; they can move to different cultures and societies. Immigrants combine different consumption behaviour and practices in various ways to build and form their identities (Askegaard et al., 2005).

Jun et al. (1993) pointed out that the acculturation process begins with the original culture, also called "home" culture, but it may end in a linear fashion with the host culture. Depending on different occasions, the process may also either move to the host culture or back to the original culture at any time. Lindridge (2009) agree with Jun et al. (1993)'s perspective. They stated that the acculturating group changes attitudes and behaviour to adapt across cultural consumption. He also revealed that acculturation can be seen as a dialogical process which refers to a continuous move forwards and backwards between incompatible cultural positions.

In addition, Askegaard (2005) criticised Berry's model and introduced his new framework 'postassimilationist view'. He explained consumer acculturation as a multidimensional and dynamic process which includes constant cultural negotiation. Jun et al. (1993) divided acculturation into two aspects which are the behavioural part named external assimilation and the attitudinal part called internal assimilation.

A distinct difference between behavioural acculturation and attitudinal acculturation is also proposed in consumer acculturation literature. For example, Jun et al. (1993) explained that the behavioural acculturation process may not be consistent with the attitudinal acculturation process. This means people's consumption pattern may be close to the value of the host culture while the cultural identity is close to the original culture.

Jun et al. (1993) also found that cultural identification (attitudinal acculturation) and the level of acculturation (behavioural acculturation) are different constructs. They noted that behavioural acculturation normally changes faster than attitudinal acculturation. Moreover, immigrants can acculturate to the hosting group while still strongly maintaining their own cultural identification (Ogden et al., 2004). The individual's acculturating consumption experience is explained as a perspective of consumers' re-socialisation. Specifically, it also describes the situation in which consumers struggle between constantly maintaining their original self-identity and changing to the hosting group.

Laroche et al. (1997) claimed that the process of acculturation includes three parts: media exposure, social participation and interaction and language use with families. Whether people are from a racial culture, geographic culture or popular culture, when they connect or interact with another culture rather than the dominant culture, their lives, more specifically, consumer behaviour will be impacted in every part by acculturation.

As mentioned above, Jun et al. (1993) divided acculturation into behavioural and attitudinal. Based on this structure of acculturation, people may express the behaviours impacted by the host culture such as speaking the language of the host culture, purchasing the same popular products, eating the same food and dressing in the same style to become similar to other people. Obviously, regardless of people's racial or ethnic affiliation, acculturation impacts many people in the world's globalisation.

2.12.4 Berry's Acculturation Model

Although Berry's conceptual model has been criticised, this framework is widely cited in consumer acculturation research areas. Berry (1997) explained acculturation as a process in which the immigrant consumers adapt the host consumer culture from low level to high level. Therefore, this framework can be used and is applicable to various consumption issues such as clothing, food and luxury consumption.

So far, in the previous section, various studies and frameworks have been discussed relating to the acculturation process both at a national level and individual level. It should be noted that Berry (1980) is the first scholar who proposed the acculturation studies and framework and his work has been most widely used by other researchers. The following section will look into the consumer acculturation and other studies which have been done in the acculturation area. Another purpose of the next section is to investigate and explore whether acculturation impacts consumer behaviour.

2.12.5 Consumer Acculturation

According to Penaloza (1994), consumer acculturation is a sub-level acculturation which can be explained as a socialisation process. It refers to how immigrants learn motivations, behaviours, values and attitudes which are related to consumption from the host culture and integrate them with their original or minority culture. More specifically, Penaloza (1994) also explained the literature and research of consumer acculturation which mainly focuses on analysing cultural adaptation in the areas of consumer behaviour and marketing, furthermore examining consumer learning processes which are impacted by more than one culture. Berry (1997) proposed that the framework attempts to explain acculturation. He analysed the tendency and characteristic of the acculturating group and examined how the group members maintain their cultural identities.

2.12.6 Twenty-first Century Acculturation

Previous literature and studies of acculturation are limited to concentrating on immigrants who came from other countries over one or more generations. Perhaps the findings of these studies are obvious and acculturation has more impact on participants who immigrated such a long time ago.

In recent years, several researchers found evidence to suggest that acculturation is having an impact on the values and behaviour of consumers (Kumar, Lee and Kim, 2010; Gupta, 2011; and Mathur, 2012). They suggest that Eastern immigrants consider Western brands to be a status symbol and mass media could have exposed them to the culture of the new country even prior to immigration. As a result of these exposures, the immigrant in the age of globalisation experiences a different set of conditions than immigrants in previous generations.

Moreover, according to Chai and Dibb (2013) that acculturation should be considered as multidimensional in nature. That is, acculturation-related progression from the original culture to the culture of the host country does not take place in all aspects of consumer behaviour at the same pace and to the same degree. It is possible for people to display hyper-identification in certain aspects of their behaviour and at the same time display over-acculturation in certain other aspects of their behaviour.

Chai and Dibb (2013) further explained that acculturation can shape the preferences and taste in which consumers from this ethnic group select brands. Moreover, these buying preferences vary according to the involvement with particular cultural orientation (Chai and Dibb, 2013). They suggested that acculturation level has potential as a segmentation variable for targeting immigrants living in the host country because their consumption patterns differ according to the category to which they belong. Using acculturation as the segmentation basis could help practitioners and researchers to make marketing strategies. The approach can identify market segments, be able to target potential customers and meet the needs of that segment (Chai and Dibb, 2013).

In addition, according to the definition of acculturation, which is the process of cultural adaptation and change that happens in any kind of new environment, everyone should be considered, it becomes a necessary part of acculturation. For example, people move from one country to another, study from one school to another, from school to work, from single to married, from a small town to a big city and so on. This study mainly focuses on the individual's acculturation and how host culture influences the consumption motivation and consumer behaviour. When young consumers move to a new society, the host culture may dictate fresh shopping motivations and behaviours automatically. Nevertheless, as these young foreigners move to a new country, the host cultural values and purchasing behaviour and motivations may also be impacted by the other culture; this may cause the host culture to change and provide opportunities for new ideas and products.

2.12.7 Luxury Consumption and Acculturation Influence

In recent years, China has become the top market of luxury consumption. The report from McKinsey's "Understanding China's Love for Luxury" analysed the current luxury consumption situation, and forecasted that by 2015 luxury sales of Chinese consumers will increase by 20 percent of global sales. However, the report also stated that, unlike the traditional luxury consumption motivation, a growing number of young Chinese consumers have a noticeable trend which is moving away from displaying wealth and towards personal pleasure (McKinsey and Company, 2015). Moreover, the luxury consumption of Chinese consumers is not only impacted by traditional history and culture; modern culture is also significant for Chinese consumers. There are many reasons why Chinese consumers desire luxury products such as globalisation, economic development, personal business success and increasing wealth. These elements provide opportunities for Chinese consumers to purchase luxury products (Kapferer, 1997).

Chinese young consumers have been influenced by Western culture for years and the influences are reflected in their attitudes and behaviour with regard to the consumption of luxury. Nowadays, more and more Chinese consumers are willing to accept Western culture and there are a vast number of Chinese young people with a Western education background living in big cities all around the world and they prefer to consume and live in Western style.

According to Shavitt and Zhang (2003), these young people have a huge preference for foreign products and are impacted by foreign values. In addition, they are very interested in obtaining experiences from other countries and in communicating with them (O'Cass and McEwen, 2004). So the needs and attraction of Western lifestyle encourage Chinese consumers to purchase luxury products.

Watchravesringkan (2011) further claimed that consumption and brand preference is a result of socialisation as they are connected with the social approval process. People try to choose proper brands based on their role in society, which identify them as conforming to these roles. The reference people and consumption references they use, which are determined by the social group and by their acculturation category also impact their brand consumption.

Above all, Chinese consumers purchase luxury products not only because these products are designed and made in Western countries, but also because Chinese consumers seek social identification and they are influenced by culture and value from Western countries. These new kinds of culture and value impact their consumption motivation and play a big role during their consumption. Furthermore, according to Chadha and Husband (2006), some young wealthy Chinese consumers are more confident and feel that it is normal to buy luxury products. Shopping has become a way of life; it is as usual as drinking, eating and sleeping. These young consumers tend to purchase more expensive and luxury items compared to older consumers. The motivations of these new consumers are more hedonic and concerning self-pleasure; they pay more attention to interpersonal motivation rather than social effects.

Therefore, this research investigates how Western culture changes and impacts Chinese consumers and determines luxury consumption of Chinese young consumers.

2.13 Previous Research of Culture，Acculturation and Luxury Consumption Motivation

The majority of research of luxury consumption has been conducted in developed countries and Western countries. Normally, luxury brands are derived from Western countries such as the UK, France and Italy (Berry, 1997). However, recently, the topic of luxury consumption in emerging markets has caught scholars' interests. In particular, there are an increasing number of researches and studies publicised in highly ranking journals about Chinese luxury buyers, their consumption motivations, consumer behaviour, comparative studies about cross-culture and elements that impact luxury consumption motivation, attitudes and behaviour (Bian and Forsythe, 2012; Chen and Kim, 2013; Wong and Ahuvia, 1998).

Normally, comparative research has highlighted the importance and cultural differences between Western and Chinese consumers. In addition, some Chinese scholars such as Zhan and He (2012), Jiang and Cova (2012), Juggessur (2009) and Chen and Kim (2013) have studied and explored the influence of psychological differences on luxury consumption in China. These studies mainly focus on value consciousness, social comparison and luxury counterfeit consumption.

Furthermore, there are some studies regarding Chinese luxury consumer segmentation and their motivations have been proposed. Based on the studies of Wang, Sun and Song (2011), three luxury segments were proposed which are the distant, the elitist and the democratic segments. They believe the motivations of these three segments are different, such as the elitist consumers insist that luxury brands should be exclusive to the elite group and they purchase luxury products only for self-actualisation and social reasons. Other scholars such as Lu and Pras (2011) divided Chinese luxury consumers into four groups and consumers from each group have their own consumption motivations, for example, functionality, personal or conspicuous consumption.

Nevertheless, the majority of previous studies and researches have focused on the factors which influence domestic luxury consumption (e.g. Chen and Kim, 2013; Eng and Bogaert, 2010). There is little research relating to the acculturation process and luxury consumption has been systematically done. As this study mentioned above, China has been experiencing dramatic ideological and social transition, the market faces liberalisation and accelerates cultural exchange, and prior studies have not addressed the cultural transition and the Western cultural influence on Chinese consumers' luxury consumption motivations. This research aims to investigate how British culture influences Chinese consumers' luxury consumption motivations by focusing on young consumers living in London.

2.14 Summary of Adaptive Model Used in This Research

Above all the models mentioned before, whose advantages and limitations have been evaluated, Triandis and Gelfand's (1998) cultural scale is the most adaptive and useful one to this research. Their 16 items scale is adequate to measure cultural dimensions in this research as described before.

Triandis and Gelfand (1998) scales are more psychometrically valid and concerned with a different unit of analysis compared with Hofstede's model. In the new cultural scales, the measurement focuses more on individual and micro levels and is opposite to Hofstede's dimensions which analyse the national and macro level. The latter cultural dimensions measurement instrument collects data and information based on organisations, groups and countries and it is suitable to assess and compare national culture or cross-cultural issues. However, the former cultural scales are adapted to analyse individuals, specific groups, cultural transition, acculturation and culture fusion issues.

The current research consists of analysis of the influence of cultural orientation on consumption motivations of Chinese young consumers regarding luxury products. This study concentrates on cultural orientation and the acculturation process within certain populations and the investigation is conducted at an individual cultural level. The objectives of the present study aim to understand the cultural perspective of Chinese young consumers, how they are impacted by the acculturation process and the relationship between culture and consumption motivation of luxury products. This research not only provides information of consumption motivation regarding luxury products, but also information on cultural orientations and acculturation of a young generation of Chinese consumers.

2.15 Summary of Chapter Two

This chapter has:

1. Reviewed the concept of luxury, provided definitions and researches and established theories relating to luxury consumption both in Western countries and China. Furthermore, Chapter Two comprehensively reviewed consumption theories

relating to the luxury market.

2. Reviewed luxury consumption motivations relating to Chinese young consumers, and explored the difference and characteristics compared with consumers in Western countries.

3. Reviewed the concept of culture, cultural models and cultural differences. In addition, how cultural factors influence the luxury consumption motivation of Chinese young consumers was reviewed.

4. Reviewed definitions relating to acculturation and consumer acculturation and provided a comprehensive investigation about how the acculturation process influences the relationship between cultural orientation and luxury consumption motivation.

The following chapter presents the conceptual model and hypothesis in line with theoretical frameworks which provide a basis for empirical analysis.

CHAPTER 3 CONCEPTUAL MODEL AND HYPOTHESES

3.1 Introduction

This chapter aims to explore and analyse the existing theoretical frameworks. Then, a conceptual model will be constructed and presented to conduct the empirical research and explain the underlying dimensions and relationship of the acculturation impact and luxury consumption motivations among Chinese young consumers living in London.

Although there has been some previous research and proposed frameworks about the cultural dimensions, acculturation and luxury consumption motivations, previous literature has shown that there are less investigations and research focusing on exploring the different cultural impact on the process of acculturation and luxury consumption motivations among the young generation from one country, so there is no existing theoretical framework suitable for this study (Zhan and He, 2012). This study attempts to investigate the relationship between these relevant frameworks and to test relationships amongst them.

3.2 Development of the Conceptual Framework

This study aims to explore the luxury consumption motivations of Chinese young consumers and examine the cultural influence and acculturation process on consumption motivations towards luxury products. The relevant detail of elements will be discussed to explain the conceptual model in this chapter.

The cultural study and acculturation related to luxury consumption motivations involve numerous factors which encompass cultural level, society development, individual background and general consumption motivations etc. This research mainly focuses on individual cultural orientation, acculturative process level and how they change and impact on current luxury consumption motivations of young Chinese consumers.

A multi-variable conceptual model was developed in this study. This research constructs the conceptual framework from the perspectives below:

3.2.1 Cultural Orientation Factors

As mentioned in the literature review, this study focuses on Chinese young consumers. Cultural factors relate to Triandis' (1995) scale of cultural dimensions which are collectivism/individualism, with each dimension divided into horizontal and vertical segments. According to Trandis (1995) and Hofstede (2001), the individualism/collectivism cultural dimension is one of the most important factors to explain and understand the process of acculturation. The reason is the collectivism/individualism dimension not only shows the basic difference among cultures, but also captures individual cultural variations. Therefore, in the conceptual model, there are four cultural orientation factors which are horizontal collectivism (HC), vertical collectivism (VC), horizontal individualism (HI) and vertical individualism (VI).

3.2.2 Luxury Consumption Motivation Factors

Based on the research of Zhan and He (2012) and Wang (2011), social luxury consumption motivations adapted to this study are social demand (SD) and desire for status symbol (DSS), and personal luxury consumption motivations are self-pleasure/reward (SP) and quality assurance (QA).

3.2.3 Acculturation Factors

Acculturation factors proposed by Berry (1997) are categorised into four groups: assimilation, integration, separation and marginalisation. Berry (1997) explained that assimilation and integration describe the extent to which individuals adapt to host cultural value. However, separation explains the scenario in which individuals refuse to adapt to the host culture. On the other hand, marginalised people neither maintain their original culture identification nor adapt to the host culture. This kind of person usually gives up both of the ethnic and host cultures and brands and this leads to difficulties in interpreting their cultural identification and consumption (Berry, 1997). In addition, which databases and mailing lists they belong to is also unclear and hard to locate.

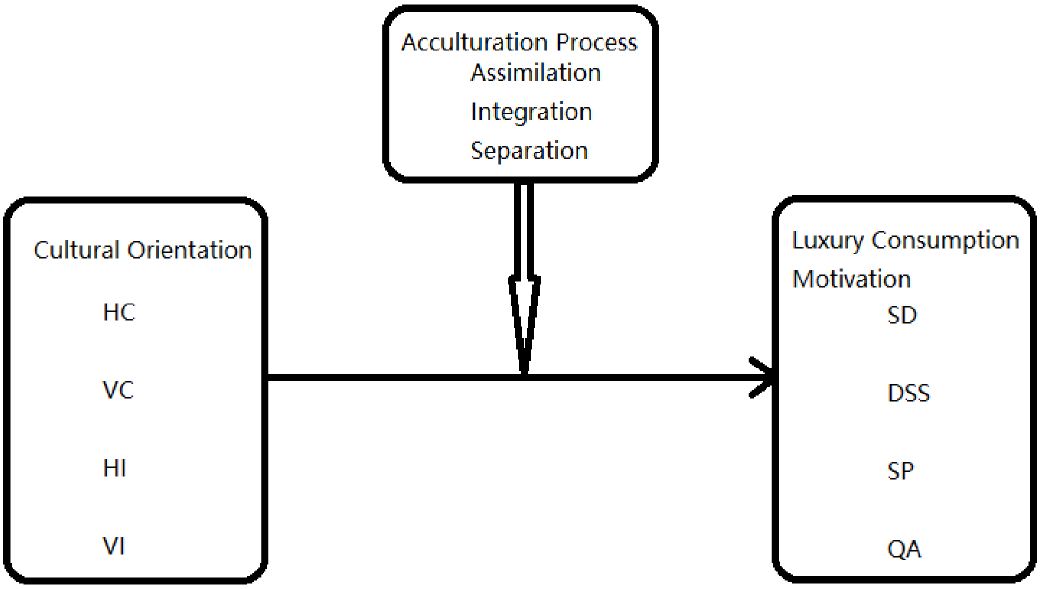
Lindridge, Hogg and Shah (2004) pointed out that marginalised people are hard to engage with and it is even more difficult to explain and to negotiate their consumption and interactions between different cultural backgrounds, between British and Asian cultures. In addition, Lindridge, Hogg and Shah (2004) used an ethno-consumerist methodology to explain the reason for marginalisation. They found out that cultural marginalisation is normally a result of racism and prejudice. Generally, a marginalised individual is self-destructive, deliberate and non-engaged with both the original and the host culture and products with cultural meaning.

Moreover, in Lindridge, Hogg and Shah's (2004) study, they did not mention the marginalisation category because it is the least satisfactory choice for participants if they have other options. Given these explanations of complex measurement issues regarding marginalisation and many relevant researches in this area, in this study, marginalisation is excluded.

3.3 Content of the Conceptual Model

This research attempts to develop and contribute knowledge of the cultural impact on luxury consumption among young consumers and provide empirical advice to the luxury market. Identifying the relevant factors linked to culture, acculturation and luxury consumption motivations can be used to discover the tendency of luxury consumption and help luxury products providers to develop successful marketing strategies and develop attractive products. The conceptual model is shown below in Figure 3.1

Figure 3.1: Conceptual Model of This Research



3.3.1 Cultural orientation and luxury consumption motivation factors

Cultural orientation relating to social luxury consumption motivations

According to Mourali, Laroche and Pons (2005), individualistic culture such as the UK has an important negative effect on other-directed consumption of consumers. As Triandis and Gelfand (1998) mentioned, people who are horizontal individualistic have little interest in considering others or their social groups. Hence they desire to be unique, independent and self-reliant. However, Hofstede (1991) stated that collectivistic culture such as China, places great emphasis on social cultural orientation both in horizontal and vertical collectivism. The relationship with others and social groups is the most significant (Triandis and Gelfand, 1998).

Moreover, Markus and Kitayama (1991) explained that in Eastern collectivistic countries, consumers pay more attention to the interdependent and social meaning of products which are suitable for their families' activities, professional career, social relationships and cultural background. Aune and Aune (1996) also indicated that in collectivistic cultures, individual's consumption motivation and consumer behaviour is impacted more by social factors than personal needs. According to Trompenaars and Hampden-Turner (1994), due to the great collectivistic nature of Chinese society, consumers desire luxury products to express their social identities, enhance their high image and affiliate to their social groups (Dubois et al., 2005). Therefore, the hypotheses can be concluded as following:

H1: Horizontal collectivism has a positive impact on social luxury consumption motivations of Chinese young consumers.

H2: Vertical collectivism has a positive impact on social luxury consumption motivations of Chinese young consumers.

H3: Horizontal individualism has a negative impact on social luxury consumption motivations of Chinese young consumers.

H4: Vertical individualism has a negative impact on social luxury consumption motivations of Chinese young consumers.

Cultural orientation relating to status symbol luxury consumption motivation

According to Belk, Bahn and Mayer (1982) and Solomon (1983), a major aim of consumers in purchasing luxury products is to improve their social status, self-esteem and prestige. Consumers can show their high social status through using luxury products when they socialise with others. In fact, researchers found out that consumers pay more attention to status-directed symbolism of luxury products than their utilitarian functions (Grubb and Grathwohl, 1967). Grubb and Grathwohl (1967) also believed that people seek self-concept and status and try to emphasise them by purchasing and using products as symbols. According to Mason (1981), in conspicuous consumption of luxury products, status pursuit is one of the most important motivations.

Alden, Steenkamp and Batra (1999) and Dholakia and Talukdar (2004) conducted a study about consumption motivations in developed countries. During their investigation, they found out that the primary aim of consumers that desire and purchase Western brands, is that these products can represent status symbolic meaning.

Consumers purchase them in order to show their personal taste, distinction and desire for prestige (O'Cass and McEwen, 2004)). Zhou and Wong (2008) also pointed out that once the symbolic value and meaning which is attached to these products decreases, consumers will no longer pay much attention to them and the purchase intension will decline.

Focusing on luxury consumption, O'Cass and McEwen (2004) explained that the majority of Eastern consumers purchase luxury brands because of social meanings. Wong and Ahuvia (1998) stated that in the Asian market, consumption motivations of luxury products are different from Western consumers'. The interpersonal factors are primarily considered to influence luxury consumption motivations in Asian cultures and societies. In addition, they pointed out that Eastern consumers purchase luxury products mainly because of the status value which is related to consumers' needs of prestige and social identity.

Also, in O'Cass and McEwen's (2004) research, they chose real consumers who purchased luxury products over 26 brands across three luxury categories. Shukla (2010) and Wong and Ahuvia (1998) assert their study and state that consumers coming from western developed countries pay more attention to their self-concept consumption while Eastern consumers have a higher focus on the social function of luxury products.

Markus and Kitayama (1991) also reflected the view of Shukla (2010) and Wong and Ahuvia (1998). They claimed that personal motivations of luxury consumption are more dominant in Western cultures such as the UK, France and Italy. For these Western consumers, their personal satisfaction is more important in relation to consumption motivations and behaviour (Wong and Ahuvia, 1998).

According to Shukla (2010), the research results also reflected that the luxury consumption motivation of status symbol is associated with consumers' needs for prestige and social identities and it is much stronger among consumers in Eastern countries. Tse (1996) also proposed that when Chinese consumers purchase luxury products, their motivations are more influenced by social factors than personal factors; it shows that consumers in collectivistic cultures are more focused on other people's perceptions and status maintenance.

More specifically, Triandis and Gelfand (1998) mentioned that people who perceive themselves as horizontal individualists have no interest in being different, standing out, distinguishing themselves from others or desiring a high status; they think status is irrelevant. Nevertheless they desire to be unique, independent and self-reliant. They pay more attention to individuality than to being distinctive.

Moreover, people who are vertical individualist treat themselves as independent and different from others; they pursue high status, winning and desire to be unique and different through competing. In vertical cultures, inequality is a normal fact of life. According to the literature review, individuals in both vertical collectivistic and individualistic cultures have a preference for seeking status and status desirability is related to the power distance of Hofstede's (2001) cultural dimensions. As a result, consumers who belong to VC or VI are expected to pursue status through luxury consumption. On the other hand, consumers with HC or HI should be expected to have little motivation related to status. Accordingly, the hypotheses can be concluded as following:

H5: Horizontal collectivism has a negative impact on status symbol luxury consumption motivations of Chinese young consumers.

H6: Vertical collectivism has a positive impact on status symbol luxury consumption motivations of Chinese young consumers.

H7: Horizontal individualism has a negative impact on status symbol luxury consumption motivations of Chinese young consumers.

H8: Vertical individualism has a positive impact on status symbol luxury consumption motivations of Chinese young consumers.

Cultural orientation relating to self-pleasure/reward luxury consumption motivation

According to Snell, Gibbs and Varey (1995) self-pleasure/-reward is described as a key factor through which people perceive their happiness through hedonic experience and the consumption process, and it is self-determined. Dube and Le Bel (2001) pointed out that pleasure can be considered as the priority aim and motivator of consumer behaviour. Consumers are willing to purchase products in order to obtain fun, happiness, fantasy and hedonic experience (Holbrook and Hirschman, 1982).

When considering luxury products, the affective and emotional values such as superior quality, high level of aesthetic image and excitement are the essential features (Wiedmann et al., 2009). As a result, people tend to purchase luxury products to satisfy their own hedonic needs and requirements (Dubois and Laurent, 1993 and Tsai, 2005). Dubois and Laurent (1993) stated that the primary purpose of individualistic consumers is more to concentrate on satisfying themselves than impressing others. In addition, Vigneron and Johnson (1999) indicated that this situation is more obvious and happens to high personal orientation people.

More specifically, Dubois and Duquesne (1993) stated that luxury products are likely to provide consumers with hedonic, enjoyable, self-pleasurable and experiential benefits. For instance, when society first emerged in the Western part of the world, consumption and happiness seeking became the major organising norm. Berg (2007) explained that from the Middle Ages, European consumers purchased luxury products to fulfil personal pleasure; it is the most significant reflection of hedonism. Hofstede (1991) also pointed out that in individualistic countries, the priority goals of individuals are to satisfy their personal needs; thus seeking happiness and increasing personal pleasure are seen as social norms. In the British luxury market, consumers express higher preference of hedonic consumption when they purchase luxury products. In his studies, Shukla (2010) focused on the consumption of luxury products in individualistic and collectivistic societies. The studies' findings provided empirical evidence that the luxury consumption motivation of self-pleasure/rewards is more important to individualistic consumers than collectivistic. Furthermore, some Chinese scholars such as Zhan and He (2010) found out that Chinese consumers who are collectivistic pay more attention to the social value of luxury products rather than gratifying their personal needs and pleasure. Therefore, the following hypotheses were formulated as:

H9: Horizontal collectivism has a negative impact on self-pleasure/reward luxury consumption motivations of Chinese young consumers.

H10: Vertical collectivism has a negative impact on self-pleasure/reward luxury consumption motivations of Chinese young consumers.

H11: Horizontal individualism has a positive impact on self-pleasure/reward luxury consumption motivations of Chinese young consumers.

H12: Vertical individualism has a positive impact on self-pleasure/reward luxury consumption motivations of Chinese young consumers.

Cultural orientation relating to quality assurance luxury consumption motivations

According to Nia and Zaichkowsky (2000) and O'Cass and Frost (2002), normally, luxury products have higher and greater performance and quality than non-luxury products. For example, luxury products are usually made of high quality material, made by advanced technology and have exquisite design and craft art (Vigneron and Johnson, 1999). Vigneron and Johnson (1999) and Wiedmann et al. (2009) also stated that superior quality of luxury products is one of the most important reasons for consumers to purchase them. Many researchers indicated that desire for high quality and perfect products is a significant consumption motivation for luxury consumers even across different countries and cultures (Durvasula, Lysonski, Akhter and Andrews, 1993).

Consumers pursue luxury products with unique characteristics and high quality to satisfy their need to be different from others (Wiedmann et al., 2009). As a result, they purchase luxury brands not only for their conspicuous characteristic, but also for their superior quality. According to Gentry (2001), in the majority of situations, one of the most important reasons why consumers refuse to purchase counterfeit products is their low quality. Hence, quality assurance is one of the personal consumption motivations towards luxury products (Tsai, 2005). Thus, considering luxury consumption motivations, functional value such as quality plays an important role.

In Donthu and Yoo’s (1998) comparative research about Western and Eastern consumers, they found that collectivistic consumers normally have lower quality expectations of luxury products than individualistic consumers. This phenomenon was reflected through consumers’ demand for functional usage. Even further, Donthu and Yoo (1998) also suggest that consumers with individualistic cultural orientation may require higher level of utility and functionality compared with the counterpart from collectivistic cultures.

According to Shukla (2010), the findings of his research indicated that compared with Asian consumers, Europeans, such as British consumers may pay more attention to functional value when they purchase a luxury product. However, with the rapid growth of the economy and globalisation, consumers in collectivistic cultures such as China know more about Western societies and products; they also desire a high quality life style and require high quality when purchasing luxury products.

According to the research of Tse (1996), Zhan and He (2012) more than 83 percent of Chinese consumers purchase luxury products because of their functional superiority and outstanding quality. Thus, the hypotheses can be constructed as following:

H13: Horizontal collectivism has a positive impact on quality assurance luxury consumption motivations of Chinese young consumers.

H14: Vertical collectivism has a negative impact on quality assurance luxury consumption motivations of Chinese young consumers.

H15: Horizontal individualism has a positive impact on quality assurance luxury consumption motivations of Chinese young consumers.

H16: Vertical individualism has a positive impact on quality assurance luxury consumption motivations of Chinese young consumers.

3.3.2 Acculturation relating to the conceptual framework

As mentioned in Chapter Two, there is a close relationship between acculturation and culture. According to Steenkamp (2001) culture is an important factor influencing consumption issues and the global marketing area; besides, there is increasing acknowledgement explaining the trend of international markets and building marketing strategies. Therefore, exploring purchase motivation among Chinese young consumers in London especially related to luxury consumption linked to acculturation is a worthy topic that can enrich the literature.

Triandis (1995) pointed out that the main difference between collectivism and individualism is the emphasis on the degree of independence. The collectivistic cultures normally have a low degree of independence. In collectivistic cultures and societies, people always treat the group’s welfare before their own. They were asked to maintain orders, respect for elders and fulfil family needs when they were young, and these are important in collectivistic cultures (Hofstede, 2001).

On the other hand, in individualistic cultures, people place more emphasis on independence. Personal preferences and attitudes are widely accepted and more important than others’ opinions. As Triandis and Gelfand (1998) explained, there are always some variations of cultural orientation among individual in every society. In other words, individuals from a dominant individualistic culture such as the UK may have some collectivistic cultural value, while individuals from a collectivistic culture such as China may be individualistic oriented. However, these individuals hold some opposite cultural value to the host culture which only accounts for a tiny part of the whole society.

As indicated previously, acculturation is a process of people adapting from an original culture to a host culture and becoming part of that society. Cultural assimilation aims to explain the process by which an individual or a group of people give up their original culture and adapt to another. In other words, assimilation mainly focuses on the maximum accepted extent of the mainstream host culture. It is used to describe either immigrants or temporary residents who are impacted and dominated by a host culture. Depending on the circumstances, assimilation may refer to quick or gradual cultural changes for temporary residents. Complete assimilation happens when the cultural value of new members in a society becomes the same as the others and they give up their original cultural values.

The integration process of acculturation aims to describe the situation in which people not only maintain their original cultural value, but also accept the host culture and society. More specifically, it includes decreasing cultural barriers to associate with other cultures, developing diversity of cultural values and traditions and building equal opportunities for both of immigrants and local people, rather than only bringing minority cultural values into the host culture.

Separation is used to explain the way immigrants maintain their original culture and avoid involving themselves in other cultures.

It can be explained that acculturation in an individualistic culture that can facilitate the pursuit and adaption of individualistic cultural orientations and hinder collectivistic culture orientations. However, if original cultural orientation is collectivistic, it is easier to adapt to a collectivistic culture rather than an individualistic culture (Ryder et al., 2000).

According to Ryder et al. (2000), he and his colleagues mentioned that Chinese Americans who are independent self-construal related to individualistic acculturation and interdependent self-construal individual related to maintain their original cultural orientation. As this study discussed earlier, British culture is a typical individualistic culture. The people from the UK are highly individualistic. Chinese young consumers who live in the UK should be impacted and acculturated by British culture which will further affect their consumption motivations. Therefore, the following hypotheses were formulated:

H17: The acculturation process moderates the relationship between cultural orientation and luxury consumption motivations.

3.4 Summary

Firstly, this chapter reviewed the existing literature on luxury products consumption, cultural orientation, consumption motivations and a range of relevant theories. Also, this chapter highlighted the relationships between culture and luxury consumption motivations and the influence of acculturation with regard to consumer behaviour, especially in collectivistic and individualistic cultures such as China and the UK.

After that, the research gaps were identified. The research gaps and analysis showed that none of the aforementioned literature and theories focused on examining the relationships among culture, acculturation and consumption motivation, especially the acculturation process and how it impacts consumption motivations of young generations in the luxury market and the lack of relevant literature provided the basis to develop the theoretical frameworks of this study.

Therefore, a new conceptual framework which combines the existing models across the different research areas such as cultural model, acculturation model and consumption motivation model is appropriate and the new model can provide a coherent and integrated understanding of this research. To achieve this aim, the most widely used and suitable measurement scale and theories such as Triandis and

Gelfand's (1998) individual cultural measurement, Berry's (1997) acculturation dimension and social and personal luxury consumption motivation scales have been adapted to guide this research.

Secondly, this chapter has also indicated and acknowledged the renowned scholars who made significant contributions and influenced the developing processes of consumption motivation consumers in Eastern and Western markets in relation to luxury products. Moreover, luxury consumption motivations are claimed to be different between collectivistic and individualistic cultures and the difference may lead by acculturation. By using these factors, the conceptual model of the relationship between culture, acculturation and luxury consumption motivations was developed.

More specifically, the conceptual model of this research is based on the hypothesis that is related to personal consumption motivation factors, social consumption motivation factors, factors of individual cultural orientation and consumer acculturation as shown in Figure 3.1. It provides a completed conceptual framework and clear insight to analyse the research problem. Also, the proposed hypothesis of this research based on the aforementioned literature needs to be tested by using valid data. Thus, it is necessary to develop a suitable and appropriate data collection method to obtain research data from Chinese female university students in London.

Above all, based on the conceptual model and research hypothesis which are proposed in this chapter, the following chapter will use them as a foundation and propose the most suitable methodology for empirical investigation.

CHAPTER 4 RESEARCH METHODOLOGY

4.1 Introduction

According to Ethridge (2004), in the area of science, conceptual and empirical investigations aim to accelerate scientific knowledge growth through the use of methodology. Ethridge (2004) and Taylor (2006) pointed out that collecting data is the main aim of research methodology. It is a procedure of collecting, analysing and undertaking a research study. Accurate, effective and suitable research methodologies are important for collecting data, analysing research results and achieving objectives. Therefore, choosing an appropriate method of research can assume the validity and the reliability of the research (Saunders et al, 2006).

Business-related research can involve either building or verifying a theory (Flynn et al., 1990). In a study to verify theory, an investigator generates hypotheses in advance of data collection and either accepts or rejects the hypotheses using classical, inferential statistics and significance testing. The origin of a theory-building study is not hypotheses, but rather assumptions, frameworks, a perceived problem or very tentative hypotheses (Flynn et al., 1990). The present study to investigate consumers' purchasing behaviour regarding luxury goods focuses on testing hypotheses rather than building theory.

This chapter illustrates the research approach and discusses the adaptive research methodology to be used in empirical research, focusing on culture, acculturation, consumption motivations and the influence among them regarding luxury products. It starts with research design, then the data collection method and is followed by the details of the population selection, sample selection, scale development, questionnaire construction and the pilot study, all of which are necessary to accomplish the research objectives of this thesis. In the previous chapters of this study, the main purpose has been to illustrate the significance of investigating cultural orientation differences, the acculturation process and consumption motivations and how these factors impact each other. The rest of this chapter aims to rationalise and explain the methodological approach of this study specifically.

4.2 The Philosophy of research design

According to Easterby-Smith et al. (2004), data and theory are treated as a subject which has been investigated by scholars. They explain and emphasise the importance of philosophical understanding referring to research design. Easterby-Smith et al. (2004) also explained that an understanding of philosophy can help researchers improve their research design and know more about ways of developing the research methodology.

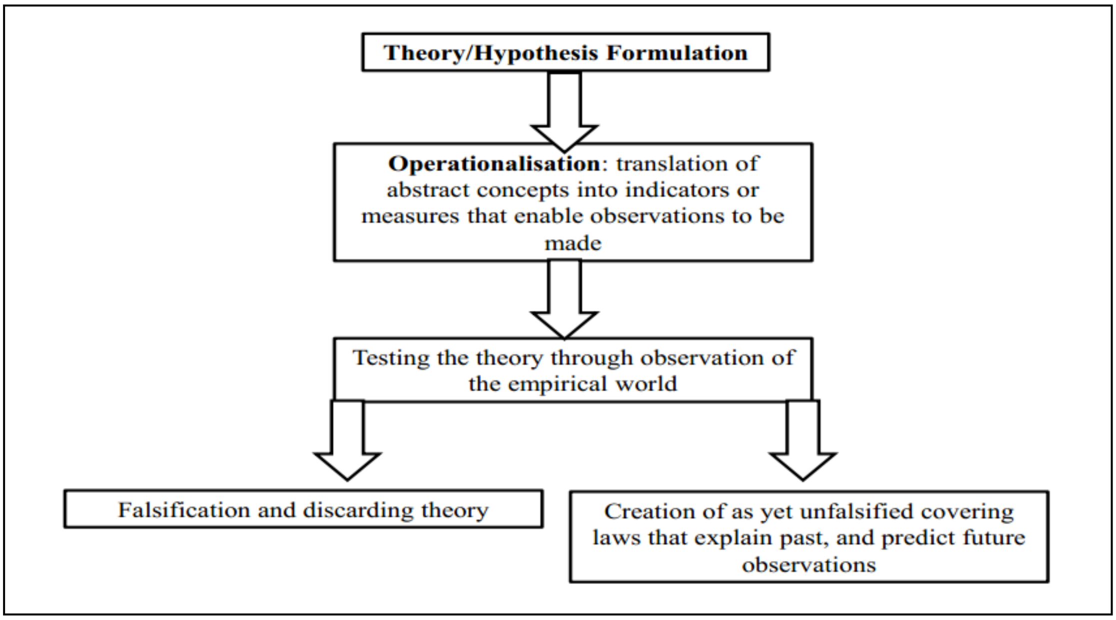
Easterby-Smith et al. (2004) proposed that paradigms can provide useful ways and guidance to classify complex understanding, views and actions. According to numerous scholars (Easterby-Smith et al. 2004), for the paradigm of research philosophy, positivism and interpretivism/constructivism are two of the most popular research philosophies. In many existent research philosophies, researchers concentrate on using positivism, interpretivism or the construct that comprises both of them which is known as realism (Easterby-Smith et al., 2004). They claimed that positivism and interpretivism represent two opposite beliefs related to how knowledge is produced.

4.2.1 Positivism

The definition of positivism is "that the social world exists externally and that its properties should be measured through objective measures, rather than being inferred subjectively through sensation, reflection or intuition" (Easterby-Smith et al., 2004, p 28). According to Thomas (2003) and Collis and Hussey (2003), in psychology and marketing and management research, the majority of studies are positivist. Although some alternative methods have been used recently, the positivism stance has been a predominant and prevalent mainstream paradigm. According to Collis and Hussey (2003), in the area of marketing, the main purpose of positivism is to concentrate on differentiating principles which can characterise consumer behaviour. Therefore, knowledge can be obtained widely by measuring, logical deducting and objective observing. The initial idea of positivism was proposed by a French philosopher named Auguste Comte in the eighteenth century (Easterby-Smith et al., 2004). In addition, Easterby-Smith et al. (2004) explained that generally, positivist scholars describe positivism as a rigorous scientific method, and they believe that social phenomena is governed by general rules and laws. Moreover, they pointed out that human or social research should follow the scientific method. Positivists believe that the social world cannot be affected because it is observed by objective and peripheral realities.

In addition, Easterby-Smith et al. (2004) also stated that in the positivists' view, the social world is objectively observed and seen as externally existing. Therefore, it requires researchers to be objective and independent. Furthermore, positivists have pointed out that when analysing and exploring factors such as consumer motivations and behaviours, they can be isolated and substantiated. As a result, positivism only accepts that knowledge is accepted if it is logical, validated and can be empirically tested. Gill and Johnson (2002) explained that positivism is prevalently used in scientific approaches; it is mainly adapted for building concepts, testing hypotheses, explaining empirical statistics and measuring facts objectively. They further explained that deduction as an appropriate research technique is frequently used by researchers before testing hypothesis. Normally, deduction involves two phases which are building a conceptual model and developing theoretical constructs. Then, researchers evaluate and examine these concepts and determine the most significant one to fit their studies, measure the model and test the hypotheses. The details of the deduction process are shown in Figure 4.1

Figure 4.1



Gill and Johnson (2002)

4.2.2 Interpretivism

According to Easterby-Smith et al. (2004) unlike positivism, interpretivists believe that the world and reality are not objective. They explained that the world is socially structured; the meaning of certain things is defined, observed and considered by people and society. Furthermore, they depend on different people, their experience and their perspective, and so the investigations of social phenomenon may differ. And the final explanations of a certain social issue may only be understood by its entire meaning. Easterby-Smith et al. (2004) also proposed that in social science, the minimal principles related to positivism are not suitable to understand and investigate diversity and multifaceted social issues and objective observation.

4.2.3 Evaluation of Positivism and Interpretivism

Positivism is also not adequate for the world which is built by humans and influenced by their behaviour and actions. Easterby-Smith et al. (2004) explained that people are seen as a key factor in social contexts. More specifically, they cannot be studied without considering and examining their own behaviour, activities and perceptions of the world. They indicated that social phenomena and issues are multifaceted and diverse, they are not only matters of principle; therefore general findings are not enough to explain all of them.

Easterby-Smith et al. (2004) also pointed out that interpretivism aims to demonstrate interpretative justifications in order to understand and recognise reality subjectively, and these are important and meaningful to the research and its context. In addition, they stated that considering the methodological theory, interpretivists explained that reality and the researcher are closely related; furthermore, the understanding of one society and the world is based on the individual's knowledge, life experience and the analysis of research objectives.

Depending on the opinions of interpretivists, they do not treat people and their behaviour as objective; they pay more attention to discovering and exploring reasons and knowledge about how behaviour occurs through finding and developing appropriate methods (Easterby-Smith et al., 2004). Interpretivism emphasises human involvement; it means that researchers are motivated and relate to human interests more than objective situations. Therefore, an interpretivist stance is opposite to positivist which prefers to use a deductive approach, concentrating on analysing contribution and testing hypotheses. However, normally, the first step of interpretivism concentrates on building and developing theoretical constructs or conceptual models. Easterby-Smith et al. (2004) proposed that the main data collection method and constructive theories of interpretivism are qualitative data collection methods. Table 4.1 demonstrates and highlights the distinct features of positivism and interpretivism.

Table 4.1

	Positivism	Interpretivism
Basic Beliefs	The world is external and objective The observer is independent Science is value Free	The world is socially constructed and subjective The observer is part of what is observed. Science is driven by human interests
Researcher Should	Concentrate on facts Look for causality and fundamental laws Reduce phenomena to simplest elements Formulate hypothesis and test them	Focus on meanings Try to comprehend what is happening Look at the totality of every situation Develop ideas through induction from data
Favoured Methods Include	Operationalising concepts so that they can be measured Taking large samples	Using multiple methods to ascertain diverse views of phenomena Small samples investigated in depth over time.

Easterby-Smith et al. (2004)

Easterby-Smith et al. (2004) stated that a positivist approach has many advantages, for example, the most important one of them is that it is unprejudiced. Due to this reason, researchers can use previous findings from different studies or in various contexts. However, Hirschheim (1992) claimed that there are also repeated criticisms and arguments made by scholars. They believe that when conducting social science researches, the positivism approach is poor and easily leads to misunderstanding because the research is based on objective external reality, therefore the findings can be converged. On the other hand, the research approach of interpretivism has emerged. It is also used as a significant method which can produce deeper insights into the area of social scientific research. However, the main disadvantage of an interpretive research approach is it cannot generalise large numbers of the population but focuses on small groups and contextual findings.

According to Easterby-Smith et al. (2004), depending on the situation, researchers should select and judge an adaptive paradigm relating to the investigations. As mentioned above, the positivist paradigm advises that the world can be seen as objective and researchers generally use quantitative methods to collect data and make comparisons. On the other hand, interpretivists indicate that every phenomenon of the world is subjective; therefore the understanding of the phenomenon can be used to analyse explicit situations.

4.2.4 Quantitative and Qualitative Research Methods

According to Easterby-Smith et al. (2004), there are two research methods being widely used by researchers which are quantitative and qualitative approaches. In this section, the nature and relevance of these two approaches are going to be discussed and justified. The positivist paradigm in social sciences is a quantitative approach and is based on natural sciences. Positivism can be applied to gain understanding of human attitudes and behaviour. The interpretivist paradigm is a qualitative approach based on social sciences. It appears as an argument against positivism. This paradigm can be applied to gain a deep understanding of human action and behaviour which are generated from within the human mind, whereas positivism in physical sciences deals with objectives lying outside the study of people (Collis and Hussey, 2003).

Collis and Hussey (2003) claimed that the debates of using quantitative and qualitative paradigms have existed since the 1960s. They further indicated that the positivist position treats qualitative research methods as a complementary approach to support and consolidate data and statistics gathered from quantitative research instruments. The aim of the quantitative research method is to test the variables and relationships of universal cause-effect. Normally, quantitative research is used to verify and examine data and information which is produced by hypotheses. It is usually more focused on statistics and numbers. According to Collis and Hussey (2003), the main approach used by quantitative methods is deductive; it can guide the research development through explanation, as quantitative methods use statistical methods to analyse data after empirical tests. They pointed out that quantitative research can account for numbers which express the attitudes and usage of the consumer.

According to Singh (2007), by using a quantitative research method, it is easy to measure similarities and differences between two research categories; several factors can be compared, such as age, area, location and consumption times. Besides, researchers can get a reliable indication by researching a small number of research objects instead of a large population (Singh, 2007). In addition, according to Ridenour (2008), quantitative research is convenient for researchers to compare, analyse and measure data and they can provide direct and simple data to improve the objectivism of the research.

By contrast, Rubin and Rubin (1995) also stated that a common disadvantage of quantitative research methods is that they treat complex information as general and common and investigate it by using summary measures. Consequently, diversity of research objects is ignored and also these differences are difficult to quantify. Besides, Singh (2007) pointed out that there was false representation and structural bias of standard questions; these cannot reflect the real view of respondents. Quantitative research can only provide numerical and less elaborate descriptions of results (Muijs, 2004).

On the other hand, the main aim of qualitative research methods is to investigate and discover patterns and meanings of research objects. Rubin and Rubin (1995) stated that in qualitative research methods, the ontological view is that reality is diverse and subjective; it depends on the participants in the study. The research design of qualitative methods happens in nature and the theories and patterns are identified in the research process. Moreover, Easterby-Smith et al. (2004) pointed out that interpretivism supports qualitative paradigm. Rubin and Rubin (1995) explained that qualitative research methods focus on human artefacts such as participants' words, records, attitudes, actions and emotions. Unlike quantitative methods, qualitative methods choose to use the inductive approach and the explanation has little relationship with universal data; it usually gathers information through observation, conversation and analysis of the research topic. In addition, qualitative methods can provide richer and more detailed information of human functions and behaviour. The reason is that qualitative methods are more interested in exploring cognition and deep meanings of a specific topic or phenomenon than quantifying and measuring. Nevertheless, Singh (2007) also pointed out that the main drawback of qualitative research methods is that they gather data and information through contextual findings instead of general phenomena and depend on the verbal skills of participants.

4.2.5 Research Approach Adopted for This Study

Easterby-Smith et al. (2004) claimed that based on the nature of research, determining predominant research methodology is significant. The selection of a quantitative or qualitative empirical research method should be based on which one is most effective for the research problem. After discussing the two research methods earlier, the main approach of this study will adapt to positivism and use a quantitative method. There are several reasons for using this research approach. First of all, this study will focus on investigating how acculturation affects luxury consumption motivations of Chinese young consumers in London across various acculturation categories. In addition, the research will collect a wide range of demographic information such as age, length of stay in the UK and hobbies.

Furthermore, information on individual cultural background, consumption abilities and current luxury consumption motivations is also needed to be obtained during the research. Therefore, this study can be accomplished by using the quantitative method as the main phase. Easterby-Smith et al. (2004) explained that the methods chosen by a researcher should be coherent with the previous studies in the same area. As the previous chapters mentioned, there are numerous existent researches which have chosen quantitative research methods with a view of positivist philosophy (Easterby-Smith et al., 2004). A vast number of researches focusing on culture, acculturation, consumer behaviour and the relationship between them have already been conducted.

As a result, based on the literature review, this study starts with formulating and testing hypotheses by using a quantitative method. According to the nature of quantitative research methods, the main research design of this study is treated as 'static' and the data and information aim to provide general predictions, understanding and explanations of the research objectives.

4.3 Research Design

According to Easterby-Smith et al. (2004), research design can be explained as a plan or framework for collecting and analysing data for a research. An accurate research design is significant to ensure the research process can be accomplished appropriately and on time. The purpose of this research is to investigate whether the acculturation process impacts the relationship between cultural orientation and luxury consumption motivations of Chinese young consumers in the UK. After posting the research question, choosing an adaptive research framework to answer this question is essential. Several scholars stated that there are three categories of research designs related to social sciences which are exploratory, descriptive and causal research design (Easterby-Smith et al., 2004).

The main aim of exploratory research design is to discover insights, ideas and understanding (Easterby-Smith et al., 2004). It is usually used to gather deeper understanding of certain issues which few people currently know about, searching for potential alternatives and considering relevant variables (Easterby-Smith et al., 2004). This type of research design can usually be used to explore a new research area or to refine and develop a research method such as questionnaires (Easterby-Smith et al., 2004). Normally, it begins with stating several unclear problems and uses less detailed questionnaires. Churchill (1979) explained that exploratory research design was generally used as a primal phase and pioneer of descriptive research. Exploratory researches mainly include searching for existent literature, focus group interviews etc.

The descriptive research design is most widely used by researchers. It aims to provide a true and overall picture of characteristics of the market circumstance

(Easterby-Smith et al., 2004). Basically, the descriptive research design depends on existent studies and previous knowledge of a similar subject and begins with formulating specific hypotheses. In addition, these hypotheses can provide information regarding certain relationships such as the relationship between dependent and independent variables. Then, the nature of this relationship can be figured out from the research findings. Nevertheless, Churchill (1979) indicated that it is necessary to notice that general causality cannot be confirmed by using descriptive research design. The reason is that this kind of research design is not able to cover all likely situations and explanations while investigating the relationship between two variables. According to Easterby-Smith et al. (2004), compared with exploratory research design, descriptive research design is stricter. Before the phase of collecting data, research questions, hypotheses, research method and data analysis must first be confirmed. The purpose of this research design is to draw inferences based on the relationship between two variables; therefore it is important to select a representative sample. Focusing on descriptive research designs, there are two types which are cross-sectional design and longitudinal design.

Cross-sectional design pays more attention to the sample representativeness of population and normally collects data of the variables at one point in time. Churchill (1979) pointed out that usually, in cross-sectional design, quantitative research methods, especially questionnaires are used to collect data and are used to examine the relationship and association between variables.

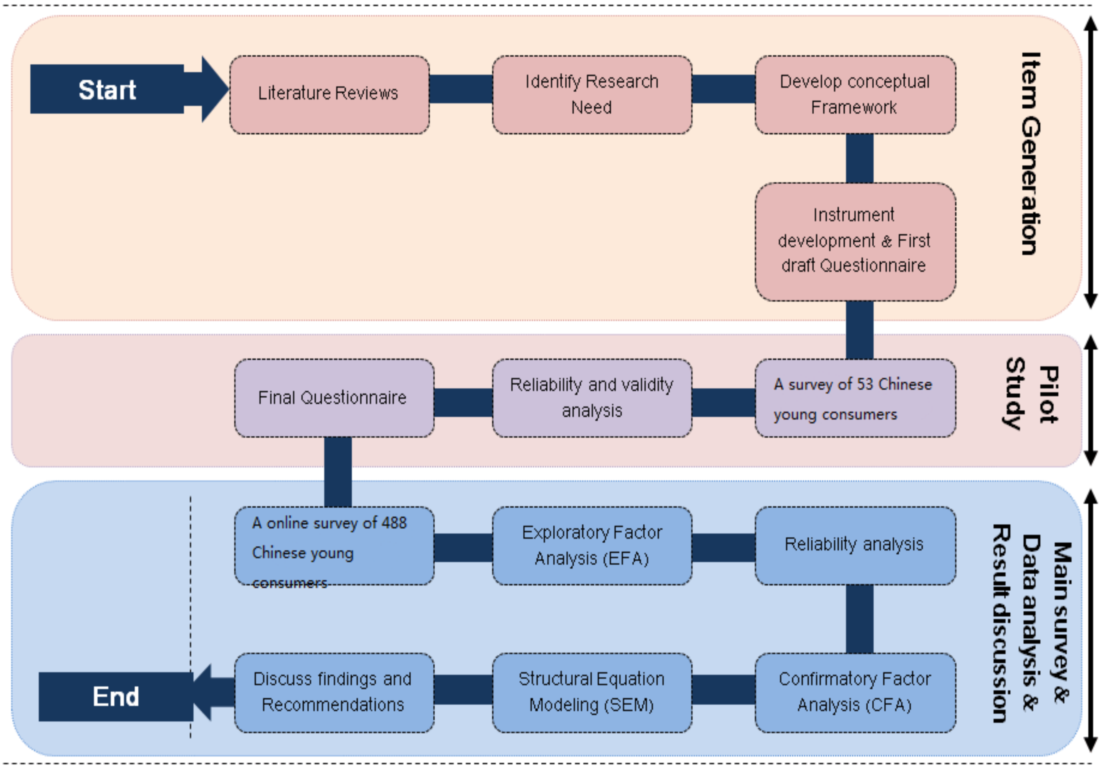
By contrast, in longitudinal research design, researchers measure variables repeated over a certain period of time. Therefore, this type of research design is able to obtain how time affects variables in order to examine and investigate a certain phenomenon more deeply (Churchill, 1979).

Churchill (1979) stated that the aim of causal research design is to attempt to demonstrate influences among different variables. Causal research design is a scientific procedure and its purpose is to build causal relationships between variables.

Although the categories of research design types provide an introduction of the research process, it is difficult to solve all the differences among them (Churchill, 1999). For instance, to focus on certain aims of research, only some specific and particular research designs are suitable; however, there also may be more than one single type of research design which can be adapted to fix the research problem. As a result, Churchill (1979) indicated that “the design of the investigation should stem from the problem”.

Considering the situation of this research, it began with a sufficient literature review, followed by formulating research hypotheses. Based on these hypotheses, the relationship and association between the variables were tested empirically and then the knowledge was developed. Thus, following this process, a descriptive research design was evaluated as the most adaptive and appropriate design. Moreover, considering the research limitations related to time and budget, cross-sectional research design was more suitable for this research rather than longitudinal design.

Figure 4.2 Research Design



The following sections will discuss the research design phase and further explain other details of methodological factors, data collection and analysis.

4.4 Research Instrument and Measurement Scale

In this study, the questionnaire process contains three sections: Section 1 aims to provide some basic information of luxury consumption; Section 2 aims to capture and analyse the demographic information of the participants; Section 3 aims to measure the cultural orientation of Chinese consumers studying in London; Section 4 aims to examine the luxury consumption motivations of the respondents and Section 5 aims to identify the acculturation category of the respondents.

Section 1: luxury consumption data of respondents

This section provides some basic data of luxury products and luxury consumption related to respondents. These questions aim to capture the understanding of luxury products, consumption behaviour and records of participants. Moreover, through these questions, the respondents can be filtered into an appropriate group to match the requirements of the research. Table 4.2 shows the questions of the consumption information.

Table 4.2

Please tick all your favourite luxury brands.
Do you own a luxury brand product?
Approximately how many luxury products do you own?
Have you bought luxury brand products in the past year?
In pounds how much did you approximately spend on your last purchase?

Section 2: Demographics of the respondents

In this section, some demographic items will be demonstrated in the questionnaire. This kind of data can help to identify and classify the variety and differences of respondents. Thus, they can be studied in different groups to investigate their individual cultural orientation, luxury consumption motivations and extent of acculturation.

More specifically, the questions include respondents' age, place of birth, length of stay in the UK, education, range of pocket money and total household income. According to the Cambridge Dictionary, pocket money means an amount of money that a consumer is able to spend for leisure and other purposes besides necessary demand. As the majority of expenditure of Chinese young consumers in the UK is supported by their parents, the total household income can reflect purchasing power. In addition, question 3 indicates the length of respondents' stay in the UK. As this research aims to investigate the acculturation process, respondents who tick less than one year are excluded from answering the last section of this questionnaire which is related to the acculturation categories.

According to National Statistics (2014), the mean age at marriage was 36.7 years for men and 34.3 years for women in 2014, a small increase compared with 2013. As mentioned before, the age range of the target population of this study is between 18 to 34 years old. They have not reached the average marriage age; therefore, the marriage status information is not required in this survey.

This study focuses on the top 30 luxury brands products. As the target customers of these brands include both male and female, gender is not considered during the sampling choosing stage.

Table 4.3 demonstrates the questions regarding the demographic information of respondents.

Table 4.3

Age

□ <18 □ 18-20 □ 21-23 □ 24-26 □ 27-30 □ >30

2. Length of stay in the UK

□ less than six months □ six months to one year

□ five years to ten years □ more than ten years

3. Education

□ Undergraduate Degree □Postgraduate Degree

□Doctoral Degree (PhD) □Other (Please State)_____________

4. Range of pocket money per month (pounds)

□<300

□300-600

□601-900

□901-1200

□>1200

Section 3: cultural orientation of the respondents

Triandis and Gelfand (1998) developed and improved the measurement which was proposed by Singelis et al. (1995). The new measures consist of 16 attitudinal items in order to measure the horizontal individualism versus horizontal collectivism and vertical individualism versus vertical collectivism constructs respectively (HI, HC, and VI, VC).

Horizontal Individualism –people treating themselves as totally autonomous, and believing all individuals should be equal within one society.

Horizontal Collectivism –people treating themselves as part of a society or culture; however, they perceive all the members of that society or culture are equal.

Vertical Individualism – people treating themselves as totally autonomous; however, they recognise there is inequality existing amongst individuals within the society and they can accept it.

Vertical Collectivism – people treating themselves as a part of a society or culture and they are willing to accept inequality and hierarchy within this society.

The present research uses a 7 point Liket-type scale for each question. According to Churchill (1979), Liket-type scales can provide higher reliability coefficients than others. Furthermore, respondents can express their opinions with different degrees by using Liket-type scales, and researchers can examine and evaluate these varying levels of answers for each item. In addition, Liket-type scales are widely used in measurements to evaluate beliefs, attitudes and opinions in psychology and marketing research (Churchill, 1979). Churchill, (1979) further indicated that there was a positive relationship between the numbers of Liket-type scale points and reliability of the measurements. When the number of points increases, the reliability of the measurements generally increases as well. Churchill (1979) explained that in dichotomous scales, a Liket-type scale with 7 points is most widely used in research questionnaires. Churchill (1979) also claimed that using Liket-type scales with more than 7 points does not add more reliability of measurement; however, more points may increase the difficulty of the data analysis process. Therefore, the response format of the present research is a 7 point Liket-type scale with 1 representing strongly disagree and 7 representing strongly agree.

Table 4.4 shows the questions regarding Triandis and Gelfand's (1998) measurement of cultural orientation.

Table 4.4

Horizontal Individualism
1. I'd rather depend on myself than others.
2. I rely on myself most of the time, I rarely rely on others.
3. I often do my own thing.

4. My personal identity, independent of others, is very important to me.
Horizontal Collectivism 1. If a co-worker gets a prize, I would feel proud. 2. The well-being of my co-workers is important to me. 3. To me, pleasure is spending time with others. 4. I feel good when I cooperate with others.
Vertical Individualism 1. It is important for me to do my job better than the others. 2. Winning is everything. 3. Competition is a law of nature. 4. When another person does better than I do, I get tense and aroused.
Vertical Collectivism 1. Parents and children must stay together as much as possible. 2. It is my duty to take care of my family, even when I have to sacrifice what I want. 3. Family members should stick together, no matter what sacrifices are required. 4. It is important to me that I respect the decision made by my groups.

Section 4: Current luxury consumption motivations of the respondents

This section will discuss the instrument used to measure the various current luxury consumption motivations of Chinese young consumers which have been mentioned in previous chapters.

According to literature review, scholars don't agree on the measurements and conceptual methods related to the problems of this research. Therefore, in this study, the four kinds of luxury consumption motivations contain a combination scale of measurement which is developed by each antecedent research and is related to Chinese young consumers' purchase of luxury products in London.

Furthermore, based on the previous researches related to luxury consumption motivations written by Zhou et al., (2008), this study adapted their original items and finally developed nineteen items relevant to four luxury consumption motives which are social motives, status symbol, self-pleasure/reward and quality assurance. All of the items are measured by 7 point Likert-type scales with extremes from strongly disagree to strongly agree.

Table 4.5 demonstrates all the questions about the luxury consumption motivations

Table 4.5

Social Demand Purchasing luxury fashion goods can help enhance one's image. Purchasing luxury fashion goods is a reward for effort and achievement. Consumption of luxury fashion goods is a symbol of successful people. Consumption of luxury fashion goods reflects an affluent lifestyle. Luxury fashion goods can serve as a symbolic marker of group membership.
Desire for Status symbol (5 items) Purchasing luxury goods would make me stand out in my social group. Purchasing luxury goods would improve my social image in the presence of others. Purchasing luxury goods would signify my social prestige in the presence of others. Purchasing luxury goods would tell something about my social status in the presence of others. Purchasing luxury goods would symbolise my wealth in the presence of others
Self-Pleasure/Reward Pursuit Purchasing luxury products would be a pleasant to me, no matter whether it pleases others. Purchasing luxury products would make me feel happy, not related to others' opinions. When in a bad mood purchasing luxury products could make me happier. Purchasing luxury products would give me pleasure, without regard to the feelings of others. I would enjoy luxury goods entirely on my own terms no matter what others may feel about them.
Quality Assurance The high level of reliability in luxury products attracts me. I think highly of the latest design and techniques. I would buy luxury products because of their high level of reliability. The quality superiority in luxury products is what I think highly of.

Section 5: acculturation categories of the respondents

Section 5 will discuss the instrument used to measure the acculturation and categorise it into various groups as this study mentioned in Chapter Three. First of all, some measuring scales will be introduced to study some specific ethnic groups. For example, Triandis and Gelfand (1998) and Sigelis et al. (1995) used scales related to the collectivism-individualism concept to understand acculturation. In addition, Tsai et al. (1996) paid attention to dimensions of individual's behaviour such as languages to measure acculturation. Finally, Sanchez and Fernandez (1993) focused on attitudinal elements of individuals to analyse the process of acculturation.

Two common problems of these scales used by the previous mentioned studies are: (1) they usually use a single way to measure acculturation such as language; (2) they focus on highly related variables as a cluster which may not be tested rigorously or based on theory (Triandis and Gelfand, 1998). In addition, some scholars choose scales which use socio-demographic characteristics, such as gender, age and generation as variables to analyse acculturation instead of using them as relevant factors; this may also lead to research problems.

The reasons are during the cultural changing process, these socio-demographic factors normally do not have one to one correspondence, and according to Triandis and Gelfand (1998) when generation is used as a validated criterion, the instrument seems to produce an overly high relationship between the scale and criterion. As a result, Mendoza (1989) mentioned that using a suitable scale which depends on cultural customs and correlates to characteristics of socio-demography is important to ensure the external validity of the scale. Furthermore, based on the previous studies about acculturation, some researchers use both behavioural and attitudinal dimensions to study acculturation problems in the instruments (Maldonado and Tansuhaj, 2002).

Among all the scales discussed above, whether they are based on either single behavioural or attitudinal dimensions or both of them, the scholars still use a unidimensional perspective when they measure the level of acculturation; they believed there was only one dimension of acculturation which is assimilation. However, Berry (1997) investigated acculturation bidimensionally and claimed that when people moved from their original culture to a host culture, they would also retain elements of their ethnic culture. With regard to all the scales mentioned above, they cannot be used in a bidemensional approach to analyse acculturation. Nevertheless, Mendoza (1989) proposed the scale named Cultural Lifestyle Inventory (CLSI) to measure acculturation and solve the disadvantages of unidimensional instruments. Particularly, this scale can be used to measure all categories of acculturation instead of to only measure the degree of assimilation. Moreover, Mendoza (1989) explained the importance of the bidimensional scale: as acculturation refers to at least two cultures and the interaction among them, the empirical and theoretical scale not only need to describe and measure the level of acquisition from another alternative culture and society, but also the degree of maintaining the customs of the ethnic culture. In addition, this scale can differentiate people who have a similar level of assimilation into another culture but a different level of retaining their original cultural customs. The CLSI scale is based on Berry's (1997) framework of acculturation. Although there are some differences in terminology between these two frameworks, the descriptions of the classifications are similar. Table 4.6 shows the similarities and differences of the acculturation categories between Mendoza's (1989) and Berry's (1997) studies.

Table 4.6 Mendoza's (1989) acculturation categories and Berry's (1997) acculturation patterns

Mendoza's acculturation categories	Berry's acculturation patterns
Cultural shift	Assimilation
Cultural incorporation	Integration
Cultural resistance	Separation

There are three dimensions of Mendoza's (1989) CLSI scales matching with Berry's (1997) acculturation framework which are cultural shift, cultural incorporation and cultural resistance. Cultural shift is similar to Berry's (1997) assimilation category in which people give up their ethnic cultural norms and customs and adapt to a substitute culture deliberately. The category of cultural incorporation considers individuals' adaptation of both ethnic culture and host culture which is relevant to Berry's (1997) integration category. Cultural resistance is equivalent to the separation category of Berry's framework which describes individuals who refuse to adapt to an alternative culture and keep hold of their ethnic cultural customs. However, Maldonado and Tansuhaj (2002) criticised the CLSI as it does not include measuring the marginalisation category. As the previous chapter mentioned, the marginalisation has already been excluded in this study and this category is not significant for studying consumer behaviour related to acculturation. Maldonado and Tansuhaj (2002) also explained that respondents in the marginalisation category were difficult to access and thus they were not part of the target population.

There are many reasons to choose CLSI as a suitable scale to study acculturation.

According to Maldonado and Tansuhaj (2002), CLSI scale is based on the theoretical and reliable model of acculturation and it is designed to measure comprehensive patterns of acculturation instead of only assimilation levels. So far, many researchers investigated acculturation problems successfully by using CLSI to acculturation categories of individuals (Maldonado and Tansuhaj, 2002). Maldonado and Tansuhaj (2002) explained that another advantage of using CLSI is that it can avoid researchers putting the score of bicultural level in the middle of two cultural extremes. It should be noted that biculturalism is not just exactly in the middle of the range, and the CLSI scale allows researchers to analyse the degree of acculturation during the whole process. Many researchers uphold using the CLSI scale to analyse acculturation as it is highly valid and sound (Maldonado and Tansuhaj, 2002). Focusing on the CLSI scale, it encompasses various items based on five orthogonal elements of acculturation: (1) intra-family language; (2) extra-language; (3) social affiliation and activities; (4) cultural familiarity and activities and (5) cultural identification and pride. Mendoza (1989) mentioned that all these five elements are necessary to measure acculturation because this process is multifaceted and multicultural; only analysing one variable such as language is not sufficient to understand the whole process of acculturation. Besides, the CLSI scale can measure more complex issues of acculturation, for example, an individual with a cultural shift of language transformation while experiencing cultural incorporation on purchasing behaviour or who expresses cultural resistance on eating habits. Moreover, this scale can analyse the dynamicity of acculturation, for instance, changes in the context proposed by Mendoza (1989). As noted, the CLSI has been widely and successfully used by numerous researchers on various cultural groups such as Mexican Americans and Anglo Americans (Mendoza, 1989); Latinos in America (Maldonado and Tansuhaj, 2002); South East Asians in the US and Indians in the UK (Vijaygopal, 2010). Furthermore, the CLSI scale includes twenty one questions related to behavioural aspects and eight questions about attitudinal aspects; therefore it represents both the behavioural and attitudinal dimensions of the acculturation process and excludes socio-demographic factors making CLSI one of the most useful measurements of acculturation.

Table 4.7 demonstrates all the questions listed in the original CLSI questionnaire and Table 4.8 shows the options of answers to match each of the questions. There are in total twenty nine items in this scale; it contains twenty one questions related to behavioural aspects and eight questions referring to attitudinal questions aspects. In the behavioural aspect, the questions encompass values, behaviour and preferences such as intra-family language, extra-family language, social activities, social affiliation, cultural activities and cultural familiarity whilst attitudinal questions cover cultural identification and pride. This scale was established by Mendoza (1989). It aims to measure the acculturation degree of Mexican Americans, and so the original language is Spanish and it has been translated into an English version. In addition, the answers of the CLSI scale correspond to three categories of acculturation which are assimilation, integration and separation. For example, for the question "What language do you use when you speak with your closest friends?" the answers "A only Spanish" and "B mostly in Spanish" relate to the separation category; "C mostly English" and "D only in English" relate to the assimilation category and "E both in Spanish and English" relate to the integration category. However, in this research, the host mainstream culture refers to British culture and the ethnic culture refers to Chinese culture. Thus, the language should be changed to Chinese instead of Spanish.

Table 4.7 The CLSI questions

What language do you use when you speak with your grandparents?
What language do you use when you speak with your parents?
What language do you use when you speak with your brothers and sisters?
What language do you use when you speak with your spouse or person you live with?
What language do you use when you speak with your children?
What language do you use when you speak with your closest friends?
What kind of records, tapes or compact discs (CDs) do you own?
What kind of radio stations do you listen to?
What kind of television stations do you watch?
What kind of newspapers and magazines do you read?
In what language do you pray?
In what language are the jokes with which you are familiar?

What kind of foods do you typically eat at home?
At what kind of restaurants do you typically eat?
What is the ethnic background of your closest friends?
What is the ethnic background of the people you have dated?
When you go to social functions such as parties, dances, picnics or sports events, what is the ethnic background of the people (including your family members) that you typically go with?
What is the ethnic makeup of the neighbourhood where you live?
Which national anthem do you know the words of?
Which national or cultural heritage do you feel most proud of?
What types of national or cultural holidays do you typically celebrate?
What is the ethnic background of the movie stars and popular singers that you most admire?
If you had a choice, what is the ethnic background of the person that you would marry?
If you had children, what types of names would you give them?
If you had children, in what language would you teach them to read, write and speak?
Which culture and way of life do you believe is responsible for the social problems?
At what kinds of stores do you typically shop?
How do you prefer to be identified?
Which culture and way of life would you say has had the most positive influence on your life?

Source: adapted from Mendoza, R. H. (1989)

Table 4.8 The options of answers listed in the CLSI questionnaire

Only Chinese.
Mostly Chinese.
Mostly English.
Only English.
Both Chinese and English.

Source: adapted from Mendoza, R. H. (1989)

After developing these five sections of the questionnaire, the following section will demonstrate details and structure of the questionnaire.

4.5 Structure of Questionnaire

The questionnaire included five sections:

- Section 1: Luxury consumption data of respondents
- Section 2: Demographics data of the respondents
- Section 3: Cultural orientation of the respondents

- Section 4: Current luxury consumption motivations of the respondents

- Section 5: Acculturation categories of the respondents

Table 4.9

Question	Questionnaire section	Used for
Covering letter		
Section one		
Q1-Q4	Luxury consumption data of respondents	
Section two		
Q5-Q11	Demographics of the respondents	
Section three		
Q12-Q27	Cultural orientation of the respondents	
Section four		
Q28-Q46	Current luxury consumption motivations of the respondents	
Section five		
Q47-76	Acculturation categories of the respondents	

First of all, based on the literature review of luxury products, the definition and brand examples of luxury brands were provided for respondents. Luxury products are defined as high-end products which include perfume, handbags, shoes, jewellery, watches and limited edition cars. As this research mainly focuses on luxury handbags, the first section of the questionnaire listed 30 luxury brands. In addition, this section included the questionnaire asking whether respondents had heard about any of these brands. The 30 brands were chosen because they are the mostly searched for luxury handbag brands all around the world (Demand tracker, 2013). Furthermore, concentrating on brand awareness, the respondents were questioned about whether they own a luxury product, whether they have bought any luxury products in the past year and in pounds how much they approximately spent on their last luxury product purchase. However, the aim of these questions is not to understand brand awareness; they are instead focused on helping respondents know more clearly what real luxury brands are. These questions are proposed as necessary as the literature review indicated that the perception of luxury products is subjective and varies according to different consumers.

The second section of the questionnaire contained four questions to gather demographic information of respondents which included age, length of stay in the UK, education level and pocket money. These kinds of data can provide basic description and characteristics of respondents, analyse how demographic factors influence consumption of luxury products and classify them into different levels of acculturation groups.

The third section contained questions to measure the cultural orientation variables of the respondents. It included 16 attitudinal items to measure the individualism and collectivism constructs respectively.

The fourth section of the questionnaire aimed to investigate the current luxury consumption motivations of both groups of respondents. This section also illuminated the difference in luxury consumption motivations between Chinese young consumers who have lived in the UK for less than one year and more than five years.

The fifth section was related to the acculturation categories of the respondents to identify their acculturation category.

According to Fowler (2002), using close-ended questions is practical; it can maximise the return rate especially to self-administered questionnaires. On the other hand, open-ended questions usually cannot provide useful data to researchers. Therefore, in this research questionnaire, close-ended questions are used to collect information from respondents. As the target respondents of this research are Chinese young consumers living in the UK, most of them can speak English fluently; therefore, the questionnaire was written in English.

4.6 Questionnaire Pretesting

According to Fowler (2002), a questionnaire pretesting process is conducted for trial and error before the final questionnaire is formulated. According to Churchill (1999), when constructing a questionnaire, the question wording is a complex and important part. The only way to describe and express the purpose and meaning of the question's structure and content clearly and simply is to make sure all participants can understand it easily (Churchill, 1999). Inappropriate wording leads to two major consequences: non-response and response error (Churchill, 1999). For example, participants refuse to answer or answer questions wrongly when the phrase is inadequate. This also can result in misunderstanding, sensitive feeling and biased answers.

Churchill (1999) pointed out that because of the difficulties and significance of wording, pre-testing is necessary to improve and guarantee its accuracy. Churchill (1999) explained that a minimum of ten pre-tests need to be accomplished if large numbers of scales are impossible. In this research, the pre-testing questionnaire was performed with two academic experts from the marketing area and eight participants from the target population; four of them had been in London for less than one year and the other four had been living in London for more than five years.

The pre-test can also identify and check whether any mistakes and drawbacks need to be further improved. After the respondents complete the pre-test, they can provide useful understanding and comments about the wording, translation methods and structure of the questionnaire. Therefore, this technique proposed by Churchill (1999) is able to increase the validity and reliability of answers through detecting these questions and their formulations. Furthermore, the pre-test can also record the time that respondents need to complete the questionnaire and make sure it is reasonable.

4.7 Questionnaire Improvement

After the respondents completed the questionnaire pre-testing, they were requested to give their opinions as to whether they could understand all the questions easily and provided useful comments about the questionnaire to make further improvements.

According to the feedback from the two academic experts and eight respondents, there were a few changes needed to be made in section one, section three and section four. In addition, only one amendment was made in section two of the questionnaire. The choices of question 3 which focus on the length of stay in the UK were changed by using numbers. It makes the options clearer and easier to read. Overall, the respondents thought they could understand this section of the questionnaire quite well and they felt comfortable answering the questions.

In section five, regarding acculturation categories, the original Mendoza's (1989) CLSI was developed to test Mexican Americans. However, this research targeted Chinese people who were living in London; therefore, all the answer options were changed from "Spanish" to "Chinese". Based on the opinion of pre-testing respondents, question one was removed from the original questionnaire. The reason was that because the target respondents were born in China, all of their grandparents cannot speak English and they all live in China. Therefore, the final questionnaire included 28 questions with seven response options. All the questions were in the same order as the original CLSI to maintain a sensible progression. Question 3 was changed to ask respondents "if you have brothers and sisters, what language do you use to speak with them?" in case of they don't have any siblings and enter a wrong answer. In the same way as question 3, question 5 was changed to "if you have children, what language do you use when you speak with them?" As question 25 has a similar meaning to question 5, the options 'A' and 'B' of question 25 were switched with 'C' and 'D' to maintain uniformity of the questionnaire to make sure the scoring is standardised.

4.8 Pilot Study

Pilot surveys not only can help to identify weaknesses of the questionnaire, but also can reflect questionnaire reliability, validity and potential problems which may impact administration of the final questionnaire. They can also be an indicator of the response rate. During the process of the first stage, it starts with a literature review and then identifies appropriate dimensions which relate to this research. These dimensions are demonstrated through questions in the pilot questionnaire. Furthermore, Churchill

(1999) explained that these dimensions can provide deeper understanding of the research subject, improve the measures of the questionnaire and adjust and develop the original research hypotheses and model. The rationale and purpose of the pilot survey is to explore the general matters related to literature about luxury consumption motivations and cultural factors specifically connected to this research. The development and improvement of the pilot survey shows insights of the quantitative research method. In addition, the pilot survey can provide and describe the factors related to the topic of this research. Thus, through incorporating the results of the original questionnaire, this stage attempts to enrich the knowledge of this study area and any insufficiencies of the original questionnaire.

Pilot Survey

Connelly (2008) indicated that according to extant literature, a sample for a pilot study should be 10% of the sample projected for the larger parent study. Thus, in this study 53 respondents were measured in the pilot study. In addition, Churchill (1999) stated that the sample for a pilot study should be as comparable as the target population as possible; therefore, the respondents were also selected from the London Chinese Community Centre group which was created on Facebook. According to Ellison, Steinfield and Lampe (2007), most people use Facebook between 6pm to 10pm, thus the pilot questionnaire was sent online to 319 group members' email addresses during that time on 18th March 2015. The subject of the email was 'Please help Chinese luxury consumption Research in London'. 301 invalid or uncompleted questionnaires were collected back; only 18 responses with valid questionnaires were received within 20 days.

Table 4.10

	Period	Number of responses
The First Pilot Survey	18/03/2015-07/04/2015	18

As a result, the response rate of the pilot study was 18/319=5.64% which was very low. The reason was considered to be that there was less incentive for respondents to complete the questionnaire. According to Davis and Young (2002), in some situations, respondents need to be encouraged to participate by using incentives. They also pointed out that compared with other factors, response rates are more related to the target population and sample in an online survey. In this study, the target population focused on Chinese young consumers who are impacted by personal incentives. There are some incentives to motivate respondents such as charity events, donations, vouchers and gifts. By using these incentives, response rate can be increased efficiently especially using the paid approach. The UK's Ethnic Research Network explained that before launching a research project, researchers should analyse particular incentives of target respondents to ensure these selected incentives are accurate appropriate for the participants. Regarding the discussion above, running a second pilot study included a Boots essentials hand cream as recompense and a gift for the respondents. The hand cream was a suitable offer as the participants are young consumers; they are interested in skin care products especially during winter.

After confirming the way to incentivise respondents, the same method to target the sample excluding the participants from pilot 1 was used on 16th April, 2015 for the second pilot study. The email subject line was "Please help Chinese Luxury Consumption Research and win a free lip slave." 297 online female group members were chosen during the second pilot survey. After 20 days, a total of 35 valid respondents replied to the email with completed questionnaires which made the response rate for the second pilot study reach 11.78%, more than twice the first pilot survey. In addition, because the target respondents hadn't been changed in the second pilot study, this indicated that the incentive method to increase response rate had a positive impact.

Table 4.11

	Period	Number of responses
The Second Pilot Survey	16/04/2015-14/05/2015	35

During the pilot study, a total of 53 valid questionnaires were collected from 28 respondents who had lived in London for less than one year and 25 participants who had lived in London for more than five years.

Reliability Test and Validity Test

The following section looked in to the measurement quality of the main study. In order to make sure the process of data collection is precise and truly reflects the research problem, researchers should ensure the data and measurement quality are appropriate through two aspects: reliability and validity. They can be seen as fundamental cornerstones of research methods. Data collection will be useless if the reliability and validity of research cannot be demonstrated (Flynn et al., 1990).

Reliability and validity are used to assess the level of measurement errors for researchers. In an ideal research process, when researchers measure a characteristic of a certain issue, the observed score should be the same as the true score. It means the measurement error of ideal research is seen as zero. More specifically, measurement error contains two kinds of errors which are systematic error and random error (Flynn et al., 1990). Assuming the measurement error is zero, it means both kinds of errors should be zero. However, this situation hardly occurred in the real research. When a measurement is taken, the systematic error is seen as a constant error which happens every time and affects the research result. There are several reasons that lead to systematic errors during the process of questionnaire design which include the undecided alternative option presented by respondents such as "I don't know". In addition, compared to systematic errors, random errors do not happen consistently every time and they are caused by researchers or research situations (Malhotra and Birks, 2007). For instance, depending on their different mood when respondents participate in research, they may answer questions optimistically and favourably when they are in a good mood, however, they may choose the opposite answer when they are in a bad mood.

As the discussion showed above, research in the real world, it is unavoidable that measurement errors will happen; therefore, the degree of reliability and validity issues should be addressed, controlled and improved. Besides, these two issues are closely related to each other.

Reliability of research is a necessary but not sufficient condition for validity (Flynn et al., 1990). For example, when a measure is not reliable, it must be invalid, but if a measure is reliable, it may be valid or invalid. Although research results might be highly valid, the research is still meaningless if the measurement is unreliable (Flynn et al., 1990). Therefore, assessing reliability and validity of the questionnaire is necessary.

Reliability Test

According to (Malhotra and Birks, 2007), after the variables are developed as predictor components, the reliability of measurement comes to the forefront. Because summated scales are designed and identified as an assembly of interrelated items to measure underlying constructs, it is very significant to ensure the same set of items and repeated questions can obtain the same responses. Only when participants provide reliable and stable responses over a repeated test, the instruments can be finally declared to be reliable. Furthermore, according to (Flynn et al., 1990), reliability of scale means any results of measurement should be consistent and repeatable. In the other words, reliability used to reflect the extent of consistent deviation an instrument produces when measurements are made repeatedly and focuses on the consistency of a measuring instrument. Flynn et al. (1990) claimed that "A non-reliable measure is like an elastic tape measure; the same thing can be measured a number of times, but it will yield a different length each time".

As the previous paragraph mentioned, due to the fact that systematic errors consistently exist every time a measure has been taken, they will not influence the reliability of a research. However, Flynn et al. (1990) indicated that random errors manifest themselves depending on the research situation, so reliability is shown by the free degree of the measures from random error. There are four general aspects of reliability in research which are observer reliability, test-retest reliability, parallel-forms reliability and internal consistency reliability. There are also various ways to evaluate reliability.

Test-retest reliability is the most straight forward method to estimate reliability. The same set of subjects can be tested twice in different items, then correlate the two measurements and evaluate the consistency of the scale. Moreover, coefficient alpha also known as Cronbach's alpha has been highly recommended to test the internal consistency of measurement (Churchill, 1999). Churchill (1999) explained that Cronbach's alpha should be considered as the first way to assess the instrument's quality; it will increase if the inter-correlations of the test items increase. Therefore, a high score of Cronbach's alpha means the items of a scale are high. On the other hand, a low Cronbach's alpha can be concerning as the scale isn't good enough to capture the same construct. A good Cronbach's alpha shows the items of a measurement correlate well. If the result shows some items are not consistent with others, they should be removed from the scale (Churchill, 1999).

Churchill (1999) also pointed out that in order to obtain the total reliability score of a construct, researchers should make sure each component of the measurement should be calculated. According to Churchill (1999), in each dimension of measurement, Cronbach's alpha should be calculated. Normally, a score of Cronbach's alpha above 0.70 is acceptable; however, if the score is lower than 0.70 it should be considered useless and moved out. In addition, in order to decide the dimensions' number of measurements, researchers should test the Cronbach's alpha first (Churchill, 1999). In the present study, Test-Retest Reliability was used to test the CLSI scale. In section five of the questionnaire, questions 4 and 24 both aim to test what languages the respondents would like to use to speak with their children. In question 4, the options were constructed as follows: A only Chinese, B mostly Chinese, C mostly English, D only English and E both Chinese and English. However, in question 24, the order of options was changed to A only English, B mostly English, C mostly Chinese, D only

Chinese and E both English and Chinese. These two questions were used to test whether the participants completed the questionnaire carefully to ensure consistency and reliability. In addition, Cronbach's alpha analysis was operated to test the reliability of the Likert-scale which includes section three and four. The items with different answers of CLSI scale and low score of Cronbach's alpha were eliminated as they were inconsistent and had a low correlation with others.

Churchill (1999) explained that exploratory factor analysis is the most widely used technique to identify a number of dimensions. In addition, the original number of items can be reduced to a smaller set by using exploratory factor analysis.

Churchill (1999) noted that after conducting exploratory factor analysis, confirmatory factor analysis would be used as well, as it is common practice. He explained that during the process of scale development, the aim of using exploratory and confirmatory factor analysis is to improve and refine a better measure based on the result of examining the stability of the factors' structure. More specifically, exploratory factor analysis aims to eliminate low correlated items in a measurement to increase the low internal consistency, while confirmatory factor analysis helps to assess the capability of measurements through statistically testing item loading on factors and significance of the whole model (Hinkin, 1995). Therefore, in the present study, both exploratory factor analysis and confirmatory factor analysis are used to evaluate and develop the measurement.

Validity Test

Validity of a measurement is the extent and degree of what it is supposed to measure. Churchill (1999) pointed out that even though a measurement is highly reliable, it doesn't mean the measurement is valid. Research validity focuses on the whole measurements and establishes if the results can meet all of the requirements and variables, which are the potential reasons that can lead to item co-variation.

Generally, if a scale can truly reflect what is supposed to be measured, it can be seen as valid (Flynn et al., 1990). Also, there are several kinds of aspects to estimate the validity of a measurement. For example, face validity, content validity, predictive validity, concurrent validity, construct validity, criterion validity etc. Flynn et al. (1990) explained that face validity or content validity is the foundation of a measurement's validity. They are evaluated by the degree and extent to which the items truly measure what the researcher is aiming to measure. If a measurement has low content validity, the construct validity or reliability of scale cannot be guaranteed (Flynn et al., 1990). He also explained that content validity cannot be assessed by a statistical method; it only can be determined by professional opinion such as academic literature.

As the previous section mentioned, in the present study, the initial questionnaires were evaluated and reviewed to assess content validity by academic reviewers, including researchers in marketing and culture disciplines, managers from the luxury industry and consumers who have purchased luxury products. Based on their feedback, the order of the content and items of the final questionnaire was confirmed.

After completing the process of content validity testing, the following section provides assessment and evaluation of the construct validity of the measurement. According to (Flynn et al., 1990), the researcher should be concerned with the validity under any circumstances after the content validity has been addressed. The construct validity is overarching in research and it subsumes all types of validity evidence. (Flynn et al., 1990) indicated that the construct validity of a measurement concerns the theoretical relationship among the variables directly. It can reflect whether a scale can appropriately measure the variables which it is supposed to be testing (Flynn et al., 1990).

Flynn et al. (1990) propose that the convergent and discriminant validity are the two subtypes of validity subsumed under construct validity. Both of them can provide evidence of construct validity. Convergent validity refers to the extent of two or more variables which are theoretically related to others. In contrast, discriminant validity estimates whether measurements or variables should be related or expressed in different ways (Flynn et al., 1990). Flynn et al. (1990) pointed out that construct validity testing allows the researchers to classify variables which truly connect and co-variation which is artificially applied through a similar measurement approach.

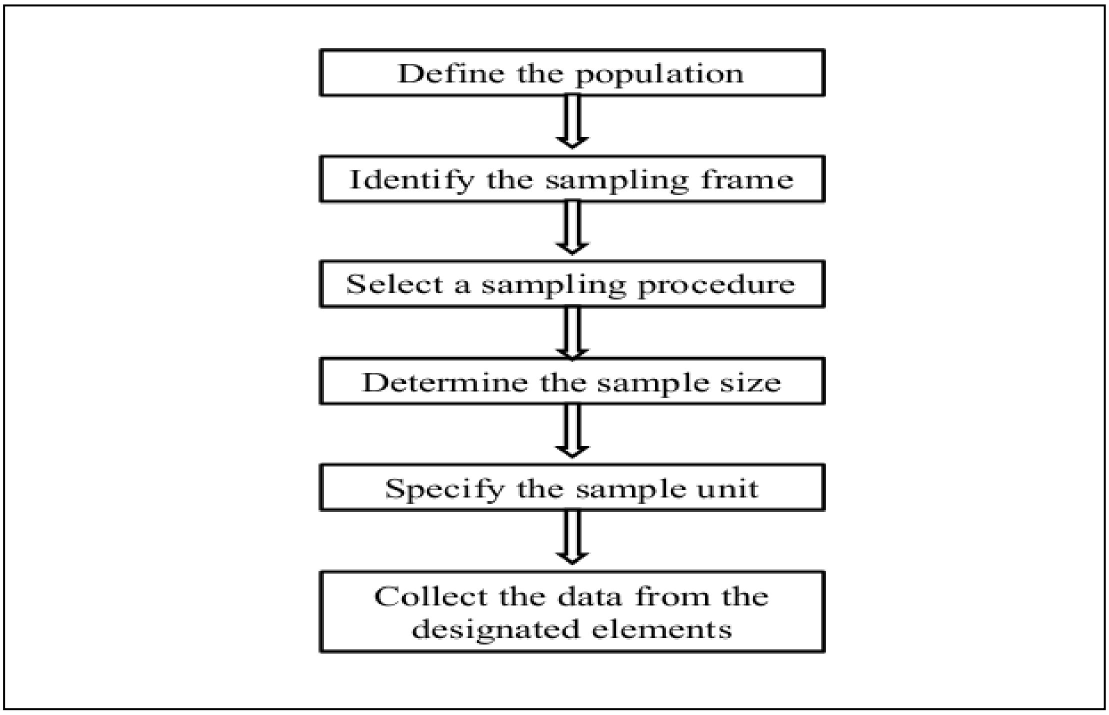
Flynn et al. (1990) suggested that, as with a reliability test, there are two ways to establish and estimate construct validity, which are exploratory factor analysis and confirmatory factor analysis. Exploratory factor analysis can be used to explore tentative dimensions of a measurement and identify whether items should be used, and confirmatory factor analysis can be used to test construct validity and develop research hypothesis.

The following stage of the research design is to demonstrate the final questionnaire approach based on the literature review and pilot survey study. After evaluating the reliability of the pilot survey by using Cronbach's alpha, the chosen questions and scales of the final survey are specifically adapted and confirmed to the understanding and knowledge of this research topic and investigation.

4.9 Main Study

This section will deliberate and discuss the sample design process related to this research. According to Churchill (1999), the structure of sampling procedures is shown in Figure 4.3. It starts with a definition of the population, identification of the sampling frame, selection of a sampling procedure, determination of the sample size, specification of the sample unit and collecting the data from the designated factors.

Figure 4.3



Sampling procedures by Churchill (1999)

4.9.1 Definition of the Population

Churchill (1999) stated that defining the population can be seen as the identification of people who are to be studied according to the research objectives. In the beginning of any study since the purpose of research sampling is to gather information on the population, identifying it precisely and appropriately is important (Churchill, 1999)). In this study, the target population is Chinese young consumers who have been living in London for less than one year or more than five years. There are several reasons for choosing the city of London. First of all, the researcher is studying in London and London as the capital city of the UK, presents the highest consumption level of luxury products (Zhan and He, 2012). Besides, according to UKCISA, for decades, London has been the most popular city of the UK to attract Chinese immigrants and students. Moreover, there are 40 higher education institutions based in London, and it is one of the largest concentrations of universities and higher education institutions in the world (HEFCE-funded higher education institutions, 2013). Above all the reasons, choosing London as the target city to collect data is the most convenient and cost-effective.

Churchill (1999) recommended several guiding principles to define the target research population. The principles include reaching the research objectives, considering the alternatives, becoming familiar with the target market, choosing adaptive sampling units, identifying the excluded elements and finally the population should be replicable and easy to be contacted. Table 4.12 shows the definition of the population of this research.

Table 4.12

The Target Population	
Population Criteria	Target Population of This Study
Element	Chinese Young Consumers
Sampling Unit	Chinese Young Consumers
Extent	Chinese Young Consumers
Time	November-December 2014

4.9.2 Specifying the Sampling Frame

According to Churchill (1999), the population of the research sample is called the sampling frame. The importance of the sampling frame was claimed by Churchill (1999); in many practical situations the frame is a matter of choice to the survey planner, and sometimes a critical one. Some very worthwhile investigations are not undertaken at all because of the lack of an apparent frame; others, because of faulty frames, have ended in a disaster or in a cloud of doubt. Moreover, an ideal sampling frame should encompass the following qualities:

- All units should have a logical and numerical identifier.
- All units should have contact information, location or other related information, so they can be found.
- The sampling frame should be complete, thus all the members of the population are able to provide correct information.
- Every unit of the population should be non-duplicated; it means each member of the population can only appear once in the sampling frame.

- The sampling frame should be convenient and easily available.

According to Churchill (1999), a sampling frame should represent the target population. Normally, it includes a catalogue or a list of elements with appropriate contact information to isolate the target population. However, some sampling frames list ‘clusters’ instead of showing population elements explicitly or provide detailed guidelines to categorise the target population. Churchill (1999) claimed that based on statistical theory, when extrapolating a target population to a sampling frame, some mistakes always exist. In certain cases, these mistakes may lead to sampling bias. Although completely avoiding bias is nearly impossible in real life, researchers should try their best to identify and minimise it. In addition, when defining the sampling frame, researchers should also consider the economic, practical, technical and ethical issues related to the study. Also it is important to gather results in time to avoid delaying the process of sampling. Nevertheless, a particular problem is disconnection between population and sampling frame when forecasting and deducing the future result with historical data.

As a conclusion, the main disadvantages and basic problems of sampling frames are listed below (Churchill, 1999):

- Some members of the target population may be excluded in the sampling frame; this may lead to elements missing.

- Some members as foreign elements of the research who do not belong to the target population are included in the sampling frame.

- The same member of the population is surveyed more than once causing duplicate entries.

- The sampling frame records the clusters or groups instead of individuals.

All the disadvantages listed above can be identified and improved through using the pilot studies and pre-survey tests. These techniques will be used as part of this research in order to reduce bias of sampling.

4.9.3 Selection of Sampling Procedure

After confirming the sampling frame, the next phase of the sampling strategy is selecting an appropriate sampling procedure (Churchill, 1999). Churchill (1999) stated that basically, the method of the sampling process encompasses two steps: firstly, identifying the sampling method and then confirming the sampling plan. The aim of the sampling method is to choose the sample units and to ensure the sampling plan is relevant to the operational procedures for the chosen sampling units. As mentioned in the discussion of the above section, this study uses the cross-sectional research design method; it only collects data and information from the sample of the target population once. More specifically, according to Churchill (1999), cross-sectional research design includes single cross-sectional and multiple cross-sectional. This study will use single cross-sectional research design, so the sample will be extracted from the target population only once.

According to Churchill (1999), sampling techniques can be divided into two types: probability and non-probability samples. In probability sampling, each member of the target population has a chance to be chosen in the sample. On the other hand, non-probability sampling means each member of the target population probably can be chosen; it is unknown and depends on the researchers' decision (Churchill, 1999). No matter which sampling technique has been chosen, researchers should try their best to decrease sampling bias and errors.

Compared to the non-probability sampling technique, probability sampling allows a certain level of sampling bias and errors in statistical assessment. Furthermore, the probability sampling technique involves each member of the respondents to make the sample more representative. Besides, the probability sampling technique uses a specific and objective process to select a sample which can decrease the gap and minimise the bias (Churchill, 1999). In addition, according to the Great Britain

Parliament House of Commons London Regional Committee (2011), there are 124,250 Chinese people residing in London. The total number of Chinese registering in the official Facebook group London Chinese community centre is 983,540; it almost accounts for 80% of Chinese people living in the UK. Therefore, based on the discussion above, the probability sample is chosen as the best technique for this research.

4.9.4 Determining the Sample Size

In the research, sample size is used to minimise the number of valid respondents to analyse the research problem. An appropriate and statistical minimum sample size not only can ensure the population from the sample is suitable for the research and the research conclusion is valid, but also demonstrate the accurate minimum number of questionnaires that should be used and sent to the respondents in the main survey. The decision of choosing a valid sample size requires consideration of quantitative factors. Using a large sample size can decrease the sampling error effectively. However, it also increases the cost of the research. Therefore, researchers should consider both budget and precision when confirming the sample size of a study.

According to Churchill (1999), normally, there are three frequently used ways to confirm sample size. Firstly, the sample size can be determined based on the total size of the target population. Secondly, the sample size can be founded according to a recommended standard size from relevant or prior studies. Thirdly, an optimal sample size can be calculated based on cost and precision by using the standard error formula (Churchill, 1999). However, Fowler (2002) claimed and explained that these three ways are not adequate methods to establish sample sizes in all research. Researchers should consider a suitable data analysis plan as a precondition. More specifically, data analysis includes using statistical techniques such as EFA, CFA and SEM which are used in this study and introduced in the next chapter. According to Churchill (1999), regarding different requirements, guidelines of sample size are various. He indicated that a minimum sample size using SEM should be between 100 and 200.

Thus, based on these recommendations above, as this study adopts two group comparisons by using SEM, in order to achieve precise statistical analysis, the total sample size of this study should be above 400.

4.9.5 Identifying the Sample Unite

The aim of this study is to investigate the acculturation process impact on the relationship between cultural orientation and luxury consumption motivations among Chinese young consumers. One of the most commonly used sampling approaches is to distribute surveys to target respondents randomly, and this method has already been proved effective to represent a large population. Therefore, this study used this sampling approach to collect data. In more detail, Chinese young consumers can easily be found who enrolled in an international student Facebook group on the internet in London, named the London Chinese Community Centre Facebook Group. Data was collected directly from members belonging to the Facebook group through online survey questionnaires. Furthermore, according to Churchill (1999), customers' intentions can be best reflected through information given by themselves. Indeed, the respondents of this study are Facebook users who registered by using their own name or ID (identification). As a result, the survey collected data directly from target participants for obtaining more appropriate data.

4.9.6 Data Collection Method

After confirming the sample, the data collection method should be selected. In quantitative research, there are three main basic types of research methods which are observation, survey and experimentation. In addition, Churchill (1999) pointed out that basically, three issues should be considered when constructing a research strategy. The first one is the type of research question; then followed by the controlled extent of deviation compared with fact; the third one is the degree of difference between contemporary and historical circumstance.

Based on the previous chapter of literature review and empirical knowledge, the following research questions were addressed: What is the cultural background and orientation of Chinese young consumers? What are the luxury consumption motivations of them? What is the relationship between cultural orientation and luxury consumption motivation? How does the acculturation process impact the relationship between culture orientation and luxury consumption motivation? According to Yin (2003), research questions relating to "who, what, where, how many and how much" should be analysed by analysing archival records or using surveys. However, archival records focus on the information of historical events; it is not suitable to investigate current problems. In addition, even though an experimental method can be used to analyse “how” and “why”, it is more subjective and asks for control among behavioural events. Therefore, according to the research questions of this study, the survey method is the most appropriate way to collect data.

According to Churchill (1999), the survey method is a useful and significant approach and it has been used for a long time. There are numerous advantages of the survey method. For example, Churchill (1999) explained that the survey method not only can be used to analyse several parts of a phenomenon at one time, but also help to identify the nature, predictions and degree of relationship between many variables which is difficult to complete using an experimental method. Furthermore, Churchill (1999) also pointed out that the survey method is the only way to measure attitudes and thoughts. In this research, motivations, values, attitudes, beliefs, as well as predictions of relationship are all critical variables that need to be measured. Therefore, survey approach can be used as an accurate research strategy to collect data and examine research hypotheses. Malhotra (2006) stated that in the marketing research field, survey is one of the most widely used quantitative methods to collect primary data. Churchill (1999) pointed out that using surveys to collect data can gather the answers exactly to the questions. It is always used to collect explanatory and descriptive data which are related to motivations, behaviours, opinions and attributes. Normally, the main types of questionnaire are online survey and paper survey (Malhotra, 2006). In the following paragraph, researchers needed to decide which survey method is appropriate to the study.

Online survey has been widely used as one of the most popular survey methods; it gathers data systematically from respondents through completing questionnaires on the World Wide Web. According to Churchill (1999), online surveys have more advantages than face-to-face, post and telephone interviews. It has become one of the most popular ways to analyse and distribute quantitative questionnaires. Churchill (1999) pointed out that using online survey can save costs, is easy to use, fast to distribute and it also can be collected by respondents quickly and conveniently. Respondents can schedule their time and choose their place to answer questions flexibly. The cost of face-to-face or telephone interviewing is usually four times the cost of an online survey (Churchill, 1999). Besides, researchers can create online surveys by using a survey editor to save time. It can be developed and returned rapidly in a way that traditional methods cannot achieve. If there is bad contact information of respondents, researchers can know almost right after the survey has been sent. Tsai et al. (2008) stated that online survey is an automatic process and real-time access; participants can input their information in the survey, the information can be stored automatically, thus it is analysed and streamlined immediately.

In addition, online survey editor can provide many types of questions to be selected such as rating scales, multiple choice and drop-down. Moreover, according to Tsai et al. (2008), online survey is a common quantitative research method, which can obtain responses from large samples effectively even from remote locations (Singh, 2007). These people may be difficult to reach in real life as they live in different areas or they cannot be found easily (Tsai et al., 2008). Online survey has several advantages compared to hard copy questionnaires. Tsai et al. (2008) explained that participants are willing to complete online questionnaires mainly because it is anonymous to protect their personal and sensitive information; they can provide honest and truthful answers without too much consideration. Another advantage of online questionnaire is that it can access individuals and groups though the internet.

Miller (2006) indicated that in recent years, as internet technology has developed rapidly, online surveys have become the most widely used method to collect data in marketing research. In this study, hundreds of Chinese young people in London are hard to locate, so paper questionnaire, postal questionnaire, telephone and interview are not suitable; only online questionnaire is an effective method. Based on the advantages and considerations of the online survey, the researcher decided to use online survey in this present study.

4.10 Ethics consideration

When a research is conducted among human subjects, ethical consideration is significant. According to Collis and Hussey (2003), the author should not only consider privacy, accuracy, confidentiality and human rights of participants, but also needs to guide and supervise them and gather all participants' consent (Saunders et al., 2009).

This research followed all ethical requirements throughout the process. Before collecting data, permission was obtained from the organiser of the London Chinese Community Centre Facebook Group via e-mail and then the researcher sent an invitation via e-mail which included the link to the online survey and a brief introduction of this study. The participants were engaged voluntarily to complete the survey and if they were not willing to participate, they could simply ignore the email. Moreover, during the process of answering the online questionnaire, if they wanted to change the answers or did not want to continue, they were free to leave at any time. Therefore, if any participant could not accept any question or consent to the online survey, they could refuse to answer it or leave the survey immediately.

Furthermore, according to the Ethics Policy Guidelines, Brunel University requires relevant documents such as the Ethics Form of Brunel Business School to be confirmed and signed by the researchers and their supervisor. Therefore, in order to adhere to the research ethics, ethic forms, questionnaire and relevant documents of this study were submitted to the Academic Programme Office of Brunel University. Acting under delegated authority, the committee was satisfied that there is no objection on ethical grounds to the present study and then approval has been given.

4.11 Data Analysis Strategy

In the data collection section, answers of respondents in the questionnaire were collected, processed and organised by using SPSS. The next step was conducting data preparation to test and check data editing, coding, transcribing and cleaning, then the data could be explored and inspected. Moreover, through considering the research aim, categories of research method and characteristics of statistical techniques, an appropriate data analysis strategy was selected. In the section of data analysis, there were several steps to ensure the research reliability and validity. More detailed discussion and applications are represented in the next chapter. This section demonstrates a summary of the data analysis strategy for the pilot and main study which includes four approaches: (1) Data cleaning and screening; (2) Exploratory factor analysis and Reliability Test; (3) Confirmatory factor analysis and Scale Validity assessment; (4) Structural equation modelling and hypotheses testing.

4.11.1 Data cleaning and Screening

Hair et al. (2010) explained that accuracy of the data is important as errors in the data may affect the analysis result. Thus, data cleaning and screening is essential to check the errors are estimated before the analysing step.

Some issues may exist during this process, for example, checking missing data, outliers and testing normality. All of these issues may impact the research result. As a result, Hair et al. (2010) suggested that these issues should be considered and solved before the main data analysis.

After data encoding and missing data checking, this study used univariate and multivariate methods to test potential outliers, which are distinct observations which may affect and distort the research result. Thus, the outlier should be removed from the data set (Hair et al., 2010).

As the next step, this study conducted a normality test to investigate and avoid negative effects that impact the relationships among variables. Hair et al. (2010) also explained that the negative effects cannot be easily found by data screening. For the normality test in this study, two methods were conducted: (1) Kurtosis and Skewness test and (2) Kolmogorov-Smirnov and Shapiro-Wilk test. Kurtosis assesses normal distribution and the Skewness test evaluates the balance of the distribution. The next step used Kolmogorov-Smirnov and Shapiro-Wilk tests to assess the normality of the data. In this study, SPSS 20.0 was used to test normality for variables.

4.11.2 Descriptive Statistics

In present research, the descriptive statistics provided a simple summary of the total sample, data set, observations and guidance for later hypothesis testing (Hair et al., 2010). In empirical research, a descriptive statistics approach normally includes central tendencies such as mean, median and mode, and dispersion such as range and measures of spread such as the variance and standard deviation (Hair et al., 2010).

4.11.3 Exploratory Factor Analysis and Reliability Assessment

In the main study phase of this research, factor analysis was conducted to identify the dimensions of cultural orientation, luxury consumption motivation and acculturation process.

Exploratory factor analysis was used to identify the underlying interrelationships and structure among factors (Hair et al., 2010). Confirmatory factor analysis is more complex. It was used to test the hypothesis that items are associated with other specific factors (Hair et al., 2010). Exploratory factor analysis is a useful statistical method to determine the number of structures that underlie a relatively large set of items (Hair et al., 2010).

Exploratory factor analysis is a useful analytic tool to empirically determine the number of constructs that underlie a set of items, to condense information so that a small number of variables account for the variation in the data and to define the substantive content or meaning of a set of factors that accounts for the variation in a larger set of items (Hair et al., 2010). It is generally used by researchers to develop a scale. Exploratory factor analysis should be used firstly, before confirmatory factor analysis. There are various methods to conduct an exploratory factor analysis, such as principal components, alpha factor analysis, principal factor analysis and maximum likelihood (Hair et al., 2010). In addition, according to Hair et al. (2010), principal components analysis with orthogonal rotation is the most widely used method; therefore, in the present research, principal components analysis was applied in the procedure of exploratory factor analysis by using SPSS 20.0.

According to Hair et al. (2010), before factors' extraction, it is important to investigate the variance extent among variables because factor analysis examines correlations of variables. Hair et al. (2010) also indicated that the communality aims to measure "the total amount of variance, an original variable shares with all other variables included in the analysis". Therefore, firstly, this research investigated the variance extent of a variable shared with other variables.

Secondly, Hair et al. (2010) indicated that eigenvalue criterion aims to determine the number of factors and scree test is frequently used to confirm the maximum number and optimum number of factors (Hair et al., 2010).

Thirdly, according to Hair et al. (2010), varimax is one of the most common orthogonal rotation methods. Hair et al. (2010) further indicated that the varimax rotation method was used to maximise high correlation and minimise low correlation between variables and factors, thus this study used varimax rotation to improve the interpretability and scientific utility of the solution in exploratory factor analysis. Hair et al. (2010) explained that factor loadings of each item indicate if an item should belong to a factor or be deleted from it. In practical research, a factor loading of 0.50

from EFA is considered as the acceptable criterion for retaining it in a factor (Hair et al., 2010). In addition, the Kaiser-Meyer-Olkin (KMO) and Bartlett's test of sphericity were investigated to examine adequacy of sampling and correctness of factor analysis (Hair et al., 2010). In the present study, items with factor loadings lower than 0.5 were deleted.

Table 4.13 Test for EFA

Test	Value
Communality	More than 0.6
Eigenvalues	Greater than 1.0
Factor loading	More than 0.5
Kaiser-Meyer-Olkin (KMO)	More than 0.5
Bartlett's test of sphericity	Less than 0.05

(Adapted from Hair et al., 2010)

Finally, a reliability test was conducted to evaluate the internal consistency by using Cronbach's alpha. The item to total correlation was assessed and inter-item correlation was also investigated to measure correlation among items. According to Churchill (1999), a value of Cronbach's alpha above 0.7 indicates the items are consistent with the construct. The recommended rules of thumb of each method in reliability tests are shown below.

Table 4.14 Reliability Test

Test	Measurement	Value
Reliability	Item-to total correlation	More than 0.5
	The inter-item correlation	More than 0.3
	Cronbach's alpha	More than 0.7

(Adapted from Hair et al., 2010)

4.11.4 Confirmatory Factor Analysis and Construct Validity

Hair et al. (2010) explained that CFA and EFA are similar in several respects; for example, they define the underlying structure among the variables by examining the correlation of them and decrease a data set to establish a more manageable size of data. However they are different in philosophical perspective. The purpose of CFA is to test and confirm the relationship between a set of items and their respective factors based on theory. The result of CFA shows the extent to which empirical data matches the theoretical specification of the factors (Hair et al, 2010). As this study aims to test the empirical theory, CFA was applied as a compulsory analysis.

Hair et al. (2010) mentioned that before the CFA of the overall model, a unidimensionality measure for each construct is necessary. Furthermore, a unidimensional test is defined as *"a set of measured variables (indicators) can be explained by only one underlying construct"* (Hair et al., 2010). It is important as the cross-loadings can cause a lack of construct validity (Hair et al, 2010). In the present study, two unidimensionality tests were conducted based on CFA. Firstly, each construct was tested to evaluate a set of indicators which only belong to one underlying construct. Secondly, all individual constructs were tested by unidimensionality measurements to ensure that the whole of the individual constructs can come together and represent an overall measurement model (Hair et al, 2010). During the CFA approach, in order to measure the overall model and test hypotheses, Hair et al. (2010) claimed that there are five diagnostics that should be followed to assess if items and constructs have cross-loading. The five steps and its diagnostic rules are shown below.

Table 4.15 Five diagnostic rules

Test	Measurement based on CFA	Value
Model fit	Various	See table 4.18
Standardised Regression Weights	Confirmatory Factor Loading	More than 0.5
Regression Weights	Critical ratio (t-value)	More than 1.96
Standardised Residual Covariances	CFA	∣2.5∣~∣4∣
Modification Indices	CFA	-

(Adapted from Hair et al., 2010)

Based on the proposed measurement theory, accessing construct validity is one of the important purposes of the CFA test. According to Hair et al. (2010), construct validity can be explained as *''the extent to which a set of measured items actually reflects the theoretical latent construct and those items are designed to measure''* Thus, this research conducted construct validity to ensure accuracy of measurement.

Hair et al. (2010) claimed that there were four kinds of validity test that should be conducted during a CFA test [Table 4.16].

Table 4.16 Four Validity Test

Validity	
Content validity	Assessment of the degree of correspondence between the items selected to constitute a summated scale and its conceptual definition.
Face validity	Extent to which the content of the items is consistent with the construct definition, based solely on the researcher's judgement.
Convergent validity	Extent to which indicators of a specific construct converge or share a high proportion of variance in common.
Discriminant validity	Extent to which a construct is truly distinct from other constructs

(Adapted from Hair et al., 2010)

In this study, the content and face validity were assessed during the pilot study. In total 53 respondents were required to answer items which were extracted by literature reviews and two expert researchers in the same area. In addition, convergent validity and discriminant validity were evaluated by a CFA test. Hair et al. (2010) explained that convergent validity can be examined by factor loading, average variance extracted and construct (composite) reliability testing. The criterion of validity tests are shown below [Table 4.17].

Table 4.17 The Criterion of Convergent and Discriminant Validity

Test	Measurement based on CFA	Value
Convergent Validity	Confirmatory factor analysis	More than 0.5
	Average variance extracted	More than 0.5
	Construct (composite) reliability	More than 0.7
Discriminant Validity	The square of correlation	Less than the squared root of average variance extracted

(Adapted from Hair et al., 2010)

4.11.5 Structural Equation Modelling and Assessment of Model Fit

Structural Equation Modelling

According to Hair et al. (2010), structural equation modelling is *"a family of statistical models that seek to explain the relationships among multiple variables"*. The aim of SEM is to explore and assess relationships between dependent variables and independent variables. Normally, the structural equation modelling test is established based on two models which are measurement model and structural model. The final purpose of SEM is to find out and confirm the consistency of the theoretical model and the estimated model based on the overall model fit.

Assessment of Model Fit

There are several methods to assess the overall model fit during statistic procedures. However, many researchers and scholars claimed that there was no single method that can absolutely ensure the model fit; therefore, they advised that at least four criteria should be considered when conducting CFA and structural equation modelling (Hair et al., 2010). Specifically, the most widely used fit indices include Chi-square, Goodness of Fit (GFI), Adjusted Goodness of Fit index (AGFI), Comparative Fit Index (CFI), and Root Mean Square Error Approximation (RMSEA). Moreover, Normed Fit Index (NFI) and Tucker-Lewis Index (TLI) are also commonly used to examine model fit (Hair et al, 2010). Thus, in this study, a total of seven model fit indices were adapted for CFA and SEM tests. The suggested rules of thumb of these seven indices are provided below in Table 4.18.

Table 4.18 Assessment of Model Fit

Model fit indices	Rules of thumb
CMIN/DF Chi-square	Less than 3
GFI	More than 9
AGFI	More than 8

NFI	More than 9.
CFI	More than 9
TLI	More than 8
RMSEA	Less than 0.8

(Adapted from Hair et al., 2010)

4.11.6 Hypothesis Testing

The next step was examining the hypotheses by using structural equation modelling (SEM). Hair et al. (2010) mentioned that SEM is a unique technique combination statistic tool for both multiple regression equation and multivariate techniques. SEM technique contains two multivariate techniques which are factor analysis and multiple regression analysis. Similar to multiple regression equations, SEM can assess the structure of interrelationships to explore and explain equations. Moreover, the equations can demonstrate the relationships between independent variables and dependent variables, and latent or unobservable factors are represented by multiple variables (Hair et al, 2010). Hair et al. (2010) pointed out that in social science, SEM is widely used as one of the most vigorous statistical methods to explore and investigate the relationship among variables especially unobservable and latent. As a result, in this study, the hypotheses were examined by using SEM based on several criteria such as the standardised estimate, critical ratio (t-value) and critical value (p-value). More specifically, SEM in AMOS 20.0 for Window was adapted to test the hypothesised model.

Table 4.19 Hypotheses testing

Hypotheses testing	
Standardised estimate	-
Critical ratio (T-value)	More than 1.96
Critical value (P-value)	Less than 0.05

(Adapted from Hair et al., 2010)

4.11.7 Data analysis strategy for Moderator test of CLSI

In the moderator analysis process, the respondents were categorised into two groups which were living in London for less than one year and more than five years. According to Hair et al. (2010), analysing moderator impact for models with latent variables or constructs is complicated. The normal analysing procedure by using interaction terms is not suitable for latent constructs test as it may cause problems of convergence and standard errors. Moreover, Hair et al. (2010) further explained that the Multi-Group CFA can be used as a method to examine the impact of a moderator in the model with latent constructs. There are several steps to perform and analyse multi-group moderators with AMOS. The researcher needs to identify the path of interest where the moderator variable is to be assessed. This particular path would be constrained with parameter = 1 and the model is termed as the constrained model. The procedure will estimate two models separately. One is the constrained model while the other one is the unconstrained model. Then if the Chi-square difference of these two models is more than 3.84, then the moderator impact occurs in that path (Hair et al., 2010).

4.12 Chapter Summary

The aim of this chapter is to provide the research design and how to accomplish it and to explain the research questions and research problems. As described in the discussion above, several ways of using appropriate methodology were proposed.

Firstly, this research adapted to the positivism paradigm and the nature of this research belongs to a quantitative method. Thus, a survey designed with an online questionnaire was a suitable strategy to collect data and further test the research hypotheses. Secondly, based on the literature, the items of the questionnaire were developed to measure five constructs which include basic luxury consumption information, demographic information, consumers' cultural orientation, luxury consumption motivations and acculturation process.

A seven-point Liket scale was used to measure the items of cultural orientation and luxury consumption motivations. CLSI survey was used to test the acculturation process of participants and it was validated by using a test-retest technique. Thirdly, the methods of sampling technique, data collection and ethnics' consideration were discussed. Finally, appropriate statistical techniques for data analysis of the pilot study and main study were also discussed with four approaches: (1) data cleaning and screening; (2) Exploratory factor analysis and Reliability Assessment; (3) Confirmatory factor analysis and Scale Validity; (4) Structural equation modelling and hypotheses testing.

In the next chapter, the data analytical techniques using these methodologies for the pilot study and main study to obtain the research results are introduced and provided. The different techniques and approaches which were adapted in the analysis section of this research are demonstrated and explained in detail.

CHAPTER 5 DATA ANALYSIS and RESULTS

5.1 Introduction

This chapter introduces the actual data analysis and is concerned with the relationships between independent variables and dependent variables to achieve the objectives of this research. The previous chapter indicated the methodology adapted in this study; quantitative methods were used and an online questionnaire was sent for data collection. In this chapter, the data was analysed based on various statistical tools such as Statistical Package for Social Science (SPSS) version 20.0 and Structural Equation Modelling (SEM) tested by AMOS software version 20.0. Furthermore, this chapter consists of six sub sections: (1) pilot study; (2) data screening; (3) demographic characteristics; (4) Exploratory factor analysis and Reliability; (5) Assessment Confirmatory factor analysis and Scale Validity; (6) Structural equation modelling and hypotheses testing.

5.2 Data Analysis for Pilot Study

The pilot study of this research was conducted using an online questionnaire. The respondents were chosen from the email list of a Facebook group named London Chinese Community Centre. The aims of the pilot study are: (1) to estimate the response rate for the main survey; (2) to test the reliability and validity of the questionnaire; (3) to justify and improve the variables and methods adapted for the main survey. The questionnaires were separately sent to 616 group members in two different periods between 18th March 2015 and 16th June 2015. After 20 days, a total of 53 of them were returned including 28 respondents who have lived in London for less than one year and 25 of them who have lived in London for more than five years. During the second time, the response rate was 11.78% which reached the required standard level. In addition, Cronbach’s alpha was recommended to measure the internal consistency of items (Churchill, 1979). As a result, all the constructs of the model were tested by Cronbach’s alpha, including cultural orientation, luxury consumption motivation and the acculturation process.

Table 5.1 Reliability Analysis by Cronbach's alpha Values

	Constructs	Reliability	Number of items
Culture orientation	Horizontal Collectivism	0.924	4
	Vertical Collectivism	0.875	4
	Horizontal Individualism	0.918	4
	Vertical Individualism	0.863	4
Luxury consumption motivation	Social Demand	0.895	5
	Desire of Status Symbol	0.947	5
	Self-Pleasure	0.920	5
	Quality Assurance	0.905	4
Acculturation process		0.840	28

Data from the pilot study was entered and encoded by using SPSS 20.0. According to Churchill (1979), Cronbach's alpha above the threshold value 0.7 indicates that the items are consistent with the construct. Based on the figures shown in Table 5.1, the reliability of the pilot study was satisfactory.

5.3 Data analysis for Main Study

5.3.1 Data Cleaning and Screening

According to Hair et al. (2010), accuracy of the data is significant as errors may happen and could affect the analysis result. Therefore, data cleaning and screening is necessary to ensure that errors are estimated before the analysing. Some issues may exist during this process, for example, checking the missing data and outliers, testing normality, linearity, homoscedasticity and multicollinearity. All of these issues may impact the research result. As a result, Hair et al. (2010) suggested that these issues should be considered and solved before conducting the main data analysis.

Missing Data

In data analysis procedures, missing data is one of the most common problems and influences the results of the research. According to Hair et al. (2010), missing data represents unknown variables. It may occur due to either respondents missing the questions out incidentally or providing an ambiguous answer. The survey of this study was conducted via the survey monkey service; therefore, the missing data is checked and estimated automatically through the features of the website service. As the previous chapter mentioned, a total of 535 valid respondents took part in the survey and 47 of them were deleted as a large number of questions were not answered. Therefore, finally 488 questionnaires were used for the final analysis.

Outliers

According to Hair et al. (2010), outliers are ‘‘observations with a unique combination of characteristics identifiable as distinctly different from the other observations’’. More specifically, outliers can be explained as an unusual value of a single variable or a combined value across several variables that lead to the distinct observation standing out from the common results and should be deleted from the data set (Hair et al., 2010).

Hair et al. (2010) also indicated that based on the number of variables, the outliers can be categorised into three perspectives which are (1) univariate; (2) bivariate; (3) multivariate.

Firstly, the univariate perspective evaluates the distribution situation of observations for each variable. The cases of outliers can be checked and estimated if they fall out of the standard ranges of the distribution. Hair et al. (2010) indicated that outliers are commonly identified as exceeding the standard values ± 2.5. In this study, box plots are used to examine outliers in SPSS (Appendix One).

Secondly, the bivariate perspective aims to evaluate the outliers with two variables by using a scatter plot. If some cases are obviously outside the normal range of major cases, they can be treated as outliers and need to be removed from the data set (Hair et al., 2010). However, the majority of multivariate analysis consists of more than two variables; therefore, the bivariate method is limited as it can only measure two variables at once (Hair et al., 2010).

Thirdly, the multivariate method is used to assess observations with two or more variables (Hair et al., 2010). Hence, it is able to remedy the defect of bivariate outliers. According to Hair et al. (2010), Mahalanobis D2 measurement is mostly used to measure multivariate outliers. It can assess the distance of each observation in a multidimensional space. In this test, if the P1 value related with the D2 is 0.001 or less, it can be identified as an outlier (Hair et al., 2010). Specifically, D2 follows a chi-square distribution and degrees of freedom equal to the number of variables included in the calculation.

In this study, the box plot method was applied to detect the univariate outliers by using SPSS, and Mahalanobis D2 measurement was chosen to assess multivariate by using the AMOS technique. Based on the results, several univariate outliers were found with asterisks by the box plot test, and also multivariate outliers were marked from Mahalanobis's distance test. However, Hair et al. (2010) indicated that the outliers should be removed if they appear in both univariate and multivariate diagnosis. As there is no variable marked in both of the outliers tests. Therefore, in this study, no case was omitted (Appendix One).

Normality

According to Hair et al. (2010), normality is described as a symmetrical and bell-shaped curve. It has the highest frequency in the middle and decreases towards the extremes. In the multivariate analysis, Hair et al. (2010) suggested that the normality test is not always necessary for structural equation modelling. They also indicated that when the sample size is large, researchers do not need to be overly concerned about the abnormal variables. However, the more the variables distribute normally, the better the data is, and they suggested, even though the sample size is large, that the researcher should test the normality for all variables as well.

According to Hair et al. (2010), two methods can usually be used to test the normality of the data: (1) Kurtosis and Skewness test; (2) Kolmogorov-Smirnov and

Shapiro-Wilk test. In this study, SPSS 20.0 was used to test the normality for the variables.

According to Hair et al. (2010), the most frequently used Kurtosis and Skewness value is ± 2.58 of the SD. More specifically, Kurtosis assesses normal distribution and the Skewness test evaluates the balance of the distribution. In this study, all the variables were distributed normally though Kurtosis and Skewness testing (Appendix One).

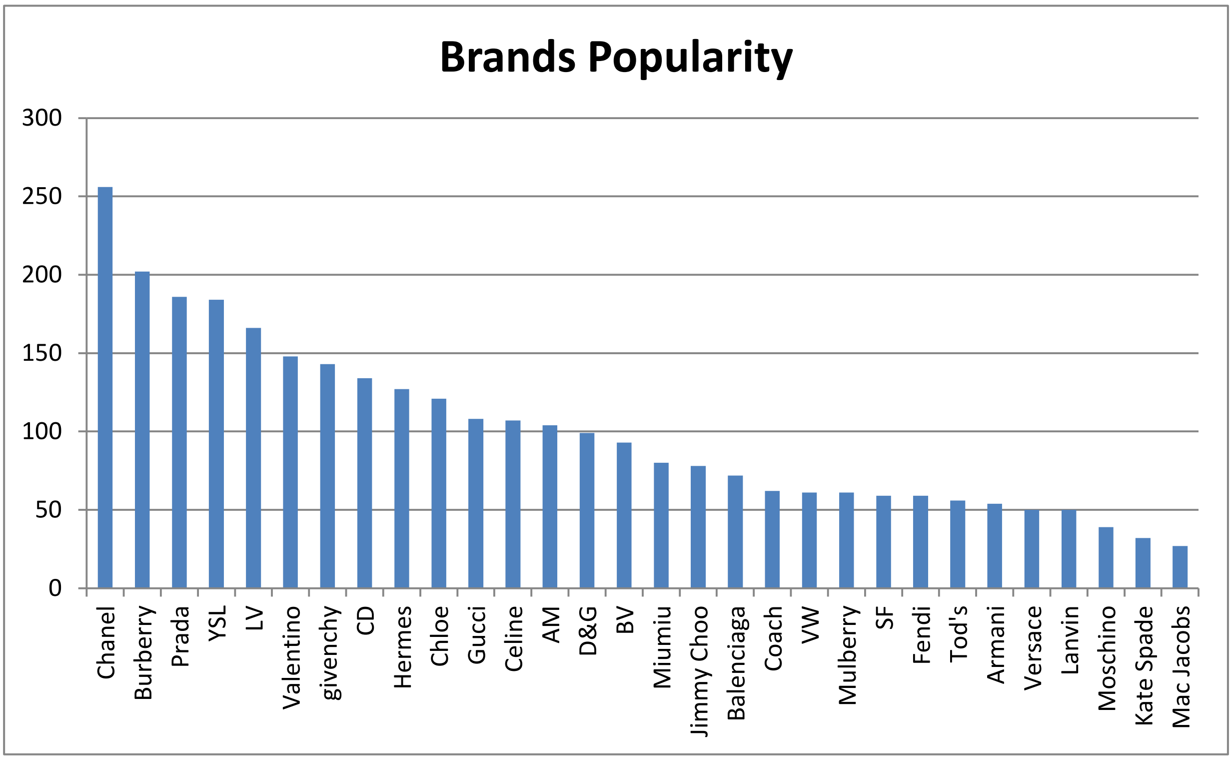
5.3.2 Descriptive Statistics

The main survey was sent to target participants using an online questionnaire. After data was cleaned and screened, 488 of the total responses were used in the analysis of this study. The frequency distributions were used to analyse the data of Section One and Section Two.

5.3.2.1 Profile and Analysis of Respondents

Section One of the questionnaire aims to have an insight into basic luxury consumption information of the participants. Table 5.2 shows the popularity of luxury brands related to Chinese young consumers. Among the total of 30 luxury brands, Chanel, Burberry, Prada, YSL and Valentino were the top five brands chosen by respondents. On the other hand, Marc Jacobs, Kate Spade, Moschino, Lanvin and Versace were the lowest five brands.

Table 5.2



In addition, other information of respondents towards luxury consumption was shown in Table 5.3. 433 of the total respondents own luxury products, which accounted for 88.7 percent. The majority of them have less than 3 luxury products, only 47 respondents have more than 10 luxury products, which accounted for 9.6 percent. Moreover, 69.7 percent of 488 respondents bought luxury products in the past year and most of the last purchases cost 601-900 British pounds.

Table 5.3

Luxury consumption information	Frequency	Percent
Do you own Luxury products?		
Yes	433	88.7%
No	55	11.3%
How many luxury products do you own?		
< 3	180	36.9%
3 - 6	159	32.6%
7 - 10	102	20.9%
> 10	47	9.6%
Have you bought a luxury product in the past year?		

Yes	340	69.7%
No	148	30.3%
In British pounds how much did you pay for your last luxury product?		
< 300	107	21.9%
300 - 600	96	19.7%
601 - 900	117	24%
901 - 1200	112	23%
> 1200	56	11.5%

Section 2 of the questionnaire related to the information concerning the demographic details of participants. The demographic details included age, length of stay in the UK, education background and range of pocket money. As shown in Table 5.4, in the total number of 488 respondents, the groups aged between 21 and 23 years old and between 24 and 26 years old accounted for more than 60 percent of the whole sample, followed by the age group between 27 and 30 years old at 19.5 percent. The total contribution of these three age groups is over 80 percent.

The second question of the survey is concerns how long the respondents have lived in the UK. 169 of them have been in the UK for 5 to 10 years, accounting for 34.6 percent, followed by 6 months to one year. These two groups of respondents accounted in total for more than 60 percent. 95 respondents have only lived in the UK for less than 6 months and 67 of the total sample have lived there for more than 10 years. In the follow stage, all respondents were divided into two groups to analyse the acculturation process as the moderator in the model.

The third question demonstrated the information concerning education. As shown in the table, 99.4 percent of the whole sample is under graduate students or above, 273 of them are postgraduate students which accounted for 55.9 percent and 4.5 percent of them have a PhD degree. Therefore, most participants of this study are well educated.

The range of pocket money showed that about 71.9 percent of respondents have more than 1000 pounds free money per month, 24.6 percent have 500 to 1000 pounds while only 3.5 percent of total sample have less than 500 pounds. This question indicates that most of the young participants are affluent, making them the target consumers for the luxury industry.

Table 5.4

Demographic information	Frequency	Percent
Age group		
< 18	6	1.2%
18-20	53	10.9%
21-23	158	32.4%
24-26	148	30.3%
27-30	95	19.5%
> 30	28	5.7%
Length of stay in the UK		
< 6 months	95	19.5%
6 months - 1 year	157	32.2%
5 year - 10 years	169	34.6%
> 10 years	67	13.7%
Education background		
Undergraduate Degree	190	38.9%
Postgraduate Degree	273	55.9%
PhD Degree	22	4.5%
Other	3	0.6%
Range of pocket money per month (pound)		
< 500	17	3.5%
500 - 1000	120	24.6%
1001 - 1500	181	37.1%
> 1500	170	34.8%

5.3.2.2 Descriptive Analysis of the Main Variables of Interest

This study mainly examined four questions: (1) What is the current cultural orientation of Chinese young consumers who live in London? The variables of this research construct were measured in Triandis and Gelfand's (1998) individual cultural scale. (2) What are the current luxury consumption motivations of Chinese young consumers who live in London? The variables related to this question were social demand, desire for status symbol, self-pleasure/reward as well as quality assurance. (3) How does cultural orientation impact consumption motivation towards luxury goods?

(4) How does the acculturation process moderate the relationship between cultural orientation and luxury consumption motivation? Tables 5.5 and 5.6 demonstrate the minimum, maximum, mean and standard deviation of these variables tested in this study.

This research adopted the construct of Triandis and Gelfand (1998). The minimum, maximum, mean and standard deviations were used to measure the four dimensions of cultural orientation: HI, HC, VI and VC in Table 5.5. The mean scores of a total of 16 items were all positive. Specifically, the item "My personal identity, independent of others, is very important to me" had the highest mean score (M=5.790; SD=1.3371). The next highest item was "I'd rather depend on myself than others" (M=5.6701; SD=1.3818). The item "Winning is everything" had the lowest mean score (M=4.0205; SD=1.6337). In these four dimensions, horizontal individualism had the highest average mean score, followed by horizontal collectivism and vertical collectivism while vertical individualism had the lowest average mean score.

Table 5.5 Descriptive Statistics of Cultural Orientation Variables

Construct	N	Mini	Maxi	Mean	S. D.
HI1	488	1.00	7.00	5.6701	1.38181
HI2	488	1.00	7.00	5.3791	1.37061
HI3	488	1.00	7.00	5.3975	1.36009
HI4	488	1.00	7.00	5.7090	1.33710
HC1	488	1.00	7.00	5.1926	1.36688
HC2	488	1.00	7.00	5.1127	1.40898
HC3	488	1.00	7.00	4.9529	1.48636
HC4	488	1.00	7.00	4.9898	1.34801
VI1	488	1.00	7.00	4.6803	1.37455
VI2	488	1.00	7.00	4.0205	1.63370
VI3	488	1.00	7.00	4.6742	1.62197
VI4	488	1.00	7.00	4.0430	1.59960
VC1	488	1.00	7.00	4.6250	1.40867
VC2	488	2.00	7.00	4.8463	1.41818
VC3	488	1.00	7.00	4.1127	1.57808
VC4	488	1.00	7.00	4.8299	1.44643
Valid N (listwise)	488				

In this research, consumption motivations towards luxury products were measured with four dimensions with 19 items using a 7 point Likert scale. The four dimensions are social demand, desire for status symbol, self-pleasure/reward and quality assurance. In addition, the mean scores of a total of 19 items were all positive. The item "The quality superiority in luxury products is what I think highly of" had the greatest mean score (M=5.6086; SD=1.1887). The next highest item was "I would buy luxury products because of their high level of reliability" (M=5.4836; SD=1.2225). The item "Purchasing luxury goods would tell something about my social status in the presence of others" had the lowest mean score (M=3.5615; SD=1.4373). In these four dimensions of luxury consumption motivations, the dimension of quality assurance had the highest average mean score, followed by self-pleasure/reward and social demand whereas desire for status symbol had the lowest average mean score.

Table 5.6 Descriptive Statistics of Luxury Consumption Motivation Variables

Construct	N	Mini	Maxi	Mean	S. D.
SD1	488	1.00	7.00	4.3873	1.35777
SD2	488	1.00	7.00	4.4508	1.40607
SD3	488	1.00	7.00	3.8443	1.49342
SD4	488	1.00	7.00	3.9221	1.50907
SD5	488	1.00	7.00	4.0000	1.45147
DSS1	488	1.00	7.00	3.8053	1.37781
DSS2	488	1.00	7.00	3.8504	1.39380
DSS3	488	1.00	7.00	3.6352	1.40187
DSS4	488	1.00	7.00	3.5615	1.43737
DSS5	488	1.00	7.00	3.6270	1.49064
SP1	488	1.00	7.00	4.7008	1.36118
SP2	488	1.00	7.00	4.5287	1.44267
SP3	488	1.00	7.00	4.3361	1.55454
SP4	488	1.00	7.00	4.5574	1.47002
SP5	488	1.00	7.00	4.3811	1.57828
QA1	488	1.00	7.00	5.2725	1.27264
QA2	488	1.00	7.00	5.2992	1.33221
QA3	488	1.00	7.00	5.4836	1.22254
QA4	488	1.00	7.00	5.6086	1.18879
Valid N (listwise)	488				

5.3.3 Factor Analysis

Factor analysis is a statistical technique used to analyse variables in complex patterns when researchers encounter multidimensional relationships among these variables

(Hair et al., 2010). Firstly, factor analysis is used to observe and describe the potential relationship for a large number of variables. Secondly, it can test whether the large number of variables can be categorised into a smaller set of components and constructs (Hair et al., 2010). Also, it can be explained as analysing the potential structure among observable variables (Hair et al., 2010).

According to Hair et al. (2010), another objective of factor analysis is to reduce the set of variables in a dataset to establish a more manageable data size. In order to find the better data set, the factor analysis can indicate the most correlated variables in a factor loading and summarise them into the same construct (Hair et al., 2010).

There are two kinds of factor analysis: (1) Exploratory factor analysis (EFA); and (2) Confirmatory factor analysis (CFA). Both of them aim to investigate the correlation among variables and reduce a large data set. On the other hand, these two techniques also have different functions. For instance, the exploratory factor analysis places more emphasis on understanding how many variables can really be useful and which variables belong to which construct, while the confirmatory factor analysis focuses on testing the extent of theoretical construct matches with practical data (Hair et al., 2010).

In this study, both EFA and CFA were applied to evaluate the model. Specifically, the EFA was used to classify the variables into different constructs and explore how many constructs existed in the data. After that, the CFA was conducted to examine the model and hypothesis that the variables are related to a specific construct. For EFA, SPSS Version 20.0 for Windows was used, and analysis of moment structure (AMOS) Version 20.0 was applied for CFA.

5.3.3.1 EFA and Reliability Test

Hair et al. (2010) explained that exploratory factor analysis was applied to test interrelationships among a large number of items and extract these items into potential common constructs.

Communality

In order to explore the number of factors and to evaluate the adequacy of extraction, the most widely used methods are eigenvalues and scree plot (Hair et al., 2010). In addition, Hair et al. (2010) pointed out that before factors' extraction, it is necessary to understand the variance extent of variables which are shared with other variables, because factor analysis tests correlations among variables. The communality measures "the total amount of variance, an original variable shares with all other variables included in the analysis" (Hair et al., 2010). Specifically, the figure of communality should be 1 if there is variance between two variables, while the communality would be 0 if one variable shares nothing with the other variables. According to Hair et al. (2010), in EFA, for variables, the communality should be more than 0.6. In this study, the result shows that the majority of variables highly related to others whereas SD1 and SD2 indicated less than 0.6 as shown in Table 5.7.

Table 5.7

Communalities					
	Initial	Extraction		Initial	Extraction
HC1	1.000	.807	SD3	1.000	.636
HC2	1.000	.836	SD4	1.000	.628
HC3	1.000	.806	SD5	1.000	.663
HC4	1.000	.812	DSS1	1.000	.769
VC1	1.000	.714	DSS2	1.000	.765
VC2	1.000	.785	DSS3	1.000	.811
VC3	1.000	.733	DSS4	1.000	.804
VC4	1.000	.739	DSS5	1.000	.719
HI1	1.000	.845	SP1	1.000	.729
HI2	1.000	.795	SP2	1.000	.801
HI3	1.000	.758	SP3	1.000	.720
HI4	1.000	.793	SP4	1.000	.816
VI1	1.000	.730	SP5	1.000	.784
VI2	1.000	.795	QA1	1.000	.775
VI3	1.000	.698	QA2	1.000	.755
VI4	1.000	.706	QA3	1.000	.838
SD1	1.000	.594	QA4	1.000	.806
SD2	1.000	.556			

Extraction Method: Principal Component Analysis.

Note: HC= Horizontal Collectivism, VC= Vertical Collectivism, HI= Horizontal Individualism, VI= Vertical Individualism, SD= Social Demand, DSS= Desire for Status Symbol, SP= Self-pleasure, QA= Quality Assurance

According to the results of communality, as SD1 and SD2 showed less than 6.0, they were deleted from this study. After omitting these two items, the communality of all variables is more than 6.0 which achieve the standard level of communality.

Eigenvalues

The function of eigenvalues is to test how many constructs can be extracted (Hair et al., 2010). Pallant (2010) indicated that the eigenvalue is an initial method used in principal component extraction. According to Hair et al. (2010), the eigenvalue above 1 can be considered as significant. The eigenvalue was tested by principal component analysis. Based on Hair et al.'s (2010) recommendation, this study found seven factors in total with the eigenvalue more than 1.0. The highest value was 7.911, followed by other smaller factors shown in Table 5.8.

Table 5.8

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	7.911	23.972	23.972	7.911	23.972	23.972	6.656
2	6.125	18.559	42.531	6.125	18.559	42.531	5.314
3	4.289	12.996	55.528	4.289	12.996	55.528	4.437
4	2.555	7.742	63.269	2.555	7.742	63.269	3.580
5	1.674	5.073	68.343	1.674	5.073	68.343	4.187
6	1.517	4.596	72.939	1.517	4.596	72.939	4.897
7	1.215	3.682	76.621	1.215	3.682	76.621	4.837
8	.731	2.216	78.837				
9	.603	1.828	80.665				
10	.558	1.691	82.356				
11	.437	1.324	83.680				

12	.429	1.299	84.980					
13	.399	1.208	86.188					
14	.376	1.139	87.327					
15	.352	1.067	88.394					
16	.320	.970	89.364					
17	.300	.908	90.271					
18	.293	.888	91.160					
19	.285	.863	92.023					
20	.271	.821	92.844					
21	.251	.760	93.604					
22	.243	.738	94.342					
23	.233	.706	95.047					
24	.214	.648	95.695					
25	.206	.625	96.320					
26	.194	.587	96.908					
27	.186	.564	97.471					
28	.177	.537	98.009					
29	.155	.470	98.479					
30	.149	.451	98.929					
31	.138	.418	99.347					
32	.123	.373	99.720					
33	.092	.280	100.000					

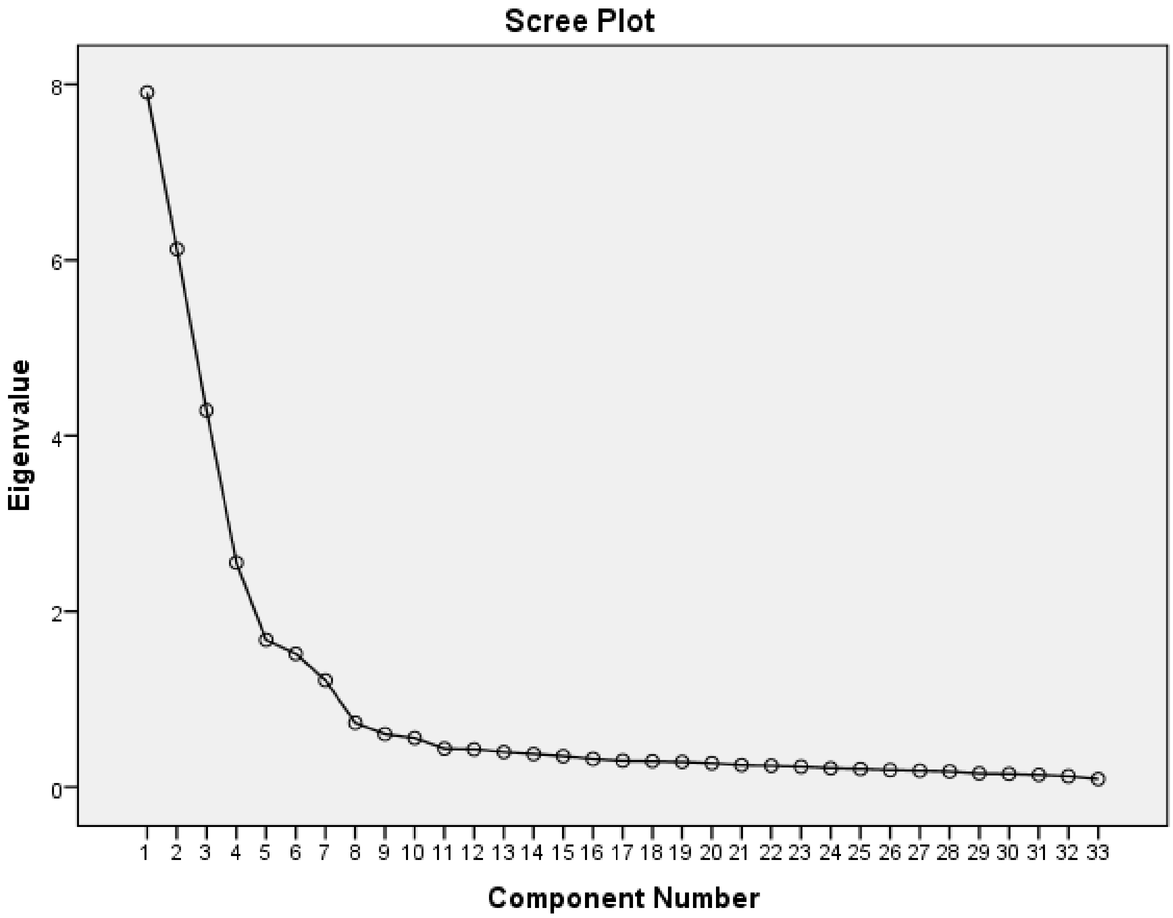
Extraction Method: Principal Component Analysis.
When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Scree Plot

Hair et al. (2010) pointed out that the scree plot test is widely used to identify the maximum number of factors and to confirm the optimum number of factors. The eigenvalue demonstrates the factors with a figure and table, while the scree plot test indicates the number of factors with a scree graph directly. As shown in Figure 5.1, a horizontal line of the first four factors decreases instantly and the last three become slowly changed. Hair et al. (2010) explained that even the data were accessed by an eigenvalue test; it is necessary to conduct a scree plot test to ensure the final numbers of factors.

The scree plot test was conducted by using a varimax rotation. Like the eigenvalue test, in this study, seven factors were also extracted and confirmed by the scree plot test shown in Figure 5.1.

Figure 5.1



Exploratory Factor Loading

Exploratory Factor Analysis (EFA) accesses the correlation of variables and factors with regard to the theory. Hair et al. (2010) explained that Exploratory Factor Analysis (EFA) is a statistical technique used to investigate interrelationships among several numbers of variables and extract them into common underlying latent factors. EFA not only can confirm the latent factors, but also decrease a large number of variables to a smaller set of factors. Therefore, in this study, EFA was conducted to summarise several individual variables into latent factors with regard to the theory, followed by Confirmatory Factor Analysis (CFA) to identify the latent factors and constructs according to the theory.

Hair et al. (2010) indicated that for a variable with 0.30 of factor loading it can be seen that this variable is explained by around 10%, with 0.50 and 0.70 indicate they can be explained by approximately 25% and 50%. Furthermore, Hair et al. (2010) suggested that factor loading exceeding ± 0.50 can be considered as significant and greater than ± 0.70 are considered as well-defined structures. Moreover, the Kaiser-Meyer-Olkin (KMO) and Bartlett's test of sphericity can be tested through EFA by using SPSS. The aim of the Kaiser-Meyer-Olkin (KMO) is to examine the adequacy of sampling and Bartlett's test of sphericity investigates if using factor analysis is accurate for the research (Hair et al., 2010). Regarding the value of KMO, the closer to 1.0 the better, and it should be more than 0.5 at least (Hair et al., 2010). Hair et al. (2010) indicated that the significant value of Bartlett's test of sphericity should be less than 0.05. Table 5.9 shows the results of factor loading in this study.

Table 5.9

Pattern Matrix[a]

	Component						
	1	2	3	4	5	6	7
DSS3	.936						
DSS4	.935						
DSS1	.856						
DSS5	.852						
DSS2	.845				-.114		
SD5	.736	-.136					
SD4	.676	-.112	-.123				
SD3	.669		-.120			.120	.120
HI1		.898					
HI2		.883					
HI4		.857					
HI3		.819					
SP4	-.108		-.893				
SP5			-.885				
SP2			-.846				
SP3		-.110	-.771				
SP1			-.747				
VI2				-.869			
VI1				-.835			-.190
VI3				-.744		.107	
VI4	.164	.197		-.667			

QA3	.114				-.911		
QA4					-.885		
QA2			-.138	.104	-.822		
QA1			-.129		-.809		
VC2						.819	
VC3					.172	.771	
VC4						.743	-.120
VC1						.728	
HC4	.125						-.870
HC3							-.849
HC2							-.822
HC1	-.119	.191			-.104		-.758

Extraction Method: Principal Component Analysis.

Rotation Method: Oblimin with Kaiser Normalisation.

a. Rotation converged in 9 iterations.

Note: HC= Horizontal Collectivism, VC= Vertical Collectivism, HI= Horizontal Individualism, VI= Vertical Individualism, SD= Social Demand, DSS= Desire for Status Symbol, SP= Self-pleasure, QA= Quality Assurance

The result of Exploratory Factor Analysis indicated that in total 33 items were extracted into seven factors. However, as mentioned in the previous chapter, luxury consumption motivations should be divided into four factors which are social demand (SD), desire for status symbol (DSS), self-pleasure (SP) and quality assurance (QA). Therefore, the two factors, SD and DSS, were categorised into one new factor named desire for social status (DeSS). Specifically, five DSS items were named instead of DeSS1-5, and SD3, SD4, SD5 were replaced by DeSS6-8. Furthermore, all of the factor loadings are more than 0.80. In addition, based on Hair et al. (2010), the oblique rotation allows the factors to be correlated; cross loading of below 0.3 are often ignored, and they are unnecessary to be deleted. Therefore, based on the result, this study has a considerably well-defined structure of variables.

As shown in Table 5.10, the value of KMO test is 0.888, which showed an excellent adequacy. Moreover, Bartlett’s test showed that the significant value is less than 0.01 which means using factor analysis is accurate for this study.

Table 5.10

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.888
Bartlett's Test of Sphericity	Approx. Chi-Square	13021.997
	df	528
	Sig.	.000

Scales Reliability Testing

According to Hair et al. (2010), reliability is an assessment of the degree of consistency between multiple measurements of a variable. Internal consistency is the most widely used measure to test the consistency among variables in research (Hair et al., 2010). Based on the principle of internal consistency, in the same measurement scale or construct, each item or indicator should be highly correlated with others (Hair et al., 2010).

According to Hair et al. (2010), there are three indicators to measure reliability: (1) item-to-total correlation; (2) inter-item correlation; (3) Cronbach's alpha. Firstly, the item-to-total correlation tests the correlation of the items to the score of the summated scale and the optimum result should be more than 0.50. Secondly, the inter-item correlation measures the correlation among items and the result should exceed 0.30. Finally, Cronbach's alpha accesses reliability coefficient which focuses on the consistency of the whole scale. The desired result of Cronbach's alpha should be more than 0.70. Hair et al. (2010) also recommended that in order to ensure the reliability of the scale, all three indicators must be measured and evaluated as a single item cannot present the whole concept perfectly.

In this study, the reliability test was all satisfactory with the optimum result. All the item values of item-to-total correlation and inter-item correlation are above 0.60 and 0.50. In addition, all factors of Cronbach's alpha exceed 0.80 [Table 5.11]

Table 5.11

Factor and Related Items	Factor Loading	Cronbach's Alpha
Factor 1		
HC1	-.887	.924

HC2	-.914	
HC3	-.889	
HC4	-.903	
Factor 2		
VC1	.839	.875
VC2	.887	
VC3	.842	
VC4	.832	
Factor 3		
HI1	.921	.918
HI2	.887	
HI3	.869	
HI4	.891	
Factor 4		
VI1	.845	.863
VI2	.886	
VI3	.813	
VI4	.817	
Factor 5		
DeSS1	.874	.942
DeSS2	.876	
DeSS3	.907	
DeSS4	.905	
DeSS5	.862	
DeSS6	.760	
DeSS7	.776	
DeSS8	.784	
Factor 6		
SP1	.845	.920
SP2	.892	
SP3	.840	
SP4	.894	
SP5	.881	
Factor 7		
QA1	.869	.905
QA2	.856	
QA3	.912	
QA4	.891	

Above all, in the exploratory factor analysis phase, this study tested the factorial construct and reliability. EFA was accessed using SPSS 20.0. Two items were deleted in the communality test, which were SD1 and SD2. In the next stage, confirmatory factor analysis (CFA) was operated, followed by the hypothesis testing by using structural equation modelling (SEM). The confirmatory factor analysis and SEM were tested by analysis of moment structure (AMOS) 20.0 Version for Windows.

5.3.3.2 CFA and Validity Test

As mentioned above, there were initially 35 items in the scale to test the luxury consumption motivations and cultural orientations, and in the EFA process, two items were deleted. In addition, in the further factor evaluation, purifying and validating the measurement was significant. The previous section examined the factors by using EFA with regard to the theories; the following stage would conduct CFA for the construct test. According to Collis and Hussey (2003), this study belongs to a quantitative research and uses a deductive approach. Based on the objectives of the research, the deductive procedure includes establishing a theory and conducting a hypothesis to further collect data. Specifically, this research started based on substantial literature reviews, constructed hypotheses and built a conceptual model for the practical theory test. Therefore, CFA was conducted to access the research hypotheses. Hair et al. (2010) mentioned that CFA and EFA are similar in several respects, whereas they are different from a philosophical perspective. The aim of CFA is to test and confirm the measurement theory. During the CFA, the first step should identify the number of factors in several variables and how each factor will load within the variables before computing the result. The result of CFA demonstrates the extent to which empirical data matches the theoretical specification of the factors. Therefore, the CFA can evaluate whether the preconceived theory is tenable or rejectable (Hair et al., 2010). After the theory was identified by CFA, the result should be combined with a structural test to investigate the whole conceptual framework by a structural equation model (SEM) (Hair et al., 2010).

By summarising the above, CFA was operated in this study. Hair et al. (2010) recommended that the CFA should include several steps: (1) each construct should be accessed by a unidimensional test. The purpose of this test is to refine several variables (indicators) which can only be explained by one construct. (2) All individual constructs were accessed by CFA using a unidimensional test to ensure whether they can represent the overall model (Hair et al., 2010). Some items were deleted based on the result of the unidimensional test which includes model fits, factor loading, regression weights, standardised residual covariances and modification indices. Following the unidimensional test, the refined model was conducted by CFA again. Moreover, in order to confirm the validation of constructs, convergent validity and discriminant validity were tested for the model.

Confirmatory Factor Analysis from EFA Results

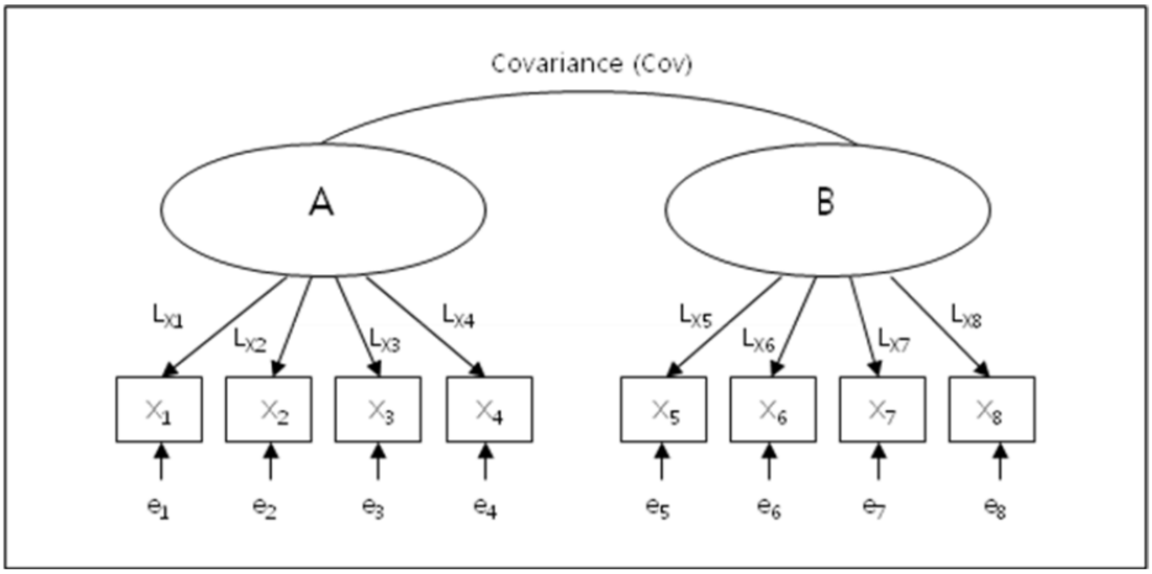
First of all, the whole model was tested by CFA to evaluate the overall model fit before the unidimensional test for each construct. From the results of EFA, in total 33 items, seven constructs and 488 respondents were tested by CFA. The result of CFA for the model showed that (Chi-square) = 1679.247, p-value = .000, degree of freedom = 474, CMIN/DF = 3.543, GFI = .814, AGFI = .779, RMSEA = .072, CFI = .906, NFI = .874 and TLI = .895. Hair et al. (2010) indicated that in large samples data analysis (n>250), normally, a well performed model fit should be 3:1 (ratios) or less; in addition, the model with (CMIN/DF) value 2.83 or less can be seen as a good fitting model. In this study, the (CMIN/DF) value is 3.543 which indicated the model fit is not acceptable. According to Hair et al. (2010), P-value more than .005, GFI more than .80 AGFI more than .80, CFI more than .90, NFI more than .90 and TLI more than .90 are acceptable with a good model fit level. RMSEA with less than .08 is acceptable. In addition, Hair et al. (2010) proposed that the overall CFA should not be run as the model includes cross loading issues and covariance between errors. However, in this study, P-value, AGFI, NFI and TLI are all not acceptable as all these values are less than the cut-off point, thus, the unidimensional test is necessary to investigate the covariance first.

Developing the Overall Model

According to the first overall CFA test, the results showed that the measurement model did not produce a good model fit. Hair et al. (2010) explained that an unsatisfied model fit can occur due to within-construct error covariance, between-construct error covariance or cross-loading among constructs (Hair et al., 2010). Thus, this study operated a unidimensional test by using CFA to evaluate the significant cross-loading among variables and constructs.

Hair et al. (2010) pointed out that when using unidimensional tests *"a set of measured variables (indicators) can be explained by only one underlying construct"*. It is significant because the cross-loadings can cause a lack of construct validity (Hair et al, 2010). Hair et al. (2010) also indicated that cross-loadings do not exist if constructs are unidimensional. Figure 5.2 demonstrates and explains unidimensional constructs, both of the constructs have no item is affected by more than one construct and the cross-loading of these items do not exist.

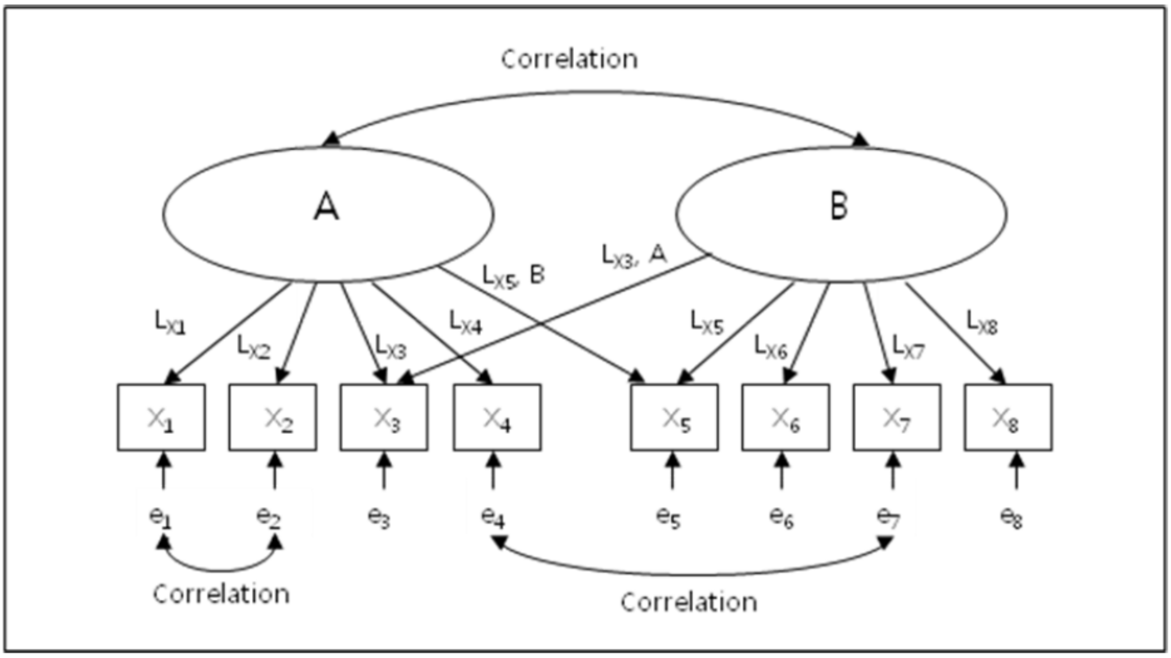
Figure 5.2 Unidimensional Construct



(Hair et al., 2010)

When comparing Figure 5.2 and Figure 5.3, they have similar constructs. However, unlike Figure 5.2, in Figure 5.3, neither of the constructs is unidimensional. There are several relationships across different indicators and underlying constructs. Figure 5.3 indicates a correlation between measured variables, underlying constructs and among several error terms. For example, the indicators X1 and X2 show that they both correlate with latent factor A. In addition, Hair et al. (2010) claimed that the correlation between two error terms of items which represent the same construct is called as *'within-construct error covariance'* such as error 1 and error 2, and this may lead to low construct validity (Hair et al., 2010). Moreover, there is a relationship between X4 and X7 showing a correlation between error 4 and error 7 of variables indicating and loading on different latent variables. According to Hair et al. (2010), the correlation between two errors of indicators representing different latent constructs is referred to as *'between-construct error covariance'*; it can also be seen as a threat to reduce construct validity. Furthermore, as shown in Figure 5.3, the indicator X3 represents both construct A and B, the additional relationship between X3 and factor B was named Lx3A, the same as indicator X5, has a relationship with both construct A and B, the additional relationship between X5 and A was named Lx5B. As a rule proposed by Hair et al. (2010), although additional relationships can cause a better model fit, cross-loading may occur because of poor construct validity. Therefore, these three kinds of unusual relationships such as within-construct error covariance, between-construct error covariance and between a measured item and the different latent factors will reduce the construct validity.

Figure 5.3 Un-unidimensional Construct



(Hair et al., 2010)

In this study, two unidimensional tests were conducted to identify each construct and overall model by using CFA. Specifically, the first test for each construct was conducted to purify the scales. The purpose of the first test is to understand whether the different variables can truly measure the constructs in the research model. The second test for the overall model aims to identify whether all the items can indicate the respective construct successfully, and if they can provide a good model fit for the overall model based on CFA and SEM.

Unidimensionality for Items per Construct

Hair et al. (2010) claimed that during the CFA approach, there are five diagnostics which should be considered to test if items and constructs have cross-loading. These five diagnostics are model fit, standardised regression weights, regression weights, standardised residual covariance and model fit indices. After testing the result of all five steps, researchers should consider carefully whether items should be deleted from the model to ensure the construct validity.

- Items identification for Horizontal Collectivism

A total of four items were selected based on previous studies to measure horizontal collectivism cultural orientation for a unidimensional test by using CFA.

The Chi-square/degree of freedom was 26.241, much higher than the standard level. The goodness of fit index (GFI), the normed fit index (NFI), the comparative fit index (CFI) and the Tucker-Lewis coefficient (TLI) were all perfect fit above .90. However, both the adjusted goodness of fit index (AGFI) and the RMSEA showed a poor performance. The reason for the poor fit is explained and adjusted below.

In order to explain and adjust the problems, firstly, the standardised loadings were checked. Hair et al. (2010) pointed out that the loading of all the latent variables must be above .50 and significant (critical ratio = C.R. = t-value > 1.96). Looking into this construct, all the item loadings were more than .50 and critical ratios were higher than 1.96 representing a good model fit. Secondly, all other factor loadings were over .50; therefore, in this step, there were no items which should be omitted and the researcher started to examine other criteria to find out the reason that affected the model fit. The next step investigated the modification indices related to each loading of the indicators. According to the modification indices, e3 and e4, e1 and e2, e1 and e4 were found with high covariance with each other. These errors were 32.804, 25.281, and 11.329 respectively. These high correlated items indicated a high degree of covariance between two items (Hair et al., 2010). However, in factor analysis, at least three items should exist as indicators for latent variables; therefore, the researcher decided to remove the e4 error term in item HC4 with the highest degree of covariance with others then run the CFA again. The result after adjustment is shown in Table 5.12.

Table 5.12 Model Fit CFA Indexes of Horizontal Collectivism

Model	CMIN/DF	GFI	AGFI	NFI	CFI	TLI	RMSEA
Significant level	< 3	Above .90	Above .80	Above .90	Above .90	Above .90	< .08
Default	-	1.000	-	1.000	1.000	-	-

model							

The Chi-square/degree of freedom was zero as perfect fit. The goodness of fit index (GFI), the normed fit index (NFI) and the comparative fit index (CFI) were perfect fit as 1. The reason for the perfect fit was explained below.

Figure 5.4 CFA model of Horizontal Collectivism

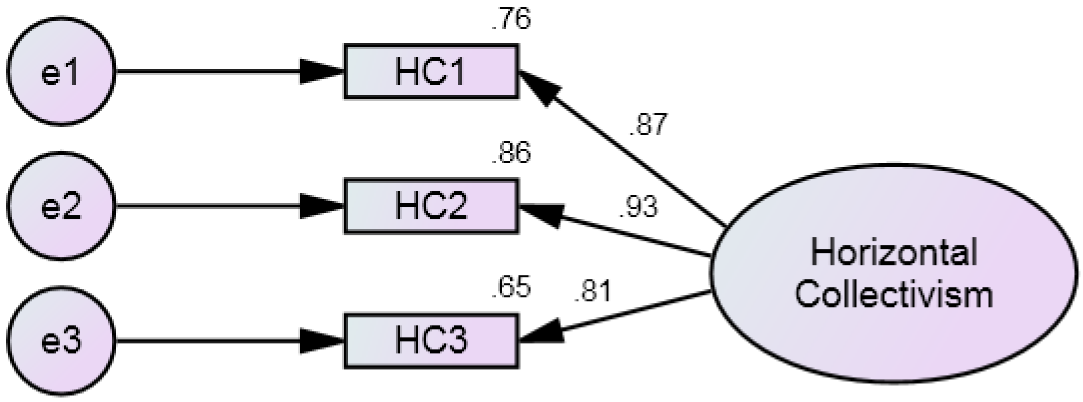


Figure 5.4 shows the model for horizontal collectivism cultural orientation after adjusting. This model with three items is categorised as a just-identified or saturated model (Hair et al., 2010). It means that the degree of freedom is just enough to evaluate all of the free parameters. According to Hair et al. (2010), the just-identified model uses all information of the entire model and the CFA reproduces the same sample covariance matrix as a perfect model fit.

According to Hair et al. (2010), the final decision of CFA should not only depend on model fit, but also rely on other diagnostic indexes. Therefore, the model was also assessed by other significant diagnostic measures shown in Table 5.13.

Table 5.13 Estimate Values of Horizontal Collectivism

Structural relation	Regression weight	Standard error	Critical ratio	Standardised regression weight	Squared multiple correlation
Significant value			Above 1.96	Above .50	
HC1<- HC	1.000			.871	.653
HC2<- HC	1.000	.043	25.694	.927	.859
HC3<-HC	1.000	.045	22.190	.808	.759

Based on the result, standardised residual covariance and modification indices were evaluated. Through examining the standardised residual covariance, the result showed all values of items were between - 2.5 and + 2.5 and there were no modification indices; therefore, this model after adjustment can be acceptable and be a final model fit for horizontal collectivism cultural orientation (Hair et al., 2010).

- Items identification for Vertical Collectivism

A total of four items were selected to measure vertical collectivism cultural orientation in this study. In order to determine if the factor loading is satisfied, the CFA was operated during the first time. According to the result of the first running, several problems were found. The Chi-square/degree of freedom should be below 3 and the Tucker-Lewis coefficient (TLI) should be between 0 and 1. However, in this case, both of the CMIN/DF and TLI were out of the cut-off point. Other indicators were all close to perfect fit criteria; the goodness of fit index (GFI) was .999, the normed fit index (NFI) was .999, the comparative fit index (CFI) was 1.000, the adjusted goodness of fit index (AGFI) was .996 and the RMSEA was .000 as shown in Table 5.14.

Table 5.14 Model Fit CFA Indexes of Vertical Collectivism

Model	CMIN/DF	GFI	AGFI	NFI	CFI	TLI	RMSEA
Significant level	< 3	Above .90	Above .80	Above .90	Above .90	Above .90	< .80
Default model	.423	.999	.996	.999	1.000	1.004	.000

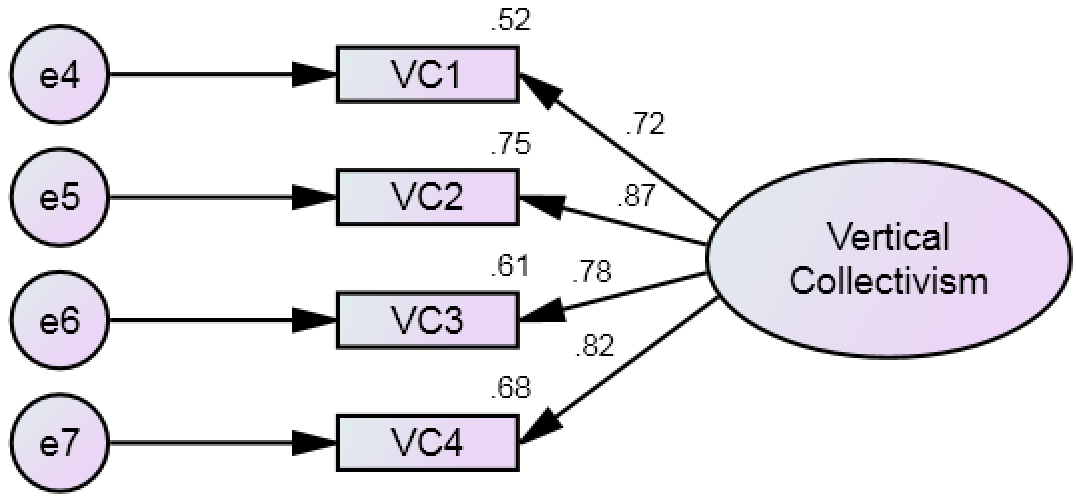
In order to understand the problems, the researcher started to look at standardised loadings. Based on the result, the loadings of all the latent variables were more than .50 and their critical ratios were above 1.96 which obtains a good model fit as shown in Table 5.15. Therefore, no items should be omitted in this test.

Table 5.15 Estimate Values of Vertical Collectivism

Structural relation	Regression weight	Standard error	Critical ratio	Standardised regression weight	Squared multiple correlation
Significant value			Above 1.96	Above .50	
VC1<- VC	1.000			.721	.679
VC2<- VC	1.212	.069	17.668	.868	.611
VC3<-VC	1.214	.075	16.193	.782	.754
VC4<- VC	1.173	.069	16.996	.824	.520

In addition, the researcher examined other criteria to find out the reason for the effect on the model fit. As shown in Table 5.14, modification indices and standardised residual covariance were evaluated. After all the assessment of overall model fit, except RMSEA and TLI, other criteria all performed well. Hair et al. (2010) claimed that TLI is similar with NFI; however, TLI is not normed, and hence its value below 0 or above 1 can be accepted sometimes. Moreover, Hair et al., (2010) explained when other indicators of model were all good, the value of CMIN/DF below 5 is acceptable. Therefore, the final construct of vertical collectivism cultural orientation is demonstrated in Figure 5.5

Figure 5.5 CFA model of Vertical Collectivism



- Items identification for Horizontal Individualism

In the section of measuring horizontal individualism cultural orientation, four items were selected from previous studies. In this construct, the CFA test starts with four items and three items were kept in the final model.

After the first running of CFA, the model fit poorly performed. The overall model fits indicated that CMIN/DF (30.904), AGFI (.745), TLI (.877) and RMSEA (.248) were not acceptable, while GFI (.949), NFI (.958), and CFI (.959) were in the good model fit range.

Looking into other criteria, the standardised regression weight of HI1, HI2, HI3 and HI4 were 0.915, 0.858, 0.813 and 0.845 respectively. All the latent variables should be significant (critical ratio = C.R. = t-value > 1.96). Based on the first running result, the critical ratio of all items was above 1.96. Therefore, standardised regression weight and critical value of all items in this construct were acceptable.

Focusing on other diagnostic measures, the researchers then examined the standardised residuals covariance and modification indices. According to the standardised residuals covariance, all items were acceptable with values between -2.5 and +2.5. Then, considering the modification indices of the error terms, the high covariance values were found between e9 and e11, e8 and e10, e10 and e11. The values of error terms are 28.319, 22.894 and 15.541 respectively. Hair et al. (2010) indicated that high covariance relationship should not be allowed in a good fit model; it decreases the construct validity. Therefore, item HI4 related to e11 was removed to decrease the chi-square and RMSEA value. After removing it, a CFA was run again to investigate the model fit. The result is shown in Table 5.16

Table 5.16 Model Fit CFA Indexes of Horizontal Individualism

Model	CMIN/DF	GFI	AGFI	NFI	CFI	TLI	RMSEA
Significant level	< 3	Above .90	Above .80	Above .90	Above .90	Above .90	< .08
Default model	-	1.000	-	1.000	1.000	-	-

Table 5.16 showed that the CMIN/DF was zero as a perfect model fit. The GFI, NFI and CFI were all a perfect fit as 1. The reason was explained in the previous analysis of horizontal collectivism.

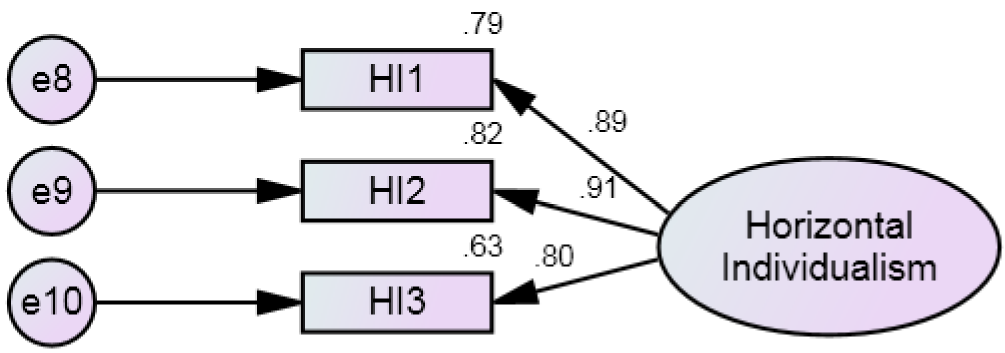
After evaluating the model fit indexes, other estimate values of horizontal individualism were assessed. The result is shown in Table 5.17

Table 5.17 Estimate Values of Horizontal Individualism

Structural relation	Regression weight	Standard error	Critical ratio	Standardised regression weight	Squared multiple correlation
Significant value			Above 1.96	Above .50	
HI1<- HI	1.000			.886	.634
HI2<- HI	1.015	.040	25.108	.907	.822
HI3<-HI	0.885	.041	21.702	.796	.785

According to the results, standardised residual covariance and modification indices were all assessed. The standardised residual covariance showed that all values of items were in the range from - 2.5 to + 2.5. In addition, there were no results shown in modification indices, thus, this model after item HI4 was removed can be a final model with good model fit for horizontal individualism cultural orientation. The final model of this construct is shown in Figure 5.6.

Figure 5.6 CFA model of Horizontal Individualism



- Items identification for Vertical Individualism

The final cultural orientation construct: vertical individualism was measured by four items based on the previous literature. The results of the CFA test indicated that three items were found to be satisfied to measure vertical individualism cultural orientation.

After running the first CFA test, the model fit did not achieve the criteria. The overall model fit of CMIN/DF (5.475) and RMSEA (0.096) was not acceptable, while GFI (.989), AGFI (.947), CFI (.990), NFI (.988) and TLI (.970) were within the good model fit indices.

The standardised regression weight for VI1, VI2, VI3 and VI4 were 0.786, 0.864, 0.733, and 0.753 respectively. All loadings of the items were more than 0.50 within an acceptable level. In addition, the critical ratios of all the items were also above 1.96. Therefore, considering the standardised regression weight and critical value, all the items were acceptable.

In other diagnostic measures, standardised residual covariance was firstly considered. None of the items were indicated with a value over ± 2.5; all of them were acceptable. Secondly, the researcher looked at the modification indices for error terms. There were two groups with high covariance relationship which were e11 and e14, e12 and e13. In order to reduce the CMIN/DF and RMSEA value, item VI4 was omitted and then the CFA test was run again to investigate the final model fit. The results of the second CFA of vertical individualism are shown in Table 5.18.

Table 5.18 Model Fit CFA Indexes of Vertical Individualism

Model	CMIN/DF	GFI	AGFI	NFI	CFI	TLI	RMSEA
Significant level	< 3	Above .90	Above .80	Above .90	Above .90	Above .90	< .08
Default model	-	1.000	-	1.000	1.000	-	-

Table 5.18 demonstrated that the value of CMIN/DF was zero which can be seen as a perfect model fit. In addition, the GFI, NFI and CFI were also a perfect fit as 1. This model can be seen as a just-identified model and it was similar with the previous analysis of both horizontal collectivism and horizontal individualism.

Followed by the model fit assessment, other diagnostic criteria were tested for horizontal individualism. The results are shown in Table 5.19.

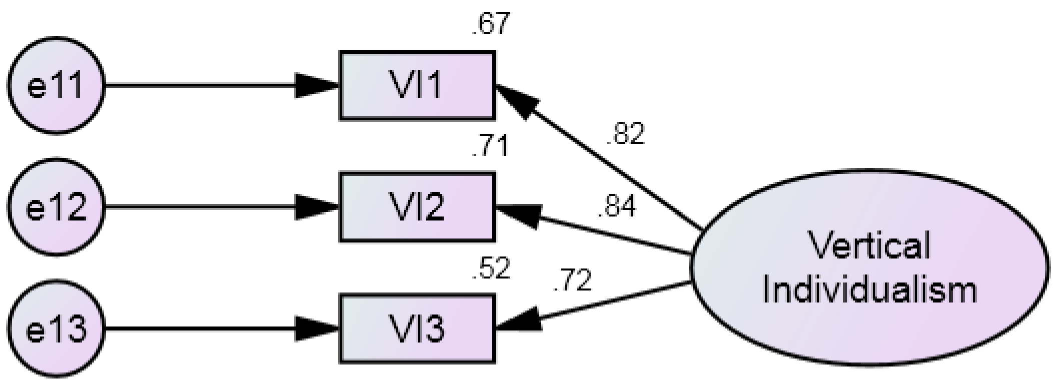
Table 5.19 Estimate Values of Vertical Individualism

Structural relation	Regression weight	Standard error	Critical ratio	Standardised regression weight	Squared multiple correlation
Significant value			Above 1.96	Above .50	
VI1<- VI	1.000			.819	.519
VI2<- VI	1.227	.073	16.914	.845	.714

VI3<- VI	1.038	.066	15.645	.720	.670

Based on the results, the estimated criteria of vertical individualism all performed perfectly. The standardised residual covariance and modification indices were also assessed. Looking at the overall model after removing item VI4, all of the indicators showed a good model fit of this construct; hence, the final model of cultural orientation is shown in Figure 5.7.

Figure 5.7 CFA model of Vertical Individualism



- Items identification for Desire for Social Status

The desire for social status was measured by eight items based on previous studies and CFA. The results of the CFA for desire for social status showed that four items were chosen to be satisfied to measure the construct.

After the first CFA running with eight items, the results of model fits indicated that there were several indicators that were not acceptable. Only CFI (0.911) and NFI (0.906) were satisfied. However, the CMIN/DF was 16.650, GFI was 0.842, AGFI was 0.715, RMSEA was 0.179 and TLI was 0.875; hence, this construct was not acceptable for model fits.

In addition, the researcher looked at the standardised regression weight; all items' loadings were above 0.50. The factor loading items were DeSS1 (0.854), DeSS2 (0.867), DeSS3 (0.923), DeSS4 (0.914), DeSS5 (0.848), DeSS6 (0.693), DeSS7 (0.702) and DeSS8 (0.710). The critical ratio for all items was much higher than 1.96. Therefore, other diagnoses needed to be considered. In order to find out the problems, modification indices were examined. The value of the high covariance was between e20 and e21 (99.373), e19 and e20 (66.663), e19 and e21, e16 and e17 (42.309), e14 and e15 (40.413), e16 and e21 (28.530), e15 and e17 (23.481). Indeed, the most problematic error terms were e14, e15, e20, and e21 respectively. All of these four error terms were highly correlated with others. As a result, they were omitted from the model to increase the model fit.

After deleting the four items, the second CFA test was run. According to the results shown in Table 5.20, the model fit was improved.

Table 5.20 Model Fit CFA Indexes of Desire for Social Status

Model	CMIN/DF	GFI	AGFI	NFI	CFI	TLI	RMSEA
Significant level	< 3	Above .90	Above .80	Above .90	Above .90	Above .90	< .80
Default model	4.015	0.992	0.959	0.995	0.996	0.988	0.079

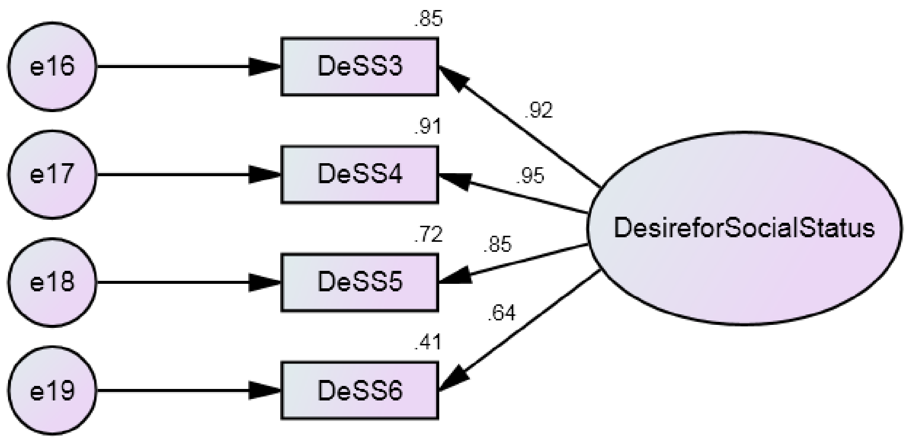
The GFI (0.992), AGFI (0.959), RMSEA (0.079), CFI (0.996), NFI (0.995) and TLI (0.988) showed a good value of model fit. However, CMIN/DF (4.015) was only just out of the well-performed point. Furthermore, the critical ratios of all four items were over 1.96; the values of standardised residual covariance were within -2.5 to +2.5 and the standardised regression weight was satisfied with an acceptable value more than 0.5. The details of the results are shown in Table 5.21. Therefore, there was no reason to remove any more items.

Table 5.21 Estimate Values of Desire for Social Status

Structural relation	Regression weight	Standard error	Critical ratio	Standardised regression weight	Squared multiple correlation
Significant value			Above 1.96	Above .50	
DeSS3<- DeSS	1.000			.925	.414
DeSS4<- DeSS	1.056	.029	37.002	.952	.718
DeSS5<- DeSS	0.974	.035	28.122	.847	.907
DeSS6<- DeSS	0.741	.044	16.961	.643	.855

According to all the results above, the final CFA model of desire for social status is shown below in Figure 5.8

Figure 5.8 CFA model of Desire for Social Status



- Items identification for Self-Pleasure

In total five items of self-pleasure luxury consumption motivation were adapted from previous research. From the CFA test, there were only four items that were acceptable to measure this dimension.

After running the first CFA with five items, the results showed that some of the model fit was not acceptable. Only comparative fit index (CFI) and normed fit index (NFI) matched the criteria of good model fit. On the other hand, the CMIN/DF was 26.305, goodness of fit index (GFI) was 0.896, adjusted goodness of fit index (AGFI) was 0.689, the RMSEA was 0.228 and Tuker-Lewis Index (TLI) was 0.863, hence, these values illustrated problems with the model fit.

For the next step, the researchers looked into standardised regression weight; the factor loadings of all items were above 0.50. Specifically, SP1 was 0.81, SP2 was 0.86, SP3 was 0.79, SP4 was 0.87 and SP5 was 0.86. Therefore, focused on other diagnostic measures, the researchers found that the critical ratio of all items was greater than 1.96 and there were no items' standardised residual covariance greater than ± 2.5. The covariances of all items performed well.

Then, according to the modification indices for the error terms, some of the items were found with high covariance such as e20 and e21, e20 and e24, e21 and e23. Among them, the error term e20 had the highest covariance with other items; therefore, it was omitted from the model to adjust the model fit. After excluding item SP1, the CFA test was run again to check if the adjusted construct could be acceptable. The results of the second CFA test are shown in Table 5.22.

Table 5.22 Model Fit CFA Indexes of Self-Pleasure

Model	CMIN/DF	GFI	AGFI	NFI	CFI	TLI	RMSEA
Significant level	< 3	Above .90	Above .80	Above .90	Above .90	Above .90	< .80
Default model	1.253	0.997	0.987	0.998	1.000	0.999	0.023

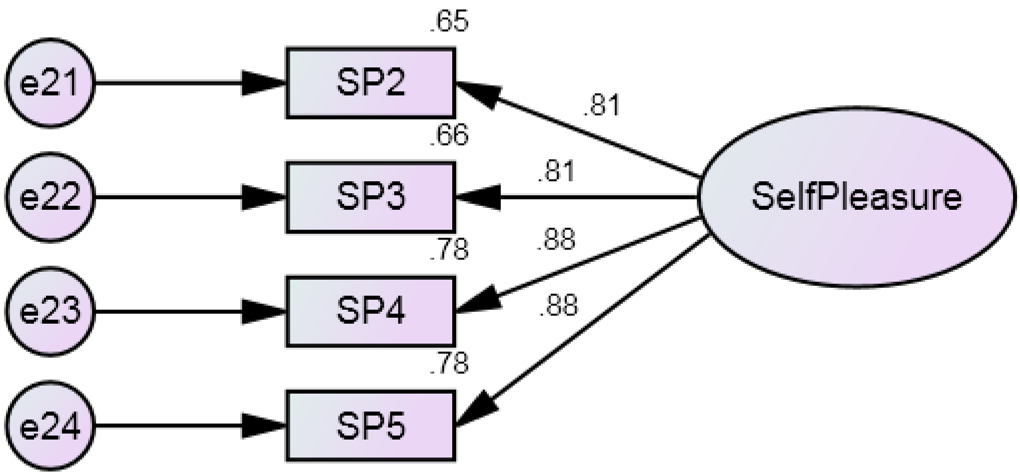
As shown in the table above, after deleting SP1, all the criteria of model fit were good. For more diagnostic measures, the standardised residual covariances, standardised regression weight and critical ratio were examined [Table 5.23]. All the standardised residual covariances of items were within the range of ±2.5 and other indices indicated that the adjusted construct had an adequate model fit.

Table 5.23 Estimate Values of Self-Pleasure

Structural relation	Regression weight	Standard error	Critical ratio	Standardised regression weight	Squared multiple correlation
Significant value			Above 1.96	Above .50	
SP2<- SP	1.000			.809	.779
SP3<- SP	1.081	.054	20.194	.812	.776
SP4<- SP	1.109	.049	22.522	.881	.659
SP5<- SP	1.193	.053	22.565	.883	.655

After evaluating all the diagnostic measures, the final CFA model of self-pleasure luxury consumption motivation was conducted below [Figure 5.9].

Figure 5.9 CFA model of Self-Pleasure



- Items identification for Quality Assurance

In the construct of quality assurance, four items were chosen from prior literature.

After adjusting the model, three items remained in the final construct.

After the first CFA test of this dimension, the model fit was not acceptable. First of all, the researcher looked into overall model fit indices. There were three criteria that did not achieve the standard level. The CMIN/DF was 22.261, adjusted goodness of fit index (AGFI) was 0.769 and RMSEA was 0.209. These numbers indicated that there were problems with the model.

The estimates of CFA output showed that the factor loadings of all four items were more than 0.50 which means the standardised regression weights were adequate. Moreover, all critical ratios were above 1.96 and standardised residual covariances were within the range of ± 2.5.

Based on the modification indices, the output indicated that there were high covariances between e25 and e26, followed by e27 and e28. Therefore, the researcher decided to omit item QA1 with the highest covariance to improve the overall model fit.

After omitting the item QA1 with error item e25, the CFA test was run again. Table 5.24 demonstrated the final model fit index of quality assurance. As shown in the table below, the CMIN/DF was zero which can be seen as a perfect fit. The goodness of fit index, the normal fit index (NFI) and the comparative fit index (CFI) were all a perfect fit. Therefore, the construct after adjusting was confirmed as just-identified model (Hair et al., 2010).

Table 5.24 Model Fit CFA Indexes of Quality Assurance

Model	CMIN/DF	GFI	AGFI	NFI	CFI	TLI	RMSEA
Significant level	< 3	Above .90	Above .80	Above .90	Above .90	Above .90	< .80
Default model	-	1.000	-	1.000	1.000	-	-

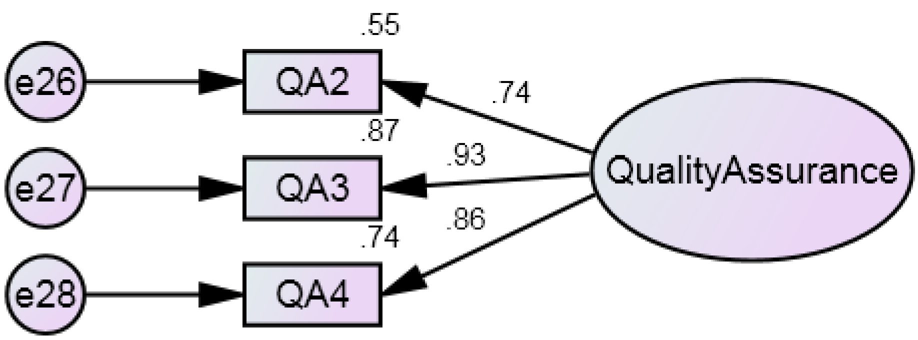
In addition, according to Hair et al. (2010), other diagnostic measures were assessed [Table 5.25].

Table 5.25 Estimate Values of Quality Assurance

Structural relation	Regression weight	Standard error	Critical ratio	Standardised regression weight	Squared multiple correlation
Significant value			Above 1.96	Above .50	
QA2<- QA	1.000			.743	.743
QA3<- QA	1.152	.059	19.440	.933	.871
QA4<- QA	1.034	.054	19.160	.862	.553

As Table 5.23 showed above, all the standardised regression weights were greater than 0.50, the critical ratios were more than 1.96 and the standardised residuals were less than ±2.5. Thus, no change was needed and the final CFA model is shown in Figure 5.10.

Figure 5.10 CFA model of Quality Assurance



Confirmatory Factor Analysis for Measurement model with all constructs

After evaluating each construct in the unidimensional test by CFA, nine items, HC4, HI4, VI4, DeSS1, DeSS2, DeSS7, DeSS8, SP1 and QA1 were omitted.

In order to understand covariance among all constructs, a confirmatory factor analysis was conducted for all latent variables to ensure the overall structure for each variable (cultural orientations included horizontal collectivism, vertical collectivism, horizontal individualism and vertical individualism; luxury consumption motivations included desire for social status, self-pleasure and quality assurance). After running the CFA test for all constructs, the results indicated the whole model fit was good. Besides, the standardised regression weights of all items were more than 0.50. All items' critical ratios were more than 1.96; however, there were some problems with the standardised residual covariances. As shown in Table 5.26, ten relationships were found with covariance out of the range -2.5 to +2.5.

Table 5.26

Standardised residual covariances	
SP3 < > DeSS6	2.616
VC3 < > DeSS6	2.830
SP4 < > QA2	3.152
SP3 < > QA2	2.611
VC3 < > QA2	-2.608
HI1 < > SP3	-2.967
VC3 < > DeSS5	2.528
VC1 < > VI3	2.644
VC3 < > HI2	-2.569
VC1< > HI1	3.380

According to Hair et al. (2010), if the standardised residuals covariance of two items was between ±2.5 and ±4.0, and there was no problem with other diagnostic measures, the model should not be changed.

Considering this study, Table 5.26 indicated that the highest covariance of items was 3.380 within ±4.0. In addition, other diagnoses all performed excellently; therefore, the final CFA model was confirmed. The results of the model fit indexes are demonstrated in Table 5.27.

Table 5.27 Model Fit Indexes of Measurement Model with All Constructs

Model	CMIN/DF	GFI	AGFI	NFI	CFI	TLI	RMSEA
Significant level	< 3	Above .90	Above .80	Above .90	Above .90	Above .90	< .80
Default model	2.541	.903	.874	.929	.956	.947	.056

The overall model was conducted with a good model fit. The CMIN/DF was 2.541, the goodness of fit index (GFI) was 0.903, the adjusted goodness of fit index (AGFI) was 0.874 and the normal fit index was 0.929. Moreover, the comparative fit index (CFI) and the Tuker-Lewis index (TLI) were 0.956 and 0.947 respectively; these two diagnoses indicated high reliability of the measurement model. Hair et al. (2010) suggested that when the RMSEA value was less or close to 0.08 this could indicate a good model fit especially for a large sample. In this study, the RMSEA was 0.056, which is much less than 0.08, showing a good fit of the model.

Figure 5.11 The Final Confirmatory Factor Analysis of Overall Model

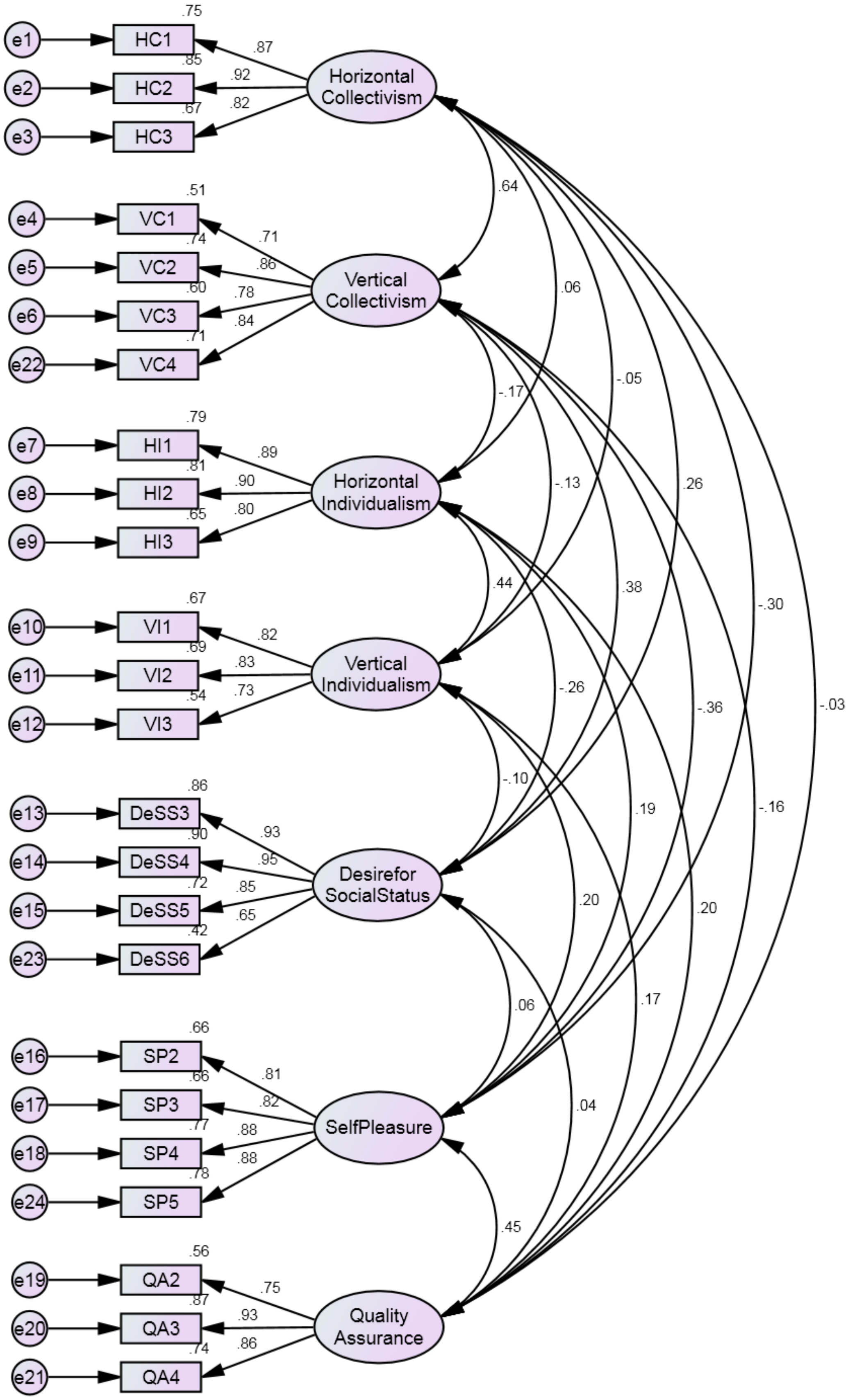


Table 5.28 Estimate Value of the Measurement Model

Structural relation	Regression weight	Standard error	Critical ratio	Standardised regression weight	Squared multiple correlation
Significant value	-	-	Above 1.96	Above 0.50	-
HC1 < HC	1.000			.868	.753
HC2 < HC	1.098	.041	26.797	.924	.855
HC3 < HC	1.022	.045	22.578	.816	.666
VC1 < VC	1.000			.713	.509
VC2 < VC	1.214	.069	17.622	.860	.739
VC3< VC	1.220	.076	16.081	.777	.603
VC4 < VC	1.213	.070	17.324	.842	.709
HI1 < HI	1.000			.887	.786
HI2 < HI	1.008	.039	25.819	.901	.812
HI3 < HI	0.892	.040	22.153	.803	.646
VI1 < VI	1.000			.819	.670
VI2 < VI	1.210	.069	17.510	.833	.694
VI3 < VI	1.059	.066	16.122	.734	.539
DeSS3 < DeSS	1.000			.927	.860
DeSS4 < DeSS	1.048	.028	37.168	.948	.898
DeSS5 < DeSS	0.973	.034	28.326	.848	.720
DeSS6 < DeSS	0.746	.043	17.243	.650	.422
SP2 < SP	1.000			.812	.660
SP3 < SP	1.081	.053	20.486	.815	.664
SP4 < SP	1.099	.049	22.604	.876	.767
SP5 < SP	1.189	.052	22.852	.883	.780
QA2 < QA	1.000			.750	.562
QA3 < QA	1.139	.057	20.052	.931	.867
QA4 < QA	1.024	.053	19.406	.860	.740

Based on the result, the standardised regression weights of all items were greater than 0.50. The critical ratios were more than 1.96. These two diagnostic values of the overall model were all acceptable; therefore, the measurement model was identified with good consequences.

The following section explains the validity and reliability test of the whole construct before testing the final structural equation model.

Construct Validity for Assessing Measurement Model

In this section, the researcher introduces the structural validity based on two aspects: convergent validity and discriminant validity.

- Convergent Validity

Hair et al. (2010) pointed out that convergent validity indicates 'a specific construct converge or share a high proportion of variance in common.' Normally, there are three ways to test convergent validity: (1) Factor loading; (2) Average variance extracted (AVE); (3) The squared root of average variance extracted (SQRTAVE).

1. Factor loadings

According to Hair et al. (2010), the most common way to investigate convergent validity is factor loading. Based on the analysis results above, most of the factor loadings were more than 0.70 and the critical ratios were much greater than 1.96 [Table 5.26]. These two important criteria were satisfied. Therefore, the convergent validity of this model was identified by standardised regression weight and the critical ration and it performed with a high convergent validity.

2. Average variance extracted (AVE)

Average variance extracted (AVE) is calculated as the whole squared standardised factor loadings (squared multiple correlations) divided by the number of factors. Hair et al. (2010) pointed out that the rule of thumb for AVE should be higher than 0.5, which indicates more than 50 per cent of the variances are observed. The AVE of this study is demonstrated in Table 5.29.

AVE = (the total of squared multiple correlations) / (the number of indicator measurement errors)

Table 5.29 Average Variance Extracted of Constructs

Construct	Squared multiple correlation	Average variance extracted
Horizontal collectivism		
HC1 < HC	.753	0.758

HC2 < HC	.855	
HC3 < HC	.666	
Sum	2.274	
Vertical collectivism		
VC1 < VC	.509	0.640
VC2 < VC	.739	
VC3< VC	.603	
VC4 < VC	.709	
Sum	2.56	
Horizontal individualism		
HI1 < HI	.786	0.748
HI2 < HI	.812	
HI3 < HI	.646	
Sum	2.244	
Vertical individualism		
VI1 < VI	.670	0.634
VI2 < VI	.694	
VI3 < VI	.539	
Sum	1.903	
Desire for Social Status		
DeSS3 < DeSS	.860	0.725
DeSS4 < DeSS	.898	
DeSS5 < DeSS	.720	
DeSS6 < DeSS	.422	
Sum	2.900	
Self-pleasure		
SP2 < SP	.660	0.718
SP3 < SP	.664	
SP4 < SP	.767	
SP5 < SP	.780	
Sum	2.871	
Quality assurance		
QA2 < QA	.562	0.723
QA3 < QA	.867	
QA4 < QA	.740	
sum	2.169	

The Table 5.29 above indicated that the results of all average variance extracted of constructs were greater than 0.60, which means this model had a good convergent validity.

3. The squared root of average variance extracted (SQRTAVE)

The squared root of average variance extracted (SQRTAVE) is calculated as the whole standardised regression weight divided by the number of factors in each construct. The value of SQRTAVE more than 0.5 can indicate a good convergent validity and it can also represent discriminant validity.

SQRTAVE = (the total of standardised regression weight) / (the number of indicator measurement errors)

The result of squared root of average variance extracted (SQRTAVE) in this study is shown in Table 5.30 below.

Table 5.30 the squared root of Average Variance Extracted of Constructs

Construct	Standardised regression weight	The squared root of Average variance extracted
Horizontal collectivism		
HC1 < HC	.868	0.869
HC2 < HC	.924	
HC3 < HC	.816	
Sum	2.608	
Vertical collectivism		
VC1 < VC	.713	0.798
VC2 < VC	.860	
VC3< VC	.777	
VC4 < VC	.842	
Sum	3.192	
Horizontal individualism		
HI1 < HI	.887	0.86
HI2 < HI	.901	
HI3 < HI	.803	
Sum	2.591	
Vertical individualism		
VI1 < VI	.819	0.795
VI2 < VI	.833	
VI3 < VI	.734	
Sum	2.386	
Desire for Social Status		
DeSS3 < DeSS	.927	0.843
DeSS4 < DeSS	.948	
DeSS5 < DeSS	.848	

DeSS6 < DeSS	.650	
Sum	3.373	
Self-pleasure		
SP2 < SP	.812	0.847
SP3 < SP	.815	
SP4 < SP	.876	
SP5 < SP	.883	
Sum	3.386	
Quality assurance		
QA2 < QA	.750	0.847
QA3 < QA	.931	
QA4 < QA	.860	
sum	2.541	

As shown in the table, HI has the largest factor loadings 0.86; this dimension can be represented as the best indicator. In addition, the SQRTAVE values of all constructs were greater than 0.5 meaning the convergent validity of the whole model was satisfied.

- Discriminant Validity

Hair et al. (2010) explained that discriminant validity is 'the degree to which two conceptually similar concepts are distinct'. It reflects whether the construct is sufficiently different from other constructs in the overall model (Hair et al., 2010). If the correlation among constructs is significant, it means the discriminant validity of the whole model is satisfied (Hair et al., 2010).

The result of discriminant validity is shown in Table 5.31 below:

Table 5.31 Discriminant Validity of Constructs

Discriminant validity							
	HC	VC	HI	VI	DeSS	SP	QA
HC	0.869						
VC	0.639	0.798					
HI	0.062	-0.172	0.86				
VI	-0.055	-0.127	0.444	0.795			
DeSS	0.265	0.379	-0.257	-0.096	0.843		
SP	-0.300	-0.361	0.195	0.204	0.061	0.847	
QA	-0.30	-0.164	0.197	0.167	0.045	0.448	0.847

As the results showed in the table, the correlation between any two constructs was less than the SQRTAVE. Therefore, the discriminant validity of the overall model was satisfied.

- Composite Reliability

According to Hair et al. (2010), in structural equation modelling and hypothesis testing process, the composite reliability should be greater than 0.70. The formula of composite reliability is shown below:

Composite reliability = $(\sum \text{standardised loadings})^2 / (\sum \text{standardised loadings})^2 + \sum$ measurement errors

Table 5.32 Standardised regression weight, critical ratios and R square value of whole model

Structural relation	Standardised regression weight	Squared multiple correlation (R2)	1- squared multiple correlation (1- R2)	Composite reliability
Horizontal collectivism				
HC1	.868	.753	.247	.904
HC2	.924	.855	.145	
HC3	.816	.666	.334	
Sum	2.608		.726	
Sum square	6.801			
Vertical collectivism				
VC1	.713	.509	.491	.876
VC2	.860	.739	.261	
VC3	.777	.603	.397	
VC4	.842	.709	.291	
Sum	3.192		1.440	
Sum square	10.189			
Horizontal individualism				
HI1	.887	.786	.214	.839
HI2	.301	.812	.188	
HI3	.803	.646	.354	
Sum	1.991		.756	
Sum square	3.964			
Vertical individualism				
VI1	.819	.670	.330	.849
VI2	.933	.694	.306	
VI3	.734	.539	.461	
Sum	2.486		1.097	

Sum square	6.180			
Desire for social status				
DeSS3	.927	.860	.140	.903
DeSS4	.948	.898	.102	
DeSS5	.848	.720	.280	
DeSS6	.650	.422	.578	
Sum	3.373		1.100	
Sum square	11.377			
Self- pleasure				
SP2	.812	.660	.340	.910
SP3	.815	.664	.336	
SP4	.876	.767	.233	
SP5	.883	.780	.220	
Sum	3.386		1.129	
Sum square	11.464			
Quality assurance				
QA2	.750	.562	.438	.888
QA3	.931	.867	.133	
QA4	.860	.740	.260	
Sum	2.541		.813	
Sum square	6.457			

The results of Table 5.32 showed that all the composite reliability values of each construct were above 0.80; therefore the composite reliability of the overall model is good.

The next section introduces and discusses the results of structural equation modelling and the hypothesis test without moderator.

5.3.4 SEM

Assessment of Model Fit

Figure 5.12 The result of Hypothesis Testing from Structural Equation Modelling

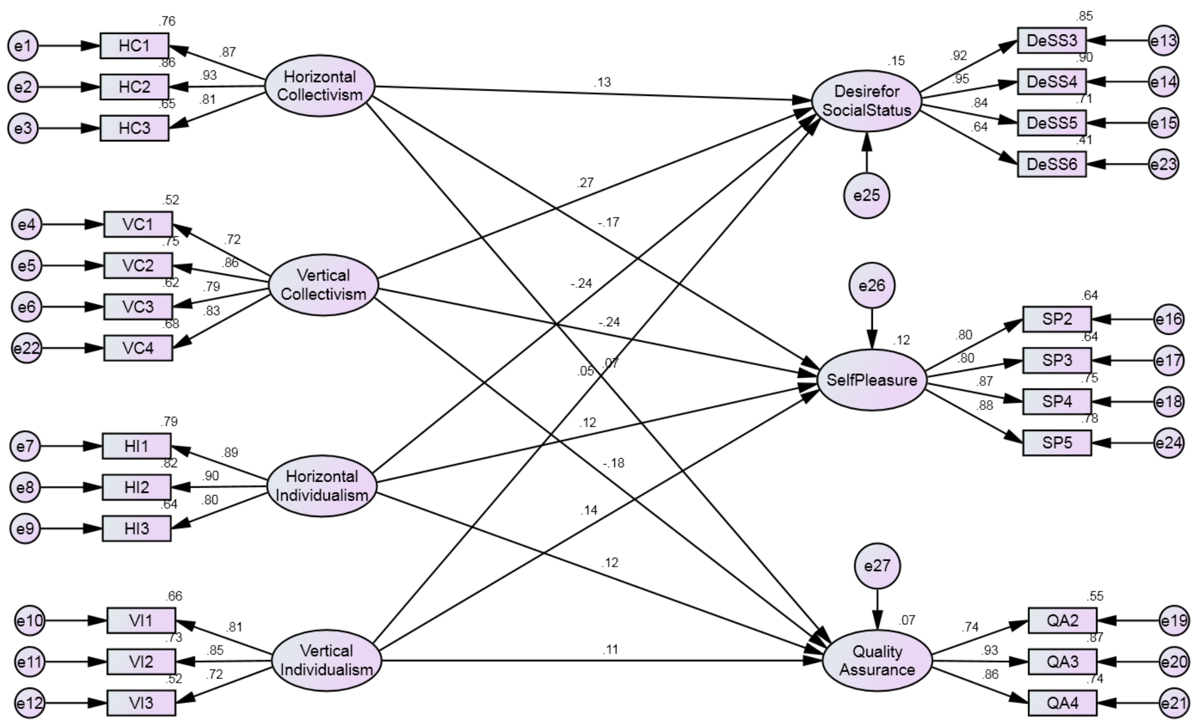


Table 5.33 Model Fit Indexes of Structural Model

Model	CMIN/DF	GFI	AGFI	NFI	CFI	TLI	RMSEA
Significant level	< 3	Above .90	Above .80	Above .90	Above .90	Above .90	< .080
Default model	4.153	.889	.816	.880	.906	.891	.080

The results of the structural equation modelling test showed the structural model achieved a good model fit. The CMIN/DF was 4.153 less than the acceptable level 5; the goodness of fit index (GFI) was 0.889 which is also acceptable (Hair et al., 2010). Furthermore, the adjusted goodness of fit index (AGFI) indicated 0.816 which showed an excellent model fit (rules of thumb > 0.80). Two reliable indicators, comparative fit index (CFI) and the Tucker-Lewis Index (TLI) were 0.906 and 0.891 which were both more than the standard level. Finally, the most important index RMSEA value was 0.080 (rule of thumb <0.08) which also indicated excellent model fit.

Hypothesis Testing from Structural Equation Results

According to the structural model, the hypotheses of this research were assessed from the standardised estimate and critical ratio. In total 12 hypotheses were examined by using path estimates and critical ratios in this study. The critical ratios of 9 hypotheses were greater than 1.96 and critical values (P-value) of them were below the significant level 0.05. However, there were still two hypotheses that were found to be not significant: (1) the relation between horizontal collectivism and quality assurance; (2) the influence of vertical individualism on the desire for social status. The critical ratios of them were 1.394 and 1.091 and the P-values of them were 0.163 and 0.275 respectively.

Table 5.34 Hypothesis Test

Hypothesis	Variables			Estimate	S.E.	C.R.	P	Label
H1	Desirefor_SocialStatus	<---	Horizontal_Collectivism	0.141	0.049	2.885	0.004	par_18
H2	SelfPleasure	<---	Horizontal_Collectivism	-0.162	0.045	-3.565	***	par_19
H3	Quality_Assurance	<---	Horizontal_Collectivism	0.056	0.04	1.394	0.163	par_20
H4	Desirefor_SocialStatus	<---	Vertical_Collectivism	0.335	0.06	5.555	***	par_21
H5	SelfPleasure	<---	Vertical_Collectivism	-0.268	0.056	-4.823	***	par_22
H6	Quality_Assurance	<---	Vertical_Collectivism	-0.175	0.049	-3.583	***	par_23
H7	Desirefor_SocialStatus	<---	Horizontal_Individualism	-0.253	0.048	-5.276	***	par_24
H8	SelfPleasure	<---	Horizontal_Individualism	0.112	0.044	2.56	0.01	par_25
H9	Quality_Assurance	<---	Horizontal_Individualism	0.1	0.039	2.56	0.01	par_26
H10	Desirefor_SocialStatus	<---	Vertical_Individualism	0.059	0.054	1.091	0.275	par_27
H11	SelfPleasure	<---	Vertical_Individualism	0.141	0.05	2.799	0.005	par_28
H12	Quality_Assurance	<---	Vertical_Individualism	0.1	0.045	2.244	0.025	par_29

Note: Estimate= standardised regression weights (path estimate), S.E. = standard error, C.R. = critical ratio (t-value), P= critical value = significance value

The relationship between horizontal collectivism and desire for social status was significant as the critical ratio (t-value) was 2.885 which is greater than 1.96 and the p-value was lower than 0.05. Therefore, hypothesis 1 was accepted (H1 accepted).

Horizontal collectivism was found to be negatively and significantly related to self-pleasure (t-value= -3.565, p< 0.001), hence, hypothesis 2 was accepted (H2 accepted).

The relationship between horizontal collectivism and quality assurance was not significant, as the critical ratio was 1.394 which is less than 1.96 and the p-value was 0.163, thus, this hypothesis was not valid in this research (H3 rejected).

Vertical collectivism and desire for social status were found to be significant; the critical ratio was 5.555 and significance was less than 0.001. Therefore, hypothesis 4 was accepted (H4 accepted).

From the analysis, it was found that vertical collectivism had a negative impact on self-pleasure, with a critical ratio (t-value) of -4.823 and p-value significantly less than 0.001. Hence, hypothesis 5 was accepted (H5 accepted).

Vertical collectivism was also found to negatively influence quality assurance (critical ratio= -3.583, $p<0.001$). Therefore, hypothesis 6 was accepted (H6 accepted).

In addition, horizontal individualism negatively and significantly impacted on desire for social status. The critical ratio was -5.276 and the p-value was lower than 0.01; thus hypothesis 7 was accepted (H7 accepted).

Moreover, it was found that horizontal individualism cultural orientation had a positive influence on both self-pleasure and quality assurance consumption motivations. Both critical ratios were 2.56 and p-value was 0.01. So hypothesis 8 and 9 were accepted (H8 and H9 accepted).

The relationship between vertical individualism and desire for social status was found to be invalid as the critical ratio was 1.091 and p-value was 0.275. Both criteria were out of the standard level; therefore, hypothesis 10 was not accepted (H10 rejected).

Vertical individualism was positively and significantly related to self-pleasure and quality assurance, with critical ratios of 2.799 and 2.244 respectively. Both of them were more than 1.96 and p-values were 0.005 and 0.025 respectively. Therefore, hypotheses 11 and 12 were accepted (H 11 and H 12 accepted).

5.3.5 Cluster Analysis

As mentioned in the previous chapter, according to Mendoza's (1989) CLSI scale, the acculturation process is divided into four categories which are assimilation, integration, separation and marginalisation. However, as marginalisation is excluded in this study, the CLSI includes 28 questions focusing on the respondents who have lived in London for more than five years, who were categorised into three acculturation groups.

The next stage was to find out how the three acculturation categories of assimilation, integration and separation apply to the Chinese young consumers who have been living in London for more than five years. In this study, in order to allocate individuals into these three acculturation groups, non-hierarchical cluster (K-Means cluster) analysis was conducted in SPSS. According to Hair et al. (2010), K-Means cluster analysis is less susceptible to outliers and it is suitable to analyse large data files and confirm certain numbers of clusters. After the previous data cleaning section, a total workable sample size of 237 respondents participated in the acculturation process section of the questionnaire. The results of the non-hierarchical cluster analysis are shown in Table 5.35.

Table 5.35 Non-hierarchical cluster analysis of respondents across acculturation categories

Acculturation Category	Frequency	Percent
Separation	**34**	**14.3%**
Assimilation	**49**	**20.7%**
Integration	**154**	**65.0%**
Total	**237**	**100.0%**

5.3.6 Multi-group Moderation Analysis

The first stage of the multi-group comparison analysis is to investigate whether the acculturation process moderates the whole path of the relationship between cultural orientation and luxury consumption motivation among the respondents from the non-acculturation group and acculturation group. Based on the number of respondents discussed previously, the total number of the non-acculturation group is 251 named Group A and the acculturation group has 237 respondents named Group B.

According to Hair et al. (2010), when conducting a multi-group moderation test, researchers need to obtain the difference in Chi-Square value between the constrained and the unconstrained model first. If the value differs by more than 3.84, then the moderation occurs in that path, otherwise, the moderation does not work.

Table 5.36 The moderation test for Group A 251 and Group B 237 of the whole path

	Constrained model	Unconstrained model	Chi-square difference	Result on moderation	Result on hypothesis
Chi-square	1382.098	1329.034	53.064	significant	supported
DF	496	484	12		
The hypothesis statement: The acculturation process has a moderated effect on the relationship between cultural orientation and luxury consumption motivation.					

The next stage is to analyse whether the acculturation process moderates each path of the relationship between cultural orientation and luxury consumption motivation among the respondents from Group A and Group B. The results are shown in Table 5.37 to Table 5.46.

Table 5.37 The moderation test for Group A 251 and Group B 237 of path HC-DeSS

	Constrained model	Unconstrained model	Chi-square difference	Result on moderation	Result on hypothesis
Chi-square	1482.743	1329.034	153.709	significant	supported
DF	486	484	2		
The hypothesis statement: The acculturation process has a moderated effect on the relationship between HC					

and DeSS	

Table 5.38 The moderation test for Group A 251 and Group B 237 of path HC-Self-pleasure

	Constrained model	Unconstrained model	Chi-square difference	Result on moderation	Result on hypothesis
Chi-square	1540.916	1329.034	211.882	significant	supported
DF	486	484	2		
The hypothesis statement: The acculturation process has a moderated effect on the relationship between HC and Self-pleasure					

Table 5.39 The moderation test for Group A 251 and Group B 237 of path VC-DeSS

	Constrained model	Unconstrained model	Chi-square difference	Result on moderation	Result on hypothesis
Chi-square	1388.722	1329.034	59.688	significant	supported
DF	486	484	2		
The hypothesis statement: The acculturation process has a moderated effect on the relationship between VC and DeSS					

Table 5.40 The moderation test for Group A 251 and Group B 237 of path VC-Self-pleasure

	Constrained model	Unconstrained model	Chi-square difference	Result on moderation	Result on hypothesis
Chi-square	1481.776	1329.034	152.742	significant	supported
DF	486	484	2		
The hypothesis statement: The acculturation process has a moderated effect on the relationship between VC and Self-pleasure					

Table 5.41 The moderation test for Group A 251 and Group B 237 of path VC-Quality assurance

	Constrained model	Unconstrained model	Chi-square difference	Result on moderation	Result on hypothesis
Chi-square	1529.166	1329.034	200.132	significant	supported
DF	486	484	2		
The hypothesis statement: The acculturation process has a moderated effect on the relationship between VC					

and Quality assurance	

Table 5.42 The moderation test for Group A 251 and Group B 237 of path HI-DeSS

	Constrained model	Unconstrained model	Chi-square difference	Result on moderation	Result on hypothesis
Chi-square	1646.105	1329.034	317.071	significant	supported
DF	486	484	2		
The hypothesis statement: The acculturation process has a moderated effect on the relationship between HI and DeSS					

Table 5.43 The moderation test for Group A 251 and Group B 237 of path HI-Self-pleasure

	Constrained model	Unconstrained model	Chi-square difference	Result on moderation	Result on hypothesis
Chi-square	1515.357	1329.034	186.323	significant	supported
DF	486	484	2		
The hypothesis statement: The acculturation process has a moderated effect on the relationship between HI and Self-pleasure					

Table 5.44 The moderation test for Group A 251 and Group B 237 of path HI-Quality assurance

	Constrained model	Unconstrained model	Chi-square difference	Result on moderation	Result on hypothesis
Chi-square	1578.985	1329.034	249.951	significant	supported
DF	486	484	2		
The hypothesis statement: The acculturation process has a moderated effect on the relationship between HI and Quality assurance					

Table 5.45 The moderation test for Group A 251 and Group B 237 of path VI-Self-pleasure

	Constrained model	Unconstrained model	Chi-square difference	Result on moderation	Result on hypothesis
Chi-square	1465.801	1329.034	136.767	significant	supported
DF	486	484	2		
The hypothesis statement: The acculturation process has a moderated effect on the relationship between VI					

and Self-pleasure	

Table 5.46 The moderation test for Group A 251 and Group B 237 of path VI-Quality assurance

	Constrained model	Unconstrained model	Chi-square difference	Result on moderation	Result on hypothesis
Chi-square	1504.873	1329.034	175.839	significant	supported
DF	486	484	2		
The hypothesis statement: The acculturation process has a moderated effect on the relationship between VI and Quality assurance					

In order to address in which group (non-acculturation group or acculturation group), the effect of the moderator variable (acculturation process) is more pronounced, the following stage shows the standardised estimate for the path of interest for both groups of respondents (Table 5.47)

Table 5.47 The Standardised Estimate for Group A and Group B

	Group A (non-acculturation group)		Group B (acculturation group)	
	Standardised Estimate	p-value	Standardised Estimate	p-value
HC-> DeSS	0.078	0.791	0.08	0.459
HC->SP	0.069	0.593	0.079	***
VC->DeSS	0.113	0.11	0.076	***
VC->SP	0.099	0.413	0.072	0.006
VC->QA	0.09	0.333	0.058	***
HI->DeSS	0.047	0.394	0.068	***
HI->SP	0.059	0.84	0.065	***
HI->QA	0.054	0.121	0.05	0.475
VI->SP	0.074	0.241	0.07	0.076
VI->QA	0.067	0.163	0.055	0.357

In the path of HC -> DeSS, the standardised parameter estimate for the "non-acculturated group" is 0.078 while the same estimate for the "acculturated group" is 0.08. Thus, one can conclude that the effect of HC on DeSS is more pronounced in the "acculturated group" compared to the "non-acculturated group".

In the path of HC -> SP, the standardised parameter estimate for the "non-acculturated group" is 0.069 while the same estimate for the "acculturated group" is 0.079. Thus, one can conclude that the effect of HC on SP is more pronounced in the “acculturated group” compared to the “non-acculturated group”.

In the path of VC -> DeSS, the standardised parameter estimate for the “non-acculturated group” is 0.113 while the same estimate for the “acculturated group” is 0.076. Thus, one can conclude that the effect of VC on DeSS is less pronounced in the “acculturated group” compared to the “non-acculturated group”.

In the path of VC -> SP, the standardised parameter estimate for the “non-acculturated group” is 0.099 while the same estimate for the “acculturated group” is 0.072. Thus, one can conclude that the effect of VC on SP is less pronounced in the “acculturated group” compared to the “non-acculturated group”.

In the path of VC -> QA, the standardised parameter estimate for the “non-acculturated group” is 0.09 while the same estimate for the “acculturated group” is 0.058. Thus, one can conclude that the effect of VC on QA is less pronounced in the “acculturated group” compared to the “non-acculturated group”.

In the path of HI -> DeSS, the standardised parameter estimate for the “non-acculturated group” is 0.047 while the same estimate for the “acculturated group” is 0.068. Thus, one can conclude that the effect of HI on DeSS is more pronounced in the “acculturated group” compared to the “non-acculturated group”.

In the path of HI -> SP, the standardised parameter estimate for the “non-acculturated group” is 0.059 while the same estimate for the “acculturated group” is 0.065. Thus, one can conclude that the effect of HI on SP is more pronounced in the “acculturated group” compared to the “non-acculturated group”.

In the path of HI -> QA, the standardised parameter estimate for the “non-acculturated group” is 0.054 while the same estimate for the “acculturated group” is 0.05. Thus, one can conclude that the effect of HI on QA is less pronounced in the “acculturated group” compared to the “non-acculturated group”.

In the path of VI -> SP, the standardised parameter estimate for the "non-acculturated group" is 0.074 while the same estimate for the "acculturated group" is 0.07. Thus, one can conclude that the effect of VI on SP is less pronounced in the "acculturated group" compared to the "non-acculturated group".

In the path of VI -> QA, the standardised parameter estimate for the "non-acculturated group" is 0.067 while the same estimate for the "acculturated group" is 0.055. Thus, one can conclude that the effect of VI on QA is less pronounced in the "acculturated group" compared to the "non-acculturated group".

5.3.7 Summary of the Hypothesis and Research Model

Based on the result of the structural equation analysis, most of the hypothesised relationships proposed in the previous chapter were supported by the empirical data. The summary of the hypotheses status and final research model are shown in Table 5.48.

Table 5.48 The Result of Proposed Hypotheses

Hypothesis	relationship	Empirical support
H1	Horizontal collectivism has a positive impact on desire for social status	Supported
H2	Horizontal collectivism has a negative impact on self-pleasure	Supported
H3	Horizontal collectivism has a positive impact on quality assurance	Rejected
H4	Vertical collectivism has a positive impact on desire for social status	Supported
H5	Vertical collectivism has a negative impact on self-pleasure	Supported
H6	Vertical collectivism has a negative impact on quality assurance	Supported
H7	Horizontal individualism has a negative impact on desire for social status	Supported
H8	Horizontal individualism has a positive impact on self-pleasure	Supported
H9	Horizontal individualism has a positive impact on quality assurance	Supported
H10	Vertical individualism has a positive impact on desire for social status	Rejected
H11	Vertical individualism has a positive impact on self-pleasure	Supported
H12	Vertical individualism has a positive impact on quality assurance	Supported
H13	The acculturation process moderates the relationship between cultural orientation and luxury consumption motivation	Supported

5.4 Chapter Conclusion

The analysis of the main study was started with a sample size of 535 that was collected from Chinese respondents. The analysis with 45 items in five constructs was conducted largely by four steps: (1) Data screening; (2) Exploratory factor analysis and Reliability Assessment; (3) Confirmatory factor analysis and Scale Validity; (4) Structural equation modelling and hypothesis testing.

Firstly, 47 cases were deleted out of the sample as a large number of questions were not answered. Secondly, 2 items, SD1 and SD2, were omitted by a communality test in the EFA because the values of communality were less than 0.6. Next, 8 items (HC4, HI4, VI4, DeSS1, DeSS2, DeSS7, DeSS8 and SP1) were removed by a unidimensionality test because there was a high correlation among items or between measured items and different constructs. Lastly, based on the structural model, the model measurement such as CMIN/DF, GFI, AGFI, NFI, CFI, TLI, and RMSEA were statistically satisfied as a good fit and, in the hypothesis testing, the results of analysis show that out of 14 hypotheses 12 hypotheses were accepted, while two of them (hypothesis 3 and 10) were rejected. The next chapter details discussions about the relationships discussed relative to the theoretical discussions.

CHAPTER 6 DISCUSSION

6.1 Introduction

The purpose of this research is to explore and explain current luxury consumption motivations of Chinese young consumers, find out their structure of cultural orientation and how acculturation levels impact the relationship between cultural orientation and consumption motivations. In the theoretical framework, there were originally 18 hypotheses proposed based on literature review and extant conceptual theories; however, after data examination and analysis, 2 hypotheses were deleted. More details were demonstrated in the previous chapters. In addition, the final 14 hypotheses in this research were assessed and developed according to the relationship between independent variables, dependent variables and the moderator. The analysis results indicated that 12 hypotheses were accepted, whereas two of them were rejected. This chapter presents a discussion related to the research findings. The main findings of this research are:

Firstly, according to the results of section three of the questionnaire, this study found out that the majority of Chinese young consumers who live in London adapt horizontal individualist cultural orientation.

Furthermore, the findings presented an understanding of consumption motivations of young consumers who purchase luxury products. Similar to the literature review mentioned in the previous chapter, current luxury consumption motivations of young consumers are changing. They no longer focus on social motivation but pay more attention to personal motivations especially self-pleasure/reward.

Thirdly, cultural orientations do impact the luxury consumption motivations of young Chinese consumers living in London.

Fourthly, the acculturation process has a moderated impact on the relationship between cultural orientation and luxury consumption motivations. However, this research also found that two of the hypotheses were rejected based on the data analysis. Specifically, horizontal collectivism does not have a positive relationship with quality assurance and vertical individualism has no positive impact on desire for social status. These unexpected results will be explained and discussed later in this chapter.

There are two main sections in this chapter. Firstly, the analysis result of empirical research is demonstrated and discussed with two rejected hypotheses results. Secondly, the practical and managerial implications of this research will be proposed and findings will be demonstrated and presented.

6.2 Revising the Research Question

The research focus of this thesis is to explain current luxury consumption motivations of Chinese young consumers, find out their structure of cultural orientation and how the acculturation process impacts the relationship between them. As we expected, 13 proposed hypotheses based on literature review were assessed and developed according to the relationship between independent variables, dependent variables and moderator.

6.3 Discussion of Empirical Findings

This section offers a discussion related to the empirical study. Three key objectives relating to the research topic were investigated. These were: (1) cultural orientation factors; (2) luxury consumption motivation factors and (3) acculturation process factors.

These three identified objectives were consistent with the concepts investigated in the cultural impact, luxury consumption and acculturation research phenomenon phenomena. The factor analysis and Cronbach's Coefficient alpha supported and proved the proposed model. There was a significant relationship between cultural orientation and luxury consumption motivations, highlighting that different cultural identification of consumers led to various luxury consumption motivations. In addition, using SEM to test the hypotheses and moderator impact, the results illustrated that the acculturation process does impact the relationship between cultural orientation and luxury consumption motivations, and different acculturation stages impact the relationship to various extents. The following section of this chapter presents the detailed interpretations and explanations of the findings discussed previously.

6.3.1 Cultural Orientation Factors

In this study, the cultural orientation was proposed with a multi-dimensional construct which focused on consumers' individual cultural level. Hypotheses related to cultural orientation proposed to address the research question, what is the cultural orientation of Chinese young consumers? The cultural construct contains two dimensions with four sub-dimensions, the former being collectivistic cultural orientation and individualistic cultural orientation. Respectively, the sub-dimensions include vertical and horizontal. Therefore, this study explored and investigated four dimensions in total relating to cultural factors:

1. Horizontal collectivistic cultural orientation.

2. Vertical collectivistic cultural orientation.

3. Horizontal individualistic cultural orientation.

4. Vertical individualistic cultural orientation.

The four identified dimensions are coherent with the concepts of Triandis and Gelfand's (1998) individual cultural scale which contains 16 items. The results of this scale offered evidence of reliability and validity of the cultural orientation measurement. The 16-item scale can capture features in individual cultural orientation with horizontal/vertical and collectivist/individualist dimensions among Chinese young consumers. In addition, the descriptive statistical results demonstrated that the dimension of horizontal individualism had the highest average mean score, followed by horizontal collectivism and vertical collectivism, while vertical individualism had the lowest average mean score. Therefore, unlike the literature review mentioned, for the majority of Chinese young consumers living in London, their individual cultural orientations belong to horizontal individualism rather than collectivism.

Previous literature often defined and emphasised Chinese culture as collectivism (Lam, 1997). A large number of studies about culture indicated collectivism as the dominant cultural impact on Chinese consumers. However, Yau (1994) pointed out that Chinese cultural values have recently been changing fast. Individual cultural orientation of Chinese young consumers is far more complicated than collectivism. The Chinese young generation is impacted not only by Chinese culture, but also by Western culture. The descriptive statistical results have demonstrated that with regard to the majority of Chinese young consumers living in London, their individual cultural orientations belong to a vertical individualism rather than collectivism. In recent decades, with the rapid development of China, it has become a multi-cultural country with a great diversity in language, ethnic group and culture. Indeed, regional differences also produce an important influence on Chinese cultural orientation especially people from big cities such as Beijing, Shanghai and Guangzhou (Cui and Liu, 2000). Western culture, life attitudes and values were introduced to these top cities and impacted Chinese young consumers. They have been influenced by Western culture through exposure to various kinds of social media, foreign TV shows and the internet. Therefore, the traditional mainstream cultural orientation has been challenged and changed.

According to the results of this research, individual cultural orientation of Chinese young consumers living in the UK mainly belongs to horizontal individualism culture dimension orientation. The findings also reveal that it is inappropriate to classify Chinese consumers as unified collectivists. According to the literature review in the previous chapters, Chinese culture is identified as typically collectivist; however, due to the economy growth, globalisation, urbanisation and Western cultural infiltration, generally defining all Chinese consumers as collectivist oriented is inadequate and oversimplified. Chinese consumers, especially young generation need to be studied from a multi-perspective view. In addition, cultural orientation at a national level cannot represent and explain individual cultural positions.

According to Triandis (1998), cultural orientation significantly affects individuals' cognition and then further influences motivations and behaviours. As a result, this study examines the relationships between cultural orientation and motivation in a proposed model for studying luxury products consumption. The model in this study is employed because it involves cultural orientation and consumption motivation in one model, as well as both personal and social factors which need to be taken into consideration when studying consumption motivation relating to luxury products.

6.3.2 Luxury Consumption Motivation Factors

Focusing on the investigation of luxury consumption motivations of Chinese young consumers; there are two dimensions of the construct: social luxury consumption motivations and personal consumption motivations. More specifically, social consumption motivation includes social demand and desire for status symbol. Personal consumption motivation contains self-pleasure/reward and quality assurance. During the communality test for the cultural orientation dimension in the EFA and reliability procedure, items 1 and 2 of social demand were deleted due to the fact that the communality scores were less than 0.6. Moreover, in the previous chapter, the result of the Exploratory Factor Analysis indicated that items of luxury consumption motivation dimension were extracted into three factors; therefore, the two factors, SD and DSS were categorised into one new factor named desire for social status (DeSS). Specifically, besides SD1 and SD2 being deleted, five DSS items were renamed instead of DeSS1-5, and SD3, SD4, SD5 were replaced by DeSS6-8.

In addition, after deleting, reclassifying and renaming the original items of luxury consumption motivations, there were 17 new items in total in this construct. The mean scores of them were all positive. In the four dimensions of luxury consumption motivations which were tested, the dimension of quality assurance had the highest average mean score, followed by self-pleasure/reward while desire for social status had the lowest average mean score.

According to the results, in contrast to the literature, the most significant motivations of Chinese young consumers purchasing luxury products are no longer social motivations. The results of this research revealed that the pursuit for high-quality is an important purchase motive. Instead of desire for social status, recently, Chinese young consumers seek more for high quality. According to Nia and Zaichkowsky (2000) and O'Cass and Frost (2002), consumers usually expect luxury products to provide higher quality than non-luxury products. Therefore, based on the results of this study, the most important reason Chinese young consumers purchase luxury brands is for the high level of quality.

Following quality assurance, self-pleasure/reward has become the second most important motivation for Chinese young consumers buying luxury products. Dube and Le (2001) explained that pleasure has been considered the primary motivation of consumers' behaviour. According to Hirschman and Holbrook (1982), people purchase products to experience playfulness, fun and fantasy. In addition, Wiedmann et al. (2009) claimed that a significant characteristic of luxury products is emotional, enjoyable value such as aesthetic beauty; thus, consumers purchase luxury products to satisfy their own hedonic requirements (Dubois and Laurent, 1994; Tsai, 2005). The results of this study illustrated that an increasing number of Chinese young consumers purchase luxury products primarily to fulfil and gratify their personal hedonic values rather than to impress others. This tendency obviously reveals that Chinese young consumers place more emphasis on their personal consumption motivations rather than social motivations.

The last luxury consumption motivation proposed in this research is desire for social status. Considering this consumption motivation, consumers hope to improve their social status and self-esteem by using luxury products when presenting with others.

Focusing on the investigation of luxury consumption motivations of Chinese young consumers, Mason (1984) indicated that social status pursuit is one of the most essential consumption motivations to purchase luxury products. Consumers purchase luxury products in order to express and establish social identity (Zhan and He, 2012). Contrary to the literature, the most significant motivations of Chinese young consumers purchasing luxury brands are no longer social motivations. The results of this research indicated that desire for social status has become the least important motivation of Chinese young consumers to buy luxury products while personal motivation is more important. Instead of DSS, recently, Chinese young consumers focus more on SP. The results of this study illustrated that an increasing number of Chinese young consumers purchase luxury products primarily to fulfil and gratify their own personal hedonic values rather than to impress others.

6.3.3 Cultural and Luxury Consumption Motivation Factors

According to Triandis and Gelfand (1998), cultural orientation significantly impacts individuals' cognition which further influences attitudes, motivations and behaviours. Moreover, cultural orientation is also reflected in individuals' beliefs, attitudes, behaviour and values (Aaker and Maheswaran, 1997). Hence, the individual cultural orientation influences consumption motivation. Therefore, this research examined the relationships between cultural orientation and consumption motivation in a proposed conceptual model to study luxury products consumption. The conceptual model was employed because it involves four dimensions of individual cultural orientation in one model, as well as both personal and social luxury consumption motivation factors which need to be taken into consideration when studying cultural impact on consumption motivation of luxury goods.

After the EFA test, the modified cultural orientation and luxury consumption motivation constructs were confirmed. The cultural orientation construct includes four dimensions which are horizontal collectivism (HC), vertical collectivism (VC), horizontal individualism (HI) and vertical individualism (VI). In addition the luxury consumption motivation construct contains three improved dimensions: desire for social status (DeSS), self-pleasure/reward (SP) and quality assurance (QA). During the CFA test procedure, the original conceptual model was first assessed. However, the results indicated that the original model could not satisfy the model fit. Therefore, the original conceptual model was modified and adjusted according to both results of statistical output and theoretical criteria. After operating a unidimensional test by using CFA to evaluate the significant cross-loading among variables and a SEM test to assess the constructs of overall model, the modified model was confirmed with good model fit. The final results illustrated that the improved model achieves satisfactory fit indices of both practical and theoretical criteria. The results indicated that individual cultural orientation has an important influence on luxury consumption motivations.

In summary, the findings of this research are encouraging. The results of the structural equation model test confirmed that the cultural orientation constructs with four dimensions proposed in the conceptual model (Triandis and Gelfand, 1998), (horizontal collectivism, vertical collectivism, horizontal individualism and vertical individualism), have a significant effect on Chinese young consumers' purchasing motivation of luxury products. The findings suggested that due to differences of individual cultural orientations, consumption motivations related to luxury products are various. The results also indicated that unlike the older generation, young Chinese consumers' cultural orientations have changed; the result also leads to the diversity of luxury consumption motivations.

The results of this research demonstrated that cultural orientation does significantly influence luxury consumption motivation of Chinese young consumers. 10 of the total hypotheses that different dimensions of cultural orientation directly affect the luxury consumption motivations were supported by this study. This research provides an insight that cultural orientation is the fundamental part in influencing consumers' motivations. However, this research also reveals that 2 hypotheses were rejected. The results demonstrated the new relationships between constructs of culture and luxury consumption motivation and provided insight into understanding Chinese young consumers. Therefore, unlike the previous literature (Zhan and He, 2010), the learning from this research indicated that factors of both horizontal and vertical collectivism and individualism factors need to be considered in the conceptual model to better adapt to the current luxury market.

In summary, the findings of this research are highly encouraging. The results of the structural equation model test have confirmed that the cultural orientation constructs with four dimensions proposed in the conceptual model (Triandis and Gelfand, 1998) have a significant effect on Chinese young consumers' purchasing motivation of luxury brands. Due to the difference of individual cultural orientations, consumption motivations related to luxury brands are varied. The results also indicated that unlike the older generation, the Chinese young generation is not homogenous; they are distinct and different from each other and their individual cultural orientations have changed. This also leads to the diversity of luxury consumption motivations. Both academicians and practitioners should be aware of the cultural integration phenomenon within the market and community.

6.3.4 Acculturation Process Stages

According to the literature, the majority of researches relating to acculturation have focused on cross-cultural psychology and consumer behaviour studies. As mentioned in Chapter Two, a bidimensional model was used to test the acculturation process of Chinese young consumers. Berry's bidimensional acculturation model has been widely used by scholars in their research especially cross-cultural and comparison studies (Berry et al., 1989; Phinney et al., 1990; Maldonado and Tansuhaj, 2002; Navas et al., 2007).

Although Berry's (1980) model has been most widely used in acculturation studies, it is necessary to know whether this framework is suitable for this research which focuses on Chinese young consumers living in the UK. Based on the results of the collected data from participants, the results of analysis showed that the three acculturational categories assimilation, integration and separation are present in the population. Therefore, the acculturational categories proposed by Berry et al. (1989) have been verified and confirmed to investigate Chinese young consumers in the UK for this research.

Penaloza (1994) proposed that when an acculturation concept relates to a consumption context, it is generally known as consumer acculturation. This study used the acculturation perspective to analyse Chinese young consumers. There are several reasons:

Firstly, when the researcher started to conduct this study, there were few extant researches discussing acculturation, based on the acculturation perspective and concentrating on the various outcomes relating to Chinese young consumers in the UK.

Secondly, based on the acculturation perspective, it is possible to not only investigate the acculturation process, but also several factors that may affect it such as age, education, length of stay in the host country, range of pocket money and so on. These factors were all taken in to consideration while studying the cultural impact on luxury consumption motivations of Chinese young consumers.

Finally, by using the bidimensional acculturation model, this study was not only able to differentiate high or low acculturated consumers successfully, but also to explain the acculturation process between the two extremes (Mendoza, 1984; Maldonado and Tansuhaj, 2002).

As mentioned before, the Chinese young generation is not the same as the older generation; they are distinct and different, and this phenomenon has been verified and proved by both academicians and practitioners. To the government, policymakers should be aware of the acculturation phenomenon within the community. Noticing the four acculturation categories existing within Chinese young consumers living in the UK indicates there is great potential for making plans to release the cultural transition process for immigrants. In addition, the results of the cluster analysis demonstrated that unidimensional acculturation categories are no longer suitable and that the only way to understand the Chinese young generation is the bidimensional view of the acculturation of the Chinese young generation living in the UK which should be more productive. That Chinese young consumers belong to one of three acculturational categories has been implicated for practitioners. Therefore, marketers should not only consider their consumers as simply unacculturational or acculturational extremes, but also think about if they belong to the "integrational" categories to gratify their requirements. For instance, consumers in the integration category may enjoy purchasing Western luxury products, but they are more familiar and feel more relaxed with Chinese languages; thus it may be better to have Chinese sales staff in luxury stores to communicate with Chinese consumers.

6.3.5 Moderation of Acculturation Process Factors

The results revealed that cultural orientation and luxury consumption motivation are important relational constructs and the findings showed statistically significant results for the influence of acculturation on the paths of cultural orientation→luxury consumption motivation.

According to the previous chapter, Chinese young consumers living in the UK for more than five years were classified into an acculturated group and participants who had lived in the UK for less than one year were placed into a non-acculturated group. The results of the moderation test illustrated that acculturation positively moderates the relationship between cultural orientation and luxury consumption motivations.

On the basis of the literature review, it was proposed that acculturated Chinese young consumers would differ from their non-acculturated counterparts in terms of their luxury consumption motivations. The results of this study confirmed the expectation that the acculturated group were significantly different from another group regarding their luxury consumption motivations.

These results have important implications for researchers as well as practitioners. For researchers, the results confirm the role that acculturation plays in consumer behaviour, in the context of the Chinese young population living in the UK. The results suggest that 'acculturation' has potential as a segmentation variable because young Chinese’ consumption patterns differ according to the acculturation process. The current research further shows that assimilation is not the only productive way of viewing acculturation and that there are substantial non-acculturated populations, namely separated and integrated individuals with distinctive consumer behaviours. The fact that there is merit in considering other modes of acculturation beyond assimilation also provides the basis for further research on consumer behaviour.

This research reinforces the significance for marketers to take the cultural factors as an important element when they communicate with consumers and make marketing strategies. Although there is rich, theoretical literature focusing on consumer acculturation, few studies have considered acculturation and consumption motivation in the luxury market context especially among Chinese young consumers. By investigating the acculturation theory with a relationship study, this research developed and refined the acculturation and relationship marketing theories, further addressing the importance of cultural impact on luxury consumption motivation among acculturated Chinese young consumers.

For marketing practitioners, the results offer the basis for an improved understanding of the luxury consumption motivations of Chinese young consumers living in the UK. Using 'acculturation' as a segmentation variable could help these practitioners to craft marketing mixes aimed at groups of similarly minded consumers. This approach might offer a more meaningful basis of doing so than the multiple ways in which ethnic minorities are currently grouped. For example, the age of a consumer is sometimes used as an estimate of acculturation level by practitioners i.e. younger consumers are considered more acculturated. However, this research has shown that age has to be studied in conjunction with length of stay in the country in order to fully appreciate the extent of consumer acculturation. For example, younger consumers, if new immigrants, are likely to be less acculturated than those who have been living in the UK for most of their lives.

This research makes several contributions relating to theoretical knowledge of consumer acculturation and how it affects the relationship between cultural orientation and consumption motivation with regard to luxury products. Firstly, the findings indicated that the acculturation process is an important moderator in the relationship between cultural orientation and consumption motivation. The results revealed that consumers from the acculturated group seem to respond differently in the relationship compared with the non-acculturated group. Secondly, this research developed a robust, reliable and valid theory-based multidimensional scale focusing on consumer acculturation that includes measurement of language use, language preference in media, lifestyle preference and cultural factor involvement. There is great potential for other researchers to adopt and combine this scale with other consumer behaviour scales in future studies. Also, this scale can be used and extended with different social, cultural or national contexts to explore and analyse other cultural groups or populations.

6.4 Managerial Implications

Considering the managerial implications of this study, four strategic areas of advice should be mentioned:

Firstly, this study indicates cultural variables for market segmentation by delineating the individual cultural identification of Chinese young consumers who are enthusiastic about luxury products. As the results showed in previous chapters, unlike the older generation, as the majority of Chinese young consumers live in Western countries, their cultural orientation has translated from typical Eastern collectivism to more individualistic. Therefore, for luxury companies, more suitable approaches should be developed and improved, which will adjust aims, objectives and products to satisfy young luxury consumers' needs and demands successfully as well as fighting against the competitors.

Secondly, besides the consideration of individual cultural background, changes of luxury consumption motivations of young consumers also provide insight for luxury marketers to position new luxury brands or series in both Western markets and China. It is essential to communicate with consumers, especially with the young generation. New strategies to actively stimulate customers' demands and needs consistent with the company's objectives are necessary. In current days, because sales volume of luxury products occupies a large scale in the Chinese market, if luxury companies want to maintain their strong power and winning position in the world, they have to perform well in the Chinese market. In addition, due to the fact that there are a large number of wealthy Chinese consumers, they can obtain a superior share of the Chinese market, sustain their brand image and have strong power to compete with counterparts. In addition, there are some challenges which luxury goods companies have to face, such as demographic diversity, disparities in purchasing power and cultural differences. For example, according to Atsmon and Dixit (2009), in China, a common market strategy used by luxury companies is to establish superior luxury brands with high prices and obvious logos. This strategy may work effectively with older consumers or consumers who are new to foreign luxury brands; however, for young consumers, the marketers should consider shifting their strategy to emphasise how their luxury products can help young consumers meet their personal needs, for example by expressing the products' uniqueness and characteristics. In contrast with Chinese consumers of the older generation where luxury brands could communicate social image and status, luxury products targeting young consumers need to highlight the personal meaning and lucidly communicate how their products can benefit consumers to express their personal taste and individual image.

Thirdly, because luxury companies changed their target market from older influential Chinese consumers to the young generation, marketers need to reconsider what is the best way to present and promote their products for their new customers in marketing communications. For example, luxury companies can use successful young elite, young movie stars, singers, IT idols or famous fashion bloggers as their publicised representative models. Nevertheless, the majority of advertisements for luxury brands in China feature Western stars or fashion models. Marketers should understand and reconsider how these advertisements relate to Chinese young consumers and how they resonate with the styles and values communicated in these advertisements. These problems and issues may be challenges for luxury companies which use global promotional strategies for their products.

Fourthly, the findings of luxury consumption motivation factors indicate that sometimes, marketers from well known luxury brands overlook consumers who seek individual expression through consumption. Normally, the familiar luxury brands ignore the need to explain what the features of their products are and how to distinguish consumers from others by using their products. Therefore, luxury companies need to put more effort into differentiating their brands to others. For example, companies can consider launching new products with incorporating customisation so that consumers can have more opportunities to add their personal opinion and design to the products. Moreover, companies can also illustrate and demonstrate how different product lines reflect distinct consumers' images by a personal consultant service. Furthermore, marketers should also consider how to make their own brands stand out from other competitors both in the same and in different categories. It would benefit companies in the long term as consumers become more familiar with luxury brands.

Therefore, it is necessary to adopt multi-dimensional measures in this research. The contribution of this research has empirically highlighted the acculturational impact on luxury consumption motivations of Chinese young consumers. The findings of this research are adapted to the luxury brand industry within all product categories, and they also provide a general knowledge and foundation to help luxury companies and marketers to re-build their market positions, and develop and improve their targeting strategies more effectively. For instance, a more individualistic approach embedded with cultural strategy should be considered. Furthermore, relating to positional strategies, luxury companies should review and evaluate their product concepts and adjust them to better fit with brand image, objectives and target consumers. The most difficult task for luxury companies is to understand the various individual backgrounds and consumption motivations of young consumers as well as providing a standardised marketing strategy with competitive power to stand out of in the market. Consequently, this research presents the conceptual framework that can be used to understand how individual cultural orientation impacts luxury consumption motivation and how the acculturation process moderates their relationships focusing on Chinese young consumers. This research can provide a comprehensive marketing strategy for luxury companies.

6.5 Chapter Conclusion

This chapter of the study discussed the results of all developed hypotheses proposed in the previous literature with two rejected hypotheses in the conceptual framework, and further demonstrated and presented both theoretical and managerial implications relating to cultural orientation, acculturation and luxury consumption motivations for academics, managers and firms in the luxury industry.

This chapter introduced an evaluation and explanation of cultural orientations, luxury consumption motivations, the relationship between them and how the acculturation process impacts the relationship. This research mainly focuses on Chinese young consumers living in London. It was found that, similar to the literature review, because of the Western culture infiltration, cultural orientation of Chinese young consumers has changed further impacting their luxury consumption motivations. A comparison of two participants' groups was analysed. The results indicated that the conceptual model was significant in demonstrating and understanding that the acculturation process does moderate the relationship. In addition, the results of factor analyses (EFA and CFA) and reliability tests supported the proposed conceptual model. When using SEM to test the hypotheses, there was a significant relationship between cultural orientation construct and luxury consumption motivation construct, highlighting that collectivism cultural orientation has a positive impact on social luxury consumption motivations while individualism cultural orientation has a positive influence on personal luxury consumption motivation. Furthermore, a comparison test was made to investigate the moderator influence. The results indicated that the acculturation process moderates the relationship between cultural orientation and luxury consumption motivation. Moreover, when focusing on sub-dimensions of cultural orientation, the results revealed that two hypotheses were rejected. Therefore, the differences may provide further insight and better understanding for both academic researchers and luxury markets.

In the next chapter, a summary of the study is presented, as well as research contribution and limitations. Lastly future research recommendations and directions will be discussed in more detail.

CHAPTER 7 CONCLUSION, LIMITATIONS AND FUTURE RESEARCH

7.1 Introduction

This chapter demonstrates the research conclusion, implications and discussion of the research presented in this thesis. More specifically, this chapter introduces an overview of this study and highlights the main conclusions. Then, research contributions related to theoretical, methodological and practical knowledge is discussed. This is followed by the research limitations and further research directions. Lastly, a summary of the chapter is provided.

7.2 Research Overview

Chapter One introduced the research background of this study, and proposed and defined the main research purpose and problems related to this topic. Following this, the chapter presented the significance of the study and further indicated the research gap and provided the outline of this thesis.

Chapter Two firstly reviewed the concept of luxury, provided definitions and introduced luxury consumption motivations relating to Chinese young consumers living in the UK. It then explored the differences and characteristics compared with consumers in Western countries. In addition, the concepts of culture, cultural models and acculturation were presented based on the literature review.

Chapter Three explored and analysed the extant theoretical frameworks. Based on these frameworks, an improved conceptual model was established and presented to conduct the empirical research and explain the underlying dimensions and relationship of cultural orientation and luxury consumption motivations and how acculturation influences the relationships among Chinese young consumers living in London.

Chapter Four illustrated the research approach and the adaptive research methodology which related to cultural orientation, acculturation, consumption motivations and the influence among them regarding luxury products. It started with research design, then the data collection method, followed by the details of the population selection, sample selection, scale development, questionnaire construction, and the pilot study; all of them necessary to accomplish the research objectives of this thesis.

Chapter Five introduced the data analysis and was concerned with the relationships between independent variables and dependent variables to achieve the objectives of this research. In this chapter, the data was analysed based on the different statistic tools such as statistical package for social science (SPSS) version 20.0 and structural equation modelling (SEM) tested by AMOS software version 20.0. Furthermore, this section consisted of five sub sections: (1) Data screening; (2) Demographic characteristics; (3) Exploratory factor analysis and Reliability; (4) Assessment Confirmatory factor analysis and Scale Validity; (5) Structural equation modelling and hypotheses testing.

Chapter Six discussed the results of all the developed hypotheses proposed in the previous literature with two rejected hypotheses in the conceptual framework, and further demonstrated and presented both theoretical and managerial implications relating to cultural orientation, acculturation and luxury consumption motivations for academics, managers and firms in the luxury industry.

7.3 Research Contribution

This study presents contributions both for academic areas and practitioners towards understanding how cultural orientation impacts current luxury consumption motivations of Chinese young consumers, and the moderated function of the acculturation process to the relationship between cultural orientation and luxury consumption motivation. More details of this research are as follows:

7.3.1 Theoretical Contribution

Firstly, the majority of the previous research with regard to culture and luxury consumption is comparative. Normally, scholars choose participants from two different target countries or societies to find out their differences and few of them have concentrated on young consumers. This research is one of very few studies only focusing on one original culture and investigating how a different culture infiltrates to the original one further impacting the consumption motivation of the Chinese young generation.

The second contribution of this study focuses on theory development. It combines the literature on luxury consumption, culture and acculturation in order to enrich knowledge of how cultural orientation impacts consumption motivation and the moderated function of acculturation. This research reviewed and evaluated various theories when studying luxury consumption and culture and further assimilated previous researches to develop an improved and coherent picture of understanding how culture and acculturation impact the luxury consumption motivations of Chinese young consumers. Moreover, this research introduced a conceptual framework that combines constructs from different extant theories to explore the proposed issues and problems.

Thirdly, this study empirically confirmed that the majority of the conceptual model and hypotheses presented have been assessed and validated. The online survey measured various constructs, for example (1) cultural orientation factors which looked at individual cultural background and self-identification; (2) luxury consumption motivation in both social and personal perspectives; (3) the acculturation process which indicated participants' cultural transformation; (4) the relationships amongst those constructs and how they impact each other. The result of this quantitative analysis clearly indicated how culture and acculturation factors impact luxury consumption motivations of Chinese young consumers.

Fourthly, on the other hand, the study revealed that unlike the literature review mentioned, two hypotheses were rejected; these were: "horizontal collectivism has a positive impact on quality assurance" and "vertical individualism has a positive impact on desire for social status".

Lastly, the final contribution concerned the development, improvement and validation of an online survey instrument. According to Straub et al. (2004), when a theory is progressed and developed and the creation and validation of new measurements is significant, it can be considered as an important contribution for the research area. Therefore, this study makes a contribution related to research methodology. It was achieved by creating, developing, improving and validating new measurements which combine various constructs proposed in the conceptual model. The new validated measurements in this study can be useful to investigate and explore similar topics with regard to luxury consumption and cultural issues.

7.3.2 Practical Contribution

Managerially, this research provided the principle that cultural orientation of Chinese young consumers is no longer homogeneous; due to their diverse background their individual cultural cognitions are varied. Moreover, due to the fast growth of the economy, globalisation and fashion expansion in China, current luxury consumption motivations of consumers are changing, especially within the young generations. This is supported by the results of this research; Chinese young consumers pay more attention to personal motivations rather than social motivations.

According to Bain and Company (2015), China has become the third largest luxury market in the world. For practitioners and marketers who work in the luxury industry, it is significant to have a lucid insight into Chinese consumers. Atsmon and Dixit (2009) indicated that in order to establish luxury brands in China, a useful positioning strategy is to produce superior and expensive products to reflect their high social position and taste. However, this strategy may be more effective when Chinese consumers have less knowledge about Western luxury brands and marketers pay more attention to emphasising how their luxury products can help consumers enhance their social goals. In contrast to the middle aged Chinese consumers, young consumers prefer to purchase luxury products which can express and highlight their personal needs instead of social demands. Therefore, the results of this research provided practical implications to understand target markets especially the most powerful one: the Chinese young generation. This research also suggested that focusing on more characteristic designing and managing optimal luxury products together with young consumers' individual cultural background, unique consumption motivations and acculturation level can be more effective in attracting their interest and demands. More specifically, for marketers, knowledge of all relevant aspects of consumers' evaluations related to luxury consumption is required, as long as there is a robust understanding of culture and the acculturation influence which is significant for managerial practice. The conceptual model proposed in this study can provide a better understanding of the factors and drivers related to the research problems. This offering provides a deeper and expanded perspective of luxury consumption of Chinese young consumers living in London relating to individual cultural cognition and acculturation moderation. In contrast to prior researches which have assessed the cultural issue and luxury consumption of Chinese consumers, this study offers a wider method to identify various factors driving the purchase of luxury products relating to individual culture and cultural infiltration, mainly focusing on young consumers.

7.4 Research Recommendations

Based on this, marketers should first understand the cultural orientation of Chinese young consumers in relation to luxury brands consumption, and then also investigate their current luxury consumption motivations to discover whether they are affected by the acculturation process. These findings demonstrate an evaluated result that is adopted by young consumers of luxury products. If needed, marketers should revise and improve their product and marketing strategy appropriately. With the support of examination and evaluation of the conceptual model in this study, marketers can have great confidence in adapting the same model to identify Chinese young generations and create suitable marketing strategies.

It is vital to lucidly understand and effectively satisfy demands and values of consumers, especially in a rapidly changeable and competitive global market; segmentation and strategies have to be decided on a global level focusing on the target market. In the luxury industry and market, companies can profit by assessing the economic situation of the target market, evaluating the popularity of global luxury brands and influential luxury designers and targeting the most powerful consumer segments. It is essential to thoroughly understand luxury consumption motivations of consumers and what factors impact their motivations. It may offer an insight and ability for the luxury industry and marketing managers to revise and improve their strategies to increase their sales from their target consumers by focusing on the individual background, characteristics, cultural identification and Western cultural infiltration of the luxury products.

The conceptual model presented in this study assumes the existed cultural impact on luxury consumption motivations and that acculturation moderates the relationship between cultural orientation and consumption motivation of Chinese young consumers. This helps to explain the cultural factors that managers and marketers must be concerned with and monitor when establishing new luxury products and entering a new market. In addition, due to the globalisation and cross cultural impact, it is believed that managers of the luxury industry not only develop heterogeneous marketing approaches and strategies dependent on cultural boundaries, but also modify them based on various categories for different consumers as previously highlighted which focuses on individual characteristics. The desire to own the unique luxury products instead of common luxury brands was indicated as young consumers place more emphasis on personal purchase motivations than on social motivations. Therefore, it is significant for marketers of luxury brands to produce new products that can highlight consumers' personality more than their social status and image.

7.5 Research Limitations

As with all research, although the research method is adaptive and accurate, there were still some limitations that must be considered.

Firstly, the research data is only limited to the most popular luxury brands of Chinese consumers. Logically, the research results and conclusions related to luxury consumption motivation could apply to other luxury brands.

Secondly, this research had a limited completion time and it was impracticable to obtain additional data responses. In contrast to an interview, this study focused on the quantitative method by using online survey. This technique cannot ensure the results are truthful and there may be some unreal information provided by respondents. This can cause incorrect results of the research. In addition, using online survey is hard to acquire deep data related to cultural identification, luxury consumption motivation and acculturation of Chinese young consumers. However, because of time and resource constraints, it was difficult to use both qualitative and quantitative research methods.

Thirdly, the online survey of this research was sent and completed by Chinese young consumers living in London. However, as the economy development and globalisation levels of a big city are different from small cities or towns, the acculturation process, purchasing power and consumption motivations are diverse. This may lead to regional problems.

Fourthly, in the secondary researches part of this paper, researches are based on literature review and some statistical secondary data. These cannot adapt to the research objectives exactly. In addition, some information and data which was gathered from online articles, was from old journals. It is hard to ensure the precision rate of secondary data, especially in the changing world.

Fifthly, at the data collection stage, population level data provided information of all respondents in the defined area; detailed demographic data is collected at this level. Certain demographic data often lack details, such as background characteristics, gender, marital status and occupation. This study does not require this demographic information; however, in future research, it needs to be considered as basic information of respondents.

Finally, the data of the current research was collected by using personal questionnaire; it contains some important and private information relating to expensive consumption and cultural cognition such as allowance, salary and family information. Some respondents are not willing to answer these kinds of questions. Therefore, this may affect the research results.

7.6 Further Research Directions

Firstly, with regard to understanding the luxury market targeting Chinese young consumers, future research should involve other luxury brands to verify the tendency of popularity of luxury products, focusing on young consumers. It will be useful for marketers in establishing and improving their strategies.

Secondly, the sample of this research only involved Chinese young consumers living in London; thus the results may only represent the Chinese young consumers living in big cities. The results cannot be generalised to other cities, especially in less developed regions and the luxury consumption motivations may be different in these cities. In addition, future research should extend to investigate whether the findings gathered from this study are specific to Chinese consumers in the UK or if the results could be different across other parts of the world.

Thirdly, another research limitation also related to the sample representativeness. The sample of respondents is Chinese consumers who have lived in London for less than one year and more than five years. Due to the duration of living in the UK being different, their acculturation process may differ. Therefore, further testing needs to categorise living duration into more groups to capture more detailed data.

Fourthly, future research should use a qualitative approach such as in-depth interview or focus groups to reinforce the data. As previously mentioned, due to the limitations of time and resources, this study only used a quantitative research method. In future research the findings could also be strengthened if a longitudinal approach could be adopted. The data for this research was obtained from two groups of respondents who have lived in London for less than one year and more than five years. If possible, it is better to target only one group of participants who have lived in London less than one year to collect data, then after five years, operate the second time data collection with the same participants. Therefore, it is suggested that a combined method with longitudinal, qualitative and quantitative studies would be suitable for future research to overcome limitations. This method would provide a deeper understanding of luxury consumption motivations of young consumers and how acculturating has impacted them.

Fifthly, this research focused on investigating and evaluating luxury consumption motivations with regard to luxury products; however, there are several other categories of luxury products such as handbags, high-end sports cars, watches, jewellery and clothes. However, these luxury products were not classified in this study due to time and resource constraints. Therefore, future research may extend to these issues when examining luxury consumption.

Lastly, this research investigated luxury consumption motivations and the impact of cultural and acculturation factors focusing on both male and female consumers. However, the luxury consumption motivations of different genders may vary. This may lead to issues and problems of gender difference. Thus future research should examine and classify respondents into two groups based on gender, and therefore further improve and reinforce the research.

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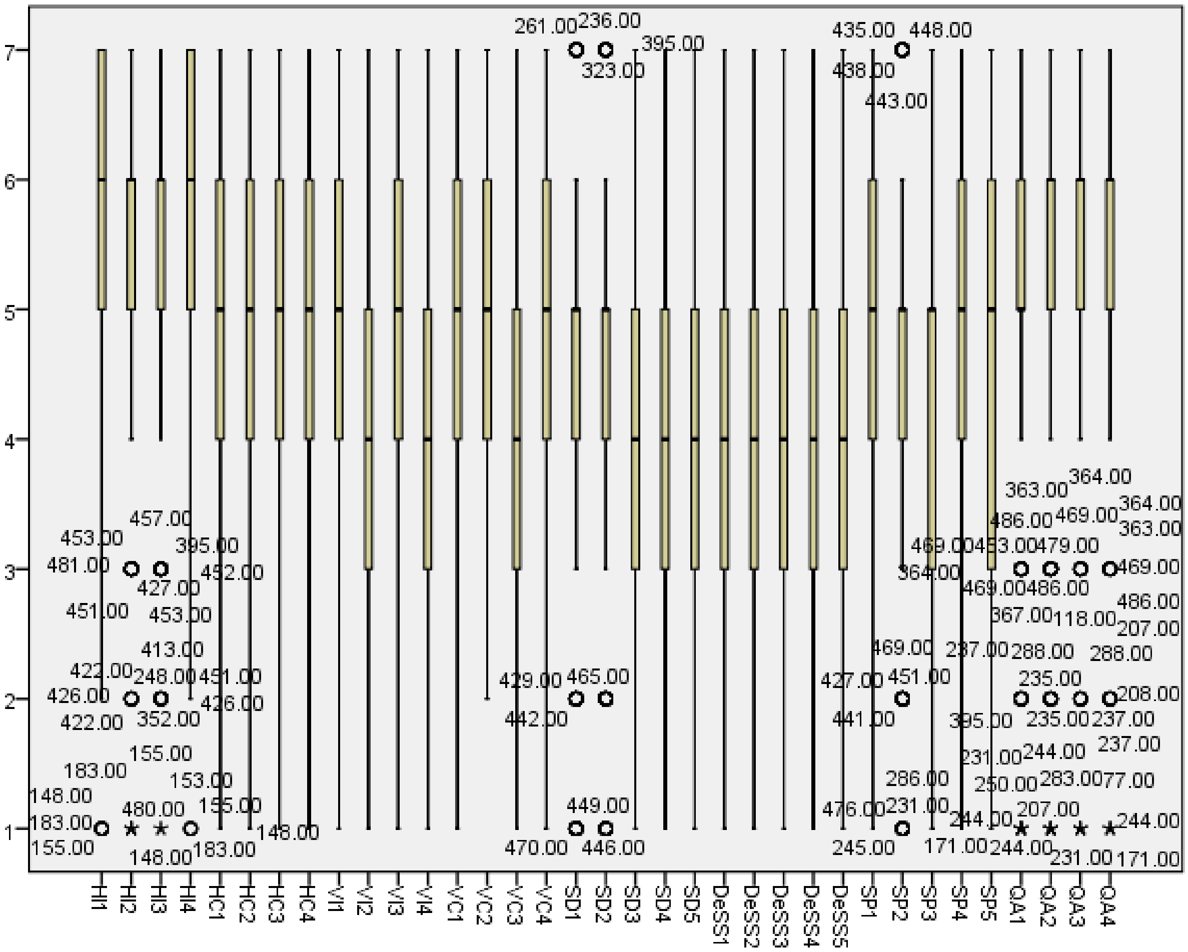
Appendix One

Univariate perspective outliers' evaluation



Multivariate perspective outliers' evaluation

Observation number	Mahalanobis d-squared	p1	p2
178	139.985	.000	.000
187	133.056	.000	.000
213	127.577	.000	.000
209	123.933	.000	.000
33	119.537	.000	.000
164	116.842	.000	.000
241	113.666	.000	.000
72	112.105	.000	.000
184	107.681	.000	.000
39	105.935	.000	.000
148	102.963	.000	.000
234	101.518	.000	.000
183	100.381	.000	.000

Observation number	Mahalanobis d-squared	p1	p2
169	98.753	.000	.000
208	96.447	.000	.000
473	94.592	.000	.000
207	94.546	.000	.000
261	93.345	.000	.000
44	90.462	.000	.000
160	89.344	.000	.000
81	89.043	.000	.000
171	86.886	.000	.000
76	85.456	.000	.000
233	82.403	.000	.000
211	80.159	.000	.000
25	79.938	.000	.000
53	78.879	.000	.000
31	77.699	.000	.000
230	74.934	.000	.000
482	74.934	.000	.000
57	74.577	.000	.000
484	74.553	.000	.000
74	73.822	.000	.000
257	71.625	.000	.000
205	70.282	.000	.000
73	69.501	.000	.000
198	67.712	.001	.000
77	67.683	.001	.000
95	67.577	.001	.000
480	66.653	.001	.000
225	65.797	.001	.000
266	65.164	.001	.000
109	65.116	.001	.000
236	64.939	.002	.000
292	64.834	.002	.000
231	64.222	.002	.000
303	63.105	.002	.000
436	62.931	.003	.000
265	62.720	.003	.000
166	62.595	.003	.000
168	62.264	.003	.000
395	61.266	.004	.000

Observation number	Mahalanobis d-squared	p1	p2
92	60.153	.005	.000
181	59.842	.006	.000
376	59.582	.006	.000
46	58.118	.008	.000
153	58.035	.009	.000
65	58.015	.009	.000
29	56.904	.011	.000
107	56.287	.013	.000
245	55.977	.014	.000
279	55.959	.014	.000
61	55.898	.014	.000
283	55.400	.016	.000
47	55.092	.017	.000
476	54.886	.017	.000
285	54.457	.019	.000
16	54.267	.020	.000
237	54.224	.020	.000
105	53.856	.022	.000
14	53.421	.024	.000
206	53.011	.026	.000
112	52.600	.028	.000
60	52.182	.031	.000
71	52.079	.032	.000
123	51.724	.034	.000
145	51.568	.035	.000
70	51.504	.036	.000
268	51.245	.038	.000
468	51.018	.039	.000
201	50.284	.045	.000
287	50.246	.046	.000
479	50.082	.047	.000
37	49.473	.053	.000
15	49.370	.054	.000
20	49.326	.055	.000
79	49.100	.057	.000
242	48.689	.062	.000
304	48.642	.062	.000
59	48.262	.067	.000
260	48.042	.070	.000

Observation number	Mahalanobis d-squared	p1	p2
6	47.975	.071	.000
190	47.937	.071	.000
19	47.855	.072	.000
100	47.759	.074	.000
101	47.515	.077	.000
8	47.454	.078	.000
250	47.236	.081	.000
127	47.157	.082	.000
470	47.030	.084	.000

Kurtosis and Skewness test Test

Descriptives

			Statistic	Std. Error
HI1	Mean		5.6701	.06255
	95% Confidence Interval for Mean	Lower Bound	5.5472	
		Upper Bound	5.7930	
	5% Trimmed Mean		5.7878	
	Median		6.0000	
	Variance		1.909	
	Std. Deviation		1.38181	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		-1.062	.111
	Kurtosis		.781	.221
HI2	Mean		5.3791	.06204
	95% Confidence Interval for Mean	Lower Bound	5.2572	
		Upper Bound	5.5010	
	5% Trimmed Mean		5.4668	
	Median		6.0000	
	Variance		1.879	
	Std. Deviation		1.37061	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		1.00	
	Skewness		-.774	.111
	Kurtosis		.131	.221

	Mean	5.3975	.06157
	95% Confidence Interval for Mean Lower Bound	5.2766	
	95% Confidence Interval for Mean Upper Bound	5.5185	
	5% Trimmed Mean	5.4827	
	Median	6.0000	
	Variance	1.850	
HI3	Std. Deviation	1.36009	
	Minimum	1.00	
	Maximum	7.00	
	Range	6.00	
	Interquartile Range	1.00	
	Skewness	-.732	.111
	Kurtosis	-.069	.221
	Mean	5.7090	.06053
	95% Confidence Interval for Mean Lower Bound	5.5901	
	95% Confidence Interval for Mean Upper Bound	5.8279	
	5% Trimmed Mean	5.8219	
	Median	6.0000	
	Variance	1.788	
HI4	Std. Deviation	1.33710	
	Minimum	1.00	
	Maximum	7.00	
	Range	6.00	
	Interquartile Range	2.00	
	Skewness	-1.045	.111
	Kurtosis	.683	.221
	Mean	5.1926	.06188
	95% Confidence Interval for Mean Lower Bound	5.0710	
	95% Confidence Interval for Mean Upper Bound	5.3142	
	5% Trimmed Mean	5.2709	
	Median	5.0000	
	Variance	1.868	
HC1	Std. Deviation	1.36688	
	Minimum	1.00	
	Maximum	7.00	
	Range	6.00	
	Interquartile Range	2.00	
	Skewness	-.502	.111
	Kurtosis	.249	.221
	Mean	5.1127	.06378
HC2	95% Confidence Interval for Mean Lower Bound	4.9874	
	95% Confidence Interval for Mean Upper Bound	5.2380	
	5% Trimmed Mean	5.1776	

	Median		5.0000	
	Variance		1.985	
	Std. Deviation		1.40898	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		-.400	.111
	Kurtosis		-.371	.221
HC3	Mean		4.9529	.06728
	95% Confidence Interval for Mean	Lower Bound	4.8207	
		Upper Bound	5.0851	
	5% Trimmed Mean		5.0228	
	Median		5.0000	
	Variance		2.209	
	Std. Deviation		1.48636	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		-.337	.111
	Kurtosis		-.478	.221
HC4	Mean		4.9898	.06102
	95% Confidence Interval for Mean	Lower Bound	4.8699	
		Upper Bound	5.1097	
	5% Trimmed Mean		5.0501	
	Median		5.0000	
	Variance		1.817	
	Std. Deviation		1.34801	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		-.360	.111
	Kurtosis		-.093	.221
VI1	Mean		4.6803	.06222
	95% Confidence Interval for Mean	Lower Bound	4.5581	
		Upper Bound	4.8026	
	5% Trimmed Mean		4.7277	
	Median		5.0000	
	Variance		1.889	
	Std. Deviation		1.37455	
	Minimum		1.00	

	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		-.406	.111
	Kurtosis		.027	.221
VI2	Mean		4.0205	.07395
	95% Confidence Interval for Mean	Lower Bound	3.8752	
		Upper Bound	4.1658	
	5% Trimmed Mean		4.0228	
	Median		4.0000	
	Variance		2.669	
	Std. Deviation		1.63370	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		-.030	.111
	Kurtosis		-.779	.221
VI3	Mean		4.6742	.07342
	95% Confidence Interval for Mean	Lower Bound	4.5299	
		Upper Bound	4.8184	
	5% Trimmed Mean		4.7345	
	Median		5.0000	
	Variance		2.631	
	Std. Deviation		1.62197	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		-.432	.111
	Kurtosis		-.605	.221
VI4	Mean		4.0430	.07241
	95% Confidence Interval for Mean	Lower Bound	3.9008	
		Upper Bound	4.1853	
	5% Trimmed Mean		4.0478	
	Median		4.0000	
	Variance		2.559	
	Std. Deviation		1.59960	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		-.113	.111

	Kurtosis		-.717	.221
	Mean		4.6250	.06377
	95% Confidence Interval for Mean	Lower Bound	4.4997	
		Upper Bound	4.7503	
	5% Trimmed Mean		4.6503	
	Median		5.0000	
	Variance		1.984	
VC1	Std. Deviation		1.40867	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		-.106	.111
	Kurtosis		-.519	.221
	Mean		4.8463	.06420
	95% Confidence Interval for Mean	Lower Bound	4.7202	
		Upper Bound	4.9725	
	5% Trimmed Mean		4.8839	
	Median		5.0000	
	Variance		2.011	
VC2	Std. Deviation		1.41818	
	Minimum		2.00	
	Maximum		7.00	
	Range		5.00	
	Interquartile Range		2.00	
	Skewness		-.130	.111
	Kurtosis		-.868	.221
	Mean		4.1127	.07144
	95% Confidence Interval for Mean	Lower Bound	3.9723	
		Upper Bound	4.2531	
	5% Trimmed Mean		4.1107	
	Median		4.0000	
	Variance		2.490	
VC3	Std. Deviation		1.57808	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		.031	.111
	Kurtosis		-.787	.221
	Mean		4.8299	.06548
VC4	95% Confidence Interval for Mean	Lower Bound	4.7013	
		Upper Bound	4.9586	

	5% Trimmed Mean		4.8711	
	Median		5.0000	
	Variance		2.092	
	Std. Deviation		1.44643	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		-.212	.111
	Kurtosis		-.758	.221
SD1	Mean		4.3873	.06146
	95% Confidence Interval for Mean	Lower Bound	4.2665	
		Upper Bound	4.5081	
	5% Trimmed Mean		4.4258	
	Median		5.0000	
	Variance		1.844	
	Std. Deviation		1.35777	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		1.00	
	Skewness		-.509	.111
	Kurtosis		.318	.221
SD2	Mean		4.4508	.06365
	95% Confidence Interval for Mean	Lower Bound	4.3258	
		Upper Bound	4.5759	
	5% Trimmed Mean		4.4818	
	Median		5.0000	
	Variance		1.977	
	Std. Deviation		1.40607	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		1.00	
	Skewness		-.400	.111
	Kurtosis		-.172	.221
SD3	Mean		3.8443	.06760
	95% Confidence Interval for Mean	Lower Bound	3.7114	
		Upper Bound	3.9771	
	5% Trimmed Mean		3.8438	
	Median		4.0000	
	Variance		2.230	
	Std. Deviation		1.49342	

	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		-.088	.111
	Kurtosis		-.547	.221
	Mean		3.9221	.06831
	95% Confidence Interval for Mean	Lower Bound	3.7879	
		Upper Bound	4.0564	
	5% Trimmed Mean		3.9326	
	Median		4.0000	
	Variance		2.277	
SD4	Std. Deviation		1.50907	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		-.155	.111
	Kurtosis		-.601	.221
	Mean		4.0000	.06571
	95% Confidence Interval for Mean	Lower Bound	3.8709	
		Upper Bound	4.1291	
	5% Trimmed Mean		4.0260	
	Median		4.0000	
	Variance		2.107	
SD5	Std. Deviation		1.45147	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		-.283	.111
	Kurtosis		-.548	.221
	Mean		3.8053	.06237
	95% Confidence Interval for Mean	Lower Bound	3.6828	
		Upper Bound	3.9279	
	5% Trimmed Mean		3.8142	
	Median		4.0000	
DeSS1	Variance		1.898	
	Std. Deviation		1.37781	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	

	Skewness		-.091	.111
	Kurtosis		-.281	.221
DeSS2	Mean		3.8504	.06309
	95% Confidence Interval for Mean	Lower Bound	3.7264	
		Upper Bound	3.9744	
	5% Trimmed Mean		3.8666	
	Median		4.0000	
	Variance		1.943	
	Std. Deviation		1.39380	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		-.124	.111
	Kurtosis		-.447	.221
DeSS3	Mean		3.6352	.06346
	95% Confidence Interval for Mean	Lower Bound	3.5106	
		Upper Bound	3.7599	
	5% Trimmed Mean		3.6252	
	Median		4.0000	
	Variance		1.965	
	Std. Deviation		1.40187	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		.089	.111
	Kurtosis		-.395	.221
DeSS4	Mean		3.5615	.06507
	95% Confidence Interval for Mean	Lower Bound	3.4336	
		Upper Bound	3.6893	
	5% Trimmed Mean		3.5478	
	Median		4.0000	
	Variance		2.066	
	Std. Deviation		1.43737	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		.103	.111
	Kurtosis		-.528	.221
DeSS5	Mean		3.6270	.06748
	95% Confidence Interval for	Lower Bound	3.4945	

	Mean	Upper Bound	3.7596	
	5% Trimmed Mean		3.6161	
	Median		4.0000	
	Variance		2.222	
	Std. Deviation		1.49064	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		.047	.111
	Kurtosis		-.673	.221
SP1	Mean		4.7008	.06162
	95% Confidence Interval for Mean	Lower Bound	4.5798	
		Upper Bound	4.8219	
	5% Trimmed Mean		4.7573	
	Median		5.0000	
	Variance		1.853	
	Std. Deviation		1.36118	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		-.589	.111
	Kurtosis		.333	.221
SP2	Mean		4.5287	.06531
	95% Confidence Interval for Mean	Lower Bound	4.4004	
		Upper Bound	4.6570	
	5% Trimmed Mean		4.5729	
	Median		5.0000	
	Variance		2.081	
	Std. Deviation		1.44267	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		1.00	
	Skewness		-.474	.111
	Kurtosis		-.101	.221
SP3	Mean		4.3361	.07037
	95% Confidence Interval for Mean	Lower Bound	4.1978	
		Upper Bound	4.4743	
	5% Trimmed Mean		4.3734	
	Median		5.0000	
	Variance		2.417	

	Std. Deviation		1.55454	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		-.496	.111
	Kurtosis		-.362	.221
SP4	Mean		4.5574	.06654
	95% Confidence Interval for Mean	Lower Bound	4.4266	
		Upper Bound	4.6881	
	5% Trimmed Mean		4.6070	
	Median		5.0000	
	Variance		2.161	
	Std. Deviation		1.47002	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		2.00	
	Skewness		-.518	.111
	Kurtosis		-.133	.221
SP5	Mean		4.3811	.07145
	95% Confidence Interval for Mean	Lower Bound	4.2408	
		Upper Bound	4.5215	
	5% Trimmed Mean		4.4235	
	Median		5.0000	
	Variance		2.491	
	Std. Deviation		1.57828	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		3.00	
	Skewness		-.436	.111
	Kurtosis		-.471	.221
QA1	Mean		5.2725	.05761
	95% Confidence Interval for Mean	Lower Bound	5.1593	
		Upper Bound	5.3857	
	5% Trimmed Mean		5.3620	
	Median		5.0000	
	Variance		1.620	
	Std. Deviation		1.27264	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	

	Interquartile Range		1.00	
	Skewness		-.948	.111
	Kurtosis		.998	.221
QA2	Mean		5.2992	.06031
	95% Confidence Interval for Mean	Lower Bound	5.1807	
		Upper Bound	5.4177	
	5% Trimmed Mean		5.3962	
	Median		6.0000	
	Variance		1.775	
	Std. Deviation		1.33221	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		1.00	
	Skewness		-.943	.111
	Kurtosis		.794	.221
QA3	Mean		5.4836	.05534
	95% Confidence Interval for Mean	Lower Bound	5.3749	
		Upper Bound	5.5923	
	5% Trimmed Mean		5.5829	
	Median		6.0000	
	Variance		1.495	
	Std. Deviation		1.22254	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		1.00	
	Skewness		-1.042	.111
	Kurtosis		1.512	.221
QA4	Mean		5.6086	.05381
	95% Confidence Interval for Mean	Lower Bound	5.5029	
		Upper Bound	5.7143	
	5% Trimmed Mean		5.7172	
	Median		6.0000	
	Variance		1.413	
	Std. Deviation		1.18879	
	Minimum		1.00	
	Maximum		7.00	
	Range		6.00	
	Interquartile Range		1.00	
	Skewness		-1.151	.111

Kurtosis	1.798	.221

Appendix Two

Questionnaire

Thank you for participating in completing this questionnaire. The aim of this research is to obtain knowledge of cultural impact on purchasing motivations regarding luxury products. There are no right or wrong answers and your opinions will be very helpful. Please read the following questions and tick the options that first come to your mind. The information is confidential and only used for this study.

1. Please tick all your favorite Luxury brands

□Coach	□Louis Vuitton	□Chanel	□Gucci	□Lanvin
□Prada	□Hermes	□Mulberry	□Marc Jacobs	□Alexander McQueen
□Burberry	□Chloe	□Celine	□Fendi	□Kate Spade
□Dolce&Gabbana	□Balenciaga	□Christian Dior	□Moschino	□MiuMiu
□Yves Sarint Laurent	□BottegaVeneta	□Armani	□Tod's	□Salvatore Ferrangamo
□Versace	□Vivienne Westwood	□Jimmy Choo	□Valentino	□Givenchy

2. Do you own a luxury brand product?

□ Yes□ No

3. Approximately how many luxury products do you own?

□<3□3-6□7-10□>10

4. Have you bought luxury brand products in the past year?

□ Yes□ No

5. In British pounds how much did you pay for your last luxury product?

□<300 □300-600□601-900□901-1200□>1200

1. What is your age?

□ <18□ 18-20□ 21-23□ 24-26□ 27-30□ >30

2. Length of stay in the UK

□<6 months□6 months-1 year□5years-10 years □>10 years

3. Education

□Undergraduate Degree □Postgraduate Degree □Doctoral Degree (PhD)□Other

4. Range of pocket money per month (pounds)

□<500□500-1000□1001-1500□>1500

7-point scales to each questions where 1=strongly disagree and 7=strongly agree

Horizontal Individualism	**Strongly Disagree**						**Strongly Agree**
I'd rather depend on myself than others	□1	□2	□3	□4	□5	□6	□7
I rely on myself most of the time, I rarely rely on others	□1	□2	□3	□4	□5	□6	□7
I often do my own thing	□1	□2	□3	□4	□5	□6	□7
My personal identity, independent of others, is very important to me	□1	□2	□3	□4	□5	□6	□7
Horizontal Collectivism	**Strongly Disagree**						**Strongly Agree**
If a co-worker gets a prize, I would feel proud	□1	□2	□3	□4	□5	□6	□7
The well-being of my co-workers is important to me	□1	□2	□3	□4	□5	□6	□7
To me, pleasure is spending time with others	□1	□2	□3	□4	□5	□6	□7
I feel good when I cooperate with others	□1	□2	□3	□4	□5	□6	□7
Vertical Individualism	**Strongly Disagree**						**Strongly Agree**
It is important for me to do my job better than others	□1	□2	□3	□4	□5	□6	□7
Winning is everything	□1	□2	□3	□4	□5	□6	□7
Competition is a law of nature	□1	□2	□3	□4	□5	□6	□7
When another person does better than I do, I get tense and aroused	□1	□2	□3	□4	□5	□6	□7
Vertical Collectivism	**Strongly Disagree**						**Strongly Agree**
Parents and children must stay together as much as possible	□1	□2	□3	□4	□5	□6	□7
It is my duty to take care of my family, even when I have to sacrifice what I want	□1	□2	□3	□4	□5	□6	□7
Family members should stick together, no matter what sacrifices are required	□1	□2	□3	□4	□5	□6	□7
It is important to me that I respect the decision made by my groups	□1	□2	□3	□4	□5	□6	□7

7-point scales to each questions where 1=strongly disagree and 7=strongly agree

Social Luxury Consumption Motivations							
Social Demand	**Strongly Disagree**						**Strongly Agree**
Purchasing luxury fashion goods can help enhance one's image.	□1	□2	□3	□4	□5	□6	□7
Purchasing luxury fashion goods is a reward for effort and achievement.	□1	□2	□3	□4	□5	□6	□7
Consumption of luxury fashion goods is a symbol of successful people.	□1	□2	□3	□4	□5	□6	□7
Consumption of luxury fashion goods reflects an affluent lifestyle.	□1	□2	□3	□4	□5	□6	□7
Luxury fashion goods can serve as a symbolic marker of group membership.	□1	□2	□3	□4	□5	□6	□7
Desire for Status Symbol	**Strongly Disagree**						**Strongly Agree**
Purchasing luxury goods would make me stand out in my social group	□1	□2	□3	□4	□5	□6	□7

Purchasing luxury goods would improve my social image in the presence of others	□1	□2	□3	□4	□5	□6	□7
Purchasing luxury goods would signify my social prestige in the presence of others	□1	□2	□3	□4	□5	□6	□7
Purchasing luxury goods would tell something about my social status in the presence of others	□1	□2	□3	□4	□5	□6	□7
Purchasing luxury goods would symbolise my wealth in the presence of others	□1	□2	□3	□4	□5	□6	□7
Personal Luxury Consumption Motivations							
Self-Pleasure/Reward Pursuit	**Strongly Disagree**					**Strongly Agree**	
Purchasing luxury products would be pleasant to me, no matter whether it pleases others	□1	□2	□3	□4	□5	□6	□7
Purchasing luxury products would make me feel happy, not related to others' opinions	□1	□2	□3	□4	□5	□6	□7
When in a bad mood purchasing luxury products could make me happier	□1	□2	□3	□4	□5	□6	□7
Purchasing luxury products would give me pleasure, without regard for the feelings of others	□1	□2	□3	□4	□5	□6	□7
I would enjoy luxury goods entirely on my own terms no matter what others may feel about them	□1	□2	□3	□4	□5	□6	□7
Quality Assurance	**Strongly Disagree**					**Strongly Agree**	
The high level of reliability in luxury products attracts me	□1	□2	□3	□4	□5	□6	□7
I think highly of the latest design and techniques	□1	□2	□3	□4	□5	□6	□7
I would buy luxury products because of their high level of reliability	□1	□2	□3	□4	□5	□6	□7
The quality superiority in luxury products is what I think highly of	□1	□2	□3	□4	□5	□6	□7

If you have lived in London for less than one year, please ignore Section Five. Thank you for your participation.

1. What language do you use when you speak with your parents?
   A. Only Chinese
   B. Mostly Chinese
   C. Mostly English
   D. Only English
   E. Both Chinese and English

2. If you have brothers and sisters, what language do you use when you speak with them?
   A. Only Chinese
   B. Mostly Chinese
   C. Mostly English
   D. Only English
   E. Both Chinese and English

3. What language do you use when you speak with your spouse or person you live with?
   A. Only Chinese
   B. Mostly Chinese
   C. Mostly English
   D. Only English
   E. Both Chinese and English

4. If you have children, what language do you use when you speak with them?
   A. Only Chinese
   B. Mostly Chinese
   C. Mostly English
   D. Only English
   E. Both Chinese and English

5. What language do you use when you speak with your closest friends?
   A. Only Chinese
   B. Mostly Chinese
   C. Mostly English
   D. Only English
   E. Both Chinese and English

6. What kind of records, tapes, or compact discs (CDs) do you own?
   A. Only Chinese
   B. Mostly Chinese
   C. Mostly English
   D. Only English
   E. Both Chinese and English

7. What kind of radio stations do you listen to?
   A. Only Chinese
   B. Mostly Chinese
   C. Mostly English
   D. Only English
   E. Both Chinese and English

8. What kind of television stations do you watch?
   A. Only Chinese
   B. Mostly Chinese
   C. Mostly English
   D. Only English
   E. Both Chinese and English

9. What kind of newspapers and magazines do you read?

A. Only Chinese
B. Mostly Chinese
C. Mostly English
D. Only English
E. Both Chinese and English

10. In what language do you pray?
    A. Only Chinese
    B. Mostly Chinese
    C. Mostly English
    D. Only English
    E. Both Chinese and English

11. In what language are the jokes with which you are familiar?
    A. Only Chinese
    B. Mostly Chinese
    C. Mostly English
    D. Only English
    E. Both Chinese and English

12. What kind of foods do you typically eat at home?
    A. Only Chinese
    B. Mostly Chinese
    C. Mostly English
    D. Only English
    E. Both Chinese and English

13. At what kind of restaurants do you typically eat?
    A. Only Chinese
    B. Mostly Chinese
    C. Mostly English
    D. Only English
    E. Both Chinese and English

14. What is the ethnic background of your closest friends?
    A. Only Chinese
    B. Mostly Chinese
    C. Mostly English
    D. Only English
    E. Both Chinese and English

15. What is the ethnic background of the people you have dated?
    A. Only Chinese
    B. Mostly Chinese

C. Mostly English
D. Only English
E. Both Chinese and English

16. When you go to social functions such as parties, dances, picnics or sports events, what is the ethnic background of the people (including your family members) that you typically go with?
    A. Only Chinese
    B. Mostly Chinese
    C. Mostly English
    D. Only English
    E. Both Chinese and English

17. What is the ethnic makeup of the neighborhood where you live?
    A. Only Chinese
    B. Mostly Chinese
    C. Mostly English
    D. Only English
    E. Both Chinese and English

18. Which national anthem do you know the words to?
    A. Only Chinese
    B. Mostly Chinese
    C. Mostly English
    D. Only English
    E. Both Chinese and English

19. Which national or cultural heritage do you feel most proud of?
    A. Only Chinese
    B. Mostly Chinese
    C. Mostly English
    D. Only English
    E. Both Chinese and English

20. What types of national or cultural holidays do you typically celebrate?
    A. Only Chinese
    B. Mostly Chinese
    C. Mostly English
    D. Only English
    E. Both Chinese and English

21. What is the ethnic background of the movie stars and popular singers that you most admire?
    A. Only Chinese
    B. Mostly Chinese
    C. Mostly English

D. Only English
E. Both Chinese and English

22. If you had a choice, what is the ethnic background of the person that you would marry?
A. Only Chinese
B. Mostly Chinese
C. Mostly English
D. Only English
E. Both Chinese and English

23. If you had children, what types of names would you give them?
A. Only Chinese
B. Mostly Chinese
C. Mostly English
D. Only English
E. Both Chinese and English

24. If you had children, in what language would you teach them to read, write and speak?
A. Only English
B. Mostly English
C. Mostly Chinese
D. Only Chinese
E. Both Chinese and English

25. Which culture and way of life do you believe is responsible for the social problems (such as poverty, teenage pregnancies and gangs) found in some Chinese-English communities in the UK?
A. Only Chinese
B. Mostly Chinese
C. Mostly English
D. Only English
E. Both Chinese and English

26. At what kinds of stores do you typically shop?
A. Only Chinese
B. Mostly Chinese
C. Mostly English
D. Only English
E. Both Chinese and English

27. How do you prefer to be identified?
A. Only Chinese
B. Mostly Chinese
C. Mostly English
D. Only English

E. Both Chinese and English

28. Which culture and way of life would you say has had the most positive influence on your life?
    A. Only Chinese
    B. Mostly Chinese
    C. Mostly English
    D. Only English
    E. Both Chinese and English

Thank you for your participation