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Conspicuous or Inconspicuous purchase for luxury products-- An exploratory study on Chinese luxury consumers typology in digital age

The growth of social media has become an effective marketing channel, and it has been seen to have a massive impact in affecting consumer behaviour. Purchases via social media platforms is the major method for consumers to have the product inspiration. This tendency makes livestream commerce become an unprecedented popularity. 2016 was the first year that the online livestreaming started in China, and it boost rapidly from 2018, as of March 2021, the subscribers of livestream commerce in China has reached 560 million, accounting for 62% of total Internet users (CNNIC, 2021). Luxury brands have seized this opportunity of using livestream platform to sell their luxury products, as they are aware that Chinese spending on luxury goods is set to account for 37% of the overall global luxury market (\$147 billion) by 2025 (Mckinsey, 2019), and Chinese consumers are the world's number one luxury spenders with a particular appetite for Western luxury brands.

There are numerous studies exploring luxury consumption in China, however, limited efforts have been made to consider conspicuous and inconspicuous together in luxury consumption studies, particularly, under the digital age. Researchers in the past years revealed that people purchase luxury brands in order to attain social recognition and enjoy attention and attraction from other people, but with the growth of the luxury industry, consumers purchase luxury brands were still influenced by “conspicuous” as Veblen indicated over hundred years ago? The lack of updated and accurate grouping regarding whether targeting on conspicuous consumers or inconspicuous consumers also creates difficulties for practitioners to draw effective marketing strategies for diverse customer segments.

This study aims to establish luxury consumers typology towards (in)conspicuous consumptions on luxury products which sold under livestream platforms in China. An in-depth, face-to face interview method was adopted as the main technique to generate rich primary data, both thematic and paradigmatic data analysis approaches were involved. Based on the research findings, four types of consumers are generated according to their both individual and societal luxury value perception. They are: (1) luxuriant (2) risk avoiders (3) status seekers (4) vanity admirers.

The findings of this research contribute to the literature on live streaming study in luxury sector by examining Chinese consumers' typology towards (in)conspicuous consumptions. It also provides practical implications for luxury brands on how to utilise live steaming services to engage more with different types of luxury consumers, find out the likely reasons for the Chinese consumers' preferences and choices towards (in)conspicuous luxury brands in the context of Chinese luxury market.