

HOW FAR WOULD YOU GO FOR LUXURY? AN EXPLORATORY STUDY AMONG ROMANIAN FEMALE STUDENTS THAT CONSUME LUXURY

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The main purpose of the paper is to identify actions that Romanian female students consuming luxury have been taken and would be willing to take in order to obtain the desired luxury products, deepening the “compromise” dimension. Although not based on previous studies, as is the only one of its kind in the luxury domain, the study took into account the “sugar daddy” and the “extreme saving” phenomena, mentioned in few books and considered to exist among young female luxury consumers. The research is based on primary data collection, where a questionnaire-the data gathering tool-was applied among female students under 30 years, resulting 273 luxury consumers. The results that were obtained using the statistical program SPSS 19, showed that a small percent of the respondents mentioned that have made compromises to have luxury goods and services, like telling lies, engaging in relationships or have been financially supported by someone. The lack of past compromises for the other consumers is mainly due to the inconsistency between compromises and their moral and ethical standards, respectively to the low importance(desire) given to luxury. However, some of those who mentioned the previous reasons believe that in future there is a certain probability to make some compromises for luxury, especially for luxury cars, homes or clothing. In addition, many of those who have made compromises in the past are also willing to make in the future. But, in order to obtain luxury products, most consumers are willing to save or to get a job, seeing savings as a form of compromise. The authors contribution is given by the originality and uniqueness of the subject discussed, as there are no similar studies in the luxury domain both in Romania and at international level. Although the study has as a limit the use of a sample from a single city, we believe that the research is significant for the luxury sector, contributing on the one hand to outlining of the general profile of Romanian luxury consumer by identifying aspects related to consumer behavior, and secondly by identifying a new segment of Romanian luxury consumers, without high income but willing to take various actions in order to have luxury products.

Keywords: luxury consumer, consumer behavior, compromise, luxury products, luxury

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I.Introduction

The increasing academic interest in the domain of luxury products and services (Tynan, McKechnie and Chhuon 2010: 1156-1157) had lead to a diversification of the areas approached, but nevertheless, compared to many other sectors, there are still numerous aspects that were scarcely addressed or even not at all. Due to its complex sociological and psychological nature (Pop et al. 2009: 810), luxury still doesn't have a universally accepted definition (Godey, Lagier and Pederzoli 2009: 528). One of the most complex approaches regarding the luxury's features and which allows to differentiate between luxury and other products is proposed by Ciornea et al.

(2011: 98). Bringing some additions to the model of Wiedmann, Hennings and Siebels (2007: 5), the previous mentioned authors consider that luxury is characterized by a set of values: price value, investment value, usability value, quality value, uniqueness value, heritage value, self-identity value, hedonic value, materialistic value, conspicuousness value and status value.

The paper aims to study the extent to which female students in Romania- luxury consumers, were or will be willing to take various actions in order to have luxury goods and/or services, deepening especially the problematic of the compromises. Through compromise, the authors have referred to issues such as consumers' willingness to lie, to financial fraud, to engage in different types or relationships with or without emotional involvement and even more radical actions such as having a child. Although in the luxury literature there are published researches based on samples of students, the authors haven't identified studies to address this taboo subject. We consider that the present research is especially important as the subject wasn't yet approached for any other segment of luxury consumers, either in Romania or internationally. In addition, because of the existence of a very limited number of studies on the Romanian luxury market, we believe that our study has significant consequences on outlining the profile of luxury consumers in Romania.

II. Literature review

Even though the research is not based on previous studies, as the authors haven't identified similar researches in the luxury literature, however has as a starting point issues and ideas met in few books on luxury. One of the most important issues identified in literature, is the existence of the „sugar-daddy” phenomenon among young female luxury consumers, a phenomenon that assumes to make compromises especially of sexual nature to afford/obtain something- in luxury field this means luxury goods and services (Kapferer and Bastien 2009: 19, 23; Thomas 2007: 11, 169; Chadha and Husband 2006: 48, 61-62). Even if in Asia this phenomenon is much wider, its intensity varies from a country to another, ranging from simple forms as „the simple company” up to extreme forms of „part-time prostitution” (Chadha and Husband 2006: 61). However, some authors (Leclerc-Madlala 2003: 215-218) argue that the sugar-daddy phenomenon (not associated strictly to luxury) seen as transactional sex relationships, shouldn't be identified with the prostitution, although both focus on intimate relations exchanged for money or gifts. The main distinction is that girls involved in the sugar-daddy phenomenon, don't consider themselves prostitutes, because in most cases the „transactions” occur in relationships where love, desire and pleasure are essential (Gbalajobi 2010: 2). If in the past most of the studies discussing the sugar-daddy phenomenon identified it with forms of „survival sex” (to satisfy essential needs), in the present it more motivated by consumerist desire (Leclerc-Madlala 2003: 215-216). This makes us we believe that in the luxury field the sugar-daddy phenomenon arises from the desire to satisfy needs placed on higher levels of Maslow's pyramid, such as belonging to a group (Kapferer and Bastien 2009: 19; Chadha and Husband 2006: 62), esteem and self-esteem, admiration or even self-improvement.

Another form of „sacrifice” common among luxury consumers from Asia, is „the extreme saving”, which implies a limited life-style- renting very small apartments, living with parents, reducing costs with various products even essential like food, etc. (Thomas 2007: 73-77; Chadha and Husband 2006: 61). Although the Asian countries are characterized by more pronounced behaviors in order to obtain luxury products, however we believe that the phenomena of saving and various forms of relationships are found in all countries, but the intensity varies depending on aspects as the importance played by luxury in the society, household incomes, etc. Also we believe that these behaviors are more common among young people (Chadha and Husband 2006: 61) and especially among females, thus the present research was conducted among young females under 30 years old.

III. Research methodology

The study is based on a primary data collection, using the questionnaire as a data gathering tool and face-to-face interviewing. The questionnaire had both closed and open questions, giving to our respondents the opportunity to express personal opinions and viewpoints. The ambiguity of the luxury domain required to support of each respondent through the questionnaire to avoid possible mistakes and clarify certain issues. The studied population is represented by female students from different years of study and specializations in the Faculty of Economics and Business Administration of Cluj-Napoca- one of the largest university centers in Romania. Although questionnaires were applied to a sample of 380 people, only 367 were lately validated. The questionnaires were applied only to female students, regardless if were luxury consumers or not, afterwards using as filter the responses to two questions, have been separated the luxury consumers from non-consumers. Adopting the proposal of Dubois and Laurent (1996: 470-477) regarding the existence of an „Excursionist” luxury consumer, through “luxury consumer” we will understand the person who had “consumed” at least once a luxury product or service. Considering that among the most affordable luxury products are the fashion luxury products, the respondents were initially asked to check a list of luxury fashion brands (proposed by Okonkwo 2007: 45-47); based on the list they had to check from all categories of luxuries given in the questionnaire (in total 29) those from which they “consumed” products or services at least once. Data processing was performed using the statistical program SPSS 19 and given the objectives of the research and the nature of the variables wanted to be discussed, the main analyzes used were frequencies and Chi Square Test with the Contingency Coefficient.

IV. Research findings

In the present paper, the authors didn’t focused on testing hypothesis, but rather on the identification of past and future actions of the luxury consumers, respectively on the identification of a possible new segment of luxury consumers. However, for a complete discussion, we aimed to determine whether some variables as age, monthly family income and the importance given to luxury can influence the respondents’ actions. From 367 validated questionnaires only 273 were included in the category of luxury consumers.

To identify the past behavior, consumers were asked to indicate if they have ever made compromises in order to have desired luxury products or services. The list with the compromises to which we’ll refer the entire study includes the variables: „to lie”, „to be engaged in a relationship with a man”, „to get married”, „to be the mistress of a married man”, „to make a child”, „to be financially supported by someone”, „to engage in intimate relations without emotional involvement” and „to financial fraud (at work or similar context)”.

Table no. 1 Consumers’ past willingness to make compromises for luxury

Willingness to make compromises -in the past	Frequency	Honesty<100%*
No, never	88,6%	26,85%
Yes, few times (maximum 5) and I did regret	4%	45,45%
Yes, few times (maximum 5) and I didn’t regret	6,7%	33,33%
Yes, frequently	0,7%	50%

* percentage depending on the “willingness” chosen options

Source: made by the authors

In Table no. 1, one can see that 11,4% of consumers made compromises to afford or to obtain luxury products. Same table shows that not all respondents were 100% honest (they were asked to modify the percent of honesty only if they had lied intentionally when answering some questions- seen from the beginning as a possible consequences of the taboo nature of the subject approached). Testing the link between willingness to past compromises and the honesty of the

respondents, it was observed a relationship between them of small intensity (Contingency Coeff.=0,271, Sig.=0,032). On the other hand there is no significant statistical relationship between the willingness to past compromises and the monthly family income (Sig.=0,633), the age (Sig.=0,473) or the importance attached by consumers to luxury (Sig.=0,313). The selected categories of compromises made in the past for luxury, are distributed as follows in Table no. 2.

Table no. 2 Categories of compromises made in the past in order to have luxury

Categories of compromises made in the past	Frequency*	Honesty<100%**
To lie	66,7%	37,5%
To be engaged in a relationship with a man	19,4%	28,57%
To be financially supported by someone	13,9%	0%

*percentage from total responses

** percentage based on the selected „categories” of compromise

Source: made by the authors

Thus the categories of compromises made by consumers for luxury products were: „to lie”, „to be engaged in a relationship with a man”, respectively „to be financially supported by someone”. As some of the respondents weren't 100% honest during the interview, test showed a relationship of small intensity between the respondents' honesty and the variable “to be financially supported by someone” (Sig.=0,038, Contingency Coeff.=0,348). For each mentioned category, most consumers have a monthly family income under 4000 lei, thus there weren't discovered significant relationships between the variables (Sig.=0,209, Sig.=182, Sig.=0,305). Also, has been found s relationship of small intensity between the variable “to be financially supported by someone” and the importance given by consumers to luxury (Sig.=0,05, Contingency Coeff.=0,386). There are no significant relationships between the categories of compromises made in the past and the age of the respondents (Sig.=0,429, Sig.=0,834, Sig.=0,429).

Consumers who mentioned that had never made compromises for luxury, were asked to select the main reason behind their decision, and the final situation is as follows: “never had the opportunity”(9,3), “ it's not necessary as I have the financial means to afford most of the luxury goods desired”(6,9%), “ such behavior doesn't meet my moral and ethical standards”(59,5%), “the luxury products are not that much important/I don't wish them so much in order to compromise”(23,9%). There is a relationship of medium intensity between the lack of past compromises for luxury and the monthly family income (Sig.=0,000,Contingency Coeff.=0,498), and a relationship of small intensity with the importance attached to luxury (Sig.=0,036, Contingency Coeff.=0,268). There is no significant relationship with the age (Sig.=0,891).

Related to the future intentions of consumers regarding the willingness to take various actions in order to have the desired luxury products, there were mentioned the following possibilities (percent of total answers): „ to save from the money given by my parents”(37,6%), “to save from the salary, reducing costs with other products”(29,9%), “to get a job, even for a short period of time” (20,9%), “to borrow money from my friends, boyfriend, parents, other family members”(5,3%), “to make compromises”- from the given list (3,7%), “other option” (2,6%). Although the answers show that only 17 consumers would make compromises for the desired luxury goods, a following rechecking question showed that 77 of consumers have a certain future willingness to make compromises.

Has been found a relationship of medium intensity (Sig.=0,000, Contingency Coeff.=0,564) between the lack of past compromises and the future willingness to make compromises for luxury. Thus, 65,21% of those who mentioned that “never had the opportunity” consider that there is a certain probability to make compromises for luxury in the future (“probably no”, “probably yes”, “yes”), 5,8% of those who have the financial means to buy luxury products see a future willingness, while 10,88% of those who consider that compromises don't meet their moral or ethical would be willing in a certain measure to compromise and 20,33% of the consumers

who think that for them luxury products are not so important (or don't wish) are willing to make compromises in the future. Although many respondents didn't mention the categories of luxury that could tempt them to make compromises, however the stated ones are: cars (28,7%), houses (17,85%), clothing and accessories (26,78%), travels(16%), cosmetics(7,1%), other service(3,57). No significant relationships were found between the future willingness to compromise for luxury and the monthly family income (Sig.=0,916) or the age (Sig.=0,733), but there is a significant relationship of small intensity between future willingness and consumers' honesty (Sig.=0,000, Contingency Coeff.=0,277). The categories of compromises possible to be made in future by consumers for luxury are given in Table no.3.

Table no. 3 Categories of compromises possible to make in the future to have luxury

Categories of future possible compromises	Frequency*	Honesty<100%**
To lie	56%	21,14%
To be engaged in a relationship with a man	32 %	12,5%
To be financially supported by someone	26%	61,53%
To get married	14%	28,57%
To financial fraud	4%	50%
To be the mistress of a married man	2%	100%
To engage in intimate relations without emotional involvement	2%	100%

*percentage from total responses

** percentage based on the selected „categories” of compromise

Source: made by the authors

Have been identified significant relationships between the honesty's level of consumers and the categories „to be the mistress of a married man”(Sig.=0,002, Contingency Coeff.=0,439) , „to be financially supported by someone”(Sig.=0,038, Contingency Coeff.=0,348), „to engage in intimate relations without emotional involvement”(Sig.=0,000, Contingency Coeff.=574). But there aren't significant relationships between the willingness for future compromises and monthly family income or age. More, there is a relationship of medium intensity between the past willingness for compromises and the willingness for future compromises (Sig.=0,000, Contingency Coeff.=0,580). Thus, 16,1% of the consumers who never made compromises for luxury believe that there is a certain probability to compromise in the future, while from those who made compromises in the past few times and regretted or not, a percent of 81,8% respectively 77,7% take into consideration this possibility in the future.

V. Conclusions

Even if only 11,4% of the luxury consumers have mentioned that have made in the past compromises in order to have luxury products (to lie, to get involved in relationships, to be financially supported by someone), the percent of those willing to make in future compromises is higher, even though some of the respondents willing to compromise mentioned that luxury is not important for them (or don't want it), compromises don't meet their ethical or moral standards or even some afford most of the luxury products desired. The most mentioned types of possible future compromises are lying, getting engaged in relationships, getting financially supported or getting married, while the most mentioned categories of luxury that would tempt consumers to compromise are the luxury cars, luxury houses, luxury clothing/accessories and luxury travel services. Although there is a tendency for those who have made compromises for luxury in the past to be willing to make compromises in the future, however, the main actions that consumers would do in the future to obtain luxury products are to save from the money given by their parents, to save from the salary or to get a job. Regarding the influence of different variables, tests showed that there aren't significant connections between age and actions done/will be done

in future for luxury, while for the variables monthly income of the family, importance given to luxury and honesty of the respondents some significant link were found for some of the actions. Therefore can be observed the existence of a category of luxury consumers willing to take various actions in order to obtain the desired luxury products, being essential to note that most respondents of the study have a monthly income of the family smaller than 4000 lei (almost 1000 euro). The identification of this category of consumers can have major implications for the luxury sector as due to the small personal/family income they are not taken into consideration while studying luxury domain (research companies take into account the family wealth, annual income, etc.) and most likely the producers don't consider them existing or possible clients. Most probably, in this category of consumers most are "excursionists" and could represent a significant market. We believe that the present study has a significant contribution to the luxury literature through the uniqueness of the subject approached (both nationally and internationally) but also due to the results obtained, namely the identification of a different segment of Romanian luxury consumers. However, one of the main limitations of the study is the collection of data from a single faculty in a single city, even if it is one of the greatest university centers in the country, and we consider that it is possible to obtain slightly modified results if the study takes into consideration young female students from less developed cities or on the contrary from the capital. For the future, the authors intend to extend the study among other categories of young female consumers under 30 years old, which will require data collection among girls in high-schools and among young females with medium studies. Therefore, the results can be considered interim results of a much larger study.

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