

**The Role of Online Social Capital in Luxury Brand
Consumption in Saudi Arabia**

*A Thesis Submitted to Middlesex University in Partial Fulfilment of
the Requirements for the Degree of Doctor of Philosophy*

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Abstract

The focus of this research is to examine the links of social capital that rooted in social network interactions and relationships. This leads to addressing peer communication, which will contribute to the exchange of information about luxury products through online interactions that can lead indirectly to luxury brand consumption. This idea of using Social Capital Theory and linking it to luxury consumption has not been examined in recent research. Moreover, this relationship has been moderated by demographic variables (age, gender, and income) and psychological variables (materialism and susceptibility to normative influence). Previous literature found these variables to be the driving factors behind luxury consumption, but in this research, their impact on the relationship between online social capital and luxury consumption is examined. The conceptual model in this study is tested in a Saudi Arabian context, while all other research was carried out in a Western context. There has not been much research on luxury brand consumption in a Saudi context, and there is even less research on Saudi Arabia. Therefore, this study aims to fill the gap in the literature on luxury brand consumption in terms of social interactions and relationships, including psychological and demographic factors.

This research followed an explorative strategy to explore the impact of social capital on luxury brands consumption in the Kingdom of Saudi Arabia (KSA). This strategy involved surveys with a deductive approach to answer research questions. Quantitative data have been collected through the use of an online questionnaire with 407 Saudi Arabian participants who are luxury brand consumers and who also use social media. AMOS software was used for statistical analysis and to facilitate structural equation modelling (SEM) to test the model and the hypotheses.

The primary research findings are that online social capital has a significant impact on luxury brand consumption. However, this positive relationship is mitigated when a peer communication mediator is applied. As a result, peer communication mediates the relationship between online social capital and luxury consumption. On the other hand, the moderation effects of age, income, and materialism on the relationship between online social capital and luxury consumption were rendered insignificant. However, moderation effects like gender and susceptibility to normative influence were found to have a significant influence on luxury brand consumption.

This research contributes to the theoretical dimensions of purchasing and consumption, as it proves the applicability of using Social Capital Theory in the marketing context especially luxury consumption. Therefore, Social capital can be intangible asset for the luxury brands which can improve their marketing strategies on social network sites.

On a practical level, results show that luxury brand companies operating in Saudi Arabia should consider how to market their products to individuals across all income and age groups to maximise profits. There is also evidence that Saudi Arabian consumers are prone to higher levels of normative influence. This means that luxury brands should consider how to increase their influence with consumers, perhaps by using social media influencers, in order to appeal widely to Saudi consumers.

Keywords: Social Capital Theory, luxury brand consumption

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1 INTRODUCTION CHAPTER

1.1 Background

Researchers have highlighted the significant impact of social networks and peer-to-peer relationships on consumer behaviour (Gupta & Vohra, 2019; Wang et al.,2012; Harvey et al., 2011). One concept that captures the resources within relationships is social capital. Social capital is premised on the fact that investing in social relations results in mutual benefits for individuals and social groups engaged in those interaction (Tsai & Ghoshal, 1998). The central tenet of social capital is that networks of relationships are a valuable resource upon which the conduct of social affairs depends (Adler & Kwon, 2002; Nahapiet & Ghoshal, 1998). Social capital refers to the resources that are embedded in, derive from, and are available through an intricate social network of relationships that an individual possesses (Nahapiet & Ghoshal, 1998; Ellison et al.,2007; Putnam, 2000). Bonding and bridging are the concepts most frequently used to describe social capital connections. With bridging, individuals gain new and useful information or develop perspectives from loose connections that provide little to no emotional support (Putnam, 2000). Bonding, on the other hand, refers to the kind of social capital that exists between people who have strong ties; whose relationships have continual mutual reciprocity of emotional support (Williams, 2006).

Social capital has been enormously influenced by social networking sites and social media. One important influence on social capital has been the facilitation of peer communication through social media (Zhang & Daugherty, 2009). Putnam (2000) points out that people who have weaker ties, but a wider network gain a great deal of information and interact with people from diverse backgrounds. Hence, they develop much wider perspectives. Therefore, individuals who use bridging social capital tend to have greater peer communication

in their social networks, which may influence their purchase intentions. Likewise, consumers who use bonding social capital gain consistent emotional support from their in-groups through peer communication through their social networks. This also can have an impact on their purchase intentions (Wang, Yu, & Wei, 2012; Lueg & Finney, 2007). Previous studies show that engaging in social interactions can influence consumer decision-making and that social capital is a set of resources embedded in social interactions (Dholakia, Bagozzi, & Pearo, 2004). Hund & Li (2007) were more intrigued by the role social capital plays vis-à-vis consumption. Social capital is rooted in the structure of social networks and the relationships among mutually acquainted and recognised people (Huang, 2015). In addition, social capital can be an affective determinant of relationships on social networks, which can contribute to peer communication. Therefore, interaction can be considered an influential agent of consumer socialisation (Huang, 2015; Zhang & Daugherty, 2009). This research will examine the impact of the social capital on the luxury brand consumption.

There is considerable academic interests in the marketing of luxury of goods and services (Ko, Costello & Taylor, 2019). Consumption of luxury goods has become a global phenomenon in most countries such as China, India, and generally throughout the Middle East (Ko, Costello & Taylor, 2019). In addition Middle East consumers have derived of the growth to the luxury market (Ko, Costello & Taylor, 2019 ; Kim & Ko, 2012). In the global context, the luxury industry has proven itself to be financially healthy and viable thanks to brand image, innovation, and creativity that has enabled it to thrive and remain attractive to consumers (Bahri-Ammari et al., 2020). Accordingly, Bain and Company (2017) the luxury industry's turnover is expected to reach \$285 billion by 2020 (Bahri-Ammari et al., 2020)

The luxury industry is continuously evolving due to myriad of environmental, cultural and technological factors. luxury brands and their actors are forced to acclimate and adapt to local contexts, cultural standards, new technologies that dictate the future of their products, and force them to meet the ever-changing needs of their consumers (Kapferer and Vincent, 2008). Globally, actors of the luxury industry face increasingly intense and complex economic, financial, technological, and cultural environments (Bahri-Ammari et al.,2020 ; Chandon et al., 2017). The differentiating feature of the luxury brands market, in contrast to other industries, is its ability to penetrate both international and domestic markets smoothly. Similarly, interest in luxury brands is fuelled, in part, by the ability of this industry to withstand the tremors of a financial crisis and to cope with the aftershocks with significant force, even when other industries are severely affected by the crisis (Sullivan, 2009). This is particularly true in the Middle Eastern market (Deloitte, 2016).

Researchers have indicated consumers do try to meet a diverse range of objectives when they purchase luxury brands. For instance, Kessous and Valette-Florence (2019), Lunardo and Mouangue (2019), Zhang and Zhao (2019), Stathopoulou and Balabanis (2019) ,Reddy (2008) point out that consumers spend huge amounts on luxury brands because they are seeking a uniqueness and exclusivity, one-of-a-kind product that nobody else is wearing; whereas Kessous and Valette-Florence (2019), Chang et al. (2019), Lunardo and Mouangue (2019), Shao et al. (2019a), Husic and Cicic (2009) and Vigneron and Johnson (2004) maintain that consumers like to spend on luxury items because they want to show others their status. Moreover, Amatulli and Guido (2011) found that consumption of luxury goods is one way to showing belongingness to a group. Therefore, the antecedents of consumption of luxury goods are varied, and they have not been specified based on culture or region. In the theoretical perspectives on the luxury consumption behaviour, Leibenstein (1950) has put forth a theory

identifying three consumption effects: bandwagon, snob, and Veblen. The bandwagon effect refers to the degree to which consumer demand for a product increases because others are consuming or demanding the same product. Thus, bandwagon consumption indicates a higher tendency toward conformity to social norms. On the other hand, the snob effects refer to the degree to which the demand for a product decreases owing to a hike in demand or consumption by others. Thus, the snob effect reflects an individual's desire to differentiate oneself from the social group (Vigneron & Johnson, 1999). In other words, the bandwagon effect occurs when consumers prefer a famous luxury brand because they are seeking acceptance and recognition by their reference group. On the contrary, the snob effect occurs when consumers purposely buy uncommon luxury brands to show dissociation from the general masses and to reflect a unique self-image (Vigneron & Johnson, 1999). The Veblen effect occurs when an individual consumes products to show high social status. The higher the monetary value of a product, the higher is its preference. Thus, the bandwagon and snob effects address psychological desires, whereas Veblen is based on price only (Vigneron & Johnson, 1999). These three-purchase behaviours are used to represent the luxury consumption construct in this research.

The Leibenstein (1950) consumption effect is demonstrably interlinked with social influence which culminates into "normative influence", a type of social influence over an individual that leads him/her to conform with others in order to feel accepted in a group (Orth & Kahle, 2008). Consumers less susceptible to normative social influence will not depend much on the approval of their social group. On the contrary, those with more susceptibility to normative influence will seek approval from others and will be more willing to follow others' purchase actions (Yim, Chan, & Hung, 2007). It is this high susceptibility to normative influence that requires consumers to use social media like Facebook as means of signalling to their social group, where their luxury brand purchases may help indicate a sense of

belongingness, acceptability, and self-presentation (Orth & Kahle, 2008). In short, the higher the need to conform to others based on one's cultural orientation, the higher the susceptibility to normative influences, which might affect decisions about luxury brand consumption (Kessous and Valette-Florence, 2019; Cheah et al., 2019; Zhang et al., 2019; Prentice and Loureiro, 2018).

The constant exposure to marketing or branding messages reinforces materialism in consumers as they seek to hold material items in this case, luxury brand items. In fact, with the advent of social media websites, consumers are not only reminded, but they are unconsciously persuaded, to consume luxury brands, as marketers base their marketing messages on triggering one of the factors that drive purchases (Ortved, 2011; Burkitt, 2011). In other words, the stronger the materialism demonstrated by an individual, the higher will be the inclination to consume luxury brands (Kapferer and Valette-Florence, 2019; Audrin et al., 2017). Materialism is defined as the personal approach of associating higher importance to material holdings and possessions than intellectual or spiritual holdings. According to Chan et al. (2015), materialism is nothing but an infatuation with worldly things to the extent that physical comfort or material possessions are preferred to spiritual or intellectual values. This research will evaluate the moderated impact of the susceptibility of normative influence and individual materialism on the relationship between social capital, peer communication, and luxury consumption behaviour. The next section delineates the core concepts of social capital and luxury consumption, as conceptualised in this study

Table 1-1 Definitions of Key Variables

Variable	Definition
Social capital	Social capital is the resources that are embedded within, derived from, and available through an intricate social network of relationships that an individual possesses (Nahapiet & Ghoshal, 1998; Ellison, Steinfield, & Lampe 2007; Putnam, 2000). Predominantly, bonding and bridging have been used to categorise social capital.
Bridging	Bridging refers to weak social ties; individuals gain new and useful information or develop perspectives from weak connections that provide little to no emotional support (Putnam, 2000).
Bonding	Bonding refers to the kind of social capital that exists between people who have strong ties; those relationships have continual mutual reciprocity of emotional support (Williams, 2006).
Materialism	Materialism is defined as a personal approach that associates more importance to material holdings and possessions than to intellectual or spiritual holdings
Bandwagon	The bandwagon effect refers to the degree to which consumer demand for goods increases because others are demanding or consuming the same products (Leibenstein, 1950).
Snob	Snob effect refers to the degree to which the demand for a product decreases, owing to its rise in demand or consumption by others (Leibenstein, 1950).

Variable	Definition
Veblen	Veblen consumption occurs when consumer prefer to purchase a high monetary value product to show wealth and high social status (Vigneron & Johnson, 1999).
Normative influence	Normative influence is a type of social influence on an individual that leads him/her to conform to others to be accepted by a group (Orth & Kahle, 2008).

The context of this research, which examines the impact of social capital on luxury brand consumption, is the Middle East. This context is important not only because of the breadth of the market, but the inapplicability of previous research to the context of consumer behaviour in Middle Eastern settings. Previous studies focused more on Western cultures. Therefore, the rationale for selecting this context lies in the inapplicability of the previous studies to the national culture of Middle Eastern or Arab countries because of the contrasts with the Western culture. This is the case, not only because of patterns of consumption patterns but also because of differences in societal culture. which is a significant element in shaping the attitudes, behaviours, preferences, likes, and dislikes of its inhabitants (Kim et al., 2002). Moreover, unlike in the West, the Saudi Arabian market has everything imported because it lacks domestic production; therefore, investing in imported items as a regular purchasing activity is nothing out of the norm. However, it is interesting to delve deeper into the factors that drive the purchase of luxury brands as they are more expensive than other purchases. Suffice to say, this research attempts to add to the research field in this specialised area of the consumption of luxury brands in an Arab setting, that is, in Saudi Arabia.

In 2018 The luxury brand market in Saudi Arabia reached US\$ 14.5 billion, and that amount is expected to reach US\$ 22.2 billion by 2024. Saudi Arabia's retail market is the second largest in the Middle East and North African region, and it is the largest in the Gulf region. The retail industry in that country, because of the lack of domestic production, imports items in all categories. However, the young population in Saudi Arabia has been demanding high-end or luxury brands in the textile, automobile, cosmetics, furniture, and jewellery segments more so than other segments (Bain, 2016; Market Report 2019). Demographically, the population of the country is increasingly dominated by the younger generation, as the median age of the population in 2016 was 28.8 years, and 31% of the population of 31.7 million people was below 14 years of age (Euromonitor, 2016; Market Report 2019). The growing population of the country shows strong market growth potential for luxury brands in the foreseeable future. Saudi Arabia's GDP is growing, which, along with stable oil revenues, will result in increasing GDP per capita, leading to higher purchasing power for consumers (Market Report 2019). The demand for luxury brands in Saudi Arabia is also strongly driven by the high level of tourism in the country. On an annual basis, Saudi Arabia receives more than 1.4 billion tourists/pilgrims (for Hajj in Makkah and Medinah). Based on this trend, it is expected that tourism will generate \$30 billion a year by 2020, which shows the strong economic growth potential of the country, making it a strong contender in the luxury brands market. Regarding gender, the market has been segmented for both males and females. Recently, males accounted for the highest share of the luxury market. Regarding distribution channels, the Saudi Arabia luxury market has been segmented into online stores, mono-brand stores, and multi-brand stores (Market Report 2019).

Other than the purchasing power of Saudi consumers, the significance of the Saudi market, which justifies this research, is because it has attracted 329 top retailers from around

the world (BMI Research, 2016). The 35 huge and lavishly designed malls in Riyadh, and 26 more in Jeddah, provide one-stop shopping for Saudis for luxury brand purchases. According to Deloitte (2016), clothing and footwear form the largest purchases in the luxury brand category, which is expected to grow by 6% annually between 2016 and 2019. As mentioned previously, the consumption of imported, high-value items is not a new phenomenon in Saudi Arabia. However, with the advent of globalisation, luxury brands have adopted a global reach, and the increased frequency of international travel and/or studying in international universities have provided opportunities for the young population from the Arab/Middle Eastern to adapt to Western culture much more than their native culture. It is this adaptation, as well as heightened brand consciousness, that has led to increased luxury brand consumption in the Middle Eastern/Arab regions.

Saudi Arabia is a lucrative market, as it is the largest in the Middle Eastern region, which is the 10th largest luxury goods market in the world. According to a report by Luxury MENA (2016), the demand for luxury brands in Saudi Arabia has also increased because of the high use of social media websites. Saudis most easily adopt those fashion trends that incorporate style and unique design into their culture and tradition. For example, while talking about Saudi women consumers, one can argue that they wear the abaya and hijab, so what good it is for them to buy luxury brand apparel? However, women are most commonly observed in Saudi Arabia flashing luxury brand purses, wristwatches, and shoes, and wearing high-end, branded clothes when they are with other women and men are not present. Moreover, D&G recently launched an abaya collection for Muslim women (Forbes, 2016). If this it is a hit, it opens up a huge untapped market for international brands targeting Muslim women. The fact that major international brands like Burberry, Prada, Mulberry, Tiffany & Co., Louis Vuitton, D&G, and Chanel have entered the Saudi retail space to have more control over their

international operations, indicates the high demand and strong growth potential of the Saudi Arabian luxury brand market. Last, the rise of mall culture in the country also has substantially augmented luxury brand consumption in the country. The high temperatures all year round make it impossible to leave the calm of the house in the sweltering heat. However, the cool, comfortable, and calm environment of shopping malls provides a suitable platform for Saudi luxury brand consumers to experience the purchasing of Tom Ford or Chanel, or any other major brand in a purchase-conducive environment, adding to the uniqueness of the luxury purchase experience (Bain, 2016).

1.1.1 Research Aim

The aim of this research to examine the impact of social capital on luxury brand consumption. In addition, evaluate the impact of demographic variables and psychological factors on the link between social capital and luxury brand consumption will also be examined.

1.1.2 Research Questions

To meet the research objectives, this study will address the following research questions:

Table 1-2 Research questions and objectives

Research questions	Research objectives
Q1. What is the role of online social capital in luxury brand consumption?	1-To evaluate the impact of social capital on luxury items consumption
Q2. Does peer communication mediate the relationship between online social capital and luxury brand consumption?	2-To examine the impact of peer communication on the link between social capital and consumption of luxury goods in the Saudi Arabian context; and
Q3. To what extent do demographic and psychological factors moderate the relationship between social capital and luxury brand consumption?	3-To evaluate the impact of demographic factors (gender, age and income) and psychological factors (consumer's materialism and susceptibility to normative influence) on luxury consumption.

1.2 Research Scope

This research examines the factors that influence luxury brand consumption in general and in Saudi Arabia in particular. Social capital theory is the theoretical foundation underpinning the ideas used in this study. Social capital theory demarcates social capital (social resources that an individual possesses) into bonding and bridging. The former refers to a close-

knit network, whereas the latter refers to a social network with a looser grid (Williams, 2006). This demarcation helps in studying two different types of luxury consumption: bandwagon and snob. The former refers to consumption driven by popularity, whereas the latter refers to the high need for uniqueness that leads to not consuming highly popular products (Putnam, 2000). This research work primarily attempts to study the relationship between each component of social capital and the patterns of luxury brand consumption with a focus on the bandwagon, snob, and Veblen effects. Moreover, it also attempts to examine the impact of demographic factors (gender, age, and income) and psychological factors (consumer materialism and susceptibility to normative influence) on the links between social capital and luxury consumption. Because peer communication is an important factor that maximises the value of the interaction between actors, this research examines the mediating effects of peer communication on the relationship between social capital and luxury brand consumption.

1.3 Research gap and potential contribution

Research on consumer behavior and consumption practices such as purchasing luxury goods is mainly grounded in four categories: personal factors, psychological factors, cultural and social factors (Dhaliwal et al., 2020). Literature on personal factors that influences luxury brands consumption is largely focused on brand knowledge, income, personality personal value, self-success and richness (Zhang et al., 2019; Schultz and Jain, 2018; Kauppinen; Eastman et al., 2018; Pham et al., 2018; Kapferer and Florence, 2019). In addition, there is rigors literature on psychological aspects such as self-esteem, emotional value, purchase intention and attitude (Zhang and Zhao, 2019; Cheah et al., 2019 ; Amatulli et al., 2018; Prentice and Loureiro , 2018) Kessous and Valette-Florence ,2019; Jiang et al.,2019 ; Shao et

al., 2019b; Carrillat et al., 2019; Schultz and Jain, 2018; Eastman et al., 2018; Kim, 2018; Choi et al., 2018).

The literature, extensively, points to a growing emphasis on luxury brands consumption and how it influences various outcomes, such as brand equity brand prestige, brand quality, brand exclusivity, brand communities, and brand prominence and social status (Liu et al. 2017; Kessous and Valette-Florence, 2019; Zhang and Zhao, 2019; Stathopoulou and Balabanis, 2019; Lee et al., 2018; Amatulli et al., 2018, Shao et al., 2019a ; Lee et al., 2018; Kessous and Valette-Florence, 2019 ; Stathopoulou and Balabanis, 2019; Amatulli et al., 2018; Kim, 2018; Pham et al., 2018; Lee et al., 2018; Kapferer and Valette-Florence, 2018; Giovanni et al., 2017). Some studies also explored the differences in consumption in emerging and developed economies, while others focus on social media interactions such as customer engagement, the visibility of luxury brands on social media and the psychological factors behind consumption of luxury goods are often moderated by electronic word of mouth (Shukla, 2012; Giovanni et al., 2017; Liu et al., 2019; Charoennan & Huang, 2018; Shultz & Jain, 2018; Romao et al. 2019; Choi et al. ,2018; Koivisto and Mattila., 2018; Chandon et al., 2016; H. Kim et al., 2015; Xu-Priour et al., 2014; Teimourpour and ; Brun et al., 2013; Kim and Ko, 2012; Gupta & Vahra, 2019). Despite the increasing interest in luxury brand behaviour, spurred by the growth in luxury brands worldwide, the above-stated studies payed little attention to the impact of social factors on social media. Dhaliwal et al. (2020) asserted the limitation of the literature on the impact of technology and social media on luxury brands consumption behavior aspects. Moreover, the above-stated literature were not grounded in theory, according to Dhaliwal et al. (2020) this is a call for future research be grounded in different theories. To that end, this research is grounded on online social capital theory and its impact on luxury brands consumption, and how online peer interactions mediate this relationship. Thus, the social

capital can be a vital intangible asset for brands in their marketing strategies on the social network sites (Antoniadis & Charmantzi , 2016)

Although, previous studies have examined the role of demographic variables such as gender; however, these studies have linked gender directly to consumption (see Elyette et al., 2017; Stokburger-Sauer & Teichmann, 2013). Previous studies have not examined the extent to which demographic and psychological factors moderate the relationship between social capital and luxury brands consumption through online peer communication. This study fills these gaps by generating a new conceptual framework based on online social capital vis-a-vis luxury brands consumption behaviour.

The empirical findings have shown how online social capital dimensions (bridging and bonding) interact to facilitate peer communication that leads to consumption of luxury goods. The interaction that is rooted in social networks has been emphasised to be moderated by gender differences and individual's level of susceptibility to normative influence. The applicability of social capital theory has not been conducted in previous studies. Therefore, the notion of grounding social capital theory to marketing context especially luxury consumption significantly compliments literature on luxury brands consumption. In addition, online social capital theory has not received much attention in the literature, and remains understudied, especially on marketing and consumer behaviour (Williams, 2006). Against this backdrop, primary research has revealed that online bonding and bridging social capital have different potentials than offline bonding and bridging, the online interaction mechanism enables consumers to cross boundaries to share and gain information about products which in turn strengthens the bonding and bridging connections (Haythornthwaite, 2002).

In addition, previous research focused on Western and East Asian settings (Hennigs et al., 2012; Shukla, 2011; Bian & Forsythe, 2012; Ko, & Kim, 2010; Shukla & Purani, 2012). However, limited research has focused on consumption of luxury goods in the Middle Eastern or Arab regions. There is a call for research on emerging markets which tend to be promising markets for luxury brands (Dhaliwal et al., 2020). In addition, the need to conduct research in a Middle Eastern setting is due to the fact that Western and Middle Eastern cultures are very different from each other. Previous studies like Zeffane (2014), Li and Su (2006; 2007), Triandis et al. (1998), Teresa et al. (2010), and Kazarian (2011) have pointed out that Western culture is characterised by individualism (one of Hofstede's cultural dimensions), whereas Middle Eastern culture is characterised by collectivism. This difference in cultural orientation affects social values, normative influence, the impact of peer communication, and in turn, luxury brand consumption.

Regarding the literature on luxury consumption, previous studies do not provide a complete model for understanding consumer behaviour regarding luxury brands (Bian & Forsythe, 2012; Hennigs et al., 2012; Dubois, Czellar & Laurent, 2005; Wong & Ahuvia; 1998; Tsai, 2005; Wiedmann et al., 2009 ; Shukla & Purani, 2012; Ko & Kim, 2010; Shukla, 2011). Although evidence suggests that these studies have raised interesting questions, not many have focused on the bandwagon, snob, and Veblen effect for luxury products by taking social capital, demographic variables and psychological variables into account in the setting of an Eastern culture. It has been shown empirically that culture plays a significant role on consumption (Strebinger, 2018). For this reason, it is pertinent to examine these factors in the context of Middle Eastern countries to further understand how these mechanisms interact and what affects their generation. An examination of brand consumption patterns has not been researched in a Middle Eastern setting. This examination improves our theoretical and empirical understanding

of the links between dimensions of social capital and consumption of luxury goods. It finds that social resources embedded in interactions have a significant impact on luxury brand consumption in a Middle Eastern country. This is very different from the current literature on social commerce.

This research has made a significant theoretical contribution as well as having important managerial implications. As mentioned above, the extant literature on luxury consumption has a weak theoretical grounding. This primary research contributes to the theoretical dimensions of purchasing and consumption, as it proves the applicability of various theories such as the social capital theory, which reveals a significant positive relationship between online social capital and the consumption of luxury goods.

There is also the notion of Veblenian consumption, where certain groups are engaged in consumption of luxury goods and overt spending. This idea has been challenged in empirical findings. The results show that Saudi consumers with low, average, and high income are consuming luxury goods. Therefore, this contribution to the literature to emphasise the notion that individual income doesn't affect luxury consumption. As a result, the social impact and peer pressure on social network sites can lead to consumption of luxury goods by Saudi consumers of all income levels.

Furthermore, the primary findings reveal that women are more influenced by online peer communication, which encourage them to consume luxury goods. This can contribute to extant literature which has not arrived at this finding regarding communication.

Regarding cultural influences, it was assumed that in cultures that have some collectivist characteristics like Saudi Arabia, consumers are connected with bonding ties. However, the findings of this study show that Saudi consumers are engaged in both bonding and bridging in the same way. This leads to the idea that cultural characteristics are mitigated

in online interactions and communication among Saudi consumers while some personal aspects such as susceptibility to normative influence are affected by the cultural context.

From a managerial perspective, this study provided in-depth information about luxury product marketers and advertisers not only by shedding light on the drivers of consumption of luxury goods, but also by making a link between those drivers and the resulting patterns of consumption. This in turn help strategists improve their segmentation philosophy. As Saudi consumers are susceptible to normative influence, this can help luxury brands marketers to increase their influence on social media through social media influencers. In addition, the moderation impact of age and income on luxury consumption is insignificant. This can help the luxury brands to target all income and age groups in the market.

On the other hand, the huge impact of social networks on the consumption of luxury goods could have a negative impact on luxury brands. Increase visibility on social media could lead a luxury brand to lose its psychological value. A luxury brand should maintain its accessibility and exclusivity to implement more sophisticated segmentation and targeting.

1.4 Structure of This Research

Chapter one provides background information about social capital and about the consumption of luxury goods in general and in Saudi Arabia in particular. It also presents the research aim, research objectives, and research questions that guide this effort. Finally, the chapter discusses the research gap that exists in the literature, the contribution of this research, and the scope of this research.

Chapter two, the literature review, discusses the state of research into the consumption of luxury goods, and it provides background on social capital. Then presented the research model and the development of the research hypotheses.

Chapter three covers the research methodology, strategy, sampling, data collection, measures, the pilot study, and ethical considerations.

Chapter four presents the research findings, the validity and reliability of the measurements, and hypothesis testing.

Chapter five discusses the research findings in the context of previous studies, as well as the theoretical and practical contributions of this research. It also presents the research conclusion, limitations of the study, and suggestions for future research.

2 LITERATURE REVIEW CHAPTER

This chapter presents a review of the key literature on the factors that influence luxury brand consumption in the age of social networking sites. This includes an overview of the topics and sub-topics that help explain the variables of interest in more detail. The chapter begins by examining the various definitions of ‘luxury brand’ in the literature. This is followed by an examination of the impact of culture on the consumption of luxury goods with a focus on collectivistic culture (representing Arab culture). This is followed by an examination of the functional, financial, individual, and social factors driving such consumption and an exploration of attitudes toward luxury brand consumption, consumer materialism, and three specific types of consumption (snob, bandwagon, and Veblen). The third part of the chapter explains the impact of social interaction on consumption of luxury goods; sheds light on the definitions and types of social capital; and examines how the different types of social capital affect a person’s susceptibility to normative influence, which in turn affects luxury brand consumption. The final section presents the conceptual framework for this research.

2.1 Luxury Brands

Luxury brands, originally owned and managed by families, have been around for over 100 years. In 1856, Thomas Burberry founded Burberry, a family store that he owned and managed (Collins, 2009). Gucci, another family-owned and managed store, was founded in Florence in 1921. In the 1980s, three luxury designers, Bernard Arnault, Francois Pinault, and Johann Rupert, acquired many family-owned stores in France. Thus, three luxury brand names were established: LVMH, Kering, and Richemont. By establishing those luxury brands, multinational corporations within the luxury market became prevalent (Som & Blanckaert, 2015). In the late twentieth century, luxury products became easily accessible for consumers

around the world. Although luxury brands are consumed across many different cultures, the term ‘luxury’ may be defined differently.

Over the last two decades, researchers have studied luxury brands from different perspectives. According to Berry (1994), each definition highlights a specific aspect of a luxury brand. Some definitions emphasise beauty whereas others emphasise expansiveness. For instance, Grossman and Shapiro (1988) defined a luxury brand as a prestigious product whose value is based on social value, while Nuño and Quelch (1998) define luxury brands as “those whose ratios of functional utility to price is low and ratio of intangible and situational utility to price is high“. Vigneron and Johnson (1999) defined luxury brands as the most prestigious of products in their respective product categories. They are ranked the highest in terms of status and quality when compared with other products in the category. This definition addresses a gap between the two earlier definitions, since it includes more luxury values.

The definition used in this research is that of Vigneron and Johnson (1999). It includes more luxury values, which makes it the most suited for this study, as this research assesses luxury values from a holistic viewpoint. This definition is used also because it includes the scope of social value of luxury. Thus, a luxury brand is at the highest level of prestigious products. This means that the luxury brands examined in this study are ranked at the highest status levels compared to other products.

This definition has already been applied in several studies. Park et al. (2008) used it to examine different physical and psychological dimensions of a luxury brand: purchasing frequency, conformity, consumer ethnocentrism, social recognition, and pocket money. Hennigs et al. (2012) used this definition to investigate cross-cultural consumption of luxury goods. The luxury values that were investigated were financial, functional, individual, and

social values. For instance, Gucci as a luxury brand has many physical and psychological values. It has a good history, high quality, reputable country of origin, a charismatic founder, and celebrity associations (DeFanti et al., 2014). Bian and Forsythe (2012) also focused on the intercultural aspect of luxury brand consumption, providing insights into Asian luxury consumption. The physical and psychological values highlighted in this research are the functional, social, and individual values.

Someone often buys a product either because the individual likes the product or because others will like it. According to Vigneron and Johnson (2004), consumers' motivation to purchase luxury items is influenced by various internal and external factors. Internal motivations associated with consumption of luxury goods, such as self-reward, are derived from subjective feelings and emotions, in addition to individual attitudes, pleasures, personalities, self-esteem, perfectionism, and originality. External motivations are associated with social aspects and economic status, including reductions in production costs, promoting equal employment rights, reducing employment rates, increasing disposable income, and increasing wealth in different countries (Truong, 2010). This suggests that consumers wish to be socially exclusive and become associated with the richest social class, or at a minimum, emulate that class. Han et al. (2010) conclude that consumers may wish to entice people and demonstrate their wealth.

Although there have been several studies of the consumption of luxury goods, few have discussed the concept in the framework of the cultural features of individualism and collectivism (Park et al., 2008; Shukla, 2011; Bian & Forsythe, 2012; Hennigs et al., 2012; Shukla, 2012). Indeed, there is need to understand luxury in the context of culture, as there may

be distinct differences across cultures. The next section discusses the literature relevant to the concepts of individualism and collectivism.

2.2 Impact of Collectivist Culture on Purchasing Luxury Items

2.2.1 Individualism versus Collectivism

Before studying the impact of collectivist cultures on individual purchasing decisions, it is imperative to explain two cultural orientations, collectivism and individualism. Hofstede (1980) designed a framework with five cultural dimensions, including individualist and collectivist factors, providing what is arguably the first formal definitions of these two factors in the study of business and psychology. He defined individualism as “a society in which the ties between individuals are loose: everyone is expected to look after her/his immediate family only”, whereas collectivism “stands for a society in which people from birth onwards are integrated into strong, cohesive in-groups, which throughout people’s lifetime continue to protect them in exchange for unquestioning loyalty” (Hofstede, 2000, p.225). The studies by Triandis (1972, 1992a; 1992b) provide some of the earliest empirical evidence of individualism and collectivism. Triandis saw Greece as collectivist and America as individualist, and he said that they are polar opposites when it comes to how individuals identify their basic values, prioritise personal advantages or their social groups’ shared benefits, and behave toward in-groups and out-groups. Hofstede (1980) connects individualism with societies where bonds between individuals are loose: people prioritise their own well-being and their family’s well-being over others. Individualistic behaviour is common in Western culture (Van Lange et al., 2011).

In contrast to the individualist cultures associated with Western countries, collectivist cultures are native to Middle Eastern and Asian countries (Hofstede et al., 1991). According to Hofstede (2011), collectivism involves subordinating personal interests for the sake of a much

broader group within a given country's community and society. Collectivist individuals prioritise other people's interests over their own. For example, Saudi Arabia is a collectivist country where many luxury items can be purchased. Since Saudis are more likely to consider the well-being of others before their personal well-being, they may refrain from purchasing such items because they are not essential to their needs and they may put the money to better use. Likewise, Kelly (2012) found that individuals in a collectivist culture have the impression that they are responsible for the group and are more in favour of sharing group awards. Therefore, collectivist individuals are key contributors to society; they are not concerned about others taking advantage of them.

Building on Hofstede's earlier work, Triandis conducted another study which outlines four features of individualism and collectivism: 'self-concept; importance of relationships; personal goals versus the in-groups' goals; [and] reliance of social behaviour on personal attitude or norms on perceived duties and obligations' (Triandis et al., 1995, De Mooij & Hofstede, 2011).

According to Nayeem (2012), Hofstede also coined the term, the 'natural culture', in which culture is shared and accepted only by the members of a given nation. In other words, collectivist people inhabit collectivist nations, while individualist people inhabit individualist nations. Furthermore, both collectivist and individualist cultures differ from country to country, given that different countries have different religious and social backgrounds. Hofstede further claims that individualism is most prevalent in Western nations, while collectivism is most prevalent in Eastern and Asian nations. Hofstede (1980) concludes that the extent of both individualism and collectivism differs from country to country.

Several studies have helped to differentiate collectivism and individualism, and they have shown that some cultures are collectivist while others are individualist. (Triandis, 1972;

Leung et al., 1992; Triandis, 1992a, 1992b; Triandis et al., 1995; Li & Su, 2006; Tynan et al., 2010; Kazarian, 2011; and Zeffane, 2014). Even within one culture, people can be collectivistic or individualistic and that collectivism and individualism can exist in the same culture. In their comparison of the United States and Hong Kong, Hui and Villareal (1989) conclude that collectivist people have a high need for affiliation, nurturing, and succouring, but a low need for autonomy. This is in total contrast to individualistic people.

There are also differences between urban and rural people both within a culture and across different cultures. In their examination of American and Kenyan society, Ma and Schoeneman (1997) found that people from customary, collectivist Kenyan societies would have plans toward themselves that include more social parts than would those from individualistic American society (Hofstede, 1980; Hofstede et al., 1991; Hofstede, 2011). The thoughts about oneself of urbanised and educated Kenyans would be less social than those of conventional Kenyans. These results suggest that Kenyan attitudes are more aggregate and less individualised than Western or American thoughts about oneself. Moreover, elements of urbanisation, improvement, modernisation, and instruction may affect plans for oneself for Kenyans living in Nairobi and bring about a diminished level of collectivism (Ma & Schoeneman, 1997). Therefore, based on Hofstede's work and other studies, different countries have different individualistic and collectivist cultures. This in turn can affect peoples' behaviours, and those behaviours can reflect peoples' important purchasing decisions. Since Saudi Arabia is identified as a collectivist country in the Middle East, the following sections focus on the relationship between collectivism and the decisions people make when purchasing luxury items, both generally and in the Saudi context.

2.2.2 Collectivism and Purchasing Decisions

To understand collectivism in relation to peoples' decisions to purchase luxury items, it is necessary to first establish a general relationship between collectivism and peoples' purchasing decisions. Since most aspects of consumer behaviour are influenced by culture, many researchers have come to the realisation that consumers' decisions are affected by cultural characteristics (De Mooij & Hofstede, 2011). Kotler (2008) suggests that culture is defined as peoples' perceptions of the values, desires, perceptions, and behaviours in social groups, such as friends, family, organization, and so on. However, culture in the literature is defined as a prism through which consumers influence other consumers' buying behaviours and assimilate product information. Derived from what individual buyers observe through the prism, they make their own buying decisions (Solomon et al., 2013). Therefore, it can be deduced that consumers' decision-making methods involve a mental process that shapes their purchasing decisions and that this is greatly affected by the culture in which the consumer resides.

Kotler (2008) divided the factors affecting consumers' decision-making into four characteristics: personal factors, cultural factors, psychological factors, and social factors. Consistent with this theory, collectivism, which is a cultural value typifying the bond between people and their social group is thought to significantly affect buyers' purchasing decisions. In addition, many researchers have recognised that peoples' buying decisions are mostly influenced by the groups with which they are affiliated (Laroche et al., 2005; Usunier & Lee, 2009). Lee and Ro Um (1992), who explored the differences between how consumers in collectivist and individualistic societies value products, found that the purchasing decisions of consumers in collectivist cultures are influenced by the importance of family. This is because collectivists are more family orientated than individualists are. Similarly, Muk et al. (2014)

found that in collectivist societies, peoples' purchasing decisions are strongly influenced by perceived behavioural control, attitudes, and social influence. This suggests that decisions of collectivist consumers to purchase luxury items is mostly subject to the opinions of other people, including friends, family, and society. Therefore, it can be deduced that other people will likely purchase luxury items if their group values them.

In the view of Usunier and Lee (2009), understanding the effects of collectivism on consumers' purchasing decisions can help marketers make key decisions about how to localise products and services when expanding their business to international markets. Studies have found that both individualistic and collectivist markets are equally successful as in their respective countries (Yi-Cheon Yim et al., 2014). However, Hofstede (2011) argues that since different collectivistic countries have different collectivist values, there are considerable variations in research findings. For example, Leng and Botelho (2010) found that in Japan, Brazil, and the US, collectivist consumers are less aware of a product's quality, while Leo et al. (2005) found that countries like Australia and Singapore share similar purchasing behaviours by both individualist and collectivist buyers. Leo et al. (2005) also found that collectivist buyers, in particular, are more interested in innovation. These findings suggest that collectivist buyers are more interested in the novelty aspects of luxury items than the actual quality, which individualist buyers are fonder of. Moreover, purchasing luxury items involves consumer effort when searching for, gathering, and processing information from different sources prior to making the purchasing decision (De Mooij & Hofstede, 2011). Nayeem (2012) documented the impact of collectivism on consumers' buying decisions, particularly in terms of high-involvement products. However, that work has a very narrow scope, since only collectivist buyers in Australia were studied. It does not distinguish between collectivist consumers in different collectivist countries in the choice of high-involvement products.

Although there are studies such as (Choi et al. 2018; Eastman et al.,2018; Xu-Priour et al. ,2014; Bian and Forsythe ,2012; Eng and Bogaert ,2010; Park et al. ,2008) that revealed and emphasised the positive relationship between luxury brands consumption and collectivism culture. But these studies refer to collectivist and individualist cultures in countries, such as the US, China, and European countries, and only one study conducted by Abalkhail (2015) explored Saudi collectivist culture. Abalkhail (2015) compared collectivist cultures, in this case Saudi Arabia, with the United States' individualist culture in terms of individual values vis-à-vis luxury brands consumption, and Abalkhail found that individualism was moderated by the relationship between functional value and luxury purchase intention. Therefore, more studies on the luxury consumption from the cultural perspectives are required particularly in Saudi Arabian context. According to Abalkhail (2015) Saudi culture has a tendency toward luxury items.

2.3 Overview of Luxury Brand Consumption

The growth of luxury product consumption has encouraged researchers to study various dimensions such as the impact of attitude and luxury purchase intention. Zhang and Kim (2013) examined the factors affecting consumers' attitudes toward buying luxury fashion items in China. They examined five core factors "brand consciousness, materialism, social comparison, fashion innovativeness, and fashion involvement". They also examined the impact of consumer attitude on luxury purchase intention. They found that Chinese consumers' attitudes toward buying luxury products were rather positive. Three of the factors they identified brand consciousness, social comparison, and fashion innovativeness appeared to have a profound impact on consumers' attitudes toward buying luxury fashion goods.

Luxury purchase intention measures a person's attitude toward the act of buying, rather than the attitude toward the product itself (Solomon, 2011). Purchase intention shows the extent

to which a person is willing to purchase a product. For instance, a study of young Korean consumers on global luxury brands (Park et al., 2008), attempted to identify the reasons they purchased global luxury fashion items along with the reasons that motivated their intentions to purchase luxury fashion. They discovered that the most significant factor was purchasing frequency. Other, less significant factors were conformity and age, racial superiority, social recognition, and pocket money. Vanity had no significant association with consumption of luxury goods. Although the researchers examined different determinants for specific consumers, some important purchasing factors still need to be investigated. Indeed, their study did not examine some individual and functional aspects.

Highlighting external and internal motivation for purchasing luxury brands, Truong (2010) focused on personal aspirations and the consumption of luxury goods. The impact of external and internal personal aspirations on consumer decision-making in the luxury products market was tested by developing a specific model. It was discovered that there was a strong relationship between external aspirations and quality search as well as a strong relationship between internal aspirations and self-pleasure. One recommendation was that brand retailers should consider both internal and external consumer motivations when designing their advertising to enhance brand loyalty in the long-term. Moreover, that study shows the effect of extrinsic aspirations on buying decisions, and it shows that extrinsic aspirations, more than personal aspirations, have a significant impact on purchasing luxury products (Truong, 2010). In a similar multinational study, Bruno et al. (2012) explored the impact of brand and country-of-origin on consumers' luxury purchasing decisions. They found that the importance of provenance on luxury buying decisions and that the consumers' buying decisions are subject to the maturity of the market. Table 2.1 presents a summary of the research related to luxury brand consumption.

Godey et al. (2012) explored the influence of brands on consumer purchasing decisions of luxury items in the US, Russia, India, Italy, France, China, and Japan. They found that the significance of consumers' provenance on deciding to purchase luxury items, as well as the consumer's actual purchasing decision, are subject to the maturity of the market. Even though that study was conducted in several countries, it failed to compare cultures concerning consumer attitudes toward collectivism.

On a final note, there is growing interest in using social media, in particular, to market luxury brands. Kim and Ko (2012) identified several aspects of social media marketing activities and the relationship of those activities to attitudes toward purchase intention, as well as value, relationship, customer and brand equities. They show that social media do in fact influence value, brand, and relationship equities, although customer equity was found to be negatively affected by brand equity. More importantly, they found that value influences purchase intention and purchase intention influences customer equity. The next section studies the impact of social interactions and social media on the consumption of luxury goods.

Table 2-1 Summary of Research Related to Luxury Brand Consumption

Research perspective	Source
Five core factors "brand consciousness, materialism, social comparison, fashion innovativeness, and fashion involvement" affect consumers' attitudes toward buying luxury fashion items	Zhang and Kim (2013)
The determinants of luxury brand purchases among young populations include conformity to the age group, racial superiority, social recognition, and pocket money.	Park et al. (2008)

Research perspective	Source
There is a strong relationship between external aspirations and quality search as well as a strong relationship between internal aspirations and self-pleasure.	Truong (2010)
Provenance is important in luxury buying decisions, and consumers' buying decisions are subject to the maturity of the market.	Bruno et al. (2012)

Although these studies were conducted in different countries with different cultures, they did not compare cultures regarding their attitudes toward collectivism. For marketing implications, there is an urgent need to understand consumers' consumption values for luxury products, as the consumption of luxury products globally is growing. Thus, consumers may value luxury products differently based on the cultural features of collectivism and individualism. Given these cultural differences, it is imperative that marketers of global luxury brands understand what consumers value, to market to them more effectively. The next section looks at luxury brand values together with consumers' luxury consumptions.

2.3.1 Luxury Value

Several studies have affirmed that luxury consumer values have different dimensions (Wiedmann et al., 2009; Tynan et al., 2010). These dimensions play different roles consumers' decisions. Wiedmann et al. (2009) claim that the understanding of consumer luxury value includes social, individual, functional, and financial aspects. They identify four key components of luxury consumer value to assess luxury brands, including sub-values ranging from price to prestige values.

2.3.2 Functional Value

2.3.2.1 Usability

Some consumers purchase luxury brands mostly for their functional value, which includes usability, quality, and uniqueness (Hennigs et al., 2012). The high quality of the product is one of the main functional values. Indeed, it is hard to imagine a luxury product with little or no quality. Although usability is a functional value, it is not as notable as quality and uniqueness. For example, consumers may purchase some luxury items without considering their usability. In this section, quality and uniqueness are discussed as functional values.

2.3.3 Quality

One of the key qualities that distinction luxury products from the rest of the competition is quality, and higher prices usually suggest quality. Hence, there exist a possible correlation between quality and cost, and it is usually a positive correlation vis-à-vis luxury goods (Stamper et al., 1986). Brucks et al. (2000) found that consumers use the luxury item's price to determine the product's quality. Beverland (2005) posits that the price of a luxury good is indicative of its quality. Against this backdrop, Lalwani and Shavitt (2013) underscore the importance of pricing of luxury goods in relation to consumers, since consumers are more inclined to use pricing information to inform their choices.

A study by Huang and Tan (2007) examined the quality and apparel design in Taiwan found that factors such as fashion sensitivity, material application ability, colour sensitivity, fashion trends, fashion market positioning, and management impact the quality of apparel design. Likewise, fashion style, cloth quality, cutting quality, discount, and personal favourites have a significant impact on consumers purchasing habits vis-à-vis apparels. Another study by

Perry and Kyriakaki (2014) examined the criteria of luxury fashion consumers in Greece via Sheth's (1981) model. They found that quality is the most important criterion in selecting suppliers and evaluating merchandise. Other important factors are design, style, fissionability, brand reputation, and appropriateness. That study sheds light on the decision-making process of consumers of luxury fashion, and it illustrates the importance of quality as an essential factor for making purchase decisions about fashion luxury products.

2.3.4 Uniqueness

Another dimension of functional value is uniqueness. Consumers, particularly collectivist ones, buy luxury products because of their unique qualities. Previous researchers have shown how luxury brands are linked to uniqueness (Miremadi et al., 2011). Because of their high price and rarity, consumers may feel that luxury products are distinctive and unique enough to differentiate them from other consumers. Thought previous studies highlight that consumers that prioritise uniqueness opt for rare and non-mainstream items (Lynn & Snyder, 2002; Workman & Caldwell, 2007).

Consumers desire for uniqueness is restricted by social norms. Some consumers may feel inclined to stand and be different, whilst abiding by societal norms and what society deems acceptable. A relevant study by Ruvio (2008) examined the importance of consumers desire for uniqueness, particularly fashion consumers. That study found that consumers wanted to display their "uniqueness" without violating their social norms (Alessandro et al., 2015). Therefore, it can be observed that consumers hold different rationales for displaying uniqueness. Hence, the disinclination of some consumers to avoid conformity is not the same for all consumers. Although these studies highlight a range of levels of need for uniqueness by consumers, they do not, however, demonstrate the inclination or appetite to purchase high-

priced luxury goods. A potential investigation into consumers' inclinations for uniqueness should provide useful insights on consumer behaviour and their inclination for luxury goods.

Miremadi et al. (2011), in a study conducted in Iran and the UAE, explored the effect of the need for uniqueness on the intention to buy luxury brands. They found that creativity, unpopular choice, and avoidance of similarity were the dimensions of uniqueness, and they discovered that expressing one's uniqueness without losing social assimilations was a reason given by the targeted consumers. They also showed interrelationships among the three main dimensions of the need for uniqueness. Although they compare two different cultures in terms of the need for uniqueness, both cultures represent collectivist societies. Thus, there is a need to address this gap by comparing the need for uniqueness in both individualist and collectivist cultures. Since the expression of uniqueness should occur within social norms, social value must be determined. Although some studies discuss the relationship between functional value and luxury brand consumption, there is still a need to explore the relationship between social value and luxury brand consumption. The next section reviews the literature on social value

2.3.5 Social Value

2.3.5.1 Prestige

Several studies have explored the link between social status and luxury brands and the impact of social status on peoples' preferences for luxury brands (Han et al., 2010). Still other studies have focused on how individuals seek new social status and prestige from luxury brands (Han et al., 2010; Nelissen & Meijers, 2011; Hennigs et al., 2012).

Loureiro and Araújo (2014) conducted a study in Brazil to examine consumers' individual and social luxury values. Specifically, they looked at how social luxury values affect consumers' attitudes and behaviour. They also investigated consumers' intention to pay more

for luxury clothing. Their results show that social values have a positive impact on subjective norms and a negative influence over controlling behaviour. Thus, consumers who look for social status may be motivated to buy luxury products. They also strongly urge others to purchase luxury goods.

Hennigs et al. (2012) divided consumers into four clusters in terms of their luxury values: luxury lovers, status-seeking hedonists, the satisfied unpretentious, and rational functionalists. That cross-culture study investigated the different values of luxury of consumers from 10 countries. The luxury lovers and the status-seeking hedonists showed high rates for social values. Indian, Japanese, American, and French consumers placed the most importance on social value, while Spanish consumers placed less importance on social value. Accordingly, consumption of luxury goods can be either conspicuous or inconspicuous.

Based on the status relations theory advanced by Milner (2004), which indicates that status symbols can be high visible material such as luxury products or invisible symbols such as post-nominal letters PhD (Mao et al.,2017). Yang (2012) reveals that consumers preferer to possess hard-to-achieve status symbols rather than easy to achieve symbols. In addition, the wealthy community consists of Patricians and Parvenus, Yang (2012) suggested. Patricians have considerable wealth, such as inconspicuously labelled, low consumption-related status criteria. Parvenus still has considerable wealth but seeks status through consumption of luxury goods and uses conspicuous signals to select luxury consumption. Their first interest is to distance themselves from others who are unable to afford luxury goods. Mao et al. (2017) argued that Patricians have strong intellectual, economic and social capital at all times. Therefore, over basic economic resources, they prefer to use harder-to-achieve cultural or social titles. They prefer luxury inconspicuously marketed and are low in the need for prestige linked to

consumption. Parvenus possess money but lack social or cultural resources. Therefore, by using obvious signals to attain social status, they prefer to consume luxury goods.

2.3.6 Conspicuous Value

Although status consumption and conspicuous consumption seem to have the same meaning, O’Cass and McEwen (2004) found that they are connected, but distinct. Both status consumption and conspicuous consumption are associated with the dimensions of consumers’ motivational behaviour toward products. However, each construct is unique, and it has distinctive characteristics that attract consumers. Besides how conspicuous consumption is different for different social class levels, there is also variation across cultures. Indeed, there is a relationship between conspicuous consumption and individualism. However, there is also evidence of conspicuous consumption in collectivism cultures. The Future of Luxury Goods and Growth and Valuation Multiples (2009) found that mature markets, such as Japan’s, have luxury brands that have penetrated almost the entire country’s population. In China, there was a projected increase in the consumption of luxury goods from 12 per cent in 2007 to 29 per cent in 2015/2016 (Zhang & Kim, 2013). Both Japan and China are considered to be collectivist cultures; other studies reveal contrasting results. Souiden et al. (2011) found that conspicuous consumption is higher in individualistic cultures, such as Canada, than in collectivist cultures, like Tunisia. Therefore, conspicuous consumption is less prevalent in collectivist cultures, which is of no surprise since collectivist consumers have been found to admire a luxury item’s uniqueness over actual quality.

However, individuals consume conspicuously for different reasons. Kastanakis and Balabanis (2014) believe that luxury brands are never consumed in the same way at the macro level, even macro-level outcomes, like snob or bandwagon consumption, are subject to micro-

level individual consumer characteristics. Yet some believe that consuming luxury items is a conspicuous waste, as it does not serve humans' well-being. Further, they feel it is wasteful mainly because of the high prices.

Social value may not have the same importance for all consumers. Some consumers purchase luxury brands to satisfy all values together, while other purchase luxury brands to satisfy their personal needs (Hennigs et al., 2012). Personal or individual values involve a different set of motivations. Thus, it is important that individual values concerning luxury brands also be assessed. The next section reviews individual values related to luxury brand consumption, self-identity, self-directed pleasure, and self-esteem.

2.3.7 Individual Value

2.3.7.1 Self-Identity

Self-identity is the total of the characteristics that people attribute to themselves (Sparks & Guthrie, 1998). Several studies have examined self-identity as a precedent to attitude, and consumers' attitude is the antecedent of purchasing intention. Shaw and Shiu (2002) discovered that there is a strong relationship between ethical obligations and self-identity on one hand and between the prediction of attitude and behavioural intention on the other. According to Sparks and Guthrie (1998), measures of identity are measures of the past. A mixture of values, attitudes, and repeated behaviours affects self-identity. It is difficult to measure self-identity because it is a complicated dimension that cannot be separated from other dimensions, like self-attitude and values.

Purchase intention and other consumer behaviours can be predicted from self-identity. Consumers behaviour is based on a variety of psychological values. Smith et al. (2008) used

“descriptive and injunctive/prescriptive norms”, “self-identity”, and behavioural patterns as ways to enhance the predictive power of planned behaviour theory. They found a clear relationship between individual characteristics, such as attitudes, norms, and past behaviour, and self-identity purchase intention. Therefore, purchase intention can be predicted based on self-identity. That is, consumers seem to behave in ways that are confirmed by their self-identity. The effect of self-identity is not universal in all societies, however. The impact of self-identity on consumer purchasing decisions differs from culture to culture. Hennigs et al. (2012) adds that US consumers prioritise individual values the most, followed by consumers from India and Brazil. Spanish consumers did not emphasise the significance of individual values on their decision-making. Consumers who prioritise their self-identity consider luxury an integral part of their lives, and strongly exhibit strong inclinations for status and hedonics. And these same consumers feel unrestrained by societal values and thus put their individual values first.

2.3.8 Self-Directed Pleasure

A number of researchers often refer to the motivation of directed pleasure as “hedonic motivation” (Dubois & Laurent, 1996; Vigneron & Johnson, 2004). Hedonic motivation involves an emotional response; consumers purchase a product to satisfy their emotional needs. The desire for pleasure is the consumer’s goal in such cases (Solomon, 2011). People shop to escape from their daily routine and to meet their pleasure needs. In fact, both personal and social pleasures are the result of hedonic motivation.

Shu-pei (2005) developed a model that specifies the precursors and consequents of and to personal orientation toward luxury brand consumption. He found that luxury brand purchase value is affected by personal orientation. He states that “independent self-construal” predicted self-directed goals of luxury brand purchase and self-directed pleasure. He maintains that there

is a need for self-directed pleasure when maintaining brand loyalty. This study confirms that purchasing luxury brands depends on both social and individual values.

Truong (2010) tested a model to examine the effects of extrinsic and intrinsic personal aspirations on consumer decision-making in the luxury brands market. He discovered a strong relationship between intrinsic aspirations and conspicuous consumption. Therefore, purchasing and consuming luxury products for quality and self-directed pleasure—and not conspicuous consumption—is common among consumers who value intrinsic aspirations. It follows that consumers focus more on their own pleasure when purchasing luxury brands than on the display of possessions.

Comparing individualistic and collectivist cultures (Britain and India) in terms of self-directed pleasure, Shukla and Purani (2012) found that individualistic consumers attach less psychological meaning to the consumption of luxury goods. Both cultures showed insignificant hedonism and pleasure-seeking. Consumers seem to prefer products that represent quality, aesthetics, and authenticity, rather than those that satisfy self-aspects. This preference may be due to the economic recession, which has forced consumers to consider rational values over pleasure-seeking. Although that study compared collectivist and individualistic cultures in terms of directed symbolic, hedonic, utilitarian, and cost values, some other important values still must be investigated.

2.3.9 Self-Esteem

There are numerous ways self-esteem might affect consumption. Mandel and Smeesters (2008) studied the significance of self-esteem in mortality salience consumption, and concluded that “mortality salience consumption” particularly increased for consumers with low self-esteem. Self-esteem also can affect consumers’ choice of products. They consume to

escape from self-awareness. That study demonstrated the relationship between self-esteem and consumption. When individuals have low self-esteem, they are more likely to increase their consumption activities.

Self-directed pleasure strongly affects self-esteem. Truong and McColl (2011) suggest that there is a relationship between self-esteem and self-directed pleasure. More so, they highlight how purchasing luxury products as a self-reward may enhance individuals need for self-esteem. Although that study expanded the understanding of the relationship between self-esteem and consumption of luxury goods, there are few reports on the impact of self-esteem on luxury purchase intention. Those authors say that future researchers should include self-esteem as an antecedent of luxury purchase intention.

2.4 Consumer Guilt

Burnett and Lunsford (1994) provide the earliest exploration of consumer guilt as they attempt to define and explain the term. They discovered that consumer guilt may justify the purchasing decisions consumers make and retailers can take the opportunity to encourage their customers to purchase their products. Consumer guilt is used to stimulate appeal in the market for unobjectionable behaviours, including tobacco and alcohol consumption. The authors conclude that feeling guilty concerns the level of control over a purchasing outcome. If the degree of control is high, so too are the consumer's guilty feelings. On the contrary, if there is little control, no guilty feelings will exude.

Hibbert et al. (2007) carried out a more extensive study to explore the degree of consumer guilt when exposed to donation advertising and donation intention. That study applied a persuasion knowledge model to examine the relationship between knowledge of persuasion tactics and charities. They discovered that both guilty feelings and donation

intention were positively correlated. Guilty feelings were found to be affected by persuasion knowledge. By showing the role of persuasion, their findings reinforce consumers' active role in marketing communications. They concluded that there is no relationship between guilty feelings and manipulative intent, but there is a relationship between guilt arousal and charitable beliefs.

Chattopadhyay (2010) discovered that one in three consumers around the world feel guilty about buying luxury brands. Their guilty consciences encouraged those consumers to change their minds about purchasing luxury items. This shows that personal feelings can affect one's purchasing decisions.

Dedeoğlu and Kazançoğlu (2010) identified five key aspects of consumer guilt: hesitation, sadness, reluctance to spend, regret, and self-blame. They argue that consumer guilt originates from 'transgressions, self-control failures, and indulgence in hedonistic desires' (Dedeoğlu & Kazançoğlu, 2010, p. 464). Actually, guilty feelings are superficial and last only for a limited time, and they often arise from one's actions (good/bad and right/wrong), according to the authors. Indeed, guilt is subject to individualistic values, including making important independent life choices and aiming for individual distinctiveness. Guilt often arises out of personal and socio-cultural norms.

Thus, factors like consumer guilt, collectivism, individualism, and luxury values lead to either good or bad attitudes in relation to luxury brand purchasing intention. To present a clearer understanding of consumers' luxury purchasing intentions on the consumption of luxury goods, the next section looks at the impact of social media on luxury brand consumption.

2.5 The Impact of Social Interactions and Social Media on the Consumption of Luxury Goods

The internet has come to play a key role in a company's communication and branding strategy, and its influence is beginning to extend to luxury brands. Peterson et al. (1997) predict that 'the Internet may serve as an effective communication and transaction medium' (p. 335), while Chaffey, Ellis-Chadwick, Mayer, and Johnston (2009) report that the highly interactive nature of the internet presents an opportunity to enhance relationships with consumers. However, one must consider that the quality of information presented on different internet mediums, including social media (SM), differs greatly, because that information comes from sources that range from interactive presentations to simple online conversations. Moreover, the degree of customer service companies (who use online resources) also differs (Riley & Lacroix, 2003).

SM is essentially an online medium that facilitates online-based communication and interaction (Kerpen, 2011). While typical media sources, such as TV, radio, and newspapers provide communication, SM goes beyond communication and includes interaction between online users. In addition, social media sites like Facebook, Twitter, and Snapchat enable users to share their thoughts and life events through imagery, text, and video, and they can even be used as an advertising platform to promote business and introduce products to the international stage. Blogging is another popular SM platform in which users can discuss and even review products and services. In short, the degree of communication and interaction on SM is limitless, and SM is beginning to promote luxury brands online (Bowen, 2014).

According to Riley and Lacroix (2003), the rules for both traditional and online-based branding are similar, except for a few minor adaptations. Thus, traditional offline marketing tools and online tools are not that different. In terms of luxury brands, Okonkwo (2009) states

that 'luxury goods are regarded as sensory', meaning that the sense of feel, sight, touch, and smell play a vital role in consumers' purchasing decisions concerning luxury items. Therefore, the internet is not always the best medium for retailing luxury goods, and e-Retail or online shopping lacks the human contact with goods and sellers. Nevertheless, the internet provides a limitless catalogue of goods and services, and consumers can quickly and conveniently access many shopping websites at the same time using a range of devices from any location. Based on these benefits, Okonkw (2009) argues that companies are beginning to exploit the internet to implement marketing strategies and adopting a new e-retail mode of business.

On that matter, the most important aspect of an online marketing is the website. studies suggest that a company's website is the most vital element in its online strategy (De Chernatony, 2001; Christodoulides et al., 2006; Kohli et al., 2015). In terms of SM and luxury branding, the website pages on the SM platform must give consumers that luxurious feeling, coupled with perfect aesthetics, so companies can communicate their exclusivity and high-end quality items, in addition to making the brand image as innovative as possible (Bowen, 2014). Nevertheless, providing luxury through the internet is still in its early stages, and it gives many companies who sell luxury brands the opportunity to take advantage of it. Considering that the internet is constantly evolving, however, other innovations and technologies will enter the market.

Consumers of luxury brands have come to crave more attention from their preferred brands and to have their particular interests and demands heard. Instead of traditional sales methods, luxury consumers want a more interactive marketing approach to influence their purchasing decision. Okonkwo (2009) suggest that social media is notably effective in enabling companies to gather vital marketing information such as consumer needs and interests, but SM most importantly enables consumers to directly communicate with companies instead of the

other way around. Therefore, the information luxury brands get from their consumers through SM might affect consumers' intention to purchase their luxury brands. In short, the feedback a luxury brand company receives helps them improve the way they promote their brands online.

Accompanied by the rapid developments in and popularity of SM, it is clear that there is a change in the power balance between consumers and luxury brands. As Okonkwo (2010) notes, 'the client controls her own online universe and can literally navigate the luxury cyberspace while shutting luxury brands' direct influence out' (p. 29). In addition, more and more consumers are becoming more involved in defining and creating value for luxury brands (Tsai, 2005). Through SM, luxury brands are gradually shifting from traditional to SM marketing. This approach, according to Rubinstein and Griffiths (2001), leans more toward 'a slow build, generating curiosity, delivering solutions and seeking customer feedback to inform an ongoing programme of product and communication enhancement' (p. 403). Furthermore, 2005 saw the rise of web 2.0 (internet with interactivity), leading to the birth of online communities. In spite of everything, luxury brands were born out of society itself, thereby allowing the social internet to be counted in a company's marketing strategy. SM is a great platform for establishing and diffusing the dream a feature that is paramount for luxury brands. Therefore, the internet enables luxury brands to reach a wider audience and would-be consumers via social media avenues (Chu et al., 2013).

Conversely, luxury brands and non-luxury brands cannot use the same marketing strategies because of their specificities. In terms of communication, luxury brands are unable to acclimatise their goods to consumers' needs and demands. Indeed, Bastien and Kapferer (2012) assert that luxury brands must prioritise their long-term strategy and overall reputation and be true to their identity, since that separates them from competing brands, including non-luxury items. Therefore, if the demand suits a particular brand's vision, then it can be used as

part of the company's strategy to ensure the brand's authenticity. Although luxury items have their flaws, what is important is that the items appeal to the consumer and that this influences their intention to purchase these types of products.

It's also important to note that luxury brands ought to still maintain some space from consumers, because consumers use luxury items as a way of 'rewarding' themselves not as a way to move up the social ladder. Though luxury brands should continue to engage with consumers through regular updates and helpful suggestions, despite the fact that increasing sales is through ads is often not a priority, maintaining healthy sales to ensure the brands survivability often is. Maintaining this form of standing is largely attributed to luxury brands focusing on attracting potential customers via ads that achieve the twin goals of increasing brand awareness and reaching new audiences, so as sales increase the more likely the brand will reach newer audiences.

Online branding is grounded in four principles: 'delivering a consistent brand experience; integrating all the expressions of the brand; establishing brand awareness; and measuring every new initiative against the brand' (Rubinstein & Griffiths, 2001, p. 400).

From a SM perspective, it is clear that the presence of luxury brands on key SM websites like Facebook, YouTube, Twitter, Instagram, and Pinterest has met the above demands. SM provides luxury brands with a platform to encourage more personal relationships with their consumers by providing real-time updates about products on offer, quick responses to enquires about products, and a discussion board or forum where consumers can discuss with other consumers and review the items they have purchased. These are the very things which can influence the purchasing decisions regarding luxury items, with planned purchasing being the one most commonly affected by information received from other consumers on SM about the luxury item they are about to purchase. To reaffirm the significant role SM plays in luxury

brand purchasing, a 2012 L2 think tank ranked the luxury fashion brand, Louis Vuitton, seventh on the digital IQ index in terms of the level of interactivity, website traffic, and associated SM pages (Galloway, 2012).

However, Kemp (2009) argues that it is important for luxury brands to ‘balance exclusivity with accessibility’ so they can profit from and remain connected with consumers. So, by promoting their presence through SM, luxury brands can provide consumers with a sense of mutual dependence by creating brand equity. Kemp (2009) further argues that understanding consumers’ needs requires having a SM platform in which consumers can communicate directly with other consumers and the brand itself. Furthermore, Corcoran and Feugere (2009) claim that SM acts as an advertising mechanism to direct traffic to the luxury brand’s main website, thereby increasing the opportunity for consumers to browse various luxury brands. Therefore, SM acts not only as an advertising platform, but also as a promotional tool to attract consumers from outside of the target market, thereby providing better coverage.

Over the last decade, luxury brands have increased their utilisation of social media because of the importance social media plays in consumer engagement vis-à-vis luxury brands (Liu et al., 2019). Although previous studies highlight that luxury brands use social media to increase consumer engagement with their products, most research has been qualitative. It has not analysed actual customer behaviour generated by the luxury brands’ social media marketing to evaluate how luxury brands can best utilise social media to attract more customers (Liu et al., 2019). Hence, the study undertaken by Liu et al. (2019) aimed to examine the impact of social media marketing by luxury brands and how consumers engaged with their social media content to consider how their patterns of engagement could be improved.

Another study that highlights the significance of social media regarding consumption of luxury goods is that by Shultz and Jain (2018), who note that younger consumers in

particular have developed a ‘digital self’ that exclusively uses digital and social media platforms to purchase luxury brands something marketers must increasingly heed. Similarly, Charoennan and Huang (2018) observe that social media have changed consumers from passive entities to active players within the product market, as social media allow them to create the content of products by posting about and sharing their consumption experiences on social media platforms. This change is significant. A 2016 online survey by DI-Marketing found that 74 per cent of respondents had bought a product after watching an advertisement by a key opinion leader or social media influencer, while a further 44 per cent were influenced by the style of social media influencers (Charoennan & Huang, 2018).

To evaluate the impact of social media on consumption of luxury goods, Liu et al. (2019) examined “big data” to examine the impact of luxury brand’s social marketing activities on customer engagement, with a focus on the dimensions of entertainment, interaction, trendiness, and customisation. These dimensions were applied to evaluate the impact of luxury brand’s social media activity on customer engagement vis-à-vis social media content. To this end, Liu et al. (2019) used 60 months of big data collected from Twitter between July 2012 and June 2017. They analysed 3.78 million tweets from the 15 luxury brands with the highest number of Twitter followers. The researchers used Twitter as their source of big data because the social media platform allowed them to capture, measure, and analyse both firm and customer engagement activities with social media. Hence, Twitter was the ideal platform for investigating the ‘symbolic relationship’ between the activities of consumer and luxury firm social media engagement activities.

The results of this study demonstrate that by focusing on the entertainment, interactive, and trendiness dimensions of a luxury brand’s social media marketing efforts significantly increased customer engagement but focusing on the customisation dimensions of social media

marketing did not (Liu et al., 2019). Hence, it appears that consumers are drawn to the entertainment, interaction, and trendiness dimensions of luxury brands. That study shows that social media engagement that enhances entertainment, interaction, and trendiness is useful to increase customer engagement via content related to the luxury firm's brand.

On the other hand, customisation efforts undertaken as a part of luxury brand's social media activities did not necessarily increase customer engagement with the brand's social media content (Liu et al., 2019). However, Liu et al. (2019) also acknowledged that Twitter, because of its limited capacities for customisation of social media content, was not the ideal platform to investigate this aspect of social media engagement with luxury brands.

Overall, the study by Liu et al. (2019) showed that consumers use social media to envisage their ideal experience. A similar phenomenon was identified by Romao et al. (2019), who found that a luxury brand's social media acts as a showcase for its products. The aim of that study was to understand how social media interactions across a variety of social media networks influence the visibility of a luxury brand's most relevant social media network (in this instance, Instagram) which acts as a showcase for its product. Analysis of social media behaviour of luxury brands between 2015 and 2016 showed that the social media interactions of consumers on other social media networks such as Facebook predicted their reception of these brand's products on Instagram (Romao et al., 2019). Their data analysis indicated that luxury brands should invest in more visually appealing social networks. Moreover, the research by Romao et al. (2019) suggests that image plays a significant role in the appeal of luxury products to consumers interacting with such brands through social media. According to another study, "The more rare or more unique a product characteristic is perceived to be, the higher the perceived social value will be and thus the higher price premium and luxury that can be obtained" (Becker et al., 2018, p. 54). Thus, ownership of a luxury product is guaranteed social

currency, meaning that the image of the brand is of utmost importance when it is being marketed to potential consumers.

However, the question remains as to how consumer interaction with luxury brands on social media influences the sale of such products. Analysis of data from Thai consumers by Thoumrungroje (2014) found that both social media and electronic word of mouth (EWOM) advertising increased demand for luxury products because of the link between luxury products and enhanced social capital. Ciornea et al. (2011) found a strong relationship between status consumption and conspicuous consumption, indicating that individuals purchase luxury products to enhance their social capital. Thoumrungroje (2014) found that social media use increases conspicuous consumption as it increases the user's self-esteem. Thoumrungroje (2014) notes that when people engage in social networking, they can control the information they share with other users, so they can present positive information about themselves among their friends and social media networks. Such positive information then solicits positive feedback, leading to higher self-esteem. Wilcox and Stephen (2013) found that higher self-esteem levels among social media users, such as Facebook users, were likely to lower a person's self-control, leading to more impulsive or indulgent behaviour.

Since conspicuous products and products that indicate wealth, such as luxury products, satisfy a person's need for prestige, Thoumrungroje (2014) suggests that the intensity of using social media can lead to people making irrational choices, such as purchasing luxury goods that act as a status symbol. That study shows that consumers are influenced by social media and EWOM to purchase more luxury products on impulse as status symbols. This shows that online social capital gained through posting positive information that generates positive feedback leads to an increase in luxury consumer behaviour. On the other hand, Ciornea et al. (2011) indicate that status insecurity leads to status seeking. As some social media users may

be insecure about their status and tend to use social media to increase their self-esteem, it is this sense of insecurity rather than high self-esteem resulting from the use of social media that leads to increased consumption of luxury and conspicuous products. Nevertheless, social media regardless of their origin, have been found to increase luxury purchases and consumption, indicating an increase in materialism.

2.6 Materialism

SM websites like Facebook, Twitter, and YouTube enable consumers to create and distribute brand-related content across the globe (Chan et al., 2015). Materialism, for example, is a very significant consumer value that is heavily linked to various mediums, including SM. Materialism can be defined as ‘a way of thinking that gives too much importance to material possessions rather than to spiritual or intellectual things’ (Merriam-Webster, 2016). From another perspective, Chan et al. (2015) define materialism as an individual’s infatuation with worldly possessions, and they highlight the importance of these possessions. In other words, materialism means prioritising material possessions/physical comfort over spiritual values. A number of studies also have revealed that materialism and television viewing have a strong positive correlation with each other (Buijzen & Valkenburg, 2003; Lenka, 2014). Yet others, including, Park et al. (2007), claim that materialism is vital for motivating and understanding consumer attitudes and behaviours toward online purchases. Therefore, the research indicates that individuals who possess a high degree of materialism are often heavy consumers of media.

The more someone is exposed to SM, the more marketers of luxury brands consider adopting those types of online platforms as a way to communicate with consumers for e-commerce purposes (Okonkwo, 2009, 2010). Actually, SM strategies are becoming progressively popular for luxury brands, particularly for young adult consumers (Bowen,

2014). According to Burkitt (2011), highly prestigious luxury brands like Burberry have begun to integrate SM in an effort to target various young consumers worldwide, particularly in China. Similarly, Ortvéd (2011) states that with the dawn of the technically savvy millennials, these consumers are future consumers of luxury brands, resulting in brands, including Chanel and Hermes, turning to SM sites such as Facebook and Twitter. In short, this shift toward materialistic values has a direct link with purchasing intentions and behaviours concerning luxury items, which symbolise affluence. Fashion items, for example, are deemed socially consumed products, which reflect the appearance aspect, thus making it conspicuous consumption.

It is clear that there is a relationship between materialism and the purchase of luxury products through social media, as Charoennan and Huang (2018) found that materialistic consumers were more likely to engage in conspicuous consumption of luxury goods on social media. Furthermore, using structural equation modelling (SEM), Gupta and Vahra (2019) looked at the relationship between the intensity of social media use and certain behavioural traits, impulse buying, materialism, and conspicuous consumption. They found that the correlation of intense social media use was strongest with materialism and impulse buying but weakest with conspicuous consumption (Gupta and Vahra, 2019). Their results showed that social media use directly affects the behavioural traits of consumers, but the intensity of that effect varies. This means that consumers are likely to become more materialistic and impulsive in their purchasing decisions when they are exposed to social media, but they are not as likely to engage in conspicuous consumption despite increased exposure to social media.

2.7 Bandwagon, Snobbish, and Veblenian Consumption

There are three types of material consumption, bandwagon, snobbish, and Veblenian (Tsai, 2005; Tsai et al., 2013). The bandwagon effect is described as ‘the extent to which the demand for a commodity is increased due to the fact that others are also consuming the same commodity’ (Leibenstein 1950, p. 189). In other words, this is the process of adapting to social norms. In that same study, the snob effect was described as ‘the extent to which the demand for a consumer’s good is decreased owing to the fact that others are also consuming the same commodity’ (Leibenstein, 1950, p. 189). This is an effort to become unique and stand out from the rest of the crowd. There is a reduction in demand among snobs, but not among other consumers (Kastanakis & Balabanis, 2014). As noted earlier, Kastanakis & Balabanis (2014) asserted that there is a third type of conspicuous consumption, Veblenian consumption. This research considers bandwagon and snobbish consumption, since these two types of materialism focus on human desires, while Veblenian consumption is price-based materialism.

In terms of the consumption of luxury goods, the bandwagon effect transpires when consumers purchase a well-known luxury brand as a way of seeking gratitude from their in-group and to identify with that group. In contrast, the snob effect occurs when consumers look for unpopular luxury brands to isolate themselves from the masses, distance themselves from social norms, and establish an individual and unique self-image. Kastanakis and Balabanis (2014) state that the interdependent self-image of consumers affects bandwagon consumption of luxury goods, and it is facilitated by normative and status-seeking influences. Previous research has examined only bandwagon and snobbish consumption of luxury goods. This study evaluates the factors that influence bandwagon and snobbish consumption as they are influenced by social media. This requires an investigation into social capital theory and its relation to social networking.

However, it is also important to Veblenian consumption this context. Veblenian consumption is a term used to describe conspicuous consumption associated with lavish spending (Topcu, 2017). It is also associated with a group affinity for consumption, which indicates that an entire class or social group may be inspired to buy products because of peer pressure to do so (Topcu, 2017). Koutsobinas (2014) observes that one important shift in modern purchasing dynamics is that middle-class and working-class consumers are increasingly showing signs of Veblenian consumption, while it had been the exclusive preserve of the upper classes. Thus, to be seen to buy is now a social and functional necessity, not simply a symptom of wealth. Consumption, even if it is wasteful, is desirable, since ‘People acquire beliefs from the prestigious agents about who should be initiated, and the most prestigious people will prefer more prestige indicated by the consumption of status goods’ (Topcu, 2017, p. 185).

Thus, Veblenian consumption patterns are relevant to this study as they show that social pressure and the idea of exclusivity encourages conspicuous consumption across all status groups. In fact, in his original 1899 thesis, Thorstein Veblen argued that the class above informs the consumption patterns of the class immediately below it. Furthermore, Simmel (1903) proposed the “trickle-down theory” which was mixed with Veblen’s (1899) theory of the leisure class. Both of them have emphasized that lower class consumers tend to climb the social status ladder by adapting the status symbols of the class above them while the upper-class consumers tend to buy the fashions that distinguish them from the lower class. This echoed by the patterns of consumption inspired by social media influencers in the present day (Kozłowska, 2019). Hence, Veblenian consumption patterns are particularly relevant in regard to the influence of social media on luxury purchases in the present day.

2.8 Social Capital

2.8.1 Definitions of Social Capital

Adam and Roncevic (2003) define social capital as the social network which provides an individual the opportunity to participate in actions that result in mutual benefits. Baker (1990) defined social capital as membership in a social group that provides its members with competence or resources that strengthens collective support and augments social worth. Fukuyama (1995) explains that social capital, as an aspect of social structure, allows members to use it a resource to help achieve objectives. According to Putnam (1995), social capital is nothing but cooperative norms, trust, and social networks that help achieve individual/mutual goals. However, he emphasises that the prime objective of social capital as an aspect of social structure should be to build democracy and support economic development. In terms of the social network, social capital represents bonds and relationships. According to Coleman (1988) and Putnam (1995), there are two schools of thought regarding social capital. One presents social capital at the group level defined by norms, trust, relationships, and participation in group activities; mainly pertaining to a collective or a group action. The other school of thought views social capital from a network point of view. It defines social capital at the level of the individual regards it as a network of support/relationships. In this case, social capital refers to how individuals access different resources or receive support, which is embedded in their relations, and how they use social capital to instrumentalise their personal gain (Woolcock, 1998). This second approach highlights the impact of individual investment in social relations, the effective use of the resources embedded in the corresponding social relations, and indicates the degree of usefulness of social capital to an individual. In this view, social capital is as an individual investment in social networks, relations, or emotional bonds; it is as an individual good that can be utilised or exploited for personal gain.

According to Cohen (2007), social capital is a network of connections and bonds with people, practices, and groups, which are the building blocks of an interactive society. The significance of social networks, when considered as social capital, depends on the size and composition of the network. The size of social capital indicates the number of people an individual interacts with, and composition refers to the relationships an individual has with different members of his/her social network of friends, co-workers, relatives, neighbours, and so on. Moreover, the indicators of interaction also have a significant impact on the potential for social capital to be used as a resource (Zhang & Daugherty, 2009). In this regard, the method (face to face or by letter, telephone, or internet/social media websites), frequency of contact, and the intimacy or informality of the relationship between the individual and members of his/her social network, are significant factors. However, more important than the aforementioned structural component of social capital, is its functional component. This takes into account the support which an individual receives from his/her social capital in terms of finance, consultancy, dialogue, emotion, and information (Zhang & Daugherty, 2009; Woolcock, 1998). This aspect of social capital is considered to have more influence on the consumption of luxury goods.

The literature highlights different perspectives regarding social capital. Portes (1998), Bourdieu (2001), Lin (1999; 2001), Coleman (1988), Glaeser et al. (2002), and Van Der Gaag and Snijders (2004) present a micro-level perspective on social capital. They define social capital as a network of bonds and relations that give value and support to an individual. This perspective puts forth the notion that maintaining a social network (consisting of ties with co-workers, family, friends, etc.) is costly for an individual, but it does provide returns.

There is also an economic aspect of social capital, mainly supported by Portes (1998), who explains that social capital provides returns in the shape of privileged access to

information and other resources which might not be available to all. In this economic aspect, social networking is considered to be capital that an individual can utilise for personal gain or returns. However, the strength of this capital depends on the investment made by the individual. In other words, social capital is the result of inheritance or personal investment which helps in achieving personal goals pertaining to social status, income, reputation, satisfaction, and recognition.

According to Lin (2001), mobilisation and accessibility embedded in one's social capital are the two characteristics that allow the capitalisation of social capital. Mobilisation refers to the degree of ease with which an individual can extract from his or her network to meet a specific objective, whereas accessibility refers to the number of people that a person can access. Generally, the higher the accessibility, the higher the mobilisation, although the relationship does not apply automatically (Lin, 1999).

Lin's model for social capital has three building blocks: 'the precursor of inequality, individual effects, and capitalisation'. The first building block, the precursor of inequality refers to the conditions (that is the factor and the context of the social structure, for example culture, age, and nationality) that restrict or facilitate the capitalisation of the social capital. In other words, inequality in social capital occurs because of differences in social positions within a structure, the strength of family, social trust, income level, and so on. From this perspective, the return from one's social capital depends on the variables that affect one's ability to capitalise on the embedded resources (Glaeser et al., 2002).

The second building block is individual effects. Capitalisation from social networks, as mentioned previously, is affected by accessibility and mobilisation. Based on his/her social network, a person may have access to various resources embedded in his/her network, but he/she might not be able to mobilise them. This implies that an individual's mobilising

capability affects the effectiveness of capitalisation of one’s social network (Verhaeghe et al., 2015; Flap & Volker, 2001). The third block, capitalisation, refers to the returns that an individual reaps in the shape of wealth, power, reputation, life satisfaction, and so on by utilising his/her social capital effectively. Table 2.2 presents a summary of the studies that have defined social capital.

Table 2-2 Summary of Previous Studies That Define Social Capital

Source	Definition
Adam and Roncevic (2003)	Provides an individual with opportunities to participate in actions that result in mutual benefits
Baker (1990)	Membership of a social group that provides its members with competence for collective support and augments their social worth
Fukuyama (1995)	The aspect of social structures that allow its members to use it a resource to help achieve objectives
Putnam (1995)	A collection of cooperative norms, trust, and social networks that help achieve individual/mutual goals
Coleman (1988), Putnam (1995)	At the group level, social capital is defined as norms, trust, relationships, and participation in group activities
Cohen (2007)	At the individual level, capital refers to the ways that individuals access resources or receive support which is embedded in their relations and how they use social capital to instrumentalise their personal gains
Lin (2001)	A network of connections and bonds with people, practices, and groups, which serve as the building blocks of an interactive society. The size and composition of a person’s social network affects the usefulness of social capital

In a nutshell, previous research has highlighted social capital as a product whose usefulness varies based on the individual investment (personal or inherited). The notion of considering social capital as a product may prove useful for this study as it allows it to be measured more objectively. Moreover, it also allow an evaluation of the varying degrees of the impact it has on the consumption of luxury goods by considering the (i) composition (size and components), (ii) mobility, and (iii) accessibility of a respondent's social capital. Last, based on the aforementioned definitions, it can be concluded that social capital is not static but interactive, an its strength and usefulness can vary from respondent to respondent.

2.8.2 Types of Social Capital: Social Bridging and Social Bonding

In the view of Ellison et al. (2007), social capital originates from the structures of social networks, as well as from individual relationships. Social capital is 'the sum of the actual and potential resources embedded within, available through, and derived from the network of relationships possessed by an individual or social unit' (Nahapiet & Ghoshal, 1998, p. 243). Putnam (2000) categorises social capital into two groups: 'bridging' and 'bonding'. Bridging social capital is like 'a weak tie in which individuals acquire new and useful information or develop perspectives from loose connections that provide little to no emotional support'. Conversely, bonding social capital is like a strong tie where emotionally or closely knitted relationships are developed between/among individuals (Williams, 2006; Huang, 2016). In this research, online bonding represents the strong ties that provide emotional support while online bridging enables individuals to gain information with weak ties interaction in the social network sites (Williams, 2006). These two definitions are used in this research to measure and

represent social capital. According to Putnam (2001), these two types of social capital are related but not equivalent.

2.8.3 Peer Communication

Ward (1974, p.2) defined consumer socialization “as the process by which people acquire skills, knowledge, and attitudes relevant to their functioning as consumers in the marketplace.”

Wang et al. (2012) emphasised that consumers can learn through the socialisation process, from consumer-related skills to purchasing behaviours, by communicating with peers. Social interaction, including online peer communication, has a strong effect on consumers’ purchasing behaviours as internet buyers. From the theoretical perspective on social learning theory (Bandura, 1969) the socialization agents such as peers can impact learning through modelling, reinforcement, and social interaction (Muralidharan and Men, 2015). According to Moschis et al., (1978) Modelling takes place when the individual actively imitates the socialization agent's behaviour because of significance and availability, while the reinforcement process involves learning by positive reward or negative punishment reinforcement (Lug et al., 2007). Moschis et al., (1978) argued that social interactions require socialization agent experiences in a social context.

Huang (2016) states that when peer communication intensity is high, the stimuli given to consumers like product/service information, shared experiences, and new products might increase. Furthermore, consumers with increased stimuli have an increased likelihood of impulse buying. Members’ mutual understanding also is increased through peer communication, which therefore generates close and long-term feelings, including trust and intimacy. Emotional factors are related to peer communication. There is a strong link between impulse buying and emotional arousal (Adelaar et al., 2003) and enjoyment (Verhagen & Van

Dolen, 2011). Furthermore, Gupta and Vahra (2019) show that EWOM communication through social media have the potential to mitigate an individual's buying behaviour related to purchasing luxury brands, indicating that peer communication might have an impact on purchasing behaviours.

2.8.4 Social Capital and Consumption of luxury goods

It appears that prior research has not considered how communication, such as consumers' media involvement and use of social media, has changed the way consumers obtain, share, and establish brand communications (Muntinga et al., 2011). Tsai et al. (2013) observe that Chinese users, for example, use SM sites more than most Western countries, such as the US and the UK. This suggests that SM plays a prominent role in Chinese consumers' lives. Not only that, China has one of the largest consumer populations in the world, which implies more brand coverage. In terms of luxury brand consumption, Ngai and Cho (2012) assert that consumers, particularly younger consumers, greatly depend on SM to obtain knowledge about a luxury brand's professed quality, image, symbolic meaning, and social prestige. SM sites in particular have become a key source of information that affects how consumers come to understand and become familiar with luxury brands (Kim & Ko, 2012). Therefore, the capabilities of SM and its rooted word-of-mouth communication shapes luxury brand trends. The bandwagon and snob effects are subject to the luxury purchases made by consumers, since they consider luxury products' perceived popularity or rareness. Therefore, having an awareness of the effects of consumers' social interactions should help to shed light on the social aspects affecting consumption of luxury goods.

In the view of Stephen and Lehmann (2009), social capital, or in terms of SM, the resources of social networks, are aggregated and then applied to consumers' social interactions as a way to achieve various goals like establishing social ties and exchanging information. So,

in order to deliver a more nuanced understanding of social interactions in social groups, earlier studies differentiated between bridging and bonding social capital (Putnam, 2001). Bridging social capital is gathered amid weakly connected heterogeneous SM networks (Choi et al., 2011). For instance, Saudi consumers might integrate into an American society by establishing connections with US networks, which are separate from the Saudi community. In doing so, they develop bridging social capital. Bonding social capital, on the other hand, involves much stronger, homogenous SM networks that convey shared norms and emotional support (popular in collectivist societies) (Putnam, 2001; Choi et al., 2011). For example, less acculturated Saudi consumers have a strong connection with their Saudi community, suggesting that they are more dependent on bonding social capital to familiarise themselves with a new environment. Both earlier and recent studies have deduced that both forms of social capital are highly popular among SM sites (Valenzuela et al., 2009; Utz & Muscanell, 2015). In terms of luxury brand consumption, it is much harder to search and obtain heterogeneous information about rare luxury products with snob appeal. This requires more bridging social capital. On the other hand, the value of appealing to the bandwagon effect hinges on established norms among homogenous in-group members. This requires more bonding social capital.

2.9 Susceptibility to Normative Interpersonal Influence

Another factor associated with bandwagon and snob consumption is ‘susceptibility to normative interpersonal influence’ (Bearden et al., 1989). To understand the strength of consumers’ favourability for luxuries, one must study the significance of interpersonal influence. In particular, since using luxury products is a common method of conspicuous consumption, consumers are very critical of other peoples’ assessments of them (Yi-Cheon Yim et al., 2014). Therefore, luxury brand consumption reflects the ‘concern with others’

perspectives of the self'. Since bandwagon and snob consumption of luxury goods deal with adhering to or distancing from group norms, a consumer's luxury preferences is likely to be influenced by interpersonal factors. This construct also expects consumers to identify with others through product purchases and usage, adhering to other individuals' expectations concerning purchasing decisions, and the need to search for and obtain information from others (Tsai, 2005; Tsai et al., 2013).

Because of the significant influence of reference groups on purchasing decisions, various cultures or societies are prone to different degrees of normative influence. According to Wu (2011), collectivist consumers face more normative influence than do individualist consumers. Abalkhail (2015) suggests that Saudi consumers tend to be highly sensitive to both a luxury item's emotional and social values, so they often use material possessions to build and sustain social relationships. Therefore, Saudi consumers who strongly identify with American culture, for example, could face less normative influence than those with a stronger kinship with Saudi culture.

From a SM perspective, such online environments can allow luxury brands to categorise their luxury items according to popularity rankings (Chu et al., 2013; Kastanakis & Balabanis, 2014) For instance, 'highly rated' and 'best-selling' are very common normative-enhancing techniques. In short, differing levels of normative influence could therefore result in different preferences for bandwagon and snob brands. A high normative influence expects consumers to act more favourably toward and be sensitive to popular brands or brands that are strongly desired by their peers, thus fashioning bandwagon effects.

Thus, it is important to look at factors that might moderate conspicuous consumption of luxury products through social media. Gupta and Vahra (2019) suggest that psychological factors such as intense social media consumption, materialism, and conspicuous consumption

lead to increased luxury brand consumption, but such factors can be mitigated by EWOM, which moderates the intensity with which social media usage affects purchasing behaviour. In regard to EWOM as a moderating factor when applied alongside social media on consumer purchasing decisions, Gupta and Vahra (2019) used a four-step approach developed by Baron and Kenny (1986) to examine the potential mediating effects of EWOM on social media impact, impulsivity, and behavioural traits. First, they considered the impact of social media usage alone on behavioural traits that is, independent of any other factors. They found that social media usage positively increased materialism, impulse buying, and conspicuous consumption (Gupta & Vahra, 2019). For the second step, they looked at the regression of social media usage intensity on EWOM, finding this to be positive and significant (Gupta & Vahra, 2019). Third, the researchers looked at the regression of EWOM on behavioural traits controlling for social media intensity. Here, they found that EWOM had a positive effect on materialism, impulse buying, and conspicuous consumption. Finally, they showed that EWOM had a mediating effect on the impact of social media on the intensity of subject's behavioural traits. However, these researchers also found that the impact of EWOM was not significant on materialism, impulse buying, and conspicuous consumption (Gupta and Vahra, 2019). Thus, Gupta and Vahra (2019) determined that the impact of EWOM as a mediating factor on intense social media use, which leads to increased materialism, impulse buying, and conspicuous consumption was minimal. This showed that the direct impact of social media intensity is stronger than the indirect influence of EWOM as a means of moderating purchasing behaviour among individuals who use social media a great deal. Hence, Gupta and Vahra (2019) supported the idea that social media marketing is a stronger influence than EWOM on consumer purchasing decisions.

2.10 Impact of demographic factors on luxury consumption

Moreover, Gupta and Vahra (2019) examined the relationship between social media usage and buyers' personality traits across demographic factors such as age, gender, marital status, and income through applying one-way analysis of variance (ANOVA). Their aim in this aspect of the research was to consider the difference between the mean value of the dependent variables such as behavioural traits and social media usage alongside the effect of controlled independent variables such as demographic groups (Gupta & Vahra, 2019). However, their results showed that there was no variation in the responses in relation to age or marital status. This suggests that consumers, whether old or young, married or unmarried, exhibited similar levels of social media use intensity, impulse buying, materialistic tendencies, and levels of conspicuous consumption (Gupta & Vahra, 2019).

In fact, only two variables studied by Gupta and Vahra showed that some demographics can moderate materialism, impulse buying, and conspicuous consumption. These were gender and income. It could be seen that some demographic factors have a moderating impact on materialism as the researchers found significant differences with materialistic purchasing by male versus female consumers (Gupta & Vahra, 2019). A similar finding was made by Pelet et al. (2017) who studied the online luxury buying intentions of male versus female consumers in the United States. Using an online survey of 395 participants, these researchers found that men and women showed equal awareness of the social value of buying intention, but that men were more concerned about the sinister aspects of sharing their personal data online. This indicates that online platforms might discourage men from making actual consumer purchases (Pelet et al., 2017). Furthermore, looking at the role of gender in terms of perceptions and motives for luxury brand consumption, Roux et al. (2017) found that women were more likely to be attracted to the refinement offered by luxury brands, whereas men were drawn to luxury

brands because of their association with exclusivity and elitism. Put together, the studies by Gupta and Vahra (2019), Pelet et al. (2017), and Roux et al. (2017) indicate that men and women display different patterns of consumption regarding luxury goods, with males generally being a moderating factor on luxury brand consumption.

Regarding income levels, Gupta and Vahra (2019) found that income moderated materialism, impulse buying, and consumption. They found that consumers in middle- and high-income groups exhibited greater levels of materialism, impulse buying, and conspicuous consumption compared to those who belonged to middle- or low-income groups (Gupta & Vahra, 2019). However, they found no variation in social media usage intensity based on income. Their findings, therefore, indicate that there is a variation across consumer demographics regarding consumption based on gender or income, but that factors such as age and marital status do not predict individual levels of consumption.

However, the idea that lower income moderates consumption of luxury goods is challenged by Stathopoulou and Balabanis (2019), who examined data on luxury brand consumption from a variety of countries and found that income disparities do not necessarily explain why levels of consumption of luxury goods vary. They observe that wealthy Scandinavian countries have very high levels of gross domestic product (GDP) per capita, but they have some of the lowest levels of luxury goods consumption per capita in Europe (Stathopoulou & Balabanis, 2019). Thus, they conclude that factors other than income, such as sociocultural variables like human values, affect the consumption of luxury goods.

In addition, Kamal et al. (2013) indicate that geographic factors inform the purchasing decisions of the younger generation of social media users. To this end, they studied the relationship between materialism and the purchasing intentions of luxury fashion goods across Arab and American users of social media. Their results showed that Arab social media users

demonstrated significantly higher levels of materialism and social media usage as well as a more favourable attitude toward social media advertising than their American counterparts (Kamal et al., 2013). That same study found that both American and Arab social media users with higher levels of social media use were more materialistic, a finding that agrees with those of Gupta and Vahra (2019). Thus, high levels of social media use made both Arab and American social media users more likely to purchase luxury fashion items. However, because social media usage and favourability to social media advertising was higher among the Arab cohort studied by Kamal et al. (2013), that group was found to be more influenced by social media when making purchasing decision and more inclined to be materialistic. Hence, the research by Kamal et al. (2013) indicates that geographical factors may play a role in luxury brand consumption as influenced by social media.

A similar link was found by Stathopoulou and Balabanis (2019). Examining survey data from American consumers, they found that cultural values influence consumers' ideals regarding the uniqueness, use, social luxury value, and quality of luxury products. Consumers are likely to engage in consumption of luxury goods if they feel that the product will have social luxury value and be self-enhancing to them (Stathopoulou & Balabanis, 2019). According to that analysis, four luxury consumer groups exist: (1) the unconcerned, (2) functionalists, (3) the moderately eager, and (4) luxury enthusiasts. The researchers found that individuals with high self-transcendence and self-enhancement values are more likely to be enthusiastic about luxury products, while those classified as functionalists or unconcerned with luxury have similar cultural value profiles (Stathopoulou & Balabanis, 2019). They also found that luxury enthusiasts are most likely to purchase luxury products, followed by moderates and functionalists. Consequently, the studies by Stathopoulou and Balabanis (2019) and Kamal et al. (2013) indicate that cultural and social factors and values either enhance or moderate an

individual's likelihood of purchasing luxury products. For this reason, Ko and Taylor (2019) conclude that different luxury brand markets have varying needs, something luxury brand companies need to address in their marketing campaigns.

2.11 Summary

This chapter presented a review of the key literature on the factors that influence luxury brand consumption in a collectivist culture in the age of social networking sites. This included various definitions of luxury brands; the impact of culture on luxury brand consumption, especially collectivist cultures; how luxury brand consumption is affected by functional, financial, individual, and social factors; attitudes toward luxury brand consumption, including materialism, bandwagon, snob, and Veblenian consumption, and finally, how social capital affects the susceptibility to luxury brand consumption.

Although there have been several studies of luxury brand consumption, few of them studies discussed that concept in the framework of the cultural features of individualism and collectivism. In addition, on reviewing the issues around luxury brand consumption, a gap in the literature was found regarding luxury brand consumption in a collectivist culture, in particular in Arab societies such as Saudi Arabia, yet this is an important area for marketers, as luxury brands are popular among Saudi individuals (Abalkhail, 2015).

There are a number of definitions of luxury brand. This research applies the definition of Vigneron and Johnson (1999), which calls luxury brands the most prestigious of products that also includes several physical and psychological values. Vigneron and Johnson (2004) also explain that consumers' motivation to purchase luxury items is influenced by various internal the external factors.

This chapter reviewed research on the impact of collectivism on peoples' purchasing decisions, as consumer behaviour is influenced by culture. Those studies show that consumers in collectivist societies are more influenced by the importance of family, behavioural control, and social influence, which suggests that decisions of collectivist consumers are more subject to other people's opinions than consumers from individualistic societies. Moreover, understanding the impact of collectivism on consumers' purchasing decisions is important for organisations so they can adapt their products and services to international markets.

A greater understanding of consumer luxury value has been presented, based on social, individual, functional, and financial aspects, as set out by Wiedmann et al. (2009). This chapter has set out the key concepts within each of these categories to illustrate their impact in more detail. For example, functional value refers to the usability, quality, and uniqueness of a product. It is notable that the desire for uniqueness is restricted by social norms, as consumers want to be different but also socially accepted. Social value has been described according to prestige and conspicuousness, particularly the desire to be noticed, and according to the value attached to luxury brands and the view of some consumers that spending too much is wasteful. A review of individual value finds that it involves psychological factors such as self-identity, pleasure or hedonic motivation, self-esteem, and consumer guilt.

Attitudes toward luxury brand consumption have also been discussed in this chapter, including brand consciousness, materialism, social comparison, innovativeness, and involvement. These issues are important for the branding of luxury goods, especially in this era of technology since consumers can interact with each other and the brands themselves. This chapter has also pointed out the importance of understanding materialism and how it motivates consumers. Not only that, but bandwagon and snobbish purchasing often motivate luxury brand

consumption, as consumers strive to be like others (bandwagon) while wanting to be unique (snobbish).

This chapter has explained the nature of social capital and in particular the impact of social networks on consumer purchasing habits. Social capital refers to membership in a social group and how that membership helps individuals to achieve their goals with regard to social status, income, reputation, satisfaction, bonding, and recognition. This chapter has highlighted the aspects of the internet and social media that have an impact on consumers' attitudes toward, and decisions to, purchase luxury brands. Through the socialisation process, consumers can learn things through communication with their peers, and these social interactions have a major impact on consumers' purchasing behaviour. It has been shown that social interactions are complex, and the bridging of social capital is taking place because of advances in technology. For example, using social networks may lead Saudi consumers to identify with American society and share norms that are different from those of their local Saudi culture. In addition, collectivist consumers face more normative influence than do individualist consumers (Wu, 2011), and so, Saudi consumers who strongly identify with, for example, American culture, might experience less normative influence than those with a stronger kinship with Saudi culture. The next section will present the development of the research hypotheses and draw the conceptual framework for this research.

2.12 Development of Hypotheses

This research has been grounded in social capital theory which describes a network and the effects of such a network on the participants, often referred to as norms of reciprocity (Putnam, 2006). When consumers interact through a social network, they develop personal relationships which can lead to positive affective bonds (Williams, 2006). Putnam (1995) emphasised that the main objective of social capital as an aspect of social structure is to build a democracy and to support economic growth. With the advent of the social networking sites, social media can facilitate the social capital bonds (Hampton and Wellman, 2003). Haythornthwaite (2001; 2002) alluded to the positive impact of social media on the strong ties (social capital bridging) individuals can gain and exploit to share information widely. Therefore, online connections on social media can influence the purchase intention and behaviour of individuals (Gupta and Vohra, 2019). Muntinga, Moorman, and Smit (2011), echoed similar ideas by arguing that the advent of social media has revolutionised the way consumers gain, share, and produce brand-related communication. Chu and Choi (2011), Phan (2011), and Ngai and Cho (2012) found that consumers consider social media as the primary source of information regarding the image and quality of a brand, social prestige, symbolic meaning, understanding of the brand, and other information that affects their purchase intention and consumption. Academic researchers and practitioners have paid more attention to the influence of social media interactions on the consumption behaviour of luxury goods (Holmqvist et al., 2020; Gupta and Vohra, 2019; Romão et al., 2019; Choi et al., 2018; Koivisto and Mattila, 2018; Chandon et al., 2016; Kim et al., 2015; Xu-Priour et al., 2014; Teimourpour and Hanzaee, 2014; Thourungroje, 2014; Brun et al., 2013; Kim and Ko, 2012).

Peer communication within a social network allows consumers to gain new information, which affects their purchase intention and behaviour. Putnam (2000) emphasises that consumers who hold bridging social capital can gain a large amount of information and can identify various opportunities, since they interact more frequently with people from diverse social backgrounds. Likewise, Ellison et al. (2007) point out that people who hold bonding social capital could gain substantial support from their network based on the principle of reciprocity. Furthermore, Ellison et al. (2007) note the positive influence of social networks on consumers' buying behaviour. Consumers who interact more frequently with members in their social network, particularly close friends, receive much higher emotional support through intense and frequent communication.

Peer communication can influence buying behaviour both directly via conformity with peers and perhaps indirectly by reinforcing product involvement (Gupta and Vohra, 2019; Thourunroje, 2014; Wang et al., 2012; Zhu et al., 2016). Through the prism of social psychology "social behaviour indicates increased probability of an action taking place when people adopt an idea or similar behaviour" (Bahri-Ammari et al., 2020; Wayne et al., 2012). In that sense, then, demand for luxury goods is attributed to the prestigious value held by these goods which is amplified when we interact with individuals (Leibenstein, 1950).

Leibenstein (1950) has conceptualized luxury consumption behaviour into three categories, snobbish consumption when individual seek unique luxury products; bandwagon consumption behaviour when consumption is due to popularity; Veblen consumption when consumers purchase products solely for being expensive for the purpose of signalling wealth. Though luxury goods consumption behaviour is mainly focused on conformity with others. According to Bahri-Ammari (2020) in modern society people change their lifestyle and consumption behaviour to satisfy others. This can arguably be attributed to collectivist cultural values in

Middle Eastern societies (Hofsted, 2001). On this basis, this study proposes the following hypothesis:

H1: There is a positive relationship between online social capital and luxury consumption.

H1a: there is a positive relationship between online social capital and online peer communication.

H1b: There is a positive relationship between online peer communication and luxury brands consumption.

H2: Peer communication mediates the relationship between online social capital and luxury consumption.

Considering the context of luxury brands, it is important to explore the role of demographic factors (age, gender, and income) in the relationship between social capital and luxury brand consumption because of their role in shaping consumers' purchasing behaviour (Wang, Gellynck, & Verbeke, 2017; Shi et al., 2015). Previous studies have found that age, gender, and income impose different requirements, as those demographic factors influence the consumption of consumers (Rocha, 2005). Available evidence highlight that the fashion industry needs to be more cognisant of consumer indicators such as age, gender, and income when targeting mature consumers. Park et al. (2008) found that demographic factors have a strong influence over the purchasing behaviour of foreign luxury fashion brands. According to Schade et al. (2016), age difference plays a significant role in motivating the individual to purchase luxury brands. However, there has not been enough research into the influence of age on luxury brand consumption. In relation to gender differences, Meyers-Levy and Loken (2015) explain that, while there is a great deal of interest in gender differences with regard to consumer behaviour, additional research is required to understand further the impact of gender, particularly on the consumption of luxury goods (Stokburger-Sauer & Teichmann, 2013, cited

in Roux et al., 2017). In this research, the moderating impact of gender on the relationship between social capital and luxury brand consumption has been examined. With regard to economic resources, income can determine luxury consumption; those with less financial resources spend less of their budget on status consumption compared to those with more resources (Dubois & Ordabayeva, 2015). In addition, based on the Veblen's theory that the luxury consumption is only practiced by the wealthy people or those with high income (Leibenstein, 1950). However, some empirical data has challenged the Veblen's consumption theory by arguing that all social classes consume luxury products regardless of class (Gupta and Vohra, 2019; Roy and Ranchhod, 2015). Therefore, this study postulates that demography moderates the relationship between social capital and luxury consumption. This is reflected in these three hypotheses:

H3: Age moderates the relationship between online social capital and luxury consumption

H4: Gender moderates the relationship between online social capital and luxury consumption.

H5: Income moderates the relationship between online social capital and luxury consumption.

Moreover, materialism and susceptibility to normative influence are psychological factors that wield an influence over consumption. Materialism is one of the primary forces driving luxury brand consumption (Gill et al., 2012; Wiedmann et al., 2009). Liao and Wang (2009) suggest that the increase in consumption of luxury goods is due to the embeddedness of materialism. The drive to be unique and the desire to seek attention and establish social status by using one's possessions or belongings underscore materialism. Materialism magnifies the attachment to possessions that reflect the personal success and social standing of consumers (Belk, 1988). Wang and Wallendorf (2006) claim that materialism motivates consumers to

select products that receive a reaction from others and that signify social status. Previous studies have found that people who are materialistic are more likely to splurge on expensive items because such items are likely to impress others. Such people also strongly believe that price signals quality (Pandelaere, 2016; Nepomuceno & Laroche, 2015). Fitzmaurice and Comegys (2006) found that materialistic people wield significant influence in the market. Because a higher level of materialism reflects the possessions and status of an individual, materialism may represent a fundamental variable in the development of consumer attachment to and the use of certain products (Lertwannawit & Mandhachitara, 2012). Consequently, materialism is introduced as a moderating effect in the relationship between social capital and luxury brand consumption:

H6: The degree of consumer materialism moderates the relationship between online social capital and luxury brand consumption.

On the other hand, susceptibility to normative influence varies across individuals and can reflect other traits and characteristics. By acquiring and using luxury products, consumers identify with significant others or enhance their self-image in the eyes of significant others, and they may show a willingness to conform to the expectations of others as they make purchase decisions (Lertwannawit & Mandhachitara, 2012). To fully comprehend consumer behaviour, Lertwannawit and Mandhachitara (2012) suggest that researchers consider interpersonal influence with regard to the development of consumer attitudes and behaviour, because susceptibility to interpersonal influence has both direct and indirect effects on consumption. Interpersonal influence is an indicator of perceived conspicuousness and social values, and this drives prestige-seeking consumption (Vigneron & Johnson, 2017). While social status can be an influence, the desire for status is not exclusive to the wealthy; those of

modest means also can find meaning in the outward symbols of status (Mason, 1992; Ram, 1994). This helps identify another moderating effect:

H7: Susceptibility to normative influence moderates the relationship between online social capital and luxury consumption.

Table 2-3 Research hypotheses

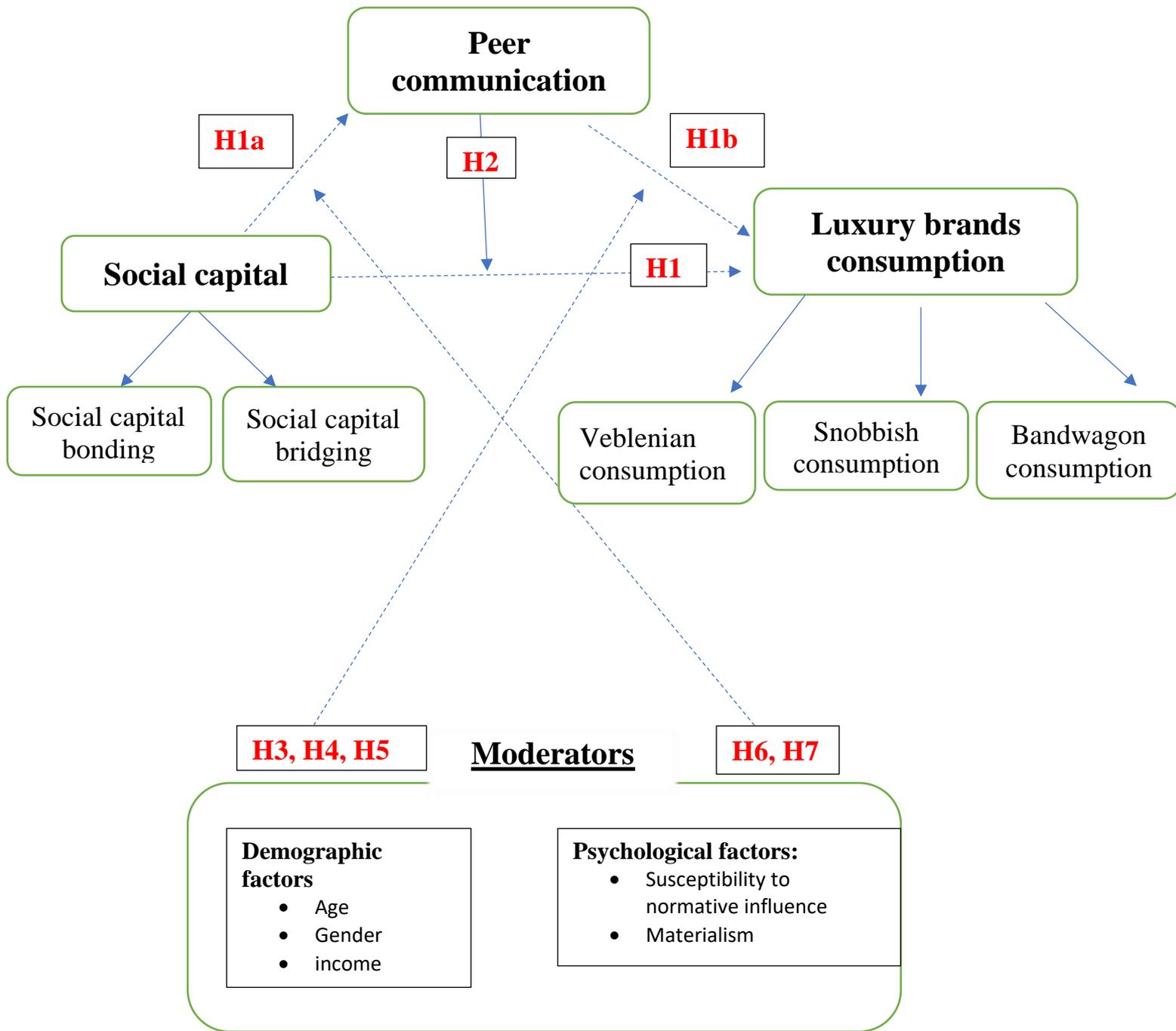
Research Hypotheses	Supported literature
H1: There is a positive relationship between online social capital and luxury consumption.	The grounded theory for the main research Social Capital theory (Putnam, 2006;1995; Williams, 2006; Hampton and Wellman, 2003; Haythornthwaite ,2001;2002)
H1a: there is a positive relationship between online social capital and online peer communication.	The ground theory to support this is social learning theory (Bandura,1969; Moschis et al.,1978; Muralidharan and Men,2015)
H1b: There is appositive relationship between online beer communication and luxury consumption.	(Holmqvist et al.,2020; Gupta and Vohra,2019 ;Romao et al. ,2019 ; Choi et al. 2018 ; Koivisto and Mattila ,2018 ; Chandon et al. ,2016 ; Kim et al. ,2015 ;
H2: Peer communication mediates the relationship between online social capital and luxury consumption.	Xu-Priour et al. ,2014 ; Teimourpour and Hanzaee ,2014 ; Thoumrungroje ,2014;Brun et al. ,2013 ; Kim and Ko ,2012).
H3: Age moderates the relationship between online social capital and luxury consumption	(Wang, Gellynck, & Verbeke, 2017; Shi et al., 2015; Rocha, 2005;Park et al. ,2008 ; Schade et al. ,2016)

H4: Gender moderates the relationship between online social capital and luxury consumption.	(Meyers-Levy and Loken ,2015 ; Stokburger-Sauer & Teichmann, 2013 ; Roux et al., 2017; Gupta and Vohra,2019).
H5: Income moderates the relationship between online social capital and luxury consumption.	(Leibenstein,1950; Dubois & Ordabayeva, 2015; Gupta and Vohra,2019; Roy and Ranchhod,2015).
H6: The degree of consumer materialism moderates the relationship between online social capital and luxury brand consumption.	(Gill et al., 2012; Wiedmann et al., 2009;Liao and Wang 2009 ; Belk, 1988 ; Wang and Wallendorf ,2006; Lertwannawit & Mandhachitara, 2012; Pandelaere, 2016; Nepomuceno & Laroche, 2015 ; Fitzmaurice and Comegys ,2006)
H7: Susceptibility to normative influence moderates the relationship between online social capital and luxury consumption.	(Lertwannawit & Mandhachitara, 2012; Mason, 1992; Ram, 1994; Vigneron & Johnson, 2017)

2.13 Conceptual framework

Based on the listed hypotheses above the following section presents the conceptual framework and its main variables. The review of social capital identified the factors that drive luxury consumption and are mediated by online peer communication. These include demographic factors (age, gender, income) and psychological factors (susceptibility to normative influence, and materialism). Figure 2.1 presents the conceptual framework of this study.

Figure 2-1 Conceptual Framework for This Study



3 METHODOLOGY CHAPTER

This chapter presents the methodology adopted in this study. It describes research paradigms, research approaches, and research strategies. It explains reasoning approaches and research types. In each case, reasons are given for the choices made for this research. The chapter then covers the types of data used in research and potential issues in sampling, data collection, and survey design and administration. Then it lists all the research items that are associated with the research hypotheses and discusses the approach used to purify the research measures and assess their validity and reliability. Finally, the chapter treats the specifics of the pilot study, the statistical tools used, and the ethical considerations for using a questionnaire. The research methodology construction will follow the theoretical concept of “research onion” that was developed by Saunders et al. (2015) which is widely used in business studies. This research onion consisted of six stages that need to be accomplished to formulate an effective methodology (Raithatha, 2017). The six layers of research onion will discuss the following starting with the main research philosophy, then identifying the appropriate approach, methods and strategies as well as defining time horizons, which altogether take the research logic to research design – main techniques and procedures for data collection and analysis.

3.1 Research philosophy

The philosophical approach which attempts to understand reality by dividing opinion into two opposing schools of thought: epistemology and ontology. Epistemology is related to developing an understanding of how valid knowledge is created and how it can be obtained (Saunders et al., 2015), whereas ontology digs deeper into understanding what reality is and how one can understand the existence of all that is real (Saunders et al., 2015). The primary research paradigm for this study is epistemology because the researcher aims to develop valid knowledge that can contribute to the knowledge base.

Under these two types of paradigms are two applicative approaches, namely, positivism and interpretivism. Positivism, or a positivistic approach, represents the belief that reality can be explained objectively. In other words, data can be more credible if they treated objectively. Keeping this philosophy in mind, this study has adopted a positivistic approach, where the researcher aims to work with objective data to produce credible knowledge that can be generalised (Saunders et al., 2015). According to Mingers and Brocklesby (1997) most of the positivist studies conducted through a quantitative method such as survey questionnaire, direct observation, experiment. Therefore, this research has followed the positivistic approach because it conducted throughout quantitative methods. On the other hand, the interpretivist approach assumes that individuals create their own subjective reality as they interact in their own environment (Hatch and Cunliff, 2006). According to Hamre (2008) this approach creates a time-space conditionality that enables us to understand and produce knowledge and gain information at the same time. Interpretivism pertains to a humanistic approach that relies more on the subjectivity of the data and information; hence it is more appropriate for qualitative research work (Saunders et al., 2015).

3.2 Research Strategy

A research strategy is a planned set of actions that can help answer research questions and achieve research objectives effectively (Wilson, 2010). Previous studies have used two types of research strategies: explorative and descriptive. As the name suggests, an explorative research strategy is adopted when a researcher aims to examine an idea. This strategy requires flexibility to adapt to the unanticipated requirements of the research work (Lester & Lester, 2014). Conversely, when a researcher aims to describe a concept or theory, descriptive research work is said to have been done (Lester & Lester, 2014). This research followed an explorative strategy to explore the impact of social capital on luxury brands consumption in the Kingdom of Saudi Arabia (KSA). This strategy involved surveys with a deductive approach to answer questions such as what, who, where, etc, and it's a strategy that is widely used in business and management research (Saunders et al., 2015).

3.3 Approach to theory development

After a strategy is chosen, a researcher must adopt a reasoning approach for the study. As the literature shows, there are of two reasoning approaches, deductive and inductive. Deductive reasoning begins by investigating an existing idea or theory with the aim of improving or amending it (Wilson, 2010), whereas inductive reasoning questions an idea or theory, aiming to assess its reliability/validity and/or confirm its applicability to a certain content (Wilson, 2010). Before stating the reasoning approach for this study, it is important to highlight the differences between these two reasoning approaches as that will help to explain why the reasoning approach was chosen. Other than being the basis for the reasoning, a deductive approach is a top-down approach. It begins with the theory, develops hypotheses to test an idea, analyses the data, and provides conclusions. An inductive approach is a bottom-up approach. It begins with a small observation that can help to test an existing theory or create

a new one. Suffice to say, deductive reasoning moves from a general to a specific focus, whereas inductive reasoning moves from a specific to a general focus. This is why the conclusions from an inductive approach are probabilistic, while those from a deductive approach can be factually applied.

This brief comparison of deductive and inductive reasoning helps to highlight the logical basis for adopting a deductive reasoning approach for this study, because this research work aims to develop a theory for generalised understanding by testing hypotheses (Collis & Hussey, 2003). Therefore, the strategy for this quantitative research work requires identifying the predictor and dependent variables and the relationships among the variables, devising measuring scales or constructs of the variables of interest, determining testing techniques, evaluating the results, and assessing whether the current theory requires any modification based on the conclusions of the research (Robson, 2002). This describes precisely the approach of this study.

3.4 Research approach

There are two types of research: quantitative and qualitative. It has been established that this research work is quantitative (as it takes a positivistic, objective, and deductive approach). However, at this point it is important to provide further support for the decision to conduct a quantitative study rather than a qualitative approach. According to Lester and Lester (2014), qualitative research is subjective, which requires the researcher to add his/her own interpretation to the data collected and the analysis, as he/she endeavours to explain or expand an idea. Quantitative research, however, is based on a more objective approach in which the researcher relies on the data collected and interprets them objectively by using statistical tools (Wilson, 2010). The need to test the hypotheses by adopting deductive and positivistic

epistemological stance requires collecting the data through questionnaires and analysing them statistically, thus making this study quantitative. Hughes and Sharrock (1997) argued that the significant growth of marketing research has led to a revival of positivists approaches which are widely employed such as questionnaires and sampling. In addition, according to Vuuren (2010) “from an epistemological viewpoint, positivists are concerned with the hypothetic-deductive testability of theories, which seeks to explain and predict what happens in the social world by searching for regulatory and causal relationships between its constituent elements”. Therefore, in order to meet research objectives this research has employed a quantitative exploratory approach.

3.5 Research Fieldwork

This research involved field work that encompasses collecting both primary and secondary data. Primary data were collected by dispensing questionnaires. Secondary data (based on previous research works) were used to develop the basis for the hypotheses and designing the questionnaires. Suffice to say, it was access to the secondary data that helped to determine the appropriate research approach, strategy, and data collection methods and instruments.

3.6 Sample and Sampling Technique

Previous studied used two main types of sampling methods: probability sampling and non-probability sampling. Probability sampling has subtypes like simple random sampling, multistage sampling, and stratified random sampling. Simple random sampling is a technique that ensures that all the subgroups in a population with size n have an equal chance of being selected in a sample (Saunders et al., 2015). Multistage sampling is used for very large

populations, and it is scattered to represent one group altogether (Saunders et al., 2015). Stratified random sampling divides the entire population into strata, and then gathers samples from each category or strata made (Saunders et al., 2015). A simple example might help to understand these differences. For instance, a team of researchers wants to check the CGPA of university students across the UK, a population of more than 10 million students. So, they select 5,000 students at random (this is random sampling). Now, if they are interested in assessing the relationship between academic major and CGPA, they can create strata based on the students' academic majors (this is stratified random sampling). Non-probability sampling, as the name suggests, does not rely on probability in creating a sample; it includes methods like convenient sampling and judgement sampling (Saunders et al., 2015).

The sample for this study comprises the luxury goods/brands consumers in the Kingdom of Saudi Arabia. This study accounts for demographic factors like age, income, gender, and education. So, ideally, the sample should be a diverse one with respect to age, income, gender, and education. This widened the access to the sample or target population for this study. The sampling technique used is non-probability convenience sampling (along with snowball sampling) with a focus on consumers of luxury watches, cars, and apparel. The reasons for choosing these product categories are: (i) there is strong demand for luxury items in these categories in Saudi Arabia, driven by symbolic value socially as well as high property value and (ii) previous studies have focused on these items to represent luxury purchases (for instance, Kastanakis & Balabanis, 2012). The convenience sampling technique was chosen because of the ease of conducting the research, its cost and time effectiveness, and the fact that all the respondents had equal weight in providing credible information for the study (Saunders et al., 2015).

3.7 Data Collection

For this quantitative work, questionnaires were chosen as the primary method of data collection because: (i) this is the most practical method to collect data for this type of study, (ii) it can collect a large amount of data in a relatively short time compared to interviews, (iii) it did not require the researcher to be present with the respondents to ensure the validity of the data, (iv) the responses could easily be entered into analytical software and statistically analysed, and (v) it supports the objective approach and positivistic belief adopted by the researcher (Popper, 2004).

A web-based survey was developed in the English language (see appendix 3 for English version questionnaire), translated into Arabic, and translated back to English to check the accuracy of the translation. The text was sent to language experts to ensure that the choice of words in Arabic met the requirements of the statements set out in English in the previous research work (Cha, Kim, & Erlen, 2007). Brislin (1970) recommends this translation technique for conducting cross-cultural research. The survey was downloaded to SurveyMonkey.com then sent to Saudi consumers through social media (Twitter, Instagram, WhatsApp, Snapchat, and Facebook). The link to the survey was sent to respondents by personal referrals, and the researcher encouraged snowballing, so more and more respondents could participate. (see appendix 4 for online Arabic version questionnaire)

The seven hypotheses set out in this research focus on social capital and luxury consumption, mediated by peer communication, consumer materialism, susceptibility to normative influence, age, gender, and income. Each measure had Likert-type scale response anchors showing the degree of agreement or disagreement, where 1 represented strongly agree, 2 represented agree, 3 represented somewhat agree, 4 neutral, 5 represented somewhat disagree, 6 represented disagree, and 7 represented strongly disagree (see Appendices 3 and 4).

The survey was designed after reviewing other questionnaires on the topics of interest. A pre-test was conducted by using three friends of the researcher who also helped to improve the questionnaire in terms of clarity of language. In addition, marketing experts helped assess the face validity and reliability of the questionnaire for measuring the variables of interest.

3.7.1 Measures

For this study, luxury products are defined as those products which are: ‘worn by celebrities and known by many’, ‘highly popular and everyone would approve of’, and ‘as a symbol of success and achievement by many’. These descriptions were adopted from Kastanakis and Balabanis (2012). All the questionnaire items were used from existing research literature which are listed in the following:

The items to measure online social capital were developed by Williams (2006), who subdivides social capital into bonding capital and bridging capital. The social capital measure bonding and bridging via second order (items shown on Table 3.1). The items to measure susceptibility to normative influence were developed by Bearden et al. (1989) (shown on Table 3.2). The items to measure materialism were developed by Richins and Dawson (1992). The measure has aimed to evaluate materialism on the basis of three components: the focus on acquisition, acquisition as a way of pursuing happiness, and defining success according to possessions. The items shown (on Table 3.3). The items to measure the three types of luxury consumption via second order (bandwagon, snob, and Veblenian consumption) were developed by Kastanakis (2010). Although that study used a luxury watch to represent luxury goods, in this research, the luxury products are referred to without naming any goods. The items for measuring luxury consumption are shown (on Table 3.4). The items to measure the effect of peer communication on luxury purchase consumption through social capital and

susceptibility to normative influence were developed by Wang and Wei (2012) (shown on Table 3.5)

Table 3-1 Social capital items

<p>Social bonding capital developed by Williams (2006)</p>	<ol style="list-style-type: none"> 1. There are several people online I trust to help solve my problems.^[L]_[SEP] 2. There is someone online I can turn to for advice about making very important ^[L]_[SEP]decisions.^[L]_[SEP] 3. There is no one online that I feel comfortable talking to about intimate personal ^[L]_[SEP]problems. 4. When I feel lonely, there are several people online I can talk to.^[L]_[SEP] 5. If I needed an emergency loan of £500, I know someone online/offline I can turn to. 6. The people I interact with online would put their reputation on the line for me.^[L]_[SEP] 7. The people I interact with online would provide good job references for me.^[L]_[SEP]
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	<p>8. The people I interact with online/offline would share their last dollar or pound with me. [L] [SEP]</p> <p>9. I do not know people online well enough to get them to do anything important. [L] [SEP]</p> <p>10. The people I interact with online would help me fight an injustice.</p>
<p>Social bridging capital developed by Williams (2006)</p>	<p>1. Interacting with people online makes me interested in things that happen outside of my town.</p> <p>2. Interacting with people online makes me want to try new things. [L] [SEP]</p> <p>3. Interacting with people online makes me interested in what people unlike me are thinking. [L] [SEP]</p> <p>4. Talking with people online makes me curious about other places in the world.</p> <p>5. Interacting with people online makes me feel like part of a larger community. [L] [SEP]</p>

	<p>6. Interacting with people online makes me feel connected to the bigger picture.</p> <p>7. Interacting with people online reminds me that everyone in the world is connected. ^[L]_[SEP]</p> <p>8. I am willing to spend time to support general online/offline community activities. ^[L]_[SEP]</p> <p>9. Interacting with people online gives me new people to talk to. ^[L]_[SEP]</p> <p>10. Online, I come into contact with new people all the time.</p>
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Table 3-2 Susceptibility to normative influence items

<p>Susceptibility to normative influence items developed by Bearden et al. (1989).</p>	<p>1. I rarely purchase the latest fashion styles until I am sure my friends approve of them; it is important that others like the products and brands I buy.</p> <p>2. When buying products, I generally purchase those brands that I think others will approve of.</p>
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	<ol style="list-style-type: none">3. If other people can see me using a product, I often purchase the brand they expect me to buy.4. I like to know what brands and products make good impressions on others.5. I achieve a sense of belonging by purchasing the same products and brands that others purchase.6. If I want to be like someone. I often try to buy the same brands that they buy.7. I often identify with other people by purchasing the same products and brands they purchase.8. To make sure I buy the right product or brand, I often observe what others are buying and using.9. If I have little experience with a product, I will ask my friends about the product. I often consult other people to help choose the best alternative available from a product class.
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	<p>10. I frequently gather information from friends or family about a product before I buy it.</p>
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Table 3-3 Materialism items

<p>Materialism items developed by Richins and Dawson (1992)</p>	<ol style="list-style-type: none"> 1. I admire people who own expensive homes, cars, and clothes. 2. Some of the most important achievements in life include acquiring material possessions. 3. I don't place much emphasis on the amount of material objects people own as a sign of success. 4. The things I own say a lot about how well I'm doing in life. 5. I like to own things that impress people. 6. I don't pay much attention to the material objects other people own. 7. I usually buy only the things I need. 8. I try to keep my life simple as far as possessions are concerned.
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	<p>9. The things I own aren't all that important to me.</p> <p>10. I enjoy spending money on things that aren't practical.^[L]_[SEP]</p> <p>11. Buying things gives me a lot of pleasure.^[L]_[SEP]</p> <p>12. I like a lot of luxury in my life.^[L]_[SEP]</p> <p>13. I put less emphasis on material things than most people I know.</p> <p>14. I have all the things I really need to enjoy life.</p> <p>15. My life would be better if I owned certain things I don't have.</p> <p>16. I wouldn't be any happier if I owned nicer things.</p> <p>17. I'd be happier if I could afford to buy more things.</p> <p>18. It sometimes bothers me quite a bit that I can't afford to buy all the things I'd like.</p>
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Table 3-4 luxury consumption items

<p>Items measuring the snobbish consumption behaviour (Kastanakis 2010)</p>	<ol style="list-style-type: none"> 1. A watch that is difficult to find and that only a few people own. 2. A watch of such limited production that its owners are really distinguished and unique. 3. A watch that has just been launched and is currently recognised and valued by only a small circle of people.
<p>Items measuring the veblenian consumption behavior (Kastanakis 2010)</p>	<ol style="list-style-type: none"> 1. An extremely expensive watch that only the really wealthy own. 2. A watch that is impossible not to be noticed and is a proof that its owner is really rich. 3. An extremely luxurious watch sold in the most prestigious and expensive boutiques.
<p>Items measuring the bandwagon consumption behaviour (Kastanakis 2010)</p>	<ol style="list-style-type: none"> 1. A very popular and currently very fashionable watch that everyone would approve of its choice. 2. A watch worn by many celebrities, recognised by many people as a symbol of success. 3. A watch that is chosen and worn by most people as a symbol of achievement.

Table 3-5 Peer communication items

Peer communication (Wang & Wei 2012)	<ol style="list-style-type: none">1. I talked with my peers about the product on social media.2. I talked with my peers about buying the product on the Internet.3. I asked my peers for advice about the product.4. I obtained the product information from my peers.5. My peers encouraged me to buy the product.
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3.7.2 Validity Assessment of the Measures

According to Bryman (2008), accuracy depends on item validity in the data collection instrument, and reliability depends on the consistency of the items. Validity can be evaluated in three ways: by assessing criterion validity; content validity; and construct validity (Hair et al., 2007). (i) Criterion validity is assessed by evaluating the ability of one measure to predict the performance of another variable (Hair et al., 2007). However, it is challenging to assess criterion validity for survey-based research like this study, so it was not used. (ii) Content validity assessment requires creating a small group of experts or population-representative respondents to provide their opinions on whether the items in the measure represent the variable of interest (construct) appropriately. For this study, marketing experts were asked to validate the questionnaire and their opinions were taken into consideration. In addition, content validity was assessed by using a pilot study, in which items in the questionnaire for each construct were

evaluated for their suitability to measure the variables of interest. (iii) Construct validity assessment means determining the degree to which a measure can test what it is supposed to test. Construct validity is further divided into two checks: convergent validity and discriminant validity. The construct validity of the measures in the questionnaire for this current research was assessed by calculating the average variance extracted (AVE) by using this formula:

$$\text{Average variance expected} = (\sum\lambda)^2 / \{(\sum\lambda)^2 + \sum\theta\} \text{ (Netemeyer et al., 2003)}$$

where λ = indicates factor loadings and θ = indicates error variance

An AVE greater than 0.50 indicates that the variance explained by the variable of interest/construct is higher than the variance caused by errors in measurement, so there is convergent validity (Fornell & Larcker, 1981). Moreover, an AVE greater than the covariance between the variables of interest and other related variables indicates significant discriminant validity of the variable of interest/construct. Indicator factor loadings and error variance values were obtained from AMOS.

3.7.3 Reliability of the Measures

Reliability of the scale for this study was evaluated by using factor loadings and composite reliability coefficients (Hair et al., 2007). They were calculated by using the formula:

$$\text{Composite reliability} = (\sum\lambda)^2 / \{(\sum\lambda)^2 + \sum\theta\} \text{ (Netemeyer et al., 2003)}$$

where λ = indicator factor loadings and θ = indicator error variance

Indicator factor loadings and error variances were easily obtained from AMOS. If the value of composite reliability coefficient was greater than 0.7, the scale was reliable. Another approach to ensure the internal consistency in the scale to indicate reliability requires calculating alpha coefficients. According to Churchill et al. (1974), coefficient alpha is an

effective measure for assessing the quality of a questionnaire. The Statistical Package for the Social Sciences (SPSS) allows calculating the coefficient alpha with supreme ease. A low coefficient alpha shows poor performance of the items in capturing the true meaning in the questionnaire, whereas a high value of coefficient alpha indicates a much stronger correlation of the items with the main construct or variable that is being measured. If the coefficient alpha of a set of items is low, the recommendation is to find and remove the items that have the lowest correlations or correlations near zeros before calculating the alpha coefficient again (Hox, 2002).

3.8 Common method bias

There are some procedural techniques that can be done to mitigate biased responses. According to Podsakoff and MacKenzie (2012), in order to reduce biased responses the questionnaire should be well designed in clear language and format, and scale points should be all labelled and not too extreme, no subheadings for different sections, in addition, encourage participants to provide accurate answers by providing them with the option to receive this research's results. All of these techniques were applied and implemented in the questionnaire design.

3.9 Statistical Tools

AMOS was the primary statistical analysis software used for to statistical analysis. It is used in structural equation modelling, factor confirmatory factor analysis, and path analysis (Blunch, 2008). Other than simple statistical techniques, descriptive analysis, and correlations matrix, structural equation modelling (SEM) was used while analysing the collected data. SEM is a statistical technique that helps analyse structural associations/relationships. Simply put,

SEM combines multiple regression analysis and factor analysis calculate the relationships between and among variables. This method is superior to simple regression analysis because it assesses the different levels of interdependence and relationships between dependent and independent variables much better than linear regression analysis (Blunch, 2008).

3.10 Pilot Study

Pilot studies are mini version of a full-scale research instrument used in the pretesting stage of a study. Pilot studies are also referred to as feasibility studies or trials, because such studies help evaluate the effectiveness of the different aspects of the research (for instance, research design, data collection methods and instruments, and sample selection). The insights that a researcher gains from a pilot study can help in effective implementation of the full-scale research (Polit et al., 2001). According to De Vaus (1993), in the social sciences, pilot studies give warnings about things that could go wrong or add complications to the effort or show that an aspect of the research as inappropriate. They help keep the risk of failure to a minimum; however, they do not guarantee success.

A pilot study with 50 participants helped this researcher to: (i) evaluate the workability of the research proposal, (ii) evaluate if the sampling technique was effective, (iii) see if using a questionnaire to collect data was an appropriate choice, (iv) evaluate if the language and items on the questionnaire were effective in providing the required data, and (v) evaluate the internal consistency and/or validity of the questionnaire. This last point is the most important of all. Since the questionnaire was the primary source of data, any flaw in the data collection instrument could significantly affect the credibility of the entire project (Peat et al., 2002).

Cronbach's alpha was used to test the reliability of the measurements in the pilot study. All the Cronbach's alpha values were above 0.7, which is an acceptable level for social research science (Sharma, 1996; Malhotra & Birks, 1999). The results are shown in Table 3.6.

The pilot study allowed the researcher to ask the pilot study participants if there were any ambiguities in the items and if they had any difficulty understanding the words in the questionnaire. It also helped the researcher to determine if the time needed to complete the questionnaire was reasonable. As a result, no item was deleted, but there are minor amendments to some items and some participants required further explanations from the researcher, particularly on concepts such as materialism and susceptibility to normative influence items. The pilot test demonstrated that the questionnaire is viable for the proposed study, though the data obtained from the pilot study is not included as primary data

Table 3-6 Reliability of the Pilot Test

Measure	N of items	Cronbach's alpha
Social capital		
Bridging	10	0.860
Bonding	10	0.710
Luxury consumption		
Snob	3	0.924
Bandwagon	3	0.865
Veblenian	3	0.823
Materialism	18	0.746
Susceptibility to normative influence	11	0.843
Peer communication	5	0.729

3.11 Ethical Considerations

Researchers must ensure that all the ethical aspects of survey research are taken into account. According to Diener and Crandall (1978), a research study is ethical if: (i) it does not harm the respondents, (ii) it has the informed consent of participants, (iii) it does not invade privacy, and (iv) it does not deceive the respondents in any way. This research effort met these criteria. It did not harm participants in any way, physically, emotionally, or psychologically. The questionnaire was preceded by a consent form letter with which respondents had to agree before taking the survey (see Appendix 1). This consent form letter told participants that the data they were providing would be used in a study of luxury market consumers in Saudi Arabia and that the results could make a considerable contribution to the literature about consumer behaviour in the region. It said that the data collected would be statistically analysed and employed only in this research. The consent form letter stated clearly that participation in the survey is voluntary, but that their participation would be greatly appreciated. Finally, except for asking participants to indicate their income bracket, the questionnaire did not ask any personal questions. It is important to note that the questionnaire was designed so that privacy could not be breached there was no question that could help identify the respondents. This study gave the respondents information to help them feel comfortable about participating and to assure them there was no intent to deceive them or to ask them to do something that they did not volunteer to do.

3.12 Summary of the Chapter

This chapter presented the methodology adopted in this study. It began by explaining epistemology and positivism as the research paradigm, as the study requires focusing on facts and objective data, which in turn could help to maintain the validity of the conclusions as well as their applicability. A positivistic approach is in keeping with the explorative nature of this study, which aims to find out the impact of social capital on luxury brand consumption in Saudi Arabia. A deductive reasoning approach was adopted, which meant using a top-down approach, investigating the theory, setting hypotheses to test the new idea, and aiming to contribute to the literature and knowledge base for practitioners and academics.

Since the researcher believes in an objective approach that is based on the facts collected through questionnaires with closed-end questions and analysis using statistical methods, this research work is entirely quantitative. The sampling technique used for this research was a non-probability technique of convenience sampling. The questionnaire was developed in English and translated into Arabic to ensure clarity. The points of data collection were online social media platforms (which by using the snowballing effect helped reach the target sample size in a shorter span of time). The items in the questionnaire are presented on a seven-item Likert scale. The variables of interest comprised susceptibility to normative influence, materialism, social bridging and bonding capital, bandwagon and snob consumption, and peer communication. Composite reliability coefficients and coefficient alpha were assessed to ensure the internal reliability of the measures. AMOS software was used for data analysis and to help with structural equation modelling (SEM), the primary data analysis technique for this study. SEM combines multiple regression analysis and factor analysis so as to statistically assess the relationship between/among the variables of interest.

A pilot study with 50 participants allowed the researcher to evaluate the effectiveness of the research design and the sampling technique and to receive feedback from the participants about the questionnaire. The pilot study also helped to determine construct validity, as ambiguities in the questionnaire design and misunderstandings of the items could decrease the credibility of the findings. Conducting the pilot study was deemed to be an important step. Last, the research was conducted under all the proper ethical considerations. In this regard, the respondents were fully informed about the objectives of the research, and their consent was obtained before they could participate in this study. Moreover, the questionnaire items were such that answering them would not physically, emotionally, and/or professionally harm the respondents. Additionally, there was no breach of privacy, which was ensured by asking the respondents to fill in the questionnaires anonymously. Finally, the collected data was saved in a password-protected file on the researcher's personal password-protected machine; hence the confidentiality of the data was maintained through the entire research tenure.

4 DATA ANALYSIS CHAPTER

This chapter presents the statistical analysis of the empirical data collected in this research. First, the descriptive statistics on the respondents' characteristics are presented. Second, the results are checked for missing data and outliers, normality is examined, and reliability is assessed. Third, the validity of the measurement model and the model fit are assessed by using confirmatory factor analysis. Last, the hypotheses that were developed for this research are tested.

4.1 Respondents' Characteristics

The questionnaire URL was distributed on social media sites, and 407 participants completed the questionnaire via the link. As shown in Table 4.1, 151 participants were between 25 and 34 years old, 104 of them were between 18 and 24 years old, and 100 of them were between 35 and 44 years old. As illustrated below, males represented 60% of the sample; females, 40%. This means there is a slight difference in the numbers of males and females that participated in this research.

Most of the participants hold an undergraduate degree, while 10% hold a master's degree and 7% have a PhD degree. In terms of the income ranges of the participants. 30% of the respondents had an income below 5,000 Riyals (1,000 pounds) per month, 23% had incomes between 5,000 and 15,000 Riyals per month, and approximately 4% had incomes over 45,000 Riyals per month.

Most of the participants in this research use social media—only four participants do not, although they still wanted to participate in this research because they are luxury brand consumers.

Table 4-1 Characteristics of Survey Respondents

		Frequency	Percent
Age	below 18	7	1.7
	18–24	104	25.6
	25–34	151	37.1
	35–44	100	24.6
	45–54	31	7.6
	55–64	13	3.2
	65 and over	1	.2
	Total	407	100.0
Gender	Male	207	50.9
	Female	198	48.6
	Total	405	99.5
Total		407	100.0
Education	Primary school	3	.7
	Secondary school	6	1.5
	High school	71	17.4
	Undergraduate	226	55.5
	Diploma	25	6.1
	Master's degree	43	10.6
	PhD	32	7.9
	Total	406	99.8
Total		407	100.0
Income	below 5,000 riyals	123	30.2
	5,000 to 10,000	94	23.1
	10,000 to 15,000	72	17.7
	15,000 to 20,000	51	12.5
	20,000 to 25,000	21	5.2
	25,000 to 30,000	13	3.2
	30,000 to 35,000	8	2.0
	35,000 to 40,000	3	.7
	40,000 to 45,000	3	.7
	over 45,000	16	3.9
	Total	404	99.3
	Total		407

Use of social media	Yes	398	
	No	4	
Total		402	

4.2 Descriptive statistics

The first question in the questionnaire asked the respondents about the luxury brands they have purchased or used in the recent past. The selection process of luxury brands in the questionnaire was based on Kastanakis and Balabanis' (2012) method through which they defined luxury brands as products 'worn by celebrities and known by many' and 'highly popular and everyone would approve of', and 'as a symbol of success and achievement by many'. Most of the respondents had purchased Gucci, and 36% percent had purchased Channel; while 31% percent had used D&G and Burberry. The participants were asked to choose more than one brand if necessary. All the brands used and purchased are shown on Table 4.2. In addition, there was an 'other' option, and about 60 participants stated that they had purchased and used other brands; the most frequent brands were Dior, Fendi, Rolex, Lexus, and Range Rover.

Table 4-2 Luxury Brands Recently Purchased or Used

Which of the following luxury brands have you purchased or used in the recent past?		
Answer Choices	Responses	
– Piaget	5.29%	18
– Cartier	32.35%	110
– Bvlgari	20.59%	70
– Chanel	36.76%	125
– Hermes	14.12%	48

Which of the following luxury brands have you purchased or used in the recent past?		
– Louis Vuitton	32.65%	111
– Gucci	46.76%	159
– Versace	20.88%	71
– Ralph Lauren	24.41%	83
– D&G	31.18%	106
– Burberry	31.76%	108
– Balenciaga	15.00%	51
– Marc Jacobs	12.06%	41
– Prada	27.06%	92
– Ferrari	7.35%	25
– Lamborghini	2.65%	9
– BMW	13.24%	45
– Audi	4.41%	15
– Mercedes	14.41%	49
– Porsche	3.82%	13
– Rolls Royce	2.94%	10
– Bentley	5.59%	19
Other		59
	Answered	340
	other	69

4.3 Data Examination

To prepare data for multivariate analysis requires three steps, assess missing data, determine outliers, and ensure that the data meet the requirements of a multivariate analysis (Hair et al., 2010). These processes are vital to data preparation as they enable the researcher to understand the characteristics of the data before conducting the multivariate analysis. This process has been carried out as follows: Some of the variables involved in this research were ordinal and measured using a Likert scale, while the other variables (age and income) are on a

scale, and gender is nominal. All these variables have been examined for the multivariate analysis.

4.4 Description of codes in the statistical analysis

Table 4-3 Codes Used in the Statistical Analysis

Code	Code Description
sbridge	Bridging from ‘Social capital’
com	Peer communication
snob	Snobbish consumption from ‘Luxury brand consumption’
veb	Veblenian consumption from ‘Luxury brand consumption’
ban	Bandwagon consumption from ‘Luxury brand consumption’
ms	Success from ‘materialism’
mc	Centrality from ‘materialism’
mh	Happiness from ‘materialism’
Sub	Susceptibility to normative influence

4.5 Checking for Missing Data and Outliers

The data were screened using SPSS 21 to identify any missing data and the extent it. Any missing data were noted and considered (Hair et al., 2010). Most were missing because respondents did not answer some questions (Hair et al., 2010). The amount of missing data was less than 10% for each variable and case (See Table 4.4). This suggests that the amount of missing data is low, meaning that it should not affect the statistical analysis and the results (Hair et al., 2010). Identifying the characteristics of missing data can lead to either inputting it using valid data or replacing it. It was decided to substitute the missing values with estimated values using other available values, as recommended by Hair et al. (2010). Thus, the missing values for the ordinal variables were replaced with the median of the other values in accordance

with Acuna and Rodriguez (2004). Furthermore, the median used was suitable for Likert data (Jamieson, 2004).

Table 4-4 Missing data at the item level

Items	Valid	Missing	Items	Valid	Missing	Items	Valid	Missing	Items	Valid	Missing
sbon1	405	2	sbridge18	406	1	ms35	407	0	com52	407	0
sbon2	405	2	sbridge19	406	1	ms36	406	1	com53	407	0
sbon3	407	0	sbridge20	406	1	ms37	407	0	com54	405	2
sbon4	406	1	sub21	407	0	mc38	407	0	snob55	407	0
sbon5	407	0	sub22	407	0	mc39	407	0	snob56	406	1
sbon6	407	0	sub23	407	0	mc40	407	0	snob57	407	0
sbon7	407	0	sub24	407	0	mc41	407	0	veb58	407	0
sbon8	407	0	sub25	407	0	mc42	406	1	veb59	407	0
sbon9	407	0	sub26	406	1	mc43	407	0	veb60	407	0
sbon10	407	0	sub27	407	0	mc44	407	0	ban61	407	0
sbridge11	407	0	sub28	407	0	mh45	406	1	ban62	407	0
sbridge12	407	0	sub29	407	0	mh46	407	0	ban63	407	0
sbridge13	406	1	sub30	407	0	mh47	407	0	Age	407	0
sbridge14	405	2	sub31	406	1	mh48	407	0	Gender	405	2
sbridge15	406	1	ms32	405	2	mh49	407	0	Education	406	1
sbridge16	407	0	ms33	407	0	com50	407	0	Income	404	3
sbridge17	406	1	ms34	407	0	com51	407	0	usesocialmedia	402	5

Outliers are variables that have extreme values or unusual combinations of values, making them differ from the other values observed (Hair et al., 2010). It is essential to identify outliers as they can have a major impact on the results of statistical analyses (Zijlstra, van der Ark, & Sijtsma, 2007). Some of the variables in the current study were measured using a seven-point Likert scale. Therefore, no observation can be classed an outlier on those variables as they all fall within this range (Riani, Torti, & Zani, 2011). It should be noted that a possible source of outliers are procedural errors, although these can be discovered when cleaning the

data (Hair et al., 2010). Such outliers are usually the result of errors in coding or data entry (Hair et al., 2010). The data for the current research was checked regularly during coding and data entry to check for values outside the potential range of values for variables (Pallant & Manual, 2007). If any out-of-range values were found, they were corrected to limit procedural errors.

4.6 Normality Assessment

Normality is the most important statistical assumption in SEM as a multivariate analysis, as it shows the normality distribution of all variables (Hair et al., 2010). Any non-normal variables must be accommodated (Hair et al., 2010). Skewness and kurtosis are two measures used to assess normality (Blunch, 2013). Skewness measures the balance of the distribution (Hair et al., 2010), and kurtosis examines the distribution peaks (Blunch, 2013). If the values of skewness and kurtosis equal zero, the distribution is normal (Pallant & Manual, 2007).

Skewness and kurtosis were used to test the normality of variables in SPSS 21. If their absolute value does not exceed two, there is no harm to the condition of normality (Tabachnick & Fidell, 2007). Skewness values between 0.23 and 2.0 suggest sufficient levels of normality, although applying skewness to Likert-type data is not effective (Gaskin, 2012). According to Clason and Dormody (1994, p. 34), the normality of Likert-type items is difficult to assess with skewness because Likert-type items ‘often produce distributions showing a floor or ceiling effect’. Therefore, kurtosis was used to assess the normality of the data as this is a more accurate indicator of Likert-type data (Gaskin, 2012). Kline (1998) explains that kurtosis with an absolute value greater than 10 indicates a non-normal distribution. As all the values of

kurtosis for the data in this study are between 0.003 and 2.44, they are within the threshold (See Tables 4.5,4.6,4.7). This suggests that almost all the variables had normal distributions.

To assess normality, it is also essential to consider sample size, especially as increasing the sample size can reduce the negative effects of non-normality (Hair et al., 2010). A sample size of 50 or fewer may cause issues around normality and the results of the statistical analysis (Hair et al., 2010); hence, the sample size of 407 cases in the current research has mitigated the risk of non-normality.

Table 4-5 Normality Assessment Using Kurtosis

Items	Kurtosis	Items	Kurtosis	Items	Kurtosis	Items	Kurtosis
sbon1	-1.038	sbridge18	-0.730	ms35	-0.936	com52	0.487
sbon2	-1.160	sbridge19	-1.146	ms36	-1.177	com53	-0.665
sbon3	-0.349	sbridge20	-0.054	ms37	0.458	com54	-0.836
sbon4	-1.386	sub21	-0.207	mc38	-0.196	snob55	-1.241
sbon5	1.629	sub22	-0.959	mc39	0.249	snob56	-1.184
sbon6	0.897	sub23	-0.903	mc40	-0.951	snob57	-1.182
sbon7	-0.886	sub24	-0.876	mc41	-0.677	veb58	-1.172
sbon8	1.035	sub25	-0.967	mc42	0.266	veb59	-1.149
sbon9	-0.163	sub26	-0.003	mc43	-0.536	veb60	-1.031
sbon10	-0.865	sub27	-0.932	mc44	0.347	ban61	-0.845
sbridge11	0.247	sub28	-1.286	mh45	0.184	ban62	-1.186
sbridge12	-0.381	sub29	0.336	mh46	-1.017	ban63	-1.006
sbridge13	-0.651	sub30	-0.694	mh47	-0.905	Age	0.258
sbridge14	0.590	sub31	-0.566	mh48	-1.010	Gender	-2.010
sbridge15	-0.182	ms32	-1.118	mh49	-0.904	Education	0.428
sbridge16	-0.457	ms33	-0.903	com50	-1.195	Income	2.436
sbridge17	-0.353	ms34	1.385	com51	-1.291	usesocialmedia	91.722

Table 4-6 Normality Assessment Using Skewness

Items	Skewness	Items	Skewness	Items	Skewness	Items	Skewness
sbon1	-0.357	sbridge18	0.609	ms35	0.205	com52	1.027
sbon2	-0.312	sbridge19	-0.012	ms36	-0.029	com53	0.614
sbon3	0.963	sbridge20	0.689	ms37	1.009	com54	0.204
sbon4	0.032	sub21	-0.893	mc38	0.810	snob55	0.020
sbon5	-1.616	sub22	-0.476	mc39	0.797	snob56	0.077
sbon6	-1.286	sub23	0.297	mc40	0.421	snob57	-0.115
sbon7	-0.142	sub24	0.473	mc41	-0.659	veb58	0.303
sbon8	-1.294	sub25	-0.435	mc42	0.905	veb59	0.322
sbon9	0.835	sub26	-1.015	mc43	0.524	veb60	-0.217
sbon10	-0.026	sub27	-0.418	mc44	0.837	ban61	-0.413
sbridge11	0.952	sub28	-0.154	mh45	0.883	ban62	0.116
sbridge12	0.675	sub29	0.934	mh46	0.235	ban63	-0.163
sbridge13	0.545	sub30	0.506	mh47	0.415	Age	0.659
sbridge14	1.045	sub31	0.612	mh48	0.335	Gender	0.011
sbridge15	0.719	ms32	-0.017	mh49	0.523	Education	0.781
sbridge16	0.548	ms33	-0.388	com50	0.204	Income	1.614
sbridge17	0.566	ms34	1.310	com51	0.008	usesocialmedia	9.656

Table 4-7 Summary of Values of Normality

	Max	Min
Skewness	1.616	0.008
Kurtosis	2.436	0.003

4.7 Reliability Assessment

A reliability assessment tests the consistency of indicators or items of a construct (Hair et al., 2010). Coefficient alpha (Cronbach’s alpha) can be used to check internal consistency to assess whether the items on each scale are measuring the same construct (Hair et al., 2010). Coefficient alpha is a basic statistical method that is useful for checking the internal consistency

of a scale overall (Churchill Jr, 1979), although it is not recommended to judge the reliability of a construct using only the value of the coefficient alpha (Cortina, 1993). Therefore, measuring inter-item correlation and item-to-total correlation can also be used to check internal consistency for each item on the scale (Hair et al., 2010). The information from ‘coefficient alpha if item deleted’ provided by the SPSS output was used with other measures to help decide if items should be deleted (Cho & Kim, 2014). The results are shown in Table 4.8.

In general, the coefficient alpha should not be lower than 0.7; the item-to-total correlation should be greater than 0.5, and the inter-item correlation should be more than 0.3 (Hair et al., 2010). These thresholds were used to check the reliability of each construct as follows:

Bonding: This construct had low values of Coefficient alpha and inter-item correlation.

Two items, sbon3 and sbon9, were identified as having low values and were deleted. This had a great impact on the Coefficient alpha, increasing it from 0.633 to 0.841, and on inter-item correlation, increasing it from 0.157 to 0.355.

Bridging: The internal consistency of the items for this construct was examined, it was decided to remove item bridge17 due to its slightly low item-to-total correlation. This improved the inter-item correlation to 0.403, which indicates a stronger relationship among items.

Peer communication: Two items for this construct, com53 and com54, had low values of item-to-total correlation. These items were deleted, increasing the value of the inter-item correlation to 0.464.

Snobbish consumption: This construct was shown to be internally consistent. which was proven by the high values of different measures for internal consistency. All the items for this construct were retained.

Veblenian consumption: This construct was shown to be internally consistent, which was proven by the high values of different measures for internal consistency. All the items for this construct were retained.

Bandwagon consumption: This construct was shown to be internally consistent, which was proven by the high values of different measures for internal consistency. All the items of this construct were retained.

Success: This construct had low values of coefficient alpha and inter-item correlation. Two items, ms34 and ms37, had low values and were deleted. This had a significant impact on the coefficient alpha, increasing it from 0.424 to 0.660, and on the inter-item correlation, increasing it from 0.094 to 0.326.

Centrality: This construct had low values of coefficient alpha and inter-item correlation. Three items, mc38, mc39 and mc44, had low values and were deleted. This had a positive influence on the coefficient alpha value, increasing it from 0.134 to 0.568, and on the inter-item correlation, increasing it from 0.019 to 0.250.

Happiness: This construct had low values of coefficient alpha and inter-item correlation. Two items, mh45 and mh47, had low values and were deleted. This had a great impact on the coefficient alpha, increasing it from 0.370 to 0.742, and on the inter-item correlation, increasing it from 0.092 to 0.490.

Susceptibility to normative influence: Although the value of the coefficient alpha for this construct was high, four items, sub23, sub29, sub30 and sub31, had relatively low values for item-to-total correlation and were deleted. Dropping these four items enhanced inter-item correlation to 0.436. The coefficient alpha was reduced to 0.843, which was considered satisfactory.

Table 4-8 Results of the Reliability Test

Construct	Scale Item	Coefficient Alpha(α)	Inter-Item Correlation	Coefficient Alpha (α) if Item Deleted	Item-to-Total Correlation
1-Social capital					
a) Bonding	sbon1	0.841	0.355.	.564	.509
	sbon2			.570	.483
	sbon3			.746	-.332
	sbon4			.567	.484
	sbon5			.590	.423
	sbon6			.590	.431
	sbon7			.580	.475
	sbon8			.576	.523
	sbon9			.703	-.166
	sbon10			.570	.506
b) Bridging	sbridge11	.851	.362	.829	.636
	sbridge12			.842	.494
	sbridge13			.838	.536
	sbridge14			.837	.554
	sbridge15			.832	.602
	sbridge16			.833	.589
	sbridge17			.853	.347
	sbridge18			.827	.654
	sbridge19			.840	.521
	sbridge20			.834	.586
2-Peer communication	com50	.741	.364	.658	.598
	com51			.670	.569
	com52			.700	.497
	com53			.737	.394
	com54			.707	.473
3-Luxury brand consumption		.908	.521		
a) Snobbish consumption	snob55	.869	.687	.895	.716
	sno56			.894	.733
	snob57			.892	.765
b) Veblenian consumption:	veb58	.840	.635	.892	.761
	veb59			.892	.756
	veb60			.892	.719
c) Bandwagon consumption	ban61	.803	.576	.906	.567
	ban62			.903	.611
	ban63			.908	.538
4-Materialism		.750	.192		
a) Success	ms32	.750	0.326.	.725	.455
	ms33			.724	.460
	ms34			.750	.234

Construct	Scale Item	Coefficient Alpha(α)	Inter-Item Correlation	Coefficient Alpha (α) if Item Deleted	Item-to-Total Correlation
	ms35			.746	.281
	ms36			.717	.506
	ms37			.738	.343
b) Centrality	mc39	.752	0.250.	.752	.201
	mc41			.729	.421
	mc42			.723	.477
c) Happiness	mh45	.765	0.490	.765	.083
	mh48			.708	.575
	mh49			.716	.519
5-Susceptibility to normative influence	sub21	.849	0.436	.833	.579
	sub22			.825	.656
	sub23			.844	.424
	sub24			.836	.538
	sub25			.832	.585
	sub26			.833	.576
	sub27			.829	.612
	sub28			.830	.604
	sub29			.850	.324
	sub30			.841	.470
	sub31			.842	.461

4.8 Structural Equation Modelling Analysis

In this research, the structural equation modelling analysis was carried out in two stages, assessing the validity of the measurement model and then the validity of the structural model. These two stages are recommended by Anderson and Gerbing (1988). According to Hair et al. (2010) this approach enables a researcher to ensure the validity of the measures before testing the whole structural model.

4.8.1 Confirmatory Factor Analysis

Confirmatory factor analysis was used to assess the validity of the measurements. CFA assesses the extent to which each group of indicators represents a specific construct in the measurement model (Hair et al., 2010). When applying CFA, it is necessary to pre-specify the constructs theoretically and identify the construct on which each indicator should load (Hair et

al., 2010). In this research, the constructs and their indicators were decided based on the theoretical background, with CFA seen as appropriate for confirming the theoretically assigned pattern of loadings for the research construct and indicators (Byrne, 2001).

The measurement model is seen as a valid model provided it has an acceptable level of goodness-of-fit (GOF) and when its construct validity has been proven (Hair et al., 2010), so these have been examined. GOF measures examine the distance between the observed covariance matrices and the estimated covariance matrices as a way to judge the model's fit (Blunch, 2013). The goal is to estimate how well the hypothesised model explains the sample data (Hu & Bentler, 1998). Two groups of GOF measures were used to assess the fit of the measurement model, absolute fit indices and incremental fit indices. Absolute fit indices reveal the extent to which the hypothesised model can reproduce the sample data, and incremental fit indices compare the hypothesised model against a baseline model (Hu & Bentler, 1998). To assess model fit, at least one absolute fit index and one incremental fit index should be analysed, as well as the Chi-square values for degrees of freedom and RMSEA for confidence intervals (Blunch, 2013; Hair et al., 2010). The cut-off value for each fit index is presented in (Table 4.9 and Table 4.10) In accordance with Hair et al. (2010), they have been used as a guideline and not as an absolute rule to discover the level of acceptability of fit for the model.

Table 4-9 Cut-off Criteria for Fit Indices

Measure	Terrible	Acceptable	Excellent
CMIN/df	>5	>3	>1
CFI	<0.90	<0.95	>0.95
SRMR	>0.10	>0.08	<0.08
RMSEA	>0.08	>0.06	<0.06
PClose	<0.01	<0.05	>0.05

Sources: Gaskin and Lim (2016) 'Model Fit Measures'. AMOS Plugin. Gaskination's StatWiki.

Table 4-10 GOF Indices

GOF Index	Cut-off Value	Reference of Cut-off Value
Absolute Fit Indices		
Chi-square Degrees of freedom (df) Statistical significance of chi-square (P-value)		
Normed Chi-Square (CMIN/df)	>.2.0 indicates and excellent fit A value between 2.0 and 5.0 is an indication of an acceptable fit.	(Hair et al., 2010)
Root Mean Square Error of Approximation (RMSEA)	<.05 = good fit A value between .05 and .08= reasonable fit A value between .08 and 1.0 = a mediocre fit.	(Browne & Cudeck, 1992) (Browne & Cudeck, 1992) (MacCallum, Browne, & Sugawara, 1996)
Standardised Root Mean Residual (SRMR)	>.08 = good fit < 0.1 = poor fit	(Hu & Bentler, 1998) (Hair et al., 2010)
Incremental Fit Indices		
Comparative Fit Index (CFI)	< 0.9 = good fit A value between 0.8 and 0.9 = acceptable fit	(Blunch, 2013)

The second step used to test the validity of the measurements was construct validity. The purpose of this test is to confirm the extent to which a bundle of measures can represent the intended construct accurately (Hair et al., 2010). To prove construct validity, the convergent validity and the discriminant validity of the constructs must be assessed. As explained by Hair et al. (2010) convergent validity refers to the extent of sharing variance among the indicators of a latent construct and whether it is high. Discriminant validity can be used to assess the extent to which a construct appears to be distinct from other constructs (Churchill Jr, 1979; Hair et al., 2010). To assess the convergent validity for each latent construct, the composite reliability (CR), average variance extracted (AVE), and factor loadings were calculated. In addition, standardised residual and modification indices were explored to look for any potential model modifications (Hair et al., 2010). Residuals highlight any discrepancies between the observed covariance terms in the sample data and the estimated covariance terms obtained by

the hypothesised model (Byrne, 2001; Hair et al., 2010). Smaller residuals suggest the model is a good fit (Hair et al., 2010), and standardised residuals with absolute values of 2.5 or less are acceptable (Hair et al., 2010). Modification indices show the extent to which the hypothesised model can be accurately described (Byrne, 2001; MacCallum, Browne, & Sugawara, 1996; Hu & Bentler, 1998)

In the following section, the results of testing construct validity, standardised residuals, modification indices, and the model fit are presented.

4.9 Model Fit

The GOF statistics for the measurement model were estimated using CFA. The chi-square value of the model was 1435.839 with 788.000 degrees of freedom. Because of the limitations of the chi-square test, it has been recommended to use other GOF indices to test model fit (Blunch, 2013). The values of other fit measures showed a marginal level of fit. although the normed chi-square (CMIN/df) had a value of 1.822, which is considered to be in an excellent fit range. The value for CFI was 0.910, which is near the minimum cut-off value (0.8). while GFI 0.851 below .95 the threshold but Baumgartner and Homburg (1995) stated that the value is acceptable if above 0.8. The SRMR, with a value of 0.056, is below the recommended cut-off value (0.08), which indicates an excellent fit. The last reported GOF index was RMSEA, which has an excellent cut-off value (<0.06) at 0.045. This model was labelled Model B, and it is represented in Figure 4.1.

To examine the standardised residuals, it was necessary to look for any value above 2.5 (Hair et al., 2010). The largest residual was between sub29 and com52 with a value of 8.054, and between veb60 and ban61 with a value of 6.436. The two next highest residuals were

between com52 and sub31 with a value of 5.329, and between com52 and sub30 with a value of 5.577.

The results of examining the standardised residuals show there are some items that must be deleted from the model because of their large residual value. These are veb60, sub31, sub30, sub29, and com52. However, veb60 cannot be removed because three items formed the latent construct. If one were deleted, two items would remain which is not acceptable and would affect the validity of the result. By looking at the model, veb60 and ban61 have large residuals, but in the final structural model they make one variable, which is luxury consumption.

Table 4-11 Items Deleted from Each Variable

Latent Construct	Items deleted
1-Social capital	sbridge17
2-Peer communication	com53
3-Materialism:	ms35, mc41, ms34, ms37, ms34, mc39, mh45
4-Susceptibility to normative influence	sub30, sub31, sub29, sub23

4.10 Construct Validity Assessment

Standardised loadings of indicators have been examined in terms of size and significance. According to Hair et al. (2010), all of the loading estimates should be significant at least 0.5, but ideally 0.7 or higher, to meet the requirements of convergent validity. As shown for Model B, most of the standardised loadings were above the minimum threshold (0.50). However, some of the loading estimates of indicators were below 0.50. These are: sub30, sub31, sub29, sub23, ms35, mc41, ms34, ms37, ms34, mc39, mh45, sbridge17, and com53. These items were deleted from the model.

As suggested by Bagozzi and Yi (1988), AVE values for all the constructs should be equal or higher than 0.50 to achieve adequate convergent validity. The value of AVE is the

sum of all squared standardised factor loadings for every construct, divided by the number of indicators for that construct (Hair et al., 2010). However, as Fornell and Larcker suggest (1981), if AVE is less than 0.5, but composite reliability is higher than 0.6, the convergent validity of the construct is still adequate. After making the modification indices for the model, the AVE value improved and achieved convergent validity. Some items were deleted, as shown in Table 4.11, to improve the model, fit and the convergent validity.

For all the latent constructs, the value of CR was calculated as the squared sum of standardised factor loadings for each construct, and divided by the squared sum of factor loadings as well as the sum of the error variance terms for the construct (Hair et al., 2010). A good level of reliability for the value of CR is if it is equal to or exceeds 0.6 (Bagozzi & Yi, 1988). So, as the CR values for the constructs ranged from 0.78 to 0.88, this suggests a high level of reliability (see Table 4.12). This high level of reliability for each construct is evidence of the constructs' internal consistency, which supports the reflectiveness of the model constructs (Hair et al., 2010). Overall convergent validity for the measurement model has been shown in the results of factor loadings, AVE and CR.

Table 4-12 Results for CR & AVE

Latent Construct	CR	AVE
Social capital bonding	0.736	0.483
Social capital bridging	0.811	0.462
Peer communication	0.720	0.466
Luxury brand consumption		
Snobbish consumption	0.877	0.704
Veblenian consumption:	0.887	0.679
Bandwagon consumption:	0.808	0.586
Materialism:	0.771	0.461
Susceptibility to normative influence	0.824	0.485

Table 4-13 Test of Discriminant Validity

Materialism	Bridging	Snobbish	Peer communication	Bandwagon	Normative	Bonding
0.679						
0.405	0.679					
-0.270	-0.073	0.810				
0.463	0.526	-0.193	0.683			
-0.245	-0.094	0.607	-0.179	0.765		
0.620	0.419	-0.284	0.603	-0.321	0.697	
0.339	0.692	-0.070	0.633	-0.013	0.537	0.695

Notes: Square roots for AVE are presented on the diagonal. Inter-construct correlations are presented below the diagonal.

To improve discriminant validity, bonding was combined with bridging and Veblen was combined with snobbish (see Table 4.14).

Table 4-14 Test of Discriminant Validity

Normative	Bridging	Snobbish	Peer communication	Bandwagon	Materialism
0.697					
0.499	0.627				
-0.284	-0.079	0.810			
0.607	0.612	-0.194	0.683		
-0.321	-0.072	0.606	-0.180	0.766	
0.621	0.417	-0.269	0.466	-0.245	0.679

Notes: Square roots for AVE are presented on the diagonal. Inter-construct correlations are presented below the diagonal.

In addition, modification indices were assessed in regard to error terms and for factor loadings. Regarding error terms, the highest modification index was 50.869 for covariance of error terms between sub29(e61) and com52(e23). Correlating between error terms must be avoided (Hair et al., 2010), sub29 and com52 were deleted.

The modification indices for the factor loadings were also assessed to see if there was any potential for cross-loading (Hair et al., 2010). Table 4.15 shows that sub31 had high values for the modification indices of cross-loadings with other constructs. This shows a weak

performance for this item as an indicator of the construct susceptibility. Sub29, com52, and sub31 were removed from the measurement model to increase the model's fit. Figure 4.1 has shown constructs on the CFA after the modification mad by deleting the items with low factor loading.

Table 4-15 Modification Indices (MI) for Factor Loadings

Cross-Loadings	MI	Cross-Loadings	MI
sub31<--- Success	6.31	sub31<-- -ms32	5.402
sub31<--- bandwagon	4.41	sub31<-- -ms34	4.537
sub31<--- Veblenian	8.461	sub31<-- -ms36	6.203
sub31<--- Peer	10.401	sub31<-- -veb59	8.891
sub31<--- sub30	22.44	sub31<-- -veb58	7.752
sub31<--- sub29	40.503	sub31<-- -com54	5.419
sub31<--- sub25	8.549	sub31<-- -com53	8.436
sub31<--- sub21	5.874	sub31<-- -com52	27.308
sub31<--- mc38	5.457	sub31<-- -com51	6.704
sub31<--- mc40	4.237	sub31<-- -com50	9.216
sub31<--- mc41	7.645	sub31<-- - sbridge11	6.306
sub31<--- mc44	6.081		

Table 4-16 Model B Fit after the Modifications

Measure	Estimate	Threshold	Interpretation
CMIN	1435.839	--	--
DF	788.000	--	--
CMIN/DF	1.822	Between 1 and 3	Excellent

CFI	0.910	>0.95	Acceptable
GFI	0.851	>0.95.	Acceptable
AGFI	0.830	>0.80	Acceptable
SRMR	0.056	<0.08	Excellent
RMSEA	0.045	<0.06	Excellent
PClose	0.988	>0.05	Excellent

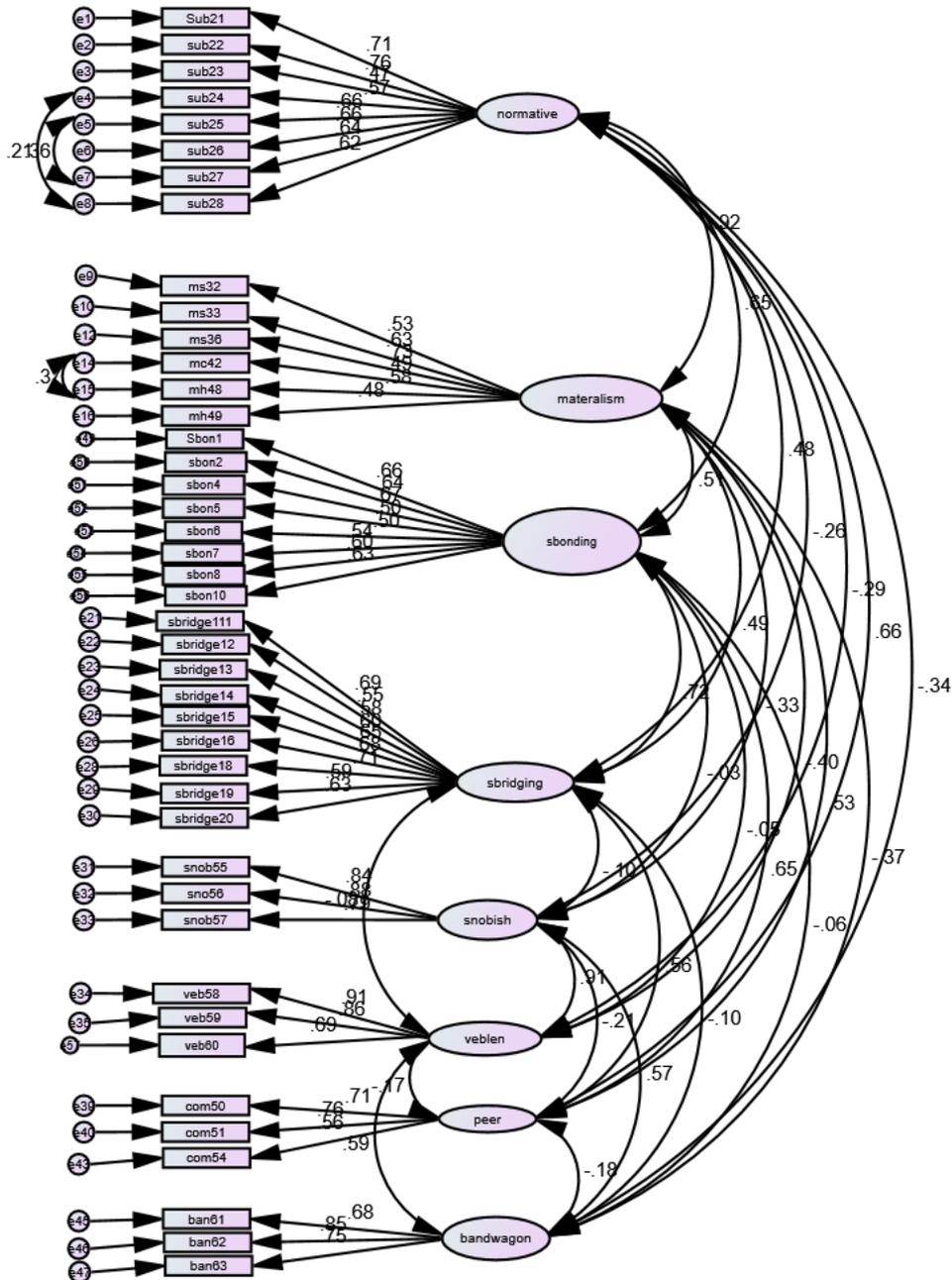


Figure 4-1 Model B after the Modification

4.11 Validity of the Structural Model

In the previous section the validity of measurement model was proved. In this section, the validity of the structural model is explored. The main purpose of the structural model is to assess the estimation of relationships between independent variables and dependent variables (Byrne, 2001). Dependence relationships illustrate the hypotheses of the theoretical model of the study (Hair et al., 2010). The assessment of the validity of the structural model was carried out in two stages. First, the fit of the structural model was tested using GOF indices (Hair et al., 2010) and the chi-square value. It was necessary to examine at least one absolute index and one incremental index (Hair et al., 2010). The second step involved examining the estimated parameters to validate the relationship between the hypotheses in the theoretical model (Hair et al., 2010).

In this research, there are three latent constructs on the structural model, social capital, peer communication, and luxury consumption. Social capital operated as independent variable, while luxury consumption is a dependent variable and there is one mediator (peer communication). The structural model of these variables is Model C in Figure 4.2. In addition, there are five moderator variables, materialism, susceptibility to normative influence, age, gender, and income. These are all represented on structural Model D in Figure 4.3.

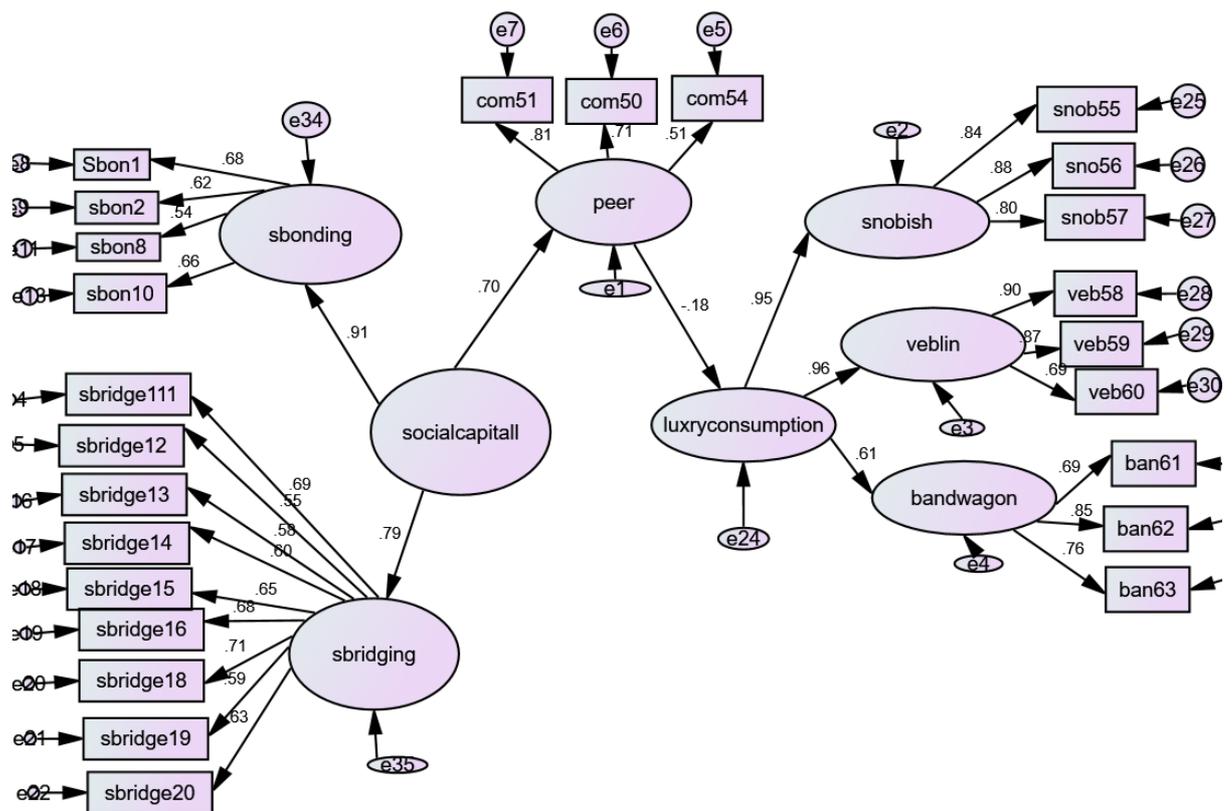


Figure 4-2 Structural Model C

Table 4-17 Model C Fit

Measure	Estimate	Threshold	Interpretation
CMIN	552.148	--	--
DF	268.000	--	--
CMIN/DF	2.060	Between 1 and 3	Excellent
CFI	0.935	>0.95	Acceptable
GFI	0.900	>0.95	Acceptable
AGFI	0.878	>0.80	Acceptable
SRMR	0.054	<0.08	Excellent
RMSEA	0.051	<0.06	Excellent
PClose	0.374	>0.05	Excellent

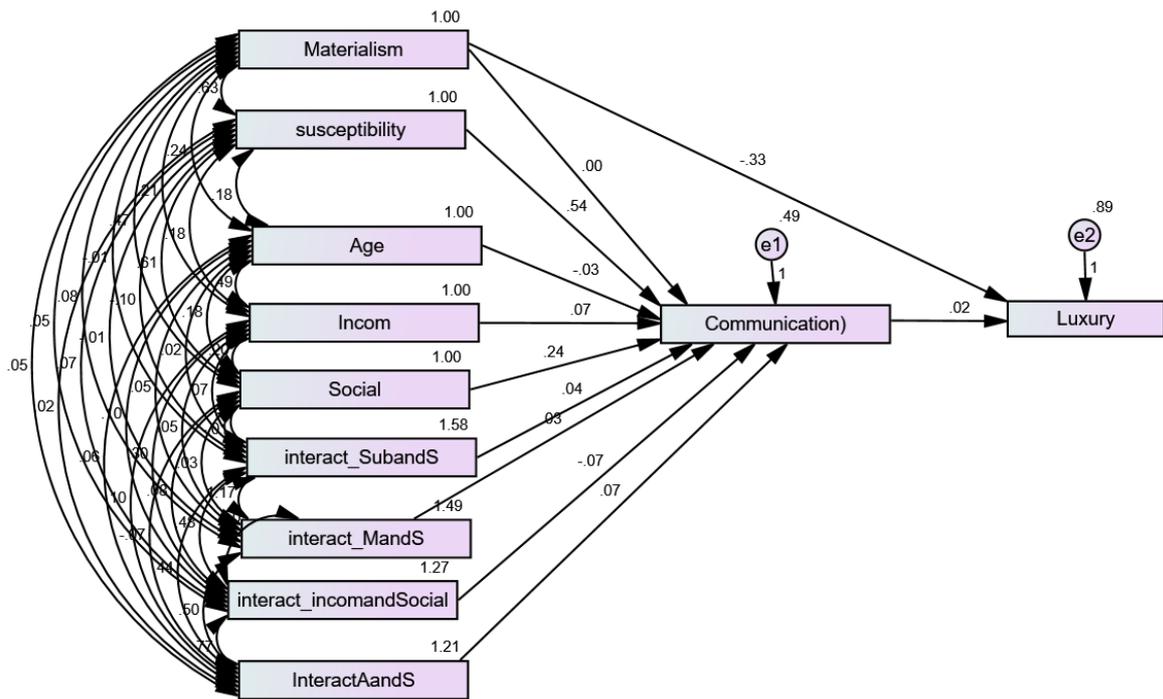


Figure 4-3 Structural Model D

Table 4-18 Model D Fit

Measure	Estimate
CMIN	9.746
Degrees of freedom	8.000
CMIN/df	1.218
CFI	0.999
SRMR	0.017
RMSEA	0.024
SRMR	0.017
PClose	0.800

4.12 Testing Hypotheses

Based on the conceptual framework for this research, there are two kinds of relationships between the hypotheses, mediating effect and moderation effect. Mediating effect occurs a third variable is added between two other related variables (Hair et al., 2010). In the structural model, a mediating effect is represented as an indirect effect relationship through a sequence of relationships with one or more intervening constructs. So, an indirect effect is a sequence of two or more direct effects (compound path), which are visually represented by various arrows. (Hair et al., 2010). From a theoretical perspective, the main purpose of the application of mediation is to ‘explain’ why a relationship between two variables exists (Hair et al., 2010). In this study, the first hypothesis (H1) tested the relationship between online social capital and luxury consumption and (H2) tested peer communication as a mediator between social capital and luxury consumption. The intervening (peer communication) construct could explain the relationship between social capital and luxury consumption.

The second group of hypotheses (H3, H4, H5, H6, and H7) examined the moderation effect. The moderation effect occurs when a third variable has an impact on the relationship between two related variables (Hair et al., 2010). In this study, five moderators have been identified for examination. They are non-metric variables (age, gender, and income) and metric variables (materialism and level of susceptibility to normative influence) (Hair et al., 2010). The decisions to accept or reject the hypotheses were based on the extent to which the parameter estimate was statistically significant and if it was in the assumed direction (Hair et al., 2010). In addition, multigroup SEM was used to test the moderation effect of gender, age, and income. In the following sections, the results of hypotheses testing are explained in detail.

H1: there is a positive relationship between social capital and luxury consumption.

H2: Peer communication mediates the relationship between social capital and luxury consumption.

According to Hair et al. (2010), if the mediating construct completely explains the relationship between the other two original constructs, then this is termed ‘complete mediation’ (p. 767). The relationship between social capital and luxury consumption before adding the mediator (peer communication) is significant, with p-value = .057. However, after adding the mediator (peer communication), the relationship between social capital and luxury consumption becomes insignificant, with p-value = .508. As a result, the peer communication variable forms a complete mediation between social capital and luxury consumption (see Table 4.19 and Figures 4.4 and 4.5

Table 4-19 Regression Weights before Adding the Mediator

	Estimate	S.E.	C.R.	P	Label
Social capital → luxury	.129	.068	1.905	.057	

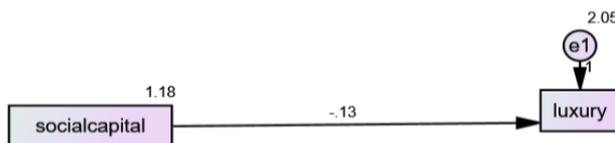


Figure 4-4 Regression before Adding the Mediator

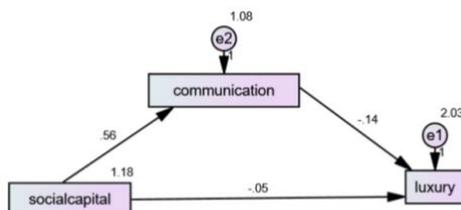


Figure 4-5 Weights after Adding the Mediator (Peer Communication)

Table 4-20 Regression Weights after Adding the Mediator

			Estimate	S.E.	C.R.	P	Label
communication	<---	social capital	.556	.049	11.352	***	
luxury	<---	social capital	-.051	.078	-.662	.508	
luxury	<---	communication	-.139	.070	-1.976	.048	

H3: Age moderates the relationship between social capital and luxury consumption.

H4: Gender moderates the relationship between social capital and luxury consumption.

H5: Income moderates the relationship between social capital and luxury consumption.

To evaluate the moderation effect of variables gender, age, and income, multigroup analyses were carried out using SPSS AMOS. The main objective here is to determine if there are differences between each groups model (Haire et al. 2010; Hayes, 2013). Before testing the moderation effect, metric invariances were achieved. The factor loadings between two groups were equal across the groups. Therefore, the construct validity and reliability of different groups analysis within the sample have been met, and metric invariance was established (Haire et al. 2010; Hayes, 2013).

4.12.1 Age Moderation Effect

For age moderation, there are no significant differences between the unconstrained model and the partial metric invariance model. Moreover, there are no significant differences between the partial metric invariance model and the moderation model. As a result, age is not a moderator because there are no significant differences between the older participants and younger participants in these two models (chi-square differences = 1.374, 5 df). (See Tables 4.21, 4.22, and 4.23).

Table 4-21 Assuming Model Unconstrained to Be Correct

Model	DF	CMIN	P	NFI Delta-1	IFI Delta-2	RFI rho-1	TLI rho2
Partial Metric Invariance	19	15.032	.721	.003	.003	-.004	-.004
moderation	24	16.406	.873	.003	.004	-.005	-.006

Table 4-22 Assuming Model Metric Invariance to Be Correct

Model	DF	CMIN	P	NFI Delta-1	IFI Delta-2	RFI rho-1	TLI rho2
moderation	5	1.374	.927	.000	.000	-.002	-.002

Table 4-23 Path Analysis for Age Moderation

Young			Estimate	S.E.	C.R.	P	Label
peer	<---	capital	0.842	0.124	6.803	***	b5_1
luxury	<---	peer	0.171	0.082	-2.076	0.038	b1_1
Old			Estimate	S.E.	C.R.	P	Label
peer	<---	capital	0.932	0.165	5.64	***	b5_2
luxury	<---	peer	0.237	0.102	-2.323	0.02	b1_2

Table 4.23 shows that, in the path analysis for the two age groups, both the path from social capital to peer communication and the path from peer communication to consumption of luxury goods were significant and meaningful for both young and old consumers.

4.12.2 Gender Moderation Effect

For gender moderation, there are no significant differences between the unconstrained model and partial metric invariance where the factor loadings are equal in male and female. However, there were statistical differences between the partial metric invariance model and the moderation model. Therefore, gender differences moderate the relationship between peer communication and consumption of luxury good (chi-square differences = 16.707, 5 df). In the path analysis from social capital → peer communication, both male and female have significant

value, while in path peer communication → consumption of luxury goods for female the p-value = .006, which is significantly positive with estimation .203. In the path for male the p-value = 0.49, which is marginally significant with estimation -.206. As a result, gender has a moderating effect on the relationship between social capital and luxury consumption. (See Tables 4.24, 4.25, and 4.26)

Table 4-24 Assuming Model Unconstrained to Be Correct:

Model	DF	CMIN	P	NFI Delta-1	IFI Delta-2	RFI rho-1	TLI rho2
Partial Metric Invariance	19	15.694	.678	.003	.003	-.004	-.004
moderation	24	32.401	.117	.006	.007	-.002	-.002

Table 4-25 Assuming Model Metric Invariance to Be Correct

Model	DF	CMIN	P	NFI	IFI	RFI	TLI
				Delta-1	Delta-2	rho-1	rho2
moderation	5	16.707	0.005	0.003	0.004	0.002	0.002

Table 4-26 Path analysis for Gender Moderation

Female			Estimate	S.E.	C.R.	P	Label
peer	<---	capital	0.917	0.162	5.656	***	b5_2
lux	<---	peer	0.203	0.074	2.754	0.006	b1_2
Male			Estimate	S.E.	C.R.	P	Label
peer	<---	capital	0.81	0.122	6.621	***	b5_1
lux	<---	peer	-0.206	0.105	-1.965	0.049	b1_1

4.12.3 Income Moderation Effect

In the partial metric invariance model, the factor loadings for the two constructs were equal. This means that there is no significant statistical difference from the unconstrained model. Hence, there is a partial metric invariance for individuals with low income levels and those with high income levels. In addition, the moderation model is insignificantly different

from the partial metric invariance model. Therefore, the model is not moderated by the individual income level (chi-square differences = 5.823, 5df) (See Tables 4.27, 4.28, and 4.29).

Table 4-27 Assuming Model Unconstrained to Be Correct

Model	DF	CMIN	P	NFI Delta-1	IFI Delta-2	RFI rho-1	TLI rho2
Partial Metric Invariance	22	23.593	.369	.004	.005	-.003	-.003
Moderation	27	29.416	.341	.005	.006	-.003	-.004

Table 4-28 Assuming Model Partial Metric Invariance to Be Correct

Model	DF	CMIN	P	NFI Delta-1	IFI Delta-2	RFI rho-1	TLI rho2
Moderation	5	5.823	.324	.001	.001	.000	-.001

In the pathway, the relationship between peer communication and luxury consumption was significant for both income level groups.

Table 4-29 Path Analysis for Income Moderation

Low Income			Estimate	S.E.	C.R.	P	Label
Peer <---		Capital	1.049	.154	6.796	***	b2_1
Lux <---		Peer	.168	.089	-1.894	.058	b3_1
High Income			Estimate	S.E.	C.R.	P	Label
Peer <---		Capital	.707	.136	5.197	***	b2_2
Lux <---		Peer	.234	.094	-2.495	.013	b3_2

4.12.4 Metric Variables

The hypotheses for the metric variables (materialism and level of susceptibility to normative influence) were tested using the interaction effect in structural equation modelling. This approach was developed by Kenny and Judd (1984) to study the interactive relationships among latent variables (Schumacker&Marcoulides,1998;Harmer,Duncan, Acock&Bles,1998). All variables were standardized using SPSS, and the two Variables that were identifies as moderators were multiply by the social capital and the interaction p-value has been identified and the decision to accept a moderation effect it was based on the p-value of the interaction.

H6: The degree of consumer materialism moderates the relationship between social capital and luxury brand consumption.

Consumer materialism

The interaction effect of materialism on social capital and luxury consumption was insignificant, with a p-value = .160 (see Table 4.30). This means materialism does not moderate the relationship between social capital and luxury consumption. The impact of materialism is shown in Figure 4.6.

Table 4-30 Regression weights For Materialism moderation

			Estimate	S.E.	C.R.	P	Label
Zcommunication	<---	ZMaterialism	.246	.046	5.327	***	
Zcommunication	<---	Zsocial	.447	.046	9.713	***	
Zcommunication	<---	interact_MandS	.047	.033	1.406	.160	
Zluxury	<---	Zcommunication	-.036	.061	-.602	.547	
Zluxury	<---	Zsocial	.124	.061	2.037	.042	

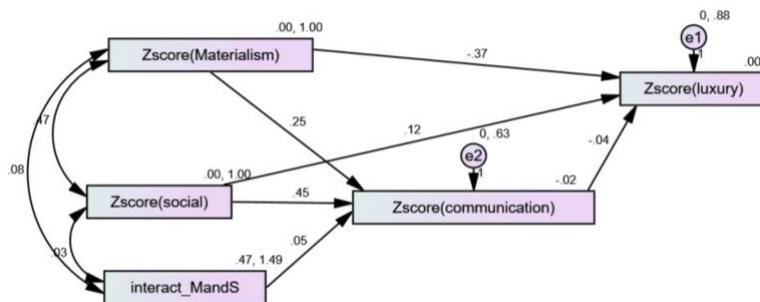


Figure 4-6 The Impact of materialism

H7: Susceptibility to normative influence moderates the relationship between social capital and luxury consumption.

The moderation effect of the susceptibility of normative influence on the relationship between social capital and luxury consumption is significant, as the p-value = .021 (see Table 4.31). Figure 4.7 shows the impact of normative influence.

Table 4-31 Regression Weights of susceptibility moderation

			Estimate	S.E.	C.R.	P	Label
Zcommunication	<---	Zsusceptibility	.545	.046	11.972	***	
Zcommunication	<---	Zsocial	.233	.045	5.137	***	
Zcommunication	<---	interact_SubandS	.066	.029	2.299	.021	
Zluxury	<---	Zcommunication	.008	.068	.119	.905	
Zluxury	<---	Zsusceptibility	-.211	.068	-3.083	.002	

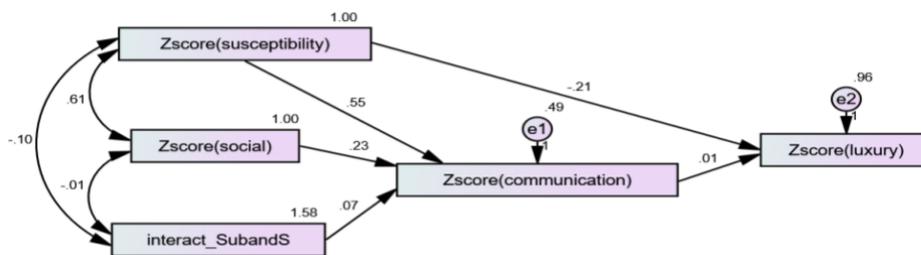


Figure 4-7 Impact of Normative Influence

Figure 4.8 illustrates the moderating effect of normative influence. It shows that for consumers with a high level of susceptibility to normative influence, the relationship between social capital and luxury consumption is higher than it is for those with low levels of susceptibility to normative influence.

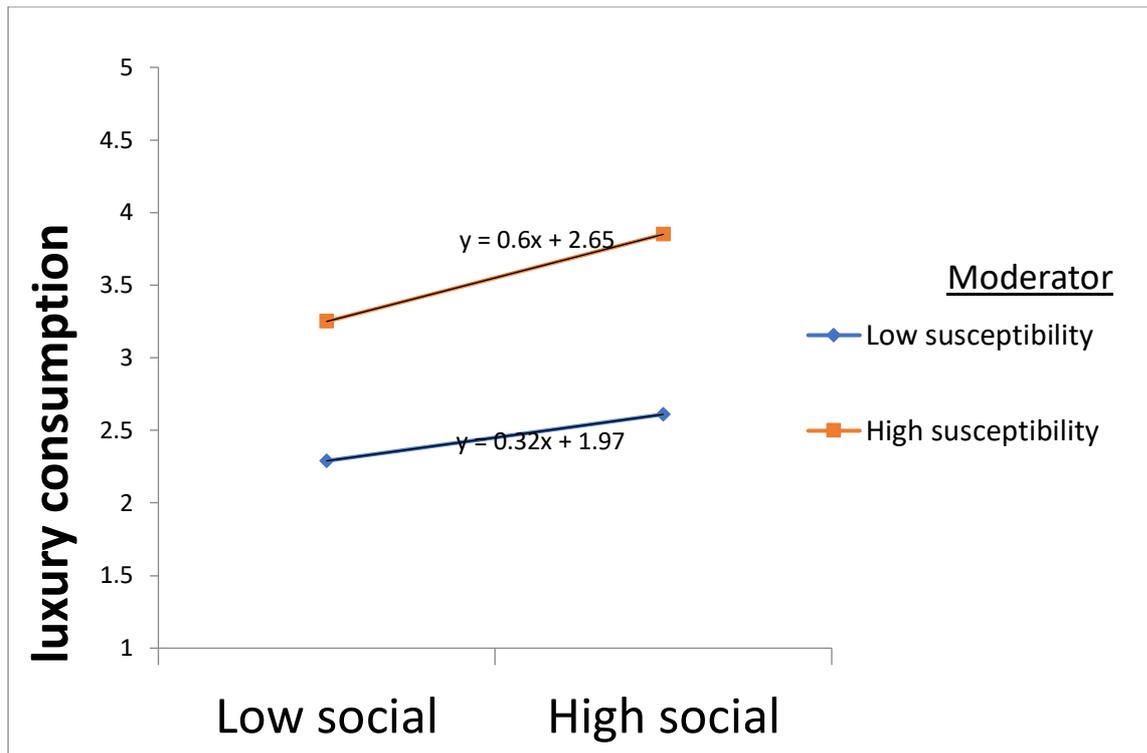


Figure 4-8 Susceptibility to Normative Influence

Table 4-32 Results of Testing Hypotheses

Hypothesis Path	Hypothesis assumption	Standardized parameter estimates	P-value	Result
Social capital → luxury brand consumption.	H1: there is a positive relationship between social capital and luxury consumption	.068	.057	Accepted
Social capital → Peer communication	H1a: positive relationship between social capital and peer communication	0.49	***	Accepted
Peer communication → luxury consumption	H1b: positive relationship between peer communication and luxury consumption	0.70	0.48	Accepted
Social capital → peer communication → consumption of luxury goods.	H2: Peer communication mediates the relationship between social capital and consumption of luxury goods behaviour	.070	.048	Accepted
Moderation effect of gender on social capital → peer communication → consumption of luxury goods.	H3: gender moderates the relationship between social capital, peer communication, and luxury consumption	Male = .122 Female = .162	.005	Accepted
Moderation effect of age on social capital → peer communication → consumption of luxury goods.	H4: age moderates the relationship between social capital, peer communication, and luxury consumption	Young = .082 Old = .102	.927	Not supported
Moderation effect of income on social capital → peer communication → consumption of luxury goods.	H5: income moderates the relationship between social capital, peer communication, and luxury consumption	High income = .094 Low income = .089	.324	Not supported
Moderation effect of materialism on social capital → peer communication → consumption of luxury goods.	H6: materialism moderates the relationship between social capital, peer	.033	.160	Not supported

	communication, and luxury consumption			
Moderation effect of susceptibility to normative influence on social capital → peer communication → consumption of luxury goods.	H7: susceptibility to normative influence moderates the relationship between social capital, peer communication, and luxury consumption	.029	.021	Accepted

4.13 Chapter Summary

This chapter has presented the statistical analysis of the data from the research sample. The data analysis was conducted in several stages. First, a descriptive analysis of major characteristics about the research participants was presented. Second, data were prepared for the SEM analysis by checking for missing data and outliers and assessing normality and the reliability of the measurements. Third, the measurement model using CFA, which proved the validity of the research measurements and constructs, was evaluated. This was proved by the statistics from GOF. Finally, the fit of the structural model was confirmed and validated statistically. Then the relationships between the hypotheses were tested through latent constructs in the theoretical framework. Four hypotheses out of six were statistically supported. The following chapter discusses and evaluates the empirical results critically in the light of findings from the previous literature, and it draws together the conclusions from this research.

5 CHAPTER FOR DISCUSSION, CONCLUSION, CONTRIBUTION, LIMITATION, AND DIRECTION FOR FUTURE RESEARCH

5.1 Discussion

This chapter discusses the results of this research on the role of social capital in luxury brand consumption in Saudi Arabia in light of the findings of the relevant literature. The empirical data found that, alone, social capital had a significant positive impact on luxury brand consumption. However, the influence of social capital on luxury brand consumption is mitigated when peer communication is also applied. Moreover, when social capital was applied vis-à-vis income, age, and materialism, its impact on luxury brand consumption was rendered insignificant. On the other hand, factors such as susceptibility to normative influence and gender were found to have significant influence on luxury brand consumption. The empirical findings are discussed below in relation to the secondary research findings on this topic. The following structure of the discussion will be based around the research questions.

RQ1. What is the role of online social capital in luxury brands consumption?

The primary research found that the relationship between social capital and consumption of luxury goods alone was significant ($p\text{-value} = .057$). According to the literature, the amount of social capital an individual has can positively influence luxury brand consumption. This is confirmed in the empirical research. This is because the amount of individual social capital is strongly related to the number of people a person interacts with within their personal social network. The more indicators of interaction there are, the greater potential a person has for their social capital to be used as a resource (Zhang & Daugherty, 2009). For example, Veblenian consumption is strongly associated with both a group affinity for consumption and conspicuous spending (Topcu, 2017).

Social capital leads to greater consumption of products because of the economic aspect of this phenomenon, as highlighted by Portes (1998), who explains that social capital in the form of personal ties generates returns because it supplies the kinds of information and resources that might not be available to other members of the well-connected individual's social network. This is indicative of the bandwagon effect. That effect occurs when consumers buy a luxury brand to seek recognition from their in-group members or to identify with a particular group (Tsai et al., 2013). Thus, both social and economic capital play a part in social networking and can be used for personal gains. However, the strength of the capital can be fully utilised only through individual investment. In other words, social capital is the result of inheritance or personal investment. It helps to achieve personal goals pertaining to social status, income, reputation, satisfaction, recognition, and so on, thus this kind of social capital can be used to promote luxury brands if the individual feels inclined to do so.

According to Antoniadis & Charmantzi (2016), the significant growth of social networking sites such as Twitter, Facebook, YouTube, which facilitate communication and interactions among consumers, are additionally used as a way to gather information about products and services. This growth has reinvigorated the value of marketing research in relation to social media networks and word of mouth. In comparison to conventional communication marketing platforms, social media and social networking sites provide a powerful and effective way to enable consumers and brands to interact directly, with the latter engaging with consumers to promote their products and brand (Edelman, 2010). These modern marketing techniques tend to have a major effect on customer behaviour, perceptions and emotional bonding with brands, as well as their staying-up-to-date habits and shopping process (Antoniadis & Charmantzi, 2016). Muntinga et al. (2011) explored how social capital influences luxury brand consumption in light of the way social media have changed how consumers gain, share, and establish brand

communications. This study found that out of 407 participants, 398 (99%) reported that they used social media, indicating that this is an important form of communication concerning luxury brands in Saudi Arabia. This correlates with other research into consumer use of social media. For example, Tsai et al. (2013) found that SM sites have an even greater impact on Chinese consumers' lives than they do on those of their American and British counterparts. Because China has one of the largest consumer populations in the world, there is more brand coverage on SM than ever before. SM also has a profound influence on young consumers, many of whom use SM platforms to learn about luxury brands they wish to purchase (Ngai & Cho, 2012). SM has become valued as a source of information by consumers of luxury brands as it can be used to become familiar with consumer items, including luxury brands (Kim & Ko, 2012). Hence, SM has the capability to shape luxury brand trends through effective use of word-of-mouth communication and bandwagon, as explained by Tsai et al. (2013). This also relates to snob consumption, which, like bandwagon, shows that consumers are inspired to make luxury purchases based on the perceived popularity or scarcity of such items. Thus, both empirical and secondary research show that social interactions inspire and shape decisions regarding consumption of luxury goods.

Social capital in a SM context increases the sales of luxury brands by aggregating the resources of social networks and apply them in social interactions between consumers to meet goals such as enhancing social connections and exchanging information, and this in turn creates relationships and social capital, and builds up trust in the brand and hence brand loyalty (Stephen & Lehmann, 2009). However, this process circumvents the control over the flow information that brands directed and were accustomed to and enables brand communities to instantly discuss brand contents and products via e-WoM without official brand oversight (Chu and Kim, 2011). Antoniadis & Charmantzi (2016) posit that despite issues of oversight,

incorporation of SNSs into firms marketing strategies is becoming ubiquitous since it offers a novel way to interact and engage with customers.

For a clearer understanding of how such interactions take place, it is important to consider the difference between bridging and bonding forms of social capital, both of which are popular with SM sites according to the published research (Putnam, 2001; Valenzuela et al., 2009; Utz & Muscanell, 2015). A computer-mediated social network can contribute to bridging (weak ties) and bonding (strong ties) (Wellman, Salaff, Dimitrova, Garton, & Haythornthwaite, 1996). Huckfeldt, Beck, Dalton, and Levine (1995) suggested that social network connections whether weak or strong ties are a key factor to access social opinions.

On the one hand, a significant relationship between social capital and consumption of luxury goods may be the result of bonding social capital, which involves stronger, homogenous SM networks that are popular in collectivist societies and are integrated through shared norms and emotional support (Putnam, 2001; Choi et al., 2011). On the other hand, bridging social capital can encourage interactions between people from different cultures, ethnic groups, ages, genders, and religions (Williams, 2006). The results of this study show that both kinds of relationships in social capital have been used, bonding for emotional support and bridging to gain new information. These two types were used in combination to represent social capital relationships. As suggested by Putnam (2001) bonding and bridging social capital are related to but are not the equivalent of the information and support provided.

Thus, the empirical research shows that online social capital bonding and bridging have a positive influence on consumption of luxury goods a finding supported by secondary research in terms of the communication flow and interaction to gain information and support. Nevertheless, there is insufficient published research on social capital and its effect on luxury consumption. The current research showed that both forms of online social capital can facilitate

the social interactions in which Saudi consumers can share information across a wider range of relationships that have strong ties (such as families, friends, and relatives) and weak ties (such as social media influencers, bloggers, social media advertising using influencers, and personal shoppers who promote the luxury products with incentives). This online integration and social interaction enables individuals to connect with family and love ones, and in a sense culminates into a feeling of belongingness (Muralidharan & Men, 2015). In addition, Levin (2014) posited that individuals with strong ties can acquire more useful information than weak ties, since strong relationships with peers often encourage peer communication on social media (De Bruyn, 2008). And such information can manifest as opinion and advice seeking and informational exchange (Wang, 2003).

These interactions on social networks can increase expenditures on luxury products. This study proves this relationship statistically. It shows a significant relationship between online social capital and consumption of luxury goods. Bowen (2014) emphasised the limitless degree of communication and interaction on social networking sites, which promotes luxury brands consumption. The consumption of luxury goods includes bandwagon consumption, snobbish consumption, and Veblenian consumption. The notion that online social capital is significantly related to consumption of luxury goods has made a strong contribution. This means that online interactions from strong and weak ties lead to bandwagon consumption where consumers buy luxury items because others in the community have them (Leibenstein, 1950), as shown by social media influencers and relatives posting their luxury items on social media. In addition, this interaction can lead to snobbish consumption where consumers obtain luxury items to become unique and buy exclusive brands to distinguish themselves from traditional brands and items the community already has (Leibenstein, 1950). A good example of this is the social media influencer who posts exclusive luxury items on their media to show their uniqueness

from others. Furthermore, social interaction can lead to Veblenian consumption where consumers buy the most expensive luxury items to show their wealth or to gain social status (Leibenstein, 1950). This mechanism of online social network interaction and consumption of luxury goods is mitigated by peer communication as proved in this empirical_research. Therefore, peer communication mediates the positive influence of online social capital on consumption of luxury goods.

RQ2: Dose peer communication mediate the relationship between online social capital and luxury brand consumption?

Studies have shown that peer communication through social networks is an effective way to disseminate information. This is the case with studies in sociology (Granovetter, 1973) and marketing literature on social network analysis (Bass, 1969; Katona, Zubcsek, & Sarvary, 2011; Reigen & Kernan, 1986; Reigen, Foster, Brown, & Seidman, 1984). Bass (1969) suggested that word-of-mouth is ‘a uniform interpersonal influence’ facilitated by a network of consumers who are connected to one another’.

Secondary research in this study shows that peer communication influences purchasing behaviours and the effect of social media may be to mitigate rather than encourage luxury brand purchases. Based on the theoretical concept of social learning, Bndura (1969) argued that peer communication can act as a socialization agent, which can influence individual learning through modelling, reinforcement, and social interaction (Muralidharan and Men, 2015)

Wang et al. (2012) emphasised that socialization and communication with their peers, consumers learn consumer-related skills and purchasing behaviours (Wang et al., 2012). Thus, social interaction—especially social interaction through online communication—has come to have a significant effect on the purchasing behaviours of internet consumers. Several studies show that high-intensity peer communication should have a positive influence on consumer

purchasing because of increased bonding over information about products and services, shared purchasing experiences, and the experience of new products (Huang, 2016). It has also been found that consumers with increased access to stimuli were more likely to make impulse purchases. Peer communication increases individuals' mutual understanding of issues, and it facilitates close bonds, helping trust and intimacy develop between members of social networks. As peer communication arouses emotional responses, it has been found to encourage impulse buying (Adelaar et al., 2003). This leads consumers to experience emotional enjoyment because of impulse buying (Verhagen & Van Dolen, 2011). Wilcox and Stephen (2013) suggested that the intensity with which social media facilitated peer communication can contribute to irrational choices and increase consumption of luxury goods. In addition, Thoumrungroje (2014) revealed that electronic word of mouth (EWOM) can mediate the intensity of using social media and conspicuous consumption. Significantly, these studies suggest that increased facility for peer communication should increase consumer purchases of social products.

On the other hand, Gupta and Vohra (2019) showed that EWOM can mitigate an individual's behaviour concerning the purchase of luxury brands. This means that peer communication could have a negative impact on purchasing behaviours. Gupta and Vohra (2019) used a four-step approach first applied by Baron and Kenny (1986) to consider how EWOM could mitigate the impact of social media, impulsive behaviour, and other traits that come into play when making purchasing decisions. They found that social media exerted a positive influence on impulse buying, materialism, and conspicuous consumption but that among heavy users of social media, the influence of other factors and personalities present on SM sites mitigated the temptation to purchase more luxury products.

In addition, bridging and bonding social capital on social media has been found to influence purchasing decisions among social media users. Putman (2001) and Zhang and Daugherty (2009) found that individuals with wide access to bridging social capital have weaker social ties but a more varied social network. Thus, they gain wider information and have more interaction with individuals from different backgrounds, leading them to develop a wider social perspective. This has led researchers to conclude that individuals who use bridging social capital have greater peer communication in their social network, which can influence purchasing decisions. Other studies show that bonding social capital also can influence purchasing intentions because it increases emotional support among group members through peer communication in the social network (Wang et al., 2012; Lueg & Finney, 2007). Katona et al. (2011) assumed that word of mouth (WOM) had a stronger effect on those with strong ties than on those with weak ties. Hence, the opinions of those with whom there are strong ties are seen as more important by the members (Wilcox & Stephen, 2013). Recently, interactions on social media such as Facebook and Twitter have enabled users to interact and communicate with people from both strong and weak ties Thoumrungrroje (2014). There is notable agreement between the findings of this study and the findings of other studies particular on the point that peer communication mitigates the positive influence of social capital on the consumption of luxury goods, although other literature suggests that peer communication should have a direct and positive influence on consumer purchasing decisions.

It has been assumed that, because Saudi Arabia is a collectivist society (Abalkhail, 2015), social media users there are more likely to have access to and be influenced by bonding rather than bridging forms of social capital. Nevertheless, this study showed that Saudi consumers have both bonding and bridging connections, which lead to positive relationships with peers through online interaction. This means that online interaction can enable consumers

to interact and gather information from strong ties (bonding) such as friends, relatives, and family's members, and weak ties (bridging) such as social media influencers, online communities where people share the same interests but are from different backgrounds, ages, genders, ethnic groups, and regions. The current study emphasised that online bridging and bonding networks are different from offline bridging and bonding connections. Some researchers have speculated that the strength of social capital ties is different for online and offline interactions (Haythornthwaite, 2002; Williams, 2006). Chaffey et al. (2009) reported that the highly interactive nature of the internet provides an opportunity to improve connections with consumers. This notion about social capital ties on online communication is still being researched, but this study provides some useful insights into online social capital interaction. This suggests that social capital connections can be utilised by Saudi social media users to influence consumer purchasing decisions. Antoniadis and Charmantzi (2016) asserted the significant advantages of creating social capital for brands through building a network of connections with consumers through social networking sites, which can help brands improve their marketing strategies and promote brand loyalty.

RQ3: To what extent do demographic and psychological factors moderate the relationship between social capital and luxury brand consumption?

The final objective of this research was to explore the extent to which demographic and psychological factors moderate the relationship between online social capital and luxury brand consumption. The study explored this by considering the moderation effect as defined by Hair et al. (2010) in relation to a series of hypotheses, H3, H4, H5, H6, and H7. To this end, the empirical research identified five moderating factors: three non-metric variables (age, gender, and income) and two metric variables (materialism and level of susceptibility to normative

influence). The decisions to accept or reject the hypotheses were based on the extent to which the parameter estimate was statistically significant and if it was in the assumed direction (Hair et al., 2010). In addition, multigroup SEM was used to test the moderation effect of gender, age, and income.

Findings about the metric variables indicated that the moderating effect of the susceptibility of normative influence on the relationship between social capital and consumption of luxury goods is significant (p -value = .021). The empirical research showed that, for consumers with a high level of susceptibility to normative influence, the relationship between social capital and consumption of luxury goods is higher than for those with low levels of susceptibility to normative influence. Significantly, individuals with high levels of normative influence act more favourably toward popular brands or the brands deemed more desirable by their peers because they are more sensitive to their peers' preferences, imitating the bandwagon effect. Likewise, the literature shows that the rise of social media has increased normative influence. Chu et al. (2013) and Kastanakis and Balabanis (2014) observed that social media allow online platforms to promote luxury brands and actively illustrate their popularity among users' peers. Normative influence exists alongside bandwagon and snob consumption of luxury goods because the desire for luxury brands reflects an individual's concern about how others perceive them (Yi-Cheon Yim et al., 2014). Those who show signs of bandwagon or snob consumption tend to be susceptible to normative interpersonal influence, so it is inevitable that the presence of all these factors will increase luxury brand consumption (Bearden et al., 1989).

Despite the impact that social media and in-groups have on purchasing decisions, these groups have different levels of impact in different cultures, suggesting that different cultures or societies are prone to varying degrees of normative influence. This aspect of purchasing is

highlighted by both Stathopoulou and Balabanis (2019) and Kamal et al. (2013), with each study indicating that cultural and social factors and values either enhance or moderate the individual's likelihood of purchasing luxury products. Wu (2011) suggests that the impact of normative influence is greater in collectivist cultures than individualist ones. In relation to this, Almalki and Ganong (2018) observe that Saudi Arabia is a collectivist society according to Hofstede's criteria of analysis, therefore indicating that normative influence is high among Saudi consumers. Similarly, Abalkhail (2015) found that Saudi consumers tend to be sensitive to the luxury and social value attached to any item, as it is a characteristic of Saudi culture to use material possessions to create and sustain social relationships. This observation justified the empirical findings, particularly that normative influence had a high impact on the consumption of luxury goods.

On the other hand, the secondary literature showed that Saudis who strongly identify with individualist cultures such as the United States may display lower levels of normative influence than those with a stronger affinity with Saudi culture. This link was made by Stathopoulou and Balabanis (2019) who found through analysis of survey data from American consumers that cultural values have a considerable impact on how they perceive the uniqueness, social luxury value, use, and quality of luxury products. Consumers influenced by American ideas are therefore likely to engage in consumption of luxury goods if they feel that the product will be of social luxury value and be self-enhancing to them (Stathopoulou & Balabanis, 2019). Thus, members of individualist cultures are more likely to buy luxury products for their own benefit rather than the benefit of others.

Although the empirical findings have shown that susceptibility to normative influence moderates the relationship between online social capital and consumption of luxury goods, all 407 participants were consuming a luxury product. Therefore, consumption of luxury goods is

related to social value, and all three forms of consumption of luxury goods examined in this research—bandwagon, snobbish, and Veblen consumption—are related to social aspects and vanity. The luxury consumption behaviour in the modern era mainly focuses on conformity with others (Bahri-Ammari et al., 2020). The combination of individual aspects, such as the level of susceptibility to normative influence and social value, moderate the relationship between online social capital and consumption of luxury goods.

However, this study found that the interaction effect of materialism on social capital and consumption of luxury goods was not significant (p -value = .160). The empirical findings indicated that materialism does not moderate the relationship between social capital and consumption of luxury goods. This correlates with the results of Gupta and Vohra (2019) who found that electronic word of mouth (EWOM) communication does not have a significant effect on the value of materialism ($\beta = 0.06$, $p = 0.483$). Thus, the results of the empirical study correlate with the latest secondary research. Nevertheless, the empirical findings have shown a direct relationship between a consumer's level of materialism and the consumption of luxury goods. This is in accord with Veblenian consumption, where people intend to purchase a luxury item because of its monetary value.

However, others such as Cleveland et al. (2009) found that materialism value can differ across different contexts, which means that luxury goods have different meanings for each individual. Giffin et al. (2004) justified these differences through various factors such as socioeconomic, cultural, and structural factors. Ger and Belk (1999) found that the societies undergoing socioeconomic and cultural change, their members have different levels of materialism. For example, a study conducted in Hong Kong has shown that different levels of materialism among consumers, while they are experiencing a surge in socioeconomic status,

can lead to lifestyle changes and self-image overhauls (Wong et al.,1999). Whereas a study conducted by Lerman and Maxwell (2006) found that immigrant Russian consumers in the U.S did not differ in terms of level of materialism compared to American consumers. This disagreement between the two studies, raises the importance of future research on materialism levels and its effects on luxury brand consumption in different economic, social, and cultural contexts (Kamal et al., 2013).

For the current study about the impact of non-metric variables on the relationship between social capital and luxury brand consumption, a multigroup analysis was conducted on the relationships between social capital and peer communication by males and females. The findings showed that for both genders this relationship is significant at a p-value = 000. However, the relationships between peer communication and consumption of luxury goods for males were more significant than they were for females. This study found that gender has a moderating effect on the relationship between social capital and consumption of luxury goods.

Thus, the empirical study found that the women surveyed were more likely to be influenced by the consumption of luxury goods by their peers than were their male counterparts. Significantly, several published studies reviewed in this paper (Gupta & Vohra, 2019; Pelet et al., 2017; and Roux et al., 2017) found that men and women display different purchasing patterns when buying luxury items. Pelet et al. (2017) found, when studying online luxury buying intentions of male and female consumers in the United States, that men and women were equally aware of the social value of the products they were thinking about purchasing, but men were less likely to buy online because of concerns about sharing their personal data online. This suggests that men are generally more cautious than women when contemplating luxury purchases online. On the other hand, Roux et al. (2017) found that men and women had different motives for buying luxury brands. Women were attracted to the

refinement offered by luxury brands, while men were drawn to the elusive and elitist qualities associated with luxury products. Thus, the literature suggests that men are more cautious about making luxury purchases, and both genders display different consumption patterns when contemplating purchases of luxury products. However, the empirical findings provide an insight that peer communication was more likely to influence women's luxury purchasing decisions than those made by men; published studies have not yet shown this. Therefore, the present study may contribute to the literature on consumption of luxury goods. Women showed that they are affected by online interactions that lead to consumption of luxury goods.

Regarding the relationship between age, social capital, and luxury brand consumption, the empirical research found that age does not moderate the relationship between social capital and consumption of luxury goods through peer communication. This means that all age groups were influenced by the social capital that led to peer communication, which results in luxury brand consumption. Both the direction from social capital to peer communication and the direction from peer communication to consumption of luxury goods were significant to the degree for old and young age groups. This makes sense as Gupta and Vohra (2019) found that age did not influence the intensity of social media use, impulse buying, materialistic tendencies, or levels of conspicuous consumption. However, Ngai and Cho (2012) observe that social media has a particular influence on young consumers who use it as their primary source of product knowledge, and Schade et al. (2016) showed that the attitudes only of younger consumers toward luxury brand purchases are affected by social-adjustive function, while the middle-aged group (26–39) are affected by value-expressiveness. Furthermore, all age groups are motivated to purchase luxury brands by hedonic and utilitarian attitudes.

Finally, the evaluation of the moderating effect of consumers' income on the relationship between social capital and consumption of luxury goods found that income does

not have an impact on consumption of luxury goods. The interaction between income and social capital in relation to peer communication and consumption of luxury goods was insignificant (p-value = .925). This aligns with the sample population of the primary research, in which 55% of the participants had low income, 30% had a monthly income under 5,000 riyals (1,000 pounds), and 23% had a monthly income between 5,000 and 10,000 riyals. Nevertheless, all 407 of the sample population purchased a luxury brand item, and some had purchased more than one luxury brand items. The available literature on the effect of income on luxury purchasing decisions offered conflicting verdicts on this relationship. First, the findings of the empirical research seem to correlate with Stathopoulou and Balabanis (2019) who hold that lower income does not moderate luxury brand consumption. After studying luxury brand consumption in several countries, they concluded that variations in income did not explain varying levels of consumption of luxury goods. They found that while Scandinavian countries have very high levels of GDP per capita, they have some of the lowest levels of consumption of luxury goods in Europe (Stathopoulou and Balabanis, 2019). Those researchers conclude that other factors, such as sociocultural variables like human values and income levels, have an impact on consumption of luxury goods. Hence, it could be suggested that cultural values have a strong impact on consumption of luxury goods. Moreover, the empirical findings proved the applicability of the concept of Veblenian consumption, as it is strongly associated with group affinity for consumption. Thus, the theory of Veblenian consumption suggests that peer pressure leads entire classes or social groups to make purchases (Topcu, 2017). This supports the findings of the empirical research, as some studies show that middle-class and working-class consumers are increasingly likely to engage in Veblenian consumption, that is, purchasing luxury items because of peer pressure when such consumption patterns had been seen only in the upper classes (Koutsobinas, 2014). Thus, like the empirical

research, the secondary research shows that a low income does not necessarily discourage luxury brand consumption. Topcu (2017) notes that the lower classes are now more likely to make luxury purchases because of peer pressure because they wish to emulate the upper classes. Topcu's research is significant in this context as it was undertaken in Turkey, which has a Hofstede score of 37 for individualism, which means it is a collectivist society (Hofstede Insights, 2019).

On the other hand, Gupta and Vohra (2019) found that income had a moderating effect on materialism, impulse buying, and conscious consumption. Those researchers found that higher levels of materialism were exhibited more by higher and middle-income groups than by middle- and lower-income groups (Gupta & Vohra, 2019). Hence, they concluded that individuals and households with a lower income were less likely to engage in luxury brand consumption.

Although, anecdotal evidence does suggest that due to local Saudi family culture, individuals living with their parents tend to have no financial responsibilities, therefore individuals with low income living with their parents may be able to afford luxury brands.

The findings of this study contribute to the debate about the moderation impact of income on luxury brand consumption. The data indicate that income does not have a moderating effect on online social capital and consumption of luxury goods through peer communication. All income groups have purchased and consumed luxury items because of social impact and peer pressure on the online social network.

5.2 conclusion

The primary research revealed that online social capital has a positive influence on the consumption of luxury brands among Saudi consumers. This notion has been connected in the literature to different perspectives. The first is the notion that online social capital, which is mainly rooted in social interactions and connections, can be used to stimulate luxury brand consumption. This comports with the notion of Veblenian consumption, which is strongly associated with an affinity for consumption and conspicuous spending (Topcu, 2017). The second perspective is that social media intensity facilitates social capital connections through online peer communication, which has changed individual gain and sharing information. This idea has been supported in the literature intensively (Muntinga et al., 2011; Tsai, 2013; Stephen & Lehmann, 2009). This empirical research can be considered a first initiative on the applicability of online social capital theory on consumption of luxury goods. It has shown that online social capital connections of bonding and bridging can contribute to a positive relationship between social capital and consumption of luxury goods in Saudi Arabia. In addition, the mechanisms of online social network interaction and consumption of luxury goods are mitigated by peer communication as proved in this empirical research. Therefore, peer communication mediates the positive influence of online social capital on consumption of luxury goods. This suggests that social capital connections can be utilised by Saudi social media users to influence consumer purchasing decisions. Thus, the empirical research and the secondary research of Gupta and Vohra (2019) agreed that peer communication mediated the positive influence of social capital on the purchase of luxury products. However, some earlier studies assumed that peer communication has a positive direct influence on consumer purchasing decisions of luxury products (Bass, 1969; Katona, Zubcsek, & Sarvary, 2011;

Reigen, Kernan, 1986; Reigen, Foster, Brown, & Seidman, 1984; Bass, 1969; Wang et al., 2012; Huang, 2016; Adelaar et al., 2003; Wilcox and Stephen, 2013; Thourunroje, 2014)

This study has examined the moderation effect of demographic factors (age, gender, and income) and psychological moderators (like susceptibility of normative influence and level of materialism) on the relationship between online social capital and consumption of luxury goods through peer communication. The results show that gender moderates the relationship, in that females are more influenced by peer communication which in return leads to consumption of luxury goods than are male. This result contributes to the existing literature. Earlier studies revealed a difference in consumption of luxury goods orientation between males and females, but they have not examined the differences relating to the influence of peer communication. Age and income do not have a moderating effect on consumption of luxury goods. In relation to previous studies, age played a significant role in attitudes toward the purchase of luxury products (Schade et al., 2016), and young consumers are more influenced by social media interaction (Ngai & Cho, 2012). While Gupta and Vohra (2019) support the notion that age differences do not moderate conscious consumption, in the empirical findings, all age groups were influenced by peer communication, which led to consumption of luxury goods. Furthermore, the primary research shows that all consumers with low and high incomes were influenced by peer communication and consumed a luxury product. This shows that income does not moderate the relationship between social capital and consumption of luxury goods. There was a debate about income in the literature; some argue that income influences the level of consumption of luxury goods (Gupta and Vohra, 2019), while others disagreed (Stathopoulou & Balabanis, 2019; Topcu, 2017; Koutsobinas, 2014). The empirical findings have contributed to the literature by emphasising that all income groups—upper, middle, and

lower classes—consumed luxury products because of social impact and peer pressure from online social network interaction.

Regarding the psychological role of consumption of luxury goods, the empirical findings agreed with the literature that susceptibility to the normative influence moderates online social capital and consumption of luxury goods because of cultural characteristics that influence consumer behaviour and personality. However, the level of consumer materialism does not moderate the relationship between online social capital and consumption of luxury goods, which is supported by Gupta and Vohra (2019), while there is a direct relationship between the level of consumer materialism and consumption of luxury goods which is supported on the literature.

To conclude, the research model focused on online social capital connections that lead to consumption of luxury goods, which is mediated by online peer communication. The identified demographics and psychological moderators have a significant contribution to the consumption of luxury goods literature. Hence the applicability of the online social capital theory to consumption of luxury goods in the Saudi Arabian context is considered a first initiative in the marketing and consumer behaviour literature.

5.3 Theoretical Contribution

This research contributes to the theoretical dimensions of purchasing and consumption, as it proves the applicability of various theories while defining which theories apply to the Saudi context and which do not. The empirical research found a significant relationship between online social capital and consumption of luxury goods. Antoniadis and Charmantzi (2016) regarding the benefits of accumulated social capital for brands and consumers, they argued it provides resources and high-quality information for firms and enhances coordination and

management of information and resources by generating content and value. Furthermore, higher degree of confidence resulting from brand loyalty, which strengthens value development for both customers and businesses (Van de Bulte and Wuyts, 2007). These benefits demonstrate the significant role that Social Capital theory can play in marketing contexts. Moreover, according to Antoniadis and Charmantzi (2016,p. 346) “social capital is a relatively modern term and theory, introduced by Pierre Bourdieu in 1985 can provide a useful additional framework, supplementing traditional concepts of marketing, improving the effectiveness of social media marketing” (Glenane-Antoniadis et al., 2003). The empirical data in this research too, demonstrates the significant role online social capital can play through communication on social networking sites, which in return enhances and increases luxury brand consumption.

In addition, this research can add to the luxury consumption literature which shows that bandwagon is taking place, that is, consumers are buying luxury products to seek recognition from their in-group or because of a need to identify with a particular group. The results also showed the relevance of snob consumption, which refers to consumers purchasing items because of their perceived scarcity or popularity. It was interesting that the empirical research found that the sample showed high levels of susceptibility to normative influence, which, like bandwagon and snob consumption, shows that individuals purchase luxury brands, so others will perceive them in a positive light. Bearden et al. (1989) suggest that those who show signs of bandwagon or snob consumption are particularly susceptible to normative interpersonal influence, leading to an increase in luxury brand consumption. In addition, Leibenstein (1950) referred to the popularity of luxury brands consumption as based on the prestige and value it offers to consumers, especially in an interactional context with others. Lascu and Zinkhan (1999) argued that individuals who engaged in these forms of luxury consumption are not loyal or followers in the luxury market but are seeking social recognition. According to Bahri-

Ammari (2020, p.4) “nowadays, modern society relies on appearance and sophistication, signifying that visible wealth represents moral richness and embodies superiority within the society, this has driven some people to adopt new lifestyles where they seek quality over quantity and satisfaction of others before their own”. This can correlate with the high level of susceptibility of normative influence among Saudi consumers which leads to luxury consumption due to social and cultural norms. Thus, the empirical data can contribute to the current literature by emphasizing the importance of social and cultural aspects of luxury consumption in Saudi Arabia.

Another theory thought relevant to this study, but which was challenged by the research findings, was the notion of Veblenian consumption, which shows that certain groups are more likely to engage in conspicuous consumption and overt spending. Veblenian consumption suggests that peer pressure leads to conspicuous spending, something supported by the empirical research. This is in line with recent studies like Stathopoulou and Balabanis (2019), Topcu (2017), and Koutsobinas (2014) which found that the lower and middle classes are increasingly likely to engage in Veblenian consumption due to peer pressure, something that is apparently taking place in Saudi Arabia. The primary findings have added to the literature that Saudi consumers with low, average, and high income are consuming luxury brands. From an anecdotal perspective, parental financial support for young consumers or spousal support for female consumers makes them irresponsible financially, which can contribute to massive spending on luxury products among female and young consumers. This idea perhaps invites further investigation in the future. This generated the idea that Saudi consumer’s with low income doesn’t influence consumption of luxury goods. Therefore, the social impact and peer pressure on social network sites contribute to consumption of luxury goods among Saudi consumers.

Secondary research shows that bonding rather than bridging social capital is more relevant in the Saudi Arabian context, which challenges the empirical research result. This is because Hofstede's analysis shows Saudi Arabia is a collectivist society, so its social media networks are more reliant on bonding social capital, based on shared norms and social support than bridging capital, which results from weaker connections and a more diverse social network. However, despite the cultural characteristics, the empirical findings revealed that both online bonding and bridging social capital applied in social media to different levels of relationships. This is in accordance with Putnam (2001), who suggested that online bonding and bridging are related but not equal in the amount of information and support provided. The mechanism of the online interaction on the social network sites mitigated cultural influences among individuals. Hence, globalisation in online interaction helps consumers to communicate with others across borders. This means that online interaction has strengthened both weak and strong ties among Saudi consumers. This result correlates with the suggestion of Huckfeldt et al. (1995) that the strength of relationships (weak and strong ties) in social networks was a significant factor to access social opinions

As a result, this study not only contributes to the marketing literature. It also adds to social capital theory in sociology, addressing a gap in the research on differences between online and offline bonding and bridging. While there had been some speculation about this notion by Haythornthwaite (2002) and Williams (2006), it was not proved empirically. The findings of this study have shown that online bonding connections are not restricted to families, relatives, and friends; they expanded to include individuals that share the same language, region, and interests. Moreover, the bridging connections were strengthened by online

interaction to include individuals from different backgrounds, regions, and languages. Using social media, an individual has access to anyone around the world who has the same interests.

Applying social capital theory to the marketing context and especially to consumer behaviour has not yet been done in the current literature, nor has the link between social capital theory and consumption of luxury goods been studied. Recent studies (Gupta & Vahra, 2019; Liu et al., 2019; Charoennan & Huang, 2018; Shultz & Jain, 2018) were mainly focused on the intensity of social media and their impact on the consumption of luxury goods without using a grounded theory such as social capital theory. Dhaiwal et al., (2020) in their systemic review of luxury consumption behaviour, point to the importance of grounded theory research in the field of luxury consumption for future research.

In consistence with their suggestion, this primary research could be considered the first initiative in this field by linking social capital theory to a marketing context. In addition, using online peer communication to mediate the relationship between online social capital and consumption of luxury goods has added to the current literature, whereas peer communication was used as the factor driving toward consumption of luxury goods in the previous literature (Bass, 1969; Katona, Zubcsek, & Sarvary, 2011; Reigen & Kernan, 1986; Reigen, Foster, Brown, & Seidman, 1984; Bass, 1969; Wang et al., 2012; Huang, 2016; Adelaar et al., 2003; Wilcox and Stephen, 2013; Thoumrungroje, 2014).

Regarding the literature on consumption of luxury goods, most published works examined the intention to buy a luxury product or the decision to buy a luxury item. There is inadequate research on consumption of luxury goods itself, even though it was conducted during this study. Only the study by Kastanakis and Balabanis (2014) examined the three forms

of consumption of luxury goods, snob, bandwagon, and Veblen consumption. Thus, this primary research is only the second attempt to apply the forms of luxury consumption.

Furthermore, the moderating effect of demographic factors (age and gender) generated findings that were similar to those in the current literature. Hence, age does not have a moderation effect on social capital and consumption of luxury goods through peer communication. In this study, all age groups communicated and consumed luxury products on the same level, which correlated with the research by Gupta and Vohra (2019), but contradicted other research (Ngai & Cho, 2012; Schade et al., 2016). As a result, the findings of the empirical research contribute to current literature. They show that on social media intensity all the age groups are influenced positively. This, in turn, stimulates consumption of luxury goods.

Regarding the moderation effect of gender on consumption of luxury goods. The literature has shown the differences between males and females in terms of consumption orientation (Gupta & Vohra, 2019; Pelet et al., 2017; and Roux et al., 2017). However, the empirical findings showed that women are influenced more by online peer communication than are men. This, in turn, led to consumption of luxury goods. The main contribution about gender differences in consumption of luxury goods literature is that gender moderates the relationship between online social capital and consumption of luxury goods through online peer communication.

Finally, the conceptual framework for this study has made a great contribution to the literature on consumption of luxury goods. It examined the applicability of online social capital and linked it indirectly to the forms of consumption of luxury goods (bandwagon, snob, Veblen), through online peer communication. In addition, demographic moderation (age, gender, and income), and psychological moderation (level of materialism and susceptibility to normative influence). All the interaction between the variables on the well-designed model has

generated a significant contribution to consumption of luxury goods literature. Besides that, this research has been carried out in the Saudi Arabian context while there is inadequate research on this context. As a result, the applicability of this research model has contributed to the originality of the empirical findings, which demonstrates the importance of cross-cultural studies on luxury consumption phenomenon, especially in Middle Eastern contexts (Abalkhail, 2015).

5.4 Practical Contribution

On a practical level, the significant relationship between online social capital and luxury consumption behavior which is mediated by peer communication on online social networks can play a significant role in online marketing strategies. Social capital can be a crucial factor in social media marketing strategies, since its vital to companies' word of mouth marketing (Aral and Walker, 2011; Harrigan et al., 2012; Antoniadis and Charmantzi, 2016). Therefore, marketers could get the advantages of social capital by gaining information and resources for their firm, whilst improving communication to create content and value, and thus social capital generates higher levels of trust which can contribute to brand loyalty which enhances brand value for both brands and consumers (van de Bulte and Wuyts, 2007; Antoniadis and Charmantzi, 2016). Social capital considered as an intangible asset for firms' brands, that is created via social relations (Adler and Kwon, 2002). In the new technological revelation in social media and social network sites, consumers have the capability to connect with higher number of relationship and connections (Kaplan and Haenlin, 2010).

Cconsistence with the literature, this research illustrated how social networks (using weak and strong ties) lead to consumption of luxury goods which is mediated by online peer communication, and it examined the role of demographic moderators (age, gender, income)

and psychological moderators (level of materialism, and susceptibility of normative influence). Understanding the interactions between those factors could help luxury marketers use social media to maintain connections with their audiences and keep the luxury items visible. As a result, consumers will increase their luxury showcase. Romao et al. (2019) have suggested that social media interaction increases the visibility of the luxury brands and could enhance the brand image. According to Becker et al. (2018, p. 54) “the rarer or more unique a product characteristic is perceived to be, the higher the perceived social value will be and thus the higher price premium and luxury that can be obtained”. Therefore, marketers could benefit if they pay more attention to brand image when targeting potential consumers.

Also, the empirical research found that high levels of normative influence lead to higher levels of consumption of luxury goods. This finding is echoed by the secondary research, which indicates that Saudi Arabia is prone to higher levels of normative influence as it is a collectivist culture. This suggests that luxury brands should look at ways to increase their influence with consumers, perhaps by using social media influencers, to appeal to Saudi consumers. Charoennean and Huang (2018) found that 74 per cent of consumers had brought a product after watching an advertisement by a social media influencer, while others were influenced by the style of social media influencers. Therefore, individuals with high levels of normative influence fall to fall into the bandwagon consumption effect (Bahri-Ammari, 2020). Marketers targeting bandwagon consumers should improve brand visibility and popularity in online interactional contexts. For instance, referring to influencers, who by their reputation and social activities, may influence higher number of consumers altering their opinions and actions (Ferraro et al, 2013 cited in Bahri-Ammari,2020). Influencers often demonstrate materialistic orientations while encouraging consumption (Fitzmaurice and Comegys, 2006).

On the other hand, the connection between the online social network and consumption of luxury goods because of some social, demographical, and psychological aspects that influence the luxury operator positively. However, this phenomenon will affect the luxury market negatively. Social media enhance consumer engagement with luxury fashions, and some personal shoppers on social media promote luxury items by offering an affordable price. This can lead to the dilution of the luxury brand on social media (Shin et al., 2018). Hence, the luxury items will lose their psychological and social value for luxury brand consumers, especially those engaged in snobbish consumption of luxury goods. Those who seek social status and uniqueness will shift down from some luxury items because of their huge presence on social network sites, while this phenomenon will enhance bandwagon and Veblen consumption because those kinds of consumers are affected by the social norms and susceptible to normative influence.

In that case, luxury brand marketers should follow two strategies on social network sites. First, luxury brand marketers who target bandwagon and Veblen consumption should keep their appearances and connections on social media. While those who seek the snobbish consumers should minimise their appearance on the social media and launch limited edition products to emphasise the uniqueness and increase the psychological value of the luxury brand. In addition, they should classify their luxury goods into three categories: popular products that are consumed by many; exclusive goods that are purchased by some: and cheap versions of luxury goods “masstige concept” which can increase sales since they can benefit the overall success of other products in the brand (Kastanakis and Balabanis, 2012; Bahri-Ammari, 2020).

As asserted by Bastien and Kapferer (2012), luxury brands must prioritise their long-term strategy and overall reputation, as well as closely follow their identity, as that separates

them from other competitive brands, including non-luxury items. Luxury brands marketers have followed generalization and popularization marketing strategy to extend their market. For example, Louis Vuitton introduce some items like pens, wallet with affordable price. Researchers have considered this as a new strategic model to support the luxury brand company (Mundel et al.,2017; Shayan et al.,2017)

On a practical level, with regard to how demographic and psychological factors moderate the relationship between social capital and luxury purchasing decisions, the empirical research found that there was an insignificant relationship between materialism and social capital, something also corroborated by the secondary research literature. This suggests that luxury brand companies operating in Saudi Arabia should consider how to market their products to individuals across all income groups to maximise profits. Ko and Taylor (2019) suggested that different luxury brand markets have varying needs, something luxury brand companies need to address in their marketing campaigns.

Looking at demographic factors such as age, gender, and income, the empirical research found that age does not have much impact on luxury brand consumption, but the literature suggested that young people's increasing engagement with social media may make them more likely to purchase luxury brands in the future. Luxury brands could use this to appeal to consumers by using social media influencers. For example, Burberry included social media campaigns as part of their marketing strategy to attract young consumers (Burkitt, 2011). Similarly, Ortved (2011) adds that due to the ubiquity of smartphones, particularly among millennials, brands such as Chanel and Hermes are starting to exploit social media sites to attract these new potential consumers. In short, this shift toward materialistic values have a direct impact on purchasing intentions, and consumption behaviours vis-à-vis luxury goods.

In terms of gender differences, this research shows that females are more influenced by online peer communication, which led in turn to consumption of luxury goods. This illustrates the significant role of interacting online and exchanging information with peers on social networks. This can help luxury marketers to target women consumer through reviews and positive feedback from consumers on social media. In addition, a company could hire social media influencers who have more female followers on Twitter, Snapchat, and Instagram.

Furthermore, while some secondary research concluded that those with a lower income were less likely to purchase luxury items, the empirical research shows that this is changing because the perceived social desirability of luxury items may influence more lower-income individuals and households to make more luxury purchasing decisions than they have in the past. This was especially true for collectivist cultures like Saudi Arabia, and it is something that can be used by luxury brands that operate in the country. In the following table shows the significant findings that generate an important practical contribution

Table 5-1 Main findings with practical contribution

Findings	Example of practical contributions
The significant role of online social capital on luxury brand consumption through online peer communication.	Social capital can be used as an intangible asset for brands as it creates social connections that can be employed to achieve marketing goals, such as: social interactions on social media can facilitate the spread of electronic word of mouth, virtual communities' brand, promote brand loyalty, create new communication channels between

consumers and brands and enhance brand image.

In the context of luxury brands, these interactions can lead to greater consumption of luxury goods. For example, luxury brands can use social media influencers with materialistic orientations to encourage luxury consumption, particularly bandwagon consumption.

The moderation impact of gender on the relationship between peer communication and luxury consumption.

Luxury brand marketers should target women through their social media marketing strategy, for instance, by hiring female influencers with a largely female following.

The significant influence of susceptibility of normative influence on the relationship between online social capital, online peer communication, and luxury consumption behavior.

Increase the visibility of luxury brands on social media to encourage consumption of luxury brands especially bandwagon consumption, which is mainly associated with higher levels of susceptibility, particularly in collectivist cultural societies such as Saudi.

For instance, this can either be though including a “most popular products” icon or “best-selling” section on the website.

Individual income doesn't moderate the relationship between online social capital and luxury consumption.

Luxury brand marketers should focus on generalization/popularization strategy by producing luxury items with affordable prices such as pens, notes, cups, wallet.

5.5 Research Limitations and Directions for Future Research

There are some research limitations and potential recommendations for future research stemming from this study. First, the sample size could be increased to enhance the empirical result. Participation could be expanded to include offline customers of luxury brand stores. Second, a combined quantitative and qualitative research method could generate in-depth data, using interviews and focus groups to get the point of view of luxury consumers regarding how social media affect their consumption. Third, there was a strong composite reliability value among all variables, while the values for some variables for the Average Variance Extracted were below .50. In addition, it appears that there was not enough research into the Saudi cultural context. More research could have helped to contextualise the results of the empirical research. Another limitation to the research was that the empirical research did not look into the ways in which the participants used social media, something that could be rectified in a future study. In terms of future research insights and directions. There is a need to explore the influence of western or individualistic cultures on Saudi Arabians and how this might affect luxury purchasing decisions because of the lower impact of normative influence found in individualist

as compared to collectivist cultures. In addition, applying the research model to different contexts, either a western or another eastern context could generate different results because of cultural variations. More research is needed on the applicability of the social capital theory and its impact on the consumer. This would show the potential of the social network for shaping consumer behaviour. Furthermore, there is inadequate research on the differences between online and offline bonding and bridging social capital. More research could explain the mechanism of the strong and weak ties in the social network and determine how much support could be offered to the individual. The moderating impact of consumer guilt on consumption of luxury goods could be examined and added to the research model to add more psychological dimension. There could be more exploration of the way that consumption of luxury goods affects the consumer, both positively (shopping therapy, pleasure, hedonic) and negatively (consumer guilt, money consuming). More research is needed to explore the consequences of interaction on social media for the value of the luxury brand, and how that interaction affects the psychological value of luxury items. Empirical research evidence is needed on the ways that online interaction makes people more materialistic, which in turn influences consumption of luxury goods positively. Future research could build on this study to explore how cultural influences affect online interaction and communication, especially in Saudi Arabia. It would also be useful to determine whether income has more or less impact on luxury purchase decisions than it had before such trends were identified in the secondary literature, particularly by Topcu (2017). More research could be done about how the presence of luxury products on social media affects the uniqueness of those products and how to manage them strategically.

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APPENDIX 1 The gaps in previous studies compared to this research

Previous research	Focus of the earlier studies	Features highlighting the gaps	Contribution of the present work
<p>Dubois, Czellar and Laurent (2005); Wong and Ahuvia (1998); Tsai (2005); Wiedmann et al. (2009); Bian and Forsythe (2012); Hennigs et al. (2012); Shukla (2011); Shukla and Purani (2012)</p>	<p>Dubois, Czellar, and Laurent's (2005) main focus is the cultural impact on consumption of luxury goods. They put forth the notion that consumption of luxury goods is a cultural action where the meanings of the actions are interpreted as per the cultural context.</p> <p>Wong and Ahuvia (1998) focus on evaluating the cultural differences between East and West and how the differences influence luxury consumptions. Shukla (2011) and Shukla and Purani (2012) also take into account the intercultural aspects pertaining to consumption of luxury goods.</p> <p>Tsai (2005) focuses on the difference between the concept of self in Western and Eastern cultures as a key variable in understanding the impact of personal motives on consumption of luxury goods.</p> <p>Bian and Forsythe (2012) also focus on the intercultural aspect of luxury brand consumption, providing insights into Asian luxury consumption.</p>	<p>Employed student samples; shedding light on certain aspects, but not providing a complete model for understanding luxury consumption.</p>	<p>Fills a gap by highlighting the structural as well as the functional components of luxury consumption. Moreover, it also shows the impact of peer communication/ networking/ social factors on luxury consumption in a Middle Eastern setting.</p>

<p>Dubois, Czellar and Laurent (2005); Wong and Ahuvia (1998); Tsai (2005); Wiedmann et al. (2009)</p>	<p>Wiedmann et al. (2009) focused on comprehending the different aspects related to consumer brand equity. According to them, luxury brands' equity stems from four dimensions (functional, financial, social, and individual). Hennig et al. (2012) carried further research into the said topic by comparing it across different countries.</p>	<p>Considered consumption of luxury goods as homogenous consumer behaviour; considered it as a dependent variable without any effects or distinctions.</p> <p>There is limited research on the impact of social networks on luxury brand consumption and the outcomes of this interaction</p>	<p>This research work does not only study luxury consumption as a final outcome, but it digs deeper into its distinctions and attempts to study the impact of peer communication and social capital on the two distinctions of luxury brand consumption.</p>
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<p>Kapferer (1998); Dubois, Czellar and Laurent (2005); O’Cass and Frost (2002); Amaldoss and Jain (2005a); Amaldoss and Jain (2005b); and Vigneron and Johnson (2004)</p>	<p>Kapferer (1998) focused on the use of counterfeit luxury goods based on the notion of self-concept; that is, the kind of value (emotional, psychological, social) that gets added to the concept of self-worth if the impression of using luxury brands is imparted onto others.</p>	<p>Employed student samples, which may not be a true representation of luxury market consumers.</p>	<p>To provide real-time findings, this research makes use of actual luxury market consumers in the Kingdom of Saudi Arabia.</p>
	<p>O’ Cass and Frost (2002) focus on symbolism, status, and self-image as some of the factors that affect luxury consumption. Vigneron and Johnson (2004) also focus on the same aspect but take into account the hedonic value, uniqueness, and perceived conspicuous value as the factors that differentiate the luxury brands from the non-luxury ones, thus influencing consumption</p>		
	<p>Amaldoss and Jain (2005a) focus on status as the primary motivator of consumption of luxury goods</p>		
	<p>Amaldoss and Jain (2005b) focus on social capital as the basis for consumption of luxury goods and view it as an investment that helps represent social class and the economic status of consumers.</p>		

Hennigs et al. (2012); Shukla (2011); Bian and Forsythe (2012); Shukla and Purani (2012)	Mentioned above	Focused on Western countries	Focuses on consumption of luxury goods in the Middle Eastern or Arab regions because Western and Middle Eastern cultures are very different from each other.
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7 APPENDIX 2 INFORMED CONSENT LETTER

Survey for the research titled 'The Role of Social Capital on Luxury Brand Consumption in Saudi Arabia'

Dear Recipient,

I am a PhD student at Middlesex University I am conducting this research work to study the impact of different social factors (affected by varying degrees of associations and/or disassociations with peers or social network) on the consumption of luxury brands in the Kingdom of Saudi Arabia. This research work aims to contribute to the literature on consumer behaviour in Middle Eastern and Arab counties.

I request your participation in this research, which will require you to fill in this questionnaire/click on the link (that will be functional once you agree to participate in this survey). Your participation in this survey is entirely voluntary; if you choose to withdraw or not participate in this survey at any point in time while filling in the questionnaire, there will be no questions asked and there will be no penalty for withdrawing. The withdrawn respondents' questionnaires will be discarded.

The results of this study will be published; however, your name will not be published or used in any manner. The questionnaire available on the link is anonymous. There are no risks to the participants as this research will not ask for any confidential/sensitive information that can cause the participants any kind of harm.

If you have any questions regarding the research work, please email the researcher.

This study has been approved by the Research Ethics committee at Middlesex University.

To participate in this research work:

- You have to be 18 years or older
- You have to be currently living in the Kingdom of Saudi Arabia

If you agree to participate, please click the agree button.

Yours Sincerely,

Arwa Haizan

Email: arwa.haizan@gmail.com

8 APPENDIX 3 QUESTIONNAIRE (ENGLISH VERSION)

1-Which of the following luxury brands have you purchased or used in the recent past?

For reference, luxury brands are ‘worn by celebrities and known by many’, ‘highly popular and everyone would approve of’, are ‘symbols of success and achievement by many’.

- Rolex
- Piaget
- Cartier
- Bvlgari
- Chanel
- Hermes
- Louis Vuitton
- Gucci
- Versace
- Ralph Lauren
- D&G
- Burberry
- Balenciaga
- Marc Jacobs
- Prada
- Ferrari
- Lamborghini
- BMW
- Audi
- Mercedes
- Porsche
- Rolls Royce
- Bentley

General respondent profile

2-Gender

- 1) Male
- 2) Female

3-Age

- 1) Under 18 years
- 2) 18 to 24 years
- 3) 25 to 34 years
- 4) 35 to 44 years
- 5) 45 to 54 years
- 6) 55 to 64 years
- 7) Age 65 or older

4-Education

- 1) Primary school
- 2) Secondary school
- 3) High school
- 4) Diploma
- 5) Bachelor's degree
- 6) Master's degree
- 7) Doctoral degree

5-Income per month

- 1) Under 5, 000 Saudi Riyals
- 2) 5, 000 -10, 000 Saudi Riyals
- 3) 10, 000 -15, 000 Saudi Riyals
- 4) 15,000-20,000 Saudi Riyals
- 5) 20,000-25,000 Saudi Riyals
- 6) 25,000-30,000 Saudi Riyals
- 7) 30,000-35,000 Saudi Riyals
- 8) 35,000-40,000 Saudi Riyals
- 9) 40,000-45,000 Saudi Riyals
- 10) Over 45,000 Saudi Riyals.

6- Do you use social media?

- 1) Yes
- 2) No

7-What kind of social media do you use to communicate with your friends?

- 1) WhatsApp
- 2) Twitter
- 3) Facebook
- 4) Snapchat
- 5) Instagram

6) Other social media:

8.1.1	Statement	Strongly Agree	Agree	Somewhat agree	Neutral	Somewhat disagree	Disagree	Strongly Disagree
1.	There are several people online I trust to help solve my problems							
2.	There is someone online I can turn to for advice about making very important decisions.							
3.	There is no one online that I feel comfortable talking to about intimate personal problems.							
4.	When I feel lonely, there are several people online I can talk to.							
5.	If I needed an emergency loan of \$500, I know someone online I can turn to.							
6.	The people I interact with online would put their reputation on the line for me							
7.	The people I interact with online would be good job references for me							
8.	The people I interact with online would share their last dollar with me.							
9.	I do not know people online well enough to get them to do anything important.							
10.	The people I interact with online would help me fight an injustice.							
11.	Interacting with people online makes me interested in things that happen out- side of my town.							
12.	Interacting with people online makes me want to try new things.							
13.	Interacting with people online makes me interested in what people unlike me are thinking.							
14.	talking with people online makes me curious about other places in the world.							
15.	Interacting with people online makes me feel like part of a larger community.							
16.	Interacting with people online makes me feel connected to the bigger picture.							

17. I am willing to spend time to support general online community activities.							
18. interacting with people online gives me new people to talk to.							
19. Online, I come in contact with new people all the time.							
20. Interacting with people online reminds me that everyone in the world is connected.							
21. I rarely purchase the latest fashion styles until I am sure my friends approve of them. It is important that others like the products and brands I buy.							
22. When buying products. I generally purchase those brands that I think others will approve of.							
23. If other people can see me using a product, I often purchase the brand they expect me to buy.							
24. I like to know what brands and products make good impressions on others.							
25. I achieve a sense of belonging by purchasing the same products and brands that others purchase.							
26. If I want to be like someone. I often try to buy the same brands that they buy.							
27. I often identify with other people by purchasing the same products and brands they purchase.							
28. To make sure I buy the right product or brand. I often observe what others are buying and using.							
29. If I have little experience with a product. I often ask my friends about the product.							

30. I often consult other people to help choose the best alternative available from a product class.							
31. I frequently gather information from friends or family about a product before I buy.							
32. Some of the most important achievements in life include acquiring material possessions.							
33. I admire people who own expensive homes, cars, and clothes.							
34. I don't place much emphasis on the amount of material objects people own as a sign of success.							
35. The things I own say a lot about how well I'm doing in life.							
36. I like to own things that impress people.							
37. I don't pay much attention to the material objects other people own.							
38. I usually buy only the things I need.							
39. I try to keep my life simple, as far as possessions are concerned.							
40. The things I own aren't all that important to me.							
41. I enjoy spending money on things that aren't practical.							
42. Buying things gives me a lot of pleasure.							
43. I like a lot of luxury in my life.							
44. I put less emphasis on material things than most people I know.							
45. I have all the things I really need to enjoy life.							
46. My life would be better if I owned certain things I don't have.							
47. I wouldn't be any happier if I owned nicer things.							

48. I'd be happier if I could afford to buy more things.							
49. It sometimes bothers me quite a bit that I can't afford to buy all the things I'd like.							
50. I talked with my peers about the products on social media							
51. I talked with my peers about buying products on the Internet.							
52. I asked my peers for advice about the products							
53. I obtained the products information from my peers, blogger, fashionista							
54. My peers encourage me to buy the products.							

9- How likely is it that you would buy and use each of the described items – assuming that money is no object?

Circle your answer using the 7-point scale on the right

Definitely Not=1, Very unlikely=2, Probably Not =3, Undecided=4

Probably Yes=5, Very likely=6, Definitely Yes =7.

Statement	1	2	3	4	5	6	7
1-A watch that is difficult to find and that only a few people own.							
2-A watch of such limited production that its owners are really distinguished and unique.							
3-A watch that has just been launched and is currently recognized and valued by only a small circle of people.							
4-An extremely expensive watch that only the really wealthy own.							
5- A watch that is impossible not to be noticed and is a proof that its owner is really rich.							
6-An extremely luxurious watch sold in the most prestigious and expensive boutiques.							

Statement	1	2	3	4	5	6	7
7-A very popular and currently very fashionable watch that everyone would approve of its choice.							
8-A watch worn by many celebrities, recognized by many people as a symbol of success.							
9-A watch that is chosen and worn by most people as a symbol of achievement.							

9 APPENDIX 4 QUESTIONNAIRE (ARABIC VERSION)

عنوان البحث [تأثير التواصل الاجتماعي على استهلاك السلع الفاخرة في المملكة العربية السعودية]
عزيزي المشارك ،

أنا طالبة دكتوراه بجامعة ميدلسكس ببريطانيا. أقوم بإجراء هذا البحث لدراسة العوامل المؤثرة على استهلاك السلع الفاخرة (الماركات)، وتحديد دور التواصل الاجتماعي من خلال شبكات التواصل جتماعي وكيف يؤثر على سلوك المستهلك السعودي، وهل العوامل الشخصية كالدخل والعمر والمستوي التعليمي، والعوامل النفسية تلعب دور مهم في تحديد استهلاك الفرد لهذه السلع الفاخرة، هذا البحث. موجة لمستهلكي السلع الفاخرة ورواد مواقع التواصل الاجتماعي بجميع أنواعها

مشاركتك في هذا الإستبيان قد تستغرق منك ثمان دقائق

مشاركتك في هذا الإستبيان اختيارية

سيتم بإذن الله نشر نتائج هذه الدراسة، ومع ذلك ، لن يتم نشر اسمك أو استخدام الإستبانات بأي شكل من الأشكال

لا توجد مخاطر على المشاركين لأن هذا البحث لن يطلب أي معلومات سرية /حساسة يمكن أن تسبب للمشاركين أي ضرر

إذا كان لديك أي أسئلة بخصوص البحث يرجى التواصل معي على البريد الالكتروني الموضح ادناة وللمعلومية قد تمت الموافقة على هذا البحث من قبل لجنة أخلاقيات البحوث في جامعة ميدلسكس

بالمملكة المتحدة (بريطانيا)

إذا كنت توافق على المشاركة ، يرجى النقر على زر الموافقة

،، شاكرة لكم تعاونكم

Arwa.haizan@gmail.com

١- أي من العلامات التجارية الفاخرة التالية سبق وان اقتنتيتها؟
وللإشارة، فإن العلامات التجارية الفاخرة " هي سلع باهظة الثمن ويرتديها المشاهير وتعرف من قبل الكثيرين ولها شعبية كبيرة والجميع يوافقون عليها و رمز النجاح والإنجاز من قبل الكثيرين "

- Rolex
- Piaget
- Cartier
- Bvlgari
- Chanel
- Hermes
- Louis Vuitton
- Gucci
- Versace
- Ralph Lauren
- Versace
- D&G
- Burberry
- Balenciaga
- Marc Jacobs
- Prada
- Ferrari
- Lamborghini
- BMW
- Audi
- Mercedes
- Porsche
- Rolls Royce
- Bentley

٢- هل تستخدم وسائل التواصل الاجتماعي؟

نعم

لا

٣- أي البرامج تستخدمها للتواصل مع اصدقائك؟

- بالواتس اب
 سناب شات
 تويتر
 انستقرام
 فيسبوك
 وسيلة تواصل اجتماعي اخري.....

٤- الجنس

- ذكر
 انثي

٥- العمر

- أقل من ١٨
 ٢٥-١٨
 ٣٣-٢٦
 ٤١-٣٤
 ٤٩-٤٢
 ٥٠ فما فوق

٦- المستوى التعليمي

- ثانوية عامة
 دبلوم
 بكالوريوس
 ماجستير
 دكتوراه

٧- الدخل الشهري

- ١٠٠٠ الي ٥٠٠٠ ريال سعودي
 ٥٠٠٠ الي ١٠,٠٠٠ ريال
 ١٠,٠٠٠ الي ١٥,٠٠٠
 ١٥,٠٠٠ الي ٢٠,٠٠٠
 ٢٠,٠٠٠ الي ٢٥,٠٠٠
 ٢٥,٠٠٠ الي ٣٠,٠٠٠
 ٣٠,٠٠٠ الي ٣٥,٠٠٠
 ٣٥,٠٠٠ الي ٤٠,٠٠٠
 ٤٠,٠٠٠ الي ٤٥,٠٠٠

غير موافق الي حد ما	غير موافق	غير موافق بشدة	محايد	موافق الي حد ما	موافق	موافق بشدة	العبارة
							١٢-إن التفاعل مع الأشخاص عبر الإنترنت يجعلني أرغب في تجربة أشياء جديدة.
							١٣-إن التفاعل مع الأشخاص عبر الإنترنت يجعلني مهتمًا بما يفكر فيه الأشخاص المختلفين عني.
							١٤-التحدث مع الناس عبر الإنترنت يجعلني أشعر بالفضول حيال أماكن أخرى في العالم
							١٥-إن التفاعل مع الأشخاص عبر الإنترنت يجعلني أشعر بأنني جزء من مجتمع كبير
							١٦-التفاعل مع الأشخاص عبر الإنترنت يجعلني أشعر بالارتباط بالصورة الأكبر (بالعالم) الخارجي
							١٧-أنا على استعداد لقضاء بعض الوقت لدعم أنشطة المجتمع العامة عبر الإنترنت
							١٨-التفاعل مع الأشخاص عبر الإنترنت يمنحني فرصة للتحدث مع اشخاص جدد.
							١٩-من خلال الإنترنت اتواصل مع اشخاص جدد في كل وقت
							٢٠- أشتري أحدث صيحات الموضة اللتي أكون متأكدًا انها ستعجب اصدقائي، من المهم أن الآخرين يحبون السلع والعلامات التجارية اللتي أشتريها
							٢١- أنا عادة أشتري تلك العلامات التجارية اللتي أعتقد أن الآخرين ستعجبهم
							٢٢-غالبًا اشتري العلامات التجارية اللتي يتوقعون مني الناس شرائها لأنها تمثل مستوي المادي
غير موافق الي حد ما	غير موافق	غير موافق بشدة	محايد	موافق الي حد ما	موافق	موافق بشدة	العبارة
							٢٣-أحب ان اطلع على العلامات التجارية ومنتجات اللتي تحقق انطباعات جيدة عند الآخرين
							٢٤-أحس بشعور الإنتماء للأشخاص من خلال شراء نفس السلع وعلامات التجارية اللتي يشترونها
							٢٥-إذا كنت أريد أن أكون مثل شخص ما. غالبًا أحاول شراء نفس الماركات اللتي يشتريها
							٢٦-عندما اخالط وتمعلم مع اشخاص غالبًا اشتري السلع وعلامات التجارية نفسها اللتي يشترونها.
							٢٧- غالبًا اتابع الأشخاص الاخرون ماذا يشترون لأتأكد اني اشتري المنتج او الماركة المناسبة والصحيحة
							٢٨-إذا كان لدي خبرة قليلة في المنتج. غالبًا ما أسأل أصدقائي عن المنتج. كثيرًا ما أستشير أشخاص آخرين للمساعدة في اختيار أفضل بديل متاح من فئة المنتج
							٢٩-كثيرًا ما أقوم بجمع المعلومات من الأصدقاء أو العائلة حول المنتج قبل شرائه
							٣٠-يعتبر اقتناء الممتلكات المادية من بعض اهم الإنجازات في الحياة
							أقدر الأشخاص اللذين يملكون منازل وسيارات وملابس ثمينة جدا
							٣١-لا أركز كثيرًا على كمية الأشياء المادية اللتي يمتلكها الناس كعلامة على النجاح
							٣٢-الأشياء اللتي أملكها تعبر عن مدى أدائي في الحياة
							أحب امتلاك الأشياء اللتي تثير إعجاب الناس-٣٣-
							٣٤-أنا لا أهتم كثيرًا بالأشياء المادية اللتي يمتلكها الاخرون
غير موافق الي حد ما	غير موافق	غير موافق بشدة	محايد	موافق الي حد ما	موافق	موافق بشدة	العبارة

							٣٥- عادة أشتري الأشياء التي أحتاجها فقط
							أحاول ان اجعل حياتي بسيطة جدا
							ليست كل الاشياء اللتي امتلكها مهمة بالنسبة لي
							٣٧- أنا أستمتع بإنفاق المال على أشياء غير مهم
							٣٨- يمنحني شراء الأشياء الكثير من المتعة
							٣٩- أنا أحب الكثير من الترف والرفاهية في حياتي
							٤٠- اضع تركيزاً أقل على الأشياء المادية أكثر من معظم الأشخاص الذين أعرفهم
							لدي كل الأشياء التي أحتاجها للاستمتاع بالحياة ٤١- .
							٤٢- ستكون حياتي أفضل إذا كنت أملك أشياء معينة لا أملكها
							٤٣- إقتنائي للأشياء الجميلة لن يؤثر على سعادتني.
							٤٤- سأكون أكثر سعادة إذا تمكنت من شراء المزيد من الأشياء
							٤٥- في بعض الأحيان يزعني أنني لا أستطيع شراء كل الأشياء التي أحبها
غير موافق الي حد ما	غير موافق	غير موافق بشدة	محايد	موافق الي حد ما	موافق	موافق بشدة	العبرة
							أتحدث مع أصدقائي حول المنتجات على وسائل التواصل الاجتماعي
							أتحدث مع أصدقائي عبر الإنترنت حول شراء المنتجات.
							اسأل زملائي للحصول على المشورة حول المنتجات
							احصل على معلومات السلع من خلال اصقفاي
							أصدقائي يشجعوني على شراء السلع

ما مدى احتمالية شرائك واستخدامك كل من السلع الموصوفة التالية، على افتراض أن المال ليس عائق؟

(الساعة عبارة عن مثال للمنتج الفاخر وممكن ان تكون حقيبة، سيارة، مجوهرات، ملابس،، الخ

قطعا نعم	من المحتمل جدا	ربما نعم	متردد	على الاغلب لا	من المستبعد جدا	بالطبع لا	العبرة
							٤٦- ساعة نادرة و يصعب اقتنائها و لا يملكها سوى عدد قليل من الناس
							٤٧- ساعة انتاجها محدود و نادرة و يملكها فقط الأشخاص المميزين والفر يدين.
							ساعة حديثة في الأسواق و يملكها عدد قليل من الناس
							ساعة ثمينة جدا و لا يملكها الا الأثرياء فقط
							ساعة ملفتة جدا و هي دليل على ان من يملكها ثري جدا
							٥١- ساعة فاخرة للغاية ، تباع في أكثر المحلات التجارية الراقية والفخمة
							٥٢- ساعة حديثة و أنيقة و مشهورة و الجميع تعجبه و يوافق الناس على اختيارها

							٥٣- ساعة يستخدمها او يرتديها العديد من المشاهير ، معترف بها من قبل العديد من الناس كرمز للنجاح
							٥٤- ساعة يستخدمها معظم الناس كرمز للإنجاز والتميز