Czech University of Life Sciences Prague

Faculty of Economics and Management

Department of Economics

Bachelor Thesis

Analysis Of Chinese Luxury Consumption And Consumer Behavior

Yabing Li

© 2020 CULS Prague

CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

BACHELOR THESIS ASSIGNMENT

Yabing Li

Economics Policy and Administration
Business Administration

Thesis title

Analysis of Chinese Luxury Consumption and Consumer Behavior

Objectives of thesis

The aim of the diploma thesis is to determine and to evaluate Chinese Luxury consumption and consumer behavior.

The aim will be fulfilled based on the partial aims. Then, several hypotheses will be defined and verified. Based on the results of and empirical analysis the final conclusions will be introduced.

Methodology

The bachelor thesis will cover both theoretical and empirical part. Theoretical part will contain theoretical background of the selected topic as well as the methodological framework. Scientific literature will be used to prepare the literature overview.

To fulfill the aim of the thesis the selected methods and indicators will be employed as following: correlation analysis, analysis of variance and survey of consumers' behavior based on own questionnaire.

The proposed extent of the thesis

30-40

Keywords

Luxury Goods; Consumption Perspective; Consumption Motive; Chinese consumer behavior

---

Recommended information sources

Berry.C-The Idea of Luxury: A Conceptual and Historical Investigation (Ideas in Context),1994.ISBN 978-0521466912

Curtis P,Paul M-Handbook of Consumer Psychology (Marketing and Consumer Psychology)-2008.ISBN 978-0805856033

CHRISTENSEN, R. *Analysis of variance, design and regression : applied statistical methods.* London ; Chapman & Hall: London ; Chapman & Hall, 1996. ISBN 0-412-06291-7.

Rambourg E- The Bling Dynasty: Why the Reign of Chinese Luxury Shoppers Has Only Just Begun[J]. 2014. ISBN 978-1118950296

Expected date of thesis defence

2019/20 SS – FEM

The Bachelor Thesis Supervisor

Ing. Lenka Rumánková, Ph.D.

Supervising department

Department of Economics

Electronic approval: 19. 3. 2020

prof. Ing. Miroslav Svatoš, CSc.

Head of department

Electronic approval: 20. 3. 2020

Ing. Martin Pelikán, Ph.D.

Dean

Prague on 20. 03. 2020

Declaration

I declare that I have worked on my bachelor thesis titled "Analysis Of Chinese Luxury Consumption And Consumer Behavior" by myself and I have used only the sources mentioned at the end of the thesis. As the author of the bachelor thesis, I declare that the thesis does not break copyrights of any their person.

In Prague on 20.3.2020 Yabing Li

Analysis of Chinese Luxury consumption and consumer behavior

Abstract

Since China's entry into the World Trade Organization at the end of 2001, China's luxury consumer market has developed rapidly, and international luxury brands have entered the Chinese consumer market one after another, attracting global attention. Data show that the global luxury market size in 2018 was approximately US $ 347 billion, of which China The consumption of luxury goods is as high as the US $ 145.7 billion, accounting for 42% of the global luxury consumption scale. This shows that China plays a significant role in the world's luxury consumer market. Such a huge luxury consumer market is an opportunity and a challenge for China. The luxury market has a huge driving force for the Chinese market, but at the same time, many problems have been exposed during the development of the luxury market. Chinese luxury consumption The behavior of consumers is not exactly the same as that of Western consumers. Therefore, the study of the behavior of Chinese luxury consumers and the influence of deep culture must pay more attention. Based on the above background, this article conducts a comprehensive analysis of the status of Chinese luxury consumption.

Keywords: Luxury Goods; Consumption Perspective; Consumption Motive; Chinese consumer behavior

Analýa spotřeby luxusního zboží a chování spotřebitelů v Číně

Abstrakt

Od vstupu Číny do Světové obchodní organizace na konci roku 2001 se čínský trh s luxusním zbožím rychle rozvinul a mezinárodní luxusní značky vstoupily na čínský spotřebitelský trh jedna po druhé, čímž přitahovaly celosvětovou pozornost. Data ukazují, že velikost globálního trhu s luxusním zbožím v roce 2018 byla přibližně 347 miliard USD, z toho spotřeba luxusního zboží v Číně dosahuje hodnoty 145,7 miliardy USD, což představuje 42% podíl na celkové spotřebě luxusního zboží. To ukazuje, že Čína hraje významnou roli na světovém trhu s luxusním zbožím. Trh s luxusním zbožím je pro Čínu příležitostí a výzvou. Trh s luxusním zbožím má pro čínský trh obrovskou hnací sílu, ale současně se zde objevilo mnoho problémů. Spotřebitelské chování v Číně není úplně stejné jako chování západních spotřebitelů. Proto je třeba věnovat větší pozornost studiu chování čínských spotřebitelů luxusního zbožía vlivu delete it kultury. Na základě výše uvedených skutečností je v bakalářské práci provedena analýza trhu s luxusním zbožím v Číně.

Klíčová slova: Luxury Goods; Perspektiva spotřeby; Spotřeba Motive; Čínské spotřebitelské chování

Table of content

Analysis of Chinese Luxury consumption and consumer behavior.....5

1 Introduction 8

2 Objectives and Methodology 9

2.1 Aim of the thesis. 9

2.2 Methodology 9

3 Literature Review 14

3.1 Definition and characteristics of luxury goods 14

3.2 Influencing factors of luxury consumption behaviour 16

3.3 Chinese luxury consumption culture.....19

3.3.1 The development of luxury goods in China 19

3.3.2 “Mianzi" in Luxury Consumption 21

3.3.3 Gift in Luxury Consumption 22

3.3.4 Young Luxury consumer in China.....23

3.4 Status of China's Luxury Consumption.....24

4 Practical Part 28

4.1 Evaluation of survey.....28

4.1.1 Evaluation of personal questions 29

4.2 Correlation analysis.....33

4.3 Difference Analysis.....37

4.3.1 Difference Analysis-Age 38

4.3.2 Difference Analysis-Education.....40

4.3.3 Difference Analysis-Income.....42

4.3.4 Difference Analysis- Marital status 43

4.3.5 Difference Analysis-Gender 44

4.3.6 Difference Analysis- Occupation.....44

5 Conclusion.....47

5.1 Analysis conclusion.....47

5.2 Suggestions 48

6 References 50

7 Appendix 52

Introduction

The luxury goods industry after the 21st century has entered China at a faster rate. Every luxury goods company believes that the Chinese market is an important potential inventory of global luxury goods. The prospects of the Chinese market cannot be ignored. With the development of China's economy, luxury goods have gradually entered the public vision of China, China has also become a luxury consumer country, and the spending power of Chinese people has continued to increase.

In the next ten to fifteen years, China will become a major consumer market for global high-end luxury brands. Although China's luxury market is so large, we must face a reality: China does not have its own luxury brands. According to statistics, 34 of the top 50 luxury brands in the world are from Europe. 14 are from the United States. China urgently needs to develop its own luxury goods industry. The luxury industry can bring positive factors such as spiritual happiness, economic development and social prosperity; in the future global luxury consumer market, China should seize the opportunity.

As we all know, China is a big manufacturing country. Most products made in China are low value-added products, but a large number of high value-added products are imported. The substitution of China's export products is very strong, but the substitution of imported products is very small, so the added value per unit of trade income of export products is very low. Under such circumstances, analyzing the consumption situation of China's luxury goods industry and clarifying the development goals of China's luxury goods industry will help China distinguish it from the high energy consumption, high pollution, and labor-intensive industrial structure as soon as possible; drive other industries Implementation of industrial structure upgrade.

1 Objectives and Methodology

1.1 Aim of the thesis.

China ’s research on the motivation for luxury consumption started later than in Western countries. Although many domestic scholars have developed “Chinese” development of luxury consumption motivation based on Chinese culture, it is still not comprehensive enough, mainly in the following aspects: Lack of consideration of influencing factors for luxury consumption motivation, especially psychological factors, and no empirical research to prove that psychological factors do act on luxury consumption motivation; the study of luxury consumption motivation models does not form a systematic undergraduate luxury Consumer motivation model.

The purpose of this thsis is to analyze and explore the influencing factors of Chinese luxury consumption motivation from the data model obtained through the questionnaire. And put forward hypotheses (such as age, occupation, gender, education level, etc. are related to luxury goods consumption) through empirical research to determine the consumption model of Chinese luxury goods consumers and the structural model of its influencing factors. Finally, based on the results of the above empirical analysis, suggestions are made for companies entering the luxury market in China and the local luxury market in China.

1.2 Methodology

This thesis consists of five parts:

The first chapter is the introduction, which introduces the research background, purpose and significance, and elaborates the research content and framework.

The second chapter is the research purpose and method. This part explains the inspiration and reasons of this article, and mainly explains the research methods and methodology.

The third chapter is a literature review. First, the concept and characteristics of luxury goods, the motivation of luxury goods consumption and the behavior of luxury goods are analyzed and summarized. After the current economic situation in China. Determine the research scope and put forward research hypotheses.

The fourth chapter is practical research: This study obtained first-hand data on Chinese consumers' perceptions of luxury goods and factors affecting luxury purchases through a questionnaire. This paper uses a questionnaire survey. When it comes to the study of purely subjective attitudes to consumption motivation, the best way is to adopt a questionnaire. Afterwards, the collected questionnaires were sorted out, and the professional statistical software SPSS was used to analyze and correlate the questionnaires to verify the proposed research hypotheses and draw empirical analysis conclusions. A total of 124 people participated in the questionnaire survey and conducted analysis. Public self-awareness will affect the social-oriented motivation and purchase intention of Chinese consumers when they consume luxury goods. Self-awareness and luxury consumption motivation will also be affected by unique Chinese culture. Strong predictive effect. Based on the above, we can propose 6 hypotheses to examine the motivation and behavior of Chinese consumers' consumption. Based on the literature review, we summarize the hypotheses obtained as follows:

H0: There is significant differences between age and luxury goods consumption

H0: There is significant differences between education and luxury goods consumption

H0: There is significant differences between income and luxury goods consumption

H0: There is significant differences between marital status and luxury goods consumption

H0: There is significant differences between gender and luxury goods consumption

H0: There is no dependency between occupation and luxury goods consumption

This research uses self-designed questionnaires to collect data, covering different aspects of luxury consumption, and finally uses 2 questions to measure consumers' luxury purchase intentions.

The fifth chapter is the research conclusion and discussion. It mainly includes two aspects, one is the summary of the above research conclusions; the other is the summary of the above research conclusions. Second, according to the conclusions of the study, some suggestions are made for the development of the Chinese luxury market and luxury companies.

Correlation analysis and multivariate analysis of Pearson using SPSS in this thesis.

Correlation analysis is used to study the relationship between quantitative data, including whether there is a relationship and how close the relationship is. 1. If it is significant (* in the upper right corner of the result, it means that there is a relationship at this time; otherwise, it does not matter); after having a relationship, the closeness of the relationship can be directly determined by the size of the correlation coefficient. Generally, the above 0.7 indicates that the relationship is very close; 0.4 to 0.7 indicates that the relationship is close; 0.2 to 0.4 indicates that the relationship is general. 2. If the correlation coefficient value is less than 0.2, but it still shows significance (* in the upper right corner, 1 * is called 0.05 level is significant, 2 * is called 0.01 level is significant; significant means that the occurrence of the correlation coefficient is statistically significant Ubiquitous, not accidental), indicating that the relationship is weak, but still related. 3. Correlation analysis is a prerequisite for regression analysis. First, it is necessary to ensure that there is a correlation relationship, and then the regression impact relationship research can be performed. 4, because if it shows that there is no related relationship, it is impossible to have an impact relationship. If there is a relevant relationship, the regression influence relationship may not occur.

Multivariate analysis of variance is used to study whether a dependent variable is affected by multiple independent variables (also known as factors). It tests whether there is a significant difference between the mean of the dependent variables between different combinations of the levels of multiple factor values. difference. Multivariate analysis of variance can analyze the effect of a single factor (main effect) or the interaction between factors (interaction effect), covariance analysis, and the interaction of each factor variable and covariate.

According to the number of observed variables (ie, dependent variables), multivariate analysis of variance can be divided into: univariate multivariate analysis of variance (also known as univariate multivariate analysis of variance) and multivariate multivariate analysis of variance (multivariate multivariate analysis of variance) . This article will focus on univariate multivariate analysis of variance, and the next article will detail multivariate multivariate analysis of variance.

One-variable multivariate analysis of variance: There is only one dependent variable, and the effect of multiple independent variables on the dependent variable is examined. For example, when analyzing the effects of different varieties and different fertilization amounts on crop yields, crop yields can be used as observation variables, and variety and fertilization amounts can be used as control variables. Multivariate analysis of variance was used to study how different varieties and different fertilization rates affected crop yields, and further studied which variety and level of fertilization were the optimal combinations to increase crop yields.

Analysis Principle by calculating the F statistic, the F test is performed. The F statistic is the ratio of the sum of squares between average groups to the sum of squares within average groups

F(n)=S Control variable N/s Random Variables N

Here, the total sum of squared effects is referred to as SST, which is divided into two parts. One is the dispersion caused by the control variable, which is denoted as SSA (Sum of Squared Difference Between Groups), and the other is SSE caused by random variables. (Sum of squared deviations within the group). That is, SST = SSA + SSE. The sum of squared deviations between groups is the sum of the squared deviations of each level and the population mean, which reflects the influence of the control variables. The sum of squared deviations within a group is the sum of the squared deviations of each data from the average of the level group, and reflects the magnitude of the data sampling error.

It can be seen from the F value that if the different levels of the control variable have a significant effect on the observed variable, then the sum of the squared deviations between the groups of the observed variable is large, and the F value is also large; on the contrary, if the different levels of the control variable have no effect on the observed variable Significant effect, the sum of squares of deviations within that group is larger, and the F value is smaller.

At the same time, SPSS will also give the corresponding accompanying probability value sig according to the F distribution table. If sig is less than the significance level (generally, the significance level is set to 0.05, 0.01, or 0.001), then the population mean is considered to be significantly different at different levels of the control variable, and vice versa. Generally, the larger the F value, the smaller the sig value

2 Literature Review

2.1 Definition and characteristics of luxury goods

The concept of luxury is derived from the Latin word "Luxus", which contains two meanings: "creating pleasant and comfortable items" and "expensive and expensive items" (Oxford Latin Dictionary, 1992). Luxury goods are generally considered to be non-necessities, that is, things other than the necessities of human survival and development. The rarity, uniqueness, and preciousness of luxury goods make their prices extremely high. From the perspective of economics, luxury goods are goods with a very high price to quality ratio or goods with a very high intangible value and tangible value ratio.

Luxury products are respected, mainly because they carry differentiated and special qualities that other products do not have. Luxury brands have created value recognition that is incomparable with ordinary goods, making people feel that goods can not only have use-value but also have luxury and transaction values that are hard to match. Therefore, luxury goods can be regarded as the superposition and blending of content goods (the attributes of luxury goods) and symbolic goods (the attributes of luxury enjoyment of luxury goods, historical and cultural representation and inheritance). Dubois (2013) found in research that different scholars have different characteristics in defining luxury goods, but there are basically six of them: high prices, exquisite craftsmanship, profound heritage, and symbolic meaning, long-term connotation, Rarity and appreciation, of which superb craftsmanship and high prices are the general impressions of luxury goods. These five characteristics are:

1. Rarity. This feature is the most important reason for the attention of luxury goods. Because of scarcity, consumers often can only look at it, The reasons for this scarcity include natural scarcity (manufacturing raw materials are scarce, such as diamonds, etc.), technical scarcity (using new technology and craftsmanship, etc.), and artificial scarcity

(tailor-made for customers, handmade or Limited editions, etc.), informational scarcity (through marketing channel restrictions, advertising strategies, etc., let consumers feel the mystery and scarcity of the product).

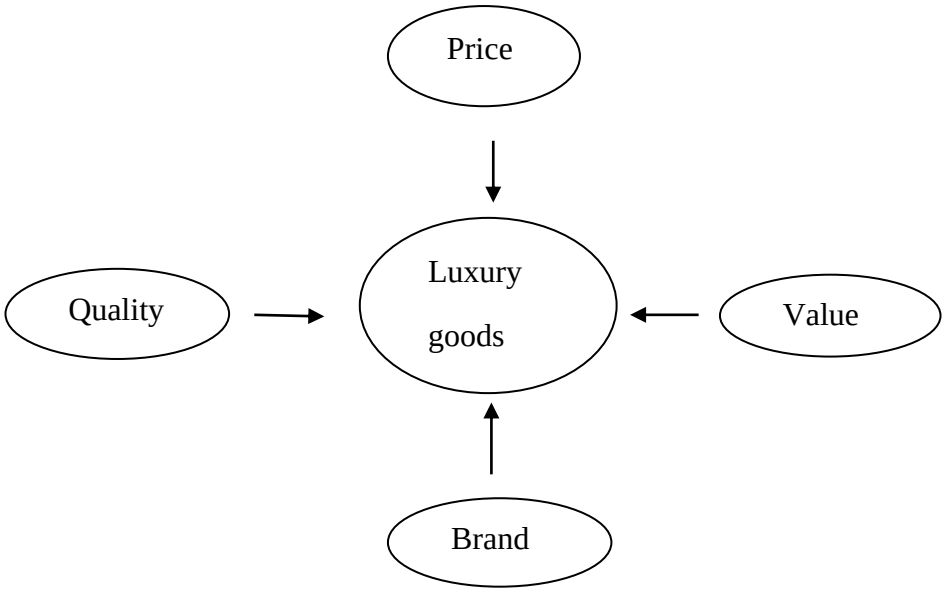
2. High price. High price and scarcity are closely related. The relationship between supply and demand determines that scarce luxury goods must have high prices, and because of strict manufacturing processes and scarcity of materials, luxury in real life Prices are often higher.

3. High quality. The manufacture of luxury goods is often very sophisticated. Generally, they have unique design concepts, exquisite handicrafts, and strict materials, which make them with indescribable and transcendent quality.

4. Non-essential. Luxury goods are not necessary for people's survival and development, and they have a certain connection with the quality of life. From the perspective of economic value, assuming that the intrinsic value of a commodity is much higher than its own use-value, and it can be recognized by the society, it can be proved that consumers have paid extra value for the goods and used it for unexpected use Needs, such as self-identification, display, and enjoyment.

5. Cultural. Luxury goods usually have a high cultural history and historical heritage. Their brand is often a microcosm of cultural history, reflecting the unique products produced by a certain socio-economic environment and the theme of the development of the era. Special cultural and historical value. And some unique luxury goods can also be used as a label of a historical era and become a historical representative. For example, the first appearance of the LV bag is a specific product of royal travel, so it has always maintained a noble and elegant model, and the cultural imprints it carries give people iconic memories.

In summary, luxury is a product whose value, price, brand, and quality reach the highest level. It can satisfy consumers with a strong sense of self-esteem and fulfillment, satisfy consumers ’stringy psychology, and maximize their expression Consumer wealth status.



Scheme 1: Characteristics of luxury goods created by author

The four elements in the above picture are mutually reinforcing and proportional to each other in luxury goods, the price of luxury goods increases with the improvement of the quality of luxury goods and the value of the brand. At the same time, the quality and brand of luxury goods also increase with the value of luxury goods.

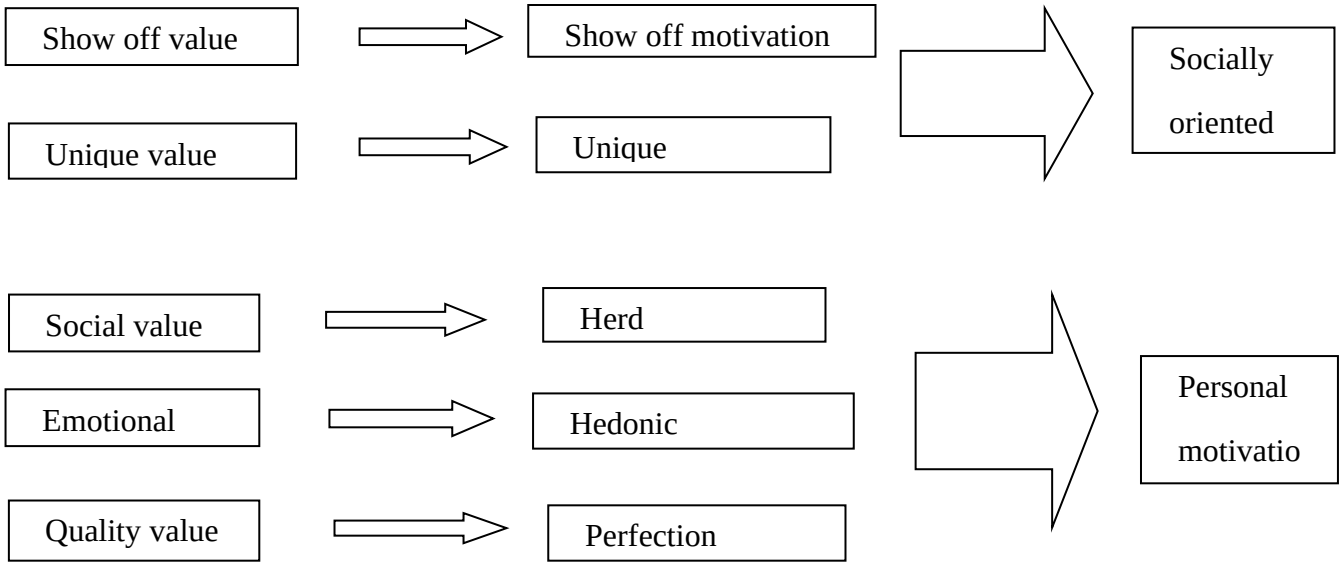
2.2 Influencing factors of luxury consumption behaviour

The research on the factors influencing luxury consumption behavior began in the late 19th century, The development history of the past few years has formed a relatively complete research framework. The current literature mainly studies from the two levels of individual and social orientation motivation and then obtains richer research conclusions. In 1899, the American scholar Veblen proposed the theory of ostentatious consumption of luxury goods and believed that satisfying their ostentatious needs was the main motivation for consumers to purchase luxury goods in order to show their

unique advantages in property and identity. In the 1950s, the motivation theory of modern luxury consumption was generated. Leibenstein further proposed three effects based on conspicuous theory: snobbery effect (the demand for goods decreases as the number of purchasers increases), and hereditary effect (some people consumption of a commodity will prompt demand for that commodity to be Increase) and adverse effects (the higher the commodity price, the greater the demand). The introduction of the three effects not only enriches the conspicuous theory but also expands the research dimension of luxury consumption motivation. Starting from these three dimensions, there are three major motivations for luxury consumption: unique motivations (people want to own and buy goods or services that others do not have), and herd motivation (people want to be affirmed by other members of society) And show off motivation (that is, people expect luxury to imply their status, wealth or success). British scholar Mason (1993) further explained the important influence of social roles and status in luxury consumer behavior, and the aspect, combined with uniqueness, conformity, and ostentation, is collectively referred to as the socially-oriented motivation of luxury consumption. After identifying the socially-oriented motivations for luxury consumption, Dubois and Laurent (1994) pioneered the personally oriented motivations that are quite different from the socially-oriented motivations, including personal enjoyment (the pursuit of individual enjoyment) and perfectionism (with superb The pursuit of quality to achieve self-perfect experience) two major motivations. The advent of these two types of motivations has led the academic community to study the role of luxury individuals. Since then, Dubois Laurent (1996) has added self-gift motivation to the motivation of luxury purchase and consumption.

(For self-interest). The difference between personal enjoyment and self-gift motivation is that the former emphasizes the happy feelings in the process of purchasing and using luxury goods, while the latter emphasizes the self-motivating effect of luxury consumption. Vigneron and Johson (1999) linked social-oriented motivations (show-off,

uniqueness, conformity, etc.) and personal-oriented motivations (personal hedonism and perfectionism) to form a summary of theoretical research on western luxury consumption motivation. At this time, the system framework for luxury consumption behavior research has taken shape, and this framework is also known by academics as a two-dimensional model of luxury consumption motivation .



Scheme 2:Motivation of Luxury consumption created by author

In the process of continuous progress in the research of social-oriented and individual-oriented motivations, scholars from various countries have also tried to explore and seek key factors affecting the motivation of luxury consumption from other perspectives, and actively explored the scope and content of expanding research on luxury consumption motivation. From a more scientific perspective, explain why luxury consumption behavior occurs.

2.3 Chinese luxury consumption culture

Luxury goods are a kind of high-price, high-quality goods or services with rich brand culture. They are non-universal, scarce. Their symbolic utility is far greater than their functional utility. It began in Europe and has evolved over the centuries. Regarding consumer culture, Jean Baudrillard believes that consumer culture is the culture manifested in the consumption of people in consumer society. The broad consumption culture refers to the synthesis of various consumption-related factors created by human beings. Those parts of culture that affect human consumption behavior, or the specific form of culture in the field of consumption, can be called consumer culture.

The Chinese luxury consumer culture in this chapter refers to the overall evaluation of luxury goods and their consumption motivation, influencing factors and trends by Chinese luxury consumers. It directly affects and determines people's consumption behavior. Luxury consumption culture is comparable to the development level of a certain social productivity, is compatible with the development level of social culture, and is closely related to the mainstream social ideology and communication environment.

2.3.1 The development of luxury goods in China

The development of luxury goods in the Chinese retail market can be traced back to the 1930s. As an international metropolis at that time, Shanghai became the prototype of the Chinese luxury goods market. After more than fifty years of silence, China has begun reform and opening up. The birth of a market economy is driving the prosperity and development of the Chinese economy, and demand has emerged, so international luxury brands have entered the Chinese market again. In 1979, in the Palace of National Culture, the famous French fashion designer Pierre Cardin held a "Fashion Observation Meeting". Since then, international luxury goods have officially knocked on the door of China, and

Chinese luxury consumption has entered a spontaneous period. People have not really realized the role of luxury consumption, but they are only immersed in the original consumer demand and desire. With the rapid growth of economy and science and technology, some people are getting richer and richer, and the progressive mass media have also washed out the consumption ideas of this group of people. Radio and television are endlessly transmitting the message of luxury advertisers. Various advertisements that stimulate people's vision and desire greatly exaggerate the symbolic value of goods, and consumer culture is gradually infiltrated into people's lives. Luxury consumption in China has entered a conscious stage, and wealthy people began to show off their solid wealth to others through consumption of luxury goods, demonstrating social status and status. After more than 30 years of continuous development, gradually mature Chinese consumers have gradually realized the cultural value and significance of luxury goods, and some people have begun to wake up from the fantasies of ostentation and enter the stage of rational treatment of luxury goods. They pursue the brand's cultural value, noble taste, individual fashion and personal pleasure, rather than buying luxury goods for a trademark. However, China ’s luxury consumption is still in its infancy, and consumers ’consumption mentality is still mainly based on“ show-off ”and“ identity ”, which belongs to“ commodity-driven consumption ”.

Nowadays, many luxury brands have their own markets in China's first-tier cities, and even second- and third-tier cities. So how do luxury brands develop in China? Pilkadan is widely known as the first luxury brand to enter China. In the following years, French crocodile and American playboy also entered the Chinese market one after another, but due to the emergence of too many counterfeit brands, the brand image was damaged, and it is no longer a luxury product in the Chinese market today. In the 1990s, various luxury brands entered the Chinese market. Cartier, Zegna, Louis Vuitton, Lancet, Estee Lauder, Clinique, Chanel, Armani, and Love all immediately moved to China in this decade. In the 21st century, due to the gratifying sales performance of luxury goods in

China and the global economic crisis, which caused the European and American markets to languish, major brands have increased their investment in China.

2.3.2 “Mianzi" in Luxury Consumption

Chinese luxury consumers emphasize class differences caused by rights and wealth, and take the amount of wealth as a sign of individual success. At the same time, China emphasizes collectivism. Individuals are not a complete whole, but exist in family, unit, and social relations, and are used to following collective behaviors and norms. "Mianzi" culture is a good interpretation of a major feature of Chinese luxury consumption. To a large extent, Mianzi is "a dependent self-concept, emphasizing social roles and public perception, and taking it as the core of personal identity." Because of this self-dependence, Chinese people value social factors more in the process of consuming luxury goods. , So show off your success by consuming the symbolic meaning of luxury goods, so as to obtain, maintain and enhance your Mianzi. People have maintained their "Mianzi" through luxury goods, and reflected their social status and ranks, and met people's psychological needs (Reddig & Ng, 1983). Such a herditary culture has made luxury consumption a kind of blind obedience. The concept of hierarchy and collectivism reflected in the "Mianzi" concept has made Chinese consumers pay more attention to the public significance of luxury goods. When buying luxury goods, they mainly focus on tangible and visible luxury goods. Because the pursuit of brands is far greater than the pursuit of quality, the symbolic characteristics of the Logo is the only reason to buy. They are more enthusiastic about the consumption of items such as ready-to-wear, bags, jewelry, watches, etc. with high brand awareness, especially traditional big names, such as Hermes' striking "H" logo, Burberry's classic lattice pattern and so on. It can be seen that compared with western luxury consumers, many people in China purchase and consume luxury goods to skip the experience and enjoyment, ignoring etiquette and elegance, just for the externally visible symbolism and ostentatious value

of luxury goods. All consumption is, in the final analysis, Chinese "Mianzi" consumption.

2.3.3 Gift in Luxury Consumption

From functions to symbols, human relationships and relationships, it is also a unique culture of Chinese society. In Chinese society, gifts are an important link to establish and maintain human relationships and relationships (Belk & Coon, 1993; Camerer, 1988). Gift exchange is one of the important channels for Chinese to obtain luxury goods. Gifts can be used to show respect and respect to others, and they can also be used as a human resource and distributed to others. Gifts, as a carrier of human relationships and face, are an important link to establish and maintain social relationships (Wong & Ahuvia, 1998). The symbolic value of luxury goods exactly meets the Chinese gift concept, and luxury goods are regarded as the best gifts in China (Belk, 1994). And under Chinese culture, when choosing luxury goods as gifts, more emphasis is placed on the brand, manufacturer and country of production (Han & Schmit, 1997). People think that "in the economic downturn, people tend to choose more mature classic brands as gifts to enhance their credibility", "the use of luxury goods as business gifts can reflect my taste and social status, and of course it can also make the recipients feel Until he is valued and respected, "" Luxury gifts always surprise my customers, and I believe they can help me better achieve my business goals. "It can be seen that among luxury gift gifts in China, gifts are used as The functional significance of things has been ignored, and what is given and received is nothing more than its symbolic value. Because the use of luxury gifts to build social relationships is a major feature of China ’s luxury consumer culture. Although the implementation and promotion of the repeated new policies in mainland China have had a continuous impact on the “luxury gift wave,” gift gifts are still China ’s luxury An important part of consumer goods.

2.3.4 Young Luxury consumer in China

The most significant feature that distinguishes Chinese luxury consumers from other markets is their age. "McKinsey Season: The Rising Chinese Luxury Market" states: "73% of Chinese luxury consumers are under the age of 45, and this proportion is only over 50% in the United States; 45% of Chinese luxury consumers are under 35 In Western Europe, luxury consumption of this age group accounts for only 28%. "According to a report by the World Luxury Association, Chinese luxury consumers are, on average, 15 years younger than European luxury consumers and 25 years younger than the United States. Unlike the young people who have been separated from parental support early in the West and have been working part-time since their student days, these young consumers in China have been strongly supported by their families financially; and China's reform and opening up have given them more opportunities Access to the outside world and accept the baptism of Western thought; at the same time, the economic warming is increasing the number of people who have wealth at a young age. Young people's understanding and display of "success" gradually began to be expressed in luxury consumption: the pursuit of fashion styles and unique styles reflects the strong characteristics of Western individualism; trying luxurious life experiences, subject to the values of hedonism; Show off and show off your success through the consumption of luxury goods, gain recognition from your group, and yearn for higher class. These are the roots of Chinese traditional collectivism and hierarchy. Behind all consumer behavior is that these young people are eager to reflect their superiority and success in all aspects of life, study, work, relationships, and so on.

2.4 Status of China's Luxury Consumption

Under the new normal of China's economic slowdown, the luxury goods market has not shown signs of weakness, and continues to show increasing momentum. The Chinese market is growing so strongly. Let the data speak. In 2018, the luxury consumption of Chinese people at home and abroad reached 770 billion yuan, accounting for one-third of the total global luxury consumption. The average household spending on luxury goods spent nearly 80,000 yuan on luxury goods. By 2025, total luxury goods consumption is expected to increase to 1.2 trillion yuan. From 2012 to 2018, more than half of the growth in the global luxury market came from China. Looking ahead, it is expected that this proportion will reach 65% by 2025. So, who is supporting China's luxury consumption?

Total number of luxury consumers by age (in millions)

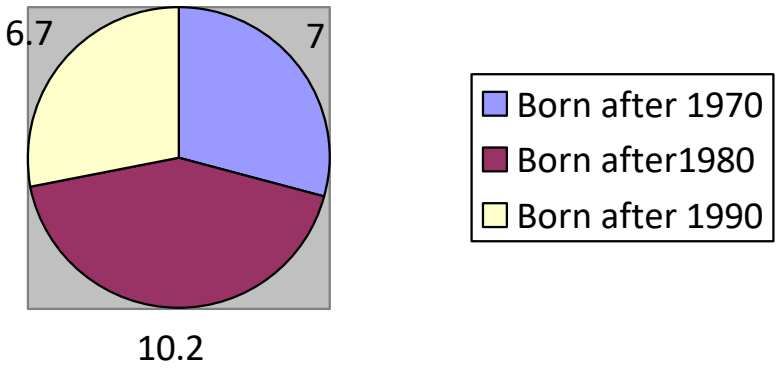


Figure 1 (source: China Luxury Report 2019)

Trends in the global personal luxury consumer market (Unit: billion yuan)

We see that the younger generation, represented by people born after 1980 and 1990, accounted for 43% and 28% of the total luxury buyers, respectively, and contributed 56% and 23% of China's total luxury consumption, respectively.(Figue2) In terms of per capita expenditure, luxury consumers born after 1980 spent 41,000 yuan per year on luxury goods, and those born after 1990 "luxury consumption was 25,000 yuan per year. Obviously, their desire for luxury goods and The enthusiasm released by them reflects to some extent their choice of lifestyle and self-esteem. Luxury has become the social capital of the younger generation, which means that luxury can help them improve their online and offline Identity and voice, luxury has become a "currency" that can be circulated on social media.

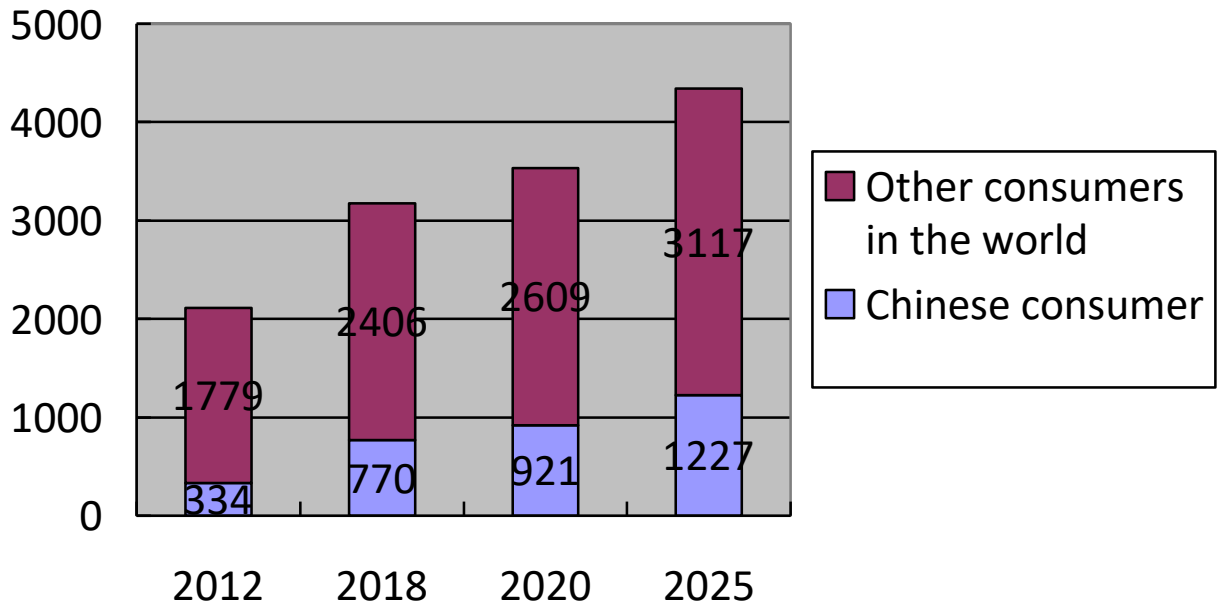


Figure 2(source: China Luxury Report 2019)

According to data from 2018, the luxury consumption of Chinese people at home and abroad has reached 770 billion yuan (about 115 billion US dollars), accounting for about one-third of global luxury consumption. If calculated on the basis of households, each household that consumes luxury goods spends an average of RMB 80,000 on luxury goods. By 2025, we expect that the total luxury consumption of Chinese people at home and abroad will nearly double to 1.2 trillion yuan. By then, China will contribute 40% of the world ’s luxury consumption.(Figure 1)

In recent years, the number of middle- and upper-income families, which have increased dramatically, has contributed greatly. From 2018 to 2025, the average annual compound

growth rate of this group will reach 28%, which means that the population with disposable monthly household income in the range of 17,450 to 26,180 yuan (equivalent to 2,600 to 3,900 US dollars) will reach 350 million by then. As much as possible. The size of the more affluent population (the family's disposable monthly income exceeds 26,180 yuan) will be three times that of today, reaching 65 million in 2025. Nearly 70% of people in this group choose to buy luxury goods abroad. One reason is that outbound tourism is becoming more and more common, and the other is that China ’s import tax system and brand pricing strategies have led to significantly larger price differences. However, with the reduction of the import tax rate for Chinese luxury goods, we have seen that in recent years, some luxury brands have successively reduced the prices of products in Chinese stores. However, luxury brands should still effectively improve the service quality of stores, so that when the price difference is acceptable, it will more effectively promote the return of consumption.

3 Practical Part

The research method used in this research mainly adopts the questionnaire survey method. Compared with other research methods, the questionnaire survey method can cost-effectively collect a large amount of data needed for the research. Burns and Bush (2011) also think the questionnaire survey method has five advantages, namely: one is standardization; the other is relatively simple operation; the third is to reveal the "invisible" problem; the fourth is to facilitate tabulation and statistical analysis; the fifth is to be able to sensitively reveal the differences between groups.

3.1 Evaluation of survey

For Chinese luxury consumers, questionnaire surveys are used to investigate the factors that influence luxury consumption behavior. The questionnaire design consists of two parts. The first part is used to collect general demographic information, including gender, age, occupation, income, basic consumption, and education level. The second part of the question includes two aspects, corresponding to the two topics discussed in this thesis: the first aspect is the test of social motivation affecting luxury consumption behavior, and the second aspect is the test of personal motivation affecting luxury consumption behavior problem.

The questionnaire was produced in Chinese because this paper is aimed at researching Chinese luxury consumption. The questionnaire was designed through a Tencent questionnaire and distributed online through social networking sites, email, and communication programs. After the investigation, all information was placed in a summary table, and incomplete or illogical answers were deleted.

3.1.1 Evaluation of personal questions

A total of 124 people participated in the survey: 81 women (47.4%) and 43 men (52.6%). Their ages are mainly concentrated between the ages of 19 and 40, that is, the backbone of society. Taking such samples to obtain such data can also show that the bias of luxury consumption is still concentrated in young female consumers in large cities

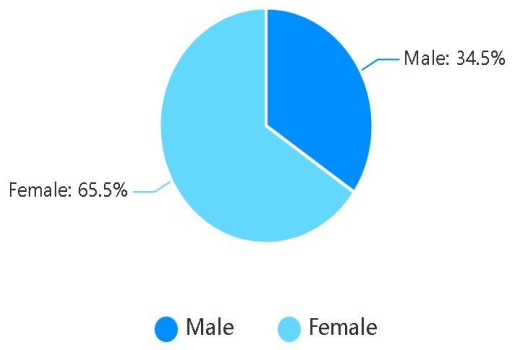
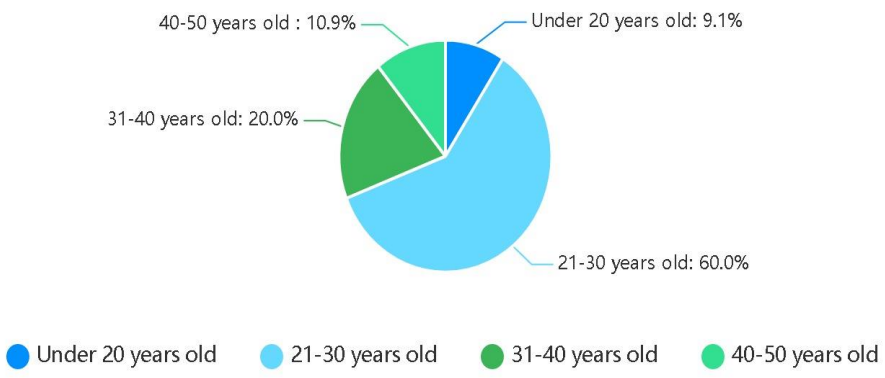


Figure 3(source: own work)



However, from the perspective of purchaser income, the population of 12001--18000kc accounted for the highest proportion of 27.3%, and the income group of 18001--30000kc also occupied a significant proportion of 23.6%. The bias due to the convenience of sample sampling should be considered here, but it is undeniable that ordinary white-collar workers and office workers can't ignore the purchasing power of luxury goods, and they must not be ignored in the promotion of luxury brands.

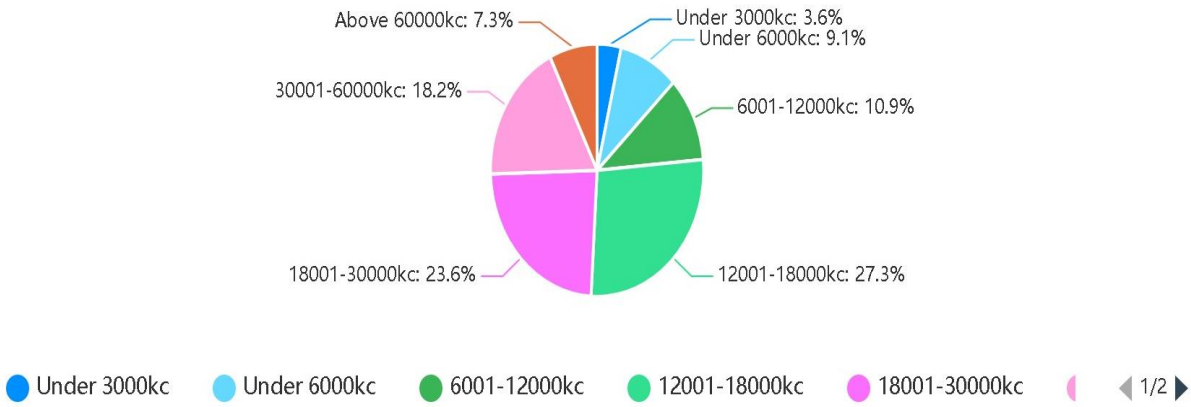


Figure 4(source: own work)

However, from the perspective of purchaser education, the undergraduate students accounted for the highest proportion of 52.7%, and the second-ranked master's student group also accounted for a significant proportion of 23.6%.

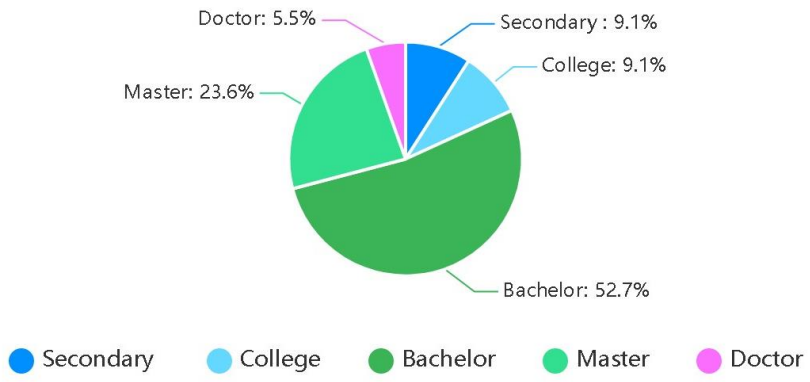
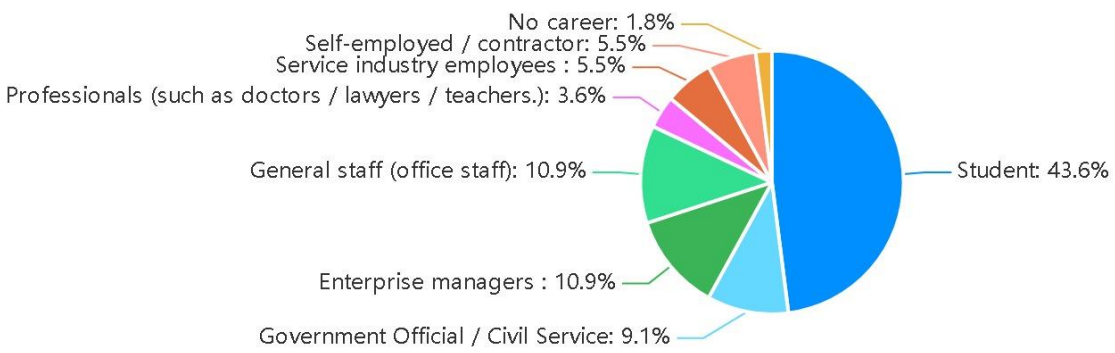


Figure 4(source: own work)

According to the occupation of the buyer, we can find that the main purchasing force is students（43.6%）, followed by office employees, which is consistent with the aging characteristics of Chinese consumers described in the literature part. In Chinese culture, students in college are generally supported by their parents, and they can also have part-time jobs. University accommodation in China is very cheap, which can explain that they will have surplus money to buy luxury goods.



The last two questions of the questionnaire are about the motivation and focus of buying luxury goods. It is clear that brand culture and design are the main factors that attract consumers. This shows that most consumers pay great attention to the uniqueness of luxury goods described in this paper.

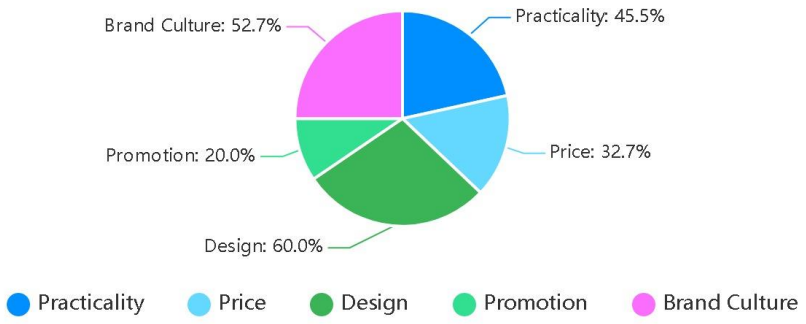


Figure 5(source: own work)

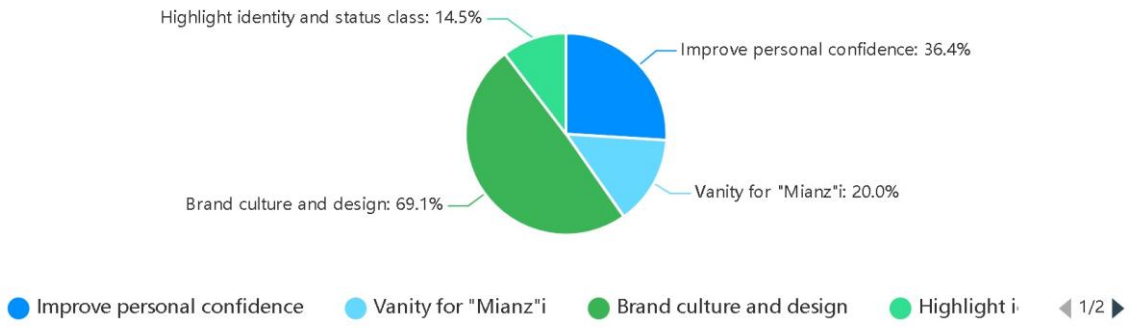


Figure 6(source: own work)

3.2 Correlation analysis

Correlation analysis is to analyze two or more variables with a certain correlation to determine the degree of correlation of the variables. This article uses Pearson correlation analysis to analyze the correlation of variables. Its mathematical characteristic is that the coefficient value is between -1 and 1, the closer it is to -1 or 1, the greater the correlation is. When the coefficient value is positive, it will show a positive Correlation, if the coefficient value is negative, it shows a negative correlation. The following chart is a correlation analysis of the gender, age, education, occupation, marital status, luxury holdings, luxury holding motivations (4 items), and luxury focus (5 items) of Chinese luxury consumers. Determine whether there is a significant correlation between them.

								Correlations									
		gender	age	education	occupation	monthly income	marital status	luxury items	motive:Improve personal confidence	motive:Vanity for "Mianz"i	motive:Brand culture and design	motive:Highlight identity and status class	focus:Practicality	focus:Price	focus:Design	focus:Promotion	focus:Brand Culture
gender	Pearson Correlation	1	-0.1	-0.1	-0.2	-0.1	-0.1	0.04	-0.1	0.22	0.11	-0.2	0.01	0.07	0.06	-0.1	-0.2
	Sig. (2-tailed)		0.53	0.33	0.23	0.69	0.62	0.78	0.4	0.09	0.4	0.21	0.92	0.6	0.65	0.33	0.16
age	Pearson Correlation	-0.1	1	.385**	.355**	.459**	.642**	.302*	-0	-0.1	-0.1	0.1	-0.2	-0.1	-.312*	0.02	0.2
	Sig. (2-tailed)	0.53		0	0.01	0	0	0.02	0.85	0.31	0.61	0.45	0.08	0.5	0.02	0.87	0.13
education	Pearson Correlation	-0.1	.385**	1	-0	.363**	0.14	0.09	-0.2	-.319*	0.26	0.03	-0.1	0.05	-0.1	0.08	0.14
	Sig. (2-tailed)	0.33	0		0.74	0.01	0.31	0.52	0.18	0.02	0.05	0.81	0.43	0.69	0.36	0.57	0.29
occupation	Pearson Correlation	-0.2	.355**	-0	1	0.14	0.23	-0	-0.1	0.11	-0.3	0.03	-0.1	0	-0.1	-0	-0.1
	Sig. (2-tailed)	0.23	0.01	0.74		0.31	0.08	0.83	0.45	0.41	0.05	0.8	0.53	0.99	0.51	0.88	0.62
monthly income	Pearson Correlation	-0.1	.459**	.363**	0.14	1	.514**	.514**	-0.2	-0.2	-0	0.09	-0.1	-.292*	-0.1	-0	-0
	Sig. (2-tailed)	0.69	0	0.01	0.31		0	0	0.24	0.23	0.75	0.51	0.44	0.03	0.37	0.73	0.97
marital status	Pearson Correlation	-0.1	.642**	0.14	0.23	.514**	1	.269*	0.02	0.13	-0.2	0.21	-0.1	-0.2	-.326*	-0	-0
	Sig. (2-tailed)	0.62	0	0.31	0.08	0		0.04	0.86	0.32	0.17	0.11	0.44	0.2	0.01	0.79	0.95
luxury items	Pearson Correlation	0.04	.302*	0.09	-0	.514**	.269*	1	-0.3	-0.1	0.13	0.14	-0	-0.2	-0.1	0.06	0.15
	Sig. (2-tailed)	0.78	0.02	0.52	0.83	0	0.04		0.06	0.44	0.34	0.29	0.75	0.12	0.28	0.66	0.25
motive:Improve perso	Pearson Correlation	-0.1	-0	-0.2	-0.1	-0.2	0.02	-0.3	1	-0.1	-0.2	-0.1	0.03	0.22	-0	0.2	.362**
	Sig. (2-tailed)	0.4	0.85	0.18	0.45	0.24	0.86	0.06		0.6	0.07	0.3	0.84	0.1	0.82	0.12	0.01
motive:Vanity for "Mia	Pearson Correlation	0.22	-0.1	-.319*	0.11	-0.2	0.13	-0.1	-0.1	1	-.354*	0.17	-0.2	-0.1	0.03	-0.1	-0.1
	Sig. (2-tailed)	0.09	0.31	0.02	0.41	0.23	0.32	0.44	0.6		0.01	0.2	0.06	0.38	0.85	0.62	0.3
motive:Brand culture	Pearson Correlation	0.11	-0.1	0.26	-0.3	-0	-0.2	0.13	-0.2	-.354*	1	-0.2	0.19	0.1	.330*	-0	-0.2
	Sig. (2-tailed)	0.4	0.61	0.05	0.05	0.75	0.17	0.34	0.07	0.01		0.06	0.15	0.48	0.01	0.89	0.1
motive:Highlight iden	Pearson Correlation	-0.2	0.1	0.03	0.03	0.09	0.21	0.14	-0.1	0.17	-0.2	1	-0	-0	-0.2	-0.1	0.04
	Sig. (2-tailed)	0.21	0.45	0.81	0.8	0.51	0.11	0.29	0.3	0.2	0.06		0.83	0.94	0.12	0.44	0.74
focus:Practicality	Pearson Correlation	0.01	-0.2	-0.1	-0.1	-0.1	-0.1	-0	0.03	-0.2	0.19	-0	1	.319*	0.04	0.11	-0.1
	Sig. (2-tailed)	0.92	0.08	0.43	0.53	0.44	0.44	0.75	0.84	0.06	0.15	0.83		0.02	0.8	0.4	0.35
focus:Price	Pearson Correlation	0.07	-0.1	0.05	0	-.292*	-0.2	-0.2	0.22	-0.1	0.1	-0	.319*	1	0.22	.341**	0.16
	Sig. (2-tailed)	0.6	0.5	0.69	0.99	0.03	0.2	0.12	0.1	0.38	0.48	0.94	0.02		0.1	0.01	0.25
focus:Design	Pearson Correlation	0.06	-.312*	-0.1	-0.1	-0.1	-.326*	-0.1	-0	0.03	.330*	-0.2	0.04	0.22	1	0.2	0.01
	Sig. (2-tailed)	0.65	0.02	0.36	0.51	0.37	0.01	0.28	0.82	0.85	0.01	0.12	0.8	0.1		0.14	0.94
focus:Promotion	Pearson Correlation	-0.1	0.02	0.08	-0	-0	-0	0.06	0.2	-0.1	-0	-0.1	0.11	.341**	0.2	1	.348**
	Sig. (2-tailed)	0.33	0.87	0.57	0.88	0.73	0.79	0.66	0.12	0.62	0.89	0.44	0.4	0.01	0.14		0.01
focus:Brand Culture	Pearson Correlation	-0.2	0.2	0.14	-0.1	-0	-0	0.15	.362**	-0.1	-0.2	0.04	-0.1	0.16	0.01	.348**	1
	Sig. (2-tailed)	0.16	0.13	0.29	0.62	0.97	0.95	0.25	0.01	0.3	0.1	0.74	0.35	0.25	0.94	0.01	

**. Correlation is significant at the 0.01 level (2-tailed).*. Correlation is significant at the 0.05 level (2-tailed).

Figure 7(source: excel chart,own work)

Correlation analysis conclusion: Consumer age is significantly positively correlated with the amount of luxury goods held by consumers (correlation coefficient = .302, $p < 0.05$): It means that the older the age, the more luxury goods are held; the age of consumers

and Consumers ’focus—significant positive correlation in design (correlation coefficient =-. 312, p <0.05): This shows that with the increase of age, consumers pay more and more attention to the design of luxury goods; consumer education and consumer luxury Motivation of Goods-Vanity exhibits a significant negative correlation (correlation coefficient = .319, p <0.05): It shows that consumers who purchase luxury goods because of vanity are often more education-oriented; consumer income and the number of luxury goods held Showed a significant positive correlation (correlation coefficient = .514, p <0.05): It means that the higher the consumer's income, the more luxury goods they hold; the consumer's income has a significant negative correlation with the focus of consumers on luxury goods—prices have a significant negative correlation (Correlation coefficient =-. 292, p <0.05): It means that the higher the income consumers, the less they pay attention to the price of luxury goods; the consumers have the motivation to hold luxury goods—improve self-confidence and focus on luxury goods—brands There was a significant positive correlation of: Description of the lack of confidence of consumers more concerned about the luxury brand culture.

Use multivariate analysis of variance analysis method ANOVA to test whether there are significant differences in the number of luxury goods held by luxury consumers, their motivations and focus on luxury goods under different genders, ages, education, occupations, incomes and marital status If the p-value is <0.05, there is a significant difference. The following table is the variable that detected a difference.

				ANOVA			
			Sum of Square	df	Mean Square	F	Sig.
age	motive:Highligh	Betw een Grou	1.116	3	0.372	2.807	0.048
		Within Groups	7.16	54	0.133		
		Total	8.276	57			
	focus:Design	Betw een Grou	3.367	3	1.122	5.891	0.001
		Within Groups	10.288	54	0.191		
		Total	13.655	57			
education	motive:Vanity	Betw een Grou	1.932	4.000	0.483	2.946	0.028
		Within Groups	8.689	53.000	0.164		
		Total	10.621	57.000			
	focus:Design	Betw een Grou	3.401	4.000	0.850	4.394	0.004
		Within Groups	10.255	53.000	0.193		
		Total	13.655	57.000			
monthly income	luxury items	Betw een Grou	34.415	6	5.736	3.404	0.007
		Within Groups	85.93	51	1.685		
		Total	120.345	57			
occupation	focus:Design	Betw een Grou	3.406	7	0.487	2.374	0.036
		Within Groups	10.249	50	0.205		
		Total	13.655	57			

Figure 8(source: excel chart,own work)

age			education			income			occupation		
		Mean			Mean			Mean			Mean
motive:Highligh	Under 20 year	0.400	motive:Vanity	Secondary	0.600	luxury items	Under 3000kc	1.000	focus:Design	Student	0.770
	21-30 years o	0.110		College	0.570		Under 6000kc	1.400		Government C	0.670
	31-40 years o	0.080		Bachelor	0.130		6001-12000kc	1.330		Enterprise mar	0.170
	40-50 years o	0.500		Master	0.230		12001-18000k	2.410		General staff (	0.330
	Total	0.170		Doctor	0.000		18001-30000k	3.070		Professionals	0.000
focus:Design	Under 20 year	0.400		Total	0.240		30001-60000k	3.200		Service indust	0.800
	21-30 years o	0.770	focus:Design	Secondary	0.200		Above 60000k	3.750		Self-employed	0.670
	31-40 years o	0.580		College	0.860		Total	2.550		No career	1.000
	40-50 years o	0.000		Bachelor	0.770					Total	0.620
	Total	0.620		Master	0.460						
				Doctor	0.000						
				Total	0.620						

Figure 9(source: excel chart,own work)

The p-value of luxury purchase motivation-emphasis on status class is less than 0.05, indicating that consumers at different ages have significant differences in luxury holding motivation-emphasis on status class. Among them, the average value of 40-50 years old is 0.5, which indicates that consumers have the greatest motivation for holding luxury goods because of their status and class. Consumers ’focus on luxury products—the product design ’s p-value is less than 0.05, indicating that consumers at different ages have significant differences in luxury products’ attention—product design. Among them,

consumers aged 21-30 (mean = 0.77) pay more attention to luxury design, while consumers aged 40-50 (mean = 0.00) pay little attention to luxury design. Consumers at different levels of education have significant differences in luxury-motivation-vanity ($p < 0.05$). The vanity motivation of doctoral students is the weakest. Consumers at different levels of education have a significant difference in the focus on luxury-design ($p < 0.05$). Among them, doctoral students pay the weakest attention to luxury design. The p-value of luxury purchases is less than 0.05, indicating that consumers with different incomes have significantly different purchases of luxury goods. The higher the income, the more luxury goods will be purchased in the future. Consumers' focus—The design p-value is less than 0.05, which indicates that consumers have significant differences in the design attention of luxury goods under different occupations. Among them, the average value of non-professional consumers is 1, indicating that they pay the most attention to luxury design.

3.3 Difference Analysis

Public self-awareness will affect the social-oriented motivation and purchase intention of Chinese consumers when they consume luxury goods. Self-awareness and luxury consumption motivation will also be affected by unique Chinese culture. Strong predictive effect. Based on the above, we can propose 6 hypotheses to examine the motivation and behavior of Chinese consumers' consumption.

In order to find out which factors influence consumer behavior, the following hypotheses will be used to conduct a difference analysis：

H0: There is significant differences between age and luxury goods consumption

H0: There is significant differences between education and luxury goods consumption

H0: There is significant differences between income and luxury goods consumption

H0: There is significant differences between marital status and luxury goods consumption

H0: There is significant differences between gender and luxury goods consumption

H0: There is no dependency between occupation and luxury goods consumption

3.3.1 Difference Analysis-Age

			ANOVA			
		Sum of Square	df	Mean Square	F	Sig.
luxury items	Between Groups	12.152	3	4.051	2.022	0.122
	Within Groups	108.193	54	2.004		
	Total	120.345	57			
motive:Improve personal	Between Groups	0.018	3	0.006	0.024	0.995
	Within Groups	13.086	54	0.242		
	Total	13.103	57			
motive:Vanity for "Mianz'	Between Groups	0.737	3	0.246	1.343	0.270
	Within Groups	9.883	54	0.183		
	Total	10.621	57			
motive:Brand culture and	Between Groups	0.194	3	0.065	0.270	0.846
	Within Groups	12.91	54	0.239		
	Total	13.103	57			
motive:Highlight identity a	Between Groups	1.116	3	0.372	2.807	0.048
	Within Groups	7.16	54	0.133		
	Total	8.276	57			
focus:Practicality	Between Groups	1.103	3	0.368	1.513	0.222
	Within Groups	13.121	54	0.243		
	Total	14.224	57			
focus:Price	Between Groups	0.359	3	0.120	0.536	0.660
	Within Groups	12.055	54	0.223		
	Total	12.414	57			
focus:Design	Between Groups	3.367	3	1.122	5.891	0.001
	Within Groups	10.288	54	0.191		
	Total	13.655	57			
focus:Promotion	Between Groups	0.059	3	0.020	0.120	0.948
	Within Groups	8.855	54	0.164		
	Total	8.914	57			
focus:Brand Culture	Between Groups	0.652	3	0.217	0.857	0.469
	Within Groups	13.693	54	0.254		
	Total	14.345	57			

Figure 9(source: excel chart,own work)

				Descriptives					
						95% Confidence Interval for Mean			
age		N	Mean	Std. Deviation	Std. Error	Lower Bound	Upper Bound	Minimum	Maximum
motive:Highlight identity a	Under 20 years old	5	0.400	0.548	0.245	-0.280	1.080	0.000	1
	21-30 years old	35	0.110	0.323	0.055	0.000	0.230	0.000	1
	31-40 years old	12	0.080	0.289	0.083	-0.100	0.270	0.000	1
	40-50 years old	6	0.500	0.548	0.224	-0.070	1.070	0.000	1
	Total	58	0.170	0.381	0.050	0.070	0.270	0.000	1
focus:Design	Under 20 years old	5	0.400	0.548	0.245	-0.280	1.080	0.000	1
	21-30 years old	35	0.770	0.426	0.072	0.630	0.920	0.000	1
	31-40 years old	12	0.580	0.515	0.149	0.260	0.910	0.000	1
	40-50 years old	6	0.000	0.000	0.000	0.000	0.000	0.000	0
	Total	58	0.620	0.489	0.064	0.490	0.750	0.000	1

Figure 10(source: excel chart,own work)

Motivation for luxury purchases-emphasis on the p-value of the status class is less than 0.05, indicating that consumers at different ages have significant differences in motivation for luxury goods-emphasis on the status class. Among them, the average value of 40-50 years old is 0.5, which indicates that consumers have the greatest motivation for holding luxury goods because of their status and class.

Consumers ’focus on luxury products—the product design ’s p-value is less than 0.05, indicating that consumers at different ages have significant differences in luxury products—the product focus. Among them, consumers aged 21-30 (mean = 0.77) pay more attention to luxury design, while consumers aged 40-50 (mean = 0.00) pay little attention to luxury design.

3.3.2 Difference Analysis-Education

			ANOVA			
		Sum of Square	df	Mean Square	F	Sig.
luxury items	Betw een Grou	11.242	4.000	2.810	1.365	0.258
	Within Groups	109.103	53.000	2.059		
	Total	120.345	57.000			
motive:Improve person	Betw een Grou	1.372	4.000	0.343	1.550	0.201
	Within Groups	11.732	53.000	0.221		
	Total	13.103	57.000			
motive:Vanity for "Miar	Betw een Grou	1.932	4.000	0.483	2.946	0.028
	Within Groups	8.689	53.000	0.164		
	Total	10.621	57.000			
motive:Brand culture a	Betw een Grou	1.634	4.000	0.408	1.887	0.126
	Within Groups	11.47	53.000	0.216		
	Total	13.103	57.000			
motive:Highlight identity	Betw een Grou	0.373	4.000	0.093	0.625	0.647
	Within Groups	7.903	53.000	0.149		
	Total	8.276	57.000			
focus:Practicality	Betw een Grou	1.97	4.000	0.492	2.130	0.090
	Within Groups	12.255	53.000	0.231		
	Total	14.224	57.000			
focus:Price	Betw een Grou	0.713	4.000	0.178	0.807	0.526
	Within Groups	11.701	53.000	0.221		
	Total	12.414	57.000			
focus:Design	Betw een Grou	3.401	4.000	0.850	4.394	0.004
	Within Groups	10.255	53.000	0.193		
	Total	13.655	57.000			
focus:Promotion	Betw een Grou	0.326	4.000	0.082	0.503	0.733
	Within Groups	8.588	53.000	0.162		
	Total	8.914	57.000			
focus:Brand Culture	Betw een Grou	1.519	4.000	0.380	1.569	0.196
	Within Groups	12.826	53.000	0.242		
	Total	14.345	57.000			

Figure 11(source: excel chart,own work)

				Descriptives					
education						95% Confidence Interval for Mean			
		N	Mean	Std. Deviation	Std. Error	Low er Bound	Upper Bound	Minimum	Maximum
motive:Vanity for "Miar	Secondary	5	0.600	0.548	0.245	-0.08	1.28	0	1
	College	7	0.570	0.535	0.202	0.08	1.07	0	1
	Bachelor	30	0.130	0.346	0.063	0	0.26	0	1
	Master	13	0.230	0.439	0.122	-0.03	0.5	0	1
	Doctor	3	0.000	0	0	0	0	0	0
	Total	58	0.240	0.432	0.057	0.13	0.35	0	1
focus:Design	Secondary	5	0.200	0.447	0.2	-0.36	0.76	0	1
	College	7	0.860	0.378	0.143	0.51	1.21	0	1
	Bachelor	30	0.770	0.43	0.079	0.61	0.93	0	1
	Master	13	0.460	0.519	0.144	0.15	0.78	0	1
	Doctor	3	0.000	0	0	0	0	0	0
	Total	58	0.620	0.489	0.064	0.49	0.75	0	1

Figure 12(source: excel chart,own work)

Consumers at different levels of education have significant differences in luxury-motivation-vanity ($p < 0.05$). The vanity motivation of doctoral students is the weakest. Consumers at different levels of education have a significant difference in the focus on luxury-design ($p < 0.05$). Among them, doctoral students pay the weakest attention to luxury design.

3.3.3 Difference Analysis-Income

			ANOVA			
		Sum of Square	df	Mean Square	F	Sig.
luxury items	Between Grou	34.415	6	5.736	3.404	0.007
	Within Groups	85.93	51	1.685		
	Total	120.345	57			
motive:Improve	Between Grou	2.035	6	0.339	1.563	0.177
	Within Groups	11.068	51	0.217		
	Total	13.103	57			
motive:Vanity	Between Grou	1.502	6	0.25	1.401	0.233
	Within Groups	9.118	51	0.179		
	Total	10.621	57			
motive:Brand c	Between Grou	1.481	6	0.247	1.083	0.385
	Within Groups	11.623	51	0.228		
	Total	13.103	57			
motive:Highligh	Between Grou	1.66	6	0.277	2.133	0.065
	Within Groups	6.616	51	0.13		
	Total	8.276	57			
focus:Practica	Between Grou	1.628	6	0.271	1.099	0.376
	Within Groups	12.596	51	0.247		
	Total	14.224	57			
focus:Price	Between Grou	2.398	6	0.4	2.035	0.078
	Within Groups	10.016	51	0.196		
	Total	12.414	57			
focus:Design	Between Grou	1.025	6	0.171	0.69	0.659
	Within Groups	12.63	51	0.248		
	Total	13.655	57			
focus:Promotic	Between Grou	0.509	6	0.085	0.514	0.795
	Within Groups	8.405	51	0.165		
	Total	8.914	57			
focus:Brand C	Between Grou	0.712	6	0.119	0.444	0.846
	Within Groups	13.633	51	0.267		
	Total	14.345	57			

Figure 13(source: excel chart,own work)

				Descriptives					
						95% Confidence Interval for Mean			
income		N	Mean	Std. Deviation	Std. Error	Lower Bound	Upper Bound	Minimum	Maximum
luxury items	Under 3000kc	2	1.000	0	0	1	1	1	1
	Under 6000kc	5	1.400	0.548	0.245	0.72	2.08	1	2
	6001-12000kc	6	1.330	0.516	0.211	0.79	1.88	1	2
	12001-18000k	17	2.410	1.46	0.354	1.66	3.16	1	5
	18001-30000k	14	3.070	1.269	0.339	2.34	3.8	1	5
	30001-60000k	10	3.200	1.398	0.442	2.2	4.2	1	5
	Above 60000k	4	3.750	1.893	0.946	0.74	6.76	1	5
	Total	58	2.550	1.453	0.191	2.17	2.93	1	5

Figure 14(source: excel chart,own work)

The p-value of luxury purchases is less than 0.05, indicating that consumers with different incomes have significantly different purchases of luxury goods. The higher the income, the more luxury goods will be purchased in the future.

3.3.4 Difference Analysis- Marital status

			ANOVA			
		Sum of Square	df	Mean Square	F	Sig.
luxury items	Between Grou	10.639	3	3.546	1.746	0.169
	Within Groups	109.706	54	2.032		
	Total	120.345	57			
motive:Improve	Between Grou	0.274	3	0.091	0.385	0.764
	Within Groups	12.829	54	0.238		
	Total	13.103	57			
motive:Vanity	Between Grou	0.491	3	0.164	0.872	0.461
	Within Groups	10.13	54	0.188		
	Total	10.621	57			
motive:Brand c	Between Grou	0.99	3	0.33	1.472	0.233
	Within Groups	12.113	54	0.224		
	Total	13.103	57			
motive:Highligh	Between Grou	0.56	3	0.187	1.307	0.281
	Within Groups	7.715	54	0.143		
	Total	8.276	57			
focus:Practica	Between Grou	0.828	3	0.276	1.112	0.352
	Within Groups	13.397	54	0.248		
	Total	14.224	57			
focus:Price	Between Grou	0.6	3	0.2	0.914	0.44
	Within Groups	11.814	54	0.219		
	Total	12.414	57			
focus:Design	Between Grou	1.893	3	0.631	2.896	0.043
	Within Groups	11.763	54	0.218		
	Total	13.655	57			
focus:Promotic	Between Grou	0.577	3	0.192	1.247	0.302
	Within Groups	8.336	54	0.154		
	Total	8.914	57			
focus:Brand C	Between Grou	0.611	3	0.204	0.801	0.499
	Within Groups	13.734	54	0.254		
	Total	14.345	57			

Figure 15(source: excel chart,own work)

The p-values of luxury purchases, luxury purchase motivations, and luxury focus are all greater than 0.05, indicating that consumers cannot have significant differences in luxury purchases, luxury purchase motivations, and luxury focus under marital status.

3.3.5 Difference Analysis-Gender

			ANOVA			
		Sum of Square	df	Mean Square	F	Sig.
luxury items	Betw een Grou	0.172	1	0.172	0.08	0.778
	Within Groups	120.173	56	2.146		
	Total	120.345	57			
motive:Improve	Betw een Grou	0.164	1	0.164	0.711	0.403
	Within Groups	12.939	56	0.231		
	Total	13.103	57			
motive:Vanity	Betw een Grou	0.524	1	0.524	2.904	0.094
	Within Groups	10.097	56	0.18		
	Total	10.621	57			
motive:Brand c	Betw een Grou	0.164	1	0.164	0.711	0.403
	Within Groups	12.939	56	0.231		
	Total	13.103	57			
motive:Highligh	Betw een Grou	0.233	1	0.233	1.62	0.208
	Within Groups	8.043	56	0.144		
	Total	8.276	57			
focus:Practica	Betw een Grou	0.003	1	0.003	0.011	0.917
	Within Groups	14.221	56	0.254		
	Total	14.224	57			
focus:Price	Betw een Grou	0.063	1	0.063	0.285	0.595
	Within Groups	12.351	56	0.221		
	Total	12.414	57			
focus:Design	Betw een Grou	0.049	1	0.049	0.203	0.654
	Within Groups	13.606	56	0.243		
	Total	13.655	57			
focus:Promotic	Betw een Grou	0.153	1	0.153	0.976	0.327
	Within Groups	8.761	56	0.156		
	Total	8.914	57			
focus:Brand C	Betw een Grou	0.496	1	0.496	2.006	0.162
	Within Groups	13.849	56	0.247		
	Total	14.345	57			

Figure 16(source: excel chart,own work)

3.3.6 Difference Analysis- Occupation

Consumers' focus—The design p-value is less than 0.05, which indicates that consumers have significant differences in the design attention of luxury goods under different

occupations. Among them, the average value of non-professional consumers (students) is 1, indicating that they pay the most attention to luxury design.

			ANOVA			
		Sum of Square	df	Mean Square	F	Sig.
luxury items	Between Grou	16.635	7	2.376	1.146	0.351
	Within Groups	103.709	50	2.074		
	Total	120.345	57			
motive:Improve	Between Grou	0.316	7	0.045	0.177	0.989
	Within Groups	12.787	50	0.256		
	Total	13.103	57			
motive:Vanity	Between Grou	1.75	7	0.25	1.409	0.223
	Within Groups	8.871	50	0.177		
	Total	10.621	57			
motive:Brand c	Between Grou	1.566	7	0.224	0.969	0.464
	Within Groups	11.538	50	0.231		
	Total	13.103	57			
motive:Highligh	Between Grou	1.1	7	0.157	1.095	0.381
	Within Groups	7.176	50	0.144		
	Total	8.276	57			
focus:Practica	Between Grou	1.907	7	0.272	1.106	0.374
	Within Groups	12.317	50	0.246		
	Total	14.224	57			
focus:Price	Between Grou	1.44	7	0.206	0.938	0.486
	Within Groups	10.974	50	0.219		
	Total	12.414	57			
focus:Design	Between Grou	3.406	7	0.487	2.374	0.036
	Within Groups	10.249	50	0.205		
	Total	13.655	57			
focus:Promotic	Between Grou	1.363	7	0.195	1.289	0.275
	Within Groups	7.551	50	0.151		
	Total	8.914	57			
focus:Brand C	Between Grou	1.243	7	0.178	0.678	0.690
	Within Groups	13.102	50	0.262		
	Total	14.345	57			

Figure 17(source: excel chart,own work)

				Descriptives					
						95% Confidence Interval for Mean			
		N	Mean	Std. Deviation	Std. Error	Low er Bound	Upper Bound	Minimum	Maximum
focus:Design	Student	26	0.770	0.43	0.084	0.6	0.94	0	1
	Government C	9	0.670	0.5	0.167	0.28	1.05	0	1
	Enterprise mar	6	0.170	0.408	0.167	-0.26	0.6	0	1
	General staff (	6	0.330	0.516	0.211	-0.21	0.88	0	1
	Professionals	2	0.000	0	0	0	0	0	0
	Service indust	5	0.800	0.447	0.2	0.24	1.36	0	1
	Self-employed	3	0.670	0.577	0.333	-0.77	2.1	0	1
	No career	1	1.000	.	.	.	.	1	1
	Total	58	0.620	0.489	0.064	0.49	0.75	0	1

Figure 18(source: excel chart,own work)

4 Conclusion

4.1 Analysis conclusion

In recent years, with the rapid development of China's economy, the continuous improvement of people's living standards and the accumulation of social wealth, luxury goods are gradually becoming an important part of modern living consumption. However, on the one hand, China ’s luxury goods market has a relatively short history. Compared with western luxury goods consuming countries, there is a large gap between people ’s cognitive level and market development.

On the other hand, the current Chinese economy is gradually entering a new normal, changing from high-speed development in the early period to medium-high speed development. In this context, this article analyzes the influencing factors of China's luxury goods consumption, and develops a policy for choosing the luxury goods market that suits China's national conditions After researching luxury consumption in this article, the following conclusions are obtained:

The first is the income factor. First, after conducting an empirical analysis of the regression model in this article, it is found that there is a positive correlation between income levels and luxury consumption, that is, as income continues to increase, luxury consumption starts to increase, and consumer psychological factors affect investor risk appetite. The important factor is that the more confident consumers are in their future income ability, the stronger their willingness to invest in high-return projects. Income is negatively correlated with price in the luxury focus, and the more you pay, the less you care about price. The age factor is also positively related to luxury goods consumption. With the increase of age and wealth accumulation, luxury goods consumption will increase. In terms of motivation for buying luxury goods, we can see that consumers who lack self-confidence pay more attention to brand culture, because they believe that the unique culture of luxury goods can make up for their lack of confidence.

4.2 Suggestions

As one of the world's largest buyers of luxury goods, China is a big luxury country. On the other hand, due to the lack of world-renowned luxury brands, China is also a small luxury country. This is the current Chinese luxury goods. The biggest contradiction in the market and international trade. To a large extent, Chinese manufacturers have already possessed the craftsmanship and ability to manufacture luxury goods, but due to the lack of their own local brands, they can only be reduced to luxury goods foundries and are at the lowest end of the luxury goods industry's interest chain. At present, there are no Chinese brands among the top 100 global luxury brands, and almost all of the domestic luxury brands come from abroad. Therefore, how to examine the development of China ’s luxury industry from the perspective of international luxury brands, develop China ’s domestic luxury brands, and greatly enhance their international competitiveness is a huge challenge for China ’s luxury industry.

Through previous empirical analysis, it can be clearly seen that self-confidence is an important reason for Chinese consumers to buy luxury goods. For these consumers, if luxury brands can enable them to obtain a good user experience in the process of buying luxury goods, they will To a large extent, it establishes the brand's image in the minds of consumers and enhances consumer brand loyalty. Based on this consideration, this article believes that luxury brands can adopt ways to provide consumers with a better user experience.

As mentioned earlier, the reason why luxury goods have high prices is based on their high functional value. Therefore, luxury brands need to carry out strict quality control, improve product technology and raw material control, otherwise, luxury products will lose their foundation. Previous empirical analysis also confirms that brand design ranks first in the motivation of luxury goods consumption in China, indicating that under the role of pragmatic individual subconsciousness, college students in our province attach

great importance to the texture and craftsmanship of luxury goods. Therefore, more stringent quality control and technological innovation to enhance the functional value of products are the keys for luxury brands to win the favor of China.

As we all know, China is a big manufacturing country. Most products made in China are low value-added products, but a large number of high value-added products are imported. The substitution of China's export products is very strong, but the substitution of imported products is very small, so the added value per unit of trade income of export products is very low. Under such circumstances, analyzing the consumption situation of China's luxury goods industry and clarifying the development goals of China's luxury goods industry will help China distinguish it from the high energy consumption, high pollution, and labor-intensive industrial structure as soon as possible; drive other industries Implementation of industrial structure upgrade

5 References

⑴KJ Lancaster. A new approach to consumer theory [J]. Journal of Political Economy, 1971(74):32-57.

⑵R.G.Lipse. Product Differentiation [J]. Handbook of Industrial Organization, 1989(1):723-766.

⑶Jose Luis Nueno, John A. Quelch. The mass marketing of luxury [J]. Business Horizons, 1998(6):61-68.

⑷T Scitovsky. The Psychology of Human Satisfaction [J]. The Joyless Economy, 1992(11):119-130.

⑸Ahuvia, Aaron & Wong, Nancy (2002). Personality and Values Based Materialism

⑹Asai, A., & Barnlund, D. C. (1998). Boundaries of the unconscious, private, and public self in japanese and americans: A cross-cultural comparison. International Journal of Intercultural Relations, 22(4), 431-452.

⑺Bagwell, L.S.& Bernheim, B. D. (1996). Veblen effects in a theory of conspicuous consumption. The American Economic Review, 86(3), 349-373.

⑻Bao, Y., Zhou, K. Z., & Su, C. (2003). Face consciousness and risk aversion: Do they affect consumer decision-making? Psychology and Marketing, 20(8), 733-755.

⑼Batra R，Ramaswamy V，Alden DL，Steenkamp JBEM，Ramachander S．Effects of brand local and nonlocal origin on consumer attitudes in developing countries［J］．Journal of Consumer Psychology，2000，9(2)：5-83．

⑽Belk, R. (1985). Materialism: Trait aspects of living in the material world. Journa

of Consumer Research, 12 (3), 124-138.

⑾Belk, R.W. (1995), Hyperreality and globalization: Culture in the age of Ronald McDonald, Journal of International Consumer Marketing, Vol. 8, pp. 23-32.

⑿Berry, C. J. (1994). The idea of luxury: a conceptual historical investigation. Cambridge, UK: Cambridge University Press.Berthon P，Pitt L，Parent M，Berthon J-P．Aesthetics and ephemerality: observing and preserving the luxury brand［J］．California Management Ｒeview，2009: 52(1) : 45-66．

⒀Besley T.，1989，“A Definition of Luxury and Necessity for Cardinal Utility Functions”，The Economic Journal，99(397)，pp. 844-849.

⒁Burenkrant，R. E. and A. Cousineau，1975，“Informational and Normative Social Influence in Buyer Behavior”，The Journal of Consumer Research，2(3)，pp. 206-215.

⒂Burnkrant, R. E., & Page, T. J. (1982). On the management of self-images in social situations:

⒃Burroughs, J., & Rindfleisch, A. (2002). Materialism and well-being: A conflicting perspective. Journal of Consumer Research, 29 (3), 345-367.

⒄Carroll，B．A．，＆Ahuvia，A．C．Some antecedents and outcomes of brand love Marketing Letters，2006，17: 79-89．

⒅Carver, C. S., & Scheier, M. F. (1978). Self-focusmg effects of dispositional selfconsciousness, mirror presence, and audience presence. Journal of Personality Arui Social Psychology, 36, 324-332.

⒆Cavender, B., Rein, S. (2009). Luxury goods: Still strong sellers. China Business Review, 36(2), 36-39.

⒇China Luxury Report 2019

https://www.mckinsey.com.cn/wp-content/uploads/2019/04/McKinsey-China-Luxury-Report-2019-Chinese.pdf

6 Appendix

Questionnaire

1. What is your gender*

Male

Female

2.What's your age*

Under 20 years old

21-30 years old

31-40 years old

40-50 years old

3.What is your education*

Secondary

College

Bachelor

Master

Doctor

4.What is your occupation*

Student

Government Official / Civil Service

Enterprise managers

General staff (office staff)

Professionals (such as doctors / lawyers / teachers.)

Manual workers

Service industry employees

Self-employed / contractor

No career

Retirement

5.What is your monthly income (or monthly living expenses) before personal taxes？ *

Under 3000kc

Under 6000kc

6001-12000kc

12001-18000kc

18001-30000kc

30001-60000kc

Above 60000kc

6.Your marital status?

Single

In relationship

Married

Divorce

7.How many luxury items do you own?

Including jewelry, clothes, shoes, bags, accessories, etc.

Under 3 pieces

3-6 pieces

6-10 pieces

10-20 pieces

Abouve 20 pieces

8.Why do you buy luxury goods?

Improve personal confidence

Vanity for "Mianz"i

Brand culture and design

Highlight identity and status class

9.What do you focus on when buying a luxury brand

Practicality

Price

Design

Promotion

Brand Culture