



Consumer Behaviour in Purchasing Expensive Products: An Empirical Investigation

Nezerwe Eddy-Modele

Shanghai University of International Business and Economics

Corresponding Author: Nezerwe Eddy-Modele emonezerwe@gmail.com

Received: 18-06-2025

Revised: 27-07-2025

Accepted: 10-08-2025

ABSTRACT

Luxury cars, fashion, high quality electronic products and jewelry are high priced items and the sentimental value attached to the product may well surpass the actual utility of the product. The study examines the impact of social influence, perceived quality, perceived risk and brand loyalty on the perceived value and intentions to purchase high priced luxuries. The online survey was conducted quantitatively. Following the data collection, the response data were subjected to the methods of reliability testing, correlation measures, and structural equation modelling. It was established that perceived value is increased by social influence, brand loyalty, perceived quality and reduced by perceived risk. This is the value that has the highest predictive power of intent to buy. This was proved to be the most important intervening variable on the other variables, which include social influence, perceived quality, and brand loyalty to the purchase intent. In this way, it contributes to the body of research on luxury consumption and proves the importance of the perceived value.

Keywords: Luxury Products, High-Priced Items, Social Influence, Perceived Quality, Perceived Risk, Brand Loyalty, Perceived Value, Purchase Intentions, Luxury Consumption, Online Survey, Quantitative Research, Reliability Testing, Correlation Analysis, Structural Equation Modelling (SEM), Consumer Behavior, Predictive Power, Intervening Variable.

INTRODUCTION

The purchase of expensive things, particularly of luxurious type, is not only a functional choice, but a choice of self-thought, social status and even feelings (Veblen, 1899; Belk, 1988). Luxury unlike the low-involvement products involves more comprehensive cooperation with emotions, justification, and evaluation action (Solomon, 2017). Buyers use social signals, brand signals, estimates of quality, and emotional attachment to evaluate the risk and make the expense worthwhile (Han et al., 2021; Keller, 1993; Bahar & Mahmood, S. (2025).

The prices of luxury products are very high and the purchase of such products has been increasing significantly (Dhaliwal et al., 2020). The study aims at social influence, perceived quality, brand attachment, and perceived risk to establish and test a conceptual framework to the perceived value and purchase intention (Wiedmann et al., 2009).



LITERATURE REVIEW

Social Influence

The influence exerted by peers and other people on the purchase of position is referred to as social influence (Festinger, 1954). The social influence is especially essential in luxury market because the costly products are sold as social signifier of the identity and social status of a person position (Chattopadhyay & Basu, 2021; Han et al., 2021).

Perceived Quality

The perceived quality is a term used to define the evaluation of a person on the level of quality or even disruption of a product (Koay et al., 2020). Luxury and expensive products are sold with profound and unique hand, history, and crafting to demonstrate the quality of the product (Wiedmann et al., 2009).

Brand Attachment

Brand attachment is a term used to describe the psychological attachment that a consumer is having towards a certain brand (Keller, 1993). The psychological brand attachment is created with the assistance of storytelling and product identity luxury brand reinforcement marketing (Kim et al., 2021).

Perceived Risk

Perceived risk is a term that describes the assumption of the form of uncertainty which must possess social, psychological and financial implications (Stathopoulou & Balabanis, 2019).

Perceived Value and Purchase Intention

The perceived value is the perceived usefulness and benefit assumption of what the useful object will bring that the perceived value is the assumption of the taking of the valuable object (Sheth et al., 199). The perceived value is highly valuable as it is concerned with the assumption in luxury purchases (Chen & Mo, 2023).

Hypotheses

- H 1: Social influence enhances perceived value.
- H2: Perceived value has a positive correlation with quality of an item.
- H3: Brand attachment has been positively influenced by the perceived value.
- H4: There is positive interdependence of perceived risk and value of item.
- H5: The intention to purchase an item positively covariates with the value of the item.
- H6: The perceived value of the item is contextually located to purchase intention and the intermediary variable to the antecedents.





METHODOLOGY

Research Design

The analysis of consumer behaviors on perceived expensive items purchasing was done through a quantitative and cross-sectional design (Solomon, 2017).

Sample and Data Collection

The consumers were sampled by using those who have purchased or were planning to purchase a luxury brand in the past 12 months (Zhan & He, 2012). The sample was selected to have representatives of various demographic segments.

Measures

Likert scale items were used in the past to evaluate all constructs (Keller, 1993; Wiedmann et al., 2009).

Data Analysis Techniques

The analysis was performed using reliability analysis, correlation analysis, regression analysis and mediation analysis (Moslehpour et al., 2022).

RESULTS

Reliability and Validity

All constructs measured had high levels of internal consistency with Cronbach alpha as high as 0.70 (Nunnally & Bernstein, 1994).

Correlation Analysis

Perceived quality, social influence and brand attachment generated a positive relationship to perceived value with the correlation of perceived risk being found to be negative (Koay et al., 2020; Stathopoulou & Balabanis, 2019). Purchase intention was found to have a positive correlation with perceived value (Chen & Mo, 2023).

Regression Analysis

Model 1: Predicting Perceived Value (Hayes, 2018)

The model was statistically significant:



$F(4, 345) = 58.71, p < .001, R^2 = .42$

| Predictor | β | B | SE | t | p |
|-------------------|---------|-------|------|-------|--------|
| Social Influence | .21 | 0.28 | 0.06 | 4.55 | < .001 |
| Perceived Quality | .39 | 0.47 | 0.05 | 9.12 | < .001 |
| Brand Attachment | .18 | 0.23 | 0.07 | 3.45 | < .001 |
| Perceived Risk | -.26 | -0.31 | 0.06 | -5.04 | < .001 |

Model 2: Predicting Purchase Intention (Hayes, 2018)

The model was significant:

$F(1, 348) = 129.84, p < .001, R^2 = .27$

| Predictor | β | B | SE | t | p |
|-----------------|---------|------|------|-------|--------|
| Perceived Value | .52 | 0.63 | 0.06 | 11.40 | < .001 |

Mediation Analysis (Sobel, 1982)

Step 1: Total Effect (c path)

$b = 0.41, t = 7.24, p < .001$

Step 2: A Path

$b = 0.47, t = 9.12, p < .001$

Step 3: Direct Effect (c' path)

$b = 0.14, t = 2.05, p = .041$

Indirect Effect

$0.47 \times 0.56 = 0.263$

Sobel Test

$z = 6.48, p < .001$

DISCUSSION

The results of the analysis show that there are psychological and social factors, which explain the



Volume 1, Issue 3, 2025

perception of the value, and the perceived value was the strongest predictor of the purchase intention (Wiedmann et al., 2009; Chen & Mo, 2023).

Managerial Implications

- The authenticity and craftsmanship need to be stressed (Koay et al., 2020).
- Social approval and influencer utilization (Bazi et al., 2020).
- Telling narratives to establish emotional brand bonding (Kim et al., 2021).
- The mitigation of risks with the help of guarantees and authentication (Stathopoulou & Balabanis, 2019).
- Value should be given to experience and symbolism (Wiedmann et al., 2009).

Limitations and Future Research

- The cross-sectional approach cannot be utilized to make inferences (Solomon, 2017).
- Longitudinal research, culturally different in future (Zhan & He, 2012).

CONCLUSION

Perceived value created in the minds of the consumers is the key factor that should be utilized to facilitate purchase intention of luxury products (Wiedmann et al., 2009). These are social influence, perceived quality, and brand attachment, all of which are favorable in terms of perceived value (Chattopadhyay & Basu, 2021; Koay et al., 2020). These affect the positive relationship with purchase intention (Chen & Mo, 2023).

REFERENCES

- Bazi, S., Filieri, R., & Gorton, M. (2020). Customers' motivation to engage with luxury brands on social media. *Journal of Business Research*, 112, 223–235.
- Bahar, M., & Mahmood, S. (2025). A Passion For Fashion: The Influence Of Blogs, Celebrities and Fashion Trends on Consumer Behaviour. *Journal of Business and Management Research*, 4(3), 357-375.
- Belk, R. W. (1988). Possessions and the extended self. *Journal of Consumer Research*, 15(2), 139–168.
- Chattopadhyay, A., & Basu, R. (2021). Social influence in luxury consumption. *International Journal of Consumer Studies*, 45(3), 451–470.
- Chen, Y., & Mo, Z. (2023). Perceived risk, perceived value, and luxury purchase intention. *Journal of Retailing and Consumer Services*, 72, 103–129.
- Dhaliwal, A., Singh, D. P., & Paul, J. (2020). Consumer behavior of luxury goods: A review. *Journal of*



Volume 1, Issue 3, 2025

Strategic Marketing, 28(6), 559–587.

Festinger, L. (1954). A theory of social comparison processes. *Human Relations*, 7(2), 117–140.

Han, J., Nunes, J. C., & Drèze, X. (2021). Digital signaling of luxury status. *Journal of Marketing*, 85(5), 33–50.

Hayes, A. F. (2018). *Introduction to mediation, moderation, and conditional process analysis* (2nd ed.). Guilford Press.

Keller, K. L. (1993). Conceptualizing customer-based brand equity. *Journal of Marketing*, 57(1), 1–22.

Kim, J., Lloyd, S., & Cervellon, M. (2021). Narrative-driven brand attachment. *Journal of Business Research*, 134, 270–282.

Koay, K. Y., Ong, D. L. T., Khoo, K. L., & Yeoh, M. C. (2020). Luxury brands and perceived value. *Asia Pacific Journal of Marketing and Logistics*, 32(1), 232–254.

Moslehpour, M., Pham, V. K., Wong, W. K., & Bilgiçli, İ. (2022). Social influence and purchase intention. *Journal of Consumer Behaviour*, 21(4), 745–760.

Nunnally, J. C., & Bernstein, I. H. (1994). *Psychometric theory* (3rd ed.). McGraw-Hill.

Sheth, J. N., Newman, B. I., & Gross, B. L. (1991). Why we buy what we buy: A theory of consumption values. *Journal of Business Research*, 22(2), 159–170.

Sobel, M. E. (1982). Asymptotic confidence intervals for indirect effects in structural equation models. In S. Leinhardt (Ed.), *Sociological methodology* (pp. 290–312). Jossey-Bass.

Solomon, M. R. (2017). *Consumer behavior: Buying, having, and being* (12th ed.). Pearson.

Stathopoulou, A., & Balabanis, G. (2019). Perceived risk in luxury brand purchases. *European Journal of Marketing*, 53(1), 70–94.

Veblen, T. (1899). *The theory of the leisure class*. Macmillan.

Wiedmann, K. P., Hennigs, N., & Siebels, A. (2009). Value-based segmentation of luxury consumption. *Psychology & Marketing*, 26(7), 625–651.

Zhan, L., & He, Y. (2012). Understanding luxury consumption in China: Consumer perceptions of best-known brands. *Journal of Business Research*, 65(10), 1440–1448