The Effect of Brand Position on Consumer Choices of Luxury Brands: A Cross-Cultural Study Between British and Chinese Consumers

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Abstract

This dissertation is grouped by topics—luxury brands, values, consumer luxury shopping behaviour, luxury brand management, and luxury brand differentiations. It intends to address the influence of luxury brand positioning on consumer choices.

Despite various changes in internal and external environment, little research has investigated the differences of Chinese and British luxury markets. Therefore, in this article, an approach to understanding the positioning of luxury brands and luxury consumption behaviour is presented. The existing definitions are reviewed, which suggests that consumer consumption decisions of luxury brands can be evaluated by 39 items models. Based on this, the purpose of this paper is to focus on and to offer a deeper understanding of the luxury brand positioning effects. In order to fulfil this purpose, four research objectives and three propositions are expounded focusing on the variables of consumer choice decision as well as an explanation of the brand unique personality. By following the research objectives and propositions as a direction guide, literature studies are critically analysed resulting in a composite framework which guides the data interpretation. This research takes a qualitative case study for collecting secondary data by means of previous research data. The analysed results demonstrate that there would be a difference in the effect of brand positioning between the Chinese and British consumers. By identifying the equity of different luxury brands, consumer choice behaviour can be better understood, and this may assist luxury brand managers in their exploration of luxury market.

Key words: Luxury brand; Brand; Brand position; Consumer luxury shopping behaviour; Luxury brand differentiations

1. INTRODUCTION

1.1 Overview

By reviewing the developing process in the luxury market, one has been clearly shown that the demand and communications sides have been significantly changed. The growth process of luxury market has been increased rapidly over the last ten years, and some prestige and luxury brands which were formerly reserved for a small group of privileged individuals, are now possessed by more middle-class consumers. This tendency is especially showed in Chinese market. Meanwhile, many companies of luxury brands have been implementing new marketing positioning strategies, but few tend to extend their brands with any thoughtful investigation.

Swarovski is the leading manufacturer of cut crystal in the world. Consumers know it isn't real diamonds. However, they still pay a lot of money to buy it. Why? There are many reasons for its success: the design, the supply partnerships, the distribution channel, etc. However, the major reason is the brand, i.e. the rich and strong brand values behind its name. The consumer market is composed of various brands, among which some

luxury brands like Louis Vuitton, Hermès and Chanel must be extraordinarily outstanding. Thanks to the strong brand power, even when the global economy is in the stage of a dark recession.

According to recent data released by Worldwide Markets Monitor, the growth forecast for luxury sales increased from 3-5 per cents to an almost 16 per cent (Altagamma,2011). Figure 1 is a comparison of the growth forecast in October, 2010 and May, 2011 which shows that the luxury market is promising and calls for luxury brand managers to pay attention.
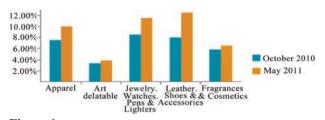

Figure 1
Growth Forecasts by Industry Comparing Those Made in October 2010 and May (Alta)

Meanwhile in the Top 100 Most Powerful Brands Research conducted by Millward Brown Company, consumers were asked about their loyalty to ten worldwide-known luxury brands as well as about their opinions toward the future potential of the brands. Louis Vuitton ranks as first (Sherman, 2009). The fashionable luxury brand, Giorgio Armani, has been felt out the rank of top 10 in 2009 due to it stretches as multiple brand extensions. The brand is not unique and exclusive anymore. In other words consumers nowadays want to shop selectively, not as much as they can--even if they can afford to do so. This research also finds that though the pound value of most of these luxury brands has decreased, their status on the ranking list remains steady because luxury brands have time-proof value which has a lot to do with brand positioning.

The function of positioning is to differentiate own product from competitor's product in similar product market based on the fundamental principle that all choices are comparative. Unlike FMCG(Fast-moving consuming goods), one major characteristic of luxury brands is differentiation, this research is not going to study all the possible reasons why people buy a Hermès bag instead of a Chanel watch. The focal point is to understand how people choose a bag among a selection of brand choices. For example, if a consumer wants to buy a sport car, he will be confronted with luxury car brands like Ferrari, Aston Martin, Porsche, Lamborghini and so on. Brand differentiation plays an important role in consumer purchasing decision in terms of Chinese and British consumers.

In the August report posted on China Daily, Mike Thompson (2012) gave a focus on the different brand attitudes between Chinese and British consumers, and he thinks it depends on the product category. Mike regards that Chinese consumers still think highly of luxury brand symbol as it is a pattern to demonstrate their success and wealth. On the other hand, he points out that Western consumers generally focus on the reasons of brand distinctiveness and the fit of its attributes to their personal taste. In fact, luxury is nothing new to the populaces in China, the ancient emperors and royals know how to enjoy life. Unfortunately in the contemporary 100 years, most luxury brands are built and grow from western countries. The founder of SHANGXIA, sub-brand of Hermès, Jiang Qiong'er said that within the thousands Chinese history and in the feudal dynasties Chinese used to have the most exquisite luxury. Chinese consumers have become an emerging power to stimulate the development of the global luxury market. According to recent forecast research conducted by McKinsey, Chinese luxury market is going to increase 18% every year and to the year 2015 its sales revenue is going to reach 180 billion Yuan.

However with this promising market and important timing, Britain's famous luxury department store Harvey Nichols states that it is not a proper time to develop Chinese market because the maturity level of Chinese consumers towards luxury products is less than Western consumers. The spokesman of the Harvey Nichols adds if consumers just simply want to own a brand there is no need to shop at Harvey Nichols. This event can be seen to lure the Chinese consumers' conspicuous consumption attitude to the luxury brand.

On the other hand, Britain, the developed mature luxury brand market shows an increasing momentum. The success of brands such as Burberry is going to give a hand to the British luxury industry to increase by 57% by the end of 2015, based on the research from luxury trade body Walpole (2011). The growth future is bright. However, the consumer behaviour mode has been kept changing. Researchers have found that consumers in Britain are becoming saviours who demand accurately, timely, and are more and more discerning, which means consumers are not just motivated by price or show-off issues, they turn to be more concerning about the overall luxury brand equities. The attitude of western consumers is quite conspicuous consumption, which is a signal of new middle-class status and would be embarrassed to make such a display.

In the luxury brand management system, the brand equity is an important part in marketing communication mix than other non-luxury brands. This particularly reflects in the gloomy economy situation. Luxury brands that focus on its heritage and brand history value instead of up-to-date fashion performed better than others. For example, travel campaign of Louis Vuitton's and Hermès' sponsorship of a horse competition in Paris serves them to remain within the World's 10 Most Powerful Luxury Brands. Top luxury Brands Companies have been quicker to react and re-centre their brand core positioning. In

addition in a competitive market where products and services are all very similar, successful brand positioning can have a significant impact on stable sales growth and long-term buying behaviour. The luxury hotel companies are a classic case. Consumers in the 21st century want a hotel with a soul and character; they want personality which can give them unique experience instead of a confined box. Once the uniqueness of a luxury brand is created, then this can be utilized to be leveraged to optimize the profiting potential of the brand.

1.2 Research Purpose and Objectives

Our review of the literatures relates to luxury brand consumption shows that research on luxury brand consumption remains on general luxury consuming behaviour and hasn't kept up-to-date; it suggests that more study is required to extend readers' understanding beyond broad luxury consumption context. However the research will build upon previous research, which has provided useful insight into the various buying phenomenon and influences on consumer decision making (specially focusing on the end-user rather than retail buyers), and also makes a significant contribution to the deeper understanding of the factors that affect intended and actual buying behaviour through extensive quantity, quality and empirical research in the market for luxury brand choice in Britain and China.

This report examines the effect of luxury brand positioning and differentiation on consumers' choice of luxury brands, consumers' attitudes towards those differentiations marketing campaign of luxury brands, and the level of their attitudes will affect their purchase decision. In this report, the contribution of brand positioning and differentiation to the brand overall equity will be explored, and the author examines the criteria with which a consumer define a luxury brand before asking their views on shopping for luxury brands, motivations for buying luxury brands, in which product categories luxury brands have been purchased, where these have been bought.

Furthermore this dissertation is going to compare the level of brand differentiation effect on purchasing decision between the Chinese and British consumers, as the Britain can represent the western mature consuming market and China is on behalf of the emerging market that has growing demand on luxury brands. The objective of this research is to answer the questions as following:

• How do British and Chinese consumers make luxury brands selections? What are the main factors that influence their decisions?
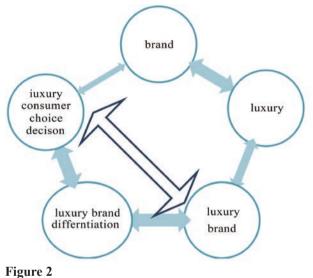
• What the role of brand differentiation plays in luxury brand choice? Will this be the key decisive factor?

• Will cultural values affect consumers' perception of luxury brand differentiation?

• While luxury brand position and communication across cultures, can one –dimensional standardized differentiation approach be relied on?

2. LITERATURE REVIEW

The literature review part will conclude the concepts of brand, luxury, luxury brand, dimensions of luxury, consumer decision making model; consumer perception of brand status and brand attitude. The reason why we have a look of these concepts of brand at first is that brand is an important element to luxury marketing, and the author wants to know why consumers choose differently among various luxury brands, thus the next is about luxury brands and the dimension of luxury brands. At last is the review of the consumer decision making framework which is going to support the topics. Figure 2 describes the research scope of papers included in this research dissertation, thus readers are able to view these articles as a starting point in understanding involved conceptions and research in the positioning of luxury brands, and continues to investigate additional literatures in the similar subject matter.

Figure 2
Marketing and Consumption of Luxury Brands

2.1 Understanding the Equity of Brand

The theoretical and practitioner brands literatures about brand is extensive; it is elusive to give the term 'brand' a universally accepted definition, therefore as the multifaceted nature of its definition, there exist a diversity of conceptions and understandings of its operationalization (Gabbott and Jevons, 2009; Brodie et al., 2006).

The consumer-based brand equity's underlying determinants are that brands offers benefits to buyers by differentiating products (Hoyer & Brown, 1990). Kamakura and Russel (1993) account brand equity as an intangible value (e.g. brand name association, perceptual distortions) which supports a product by virtue of its brand name. In the early time Keller proposes brand concepts which reflect both tangible (i.e., what the brand actually does) and intangible (i.e., the way people think about the brand abstractly) aspects of the brand (Keller 1993, 2007). Later Aaker (1996) justifies a very comprehensive

definition of brand equity as formed by ten elements: (1) Loyalty (brands real or potential price premium), (2) loyalty (customer satisfaction based), (3) perceived comparative quality, (4) perceived brand leadership, (5) perceived brand value (brands functional benefits), (6) brand personality, (7) consumers perception of organisation (trusted, admired or credible), (8) perceived differentiation to competing brands, (9) brand awareness (recognition & recall), (10) market position (market share), prices and distribution coverage (Figure 3).
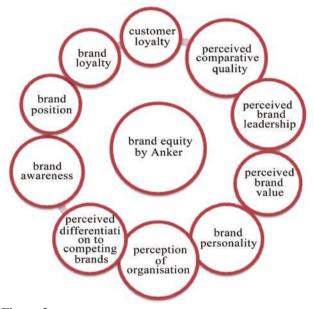

Figure 3
10 Components of Brand Equity Proposed by Aaker (1996)

During the period of last ten years, Stern (2006a) proposes a quadripartite classification scheme by applied the historical-analysis method to multiple definitions, which categorizes the framework according to nature (literal and metaphoric), locus (world and mind), function (entity and process) and valence (positive and negative). Another definition which is based on historical-analysis method is made by Jevons (2007a); in his study he identifies six key components composing a brand (identity, functionality, symbolism, differentiation, value creation/delivery and sustainability). He unites these six components into an integrated definition as following:

> "A brand is a tangible or intangible concept that uniquely identifies an offering, providing symbolic communication of functionality and differentiation, and in doing so sustainably influences the value offered." (Jevons, 2007)

Neverthless, Buchanan-oliver et al. (2008) renders it is unnecessarily overcomplicated to have so many keys, and thus their research conflates the sort to three components: symbolic, functional and psychological, furthermore after applying a combined classification scheme based on studies [Jevons, 2007b] and [Stern, 2006b] to their

own investigate of contemporary brands, they came up with the argument that it is necessary to pay attention to the experiential dimension of the brand as well. Brand positioning is an important process in building brand as it is the key strategy to personalize the brand.

2.2 Empirical Studies in Luxuries

2.2.1 Literal Definition of Luxury

Traditionally, luxury is being regarded as products that are top-of-ranges (Bialobos, 1991; Sharpe 2002), and marketing researchers across all disciplines share a basic comprehension of the meaning of luxury: luxury is something that is more than necessary (e.g. by Bearden & Etzel, 1982, p.184; Reith & Meyer, 2003, p.10). In the view of Jonathan (2003) luxury is not only a concept but also a material good that obsesses nowadays' buyer society: luxury holidays, wines, foods and fashion clothes flood the mass media and market. Thus part of authors evaluate luxury by non-necessity and superfluity (e.g. by De Barnier et al. 2006, p.5; Dubois et al. 2001, p.15). Despite confusion, any of this conceptualization of luxury would trace back to Adam Smith who divides consumption into four categories: necessary (to maintain life), basic (for normal growth and prosperity of people as well as communities), affluent (products that are not essential for growth and prosperity), and luxury (products in limited supply, difficult to accessed and extraordinary expensive) (Smith, 1776).

The distinction between necessary, basic, affluent and luxury depends on the exclusivity of resources. Necessities are virtually available to everyone. Luxuries are exclusively possessed by only a few people who may be rich in monetary or resources power or at least on rare occasions (Bearden & Etzel, 1982, p.184). Bearden and Etzel made great effort to the concept of luxury; however the shortcoming is that they only illustrated the dimension of the necessity-luxury as a continuum ranging from absolute necessity to luxury. Nowadays however the biggest portion of income that people spend on goods is more than their necessary needs, and most of these still can be categorized into the level of a luxury. Therefore in the new lexica the luxury refers to goods that are more than necessary and ordinary (e.g. Meyers, 2005). However this deduction also has weakness. We cannot say anything that in neither ordinary nor necessary is luxury. For example, most people in China do not have dental floss in their cupboard, but this product is still not considered as a luxury to them. Thus the definition of luxury had been further revised. Luxury is more than satisfying human needs and desires, it's further associated with "dream" (e.g. by Seringhaus, 2006). Kemp's study (1998) combines the necessity-luxury continuum with the hierarchy of needs developed by Maslow (1970 cited in Klaus 2011), which ranges people's needs into five levels starting from basic physiological needs such as thirsty (necessities) up to demands of self-actualization (luxuries). These facts

demonstrate another character of luxury, i.e. Luxury from any resource is not only valued by its availability, but also by people's eagerness. According to the above, the basic definition of luxury may be summarized as:

"Luxury is anything that is desirable and more than necessary and ordinary." (Maslow, 1970)

Consumer behaviour in contemporary western societies keeps changing and these changes have led to the emergence of a new understanding and perception of luxury. "New Luxury" is defined as "products and services that possess higher level of quality, level of taste, and inspiration than other goods in the category but are not so expensive as to be out of reach" (Silverstein, 2003). Purchasing new luxury brands is an emerging trend in market which challenges the consumers' loyalty for classic luxury brands.

2.2.2 Major Empirical Study of Luxury Brands

In common sense, luxury brand is a brand which the majority of its products is classified as luxury goods. "Luxury brands" have been used in various different ways by marketing academics. For example, generally many of the academic literature on luxury brands comes from a variety of disciplines such as economics (Leibenstein, 1950), sociology (e.g. Bourdieu, 1984), and history (e.g. Berry, 1994). However, an increasing level of focus on the marketing aspect exists (Truong et al., 2008), which has concluded a variety of areas(in chronological order): the nature and definition of luxury goods (Vickers & Renand, 2003); trading up for luxury goods (Silverstein & Fiske, 2007) and competitive structure of luxury markets (Chadha & Husband, 2006); On the other hand, taxonomists attempt to distinguishing between luxury and non-luxury and to categorizing luxury into different categories based on their similarities and differences. Due to luxuries' vast variety and the boundaries between species, the classification of organisms is not that simple. Like the term "brand", the conception of luxury and luxury brand will be contentious, researchers in this area seem to leave the concept implicit (Ervynck, 2003).

There are many different opinions about luxury and luxury brands. The philosophical-sociological understanding aspect considers it to be socially divisive, such as Veblen (1994) who regards the well-known luxury brands as a sign of wealth, social status and power. Sekora (1977) echoes Veblen contents by giving the proposal that luxury products are the most pervasive negative principles for organizing society. The concepts of luxury product and brand are complex, as it is subjectively and primarily built on consumers' perceptions. As the meaning of luxury is determined by personal and interpersonal motives, the taxonomy of luxury product and brand could assist consumers to decide. Researcher Twitchell (2001) regards luxury and luxury brands as a tonic for our plain world. Based on his argument for the "trickle down"

effect of luxury, products that are treated as luxury in one generation probably are going to become a common staple in the next generation.

It is not hard to discover that many academic literature explains luxury brand in terms of its bundle list of attributes — quality, beauty, high price, exclusivity, uniqueness, sensuality and history. Therefore Berthon et al. (2009) points out that in past literature there is no corresponding delineation of what constitutes a luxury brand, no clear research about their dimensionality, no logical conceptualization of different types of luxury brands. Therefore, Berthon concludes that luxury brand has three components: the function, the symbolic, and the experiential (see Figure 4). This model is very like the 10 brand equity elements proposed by Aaker (see Figure 3)
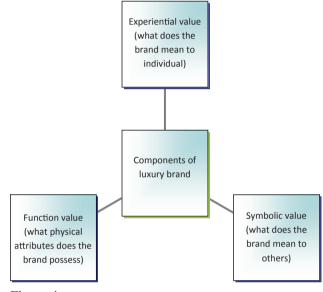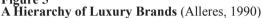

Figure 4
Constituent Value Dimensions of Luxury Brands
(Berthon, 2009)

2.2.3 The Positioning of Different Luxury Brands

All brands need branding and marketing. Luxury brands need to remain in front of luxury customers, to discover new and outstanding ways to give expression to consumers' desires. Quoted from Kotler (2006) about the role of positioning plays, *"positioning is the act of designing the brand's offering and image so that they occupy a meaningful and distinctive competitive position in the target consumer's mind"*.

Many of these differentiation characteristics are verified by Dubois et al, who carries on qualitative interviews with consumers and then illustrates six dimensions of luxury, which are (1) excellent quality, (2) premium price, (3) uniqueness, (4) aesthetics and polysensuality, (5) ancestral heritage and (6) superfluousness. The diversity of luxury brands encompassed by a wide and wild definition has naturally guided researchers to focus on a variety of perspectives

in which some have led to a few classification schemes as well as some general frameworks. Within the dimension of socio-economic class context, Alleres (1990) considers luxury brands as a hierarchy consisting by three levels which is relied on the degree of accessibility (see Figure 5).

Figure 5
A Hierarchy of Luxury Brands (Alleres, 1990)

From the academies of conceptualizing, the terms---brand, luxury and luxury brand, consumer perceived perception about a luxury brand have certain level to influence consumers' choices. Consumers form different perceptions of luxury brands due to different and specific interactions on their personal and social level. Brand positioning can be the first step that illustrates brand image to consumers' perception of brand proposition. It is the unique core benefits that consumer can derive out of a brand. It implies to the acknowledgement that luxury brands are not the same; luxury brands mean different to different people or even different things to the same people.

From the brand function and attribution aspects, Berthon's argument evolves from his own luxury brand components theory states that luxury brands can be categorized into two dimensions: aesthetics and ontology, from which delineates four modes: the modern, the postmodern, the classic and the Wabi Sabi (Figure 6). Although this conclusion is bias in art, this model illustrates the differentiation framework of luxury brands. Moreover, it provides a thoughtful typology with which to differentiate luxury brands from mass.

Figure 6
The AO Framework: A Typology of Luxury Brands (Berthon's, 2009)

2.3 Consumer Choice-Making Behaviour

Although the objective consumers have existed for thousands of years, researches on consumer behaviour actually began after 1920s. It was built as a unique area of study during the 1960s (Engel, Blackwell and miniard, 1993). The consumer behaviour research always has been a popular area and has been developed as a focal interest for both academic researchers and international marketing practitioners. Basically, most of consumer choice behaviour papers have been established on two assumptions. One is that consumer choice behaviour can be affected and shaped by multiple factors that can be summarized as

 i. External environmental influences
 ii. Individual differences and influences
 iii. And psychological processes

The second one supposes that shoppers are rational who have the relevant skills to go through a sequential decision-making process to complete an optimal choice among alternatives. In this paper, the author intends to explore how the luxury brands positioning affects individual judgement and decision. It is known that in the marketplace there is full of products and brands competition. Consumption decisions usually result conflicts between methods to achieve a goal.. There are many researched or unsearched factors that affect the choice behaviour of consumers.. The interaction between stimuli and reactions are often described by the stimulus-response model as shown in Figure 7.
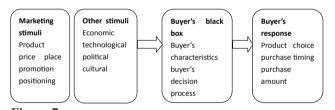

Figure 7
Stimulates-Response Model (Kotler, p.188)

Traditional marketing strategies are not suitable. In the exploratory study of Chinese purchasing of imported food, Lee (2005) demonstrates the impact of cultural and demographic factors on Chinese consumer choice-making process. McKinsey study (2008) reveals that over half of the Chinese consumers have their own shortlist of preferred brands when searching for a product. It is important to know that brand list, but companies need to take into consideration that Chinese consumers averagely are only willing to pay a premium of 2.5 % for branded products. Additionally, Chinese consumers have become more cautious to buy unfamiliar products since 2008. Therefore, it is more difficult to launch new brands or extend brand.

As companies becoming global and markets becoming more competitive, consumers are faced with increasing amount of brands to choose. Wilson (2010) has tested that

while facing with similar products, consumers' ability to choose the best alternative brands is limited, even in a relatively simple and transparent market. Hundreds and thousands studies about segmentation and differentiation have been conducted over past years due to the reason that different luxury brands are thought to attract different kinds of people. But research conducted by Kennedy and Ehrenberg's (2001) shows that brands seem to confer more meaning in marketing communication practice.

The findings from much research have resulted in numerous typologies which brings confusions instead of better understanding. Moreover, despite large amount of research, currently no one accepts decision-making typology. However, it has been noticed that generalizations about shopping types could be improved by future investigation rather than developing a fresh new one. In Bates' (2010) consumer behaviour research, he finds that the factor of "confused by over choices" is going to play an increasingly important role in British consumer choice-making process in current market place.. Darden and Reynolds's (1971) later work support it and add another shopping pattern: the personal care brands. Consumers tend to derive the meaning from stimuli that are compatible with the ones they already have. Base on the theory mentioned above, the framework is developed based on those theories: Constituent Value Dimensions of Luxury Brands of Berthon, stimulates- response model of Kotler and combined with the CSI model (Figure 8).

Figure 8
Theoritical Model for Research

3. METHODOLOGY

This chapter will present how the author finds answers to our research questions, the author will explain the origin of secondary data and how the samples will be selected. Figure 9 is the schematic presentation of the methodology.
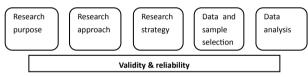

Figure 9
Methodology Process (Foster, 1998, p.81)

3.1 Purpose of the Research

In the chapter of Research Purpose and Objectives, the purpose of this research has been briefly explained. Generally, there are three common types of purposes for academic research: explore, describe, or explain (Yin, 2003). According to the definition of the exploratory aim that is to explore what is occurring, to seek new insight and to bring out questions about effect relationships (Saunders, 2003), this research can be ranged as an exploratory research as it involves all of the three purposes discussed above to gain a deeper understanding and to answer the research questions.

3.2 Research Approach

Because of the limitation of time and space as well as the occupation of the author is a university student, it is difficult to collect effective information just from primary questionnaire and interview. As it involves the consumers of China and Britain, and consumers who are financially can afford the luxury goods, so the author decides to use the secondary data as the object of analysis and study. However, the way to go through the research with case study is qualitative, and the origins of the secondary data are quantitative.

3.3 Research Strategy

There is no absolutely right or wrong strategy, only more suitable strategy in consideration with the objective and approach of research. The author finds that the most suitable strategy is to conduct differently relevant case studies. Since it is not limited in one method, thus the author can have the opportunities to use different methods that depend on the case circumstances and special situations. According to Eriksson and Wiedersheim-Paul (2001), the advantage to use a qualitative case study approach is that it accepts the fact that there are many different opinions of the study's purpose.

3.4. Data and Sample Selections

This research will use secondary data in the past literature that is relevant to the author's topic. This data will reflect both the Chinese and British consumers' decision making behaviour of the luxury brands. Since the consumer behaviour keeps changing with the development of economic environment, so in order to make this research's result to be more effective, the author will only utilize data collected from past ten years documentation, which specifically, the second data is valid from 2002 to 2012. The process of using case studies to collect data is a very complex way, because that all these sources complement each other. And this way has its own advantages and disadvantages.

The advantages with multiple case studies are that the depth and the broad of the information are not limited to the time and the space resources, and it is efficient and easy to get hold of (Denscombe, 2000). But the disadvantage of having case study analysis is that it's difficult to coherent those different orientation studies to the objectives of this research. The author must be very careful to tell the data valid or not.

3.5. Data Analysis

Based on the declarations by Yin (2003) of case study, the case study is supposed to start with a general analytic strategy choosing from the following strategies:
- Based on the theoretical proposition
- Thinking about rival explanations
- Conducting a case description

Under the guide of the three strategies, the author will be able to treat the evidence fairly, to use tools to make manipulations more effective and efficient and to produce analytic conclusions.

Since there is no similar cross-cultural study on luxury brand purchasing between Chinese and British consumers, the author will analyze Chinese and British consumers' data separately. After that, the data of these two countries will be compared for a cross-cultural research. The analysing stage can be summarized as two steps: within-case and cross-case analysis (Yin, 2003; Miles & Huberman, 1994). These two process stages will involve validity and reliability method. Validity is about to explain the ability to measure what actually plan to be measured. Reliability means that other researchers who use the same approach should be able to come up with the similar results (Erikson & Wiedersheim-Paul, 2001).The data goes to test the hypotheses based on the literature. These can be state as the following:

Proposition 1: Positioning for luxury brands will raise brand awareness or reputation. It works to consumers in China as well as in Britain. Consumers in two countries both are brand conscious.

Proposition 2: The effect of the brand differentiation on consumer choice-making is culturally dependent.

Proposition 3: Brand positioning will increase overall brand loyal attitude towards luxury brands, but the level of the loyalty is different, especially the British consumers, since they are more brands loyal.

4. DISCUSSIONS

4.1 Decision Making of the Chinese Consumers

While the author reviews the previous papers that investigate the Chinese consumers' intentions towards luxury brands, there is similar literature that explores the topic about the Chinese consumers' luxury brands consumption. The main findings are listed in Table 1. Table 1 is the study which is conducted in Chinese core cities. Summarized from the Table 1, it indicates that the Chinese consumers are branding conscious, and the majority of them prefer western brands because of the successful positioning: unique fashion style, lifestyle proposition, and brand personality. One fact about luxury brand is that the top ten luxury brands are from western (see Table 2, see Appendix). Based on the findings from Table 1, it can be indicated that the western luxury brands have their special brand value and it's significantly different from the Chinese regional luxury brands (P1).

Proposition 1: Positioning for luxury brands will raise brand awareness or reputation. It works to consumers in China as well as in Britain. Consumers in two countries both are brand conscious.

Table 1
Evidence in Extant Research in Chinese Consumer Shopping Behaviour

Authors	Sample location (I=inland, C=coastal)	Sample size	Main findings
Dickson et al. (2004)	Beijing (C), Guangzhou (C), Shanghai (C)	1628	Consumers prefer Western brands because they are associated with success. Price and quality are essential attributes influencing their purchase decisions
Kim et al. (2002)	Shanghai (C)	399	Young consumers want to have fun and enjoyment in life, and verybrand loyal.
Smith and Wylie (2004)	Beijing (C), Shanghai (C)	1200	Consumer are brand conscious. They especially desire western brands. They bond with brands that are unique and show individual style.
Tai (2005)	Shanghai (C)	126	Consumers are very quality conscious, price and value conscious, enthusiastic about fashion and personal style.
Wu and Delong (2006)	Shanghai (C)	219	The design and fashion of jeans are critical but superseded by quality

Table 2
Top 10 Luxury Brands in the World (Millward Brown Optimor's, 2012)

	Brand names	Origins
1.	Louis Vuitton	France
2.	Hermés	France
3.	Rolex	Swiss
4.	Chanel	French
5.	Gucci	Italy
6.	Prada	Italy
7.	Cartier	France
8.	Hennessy	France
9.	Moët & Chandon	France
10.	Burberry	United Kingdom

Table 3
Consumer Decision-Making Scale Adopted in the Paper (selected section) (Zhou, 2009)

Variable		Items
Novelty and fashion conscious (α: FJ=.77, SX=.82)	1.	Fashionable, attractive styling is very important to me.
	2.	To get variety, I shop different stores and choose different brands.
Confused by overchoice (α: FJ=.73, SX=.76)	1.	There are so many brands to choose from that I often feel confused.
	2.	Sometimes it's hard to choose which stores to shop.
	3.	The more I learn about products, the harder it seems to choose the best.
	4.	All the information I get on different products confuses me.
Habitual/Brand loyal (α:FJ=.70,SX=.76)	1.	I have favourite brands I buy over and over.
	2.	Once I find a product or brand I like, I stick with it.

In the research paper of the Chinese consumer decision-making styles by Joyce Xin Zhou, the researchers have focused on how Chinese consumers make their decisions while facing with kinds of products and brand choices. Joyce Xin Zhou uses seven-point likert scale, which is from 1 (strongly disagree) to 7(strongly agree) based on 39 items in the Consumer Style Inventory (CSI) variables from the original Sproles and Kendalls' study. Samples are taken from the students in two large Chinese universities, which consist of 440 students (266 female and 171 males). Student samples are appropriate to support the study, because consumer who has a university degree is most affluent in luxury brand purchasing and they are also an important consumer group that brand managers are eager to pursue in the future.

Table 3 states that the variable influence that effects consumers' purchasing decisions. As there are 39 items in total and the author only keeps the relevant research propositions and deletes others. The reliability of the majority of the variance is satisfactory (Table 3). It can indicate that Chinese consumers are keep brand loyalty if a luxury brand's positioning is proper in fashion and

styling luxury market. However, when they facing with many similar brands, they would be confused about the differences and their loyalty to brand will then decrease (P3). The brand loyalty on single brand would be indecisive and it would face more challenges from other luxury brands that are in the same product category. It also highlights the phenomenon that the communication of luxury brands positioning and differentiation still falls behind to western markets. Chinese consumers still lack of knowledge about the worldwide-known luxury brands.

Proposition 3: Brand positioning will increase overall brand loyal attitude towards luxury brands, but the level of the loyalty is different, especially the British consumers, since they are more brands loyal.

4.2 Decision making of UK Consumers

This case is based on the research of the British consumers' decision-making style; this research specially focuses on the British consumers' decision making style. The data are collected from 483 undergraduates. Bates makes some changes to let the CSI framework more suitable to British culture, as he thinks that the previous questionnaire is academically described. In South American, the grammar and the meaning of some words in the questionnaire are ambiguous. Therefore, he undertakes 38 CSI items, rates it into a 5-point agree-disagree likert scale and arranges it into two different random orders so as to assess and minimize the order bias. Principal component in this study is analyzed with an orthogonal rotation method, interpreted with a varimax rotation method, and examined with three traditional reliability estimates: alternative form, test-retest and internal consistency. The test is completed as the following.

Table 4
Test-Retest CSI Item Reliabilities (selected item) (Mitchell & Bates, 1998)

	Item	R value (n=81)
2	To get variety, I shop in different stores and buy different brands.	0.12
8	I spend little time decision on the products and brands I buy.	0.21
22	There are so many brands to choose from that I often feel confused.	-0.09
25	The more I learn about products, the harder it seems to choose the best	-0.21
33	Fashionable attractive stylin2: is very important to me.	0.18
35	I look very carefully to find the best value for money.	-0.12
38	I normally shop quickly, buying the first product or brand that seems good enough	0.27

Table 4 shows that the reliability value of CSI items of British consumers is not very high, i.e. British consumers are clear about what a brand represent for. The brand's differentiation and unique positioning in the competing

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market can help British consumers to make their decisions quickly and keep long-term stable loyalty (P1). Once the position image of luxury brand is clear, British consumers are less likely confused by various brand choices (P3). And the overall brand equity is more important than the money value factor in the process of decision making.

And from Table 5, we can see that British consumers are less conscious of the money they spend during shopping and the impulsive shopping just frequently happens (F=0.678). The consumers treat the price and advertising, i.e. luxury brands position and differentiation themselves on monetary and personality image aspect in the market, as a hint symbol of a product's quality and often they prefer to choose the brands in good quality. When looking across those clusters, trait of "recreational, hedonism" seems to be the most important among all clusters. Other traits such as "brand consciousness",

"confused by over choice" turn to be less important discriminators. It explains the phenomenon that British are less obsessed with luxury brands consumptions as they understand the value of each luxury brands well; and because the British consumers have better understanding of the luxury brand, the brand loyalty is relatively high (F=0.753). It can urge them to make up their own mind. Brand loyalty part indicates that luxury fashion consciousness is a very important element in brand choice decision and it's a powerful discriminating trait. One implication of the choice-making traits is that it can organize and separate consumers into different segments. One of the negative factor is that "Shopping is not a pleasant activity to me" (F= -0.879), British consumers prefer enjoying the experience of shopping, and outstanding positioning and differentiation are able to enhance this.

Table 5
A Ten-Factor Model of UK Consumer Decision-Making Style (Mitchell & Bates, 1998)

Item	Factor loading
Factor 1 Recreational, Hedonism.	
Shoping is very enjoyable to me.	0.881
Shoping is not a pleasant activity to me.	-0.879
I enjoy shoping,just for fun.	0.842
It,s fim to buy something new and exciting.	0.460
Factor 2 Perfectionism,High-Quality Consciousness.	
In genneral,I usually try to buy the best overall quality.	0.752
I make aspecial effort to choose the very best quality products.	0.701
Getting good quality is very important to me.I have very high	0.610
standards and expectations for products I buy.	0.588
I usually buy the more expensive brands.	0.431
Factor 3 Novelty-Fashion Consciousness.	
I keep my wardrobe up to date with the changing fashions.	0.836
I usually have at least one outfit of the newest style.	0.816
Fashionable, attractive styling is very important to me.	0.655
Factor 4 Confused by Overchoice	
There ar so many brands to choose from that I often feel confused.	0.815
I get confused by all the information on different products.	0.749
The more I learn about products,the harder it seems to choose the best.	0.574
Sometimes it,s hard to decide in which stores to shop.	0.593
Factor 5 Time-Energy Conserving	
I spending little time deciding on the products and brands I buy.	0.802
I really don,t give my purchases much thought or case.	0.625
I normally shop quickly,buying the fist product I find that seems Good enough.	0.596
Shoping in different stores is a waste of time.	0.413
I should spend more time deciding on the products I buy.	0.382
Factor 6 Brnd Consciousness	
The higher the price of the product the better its quality.	0.670
The more advertised brands are usually good choices.	0.662
I prefer buying the best-selling brands.	0.630
Good quality department and speciality stores offer the best products.	0.458
I usually buy the well-known brands.	
Factor 7 Price-Value Consciousness	
I look very carefully to find the best value for money.	0.674
I buy as much as possible at sale price.	0.581
I usually buy the lower-price products.	0.564
I carefully watch how much I spend.	0.558

Continued

Item	Factor loading
Factor 8 Impulsiveness	
I frequently purchase on impulse.	0.678
I often make purchase I later wish I had not.	0.613
I regularly change the brands I buy.	0.469
Factor 9 Store Loyalty	
I go to the same stores each time I shop.	0.687
To get variety I shop in different stores and buy different brands.	0.587
Shopping in different stores is a waste of time.	0.421
Factor 10 Brand Loyalty	
Once I find a product I like, I buy it regularly.	0.753
I have favourite brands 1 buy every time.	0.734

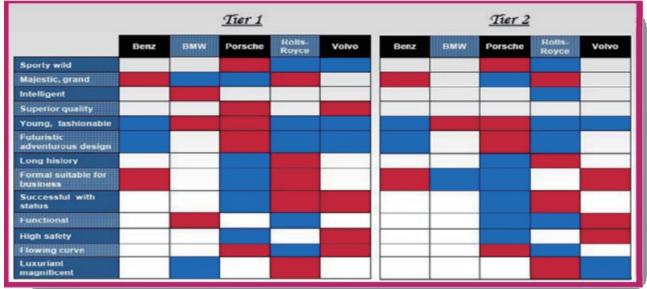## 4.3 Comparing the Chinese and British Consumers Choice-Making Behaviours

This research concerns that luxury brands in China will be as successful as in western countries. The author thinks luxury brand differentiation in China is in its infancy level, at least consumer do not perceive the brand's unique personalities clearly. Table 6 points out that the differentiation of luxury automobiles is still minimal: anyone can be anything. Repeat the Proposition 2 and combine the findings we've discussed above in Chapter 4. It is no doubt that there is some kind of disparity between the effect of luxury brands choice difference between the Chinese and British consumers.

Table 6
Differentiation of Luxury Automobiles: Anyone Can Still be Anything

Based on the framework mentioned at the end of literature review, and the data from the study in Zhou, Mitchell & Bates that is illustrated in 4.1 and 4.2 parts, Table 7 illustrates a clear comparison of the various effects on consumer decision difference on Chinese and British consumers. From Table 7, it is clear to see the similarity and differences of Chinese and British consumers' attitude towards luxury brands positioning and differentiation (pp.2, 3). In the cluster "novelty and fashion conscious variables", British and Chinese consumers behave differently. Chinese consumers pursue variety, while British consumers do not, which means British consumers are clear what kind of brand suits themselves rather than keep changing brands. While facing different brand choices, consumers from two countries both get confused, however, the British consumers are able to learn about brand position and differentiation knowledge quickly compared to Chinese consumers. When consumers find the brands they like, both British and Chinese consumers would keep their loyalty with the brands. However, when British consumers choose brands, they will take brands level, social status, and personal taste into considerations. On the other hand, the factors--- luxury brand products' price, quality and keep in fashion are still main factors that affect Chinese consumers' luxury brands consumption.

Table 7
Comparison the CSI Item Between Chinese and British Consumers

		Comparisons Chinese and UK consumers decision-making styles on luxury brands		
		Luxury brand positicning stimulation		
			Importance in Chinese consumer choice decision	Importance in UK consumer choice decision
CSI variable measurement	Brand conscious Decisicn-Making Style (3 items)	The well-known national brands of goods/services are best for me	High	Middle
		I prefer buying the bestselling brands of goods/services	High	High
		The most advertised brands of goods/services are usually very good choices	High	Low
	Novelty and fashion conscious (2 items)	Fashionable, attractive styling is very important to me.	High	High
		To get variety, I shop different stores and choose different brands.	High	Low
	Confused by Overchlice Decision-Making Style (4 items)	There are so many brands to choose from that I often feel confused.	High	High
		Sometimes it's hard to choose which stores to shop.	High	High
		The more I leam about products, the harder it seems to choose the best.	High	Low
		All the information I get on diffeerent products confuses me.	High	Low
	Brand Loyal Consumer Decision-Making Style (3 items)	I have favourite brands I buy over and over	High	High
		Once I find a product or brand I like, I stick with it.	High	High
		I regularly change the brands of goods/services I buy	High	Low

5. LIMITATIONS AND CONCLUSIONS

Positioning, differentiation and the construction for the luxury brand personality are becoming more and more important to luxury companies as they eager to reach out to customers. As competition among luxury brands becomes harder for majority companies, it is becoming more and more important to equip with the "little extra", the special characteristic that makes you stand out from your competitors.

This research definitely has limitations. Most crucially, even though the data of the cases might be an accurate reflection of Chinese and British consumers in metropolitan cities and districts, it is not the representative of the whole populations, because of the factor of the region differences, thus the findings may not be applied to all Chinese and British consumers.

Secondly, due to the data collection and analysis method the author uses are secondary based, information able that is provided to describe some individuals' choice of luxury brand by personal reasons is limited: lack of time, lack of space access, or lack of relevant basic understanding about other similar luxury brands. Nevertheless, despite those limitations above, this enquiry into Chinese and British consumers' choice-making towards luxury brands has generated new insights focusing on five main areas:

*It tests luxury brand purchase variables in Chinese context and British context by integrating models.

*It reconfirms the significance of relevant luxury brands positioning components influence.

*It supports perception as an antecedent towards choice-making intention in certain level.

*It proposes a revision of symbolic consumption in a Chinese context.

*It examines the role of differentiation as a motivation in luxury brand consumption both in Chinese and UK luxury markets.

Marketers who are working in British luxury brands markets need to take consideration with the carefully-targeted marketing strategies. So they are able to attract the four kinds of UK consumers: 1) Cautious Brand Loyalty, 2) Trend Setters, 3) Shopping Avoiders, and 4) Recreational Quality Seekers. In addition, more thoughtful researches are still required to find out how consuming behaviour differs, which would give more information on the topic. In conclusion, the impact of luxury brand positioning and differentiation on consumers can be measured under framework and we are able to compare consumer behaviours between two different countries to find out the similarities and differences, which can give a general idea to the luxury brand managers for the strategies of multinational luxury brand management and development.

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