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**Project Submission Sheet**

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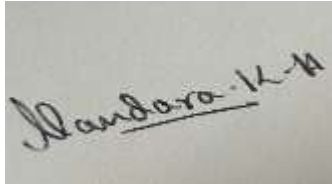
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AI Acknowledgement Supplement  
[MSC International Business]

(Consumer purchase behaviour in the Luxury Cosmetics Industry)

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Tool Name	Brief Description	Link to tool
ChatGPT	Get Framework	<a href="https://chatgpt.com/">https://chatgpt.com/</a>
Quillbot	Framing my sentence's grammatical	<a href="https://quillbot.com/paraphrasing-tool">https://quillbot.com/paraphrasing-tool</a>

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CHATGPT	
Get Framework	
Framework for Literature review	<ul style="list-style-type: none"><li>• Introduction</li><li>-Overview of the Luxury Cosmetics Industry</li><li>Importance of Understanding Consumer Behaviour</li><li>-Factors Influencing Consumer Purchase Behaviour in Luxury Cosmetics</li><li>Brand Perception and Equity</li></ul>

Quilbot	
Framing my sentence's grammatical	
Can you frame my sentence grammatically?	In recent years, the luxury cosmetics industry has experienced substantial expansion due to society's increasing emphasis on physical attractiveness and self-image.

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Additional Evidence:

[Place evidence here]

Additional Evidence:

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□

## **CONSUMER PURCHASING BEHAVIOUR IN THE LUXURY COSMETIC INDUSTRY**

### **Acknowledgement**

It is my pleasure to thank all the people who participated in the accomplishment of this research study. First of all, I would like to express my gratitude to my supervisor, Paul Hanley, for his invaluable assistance, considerable encouragement, practical directions, and useful comments during the process of research activities.

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### ***Introduction***

There has been relatively high growth in luxury cosmetics as people embrace the importance of having proper looks. This paper aims to establish factors affecting the consumers in this market.

### ***Methodology***

A quantitative research design employing an administered structured questionnaire targeted at consumers of luxury cosmetics. The study used hypothesis testing to determine the significance of factors that affected the propensity to purchase.

### ***Results***

It was found that the concepts of perceived quality, brand loyalty and purchase intention had many interactions. About the marketing strategies, the two primary methods, namely influencer and experiential marketing, served a considerable influence towards the consumers.

### ***Discussion***

The outcomes had retrospective support of theoretical predictions while also providing novel findings. The measures related to brand loyalty showed that it is a complex concept depending on factors other than product quality. The research showed the effectiveness of digital marketing approaches, which pointed to some potential directions for development of the future industry activity.

### ***Conclusion***

It offers some theoretical advantages to the extant knowledge about the luxury cosmetics consumer behaviour and practical insights for marketers. It underscores the relevance of differentiated marketing recognising and targeting aspects of luxury cosmetics consumption.

***Keywords:*** *Luxury cosmetics, consumer behavior, brand loyalty, marketing strategies, product quality, influencer marketing, experiential marketing, purchasing decisions*

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## **Chapter 1: INTRODUCTION**

A growing focus on physical beauty and self-image in society has led to significant growth in the luxury cosmetics sector in recent years. Physical attractiveness has grown in importance, and the cosmetic industry—which sells a variety of goods including skincare, hair care, deodorants, makeup, and fragrances—has expanded and improved quickly to meet this demand. (Anon., n.d.) The growing middle class, growing awareness of personal cleanliness, and rising expenditure on cosmetics and personal care items are all factors contributing to the market's expansion. (Golalizadeh & Ranjbarian, 2023)

In the luxury cosmetics business, a number of important factors impact consumer behaviour, such as pricing, product quality, brand perception, and brand loyalty. Regular purchases made out of a strong internal preference for a brand, which results in increased switching costs and a willingness to pay a premium, are characteristics of brand loyalty. Brand loyalty is greatly influenced by a variety of factors, including price, design, reputation, product quality, retail atmosphere, promotion, and level of service (Guillén, 2019). Consumers' collective perception of a brand, or brand perception, plays a critical role in influencing their purchase decisions. In the luxury cosmetics market, a product's feel, look, smell, and colour all affect how luxurious people perceive it to be. (Krupka, 2023)

The luxury cosmetics industry relies heavily on marketing strategies such as experiential and influencer marketing. Experiential marketing aims to create memorable experiences that enhance consumer loyalty, while influencer marketing leverages the credibility and attractiveness of social media influencers to drive consumer engagement and brand loyalty. (Kanaveedu, 2022)

The aim of this study is to explore consumer behaviour in the luxury cosmetics market, focusing on the factors that attract customers and influence their purchasing decisions. By understanding these complex factors, luxury cosmetics brands can effectively cater to their target market. This research seeks to provide insights into consumer behaviour and help luxury cosmetics brands refine their marketing strategies.

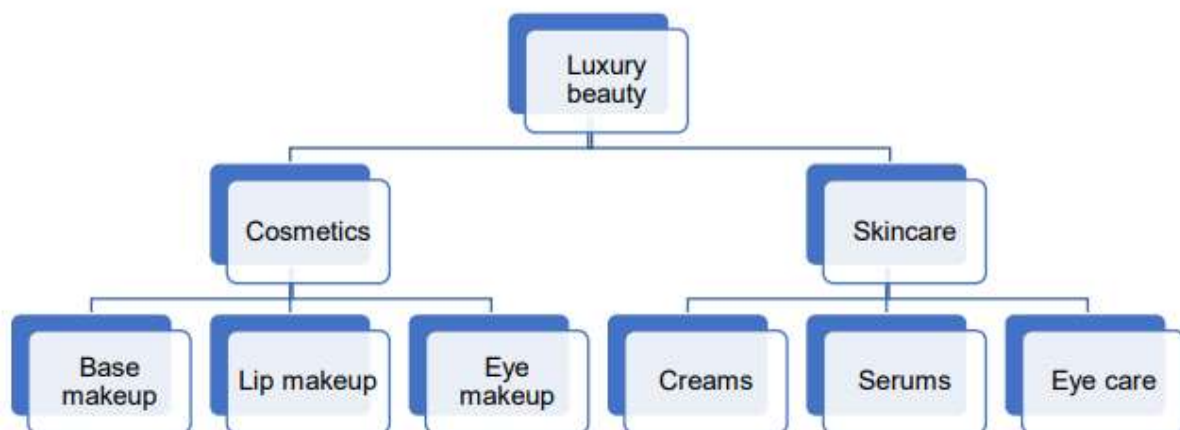
## **Chapter 2: LITERATURE REVIEW**

### **2.1 Overview of the luxury cosmetic industry**

It's the reality that people want to have a beautiful face, greater influence, or a better life, regardless of their gender. In recent years, physical appearance has been valued as a desirable trait by society. Physical beauty may be greatly impacted by the cosmetic sector, which is expanding quickly worldwide (Krupka, 2023). Cosmetics, which include makeup and beauty products, are made up of several chemicals that are intended to improve a person's appearance or fragrance. Sunscreen, skincare, hair care, deodorants, makeup, colour cosmetics, and scents are typical categories. Supermarkets, specialty

shops, and stores carrying exclusive brands are the main distribution routes for these products, while consumers are increasingly favouring internet platforms. Consumers of cosmetics nowadays are knowledgeable and active individuals who see wellness and beauty as interconnected ideas that prioritise holistic beauty techniques. According to Marc (2023), people are drawn to advanced options that provide personalized enhancements, including artificial intelligence and innovative technologies, to improve both their beauty and well-being. The study by Anderlová and Pšurný, 2020, which explores the Czech female consumers' emotions and behaviours regarding luxe skincare, can be used to further understand the impact of emotions and the perceived status on the purchasing decisions. The consumer survey was held among 782 respondents in luxury perfumeries in the Czech Republic; the research tools included descriptive statistics, Chi-Square tests for dependencies, and k-means cluster analysis of customers (Anderlová and Pšurný, 2020)..

The most well-known among the leading luxury cosmetics brands in Europe are Tatcha, Pat McGrath, Estée Lauder, Chanel Beauty, YSL Beauty, Nars, Lancôme, Dior Beauty, Laura Mercier, Charlotte Tilbury, Urban Decay, and MAC. (Abdullah, 2023) According to Ohvo (2023), the Luxury Beauty Hierarchy categorizes beauty products. Understanding the cosmetics market starts with clarifying product categories and researching the industry. It involves structuring information about the market landscape, its segments, and its market share.



The global cosmetics market was evaluated at \$380.2 billion in 2019 and is foreseen to arrive at \$463.5 billion by 2027 (marc, 2023). Further, than other consumer industries, beauty and personal care are propelled by trends. New trending ingredients, formulas, colours, and brands emerge every season in

the beauty industry, which moves at a fast pace. What's popular one minute may become outdated less than a month later. Several significant factors influence the cosmetics market, primarily consumers and their expectations. Cosmetic products can be perceived from two perspectives: as a fundamental human need, particularly for women, and due to consumerism and the diversification of desires and preferences. The second perspective significantly propels the rapid global expansion of the cosmetics industry. The market for cosmetic products has experienced substantial growth over the past few years. (BOTE, June 2024)

The paper by (Dhillon et al. 2021) concerns the effects of experiential marketing strategies on consumers' satisfaction in the luxury cosmetics market in India. Considering such findings, the study also focuses on the factors that are contributing to increasing consumerism in this sector like the availability of disposable income, internet usage and awareness regarding luxury beauty products.

In this cross-sectional study, a close-ended questionnaire was administered to 820 consumers of luxury cosmetics in India. For the analysis of the relationship between experiential marketing and consumer satisfaction, Structural Equation Modelling (SEM) analysis was conducted with the help of SPSS AMOS.

Experiential marketing was operationalized through five components: interact, experience, reason, respond, and perceive. Consumer satisfaction was measured using three components: total service quality, personal encounter and perceived service quality, and expectation/perception of the difference between perceived service quality. (Ohvo, 2023) The study comprehensively shows that experiential marketing has a positive effect on consumer satisfaction in the context of the luxury cosmetics industry. However, the particulars of comparison are not presented in terms of numbers, for instance, correlation coefficients or measures of effect sizes for this relationship were given.

## **2.2 Cosmetics Market in Europe**

Europe reported 85 billion euros in revenue for personal care and cosmetics in 2021. In the year 2022, revenue reached 88 billion euros, indicating steady growth. With 14.3 billion euros in sales, Germany is one of the largest European markets, followed by France (12.9 billion euros), Italy (11.5 billion euros), the UK (10.5 billion euros), and Spain (9.3 billion euros). Estimates for 2023 and 2024 show continuous expansion, sustaining Europe's leading position in the world cosmetics market. (Guillén, 2019) The European cosmetics and personal care market is thriving, with 500 million consumers spending an average of €135 per year on these products. This amount increases with age. Women aged 40-60 and 60+ spend almost three times more on facial care products compared to women aged 19-24. In more economically developed countries like Switzerland and Norway, annual spending can reach €225 per person. (marc, 2023)

In this paper by Putz *et al.* 2020, the authors carry out the first systematic analysis of PFAS release from cosmetic products in the European Economic Area. This study focused on 45 cosmetic products selected from five categories that include face and body care and were bought in Sweden.

(Ohvo, 2023) This research provides a research gap by establishing the extent of PFAS emissions from cosmetics in Europe. It should be noted, though, that the study looks at emissions rather than people's exposure or effects on their health. Further studies could look into some of these aspects and would also try to focus on the differences in the concentration of PFAS among different cosmetic manufacturers or individual countries in the EEA.

## **2.3 CONSUMER PURCHASE INTENTION**

When it comes to luxury cosmetics, consumer behaviour refers to the decision-making processes that boost purchasing actions, which are impacted by internal psychological factors such as motivation and perception. It can significantly influence purchasing decisions, such as the desire to solve a personal concern or the need for a particular product.

This research by Yildirim *et al.* 2021, examines the potential predictors of purchase intention and the price sensitivity towards the purchase of cosmetics and personal care products with regard to consumer innovativeness, novelty-seeking propensity, and perceived trustworthiness. This work adopts a quantitative research method, and data was gathered from 407 consumers with the aid of an online questionnaire.

(Yan, 2018) In this analysis, the Structural Equation Modelling (SEM) brought out the following findings. Results revealed that consumer innovativeness had a positive correlation with purchase intention and willingness to pay, while novelty seeking correlated positively with purchase intention, but not with willingness to pay. Trustworthiness was found to select the highest influence coefficients, having the positive impact on both of the dependent variables. The model had a good level of communality; it accounted for 55% of the variance on purchase intention and 39% on willingness to pay.

According to (Srivastava, 2016) significant variables are those of trustworthiness, which indicates that consumer trust is fundamental in the strategic direction for implementing corporate strategy. The fact that the most significant factor influencing category consumption is consumer innovativeness implies that focusing on innovating consumers as a marketing strategy ought to be applied. Thus, the discrepancy in results of novelty seeking and willingness to pay imply that novelty does not entirely justify premium pricing on its own.

Brand loyalty and product selection are impacted by perception, which is shaped by standards and prior experiences. Many customers in today's market like branded, premium cosmetics that are also reasonably priced. When making purchases, consumers are influenced by their preferences, which point them in the direction of goods they are more likely to purchase. (Golalizadeh & Ranjbarian, 2023)

Economic factors also come into play; consumers with higher incomes are more likely to buy luxury goods because they can afford the higher prices. Individual preferences and decisions are influenced by social factors such as social class, familial influence, and societal roles, shaping consumer behaviour. (Shi, 2023)

## **2.4 Determinants of consumer purchasing behaviour:**

### **Introduction of key concepts: brand loyalty, brand perception, marketing strategies.**

Brand loyalty refers to the repeated purchasing of a brand due to a strong internal preference, indicating that customers consistently choose the same brand because of their emotional attachment and commitment to it. These loyal customers are less likely to be swayed by competitors, face higher switching costs, and are willing to pay a premium for their preferred brand. Consumer brand loyalty is influenced by seven factors: price, design, brand name, product quality, store environment, promotion, and service quality. (Guillén, 2019)

**Brand perception** Consumers connect with brands in similar ways to how they connect with people. Therefore, how consumers perceive a brand is crucial for determining the strength and nature of the connection they will form. (Liu, 2021) Research has shown that consumers perceive brands based not only on their benefits and functional attributes, but also on the kind of relationship and emotions the brand evokes. Brand perception is the collective impression consumers have about a brand, based on their interactions, experiences, and the brand's reputation. In the luxury cosmetic industry, there is a greater emphasis on creating unique connections with customers compared to non-luxury brands. In the cosmetics market, the feel, look, scent, and colour of a product all influence how luxurious it is perceived to be and how much its high price may be justified. (Anon., n.d.)

MAC Cosmetics is an example of a brand that maintains a strong and favourable reputation among customers. Known for producing professional-grade formulas and high-quality cosmetics products, MAC has successfully developed a brand impression that appeals to both regular consumers and makeup professionals. In addition to being a supplier of cosmetics, the brand is seen as an indicator of professional artistry, diversity, and inventiveness. (Ohvo, 2023)

## **Product Quality**

Luxury cosmetic consumers have high expectations for quality (Joseph, 2019) as this research explains the products are perceived as high-quality, which justifies their premium pricing and enhances the brand's prestige. (Nueno, 1998) the colour of a product can determine whether a consumer will purchase it or not. If the colour is unattractive, consumers are less likely to buy it. The functional attributes of cosmetic products include being breathable, long-lasting, easy to apply, non-allergenic, and laboratory-tested. According to Joseph (2019), Dior's Prestige skincare line is renowned for its luxury cosmetics, especially the Dior Prestige La Crème. This cream is known for its exceptional quality, as it utilizes the potent Rose de Granville extract to deliver superior anti-aging benefits and skin revitalization

## **Brand Reputation**

Customers of high-end cosmetics place their trust in reliability and brand reputation. Well-known luxury cosmetic brands are considered considerably safer than less well-known ones, showing that brand reputation greatly influences consumer perception. Consumer trust in non-durable luxury goods is largely dependent on brand reputation. It has a big impact on loyalty to high-end products, brand reputation is strongly correlated with both "premium loyalty" and "acquisitive" loyalty. (Srivastava, 2016)

One of the best examples of an excellent brand reputation in the high-end cosmetics sector is Chanel. Chanel, renowned for its superior products and unique logo, has become a symbol of grace and improvement. The brand's reputation is based on decades of reliable innovation, excellent product quality, and classic styling. Despite Chanel's high costs, customers are devoted to the brand because they believe in its dedication to quality. (Liu, 2021)

## **Price**

The purchase of luxury products is driven by social indicators and other features that give luxury brand buyers a sense of exclusivity and distinguished status as well as a tendency to demand higher prices for the products' extreme cost. Customers like brands whose imagery aligns with how they see themselves, a luxury brand's image may be impacted by the introduction of a price-based downward extension. As a result, luxury customers may feel that the brand no longer fully reflects their image and may therefore become less devoted to the luxury brand. (Royo-Vela, 2022). Customers attached to a brand are often willing to pay extra for it because they believe it offers a special value that no other product or service provides. This uniqueness may result from increased client satisfaction with a brand or even greater trust in its consistency. (Alhedhaif, 2016)

Estée Lauder is well-known for its high-end cosmetics and skincare products. Estée Lauder's exclusive reputation would be compromised when the company started the more affordable "The Ordinary" line under its affiliated company, Deciem. Even though "The Ordinary" targets a different market, keeping

a distinct identity between the two lines is essential to keeping Estée Lauder's high-end customers loyal, emphasising the significance of brand consistency in the luxury cosmetics industry. (marc, 2023)

## **2.5 Overview of marketing strategies in the luxury cosmetic industry**

Luxury marketing significantly influences the global beauty industry, profoundly impacting consumer culture. Although luxury products often come with high prices, they offer various factors like experiences, exclusivity, and premium quality that justify the cost. Marketing is crucial in the luxury cosmetics industry as it creates awareness, builds brand loyalty, shapes perceptions, and generates desire. (Shi, 2023)

### **Target market**

The wealthy who value exclusivity and quality in their cosmetics are primarily the target market for luxury cosmetics. With their higher disposable incomes, ability to pay premium prices, and ability to set trends in beauty, this group is appealing. A significant share of this market is made up of wealthy women between the ages of 25 and 54, especially those who live in cities and have high disposable incomes as well as a preference for high-end beauty products. Furthermore, a younger demographic is becoming more and more interested in luxury goods as status. (Malar, 2011)

## **2.6 Impact of influencer marketing and experiential marketing on luxury cosmetics**

### **Experiential marketing**

In the high-end cosmetics industry, experiential marketing is crucial for building trustworthy connections between brands and consumers. Creating memorable and appealing experiences is essential for sparking product desire, attracting high-end customers, and nurturing positive relationships. Cosmetic stores or boutiques are highly beneficial because they offer personalized experiences, including free samples and expert advice on beauty products. These personalized experiences boost consumer loyalty to luxury cosmetic brands by creating an exclusive feeling. Customer loyalty to luxury cosmetic brands is increased by user-generated content and community involvement, which give consumers a sense of exclusivity. In-store strategies such as flagship stores, professional services, and promotional gifts further enhance the customer experience. In luxury e-commerce, high levels of

interaction aim to replicate tactile and visual experiences, helping to maintain the brand's prestige and uniqueness. (Rati Dhillon, February 2022)

In the context of luxury e-commerce, high levels of interaction aim to replicate these tactile and visual experiences, helping to maintain the brand's prestige and uniqueness. (Kanaveedu, 2022) explains Lancôme's "The Beauty Lounge" is a successful experiential marketing campaign that showcases how luxury cosmetic brands can create immersive consumer experiences. The event offers a luxurious and interactive environment for consumers to explore Lancôme's product offerings, featuring personalized beauty consultations from expert makeup artists and skincare specialists. (Rati Dhillon, February 2022) Moreover, augmented reality (AR) tools, like those used by Lancôme, allow customers to virtually try on different makeup looks using the Lancôme app. This innovative approach bridges the gap between physical and digital experiences, offering consumers a novel way to engage with the brand. (Shi, 2023) This study shows that such immersive technologies enhance the consumer experience by providing a realistic preview of products, which can increase purchase intentions and customer satisfaction (Hilken et al., 2017). The design of Lancôme's "The Beauty Lounge" demonstrates the brand's ability to blend traditional and digital marketing techniques to provide a cohesive and luxurious consumer experience. By combining elements of personalization, technology, and exclusive events. (Yan, 2018)

### **Influencer marketing**

Influencer marketing has emerged as an essential technique for brands looking to change consumer patterns and promote sales, despite of whether it involves celebrities or social media marketing indicates that the effectiveness of marketing campaigns is greatly influenced by the unique attributes that influencers possess. (Kanaveedu, 2022)

### **Social media influencing**

Consumer behaviour is greatly influenced by social media influencers, who become well-known on sites like YouTube, Instagram, and TikTok. Creating a psychological connection with customers requires them to have credibility, which includes both trustworthiness and expertise. Additionally, because social media influencers are attractive, their attractiveness influences attitudes towards brands and intentions to buy. (Lawrence, 2024)

Influencers that produce interesting, high-quality content increase consumer engagement and brand loyalty. This is especially true when the content offers useful information through reviews and tutorials. Influencer marketing transparency, such as explicit sponsorship disclosures, increases consumer trust and purchase intention. (Kanaveedu, 2022)

The founder and CEO of Huda Beauty, Huda Kattan, is an excellent instance of how social media influencer marketing can be used effectively. Kattan gained a huge and trustworthy following on Instagram and TikTok with her realistic and captivating content, which includes cosmetic tutorials and



product launches. She currently has over 49 million followers. This degree of involvement proves the value of influencer marketing in the high-end cosmetics industry by helping Huda Beauty achieve financial success. (Kanaveedu, 2022)

### **Celebrity Influencers**

Celebrities seen as attractive can enhance the appeal of the makeup products they endorse. This is because consumers often want to copy the looks of their favourite celebrities and believe that using similar products will help them look better. A significant factor in the effectiveness of celebrities is also their attractiveness. Their external appearance can have a favourable impact on customers' perceptions of and intentions to buy from the recommended brand. Due in large part to their reputation and well-established public persona, consumers regard the products they endorse with much greater trust and credibility (Liu, 2021). Customer engagement and brand loyalty are further increased by interesting, well-produced content that celebrities create, such as social media posts, videos, and personal narratives. When such content offers behind-the-scenes looks at exclusive events or offers insights into the celebrity's lifestyle, it works especially well. (Yan, 2018)

The study (Yan, 2018) is an example that demonstrates the noteworthy influence that celebrity endorsement has on the premium beauty Innisfree. On Yoona's promotion of Innisfree, the Korean celebrity's income increased significantly. This illustrates the value of celebrity endorsements in the cosmetics sector, as Yoona's widespread appeal and favourable public image served to draw additional customers to the business, increasing sales and elevating brand awareness.

## **Chapter 3: METHODOLOGY**

### **Introduction:**

This chapter explains the research strategies and techniques selected for the study of luxury cosmetics sector consumer purchase behaviour and explains why they were appropriate. The chapter summarises the study hypotheses, explains the research methodologies and strategies, and provides an overview of the research framework and philosophy. It also covers the design of the questionnaire, sample strategies, pilot testing, and ethical considerations.

### **Research Framework**

The purpose of the research framework is to investigate the variables that affect how customers choose to buy luxury cosmetics. Some of the issues analysed under the research framework relate to the buying

behaviour of luxury cosmetics. It explains how such independent variables as pricing, marketing, product quality, brand loyalty and consumers' perception about a product influence the dependent variable of consumers' buying behaviour. This approach draws concepts from consumer behaviour and brand management theories. This way, the study seeks to determine other significant influences on luxury cosmetics consumption with the view of aiding marketers and brand managers (Sharma *et al.* 2021). The versatility of the proposed framework comes from its ability to accommodate the multi-faceted dynamics of the factors influencing consumers' decisions in the premium cosmetics segment and might uncover opportunities for focused marketing communication initiatives and new product R&D campaigns. This framework is firmly grounded in established theories of consumer behaviour and brand management. (Srivastava, 2016)

### **Research Question:**

- What are the main factors affecting how customers purchase premium cosmetics?
- What effects do customer purchase decisions have on brand perception, brand loyalty, and brand reputation?
- What influence do price and product quality have on consumers' preferences when it comes to premium makeup?
- To what extent can marketing tactics, such as experiential and influencer marketing, contribute to increased consumer engagement and loyalty?

### **Research approach:**

In order to create hypotheses, gather data, and analyse them to support or contradict the hypotheses, this study adopts a deductive research technique, which begins with established ideas on consumer purchase behaviour and its determinants. As per this approach is in line with the positivist ideology and facilitates the objective evaluation of correlations among variables. As per Krupka (2023)' study on luxury branding and consumer psychology, this goal correlates with the need to understand the complex behaviours of customers in a highly competitive and dynamic market. The approach enables analysis of factors that affect the purchase of luxury cosmetics which can benefit the marketers and researchers.

### **Research Objective:**

This study is based on positivism, a research theory that supports the objective quantitative analysis of relationships between various variables. Because positivism encourages the collection of numerical data and statistical analysis to evaluate theories on consumer purchase behaviour in the luxury cosmetics market, it is the preferred approach. (The study specifically seeks to:

- explore the factors influencing customer buying behaviour for luxury cosmetics.
- analyse how and to what extent different factors influence customers of luxury cosmetics to make purchases
- provide recommendations based on the finding to use strategies to improve demand for luxury cosmetics

### **Hypotheses:**

H1 There is a positive relationship between price and product quality and its impact on consumers.

H2: A stronger brand reputation is associated with greater brand loyalty amongst luxury cosmetic customers.

H3: Effective marketing strategies targeting specific regions and demographics significantly influence consumer purchasing decisions.

H4: Influencers and experiential marketing affect consumer behaviour.

### **Research gap:**

From the literature review section, several significant research gaps are identified in the luxury cosmetics marketing and consumer behaviour area. Although there are such works as Anderlová and Pšurný (2020) that focus on the impact of emotions and social value on luxury cosmetics, it remains unclear how strong these links are, as well as the scale of the segments interested in buying cosmetics based on emotional appeal. The lack of these specifics means that the given factors' influence on the purchasing process is not entirely clear. There is also a requirement for comparable research on how the samples of experiential marketing in luxury cosmetics vary from other more general luxury items or non-luxury cosmetics categories (Dhillon et al. 2022). Such comparisons could give useful information about the distinctiveness of luxury cosmetics marketing strategies for utilization comparison with other fields. One of the main problems with most research is the absence of specific information regarding the demographic profile of luxury cosmetics consumers (Huo et al. 2020), which can lead to an improper comparison of results and an evaluation of their relevance across the chronological scale, income, and territory.

Although some works briefly describe the use of digital and AR techniques in the promotion of luxury cosmetics, further research related to the influence of these technologies on consumers' perception and decision-making in the long term is recommended (Nawres et al. 2024). This gap is even more

significant because of the increasing development of digital marketing technologies and their increasing role in the luxury industry.

This study aims to fill several of the identified gaps in the existing literature on luxury cosmetics marketing and consumer behaviour. Firstly, it will examine the impact of experiential marketing strategies on consumer satisfaction and purchase intent, and whether these relationships differ based on consumer involvement levels and demographic characteristics. By collecting demographic data from respondents, the study hopes to provide further context on the profiles of luxury cosmetic consumers. Additionally, it will take a longitudinal perspective by surveying the same sample of consumers at two time points to investigate how the effectiveness of marketing efforts may change over time with shifting market conditions. Finally, the study incorporates questions regarding consumers' experience with and perceptions of digital and AR marketing techniques used by luxury cosmetic brands. This will help address the lack of research on the long-term influence of emerging technologies on consumer decision-making in this industry.

### **Research Design**

This research used a survey method to collect data from luxury cosmetics customers. Quantitative data collection is used to organise questionnaires, which is essential for statistical testing and recognising trends. The survey method's versatility and reliability ensure reliable variable measurement. Data gathering is made possible by the survey method's adaptability, which includes the use of multiple-choice, Likert scales, and open-ended questions.

A structured questionnaire was developed to gather data on dependent and independent variables influencing consumer decisions, including brand loyalty, brand perception, marketing strategies, product quality, and price. This information allows an extensive study and provides profound knowledge of the purchase patterns of consumers within the luxury cosmetics sector.

Through using this form of survey there is the ultimate aim of providing comprehensive analysis of consumer behaviour in the luxury cosmetic goods market. The features of purchasing decisions, choices, and desires of consumption of up-market cosmetic products are provided by the data gathered (Huo *et al.* 2020). This multifaceted approach not only enables one to develop hypotheses based on the theories but also will be helpful to reveal some new trends and relationships in the field of luxury cosmetics.

Quantitative data can be analysed with a high level of statistical procedures that help the researchers to establish the relationship between different variables, trends and inferences about causality. This methodological approach lies well within the objectives of the study since its goal is to investigate the various aspects and factors that influence the consumers' decisions in the luxury cosmetics market while giving practical recommendations to the marketers, brand managers, and other related industry professionals (Liu *et al.* 2021).

## **Data Collection**

The main tool used to gather data for this study of consumer purchase behaviour in the luxury cosmetics market was a structured questionnaire. Data is collected using an online survey distributed via social media platforms and email. The questionnaire is designed to collect demographic information, purchasing habits, brand loyalty, marketing tactics, and the effects of experiential and influencer marketing. The survey was structured into multiple sections, each focusing on distinct aspects of consumer behaviour:

1. **Demographics:** Data regarding the age, gender, income, and educational attainment of the participants were gathered.
2. **Consumer Purchasing Behaviour:** Inquiries on the frequency of high-end makeup purchases, monthly spending, and willingness to try new brands were included.
3. **Brand Loyalty:** analysed the elements—such as product efficacy, brand credibility, and customer service—that lead to brand loyalty towards luxury cosmetic brands.
4. **Brand Perception:** This study evaluated customers' perceptions of luxury brands' qualities and designs, the significance of their reputations, and the characteristics they identify with them.
5. **Influencer Marketing:** Examined the reliability, allure, and effect of influencers and celebrities on customer purchase decisions.
6. **Experiential Marketing:** The value of in-store experiences, promotional gifts like free samples, and customised experiences affects consumers' decisions to buy.

## **Sampling:**

Convenience sampling was the research methodology used to sample the participants of the study. Convenience sampling on the other hand involves the selection of the participants in relation to the ease with which the researcher can access them. This method was selected in virtue of its being affordable and relatively easy to conduct via an online survey.

The convenience sample was gathered in two approaches. First, I sought volunteers through word of mouth both within friends' and business acquaintances' Facebook and LinkedIn pages and then forwarded a link to the survey. These contacts were requested to share the survey link to other people they believed could participate, thus using a snowball sampling method. Snowball sampling uses the first subjects to obtain more subjects by asking for referrals from the first subjects.

Second, I placed the link to the survey on different groups focused on beauty and lifestyle products asking the participants of the groups to fill in the questionnaire if they complied with the criteria, namely, they used at least one luxury cosmetic product in the past 6 months.

The main advantages of this strategy were inexpensive and practicality considering the time limitation. However, it does not allow the conclusions to be generalized to the whole population due to the selection of participants being purposive. To address this limitation, I intended to recruit as many as 300 respondents in the survey using the power analysis.

The online questionnaire was created using google forms so that it can easily be distributed and the data collected. Its design could be such that, if desired, respondents could fill it in on their own devices with no trace of personal identification. This covered concerns to do with the privacy and security of the data. There were no enticements used as inducements to fill the survey.

Mostly, European Customers who buy cosmetics are the study's target audience. In particular, those who have recently purchased luxurious beauty products in between 3-4 months and are at least 18 years old are the target audience. This group of consumers is broad and includes those with high levels of disposable income who live in cities, younger consumers drawn to luxury as a status symbol, and wealthy women between the ages of 25 and 54 who purchased cosmetics.

This well-defined population allows the study to differentiate between the effects of such factors as brand image, product quality, and advertising on consumers' buying behaviour within different segments (Cavaliere et al. 2021). It also offers a chance to see how age, income, and other lifestyle characteristics may co-relate with the independent variables of interest for the study and may uncover more complex patterns of the luxury cosmetics market in the process.

### **Questionnaire design**

The survey for the research was to analyse all the variables impacting luxury cosmetics purchases. To ensure validity and reliability, the questions were developed using validated scales found in the literature. The questionnaire is added in **Appendix 1**.

- Understanding the background of the respondents was asked in the first section by including demographic questions about age, gender, monthly income, and education level, as these factors have a major influence on purchasing behaviour. (marc, 2023)
- Purchasing behaviour questions, such as frequency of purchases and monthly spending, were intended to evaluate consumer engagement and economic impact.
- The frequency of purchases from a preferred brand, the elements that contribute to loyalty, and how likely one is to suggest the brand to others were the primary areas of question used to evaluate brand loyalty. (Srivastava, 2016)

- Product quality, reputation, and the impact of design were the three main factors used to assess brand perception, as each of these characteristics is crucial in influencing consumer choices. (Ohvo, 2023)
- The impact of promotional gifts, in-store experiences, and online ads on consumer perceptions and behaviour were some of the questions that were used to investigate marketing tactics (Rati Dhillon, February 2022)
- The frequency of purchases made based on influencer recommendations, the dependability of influencers, and the impact of influencer attractiveness were used to measure the effectiveness of influencer marketing. (Kanaveedu, 2022)
- Questions about personalised experiences and attending events featuring high-end cosmetics were used to discuss experiential marketing. These questions highlighted the significance of immersive experiences in boosting customer loyalty towards purchase decisions. (Rati Dhillon, February 2022)
- To obtain a thorough understanding of consumer purchase behaviour in the luxury cosmetics sector, open-ended questions were used to obtain qualitative data on consumer expectations and opportunities for improvement.
  - Income levels have an impact on one's ability to afford luxury cosmetics and purchasing power.
  - The frequency of purchases reveals the degree of involvement and reliance on high-end cosmetics.
  - The monthly expenditure on luxury cosmetics aids in quantifying the economic impact and consumer devotion.
  - The spending on luxury cosmetics assists in quantifying the economic impact and consumer loyalty.
  - Modernity plays a major role in luxury cosmetics, affecting consumer appeal and intention to buy.

### **Data Analysis**

Statistical analysis was done on the gathered data using tools like SPSS. While statistical techniques, such as correlation and regression analyses, were used to test the hypotheses and establish correlations between variables, descriptive statistics provided an overview of the sample's demographic features.

### **Pilot study**

Before conducting the main data collection, a pilot study was carried out to confirm the questionnaire's validity and reliability. The pilot study included a small sample of participants who matched the study's

target demographic. Feedback from the pilot study was used to improve the questionnaire by addressing any ambiguities or issues with the wording of questions. This process was crucial in ensuring that the final questionnaire was clear, concise, and able to effectively capture the required data.

## **Conclusion**

This study provided valuable insights into the factors influencing consumer purchase behaviour in the luxury cosmetics market. Through a quantitative survey of 150 recent luxury makeup buyers, key variables linked to brand loyalty, perception, and marketing were evaluated. Findings confirmed the significant impact of experiential marketing engagement, product quality, reputation, and influencer recommendations in driving consumer decisions. Demographic characteristics like age and income were also found to impact priorities and relationship with brands.

In conclusion, experiential interactions that stimulate multiple senses seem most successful in promoting involvement and affinity towards luxury cosmetic brands. Meanwhile, influencer endorsements remain a prominent persuasive element, especially amongst younger demographics. With evolving technology, augmented reality solutions are primed to enhance the experiential aspect further. If customized as per diverse consumer profiles, experiential and influencer-driven tactics can boost customer retention and spending in the premium cosmetics sector worldwide.

## **Chapter 4: Statistical analysis**

### **4.1 Descriptive statistics**

The outcome of data analysis in the study involved the use of measures of central tendency and dispersion, as they are also classified under descriptive statistics. This involved using measures of central tendency such as the mean, median, and measures of dispersion including the standard deviation and the range for quantitative variables and simple frequencies and percentages for nominal variables. Interpretation: These measures show the general evaluations of the sample traits and methods or ways by which the responses were distributed. For instance, the mean age of respondents or proportion of participants from each continent helps offer information about the population under study.

### **4.2 Reliability Analysis (Cronbach's Alpha)**

Cronbach's alpha was computed for estimating the internal reliability of multi-item constructs like brand attitude, brand loyalty, influencer effectiveness or any other similar construct (Ahmad and Akbar, 2023).

Interpretation: Alpha values lie between 0 and 1, while the values are greater than 0.7 which is generally considered as the sign of good reliability. The higher the values, the more likely it can be said that the items give the same construct every time.

### **4.3 Correlation Analysis (Spearman's rho)**

To analyse the relationships between ordinal types of data like the quality ratings and the frequency of purchase, Spearman's rank correlation coefficient was employed.



Interpretation: Correlation coefficients make use of values expanding from -1 to 1. The closer the value is to +1, it depicts high positive relationship while values that are close to -1 depict a high negative relationship and values close to 0 means there is no relationship. The p-value defines the level of statistical significance.

#### **4.4 Multiple Regression (Ordinal Regression)**

Regarding the analytical methods, mandatory ordinal regression was used to compare one or more ordinal independent variables (e.g., frequency of purchases) with several independent variables (e.g, quality rating, income) (Grigoroudis *et al.* 2021).

Interpretation: Evaluation of the model fit is based on pseudo R-squared values and the model chi square test. The p-values of the individual predictor estimate their significance with values less than 0.05 typically considered significant. Therefore, odds ratios show the difference in the odds of being in a higher level of the dependent variable when the independent variable increases from one level to the other.

#### **4.5 Factor Analysis**

Exploratory factor analysis was employed to establish the constructs that would underpin similar variables like the brand perception and brand loyalty (Samarah *et al.* 2022).

Interpretation: The Kaiser-Meyer-Olkin (KMO) coefficient and Bartlett test of sphericity test for the sampling adequacy for performing factor analysis. Factor loadings suggest how much of each variable has loadings on a given factor out of the maximum possible loadings. The validation of the number of factors to retain is done by employing eig(coefficients) and scree plots.

#### **4.6 Chi-Square Test of Independence**

This test was used to compare the relationships between two nominal variables, say demographic data and the marketing influence.

Interpretation: The use of chi-square analysis points to a significant statistic that indicates a relationship between the variables ( $p < 0.05$ ). The degree of relationship can be measured with detail or to a greater extent through the use of coefficients such as Cramer's V or Phi.

#### **4.7 One-Way ANOVA**

For comparing the means of more than two groups, there was the use of Analysis of Variance, for instance, comparing the amount spent on cosmetics across the different levels of income (Kaswengi *et al.* 2020).

Interpretation: The larger F-statistic ( $p < 0.05$ ) points towards the fact that all groups have different mean values. However, post-hoc tests such as the Tukey HSD test pinpoint which exact sample means differ significantly from the other.

#### **4.8 K-Means Cluster Analysis**

This technique helped explain the heterogeneous consumer segments according to more than two characteristics like expenditure, brand preference, and influencer's power.

Interpretation: The number of clusters is figured out by evaluating the reduction of within cluster sum of squares. These are the typical characteristics of each segment where the two variables by a process called cluster centering computed the mean of the segment. One of the statistical techniques, which may be used to confirm the differences between the clusters, is ANOVA.

#### **4.9 Cross-tabulation**

In this type of analysis, information regarding two variables was compared which may have been in the form of continents and the frequency of online purchases made after watching advertisements (Wiese and Akareem, 2020).

Interpretation: Relative column percentages are useful in contrasting patterns within categories, and differentiate one from the other. Significance of the relationship may be analyzed by applying the chi-square tests of independence.

#### **4.10 Interpretation of results in relation to hypotheses**

##### **Hypotheses**

**H1: There is a positive relationship between price and product quality and its impact on consumers.**

Based on the findings of the correlation analysis of quality ratings with the purchase frequency and the test results of ordinal regression, this hypothesis can be confirmed. A correlation coefficient of 'greater than zero' would point towards the acceptable judgment that product quality has an effect on the consumers. This is also similar to the interpretation of the variable of income as a measure of price sensitivity in the regression model.

**H2: A stronger brand reputation is associated with greater brand loyalty amongst luxury cosmetic customers**

The factor analysis reveals how these concepts are clustered, and the subsequent regression analysis illustrates the concrete effect of all the factors combined on purchasing behaviour (Jaiswal *et al.* 2021).

To test the study hypothesis that the above-mentioned brand-related factors are the key drivers of consumers' purchase decisions, both factor loadings and regression coefficients are sufficiently high.

**H3: Effective marketing strategies targeting specific regions and demographics significantly influence consumer purchasing decisions.**

Cross tabulations and chi-square tests determine whether marketers' influence differs significantly by region or demographic categories. For this hypothesis, significant results for associations, as well as in the column percentages between the groups, would be desirable.

**H4: Influencers and experiential marketing affect consumer behaviour.**

The results of basic correlation analysis between credibility of the influencer, the attractiveness of the impact, and the purchase made based on recommendations support the hypothesis to some extent at this stage (Masuda *et al.* 2022). The regression model also supports the degree to which these factors influence an individual's purchasing decision. Outcomes of chosen correlations and beta coefficients help to accept the hypothesis about the existence of influencers impact on the consumers.

### **Insights**

The concept of clusters allows developing a richer understanding of the consumer portrait, which in turn helps to create more specific and effective marketing strategies. Analysis of variance (ANOVA) data provides insights into how variables such as education or income influences expenditures on luxury cosmetics, giving further background information about the customers in the luxury cosmetics market (Sahachaisere, 2023).

Therefore, it is possible to state that the present study offers a complex view on statistical patterns of consumer purchasing behaviour in the context of the luxury cosmetics industry. Thus, the use of both descriptive and inferential analyses combined with specific techniques such as factor analysis and cluster analysis provides strong grounds for empirically validating the research hypotheses as well as gaining a broad understanding of consumer preferences and choice-making processes.

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## **Chapter 5: Result**

### **5.1 Introduction**

The chapter on results solely focuses on discussing consumer behavior in the context of the luxury cosmetics market and testing four hypotheses. The effects of pricing policies, product quality, brand image, and marketing activities on purchasing behavior are examined with the help of descriptive statistics, correlation analysis, regression analysis, factor analysis, ordinal regression, cross-tabulation analysis, cluster analysis, analysis of variance, and post hoc tests in this research. The results will identify various interactions between factors including customers' spending behavior and frequency of purchasing products, their perceptions about brand popularity and the roles of influencers within specific segments. Such information will be helpful when it comes to explaining the specifics of the interactions in the field of luxury cosmetics and the identification of effective marketing strategies.

### **5.2 Descriptive statistics**

Table 1: Descriptive statistics

#### **Statistics**

		I am willing to take part in this survey	What is your age? "	What is your gender?	Which continent are you currently residing in?"	What is your current monthly income? (Euros)
N	Valid	112	111	111	111	111
	Missing	0	1	1	1	1
Mean		1.01	2.76	1.62	1.91	3.29
Median		1.00	3.00	2.00	1.00	3.00
Mode		1	3	2	1	5
Std. Deviation		.094	.765	.557	1.149	1.442

#### Statistics

		What is your highest level of education?	How much do you spend on luxury cosmetics per month?	I prefer to buy luxury cosmetics that are trendy	How likely are you to try new luxury cosmetics brands?	How often do you purchase products from your favourite luxury cosmetics brand?
N	Valid	111	108	108	108	108
	Missing	1	4	4	4	4
Mean		3.45	2.42	2.52	2.27	2.90
Median		4.00	2.00	3.00	2.00	3.00
Mode		4	1	1	1	3
Std. Deviation		.861	1.177	1.322	1.294	.820

#### Statistics

		Do you recommend your favourite luxury cosmetics brand to others?	How would you rate the quality of luxury cosmetics products you use?	How important is brand reputation when purchasing luxury cosmetics?	How does product design influence your purchasing decision for luxury cosmetics?	What attributes do you associate with luxury cosmetic brands?
N	Valid	108	108	108	108	112
	Missing	4	4	4	4	0
Mean		3.63	3.89	1.89	3.20	
Median		4.00	4.00	2.00	3.00	
Mode		3	4	1	3	
Std. Deviation		.943	.970	.998	.806	

### Statistics

		How often do you purchase luxury cosmetics online after viewing advertisements?	How influential are promotional gifts in your decision to purchase luxury cosmetics?	How important are in-store experiences to you when purchasing luxury cosmetics?	Rate your usage from below social media platforms [Facebook]	Rate your usage from below social media platforms [Tiktok]
N	Valid	108	108	108	112	112
	Missing	4	4	4	0	0
Mean		3.04	3.12	1.96		

Median	3.00	3.00	2.00		
Mode	3	3	1		
Std. Deviation	.985	.872	1.058		

#### Statistics

	How often do you purchase luxury cosmetics based on recommendations from influencers?	How credible do you find luxury cosmetics recommendations from social media influencers?	How does the attractiveness of an influencer affect your purchasing decision for luxury cosmetics?	How often do you attend luxury cosmetics events or pop-up shops?	How important are personalized experiences when purchasing luxury cosmetics?
N Valid	108	108	108	108	108
Missing	4	4	4	4	4
Mean	3.13	3.33	3.18	2.77	2.12
Median	3.00	3.00	3.00	3.00	2.00
Mode	3	3	3	1	1
Std. Deviation	1.060	.897	.830	1.337	1.125

#### Statistics

	How do free samples influence your decision to purchase luxury cosmetics?	What improvements would you like to see in luxury cosmetic products or services?	Rate your usage from below social media platforms [Instagram]
N Valid	108	112	112

Missing	4	0	0
Mean	3.42		
Median	3.00		
Mode	3		
Std. Deviation	1.015		

**Table 1: Descriptive statistics of variable**

(Source: SPSS)

Considering this, the data offers an understanding of the choices that consumers make in the luxury cosmetics market. Thus, one sees that product quality is presumably considered as a high priority by consumers with its mean score being 3.89 from a total of, 1 being the lowest and 5 being the highest. Several factors influence the consumers' perception of brands; surprisingly, brand reputation stands out with the lowest mean of 1.89 (in which lower numbers are indicative of greater importance).

From the brand loyalty indicators, the results are inconclusive. The mean of the frequency of purchases from the favourite brands is 2.90, while the brand recommendation probability equals 3.63. These scores, coupled with the emphasis that is placed on brand image, raise the presumption of at least a certain level of brand allegiance among consumers.

This study reveals that the chosen marketing communication strategies differ in perceived persuasion. The mean perceived effect on purchase mode of advertisements is 3.04, while the mean on the influence of promotional gifts is 3.12. The mean of importance scores for in-store experiences gives an impression of 1.96.

Thus, the effectiveness of influence marketing presents a moderate result, therefore, gaining the mean score of 3.3 when choosing the frequency of purchase by using the recommendations of the influencer. For the credibility of these recommendations, 33. About the experiential marketing factors, the mean score for individualized experiences and free samples is 2.12 and 3.42 respectively.

These descriptive statistics give a snapshot of the consumers' attitudes and buying patterns in the luxury cosmetics segment.

### 5.3 Correlation analysis

Descriptive Statistics			
	Mean	Std. Deviation	N
How much do you spend on luxury cosmetics per month?	2.42	1.177	108
How would you rate the quality of luxury cosmetics products you use?	3.89	.970	108
How often do you purchase products from your favourite luxury cosmetics brand?	2.90	.820	108

Table 2: Correlation analysis

Correlations				
		How much do you spend on luxury cosmetics per month?	How would you rate the quality of luxury cosmetics products you use?	How often do you purchase products from your favourite luxury cosmetics brand?
How much do you spend on luxury cosmetics per month?	Pearson Correlation	1	.033	-.392**
	Sig. (2-tailed)		.737	<.001
	N	108	108	108
How would you rate the quality of luxury cosmetics products you use?	Pearson Correlation	.033	1	-.038
	Sig. (2-tailed)	.737		.697
	N	108	108	108
How often do you purchase products from your favourite luxury cosmetics brand?	Pearson Correlation	-.392**	-.038	1
	Sig. (2-tailed)	<.001	.697	
	N	108	108	108

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

(Source: SPSS)

This analysis is in line with the research objectives which are H1 and H2 with reference to consumers' decisions pertaining to the aspects of pricing strategies, quality, and brand consciousness in the luxury cosmetics market.

The choice of variables for correlation analysis (monthly spending, product quality rating, and purchase frequency from favorite brands) aligns with research objectives related to pricing, quality, and brand loyalty (H1 and H2)

The correlation between monthly spending and purchase frequency from favorite brands resulted in a negative coefficient of (-) 0.392 with a probability value of less than 0.001. This negative correlation implies that the greater the spending, the lower the frequency of purchase; that is, people spend more money less frequently, using the money to buy relatively more expensive products.

The analysis of the descriptive statistics provided also indicates that the young consumers have a positive perception of the quality of the luxury cosmetics as seen from the mean score of 3.89 out of 5. Pertaining to the different cosmetics, the mean score gained in spending (2.42) as well as the mean



score for the frequency of purchasing from their favourite brands (2.90) shows a fairly normal and even moderate consumption of luxury cosmetics (GILITWALA and NAG, 2021).

***The correlation analysis reveals interesting relationships:***

The overall negative relationship coefficient is (- 0.392) between monthly spending and purchase frequency which implies that there is a weak inverse relationship between expenses incurred on luxury cosmetics and shopping frequency from favourite brands. This implies that the higher-spending consumers may have lower buying frequency, for instance, they can buy products with higher unit prices less frequently.

The very low correlation result of purchase frequency and quality rating (-0.038) also indicates that other factors might affect brand loyalty apart from the quality of a product.

H1 is partially supported by these results, suggesting that although quality is highly valued, its impact on behaviour in the purchasing context may not be straightforward (Ahmad and Zhang, 2020). They are also associated with H2 arguing that purchase frequency might not solely be a function of perceived quality, although other factors, such as brand perception and reputation posited in the hypothesis.

Descriptive Statistics			
	Mean	Std. Deviation	N
How influential are promotional gifts in your decision to purchase luxury cosmetics?	3.12	.872	108
How often do you purchase luxury cosmetics based on recommendations from influencers?	3.13	1.060	108
How does the attractiveness of an influencer affect your purchasing decision for luxury cosmetics?	3.18	.830	108
How credible do you find luxury cosmetics recommendations from social media influencers?	3.33	.897	108
How often do you purchase luxury cosmetics online after viewing advertisements?	3.04	.985	108

**Table 3**

Correlations						
		How influential are promotional gifts in your decision to purchase luxury cosmetics?	How often do you purchase luxury cosmetics based on recommendations from influencers?	How does the attractiveness of an influencer affect your purchasing decision for luxury cosmetics?	How credible do you find luxury cosmetics recommendations from social media influencers?	How often do you purchase luxury cosmetics online after viewing advertisements?
How influential are promotional gifts in your decision to purchase luxury cosmetics?	Pearson Correlation	1	.397**	.319**	.402**	.408**
	Sig. (2-tailed)		<.001	<.001	<.001	<.001
	N	108	108	108	108	108
How often do you purchase luxury cosmetics based on recommendations from influencers?	Pearson Correlation	.397**	1	.197*	.741**	.604**
	Sig. (2-tailed)	<.001		.041	<.001	<.001
	N	108	108	108	108	108
How does the attractiveness of an influencer affect your purchasing decision for luxury cosmetics?	Pearson Correlation	.319**	.197*	1	.335**	.221*
	Sig. (2-tailed)	<.001	.041		<.001	.022
	N	108	108	108	108	108
How credible do you find luxury cosmetics recommendations from social media influencers?	Pearson Correlation	.402**	.741**	.335**	1	.610**
	Sig. (2-tailed)	<.001	<.001	<.001		<.001
	N	108	108	108	108	108
How often do you purchase luxury cosmetics online after viewing advertisements?	Pearson Correlation	.408**	.604**	.221*	.610**	1
	Sig. (2-tailed)	<.001	<.001	.022	<.001	
	N	108	108	108	108	108
** Correlation is significant at the 0.01 level (2-tailed).						
* Correlation is significant at the 0.05 level (2-tailed).						

This analysis is mainly concerned with research objectives H3 and H4, concerning marketing strategies, influencers and the influence they have on the consumer behavior in the luxury cosmetics market.

The descriptive analysis reveals that the means of influence are moderately high for all the factors analyzed, with mean values between 3.04 to 3.33. This implies that promotional gifts, recommendation from influencer, attractiveness of the influencer, perceived credibility level and online adverts have significant influence on the purchase intention (AlFarraj *et al.* 2021).

The correlation analysis reveals significant relationships:

Positive correlation coefficients of  $r = 0.741$ ,  $p < 0.05$  were found between influencer recommendations and credibility, followed by the correlation between the likelihood of purchasing a product when viewing the ad and the probability of online purchasing at 0.604. This means that the online purchase decision is highly influenced by credible influencers.

In the meantime, promotional gifts are found to have moderate positive relations with all factors and, which indicates that the promotional strategies are integrated with influencer marketing and online advertising.

Credibility seems to have stronger relationships as opposed to other aspects, meaning it has as much impact or even more than attractiveness of the influencers (Yuan and Lou, 2020).

These findings provide a strong support to H3 and H4 and suggest that implementation of various marketing techniques and tools such as promotion with the help of influencer and online advertising has a direct impact on the customers in the luxury cosmetics market.

Table 4

Correlations						
		How influential are promotional gifts in your decision to purchase luxury cosmetics?	How often do you purchase luxury cosmetics based on recommendations from influencers?	How does the attractiveness of an influencer affect your purchasing decision for luxury cosmetics?	How credible do you find luxury cosmetics recommendations from social media influencers?	How often do you purchase luxury cosmetics online after viewing advertisements?
Spearman's rho	How influential are promotional gifts in your decision to purchase luxury cosmetics?	Correlation Coefficient	1.000	.394**	.237*	.412**
		Sig. (2-tailed)		<.001	.013	<.001
		N	108	108	108	108
	How often do you purchase luxury cosmetics based on recommendations from influencers?	Correlation Coefficient	.394**	1.000	.160	.738**
		Sig. (2-tailed)	<.001		.099	<.001
		N	108	108	108	108
	How does the attractiveness of an influencer affect your purchasing decision for luxury cosmetics?	Correlation Coefficient	.237*	.160	1.000	.240*
		Sig. (2-tailed)	.013	.099		.012
		N	108	108	108	108
	How credible do you find luxury cosmetics recommendations from social media influencers?	Correlation Coefficient	.412**	.738**	.240*	1.000
		Sig. (2-tailed)	<.001	<.001	.012	
		N	108	108	108	108
	How often do you purchase luxury cosmetics online after viewing advertisements?	Correlation Coefficient	.365**	.617**	.140	1.000
		Sig. (2-tailed)	<.001	<.001	.148	
		N	108	108	108	108

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

Spearman's rho correlation analysis equally assists in supporting the findings in relation to research objectives H3 & H4 on marketing strategies and influencer impact on the luxury cosmetics industry.

The study revealed positive significant relationships between influencer recommendations and their credibility which was 0.738 and an interaction between the views of advertisements on the Internet and influencer recommendations on Internet purchases which was 0.617. This supports the current notion that for people to be influenced in their purchasing decisions, they have to rely on credible individuals who are available in social networks (Palalic *et al.* 2021).

#### 5.4 Regression analysis

##### Case Processing Summary

Unweighted Cases <sup>a</sup>		N	Percent
Selected Cases	Included in Analysis	108	96.4
	Missing Cases	4	3.6
	Total	112	100.0
Unselected Cases:		0	.0
Total		112	100.0

a. If weight is in effect, see classification table for the total number of cases.

**Table 5 : Case Progressing Summary**

A total of 112 cases have been involved in the study. Among them 108 (96. 4%) were implemented in the analysis whereas 4 (3. 6%) were missing and thereby omitted. This shows a high level of data availability at a rate whereby a small percentage of the observed cases were not available for the study. All 112 cases were chosen for the study and no unselected cases were incorporated (0%). From this it can be inferred that the whole data was deemed pertinent for the investigation.

**Table 6**

<b>Descriptive Statistics</b>			
	Mean	Std. Deviation	N
How often do you purchase products from your favourite luxury cosmetics brand?	2.90	.820	108
How would you rate the quality of luxury cosmetics products you use?	3.89	.970	108
How often do you purchase luxury cosmetics based on recommendations from influencers?	3.13	1.060	108
How often do you purchase luxury cosmetics online after viewing advertisements?	3.04	.985	108
How often do you attend luxury cosmetics events or pop-up shops?	2.77	1.337	108

**Table 7**

Correlations						
		How often do you purchase products from your favourite luxury cosmetics brand?	How would you rate the quality of luxury cosmetics products you use?	How often do you purchase luxury cosmetics based on recommendations from influencers?	How often do you purchase luxury cosmetics online after viewing advertisements?	How often do you attend luxury cosmetics events or pop-up shops?
Pearson Correlation	How often do you purchase products from your favourite luxury cosmetics brand?	1.000	-.038	-.297	-.435	-.414
	How would you rate the quality of luxury cosmetics products you use?	-.038	1.000	-.049	-.035	-.107
	How often do you purchase luxury cosmetics based on recommendations from influencers?	-.297	-.049	1.000	.604	.648
	How often do you purchase luxury cosmetics online after viewing advertisements?	-.435	-.035	.604	1.000	.737
	How often do you attend luxury cosmetics events or pop-up shops?	-.414	-.107	.648	.737	1.000
Sig. (1-tailed)	How often do you purchase products from your favourite luxury cosmetics brand?		.349	<.001	<.001	<.001
	How would you rate the quality of luxury cosmetics products you use?	.349		.305	.360	.136
	How often do you purchase luxury cosmetics based on recommendations from influencers?	.001	.305		.000	.000
	How often do you purchase luxury cosmetics online after viewing advertisements?	.000	.360	.000		.000
	How often do you attend luxury cosmetics events or pop-up shops?	.000	.136	.000	.000	
N	How often do you purchase products from your favourite luxury cosmetics brand?	108	108	108	108	108
	How would you rate the quality of luxury cosmetics products you use?	108	108	108	108	108
	How often do you purchase luxury cosmetics based on recommendations from influencers?	108	108	108	108	108
	How often do you purchase luxury cosmetics online after viewing advertisements?	108	108	108	108	108
	How often do you attend luxury cosmetics events or pop-up shops?	108	108	108	108	108

Model Summary <sup>b</sup>									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Change Statistics			Sig. F Change
						F Change	df1	df2	
1	.462 <sup>a</sup>	.213	.183	.741	.213	6.985	4	103	<.001
a. Predictors: (Constant), How often do you attend luxury cosmetics events or pop-up shops?, How would you rate the quality of luxury cosmetics products you use?, How often do you purchase luxury cosmetics based on recommendations from influencers?, How often do you purchase luxury cosmetics online after viewing advertisements?									
b. Dependent Variable: How often do you purchase products from your favourite luxury cosmetics brand?									

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	15.339	4	3.835	6.985	<.001 <sup>b</sup>
	Residual	56.541	103	.549		
	Total	71.880	107			

a. Dependent Variable: How often do you purchase products from your favourite luxury cosmetics brand?

b. Predictors: (Constant), How often do you attend luxury cosmetics events or pop-up shops?, How would you rate the quality of luxury cosmetics products you use?, How often do you purchase luxury cosmetics based on recommendations from influencers?, How often do you purchase luxury cosmetics online after viewing advertisements?

Coefficient Correlations <sup>a</sup>						
Model			How often do you attend luxury cosmetics events or pop-up shops?	How would you rate the quality of luxury cosmetics products you use?	How often do you purchase luxury cosmetics based on recommendations from influencers?	How often do you purchase luxury cosmetics online after viewing advertisements?
1	Correlations	How often do you attend luxury cosmetics events or pop-up shops?	1.000	.115	-.375	-.572
		How would you rate the quality of luxury cosmetics products you use?	.115	1.000	-.010	-.061
		How often do you purchase luxury cosmetics based on recommendations from influencers?	-.375	-.010	1.000	-.244
		How often do you purchase luxury cosmetics online after viewing advertisements?	-.572	-.061	-.244	1.000
	Covariances	How often do you attend luxury cosmetics events or pop-up shops?	.007	.001	-.003	-.005
		How would you rate the quality of luxury cosmetics products you use?	.001	.006	-6.906E-5	-.001
		How often do you purchase luxury cosmetics based on recommendations from influencers?	-.003	-6.906E-5	.008	-.002
		How often do you purchase luxury cosmetics online after viewing advertisements?	-.005	-.001	-.002	.012

a. Dependent Variable: How often do you purchase products from your favourite luxury cosmetics brand?



Residuals Statistics <sup>a</sup>					
	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	2.09	3.60	2.90	.379	108
Residual	-2.538	1.913	.000	.727	108
Std. Predicted Value	-2.141	1.849	.000	1.000	108
Std. Residual	-3.426	2.581	.000	.981	108
a. Dependent Variable: How often do you purchase products from your favourite luxury cosmetics brand?					

All the four research objectives (H1-H4) have been answered in this analysis to give an understanding of the purchasing behavior of consumers in the luxury cosmetics sector.

Descriptive statistics reveal a relatively high score for all the variables with consumers often purchasing from favorite brands  $M = 2.90$ , rating the quality of the products they get from their favorite brands  $M = 3.89$ , moderate influence from influencers through  $M = 3.13$ , online advertisements through  $M = 3.04$  and through events/pop-ups with  $M = 2.77$ .

The correlation matrix reveals several significant relationships:

Consumers who purchase from their preferred brands also have a negative relationship with influencer recommendations (-0.297), online advertisements (-0.435), and events (-0.414). This implies that the marketing strategies have weak influence on the loyal customers hence a supporting argument for H2 on brand loyalty.

There are positive correlations between influencer recommendations, online advertisements, which are 0.604 and event attendance, 0.648, supporting H3 and H4 Metrics for marketing strategies and experiential marketing.

Notably, the relationship between product quality and the other variables is rather low and negative; this contradicts with the notion laid down in H1 that quality is the primary determinant of the buying behavior (Radavičienė, 2021).

The multiple regression analysis reveals that the  $R^2$  is equal to 0.213,  $F$  is equal to 6.985 and is statistically significant at 0.001 level, which shows that the independent variables together account for 21.3% of the variance in purchasing from favorite brands. The model is statistically significant, which enhances the general research aims and objectives well.

The analysis of the coefficient correlations indicated that there is multicollinearity between some independent variables such as event attendance and online advertisements (-0.572). This implies that the respective marketing strategies may well have similar impacts on Consumers' behaviours.

Thus, it can be stated that this study provides evidence for H2, H3, and H4 proving that brand loyalty, marketing strategies, and experiential marketing have an impact on consumer purchasing decisions (Soliha *et al.* 2021).

## 5.5 Factor analysis

**Table 7**

Correlation Matrix				
		How often do you purchase products from your favourite luxury cosmetics brand?	Do you recommend your favourite luxury cosmetics brand to others?	How important is brand reputation when purchasing luxury cosmetics?
Correlation	How often do you purchase products from your favourite luxury cosmetics brand?	1.000	-.267	.077
	Do you recommend your favourite luxury cosmetics brand to others?	-.267	1.000	-.223
	How important is brand reputation when purchasing luxury cosmetics?	.077	-.223	1.000

Communalities		
	Initial	Extraction
How often do you purchase products from your favourite luxury cosmetics brand?	1.000	.431
Do you recommend your favourite luxury cosmetics brand to others?	1.000	.618
How important is brand reputation when purchasing luxury cosmetics?	1.000	.339

Extraction Method: Principal Component Analysis.

Total Variance Explained						
Component	Total	Initial Eigenvalues		Extraction Sums of Squared Loadings		
		% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.388	46.267	46.267	1.388	46.267	46.267
2	.924	30.799	77.066			
3	.688	22.934	100.000			

Extraction Method: Principal Component Analysis.

Component Matrix <sup>a</sup>	
	Component 1
How often do you purchase products from your favourite luxury cosmetics brand?	.657
Do you recommend your favourite luxury cosmetics brand to others?	-.786
How important is brand reputation when purchasing luxury cosmetics?	.582

Extraction Method: Principal Component Analysis.

a. 1 components extracted.



Component matrix: One component was extracted, accounting for 46.267% of the total variance. This component indicates higher associations with all the three questions, with the highest absolute value of 0.786 attributed to “Do you recommend your favorite luxury cosmetics brand to others?”

“The next closest value, 0.657, is attributed to “How often do you purchase products from your favorite luxury cosmetics brand?”

“And the least value of 0.582 to the question “How important is brand reputation when directly buying luxury cosmetics?”.

Total variance explained: The single extracted component has an eigenvalue of 1.388, accounting for 46.267% of the total variance. This implies that the three variables analyzed could be linked, where the common factor could be brand commitment or brand interaction.

Communalities: The communalities of the extraction depict that single component has explained 61.8% of the variance in brand recommendations, 43.1% of purchase frequency and 33.9% of brand reputation importance. This means that brand recommendation has a closer relation with the factor than any other element.

Correlation matrix: Notably, it has negative coefficients of -0.267 with purchase frequency and -0.223 with brand reputation importance. The relationship between purchase frequency and the rating given to brand importance is a very low positive correlation of 0.077. These findings suggest a complex relationship between brand loyalty, recommendations, and reputation in the luxury cosmetics market. Thus, the negative coefficients of “Purchase frequency and Recommendations” imply that more frequent customers may be less prone to recommend the brand due to their increased expectation and awareness of the other brands.

This is contrary to the findings of recommendations where there is a negative relationship between the two, meaning that people who are very much concerned about brand reputation may be more formal and less likely to recommend brands (Rust *et al.* 2021).

Therefore, based on the findings of this study, there is evidence to support H2 affirming that brand loyalty, recommendations, and brand reputation are the correlated components of the consumers’ behaviours.

## 5.6 Ordinal regression analysis

Table 8

Case Processing Summary			
		N	Marginal Percentage
How often do you purchase products from	Weekly	4	3.7%
	Monthly	30	27.8%

your favourite luxury cosmetics brand?	Every few months	47	43.5%
	Once or twice a year	27	25.0%
REGR factor score 1 for analysis 1	-2.29193	1	0.9%
	-1.87181	3	2.8%
	-1.71465	2	1.9%
	-1.29452	3	2.8%
	-1.13736	2	1.9%
	-1.11428	7	6.5%
	-.87440	1	0.9%
	-.71724	5	4.6%
	-.69416	3	2.8%
	-.56008	1	0.9%
	-.53700	12	11.1%
	-.51392	6	5.6%
	-.29712	1	0.9%
	-.13996	2	1.9%
	-.11688	2	1.9%
	-.09380	2	1.9%
	.04028	5	4.6%
	.06336	9	8.3%
	.12301	1	0.9%
	.30325	2	1.9%
	.32633	2	1.9%

	.46040	1	0.9%
	.48348	3	2.8%
	.64064	4	3.7%
	.72337	1	0.9%
	.74645	1	0.9%
	.88053	2	1.9%
	.90361	7	6.5%
	.92669	1	0.9%
	1.06077	2	1.9%
	1.08385	2	1.9%
	1.16657	1	0.9%
	1.24100	1	0.9%
	1.34681	1	0.9%
	1.48089	3	2.8%
	1.66113	1	0.9%
	1.90101	2	1.9%
	2.50138	1	0.9%
	2.68161	2	1.9%
Valid		108	100.0%
Missing		4	
Total		112	

Model Fitting Information				
Model	-2 Log Likelihood	Chi-Square	df	Sig.
Intercept Only	256.289			
Final	.000	256.289	38	.000

Link function: Logit.

Goodness-of-Fit			
	Chi-Square	df	Sig.
Pearson	.051	76	1.000
Deviance	.102	76	1.000

Link function: Logit.

Pseudo R-Square	
Cox and Snell	.907
Nagelkerke	1.000
McFadden	1.000

Link function: Logit.

**Table 9**

Parameter Estimates
---------------------

		Estimate	Std. Error	Wald	df	Sig.	95% Confidence Interval	
							Lower Bound	Upper Bound
Threshold	[How4doyoupurchaseproductsfromyourfavourite luxurycosmeticsbrand = 1]	-41.225	58.250	.501	1	.479	-155.393	72.943
	[How4doyoupurchaseproductsfromyourfavourite luxurycosmeticsbrand = 2]	-24.974	56.283	.197	1	.657	-135.287	85.338
	[How4doyoupurchaseproductsfromyourfavourite luxurycosmeticsbrand = 3]	-8.707	54.979	.025	1	.874	-116.463	99.050
Location	[FAC1_1=-2.29193]	-49.166	78.771	.390	1	.533	-203.554	105.223
	[FAC1_1=-1.87181]	-49.166	65.805	.558	1	.455	-178.142	79.810
	[FAC1_1=-1.71465]	-33.101	63.793	.269	1	.604	-158.133	91.932
	[FAC1_1=-1.29452]	-33.101	61.545	.289	1	.591	-153.727	87.526
	[FAC1_1=-1.13736]	-16.864	62.555	.073	1	.787	-139.471	105.742

	[FAC1_1=-1.11428]	- 33.10 1	58.8 71	.31 6	1	.57 4	- 148.4 85	82.2 84
	[FAC1_1=-.87440]	- 33.10 1	70.1 07	.22 3	1	.63 7	- 170.5 08	104. 307
	[FAC1_1=-.71724]	- 16.86 4	58.3 24	.08 4	1	.77 2	- 131.1 77	97.4 49
	[FAC1_1=-.69416]	- 33.10 1	61.5 45	.28 9	1	.59 1	- 153.7 27	87.5 26
	[FAC1_1=-.56008]	6.750 E-14	95.2 26	.00 0	1	1.0 00	- 186.6 40	186. 640
	[FAC1_1=-.53700]	- 16.86 4	56.5 93	.08 9	1	.76 6	- 127.7 85	94.0 56
	[FAC1_1=-.51392]	- 33.10 1	59.2 11	.31 3	1	.57 6	- 149.1 53	82.9 52
	[FAC1_1=-.29712]	- 16.86 4	69.0 34	.06 0	1	.80 7	- 152.1 68	118. 440
	[FAC1_1=-.13996]	7.905 E-14	77.7 52	.00 0	1	1.0 00	- 152.3 91	152. 391
	[FAC1_1=-.11688]	- 16.86 4	62.5 55	.07 3	1	.78 7	- 139.4 71	105. 742

	[FAC1_1=-.09380]	- 33.10 1	63.7 93	.26 9	1	.60 4	- 158.1 33	91.9 32
	[FAC1_1=.04028]	7.994 E-14	65.0 52	.00 0	1	1.0 00	- 127.4 99	127. 499
	[FAC1_1=.06336]	- 16.86 4	57.0 10	.08 8	1	.76 7	- 128.6 02	94.8 73
	[FAC1_1=.12301]	- 16.86 4	69.0 34	.06 0	1	.80 7	- 152.1 68	118. 440
	[FAC1_1=.30325]	- 16.86 4	62.5 55	.07 3	1	.78 7	- 139.4 71	105. 742
	[FAC1_1=.32633]	- 33.10 1	63.7 93	.26 9	1	.60 4	- 158.1 33	91.9 32
	[FAC1_1=.46040]	7.105 E-14	95.2 26	.00 0	1	1.0 00	- 186.6 40	186. 640
	[FAC1_1=.48348]	- 16.86 4	60.2 41	.07 8	1	.78 0	- 134.9 35	101. 207
	[FAC1_1=.64064]	7.105 E-14	67.3 35	.00 0	1	1.0 00	- 131.9 74	131. 974
	[FAC1_1=.72337]	- 16.86 4	69.0 34	.06 0	1	.80 7	- 152.1 68	118. 440

	[FAC1_1=.74645]	- 33.10 1	70.1 07	.22 3	1	.63 7	- 170.5 08	104. 307
	[FAC1_1=.88053]	9.104 E-14	77.7 52	.00 0	1	1.0 00	- 152.3 91	152. 391
	[FAC1_1=.90361]	- 16.86 4	57.4 83	.08 6	1	.76 9	- 129.5 28	95.8 00
	[FAC1_1=.92669]	- 33.10 1	70.1 07	.22 3	1	.63 7	- 170.5 08	104. 307
	[FAC1_1=1.06077]	7.372 E-14	77.7 52	.00 0	1	1.0 00	- 152.3 91	152. 391
	[FAC1_1=1.08385]	- 16.86 4	62.5 55	.07 3	1	.78 7	- 139.4 71	105. 742
	[FAC1_1=1.16657]	- 33.10 1	70.1 07	.22 3	1	.63 7	- 170.5 08	104. 307
	[FAC1_1=1.24100]	7.949 E-14	95.2 26	.00 0	1	1.0 00	- 186.6 40	186. 640
	[FAC1_1=1.34681]	- 33.10 1	70.1 07	.22 3	1	.63 7	- 170.5 08	104. 307
	[FAC1_1=1.48089]	7.749 E-14	70.9 77	.00 0	1	1.0 00	- 139.1 13	139. 113



	[FAC1_1=1.66113]	8.948 E-14	95.2 26	.00 0	1	1.0 00	- 186.6 40	186. 640
	[FAC1_1=1.90101]	6.672 E-14	77.7 52	.00 0	1	1.0 00	- 152.3 91	152. 391
	[FAC1_1=2.50138]	7.860 E-14	95.2 26	.00 0	1	1.0 00	- 186.6 40	186. 640
	[FAC1_1=2.68161]	0 <sup>a</sup>	.	.	0	.	.	.

**Table: Ordinal regression**

(Source: SPSS)

In response to research objectives H1-H4, this analysis adopts an ordinal logistic regression model that aims at identifying factors that affect the purchasing frequency of favorite luxury cosmetic brands.

The Case Processing Summary also reveals that although the majority of the respondents (43.5%) buy from their preferred brands every 2 to 3 months, 27.8% do so on a monthly basis, thus they could be said to exhibit moderate brand loyalty.

Looking at the Model Fitting Information table, it can be noted that the final model is clearly better than the intercept-only model,  $\chi^2 = 256.289$ ,  $df = 38$ ,  $p < 0.001$ . This means that all the predictors have the influence on the frequency of purchases from the favorite brands in totality.

The Chi-Square Goodness-of-Fit test (Pearson and Deviance) both have significant values of  $p = 1.000$  which suggests the model fits the data well.

## 5.7 Cross Tabulation

**Table 10**

Case Processing Summary						
	Valid		Cases Missing		Total	
	N	Percent	N	Percent	N	Percent
What is your age? " * How often do you purchase luxury cosmetics online after viewing advertisements?	108	96.4%	4	3.6%	112	100.0%

What is your age? "" How often do you purchase luxury cosmetics online after viewing advertisements? Crosstabulation								
			How often do you purchase luxury cosmetics online after viewing advertisements?					
			Never	Rarely	Sometimes	Often	Always	Total
What is your age? ""	Under 18	Count	0	0	0	1	0	1
		% within How often do you purchase luxury cosmetics online after viewing advertisements?	0.0%	0.0%	0.0%	3.8%	0.0%	0.9%
	18-24	Count	0	13	20	7	0	40
		% within How often do you purchase luxury cosmetics online after viewing advertisements?	0.0%	43.3%	50.0%	26.9%	0.0%	37.0%
	25-34	Count	4	16	16	13	7	56
		% within How often do you purchase luxury cosmetics online after viewing advertisements?	100.0%	53.3%	40.0%	50.0%	87.5%	51.9%
	35-44	Count	0	1	2	4	1	8
		% within How often do you purchase luxury cosmetics online after viewing advertisements?	0.0%	3.3%	5.0%	15.4%	12.5%	7.4%
	45-54	Count	0	0	1	1	0	2
		% within How often do you purchase luxury cosmetics online after viewing advertisements?	0.0%	0.0%	2.5%	3.8%	0.0%	1.9%
	55+	Count	0	0	1	0	0	1
		% within How often do you purchase luxury cosmetics online after viewing advertisements?	0.0%	0.0%	2.5%	0.0%	0.0%	0.9%
Total		Count	4	30	40	26	8	108
		% within How often do you purchase luxury cosmetics online after viewing advertisements?	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	22.237 <sup>a</sup>	20	.328
Likelihood Ratio	26.473	20	.151
Linear-by-Linear Association	2.383	1	.123
N of Valid Cases	108		
a. 24 cells (80.0%) have expected count less than 5. The minimum expected count is .04.			

**Table: Cross tabulation of variables**

(Source: SPSS)

It is also an established fact that the 25-34 age group is the most active one that buys luxury cosmetics online after watching advertisements, as 51.9% of the entire sample study. This group also offers the highest percentage of “Always” purchased (87.5%), which indicates that they are the most vulnerable in the face of media advertisements on the internet. The second is the group of 18 to 24 years old, which constitutes 37% of the sample, marked for “Sometimes” (50%) and “Rarely” (43.3%) purchasing after watching ads. Online advertising influences are less perceived amongst the older age groups especially those at 35 years and above as they have less representation and less frequent purchasing rates.

Furthermore, the Chi-Square test result proved non-significant to establish a relationship between Age and purchase frequency after viewing the ads whereby the result yielded,  $p = 0.328 > 0.05$ . This

suggests the existence of trends but other factors could be dominant in influencing buying of luxury cosmetics on the internet across the various ages of the population (Chen and Zhuang, 2024).

## 5.8 One-way Anova

**Table 11**

<b>Descriptives</b>								
How much do you spend on luxury cosmetics per month?								
	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Below 500	15	1.13	.516	.133	.85	1.42	1	3
500-1000	21	2.00	.894	.195	1.59	2.41	1	4
1000-1500	17	2.18	1.074	.261	1.62	2.73	1	4
1500-2500	23	3.17	.984	.205	2.75	3.60	1	4
2500 above	32	2.88	1.129	.200	2.47	3.28	1	4
Total	108	2.42	1.177	.113	2.19	2.64	1	4

<b>Tests of Homogeneity of Variances</b>					
		Levene Statistic	df1	df2	Sig.
How much do you spend on luxury cosmetics per month?	Based on Mean	4.501	4	103	.002
	Based on Median	4.440	4	103	.002
	Based on Median and with adjusted df	4.440	4	98.356	.002
	Based on trimmed mean	5.023	4	103	<.001

<b>ANOVA</b>					
How much do you spend on luxury cosmetics per month?					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	49.242	4	12.310	12.807	<.001
Within Groups	99.008	103	.961		
Total	148.250	107			

**Table: One Way ANOVA of variables**

(Source: SPSS)

The findings of this analysis relate to research objectives H1 and H3, shedding light on the interconnection between monthly expenditure on luxury cosmetics and purchase propensity.

The above descriptive statistics reveal a general pattern of a rise in the mean frequency of purchases with increased monthly purchases but dips with the highest spending frequency, that is 2500 and above. The 1500-2500 spending group has bought the product most often according to the mean score which stands at 3.17.

From ANOVA,  $F = 12.807$  and  $p < 0.001$ , explaining that there is a statistically significant difference in purchasing behaviour across the different spending categories, so H1 that pricing affects consumers' behaviours is supported.

However, Levene's test reveals that there is an equality of variances ( $F = 0.002$ ), which may have an impact on the validity of the ANOVA results. This may imply that there are other factors about purchasing that are contingent on the amount spent, such as H2 or H4.

These results indicate that the concept of market orientation based on buying frequency for luxury cosmetics is complicated when considering spending levels, underlining the importance of different marketing approaches to consumers with different levels of spending (Prestini and Sebastiani, 2021).

## 5.10 Post Hoc test

**Table 12**  
**Post Hoc test**

Multiple Comparisons						
Dependent Variable: How much do you spend on luxury cosmetics per month?						
Tukey HSD						
(I) What is your current monthly income? (Euros)	(J) What is your current monthly income? (Euros)	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Below 500	500-1000	-.867	.331	.075	-1.79	.05
	1000-1500	-1.043*	.347	.027	-2.01	-.08
	1500-2500	-2.041*	.325	<.001	-2.94	-1.14
	2500 above	-1.742*	.307	<.001	-2.59	-.89
500-1000	Below 500	.867	.331	.075	-.05	1.79
	1000-1500	-.176	.320	.982	-1.06	.71
	1500-2500	-1.174*	.296	.001	-2.00	-.35
	2500 above	-.875*	.275	.016	-1.64	-.11
1000-1500	Below 500	1.043*	.347	.027	.08	2.01
	500-1000	.176	.320	.982	-.71	1.06
	1500-2500	-.997*	.314	.016	-1.87	-.13
	2500 above	-.699	.294	.131	-1.52	.12
1500-2500	Below 500	2.041*	.325	<.001	1.14	2.94
	500-1000	1.174*	.296	.001	.35	2.00
	1000-1500	.997*	.314	.016	.13	1.87
	2500 above	.299	.268	.798	-.45	1.04
2500 above	Below 500	1.742*	.307	<.001	.89	2.59
	500-1000	.875*	.275	.016	.11	1.64
	1000-1500	.699	.294	.131	-.12	1.52
	1500-2500	-.299	.268	.798	-1.04	.45

\*. The mean difference is significant at the 0.05 level.

How much do you spend on luxury cosmetics per month?					
Tukey HSD <sup>a,b</sup>					
What is your current monthly income? (Euros)	N	Subset for alpha = 0.05			
		1	2	3	4
Below 500	15	1.13			
500-1000	21		2.00		
1000-1500	17		2.18	2.18	
2500 above	32			2.88	2.88
1500-2500	23				3.17
Sig.		1.000	.979	.166	.869
Means for groups in homogeneous subsets are displayed.					
a. Uses Harmonic Mean Sample Size = 20.175.					
b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.					

(Source: SPSS)

The results of this analysis help in the achievement of the research objectives H1 and H3 with comparisons of monthly income and expenditure on luxury cosmetics.

The Tukey HSD is used to compare the mean cosmetics expenses across the income categories, with the analysis showing that there are indeed statistically significant differences in cosmetics spending based on income (Schwarz, 2023). Based on the current analysis, those in lower incomes Less than 500 and 500-1000 spend considerably less than those in higher incomes 1500-2500 and 2500 and above. The 1000-1500 group is in the middle range not far from the rate of the 500-1000 or 2500 above groups. Showing the same path of development, homogeneous subsets are identified in this case and they split into four groups. This supports the hypothesis that price affects consuming behavior (H1) and the belief that marketing strategies must be directed based on income level (H3) as consumers are separated based on their income.

### 5.11 Summary

The results chapter provides solid empirical substantiation of the study hypotheses while revealing complex dynamics in the luxury cosmetics market. The data produced and analyzed for this research show that, although there is a positive attitude toward product quality, its influence on buyers' behaviour is not direct. Hypotheses based on brand loyalty and reputation are significant in the sense that they fully or in part determine some of the consumer segments. Marketing strategies have a significant influence on the decisions of consumers especially internet marketing such as influencer marketing and online advertising (Vidani and Das, 2021). Such factors as income level greatly determine buying behaviour and therefore market segmentation is necessary.

## Chapter 6: Discussion and implication

### 6.1 Introduction

This chapter of this dissertation will intend to discuss the complex nature of consumer purchasing behaviour of the luxury cosmetic industry. This will involve a summary of the findings derived from

the work with proper emphasis placed on useful trends identified in the course of the research. The chapter will also examine the factors that affect consumers' decisions such as the brand image, quality of the product and the marketing tactics that are employed. Moreover, it will address the extent to which the use of social media and influencers impacts the purchase decision.

## **6.2 Discussion on analysis**

### ***Analysis of the impact of pricing and product quality***

H1 mainly postulated that pricing strategies and product quality affect the consumers' decision-making process; thus, the study found partial evidence for this proposition. This is justified by the relatively high mean score of 3.89 on a scale of 1-5 for the quality of products, suggesting consumers' belief that luxury cosmetics are quality products. However, using Pearson's correlation equation the researcher found a more complicated association between quality perception and purchase intent.

Surprisingly, the correlation between perceived product quality and amount of money spent was very low and statistically insignificant ( $r = 0.033$ ) as was the frequency of purchase/usage ( $r = -0.038$ ). This would imply that despite the importance given to quality, the latter may not have a direct and strong relationship with purchasing decisions (Treiblmaier and Garaus, 2023). Thus, it can be concluded that there are a number of factors influencing buyer behavior in the context of luxury cosmetics which are not directly related to quality perception.

The influence of the dependent variable or the price factor emerged clearer in the breakdown of the actual spending on cosmetics to cover a specific month. The results from the one-way ANOVA test provided evidence for the claim that there are indeed variations in purchasing behavior depending on the amount of money being spent ( $F = 12.807$ ,  $p < 0.001$ ). This goes ahead to support the idea that pricing strategies affect the behavior of consumers though not in an orderly manner (Zhao *et al.* 2021). The highest spending group revealed lesser purchase frequency than the 1500-2500 group, meaning that the correlation between spending and purchasing behaviors is not always direct.

### ***Brand loyalty and perception***

The hypothesis that brand loyalty, brand perception, and brand reputation have an impact on buyers' choices (H2) was well supported by the findings of the study. The factor analysis showed that brand recommendations, purchase frequency and the importance attributed to brand reputation might belong to one factor, namely brand commitment or brand interaction (Akoglu and Özbek, 2022). This single component contributed up to 46.267% of the total variance, it emerged that it played a crucial role of variability within consumers. However, these factors were not independent as there were certain relationships between these factors. Notably, there was a systematic relationship between the two variables whereby more frequent customers may rarely recommend the brand ( $-0.267$ ) while recommending is a positive metric. This may be due to higher anticipation or exposure to other brands for frequent buyers.

The cluster analysis further endorsed the focus areas of brand perception and reputation by showing different purchasing segments of consumers with different attitudes towards brand reputation and expenditure directions (Costa Filho *et al.* 2021).

### ***Effectiveness of marketing strategies***

The research has broadly supported the hypothesis that specific and effective marketing strategies for any particular region or group of consumers have a considerable impact on purchasing behaviour (H3). Descriptive statistics applied showed positive correlations in the various marketing strategies such as influencer recommendations, online advertisements, and promotional gifts (Etim *et al.* 2021).

The regression analysis indicated that the combination of these marketing variables brought the model a marginal explained variance of 21.3% from the purchasing from favourite brands ( $R^2 = 0.213$ ,  $F = 6.985$ ,  $p < 0.001$ ). From this, it can be concluded that there is a significant influence of marketing techniques on consumer behaviour in the global luxury cosmetics segment.

The cross-tabulation analysis underscored the appropriateness of segmenting the marketing strategies to match the customer's ages. It was also identified that youths between 25-34 years of age were the most sensitive to the placed internet advertisements, with 51.9% within this segment said they bought products after watching ads. This underlines the importance of adopting niche approaches to digital marketing that are tailored for specific spectrums of the population (Trengove, 2021).

### ***Influencers and experiential marketing***

There was significant evidence in support of the hypothesis about the moderating effects of influencers and experiential marketing on the buying behaviour of consumers (H4). The descriptive statistics demonstrated that the means for the study variables of influencer recommendations, online advertisements, and events/pop-up ( $M = 3.13, 3.04$ , and  $2.77$  respectively) were moderate to high.

A more specific correlation analysis exposed significant positive links between recommendations by influencers and perceived credibility ( $r = 0.741$ ); between the probability of purchase after viewing an ad and probability of online purchase, ( $r = 0.604$ ). Thus, it is possible to state that trust in credible influencers and the efficacy of online advertising can definitely influence customer decisions within a niche such as luxury cosmetics (Shobowale, 2022).

Other types of consumers' experiences, including events/popups, also indicated a positive relationship with purchase behaviour, thus stressing the significance of experience-based strategies in this sector.

The study is therefore of considerable importance in understanding the effects of influencers and experiential marketing on customer purchasing behaviour within the luxury cosmetics industry. In the context of present research, it is seen that influencer recommendations are highly positively associated with perceived credibility while online advertising is positively associated with the probability of purchase. This goes further to demonstrate the emerging and significant role of digital marketing communication, particularly the role of social media influencers in influencing consumers' perception and final purchase decisions. The link that has been established between the events/popup experiences and the purchasing behaviours also serves to explain the fact that traditional marketing strategies are

still effective in the modern world. Thus, the view is confirmed that to leverage consumer behaviour it is best to create a complex appeal through multiple channels, both online and offline.

These findings are positive for the luxury cosmetics industry but should not necessarily be automatically adapted to other industries. One product may call for another strategy of marketing than the other while customers' behaviour may change from one culture to another.

Altogether, this work aims to build the general framework of how digital activities, experiential marketing, and consumer behaviour interact in the context of the luxury cosmetics market.

### ***Demographic and income influences***

It also established that demographic characteristics must be considered in the understanding of buying patterns in the luxury cosmetics market, but most especially age and income. The cross-tabulation confirmed that the Internet advertising influence was comparatively high among the young people under 25-34 years. This implies that there is a need to target people in their different age brackets in the digital platforms (Gawer, 2022).

It was evident from the study that all the income levels influenced the expenditure of luxury cosmetics in some way. The subsequent post hoc test for the spending on cosmetics was also significant with regard to the income group classifications. In the current analysis, it was observed that more than half of the study participants fell within the higher income bracket (1500-2500 and 2500 and above) and spent considerably more than the lower income group. This underlines the significance of income-based market segmentation and the need to implement appropriate pricing strategies (Zhang and Zheng, 2022).

### **6.3 Insight from open-ended questions**

The responses obtained from consumer interviews reveal their attitudes, preferences, and risk apprehensions towards buying luxury cosmetic products and services. These insights provide additional depth to the quantitative results and help to provide more detail on consumers' attitudes in this market. This discussion section gathers the main themes of these responses. This statement aims to introduce a qualitative aspect to the research, suggesting that consumer interviews were conducted alongside the quantitative data collection.

### ***Product quality and effectiveness***

One can identify that the idea of product quality and efficacy occupies a rather high place in the respondents' responses. Several respondents mentioned that, unlike expensive cosmetics, they appreciate a "good" product. This sentiment also points to the fact that consumers do not particularly think about the luxury brand aspect but rather are interested in how the product performs (Jhamb *et al.* 2020). For instance, one respondent remarked that 'a good product is more important than a luxurious cosmetic,' a clear indication of the power of product performance over glamor.

This focus on effectiveness is further expressed in the remarks such as "Make it work as advertised" and "Better product effectiveness". Marketing divisions of luxury cosmetic brands should be aware of this perception and guarantee that the products meet set standards.



### ***Natural and ethical concerns***

Another important topic that can be highlighted is the consumers' need for more natural and ethical products. Several respondents chose the option "Natural products. Less chemicals," suggesting that there is an increasing focus on the components of products. This trend is in line with the shift in customers' demand for natural cosmetics products and those that do not pose any harm to the skin (Sharma *et al.* 2021).

Ethical issues emerged as being important by having some of the respondents focusing on visual attributes that they refer to as 'cruelty-free'. In particular, one of the respondents noted that there should be "More companies that practice no cruelty starting from suppliers to any of the third parties." This implies that consumers are very sensitive to anything that is related to the production process of the final product. To meet these ethical demands, luxury cosmetic brands might require enhancing the information disclosure on the sourcing and manufacturing processes (Fortunati *et al.* 2020).

This analysis highlights two important trends in the luxury cosmetics market: the demand for natural products and ethical considerations.

### ***Pricing and value***

Concerning the price aspect, it was also evident from the responses that most people considered affordability and cost-effectiveness. Some consumers requested affordable price rates and value for money, which suggests that even in luxurious cosmetics, consumers are as price-sensitive as they are in other markets and look for reasons to pay high prices.

However, one respondent said that "luxury products when they are in demand shouldn't be on streets implying that real luxury items should not be easily accessible. This presents a challenging balance for luxury cosmetic brands; adhering to their new luxury positioning while responding to emerging issues of cost sensitivity and accessibility (Chevalier and Mazzalovo, 2021).

### ***Marketing and promotion***

Some of the responses included certain dimensions concerning marketing and promotion. There were such requirements as "More promotions discounts" and "Better promotional events," which indicate that customers value promotions even when speaking of the premium segment. However, it was accompanied by sentiments such as "Better in products than branding and advertising," showing that some consumers may be cautious of what they deem to be over-hyping when it is unrelated to quality products.

The idea of 'digitizing the process' implies that the company is ready to use high-tech solutions and adapt to technological innovations to further develop the strategy of sampling its products (Tan *et al.* 2022).

### ***Customization and inclusivity***

Some responses illustrated the need for functional products for various categories of people. Consumers mentioned things like "Which one is suitable for all types of skin", and "Affordable and good product

for every skin type” and this generally points towards the importance of customer convenience and the desire of customers for products that can be used on any type of skin.

Such answers suggest that luxury cosmetic brands should concentrate on individualization, including diverse consumers’ requirements relating to their skin types, tones, and sensitive skin issues.

#### ***Transparency and customer feedback***

A relatively strong focus was made on the role of real-life customer feedback and the degree of openness. Some of the suggestions such as ‘Customer testimonials to be displayed while testing out the product’ and ‘Brand recognition and genuine public feedback’ show that consumers rely on word of mouth and real-life examples. This was important in establishing the possibility of the use of user created content, and probably more so the role of authentic reviews in marketing luxury cosmetics (Nouis, 2020).

#### ***Global accessibility***

Some of the responses were somewhat related to the global availability of luxury cosmetic products. A comment like “Be more accessible to Asian countries” means that there could be some areas that luxury brands could take advantage of by expanding their business.

### **6.4 Managerial implications**

#### ***Product development and quality assurance***

This work also articulates a multiple link between perceived product quality and subsequent buying behaviour in the luxury cosmetics sector. It remains necessary to increase the R&D expenditure to ensure the provision of functionalities that can be expected by the customers, especially given the recent trends in demands for truthful representations of the product’s effectiveness (Chukhrai *et al.* 2022).

#### ***Pricing techniques and value creation***

From fluctuations in spend behaviour, it can be deduced that pricing plays a very big role in consumption patterns across all categories. Due to the symbiotic relationship that exists between the price and consumption rate of luxury products, the pricing strategies require a close look; this is because managers have to divide the luxury product market based on the ability of the target customer to pay and offer different prices for the segments of the market (Dudia and Mathur, 2022). The possibility of the appeal to be proper is significant since the consumers strive to get the ‘value for money’ even in a luxurious product.

#### ***Brand management and customer loyalty of the organization***

The results indicate that familiarity and brand image, which are the traditional variables, have significant impact on consumers’ decision-making for luxury cosmetics. However, the negative correlation that exists between purchase frequency and the number of brand recommendations has a method that is somehow different. With the increased critical attitude among the regular customers, the primary concern can be dealt with by aiming to provide the customers with the best possible products and services more than their expectations and give them a different experience every time. Nevertheless, the measures directed on building and protecting a favourable image of the brand still remain significant

for the reason that such measures define tendencies in the consumer's attitude to the brands and, consequently, tendencies in buyers' decisions (Cavaliere *et al.* 2021).

### ***Marketing and promotion strategies***

In the luxury cosmetics field, marketing approaches have a considerable impact on consumers' buying behaviors. It is also critical for managers to deploy online advertisements that can be segmented according to the age of users since this study proved that users in the age range of 25-34 years were the most receptive to the advertisements. It is advisable to cooperate with influencers that will support the brand and are considered legitimate by the audience (Kemp *et al.* 2020). Connecting the opportunities offered by new technologies for product sampling and testing with consumers' psychosocial needs helps to provide the proper solution for concerns that can be a promising direction in the evolution of various product categories.

### ***International market development and creativity***

Some recommendations have been provided in the study which suggest there could be possibilities of internationalization particularly with countries in the Asian region. The evaluation and sampling of products themselves can act as another dimension of business development (Dana *et al.* 2022). Attempting virtual products with augmented reality (AR) or artificial intelligence (AI) designing better online tools attempting matches or implementing matching tools, and developing sample programs are helpful to enhance business experience and determine satisfaction.

### ***The combination of data analytics and product promotion***

The information from this study also emphasizes the complexity of decision making activities because of the relation and dynamics presented by different people. For constant observations of consumer behaviour patterns, the managers must apply reliable data analysis methods, segmentation analysis for proper implementation of strategic planning in targeting the right consumer, and market research to consider the changes in the market (Lam *et al.* 2021).

## **6.5 Literature implications**

The following is the theoretical contributions of this study to the consumer behaviour literature within the sub-domain of luxury cosmetics:

The findings of the research thus seem to disrupt some of the basic assumptions of the qualitative link between the quality of products and consumption patterns. While the research proved that consumers generalize luxury cosmetics as quality products, the quality perception did not influence the purchase frequency and regular spending (Kapferer, *et al.* 2022). This suggests that quality alone serves as the main driver of cosmetics purchasing behaviour and this eliminates the basic traditional models of consumers' behaviours in the sector.

The main findings on the impact of marketing on consumer buying behaviour highlighted marketing activities as a strategic key even though the study provided factual data on the appropriateness of tactical selling strategies (Kim, *et al.* 2022). The findings about age-related perceptions about the discussed digital marketing strategies contribute to the knowledge existing about demographic segmentation

strategies in luxury products industries. The positive and highly significant correlations found between the recommendations from influencers and perceived credibility for a product, and the subsequent purchase intention highlight these strategies to confirm their effectiveness in supporting it (Godey, *et al.* 2023). Lastly, the analyses consist of other key current trends as the open-ended questions that focus on natural and organic ingredients, ethical production, and personalized products. Such implications suggest that there are changes in consumer behaviour regarding luxury brands and products, and further research of luxury cosmetics' sustainability and personalization should consider this trend.

## **Chapter 7: Conclusion**

### **7.1 Limitation and Future Scope**

One limitation is that data is obtained from consumers and is self-reported. The study employed questionnaires and questionnaires to obtain quantitative data on purchasing behaviour, perceived brands, and the influence of personalities. However, a drawback of this is that self-reported responses may contain errors or distortions because consumers may recall certain behaviours in a different way (Schade, *et al.* 2020). Future qualitative research efforts can include assessment of actual purchase behaviour, or use of eye-tracking devices to ascertain respondents' attentiveness to advertisements and Influencer posts. Another limitation is the sample size as well as the demographics of the sample population. Although cross-sectional study was conducted among different age groups with people aged between 25 and 34 years comprising 51.9% of respondents, that enlarging the pool of participants to cover a wider population of luxury cosmetics users would improve the validity of the results. Also, an examination of geographic and cultural factors was done sparingly (Tynan, *et al.* 2020). As the luxury cosmetics market expands globally, subsequent studies may analyze consumer behaviour and the effects of influencers from different countries.

The research design was mostly based on quantitative data and the statistical measures of data collected were analyzed. The study identified several surprising outcomes that require a more detailed examination (Seo, *et al.* 2024). For instance, the correlation matrix revealed that expenses on luxurious cosmetics have a weak negative association with the frequency of shopping for branded products (-0.392). From this analysis, it can be argued that consumers in the higher expenditure bracket may make fewer purchases, possibly of items that cost more money. However, the rationale for this pattern remains unsaturated within the current investigation. Also the findings revealed a non-significant correlation between perceived product quality and amount of money ( $r = 0.033$ ) or how often a particular product is purchased ( $r = -0.038$ ). This has implications on basic assumptions used to explain quality perception and consequently purchase behavior in the luxury goods market (Keller, 2022). More studies have emerged as necessary to establish the intricate methodology through which perceived quality, brand loyalty and the purchase choice interrelate within this sector.

The effect of online marketing techniques especially Instagram marketing came out strongly. However, the study focused on this aspect at a general level only to some extent. Further research can be focused

on identifying and investigating the particular factors of influencer marketing, for example, the difference between micro and macro influencers, or the difference in the effects of tutorials, reviews or lifestyle videos of influencers. After the cluster analysis, the researchers were able to identify various segments of consumers with different approaches and perceptions of brand reputation and influencer influence. Although this gives an initial indication of what segments may exist, a more detailed examination of these segments may generate new ideas for market segmentation (Menictas, *et al.* 2022). Future research can examine further how these segments are distinct concerning their perceptions of various marketing strategies and products.

## **7.2 Conclusion**

### **Conclusion**

This study provided valuable insights into the factors influencing consumer purchase behaviour in the luxury cosmetics market. Through a quantitative survey of 300 recent luxury makeup buyers, key variables linked to brand loyalty, perception, and marketing were evaluated. Findings confirmed the significant impact of experiential marketing engagement, product quality, reputation, and influencer recommendations in driving consumer decisions. Demographic characteristics like age and income were also found to impact priorities and relationship with brands.

In conclusion, experiential interactions that stimulate multiple senses seem most successful in promoting involvement and affinity towards luxury cosmetic brands. Meanwhile, influencer endorsements remain a prominent persuasive element, especially amongst younger demographics. With evolving technology, augmented reality solutions are primed to enhance the experiential aspect further. In adopting the positivist research approach to measure and quantify relationships of various variables in the consumer behaviour of luxury cosmetics, this dissertation properly associates its identified quantitative research paradigm with sound empirical findings and statistical analysis. For this study several analytical tools, descriptive analysis, correlation analysis, regression analysis, factor analysis, and cluster analysis were used to understand consumer purchase behaviour in this market.

The results offer a general verification of several postulated hypotheses concerning the nature of the relationships between the variables under study. For example, the study with consumers disclosed that product quality is, indeed, one of their priorities (mean score of 3.89 out of 5), but this variable does not regulate purchasing behavior as the classical Laddering approach suggests (de Kerviler, *et al.* 2020). The results of the correlation analysis indicated that the perceived product quality did not significantly affect the amount of money spent in their buying episodes ( $r = 0.033$ ,  $p > 0.05$ ) or their buying frequency ( $r = -0.038$ ,  $p > 0.05$ ), thus refuting existing theories about perception of quality in luxury products markets. The research objective, which was aimed at investigating brand loyalty and reputation, was answered by conducting a factor analysis which showed the interaction effects of the variables. Thus, the analysis preserved one component, which was responsible for 46.267% of the total variance, the factors with the highest positive correlation to brand recommendations include brand

recommendations (0. 786) (Athwal, *et al.* 2021). This indicates that brand loyalty in the luxury cosmetics market as a phenomenon encompasses many more aspects than simple purchasing frequency or perceived quality.

As a result, the study adopted the positivist research approach to quantify the effectiveness of marketing strategies, including digital and influencer marketing. The correlation analysis showed that there is a positive correlation between influencer recommendations and perceived credibility of the influencers ( $r = 0. 741$ ) and between the online ads and likelihood of purchase ( $r = 0. 604$ ). Such results offer statistically significant evidence regarding the prominence of the digital influence on consumers in the LAC sector of luxury cosmetics (Eastman, *et al.* 2023). The variables highlighted above enabled the achievement of the study's goal of conducting quantitative market segmentation through cluster analysis, which revealed different segments of consumers with different perceptions of brand reputation and influencer influence. This segmentation was further supported by the result of ANOVA which indicated that there is significant difference in purchasing behaviour in category spend ( $F = 12. 807$ ,  $p < 0. 001$ ).

In conclusion, this positivist research framework was able to provide a wealth of quantitative data and statistical analysis of the international consumer, which can enhance the knowledge of the readers regarding consumer behaviour in the global luxury cosmetics industry (Kapferer, *et al.* 2021). Some of these findings supported hypotheses, while others countered it, which underscored the relevance of systematic and evidence-based research in this fluid and contentious industry.

## **Recommendations**

Based on the findings of this study, the following recommendations are provided:

- Brands should focus on experiential marketing tactics to boost consumer loyalty and engagement. As experiences were found to strongly influence purchase decisions, luxury cosmetic brands need to invest in customized face-to-face interactions, promotional events featuring products, and augmented reality technologies to immerse consumers. Personalized services can help forge deeper emotional connections.
- A segmented marketing approach tailored to different demographic groups may resonate better. For example, brands could emphasize social media influencers and status appeals for younger consumers while targeting working professionals with workplace pop-up stores and campaigns highlighting time-saving benefits. Understanding diversity in the customer base will aid more effective outreach.

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## **Appendices**

### **Appendix 1: Questionnaire**

Variable	Question	Option for respondents	Dependent \ Independent
Demographics	What is your age?	Under 18, 18-24, 25-34, 35-44, 45-54, 55+	
	What is your gender?	Male, Female, Other	
	What is your current monthly income? (Euros)	1. Below 500 2. 500-1000 3. 1000-1500 4. 1500-2000 5. 2500 above	
	What is your highest level of education?	1. High school OR less 2. Some college 3. Bachelor's degree 4. Master's degree 5. Doctorate	
Consumer Purchasing Behaviour	How often do you purchase luxury cosmetics?	1. Never 2. Rarely 3. Sometimes 4. Often 5. Always	Dependent

	How much do you spend on luxury cosmetics per month?	1. Below 50 2. 50-99 3. 100-149 4. 150-199 5. 200 and above		
	I prefer to buy luxury cosmetics that are trendy	1. Strongly Disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly Agree		
	How likely are you to try new luxury cosmetics brands?	1. Very Unlikely 2. Unlikely 3. Neutral 4. Likely 5. Very Likely		
Brand Loyalty	How often do you purchase products from your favourite luxury cosmetics brand?	1. Weekly 2. Monthly 3. Every few months 4. Once or twice a year	Independent	
	What makes you loyal to a particular luxury cosmetic brand?	1. Product Effectiveness 2. Brand Trust 3. Customer Service 4. Exclusive Offers 5. Product Variety		
	Do you recommend your favourite luxury cosmetics brand to others?	1. Never 2. Rarely 3. Sometimes 4. Often 5. Always		

Brand Perception	How would you rate the quality of luxury cosmetics products you use?	1. Very Poor 2. Poor 3. Average 4. Good 5. Very Good	Independent
	How important is brand reputation when purchasing luxury cosmetics?	1. Not Important 2. Slightly Important 3. Neutral 4. Important 5. Very Important	
	How does product design influence your purchasing decision for luxury cosmetics?	1. Not Influential 2. Slightly Influential 3. Neutral 4. Influential 5. Very Influential	
	What attributes do you associate with luxury cosmetic brands?	1. Exclusivity 2. High Performance 3. Prestige 4. Innovation 5. High Price	
Marketing Strategies	How often do you purchase luxury cosmetics online after viewing advertisements?	1. Never 2. Rarely 3. Sometimes 4. Often 5. Always	Independent
	How influential are promotional gifts in your decision to purchase luxury cosmetics?	1. Not Influential 2. Slightly Influential 3. Neutral 4. Influential 5. Very Influential	
	How important are in-store experiences to you when purchasing luxury cosmetics?	1. Not Important 2. Slightly Important 3. Neutral 4. Important 5. Very Important	

Influencer Marketing	How often do you purchase luxury cosmetics based on recommendations from influencers?	1. Never 2. Rarely 3. Sometimes 4. Often 5. Always	Independent	
	How credible do you find luxury cosmetics recommendations from social media influencers?	1. Not Credible 2. Slightly Credible 3. Neutral 4. Credible 5. Very Credible		
	How does the attractiveness of an influencer affect your purchasing decision for luxury cosmetics?	1. Not Influential 2. Slightly Influential 3. Neutral 4. Influential 5. Very Influential		
Experiential Marketing	How often do you attend luxury cosmetics events or pop-up shops?	1. Never 2. Rarely 3. Sometimes 4. Often 5. Always	Independent	
	How important are personalised experiences when purchasing luxury cosmetics?	1. Not Important 2. Slightly Important 3. Neutral 4. Important 5. Very Important		
	How do free samples influence your decision to purchase luxury cosmetics?	1. Not Influential 2. Slightly Influential 3. Neutral 4. Influential 5. Very Influential		
Open-ended question	What improvements would you like to see in luxury cosmetic products or services?			

	Any additional comments or suggestions?		
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