

## **Open gates to luxury: How prestige lost its price, but kept its power**

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**Abstract:** In the present scenario fashion world is leading the entire business world. In this researcher have found that even fashion world is encouraging the business too. Luxury accessories are leading into generation of revenue. The research is to explore the variables which influence the purchase intention of the luxury goods. Data has been collected from the appropriate sample in Likert's scale with google forms. The collected has been analysed with IBM SPSS software and Smart-PLS. It is proved data is reliable and valid which generated SEM with variances which conclude even few of the demographic factors also influencing the purchase intention of the luxury products.

**Keywords:** Branding, Luxury accessories, exploratory, purchase intention.

### **INTRODUCTION**

Luxury brands have long been associated with exclusivity, wealth, and social distinction. Traditionally, owning a luxury item such as a designer handbag or a premium smartphone was a clear symbol of elevated status, often accessible only to the elite (Ko, Costello, & Taylor, 2019). However, in recent years, a shift has occurred not in the pricing of luxury products, but in their reach. Despite maintaining high price points, luxury goods are now owned by a broader range of consumers, thanks to increased financial flexibility, global brand penetration, and evolving consumer behaviour (Shukla & Bick, 2022).

Increased availability of the products has creating so much of demand and accessibility to broader audience. Many of the bigger brands have started manufacturing the luxury goods with reasonable price to attract the middle-income individual who seek to experience the luxury in economical (Balabanis & Stathopoulou, 2021). Phau & Prendergast (2010) stated that the prestige has changed from its pricing to perception. Where, the price of luxury items remains substantial by holding back the command among the customers.

This research is to investigate how consumer experience and brand identity are changing with respect to transformation happening at luxury segment in fashion industry or accessories. These changes the idea and perception of the people towards the luxury product since it is accessible for even masses.

### **Theoretical and Historical Roots: From Price to Symbolic Power**

Early theories treated luxury as direct reflection of wealth and privilege. Veblen (1899/2009) argued that people purchase expensive goods mainly to display status, while Simmel (1904/1957) described fashion and luxury as part of a “trickle-down” process where elites lead and others

imitate.

Leibenstein (1950) added that some consumers chase luxury because others own it (bandwagon effect), while others seek it to stand apart (snob effect). These perspectives show luxury as something bound tightly to money and exclusivity.

Later work broadened this view. Bourdieu (1984) showed that status is not only about money but also about taste, cultural literacy, and symbolic knowledge. Modern scholars similarly describe luxury as a mix of heritage, quality, and meaning-making, not just price (Ko et al., 2019).

Research on “masstige” and “new luxury” demonstrates how brands can offer prestige to a wider audience while still preserving some aura of exclusivity (Silverstein & Fiske, 2003; Kapferer & Bastien, 2012). This shift suggests that luxury has evolved from being primarily an economic marker to being a cultural and identity-based experience.

**Past vs. Present Luxury: Diffusion, Access, and the Meaning of “Prestige”** Today, this diffusion happens much faster. Platforms like Instagram and e-commerce sites have made luxury goods visible and aspirational to global audiences in real time (Rosendo-Ríos & Shukla, 2023). In addition, “intangible luxury” such as exclusive services, digital experiences, and software-enabled products now carries the same prestige once limited to physical goods (Ramadan, 2019). The rise of resale and rental markets also allows consumers to temporarily “own” prestige without the full financial burden, reshaping the meaning of luxury ownership (Turunen & Leipämaa-Leskinen, 2015).

Historically, luxury was tied to scarcity, artisanal skill, and extremely limited access. Ownership was confined to

elites, and prestige spread gradually as others sought to imitate their lifestyles (Veblen, 1899/2009; Kapferer & Bastien, 2012).

Although high price tags still matter, consumers increasingly build prestige through cultural knowledge, style codes, and symbolic awareness rather than wealth alone (Han, Nunes, & Drèze, 2010).

### **Psychological Mechanisms: Identity, Visibility, and Value Construction**

Luxury today appeals both to how people see themselves and how they want to be seen. On one hand, consumers purchase luxury to signal status and manage impressions in social groups (Rosendo-Ríos & Shukla, 2023). On the other, they do it for personal satisfaction, such as boosting self-esteem or enjoying craftsmanship and sensory pleasure (Truong, 2011).

Visibility plays a key role. Obvious brand markers attract new or aspirational buyers, while understated designs appeal to “insiders” who understand subtle cues (Han et al., 2010). In technology, premium smartphones and wearables illustrate how small design tweaks, exclusive programs, or ecosystem lock-ins create hierarchies of status even at similar price points (Ko et al., 2019).

### **Socio-Cultural Dynamics: Platforms, Resale, and Cultural Capital**

Social media and influencer culture accelerate the diffusion of luxury, shrinking the time it takes for trends to move from elites to the mainstream (Rogers, 2003). At the same time, second-hand and rental platforms normalize the idea that prestige can circulate, allowing people to “try on” luxury rather than permanently own it (Turunen & Leipämaa-Leskinen, 2015).

In this environment, cultural capital comes not only from owning an item but from knowing which collaboration, archive piece, or drop matters (Bourdieu, 1984). Interestingly, counterfeits sometimes make luxury even more desirable by increasing its visibility, though they also challenge authenticity and brand control (Romani, Gistri, & Pace, 2012).

### **Brand Strategies in the Democratized Luxury Market**

Luxury brands adapt to this new landscape in several ways. They launch entry-level product lines and capsule editions to expand reach without diluting their top-tier offerings (Kapferer & Bastien, 2012). They also fine-tune logo prominence and edition sizes to let consumers choose between overt and subtle signaling (Han et al., 2010). Experiential marketing has become essential: immersive flagship stores, digital storytelling, and exclusive events help transform luxury into a lived experience (Atwal & Williams, 2009). Increasingly, brands also rely on influencer partnerships and “community-first” strategies to engage younger consumers who value social belonging as

much as exclusivity (Rosendo-Ríos & Shukla, 2023). Circular models, such as collaborations with authenticated resale or repair platforms, help them maintain prestige while aligning with sustainability narratives (Turunen & Leipämaa-Leskinen, 2015).

### **Critical Commentary and Research Gaps**

The literature suggests that while luxury retains its financial cost, its symbolic power is now shaped by culture, identity, and visibility. However, several gaps remain. Research on digital-native forms of luxury, such as NFTs and metaverse experiences, is limited (Ramadan, 2019). Similarly, while democratization opens access, it may create new symbolic barriers that reward cultural insiders rather than broad inclusivity (Bourdieu, 1984).

The sustainability of luxury also remains contested: while resale and rental may reduce ownership, they can also fuel higher overall consumption (Turunen & Leipämaa-Leskinen, 2015). Moreover, most studies are concentrated in Western and Asian markets, leaving African and Middle Eastern contexts underexplored (Shukla & Bick, 2022). Finally, the long-term effects of democratization on brand loyalty and equity remain uncertain.

Overall, democratization may not be as “democratic” as it seems. Brands have widened their consumer base, but exclusivity persists through cultural knowledge, insider communities, and controlled scarcity.

### **OBJECTIVE**

1. To analyze the psychological and socio-cultural impacts of democratized luxury.
2. To assess the role of digitalization and globalization in transforming luxury markets.
3. To examine brand strategies in the democratized luxury market.

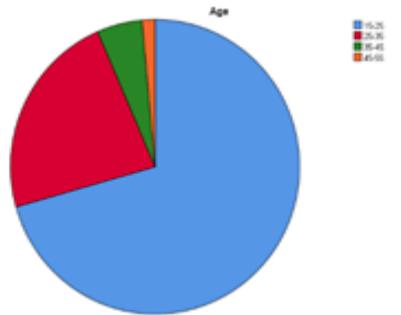
### **METHODOLOGY**

The statistical analysis of the collected data was performed using SPSS 26 IBM Software Reliability test is performed in order to check reliability using Cronbach Alpha. Validation test was performed using Exploratory factor analysis for data validation. Descriptive statistics and cross-tabs performed to identify the relationship between variables and constructs. Pearson’s correlation is performed to test the inter variable relationship and multiple regression analysis to predict the constructs relationship. SEM is performed to test overall structural relationship and mediating factors of the research. To analyse the research model, we used the Partial Least Squares (PLS) technique using the SmartPLS4 software. We tested the examination of the structural model (testing the hypothesized relationship) Besides, to test the significance of the path coefficients and the loadings of a bootstrapping method.

## **RESULTS**

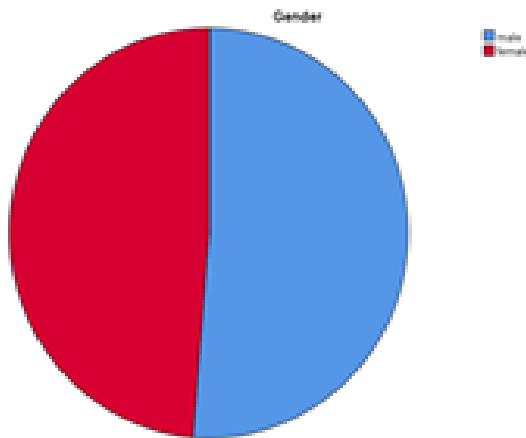
Age	Frequency	Percent	Valid Percent	Cumulative Percent	
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Valid	15-25	293	56.9	70.6	70.6
	25-35	95	18.4	22.9	93.5
	35-45	21	4.1	5.1	98.6
	45-55	6	1.2	1.4	100.0
	Total	415	80.6	100.0	
Missing	System	100	19.4		
Total	515	100.0			



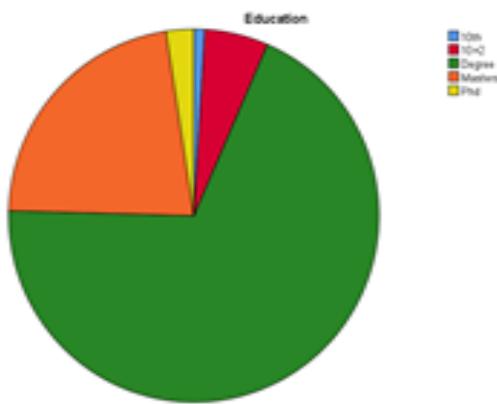
**Interpretation:** In order to observe the socio-cultural factors of respondents, we have done the frequencies of demographic factors. In that, 70.6% falls under 15–25 yrs of age group, 22.9% falls under 25–35 yrs of age group, 5.1% falls under 35–45 yrs of age group, 1.4% falls under 46–55 yrs & more. In this, we observe maximum people who wanted to experience luxury products are from 15–25 yrs age group. That means youth is preferring to have branded products.

Gender					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	male	213	41.4	51.3	51.3
	female	202	39.2	48.7	100.0
	Total	415	80.6	100.0	
Missing	System	100	19.4		
Total	515	100.0			



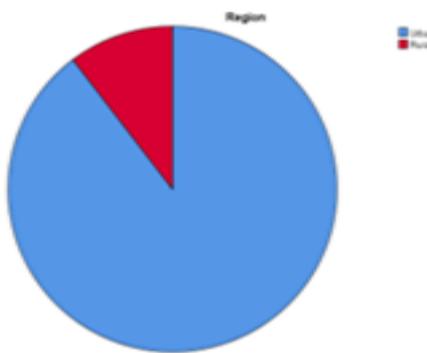
**Interpretation:** In the respondents, both genders have almost equally distributed, i.e., 51.3% male and 48.7% female. That means we can say that willingness to purchase (or use) of luxury goods are equally distributed among genders.

Education					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	10th	4	.8	1.0	1.0
	10+2	23	4.5	5.5	6.5
	Degree	286	55.5	68.9	75.4
	Masters	92	17.9	22.2	97.6
	Phd	10	1.9	2.4	100.0
	Total	415	80.6	100.0	
Missing	System	100	19.4		
Total	515	100.0			



**Interpretation:** In order to use luxury products literacy also have a major role because some of the respondents we observe only 1% are from 10th, 5.5% are from 10+2 (Inter), 68.9% are from undergraduate degree, 22.2% are from masters, and 2.4% are from PhD.

Gender					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	male	213	41.4	51.3	51.3
	female	202	39.2	48.7	100.0
	Total	415	80.6	100.0	
Missing	System	100	19.4		
Total	515	100.0			



**Interpretation:** Regions for the usage of (or) awareness about the luxury product plays a major role because 89.6% are from urban areas, whereas 10.4% are from rural areas.

#### Output of mean and standard deviation:

Factor	Variables	Output	
		Mean	Std. Dn
Psychometric: Consumer Perceptions of Luxury Watches	Belief that costly watches are better	2.25	1.188
	Expensive watches increase social status	2.38	1.255
	Branded watches show financial success	2.62	1.309
	Luxury watches seen as investments	2.67	1.401
	Craftsmanship makes luxury watches desirable	2.25	1.170
	Preference for rare or limited-edition watches	2.49	1.360
	Premium watches improve self-confidence	2.59	1.354
	Watches have sentimental value	2.36	1.270
	Watches express personal identity	2.47	1.266
	Watches are suitable gifts for special occasions	2.27	1.215
	Celebrity endorsements influence luxury watch choices	2.88	1.325
	Peer preferences affect choice of watch brands	2.76	1.258
	Watches help create impressions in professional settings	2.23	1.153

Psychometric: Socio-cultural & Market Influences	Preference for feature-rich luxury smartwatches over prestige-only watches	2.73	1.321
	Health-tracking features increase the value of smartwatches	2.48	1.257
	Luxury design combined with health features is more appealing than design alone	2.20	1.161
Psychometric: Differentiation within Luxury Markets	Preference for watches that combine niche utility with luxury design	2.40	1.202
	Pure luxury watches hold higher value than hybrid feature-luxury watches	2.19	1.143
	Niche + luxury products appeal more to younger generations	2.41	1.125
	Cheap watches harm the overall watch market image	2.82	1.327
	Very inexpensive watches contribute to environmental waste	2.67	1.271
	Cheap watches are attractive for short-term use	2.50	1.200
	Distinction between luxury and ultra-luxury watches	2.44	1.184
	Ultra-luxury watches represent extreme wealth and status	2.23	1.166
	Luxury is about style and quality; ultra-luxury is about rarity and legacy	2.27	1.224

**Interpretation:** As the standard deviation spread between 0.9 to 1.5, so the data are conducive for further research.  
**Significance values of variables:**

Factor	Variables	Significance	Remarks
Psychometric: Consumer Perceptions of Luxury Watches	Belief that costly watches are better	0.00	Validated
	Expensive watches increase social status	0.00	Validated
	Branded watches show financial success	0.00	Validated
	Luxury watches seen as investments	0.00	Validated
	Craftsmanship makes luxury watches desirable	0.00	Validated
	Preference for rare or limited-edition watches	0.00	Validated
	Premium watches improve self-confidence	0.00	Validated
	Watches have sentimental value	0.00	Validated
	Watches express personal identity	0.00	Validated
Psychometric: Socio-cultural & Market Influences	Watches are suitable gifts for special occasions	0.00	Validated
	Celebrity endorsements influence luxury watch choices	0.00	Validated
	Peer preferences affect choice of watch brands	0.00	Validated
	Watches help create impressions in professional settings	0.00	Validated
	Preference for feature-rich luxury smartwatches over prestige-only watches	0.00	Validated
	Health-tracking features increase the value of smartwatches	0.00	Validated
	Luxury design combined with health features is more appealing than design alone	0.00	Validated
	Preference for watches that combine niche utility with luxury design	0.00	Validated
	Pure luxury watches hold higher value than hybrid feature-luxury watches	0.00	Validated

Psychometric: Differentiation within Luxury Markets	Niche + luxury products appeal more to younger generations	0.00	Validated
	Cheap watches harm the overall watch market image	0.00	Validated
	Very inexpensive watches contribute to environmental waste	0.00	Validated
	Cheap watches are attractive for short-term use	0.00	Validated
	Distinction between luxury and ultra-luxury watches	0.00	Validated
	Ultra-luxury watches represent extreme wealth and status	0.00	Validated
	Luxury is about style and quality; ultra-luxury is about rarity and legacy	0.00	Validated

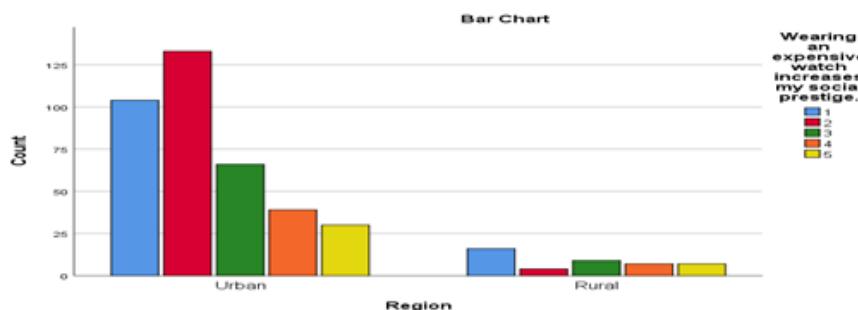
**Interpretation:** The significance value of variables is validated, if the value is less than 0.05.

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.922	.913	29

**Interpretation:** The reliability check from the obtained data we have Cronbach's alpha value 0.913 which says the data is reliable (kottari,2004).

**Crosstabs:**

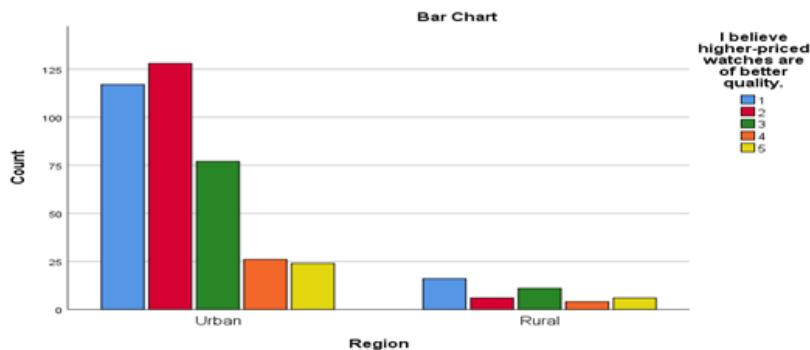
Region * Wearing an expensive watch increases my social prestige. Crosstabulation							
Count							
Region	Wearing an expensive watch increases my social prestige.	Total					
		1	2	3	4	5	
Region	Urban	104	133	66	39	30	372
	Rural	16	4	9	7	7	43
Total		120	137	75	46	37	415



**Interpretation:** To analyse the relation between the variables of same construct or different construct we used cross tabs. From the responses we observed that maximum of urban leaving respondents i.e, 372 have accepted that wearing an expensive watch will increase the social image in the society.

**Region \* I believe higher-priced watches are of better quality.**  
**Crosstabulation**

		I believe higher-priced watches are of better quality.					Total
Region	Urban	1	2	3	4	5	
		117	128	77	26	24	372
	Rural	16	6	11	4	6	43
Total		133	134	88	30	30	415



**Interpretation:** With cross tabulation test we can say that the region with a highly priced watches are better quality have given the output that urban region people believe that low priced watches are with low quality.

## CONCLUSION

This research has explored that how luxury brands continued their symbolic power irrespective of competition, accessibility, changing dynamics in the luxury watch segment. It is explored to understand the influence of perceived prestige, decision making of consumer perceptions and purchase intention behaviour. A comprehensive review of existing literature has highlighted a gap in understanding how premium pricing strategies are facing new challenges, there by initiating the theoretical foundation for this study.

A structured questionnaire was developed using validated measurement scale and data has been collected from 422 respondents from relevant sample. Primarily checked the reliability and developed crosstabs to check the how the demographic factors affecting the purchase intention of the consumers.

The findings have revealed that prestige in luxury watches is no longer driven only by price, but also with emotional attachment, perceived brand power. Even though luxury became more accessible, its impact over consumer purchase intention remains strong. This study shows that psychological and symbolic factors play dominant role than financial uniqueness.

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