Youth, Luxury and the Willingness to Pay

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Abstract: - The concept of luxury has existed for as long as the emergence of hierarchies in society, and has been in a constant state of flux ever since. At its inception it was characterised by exclusivity, superior quality and price. However, as it has evolved over time it has come to mean different things to different people, meaning that the motivation for consuming luxury products change from place to place and even between groups within the same society. A comprehensive review of the literature available on this topic revealed a gap; the motivation of undergraduate students for consuming luxury products still remains unclear. The aim of this study is to study undergraduate students in the United Kingdom and determine whether or not they are willing to pay premium prices for luxury products. This paper goes a step further and also examines their motivation for this behaviour. A qualitative inquiry was carried outon six respondents with the help of semi-structured interviews. This study concluded that students are in fact willing to pay premium prices for luxury, but only if they are satisfied that they were able to get the best deal. This research also reveals that undergraduate students in the United Kingdom are more interested in luxury items if they offer a previously absent convenience, therefore, are willing to pay a higher price for this expediency.A conceptual framework has also been proposed to aid luxury marketers in targeting undergraduate students.

Keywords: **Luxury, Premium Prices, Willingness to Pay, Exclusivity, Quality.**

I. INTRODUCTION

When studying luxury it is important to look closely at its consumers and research what draws them to such products. Shukla, et al., (2015) suggest that people who purchase luxury do so to astonish their peers with their consumption choices, and more importantly to stand out in society. Consumers of luxury are a special breed of customer. They are extremely sensitive to how they are perceived by the people around them and consume brands that they think will make them appear superior to their peers (Yim, et al., 2014). Luxury consumers tend to compare material purchases as opposed to experiential ones because material possessions are publically visible and can easily be cast off should they become mainstream (Yang & Mattila, 2014). As a result of the superficiality of luxury consumers, products that can be easily compared are preferred, because to them, the purpose of consumption is to outwardly differentiate themselves from others.

Previous research shows that two of the most price sensitive groups in any given society are students and the retired elderly (Goldsmith & Newell, 1997; Price, et al., 2011). The reason for this being, that students have almost no time to work and therefore do not control their income and most times have to depend on sponsors, while the elderly tend to have more money than students, but lack a constant stream of income, thus making them sensitive to price. Franz (2008) found that of these two groups, students are by far more sensitive to price. This research effort will seek to answer questions as to whether students are willing to spend their limited funds on luxury products and why.

The nationalities reflected in the literature on consumer willingness to pay (WTP) tend to skew toward developing countries and gloss over developed ones. An example of this can be seen in Alphonce & Alfnes (2012), where they studied consumer willingness to pay for food safety in Tanzania. The assumption here is that people living in developed countries control more wealth and are less bothered when it comes to spending it. However, as has been established above, there are price sensitive groups living within these wealthier societies. Therefore, many demographics that should be studied are left out of the literature (Balogh, et al., 2016; Kang, et al., 2012; Masiero, et al., 2015). When talking about luxury and willingness to pay, respondents from developed countries should not be left out; in fact they should have a greater share in the literature as they have a larger income level and therefore can spend on such products.

Consumer willingness to pay is a concept that has been examined by a great number of scholars, yet there are many demographics not represented in the literature, university students being one of such demographics. Lagerkvist & Hess (2011) opine that the literature in many areas of marketing, and business activity in general, as it relates to consumer willingness to pay are lacking. There is a need for university students to be researched within this settingas there are so many of them and they have a great spending power (Shen, et al., 2016). Therefore, what drives their willingness to pay needs to be researched and documented.

The aim of this study is to investigate the factors influencing consumers' willingness to pay premium prices for luxury goods, within the context of undergraduate university students in London, UK, and to produce a conceptual framework to help luxury marketers target this group.

The Nature of Luxury

Although the luxury market has changed drastically in recent times, what it is currently is quite different from what it was. Originally, luxury was a niche market that was exclusive to the wealthiest members of society (Kapferer & Valette-Florence, 2016). They were prestige brands; and these brands provided the most durable products made from the best

quality resources in their product category. Prestige brands operate under the perception that their products are indulgent and offer extravagance (Kim & Johnson, 2015). This speaks to how the positioning strategies within the luxury sector has also changed.

Some marketers would argue that positioning is one of the most, if not the most, important stage in the marketing process. Positioning is the final phase in the segmentation, targeting and positioning (STP) process. Here the market is broken up into heterogeneous segments based on values and lifestyles (segmentation). When these groups are identified, a suitable one is chosen to focus on (targeting). Marketing communication messages are then tailored to that group offering them benefits while differentiating the brand from its competitors (positioning), (Baines & Fill, 2014; Kim & Johnson, 2015). Positioning is the tool used to set brands apart from their competitors, making it an extremely important marketing tool.

A way in which companies communicate position is with the help of branding. A brand is a product with an identity (Heller, 2016). The purpose of ascribing a persona to a product is to help customers form relationships with that product. The image of luxury is crafted by brands in order to sell the illusions attached to their products and not necessarily the physical product itself (Kapferer & Valette-Florence, 2016). With successful branding, marketers can convince their target audience to perform the desired action, which is purchase.

Although some researches fail to reconcile the price associated with luxury products, others propose justifications for it. Consumers' perception of luxury is heavily centered on price; therefore, in the minds of the consumer, the luxuriousness and rarity of these products excuse the price. Handmade goods tend to appear in the market at a lower frequency than machine-made ones, and this is a major selling point for individuals seeking luxury products (Kapferer & Laurent, 2015; Kim & Johnson, 2015). This harkens back to the idea of exclusivity that is tantamount to luxury.

The location of a luxury brand's parent company can be the difference between success and failure. The country of origin is deeply ingrained into the fabric of any luxury brand. Roughly two-thirds of the brands operating within the global luxury market are European (Kim, et al., 2015; Kim & Johnson, 2015). European brands have more or less cornered the luxury market; the marketing implication of this is that companies producing luxury goods based in Europe have a higher chance of success than those based elsewhere.

It is widely accepted that any phenomenon that cannot be measured is not worth studying. This is the reason why Vigneron & Johnson (2004) developed the Brand Luxury Index (BLI); they did this to measure perceived luxuriousness, and their measure contained five components; conspicuousness, uniqueness, quality, extended-self and hedonism. However, Kim & Johnson (2015) have improved

on these measures and exchanged conspicuousness and uniqueness with accessibility and tradition. The BLI is a tool used by brands to measure the perceived luxuriousness and then position themselves appropriately at varying degrees based on the components present on the measure.

The Recent Growth of the Luxury Sector

The constant and continuous growth of the luxury sector over the past three decades can only be described as rapid. Even the economic crisis of 2007 did very little to slow down the growth of the sector as it kept growing at a steady 7%, earning £189 billion in the year 2013 (Diaz-Bustamante, et al., 2016; Kapferer & Laurent, 2015; Kapferer & Valette-Florence, 2016). This is why the luxury goods market is a significant segment in today's market place (Shen, et al., 2016). Kim & Ko (2011) even go so far as to say that the luxury market has achieved maturity. It is evident from the statistic provided above that the luxury sector is extremely lucrative, and this can be attributed to the fact that people are desperate to partake in all the benefits that luxury offers.

Most luxury business activities happen across borders and therefore international marketing practices have to be taken into consideration. International marketing is a proponent of change and the communication aim should be more intricate. Human beings are naturally averse to change (Spencer, 2014); therefore, it would be beneficial for a brand to establish a relationship with its customers in order to make them more susceptible to this change. Brands can do this with the help of relationship marketing; the goal here is to build a strong relationship with customers, starting from the time of their first purchase. There is a consensus among academics and practitioners that relationship marketing boosts competitive performance (Samaha, et al., 2014; Shukla, et al., 2015; Sonkova & Grabowska, 2015). This does not only make customers more receptive to messages, it also almost guarantees repeat purchases in the future and can be used to positively position a brand in relation to its competitors. So in relation to domestic marketing communications, which tends to be more transactional, the roles of international marketing communication are more layered.

The contemporary world is often referred to as a global village due to the rise of technology, making physical land borders almost insignificant in terms of communication; this phenomenon has been termed globalization (Keegan & Green, 2013). Like most other sectors, the luxury sector has not been immune to globalization. This is why Kim, et al. (2015) advise that marketing practitioners should strive to understand their customers perceptions of them, wherever they may be. Globalization coupled with the bandwagon effect, which Ko & Megehee (2011) and Yim, et al., (2014) explain, is the result of the demand increasing for a product simply because influential members of society already own said product, can be blamed for the amplification of the luxury sector. This along with luxury brands implementing downward extension strategies (Kapferer & Laurent, 2015).

From this, it becomes easy to see that consumer willingness to purchase luxury is high.

The growth of the luxury sector has not only been limited to business endeavours; the world of academia has also benefited from this growth. Due to the unprecedented development of the luxury industry over the past three decades, researchers have become more and more interested in this phenomenon. They are attracted to the size, status and diversity of the sector, but above all, they are intrigued by the complexity of it as it is constantly evolving (Kapferer & Valette-Florence, 2016; Miller & Mills, 2011). The luxury market is changing at such an unpredictable rate that researchers are constantly studying it to try to understand how to construct and sustain brand loyalty and find out what motivates consumers to purchase luxury and to what extent they feel their purchases are justified (Erdogmus&Cicek, 2012).

Luxury and the Internet

The marketing strategies implemented by luxury brands tend to express their quality level. The luxury sector has been slow to embrace the internet because of the industry's discriminatory nature (Shen, et al., 2016). This is because the internet is accessible to anyone, and using this avenue to promote products goes against one of the main principles of luxury which is exclusivity. However, this is changing because the luxury sector is starting to realise that the world is highly internet-centric and those who do not adapt to the changing world risk stagnation (Kim &Ko, 2011).

One of the most effective tools in marketing today is social media marketing. Social media marketing is the use of web 2.0 in such a way that it motivates customers to use word of mouth to promote products. It does not make use of either of the conventional structures of marketing flow of messages and products which are Business to Business (B2B) or Business to Customer (B2C), but rather uses a Business to Customer to Customer (B2C2C) approach (Constantinides, 2014; Heller 2016). Luxury brands have started using social media marketing to promote their products because they have realised that social media marketing is an integral part of 21st century business (Felix, et al., 2017; Kim &Ko, 2011).

Social media marketing is not as straightforward as it would seem. According to Kim &Ko (2011) any social media marketing campaign must comprise of five constructs; entertainment, interaction, trendiness, customisation and word of mouth. Social media marketing is rooted in relationship marketing which means that it is complex as it has to deal with forming relationships with large groups of people simultaneously. This ties in with the issue of youths and luxury; luxury brands have to expertly understand how social media works because millennialsand generation Z are highly tech-savvy and are seldom fooled when it comes to this particular area (Shen, et al., 2016).

Although luxury brands are starting to embrace the internet in their marketing strategies, they still face some problems. The issue of the idea of exclusivity still exists; luxury marketers are finding it difficult to reconcile the use of the internet with maintaining the customer-based brand equity of luxury brands (Shen, et al., 2016). Most luxury brands now know that they have to use the internet to avoid failure; however, this does not abnegate the need for exclusivity which the use of the internet contradicts.

Luxury and the Asian Influence

On the global stage, Asia as a whole has contributed greatly to the growth of the luxury sector. The two main countries responsible for this are Japan and China. Contrary to how it used to be, luxury is no longer limited to developed countries, in fact, China is predicted to become the biggest consumer market for luxury by the year 2020 as it accounts for 25% of the global luxury consumption. This can be attributed to the fact that the middle class in China, the most populous country in the world, is rapidly growing and the individuals in this social class are opting to spend their money on more extravagant things to alleviate their suffering after many years of hardship (Bian & Forsythe, 2011; Kapferer & Valette-Florence, 2016; Li, et al., 2012; Zhan & He, 2011).

Asian consumers are much fonder of luxury than western consumers. This is because Asian consumers are more prone to social stimuli (Yim, et al., 2014). They regard themselves in the context of their relationships with others (Bian & Forsythe, 2011). This is a classic example of Edward T. Hall's theory on contextual differences. He theorised that cultures exist on two contextual levels; high context cultures and low context cultures. A high context culture is one where people are deeply involved with one another and as a result of this intimacy; a powerful structure of social hierarchy exists. However, in low context cultures people are highly individualised so social hierarchies have little to no power over them (Kim, et al., 1998). What this proves is that the buying behaviour, as it relates to luxury, is considerably different in collective societies than it is in individualistic ones.

Due to the contextual differences in Chinese society, the country's middle class are unique. They are increasingly brand conscious (Li, et al., 2012), and since their social aim is to stand out, consuming luxury is the best and most predominant way to achieve this. The reason for this is that it is the most obvious form of consumption (Yim, et al., 2014; Zhan & He, 2011). In high contextual cultures like the Chinese culture, communication is usually simple and not so explicit with complex meaning (Kim, et al., 1998). Therefore, individuals living in these societies have to find subtle ways to communicate their identities without appearing ill-mannered. Li, et al., (2012) found that when Chinese buyers purchase luxury fashion brands that they are more concerned with, pragmatism, perceived social/emotional value, perceived utilitarian value, and perceived economic value. This is quite different from Western culture. The marketing implication of

this is that marketers have to know which values are important to customers/consumers and play to these in order to corner a larger share of the market.

Knowing how the average Chinese luxury consumer behaves, marketers can implement certain marketing strategies to maximise sales. Bian& Forsythe (2011) propose that to succeed in the Chinese luxury market brands should emphasise their product's exclusivity because, as already discussed, the Chinese use luxury to circumvent resemblance to others. This compliments the theory proposed by Zhan & He (2011) where they outlined the three psychological characteristics that make Chinese luxury consumers distinctive. They are interested in value consciousness (VC), susceptibility to normative influence (SNI) and need for uniqueness (NFU). These findings show that although the luxury market has changed drastically over the past few decades, its aspect of exclusivity still remains intact, or at least this is the case in China. Therefore, based on the idiosyncrasies of the Chinese people; scarcity of products can drive up willingness to pay for luxury products.

II. THEORETICAL BACKGROUND

The theoretical foundation for this study will be *the theory of reasoned action*, *the theory of planned behaviour*, *the theory of utilitarianism* and *social identity theory*. These have been elaborated upon below and their connection to the study has also been outlined.

1) The theory of reasoned action: was developed by Fishbein and Ajzen in 1967. According to this theory, the willingness of an individual to carry out any action depends on an already established intention to take that action. They theorise that individuals will only take actions if they had previously decided to do so and know that the outcome is desirable (Boster, et al., 2014). Therefore, intentions lead to effort, which in turn lead to behaviour. Although this theory explains consumers' willingness to pay to some degree it does not take into consideration external factors. This is why Ajzen went on to generate a more comprehensive theory.

2) The theory of planned behaviour: was thought up by Ajzen in 1985 as a revision of the theory of reasoned action which he and Fishbein had previously conceived. The theory states that idiosyncratic social norms, apparent behavioural control, and overall attitude toward that particular behaviour all work together to shape an individual's behavioural intentions and behaviours (Ajzen, 2011). This theory is more appropriate for this study as it takes social influences into account as luxury depends a lot on the perceptions of others.

3) The theory of utilitarianism: was developed by Jeremy Bentham as a way to explain human action. Bentham saw actions as justifiable depending on the end result of that action; an action could only be deemed as right if it brought pleasure to the actor and considered wrong if it resulted in any kind of suffering (Sidgwick, 2000). This theory can be adapted for this study, if right and wrong can be substituted for social acceptance and social disapproval.

4) Social identity theory: was introduced in the 1970's and 1980's by Tajfel and Turner. They theorise that individuals are more likely to take actions if the end result of their actions is higher social capital within their social group (Stryker & Burke, 2000). This theory is extremely relevant to this study because it goes a long way to explain why consumers are willing to pay for luxury products. However, the degree to which they are willing to pay for luxury is what is going to be looked at in this study.

III. METHODOLOGY

This study used semi-structured interviews as its data collection vehicle. The interviews consisted of roughly fifteen questions and was conducted with six respondents studying at Brunel University London. Interviews were conducted in public areas on the university campus and recorded on a portable tape recorder. The questions used in the interview were adapted from already established and validated scales (Jiang & Rosenbloom, 2005; Kim & Kim, 2005; Rohm & Swaminathan, 2004; Shukla & Purani, 2012; Szymanski & Hise, 2000). Recordings of these interviews were then stored on a password protected Brunel University London server for transcription at a later time.

Seeing as this study deals with a specific kind of respondent; young undergraduates in the UK, to broaden the sample and allow for validity, quota and snowball sampling methods were implemented.The participants in this study were six undergraduate students from Brunel University London within the Law, Engineering and Marketing pathways. The group of respondents consisted of three male participants as well as three female participants all below the age of 25. Given the demographic information above, it is clear to see that this study's aim to research young undergraduate students and their luxury consumption was achieved as all respondents fitted the pre-mandated quota.

The data acquired from these interviews was not voluminous enough to be analysed with an electronic analytic tool. Therefore, the researcher coded the interviewsmanually and was able to isolate relevant codes. The findings of which have been examined below.

IV. FINDINGS

The Concept of Luxury

When interviewees were posed with the question of what luxury meant to them, they all had similar answers; they characterized luxury products as those products that are branded and are of superior quality. To them luxury products

are supposed to be expensive, exclusive, unique and above all should be something that people covet:

> *"First and foremost, the quality… the name associated with it; the brand… The price and just the way you kind of… Luxury… you can kind of can tell."*

> *"I guess they are more expensive; it's something that you are willing to pay money for rather than just… You get that feeling of I really like it and I want it."*

When asked about whether or not they owned luxury products, their experiences started to differ. Some interviewees were frequent buyers of luxury products and were loyal to specific luxury brands while others had difficulty remembering when last they had purchased any luxury items. The reason proposed for this lack of luxury consumption by one of the interviewees was his upbringing. This justification agrees with some of the literature reviewed in earlier parts of this study:

> *"I wouldn't say I consume a lot of luxury things to be honest… I just think I've never been interested in it… I think maybe upbringing; how I was raised."*

For those interviewees that did buy luxury items frequently, they were asked what it is about the physical appearance of the stores that differentiates them from regular stores. The answers given by interviewees were all interrelated. They said that luxury stores tended to be large in size and were situated in the most affluent areas. Interviewees overwhelmingly felt that everything in these stores carried an air of sophistication; sales assistants were well dressed and seasonal displays were meticulously curated. In summary, a high level of attention to detail is evident in luxury stores:

> *"I think they kind of think a lot about their physical merchandising and stuff like that… In terms of kind of, how they… presentation and stuff, everything is a lot more kind of neat and it has to look kind of, umm, presentable. "*

One of the interviewees who also had a part time job as a sales assistant at Harrods, which she calls the "Epitome of Luxury Retail" in London, described the dress code at her job:

> *"We kind of have to always be kind of smartly dressed and stuff… You can't put dirty trainers on just because you want to be comfortable and out of your shoes, because if another manager sees you like that or sees you with headphones on, even if you are on your break, it's not allowed. So it's like, they have to keep up this appearance of luxury."*

WTP and Convenience or Price

Based on the information acquired by the researcher, luxury consumption is based on both convenience and price. When asked whether their willingness to pay for luxury was based on either, interviewees gave varying opinions. For some, convenience had little to do with their luxury consumption and was more price-centric; while for others convenience was all they were looking for in their luxury products:

> *"I think people are willing to pay a bit more if it makes their life easier…"*

> *"I really don't think convenience has much to do with it. I think people purchase luxury for the psychological satisfaction. Unless you look at convenience in a broader sense; like it helps people think of you more favorably so your life is easier and people treat you better."*

The willingness of undergraduate students in the UK to pay a higher price for luxury is based very highly on convenience of the process of acquisition as well as the convenience the product affords them. The issue that students were most concerned with was that of guarantees and warranties. Seeing as they would be parting with a lot of money when purchasing luxury goods, interviewees expressed that they would be more willing to purchase luxury goods regardless of the price if these products came with lifetime guarantees or warranties:

> *"A lot of the time you kind of have like, just a little guarantee that says that if anything happens to it or whatever, you could bring it back and they'll just give you that customer service; you could get another one or you could get it repaired."*

Another aspect of convenience that respondents were interested in was the variety of products that stores offered. They felt that they were more comfortable buying from brands in general if they thought that they were being confronted with a wider selection. This is the reason that most interviewees patronise online stores:

> *"Probably online… You can get a better range of what's there and shop around for the best prices."*

> *"There's just a lot of… yeah, online stores have a lot of different things where it's easy to kind of buy from those kinds of websites like that."*

The interviewees acknowledged that luxury products tend to be on the more expensive side, however, knowing this has not stopped them from seeking out these products in the past. In order to get luxury products, these students take advantage of sales and shop around looking for bargains. They were aware that they were going to be spending a lot of

money, but they expressed that they try to minimise the total amount:

> "I've always been like a bargain hunter even though I like to have a lot of expensive stuff but I would always… If I see a sale I'm caught."

> "I think if you can save money on something then save money, you know."

When purchasing luxury, interviewees admitted that they took price into consideration. Although they are always searching for the best bargain, they said that they were wary of luxury products that were too affordable. According to them, they were more willing to purchase a luxury product if it was able to balance between excessively expensive and cheap:

> "We know luxury to be expensive. I don't know who taught us that, but I think everyone on earth can agree that luxury is expensive. So for example if you were to come across a luxury product that was cheap, you would think twice about buying that product simply because it seems weird. So I think that for luxury to be credible it has to be expensive but not so expensive that it puts people off. Therefore, price is very important."

Benefits of Luxury Consumption

In terms of benefits offered, respondents felt that a major social status boost went hand in hand with the public consumption of luxury. This is because, luxury products generally come with a high price and being able to afford such products elicits reverence among other members of society:

> "I feel like people kind of perceive you in a different way when they see that you have got loads of expensive things. Like, I don't think it's right, I just think that's how society and our generation kind of is at the moment."

Another benefit that respondents put forward was that luxury products offer instant gratification while conveying class and lifestyle. This all speaks to the psychological need to achieve self-actualisation that human beings have. People want to have nice things and since luxury goods are seen to be of higher quality than their counterparts, acquiring them brings the possessor a sense of self-satisfaction:

> "It makes you feel better for a while… The quality; its long lasting. Just the assurance that you know that it's a good reputable brand. Because luxury products are a lot more expensive they have to kind of adhere to the clientele…"

> "Just to feel good about yourself; just, you've got it and you've got the money to have it then obviously it makes you feel good."

One benefit of consuming luxury that all interviewees seemed to agree on was the aspect of self-expression; Because of the scarceness of luxury products, respondents felt that such products help them to carefully craft a personal image unique to them and difficult to replicate. The respondent who worked at Harrods recalls:

> "Like there are certain clients who come in and you know to tell them that this is a Harrods exclusive, and there are only like three left. To them, their heads are lighting up and they are like, 'Oh my God, so my friends can't come and get one? OK I'll take all three.'"

Respondents felt that with luxury products that they could then put their personal image forward and not have to worry about being compared to others.

Drawbacks of Luxury Consumption

When it came to the drawbacks of consuming luxury, the interviewees were unanimous about the most significant drawback; loss of funds. As has already been mentioned multiple times in this study, luxury goods are usually characterised by how expensive they are, and previous research shows that students tend to not to have as much disposable income as other members of society. So the fact that they feel that this is the biggest drawback is not surprising:

> "The cash loss is the biggest drawback."

> "They are horribly expensive."

> "No matter how rich you are, when you spend a lot of money you kind of feel it…"

Consumers of luxury can be seen as vapid or materialistic, depending on the rate at which they consume luxury. This was another drawback of luxury identified by respondents. Past research agrees with the connection between the frequent consumption of luxury and covetousness. Interviewees saw this classification as undesirable, and this was evident in the way they spoke about it:

> "Although society respects you for having luxury products, a lot of people will see you as vapid for being so materialistic that you have to keep buying things and not just everyday things but luxury things."

Even though luxury products are expected to be of higher quality than their mass produced counterparts this is not always the case. The use of machines allows for more precise and easily replicated end products. Whereas, luxury goods which are usually hand crafted leave a wider margin for

error. This was also one of the drawbacks that interviewees pointed out:

> *"The most expensive one isn't always the most effective one."*

V. DISCUSSION OF FINDINGS

This study set out to explore the relationship that undergraduate students in the UK have with the luxury industry and its products, and to fill the gapin knowledge identified by the researcher, and has successfully done so. Evidence of this is discussed below.

Students in this study stated that they preferred to buy luxury products that achieved the precarious balance between extremely expensive and cheap. Seeing as they had less disposable income, students said that they were always looking for ways to cut costs, and were more likely to part with their money if they were given adequate guarantees and warrantees. They also said that they wanted luxury products that made their lives easier, and claimed that convenience had very little to do with the reasons why they purchase or would purchase luxury. They also stated that although they were willing to part with large sums of money to acquire luxury products, they were also willing to hunt for bargains.

Although past research shows that students tend to be the most frugal group in most societies, as a result of the findings presented above, one can conclude that university students in the UK are indeed willing to pay high prices for luxury products if they have access to such funds. However, they would spend less if they had the option.

VI. CONCEPTUAL FRAMEWORK

One of the aims of this study was to develop a conceptual framework for undergraduate students in the UK's willingness to pay premium prices for luxury products. As a result of the analysis of data collected by the researcher, a conceptual framework has been put forward below in figure 1 as a guide for marketing practitioners in the luxury sector where target customers are university students.

This framework takes into consideration price as well as convenience appeals as a route to desirable behaviour from students. The framework put forward here takes a cyclical form; it starts with the appeal which students deemed most important. The colours dim as the cycle progresses, indicating a decrease in the level of importance that students place on that certain appeal.

Figure 1. Conceptual Framework: The Road to Undergraduate Willingness to Pay for Luxury

VII. LIMITATIONS OF THE STUDY AND RECOMMENDATIONS FOR FUTURE RESEARCH

Although this study made use of two non-probability sampling methods, which reduced the disparity in data, the final sample size of six in total may not have been large enough for generalisation purposes, which gives rise to accuracy issues. Perhaps future research should examine a higher number of students from different universities simultaneously.

Qualitative research is usually accused of being biased due to the fact that it is based on respondents' subjective life experiences. This also speaks to generalisation issues as human beings are inherently unique and experiences and perspectives tend to differ. So it might be worth it to carry out a quantitative inquiry into this topic.

Seeing as consumption differs from culture to culture, this paper's findings may not be able to be applied to undergraduates from other places around the world, since this study examined only UK undergraduates. Therefore, future explorations on this phenomenon may want to look into respondents with different cultural backgrounds than the ones used in this study.

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