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Perceived values of luxury fashion brands—evidence from Indonesian Millennials

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Abstract

Consumers in the Association of Southeast Asian Nations (ASEAN) countries represent rapid growth, and they are anticipated to become next wave of important markets for luxury fashion sector. This empirical study aims to examine millennials' perceptions towards luxury fashion brand values and how these influence their purchase intentions in Indonesia, the biggest market in the ASEAN. Through quantitative research, the primary data was collected from 301 self-completed online questionnaires. It is revealed that Indonesian millennials regard the consumption of luxury fashion brands as an investment. Meanwhile, ethical and sustainability issues have become increasingly important in consumers' decisions to purchase luxury fashion brands. Based upon the value-based segmentation of luxury consumption, the present study recognizes that Indonesian millennials prioritize symbolic and financial values and seek conspicuousness in line with self-identity.

Keywords Luxury fashion brands · Value perception · Purchase intention · Millennials · Indonesia

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Introduction

The global luxury fashion market has demonstrated a V-shaped recovery after the COVID-19 pandemic (Bain 2021). The market value is expected to reach €494 billion by 2026 via a 6% annual growth rate (BCG and Comite Colbert 2022). Due to their growing market value and considerable numbers of consumers, emerging economies have become key markets since 2008 (Bai et al. 2017), when financial crisis and economic recessions affected developed economies (Wang et al. 2022). Indeed, as the largest economy in the Association of Southeast Asian Nations (ASEAN) to date, Indonesia is home to increasing numbers of affluent millennial consumers and is witnessing a rapid increase in household income (Statista 2022).

Millennials, born between the early-1980s and the mid-1990s, are expected to imminently dominate the global luxury fashion market. However, millennials and their wealth are not evenly spread across the world. MSC1 (2020) reports that, in 2019, more than 60% (1.1 billion) of the global population of millennials (1.8 billion) lived in Asia. More importantly, their consumption behavior is significantly different from previous generations. Sun et al. (2022a, b) recognize that millennials are technologically savvy and connected, and they expect business to have a purpose beyond profit, especially sustainability (Arcuri and Giolli 2022).

Despite valuable contributions, current literature has been challenged by some radical changes which have recently taken place in the global luxury fashion market. First, younger generations, especially millennials, have become a powerful group of consumers worldwide. Compared to other age groups, millennials are more conscious of ethical and environmentally sustainable practices and expect these issues to be taken seriously by businesses (Eastman et al. 2018). Second, social media and e-commerce are having an increasingly significant impact on the luxury fashion sector (Park et al. 2020). Third, more empirical research to understand luxury brand values in the fashion sector is required in order to differentiate consumers in terms of culture and generations (Dion and Borraz 2017).

Therefore, the present study aims to shed light on millennials' perceptions of value and their purchase motives for buying from luxury fashion brands in Indonesia. Although Indonesian millennials are a rapidly growing group and are known for their high acceptance of global brands, understanding of their perceptions of value and purchase intentions towards international luxury fashion brands remains insufficient (Veloutsou et al. 2022). De Mooij (2021) argues that most of consumer theories were developed in English-speaking countries and are heavily influenced by Anglo-Saxons cultural values. Moreover, by comparing cross six countries, Kapferer and Valette-Florence (2022) identify that millennials' perceptions towards luxury fashion brands differ.

The following section reviews the literature in relation to the value attributed to luxury fashion brands and motives for luxury fashion consumption. After the research methodology has been justified and data collection details have been described, the results will be presented and discussed, especially in terms of theoretical and managerial implications. The paper concludes with consideration of limitations and suggestions for future research.

Theoretical framework and hypotheses development

There is not currently a comprehensively accepted definition for the term luxury brand because it is determined by consumers' experiences and socio-cultural environment (Ko et al. 2019). Particularly, consumers' perceived values towards luxury brands are different across business sectors and cultural zones (Shukla et al. 2015). Within developed markets, Vickers and Renand (2003) suggest differentiating luxury brands from non-luxury brands through a distinctive mix of three dimensions: functionalism, experientialism, and symbolism. The brand luxury index (BLI) classifies both non-personal-oriented and personal-oriented perceptions towards luxury brands (Vigneron and Johnson 2004). It means that consumers seek to be well-regarded by their peers through purchasing and possessing rare, exclusive, prestigious, and authentic products. Meanwhile, they pursue sensory pleasures, innate enjoyment, and excitement through consumption and usage experience of luxury brands. Moreover, Wiedmann et al. (2009) categorize perceived values of luxury brands into four dimensions, including financial (price value), functional (values of usability, quality and uniqueness), individual (values of self-identity, hedonism and materialism), and social (values of conspicuousness and prestige).

Researchers argued that consumer purchase and repurchase intentions are directly related to perceived luxury brand values (Alan et al. 2016). Therefore, luxury brands should align with symbolic and emotional values throughout a series of strategic and operational business activities to strengthen consumers' brand experience (Bai et al. 2022). Consumers' psychological attachment to a brand validates their perceptions of its symbolic value (Dubois et al. 2021). As one of the most widely recognized characteristics, conspicuous consumption indicates that consumers are encouraged to express their wealth, status, values, and beliefs, and to possess luxury products to symbolize their standing as individuals within their peer group (Gutzatz and Heine 2018). Consumers consider that association with the brand enables them to build prestige within their own exclusive social circle (Srivastava et al. 2022). However, factors such as age, cultures and brand knowledge could affect conspicuous consumption of luxury fashion brands (Shukla et al. 2022). Thus, the first hypothesis is:

H1: Conspicuousness has a positive influence on the symbolic dimension of luxury value amongst millennials in Indonesia.

Self-identity, as a personal-oriented perception, indicates individuals' perception of their own characteristics, especially in relation to a social context (Shaw and Shiu 2003). The luxury experience is a form of self-directed symbolism, and therefore is closely linked to the concepts of self-identity, self-esteem, and self-image (Janssen et al. 2017). It is widely accepted that individuals' purchases reflect their desired self-identity, and this gives consumers a sense of belonging to a specific group or social class (Jiang and Shan 2018). The brand identity and distinctiveness offered by luxury fashion brands can provide consumers with psychological benefits and even a sense of superiority, which cannot be offered by counterfeits (Bai et al. 2021). Indeed, Amaral and Loken (2016) suggest that luxury brands should stress

intangible values in terms of self-image and symbolism to combat with counterfeits. Thus, the second hypothesis is:

H2: Self-identity has a positive influence on the symbolic dimension of luxury value amongst millennials in Indonesia.

Although luxury fashion consumption is positively related to individuals' income, the monetary factor does not offer a simple explanation. Perceptions of financial value address price perceptions, or direct monetary aspects such as investment, by justifying the benefits of possessing the luxury product or engaging with the brand (Zhan and He 2012). Zhang and Zhao (2019) reveal that ownership can be perceived as a personal benefit or a psychological means of differentiation, given perceptions of exclusivity or rarity. Therefore, perceptions of timelessness and lifelong usability support the purchase of luxury products as a financial investment (Wirtz et al. 2020). Financial investment has been included within consumer value creation, while studies that include investment as part of luxury value perceptions are rare. Thus, the third hypothesis is:

H3: Investment has a positive influence on the financial dimension of luxury products value amongst millennials in Indonesia.

Kapferer and Valette-Florence (2021) claim that luxury was originally adopted by ancient aristocrats to create and maintain hierarchies in a society. With the modern democratisation of luxury, consumers are keen to purchase and use luxury brands to communicate status, hierarchical position, achievements, and social power (Shukla et al. 2022). In addition to the value of luxury as a financial investment, perceptions of exceptional quality and performance are linked to rarity or exclusivity and are widely used to maintain high entry barriers and profit maximization for luxury brands (Amaral and Loken 2016). Consequently, luxury fashion brands need to prioritize value perceptions of exclusivity and rarity to increase customer engagement. The fourth hypothesis, thus, is:

H4: Exclusivity and rarity have a positive influence on the financial dimension of luxury value amongst millennials in Indonesia.

Customer brand loyalty is strongly influenced by experiential value, which refers to perceptions of benefits around feelings, potential entertainment, and emotional worth (Wirtz et al. 2020). Lawry (2023) identifies that millennials are less interested in goods than related experiences when compared to other age cohorts of luxury consumers. Therefore, luxury fashion brands need to strengthen service quality across online and offline channels. Although e-commerce and social media have created certain challenges for some sectors and products, brick-and-mortar stores are irreplaceable in the luxury fashion sector. Bai and McColl (2023) recognize that luxury fashion brands use their stores to combat counterfeits, because the brands can add more intangible value through in-store services and thus enhance brand awareness and even loyalty. Multiple channel retailing, especially omni-channel retailing, has become vital for luxury fashion brands' continuous success (Verhoef 2021). To encourage store traffic and enhance in-store experiences, luxury fashion brands

can imbue their stores, especially flagship stores, with elements of art galleries and museums, through an aesthetically oriented “M(Art)Worlds” strategy (Joy et al. 2014). The fifth research hypothesis is:

H5: The good brand experience has a positive influence on the experiential dimension of luxury value amongst millennials in Indonesia.

Emotional benefits are linked to hedonic value and stimulate customers’ perceptions of indulgence and pleasure (Ko et al. 2016). Emotions that are linked to memories have a significant impact on perceptions of luxury value. Despite of increasingly popular Masstige brands which have a premium brand image without a premium price (Truong et al. 2009), here remains the clear boundary between luxury and premium due to emotional values especially heritage which highlights value and originality of luxury brands (Kumar et al. 2020). Additionally, Sun et al. (2022a, b) identify that personalized engagement could arouse emotions that strengthen brand connections. The sixth research hypothesis thus is:

H6: Emotion has a positive influence on the experiential value dimension of luxury value amongst millennials in Indonesia.

The notion of ethical living in the Asia Pacific Region is not only acting as a bridge, connecting the old and new era in emerging marketplaces, but is also the key to influencing the younger generations of consumers (Sun et al. 2022a, b). Luxury fashion industry has been criticized due to high levels of waste, such as the destruction of unsold goods as part of a strategy to maintain reputation and exclusivity (Achabou and Dekhili 2013). The fashion industry, as a whole, is considered to be the second largest cause of worldwide pollution (Pinto et al. 2019). The luxury industry must solve these ethical issues and, as a result, its business models are increasingly claiming to be actively involved in the development and promotion of sustainable consumption (Kapferer and Michaut-Denizeau 2020). With an increasing number of customers who are sensitive to environmental and ethical issues, sustainability is no longer simply a trend or an option, but a prerequisite for practitioners in the industry (Vanhamme et al. 2021). Thus, addressing these sustainability issues offers luxury fashion brands the opportunity to attract new generations of customers, particularly millennials. The final hypothesis thus proposes that:

H7: Sustainability has a positive influence on the ethical value dimension of luxury value amongst millennials in Indonesia.

In summary, the full model explaining the proposed values for luxury perception is presented in Fig. 1 below.

Methodology

The present research was carried out through an online survey in the form of a questionnaire, which has been widely employed in prior studies in luxury fashion marketing (Bai et al. 2018). The questionnaire was designed in two sections. The first

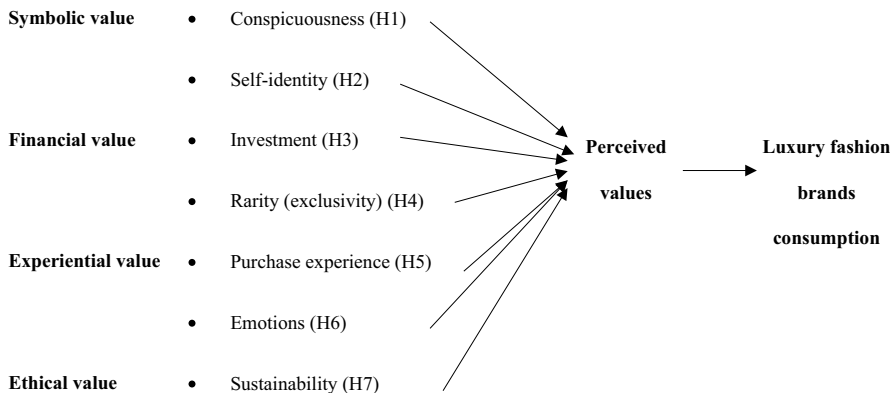


Fig. 1 Indonesian millennials' purchase motives of luxury fashion brands in terms of perceived values

section comprises closed questions about respondents' demographic features and past luxury purchase experiences as independent variables. The questions in the second section are designed as a five-point Likert Scale, which include the scales that examine respondents' attitudes by asking the extent to which they agree or disagree with a statement based on hypotheses developed from the literature. Details of the scales and the respective studies are presented in Appendix A. The questionnaire was created using a Google Form, which is appropriate for this study due to its accessibility, cost-effectiveness, suitability for the millennial demographic (Evens and Mathur 2018), ease in real-time data management and improved participant anonymity. The questions were presented in both Bahasa Indonesian and English. Translation was conducted by a professional, reviewed by the authors and proofread by a native English speaker with experience in the luxury industry.

Online non-probability purposive sampling technique were adopted to recruit participants. To ensure that samples collected are representative to the targeted population as a whole (DeCarlo 2019; Sekaran and Bougie 2016), two criteria: (1) Indonesia citizen; (2) millennials born between 1980 and 2000 (Tapscott 1998), were developed. Two screening questions were asked at the beginning of the online questionnaire, to ensure valid samples and their representativeness for this study. The online survey lasted for 30 days between June and July 2022. A pilot study was conducted with a small group of respondents resembling the target population. Following Hair et al.'s (2019) suggested sample-to-item ratio, i.e. 1:10, a minimum sample size of 300 was decided based on the number of items (i.e. 30) in the study. As a result, 301 out of 323 respondents had provided completed feedback and their responses were extracted as valid for further analysis. Moreover, 301 is considered as a moderately large sample size and satisfactory for linear regression analysis (Lumley et al. 2002).

The quantitative data were analyzed via multiple tests by using STATA 12, which is particularly appropriate for behavioral studies (Mitchell 2015) and has been previously used for studies about luxury consumption, e.g., Eisend et al. (2017) and Putri et al. (2022). Following data screening, the researchers firstly verified that the

distribution of the datasets in these tests ensured reasonable accuracy of the model and prevention of redundant information from the responses. Reliability and validity were ensured through several measures. In terms of accuracy, the data collected through the online questionnaire were presented at a true state, in an unchanged order and predetermined set of ranges. As for completeness, respondents were required to answer all given questions prior to submission and only the completed responses were analyzed. Regarding consistency and stability, all answers were categorized within a set of predetermined ranges.

Prior to analysis of the data, the measurement model was assessed, including factor loading, internal consistency, and construct and discriminant validity. Table 1 demonstrates that most of the factor loadings for the respondents of two groups exceed the recommended threshold value of 0.7, indicating acceptable measurement reliability (Hair et al. 2019). Several factors loaded between 0.4 and 0.7, indicating that they might be considered for removal based on the composite reliabilities (CR) and average variance extracted (AVE). The CR coefficients ($0.7 < CR < 0.95$) were used to examine internal consistency in the model assessment for measurement reliability. Construct validity, including convergent validity and discriminant validity, is measured by the AVE (> 0.5). As presented in Table 1, the AVE values are ranging from 0.510 to 0.708, achieving the acceptable validity level, concluding that the removal of factors from the model was unnecessary.

Pearson's correlation analysis was then conducted to evaluate the relationship between variables (Franzese and Iuliano 2018). This approach is widely used in research into value perceptions (Shukla et al. 2015). The hypotheses were tested through the F-test (or ANOVA), coefficient of determination (or R^2), and an independent samples T-test.

Results

Profile of respondents

The 301 respondents' demographic characteristics in the present study are presented in Table 2 below. The sample consists of a higher proportion of females (63%), which is similar to prior research in other emerging countries, such as China and India, where the percentage of female respondents ranged from 57 to 69% (Jiang and Shan 2018; Shukla et al 2015). Most respondents' educational qualifications are undergraduate students (78%), followed by postgraduate masters (19%).

In terms of occupation, a high proportion of respondents work in the private sector (38%). Half of respondents (51%) reported their monthly income as being lower than £526, whilst only 20% of respondents earn more than £1,053 per month. Most respondents engage with at least one social media platform. Instagram is the most popular (92.6%), followed by Facebook (46.2%) and Twitter (30.2%). The largest group of respondents (37%) purchase luxury fashion brands once a year, followed by 18% of respondents who make luxury purchases quarterly. One fifth of respondents whose monthly income is above £1,053 claimed to purchase luxury fashion products monthly. The respondents' first-time luxury consumption was at the age of 19.

Table 1 Assessment results of the measurement model

| Scale | Loading | α | CR | AVE |
|-----------------|---------|----------|-------|-------|
| Conspicuousness | | 0.780 | 0.859 | 0.606 |
| CON1 | 0.701 | | | |
| CON2 | 0.848 | | | |
| CON3 | 0.868 | | | |
| Self-identity | | 0.794 | 0.865 | 0.615 |
| SID1 | 0.721 | | | |
| SID2 | 0.790 | | | |
| SID3 | 0.806 | | | |
| SID4 | 0.817 | | | |
| Investment | | 0.770 | 0.867 | 0.686 |
| INV1 | 0.786 | | | |
| INV2 | 0.868 | | | |
| INV3 | 0.829 | | | |
| Rarity | | 0.710 | 0.824 | 0.611 |
| RAR1 | 0.753 | | | |
| RAR2 | 0.846 | | | |
| RAR3 | 0.741 | | | |
| Experiential | | 0.852 | 0.884 | 0.510 |
| EON1 | 0.770 | | | |
| EON2 | 0.711 | | | |
| EON3 | 0.701 | | | |
| EON4 | 0.687 | | | |
| EOF1 | 0.667 | | | |
| EOF2 | 0.666 | | | |
| EOF3 | 0.693 | | | |
| EOF4 | 0.693 | | | |
| Emotion | | 0.794 | 0.879 | 0.708 |
| EMO1 | 0.830 | | | |
| EMO2 | 0.797 | | | |
| EMO3 | 0.894 | | | |
| Sustainability | | 0.825 | 0.864 | 0.516 |
| SUS1 | 0.733 | | | |
| SUS2 | 0.766 | | | |
| SUS3 | 0.665 | | | |
| SUS4 | 0.601 | | | |
| SUS5 | 0.679 | | | |
| SUS6 | 0.842 | | | |

Indonesian millennials' perception towards luxury fashion brands

Prior to the hypotheses testing, classical assumption tests were conducted to determine the relationship between the variables. The data were tested on distribution

Table 2 Profiles of the survey respondents

| Indicators | Categories | N | % |
|--------------------------------------|--|--------------|-----|
| Gender | Female | 191 | 63% |
| | Male | 110 | 37% |
| Education | High School | 3 | 1% |
| | Undergraduate | 236 | 78% |
| | Postgraduate (Masters) | 56 | 19% |
| | Postgraduate (Doctors) | 6 | 2% |
| Occupation | College Student | 69 | 23% |
| | Entrepreneur/Self-employed | 64 | 21% |
| | Private Company Employee | 114 | 38% |
| | Public/Government Employee | 18 | 6% |
| | Others | 36 | 12% |
| Income | Below IDR 10,000,000 (<£526) | 154 | 51% |
| | IDR 10,000,001–20,000,000 (£526–£1053) | 86 | 29% |
| | Above IDR 20,000,000 (> £1053) | 61 | 20% |
| Number of Social Media Use | 1 | 134 | 45% |
| | 2 | 104 | 35% |
| | 3 or more | 62 | 20% |
| Purchase frequency | Never | 46 | 15% |
| | Weekly | 2 | 1% |
| | Monthly | 37 | 12% |
| | Every 3 Months | 53 | 18% |
| | Every 6 Months | 51 | 17% |
| | Every Year | 112 | 37% |
| Average age on first luxury purchase | | 19 years old | |

(normality) and multi-collinearity, to assess consistency, stability, and accountability. The normality test indicates that there are no missing observations. However, the data are not normally distributed, even after treating the model with a Box Cox transformation at a probability of 0.0075 and negative skewness (left-skewed). This possibly arises from the low point of scale responses used in the demographic-based items (education, occupation, income and social media usage). Interestingly, this profile mirrors official Indonesian statistics collated by the Central Bureau. Both skewness and kurtosis are still within acceptable limits of ± 2 . Although the data remain non-normal, linear regression analysis can be performed sufficiently with non-normal predictor variables in a moderately large sample (Lumley et al. 2002) in which case the tests and confidence levels can be based on respective t-statistics. The sample size in this study is sufficient to perform regression analysis. The multi-collinearity test achieved a mean VIF of 1.90, indicating that there is no multi-collinearity problem in the model.

Due to the minimum level of 0.40, the achieved R^2 of 0.5140 implies that the proposed model can explain 51.4% of luxury perceptions, leaving 48.6% to be

explained by other variables which are factors outside the proposed model. Correlation analysis indicates that all variables are significant at 99.9%, which implies that there is strong evidence of null-hypothesis rejection and ensures that the proposed model is statistically significant, with a $\text{Prob} > F$ of 0.0000, or 99.9+ % confidence level.

As demonstrated in Table 3, both conspicuousness and self-identity (in terms of symbolic values) among millennials in Indonesia are supported a positive significant correlation via F-test and T-test. The mean of 3.10 indicates a tendency towards conspicuousness in luxury perceptions. This could suggest a heterogeneous notion across regions since conspicuousness is a very strong factor in the Asia Pacific Region (Bai et al. 2022). Moreover, the mean of 3.85 indicates respondents' strong recognition of self-identity within their perception of luxury. This confirms that younger generations are more mindful of their identity (Pinto et al. 2019).

In relation to financial values, investment among millennials in Indonesia is supported a positive significant correlation via F-test and T-test. The mean of 3.81 shows that respondents are keen to invest via purchasing luxury fashion brands. It indicates that the idea of appreciating one's wealth through the long-lasting investment aspect of luxury, when compared to non-luxury consumption, seems to be flourishing in many markets (Zhang and Zhao 2019). Rarity among millennials in Indonesia is not supported a positive significant correlation via F-test and T-test. It is contradictory with prior studies on China and the USA where a positive relationship between rarity and luxury perception was identified (Kapferer and Valette-Florence 2022).

Regarding to experiential values, a significant correlation between the online/offline experience and luxury perception was not observed from the F-test and T-test. Although previous research suggests that customers are fonder of in-store luxury experiences, compared to online, the changing behavior brought about by the COVID-19 pandemic suggests significant developments in online penetration for luxury goods and services (Bai and McColl 2023). Moreover, both F-test and T-test supported a positive significant correlation between emotional value and luxury perception. This mirrors recent research and indicates that millennials are keen to connect with brands on a personal level; this trend in luxury perception can stimulate future purchases and create brand loyalty (Sun et al. 2022a, b).

Table 3 Results of hypotheses testing on perceived luxury fashion brand values

| Hypothesis | Mean | Co-efficiency | T-value | Sig. (2-tailed) | Results |
|---------------------|------|---------------|---------|-----------------|----------|
| Conspicuousness | 3.10 | -.3814587 | -5.11 | 0.000 | Accepted |
| Self-identity | 3.85 | .6221295 | 6.19 | 0.000 | Accepted |
| Investment | 3.81 | .4852983 | 3.89 | 0.000 | Accepted |
| Rarity | 4.11 | .0595697 | 0.45 | 0.650 | Rejected |
| Purchase experience | 3.96 | .1028396 | 0.69 | 0.493 | Rejected |
| Emotion | 4.03 | .5070715 | 3.63 | 0.000 | Accepted |
| Sustainability | 3.95 | -.3382665 | -2.70 | 0.007 | Rejected |

Finally, given the rise in environmentally conscious lifestyles in Indonesia, a negative significant correlation between sustainability value and luxury perception was observed from the F-test and T-test. This negative correlation suggests that the notion of sustainability could be perceived as contrary to luxury values amongst Indonesian millennials. Similar in other emerging markets, *green* products were not associated with perceptions of luxury in China, India and Brazil (De Angelis et al. 2017; Kapferer and Michaut-Denizeau 2020). In summary, four out of the seven hypotheses are supported. Conspicuousness, self-identity, investment, and emotional values positively influence Indonesian millennials' perception of luxury. However, rarity, purchase experience especially offline stores, and sustainability value do not strengthen their value perceptions of luxury fashion brands for Indonesian millennials.

Discussion and conclusion

This empirical study examines Indonesian millennials' perceived values towards luxury fashion brands. It is revealed that both conspicuousness and self-identity have a positive influence on the symbolic dimension of luxury value amongst millennials in Indonesia. These have also been observed in other emerging markets (Shukla et al. 2022). It indicates that non-personal-oriented values remain significant for luxury fashion consumptions in emerging markets especially Asia Pacific region (Kong and Ko 2017). In terms of financial values, investment is recognized to have a positive influence on perceptions of luxury value among Indonesian millennials. Like other age cohorts of luxury consumers, millennials show appreciation of the financial value of luxury products and regard luxury fashion brands as long-term investment (Lawry 2023). However, rarity (exclusivity) shows no significant relationship to Indonesian millennials' perceptions of luxury value. This could be caused by that luxury fashion brands are perceived as more accessible and affordable than before and wider distribution due to fast growing emerging markets (Bai et al. 2021), as well as increasing confusion between luxury and Masstige brands in fashion sector (Kumar et al. 2020).

Regarding to experiential values, despite rapid developing e-commerce and multiple channel distribution strategies especially post COVID-19 pandemic, the present study finds that neither online nor offline experience is significantly associated with Indonesian millennials' perceptions of luxury value. This is different from prior studies which found shopping experiences as intangible values offered by luxury fashion brands (Joy et al. 2014; Moore et al. 2010). However, emotional attachment, such as indulgence, pleasure, and memories, is found to have a significant impact on perceptions of luxury value, and consequently could influence the Indonesian millennials' purchase decision. The results confirm that luxury fashion brands should enhance emotional connections between target consumers through their communication strategies (Fionda and Moore 2009; Ko et al. 2019). Finally, this study measures sustainability as ethical value, and finds that sustainability has a negative influence on the perception of luxury value among millennials in Indonesia. It can be explained by that emerging economies usually have large populations alongside

unbalanced development across the nation (Bai et al. 2021). This suggests that sustainable consumption is seen as more challenging to promote in emerging markets.

Theoretical and managerial implications

The theoretical contribution of this study is threefold. Firstly, it extends the existing literature in luxury fashion consumption via offering a framework of luxury value perceptions held by younger consumers. Secondly, the findings extend the current literature of international luxury marketing via offering depth understanding of Indonesian consumers' perceptions towards values of luxury fashion brands (Kapferer and Valette-Florence 2022). Thirdly, in contrast to the prior literature especially those were developed from developed markets, the present study identifies that conspicuous consumption remains important especially in emerging markets although inconspicuous consumption has become popular and significant (Wang and Griskevicius 2014). Furthermore, the literature in relation to ethical consumptions developed from developed markets is not confirmed, which indicates that researchers need to develop depth understanding of emerging market consumers' awareness, perception and values towards ethical consumption and sustainability of luxury fashion industry.

The managerial implications of the present study are threefold. Firstly, the practitioners in luxury fashion industry should continuously highlight intangible values such as self-identity, investment, and emotional values through communication and distribution channels, particularly in-store services (Fionda and Moore 2009). Secondly, brand experiences across channels should be strengthened. Luxury fashion brands need to stress intangible values especially services rather than tangible goods (Moore et al. 2010). Thirdly, luxury fashion practitioners should prioritize sustainability as value even DNA in their brands. This strategy needs to be standardized around the world although consumers' perception towards sustainability of luxury fashion brands is not the same between countries (Sun et al. 2022a, b).

Limitations and future research direction

Although the findings offer depth understanding for the global luxury fashion sector in terms of the younger generations' perceptions of luxury fashion brand values, the limitations of the present study are considered in the following aspects. Correspondingly, the future studies are suggested. The present study focused on one market only. Comparable research in other ASEAN countries or regions would indicate differences or similarities to the Indonesian marketplace. This would enable judgments to be made as to how generalize these findings are to other geographic areas. Moreover, this quantitative research is limited to explore further consumers' depth perceptions towards luxury brands value. The future studies could investigate further details which cannot be explained by numerical data and analysis. For example, why experience as intangible value and sustainability are not important for Indonesian millennial? Furthermore, future studies are suggested to investigate the reasons and barriers behind emerging market consumers' awareness and values towards

sustainability of luxury fashion. Finally, 301 respondents are potentially perceived as a small sample. However, such sample size makes it possible to draw noteworthy conclusions about the attitudes and values of Indonesian millennials. More importantly, it was recognized as the sample saturation when no new information generated.

Supplementary Information The online version contains supplementary material available at <https://doi.org/10.1007/s43546-024-00755-x>.

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Author's contribution All authors have contributed to all stages of the article.

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Availability of data and materials The data used in this study are available upon request.

Declarations

Conflict of interest There is no conflicting of interest.

Ethical approval This research was approved by the Oxford Brookes University. It was performed in accordance with the ethical standards as laid down in the 1964 Declaration of Helsinki and its later amendments or comparable ethical standards. The authors adhered to the highest level of integrity and transparency throughout the process of data analysis and reporting.

Informed consent Informed consent was obtained prior to performing the procedure, including permission for publication of all the participants.

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