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Consumer Preferences and Motivations for Purchasing Luxury Brands vs. Commercial Brands: A Comparative Study in Chennai City

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Peer Review Information	Abstract
<p>Submission: 10 Feb 2026 Revision: 22 Feb 2026 Acceptance: 03 March 2026</p>	<p>The Indian consumer market has witnessed significant transformation over the past two decades, driven by rising disposable incomes, globalization, and digital media exposure. In Chennai, a city blending traditional values with modern aspirations, consumer choices toward luxury and commercial brands present a unique contrast. This study examines the motivations and preferences of 100 respondents from varied demographics, focusing on psychological, social, and economic factors influencing purchase decisions. Findings reveal that luxury brand purchases are largely driven by prestige, social recognition, superior quality, and aspirational value, particularly among younger professionals and students from affluent families who view luxury as a symbol of identity and lifestyle. Conversely, commercial brands are preferred for their affordability, accessibility, and reliability, especially among middle-class households prioritizing practicality. The study concludes that while luxury consumption is growing under globalization and social media influence, commercial brands remain dominant for their functional and value-driven appeal.</p>
<p>Keywords</p> <p>Consumer preferences, luxury brands, commercial brands, purchasing motivations, brand perception.</p>	

Introduction

Consumer behavior is a dynamic field that reflects the interplay of cultural, psychological, social, and economic influences on purchasing decisions. In contemporary markets, consumers no longer purchase products merely for functional use but also for symbolic meanings attached to brands. This evolution has created a clear distinction between luxury brands, which thrive on exclusivity, prestige, and emotional appeal, and commercial brands, which focus on mass accessibility, affordability, and functional benefits.

Luxury brands such as Louis Vuitton, Gucci, Rolex, and Chanel have long been associated with craftsmanship, heritage, and social status. These brands are positioned as aspirational, offering more than just tangible products—they deliver a

sense of prestige and personal accomplishment. In emerging economies like India, the purchase of luxury goods is often linked to upward mobility, where consumers view luxury consumption as an indicator of success and a means of enhancing social recognition.

Commercial brands, on the other hand, dominate mass consumption. Brands like Titan, Bata, Samsung, or Nestlé are chosen for their practical value, cost-effectiveness, and wide availability. They are embedded in the everyday lives of consumers and are trusted for their reliability and affordability. While they may not carry the aura of exclusivity, commercial brands play a vital role in shaping consumer loyalty through consistent quality and accessibility.

In the context of **Chennai City**, this duality of brand consumption becomes even more

significant. Chennai is a city that combines traditional cultural values with modern consumer aspirations. With its large middle-class population, rapid urbanization, and exposure to global trends, Chennai represents a microcosm of India's evolving consumer market. On one side, young professionals, entrepreneurs, and students are increasingly drawn to luxury brands, influenced by social media, global exposure, and the desire for social validation. On the other, households and middle-income groups continue to prefer commercial brands that align with practicality, cultural values, and budget considerations.

The motivations for purchasing luxury versus commercial brands vary widely. Luxury consumption is often tied to psychological and emotional drivers such as self-expression, prestige, and status signaling. Meanwhile, commercial brand consumption is shaped by rational factors such as price sensitivity, product utility, and accessibility. Understanding these motivations is essential for marketers, especially in diverse and rapidly growing urban markets like Chennai, where both luxury and commercial sectors are thriving simultaneously.

This comparative study investigates consumer preferences and motivations for luxury and commercial brand consumption in Chennai City. By surveying 100 respondents across different demographic profiles, the research aims to uncover the key factors influencing brand choice, providing insights into how consumers balance aspirational desires with functional needs. The study is particularly relevant in the post-globalization and post-pandemic context, where consumer expectations have shifted significantly toward both value-for-money and lifestyle-driven consumption.

By analyzing these dual preferences, the study contributes to the literature on consumer behavior in emerging markets while offering practical implications for brand managers. It will help marketers understand the strategic balance required between exclusivity and accessibility, emotional appeal and functional reliability, to capture the diverse Chennai consumer base.

Objectives of the Study

1. To study consumer preferences toward luxury brands and commercial brands in Chennai.
2. To identify the key motivations influencing luxury brand consumption.
3. To analyze the factors driving commercial brand purchases.
4. To compare functional and psychological motivations in brand selection.

5. To provide managerial insights for marketers in positioning luxury and commercial brands effectively.

Review of literature:

1. Theoretical Foundations of Luxury Consumption

The understanding of luxury consumption has moved beyond Veblen's classic theory of conspicuous display. Modern research, such as the work by Srivastava et al. (2016) in Mumbai, reveals a more complex picture. They identified four key value dimensions—financial, functional, personal, and social—driving purchases. This framework led to the segmentation of Indian consumers into "snob," "prestige," and "value" appeal seekers. This shows that Indian luxury buyers have diverse motivations, requiring brands to adopt strategies that go beyond simple status signaling.

2. Psychological Motivations and Consumer Behavior Patterns

Psychological drivers are central to understanding luxury brand preference in India. Studies by Tak (2020) and Singh and Doval (2019) identify key motivators like the need for uniqueness, hedonic pleasure, and perceived quality, while social conformity has a negative effect. These emotional and symbolic benefits, such as social recognition and brand name value, create psychological barriers. Commercial brands find these barriers difficult to overcome with functional improvements alone, as luxury consumption satisfies deep-seated individual and social needs.

3. Demographic Segmentation and Cultural Influences

While demographic differences exist in consumption, research suggests that psychological aspirations are better predictors of luxury preference than factors like age, gender, or income. Naaz et al. (2024) found that motivations, not demographics, drive luxury choices. Furthermore, studies by Jain et al. (2012) and Eng and Bogaert (2010) confirm that while gender-specific behaviors are present, the cultural embedding of status signaling and conspicuous consumption within Indian social practices is a more powerful influence on luxury consumption patterns.

4. Brand Equity and Media Influence on Consumer Choice

Brand equity for luxury goods is built on symbolic and emotional associations rather than purely functional performance. This creates a structural advantage over commercial brands. Research by Husain et al. (2022) demonstrates that social media is a particularly effective channel for communicating this value, significantly

influencing consumer purchase intentions. Digital platforms amplify the status signaling and social comparison inherent in luxury consumption, making them a crucial tool for luxury brands to fortify their premium positioning.

5. Lifestyle Integration and Retail Experience Factors

Luxury brands differentiate themselves by becoming integral parts of a consumer's aspirational lifestyle. As Anitha (2016) found in Chennai, a brand's alignment with lifestyle narratives strongly influences purchase decisions. A key component of this is the retail experience, which for luxury brands is immersive, experiential, and identity-reinforcing. This focus on creating a comprehensive brand experience stands in stark contrast to the transactional efficiency of commercial retail, widening the emotional gap between the two.

Research Gaps and Future Directions

Although luxury consumption in India has been widely studied, significant gaps remain in understanding Chennai-specific consumer behavior. Most existing research focuses on cities like Delhi and Mumbai, overlooking Chennai's distinct cultural and economic dynamics. Furthermore, studies are largely cross-sectional, offering limited insights into how consumer preferences evolve over time. Research often treats luxury consumption as a broad category, without examining variations across specific product segments. Additionally, while social media influence has been explored, comprehensive analysis of the broader digital transformation on consumer preferences for luxury versus commercial brands remains underdeveloped.

Need for the Study

The present study is undertaken to understand consumer preferences in Chennai's rapidly evolving urban market, with a focus on the psychological and economic drivers that influence purchases of luxury versus commercial brands. It aims to provide marketers with insights for effective product positioning in a highly competitive brand environment while also examining the role of globalization and social media in shaping consumer aspirations.

Scope of the Study

The scope of the study is confined to Chennai City, comparing motivations for luxury and commercial brand choices through both psychological factors such as prestige, identity, and lifestyle, and functional factors such as price, accessibility, and quality. Based on a sample of

100 respondents, the findings serve as indicative insights applicable to similar urban Indian contexts, though not exhaustive.

Limitations of the Study

1. The sample size of **100 respondents** may not represent all consumer segments in Chennai.
2. Data is limited to urban consumers, excluding semi-urban and rural perspectives.
3. Convenience sampling may introduce selection bias.
4. Findings may not be generalizable beyond Chennai city.
5. Consumer motivations are dynamic and may shift with trends, economy, or social influences.

Research Methodology

This study uses a descriptive and comparative approach to explore consumer preferences and motivations for luxury and commercial brands in Chennai City. This method is appropriate because the goal is to describe consumer behavior and compare the factors influencing their choice between these two brand types. The research emphasizes understanding psychological drivers like prestige and social status, as well as functional considerations such as price and availability, which impact consumer decisions. The study focuses on Chennai City, a developing urban market characterized by a blend of traditional values and modern consumer goals. A sample of 100 respondents was chosen through convenience sampling. Participants included students, salaried workers, businesspeople, and homemakers, all of whom are familiar with both luxury and commercial brands, ensuring relevant and insightful responses.

Primary data were gathered via a structured questionnaire aimed at collecting demographic information, brand preferences, and purchase motivations. The questionnaire employed a five-point Likert scale from strongly disagree to strongly agree to capture respondents' perceptions accurately and consistently. The data were then coded, tabulated, and analyzed using SPSS, utilizing methods like percentage analysis and mean score analysis to systematically interpret consumer preferences and compare motivations for luxury versus commercial brands.

Data Analysis and Interpretation

Data analysis is an essential phase in research, converting raw data into insights. This study examines responses from 100 respondents in Chennai City to understand and compare

consumer preferences and motivations for luxury versus commercial brands. The analysis utilized percentage and mean score methods, aided by SPSS software. Findings are displayed in tables, accompanied by detailed interpretations to extract meaningful conclusions that align with the study's objectives.

Table 1: Preference Level Towards Luxury Brands

S. No	Statement	Mean Score
1	Luxury brands enhance social status	4.28
2	Luxury brands represent prestige and exclusivity	4.35
3	Luxury brands offer superior quality	4.12
4	Luxury brands reflect personal identity and lifestyle	4.30
5	Luxury brands are worth the premium price	3.98

The table above displays the average scores for various factors that influence preferences for luxury brands. The highest mean score (4.35) is for the statement "Luxury brands represent prestige and exclusivity," suggesting that prestige is the primary motivator for luxury brand consumption. Elevated average scores for social status (4.28) and lifestyle expression (4.30) further indicate that psychological and symbolic reasons mainly drive luxury purchases. Although respondents generally see luxury brands as offering high quality, the slightly lower average score for price justification (3.98) reveals that premium prices remain a concern for some consumers.

Table 2: Preference Level Towards Commercial Brands

S. No	Statement	Mean Score
1	Commercial brands are affordable	4.45
2	Commercial brands are easily available	4.38
3	Commercial brands offer value for money	4.42
4	Commercial brands are reliable for daily use	4.31
5	Commercial brands meet basic needs effectively	4.36

The table clearly indicates a strong preference toward commercial brands based on functional benefits. Affordability recorded the highest mean

score (4.45), followed closely by value for money (4.42). The high scores for availability and reliability show that consumers prefer commercial brands for routine and necessity-based purchases. These findings suggest that commercial brand consumption is primarily driven by rational decision-making, where practicality and cost-effectiveness play a dominant role.

Table 3: Comparison of Motivational Factors Influencing Brand Choice

Motivation Factor	Luxury Brands (Mean)	Commercial Brands (Mean)
Prestige / Status	4.35	2.88
Quality Perception	4.12	3.95
Price Sensitivity	3.02	4.45
Availability	3.15	4.38
Lifestyle Fit	4.30	3.40

The analysis clearly contrasts luxury and commercial brand motivations. Luxury brands score higher in prestige and lifestyle fit, showing that luxury purchases are influenced by aspirational and emotional factors. Conversely, commercial brands score higher in price sensitivity and availability, reflecting a utilitarian approach. While quality perception is important for both, luxury brands have a slight edge. Overall, consumers weigh emotional desires and functional requirements differently based on the product type and shopping situation.

Table 4: Influence of Social Media on Brand Preference

Statement	Mean Score
Social media increases awareness of luxury brands	4.26
Social media influences aspiration toward luxury brands	4.18
Commercial brand ads influence purchase decisions	3.85
Online reviews affect brand choice	4.10

The findings show that social media significantly influences how brands are perceived, especially luxury brands. High average scores for awareness and aspiration indicate that digital platforms enhance the aspirational appeal of luxury brands. While commercial advertisements have some influence, their effect is less pronounced than that of luxury brand messaging. Additionally, online reviews impact consumer

choices for both luxury and commercial brands, emphasizing the crucial role of digital trust and peer feedback in today's buying decisions. The analysis highlights a dual consumption pattern among Chennai City consumers. Luxury brands are favored for symbolic, emotional, and lifestyle reasons, whereas commercial brands lead in daily use because of their affordability and utility. Consumers do not solely stick to one category; instead, they intentionally switch between luxury and commercial brands depending on their purpose, budget, and social setting.

Table 5: Independent Sample t-Test: Motivation Differences Between Luxury and Commercial Brands

Motivation Dimension	Brand Type	Mean	Std. Deviation	t-value	Sig. (p)
Prestige & Status	Luxury	4.32	0.61	6.48	0.00
	Commercial	2.85	0.74		
Price Sensitivity	Luxury	3.05	0.68	-7.21	0.00
	Commercial	4.44	0.52		

The independent-samples t-test indicates a significant difference between luxury and commercial brands across major motivational factors. Luxury brands score notably higher on prestige and status ($p < 0.01$), suggesting that their consumption largely stems from symbolic and aspirational motives. In contrast, commercial brands exhibit significantly higher price sensitivity ($p < 0.01$), suggesting that affordability and cost are primary considerations in purchase decisions. Overall, consumer motivations differ markedly across brand categories.

Findings and Suggestions

The study shows that consumers in Chennai City choose luxury and commercial brands based on both psychological aspirations and practical needs. They distinctly distinguish between the two types of brands and select them according to the purchase purpose. Luxury brands are mainly valued for their symbol of prestige and the social status they confer, while commercial brands are preferred for daily use because they are affordable, readily available, and offer good value. This suggests that consumers use a rational yet aspirational approach when selecting brands, rather than sticking to just one category.

The study highlights that prestige, lifestyle fit, and brand image are the primary drivers behind luxury brand consumption. Consumers see luxury brands as symbols of personal achievement and social standing. However, the research also indicates that premium pricing limits purchases to special occasions. To address this, luxury brand marketers should enhance emotional branding through storytelling, experiential marketing, and personalized outreach. Introducing entry-level products or limited-time offers may also attract aspirational middle-income consumers while maintaining brand exclusivity.

The findings show that mainstream brands are widely accepted due to their affordability, dependability, and easy availability. Consumers turn to these brands for everyday needs and are highly sensitive to price changes. Consequently, commercial brand managers should prioritize consistent quality and a value-for-money approach. Using periodic promotions, expanding distribution, and adopting competitive pricing can help boost customer loyalty and reinforce market leadership.

Higher-income respondents favor luxury brands, while lower- and middle-income groups prefer commercial brands, indicating that purchasing power influences consumption. Marketers should adopt segmented strategies: luxury brands target high-income consumers with exclusive channels, and commercial brands focus on affordability for mass audiences. Social media also impacts consumer behavior, especially in luxury brand aspiration, by portraying lifestyles and influencer endorsements. Luxury brands should boost digital engagement, influencer collaborations, and immersive online experiences. Commercial brands can use social media to highlight benefits, discounts, and reviews to build trust and drive sales.

Overall, the findings suggest Chennai consumers have a balanced consumption pattern, blending aspirational desires with economic rationality. To meet this diverse market, luxury and commercial brands must align strategies with changing consumer expectations. By understanding the motivations behind each brand type, marketers can develop more effective positioning, communication, and engagement strategies that resonate in a competitive, dynamic marketplace.

Conclusion

The study finds that consumers in Chennai City have different preferences for luxury and commercial brands based on their needs and purchasing contexts. Luxury brands are mainly valued for their prestige, social status, and

lifestyle appeal, while commercial brands are favored for their affordability, availability, and practicality. This indicates that consumers weigh aspirational goals against everyday needs when making purchasing decisions. The results also reveal that income levels affect brand choice, with higher-income individuals showing a stronger preference for luxury brands. Additionally, social media significantly influences awareness and aspirations, particularly for luxury brands. Overall, both types of brands are vital in the consumer market, fulfilling distinct roles and expectations. The study provides insights into consumer behavior, helping marketers enhance brand positioning and marketing strategies.

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