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Luxury Consumption and its Relevance in India- A Pandemic View

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Abstract

India's stupendous economic growth is to reckon with. The number of Indians in the millionaire and billionaire club is ballooning at monumental rates. With globalization and technological development, the luxury industry has undergone epic changes in the past 20 years. The Indian middle-class is gradually turning from pursuant to purchaser, demanding an aspirational lifestyle. This has created a massive opportunity for global luxury brands in India. But chasing the Indian diaspora is quite challenging and unpredictable considering the enormous socio-cultural diversity seen in the country. Different layers of Indian society seek luxury with multifarious anticipation levels of service, correspondence, experience, and contentment. Covid-19 has taken a toll on all industries. Luxury retailing in these circumstances is a new ball game altogether. This review paper, taking on a qualitative assessment path, explores the past conceptualizations of luxury and its relevance in the Indian subcontinent in current times. It also throws light on prospects and threats posed in front of the luxury industry and marketing and communication tactics that need to be applied to mesmerize the Indian buyers.

KEYWORDS: Luxury, Indian, apparel, consumption, retail, pandemic

INTRODUCTION

Luxury is an ambiguous concept and is contested in scholarly debates. Consumers covet luxe for functional, financial, social, and emotional purposes. These goods will generate a revenue of 382 billion dollars by 2025. The luxury sector is expected to grow at a CAGR of 6.72 percent, making it one of the most profit-making industries in the world (Statista Report 2021). India is among the most thriving and happening luxury destinations. Its pedigree in India goes back to the royal kingdoms and British Raj. The Indian retail market is the third-largest and is expected to reach a growth rate of 8.5 percent in the fiscal year 2022-2023. This market is forecasted to shoot up to $1.4 trillion by 2026 and more than $1.8 trillion by 2030. It is interesting to note that such growth figures are not unachievable despite the pandemic shaking up the global economy and retail consumption (Kearney's Global Retail Development Index, 2021). The luxury market is highly driven by ultra-high net worth individuals (UHNWIs)-those with a net worth of $30 million or above. As per Knight Frank's wealth report 2021, it is projected that UHNWIs will rise by 63% in 2025. However, today more than the traditionally affluent families, the middle-class is demanding such expensive goods. For the past few years, luxury was already undergoing drastic alterations thanks to a mishmash of macro-environmental factors such as market regulations, resurgence of stock markets, digital sprint, etc. Coronavirus has only fastened the pace and heightened the necessity of such changes. The luxury industry is experiencing a V-shaped recovery from a sharp plunge in 2020 to a steep rise by 29 percent in 2021 (Bain and Company, 2021). Success in today's cut-throat environment is contingent on a lot of things. The once global nomads are forced to shop in their own country, giving local brands the chance to outmaneuver their foreign mates. The future of luxury is digital, and brands need to offer an intuitive and seamless bespoke experience.

CONCEPT OF LUXURY

The word luxury has its roots in the Latin word 'Luxus', which literally means extravagance and lavishness. Oxford Dictionary defines luxury as a state of comfort that comes at a great price. As quoted by Coco Chanel, "luxury is a necessity that begins where the necessity ends". The term luxury has several connotations. It is pluralistic. Several professors have attempted to define luxe using its numerous facets. While some have used the price-quality dimension to explain the luxury concept, others use the uniqueness aspect. Nueno and Quelch (1998) state that luxury goods are "those whose ratio of functional utility to price is low while the ratio of intangible and situational utility to price is high". In economics, luxury represents irrational consumption behavior whose demand increases disproportionately with price, while in business, it is an unreasonably expensive product with an emotional value attached. Professor Jean-Noel Kapferer (2005) uses experience to define luxury as a commodity that fascinates sensibilities. There is no exact definition of luxury in literature which points out its elusive nature. Although there are epistemological differences, theorists do agree that a luxury good satisfies both functional and emotional needs (Khan et al., 2014).

Luxury depends upon the milieu, culture, and psyche of the people consuming it (Bahal & Dave, 2018). It is a multifaceted and multi-disciplinary concept that draws from other disciplines like philosophy (virtuosity), economy (consumer behavior), sociology (elegant social image), and psychology (self-satisfaction). Hagtveded and Patrick (2009) state that "while value brands satisfy, luxury brands delight". As per Phau and Prendergast (2000), all luxury brands have four main traits: exclusivity, brand identity, brand awareness and quality, and constant sales level and dedicated customer base. Furthermore, they have polysemic meanings which are more or less derived from the cultural conventions rather than the brand per se. On the one hand, some luxury objects are immaculately designed to offer superior craftsmanship and modern features; on the other hand, other luxury objects only serve as a gateway to the meritocratic club. These goods, particularly jewelry, watches, high-end apparel, may not be better in utility than their inexpensive counterparts but are only purchased to flaunt the affluence and elevate their placement in the society. (Srinivasan et al. 2014).

Luxury as a separate realm has been gaining significance and attention from researchers in the past few years. During ancient civilizations, luxury was concomitant to royal families. It was offered as a tribute to God and as a means of redemption. Jewels were buried with dead bodies of kings in the coffins. Rulers built magnum opus temples and cathedrals. The sumptuary laws of the Middle Ages specified what each social stratum was authorized and forbidden from wearing. For instance, bridegrooms were not permitted to sport clothes that surpassed two marks. Knights could be accoutred up to six marks but not gold embroidered fabrics. The logic behind this was to safeguard specific garments for the upper cream and keep them in a different league (Han et al., 2010). Since a clear distinction between the aristocracy and proletariats was present, defining luxury was easy. Whatever was inaccessible to the modest middle-class was a luxury for them. However, luxury brands as a part of lifestyle conceptualized only after globalization when the luxury market transformed from small artisan family-owned businesses to a consolidated full-fledged economic sector driven by few large and powerful multinational conglomerates like LVMH and Richemont. Although they varied in their approach to building empires, these fashion houses sought to build a long-term brand to invigorate their value proposition and brand identity. This was essential to lure the luxury consumers as they could appreciate the tales around these peculiar articles, held as paragons of art, which in turn would enhance their self-esteem (Seo & Oliver, 2014).

"Where the ordinary ends and luxury starts is a matter of degree as judged by consumers", implying that luxury and non-luxury goods are only the two extremes of a range of goods (Tynan et al., 2010). According to Vigneron and Johnson (2004), there are different levels of luxury. While Gucci and Coach are both luxury brands, Gucci is at a higher level of luxury than Coach. There are three categories of luxury, namely inaccessible (Missoni, Alexander Wang, Brunello Cucinelli), intermediate (Bottega Venetta, Max Mara, Roberto Cavalli), and accessible luxury (Tod's, Tory Burch, Paul & Shark) (Barnier et al. 2012). Silverstein and Fiske (2003) described three main types of new luxury articles- Accessible super premiums, Old luxury brand extensions, and masstige products. Accessible Super Premiums are brands that are super-premium but also relatively accessible. Ted Baker and Hugo Boss fall in this segment. Old Luxury Brand Extensions includes luxury brands that have introduced new product lines that specifically cater to the masses. For instance, Moschino's range Love Moschino is relatively cheaper than the original brand. Masstige brands "occupy a sweet spot between mass and class". They carry almost the same prestige as luxury brands but are accessible to upper-middle-class excursionists. Calvin Klien is a good example of this category (Acharya & Nirjar 2016). What is more confounding is that some brands can be considered a luxury in one category and non-luxury in another. For instance, while Armani is regarded as a luxury in formal wear, it does not fulfill the criteria of luxury in the streetwear category.

Different consumers have different perceptions of the same luxury brands, and the decision to purchase them would be based on the integration of the different perceptions through a set of values. Values are essentially ideals that influence a desirable behavior and help to understand consumer perceptions and apprehensions. They can be called as benefits that consumers gain from purchasing luxury goods (Bahal & Dave, 2018). In earlier days, Veblen's Theory of Leisure Class was quite prevalent, which stated that conspicuous consumers purchase luxury to vaunt their prosperity. The conventional structure developed by Leibenstein (1950) inculcates snob, Veblenian, and bandwagon motives. Consumers exhibiting snob behavior are influenced by both personal and interpersonal factors. These consumers avoid purchasing products consumed by the general public for fear of being regarded as substandard. "When a new prestige product is launched, the snob will adopt the product first to take advantage of the limited number of consumers at that moment". The Veblenian effect occurs when consumers perceive price and quality to be directly related. Their motive to impress the gentry is fulfilled when they buy a good of a higher price. Bandwagon consumers make efforts to maintain a glitzy lifestyle since they feel that this would mark their arrival in the loaded group. The two additional factors that affect consumption behavior are hedonism and perfectionism. Hedonist consumers buy luxury goods to boost their ego and satisfy their need for indulgence. They are not affected by external or social protocols. Perfectionist consumers assess a product's quality on their own and sometimes use the product's price as a reassurance of the quality (Husic & Cicic, 2009).

The luxury market encompasses a product continuum ranging from opulent holidays on yachts to wine and spirits, and fashion and fragrance. The enigmatic nature of luxury is highlighted in the fact that what may be luxurious for an unemployed person may be a regular product for a millionaire. Kenzo is luxury for some, while it is not enough exclusive for others. It is a fluid concept. Porter's five forces industrial analysis framework (Porter 1980) suggests that the luxury industry cannot be categorized as an independent unit since it consists of miscellaneous products like apparel and cars. One cannot compare Goyard bags with Lanvin sneakers, albeit they ignite the same spirit of elan and suaveness. But these intangible traits provide a common ground to academicians for classifying luxury brands as a separate economic sphere. A large number of non-luxury buyers using pedestrian articles feel that objects with lofty price tags require obnoxious bundles of cash, which is redundant and ignore the artistic merits. (Kapferer & Laurent, 2015)

Marketing mix refers to a thoughtfully fabricated combination of consumer-centric strategies that focus on a broad range of areas as part of a comprehensive marketing plan. This helps to reach a broad customer base and ultimately drives the business. While marketers promote the brand image that the brand creators construct, it is ultimately the consumer who gleans his own discrete meaning from the brand. The 4P's of the marketing mix include Product, Price, Place, Promotion. The marketing of luxury items presents a fundamental paradox. The elements of the marketing mix in luxury branding are based on a few paradoxes (anti-marketing laws). While fashion brands try to resort to all sorts of marketing gimmicks to increase their sales expeditiously, this fails luxury brands since it dilutes their quality of exclusivity and rarity (Hemanth Y 2018).

Product dimension

Contrary to the mass market products that are designed keeping the consumer expectations in mind, luxury brands mold their products and their packaging to form a distinct brand image. They focus more on the intangible aspects of the product than on its functional use. They need to surpass their expectations and sell a dream in order to charge an exorbitant price.

Price dimension

While fashion brands focus on the affordability of the consumers, luxury brands prioritize inaccessibility. Luxury products are placed on the upper end of the price echelons to induce a sense of rarity. They cannot indulge in discounting since it negatively impacts the minds of the consumers.

Place dimension

Luxury brands are sold at specific retail outlets located in high-end areas, which bolsters the idea of exclusivity. They are sold in minimal quantities so that consumers have to wait for months to get their hand on the product, reinforcing the notion of rarity. The idea is to control distribution and avoid excess accessibility.

Promotion dimension

Promotions of luxury brands are vague, emblematic, and kindle a sense of elegance. Celebrity endorsements and fashion events are used as communication tools. They subtly cater to the upper crust by igniting their spirit of superiority. (Hemanth Y 2018)

INDIAN LUXURY HISTORY

India has been synonymous with luxury since time immemorial. It was once hailed as a Golden Bird. From ancient Hindu scriptures like the Ramayana and the Mahabharata, from the glorious lives of Maharajas who were luxury connoisseurs to the attempts by the nobility to gain salvation by offering coffers of luxury items at pilgrims, to the royal kingdoms-now-converted into extraordinary hotels like Umaid Bhawan Palace and Rambagh Palace in Rajasthan, everything speaks of magnificence and highlights India's long tryst with luxury. Hindu deities were excessively embellished in gold, bedizened with resplendent attires. Many artistic pieces were commissioned in Indian 'durbars' ranging from mystical antiques to intricate floorings. The Victoria and Albert Museum, London, organized a special exhibition named "Maharaja: The Splendour of India's Royal Court‟ to display the sumptuous lives of the Indian rulers reigning since the 18th century. In the 1920s, Cartier received a shocking request from Maharaja Bhupinder Singh of Patiala to create a necklace out of thousands of loose pearls and rare stones that he had brought from India. It was indeed quite startling for the luxury house since it was the single largest execution for the luxury label. (Devanathan, 2019)

Indian artisans and laborers, in the past, have designed many luxury fabrics drapes with exquisite embroidery such as Pashmina Shawls, along with stunning jewelry consisting of rare precious gems that are only found in India and produced Ayurveda creams. At the same time, Indian Nawabs have had a long obsession with Western brands like Van Cleef and Arpels and Boucheron, ordering tailored articles spending crores of rupees. They eagerly welcomed Western brands as benchmarks because of ignorance and inability to discriminate. During colonial subjugation, luxury became more influential because of the exchange of ideas and opinions between the Britishers and royal families. Although the royal families lost their eminence after independence, the hierarchy of social classes still remained widely relevant. The few privileged families were still used to non-essential services like servants for household chores, chefs for cooking, and drivers for traveling. (Devanathan, 2019)

However, this social landscape underwent seismic shifts after liberalization and globalization reforms in the 1990s. Huge foreign direct investments and the setting up of multinational companies who paid hefty salaries to Indian employees opened up new pockets of fortunes. Simultaneously, there was an infusion of global luxury ideas because the internet and 4G network were burgeoning at a frantic pace. All this led to the dramatic increase in consumerism and the rise of premium brands such as Tommy Hilfiger, Diesel, and DKNY. The brands which were once seen only in international fashion magazines started setting up their base in India. Luxury growth has been bolstered by increased media recognition and paparazzi culture, mushrooming the global travel sector, and a surge in online shopping. With the sheer growth of the economy and cash windfalls, Indians were finally encouraged for brash spending and started consuming ultra-luxury labels like Prada, Dolce & Gabbana, and Alexander McQueen, the consequence of which was the establishment of the luxury industry in India (Khan et al. 2014)

CURRENT SCENARIO IN INDIAN CONTEXT

The luxury market in India is a fledgling business comprising immature buyers and sellers. It is witnessing an upward trajectory. There are a plethora of fashion designers, artisans, and fashion business managers. The rise in per capita income and improved standard of living has allowed people in Tier II and Tier III cities to indulge in luxury shopping and emulate the cream of the crop. With the velocity of economic progress, millions of young entrepreneurs and professionals who once could only afford fast fashion brands, are ascending the social ladder and gradually moving towards premium and masstige brands. The new Indian is more discerning and discriminating than ever. Flamboyance has always married with illusions in the case of Indians. What magnetizes them are the brands that exhibit authentic Indian taste coupled with ornamental and perennial designs. Younger cohorts use luxury as a means to navigate through the phenomenological world. Luxury is also a means for the nouveau rich (newly rich) to establish a unique social identity that shall make others admire and envy them. Purchasing luxury objects give their life a new meaning and a direction. There is a spurt of families in which there are two earning members, which leads to higher purchasing power. There has also been a tremendous rise of financially independent women working in various sectors, paving the way for apparel, jewelry, and cosmetics demand (Hemanth Y 2018). Traditional families such as those of diamond merchants in Gujarat and hosiery manufacturers in Ludhiana have acquired mammoth wealth in the past few decades and are a salient segment spiraling the rise of luxury in India (Hemanth Y, 2017).

Consumerism in India has come a long way, and its evolution can be segregated into three distinct phases. In the pre-independence period, the guiding force was the Gandhian philosophy of ‘simple living, high thinking. It was a frugality-oriented ideological system. During the post-independence period, India suffered from a monopolist reign and a low level of economic growth. The scarcity of resources downgraded people’s self-esteem. Materialism and the quest for worldly pleasures were seen as illegitimate. Even the few fortunate goliaths had to seek acceptance through donations. Middle-class was seen as ‘heroes’, and the elites who endorsed luxe were portrayed as villainous. Previous norms of austerity eventually dissolved, and consumerism was sanctioned since it was started being seen as a prosperity index (Chaudhuri 2006). Today, India is on the radar of luxury giants as one of the hottest destinations for luxury.

Consumers in emerging countries like India can be divided into four segments- patricians, parvenu, poseurs, and proletarians. Patricians are the traditionally wealthy people born with a silver spoon, and for whom luxury is a way of life. They do not indulge in conspicuous consumption; instead, they remain toned-down. Parvenus are those who have recently acquired wealth and hold luxury goods as objects of pride. They are conspicuous consumers. Poseurs are feigners who, although cannot buy high-end brands like Fendi or Dunhill, fulfill their desires through counterfeit products. Proletariats are the ones who can ill afford luxe. (Han et al. 2010). Chadha and Husband (2007) have divided luxury consumers into five categories based on socio-economic development- ‘subjugation’, ‘gradual acquisition of money’, ‘conspicuous’, ‘conformity’, and ‘lifestyle’. Times have evolved and, in this day and age, India may be at the ‘conspicuous’ stage since, by and large, all Indians derive intangible value by ascribing communal meanings to their possessions. But this categorization does not apply to every individual. For instance, luxury is a part of their lifestyle for billionaires like Ambani's.

Some trends that are widespread among Indians are as follows-

Collectivism

While Western consumers typically identify with the experiential dimension of luxury, Eastern consumers of countries like China and India fall in the bracket of those who buy luxury to follow suit. India is a collectivist society, unlike Western individualistic one. Here, an individual’s actions are driven by social perception. They manifest a life where they can mingle around the society. For Indians, luxury objects are embodiments of their culture and customs, thus creating a symbolic value. This value helps achieve a dominant stature and prevents social ostracization (Chadha and Huband, 2007, p. 68).

Display of status

Indians give a lot of weight to the badge value of luxury. Their relentless pursuit of conveying assertion, laurels, and accomplishments translates into conspicuous consumption. The spirit of one-upmanship is engraved in the personality of average Indians since they are socially conditioned to compete with their peers. For them, it is a race for success, where the winners parade pompously and spread a contagion of desire among the losers. “What deprivation does is build a hunger, a desire, a dream, however distant and unattainable it might be” (Chadha and Husband, 2006, p. 43). “The allure of luxury intensifies if ownership is restricted at one end and the thirst to possess is unadulterated and lusty at the other” (Sengupta, 2012; p171). Nonetheless, luxury is still a prerogative of the socialites in India, and they hold their material possessions for the primary purpose of show-off(Khan et al., 2014). Indian consumers are materialistic and love toting their Bally bags, and Aigner watches.

Western Influence

India’s innate affinity for Western Maisons is well-chronicled. Right from British domination to billionaires and millionaires’ globe-trotting, the profound impact of international dogmas has been quite widespread. (Devanathan, 2019) This is one of the main reasons for Indians to have pre-conceived notions of foreign brands like Oscar De La Renta being superior even if the quality and value of the products are similar to those of domestic brands. Foreign brands are well-versed with this mentality and capitalize on this by building an image that emphasizes global presence. They use such communication tactics that entrance Indian consumers into believing that they are refined and cultured if they use their brands instead of domestic ones. (Vohra and Gupta, 2016). Notwithstanding the predisposition for Western clothing, they appreciate Indian roots and proudly wear ethnic costumes as well. For Indians, Tarun Tahiliani is a go-to for haute couture, while Elie Saab is not.

Customization

“Each country has its own endearing eccentricities that make it unique” (Chadha and Husband, 2006, p. 56). The Indian market is quite volatile and fickle-minded in terms of luxury consumption. The sheer heterogeneity of the populace can be seen in the fact that while people in Delhi are attuned to ostentatious display of their sacrosanct products, A-listers of Mumbai buy more for their utility (Atwal & Jain, 2012, p.161). Whereas older lot is orthodox in the consumption patterns, the newer money is iconoclastic (Chadha and Husband, 2006, p.40). This social fabric propels the demand for idiosyncratic products. For instance, Hermes launched sarees that were in sync with Indian traditions. Luxury offerings need to be Indianized in order to win the Indian consumers (Khan et al. 2014). Business families and Bollywood celebrities splurge excess amounts on customizing their apparel, making the fashion designers create eclectic and, sometimes garish, items to precisely match their demands. (Hemanth Y 2018)

Frugal mindset

Indians have, in their inherent nature, judicious use of resources, especially money. They would lead a frugal life even if they could afford luxury because they were averse to the idea of materialism and superfluousness. This created a colossal obstacle for marketers since recalibrating the attitude and temperament of the people was not an easy task. One factor that brings the diverse Indian consumers on a level field is that they are all value-conscious and want to clinch the best deals. A difference of even a few thousand rupees between luxury goods of the same brand in different countries (due to tariffs and other related costs) makes the Indian consumer think twice before buying them. They feel that those few thousands could rather be used to buy a bag from Marc Jacobs. This conscience allows them to purchase only those luxe goods that are seen as ‘assets’. Thus, brands try to create extraordinary pieces that can command higher prices and be seen as long-term investments. “As long as it can be classified as an investment – whether financial, emotional, or social – not an expense, you pull them in. And once they start down the luxury brand path, there’s no turning back” (Chadha and Husband, 2006, p. 230). Indian luxury marketers must note that for Indians, a pair of Jimmy Choo sandals and a Canali jacket do not fall in separate groups. These different luxury items are all competing with each other to win over the Indian luxury rupee (Acharya & Nirjar 2016).

Festivities and splurging

A unique trend seen explicitly in India is the purchase of luxury objects like gold on Dhanteras by people who cannot really afford it just because the day is considered auspicious. Since taking loans has become more feasible in recent times with the option of EMIs, a lot more people are splurging on luxury. Easy financing makes it conducive for people to spend more than they actually earn. Luxury gift-giving is a tradition in Asia, and India is no exception. Exchanging gifts on every other occasion is quite common since it is considered a token of affection. The once outlandish gifts to insinuate wealth are now translating into stark rewards evoking altruism. Working in big MNCs has kept the professionals extremely busy. In order to compensate for the enjoyment beyond work, they resort to luxury for rare moments of happiness. Another amusing practice among the average Indians is struggling hard throughout the year to earn and save and then once or twice in a year, indulging in luxury consumption just to escape their mundane and monotonous lives. (Acharya & Nirjar 2016)

Bollywood

Indians' manic obsession with Bollywood and celebrity endorsements creates an astounding urge for luxe. Bollywood creates a myth in the audience's minds, which makes the consumers chase those dreams. The media fete these designer-clad stars. Magazines such as Vogue, GQ, Harper's Bazaar India, and Page 3 of Times of India, which provides celebrity news, also have fortified luxury associations with Bollywood. (Atwal & Jain, 2012, p.13)

Caviar-and-popcorn logic

Widely seen among Indian consumers is a propensity to make a trade-off among various goods. For instance, they might wear a Angelo Galasso shirt with a pair of jeans from Zara (Chadha and Husband, 2006, p.59). This primarily happens because some demotic brands follow anti-laws of marketing, creating a pronounced differentiation in their articles.

COVID-19 AND FUTURE

The Indian economy was functioning normally until the end of the third quarter of fiscal year 2019-20 when coronavirus entered the Indian mainland and gradually infected people. Novel coronavirus, taxonomically termed SARS-CoV-2, originally emerged in Wuhan city, China. The outbreak of this virus caused unprecedented mayhem across the world. Seeing the lethal danger caused by the virus, World Health Organization declared it an international public health emergency. India observed a total lockdown starting from 24 March 2020. Economic units were shut, and production was pushed to nadir. The ripple effects of this humanitarian crisis are being felt across boundaries, regions, and industries. It may be preposterous to think of luxury and discretionary spending in this time of looming economic upheaval. Luxury businesses are floundering, with some of them fighting hard to stay afloat and sustain their patronage. The crisis upended Italy, the ultimate fashion destination, as a dire ramification of which many Italian fashion houses are encountering plummeted sales. (Krishnegowda et al. 2020)

Covid-19 has been unrestrained and tumultuous in disrupting economic activity and the human lives of all 7.8 billion people worldwide in an unexampled way. The health system has been wrecked, hunger, starvation, and unemployment are breaking records, which may be just the tip of the iceberg. The fashion industry is among the worst affected, witnessing a mass exodus of migrant workers to their hometowns because their daily bread is destroyed. The textile and apparel industry contributed 13 percent to India's exports 2 percent to India's GDP, and employs around 60million workers directly or indirectly. Now with factories gradually opening up and production getting started again, the industry is facing human resources shortage and damaged supply chains. (Kumar & Kumar 2021)

Trends that might be seen

Emotional Consumer

Pandemic has caused a dramatic shift in buying behavior with people craving for loved ones, nostalgia, and nature because they forge a sense of security and surety. Consumers are turning to invest in more understated and discreet luxury items that are everlasting. They are more about individuality than ownership. The focal point of a luxury purveyor is now the consumer, not the brand itself. Brands need to tweak the essence of communication and empower individual identities, transcending their personal motives. They should be able to provide consolation to the shoppers and relieve them from their irrational anxiety and fragile sentiments. Luxury should serve a purpose, and marketers need to decipher how to do that.

Revenge Shopping

The phenomenon of revenge shopping will see a leap. Consumers have been stucked in their houses for a very long time, so they'll splurge a lot more than before on luxury to elude the grim atmosphere around and uplift themselves. Pent-up demand would be channelized through impulsive luxury purchases for sybaritic and egotistic values.

Luxury home décor

With consumers spending more and more time confined to their silos, demand is swelling for interior designers, architects, home furnishings, and household appliances. Brands like Hermes and Ralph Lauren are already capitalizing on this opportunity and exploring the feasibility of investing in home décor and extending the spectrum of their products (Reuters, 2021). The noble class might get bored with their regular upholstery and bedsheets and replace them with Versace sofas and Ralph Lauren linens. It is preeminent for these supplementary product lines to reflect the brand DNA so that customers relish a novel experience that is equivalent to their core products.

Casual Wear

Home-bound consumers are migrating from evening wear and adding casual wear to their wardrobes. Companies that previously produced more formal wear like Ermenegildo Zegna should start allocating more resources towards subtle loungewear.

Data Scientists

More data scientists and analysts are being entailed to examine and interpret consumer data and improve core processes like merchandising, inventory management, and promotions.

Shop Local

Long spells of lockdown and travel restrictions have presented a breakthrough moment for Indian brands to outshine their international counterparts. Indian ateliers must enthrall the consumers with attractive deals and outstanding services to nurture a sense of local community. They need to signify to the consumers that they aren't compromising on anything by purchasing locally. For global brands, this brings to the fore, the need to be locally pertinent in order to regain their foothold in the market.

They should illustrate local provenance by re-venturing to local markets and cultures.

Discounting culture

The frugal mindset of cash-strapped consumers would resuscitate, culminating in a concessionary pricing and bargaining shopping culture. A glut in inventory levels and a lull in spending will force the brands to succumb to deep discounting (McKinsey and Company). However, aggressive discounting must be desisted since it'd pull away from an upmarket positioning in the long run.

Remedial actions to be taken

Athleisure

In recent times, there has been growing awareness about immunity and fitness. Several consumers, especially in urban areas, have taken membership of gyms and sports clubs. These consumers have escalated the demand for athleisure and sportswear. Some brands have even embedded technology in clothes like health sensors. In collaboration with Japanese label Undercover and running club Gyakusou International Running Association, Nike has launched compression wear that helps to brush up performance (Krishnegowda et al. 2020). With gyms and fitness centers getting closed, Louis Vuitton jump ropes, Versace dumbbells, and Burberry yoga mats are coming to the rescue. Brands need to push their products by promoting wellness over lucre.

Sustainability

Brands need to exhibit an environment-friendly spirit by using more locally-sourced renewable and bio-based materials. Demonstrating the 3R principle of Reduce, Reuse, and Recycle will be non-negotiable. Actions such as offering free repairs for products so that they are not thrown away and using natural dyeing techniques will show that the brand is willing to offer a value system along with the product. The brand's vision must align with the towering sense of consciousness among consumers. Furs and leathers are now traded for carbon-based cotton and other organically sourced constituents. Rebuilding the end-to-end product lifecycle and elongating the shelf life of products is the need of the hour. Burberry was under immense public scrutiny two-three years back when it was revealed that the brand was disposing of millions of products just to maintain rarity. People took it to Twitter to express their anger by trending '#BurnBerry' (Forbes, 2018). This whole controversy created a ghastly public image of the brand.

Circular Economy

Pandemic has been a catalyst for the rise of consumer-centric ecosystems and circular economy. Circularity is not only about championing sustainable practices but more about mulling over the idea of green business models. Predicting demand to refrain from overproduction, keeping the elements in the loop, and extending the product lifecycle through resale channels require the value chain to be orchestrated in totality.

Hygiene and Luxury

With an immediate focus on protection from virus, the requirement for masks, plexiglass barriers, and PPE kits is fuelling. Disposable towels, bedsheets, and so on are also a great demand. Luxury behemoths like Givenchy are pivoting production to address these urgent public-health needs by diverting their funds into manufacturing these items. They are standing in solidarity with the medical faction. As per Accenture Report, stockpiling essentials while maintaining their status quo is becoming a trend for individualist consumers who occupy a 22 percent share in the market.

Digitizing supply chain

Brands need to invest heavily in cutting-edge technologies to digitize supply chains from sourcing and manufacturing to packaging and branding. Sustainable supply chains and transparency for consumers using technology like Blockchain will go a long way. The suppliers can use blockchain to maintain an immutable record of the raw materials and their source, which can be traced by consumers through QR codes. Virtual showrooms, digital prototyping, and sampling are some sections that brands should prioritize to improve productivity and reduce costs in the long run (McKinsey and Company Report 2020). Also needed is replacing the top-down approach with a vertically integrated distribution model and a flatter organization structure.

Fashion Accessories

Even after the pandemic abates, accessories like gloves, scarves, and masks are here to stay and will become a part of the lifestyle. Eventually, the mask that one wears would symbolize his/her pecuniary standing.

Product delivery

Cashless transactions, contactless delivery, buy online pick-in store and face recognition are not just some fleeting reliefs. The positive momentum digital touchpoints will persevere and continue to shape our future.

Opportunities in the Indian luxury market

Millennial consumers

According to Bain and Company, millennials and GenZ consumers will increasingly steer the luxury sales ship in the post-pandemic world, accounting for nearly 63 percent of the luxury goods category in 2021. New age tech-savvy consumers are looking for experiential luxury which caters to their psychographic and self-actualization needs. They are looking for 'Instagrammable moments' instead of physical objects. They are rewriting the holy rules of the traditional luxury playbook. Mix and Match culture is reaching its pinnacle with luxury brands coalescing with streetwear and chic comfort wear to beguile the GenZ and create new fanfare (Boston Consulting Group 2019). Balenciaga recently launched luxury streetwear, keeping them in mind, and clearly, the brand became the 'talk of the town' (Grazia, 2021). The post-covid world will see the rise of Insta-worthy relatable showrooms to spellbind the younger class.

HENRY's

The consumer market is also seeing a proliferation of consumers who are earning well lately but haven't been accorded the status of the rich. They are popularly called HENRYs (High-earners-not-rich-yet). Deloitte defines HENRYs as consumers earning between $100,000 and $250,000 per annum. These people have astronomically high ambitions and a penchant for luxury brands. Luxury brands have been eyeing them and trying to secure profitable long-term relationships with them (Deloitte 2019). HENRYs may be the wealthy segment of the future, but their status is not assured. Coronavirus turmoil may impel them to curb their spending habits because of unstable employment (Gupta and Banerjee, 2019).

Luxury and Ethics

As Indians are becoming more and more aware of environmental and other global issues, their ideas and beliefs related to luxury consumption are metamorphosing. Purpose-driven brands are creating waves, and so are products with high-reusability value since there is a renewed thrust for a 'Green Earth'. Down-to-earth content is being valued more than the bling elements. People are eschewing those brands which do not reflect benevolent values or engage in fair trade and charity. They want to inquire about the brand's attitude towards its workers, society, and environment. For instance, consumers love Stella McCartney because of its pro-vegan and cruelty-free products made out of recycled materials (Vogue, 2021). The corona crisis has encouraged rational buying behavior as people have become more cognizant of their purchases. Over-consumption is now unbecoming for the new conscientious consumers. Reconsidering purchase decisions might eventually catapult the era of 'slow luxury'. Only those brands would be placed on a higher pedestal that undertake philanthropic initiatives.

Partnership with OTT platforms

A prime reorientation in media consumption is the switch from television to OTT (over the top) platforms. Lockdown allowed India to explore this medium, adding 4.5 million subscribers to Netflix and 36 million to Disney + Hotstar (Business Today, 2022). Actors who are a part of hit shows define the season's trends and surreptitiously arouse consumers' fashion choices. Luxury brands can cash in on this chance by fraternizing with these OTT platforms to adorn their stars.

Indian TMall

Chinese platform TMall, an integrated marketplace, has been creating waves in the luxury retail sector for quite a time now and should become an inspiration for Indian tech giants to develop a similar app. TMall's algorithm customizes retail facades in line with predicted consumer behavior. Brands can exploit the platform's rich data tracking resources to improve merchandising and promotional tactics. The app takes utmost care of logistical issues and customer service and at the same time gives greater control to the brands over the look and feel of their stores. WeChat is another Chinese application that offers the feature of unlocking secret, members-only content (Bain and Company)

Luxury Indian weddings

Indians are culturally programmed to splurge their life savings in family social ceremonies like marriages since they consider it a one-time investment and flatter their vanity through a flagrant exhibition of dresses, jewelry, and even wedding decor. This $50 billion Indian industry creates a vast demand for sectors such as apparel, footwear, and jewelry. Luxury brands are increasingly developing new products, especially for D-days and the 'gifting culture' that comes along (Gupta and Banerjee, 2019).

Pre-loved and rental luxury

There has been a radical shift towards second-hand luxury, which reached 33 billion euros in 2021 (Bain and Company). Second-hand or preloved luxury entices young consumers who want to fulfill their desire to own luxury brands. Online websites like The Luxury Closet and Vestiaire Collective offer reusable and refurbished products that are more affordable and add to environmental sustainability. The stigma around second-hand objects has subsided as the re-commerce market is gaining a foothold. Portals like Luxe Polis and Darveys are selling genuine luxury goods that are not only authenticity-certified but also enable a wider segment of the population to consume luxury (Gupta and Banerjee, 2019). Rental luxury is also slowly developing a cachet of its own, with online websites like Stage3 offering Anju Modi outfits for as low as Rs 2000. However, a growing concern is around hygiene since rental garments are ideally shared among many customers from time to time.

Marketing strategies

In order to catch the fancy of both Indian business tycoons and new moguls, luxury brands are using various proactive strategies, some of which are listed below.

Personalization

For the crème de la crème of the clientele, a more Indianized affair, and for new customers, communicating recitals behind the heritage of the exemplary products is what generally brands do. For instance, Valentino designed a dress that was heavily inspired by the carpets of Indian states. Jimmy Choo also launched a limited collection in India that was inspired by the festival of Diwali (Indian Express, 2017). Another notable instance includes Judith Leiber's Ganesha clutch. Mailing physical catalogs and special gifts to VIP customers that are personalized based on an individual's past shopping behavior can be an effective marketing tool during the pandemic.

Tailored places and events

Luxury stores need to vamp up their entertainment quotient. The Burberry store in Mumbai hosted a private screening of the Spring Summer Collection for select customers to create buzz (Atwal & Jain, 2012, p.131). Brick-and-mortar stores can also offer concierge-style services and members-only retail concepts.

Similarly, brands can also organize exclusive events to generate reams of media coverage and create memories for buyers. Occasions like Hermes party at the Hermes Club to Dior's holographic fashion show in China need to be recreated in India to heighten the oomph factor of the brands.

Influencer Marketing

The rise of influencer marketing is in tandem with the towering growth of social media. Brands are joining forces with a roster of influencers who have millions of social media followers and building long-lasting relationships with them. Gucci appointing Lee Jung-Jae, the wildly popular Squid Games star, as its brand ambassador demonstrates how brands are trying to woo the customers, especially the digital-content consuming millennials (Harper's Bazaar, 2021). Companies are also joining hands with educational influencers to feed the consumers' appetite for knowledge about the products. Skin-care and beauty brands partnering with chemists to discuss the ingredients, apparel brands collaborating with environmentalists to talk about sustainability are some measures that will fetch splendid results for the companies. Having said that, the surfacing of paid influencer culture is somehow attenuating the true worth of luxe since they don't personify a rarefied world.

Masstige and affordable luxury

Indian youth is still nascent when it comes to luxury consumption. They are not looking for lingering impressions attached with ultra-luxury brands like Missoni and Loro Piana. Instead, they are just using those products as a means to quench their thirst for validation and acknowledgment. Hence, accessible luxury brands with lower price points like Kate Spade and Jacquemus are popular among them since they satiate their need for panache. This democratization of luxury is bringing the concept of opulence within reach of upper-middle-class consumers. Chanel opening up a store at Select City Walk in Delhi highlights that luxury brands are vying for a wider audience and are not reluctant anymore to compromise on pricing and positioning. This serves a dual purpose in the form of higher sales and setting up stores at less expensive locations (Bothra 2013). Bridge to Luxury is the key to success in this time of financial and economic crunch. Luxury brands should either launch their entry-level sub-brands or collaborate with fast fashion brands to occupy a share in the consumer's wallet. This segment of diffusion brands will take a much larger chunk of the luxury pie in the coming years. This is also changing consumers' perception who were earlier hesitant about considering luxury brands as a shopping option. For instance, Versace x H&M became wildly popular among these consumers because buying that brand gave them the feel of actually owning a Versace product. At the same time, this helps niche luxury brands to extend their appeal to the masses.

Leveraging digital medium

Luxury brands have an exclusive character, and the internet can dilute their identity. For the longest time, they have felt that only a small segment needs to be enlightened, and so online is antithetical to luxe. They were also apprehensive about how receptive the consumers would be to exploiting the digital medium. They saw the internet as a hyper network that could not only create a wild media frenzy but also serve as an alternative channel for the distribution of counterfeit items. E-shops could lead to sales cannibalization of brick-and-mortar showrooms (Hemanth Y 2017). But in the past few years, they have started diverting into the online space, and with the pandemic accelerating the rise of online business, brands are finally branching out virtually and unleashing their internet prowess. They are scaling up their omnichannel capabilities. Online platforms have been encountering exponential growth from a 50% jump in 2020 compared to 2019 and further rising by 27 percent in 2021 (Bain and Company). Luxury brands have developed websites and e-commerce with integrated multimedia apps and 3D images. Brands directly controlling their websites make up 40% of this EUR 62 billion platform (Bain and Company). Crossover to blended-formats has become the new core strategy of fashion and luxury brands. A multitude of digital collaborations like Louis Vuitton x Nike, Yeezy x Nike and H&M x Sabyasachi are a testament to this new fad. Bain estimates that more than 85 percent of luxury purchases were digitally influenced in 2021. These purchases will hit overdrive in the coming years. Brands are making a great effort in bringing the experience of shopping at physical stores as close to their homes as possible. Retailers such as Tata Cliq have dedicated platforms selling global luxury brands catering to the sentiment of providing international exposure. Showing aptitude for technology, some brands are climbing high on the technology route by opening up virtual stores. For instance, seeing the online luxury boom, e-commerce website Amazon has announced the launch of Amazon luxury segment. Consumers today feel threatened by the virus because of which they are reluctant to enter physical stores. This has made this pervasive sales medium all the way more sought after.

This e-business model, also known as the click and mortar model, aims to provide an experience similar to that of shopping at the stores while at the same time building a bond with the customers. Just like the offline platform, the online brand augments its products in a way that caters to rational and cognitive sensibilities (Thomas et al., 2013). Buyers can even compare different brands, making them predominant stakeholders of the brand's virtual community. This can have a negative impact as well since a few negative feedbacks can discourage a lot of potential buyers from buying the product.

Social Media

It has also become essential for brands to trigger awareness on social media and create engagement with customers through elaborate visuals and individualized forms of communication. With pandemic moving everything online, Louis Vuitton live broadcasted the 2021 fashion show online, garnering impressions in millions. Chanel hosted a virtual musical gig on its social media accounts to entertain and entice its audience (Vogue, 2020). These video fashion events allow brands to play with their unbridled imagination and bubbling creativity, add dialogues and entertainment factors that reach global viewers in a way that physical events cannot. Even Twitter is proving to be a constructive platform to engage with customers and receive feedback all at once. However, this is based on a luxury paradox since high-end brands should be limited to only the moneyed class and not to the general public. Hence, it becomes vital for the brands to reconcile their strategic imperatives.

Revolutionary Technology

The potency of virtual immersion and augmented experiences have just begun to be harnessed. The world of luxe and art is increasingly trying to experiment with gamification and Non-Fungible Tokens (NFTs) and including them in their online assortment. The video game industry grew to $178B globally in 2020 (Boston Consulting Group, 2021). Louis Vuitton launched a video game, marking its 200th anniversary, wherein players could obtain NFTs. Balenciaga partnered with Fortnite, an online battleship game, to catch the attention of GenZ. Metaverse is the new buzzword and is cascading into virtual articles (McKinsey and Company, 2022). It is a simulated digital environment that interweaves augmented reality (AR), virtual reality (VR), and blockchain. Digital and physical worlds are combined with social media to create spaces for user interaction. It presents a highly lucrative opportunity for luxury juggernauts to increase their revenues and enhance their brand equity. They have been milking this new potential avenue via digital caps, dresses, trunks, and sneakers that consumers can design. Metaverse is merging gaming, social media, and e-commerce to create digital avatars and traverse the virtual world as their own replicas. H&M recently became the first retail clothing store in Metaverse after it announced that it would offer a 3D shopping experience to its customers by launching a store in CEEK city. CEEK is a virtual reality-based metaverse that shall allow the shoppers to choose the products and purchase them with the help of CEEK coins. (Forbes 2021)

Engagement with customers

The closure of brick-and-mortar stores has taken away the magic of personal touch. It has become difficult for brands to occupy a compelling position in the consumers' minds. Brands have been using digital clienteling tools and schemes like organizing video chats, beauty tutorials, virtual gift advice, online fittings, self-care regimes, and yoga sessions to enchant and engage consumers virtually. Viewers of Shanghai Fashion Week were allowed to place advance orders of their latest collection in real-time through smartphones (Grail Insights). Themed dressing rooms, 3D exhibitions, e-boutiques, live Q&A sessions, and 360Degree visuals of products can be deployed for the furtherance of the brand and its articles via multi-social channels. Store associates are now playing the role of digital stylists and consultants and taking aid of machine learning to polish customer engagement. The underlying motive here is not to sell the product but to foster a personal relationship with them (Krishnegowda et al. 2020). Out-of-the-box experiential concepts will indeed help to demarcate the line between luxe and mass-market retailers. In this era of Instagram reels, brands can introduce unique and viral challenges like recreating iconic looks and adorning limited-edition accessories. In January 2021, Chanel launched a new podcast series called Chanel Connects that serves as a platform for talented individuals from different backgrounds to discuss the future of fashion and luxury (Harper's Bazaar)

Storytelling

Depiction of brand authenticity by associating the brand with a quaint persona is ubiquitous in the luxury industry. Balmain's Oliver Rousting and Louis Vuitton's Virgil Abloh have proved to be triumphant in linking conventional mastery with their bewitching aura. However, soulful and sensitive storytelling is gaining more relevance as a core meaningful communication scheme and would resonate more with buyers in the aftermath of the health crisis. Brands need to contextualize the legacy of the past within the new idea of sustainability. Authentic narratives of unique lineage, revering craftsmanship, and timelessness that are congruent with consumer values will be king. Ferragamo built a 'virtual walk' with a gripping storyline allowing its audience to walk through the brand's history and sketching a pristine image in their minds (Mckinsey and Company).

Special distribution channels

The market is trickling down from the luxury hubs – Delhi, Mumbai, and Bengaluru, into smaller towns and cities such as Chandigarh, Ahmedabad, and Coimbatore (Atwal & Jain, 2012, p.2). With a fragmented demographic, it becomes cumbersome for brands to reach these areas. To counter this issue, they are organizing special fashion events for tier 2 and tier 3 cities where consumers can afford luxury but do not have limited platforms to buy them. Jimmy Choo hosts trunk shows in the towns like Ludhiana (Gupta and Banerjee, 2019).

Diversity

Consumers are now, more than ever, placing unparalleled stress on diversity and inclusiveness. Right from models for promotional campaigns to company leaders, it is essential for brands to hire people of varying ethnicities and cultures and promote gender equality.

Co-branding

Co-branding is a scheme that offers to leverage core competencies and form synergies with other brands. India is bountiful in exotic designs, and people like to brag their Indianness in their items. An effective way for international brands to captivate the attention of voracious Indian consumers is to collaborate with Indian brands to design products imbued with Indian aesthetics. Christian Louboutin collaborated with Sabyasachi to offer a range of footwear that was very Indian and reflected the heritage of different states.

Pop-Up shops and bio-bubble spaces

Pop-Up shops in the form of temporary retail arrangements allow brands to design, structure and control the surroundings of shoppers independently. Brands can innovate with vibrant colors, play-areas for kids, etc., to tempt deep Indian pockets and gain limelight. Bio-bubble spaces can be used for VIP customers to mitigate their fears of catching the virus and regain their eroded confidence.

Challenges

Dearth of workforce

Historically, the well-off families used to purchase luxury items from abroad which curbed Indian consumers' exposure to such items and also restricted their understanding. Although luxury companies are flourishing in the country, there is a blatant paucity of a workforce skilled in luxury expertise and artistry. Adept labor has been furloughed due to production ceasing. Sales associates who act as brand ambassadors have the power to elevate or ruin the overall shopping experience. The old well-traversed consumer, who is deeply entrenched in luxury binging, expects nothing less than grandeur service; the new shopper wants to gorge on the cultural patrimony of the product (Atwal & Jain, 2012, p.111). This calls for a knowledge and well-groomed staff who can embody the brand ethos. Despite the companies' hiring instructors for training, the chasm is still evident. Educational institutions are also keen to skill the workforce in luxe. From London Business School, ESSEC Business school, and HEC Paris in Europe to Luxury Connect Business School in Gurugram, Haryana, many universities have begun offering courses in luxury brand management with a rigorous well-structured curriculum and intensive practical exposure. (Bothra 2013)

Online dialogue

A major hindrance in online shopping is the lack of bilateral interaction happens between the client advisors and customers in the physical stores. Deciding on the right product becomes a big conundrum for buyers without the help of salespersons. One effective way to overcome this issue is to communicate with online vendors. Live chat, online help-desk, and chatbots can come in handy and solve customer queries almost instantaneously. Websites can also create blogs through which buyers can get a lot of information about the brand and also build credibility and trust among them (Hemanth Y, 2017).

High Costs

One major limitation in front of luxury brands is the sky-high tariffs and import duties as well as outrageous rentals in India, which forces the retailers to crunch their margins to keep prices at par with other markets. Demonization further dampened the sector. The Goods and Services Tax (GST) has put a tax of 28% on luxury goods which has become a huge trade barrier (Times of India, 2021). This not only discourages the brands from expanding in India but also impels the consumers to purchase these articles for places like Dubai, which levies minimal import duties.

Limited space

Barring a few high-end malls like DLF Emporio in Delhi and hotels such as The Oberoi hotel in Gurgaon, there are not many places, especially in tier 2 and 3 cities, where luxury brands can set up their stores. Unlike fashion capitals of the world like London, New York, Paris and Milan, Indian upmarket streets are overpopulated and cluttered. The problem is providing a tantalizing experience in a country where garbage is littered across the roads, and dingy slums and bungalows are juxtaposed (Reuters, 2011). A posh retail space is as critical for brands as the in-store ambiance since it adds up to the overall rewarding experience of buying luxury. One argument against luxury retailing at five-star hotels is that the plush air intimidates the well-heeled farmers from Punjab who have "high living, limited thinking" as well as the newly prosperous working class due to psychological barriers. (Chadha and Husband, 2006, p.241)

Counterfeiting phenomenon

People who cannot afford luxury brands are getting fanatic over counterfeit goods to realize their hopes of owning luxury brands. Sizeable markets like Sarojini Nagar in Delhi have been set up where a large number of copies of brands like Gucci and Louis Vuitton are sold daily. These markets emerge because of lacuna in the implementation of laws. This presents a gigantic impediment for the original brands since it dilutes the brand image and tarnishes its reputation. Further, these spurious may pose health and safety risks and detract from the corporate social initiatives of the brands. To counter this menace, luxury brands are using blockchain and nanotechnology to authenticate and substantiate their objects.

E-commerce threats

E-commerce presents both an opportunity of greater access mainly to people of tier 2 and 3 cities as well as the threat of mass distribution. While luxury divides society, the internet brings it together. Luxury leads to classism, while the internet does not differentiate between the various groups. This poses an inherent threat of democratization and massification (Hemanth Y, 2017).

Brand Positioning

As income levels rise, the charm of masstige goods starts fading, and even luxury brands sometimes have to toil hard to distinguish themselves from others in the market since they all are offering what once used to be present only at the most opulent emporiums. One way brands deal with this is by associating themselves with exclusive events to revamp their image and positioning. For instance, Michael Kors's partnership with Formula 1 company McLaren and Armani joining hands with Ferrari has injected new excitement among the consumers (Fashion Network, 2016). Tag Heur has been organizing polo events for a few years now. Moncler regularly collaborates with various brands to gain traction and increase customer retention. This challenge would only pique in the coming years with more and more fashion crusaders emerging.

Online hazards

While the internet offers a myriad of benefits, there are also many precarities involved. Perils associated with online transactions are higher in the case of luxury brands because of higher prices. Many WhatsApp groups have been created in the past few years, circulating counterfeit articles and replicas. Data mining and cyber security systems must be buttressed. Data security and consistency in brand image offline and online are of chief importance for luxury brands to stimulate assurance among high-society consumers.

CONCLUSION

The Indian luxury market is debonair and offers unfathomable potential for luxury brands. It is evolving on multiple fronts. It is not restricted to the traditional heritage or western influence alone. Families who have inherited wealth, upwardly mobile middle-class customers, millennials, all of them are demanding luxury now. Coronavirus has wreaked permanent transformations right from production and supply chain to branding and promotions. Luxury vanguards need to build robust and pragmatic plans, innovate continuously and connote incredible resilience to weather this catastrophe and bounce back. They will have to introspect and probe more deeply into their underpinning ideologies and unravel new meanings to ensconce the luxe gluttony into their world. A paradigm shift in the original concept of luxury is being spectated with accessible or masstige luxury becoming the beacon of the future. The road to excellence in India is convoluted. Marketers need to tread cautiously and strategically to catch the pulse of Indian buyers while respecting their culture and traditions. Indian consumers are evolving every day, making conspicuous consumption take a backseat. They are gradually moving towards silent, and sober consumption with a new mantra of 'less is more'. They now seek value and comfort in all of their priced possessions. The worlds of luxe and digital are colliding with more and more brands resorting to online sales to reach the siloed buyers. Gamification and metaverse are not ephemeral fads but will eventually revolutionize the luxury universe. Brands must prove their mettle in sustainable and green practices to appeal to the new emotional buyers. There is a glaring want of state-of-the-art infrastructure where brands do not have to jostle for space. E-commerce threats and the menace of counterfeits need to be tackled prudently. It would be interesting to track the journey of global luxury brands with their reincarnated avatars in India in the post-pandemic world as they conquer various surmounting challenges.

LIMITATIONS AND SCOPE FOR FURTHER RESEARCH

This paper is based on a review of existing literature on the luxury theme. There is a scope for empirical studies and analysis. Future researchers can examine the impact of different dimensions of luxury on Indian consumers in detail. E-commerce, metaverse, and blockchain influence on luxury need further investigation.

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