

# *The Research on the Influence of Swarovski Brand Image on Chinese College Students' Purchase Intention*

Zhuoqi Hu<sup>1,a,\*,\dagger</sup>, Lei Lyu<sup>2,\dagger</sup>, and Qiyuan Yan<sup>3,\dagger</sup>

<sup>1</sup>Arabic Department, Beijing International Studies University, Beijing, 100024, China

<sup>2</sup>No.1 Middle School in Liaocheng, Shandong Province, Liaocheng; Shandong, 252000, China

<sup>3</sup>Acting Department, Chongqing College of Humanities, Science & Technology, Chongqing Hechuan, Chongqing, 401520, China

a. 1410617846@Student.Wust.Edu.Pl

\*corresponding author

\daggerThese authors contributed equally

**Abstract:** With the gradual improvement of China's overall economic level, the per capita disposable income of Chinese families has also increased. This article hopes to take the luxury brand Swarovski as an entry point, and study its influence on Chinese college students' purchase intentions from the perspective of its brand image. And this paper results of the elements of "luxury brand", in order to summarize the influence of the elements of luxury brand on consumers, and provide theoretical guidance for the future research direction of luxury goods. This article is based on the use of a questionnaire survey, the authors found that 68% students positioned Swarovski as a luxury brand, and nearly half of students believe that Swarovski's strength lies in the variety of styles. This article believes that Swarovski's brand image has a positive correlation with the consumption behavior of university students, that is, the higher the brand image, the more consumption behavior of university students. However, due to the limited economic strength of university students, the premise of the above conclusion is that Swarovski still maintains relatively low prices for the public. At the same time, as a brand, Swarovski should have a reasonable and effective product marketing strategy, but while establishing a brand image, it should also control the quality of its products and let consumers know whether the products they purchase are truly what they want.

**Keywords:** Swarovski, Chinese college students, purchase intention

## 1. Introduction

Swarovski was founded in 1895 by Daniel Swarovski in Wattens, Austria on the side of the Alps. Swarovski has two main businesses, one that manufactures and sells imitation crystal elements, and another that designs and manufactures finished products. Swarovski itself is an artificial crystal product, not natural, known for its cutting-edge technology and design.

In 2019, Swarovski's annual sales were approximately 3.4 billion euros, or about \$4.2 billion, with the crystal business valued at around 2.6 billion euros. The brand has about 2,800 stores worldwide and production bases in Austria, India, Thailand, Vietnam, Serbia, and the United States, with China being the largest market. However, since the outbreak of the pandemic, Swarovski has been greatly

affected. Bloomberg has also reported that Swarovski's revenue has been impacted, and overall sales in 2021 may fall by a third to around 2 billion euros.

In 2022, Swarovski began its reform with the goal of enhancing brand positioning and upgrading the brand to the high-end fashion and accessory sector with greater profit margins. To this end, Swarovski has strengthened its B-end business and formed the "Swarovski Creators Lab" to provide customized imitation crystal products for partner brands. Through a series of external business collaborations, the Swarovski brand's impact has been further expanded. So far, Swarovski has collaborated with luxury retailers such as Aquazzura, Golden Goose, Moncler, Amina Muaddi, Aquazzura, and Dover Street Market.

In recent years, Swarovski's appeal to Chinese consumers has greatly decreased. When consumers demand higher quality products, service quality, and consumer experience, Swarovski has not made timely adjustments and changes, gradually losing its competitiveness in the market.

## 2. Literature Review

With the advent of the new media era, the promotional media of luxury brands are increasingly diversified, and the market for luxury brands is also expanding. A wide range of luxury brands makes consumers more diverse. The research results of the elements of "luxury brand", in order to summarize the influence of the elements of luxury brand on consumers, and provide theoretical guidance for the future research direction of luxury goods.

Regarding the topic of the impact of luxury brand elements on consumers' purchase intentions, the academic circles have elaborated from different angles. Cao Qingyue conducted in-depth research on the actual impact of consumption tax on luxury brands on consumer behavior [1]. Based on the perspective of compensatory consumption theory, Wu Shijun analyzed the consumption behavior of luxury goods, and measured the strength of consumers' compensatory consumption through the two dimensions of lack of power and threat of self-esteem. Studies have shown that compensatory consumption psychology has a regulating effect on luxury consumption. Consumers who have a low perception of personal power or possess high self-esteem tend to exhibit a strong inclination towards compensatory consumption, thereby displaying a greater willingness to purchase luxury goods [2]. Xie Yuying analyzed from the perspective of consumers and cultural dimensions and found that there are many incentives and influencing factors for Chinese consumers' luxury consumption psychology, behavior and decision-making [3]. Hua Qianhui and Hu Kaijie tested the behavioral intentions of consumers who have purchased luxury goods through structural equation models and questionnaire surveys, and set research hypotheses on the relationship between luxury brand image and consumer purchase intentions, from brand image, brand attitude, luxury value. After analysis in different dimensions. Based on the findings, it can be inferred that there is a positive and direct relationship between consumers' attitude towards luxury brands and their intention to make a purchase. Additionally, luxury value has a significant positive influence on brand attitude and also affects consumer purchase intention positively. Brand image contributes positively to both luxury goods value and brand attitude. However, the impact of brand image on consumer purchase intention has not been confirmed through empirical evidence [4]. Aysel Ercis and Bilal Celik found that social, personal, and functional value perceptions influence consumers' luxury purchase intentions. The relationship between personal and functional perceptions and luxury purchase intentions is influenced by consumer knowledge, indicating that consumer knowledge acts as a moderating factor. However, the relationship between social value perception and luxury purchase intention is not affected by consumer knowledge [5]. Paurav Shukla pointed out the influence of examining interpersonal influence (including normative and informative) and brand-related cues on luxury purchase intention. This study explores functional interactions by examining the impact of brand cues on the relationship between interpersonal influence and luxury purchase intentions [6]. Petar Gidakovic investigated how the

perception of corporate sustainable development activities affects the formation of corporate brand impressions (on the dimensions of brand affinity, competence, and morality), which are then transformed into favorable brand attitudes and purchase intentions. The findings indicate that the purchase intention is positively influenced indirectly by brand sustainability through the mediating factors of brand image and brand attitude. And it shows that brand image and attitude play a complementary mediating role, which means that consumers' belief in the company's sustainable development activities directly affects consumers' behavioral intentions. It proves that brand affinity, competence, and ethics are the basic dimensions of consumers' brand impressions [7]. Mersid Poturak and Sumeja Softić learned how various dimensions of social media create word of mouth on social media platforms, i.e. electronic word of mouth (eWOM), and how this e-WOM further affects brand equity and consumer purchase intentions of domestic brands in Bosnia and Herzegovina. Collecting 300 data sets through standardized online surveys and analyzing them through SPSS, it is concluded that most brand constructs have significant high correlation and influence on customers' decision to purchase domestic products. The empirical study findings indicate that both business creation and user-generated social media communication have an impact on brand equity, and brand equity serves as a complete mediator between electronic word-of-mouth (e-WOM) and purchase intention [8]. Giuseppe Colella, Cesare Amatulli and Maria Pilar Martinez-Ruiz found that in 2019, people and companies worldwide are participating in and relying on web2.0 technologies, especially social media platforms. Digital technologies and social media have changed and improved the way companies communicate and collaborate with customers across all sectors by implementing effective mechanisms of interaction. However, industries such as luxury goods have been slower to adopt social media and digital technology. Furthermore, the study offered valuable insights into the social media marketing strategies employed by luxury brands. It categorized the key areas of research into three main perspectives: consumer behavior, brand awareness, and advertising campaigns, all within the context of social media [9]. Alessandro Brun and Cecilia Castelli differentiate luxury goods from other commodities by the presence of critical success factors and identify the different dimensions of luxury goods. The researchers found that the concept of luxury is complex and multi-dimensional. They adopted a holistic approach to categorize luxury consumers, which revealed distinct customer profiles. Additionally, they highlighted the importance of considering tangible/intangible and personal/social factors in understanding the motivations behind luxury goods purchases [10].

### 3. Methodology

The thesis is based on the use of a questionnaire survey. The questionnaire was prepared using the WeChat public website Questionnaire Star to create the survey. And 51 questionnaires were returned. Of these, 48 were valid questionnaires. The answers are regular, all answers are the same and there is no factual basis for the questionnaire to be invalid. Three of these questionnaires were invalid.

### 4. Result

In this survey, there were 25 male and 26 female participants. From freshman to senior year, there were 9, 13, 10 and 19 participants. The monthly consumption of 1 / 4 of the 1,000 ~ 2,000 yuan. Those with 2000~3000 RMB account for 1/3. The rest of the monthly consumption is more than 3,000 yuan.

The survey results show that 92% of students did not have exact knowledge of the Swarovski brand. In contrast to this 68% of the students positioned the brand as a luxury brand. When participants were asked if they were aware of the brand, 60% said yes and thirty-one percent of the students gave vague answers. The underlying causes it may be directly related to the fact that 19% of the students have not purchased the brand product. And 37% of students believe that the brand is mainly consumed

by 18- to 30-year-olds. Students who have used, most believe that the face of the brand is the most important. Beautiful style to drive consumption. As for the place to buy, mainly stores and e-commerce platforms. The two account for 50% of the total. Next is the counter. Then only the flagship store. For every person willing to buy at the airport boutique. As for the price, more than 45% of students believe that it is best to be in the \$500 to \$1,000 range. And in terms of influencing purchasing factors, 62% of the students thought it was the design of the product. Nearly half of the students believe that Swarovski's strength lies in the variety of styles. Therefore, the design style of the products that it will largely influence the desire to shop. And in the form of product packaging, College students generally find leather gift boxes to be the most attractive. Next is the solid wood packaging gift box.

When asked when to buy the product and what expectations will be, 47% of students think they choose to buy only when it's time to give a gift. And for the multiple-choice question of shopping for expectations. The first place is the novelty of style, amounting to 58%. This is followed by high quality at 49%. Once again, it is the protection of consumer interests, accounting for 37%. Relatively speaking, people are satisfied with the brand's after-sales service. 41% of the students thought it was better. 17% of the students thought it was very good. Therefore, the brand also needs to put some effort on after-sales service.

## 5. Discussion

This article mainly studies the influence of Swarovski's brand image on the purchasing intention of Chinese university students.

Swarovski is a jewelry brand that specializes in glass rather than diamonds. The founder, Daniel Swarovski, learned glassmaking as an apprentice in a glass factory before inventing a machine that could cut glass more efficiently and precisely, mastering the technique of cutting glass "as sparkling as diamonds," and successfully creating Swarovski, a business of artificial crystals that has lasted for over a century. How did this brand establish its brand image and attract consumers to purchase its products? Swarovski is very good at brand marketing, packaging its products as a high-end image, constantly appearing at major events or grand banquets, having many influential female stars wear Swarovski jewelry to attract public attention, and promoting affordable mass-market products to stimulate consumers with middle and low purchasing power to purchase products. Celebrities like Beyonce and J. Lo wear Swarovski crystals not only to shine on the red carpet, but also to perform on stage, always wrapped in Swarovski crystals. At the same time, Swarovski is very good at collaborating with major fashion brands or designers. Basically, all fashion brands with recognizable names choose to use Swarovski crystals to decorate their clothing. Swarovski's flourishing development is also related to the golden age of the Hollywood film industry. As early as 1939, the costume designer used Swarovski crystals to embellish Dorothy's classic red shoes in "The Wizard of Oz." In the classic 1953 film "Gentlemen Prefer Blondes," Marilyn Monroe sang a hymn to diamonds, "Diamonds Are a Girl's Best Friend," but the jewelry she wore in the film was actually props made with Swarovski crystals. Marilyn Monroe herself wore a dress adorned with 2,500 Swarovski crystals to sing for President Kennedy. Swarovski also likes to contract some public-facing large-scale events, such as the 2018 Oscars stage, where Swarovski claimed to have used 45 million crystals to create the stage backdrop. In 2018, Swarovski contracted the star on top of the famous Rockefeller Center Christmas tree in New York City, using 25,000 crystals to create a total weight of 250 kilograms. Swarovski conveys a high-end image that everything can be studded with diamonds to the public. Secondly, Swarovski's next step is to expand its stores, and Swarovski's presence can be seen in any large shopping mall around the world.

This high-end brand image, coupled with relatively low prices, deeply touches many consumers, with university students as the main consumer group. They do not understand that the shiny jewelry

is actually made of glass and alloy. They will think that they have consumed a so-called "luxury item" for several hundred or even thousands of yuan, which brings joy, comfort, confidence, a sense of achievement, satisfaction, recognition, a sense of belonging, and other feelings to consumers. This is because the brand has skillfully grasped the psychological needs of consumers and woven a series of beautiful fairy tales using consumerism, and then they can sell consumers any product and make huge profits.

This article believes that Swarovski's brand image has a positive correlation with the consumption behavior of university students, that is, the higher the brand image, the more consumption behavior of university students. However, due to the limited economic strength of university students, the premise of the above conclusion is that Swarovski still maintains relatively low prices for the public. Consumers should distinguish right from wrong and look at the essence through appearance. At the same time, as a brand, Swarovski should have a reasonable and effective product marketing strategy, but while establishing a brand image, it should also control the quality of its products and let consumers know whether the products they purchase are truly what they need.

## 6. Conclusion

This paper analyzes the influence of Swarovski, a luxury brand image, on the purchase intention of Chinese college students through a questionnaire survey, and draws conclusions — the authors believe that there is a positive correlation between Swarovski's brand image and the consumption behavior of college students, that is, the higher the brand image, the more consumption behavior of college students. However, due to the limited economic strength of college students, the premise of the above conclusion is that Swarovski still maintains a relatively low price for the public. Consumers should distinguish right from wrong and see the essence from the appearance. Consumers should be clear about what they need and know whether the products they buy meet their requirements. At the same time, as a brand, Swarovski should have reasonable and effective product marketing strategies, but while establishing a brand image, it should also control the quality of its products and let consumers know whether the products they buy are what they really need.

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