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A Study on Perceptions of Luxury & Positioning of Indian Traditional Craft in the Luxury Market

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ABSTRACT

This research proposal explores how young and fashion conscious students at the National Institute of Fashion Technology perceive the concept of luxury. It seeks to understand what makes them view a product or a brand as "luxury" whether it is the price, the quality, or the brand's story. The objective is to understand why traditional Indian crafts like Banarasi sarees or Pashmina shawls are not always seen as luxury items in the same way as international brands like Louis Vuitton or Prada. The goal is to see if a product's story can change how these students feel about it and if it can help position valuable Indian crafts as true luxury goods. The researchers surveyed approximately 236 NIFT students from various campuses to gather their opinions. The findings and observations from this studyprovides a valuable look into the minds of future consumers, which would help Indian brands better market their high quality and traditional handcrafted products.

Keywords: luxury, craftsmanship, storytelling, perceptions, Indian crafts, brand positioning, emerging consumers

Introduction

The luxury market in India is expanding as young consumers grow more aspirational to international brands through online shopping, social media, and celebrity influencers. However, people's perceptions of luxury continue to change while many high end Indian products, like Banarasi sarees, Pashmina shawls, traditional loom, or handcrafted leather goods, are not always viewed in the same way, despite involving exceptional craftsmanship, time, and money, while many international brands like Louis Vuitton, Gucci, and Dior, easily qualify as "luxury".

This difference shows that there is a fundamental issue with perception of luxury and positioning of a product or a brand in the minds of consumers. It raises the question of why do some goods automatically become considered luxury while others don't. Even if they are of equivalent or greater value, they are still classified as "ethnic" or "premium craft" only. Storytelling is very essential for any brand of product line, Customer's perceptions of a product are frequently influenced by a compelling story about exclusivity, its heritage, and cultural significance. Brands can create feelings of desire and identity in consumer's minds by using storytelling to raise the value of the product. Even the best craftsmanship might not be recognized as luxury or premium without it.

With this study, the aim is to learn more about how the students who are the upcoming consumer group from NIFT, view luxury. Given their youth, fashion education, knowledge and exposure to both Indian and international markets, their opinions may represent the mindset and thought process of other aspirational buyers in India who will influence future purchasing decisions in the market.

Objectives of the Study

- To study how emerging consumers at NIFT perceive as “luxury”.
- To understand the role of storytelling in positioning high value products as luxury.
- To analyse why traditional Indian crafts are not perceived as luxury despite craftsmanship, time, and price.

Literature review

1. Predicting the Value Based Determinants of Sustainable Luxury Consumption

Authors: Oguzhan Essiz & Aysu Senyuz, (2023) This research examines which consumer value perceptions influence the choises to purchase sustainable luxury products with the motive of filling a gap in understanding what truly influence buyers in this emerging sector. The study highlights that the main personal values of functional quality, emotional satisfaction, uniqueness, suitability of the product for special occasions, and environmental consciousness drive sustainable luxury purchases. Social value was identified to have a marginal effect on purchase intentions. A key finding is the importance of "conspicuous ethical self identity," where consumers want to be recognized as fashionable as well as responsible. Openness to green advertising does also play an important role in shaping choices. Millennials appeared more eco-aware and willing to engage than Gen X with sustainable luxury brands. Overall, findings support the view that much more deep-seated personal motivations are driving sustainable luxury consumption and that brand communication needs to be aligned with different generational values for greater effectiveness.

2. Luxury Redefined: Examining the Impact of Marketing Strategies on Consumer Perception of Premium Brands

Author: Devina Katiyar,(2024)

This paper investigates how marketing strategies impact consumer perceptions of luxury brands in India, with focus on the evolution of values among Gen Z consumers. It also focuses to assess the role of strategic branding, storytelling, and digital engagement in shaping perception, building loyalty, and differentiating premium brands in the Indian market. Outcome shows that for Indian consumers, the definition of luxury is mainly a blend of brand image, superior quality, exclusivity, status, and self-expression.Social media, online ads, and word of mouth are important points that drive awareness and buying decisions.Consumers appreciate uniqueness and the brand story that binds them; however, product quality and perceived value remain the top purchase drivers. All in all, satisfaction with recent purchases of luxury remains at a moderate level, driven by sustainability and ethical concerns along with high price sensitivity. The study underlines the importance of exclusivity, emotional storytelling, and meaningful brand engagement in building loyalty and strengthening the luxury brand image.

3. Measuring Consumers Luxury Value Perception: A Cross Cultural Framework

Authors: Klaus-Peter Wiedmann, Nadine Hennigs, Astrid Siebels, (2007)

This paper studies what "luxury" actually means to consumers by grouping it into four core dimensions- the money aspect related to price and investment value, the functional value about quality and uniqueness, the personal aspect relating to self expression and enjoyment, and social aspects reflecting status and prestige .The aim is to identify people's understanding of luxury brands and how their views varies across cultures. It is proved that the luxury perception of consumers is a combination of all these four values, and their importance and choice varies according to cultural background and consumer segments. This offers a more detailed understanding of the way in which luxury is experienced on a global scale and provides useful guidance for developing strategies that appeal to all consumer expectations..

4. Effect of value perceptions on luxury purchase intentions: an Indian market perspective

Authors: Sheetal Jain & Sita Mishra, (2018)

The purpose of this paper is to outline how various value perceptions-social status, personal satisfaction, and perceived product attributes-influence purchase decisions of luxury fashion in the Indian market, highlighting the rapid growth of the luxury sector in India and the need to understand the psychological drivers that underpin consumer behavior. In particular, it aimed to identify how external values (status display, uniqueness, and social influence) and internal values (hedonic pleasure, quality) impact purchase intentions and whether gender has any role in those relations. Results indicated that status display, hedonic pleasure, and the need for social acceptance explain the motivations underlying luxury consumption in India, while uniqueness and quality have limited effects. Also, no significant changes in these behaviors emerge as a function of gender, which suggests that cultural expectations related to status and belonging strongly guide the ways in which different groups of consumers buy luxury in India.

Research Methodology

This research used a survey method to collect data from all over NIFT campuses. A structured questionnaire was prepared and shared with students. The survey has been chosen because it helps collect responses from a larger group in less time, and it also allows to identify patterns in how students think about luxury, storytelling, and traditional Indian crafts. The questionnaire included mostly closed ended questions to get measurable data, along with a few open ended ones to capture personal opinions and ideas.

Research Design

Since the goal of this study is to understand how emerging consumers perceive luxury and the value of storytelling, a descriptive research design is used. Students at NIFT provided primary data, and secondary data helped in providing a historical perspective for the topic.

Sampling Plan

Assuming that there are around 11000 students aprox. from different departments and campuses enrolled at NIFT in the year 2025, the sample size determined by a sample size calculator with a 85% confidence level and a 5% margin of error with a population proportion of 50% comes to 207 students. Out of which 236 students have responded. Students from various semesters and courses were asked to participate in a convenience sampling method, which made the process more practical and feasible. This made the study flexible but also guaranteed that it receives a varied range of responses and viewpoints of the students/ emerging consumers.

Data Analysis

Google Form questionnaires were used to gather the responses, which helps with proper collection of data and organizing the information. charts and detailed statistics like percentages and averages are generated in excel or SPSS, which are the main factors of the analysis. Further on, observations and conclusions were derived from qualitative responses to identify perception patterns.

Table 1 **Age Group**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below 18	9	3.8	3.8	3.8
	18-21	140	59.3	59.3	63.1
	22-25	70	29.7	29.7	92.8
	25-30	8	3.4	3.4	96.2
	Above 30	9	3.8	3.8	100.0
	Total	236	100.0	100.0	

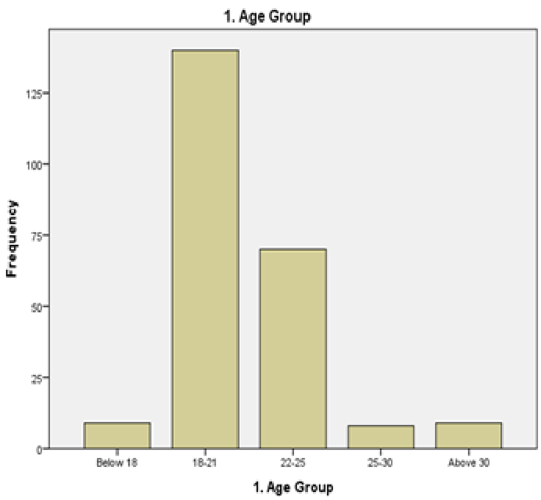

Figure 1. Age wise Demographics

The age distribution shows that the sample is heavily youth dominated, with 18–21 years forming the largest group (59%), followed by 22–25 years (30%), meaning almost 89% of all respondents are under 25. Very few participants belong to the below 18 (4%), 25–30 (3%), or above 30 (4%) categories.Overall, the data indicates that the survey primarily represents young adults.

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	39	16.5	16.5	16.5
	Female	193	81.8	81.8	98.3
	Other	4	1.7	1.7	100.0
	Total	236	100.0	100.0	

Table 2

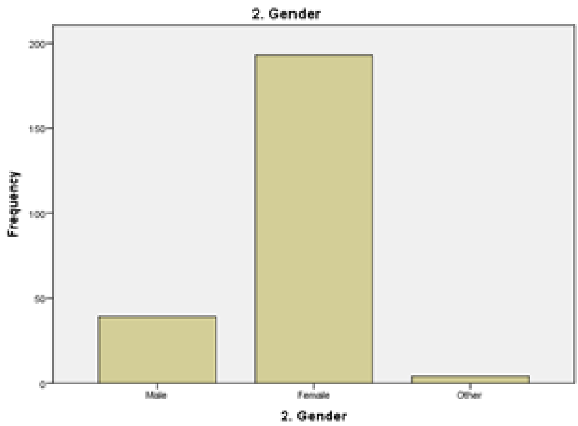

Figure 2. Gender wise demographics

The gender distribution shows that the sample is predominantly female, with 82% (193 respondents) identifying as female. Male respondents make up only 17% (39 respondents), while 2% (4 respondents) identify as 'Other'. Overall, the data indicates a strong female majority, with over 98% of the cumulative responses accounted for by males and females combined

Current course of study

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Fashion Management	55	23.3	23.3	23.3
	Accessory Design	29	12.3	12.3	35.6
	Fashion Technology	21	8.9	8.9	44.5
	Knitwear Design	14	5.9	5.9	50.4
	Leather Design	11	4.7	4.7	55.1
	Textile Design	37	15.7	15.7	70.8
	Fashion Design	38	16.1	16.1	86.9
	Other	31	13.1	13.1	100.0
	Total	236	100.0	100.0	

Table 3

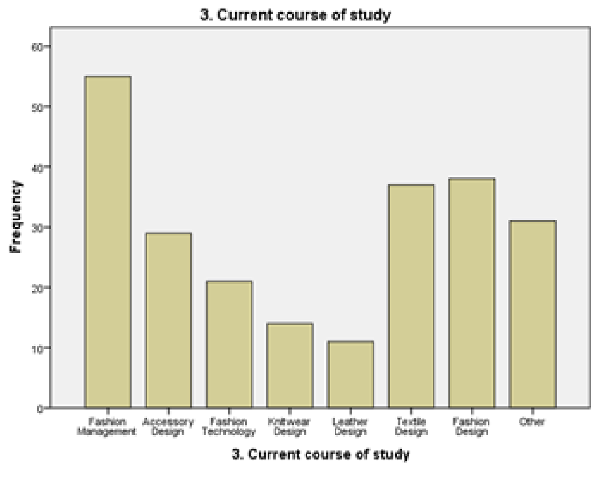

Figure 3. Course wise demographics

The data indicates that the respondents are a blend of design and management background, with the top three largest groups being Fashion Management (23%), Fashion Design (16.1%), and Textile Design (16%).Smaller portions include Accessory Design (12%), Other courses (13%), Fashion Technology

(9%), Knitwear Design (6%), and Leather Design (5%).Overall, the sample represents a diverse set of design disciplines, with management and core design courses making up the majority.

Locality

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Rural	24	10.2	10.2	10.2
	Town	62	26.3	26.3	36.4
	Urban	150	63.6	63.6	100.0
	Total	236	100.0	100.0	

Table 4

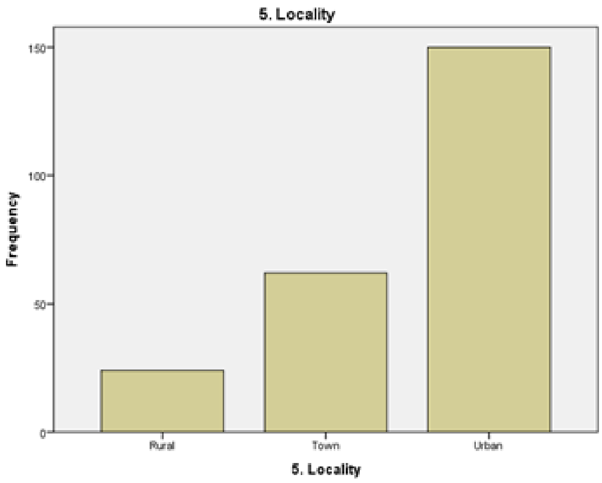

Figure 4. Locality wise demographics

Address wise, the distribution picture reveals that the sample is mainly urban, with 64% (150 respondents) originating from urban areas.26% (62 respondents) are from towns, while only 10% (24 respondents) belong to rural areas.So, the dataset is mainly made up of urban respondents, meaning that the majority of the participants are from either well-developed or metropolitan regions.

Crosstab

Correlation Between Age Group and Perceived Luxury Attributes

		According to you, what makes a brand "Luxury"?					Total
		Popularity	Craftmanship	Celebrity Endorsement	High Pricing	Brand Name	
Age Group	Below 18	0	4	3	1	1	9
	18-21	11	72	10	21	26	140
	22-25	5	35	3	10	17	70
	25-30	1	5	1	1	0	8
	Above 30	2	4	0	2	1	9
Total		19	120	17	35	45	236

Table 5

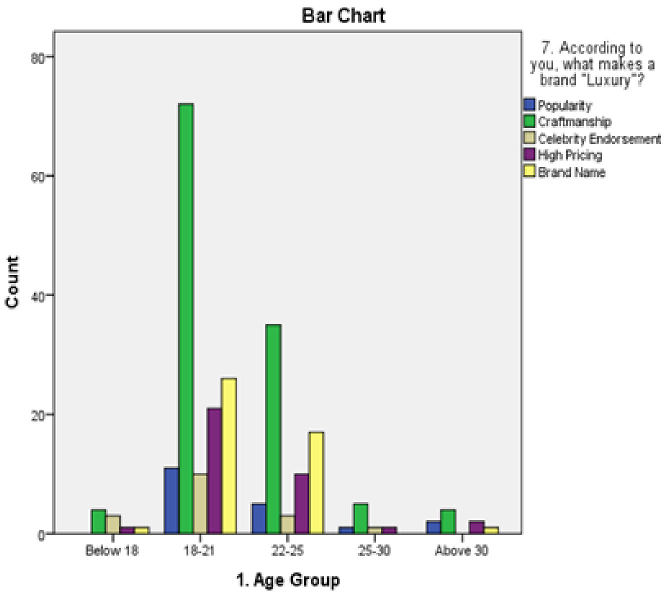

Figure 5.

Across all 236 respondents, Craftsmanship was the most chosen factor that makes a brand “luxury” (120; 51%), followed by Brand Name (45; 19%), High Pricing (35; 15%), Popularity (19; 8%), and Celebrity Endorsement (17; 7%). In every age group, Craftsmanship remained the top choice: Below 18 (4 of 9; 44%), 18–21 (72 of 140; 51%), 22–25 (35 of 70; 50%), 25–30 (5 of 8; 62%), and Above 30 (4 of 9; 44%). Other factors like brand Name and high pricing varied slightly across all groups but they showed no strong specific pattern when it comes to age. The chi-square test ($\chi^2 = 17.543$, $p = 0.351$) shows that these differences are not statistically important. which means age does not highly influence how people define a luxury brand.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	17.543[a]	16	.351
Likelihood Ratio	15.708	16	.474
Linear-by-Linear Association	.354	1	.552
N of Valid Cases	236		

Table 5. 1

Correlation Between Age Group and Brand Preference (Luxury vs. Indian Craft)

		When choosing between an international Luxury brand and an Indian Craft Brand what would you prefer?		Total
		International Luxury Brand	Indian craft brand	
Age Group	Below 18	4	5	9
	18-21	48	92	140
	22-25	25	45	70
	25-30	3	5	8
	Above 30	0	9	9
Total		80	156	236

Table 6

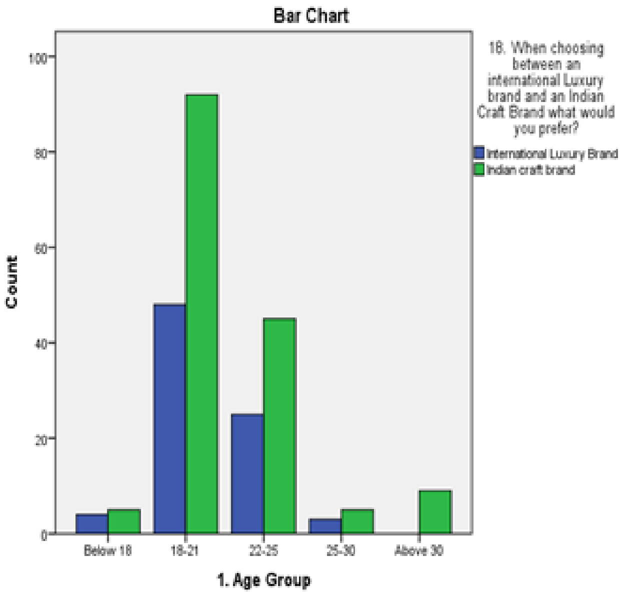

Figure 6

Out of 236 respondents, 156 (66%) showed an inclination towards Indian craft brands while only 80 (34%) were in favor of any luxury brands of international origin. The preference in the 18 group was nearly equal where 4 out of the 9 students (44%) opted for international brands and 5 out of 9 students (56%) for Indian brands. In the 18 to 21 age group, 48 students out of 140 (34%) chose international brands while 92 students out of 140 (66%) went for Indian craft. Correspondingly, in the 22 to 25 age group, 25 students out of 70 (36%) chose international brands as opposed to 45 students out of 70 (64%) who went for Indian craft. In the 25 to 30 age group, 3 students out of 8 (37%) chose international brands and the rest 5 students out of 8 (62%) selected Indian craft brands. Among the respondents above 30, no one chose international luxury brands (0%), whereas all 9 respondents (100%) preferred Indian craft brands. The chi square test ($\chi^2 = 5.221$, $p = 0.265$) indicates that the differences are not significant statistically, thereby pointing out that age is not the factor that directly determines the choices of international

Chi – square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5.221[a]	4	.265
Likelihood Ratio	8.038	4	.090
Linear-by-Linear Association	2.071	1	.150
N of Valid Cases	236		

Table 6. 1

Correlation Between Age Group and Factors Encouraging Purchase of Indian Handcrafted Luxury Fashion

		What would encourage you to buy more Indian Handcrafted Luxury Fashion					Total
		Better Marketing	Stronger Story Telling	Modern Design	Global Recognition	Affordable Pricing	
.Age Group	Below 18	2	2	1	3	1	9
	18-21	32	35	22	20	31	140
	22-25	15	13	12	15	15	70
	25-30	1	2	4	1	0	8
	Above 30	2	1	4	1	1	9
Total		52	53	43	40	48	236

Table 7

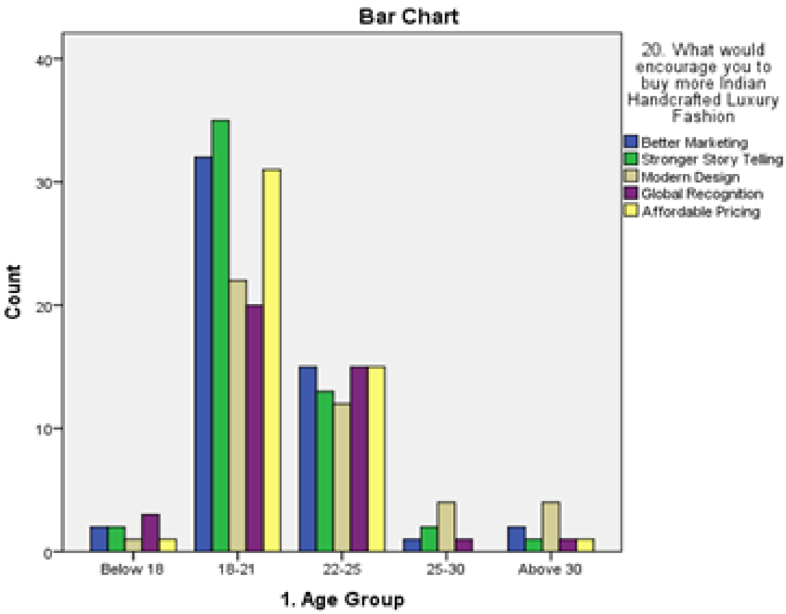

Figure 7

Among all 236 respondents, the most compelling reasons for buying Indian handcrafted luxury fashion were Stronger Storytelling (53; 22%), Better Marketing (52; 22%), Affordable Pricing (48; 20%), followed by Modern Design (43; 18%), and Global Recognition (40; 17%). The graph below indicates that most preferences were spread in all age groups, with the 18–21 group showing the greatest tendency to lean toward Stronger Storytelling (35 of 140; 25%) and Better Marketing (32; 23%). Similarly, in the 22–25-year-old group, there is also a fair distribution, with Better Marketing, Affordable Pricing, and Global Recognition each chosen by 21% of the total respondents. For smaller-sized age groups, the trend differs, although Modern Design was most preferred among those 25–30 and above 30. By applying a chi-square test, $\chi^2 = 16.166$, $p = 0.441$, it can be stated that these differences are not statistically significant, which suggests that age does not provide a significant impact on which factor encourages them to buy more Indian handcrafted luxury fashion.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	16.166[a]	16	.441
Likelihood Ratio	15.457	16	.491
Linear-by-Linear Association	.000	1	.988
N of Valid Cases	236		

Table 7. 1

Correlation between Gender and Views on Brand Storytelling

		Rate your agreement : "A brands story can make it more appealing than just it's product"			Total
		Strongly Agree	Agree	Neutral	
Gender	Male	11	16	12	39
	Female	88	75	30	193
	Other	0	3	1	4
Total		99	94	43	236

Table 8

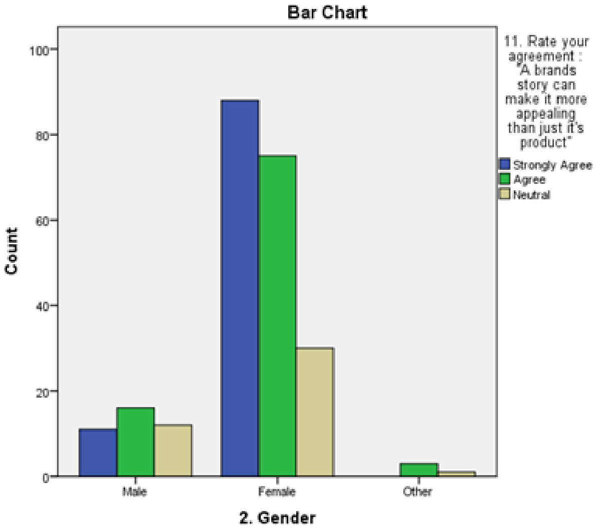

Figure 8

Out of the total 236 respondents, the brand's story was very highly considered as a factor that could make the product more attractive by the majority of the people (99; 42%) in this way: strongly accepted (99; 42%), accepted (94; 40%) and neutral (43; 18%). As for the male group: 11 out of 39 (28%) strongly stated, 16 (41%) agreed and 12 (31%) were neutral. The female group, much larger, expressed opinion as follows: 88 out of 193 (46%) strongly agreed, 75 (40%) agreed and only 30 (15%) remained neutral. The situation was a bit different in the other gender category, where most (3 out of 4; 75%) agreed to the statement and only one remained neutral. Chi-square test shows $\chi^2 = 9.578$, $p = 0.048$, which indicates that there is a statistical significant relationship between gender and that agreement level which means that gender does influence the extent of people's opinions regarding brand storytelling impact. Still, there were 33% of cells with expected counts less than 5, hence results should be taken carefully.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	9.578[a]	4	.048
Likelihood Ratio	10.658	4	.031
Linear-by-Linear Association	3.331	1	.068
N of Valid Cases	236		

Table 8. 1

Correlation Between Gender and Reasons for Not Purchasing High-Priced Indian Handicraft Products

		Why would you not invest in a traditional Indian Handicraft product which costs more than 20k?					Total
		Not popular enough	Less inclusive to western outfits	Does not elevate social status	Price is very high	I would like to invest more than 20k	
Gender	Male	8	11	4	11	5	39
	Female	26	29	7	71	60	193
	Other	0	0	1	3	0	4
Total		34	40	12	85	65	236

Table 9

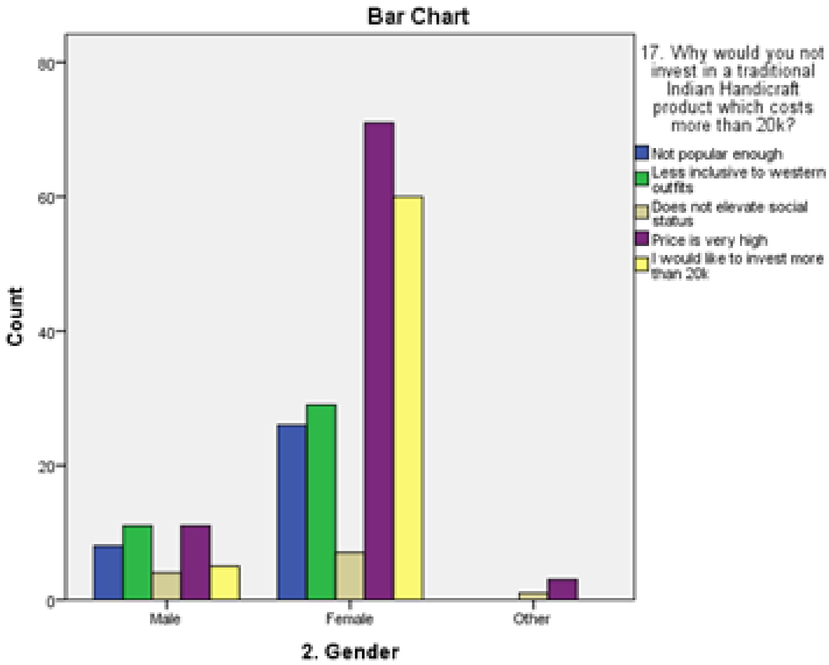

Figure 9

Among all 236 respondents, the highest proportion for not investing more than 20k in a traditional Indian handicraft product was that the price is too high, 85 (36%), followed by actually wanting to invest more than 20k, 65 (27%). Further, reasons include that it is less inclusive with western outfits, 40 (17%); not popular enough, 34 (14%); and not elevating social status, 12 (5%). In the case of males, the most important reasons were: high price, 11 of 39, 28%, and compatibility with a western outfit, 11, 28%, while 5 males, 13%, said they would invest more than 20k. Among females, 71 out of 193, 37%, said the price was high, and 60, 31%, were willing to invest more than 20k. Only a few females chose popularity, 26, 14%, or social status problems, 7, 4%. Under the 'Other' category of gender, most, 3 of 4, 75%, chose high price or social status, 1, 25%. Chi-square: $\chi^2 = 19.127$, $p = 0.014$; hence, there is a significant relationship between gender and reasons for not being able to invest in high-priced handicraft products, which in turn means gender does affect the reasons cited by people as a deterrent to buying high-priced handicrafts. However, because 40% of cells had an expected count below 5, results must be interpreted carefully

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	19.127[a]	8	.014
Likelihood Ratio	19.364	8	.013
Linear-by-Linear Association	8.135	1	.004
N of Valid Cases	236		

Table 9. 1

Correlation Between Gender and Interest Influenced by Celebrity Association

		When you hear about a celebrity connection to a brands story, does it affect your interest?			Total
		Greatly	Slightly	Not at all	
2. Gender	Male	11	20	8	39
	Female	44	110	39	193
	Other	1	2	1	4
Total		56	132	48	236

Table 10

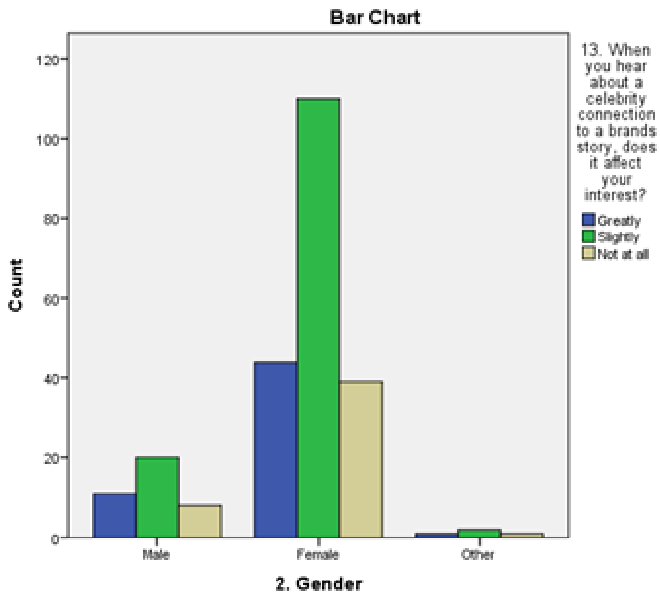

Figure 10

The results showed that most of the 236 respondents reported that a celebrity connection impacts their interest slightly (132; 56%), followed by those stating that it impacts them greatly (56; 24%) and those stating it does not affect them at all (48; 20%). For males, 20 out of 39 (51%) were slightly influenced, while 11 (28%) were greatly influenced and 8 (20%) said it does not affect them. In the case of females, more than half were slightly influenced (110 of 193; 57%), 44 (23%) were greatly influenced, while 39 (20%) were not influenced. For the category 'Other' gender, responses similarly showed slight influence for 2 of 4 (50%). The $\chi^2 = 0.662$, $p = 0.956$ from the chi-square test shows there is no significant statistical relationship between gender and whether or not people consider celebrity connections when it comes to their interests. Thus, gender does not affect this perception. However, 33% of cells had an expected count below 5, so results should be interpreted with caution.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.662[a]	4	.956
Likelihood Ratio	.646	4	.958
Linear-by-Linear Association	.197	1	.657
N of Valid Cases	236		

Table 10. 1

Correlation Between Family Income and Willingness to Spend on Luxury Fashion

		On Average, how much would you be willing to spend on branded Luxury fashion per product? (INR)					Total
		Less than 10,000	10,000 - 20,000	20,000 - 50,000	50,000 - 1,00,000	Above 1,00,000	
Family Income (Annually)	Below 4 LPA	25	15	9	2	0	51
	5 LPA-10 LPA	24	23	20	8	3	78
	11 LPA - 15 LPA	11	16	12	5	0	44
	16 LPA - 25 LPA	10	8	8	6	2	34
	Above 25 LPA	6	11	5	3	4	29
Total		76	73	54	24	9	236

Table 11

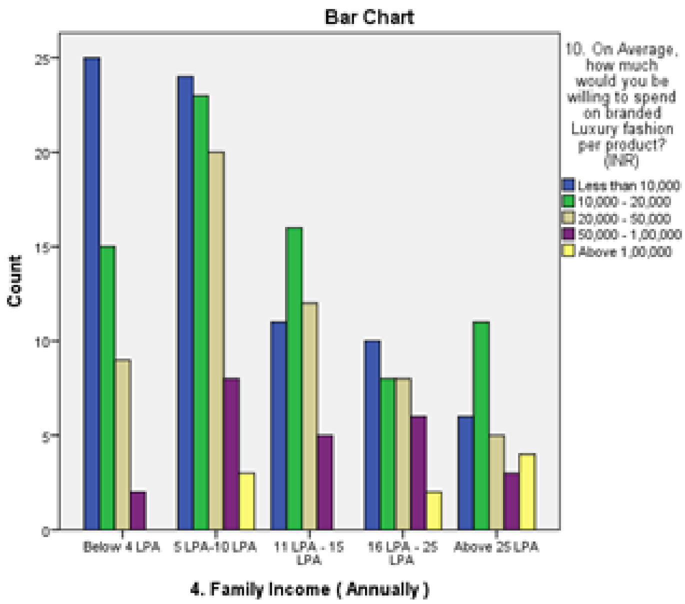

Figure 11

The chi-square test results showed that there is no significant statistical association between annual family income and the amount consumers will spend on luxury fashion. $\chi^2 = 25.20$, $p = 0.066$. People earning below 4 LPA (n=51) had 49% who desired spending below ₹10,000 (25) and 29% ₹10,000–20,000 (15). Similarly, in the category of 5–10 LPA, n=78, 31% preferred to spend below ₹10,000 (24), while 29% chose ₹10,000–20,000 (23). For higher categories of 11–15 LPA, n=44, and 16–25 LPA, n=34, the majority of options were spending below ₹20,000. In the above 25 LPA category, n=29, 59% prefer options below ₹20,000. As $p > 0.05$, income was not a significant determinant in preference for spending on luxury in this sample.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	25.204[a]	16	.066
Likelihood Ratio	25.633	16	.059
Linear-by-Linear Association	10.562	1	.001
N of Valid Cases	236		

Table 11. 1

Correlation Between Family Income and Importance of Brand Name in Defining Luxury

		How important is a brand's name to define it as "Luxury" ?					Total
		Extremely	Very	Not sure	Somewhat	Not at all	
Family Income (Annually)	Below 4 LPA	19	24	5	2	1	51
	5 LPA-10 LPA	21	27	11	18	1	78
	11 LPA - 15 LPA	17	16	2	9	0	44
	16 LPA - 25 LPA	9	14	5	4	2	34
	Above 25 LPA	10	13	3	1	2	29
Total		76	94	26	34	6	236

Table 12

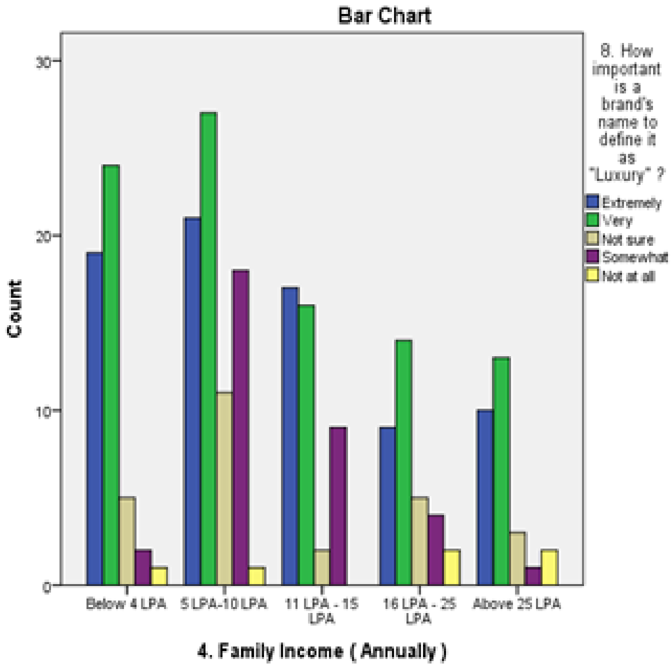

Figure 12

The results indicate that there is no significant relation between family income and the importance given to brand name while defining it as "luxury" (χ^2 = 23.406, p = 0.103). Respondents below 4 LPA (n=51) rated brand name: extremely important by 19 (37%) and very important by 24 (47%). In the 5–10 LPA group (n=78), 21 (27%) chose extremely important and 27 (35%) very important. Similarly, those in the 11–15 LPA (n=44) and 16–25 LPA (n=34) ranges also preferred either of these two top categories most. Finally, 79% of the above-25 LPA respondents (n=29) also favored one of the two topmost categories (10 extremely, 13 very). Therefore, since p > 0.05, people do not significantly differ on the basis of their associating brand name with luxury.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	23.406[a]	16	.103
Likelihood Ratio	25.841	16	.056
Linear-by-Linear Association	.223	1	.637
N of Valid Cases	236		

Table 12. 1

Correlation Between Family Income and Preference for Luxury vs. Indian Craft Brand

		When choosing between an international Luxury brand and an Indian Craft Brand what would you prefer?		Total
		International Luxury Brand	Indian craft brand	
Family Income (Annually)	Below 4 LPA	16	35	51
	5 LPA-10 LPA	20	58	78
	11 LPA - 15 LPA	18	26	44
	16 LPA - 25 LPA	13	21	34
	Above 25 LPA	13	16	29
Total		80	156	236

Table 13

Results have shown that there is no significant relation between family income and preference for international luxury brands over Indian craft brands, $\chi^2 = 5.315$, $p = 0.256$. In all income groups, the majority preferred Indian craft brands. For instance, those below 4 LPA, 69% or 35/51 preferred Indian craft brands; those in the 5–10 LPA group, 74% or 58/78; and those in the 11–15 LPA group, 59% or 26/44 showed the same preference. Even in higher income brackets, the trend continued, with the same preference for Indian craft brands at 62% in the 16–25 LPA group, 21/34, and 55% in the above25 LPA group, 16/29. Since $p > 0.05$, income level does not significantly affect whether consumers prefer international luxury brands or Indian craft brands.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5.315[a]	4	.256
Likelihood Ratio	5.335	4	.255
Linear-by-Linear Association	3.153	1	.076
N of Valid Cases	236		

Table 13. 1

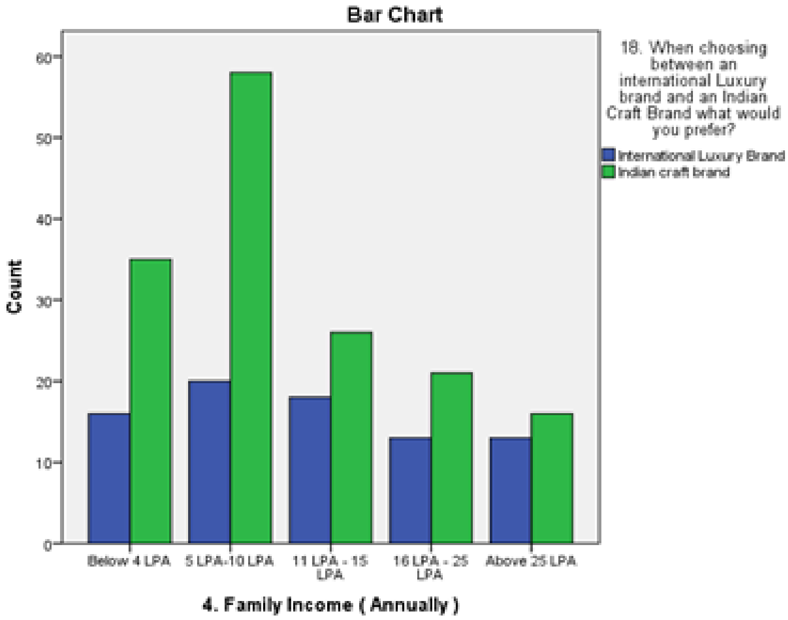

Figure 13

Correlation Between Locality and Luxury Fashion Brand Association

		Which of these brands do you most strongly associate with as "Luxury Fashion"?					Total
		Gucci	Nappa Dori	Sabyasachi	Zara	Chanel	
5. Locality	Rural	10	0	2	6	6	24
	Town	23	0	13	3	23	62
	Urban	44	6	41	12	47	150
Total		77	6	56	21	76	236

Table 14

The results show a significant relation between locality and the luxury brand that respondents most strongly associate with, $\chi^2 = 17.497$, $p = 0.025$. Among the rural respondents (n=24), Gucci was chosen by 42% and Chanel by 25%. For the town respondents (n=62), the preference for Gucci was 37% and Chanel was also 37%, while Sabyasachi was chosen by 21%. Urban respondents (n=150) were more diffused in their responses but still leaned toward Chanel at 31%, followed by Gucci at 29%, and then Sabyasachi at 27%. Since $p < 0.05$, locality plays an important part in shaping which brands consumers associate most strongly with luxury fashion.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	17.497[a]	8	.025
Likelihood Ratio	18.146	8	.020
Linear-by-Linear Association	.172	1	.678
N of Valid Cases	236		

Table 14. 1

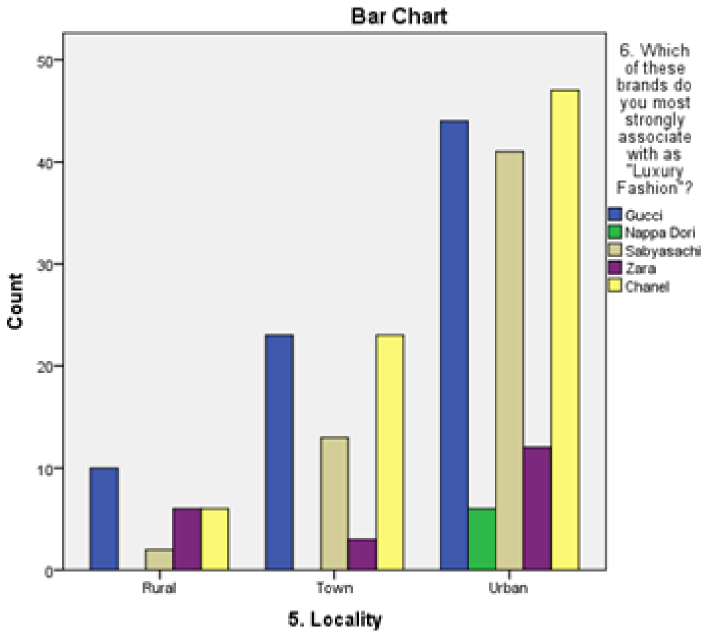

Figure 14

Correlation Between Locality and Visibility of Indian Handcrafted Fashion in Luxury Stores

		How often do you see Handcrafted Indian Fashion items (Block prints, embroidery, Handwoven etc.) in luxury stores?					Total
		Very often	Sometimes	Not sure	Rarely	Never	
Locality	Rural	6	10	1	5	2	24
	Town	15	36	5	6	0	62
	Urban	29	77	17	24	3	150
Total		50	123	23	35	5	236

Table 15

The results do not indicate any significant relationship between locality and the frequency with which respondents see handcrafted Indian fashion in luxury retail outlets ($\chi^2 = 10.478$, $p = 0.233$). Among rural respondents (n=24), 42% report seeing such items sometimes, and 25% report seeing them very often. Among town participants (n=62), 58% also reported seeing such items sometimes, followed by 24% who reported seeing them very often. Similarly, urban respondents (n=150) demonstrated a same pattern, where 51% reported seeing them sometimes and 19% very often. As $p > 0.05$, locality does not significantly impact consumers' frequency of observing handcrafted Indian fashion items in a luxury retail setting.

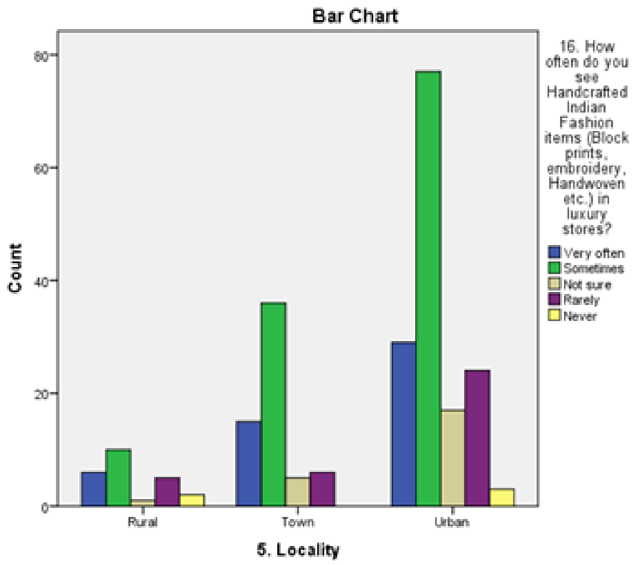

Figure 15

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	10.478[a]	8	.233
Likelihood Ratio	10.212	8	.250
Linear-by-Linear Association	.083	1	.773
N of Valid Cases	236		

Table 15. 1

Correlation Between Locality and Preference for International Luxury vs. Indian Craft Brands

		When choosing between an international Luxury brand and an Indian Craft Brand what would you prefer?		Total
		International Luxury Brand	Indian craft brand	
5. Locality	Rural	8	16	24
	Town	17	45	62
	Urban	55	95	150
Total		80	156	236

Table 16

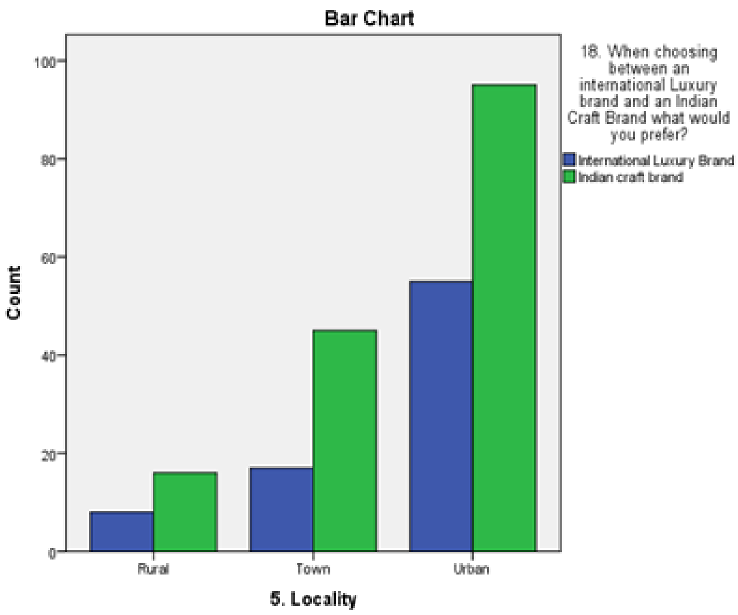

Figure 16

The analysis reveals that there is no significant relation between the area of residence and the choice between international luxury brands and Indian craft brands, $\chi^2 = 1.678$, $p = 0.432$. Among the rural participants, n = 24, there was a 67% (16) preference for Indian craft brands over international brands, which accounted for only 33% (8). In the same way, the respondents from the towns, n = 62, showed that 73% liked more the Indian craft brands (n = 45) while 27% liked more the international ones (n = 17). Urbanites, n = 150, also preferred Indian craft over international, the ratio being 63% (n = 95) to 37% (n = 55). With $p > 0.05$, it can be concluded that the locality does not affect the consumers' choice between international luxury brands and Indian craft brands.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.678[a]	2	.432
Likelihood Ratio	1.713	2	.425
Linear-by-Linear Association	.766	1	.382
N of Valid Cases	236		

Findings

- The study primarily captures the viewpoint of young, fashion aware consumers, as 89% of respondents are below 25 years and a large majority are from urban areas (64%), suggesting that the perceptions reflect aspirational, citycentric youth who are already exposed to fashion and luxury discourse.
- With 82% of the sample identifying as female and most students coming from fashion and design related courses, the dataset reflects a cohort that is both highly engaged with fashion and likely to be opinion leaders or future professionals in the luxury and craft ecosystem.
- Craftsmanship is the single strongest determinant of luxury, chosen by the highest proportion of respondents (51%) over brand name, price, popularity, or celebrity endorsement, indicating that for NIFT students, the "luxury" label is earned through visible skill, quality, and effort rather than only through image or cost.
- Across all income levels, most respondents are willing to spend below ₹20,000 on a branded luxury fashion product, with even the highest income group showing 59% preferring options under ₹20,000, which shows that even aspirational, fashion educated youth operate within a cautious spending threshold and view luxury as something that should feel special but still financially justifiable.
- Majority across income brackets, the majority rate brand name as either "extremely important" or "very important" in defining luxury, with as many as 79% of the highest group selecting these top two categories. This would say that while craftsmanship is at the core, the symbolic power of a strong brand identity remains important in signaling luxury status to peers and society.

- It was observed that, when forced to choose, most of the respondents prefer Indian craft brands over international luxury brands from age, income, and locality groups, with 66% overall choosing to go with Indian craft brands. This therefore shows strong emotional and cultural affinity towards Indian crafts and suggests that the barrier is not a lack of pride but how these crafts are currently positioned and communicated.
- For high-priced traditional handicraft products above ₹20,000, "price is very high" is the most prevalent deterrent at 36%, yet a significant share say they are willing to invest this amount or even more (28%), reflecting a split market where one part is sensitive about the price, and another is willing to pay for Indian crafts as true luxury if the value is clearly communicated.
- The main motivations that would lead to a higher purchase of Indian handcrafted luxury fashion include: stronger storytelling, at 23%, and better marketing at 22%, even over price and design, showing that respondents feel these products already have value but lack compelling narratives and visibility that would justify seeing and paying for them as luxury.
- A vast majority strongly agree/agree-a brand's story makes it more appealing than its product: 42% strongly agree and 40% agree. This confirms that storytelling is not a superficial addon but is a fundamental lens through which these emerging consumers interpret luxury, authenticity, exclusivity, and emotional connection.
- Although respondents say they prefer Indian craft brands, the brands most strongly associated with "luxury fashion" are still global names like Gucci and Chanel. Gucci reaches up to 42%, and Chanel up to 37%, preference in some localities. Sabyasachi is emerging but trailing behind, suggesting that in the mental imagery of luxury, international brands still dominate, and Indian craftbased brands need stronger, consistent branding to occupy that topofmind luxury space.

Limitations

The study has several limitations, including the amount of time available for research. The student's willingness to provide thoughtful answers and the fact that despite having a sample size of more than 200, it is not representative of the large Indian market. These elements could have major influence on the finding's scope and validity. Additionally, the research focused exclusively on NIFT students across various campuses to understand how fashion-conscious and fashion educated individuals perceive luxury, which cannot directly indicate the scenario for the entire youth or emerging consumers of the nation, as this specific group may hold more specialized knowledge and exposure compared to the general population. The use of convenience sampling further limits generalizability, since participants were selected based on accessibility rather than random selection, potentially introducing bias towards those more readily available or inclined to respond. Finally, reliance on selfreported survey data may be affected by social desirability bias, where respondents provide answers they perceive as favorable rather than fully candid views on luxury preferences and spending.

Conclusion

The study concludes that emerging consumers at NIFT understand luxury as a balance between tangible craftsmanship and intangible symbolism, with a clear preference for products where visible skill, quality, and time investment are supported by a strong and credible brand identity. While craftsmanship is selected as the core marker of luxury, students also acknowledge that brand name and image is also important in signalling status and exclusivity, which explains why global brands like Gucci and Chanel still dominate in the market with their mental picture of "luxury fashion" despite their stated preference for Indian craft brands. At the same time, their willingness to choose Indian craft labels over international luxury in direct comparisons, combined with the fact that many are open to paying high prices for traditional handicrafts, shows that the fundamental barrier is not a lack of respect for Indian crafts but a gap in how these products are positioned, narrativised, and integrated into contemporary lifestyles. The findings highlight that young, fashion educated consumers place strong value on storytelling.They explicitly believe that a compelling brand story makes a product more appealing and identify stronger storytelling and better marketing as the primary levers that would encourage them to buy more Indian handcrafted luxury fashion, ahead of even pricing and design. Overall, the research suggests that if Indian craftbased brands can combine their inherent strengths in craftsmanship with consistent, aspirational storytelling, clearer brand identities, and communication that connects heritage to modern, urban ways of dressing, they hold significant potential to be perceived and accepted as true luxury alongside international brands in the eyes of the next generation of Indian consumers.

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