

## CHAPTER 5

### CONCLUSION AND RECOMMENDATION

In this chapter, the researcher draws a conclusion about the findings of the research and gives a further discussion for the hypothesis and research question by interpreting the results. Furthermore, the researcher also gives perception of managerial implication from the findings. It can give a bigger idea about how the result of this research can be used to influence managerial decision for luxury fashion brand companies. Limitations of research are explained and recommendation/ suggestion for future research is given to give concept to do further research.

#### 5.1 Research Findings

**Does country images (cultural assets, fashion equity technological advancement) positively affect luxury brand awareness?**

Based on the researcher's findings, the brand awareness for luxury fashion brand in Jakarta is affected by the fashion equity and technological advancement. The perceptions of fashion equity of a country positively influence luxury brand awareness through the famous fashion brand in a country, fashionable celebrities and also well-known global designer. The technology advancement of the country such as the technical level of the country, industrialization and technology innovation also influences luxury fashion brand awareness. On the other hand, based on the regression results, cultural asset was not proven to affect the luxury fashion brand awareness in Jakarta.

**Does luxury brand awareness positively affects luxury brand perceived quality?**

Based on the researcher's findings, perceived quality by luxury fashion brand is positively affected by brand awareness. It influences the perceived quality through the familiarity of the brands, knowing the principle of the brand and also knows what the brands stand for. According to Aaker (1991), brand awareness is the most important dimension of brand equity. Brand awareness is not only a prerequisite for a brand to be contained in the purchase decision, but it also affects perception and consumer's behavior. Moreover, brand awareness can be a driver for brand loyalty.

**Does luxury brand perceived quality positively affects luxury brand loyalty?**

Based on the researcher's findings, luxury fashion brand loyalty is positively affected by perceived quality. It influences the brand loyalty through the consistency of high quality that given to the consumers compare to another luxury brand. According to Jacoby and Olson (1985), perceived quality is assumed as one of the main role for brand loyalty.

**5.2 Managerial Implications**

- Based on the regression result, fashion equity and technology advancement are positively affect luxury fashion brand awareness. It means that country image has an important role in luxury fashion brand that lead to brand awareness. Based on the data, fashion equity is the biggest role in country image for luxury fashion brand that lead to awareness. Therefore, when it comes to country image, luxury marketers can especially develop the design and create advertising that involve

the richness of fashion equity of country of origin in order to gain awareness. For example, Bottega Veneta or another luxury brand could hold a fashion show with the fashion celebrities from its country of origin as a model. Another marketing communication is by using celebrity endorsement. For example, as we can see from the t-test result that fashion equity in Italy is important; luxury brand such as Bottega Veneta could endorse the products to worldwide Italian celebrities. However, based on t-test, there are the difference between generation X and generation Y in perceiving the country image. When it comes to the country images, generation X is more attracted to the cultural assets, and generation Y is more attracted to the technology advancement, meanwhile the fashion equity is effective for both generations. The results of this study explain that there are differences between generations in the luxury market. Luxury fashion brands should create a different marketing strategy, which contain the design concept development, and communication strategy when they use country image. For generation X consumers of luxury fashion brands, marketers need to promote wealth and exclusive cultural assets of country of origin in order to create brand resonance. For generation Y, emphasizing the advanced innovative technology of the country of a brand will create awareness for them. Marketers of luxury brand can create ads that full of technology and sophisticated to attract the generation Y, meanwhile for generation X the ads can be more traditional that involve a lot of cultural things. Another example is when the staffs explain about the products in the store that customers want to buy, they can emphasize more about the culture heritage or history of the product for people in generation X, meanwhile for

- generation Y, they can explain it more about how the product is being manufactured and the production process, which involved more technology.
- Brand awareness has a positive impact on luxury fashion brand perceived quality based on the regression result. Perceived quality can be gained from the material and the quality of the brand itself. Marketers of luxury fashion brand have to create an image of high quality products through expensive marketing such as an ads at high-end magazine, creative video campaign in front of the physical store and art exhibition at high-end location at Jakarta. From the physical store itself, perceived quality can be achieved through the design store, such as luxurious environment and VIP shopping zone with private room. The hospitality from the staffs is also important, such as provide the drinks while customers are looking around and fashion advice from the brand experts. The limited products of the brands also can enhance perceived quality. For example, Louis Vuitton just launched limited handbag for woman that there are only 10 items in the world to shows the exclusivity in their distribution.
  - Based on the final result, brand perceived quality has a positive impact on luxury fashion brand loyalty. For luxury fashion brand, consumer loyalty is very important because people are not buying luxury brand everyday and competitiveness of the luxury fashion brand is increasing nowadays. In order to get the loyalty from customers, luxury fashion brands have to manage or maintain their effort upon perceived quality. It can be achieved through the deluxe quality from competitors and also the consistency of high quality from the products. Maintaining customer loyalty is also an important factor in luxury fashion brand and can be achieved through the relationship with the customers. For example, informing the

consumers about new collection and invite them to the brand event such as exhibition, fashion show and grand opening can make customers feel special and appreciated.

### **5.3 Limitation of research**

The limitations of research are as follow:

#### **Limited number of respondents**

Due to the time limit and human resources, the researcher had conducted a research by using convenience sampling with a direct screening question to the respondent. Since 2 representative brands are used for the questionnaires, and each brand is distributed evenly to people in the generation X and generation Y, the researcher felt that there should be more respondents involved in this research.

#### **Not represent the luxury fashion brand in general**

Since there are only two representative of luxury fashion brand in this research, the researcher felt this research does not represent the luxury fashion brand in general.

#### **Not represent the consumers in general**

The researcher felt this research does not represent the consumers of luxury fashion brand in general, since the unit of analysis is only people in generation X and generation Y from age 18-54.

## **5.4 Future research recommendation**

The future research recommendations and suggestions based on the researcher's experience are as follow:

### **Expanding geographic area**

Larger number of respondent from another cities would be better to increase the validity for the research. Future research can be conducted in another big cities around Indonesia such as Bandung, Surabaya, Medan, etc. to compare the differences from current research.

### **Covering wider unit of analysis**

Further research can analyze country image-related to consumer behavior based on the gender, nationality, more generational cohorts and other demographic variable to represent the consumers in general.

### **The research can be replicated to other industries**

This model can be used for electronic brands, mobile brands or automotive brands to get information regarding the country image in effecting their brand awareness that lead to brand loyalty. Each industry must be having different customers with different entanglement. Customers that look into electronic brands will have different idea compared with customers who are looking for automotive brands. Hence, understanding the customer's perception for brand awareness, perceived quality and brand loyalty is very important for the company's sustainability.