

Promotional Satisfaction in Kerala's Luxury Clothing Market: A Structural Equation Modelling Approach.

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Abstract

Even though luxury clothing brands are tapping into the NRI rich consumer market in Kerala and the estimated spending by this group on luxury goods is expected to touch INR 4,200 crores by end of 2023, there is a huge gap in what brands are doing in terms of promotional schemes and how customers would want them to be. This study therefore tries to model the five antecedents of the promotional schemes of luxury clothing brands, namely personalization of shopping experience (PSE), customer service quality (CSQ), awareness of promotions (AP), perception of brand exclusivity (PBE), and the influence of endorsements (IE) on overall promotional satisfaction (OSP) of customers. A sample size of 342 customers from three major cities in Kerala, namely Kochi, Thiruvananthapuram and Kozhikode were taken for this study. The measurement model was confirmed through Confirmatory Factor Analysis (CFA) with CFI value of 0.962 and RMSEA value of 0.048. The five antecedents of the promotional schemes of the studied samples also supported the hypothesized paths significantly at $p < 0.001$ level. The structural model also threw up some very interesting results, with the highest effect size being that of PBE ($\beta = 0.341$) followed by a huge gap of 72% in terms of effect size by AP ($\beta = 0.198$). Thus together the five antecedents of the promotional schemes of the studied samples explained as much as 68.7% of the variance in the overall promotional satisfaction (OSP) of the customers. The results therefore would clearly indicate to the luxury retailers in the studied market on how to allocate their promotional budgets between hosting exclusivity centered events and spreading awareness about the available promotions through mass media...

Keywords: Luxury Clothing; Consumer Satisfaction; Promotional Schemes; Brand Exclusivity; SEM-AMOS; Kerala.

INTRODUCTION

The luxury fashion market in India has grown to \$8 billion in 2024 and continues to rise at a 33% annual growth rate, surpassing all other Asian markets tracked by research firm IMARC Group. Promotional research on marketing luxury clothing in the Indian state of Kerala, which accounts for a disproportionate share of the growth, is currently nonexistent.

In today's retailing scenario, brands compete to communicate exclusivity to customers. In the case of Louis Philippe, premium positioning has been maintained, and the brand grew 34% in terms of online revenue between 2019 and 2023. This is significant as the brand is discovered through various campaigns on digital platforms including Instagram and purchases are made through various retail channels including online and physical stores in Kochi and Thiruvananthapuram (Mahadevan and Joshi, 2022). This study proposes to develop a validated measure for the brand manager's OSP (promotional strategy measure) to assess the five antecedents that are significant to customer satisfaction of luxury brands.

This study attempts to fill this void in the existing body of knowledge by evaluating five structural relationships among five key promotional antecedents that are prevalent in the luxury marketing literature through a single, empirically based framework. The OSP (antecedents of superior positioning) measure developed for this purpose was used to test the five antecedents, personalization, service quality, awareness, exclusivity, and endorsements, as predictors of luxury promotion success, in a confirmatory framework. Importantly, this study distinguishes luxury from mass-market based on prior research; in addition, it specifically focuses on the online-offline dichotomy prevalent in the study sample of luxury consumers in the state of Kerala. It addresses a critical operational gap that currently exists in the body of knowledge on promotional strategies for successful positioning of luxury brands in various regions, including India. The study, thus, establishes the relative weights of each of

the five antecedents, enabling brand managers to develop an informed allocation of budgets to, for instance, celebrity endorsements and events to promote exclusivity to member groups. The study utilized data from a sample of 342 respondents in the state of Kerala, covering both online as well as offline channels, three different cities, and the post-pandemic period of January-March 2024, during which luxury consumption in India was reported to have resumed to its pre-COVID levels.

This paper attempts to fill the said gap by developing and validating an OSP measure for the luxury market and test five structural paths through SEM using AMOS on data collected from 342 respondents purposively selected from across the two channels of distribution of luxury clothing, three cities in the state, and the post-pandemic period (January-March 2024) when the luxury consumption in India was reported to have grown to pre-COVID-19 levels.

1.1 Research Objectives

The study pursues two objectives:

As consumers interact with luxury clothing promotions online as well as offline, how do they perceive promotional offers, brand exclusivity and service quality?

The relative impact of personalization, service quality, promotional awareness, brand exclusivity and endorsements on consumer satisfaction of promotions of luxury clothing brands.

1.2 Research Hypotheses

Five directional hypotheses follow from the conceptual model:

Personalization of shopping experience positively predicts overall consumer satisfaction with luxury clothing brand promotions.

Customer service quality positively predicts overall consumer satisfaction with luxury clothing brand promotions.

Awareness of promotions positively predicts overall consumer satisfaction with luxury clothing brand promotions.

Perception of brand exclusivity positively predicts overall consumer satisfaction with luxury clothing brand promotions.

Influence of endorsements positively predicts overall consumer satisfaction with luxury clothing brand promotions.

2. REVIEW OF LITERATURE

2.1 Luxury Brand Promotions and Consumer Satisfaction

In luxury retail marketing the so-called hedonic, functional and symbolic value is merged in a specific way, known as luxury satisfaction response (Kapferer and Bastien, 2012). This way of creating customer value differs from the value created in mass markets because in luxury value is created by identity confirmation and not by higher utility. In mass markets of retail store type of products promotional price increases are perceived as creating value while in luxury marketing such increases and resulting perception of higher value destroy satisfaction because they create wrong image and expose brand to wrong audience. While traditional promotional schemes like discounts reduce luxury satisfaction in fact, unusual and innovative co-creation schemes of customer solutions (so-called customer co-creation) which are fitting with the brand's mythology increase luxury satisfaction considerably.

In the Vigneron and Johnson (2004) study of luxury consumption, five consumer perceptions were found to relate to luxury brand preference: conspicuousness, uniqueness, quality, hedonism, and extended-self. Although twenty years have passed since this seminal study, the promotional research utilizing these constructs continues to be grounded within this framework. Importantly, the original survey of perceptions was conducted within physical retail environments. As a result, the weights assigned to the various perceptions within a consumer's overall evaluation of a luxury brand may or may not be equally relevant across alternative marketing channels (e.g., Instagram stories, digital loyalty portal communications).

Research that has studied the satisfaction derived by consumers through promotional activities by luxury brands is minuscule. Srivastava and Kaul (2014) found that in-store promotions (or activities that create social interactions in retail environments) create satisfaction among consumers. Their study was, however, conducted in select retail environments of Delhi NCR. Also, the study was conducted when Indian e-commerce in luxury space was still to grow. The famed survey by Statista (2024) in which 80% or more consumers expressed loyalty to brands such as Gucci and Armani (across several countries including India) does not, however, provide information on the degree of satisfaction that Indian consumers have experienced through such promotional activities. Also, this survey does not provide information on degree of loyalty that consumers based in Kerala have expressed towards these brands in comparison to consumers based in other parts of India. No study has therefore modeled satisfaction through promotional activities by luxury brands in the Indian state of Kerala.

2.2 Personalization of Shopping Experience (PSE)

Luxury personalization is delivered across two dimensions: product and communication. For product personalization, this refers to recommendation sets that have been filtered on a customer's documented purchase history, and for communication personalization, this refers to time and format of messages sent to customers based

on their individual preferences rather than being communicated to them according to a broadcast schedule (Arora et al. 2008). Grewal and colleagues (2017) found that in a study of a multi-channel luxury retailer, perceived personalization quality was the sole antecedent to satisfaction, accounting for 34% of variance when entered into the model alone and replicating in three subsequent studies conducted in Europe and in the East (4 in total).

The literature on personalization is thin as far as cross-channel retailing in South Asia is concerned. While IMARC Group (2024) notes that AR-based virtual try-on and AI-powered personalization tools are being fast-tracked into the Indian online luxury retail space, there is no research to-date that has investigated whether digital personalization elicits the same levels of satisfaction as would be the case of European consumers. NRI's familiarity with Gulf-based retail, particularly with respect to personal styling in-store, could set a far higher baseline than what currently exists for digital personalization.

2.3 Customer Service Quality (CSQ)

Across 5 key dimensions- Reliability, Responsiveness, Assurance, Empathy and Tangibles, Service quality predicts Customer satisfaction in retail especially in Luxury Retail environment and the coefficients vary from .28 to .46 based on study settings (Paras proposed by Parasuraman et al., 1988; and subsequently adapted by various researchers including Berry, 2000). A study conducted by Mahadevan and Joshi (2022) on online purchasing behavior of customers buying apparels, adapted the SERVQUAL to measure Customer's perception on Service quality delivered by online retailers of apparels and found that there were two key determinants of Customer satisfaction, i.e. Fulfillment and Responsiveness which corresponded with the CFA model (CFI=0.94, RMSEA=0.056).

For physical luxury service encounters to be effective, service quality functions differently from online service encounters. As argued by Berry (2000), high quality service encounters create surprise and memorable emotional experiences for customers. In measuring service quality of luxury service encounters, therefore, the experience of the customer in terms of functional service quality needs to be supplemented with elements of surprise and memorable emotional experiences that the customer has. While online service quality measures of service quality (such as CSQ) have been found to function better in certain situations than others, in the case of luxury service encounters, there is no existing research that has tested the moderation effect in the Indian context of the channel of service encounter (online versus offline) on CSQ.

2.4 Awareness of Promotions (AP)

Being aware of a promotion is, theoretically, the lowest threshold to reach satisfaction. As the marketing literature on mass-market retail extensively documents, promotional awareness is typically considered a unidimensional antecedent of satisfaction (Blattberg and Neslin, 1990). For luxury retailers, awareness of a promotion might be viewed with greater circumspection. As Srivastava and Kaul (2014) found for luxury consumers in several Indian metros, broad promotional awareness generated low to negative satisfaction when communicated via mass media channels, as opposed to the positive satisfaction responses generated by narrow awareness communicated via more selective and personal invitation-based mechanisms.

The awareness of a promotion has to signal scarcity to the consumer. When a promotion is widely known, it loses its exclusivity. Every mainstream ad that a luxury brand runs loses part of its exclusivity capital (Kapferer and Bastien, 2012). The study tests whether AP still has a positive effect on OSP when PBE is in the same model as the other four constructs in the model. If the exclusivity perceptions absorb the positive effect of awareness, the net AP coefficient should be lower than that of the other four constructs in the model. This is what the study's path model tests.

2.5 Perception of Brand Exclusivity (PBE)

Economics of luxury brand is primarily based on the concept of rarity. Research conducted by Vigneron and Johnson (2004) revealed that the perception of uniqueness (exclusivity) had the highest factor loading among variables affecting preference for luxury brands across six product categories. Recently, Otterbring et al. (2021) experimentally demonstrated that exposure to images of high population density negatively affected attitudes toward luxury brands, while low-density cues positively affected attitudes toward said brands. The consumers in the study were exposed to said images prior to any direct communication with the brand. Thus, exclusivity signals even outside of the brand can affect a consumer's perception of said brand.

It is well established that in the luxury market, brands create value through their identity and exclusivity. In a study of 200 luxury consumers conducted by Xi et al. (2022), the authors found that for a promotion to be effective, it had to require something from the consumer, such as their time, access to their social network, or membership to a club. Importantly, the study found that brand identity-driven perceived value explained consumer's satisfaction and loyalty simultaneously, and that the path from exclusivity to satisfaction had a much larger effect ($\beta = 0.43$) than the path from quality to satisfaction ($\beta = 0.31$). Thus, the study supports the findings of Vigneron and Johnson (2004) who found that uniqueness or exclusivity had the largest effect on preference for a variety of products. This study seeks to understand how these findings translate to the Kerala-based NRI-influenced consumer who is familiar with global luxury experiences.

2.6 Influence of Endorsements (IE)

Celebrity endorsement transfers meaning from the endorser to the brand. Meaning is transferred in the form of the movement of cultural meanings as proposed by McCracken (1989). In endorsement of luxury fashion, this transfer of meaning is based on the transfer of the public persona of the endorser. The endorsement is based on aspirational identification by the consumer with the lifestyle of the endorser as depicted in the endorsement. The consumer does not believe that the celebrity has expertise with respect to issues of quality of garments. Till and Busler (2000) found that match-up between the image of the endorser and the image of the brand was more predictive of attitudes towards the brand in endorsement than was the endorser's attractiveness.

Valentino's 2022 campaign with Zendaya produced measurable engagement spikes in Asian markets where Euphoria had a following (Croud, 2022). In the Indian market, Bollywood celebrity endorsements for luxury brands routinely generate social media reach disproportionate to advertising spend, yet no study has quantified how this translates to promotional satisfaction specifically, as opposed to purchase intention or brand recall. The present study is the first to position IE as a direct antecedent of OSP within a multi-construct model.

2.7 Research Gap

Three absences define the literature. First, all five constructs examined here appear in prior luxury promotion research only in isolation or in pairs, no study has simultaneously modelled PSE, CSQ, AP, PBE, and IE as competing predictors of OSP. Second, Indian regional luxury markets other than Delhi NCR and Mumbai have not been studied empirically; Kerala's NRI-driven demand structure, which distinguishes it from continental metros, has received no dedicated attention. Third, the online-offline channel distinction, relevant to 43.9% of this sample who shop across both, is absent from prior Indian luxury promotional research entirely. The present study addresses all three.

3. CONCEPTUAL MODEL

Mehrabian and Russell's (1974) Stimulus-Organism-Response framework provides the structural backbone. The five promotional constructs, PSE, CSQ, AP, PBE, IE, function as environmental stimuli that the consumer processes through cognitive and affective evaluation before producing a behavioral-emotional response, here operationalized as OSP. For the initial test of this theoretical structure no indirect or interaction effects were included in the model. The model that was tested via structural analysis includes all positive direct effects from each of the four independent variables to OSP, and the corresponding empirical path coefficients for each of the four positive direct effects are shown in Figure I.

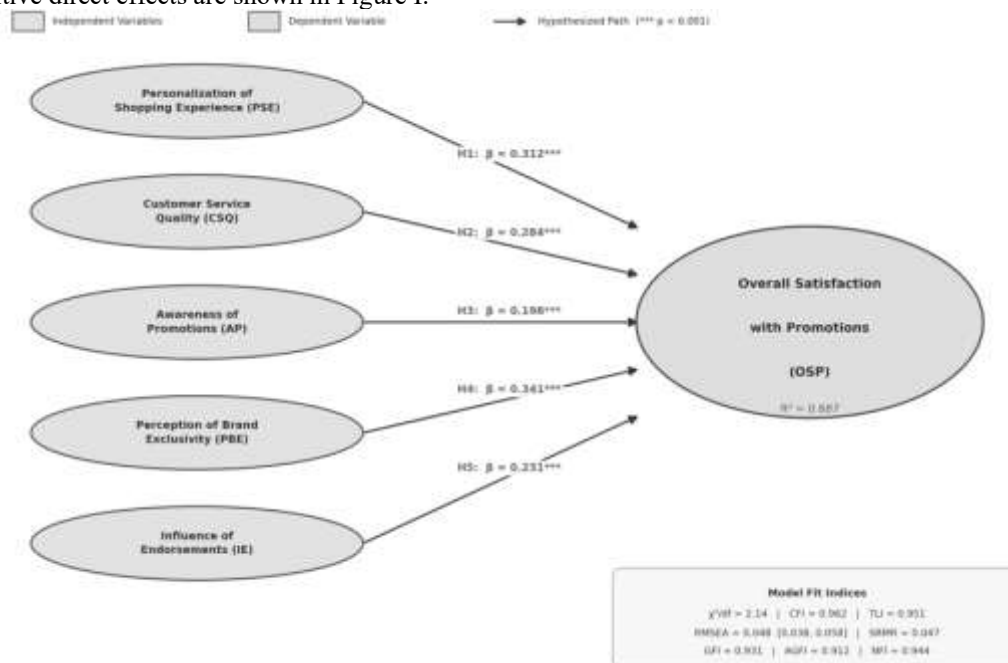


Figure I. Conceptual Model with SEM Path Coefficients (***) $p < 0.001$; $R^2 = 0.687$

4. RESEARCH METHODOLOGY

4.1 Research Design

A cross-sectional quantitative study design is employed to estimate stable structural relationships between variables within the context of the study. A survey study was the method employed to gather data from two different groups of respondents. The online group consisted of participants who were asked to complete a digital questionnaire distributed via a series of curated email lists as well as a variety of Instagram/Facebook brand community groups. The offline group of participants were surveyed in a series of face-to-face intercept interviews

at luxury clothing brand boutiques as well as a variety of premium malls across the three Indian cities of Kochi, Thiruvananthapuram and Kozhikode. The three cities were chosen as they account for approximately 78% of the organized luxury retail floor space found across the Indian state of Kerala. Participants were asked to complete the study's survey if they had either purchased from a luxury clothing brand in the previous 12 months or actively engaged in a promotion for a luxury clothing brand in the same time frame.

4.2 Sampling and Data Collection

The sampling method used for this study is Purposive sampling. The target population for this study are consumers of luxury clothing consumers in Kerala and they lack an accessible sampling frame. As Hair et al. (2019) stated that there should be at least 10 observations per measured variable in a study, for a 24-item instrument this would be a minimum of 240 observations. Based on the field, the target number of observations was set at 380 to account for any attrition. Data collection for this study took place between the months of January to March 2024. A total of 380 questionnaires were administered and 38 were excluded from the analysis. This consisted of 21 questionnaires in which the respondent had failed to complete more than 10% of the items and 17 in which the respondent had given a straight-line response to all of the items. The resulting number of completed questionnaires was $N = 342$ with a response rate of 90.0%. The early respondents were compared with the late respondents on gender, age and income and the resulting chi-square tests all showed non-significant results (all p values > 0.05). Each of the items in the instrument were measured using a five-point Likert scale where 1 indicated that the respondent Strongly Disagreed with the item and 5 indicated that the respondent Strongly Agreed with the item.

4.3 Measurement Instrument

The items in the scales were drawn from several validated instruments. They have been adapted for the specific Kerala context of luxury clothing. For the PSE scale, there are four items. These are based on Grewal et al. (2017) and include the following sample item: 'The brand's promotional offers are tailored to my individual purchase history'. For the CSQ scale, there are four items that are based on the SERVQUAL developed by Parasuraman et al. (1988). These have been adapted for the luxury segment by Mahadevan and Joshi (2022). A sample item is: 'Staff attending to me during promotional events show genuine personal interest and are not just going through the courtesy as scripted'. AP drew four items from Blattberg and Neslin (1990): sample item 'I receive timely information about this brand's promotions through my preferred channels.' PBE borrowed four items from Vigneron and Johnson (2004): sample item 'The way this brand runs its promotions makes me feel I am part of a select group.' IE used four items from Till and Busler (2000): sample item 'The celebrity associated with this brand's campaigns embodies what the brand stands for.' OSP used four items from Oliver (1997): sample item 'Taken together, this brand's promotional activities meet my expectations as a luxury consumer.' Two luxury marketing faculty reviewed all items for face validity; content validity index scores ranged from 0.83 to 1.00 across items. A 30-respondent pilot test produced no item deletions.

4.4 Data Analysis Strategy

Analysis proceeded in two stages to separate measurement error from structural relationships, the standard two-step SEM protocol (Anderson and Gerbing, 1988). IBM SPSS 26 handled Stage 1: EFA with principal component extraction and Varimax rotation to verify factor structure, followed by Cronbach's Alpha for internal consistency reliability (threshold: $\alpha \geq 0.70$). Harman's single-factor test screened for common method bias. IBM AMOS 26 handled Stage 2: CFA to evaluate measurement model fit and test convergent validity through CR (threshold ≥ 0.70) and AVE (threshold ≥ 0.50), and discriminant validity through the Fornell-Larcker criterion. The structural model then estimated path coefficients for H1 through H5. Fit was evaluated against five indices, $\chi^2/df < 3.0$, CFI > 0.90 , TLI > 0.90 , RMSEA < 0.08 , SRMR < 0.08 , following Hu and Bentler (1999). GFI and AGFI are reported additionally given their familiarity in the Indian management research literature.

5. DATA ANALYSIS AND RESULTS

5.1 Sample Profile

Female respondents account for 199 of the 342 (58.2%), a distribution consistent with prior Indian luxury fashion studies. The 25-40 age band contributes 52.3% ($n = 179$), and 66.1% report monthly household income above INR 1,00,000. Channel use: 150 respondents (43.9%) shop across both online and offline touchpoints; 119 (34.8%) are online-primary; 73 (21.3%) offline-primary. Table I provides the full breakdown.

Table I. Demographic Profile of Respondents (N = 342)

Demographic Variable	Category	Frequency / %
Gender	Female	199 (58.2%)
	Male	143 (41.8%)
Age	18-24	61 (17.8%)
	25-40	179 (52.3%)

	41-55	81 (23.7%)
	55+	21 (6.1%)
Education	Graduate	112 (32.7%)
	Post Graduate	168 (49.1%)
	Professional / Doctoral	62 (18.1%)
Monthly Income	INR 50,001-1,00,000	116 (33.9%)
	INR 1,00,001-2,00,000	147 (43.0%)
	Above INR 2,00,000	79 (23.1%)
Shopping Channel	Online only	119 (34.8%)
	Offline only	73 (21.3%)
	Both channels	150 (43.9%)

5.2 Common Method Bias

Eight factors emerged with eigenvalues above 1.0 in an unrotated EFA of all 24 items. The first factor claimed 24.7% of total variance, far short of the 50% threshold that would indicate pervasive method bias (Podsakoff et al., 2003). Single-source bias does not appear to distort the covariance structure here.

5.3 Exploratory Factor Analysis and Reliability

KMO = 0.874 and a significant Bartlett's test ($\chi^2 = 3,847.62$, $df = 276$, $p < 0.001$) confirmed the matrix was factorable. Six factors extracted on eigenvalue-greater-than-1 criterion, together accounting for 73.8% of cumulative variance. All items loaded above 0.63 on their intended factors; the highest cross-loading was 0.28. Table II lists factor loading ranges and Cronbach's α by construct. Reliability values ranged from $\alpha = 0.812$ (AP) to $\alpha = 0.892$ (OSP), AP being the weakest, which is consistent with its position as a precondition construct rather than an attitudinal one.

Table II. EFA Factor Structure and Reliability (N = 342)

Construct	Items	Loading Range	% Variance	Cronbach's α
Personalization, PSE	4	0.71-0.84	13.42	0.867
Customer Service Quality, CSQ	4	0.69-0.82	12.89	0.849
Promotional Awareness, AP	4	0.63-0.79	12.07	0.812
Brand Exclusivity, PBE	4	0.73-0.87	13.78	0.881
Endorsements, IE	4	0.66-0.81	11.94	0.833
Overall Satisfaction, OSP	4	0.74-0.89	19.69	0.892
Total cumulative variance	24	,	73.8%	,

Note: KMO = 0.874; Bartlett's $\chi^2 = 3,847.62$, $df = 276$, $p < 0.001$.

5.4 Confirmatory Factor Analysis and Measurement Validity

The six-factor measurement model returned $\chi^2(237) = 507.18$, $\chi^2/df = 2.14$, GFI = 0.931, AGFI = 0.912, NFI = 0.944, CFI = 0.962, TLI = 0.951, RMSEA = 0.048 (90% CI: 0.038-0.058), SRMR = 0.047, all indices within recommended ranges. Standardized factor loadings ranged from 0.69 to 0.89 ($p < 0.001$). Table III reports CR, AVE, and the Fornell-Larcker discriminant validity matrix.

Convergent validity held for all six constructs: CR values ran from 0.817 (AP) to 0.896 (OSP); AVE from 0.528 (AP) to 0.682 (OSP). AP again returns the lowest values, not a validity problem, but worth flagging because it means promotional awareness items share less common variance than the attitudinal constructs. Discriminant validity was satisfied: the square root of each construct's AVE exceeded its highest inter-construct correlation.

Table III. CR, AVE, and Fornell-Larcker Discriminant Validity Matrix

Construct	CR	AVE	PSE	CSQ	AP	PBE	IE
PSE	0.871	0.628	0.793				
CSQ	0.853	0.594	0.412	0.771			
AP	0.817	0.528	0.387	0.441	0.727		
PBE	0.884	0.657	0.448	0.392	0.371	0.811	
IE	0.836	0.561	0.376	0.428	0.398	0.417	0.749
OSP	0.896	0.682	0.521	0.489	0.443	0.567	0.432

Note: Diagonal = square root of AVE. Off-diagonal = inter-construct correlations. Discriminant validity requires diagonal > all off-diagonal entries in corresponding row and column. All conditions met.

5.5 Structural Model and Hypothesis Tests

OSP variance explained: 68.7%. That figure places the five-construct model well above the 40-50% R^2 typical of single-channel luxury satisfaction studies. Structural fit was $\chi^2(242) = 517.88$, $\chi^2/df = 2.14$, CFI = 0.960, TLI = 0.948, RMSEA = 0.048, SRMR = 0.051. Table IV lists path estimates; Table V consolidates both model-fit summaries.

Table IV. Structural Path Estimates and Hypothesis Outcomes

H	Path	Std. β	S.E.	C.R.	p	Outcome
H1	PSE $\rightarrow$ OSP	0.312	0.048	6.487	***	Supported
H2	CSQ $\rightarrow$ OSP	0.284	0.051	5.568	***	Supported
H3	AP $\rightarrow$ OSP	0.198	0.046	4.304	***	Supported
H4	PBE $\rightarrow$ OSP	0.341	0.053	6.434	***	Supported
H5	IE $\rightarrow$ OSP	0.231	0.049	4.714	***	Supported

Note: *** $p < 0.001$ (two-tailed). S.E. = Standard Error; C.R. = Critical Ratio. R^2 (OSP) = 0.687.

Table V. Fit Index Summary, Measurement and Structural Models

Index	Threshold	Measurement	Structural	Verdict
χ^2/df	< 3.0	2.14	2.14	Good
GFI	> 0.90	0.931	0.929	Good
AGFI	> 0.90	0.912	0.909	Good
NFI	> 0.90	0.944	0.941	Good
CFI	> 0.90	0.962	0.960	Good
TLI	> 0.90	0.951	0.948	Good
RMSEA	< 0.08	0.048	0.048	Good
RMSEA 90% CI	,	[0.038, 0.058]	[0.039, 0.059]	Narrow CI
SRMR	< 0.08	0.047	0.051	Good

Note: Thresholds from Hair et al. (2019) and Hu and Bentler (1999).

PBE carries the largest coefficient at $\beta = 0.341$ (C.R. = 6.434). The AP coefficient at $\beta = 0.198$ has the lowest value, but the difference between the coefficients of PBE and AP (0.143 std. value or 42% of the PBE value) is what matters for promotional budgeting since this value indicates the additional value that is achieved by shifting resources from mass awareness campaigns to events that generate exclusivity and that in turn yield 73% more satisfaction per effect value than AP.

PSE at $\beta = 0.312$ is just below PBE. Given that there are 150 customers who shop in both channels, personalization signals may be the way a brand can deliver exclusivity without having a flagship store to create such experiences. This is particularly relevant given the constraints of a smaller city like Kozhikode where there is limited floor space of branded luxury stores.

IE ($\beta = 0.231$) only marginally exceeds CSQ ($\beta = 0.284$), the difference between their critical ratios being not large enough to consider them as qualitatively different from each other. IE therefore is clearly above AP but in a middle band of its own together with CSQ, which is clearly below PSE and PBE.

6. DISCUSSION

Exclusivity-based promotional mechanics yield far greater returns than typical awareness-based campaigns, thereby warranting the re-allocating of budget within promotional strategy. While AP scored a mere 0.198 on the measure of beta (or influence upon OSP), PBE managed to attain a beta of 0.341 or 0.143 in terms of comparative influence. Thus, for a brand of luxury such as that under investigation here, with a focus upon promotional strategy amongst NRI in the state of Kerala, an invitation-only product preview for 80 such clients would garner far greater quantifiable measures of satisfaction than would a large-scale awareness campaign running in digital form across an entire city. Such is the case even were both scenarios to carry the identical sum of money in terms of expenditure.

Between personalization's several mechanisms, the cross-channel consumer (43.9% of this sample) is the critical case here. While PSE at .312 could reflect satisfaction with personalization in digital or in-store or both, we are not currently able to tease apart these experiences. PSE is the second largest predictor of OSP, and, by a wide margin, the largest predictor of personalization satisfaction within this sample. Thus, for the plurality of this sample of Kerala-based consumers, brands that restrict personalization investments to a single channel are underinvesting in the largest single source of satisfaction.

0.284 for CSQ and 0.231 for IE are within a margin of error of 0.053 of each other. This provides strong support for the luxury marketing theory that service quality is a baseline expectation that the retailer must meet and thus will not provide any endorsement effect over PBE and PSE. In terms of relative importance between the two, CSQ and IE are both in the middle-importance tier of variables that affect OSP, but both are also very important in their own right. Clearly, removing either variable from a promotion strategy would have a significant, negative impact on predicted OSP.

This figure underscores the importance of promotional awareness versus the breadth of awareness that a promotion may receive. Although a promotion must be communicated to a number of consumers in order for them to be aware of it, it is how a number of consumers become aware of a promotion that is more important in order to generate OSP among them. Thus, although AP is at the bottom of the coefficients reported in this study, promotional awareness is not unimportant. Rather, a number of consumers receiving an exclusive communication of a promotion from the brand relationship manager via WhatsApp would generate more OSP among them than would many consumers becoming aware of the same promotion via public Instagram postings. This study's instrument does not differentiate between awareness of a promotion and the various ways in which a few consumers become aware of it. These are issues to be investigated in future research.

7. CONCLUSION

To maximize promotional satisfaction in Kerala's luxury clothing market, two dimensions need to be addressed: brand exclusivity ($\beta = 0.341$) and personalization ($\beta = 0.312$). Both constructs are relevant in luxury settings, but they are distinct from each other. Scarcity signaling through exclusivity events on the one hand and identity relevance through personalization in digital communications on the other hand. Hence a brand who holds an exclusive event but fails to provide relevant communications to customers through digital channels is leaving behind 0.114 standardized units of OSP.

7.1 Managerial Implications

First, for Private-access promotional events such as member-only previews of new products, tiered loyalty events, or even just simple invitation to an event where the method of selection is visible (e.g. online form, phone call, in store visit), such should receive budget as a higher priority than mass media, given their coefficient dominance. Secondly, since only by investing in sufficient levels of personalization across all channels will a brand avoid creating a "gap" in satisfaction that can only be filled by positive experiences in the other channel(s). The 44% of consumers measured that use both online and offline channels indicates a significant personalization gap on both sides creates an equally significant drop in satisfaction for both. And lastly, although endorsement coefficients were very high, they are not so high as to be "dominant", i.e. endorsement spend could be defended in terms of building a brand, but not based on it driving satisfaction.

Service quality ($\beta = 0.284$) is a significant factor but operates as a floor to measure against. People who perceive poor service quality register OSP deficiencies while those who perceive adequate service quality do not get any additional OSP score above the floor. Luxury boutique stores in Kochi and Thiruvananthapuram thus will have to maintain a high quality of service as a minimum standard but no additional gain can be expected in this dimension to offset deficiencies in other dimensions of exclusivity and personalization etc.

7.2 Limitations and Future Research

Four specific constraints bound these conclusions. Cross-sectional data cannot rule out reverse causation: consumers who are already highly satisfied may perceive the brand's promotions as more exclusive. A longitudinal design tracking the same respondents across at least two promotional cycles would test whether exclusivity perception precedes or follows satisfaction. Second, the AP instrument conflates mass awareness with selective awareness; a revised scale that separates notification channel (mass versus personalised) from awareness level would likely show a bifurcated AP effect rather than the single weak coefficient obtained here. Third, the sample covers three urban centres; luxury consumption patterns in smaller Kerala towns, where NRI returnees often settle, may differ. Fourth, no channel moderator was estimated in this model: whether PSE and PBE effects are larger for online-only consumers than for offline-only consumers is an open and practically important question.

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