

Does buying a luxury brand online or from a discount outlet cast a shadow over its' luxuriousness?

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Abstract

Luxury goods are now distributed across many channels. Some channels, such as discount or online environments, are less coherent with the overall perception of luxury goods as conveyed through their official brick-and-mortar (B&M) stores. This paper draws on surveys of 817 buyers of luxury brand leather goods and compares US consumers' perceptions of five luxury brands (Gucci, Louis Vuitton, Chanel, Salvatore Ferragamo and YSL) after buying from official brand retailers versus discount outlets in both B&M and online channels. We find that buying a luxury brand from an online official channel has no significant effect on consumer perceptions, but buying from a discount outlet, whether online or B&M did lead to lower perceptions of luxuriousness in several specific areas, particularly perceptions

of class and status. This has implications about whether or how luxury brands distribute via discount outlets.

Keywords: luxury, distribution, e-commerce, retailing, consumer perceptions